

City of Anna, Texas
Annual Budget
Fiscal Year 2018-2019



THE CITY OF
Anna

The City of Anna
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City of Anna

Fiscal Year 2018-2019

Budget Cover Page

This budget will raise more revenue from property taxes than last year's budget by an amount of \$1,218,464, which is a 22.66 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$686,940.

The members of the governing body voted on the budget as follows:

FOR: Mayor Nate Pike, Kevin Toten, Alonzo Tutson, John Beazley, Chris Reeves, Nathan Bryan, Lee Miller

AGAINST:

PRESENT and not voting:

ABSENT:

Property Tax Rate Comparison

	2018-2019	2017-2018
Property Tax Rate:	\$0.591288/100	\$0.601288/100
Effective Tax Rate:	\$0.536478/100	\$0.550525/100
Effective Maintenance & Operations Tax Rate:	\$0.427266/100	\$0.443399/100
Rollback Tax Rate:	\$0.624613/100	\$0.601288/100
Debt Rate:	\$0.163166/100	\$0.122418/100

Total amount of municipal debt obligations for City of Anna: \$56,213,750

- \$33,728,000 is directly secured by property taxes through the I&S rate
- \$16,552,000 is secured by a tax pledge and is supported by the I&S rate and water & sewer revenues.
- \$5,933,750 in revenue and contractual debt obligations to the Greater Texoma Utility Authorization is also secured by water & sewer revenues

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August 14, 2018

Honorable Mayor and Council Members:

In accordance with the City Charter and the laws of the state of Texas governing home rule cities, please accept this letter as my budget transmittal and executive summary of the draft fiscal year 2018-19 budget. The Annual Budget is the most important document that is adopted by the City Council each year. In developing this document, a significant amount of time is devoted by City Council Members and City Staff. An Annual Budget is developed through an extensive process of reviewing requests received from various City departments then prioritizing those requests in a manner that utilizes resources effectively, within fiscal constraints, while working to achieve the City's strategic goals.

STRATEGIC GOALS

As part of the Strategic Plan, the City Council has identified seven (7) strategic goals that help frame the City's operational work plans. The Strategic Plan is a working document that provides guidance to City Staff when making budgetary and operational decisions.

Fiscal Year 2019 Strategic Goals	
Goal 1	Pursue Targeted Economic Development
Goal 2	Improve the Curb/Aesthetic Appeal of our Community
Goal 3	Diversify Housing & Neighborhood Options
Goal 4	Promote Our Community Identity
Goal 5	Encourage Inter-local Cooperation
Goal 6	Upgrade City Facilities and Infrastructure
Goal 7	Build Transportation Infrastructure

VALUE OF TAXABLE PROPERTY AND GROWTH

The City continues to see healthy increases in the value of existing property. Based on the certified taxable assessed value for the 2018 tax year, it is estimated that existing property values have increased by approximately 12% and \$116,176,921 was added to the tax roll.

We remain cautiously optimistic that we will experience modest, but slowing, appreciation in the value of existing properties and that additional value will be added to the tax roll as a result of new construction in the near term. New value added to the tax role will continue to be primarily from residential growth; however, commercial developments currently under construction off of FM 455 (White St.) are making a substantial contribution to the growth of our commercial tax base as well.

The growth in taxable value of real property corresponds to a significant increase in residential growth and population over the past few years.

According to the most recent population estimates published by the North Central Texas Council of Governments, the City of Anna population is approximately 14,000.

We anticipate steady 7 to 10 percent growth over the next few years as the inventory of available lots increases. There are currently 1,170 residential lots under construction and another 2,594 in the planning phase or under design. The City has forecasted the construction of approximately 300 new single-family homes during the 2019 fiscal year.

TAX RATE

For the 2017-18 fiscal year budget, the City Council reduced the tax rate to \$0.601288 cents per \$100 of taxable assessed valuation marking the fourth straight year of reducing the tax rate. The proposed 2018-19 budget is funded with a property tax rate of \$0.591288 cents per \$100 of taxable assessed valuation. When compared with other cities in our area, the City of Anna still has one of lowest per-capita property tax levies.

The total tax rate is divided between General Fund maintenance and operations and the Debt Service Fund. Of the total tax rate, \$0.428122 cents will be dedicated to the General Fund maintenance and operations, and \$0.163166 cents will be dedicated to general obligation debt service. The portion of the tax rate dedicated to debt service will be about 27.6% of the overall City tax rate.

The average taxable single-family home value for the 2018 tax year is approximately \$204,258, an increase of \$23,258 from the previous year. At the proposed tax rate of \$0.591288 the municipal taxes paid on the average single-family home will be \$1,208.

EMPLOYEE PAY AND BENEFITS

In September of 2016, the City updated its pay classification plan based on a comparison of similar positions in this market area. Since then, a number of cities in our market area have also adjusted their pay plans. This has resulted in significant market pressure and increased

competition to hire and retain qualified employees. In response to this market pressure, the proposed budget includes funding of a merit increase, and a contingency allocation for pay plan adjustments after a thorough market analysis has been completed.

The City currently pays for health insurance for all City employees through a plan provided by the Texas Municipal League Intergovernmental Employee Benefit Pool (TMLIEBP). The fiscal year 2018-19 budget includes a 7% increase in the cost of health benefits provided to full-time employees.

STAFFING LEVELS

The City currently supports a staff of 79.5 full-time equivalent (FTE) employees allocated among various operating departments. The budget recommends the addition of twelve (12) new full-time positions. Staffing levels have been increased to maintain quality service delivery as our population and demand for services continues to grow.

FLEET REPLACEMENT AND MAINTENANCE

In order to improve the City's ability to budget for future fleet replacements, the proposed budget includes continued funding for an open-end or equity lease agreement with Enterprise Fleet Management for vehicle replacement and maintenance services. This will allow the City to replace vehicles in a more-timely manner which reduces maintenance and fuel costs and allows the City to receive a larger amount of equity out of the sale of the vehicles. With this program, all maintenance costs will be fixed for non-emergency vehicles. Supervisors will also have access to a dashboard to track fuel costs per vehicle and receive maintenance alerts to ensure needed work is completed.

GENERAL FUND

The General Fund is the City's main operating

fund, which is used to account for all financial resources except those required to be reported in another fund. The General Fund receives revenues from property taxes, permits, franchise taxes, sales tax, fines, fees for services, interest income, and several other miscellaneous general revenue sources. This fund finances the operations of the Administration, City Council, City Manager, City Secretary, City Attorney, Finance, Development, EMS, Fire, Animal Control, Police, Municipal Court, Parks, and Street departments.

For the 2018-19 fiscal year, General Fund revenues are expected to total \$8,369,061 which is an increase of approximately 5.5% over the previous year's revised budget. The two largest revenue sources in the General Fund are property tax and sales tax. Property tax revenue to the General Fund is anticipated at \$4,774,602 (an increase of 11.8%), and sales tax revenue is projected at \$1,612,500. The growth of this fund is largely the result of continuing residential and commercial development and population growth in Anna.

General Fund operating expenditures for the 2018-19 fiscal year are budgeted at \$8,369,061 reflecting a -.1.93% decrease over the previous year's budget.

Streets and Transportation Infrastructure

In November of 2017 a ballot proposition to reallocate a portion of the local option sales tax to the General Fund was approved. As a result, the portion of the sales tax revenue allocated to the General Fund increased from 1% to 1.25%. This reallocation was effective in April 2017. The revenue generated in FY 2019 by the additional 0.25% sales tax allocation is estimated at \$300,000. In FY 2018, the City issued \$4.16 million of bonds to fund street projects. The revenue from the sales tax reallocation will be used to off-set the bond payments.

Municipal Facilities

For the past several years, the City of Anna has been studying alternatives for the construction of new buildings and facilities as we continue to grow.

In FY 2018, the City issued bonds to fund the construction of a Municipal Complex. Due to the bond issuance, the property tax rate reflects a shift of \$.04 from the Maintenance and Operations (M&O) portion of the tax rate to the Interest and Sinking (I&S) portion of the tax rate for the bond payments for the new facilities. Sales tax revenues generated from the opening of a new retail center at the NE corner of FM 455 and US 75 will be used to help off-set the shift in the tax rate. The Municipal Complex will include a new City Hall and Police Station and a new stand-alone Fire Station.

Organization and Personnel

In order to maintain quality service delivery as our population continues to grow, the General Fund budget proposes the addition ten (9) new positions:

- A Payroll Specialist position will be added to the Finance Department to allow needed separation of duties between human resources and payroll and to keep up with the growing number of City employees.
- Two Police Officers and a Sergeant positions will be added to the Police Department to add additional patrol to City streets and to provide supervision to the Criminal Investigations Division and Support Services Division.
- A Civilian Support Position will be added to the Police Department to help alleviate some of the administrative duties of CID personnel and to allow them more time on investigations.
- Two Firefighter positions will be added to Fire Department in order to provide adequate staffing to respond to citizen needs as the City continues to grow.
- A GIS employee will be added to the Planning and Development Department in order to

develop a refined GIS presence for day to day operations, research, and mapping.

- A Streets Maintenance Worker II will be added to the Streets Department in order to assist with the growing needs for street maintenance projects.

In addition, the Receptionist position will be reclassified as Administrative Assistant/Records Clerk to reflect increasing responsibilities of this position.

DEBT SERVICE FUND

The Debt Service Fund (sometimes referred to as the Interest and Sinking or I&S Fund) is a special fund established to account for the accumulation and expenditure of resources for payment of principal and interest on tax supported bond debt. Bonded debt includes general obligation bonds, certificates of obligations and combination tax and revenue certificates of obligation. The principal source of revenue is assessed property taxes as established by ordinance.

The City of Anna currently holds just over \$50.2 million in outstanding tax supported debt, \$16.5 million of that amount was issued for water and sewer infrastructure projects and can be payable from water and sewer revenues; however, to obtain more favorable financing terms, the debt has a tax pledge. The balance of tax supported debt, just under \$34 million, was issued for general fund purposes.

In April 2018, the City issued approximately \$31 million to acquire and construct a new Municipal Complex and to improve streets.

In March of 2017, the Fitch Ratings upgraded the City of Anna bond rating from “A” to “AA-” citing “the city’s exceptionally strong financial operations, solid expenditure flexibility and strong revenue growth prospects, as well as the city’s substantial independent ability to raise revenues.” In October 2017, Moody’s Investor Service upgraded the City of Anna bond rating from A1 to Aa3 citing “the City’s strong operating performance, affordable debt and pension profile.”

The total debt service on tax secured debt for FY 2019 is \$2,043,917. The I&S revenue is budgeted at \$1,827,909. This is due to a planned draw on funds remaining in the Debt Service Fund at the end of FY 2018. This increase in debt service obligations is due to the issuance of the bonds for the Municipal Complex and streets projects.

In order to keep the Debt Service tax rate stable, the City of Anna and First Southwest, our financial advisor developed a series of planned refundings of existing debt. This plan was based upon very conservative assumptions in growth of the property tax base and interest rates. Additionally, the refundings were scheduled to coincide with interest rate resets and, where possible, refunding bonds that were callable and were advance refunded. By doing this, the plan minimized the present value cost to the City.

UTILITY FUND

The Utility Fund (sometimes referred to as the Water & Sewer Fund) is an enterprise fund that accounts for the water, sewer and solid waste services that are provided to city residents and customers located outside the city limits. All activities to maintain these services are accounted for in this fund, including operations, maintenance, billing and collections, administration, financing, and related debt service. The Water & Sewer Fund includes the Administration, Water, Sewer, Solid Waste, and Utility Billing Departments.

The Water & Sewer Fund’s principle source of revenues are charges to customers for water consumption, wastewater collection, refuse collection, and fees related to providing consumers with new water and wastewater services. Total fund revenues for FY 2018-19 are estimated at \$9,235,702 (a decrease of -.32%). This decrease in revenues is due to the removal of the transfer from the Debt Service Fund. These funds will now remain in the Debt Service Fund for debt payments due to the issuance of the bonds for the Municipal Complex. Total expenditures are budgeted at \$9,235,702 (a decrease of -5.74%). This is in

turn is due to a reduction in the transfer out line.

Organization and Personnel

In order to maintain quality service delivery as our population continues to grow, the Utility Fund budget proposes the addition three (3) new positions:

- A Right-Of-Way Inspector will be added to the Administrative Department to manage public right-of-way activities by franchise utilities.
- An Work Order Services Technician will be added to the Water Department in order to provide quicker response with service orders and assist with the growing work load as the City continues to grow.
- A Wastewater Crew Leader will be added to the Sewer Department to lead a crew over maintenance in the collections system.

Automated Meter Infrastructure (AMI)

The 2016-2017 budget included funding for the fully automated meter infrastructure (AMI) program. The new AMI system replaced all existing meters with smart meters that have improved accuracy, increased efficiency, and offered better service to our utility customers. The AMI customer funding for the annual cost of the portal (\$1.50 per year per meter) is included in the proposed budget. The customer web portal provides customers with the option to view real time consumption data and set up customer driven consumption updates and alerts. This system will provide water customers more information and greater control over their water usage.

Debt Management

Currently the Utility Fund holds just under \$22.4 million in outstanding debt. The City has worked closely with our financial advisors, First Southwest, to develop a sound debt management plan for the Utility Fund.

In order to appropriately manage the Utility Fund debt, the City and First Southwest developed a plan to take advantage of call dates and pursue advance refundings of the City's outstanding Utility Fund debt. The refundings that occurred in FY 2018 allowed the debt to be in line with the City's financial plan and maintain annual debt payments at or below \$2 million.

Every effort has been made to minimize the present value costs to the City. The current plan makes very conservative assumptions regarding interest rates and was reviewed and analyzed and every effort has been made to minimize the present value costs to the City. In addition, the current plan was also reviewed and analyzed in conjunction with a utility rate study to evaluate the current water and sewer rates.

Regional Water Charges

The City of Anna along with the cities of Melissa, Van Alstyne, and Howe belong to a strategic alliance called the Collin Grayson Municipal Alliance (CGMA). The alliance (CGMA) purchases treated surface water from the North Texas Municipal Water District (NTMWD) through a contract with the Greater Texoma Utility Authority (GTUA). The CMGA purchases a minimum take or pay (MT/P) allocation of water through GTUA from NTMWD. Currently each city is responsible for percentage of the total MT/P amount that corresponds to the total amount of water each city uses.

This treated surface water supplements the City's water supply especially during the summer months when water consumption is highest. As our population grows and demand for water increases, we are using more and more treated surface water to supplement our well water. As we have forecasted consumption and production of our wells, we anticipate that that we will again exceed the MT/P allocation for treated surface water in FY 2019. When this happens, the MT/P amount will reset at the new consumption level, and City of Anna will be responsible for the cost of all the water we consume above the current

MT/P amount. The increase in consumption coupled with an increase in the price of water supplied from NTMWD has resulted in a 24.7% increase in the budgeted cost for treated surface water.

Regional Wastewater Charges

The City operates its existing wastewater treatment plant just under its permitted capacity of 0.5 million gallons per day. Flows in excess of the plant's capacity are diverted into the North Texas Municipal Water District (NTMWD) regional wastewater system using the Slayter Creek Wastewater Interceptor (SCWI) which was completed in 2014. Additionally, flows from newly developed areas in the southeast portion of the City are diverted into the NTMWD system using the Clement Creek Trunk Sewer, which was constructed in 2015. Wastewater flowing into the NTMWD system through these basin collection systems will increase as the City continues to develop.

Since becoming operational, the SCWI and Clement Creek systems have been used to provide wastewater capacity for new developments. The systems, at first, were used intermittently, but are now in constant use as the basins continue to develop. Additionally, the systems are used to provide relief to the wastewater treatment plant during storm events. During heavy and extended rainfall, storm water can penetrate older or deficient portions of the sewer system increasing the amount of water flowing to the plant. The penetration of storm water into the wastewater system is commonly referred to as "inflow & infiltration" or I&I. With the unprecedented amount of rain received in 2015 and 2016, it became apparent that the City was experiencing a significant inflow and infiltration or I&I problem. To address this, the Public Works Department implemented an aggressive program to identify and repair inflow and infiltration in the collection system. During FY 2016-2017, the City funded an engineering study to identify the primary sources of infiltration underground. This study included flow monitoring and was extended into the FY 2018 budget year so that additional wet-weather flow

data could be collected. The flow-monitoring phase of the study is complete and the findings and proposed capital projects list will be finalized and presented to the City Council before the close of 2018.

The City pays a transport and treatment charge to NTMWD for all the wastewater that we pass into their system. Depending on the amount of rainfall and I&I, the annual amount of these charges can vary significantly. FY 2018 has been a fairly dry year; therefore, the actual charges are estimated at 22% less than budgeted. The rate charged by NTMWD to transport and treat our wastewater is expected to increase by 10%. The FY 2018-19 budget includes an approximately 4% increase in the budgeted cost for transport and treatment of wastewater.

Utility Rates

In order to ensure that our utility rates will continue to support our operating costs and debt service obligations, Staff hires a rate consultant to evaluate our utility system's operation costs and debt payments and recommend any rate adjustments that would be necessary to fully fund the cost of operating our system while maintaining an adequate financial reserve. The most recent rate study recommended no water and sewer rate increase this year. Should consumption patterns change and result in decreased consumption, the City's water revenues may fall below the budget estimate. Staff will monitor revenues throughout FY 2018-19 and recommend any action should actual revenue not meet budgeted projections.

This budget does not include utility system depreciation costs. Finance staff will make adjustments for depreciation expense in the preparation of the city's annual audit.

RESTRICTED REVENUE TRUST FUNDS

The City has established a number of Trust Funds the uses of which are restricted to certain pre-determined expense categories. The following is a summary of the revenue and expenditures that will be budgeted in the various Trust Funds. Information on the revenue and expenditures for the various funds is provided within this budget document.

FUND	FY 2018-19 PROJECTED EXPENDITURES
Special Revenue Fund	\$11,520
Grant Fund	\$267,875
Fire Trust Fund	\$18,100
Park Trust Fund	\$505,800
State and Federal Seizure Fund	\$0
*Roadway Impact Fee & Development Fee Funds	\$90,450
*Water Impact Fee & Development Fee Funds	\$134,000
*Sewer Impact Fee & Development Fee Funds	\$134,000

* Expenses from the Roadway, Water, and Sewer Impact and Development Fee Funds are reimbursements based upon agreements negotiated between the City and a developer to reimburse the developer for the construction of capital improvements that benefit the City.

FUND	FY 2018-19 PROJECTED REVENUE
Special Revenue Fund	\$22,151
Grant Fund	\$265,850
Fire Trust Fund	\$6,100
Park Trust Fund	\$483,300
Roadway Impact & Development Fee Funds	\$480,543
Water Impact Fee & Development Fee Funds	\$591,600
Sewer Impact Fee & Development Fee Funds	\$879,600

CLOSING

While budgets are always a challenge, we have worked diligently to propose a budget that is both balanced and sufficient to meet the needs of the coming fiscal year. The staff of the Finance Department has put tremendous effort into the development of this document, and I would like to thank them and each department director for their hard work during this process. We express our appreciation to the City Council for your diligent efforts throughout the year in providing guidance, direction and support for our efforts to serve the citizens of Anna.

As Anna continues to grow, the City remains committed to the vision and goals outlined in its Strategic Plan. The 2018-19 fiscal year budget is designed to preserve and enhance the quality of existing services and respond appropriately to our city's continuing growth and development.

Respectfully Submitted,



Jim Proce
City Manager

City Organization

Nate Pike

Mayor

Kevin Toten

Place 1

Chris Reeves

Place 4

Alonzo Tutson

Place 2

Nathan Bryan

Place 5, Deputy Mayor Pro Tem

John Beazley

Place 3

Lee Miller

Place 6, Mayor Pro Tem

Jim Proce

City Manager

Jeff Caponera

Chief of Police

Maurice Schwanke

Director of Planning and Development

Dana Thornhill

Director of Finance

Joseph Johnson

Director of Public Works

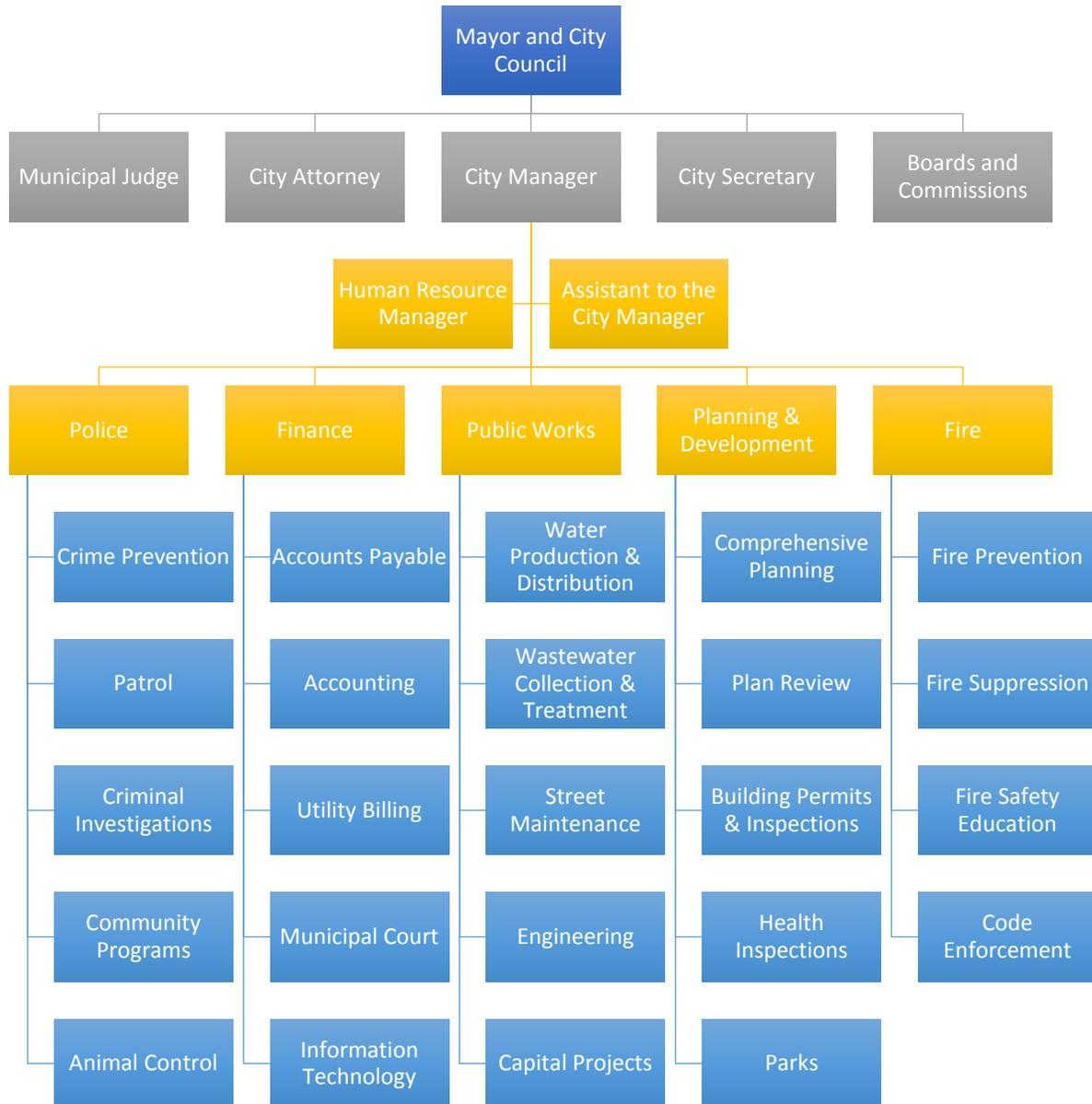
Carrie Smith

City Secretary

Tim Gothard

Fire Chief

City Organization Chart



Strategic Vision and Goals

Our Strategic Vision

Anna is a community of friends and family working together to build a safe and sustainable future.

Our Guiding Principles

★ Fiscal Responsibility

We believe that fiscal responsibility and the prudent stewardship of public funds is essential for confidence in city operations.

★ Accountability

We are responsible, committed, and accountable to the public who trust us to carry out our duties with integrity.

★ Customer Focus

We are a team, dedicated to serving our citizens and residents. Our currency is the goodwill of the public. Goodwill is earned or lost with every contact and conversation.

★ Transparency

We are open and fair in sharing information with the public about our policies, procedures, programs, and practices.

★ Innovation

We provide unique approaches and creative solutions to the problems and opportunities before us.

Strategic Goals and Objectives

★ Pursue Targeted Economic Development

★ Improve Curb/Aesthetic Appeal of our Community

★ Diversify Housing and Neighborhood Options

★ Promote Our Community Identity

★ Encourage Inter-Local Cooperation

★ Upgrade City Facilities and Infrastructure

★ Build Transportation Infrastructure

Strategic Plan Implementation Strategy

Pursue Targeted Economic Development

1. Attract professional jobs
 - Develop a professional business park in Anna and fill it up with tenants.
 - Focus on attracting jobs in the medical industry.
 - Explore opportunities to build the professional workforce in Anna through partnerships with businesses and educational institutions.
2. Promote downtown development
3. Study land use and create a road map to optimal future economic growth in each area
 - Create zoning overlay districts in the downtown and along major transportation corridors that promote quality development and attract high-quality businesses.

Improve Curb/Aesthetic Appeal of the Community

1. Focus on aesthetic improvements to major transportation corridors
 - Implement a way-finding community signage program.
 - Design and construct landscape and monument enhancements at inter-changes along US 75 as they are built or reconstructed.
 - Design and construct landscape enhancements within the FM 455 median between US 75 and SH5.
 - Develop design standards for future local median divided roadways.
2. Improve and expand the City's parks and opens spaces.
 - Continue focus on maintenance and operation of existing parks and facilities in order to create an excellent "customer experience".
 - Focus on improvements to Natural Springs Park (ponds, restrooms, parking areas, office space)
 - Evaluate feasibility of City recreation programs (youth and adult).
 - Update the City's Parks Master Plan.

Diversify Housing & Neighborhood Options

1. Explore opportunities to renegotiate or revise existing entitlements in order to promote construction of higher quality value residential neighborhoods.
2. Update comprehensive plan.

- Review community housing plan to identify target density and lot size mix for single family development; and the optimal unit percentage mix of the various residential housing types (single family, multifamily, etc.)

Promote Community Identity

1. Be recognized in regional and national publications for our community brand.

Encourage Community Partnerships and Inter-Local Cooperation

1. Form stronger relationships with the Greater Anna Chamber of Commerce, Anna ISD, Collin County Commissioner Court, North Central Texas Council of Governments, and other similar community organizations and partners
 - As time permits, attend and become involved in meetings of our various community partners.
 - As appropriate, serve on boards, advisory commission, study groups, etc.
2. Promote community functions that foster civic pride
3. Support and promote community volunteer programs

Upgrade City Facilities and Infrastructure

1. Develop financing plan for the reconstruction of the Central Fire Station #1; remodel and expansion of Police Department facilities; and future construction of: Fire Station #2.
2. Construct a new Anna City Hall that consolidates city offices and provides sufficient space for staff, accommodates future growth, improves operational efficiency, and serves as an anchor to our downtown.
3. Make improvements to city infrastructure that are necessary to accommodate the growth of our community.
 - Complete capacity, management, operations, and maintenance (CMOM) program for the wastewater system.
 - Focus on I&I detection and repair.
 - Complete storm water/drainage study & develop a master plan
 - Construct the Foster Crossing water line project and the Collin Pump Station activation project
 - Construct the US 75 utility relocation project
 - Continue transition to a complete automated metering infrastructure system.

Build Transportation Infrastructure

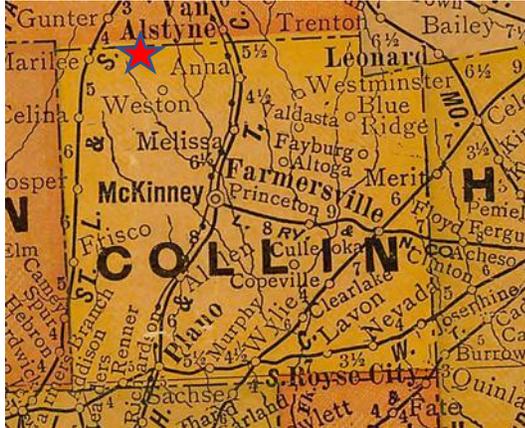
1. Continue coordination and cooperation with TxDOT on the reconstruction of US 75 from SH 121 to the Collin County Line.
2. Continue coordination and cooperation with TxDOT on the reconstruction of SH5 from SH121 to the Collin County Line.
3. Construct the Hackberry Lane Reconstruction Project (SH 5 to Slayter Creek)

4. Secure funding to complete design and right-of-way acquisition for the Ferguson Parkway project (Taylor to Outer Loop) so that it is shovel-ready pending additional funding opportunities.
5. Complete street audit/condition assessment/prioritization for existing streets.
6. Complete design and proceed with right-of-way acquisition for extension of Rosamond Parkway to US 75.
7. Identify and apply for viable grant funding opportunities through NCTCOG and TxDOT for major transportation projects.
8. Adopt 50% of the NCTCOG metropolitan transportation plan policy bundle voluntary measures to obtain transportation development credits that can be leveraged as cash match for transportation projects.
9. Prioritize and attend key transportation meetings with Collin County, TxDOT, and NCTCOG and pursue cooperative opportunities.

City Statistics

Date of Incorporation	1913
Date of Home Rule Charter Adoption	7-May-05
Form of Government	Council/Manager
Estimated Population as of January 1, 2018	13,690
Area in Square Miles	15.6
Planning Area in Square Miles (Including ETJ)	61.1
Fire Protection	
Number of Full Time Equivalents	13
Number of Volunteers	22
Calls for Service (2017 Fiscal Year)	1,438
Fire Inspections (2017 Fiscal Year)	119
Police Protection	
Sworn Officers	20
Calls for Service (2017 Fiscal Year)	10140
Arrests (2017 Fiscal Year)	337
Water and Sewer Utility	
Active Residential Accounts (2017 Fiscal Year)	4,903
Active Non-Residential Accounts (2017 Fiscal Year)	199
Average Daily Water Production (2016)	1,697,883
Ground Storage Capacity (gallons)	1,000,000
Elevated Storage Capacity (gallons)	1,500,000
Ground (Well) Water Production Capacity (gallons per day)	1,656,000
Water Distribution Capacity (gallons per day)	2,520,000
Waste Water Treatment Capacity (gallons per day)	500,000
Building Permits	
Residential Building Permits (2017 Fiscal Year)	440
Residential Market Value (2018 Certified Tax Roll)	\$898,171,199
Non-Residential Building Permits (2017 Fiscal Year)	11
Non-Residential Market Value (2018 Certified Tax Roll)	\$548,964,257
Parkland Acreage	
Acres of Developed Parkland	121
Acres of Undeveloped Parkland	76

Community Profile



County: Collin

Location: Anna is located on State Highway 5, Farm Road 455, and U.S. Highway 75 eleven miles northeast of McKinney and approximately 40 miles north of Dallas in north central Collin County.

Area: Approximately 15 square miles

Form of Government: Council/Manager

Number of Council: 7

History of Anna

Anna sprang to life in the mid-1800's with the arrival of pioneers staking their claim to a better life along the railroad and the Texas high plains. Although Collin McKinney settled within a few miles of the future townsite in 1846, John L. Greer, who arrived in 1867, is credited with building the first home and store in the new community. The Houston and Texas Central Railway, at that time built between Dallas and Denison, passed through the area in 1873. By the time Anna was platted in 1883, it had a population of twenty, two stores, a steam gristmill, and a Baptist church. A post office also opened in that year. By 1890, the town had a population of 100 to 200. In the mid-1980's Anna had 855 residents, several businesses, and a strong sense of community. Anna was incorporated in 1913, with John L. Greer as first mayor. The Census shows the population increased to 1,225 By 2000 and to 8,249 by 2010. Today the estimated population is approximately 14,000.

(Source: City of Anna and Anna Chamber of Commerce)

Local Economy

The City of Anna's economic outlook continues to improve due to the overall improvement in the economy and continued residential and commercial growth. This is evidenced by local economic indicators such as a continued increase in tax appraisal values, the increase in residential building permits, and continued sales tax growth. Please see General Fund revenue section beginning on page 28 for historical information on taxable assessed value, tax rate, sales tax, and building permits.

The Anna Economic Development Corporation actively recruits companies that add to the diversity of the City's local industry while providing residents with good employment. A new Walmart Super Center opened in April 2017. This will continue to have a significant impact on the City's sales tax revenue. The Walmart store is the primary anchor of a 30-acre retail site that we anticipate will in the near future.

Anticipated growth is expected to continue for the north Collin County region. This has improved the overall connectivity and mobility to and within Anna, but also will bring continued growth and new development.

DEMOGRAPHICS

Employment

ANNA CENSUS 2010 DATA

Population (16 years and older)	5084
In Labor Force	3742
Civilian Labor Force	3719
Employed	3583
Employed In:	
Management, Business, Science, and Arts	1198
Service Occupations	607
Sales and Office Occupations	996
Natural resources, construction, & maintenance	358
Production, transportation, & material moving	424
Unemployed	136
Armed Forces	23
Not in Labor Force	1342

(Source: Census 2010)

Education

ANNA ISD

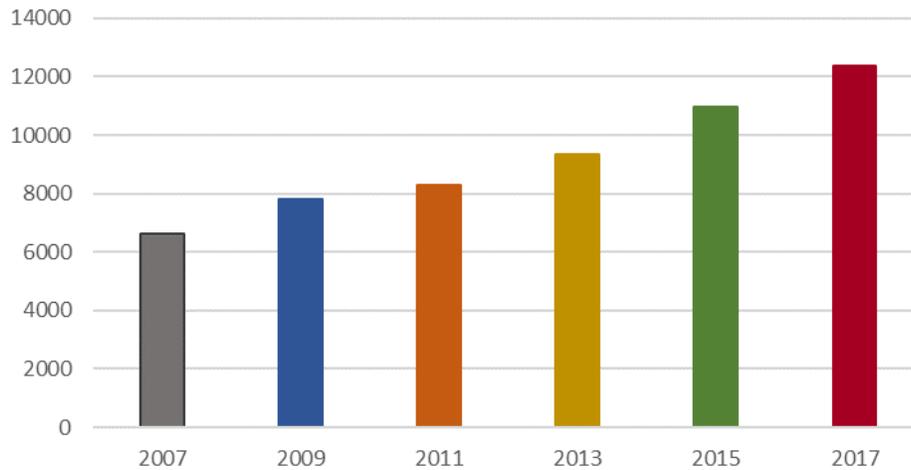
➤ Number of Enrolled Students:	3,602
➤ Rattan Elementary	548
➤ Bryant Elementary	684
➤ Harlow Elementary	553
➤ Anna Middle School	862
➤ Anna High School	955

AREA UNIVERSITIES AND COLLEGES

- Collin County College at Allen (Allen)
- Collin College Preston Ridge Campus (Frisco)
- Collin College Higher Education Center (McKinney)
- Collin College Central Park Campus (Plano)
- Grayson County College (Denison)
- Texas A&M University (Commerce)
- Southern Methodist University (Dallas)
- Southern Methodist University at Legacy (Plano)
- University of Dallas (Plano)
- Austin College (Sherman)
- University of Texas at Dallas (Richardson)
- University of North Texas (Denton)
- Texas Women's University (Denton)

POPULATION							
	2011	2012	2013	2014	2015	2016	2017
City of Anna	8,300	8,580	9,360	10,350	10,980	11,320	12,390
Collin County	764,424	788,580	811,308	836,947	862,215	939,585	969,603

City of Anna Population Growth



	Year	City of Anna	Collin County
Total Number of Households:	2012	2,576	283,025
	2013	2,827	289,752
	2014	3,022	296,878
	2015	3,154	305,827
	2016	3,282	314,918
Median Household Income:	2012	65,370	83,238
	2013	68,297	82,762
	2014	63,556	84,233
	2015	69,663	100,839
	2016	76,198	102,707
Average Household Income:	2012	72,647	104,020
	2013	74,789	104,541
	2014	73,765	106,923
	2015	75,008	107,693
	2016	83,124	125,098
Per Capita Income:	2012	23,895	37,797
	2013	25,332	37,839
	2014	24,937	38,575
	2015	24,974	38,883
	2016	27,354	39,933

(Source: United States Census Bureau American Fact Finder, Collin County, and the City of Anna Budget Document)

PRINCIPAL TAXPAYERS

Top Taxpayers	Type of Business	2018 Taxable Value	Percent of Total Valuation
Walmart Real Estate Business Trust	Trust	\$20,260,416	1.81%
Wal-Mart Stores Texas LLC	Retail Store	\$9,607,216	0.86%
Lennar Homes of Texas	Home Builder	\$8,853,893	0.79%
Bloomfield Homes LP	Home Builder	\$7,818,969	0.70%
Burnco Texas LLC	Wholesale Supplier	\$5,163,725	0.46%
RR LI Enterprises LP	Commercial Land	\$4,799,569	0.43%
LGI Homes of Texas	Home Builder	\$4,587,586	0.41%
PTCAA Texas LP	Commercial Land	\$4,568,279	0.41%
Anna Eagle Retail LP	Retail Store	\$4,500,000	0.40%
Seminole Anna Town Center LP	Shopping Center/Mall	\$4,241,009	0.38%
TOTAL ASSESSED VALUATION		\$74,400,662	

MAJOR EMPLOYERS

Company	Product or Service	Approximate Number of Employees	Percent of Total City Employment
Anna ISD	Education	333	18.55%
Pete Rehab	Medical	162	9.03%
Brookshire's	Grocery Store	118	6.57%
Bronco	Machine Shop	68	3.79%
City of Anna	Government	56	3.12%
Hurricane Creek Country Club	Country Club	45	2.51%
Loves Travel Shop	Retail	45	2.51%
McDonalds	Restaurant	40	2.23%
Tri-County Vet	Veterinary Clinic	31	1.73%
Wells McCoy	Steel Services	26	1.45%

ANNA RECOGNIZED AS ONE OF THE SAFEST CITIES

During FY 2017, Anna was recognized as being on of the top 50 safest cities by the National Council for Home Safety and Security and Safewise. To determine the safest cities in Texas, both sources used the FBI Uniform Crime Report statistics.



Budget Process

The annual budget is the single most important financial responsibility of a local government. Citizens are able to see how city officials and staff plan to spend taxpayer dollars. Once the budget is adopted, funds may only be spent in a manner consistent with the stated plans, objectives, and policies outlined in the budget unless amended in accordance with the City Charter and by approval of the City Council.

The budget begins with a transmittal letter written by the City Manager to the City Council. The purpose of this letter is to officially present the budget to the City Council and provide an executive summary highlighting budget conditions and trends for the City of Anna.

The budget is divided into four specific sections: introduction, financial/operational summaries by fund, component units, and supplemental information. The introduction contains the transmittal letter, policy statements to guide City officials and staff, and an overview of budget practices and administration within the City of Anna. The financial/operational section of the budget will contain specific information on each fund and the various departments the City operates. Activities, services, goals, and objectives will be outlined for each department. Comparisons of revenue and expenditures will be presented for the actual amounts from the previous fiscal year (FY), the current FY budget, the current FY estimate, and the proposed budget for the upcoming FY.

General Budget process, practice, and administration

The budget follows a FY beginning on October 1 and ending on September 30. Each year the budget is adopted by the Council, which sets the legal spending limits for the government during the upcoming FY. In order to prepare for and adopt

the budget on time, the city must follow a schedule allowing for sufficient time to adequately evaluate current and past budgets, current economic conditions, and project revenues and expenditures for the upcoming budget. The budget is developed by line items at the department level and adopted at the fund level.

Many individuals are involved in the budget process. City officials, department staff, and the public are all involved; however, the primary responsibility to assemble and create the document falls upon the City Manager and Finance Director. The City follows a schedule to ensure the budget progresses in a timely manner. Following you will see a budget calendar the City follows(ed) for the preparation and adoption of this document.

Throughout the year the Finance Department provides periodic and regular reports to department directors. These reports are used to analyze current and projected revenues and expenditures. In this way, department heads are able to control their expenditures, maintain their budgets, and project future expenditures throughout the year. This is crucial to the budget process as conditions and situations may change throughout the year. Once the budget is adopted, it can only be amended under certain provisions established through the City's charter. If

amendments are required, it is imperative that budget amendments be accurate and only occur when absolutely necessary. In this way, the budget process occurs continually throughout the year; first to ensure that budgets are maintained, second to prepare for any amendments that may be necessary due to unforeseen circumstances, and third to evaluate trends in preparation for the upcoming budget.

While the budget process is ongoing, the bulk of the work begins at the end of the 2nd quarter of each fiscal year. Beginning in April, department directors submit their proposed operating budgets and capital improvements plans to the City Manager. This includes the estimated cost for all projects currently in the capital plan and plans for any newly proposed projects. These expenditure projections are reviewed extensively for accuracy, justification, and cost-effectiveness. By the end of April all projected revenues and expenditures for the subsequent fiscal year are due. Throughout the first 2 weeks of May, the City Manager and Finance Director will meet jointly with each department head to review the department's budget proposal, including the line item details. Additionally, the City Manager and Finance Director will refine the Capital Improvements Plan to determine which projects or items should be addressed in the upcoming budget year. The remaining capital improvements and large capital purchases are also outline for a five-year period, as well as the potential funding sources.

The City Council conducts workshop sessions throughout April, May, June, and July to discuss departmental budgets, review supplemental requests, and review priorities. The workshop meetings with the Council are public meetings where citizens can come to participate and hear a review of each department's current accomplishments and discuss priorities and goals for the subsequent year's budget.

During the time workshops are scheduled, staff will continue to refine the budget as more information becomes available. Budget requests and priorities are carefully weighed to ensure that city functions and services will be maintained while

allowing for increased services where necessary. Upon conclusion of all department budget workshops and in consideration of priorities established in the City's Strategic Plan, staff will present a preliminary draft of a balanced budget to the City Council by the middle of August. Once the Council has reviewed the preliminary draft, a final workshop will be held in late August when the budget has been made available for public review. Once the budget is made available, a public hearing will be held on the budget where citizens can express their views on particular budget items. The hearing typically occurs in late August or early September.

As will be discussed later, property taxes are a major driver of the City's Budget. The Collin Central Appraisal District (CAD) provides the tax roll with information on the taxable value of properties within the City of Anna. Staff receives periodic reports from the CAD to evaluate trends in the taxable value in order to estimate property tax revenue. Once certified tax rolls are available from Collin County, the City will finalize the proposed budget including a recommended property tax rate that will allow the city to meet its financial obligations. The certified tax rolls are typically available no later than July 25th, the proposed budget presented in late July will include the proposed tax rate to fund the budget.

Depending on the official tax rate calculation from the Collin County Tax Assessor-Collector, tax rate hearings typically occur in late August and/or early September. Formal adoption of the budget and tax rate is typically scheduled for mid-September.

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Anna for its annual budget for the fiscal year beginning October 1, 2017. In order to receive this award, the governmental unit must publish a budget document that meets the program criteria as a policy document, an operations guide, as a financial plan, and as a communications device.

While the City of Anna has received this award for five consecutive years, it is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we intend to submit it to GFOA to determine its eligibility for another award.

For more information on the budget process and administration of the budget, please refer to Article 7 of the City of Anna Charter included in the supplemental section of the budget.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

***Distinguished Budget
Presentation Award***

PRESENTED TO

**City of Anna
Texas**

For the Fiscal Year Beginning

October 1, 2017

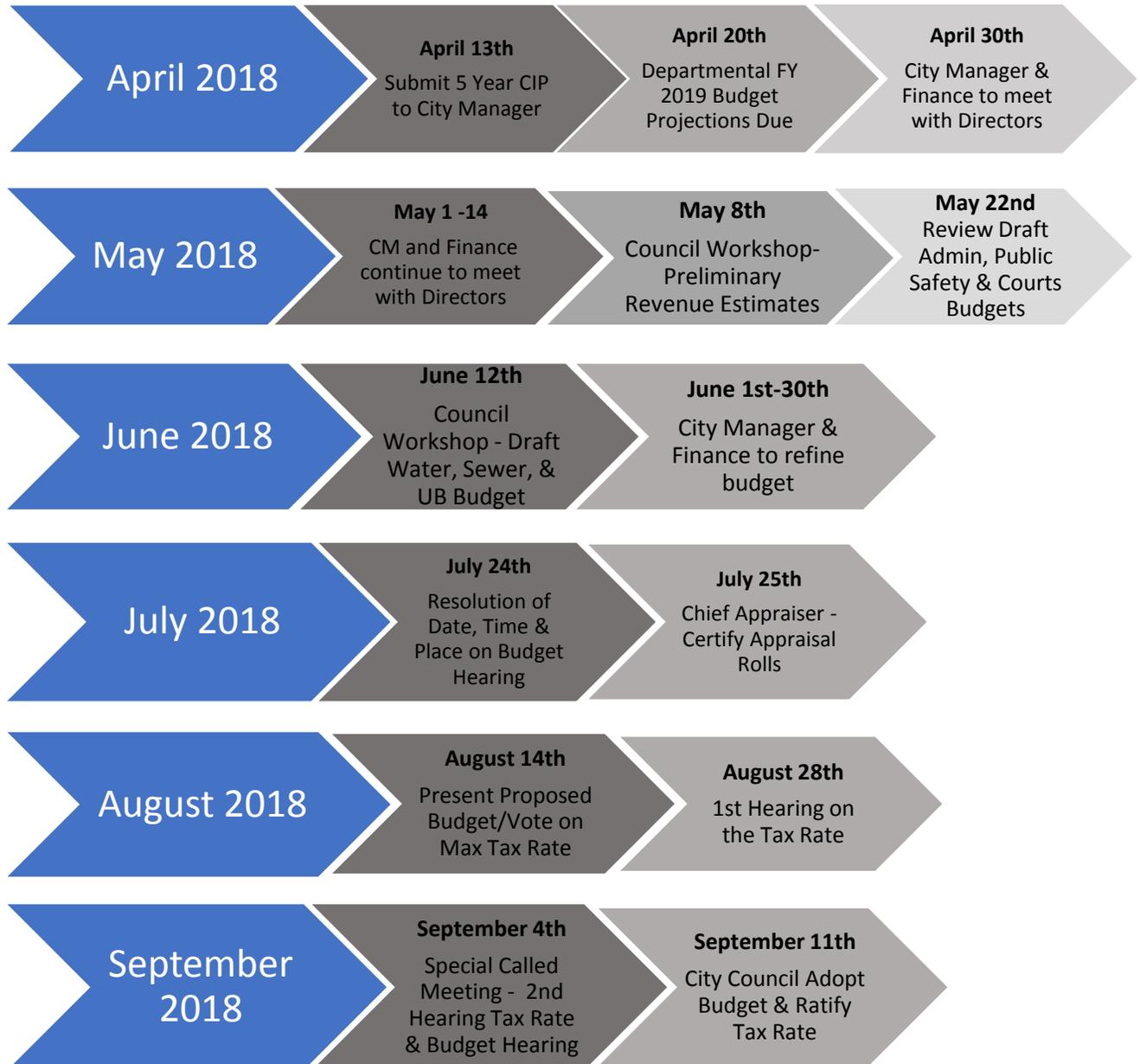
Christopher P. Morill

Executive Director

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Anna, Texas for its Annual Budget for the fiscal year beginning October 1, 2017. In order to receive the award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communication device.

This award is valid for a period of one year only. We believe our current budget continues to confirm the program requirements, and we are submitting it to GFOA to determine eligibility for another award. This is the fifth consecutive year that the City of Anna has received the Distinguished Budget Presentation Award from GFOA.

FY 2019 Budget Calendar



Description of Fund Structure

The budget is organized by funds with departments and line items all rolling up to the fund level. A fund is generally defined as a fiscal/accounting entity with its own set of self-balancing accounts. Each fund can be presented independent of the other funds to illustrate that funds' purpose for specific activities.

The City of Anna deploys Governmental and Proprietary Funds. Governmental funds are used for the bulk of the activities carried out by the City. The focus of Governmental funds is the flow of current financial resources. The Governmental funds account for services like Police and Fire in the General Fund, as well as debt in the Debt Service Fund, capital projects in the Capital Improvements Fund, and restricted/special revenues. Proprietary or Enterprise funds focus is that of a business which charges a fee to cover the cost of providing goods or services. The Utility Fund, which accounts for water, sewer, and trash services provided to the citizens of Anna, is an Enterprise Fund.

Basis of Budgeting

Budgetary basis refers to the basis of accounting used to estimate financing sources and uses in the budget. Accrual basis of accounting is used to estimate financing sources and uses in the budget. Accrual basis of accounting indicates revenues are recorded as they are earned (whether or not cash is received at the time) and expenditures are recorded when goods and services are received (whether cash disbursement has been made at the time or not). Modified accrual is the method under which revenues and other financial resource increments are recognized when they become susceptible to accrual; that is, when they become both “measurable” and “available” to finance expenditures of the current period. “Available” means collectible in the current

period or soon enough thereafter to be used to pay the liabilities of the current period.

The City of Anna accounts and budgets for all Governmental Funds using the modified accrual basis of accounting except where the accrual basis is specified by generally accepted accounting principles. The Proprietary/Enterprise Funds are accounted for using the accrual basis of accounting in accordance with generally accepted accounting principles.

Governmental Fund Types

General Fund – This is the primary operating fund for the City. The General Fund revenue is from taxes, fees, fines, licenses, etc. General Fund expenditures are for typical municipal services such as Police, Fire, Ambulance, Parks, Streets, and Administration.

Debt Service Fund – This fund accounts for all the long-term debt supported by taxes and issued to support governmental fund type activities. A portion of the property tax levy (Interest and Sinking Rate) is dedicated to support this fund. Principal and interest payments on long term debt are found in the Debt Service Fund.

Capital Improvements Fund – This fund accounts for major capital projects and improvements such as streets, sidewalks, park projects, etc. Revenues for this fund are restricted for the project. Revenue sources include bond proceeds, fund transfers, and intergovernmental revenue

from other governmental entities such as TxDOT and Collin County.

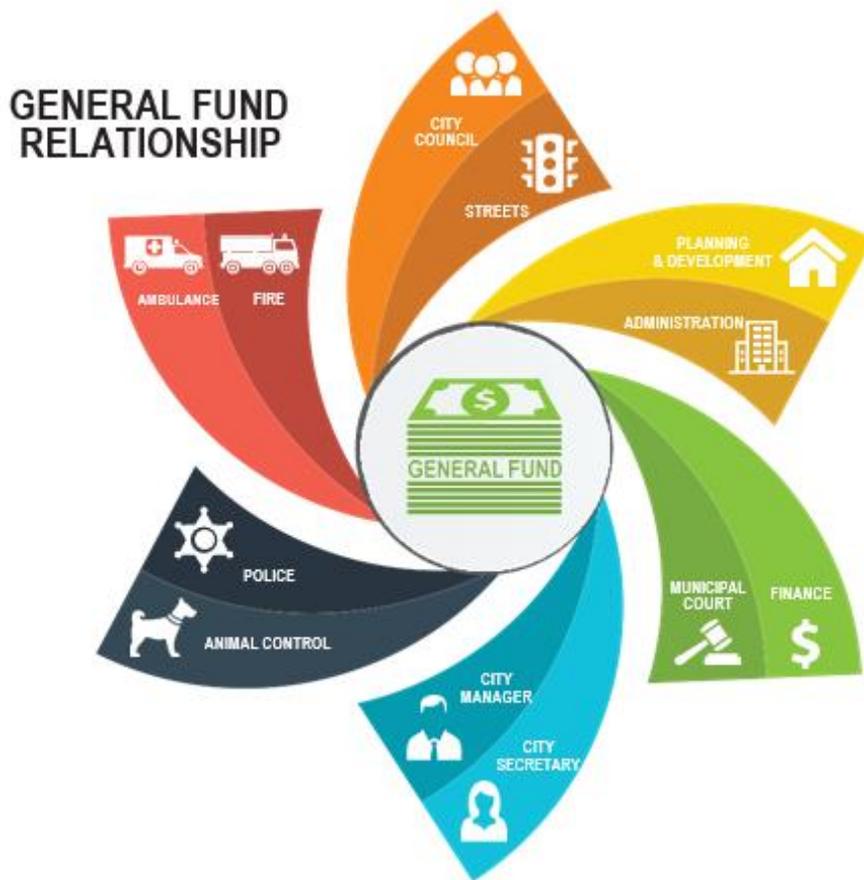
Restricted Revenue Trusts Funds– With the exception of capital projects, this accounts for revenue sources that are legally restricted to expenditures for a specific purpose and in accordance with the enabling legislation.

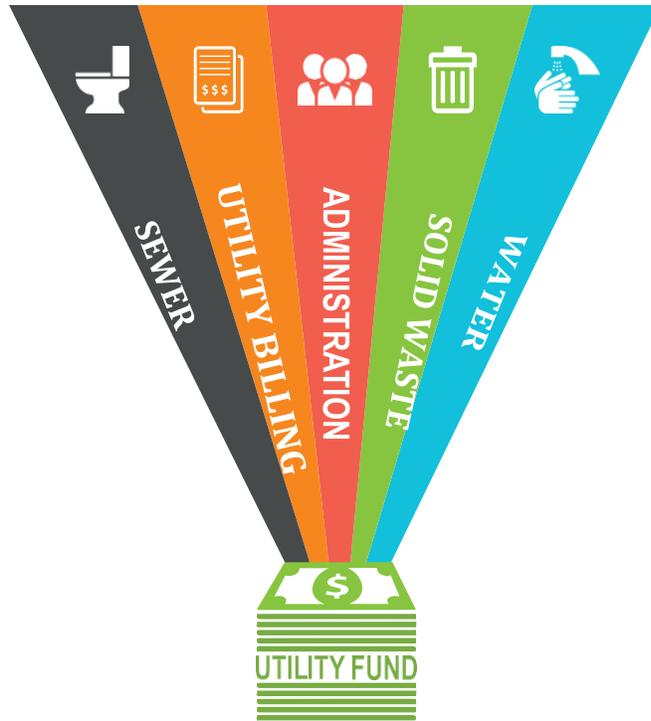
Proprietary/Enterprise Fund Types

Utility Fund – This fund accounts for the operation

and maintenance of the City’s water and waste water utility system and the contract for solid waste collection services. This fund is financially supported solely by user charges for utility and trash service.

Below are two diagrams representing the departments that make up the General Fund and the Utility Fund, as well as a chart which shows the funds that support and/or are managed by each department.





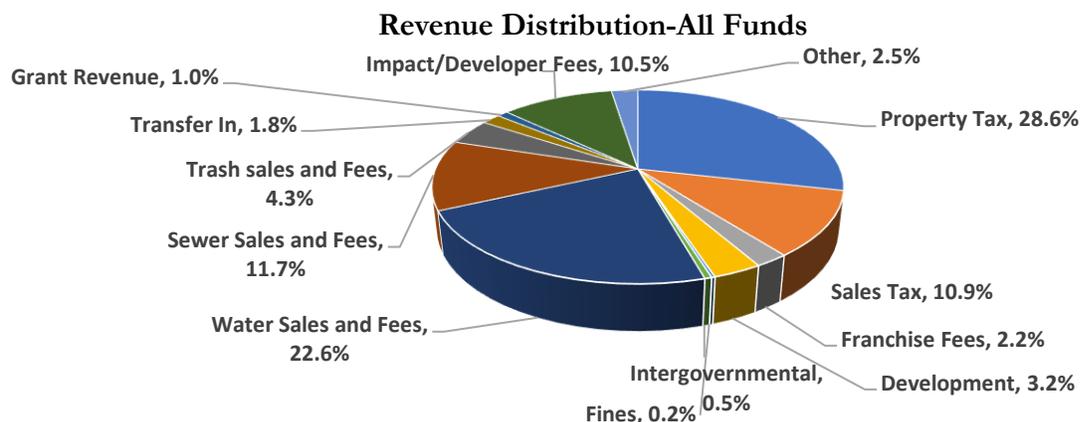
UTILITY FUND RELATIONSHIPS

Budgeted Fund Relationships

Budgeted Departments	General Fund	Utility Fund	Special Revenue Funds	Capital Projects Funds
GOVERNMENTAL FUNDS				
Administration	√			
City Council	√			
City Manager	√			
City Secretary	√			
Finance	√			
Development	√			
Police	√		√	
Animal Control	√			
Fire	√		√	
Ambulance				
Municipal Court	√		√	
Streets	√		√	√
Planning & Development	√			
ENTERPRISE FUND				
Public Works Administration		√		
Water		√	√	√
Sewer		√	√	√
Solid Waste		√	√	√
Utility Billing				

CONSOLIDATED BUDGET SUMMARY OF REVENUE AND EXPENDITURES FOR FISCAL YEAR 2018-2019

	Major Governmental Funds		Enterprise Fund	Restricted Revenue Funds			
	General	Debt Service	Utility	Grant Fund	Special Revenue Fund	Parks Trust Fund	Eastside Park Trust
ESTIMATED BEGINNING BALANCE	4,324,683	250,125	2,700,950	1,789	106,539	740,934	12,891
REVENUES							
<i>Property Tax</i>	\$4,774,602	\$1,819,909	\$0	\$0	\$0	\$0	\$0
<i>Sales Tax</i>	\$1,612,500	\$0	\$0	\$0	\$0	\$0	\$0
<i>Franchise Fees</i>	\$509,000	\$0	\$0	\$0	\$8,148	\$0	\$0
<i>Development</i>	\$750,500	\$0	\$0	\$0	\$0	\$0	\$0
<i>Fines</i>	\$52,500	\$0	\$0	\$0	\$3,103	\$0	\$0
<i>Intergovernmental</i>	\$95,273	\$0	\$0	\$0	\$10,900	\$0	\$0
<i>Water Sales and Fees</i>	\$0	\$0	\$5,218,258	\$0	\$0	\$0	\$0
<i>Sewer Sales and Fees</i>	\$0	\$0	\$2,693,998	\$0	\$0	\$0	\$0
<i>Trash sales and Fees</i>	\$0	\$0	\$998,446	\$0	\$0	\$0	\$0
<i>Transfer In</i>	\$375,118	\$0	\$0	\$32,854	\$0	\$0	\$0
<i>Grant Revenue</i>	\$0	\$0	\$0	\$233,851	\$0	\$0	\$0
<i>Impact/Developer Fees</i>	\$0	\$0	\$0	\$0	\$0	\$475,800	\$0
<i>Other</i>	\$199,568	\$8,000	\$325,000	\$0	\$0	\$7,500	\$0
TOTAL REVENUES	\$8,369,061	\$1,827,909	\$9,235,702	\$266,705	\$22,151	\$483,300	\$0
EXPENDITURES							
<i>Payroll</i>	\$5,309,538	\$0	\$1,864,842	\$114,059	\$1,800	\$0	\$0
<i>Supplies</i>	\$438,867	\$0	\$143,061	\$14,389	\$0	\$0	\$0
<i>Maintenance</i>	\$196,000	\$0	\$542,280	\$0	\$0	\$0	\$0
<i>Services</i>	\$1,990,957	\$0	\$6,077,798	\$0	\$9,720	\$0	\$0
<i>Capital Expenditures</i>	\$187,500	\$0	\$124,600	\$139,427	\$0	\$505,800	\$0
<i>Contingency</i>	\$213,345	\$0	\$108,003	\$0	\$0	\$0	\$0
<i>Developer Reimbursement</i>	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<i>Transfer Out</i>	\$32,854	\$0	\$375,118	\$0	\$0	\$0	\$0
<i>Debt Service</i>	\$0	\$2,049,417	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$8,369,061	\$2,049,417	\$9,235,702	\$267,875	\$11,520	\$505,800	\$0
NET CHANGE IN FUND BALANCE	\$0	-\$221,508	\$0	-\$1,170	\$10,631	-\$22,500	\$0
ESTIMATED ENDING BALANCE	\$4,324,683	\$28,617	\$2,700,950	\$619	\$117,170	\$718,434	\$12,891

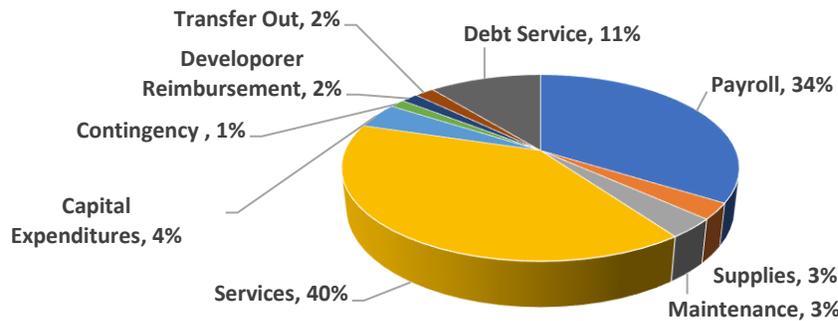


CONSOLIDATED BUDGET SUMMARY OF REVENUE AND EXPENDITURES FOR FISCAL YEAR 2018-2019

Restricted Revenue Funds		Capital Improvements Funds		Component Units		Total All Funds 2018-2019
Fire Trust Fund	Seizure Funds	Street Capital Improvements	Water & Sewer Capital Improvements	Economic Development	Community Development	
52,931	8,927	807,676	3,458,565	189,102	680,804	13,335,916
\$0	\$0	\$0	\$0	\$0	\$0	\$6,594,511
\$0	\$0	\$0	\$0	\$0	\$898,227	\$2,510,727
\$0	\$0	\$0	\$0	\$0	\$0	\$517,148
\$0	\$0	\$0	\$0	\$0	\$0	\$750,500
\$0	\$0	\$0	\$0	\$0	\$0	\$55,603
\$0	\$0	\$0	\$0	\$0	\$0	\$106,173
\$0	\$0	\$0	\$0	\$0	\$0	\$5,218,258
\$0	\$0	\$0	\$0	\$0	\$0	\$2,693,998
\$0	\$0	\$0	\$0	\$0	\$0	\$998,446
\$0	\$0	\$0	\$0	\$0	\$0	\$407,972
\$0	\$0	\$0	\$0	\$0	\$0	\$233,851
\$5,500	\$0	\$480,543	\$1,471,200	\$0	\$0	\$2,433,043
\$600	\$0	\$0	\$0	\$30,612	\$2,474	\$573,754
\$6,100	\$0	\$480,543	\$1,471,200	\$30,612	\$900,701	\$23,093,984

\$0	\$0	\$0	\$0	\$0	\$89,744	\$7,379,983
\$10,100	\$0	\$0	\$0	\$500	\$2,400	\$609,317
\$0	\$0	\$0	\$0	\$5,000	\$0	\$743,280
\$0	\$0	\$0	\$0	\$76,550	\$481,674	\$8,636,699
\$8,000	\$0	\$0	\$0	\$0	\$0	\$965,327
\$0	\$0	\$0	\$0	\$0	\$0	\$321,348
\$0	\$0	\$90,450	\$268,000	\$0	\$0	\$358,450
\$0	\$0	\$0	\$0	\$0	\$0	\$407,972
\$0	\$0	\$0	\$0	\$0	\$326,883	\$2,376,300
\$18,100	\$0	\$90,450	\$268,000	\$82,050	\$900,701	\$21,798,676
-\$12,000	\$0	\$390,093	\$1,203,200	-\$51,438	\$0	\$1,295,308
\$40,931	\$8,927	\$1,197,769	\$4,661,765	\$137,664	\$680,804	\$14,631,224

Distribution of Expenditures-All Funds



COMBINED FUNDS SUMMARY OF REVENUE AND EXPENDITURES FOR FISCAL YEAR 2018-2019

	2016-2017 ACTUAL	2017-2018 BUDGET	2017-2018 ESTIMATED	2018-2019 ADOPTED
BEGINNING BALANCE	\$9,176,588	\$12,873,139	\$12,219,889	\$13,335,916
REVENUES				
<i>Property Tax</i>	\$4,629,620	\$5,360,333	\$5,369,070	\$6,594,511
<i>Sales Tax</i>	\$2,118,847	\$2,518,969	\$2,392,454	\$2,510,727
<i>Franchise Fees</i>	\$504,330	\$468,400	\$498,000	\$517,148
<i>Development</i>	\$1,168,116	\$821,500	\$864,000	\$750,500
<i>Fines</i>	\$73,918	\$92,328	\$52,500	\$55,603
<i>Intergovernmental</i>	\$199,459	\$141,789	\$182,273	\$106,173
<i>Water Sales and Fees</i>	\$4,346,043	\$4,685,700	\$4,880,884	\$5,218,258
<i>Sewer Sales and Fees</i>	\$2,369,731	\$2,653,438	\$2,536,008	\$2,693,998
<i>Trash sales and Fees</i>	\$911,084	\$930,013	\$949,822	\$998,446
<i>Transfer In</i>	\$1,192,424	\$674,435	\$445,435	\$407,972
<i>Grant Revenue</i>	\$349,851	\$295,953	\$291,751	\$233,851
<i>Impact/Developer Fees</i>	\$2,550,553	\$1,377,363	\$1,439,196	\$2,433,043
<i>Bond Proceeds</i>	\$2,700,000	\$0	\$0	\$0
<i>Other</i>	\$989,678	\$926,931	\$1,457,502	\$573,754
TOTAL REVENUES	\$24,103,654	\$20,947,152	\$21,358,895	\$23,093,984
TOTAL RESOURCES	\$33,280,242	\$33,820,291	\$33,578,784	\$36,429,900
EXPENDITURES				
<i>Payroll</i>	\$4,731,545	\$6,372,846	\$5,842,580	\$7,379,983
<i>Supplies</i>	\$441,906	\$665,434	\$629,452	\$609,317
<i>Maintenance</i>	\$588,507	\$811,648	\$749,300	\$743,280
<i>Services</i>	\$5,722,299	\$7,019,266	\$7,756,762	\$8,636,699
<i>Capital Expenditures</i>	\$4,277,067	\$2,141,909	\$1,764,828	\$965,327
<i>Developer Reimbursement</i>	\$532,000	\$433,350	\$2,310,792	\$321,348
<i>Transfer Out</i>	\$1,777,633	\$2,610,890	\$445,435	\$358,450
<i>Contingency</i>	\$12,349	\$0	\$0	\$407,972
<i>Debt Service</i>	\$2,323,796	\$1,545,059	\$743,719	\$2,376,300
TOTAL EXPENDITURES	\$20,407,103	\$21,600,402	\$20,242,868	\$21,798,676
NET CHANGE IN FUND BALANCE	\$3,696,551	-\$653,250	\$1,116,027	\$1,295,308
ENDING BALANCE	\$12,873,139	\$12,219,889	\$13,335,916	\$14,631,224

CHANGE IN ENDING FUND BALANCE FOR FISCAL YEAR 2018-2019

FUND	PROJECTED FUND BALANCE 9/30/18	PROJECTED FUND BALANCE 9/30/19	% CHANGE	EXPLANATION
DEBT SERVICE FUND	\$250,125	\$28,617	-89%	This was a planned draw down on fund balance to fund the first payment for the increase in the debt payment due to the issuance of \$30m of debt to fund a municipal complex and streets projects. The transfer to the Utility Fund to fund debt supported by a combination of I&S and W&S revenues was decreased in FY 2018 to accomplish this.
GRANT FUND	\$1,789	\$619	-65%	This draw down was due to funds carried over from prior years for allowable expenditures.
SPECIAL REVENUE FUND	\$106,539	\$117,170	10%	The fund balance continues to grow in this funds largely due to the City not currently having expenditures associated with the PEG fees.
PARKS TRUST FUND	\$740,934	\$718,434	-3%	The reduction in fund balance is due to capital expenditures being completed at the parks.
FIRE TRUST FUND	\$52,931	\$40,931	-23%	This reduction in fund balance was due to purchases being made for tools and equipment for the Fire Department as intended.
STREET CAPITAL FUNDS	\$807,676	\$1,197,679	48%	Reserves in this fund will be utilized for future street projects. These funds are restricted to the area of which the impact fee was collected.
W&S CAPITAL FUNDS	\$3,458,565	\$4,661,765	35%	Reserves in this fund will be utilized for future water and sewer projects. These funds are collected through impact fees.
ECONOMIC DEVELOPMENT	\$189,102	\$137,664	-27%	The Economic Development is not longer funded with sales tax. The only revenue source is from rental of a building owned by the EDC and a note being reimbursed. Future expenditures will shift to the CDC.

Staffing Schedule

FISCAL YEAR 2019

	ACTUAL FY15	ACTUAL FY16	ACTUAL FY17	ACTUAL FY18	PROPOSED FY19	Increase (Decrease) FY19
General Fund						
City Manager	2.5	2.5	2.5	3.5	3.5	-
City Secretary	1	1	1	1	1	-
Finance	4	4	4	4	5	1
Development	4	4	4	4	5	1
Fire	7	7	9	11	13	2
Police	15	16	17	18	22	4
Municipal Court	1	1	1	1	1	-
Parks & Recreation	2	4	5	7	7	-
Streets	0	3	3	6	7	1
Total General Fund	36.5	42.5	46.5	55.5	64.5	9
Public Works Administration	0	5	5	6	7	1
Public Works Water	13	4	4	7	9	2
Public Works Sewer	2	4	4	6	7	1
Utility Billing	2.5	2.5	3.5	4	3	-1
Total Water & Sewer Fund	17.5	15.5	16.5	23	26	3
Community Development	0	0	0	1	1	-
Total City of Anna Employees, All Funds	54	58	63	79.5	91.5	12

All positions are shown as full-time equivalents (FTE).

Proposed FY19

Add 1 FTE in Finance Payroll Specialist

Add 1 FTE in Development for a GIS Employee

Add 2 FTE in Fire for Firefighters

Add 4 FTE in Police for 2 Police Officers, a Civilian Support Position, and a Sergeant

Add 1 FTE in Streets for a Maintenance Worker II

Add 1 FTE in Public Works Administration for a Right of Way Inspector

Add 1 FTE in Public Works Water for a Service Order Technician

Move 1 FTE in Utility Billing Service Order Technician to Public Works Water

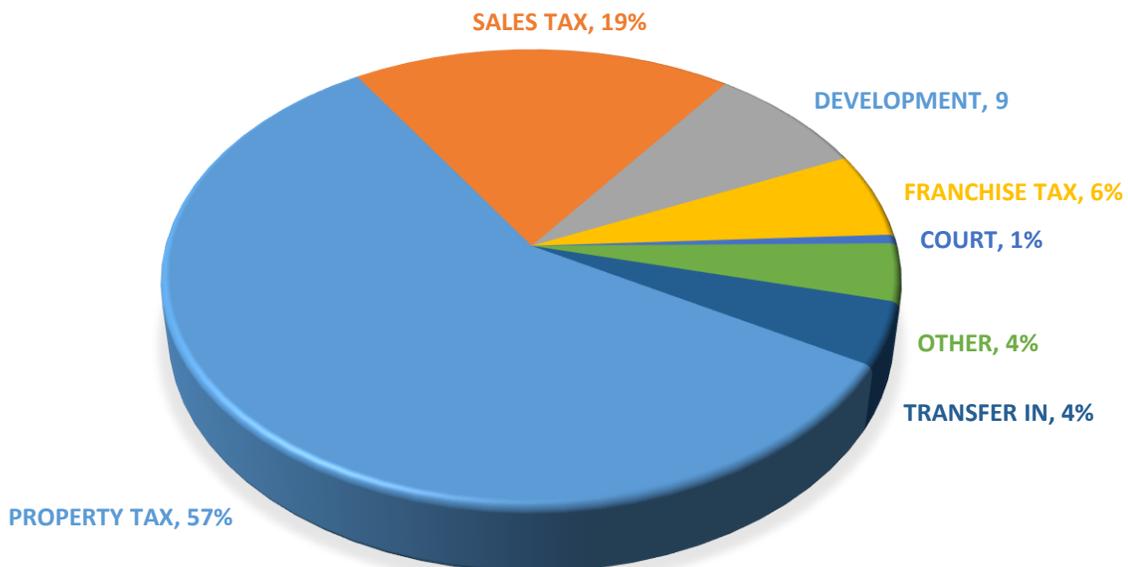
Add 1 FTE Public Works Sewer for a Wastewater Crew Leader

General Fund

Revenue

The City of Anna finances its general fund activities from three types of revenue; taxes, fines & fees, and user charges. These include property and sales taxes, licenses & permits, and fines. Beneficiaries of General Fund Services are not generally required to pay a fee commensurate with the value of the services received. The top four revenue sources are (1) property taxes, (2) sales tax, (3) franchise tax, and (4) development fees. Most franchise taxes in the City of Anna are not locally controlled and are subject to state law. The focus will be on the three locally controlled revenue sources, property taxes, sales tax, and development fees which constitute approximately 85% of FY 2019 revenues.

FY 2019 PROPOSED GENERAL FUND BUDGET



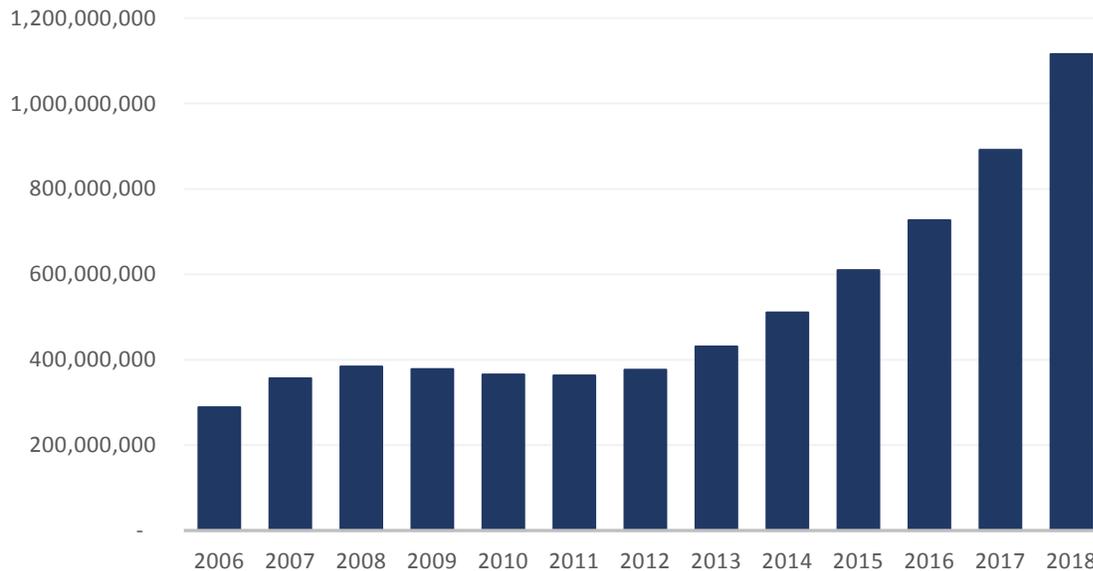


Property Tax

The Ad Valorem Property Tax revenue (57%) is a function of the tax rate the City formally adopts each year. The Collin Central Appraisal District (CCAD) establishes the value of each property within the City of Anna and the City applies the maintenance and operations portion of the rate to the certified value provided by CCAD. The certified taxable assessed value for the tax year 2018 is \$1,115,372,832. This represents an increase of 25.12% and is due, in part, to the addition of just over \$116 million in new value and an increase of approximately 12% in the taxable assessed value of existing properties.

After four years of declining property values between 2009 and 2012, property values eventually stabilized in 2013 when the total taxable value exceeded for the first time the previous peak for taxable value set in 2008. Beginning in 2013, strong population growth and new construction has delivered increasing demand for new homes and led to growth in the taxable value each year. Continued growth and new construction in 2017 has contributed to a significant increase in total taxable value for the 2018 tax year. We remain guardedly optimistic that a trend of market appreciation and modest growth will continue in the coming years.

Taxable Assessed Value Over Time



The growth in taxable value corresponds to a significant increase in population over the past year. According to the most recent population estimates published by the North Central Texas Council of Governments, the City of Anna population as of January 1, 2018 was approximately 14,000.

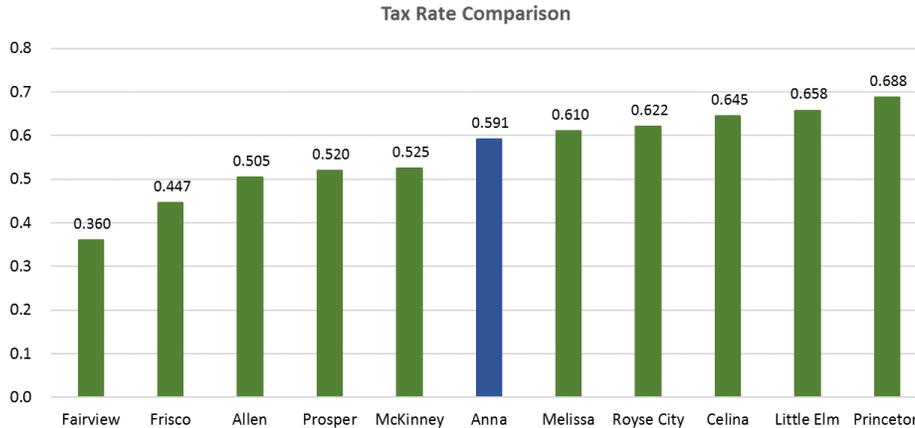
The following table details the change in TAV, tax rate(s), and property tax revenue over time:

Tax Year	Assessed Value	Total Tax Rate	M&O Rate	Debt Service Rate	Total Property Tax Revenue
2000	29,991,809	0.529900	0.256300	0.273500	\$ 150,809.00
2001	35,320,292	0.579900	0.151100	0.428800	\$ 182,838.00
2002	52,462,163	0.499700	0.499700	0.000000	\$ 288,103.00
2003	79,351,888	0.499700	0.499700	0.000000	\$ 407,430.00
2004	136,234,607	0.499700	0.499700	0.000000	\$ 693,504.00
2005	211,508,957	0.525000	0.525000	0.000000	\$ 1,148,140.00
2006	288,590,455	0.525000	0.525000	0.086300	\$ 1,541,817.00
2007	356,238,071	0.575000	0.466700	0.108200	\$ 2,015,950.00
2008	383,961,925	0.575000	0.479400	0.095500	\$ 2,207,626.00
2009	378,153,710	0.622733	0.529939	0.092800	\$ 2,354,888.00
2010	365,119,804	0.650332	0.554225	0.096107	\$ 2,374,491.00
2011	362,969,678	0.065033	0.559367	0.090965	\$ 2,360,508.00
2012	376,578,308	0.065033	0.559367	0.090965	\$ 2,449,009.00
2013	430,704,884	0.650332	0.559367	0.090965	\$ 2,801,012.00
2014	510,888,329	0.649000	0.545826	0.103174	\$ 3,315,665.00
2015	609,657,456	0.639000	0.532341	0.106659	\$ 3,895,711.00
2016	726,642,896	0.629000	0.506582	0.122418	\$ 4,570,584.00
2017	891,474,571	0.601288	0.478870	0.122418	\$ 5,360,330.00
2018 Certified	1,115,372,832	0.591288	0.428122	0.163166	\$ 6,595,066.00



Tax Rate

Below is a summary of the proposed 2018 tax year tax rates of our comparison cities to our proposed 2018 tax rate.



Sales Tax

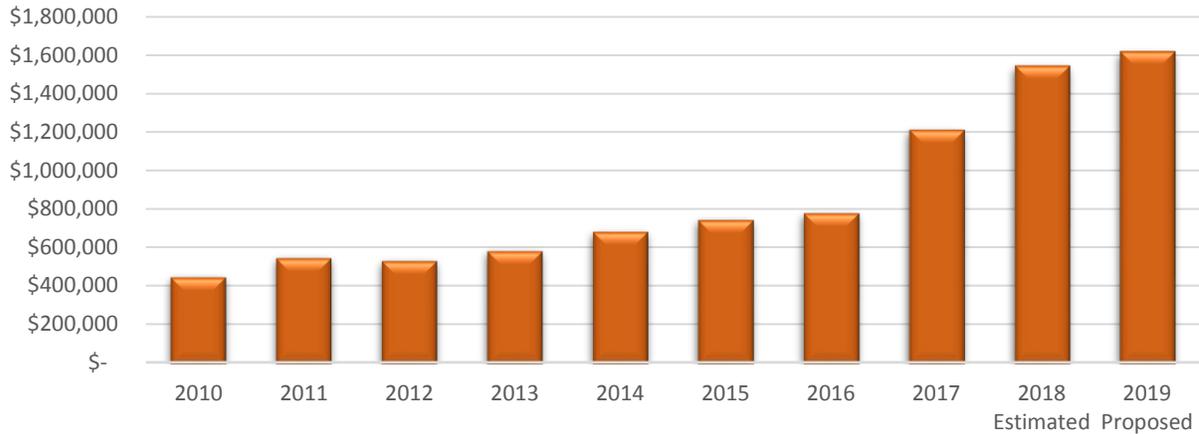
Sales tax revenue accounts for 19% of General Fund Revenue. The City currently levies a 2% sales tax that is in addition to the 6.25% the state levies. In November of 2017, a ballot proposition to reallocate a portion of the local option sales tax to the General Fund was approved. As a result, the portion of the sales tax revenue allocated to the General Fund increased from 1% to 1.25%, with .25% being dedicated to streets projects. This reallocation was effective in April 2017. The remaining .75% goes to fund the Community Development Corporation. As the City has grown, so has the sales tax base. The sales tax for

FY 2019 reflects a conservative increase of approximately 5% over the FY 2018 estimate. Since 2010 the City has seen average annual sales tax growth of approximately 18.5%. approach to budgeting sales tax revenue. In years with declining values, sales tax was a bright spot in mitigating declining property tax revenue. As a result, the approach is to budget conservatively for growth in sales tax. In past years, the City estimated no growth over the prior year when projecting for the next year's sales tax revenue.

This allowed the City to fund supplemental requests and budget amendments later in the fiscal year if sales tax exceeds expectations. However, due to the addition of Wal-Mart and the current trend in sales tax, the City did project a slight increase of just under 5% for FY 2019 over the estimated FY 2018. The City will continue to monitor and analyze the potential revenue source.

General Fund Sales Tax Revenue		
Fiscal Year	Sales Tax	% Change
2000	\$37,586	-12.06%
2001	\$43,827	16.60%
2002	\$61,160	39.55%
2003	\$78,236	29.38%
2004	\$115,843	46.39%
2005	\$155,399	34.15%
2006	\$225,886	45.36%
2007	\$286,947	30.12%
2008	\$348,632	14.56%
2009	\$384,642	14.23%
2010	\$438,071	12.67%
2011	\$537,544	18.92%
2012	\$522,840	10.64%
2013	\$574,679	11.37%
2014	\$675,516	14.12%
2015	\$736,481	10.43%
2016	\$771,155	4.71%
2017	\$1,203,749	56.10%
2018 Estimated	\$1,537,000	27.68%
2019 Proposed	\$1,612,500	4.91%

Sales Tax History



Development

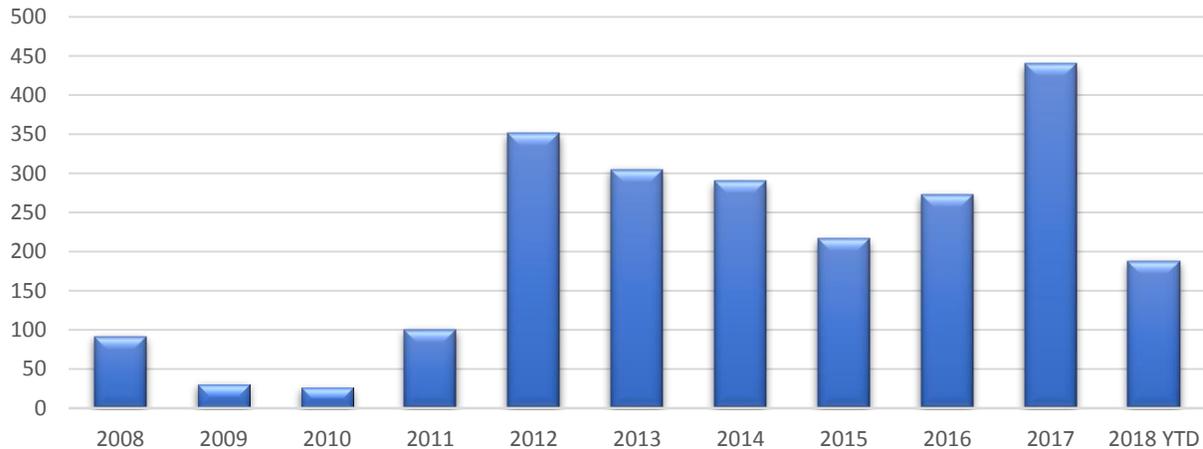
Development revenue is driven by building activity in the City. Development revenue is a combination of building permits, zoning fees, plat fees, contractor registration fees, and all other fees related to the permitting and approval of construction activity in the City. The City experienced a sharp decline in building permits from 2006 through 2010 that coincided with the recession. As the economy improved, we saw strong growth in single family permits through 2012; however, lot inventory began to diminish as developers had not added inventory to keep up with demand. As that inventory diminished we observed modest drop in building activity. In 2016, as the developers began increasing the lot inventory to keep up with the continually increasing demand for housing in Anna, the City began to see a strong

growth once again in single family permits.

To date in FY 2018, the City has received 188 building permit applications for single family homes which is down over the prior year due once again experiencing a shortage in lots. The FY 2019 budget reflects a conservative increase of 300 building permits for purposes of budgeting revenue and expenditures.

We anticipate that new home construction will continue to increase as subdivisions that are under construction or in various stages of the development process are completed and become available in the market. There are currently six residential developments under construction that will add over 1,170 single family lots to our inventory over the next 12 to 18 months. In addition, there are 2,594 lots that are currently in the planning phase.

Building Permits by Year



Illustrated below is a brief history of revenue sources for the City of Anna. Proposed revenue for FY 2019 is up 6.75% over the budgeted amount for FY 2018. Property taxes are up by 14.47% over FY 2018 due to continued

population growth and growth in commercial development. The estimate for FY 2018 is based upon performance over the first 3 quarters of the fiscal year including historical and seasonal trends.

General Fund Revenue Summary

	FY 17 ACTUAL	FY 18 BUDGET	FY 18 ESTIMATE	FY 19 PROPOSED	% CHANGE
PROPERTY TAX	\$3,731,880	\$4,269,004	\$4,277,741	\$4,774,602	11.84%
SALES TAX - GENERAL	\$1,059,423	\$1,360,028	\$1,250,000	\$1,312,500	-3.49%
SALES TAX - STREETS	\$144,326	\$336,326	\$287,000	\$300,000	-10.80%
DEVELOPMENT	\$1,168,117	\$821,500	\$864,000	\$752,000	-8.46%
FRANCHISE FEES	\$504,330	\$460,000	\$498,000	\$509,000	10.65%
COURT FEES	\$73,918	\$89,000	\$52,500	\$52,500	-41.01%
OTHER	\$722,687	\$598,013	\$706,013	\$293,341	-50.95%
TRANSFER IN - UT FUND	\$0	\$0	\$0	\$375,118	100.00%
Total	\$7,404,682	\$7,933,871	\$7,935,254	\$8,369,061	5.49%

General Fund

Expenditures

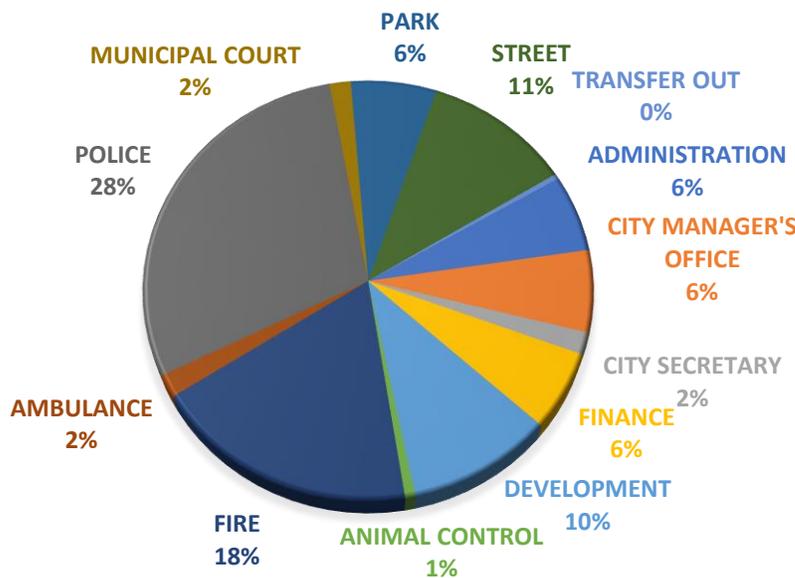
The General Fund accounts for the expenditures associated with operating the general government services one typically expects from their municipal government and are funded in part or in whole with property taxes. These services include public safety, parks, streets, planning, and the general administrative support for these services and the City Council.

The chart below illustrates the percentage of the budget attributed to each department. For FY 2019, public safety will account for 49% of the budget. This includes police, fire, ambulance services, and animal control.

The table on the following page illustrates a brief history for each department from FY 2017 through FY 2019. The table includes actual costs from FY 2017, budgeted and estimated costs for FY 2018, proposed budget for FY 2019, and the

percent change from the FY 2018 budget. The proposed FY 2019 budget has a decrease of -1.93% over the FY 2018 budget. This is due to the removal of the transfer out for municipal facilities. These funds will be used to offset the reduction in the maintenance and operations (M&O) portion of the tax rate. Increases in department budgets can be attributed to (1) new positions funded in the budget, (2) merit increases (3) equipment replacement costs, and (4) increases in employee benefit costs. These changes are detailed in the departmental summaries that follow.

FY2019 PROPOSED GENERAL FUND BUDGET



General Fund Expenditure Summary

	2017	2018		2019	
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	% CHANGE
ADMINISTRATION	\$303,262	\$381,067	\$499,404	\$487,902	28.04%
CITY COUNCIL	\$27,656	\$36,625	\$30,134	\$33,803	-7.71%
CITY MANAGER'S OFFICE	\$319,656	\$420,538	\$440,348	\$520,081	23.67%
CITY SECRETARY	\$138,368	\$143,839	\$132,897	\$138,379	-3.80%
FINANCE	\$415,223	\$429,540	\$402,296	\$482,630	12.36%
DEVELOPMENT	\$851,779	\$783,567	\$815,268	\$796,737	1.68%
ANIMAL CONTROL	\$50,773	\$56,799	\$57,513	\$57,909	1.95%
FIRE	\$1,001,599	\$1,269,487	\$1,241,401	\$1,538,002	21.15%
AMBULANCE	\$143,173	\$142,270	\$142,270	\$142,270	0.00%
POLICE	\$1,849,323	\$2,097,628	\$1,928,687	\$2,376,057	13.27%
MUNICIPAL COURT	\$115,543	\$133,572	\$127,293	\$130,071	-2.62%
PARK	\$375,123	\$540,951	\$547,092	\$512,523	-5.26%
STREET	\$520,426	\$1,620,676	\$1,310,234	\$906,498	-44.07%
XFER TO GRANT FUND	\$0	\$71,134	\$68,007	\$32,854	-53.81%
XFER FOR MUNICIPAL FACILITIES	\$117,785	\$405,886	\$350,000	\$0	-100.00%
XFER FOR STREETS PROJECTS	\$0	\$0	\$0	\$0	0.00%
CONTINGENCY	\$0	\$0	\$0	\$213,345	100.00%
TOTAL	\$6,229,690	\$8,533,579	\$8,092,843	\$8,369,061	-1.93%

Departmental Summaries

Each departmental summary includes its purpose, FY 2018 accomplishments, and FY 2019 goals. A summary of expenditures are included as well as new programs or noteworthy changes from the FY 2019 budget. Expenditures are summarized into the following categories:

Payroll

Payroll expenditures include all the costs associated with the employees in that department.

The payroll category includes salaries and wages, overtime, payroll taxes, health insurance, retirement, unemployment, workers compensation, and other related payroll costs.

Supplies

Supply expenditures include office supplies, vehicle supplies, fuel, postage, medical supplies, clothing supplies, chemical supplies, protective gear and other consumable items.

Maintenance

Maintenance expenditures include maintenance and repair costs for all city assets, equipment, and other city owned property, such as buildings, streets, parks, water and sewer

system (in the Utility Fund), vehicles, equipment, etc.

Services

Service expenditures include services which the City pays for. Items such as utility costs, telephones, liability & property insurance, employee travel & education, advertising for public notices, etc. This category also includes professional services such as engineering or auditing, and contracted services such as IT services, dispatch services, legal, animal control, etc.

Capital Expenditures

Capital expenditures include items such as machinery, equipment, motor vehicles, building renovations, etc.

The table below illustrates how departments will be summarized.

General Fund Expenditure Summary by Category

	2017	2018		2019	% CHANGE
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	
PAYROLL	\$3,613,255	\$4,294,997	\$4,078,900	\$5,309,538	24%
SUPPLIES	\$327,148	\$522,177	\$491,770	\$438,867	-16%
MAINTENANCE	\$221,861	\$390,848	\$270,400	\$196,000	-50%
SERVICES	\$1,642,595	\$1,777,522	\$1,866,704	\$1,990,957	12%
CAPITAL EXPENDITURES	\$294,697	\$1,071,015	\$967,062	\$187,500	-82%
TRANSFER OUT	\$117,785	\$477,020	\$418,007	\$32,854	100%
CONTINGENCY	\$12,349	\$0	\$0	\$213,345	100%
TOTAL	\$6,229,690	\$8,533,579	\$8,092,843	\$8,369,061	-1.93%

10-400 Administration

Purpose / Description

The Administration Department provides general administrative support to all the functions, programs, activities, and projects in the General Fund. These activities have costs not readily assignable to any specific department. Administration covers several shared expenses at City Hall (utilities, supplies, etc.) as well as other General Fund expenses (IT services).

FY 18 Accomplishments

- Hurricane Creek Economic Development PID/TIRZ Agreement
- Municipal Facilities Project - The complex will include a new Central Fire Station as well as a City Hall and Police combination facility. The funding for the project has been secured and the city anticipates completion of these facilities in late 2020

FY 2019 Objectives

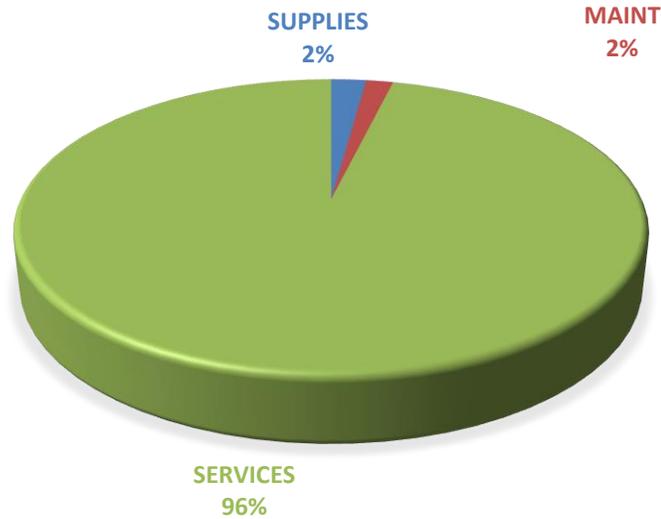
Guiding Principle: Customer Focus

- Conduct an event where households can drop off household hazardous waste not eligible for disposal through our current solid waste contract

Goal: Diversify Housing and Neighborhood Options

- Continued working with various development groups concerning improvement agreements

FY19 PROPOSED ADMINISTRATION BUDGET

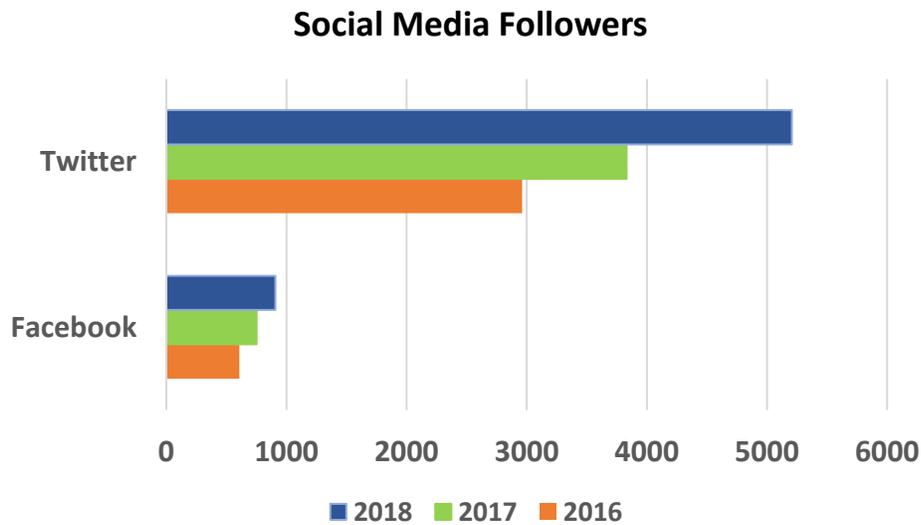


Administration Expenditure Summary

	2017	2018		2019	% CHANGE
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	
SUPPLIES	\$6,134	\$24,005	\$23,505	\$10,504	-56.24%
MAINT	\$927	\$8,100	\$8,400	\$8,100	0.00%
SERVICES	\$283,853	\$348,962	\$467,499	\$469,298	34.48%
CAP EX	\$12,349	\$0	\$0	\$0	100.00%
TOTAL	\$303,262	\$381,067	\$499,404	\$487,902	28.04%

Administration Performance Measures

Performance Benchmark				
Fiscal Year	2015	2016	2017	2018
Departmental Goal 1. Departmental Goal: Effectively communicate and engage with the public				
Number of unique page views on the City website	Not tracked	Not tracked	270,221	289,159
Number of Twitter Followers (Target > prior year)	Not tracked	609	752	909
% Increase of Twitter Followers	Not tracked	Not tracked	23%	21%
Number of Facebook Followers (Target > prior year)	Not tracked	2,962	3,832	5,208
% Increase of Facebook Followers	Not tracked	Not tracked	29%	36%
Departmental Goal 2. Provide a safe work environment for all City Employees				
Number of Workers Compensation Claims Filed	Not tracked	Not tracked	Not tracked	0
Number of Vehicle Accidents	Not tracked	Not tracked	Not tracked	6

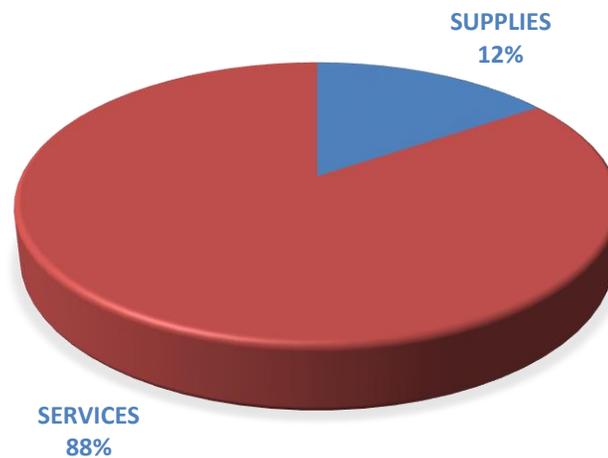


10-403 City Council

Purpose / Description

The City Council is the legislative body of the city functioning under a Home Rule Charter. This department is designed to provide funding related to administration of legislative matters including, professional development of Council members.

FY19 PROPOSED CITY COUNCIL BUDGET



City Council Expenditure Summary

	2017	2018		2019	
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	% CHANGE
SUPPLIES	\$2,758	\$9,500	\$10,900	\$4,000	-57.89%
MAINT	\$0	\$0	\$0	\$0	0.00%
SERVICES	\$24,898	\$27,125	\$19,234	\$29,803	9.87%
CAP EX	\$0	\$0	\$0	\$0	0.00%
TOTAL	\$27,656	\$36,625	\$30,134	\$33,803	-7.71%

10-406 City Manager

Purpose / Description

The City Manager oversees the implementation of City Council policies and directives, manages the day-to-day operations of the City, administers the annual operating budget, and promotes the overall interests of the community. The City Manager's Office includes an Assistant to the City Manager and the Human Resources Manager. The Assistant to the City Manager serves as the City's public relations manager and provides oversight of the City's Economic and Community Development Corporations.

FY 2018 Accomplishments

- Managed implementation of the FY 2017-2018 Budget and Strategic Goals
- Completed redesign of the City's website and optimize interface for mobile devices/tablets
- Coordinated acquisition of easements for critical infrastructure projects
- Continued coordination with TxDOT and other governmental partners on priority transportation projects including the reconstruction of FM 455 and US 75
- Completed the bond sale to fund construction of a new Municipal Complex
- Implemented TIMECLOCK Plus an automated time and attendance program to streamline bi-weekly payroll processes
- Implemented Onboard Program for new hires
- Implemented the Eagle Recognition Program for years of service awards
- Successful completion of Employee Engagement Survey
- Started the beginning processes with Laserfiche and City Secretary for electronic record keeping

FY 2019 Objectives

- Evaluate the potential of implementing the TMRS Restricted Prior Service Credit

Guiding Principles: Fiscal Responsibility

- Manage implementation of the FY 2018-2019 Budget and Strategic Goals
- Continue to promote fiscally responsible practices in the management of city operations

Guiding Principles: Customer Focus

- Ensure quality and timeliness of website and social media content

Goal: Pursue Targeted Economic Development

- Partner with the Economic Development Corporation and pursue activities and projects that promote business and the job growth within the City of Anna
- Partner with the Economic Development Corporation on the purchase and development of land for a new business park

Goal: Upgrade City Facilities and Infrastructure

- Commence architectural design for new community and municipal facilities

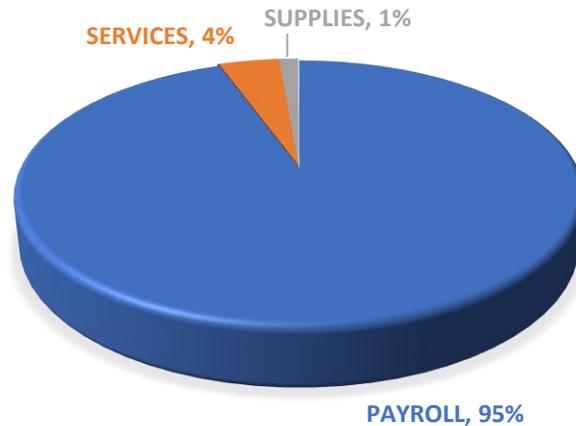
Goal: Build Transportation Infrastructure

- Continue coordination with TxDOT and other governmental partners on priority transportation projects including reconstruction of US 75 and future reconstruction of State Highway 5

New & Noteworthy for FY 2019

- The Receptionist position will be reclassified as Administrative Assistant/Records Clerk to reflect increasing responsibilities of this position

FY19 PROPOSED CITY MANAGER OFFICE BUDGET



City Manager Expenditure Summary

	2017	2018		2019	% CHANGE
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	
PAYROLL	\$309,989	\$401,938	\$417,860	\$491,456	22.27%
SUPPLIES	\$467	\$5,210	\$6,553	\$6,885	32.15%
MAINT	\$0	\$0	\$0	\$0	0.00%
SERVICES	\$9,200	\$13,390	\$15,935	\$21,740	62.36%
CAP EX	\$0	\$0	\$0	\$0	0.00%
TOTAL	\$319,656	\$420,538	\$440,348	\$520,081	23.67%

City Manager FTE Schedule

Description	FY15	FY16	FY17	FY18	FY19
<i>City Manager</i>	1	1	1	1	1
<i>Assistant to the City Manager</i>	0.5	0.5	0.5	1	1
<i>EDC/CDC Director</i>	0.5	0.5	0.5	0	0
<i>HR Manager</i>	0	0	0	1	1
<i>Admin Asst./Records Clerk</i>	0	0	0	0	0.5
<i>Receptionist</i>	0.5	0.5	0.5	0.5	0
TOTAL	2.5	2.5	2.5	3.5	3.5

10-409 City Secretary

Purpose / Description

The City Secretary provides administrative support to the City Council; attends all the City Council meetings and keeps minutes of the proceedings; works with the City Manager to prepare agendas and support materials for City Council meetings; responds to requests for public information; coordinates City elections; oversees the Records Management Program for the City; and serves as custodian of all official City records.

FY 2018 Accomplishments

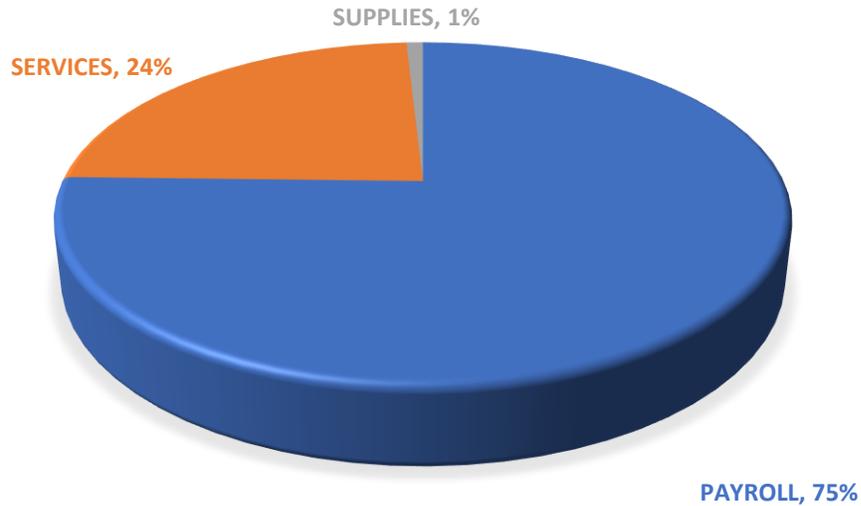
- Continued to digitize municipal records
- Coordinated the November 2017, May 2018 and June 2018 General Elections
- Provided support to City Council by attending all public meetings and hearings, and keeping minutes of the proceedings of all public meetings and hearings
- Provided support to City Staff by ensuring official City documents are accessible
- Coordinated the re-codification of City Ordinances

FY 2019 Objectives

Guiding Principle: Accountability

- Conduct May 2019 General Election
- Complete re-codification project
- Prepare inventory of all departments records

FY19 PROPOSED CITY SECRETARY BUDGET



City Secretary Expenditure Summary

	2017	2018		2019	% CHANGE
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	
PAYROLL	\$94,541	\$101,040	\$100,618	\$104,499	3.42%
SUPPLIES	\$908	\$650	\$200	\$1,200	84.62%
MAINT	\$0	\$0	\$0	\$0	0.00%
SERVICES	\$42,919	\$42,149	\$32,079	\$32,680	-22.47%
CAP EX	\$0	\$0	\$0	\$0	0.00%
TOTAL	\$138,368	\$143,839	\$132,897	\$138,379	-3.80%

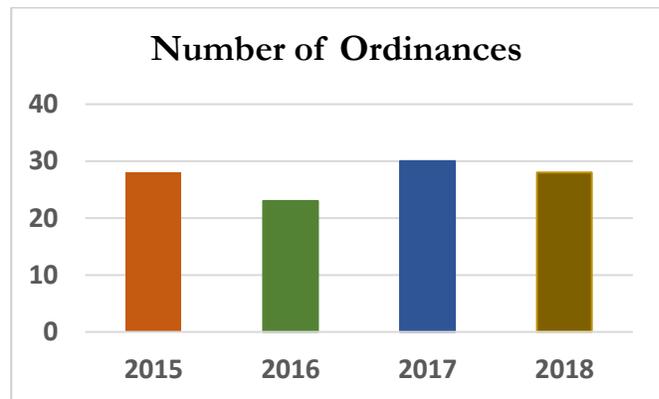
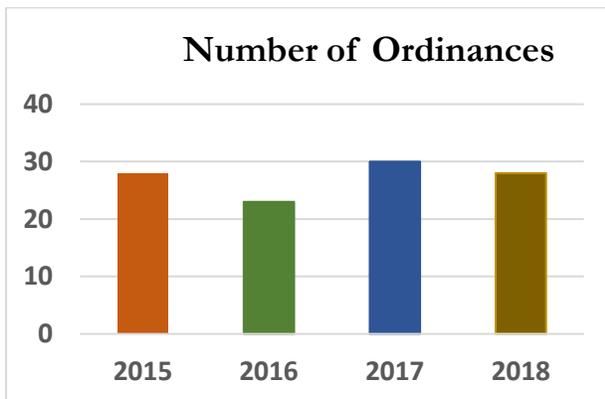
City Secretary FTE Schedule

Description	FY15	FY16	FY17	FY18	FY19
<i>City Secretary</i>	1	1	1	1	1
TOTAL	1	1	1	1	1



City Secretary Performance Measures

Performance Benchmark				
Fiscal Year	2015	2016	2017	2018
Departmental Goal 1. Ensure timeliness in responding to open records request				
Number of open records requests completed	Not Tracked	250	312	477
Percent of open records requests responded to within 10 days	100%	100%	100%	100%
Departmental Goal 2. Ensure training of newly appointed and reappointed Board members on laws and procedures relating to their appointment				
Number of newly appointed and reappointed Council/Board Members	3	3	7	4
Percent of appointees completing open meetings training required by the Open Meetings Act	100%	100%	100%	100%
Departmental Goal 3. Improve boards and commissions recruitment by making board applications available at all City meetings, advertising in newspaper, and website				
Number of applications received (Target: 50)	Not Tracked	Not Tracked	Not Tracked	33



10-414 Finance

Purpose / Description

The Finance Department maintains the financial integrity of the city and provides comprehensive and integrated financial management of the day-to-day operations of the city. The Finance Department keeps and maintains financial records; provides accurate financial reporting; invests public funds in compliance with applicable laws, ordinances, and policies; oversees purchasing, accounts payable; and general human resource administration; and manages the City's information technology support operations.

FY 2018 Accomplishments

- Received the GFOA Distinguished Budget Presentation Award
- Submitted the Comprehensive Annual Financial Report for the GFOA Certificate of Achievement for Financial Excellence in Reporting
- Began evaluating financial software needs which will allow staff to increase efficiency
- Improved internal controls
- Improved efficiency in financial reporting
- Completed restructuring of bank accounts which allowed the City to invest funds more efficiently and to increase investment returns
- The external audit for the period ending September 30, 2017 resulted in no deficiencies or management comment items
- The City received a bond rating upgrade from A1 to Aa3 citing from Moody's Investor Service
- Provided financial analysis to monitor the economic incentive agreements related to various agreements
- Added an Accounting Technician position to help process accounts payable and keep up with growing demand for service
- Continued to work to ensure financial transparency

FY 2019 Objectives

Guiding Principle: Fiscal Responsibility

- Ensure excellent fiscal management to maintain public trust
- Continue to monitor the impact of the economy on current financial conditions affecting the City's revenues and expenses
- Continue to work toward improving and streamlining processes to ensure efficiency

Guiding Principle: Accountability

- Complete a review of financial policies and make updates to reflect process and procedural changes and/or improvements
- Monitor long range financial plans for debt management and selected operating funds
- Create a Financial Procedures Manual
- Continue to evaluate and improve internal controls

Guiding Principle: Innovation

- Continue to partner with Enterprise Fleet Management to better manage and budget for vehicle maintenance, purchases, and replacement
- Continue to evaluate financial management, and reporting software needs of the City, and make recommendations for upgrades and new software as necessary

Guiding Principle: Transparency

- Ensure Annual Debt Report is updated on the City's website for compliance of House Bill 1378
- Ensure Check Registers are updated on a quarterly basis on the City's website
- Publish Annual Budget and Comprehensive Annual Finance Reports on the City's website
- Continue to improve upon and provide additional information in the budget book and CAFR in order to increase transparency and to receive professional awards and recognition from GFOA

New & Noteworthy for FY 2019

- A Payroll Specialist position has been added to allow needed separation of duties between Human Resources and Payroll and to keep up with the growing number of City employees

FY19 PROPOSED FINANCE BUDGET



Finance Expenditure Summary

	2017	2018		2019	% CHANGE
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	
PAYROLL	\$339,646	\$375,712	\$357,400	\$440,331	17.20%
SUPPLIES	\$4,475	\$7,050	\$6,510	\$6,800	-3.55%
MAINT	\$0	\$0	\$0	\$0	0.00%
SERVICES	\$71,102	\$46,778	\$38,386	\$35,499	-24.11%
CAP EX	\$0	\$0	\$0	\$0	0.00%
TOTAL	\$415,223	\$429,540	\$402,296	\$482,630	12.36%

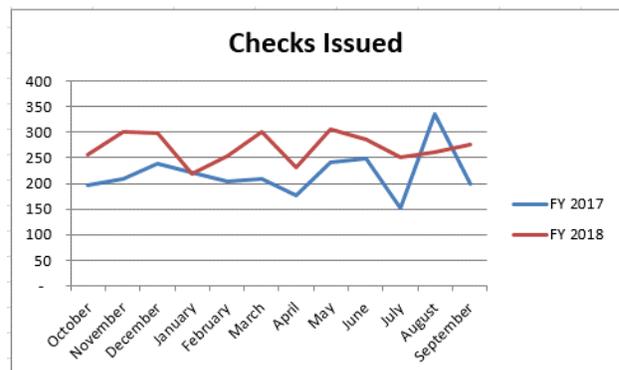
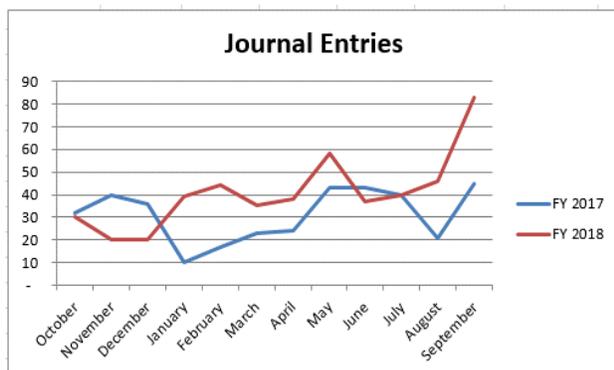
Finance FTE Schedule

Description	FY15	FY16	FY17	FY18	FY19
<i>Finance Director</i>	1	1	1	1	1
<i>Accountant II</i>	1	1	1	1	1
<i>Finance/Budget Analyst</i>	1	1	1	1	1
<i>Payroll Specialist</i>	0	0	0	0	1
<i>Account Clerk</i>	0	0	0	1	1
<i>HR Manager</i>	0	0	1	0	0
<i>HR Administrator</i>	1	1	0	0	0
TOTAL	4	4	4	4	5



Finance Department Performance Measures

Performance Benchmark				
Fiscal Year	2015	2016	2017	2018
Departmental Goal 1. Improve the accuracy & timeliness of reporting				
Number of check registers posted on the City's website (Target 12)	12	12	12	12
Number of Quarterly Investment Reports posted on the City's website (Target 4)	0	0	4	4
Annual Debt Report Posted on the City's website	N	N	Y	Y
Debt Profile Updated by Financial Advisors	N	N	Y	Y
Number of consecutive years awarded the Distinguished Budget Presentation Award	2	3	4	5
Departmental Goal 2. Departmental Goal: Increase financial transparency				
Number of Unique Page Views on the Financial Transparency web page	Not Tracked	Not Tracked	Not Tracked	380
Departmental Goal 3. Promote financial stability by maintaining or improving the City's current bond rating				
Moody's Bond Rating (Target Aa2)	A1	A1	A1	Aa3
Fitch Bond Rating (Target AA)	A	A	AA-	AA-



10-420 Development

Purpose / Description

The Development Department promotes sustainable development consistent with the City's Strategic Plan through fair, consistent and ethical enforcement of the City's land development regulations. The Development Department ensures that new development occurring within the City and its extra-territorial jurisdiction is consistent and in compliance with the City's comprehensive plan, zoning ordinance, subdivision ordinance, building codes, and other development regulations.

FY 2018 Accomplishments

- Continued to work on updates to the City's Comprehensive Plan
- Initiated a Neighborhood Design Manual
- Conducted semi-annual (or as needed) meetings with builders to discuss procedure changes and to listen to and address concerns
- Resubmitted an application for TxDOT Green Ribbon program
- Initiated the Hurricane Creek Regional Sewer project
- Review and processing of all permits that were submitted

FY 2019 Objectives

Goal: Improve Curb/Aesthetic Appeal of Community

- Utilize the Green Ribbon Program to design and construct landscape enhancements within the FM 455 median between U.S. Hwy 75 and SH 5
- Develop a Downtown Wayfinding Plan consistent with our Strategic Plan
- Develop schematic design for 4th Street streetscape improvements

Goal: Diversify Housing & Neighborhood Options

- Continue and complete update of the City's Comprehensive Plan
- Complete the Neighborhood Design Manual

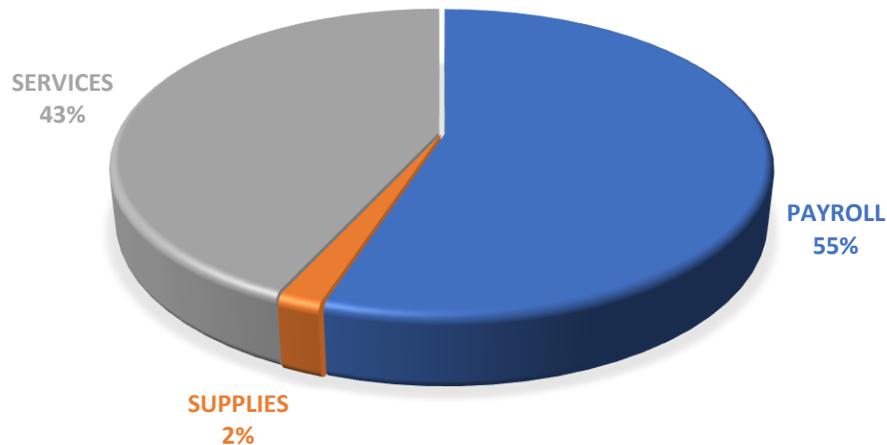
Guiding Principle: Accountability

- Continue to improve and streamline process for the issuance of permits and processing development applications
- Draft development regulations for the downtown district consistent with the updated Comprehensive Plan

New & Noteworthy for FY 2019

- A GIS employee will be added to the Planning and Development Department to develop a refined GIS presence for day to day operations, research, and mapping

FY19 PROPOSED DEVELOPMENT BUDGET



Development Expenditure Summary

	2017	2018		2019	% CHANGE
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	
PAYROLL	\$317,215	\$335,771	\$362,050	\$437,107	30.18%
SUPPLIES	\$6,542	\$15,429	\$14,544	\$14,540	-5.76%
MAINT	\$375	\$2,800	\$2,800	\$2,800	0.00%
SERVICES	\$527,646	\$429,567	\$435,874	\$342,290	-20.32%
CAP EX	\$0	\$0	\$0	\$0	0.00%
TOTAL	\$851,779	\$783,567	\$815,268	\$796,737	1.68%

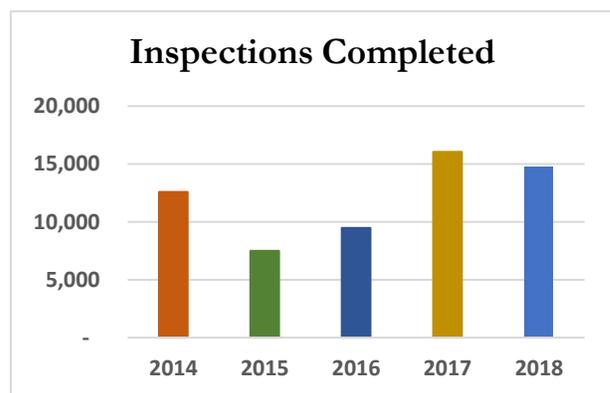
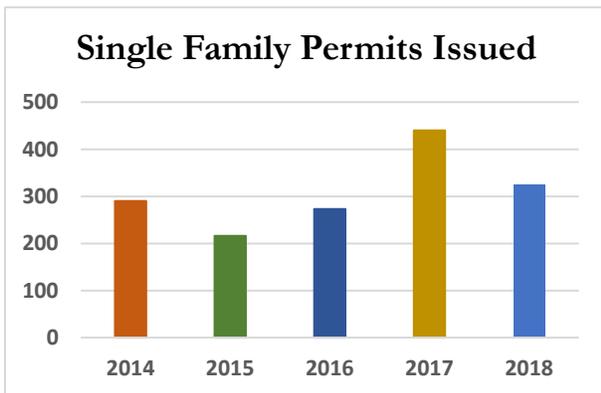
Development FTE Schedule

Description	FY15	FY16	FY17	FY18	FY19
<i>Director of Planning</i>	1	1	1	1	1
<i>Planner II</i>	1	1	1	1	1
<i>Planner I</i>	1	1	1	1	1
<i>GIS Specialist</i>	0	0	0	0	1
<i>Administrative Assistant</i>	1	1	1	1	1
TOTAL	4	4	4	4	5



Development Performance Measures

Performance Benchmark				
Fiscal Year	2015	2016	2017	2018
Departmental Goal 1. Provide service by reviewing planning & zoning applications, and development plans within a timely manner				
Planning Board Applications Reviewed within 45 days (Target: 45 days)	100%	100%	100%	100%
Planning & Zoning Appeals Applications Reviewed within 45 days (Target: 45 days)	100%	100%	100%	100%
Departmental Goal 2. Effectively communicate and engage with the public				
Number of Unique Page Views for the Development web page (Target > Prior Year)	Not Tracked	Not Tracked	Not Tracked	2,113
Number of Unique Page Views for the Planning & Zoning web page (Target > Prior Year)	Not Tracked	Not Tracked	Not Tracked	480
Number of Unique Page Views for the Land Use Maps (Target > Prior Year)	Not Tracked	Not Tracked	Not Tracked	1,825



10-525 Animal Control

Purpose / Description

Animal control and animal shelter services are currently provided through a contract with Collin County. Services include responding to citizen complaints regarding animal control issues. The contract also allows animals captured within the City of Anna to be housed at the Collin County animal shelter. Animal Control does not have any personnel related costs as it is a contracted service. The contract does not provide pro-active or routine patrols and enforcement of animal control ordinances.

FY19 PROPOSED ANIMAL CONTROL BUDGET



Animal Control Expenditure Summary

	2017	2018		2019	
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	% CHANGE
SERVICES	\$50,773	\$56,799	\$57,513	\$57,909	1.95%
TOTAL	\$50,773	\$56,799	\$57,513	\$57,909	1.95%

10-543 Fire

Purpose / Description

The Fire Department provides professional fire suppression, rescue, fire prevention, fire education, and emergency medical response services to the community of Anna.

FY 2018 Accomplishments

- Conducted 5th annual Operation Santa
- Reviewed & updated fire prevention and inspection procedures
- Mapped all fire hydrants in the City
- Continued emergency management training with City Staff
- Applied for and received ten training grants from the Texas Forest Service
- Became involved with the NCTTRAC Zone 5

FY 2019 Objectives

Goal: Promote our Community Identity

- Begin the process to become a recognized department through the Texas Fire Chiefs Association Best Practices Recognition program
- Continue to research and develop community safety and public relation programs
 - Operation Santa
 - Summer Camp for children
 - Community C.P.R. Classes
 - City employee C.P.R. training
 - Citizens Fire Academy
 - Fire Department Open House

Goal: Encourage Inter-Local Cooperation

- Maintain a proactive EMS program and continue to work with area departments and have representation at the NCTTRAC Zone 5 meetings
- Continue to serve on the Anna ISD career technology advisory committee
- Continue to assist Public Works with fire hydrant mapping and testing
- Participate with the Collin County Volunteer Groups assisting in Disasters (CCVOAD) Organization

Goal: Upgrade City Facilities and Infrastructure

- Work with the architect and contractor in the development and construction phases of Central

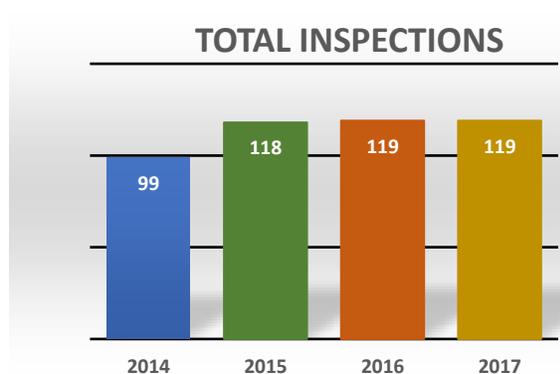
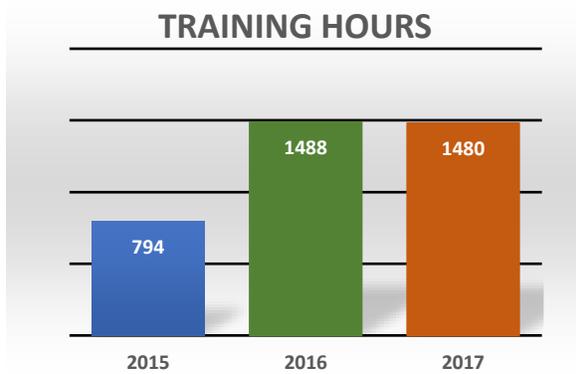
Fire Station

- Work with UT Dallas in the development of a staffing study
- Continue to provide Emergency Management training to City staff
- Enhance professional staff development

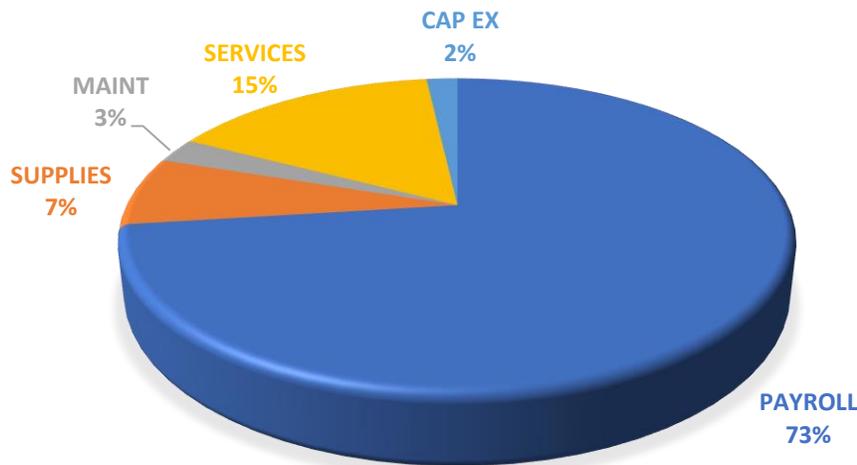
New & Noteworthy for FY 2019

- Two Firefighter positions will be added to improve personnel coverage increasing firefighter safety and providing a more stable staffing model for our customers
- Continued funding to provide for enhanced health screenings for employees and volunteers. Increasing firefighter safety and fitness
- Emergency outdoor notification system updated by adding a siren. This will enhance the notification system to the customers who live in the south section of town
- Two new vehicles will replace older vehicles in the fleet. One will be used as a command vehicle and the other a new cab and chassis for a rescue unit
- The FD will absorb the previously grant funded positions into the budget as they grant will end 09/30/18

Performance Benchmark				
Fiscal Year	2015	2016	2017	2018
Departmental Goal 1. Provide a quality of service to our customers through dedication, training, and professionalism				
Full Time Firefighters:	5	7	9	11
Training Hours (Target 20hrs/FF)	100	130	180	200
Goal Obtained (Y/N)	Y	N	Y	N
Departmental Goal 2. Work with the Water Department to maintain the City's fire hydrants				
Number of Fire Hydrants	561	635	682	808
Fire Hydrants Flowed Annually (Target: 100%)	80%	85%	90%	100%
Departmental Goal 3. Complete all annual fire business inspections.				
Number of Businesses	118	119	119	120
Completed Annual Fire Inspections (Target: 90%)	Y	Y	Y	Y



FY19 PROPOSED FIRE BUDGET



Fire Expenditure Summary

	2017	2018		2019	% CHANGE
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	
PAYROLL	\$672,978	\$807,835	\$834,250	\$1,122,757	38.98%
SUPPLIES	\$142,507	\$194,900	\$188,340	\$109,120	-44.01%
MAINT	\$94,572	\$50,948	\$32,500	\$39,500	-22.47%
SERVICES	\$67,495	\$79,310	\$63,811	\$239,125	201.51%
CAP EX	\$24,048	\$136,494	\$122,500	\$27,500	-79.85%
TOTAL	\$1,001,599	\$1,269,487	\$1,241,401	\$1,538,002	21.15%

Fire FTE Schedule

Description	FY15	FY16	FY17	FY18	FY19
<i>Fire Chief</i>	1	1	1	1	1
<i>Deputy Chief</i>	0	0	0	1	1
<i>Fire Marshal/Code Enf Officer</i>	1	1	1	1	1
<i>Fire Shift Captain</i>	3	3	3	3	3
<i>Fire Fighter Day Shift</i>	1	1	1	2	1
<i>Fire Fighter</i>	1	1	3	3	6
TOTAL	7	7	9	11	13

10-544 Ambulance

Purpose / Description

Ambulance service is currently provided by AMR through a contract with Collin County. The Ambulance Department does not have any personnel costs as it is a contracted service.

FY19 PROPOSED AMBULANCE BUDGET



Ambulance Expenditure Summary

	2017	2018		2019	
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	% CHANGE
SERVICES	\$143,173	\$142,270	\$142,270	\$142,270	0.00%
TOTAL	\$143,173	\$142,270	\$142,270	\$142,270	0.00%

10-550 Police

Purpose / Description

It is the Mission of the Anna Police Department to provide quality impartial police services to our residents and visitors; this is accomplished through Integrity, Courtesy, Honor and Respect. In building strong collaborative partnerships with members of the Anna community, we are committed to reducing crime, reducing the fear of crime and maintaining a high quality of life within our city.

FY 2018 Accomplishments

- Awarded “Texas Safest Cities” designation for 2018 (2nd year in a row)
- Established a Crime Stoppers program
 - (P3Tips)
- Established social media presence
 - Facebook
 - Twitter
 - Independent PD Website
- Established Coffee with Anna Cops Program
- Updated alarm ordinance and established new process for handling alarm permits and false alarm management
 - PM AM Corporation
- Applied for and received grant funding for two projects
 - \$139,379 for new records management system
 - \$79,871 for the continuation of the Child Abuse/Family Violence Investigator
- Created bicycle unit to improve community relations
 - Two officers were sent to 40-hour police bicycle certification school
- Cyber Counterintelligence Analyst certification for one investigator
- Property room audit completed
- Training and implementation of Conducted Electronic Weapons (TASER)
- Explorer Post competed in regional competition and placed in two of the five events

FY 2019 Objectives

Goal: Promote our Community Identity

- Continue to build the strength of the social media platforms
- Continue efforts to become a recognized department through the Texas Police Chiefs Association Best Practices Recognition program
- Develop solid recruiting/retention strategies (videos and other marketing tools)
- Continue building on the Coffee with Anna Cops Program
 - Include a monthly evening event
- Continue participation in National Night Out, Glow Fest, July 4th, and the Christmas Parade events
- Continue to grow the Anna Police Explorer Post

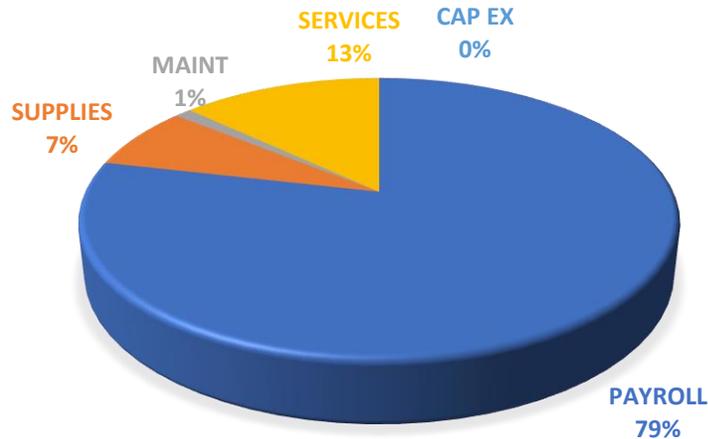
Goal: Encourage Inter-Local Cooperation

- Complete mental health crisis intervention training (CIT) certification for all Police Officers
 - Further develop our relationship with LifePath Systems and other mental health providers
- Chief will continue as a sitting member of the North Central Texas Council of Governments Criminal Justice Policy Development Committee
- Chief will continue as a sitting member of the Anna ISD Career and Technical Education board
- Continue developing partnerships with other Collin County police agencies

New & Noteworthy for FY 2019

- Increased payroll costs
 - Anticipated costs associated with the addition of four new positions
 - CID Sergeant
 - Two patrol officers
 - One civilian CID clerk
- The PD will absorb the previously grant funded SRO into the budget as the three-year grant will end 09/30/18
- New in FY 2019, is the addition of a narcotics canine program. The Police K-9's extraordinary ability to smell, agility, courage, and determination are recognized both Nationally and Internationally. The Police dogs will be cross-trained to detect narcotics and track to find lost/endangered missing children and adults. In addition, the K-9 will help build public relations between the police and community by conducting school visits and public demonstrations. The K-9 will also be a visible deterrent to criminal activity.

FY19 PROPOSED POLICE BUDGET



Police Expenditure Summary

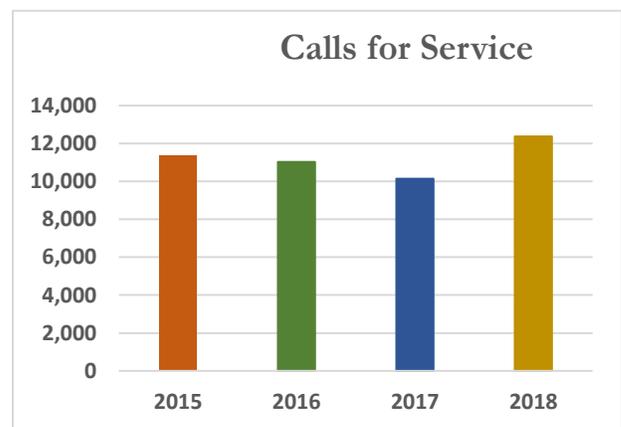
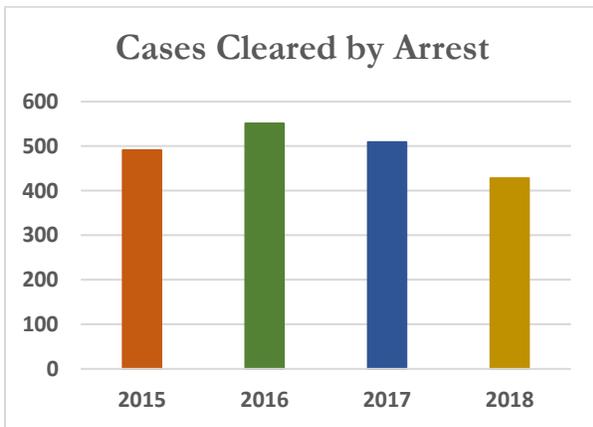
	2017	2018		2019	
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	% CHANGE
PAYROLL	\$1,430,604	\$1,512,140	\$1,385,569	\$1,867,389	23.49%
SUPPLIES	\$102,353	\$147,633	\$136,935	\$172,843	17.08%
MAINT	\$16,285	\$38,000	\$36,200	\$25,540	-32.79%
SERVICES	\$172,504	\$226,333	\$237,800	\$310,285	37.09%
CAP EX	\$127,577	\$173,522	\$132,183	\$0	-100.00%
TOTAL	\$1,849,323	\$2,097,628	\$1,928,687	\$2,376,057	13.27%

Police FTE Schedule

Description	FY15	FY16	FY17	FY18	FY19
<i>Police Chief</i>	1	1	1	1	1
<i>Records Administrator</i>	1	1	1	1	1
<i>Police Lieutenant</i>	1	1	1	1	1
<i>Police Sergeant</i>	2	2	3	4	5
<i>Police Officer</i>	10	9	8	9	12
<i>Child & Family Violence Inv</i>	0	0	1	1	1
<i>Admin Asst</i>	0	0	0	0	1
<i>School Resource Officer</i>	0	2	2	1	0
TOTAL	15	16	17	18	22

Police Department Performance Measures

Performance Benchmark				
Fiscal Year	2015	2016	2017	2018
Departmental Goal 1. To provide high-quality services in a timely and respectful manner				
Calls for Service	11,385	11,027	10,140	12,373
Response time to emergency calls (Target: Under 5 minutes)	4:26	4:06	4:44	4:58
Departmental Goal 2. To reduce the number of crashes on roadways by increasing traffic enforcement				
Accidents Reported (Target >Prior Year)	231	262	246	336
Departmental Goal 3. To create a higher quality of life for our citizens				
Number of Part I Crimes (Target > Prior Year)	252	286	265	250
Departmental Goal 4. To identify and respond to crime trends in the community utilizing professional investigative procedures				
Percentage of assigned cases cleared. (Target>70%)	Not Tracked	53%	56%	61%



10-552 Municipal Court

Purpose / Description

The Municipal Court provides a fair, impartial and unbiased court system for persons charged with criminal offenses. The Anna Municipal Court has jurisdiction over all fine-only offenses that have been committed within the Anna city limits including Class C misdemeanors, traffic offenses and violations of City ordinances.

FY 2018 Accomplishments

- Continued to work with AMS and the Police Department on collection of warrants
- Continued to partner with a collection agency to increase warrant collections
- Improved reliability of court data and payment service on kiosk
- Cross trained UB office staff to help with the processing of cases
- Increased community awareness of Municipal Courts' Week

FY 2019 Objective

Strategic Goal: Encourage Inter-Local Cooperation

- Implement and plan to participate in the Texas Warrant Round-up

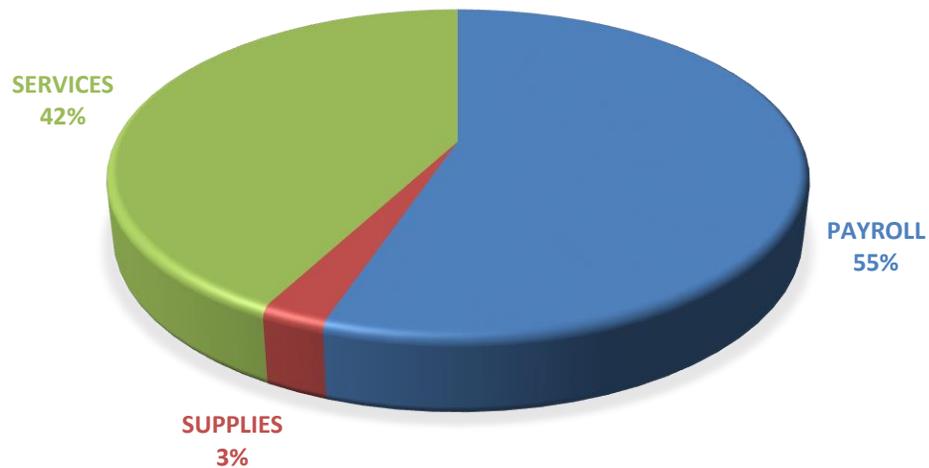
Guiding Principles: Innovation

- Evaluate system to allow defendants to receive notification of citation and pay ticket via smartphone

Guiding Principle: Accountability

- Continue work towards Level III Court Certification
- Continue to work with AMS and the Police Department on collection of warrants

FY19 PROPOSED COURT BUDGET



Municipal Court Expenditure Summary

	2017	2018		2019	% CHANGE
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	
PAYROLL	\$67,088	\$71,517	\$69,069	\$71,847	0.46%
SUPPLIES	\$2,306	\$3,950	\$3,400	\$3,400	-13.92%
MAINT	\$0	\$0	\$0	\$0	0.00%
SERVICES	\$46,149	\$58,105	\$54,824	\$54,824	-5.65%
CAP EX	\$0	\$0	\$0	\$0	0.00%
TOTAL	\$115,543	\$133,572	\$127,293	\$130,071	-2.62%

Municipal Court FTE Schedule

Description	FY15	FY16	FY17	FY18	FY19
<i>Court Administrator</i>	1	1	1	1	1
TOTAL	1	1	1	1	1

10-555 Parks

Purpose / Description

The Parks department oversees the development and maintenance of the City's parks and recreation facilities. The department also supports community organizations that provide sports and recreation opportunities for the youth of our community.

FY 2018 Accomplishments

- Two Parks Maintenance Workers was added in the Parks Department to assist with maintenance and to help improve the aesthetic appeal of City parks
- Completion of the Parks Department office, breakroom and restroom at Natural Springs Park
- Dredging of the front Pond at Natural Springs Park
- New driveway and parking lot with 28 spaces added at Natural Springs Park
- Land swap completed at Natural Springs Park
- Parking lot was expanded at Slayter Creek Park
- New sidewalk along Rosamond that connects to the high school and middle School constructed
- Repaired sidewalk panels along walking trail in Slayter Creek Park
- Start of a co-ed softball league
- 118 Field/Pavilion/Gazebo rentals

FY 2019 Objectives

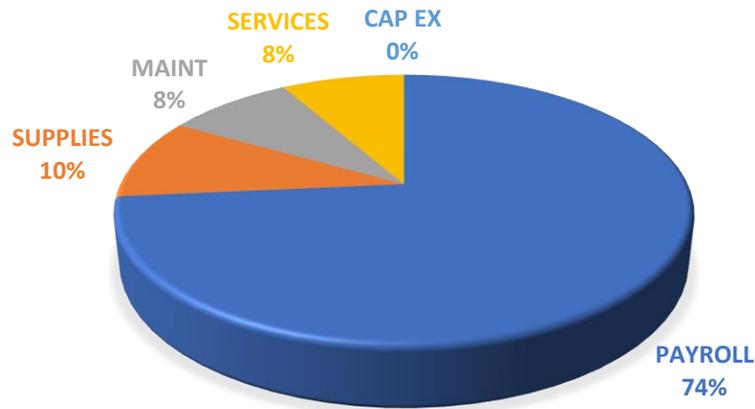
Goal: Improve Curb/Aesthetic Appeal of Community

- Continue to improve the maintenance and operation of existing parks and facilities to create an excellent customer experience
- Repair trail surface in several areas of Slayter Creek Park
- Ensure maintenance of the State Highway 455 & Ferguson medians

Guiding Principles: Customer Focus

- Continue to evaluate feasibility of City recreation programs (youth and adult)

FY19 PROPOSED PARKS BUDGET



Parks Expenditure Summary

	2017	2018		2019	% CHANGE
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	
PAYROLL	\$216,826	\$318,170	\$325,225	\$376,848	18.44%
SUPPLIES	\$38,511	\$52,250	\$52,033	\$49,700	-4.88%
MAINT	\$32,201	\$38,200	\$43,500	\$43,500	13.87%
SERVICES	\$35,810	\$35,246	\$33,334	\$42,475	20.51%
CAP EX	\$51,774	\$97,085	\$93,000	\$0	-100.00%
TOTAL	\$375,123	\$540,951	\$547,092	\$512,523	-5.26%

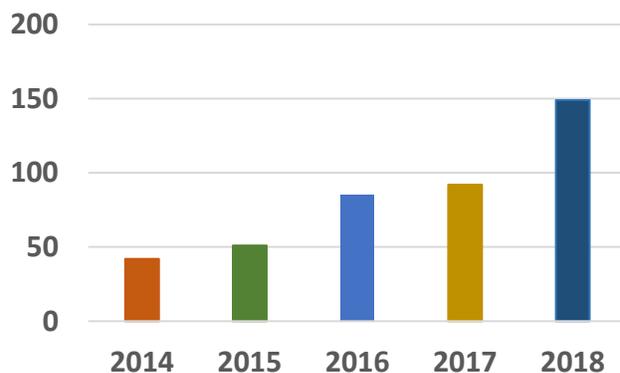
Parks FTE Schedule

Description	FY15	FY16	FY17	FY18	FY19
<i>Parks Superintendent</i>	0	1	1	1	1
<i>Maintenance Worker II</i>	0	0	1	0	1
<i>Maintenance Worker I</i>	1	1	2	4	3
<i>Crew Leader - Parks</i>	1	1	0	1	1
<i>Seasonal Laborer</i>	0	1	1	1	1
TOTAL	2	4	5	7	7

Parks Performance Measures

Performance Benchmark				
Fiscal Year	2015	2016	2017	2018
Departmental Goal 1. Inspect & maintain all parks, grounds, and playgrounds in accordance with National & Park Association Standards				
Class A Properties (City facilities/Athletic Fields) maintained on a weekly basis (Target: 100%)	Not Tracked	Not Tracked	Not Tracked	85%
Class B Properties (Parks/Medians) maintained on a bi-weekly basis (Target: 100%)	Not Tracked	Not Tracked	Not Tracked	85%
Class C Properties (Railroad, County Road rights-of-way) maintained on a monthly basis (Target: 100%)	Not Tracked	Not Tracked	Not Tracked	80%
Daily Inspection of Splash Park (Target: 100%)	Not Tracked	Not Tracked	Not Tracked	95%
Inspections of Playgrounds (Target: 100%)	Not Tracked	Not Tracked	Not Tracked	92%
Departmental Goal 2. Maintain or increase usage of rental facilities				
Number of Rentals of Pavilions/Fields/Facilities (Target: > prior year)	51	85	92	149

Parks Facilities/Field Rentals



10-580 Street

Purpose / Description

The Street Department is responsible for the maintenance of the City's roadway and storm water drainage systems. Services funded by this department include: cleaning streets, clearing and mowing public rights of way, routine maintenance and repair of street pavement and sidewalks, installation and maintenance of street signs, and maintenance of the storm drainage system. State highways and FM roads are maintained by the Texas Department of Transportation.

FY 2018 Accomplishments

- Continued street audit with MicroPaver auditing software
- New roller has been used to complete large-scale repairs in-house
- Sidewalk repair significantly increased this year due to recruiting and equipping top-level staff
- Completed Storm Water Master Plan
- Continued street sign replacement for TMUTCD compliance
- Reconstructed Fourth, Easton and Second Streets along with major drainage repair in that area and reconstructed the Butler Street entrance
- Completed construction upgrading CR 370 to two-course asphalt
- Completed design and began right-of-way acquisition for improvements to Hackberry Lane between SH 5 and Slayter Creek
- The sales-tax reallocation fund is growing and allowed for a bond issue in excess of \$4 million that will allow for major road planning, construction and improvements
- Added Streets Superintendent greatly improved the proactivity and efficiency within the Department

FY 2019 Objectives

Goal: Upgrade City Facilities and Infrastructure

- Adopt erosion control and storm drainage design manual
- Street audit will be finalized within the MicroPaver software
- Continue street and regulatory sign TMUTCD compliance
- Implement Storm Water Master Plan and mechanism for funding CIP

Goal: Encourage Inter-Local Cooperation, Improve Curb/Aesthetic Appeal of Community

- Develop an Adopt-A-Street program
- Continue work in preparation for the City of Anna becoming an MS4 in 2020 by working with and training developers

Goal: Build Transportation Infrastructure

- Continue work with TxDOT, NCTCOG and the RTC to secure funding for priority local street projects including:
 - Ferguson Road between Taylor and the Collin County Outer Loop
 - Hackberry Ln. between SH 5 and Slayter Creek
 - Rosamond Parkway between AHS and US 75

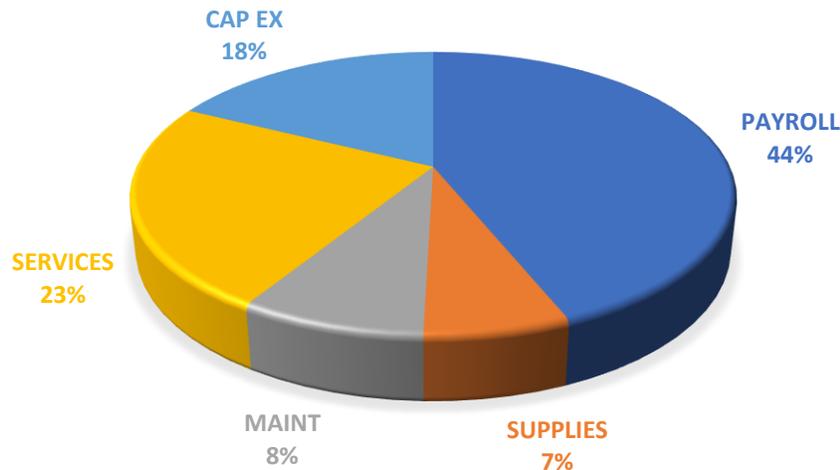
Goal: Promote our Community Identity

- Enhance customer outreach through improved customer service and marketing (public education flyers, social media campaigns, etc.)

New & Noteworthy for FY 2019

- A Streets Maintenance Worker II position will be added to enable two full-time crews in the Department
- Revenue from the sales tax reallocation will fund debt service of \$4 million+ to pay for major infrastructure planning, construction and rehabilitation
- MS4 startup in preparation for the City becoming an MS4 in 2020
- Major upgrades/retrofits to school zone lights City-wide

FY19 PROPOSED STREET BUDGET



Street Expenditure Summary

	2017	2018		2019	
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	% CHANGE
PAYROLL	\$164,367	\$370,874	\$226,859	\$397,304	7.13%
SUPPLIES	\$20,187	\$61,600	\$48,850	\$59,875	-2.80%
MAINT	\$77,501	\$252,800	\$147,000	\$76,560	-69.72%
SERVICES	\$167,073	\$271,488	\$268,146	\$212,759	-21.63%
CAP EX	\$91,298	\$663,914	\$619,379	\$160,000	-75.90%
TOTAL	\$520,426	\$1,620,676	\$1,310,234	\$906,498	-44.07%

Street FTE Schedule

Description	FY15	FY16	FY17	FY18	FY19
<i>Streets Superintendent</i>	0	0	0	1	1
<i>Streets Supervisor</i>	0	1	1	1	0
<i>Crew Leader</i>	0	0	0	0	1
<i>Traffic Safety Technician</i>	0	0	0	1	1
<i>Maintenance Worker II</i>	0	0	0	0	1
<i>Maintenance Worker I</i>	0	2	2	3	3
TOTAL	0	3	3	6	7

Street Department Performance Measures

Performance Benchmark				
Fiscal Year	2015	2016	2017	2018
Departmental Goal 1. Maintain the community's infrastructure effectively and efficiently				
Maintain roadways within annual operating budget (Target 100%)	100%	100%	100%	100%
Respond to customer work orders within 1 business day (Target: 1 business day)	90%	95%	98%	95%
Departmental Goal 2. Provide prompt and efficient responses to storm events				
Primary roads cleared within 24 hours (Target: 100%)	100%	100%	100%	100%
Clean the problem sewer culverts and inlets within 24 hours of storm event (Target 100%)	100%	100%	100%	100%
Responded to all emergency calls within 4 hours	100%	100%	100%	100%



Restricted Revenue Trusts

The Restricted Revenue Trust Funds are separated in different funds due to being restricted for a specific purpose and to separate these funding sources from operating funds. In prior fiscal years, these funds were incorporated within the General Fund or Utilities Fund. With the exception of Water & Sewer Improvement Funds, these restricted revenue trusts are a Governmental Fund type. Monies in the restricted revenue trusts are restricted based upon the circumstances of their receipt. Restrictions are placed on the use of these trusts funds for a number of reasons including, but not limited to laws, ordinances, grant contracts, donations, etc.

The City manages the following restricted revenue trusts:

- Special Revenue Fund
- Grant fund
- Eastside Park Trust
- Fire Trust
- Park Trust
- State Seizure and Federal Seizure Funds
- Street Capital Improvement Fund
- Water & Sewer Improvement Funds (Impact and Developer Fees)

Special Revenue Fund

These funds are used to account for funds that have external legal restrictions associated with their use. This fund includes the following types of revenues: Court Technology fees, Court Building Security fees, Child Safety fees, and Cable Public Education Government (PEG) Fees.

The Court Technology fees account for a portion of court fines to support the use of technology in

the courtroom. The FY 2019 budget includes the annual software licensing of the ticket writers.

The Building Security fees are used to maintain security in the court room and is budgeted for overtime pay to officers acting as a bailiff for the court when necessary.

The Child Safety fees account for a portion of Collin County court fees that can be used to fund various programs designed to enhance child safety as outlined in State Code. As the City does not operate a school crossing guard program, the funds will be used on other public safety programs in accordance with State Code. The FY 2019 budget is being used for the Child Abuse Task Force membership as well as to purchase additional signs for the Drive Like Your Kids Live Here Program.

PEG Fees are a portion of fees assessed by a cable franchise provider. These fees are restricted by state code to support a municipality's public access cable channel. These funds will be held in reserve until they can support an eligible expenditure. There are no funds budgeted to be spent in FY 2019.

	2017	2018		2019	
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	% CHANGE
COURT TECHNOLOGY FEES	\$1,823	\$1,900	\$1,537	\$1,720	-10.47%
COURT BUILDING SECURITY FEES	\$1,423	\$1,428	\$1,158	\$1,383	-3.25%
CHILD SAFETY FEES	\$14,124	\$10,989	\$10,814	\$10,900	-0.82%
PEG FEES	\$8,272	\$8,400	\$7,408	\$8,148	-3.00%
TOTAL REVENUE	\$25,641	\$22,717	\$20,917	\$22,151	-2.56%

	2017	2018		2019	
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	% CHANGE
COURT TECHNOLOGY EXP	\$1,720	\$1,720	\$1,720	\$1,720	0.00%
COURT BUILDING SECURITY EXP	\$1,051	\$4,000	\$856	\$1,800	-122.22%
CHILD SAFETY EXP	\$0	\$11,275	\$10,775	\$8,000	-40.94%
PEG EXP	\$0	\$0	\$0	\$0	0.00%
TOTAL EXPENSE	\$2,771	\$16,995	\$13,351	\$11,520	-32.22%

Grant Fund

The Grant Fund was created in FY 2018 in order to track grant awards previously budgeted in multiple funds in one fund separate from operating funds. The fund is used to account for funds received from other state or federal government agencies that have restricted legal requirements and multi-year budgets. In the event matching funds are required for a grant, the City's matching portion is transferred from the applicable operating fund.

In FY 2019, the grants included in this fund are the Child Abuse Investigator/Family Violence Grant, grant projects funded through the Texas Forestry Service, a National Incident Based Reporting Equipment Grant, Bullet Proof Vest Grant, and funds from the Law Enforcement Officer Standards and Education. LEOSE funds and Texas Forestry Service grants received by the City of Anna will be used for acceptable training programs.

GRANT REVENUE	DEPARTMENT	PROPOSED 2019
CHILD ABUSE/FV INV GRANT	POLICE	\$79,871
NIBRS EQUIPMENT GRANT	POLICE	\$139,427
LEOSE	POLICE	\$2,207
TX FORESTRY SERVICE GRANT	FIRE	\$9,650
BULLET PROOF VEST GRANT	POLICE	\$2,696
TRANSFER IN GENERAL FUND		\$31,999
TOTAL REVENUE		\$265,850

GRANT EXPENSE	DEPARTMENT	PROPOSED 2019
CHILD ABUSE/FV INV GRANT	POLICE	\$109,174
NIBRS EQUIPMENT GRANT	POLICE	\$139,427
LEOSE	POLICE	\$3,997
BULLET PROOF VEST GRANT	POLICE	\$5,392
TX FORESTRY SERVICE GRANT	FIRE	\$9,885
TOTAL EXPENSE		\$267,875

The Eastside Park Trust

The Eastside Park Trust was created from a private donation for improvements to the Eastside Park, otherwise known as Geer Park. The trust has a just over \$12,857 in fund balance; no additional resources are dedicated to grow the fund balance at this time. The available funds will be held in reserve until a project is selected for funding that meet the restrictions of the donation. All interest earnings from the donation are held in the same trust for the same purpose.

Fire Trust

The Fire Trust accounts for voluntary fees negotiated with developers for support of the Anna Fire Department. Fire Trust revenues and expenditures are illustrated below. The FY 2018 budget anticipated a decline in revenues. The FY 2019 budget reflects a conservative estimate for these fees. During FY 2019, it is anticipated that the Fire Trust will be used to purchase necessary tools and equipment.

	2017	2018		2019	
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	% CHANGE
DEVELOPER FEES	\$37,900	\$16,200	\$14,350	\$5,500	-66.05%
INTEREST REVENUE	\$189	\$0	\$600	\$600	100.00%
TOTAL REVENUES	\$38,089	\$16,200	\$14,950	\$6,100	-62.35%
EXPENSES					
	2017	2018		2019	
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	% CHANGE
TOOLS & EQUIPMENT	\$0	\$18,700	\$17,222	\$10,100	-45.99%
MACHINERY & EQUIPMENT	\$0	\$8,000	\$7,665	\$8,000	0.00%
TOTAL EXPENSE	\$0	\$26,700	\$24,887	\$18,100	-32.21%

Park Trust

The Park Trust is funded by park development fees as stipulated in either developer agreements or the subdivision ordinance and are used to fund the City's master parks plan through development, improvement, or maintenance of the City's parks. Park Trust revenues and expenditures are illustrated below. Estimated and proposed revenues are the result of building activity in the City. In FY 2019, the proposed expenditures in the Parks Trust include improvements to Sherley Park, a storage building, new trash cans, and fence at Slayter Creek, a picnic area for Natural Springs Park, backstops at Greer Park and Bryant Park, a tractor and a locomotive to be located at the Sherley Heritage Park.

	2017	2018		2019	
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	% CHANGE
DEVELOPER FEES	\$548,861	\$262,813	\$324,646	\$475,800	81.04%
GRANT REVENUE	\$0	\$40,000	\$40,000	\$0	-100.00%
INTEREST REVENUE	\$2,051	\$1,500	\$7,500	\$7,500	400.00%
TOTAL REVENUES	\$550,912	\$304,313	\$372,146	\$483,300	58.82%

	2017	2018		2019	
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	% CHANGE
CONTRACT SERVICES	\$8,900	\$0	\$0	\$0	0.00%
MAINT & REPAIR - GROUNDS	\$0	\$9,000	\$0	\$0	-100.00%
OTHER SUPPLIES-MISC.	\$0	\$1,500	\$0	\$0	-100.00%
LAND & IMPROVEMENTS	\$114,826	\$359,563	\$362,000	\$105,300	-70.71%
OTHER CAPITAL EXPENDITURES	\$3,078	\$0	\$8,063	\$400,500	100.00%
TOTAL EXPENSE	\$126,804	\$370,063	\$370,063	\$505,800	30.19%

State and Federal Seizure Funds

Police Seizure Funds are funds recognized from revenues generated from property seized in connection with illegal activity once they are forfeited after prosecution. Funds can only be used in accordance with applicable state and federal laws. These funds can only be used to support the Police Department. Typically, the City has used these funds only for capital purchases in the Police Department, not to supplement operations. Seizure funds are held in reserve until a sufficient balance can support a specific need. No expenditures are budgeted for FY 2019.

Street Capital Improvement Funds

The City has three funds for street capital improvements. These funds account for fees negotiated with developers for the improvements of streets and roadway impact fees. There are two funds set up to track the two different service areas separately and one set up to track the developer agreements. The City is working to build up this fund for the strategic roadway improvements. The developer reimbursement is based upon an agreement negotiated between the City and a developer to reimburse the developer for roadway improvements that benefit the City. The projected revenue to be received during FY 2019 for street capital

improvements is projected to be \$480,543 with \$90,450 being reimbursed back to the developers.

Water & Sewer Improvement Funds (Impact and Developer Fees)

The city maintains four funds to account for water and sewer impact and water and sewer developer fees to be used in accordance with applicable laws, regulations, and ordinances. These funds are typically held in reserve for the use of one-time expenditures and not to supplement operations. The projected revenue to be received during FY 2019 for water and sewer improvements is \$1,471,200 with \$268,000 being reimbursed back to the developer.

Debt Service Fund

Revenue

The Debt Service Fund is a special revenue fund used to account for a portion of the ad valorem property tax revenue exclusively reserved for principal and interest payments on debt issued for General Fund purposes. Unlike Enterprise Funds, which are intended to operate like a business enterprise, the General Fund's intent is to focus on the flow of current financial resources.

Debt accounted for in the Debt Service Fund includes bonded debt and notes supported by taxes. Bonded debt includes general obligation bonds, certificates of obligations and combination tax and revenue certificates of obligation.

Revenues generated from the City's Interest and Sinking (I&S) portion of the tax rate are deposited into the Debt Service Fund and are dedicated to pay the principal and interest of outstanding debt secured by property taxes. All debt issued for general government purposes is accounted for in the Debt Service Fund. However, from time to time, the City has also issued combination tax and revenue

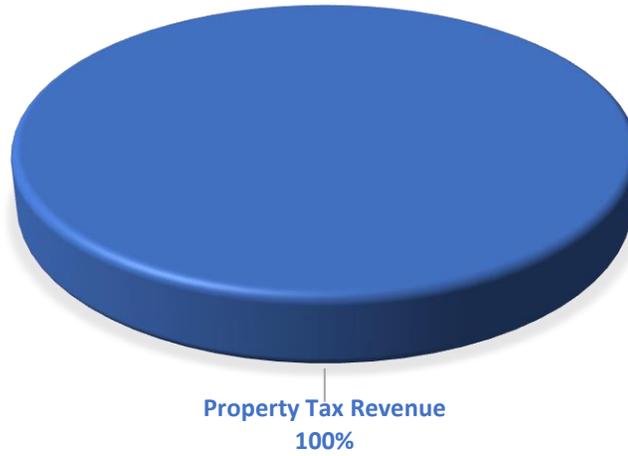
certificates of obligation to support water and sewer infrastructure projects. These bonds are accounted for in the Utility Fund. Under these Bond Covenants, there remains a tax pledge to support the debt if surplus revenues from the water and sewer operations are not sufficient to make the debt payments. Of the outstanding Debt Service Obligations for FY 2019, 33% is related to tax secured debt issued for water and sewer projects.

The total debt service on tax secured debt for FY 2019 is \$2,043,917. The I&S revenue is budgeted at \$1,827,909. This was a planned draw down on fund balance remaining from FY 2018.

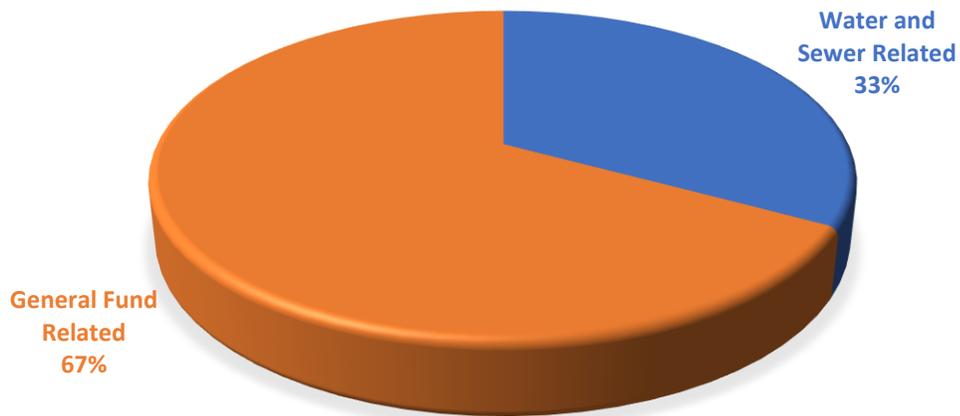
Debt Service Revenue Summary

	2017	2018		2019	
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	% CHANGE
Property Tax Revenue	\$897,740	\$1,091,329	\$1,091,329	\$1,819,909	66.76%
Bond Proceeds	\$850,000	\$0	\$0	\$0	0.00%
Other Sources	\$2,044	\$1,400	\$6,500	\$8,000	471.43%
Total	\$1,749,784	\$1,092,729	\$1,097,829	\$1,827,909	67.28%

FY 2019 PROPOSED DEBT SERVICE REVENUE



FY 2019 OUTSTANDING TAX SECURED DEBT



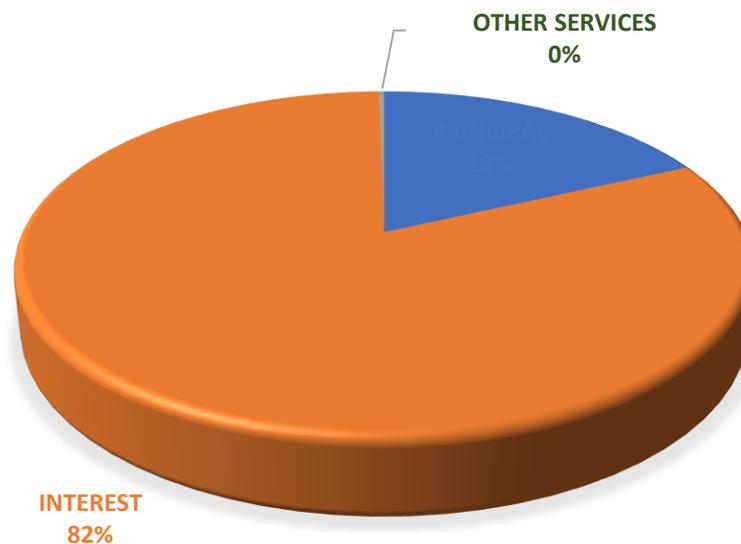
Debt Service Fund

Obligations

The City of Anna currently holds just over \$51.2 million in outstanding tax supported debt. Of the outstanding tax supported debt, approximately \$17.2 million was issued for water and sewer infrastructure projects and is payable from water and sewer revenues; however, to obtain more favorable financing terms, the debt has a tax pledge. The balance of tax supported debt, just under \$34 million, was issued for general fund purposes. In October of 2017, the City's certificate of obligation debt rating received a rating increase by Moody's from A1 to Aa3 citing, "material assessed valuation growth supported by high residential demand. The rating also reflects ample reserves a benefit of consistently strong operating performance, as well as affordable debt and pension profile."

The debt service obligations since FY 2017 are detailed below.

FY 2019 PROPOSED DEBT SERVICE BUDGET



Debt Service Expenditure Summary

	2017	2018		2019	
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	% CHANGE
PRINCIPAL	\$328,000	\$297,000	\$342,000	\$371,000	24.92%
INTEREST	\$87,395	\$114,738	\$67,602	\$1,672,917	1358.03%
OTHER SERVICES	\$854,230	\$6,556	\$8,250	\$5,500	-16.11%
XFER FOR TAX PLEDGE	\$467,424	\$674,435	\$445,435	\$0	-100.00%
Total	\$1,737,048	\$1,092,729	\$863,287	\$2,049,417	87.55%

Debt Management Plan

The City has worked closely with our financial advisors, First Southwest, to develop a sound debt management plan. Looking to the future, the City anticipates spikes in our debt service starting in FY 2027. In order for the City to not increase the I&S tax rate, the Tax Levy will need to increase by 2% annually. In the event a 2% tax increase does not occur, the City and First Southwest will evaluate the potential for refunding opportunities of existing debt.

The current debt plan is based upon very conservative assumptions in growth of the property tax base and interest rates. Additionally, any planned refundings will be scheduled to coincide with interest rate resets and, where possible, refunding bonds that are callable and advance refundable. In this way the plan will minimize the present value cost to the city.

The table below illustrates the total annual debt service for all tax pledged debt through FY 2048.

Outstanding Debt Schedule - Tax Pledged Debt

PERIOD ENDING	PRINCIPAL	INTEREST	TOTAL DEBT SERVICE	% CHANGE
9/30/2019	1,106,000	2,217,817	3,323,817	118.53%
9/30/2020	1,247,000	1,846,500	3,093,500	-6.93%
9/30/2021	1,281,000	1,808,264	3,089,264	-0.14%
9/30/2022	1,325,000	1,770,251	3,095,251	0.19%
9/30/2023	1,364,000	1,728,451	3,092,451	-0.09%
9/30/2024	1,415,000	1,682,890	3,097,890	0.18%
9/30/2025	1,461,000	1,635,221	3,096,221	-0.05%
9/30/2026	1,500,000	1,585,911	3,085,911	-0.33%
9/30/2027	1,716,000	1,529,235	3,245,235	5.16%
9/30/2028	1,785,000	1,463,125	3,248,125	0.09%
9/30/2029	2,030,000	1,389,138	3,419,138	5.26%
9/30/2030	2,530,000	1,297,501	3,827,501	11.94%
9/30/2031	2,635,000	1,190,955	3,825,955	-0.04%
9/30/2032	2,735,000	1,086,099	3,821,099	-0.13%
9/30/2033	2,820,000	983,683	3,803,683	-0.46%
9/30/2034	1,745,000	897,556	2,642,556	-30.53%
9/30/2035	1,375,000	835,900	2,210,900	-16.33%
9/30/2036	1,430,000	779,800	2,209,800	-0.05%
9/30/2037	1,485,000	721,500	2,206,500	-0.15%
9/30/2038	1,545,000	660,900	2,205,900	-0.03%
9/30/2039	1,305,000	603,900	1,908,900	-13.46%
9/30/2040	1,360,000	550,600	1,910,600	0.09%
9/30/2041	1,415,000	495,100	1,910,100	-0.03%
9/30/2042	1,475,000	437,300	1,912,300	0.12%
9/30/2043	1,535,000	377,100	1,912,100	-0.01%
9/30/2044	1,595,000	314,500	1,909,500	-0.14%
9/30/2045	1,660,000	249,400	1,909,400	-0.01%
9/30/2046	1,730,000	181,600	1,911,600	0.12%
9/30/2047	1,800,000	111,000	1,911,000	-0.03%
9/30/2048	1,875,000	37,500	1,912,500	0.08%
TOTAL	50,280,000	30,468,697	80,748,697	

The chart below illustrates the outstanding general fund related debt through FY 2048. The amounts included here represent just the portion of all tax secured debt that was issued for general fund purposes.

The amounts reflected do not include any projected savings from planned refundings.

Outstanding Debt Schedule - GO Debt Debt

PERIOD ENDING	PRINCIPAL	INTEREST	TOTAL DEBT SERVICE	% CHANGE
9/30/2019	371,000	1,672,917	2,043,917	399.00%
9/30/2020	497,000	1,323,132	1,820,132	-10.95%
9/30/2021	504,000	1,308,163	1,812,163	-0.44%
9/30/2022	520,000	1,295,364	1,815,364	0.18%
9/30/2023	535,000	1,280,839	1,815,839	0.03%
9/30/2024	556,000	1,264,362	1,820,362	0.25%
9/30/2025	571,000	1,247,106	1,818,106	-0.12%
9/30/2026	588,000	1,229,323	1,817,323	-0.04%
9/30/2027	611,000	1,206,885	1,817,885	0.03%
9/30/2028	640,000	1,177,875	1,817,875	0.00%
9/30/2029	675,000	1,145,700	1,820,700	0.16%
9/30/2030	1,110,000	1,101,400	2,211,400	21.46%
9/30/2031	1,165,000	1,044,525	2,209,525	-0.08%
9/30/2032	1,215,000	991,100	2,206,100	-0.16%
9/30/2033	1,265,000	941,500	2,206,500	0.02%
9/30/2034	1,320,000	889,800	2,209,800	0.15%
9/30/2035	1,375,000	835,900	2,210,900	0.05%
9/30/2036	1,430,000	779,800	2,209,800	-0.05%
9/30/2037	1,485,000	721,500	2,206,500	-0.15%
9/30/2038	1,545,000	660,900	2,205,900	-0.03%
9/30/2039	1,305,000	603,900	1,908,900	-13.46%
9/30/2040	1,360,000	550,600	1,910,600	0.09%
9/30/2041	1,415,000	495,100	1,910,100	-0.03%
9/30/2042	1,475,000	437,300	1,912,300	0.12%
9/30/2043	1,535,000	377,100	1,912,100	-0.01%
9/30/2044	1,595,000	314,500	1,909,500	-0.14%
9/30/2045	1,660,000	249,400	1,909,400	-0.01%
9/30/2046	1,730,000	181,600	1,911,600	0.12%
9/30/2047	1,800,000	111,000	1,911,000	-0.03%
9/30/2048	1,875,000	37,500	1,912,500	0.08%
TOTAL	33,728,000	25,476,090	59,204,090	

The City does not currently have any debt limit in terms of a dollar amount. However, municipal debt limits in Texas are established by state code. 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. Administratively, the Attorney General of the State of Texas will permit allocation of \$1.50 of the \$2.50 maximum tax rate for all general obligation debt service, as calculated at the time of issuance.

The proposed budget has an ad valorem tax rate of \$0.591288 per \$100 Taxable Assessed Value. Of that amount, \$0.163166 is dedicated to I&S, or Debt Service.

The following are planned steps to manage the City's I&S Fund tax rate:

1. The City has levied an Interest and Sinking Fund tax rate of \$0.163166 in Tax Year 2018.
2. The City's tax base is now at \$1,115,372,832 which means the City is not dependent on future refundings and restructurings to manage its I&S tax rate.
3. Assuming 2% growth, no debt refundings/ restructurings and no new debt; the City could cover all of its I&S tax-supported obligations through maturity in 2048 at current revenue levels.

If refundings are completed this would support capacity for additional future general fund bond issues for needs that arise as the City continues to grow and develop. All refundings will be carefully analyzed by staff, our financial advisors, and the City Council. The City's debt management plan is a joint effort with our financial advisors. The items presented here have been developed with our advisors and are only for planning purposes. Actual results and actions will be dependent upon the economic conditions at the time refundings are considered.

Utility Fund

Revenue

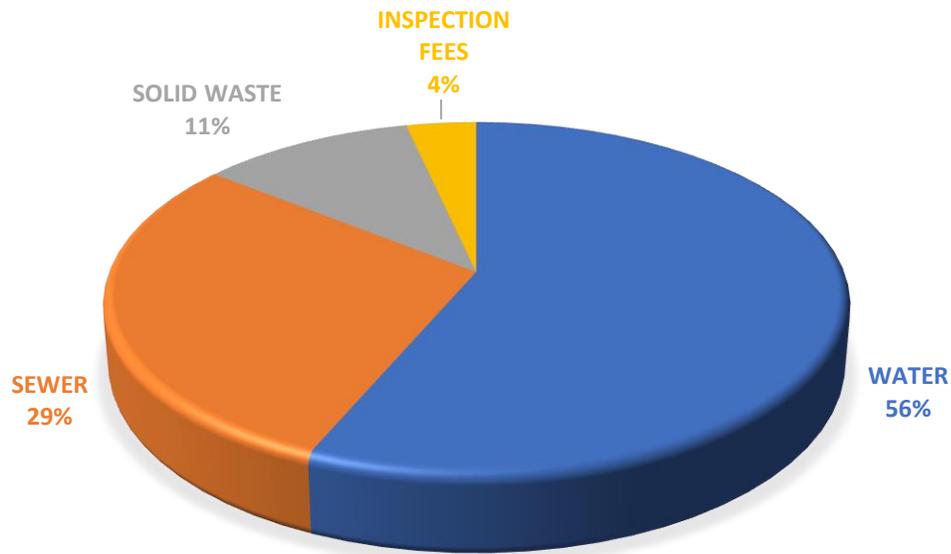
The Utility Fund is an enterprise fund that accounts for the water, sewer, inspection fees, and solid waste collection services that are provided to the City's residents including some customers outside the City. Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business. The intent is that the costs of providing goods or services are financed primarily through user charges.

The Utility Fund accounts for all costs associated with operating the City's Utility Services; this includes operations, maintenance, billing & collections, administration, financing, and related debt service.

The Utility Fund's principle source of revenue is charges to customers for water consumption, wastewater collection, solid waste collection, and fees related to providing consumers with utility services. The FY 2019 proposed revenue also includes inspection fees for public infrastructure inspections. Rather than contract for this service, the city hired construction inspectors beginning in FY 2015 to inspect public infrastructure projects funded through public and/or private development. Additionally, the Utility Fund includes a transfer from the Debt Service Fund to support debt service on debts issued for water & sewer infrastructure that includes a tax pledge.

The City of Anna utility rates include a base charge and a volumetric rate for water consumption beyond 2,000 gallons per month. The base rate provides stability in our revenue as water sales are more volatile than other revenue sources and change based upon the climate and precipitation. Customer growth has helped ease pressure on utility rates and water and sewer rates are projected to remain unchanged for FY 2019. However, GTUA water costs are projected to increase 24.7% as rates and demand for treated surface water are projected to increase in FY 2019.

FY 2019 PROPOSED REVENUE



Utility Fund Revenue Summary by Department

	2017	2018		2019	
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	% CHANGE
WATER	\$4,367,664	\$4,685,700	\$4,880,884	\$5,218,258	11.37%
SEWER	\$2,369,731	\$2,653,438	\$2,536,008	\$2,693,998	1.53%
SOLID WASTE	\$911,084	\$930,013	\$949,822	\$998,446	7.36%
INSPECTION FEES	\$704,164	\$322,187	\$455,000	\$325,000	0.87%
TRANSFERS IN	\$467,424	\$674,435	\$445,435	\$0	-100.00%
TOTAL	\$8,820,067	\$9,265,773	\$9,267,149	\$9,235,702	-0.32%

Utility Fund

Expenditures

The Utility Fund accounts for all the costs associated with providing and maintaining utility services. These services are provided by the Admin, Water, Sewer, Solid Waste, and Utility Billing departments. Departmental summaries are provided with expenditures categorized by type. Like the General Fund, these types are payroll, supplies, maintenance, and capital expenditures; however, the Water & Sewer Fund includes transfers to the capital project fund to support future facility needs.

The chart below illustrates the percentage of costs associated with each department. The tables below illustrate a brief history from FY 2017 through FY 2019. The table includes actual costs from FY 2017, budgeted and estimated costs for FY 2018, proposed budget for FY 2019, and the percent change from the FY 2018 budget.

The departmental summaries provide greater detail on increased

expenditures; however, the bulk of the increase in Administration, Water, and Sewer are due to the addition of 3 FTE's to the Utility Fund and an increase in services for GTUA water purchases.

The table below illustrates the total decrease of 5.74% is primarily the decrease in transfer to capital projects. The changes will be discussed in the departmental summaries.

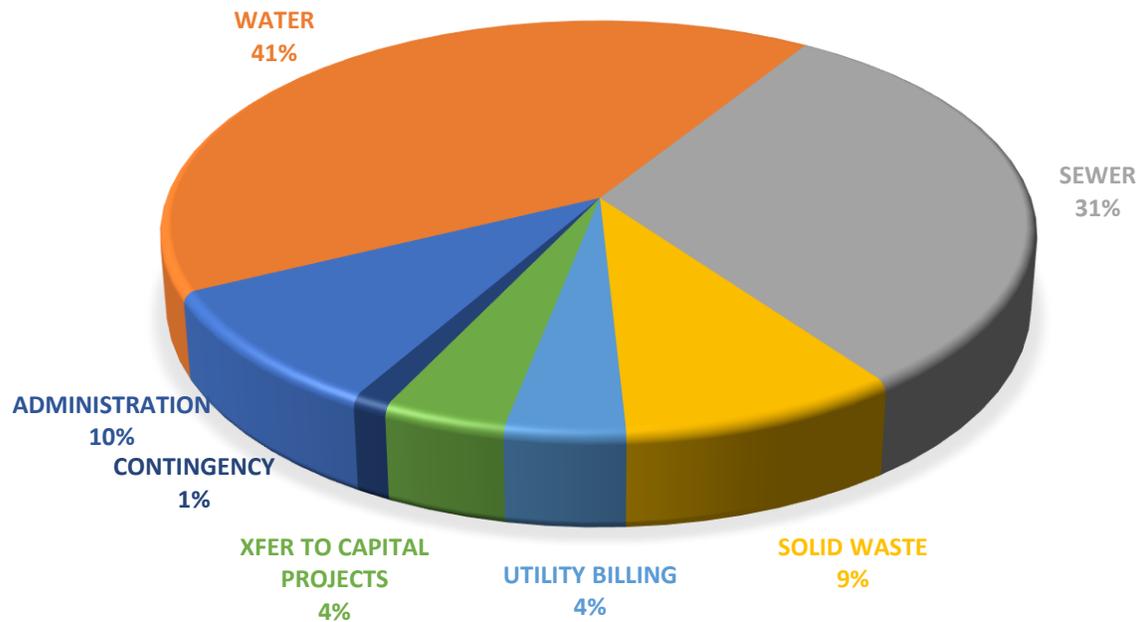
Utility Fund Expenditure Summary by Department

	2017	2018		2019	
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	% CHANGE
ADMINISTRATION	\$533,162	\$770,665	\$692,342	\$873,360	13.33%
WATER	\$2,620,489	\$3,508,672	\$3,406,813	\$3,803,712	8.41%
SEWER	\$1,886,549	\$2,892,387	\$2,363,088	\$2,871,295	-0.73%
SOLID WASTE	\$741,474	\$785,319	\$800,793	\$841,793	7.19%
UTILITY BILLING	\$319,339	\$381,495	\$419,641	\$362,422	-5.00%
XFER TO CAPITAL PROJECTS	\$467,424	\$1,459,435	\$1,459,435	\$375,118	-74.30%
CONTINGENCY	\$0	\$0	\$0	\$108,003	100.00%
TOTAL	\$6,568,436	\$9,797,973	\$9,142,110	\$9,235,702	-5.74%

Utility Fund Expenditure by Type

	2017	2018		2019	
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	% CHANGE
PAYROLL	\$1,117,239	\$1,645,052	\$1,363,675	\$1,864,842	13.36%
SUPPLIES	\$112,944	\$115,493	\$113,828	\$143,061	23.87%
MAINT	\$353,874	\$401,800	\$478,900	\$542,280	34.96%
SERVICES	\$4,489,624	\$5,572,862	\$5,359,396	\$6,077,798	9.06%
CAP EX	\$27,331	\$603,331	\$366,877	\$124,600	0.00%
XFER TO CAPITAL PROJECTS	\$467,424	\$1,459,435	\$1,459,435	\$375,118	-74.30%
CONTINGENCY	\$0	\$0	\$0	\$108,003	100.00%
TOTAL	\$6,568,436	\$9,797,973	\$9,142,110	\$9,235,702	-5.74%

FY 2019 PROPOSED UTILITY FUND BUDGET



60-400 Administration

Purpose / Description

The Administrative Department provides general administrative support to all the functions, programs, activities, and projects in Public Works and the Utility Fund. These activities have costs not readily assignable to any specific department.

Administration covers a number of shared expenses at Public Works headquarters (utilities, supplies, etc.) as well as other Utility Fund expenses (i.e. IT, Legal, and Audit services, Construction Inspections).

FY 2018 Accomplishments

- Began design of the following projects:
 - East/West Collector Water Line Project
 - 2018 Downtown Asphalt Rehabilitation & Drainage Project
 - Hurricane Creek Regional Sewer
 - Storm Water Master Plan
 - Inflow & Infiltration Study
- Completed design and began construction on the following projects:
 - US 75 Utility Relocation Project
 - Foster Crossing Water Line
 - 2017/2018 Downtown Asphalt Rehabilitation Project
- Completed Construction on the following projects:
 - Water Disinfection Upgrades
 - Hackberry Elevated Storage Tank Throckmorton Creek Wastewater Interceptor
 - Sherley Above Ground Storage Tank Rehabilitation
 - 2018 Downtown Asphalt Rehabilitation Project
- Completed updates to the Roadway, Water and Wastewater Capital Improvements Projects list and updated impact fee studies
- Continued coordination with TxDOT, NCTCOG and Collin County on Transportation Priorities including Ferguson Parkway. In 2017, \$70+ million was allocated towards TxDOT projects affecting the City of Anna and in 2018 NCTCOG remains committed to assisting with Ferguson Parkway. Also, in 2018 construction has commenced on the Rosamond Interchange.
- Began design of the following projects:
 - East/West Collector Project

- Completed design and began construction on the following projects:
 - Hackberry Road Project
- Hosted National Public Works Week event and continued community outreach programs
- As approved in the budget, recruited top-level staff within the 4 divisions of Public Works
- Added Construction Superintendent greatly improved the efficiency within Administration
- Continued development of new design standards and details

FY 2019 Objectives

Goal: Upgrade City Facilities and Infrastructure and Encourage Inter-Local Cooperation

- Adopt a storm drainage design and erosion control manual
- Complete the following projects:
 - Foster Crossing Water Line
 - Asphalt Rehabilitation
 - US 75 Utility Relocation
- Along with regional partners including the GTUA, pursue surface water purchase from other sources
- Continue coordination with TxDOT, NCTCOG and Collin County related to transportation projects

Goal: Build Transportation Infrastructure

- Complete the following project:
 - Hackberry Rd. Reconstruction
- Complete design and right-of-way acquisition for Rosamond Parkway and for Ferguson Parkway and seek funding opportunities for construction

Goal: Promote our Community Identity

- Begin implementing policies and strategies to allow for future Public Works Department accreditation with the American Public Works Association (APWA)
- Continue to host National Public Works Week and expand community outreach programs

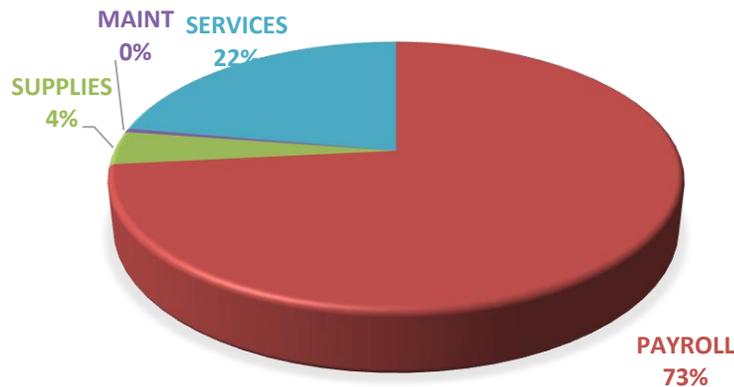
Goal: Improve Curb/Aesthetic Appeal of Community

- Adopt new construction design standards and details

New & Noteworthy for FY 2019

- A Right-of-Way Inspector will be added to the Construction Inspection Department to manage use and construction of franchise utilities within right-of-ways
- A new web-based software program will be added for asset and task management
- The Construction Superintendent will obtain a Certified Public Manager accreditation
- Two administrative-level staff will achieve Certified Water Professional Status in FY2019

FY19 PROPOSED ADMINISTRATION BUDGET



Administration Expenditure Summary

	2017	2018		2019	
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	% CHANGE
PAYROLL	\$418,160	\$574,000	\$507,000	\$640,783	11.63%
SUPPLIES	\$21,699	\$27,620	\$24,100	\$35,069	26.97%
MAINT	\$2,732	\$4,900	\$4,000	\$3,900	-20.41%
SERVICES	\$90,571	\$120,289	\$132,242	\$193,608	60.95%
CAP EX	\$0	\$43,856	\$25,000	\$0	-100.00%
TOTAL	\$533,162	\$770,665	\$692,342	\$873,360	13.33%

Administration FTE Schedule

Description	FY15	FY16	FY17	FY18	FY19
<i>Director of Public Works</i>	0	1	1	1	1
<i>Asst Director of Public Works</i>	0	0	0	1	1
<i>PW Superintendent</i>	0	1	1	0	0
<i>Engineering Superintendent</i>	0	0	0	1	1
<i>Construction Inspector</i>	0	2	2	2	2
<i>Right of Way Inspector</i>	0	0	0	0	1
<i>Administrative Assistant</i>	0	1	1	1	1
TOTAL	0	5	5	6	7

Administration Performance Measures

Performance Benchmark				
Fiscal Year	2015	2016	2017	2018
Goal 1. Departmental Goal: Effectively communicate and engage with the public				
Number of unique page views on the Public Works web page (Target > Prior Year)				
	Not tracked	Not tracked	Not tracked	1,042



60-701 Water

Purpose / Description

The Water Department is responsible for the operation and maintenance of the City's water production and distribution system that includes the operation of seven groundwater production wells and connections to treated surface water purchased from the Greater Texoma Utility Authority through a contract with the North Texas Municipal Water District.

FY 2018 Accomplishments

- Completed SCADA upgrades allowing the water system to operate more efficiently
- The Automated Metering System and Customer Portal are fully functional
- Completed and finalized the Hackberry Elevated Storage and Sherley Above Ground Storage Projects
- Reduced water loss through meter replacements, improved record keeping and field monitoring
- Completed the Water Disinfection Upgrade
 - Managed water system through a period of record growth and increased calls for service
 - Improved customer service through staff training and positive Service Order Technician interactions with the Public
 - Added Water Superintendent greatly improved the proactivity and efficiency within the department

FY 2019 Objectives

Goal: Upgrade City Facilities and Infrastructure

- Complete the construction of the following projects:
 - Foster Crossing Water Line Project
 - East/West Collector Water Line Project
 - US 75 Utility Relocation Project
- Begin integrating assimilated map data into GIS
- Complete major improvements to SCADA

Goal: Promote our Community Identity

- Position the department for "Superior" water system rating application with the TCEQ
- Enhance customer outreach through improved customer service and marketing (public education flyers, social media campaigns, et cetera)

Goal: Improve Curb/Aesthetic Appeal of Community

- Position the department for "Superior" water system rating application with the TCEQ

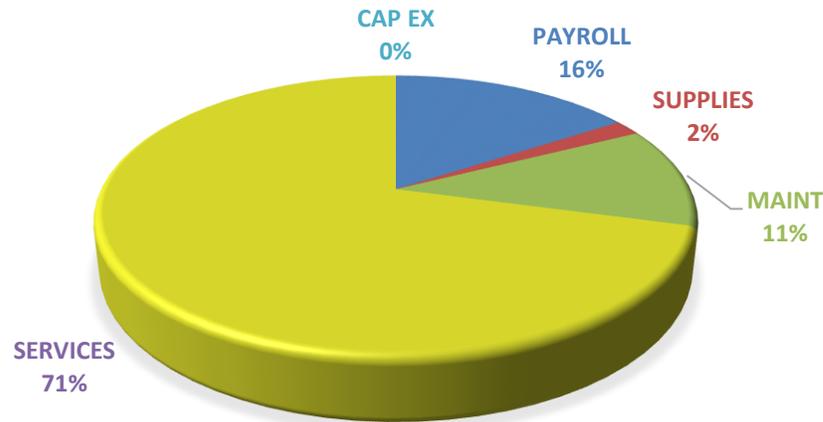
Goal: Encourage Inter-Local Cooperation

- Along with regional partners including the GTUA, pursue surface water purchase from other sources

New & Noteworthy for FY 2019

- Move Service Order Technician from Utility Billing Department to Water Department.
- A second Service Order Technician will be added to meet the rising demand for calls for service; the current position will become a lead position
- Increased cost for purchase of treated surface water through regional partnership with Greater Texoma Utility Authority (GTUA)
- Replacement of the aging mini-excavator will enable continued deploying of multiple crews
- Major upgrades to SCADA will allow for improved efficiency, water quality and enhanced water distribution management and control

FY19 PROPOSED WATER BUDGET



Water Expenditure Summary

	2017	2018		2019	% CHANGE
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	
PAYROLL	\$262,381	\$473,652	\$332,925	\$600,909	26.87%
SUPPLIES	\$61,369	\$56,954	\$55,549	\$67,717	18.90%
MAINT	\$326,598	\$280,100	\$391,100	\$441,400	57.59%
SERVICES	\$1,952,753	\$2,369,735	\$2,418,362	\$2,693,686	13.67%
CAP EX	\$17,387	\$328,231	\$208,877	\$0	-100.00%
TOTAL	\$2,620,489	\$3,508,672	\$3,406,813	\$3,803,712	8.41%

Description	FY15	FY16	FY17	FY18	FY19
Water Superintendent	0	0	0	1	1
Water Supervisor	0	1	1	1	1
Maintenance Worker II	1	1	1	1	0
Maintenance Worker I	7	2	2	3	4
Water Operator	0	0	0	1	1
Field Supervisor - PW	1	0	0	0	0
Crew Leader - PW	1	0	0	0	0
TOTAL	10	4	4	7	7

Water Department Performance Measures

Performance Benchmark				
Fiscal Year	2015	2016	2017	2018
Departmental Goal 1. Insure the quality of water by testing chlorine levels daily				
Daily Chlorine Residual Samples (Target: > 1mg/L)	100%	100%	100%	100%
Departmental Goal 2. Comply with all standards of the Safe Drinking Water Act				
Compliance with Regulated Parameters	100%	100%	99%	100%
Compliance with Unregulated Parameters	100%	100%	99%	100%
Bacteriological Samples Collected	100%	100%	99%	100%
Departmental Goal 3. Identify all consumption of water including organizations exempt from fees				
Unaccounted for water (Target: < 15%)	Not Tracked	19%	18%	5%
Departmental Goal 4. Recover the cost of service through water rates and fees				
Cost Recovery (Target: 100%)	100%	100%	100%	100%
Departmental Goal 5. Ensure maximum capacity exceeds peak demands				
Peak Demand as a Percentage of Maximum Treatment Capacity (Target: 85%)	25%	33%	40%	48%

(These measures are calculated on a calendar year basis)



60-705 Sewer

Purpose / Description

The Sewer Department is responsible for the operation and maintenance of the City's wastewater collection and treatment system that includes the operation of a 500 mgd wastewater treatment plant and connections to the North Texas Municipal Water District Upper East Fork Regional Interceptor System.

FY 2018 Accomplishments

- Reduced storm water inflow by locating and repairing numerous inflow points
- Completed the Inflow and Infiltration Study
- Updated and consolidated infrastructure maps
- Increased number of in-house lift station repairs
- Completed the Throckmorton Creek Trunk Sewer Project
- Completed several upgrades at the WWTP increasing operational and process control
- Removed three lift stations from service by constructing new gravity sewer lines
- Updated Wastewater Master Plan, Impact Fee Study and maps
- Added Wastewater Superintendent greatly improved the proactivity and efficiency within the Department
- Continued "Cease the Grease" public education program and promoted at Public Works Week
- Updated Wastewater Master Plan, Impact Fee Study and maps

FY 2019 Objectives

Goal: Upgrade City Facilities and Infrastructure

- Secure funding for identified Inflow and Infiltration engineering study CIP projects
- Implement Capacity, Management, Operation and Maintenance (CMOM) program
- Continue inflow and infiltration repairs
- Construct the Hurricane Creek Regional Sewer
- Increase preventative maintenance on wastewater collection system
- Begin integrating assimilated map data into GIS

Goal: Promote our Community Identity

- Enhance customer outreach through improved customer service and marketing

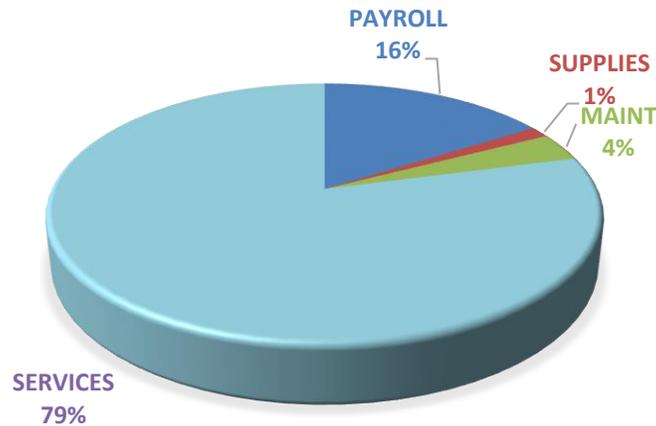
Goal: Encourage Inter-Local Cooperation

- Obtain membership status in NTMWD UEFIS

New & Noteworthy for FY 2019

- A Wastewater Crew Leader will be added to the department to lead the collection system operations and maintenance. This position will enable two fully independent crews.
- Major upgrades to SCADA, WWTP controls and Lift Station controls will be implemented
- A Capacity, Management, Operation and Maintenance (CMOM) program will be initiated moving us towards membership status with the NTMWD
- Key equipment will be added to enhance collection system maintenance

FY19 PROPOSED SEWER BUDGET



Sewer Expenditure Summary

	2017	2018		2019	% CHANGE
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	
PAYROLL	\$250,835	\$359,746	\$293,200	\$440,231	22.37%
SUPPLIES	\$23,987	\$23,144	\$26,050	\$37,375	61.49%
MAINT	\$24,510	\$116,000	\$83,000	\$96,180	-17.09%
SERVICES	\$1,577,273	\$2,169,020	\$1,827,838	\$2,172,909	0.18%
CAP EX	\$9,944	\$224,477	\$133,000	\$124,600	-44.49%
TOTAL	\$1,886,549	\$2,892,387	\$2,363,088	\$2,871,295	-0.73%

Sewer FTE Schedule

Description	FY15	FY16	FY17	FY18	FY19
<i>Wastewater Superintendent</i>	0	0	0	1	1
<i>Wastewater Supervisor</i>	0	1	1	0	0
<i>Senior Wastewater Operator</i>	1	1	1	1	1
<i>Wastewater Crew Leader</i>	0	0	0	0	1
<i>Wastewater Operator</i>	1	0	0	0	0
<i>Maintenance Worker II</i>	0	0	0	1	1
<i>Maintenance Worker I</i>	0	2	2	3	3
TOTAL	2	4	4	6	7

Sewer Department Performance Measures

Performance Benchmark				
Fiscal Year	2015	2016	2017	2018
Departmental Goal 1. Comply with all requirements for National Pollutant Discharge Elimination Systems (NPDES) Discharge Permit				
Monthly AVG Effluent Biochemical Oxygen Demand (mg/L)	15	15	15	15
Monthly AVG Effluent Total Suspended Solids (mg/L)	25	25	25	25
Daily AVG Effluent E. Coli (Colonies/100 ml)	126	126	126	126
Biochemical Oxygen Demand Removal Efficiency	97.5%	97.5%	97.5%	97.5%
Total Suspended Solids Removal Efficiency	87.5%	87.5%	87.5%	87.5%
Average Biosolids Application Rate (dry tons/acre)	198	173	222	67
Wastewater Treatment Effectiveness Rate (Target: 99.5%)	100%	100%	100%	100%
Departmental Goal 2. Reduce the number of stoppages that disrupt the normal flow of the sanitary sewer system				
Number of Stoppages (Target: 40)	27	30	32	36



60-708 Solid Waste

Purpose / Description

Solid Waste service is currently provided by Bradshaw & Sons through a contract with the City. The Solid Waste Department does not have any personnel costs as it is a contracted service.

FY19 PROPOSED SOLD WASTE BUDGET



Solid Waste Expenditure Summary

	2017	2018	2019		
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	% CHANGE
PAYROLL	\$0	\$0	\$0	\$0	0.00%
SUPPLIES	\$0	\$0	\$0	\$0	0.00%
MAINT	\$0	\$0	\$0	\$0	0.00%
SERVICES	\$741,474	\$785,319	\$800,793	\$841,793	7.19%
CAP EX	\$0	\$0	\$0	\$0	0.00%
TOTAL	\$741,474	\$785,319	\$800,793	\$841,793	7.19%

60-710 Utility Billing

Purpose / Description

Utility billing is responsible for the billing of water, sewer, and trash collection services provided to the citizens of Anna and other customers of the City's utility system.

FY 2018 Accomplishments

- Updated all Utility Billing forms on the City website in a user-friendly format
- Participated in the set up and implementation of the portal for utility customers
- Worked with a rate consultant to evaluate and assess utility rates
- Continued to work with Public Works Department on the AMI metering project
- Worked with Bradshaw & Son Trash Service on a new Solid Waste Collection and Disposal Contract
- Processed an increased number of payments for New Utility Deposit setups and utility bill payments

FY 2019 Objectives

Guiding Principle: Customer Focus

- Ensure all UB staff is knowledgeable of the WaterSmart customer portal in order to provide assistance to customers
- Work to increase confidence of citizens in the Utility Billing Department

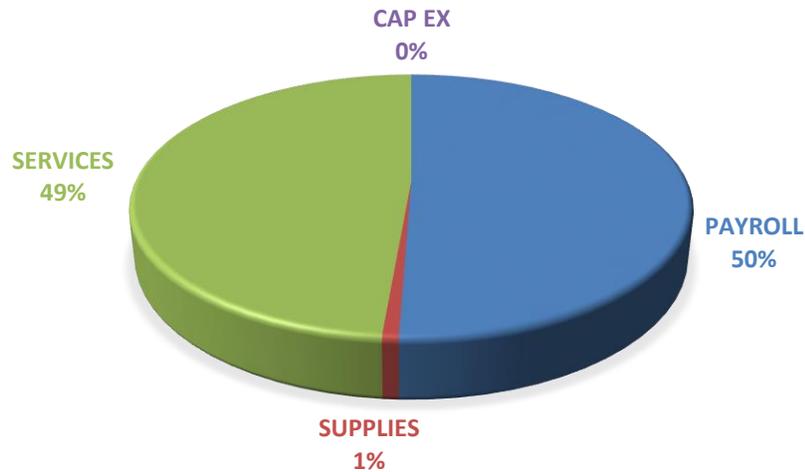
Guiding Principle: Accountability

- Continue working with AMS on delinquent account collections

Guiding Principle: Innovation

- Review more efficient payment options for online bill payments in order to reduce credit card costs and provide citizens with one portal that offers multiple payment options

FY19 PROPOSED UTILITY BILLING BUDGET



Utility Billing Expenditure Summary

	2017	2018		2019	
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	% CHANGE
PAYROLL	\$185,863	\$237,654	\$230,550	\$182,919	-23.03%
SUPPLIES	\$5,889	\$7,775	\$8,129	\$2,900	-62.70%
MAINT	\$33	\$800	\$800	\$800	0.00%
SERVICES	\$127,554	\$128,499	\$180,162	\$175,803	36.81%
CAP EX	\$0	\$6,767	\$0	\$0	-100.00%
TOTAL	\$319,339	\$381,495	\$419,641	\$362,422	-5.00%

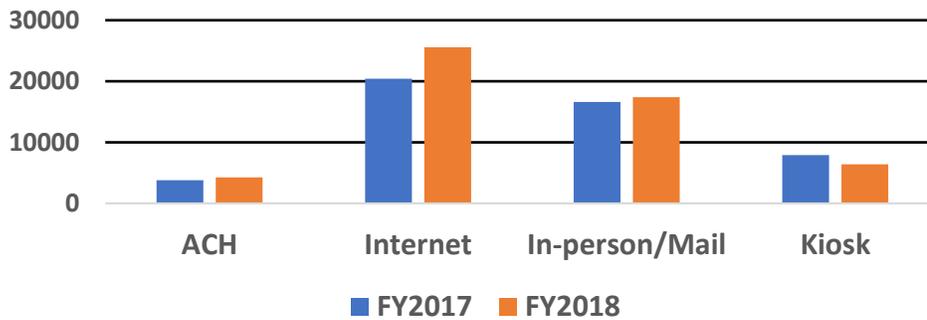
Utility Billing FTE Schedule

Description	FY15	FY16	FY17	FY18	FY19
Customer Service Manager	1	1	1	1	1
Senior Utility Billing Clerk	1	1	1	1	1
Service Order Technician	0	0	1	1	2
UB Clerk	0	0	0	0.5	0.5
Adm Asst/Records Clerk	0	0	0	0	0.5
Receptionist	0.5	0.5	0.5	0.5	0
TOTAL	2.5	2.5	3.5	4	5

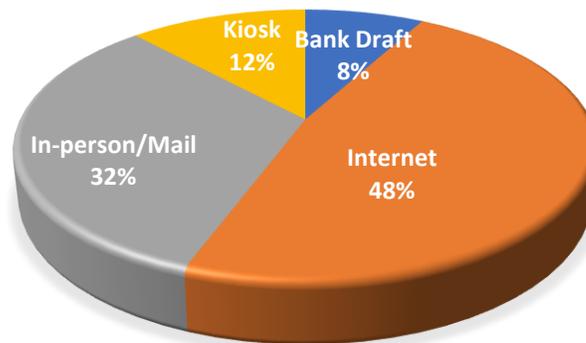
Utility Billing Department Performance Measures

Performance Benchmark				
Fiscal Year	2015	2016	2017	2018
Goal 1. Departmental Goal: Insure timely issuance of utility bills				
Number of Late Utility Bills (Target 0%)	0%	0%	0%	0%
Goal 2. Departmental Goal: Automate manual functions by promoting the use of online transactions and bank drafts				
% of Customers Using Bank Draft	N/A	N/A	8%	8%
% of Customers Using E-commerce	N/A	N/A	42%	48%
Goal 3. Departmental Goal: Recover the cost of operating services through water rates and fees				
Cost Recovery (Target 100%)	100%	100%	100%	100%

Utility Billing Methods of Payment Comparison



Utility Billing Modes of Payment



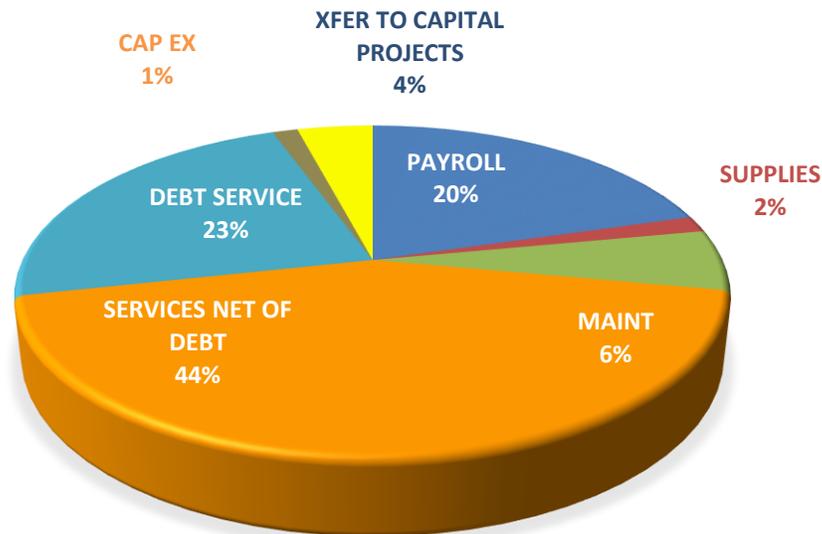
Utility Fund

Debt

Unlike the General Fund, there is no special fund to account for Utility Fund debt. All Utility Fund debt is accounted for within the Utility Fund. An Enterprise Fund is focused upon the total cost of providing services. With that focus in mind, the Utility Fund includes all costs to provide utility services to our customers, including the cost of long term debt service.

All debt accounted for in the Utility Fund is supported by the revenues generated from the Utility Fund's operations. While some debt instruments have a tax pledge, utility revenues are generally sufficient to support all Utility Fund debt. In FY 2019, debt service accounts for 23% of the Utility Fund budget. In the department summaries, debt is split between the water and sewer departments and is grouped with "services" for purposes of categorizing expense types. However, Utility Fund debt it is highlighted here to illustrates its specific share of the budget.

FY 2019 UTILITY FUND SHOWING DEBT



Debt Management Plan

Not unlike the Debt Service Fund, the Utility Fund also faces challenges with its outstanding debt. Currently the Utility Fund holds just over \$22.4 million in outstanding debt. The City has worked closely with our financial advisors, First Southwest, to develop a sound debt management plan for the Utility Fund as well.

In order to appropriately manage Utility Fund debt, the City and First Southwest developed a plan to take advantage of call dates and pursue advance refundings of the City's outstanding Utility Fund debt. During FY 2018, the City was able to refund several obligations. By doing so, the City's outstanding debt is now in line with the financial plan to keep debt service payments at or below \$2 million annually. The City will continue work with its financial advisor and pursue any additional refunding opportunities. The current plan makes very conservative assumptions regarding interest rates and is reviewed and analyzed in conjunction with a utility rate study to evaluate the current water and sewer rates.

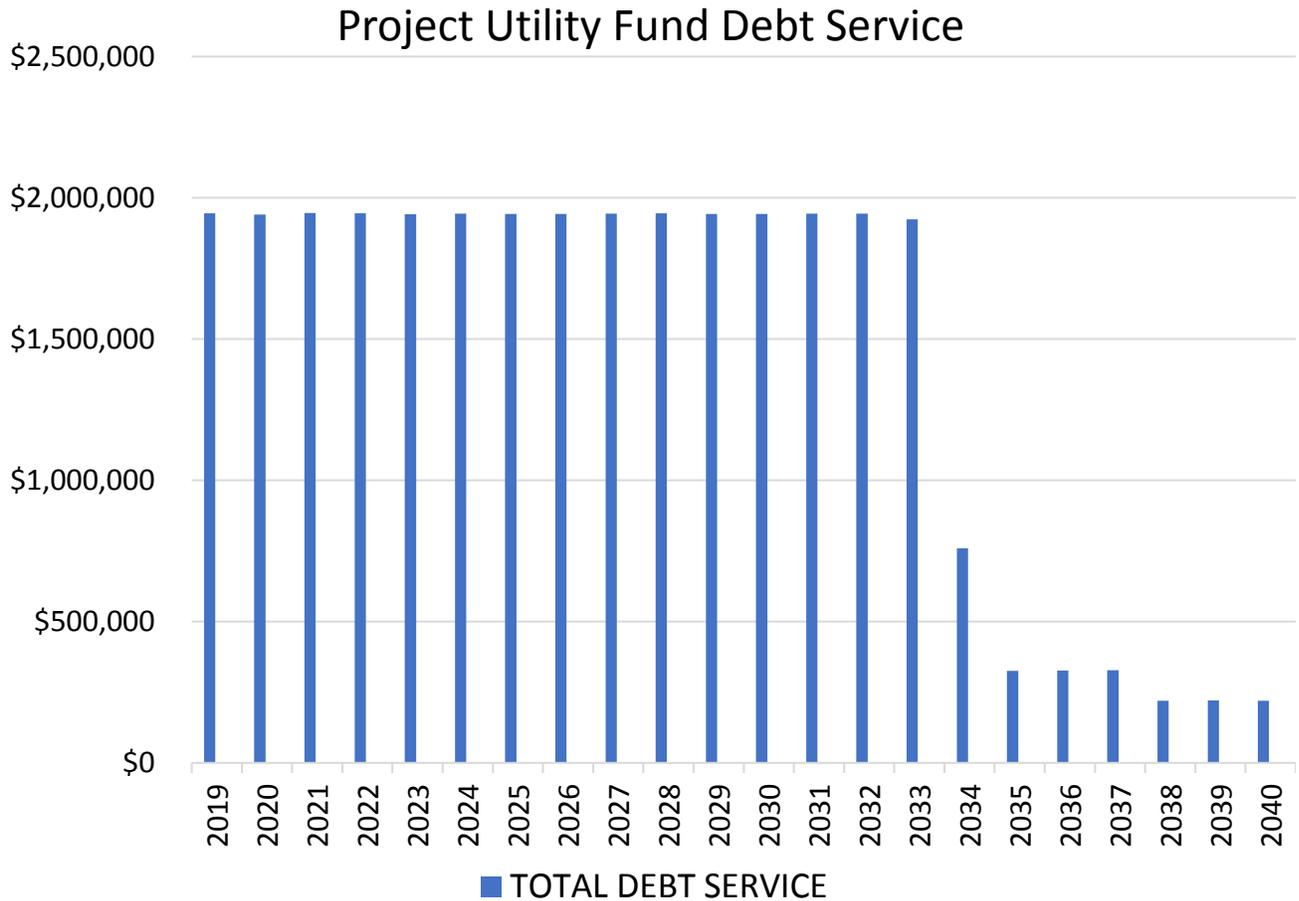
The following table outlines the current and future debt payments. The table along with the subsequent chart details the debt payments through 2040.

Utility Fund Outstanding Debt Schedule

PERIOD ENDING	PRINCIPAL	INTEREST	INTEREST REDUCTION & RECOVERY	TOTAL DEBT SERVICE
9/30/2019	\$1,006,250	\$835,548	\$103,742	\$1,945,540
9/30/2020	\$1,033,750	\$803,528	\$103,742	\$1,941,020
9/30/2021	\$1,073,250	\$769,190	\$103,742	\$1,946,182
9/30/2022	\$1,108,750	\$732,180	\$103,742	\$1,944,672
9/30/2023	\$1,145,250	\$692,683	\$103,742	\$1,941,675
9/30/2024	\$1,189,000	\$650,728	\$103,742	\$1,943,470
9/30/2025	\$1,232,500	\$606,719	\$103,742	\$1,942,961
9/30/2026	\$1,382,000	\$560,619		\$1,942,619
9/30/2027	\$1,438,750	\$505,140		\$1,943,890
9/30/2028	\$1,493,750	\$451,567		\$1,945,317
9/30/2029	\$1,550,000	\$392,373		\$1,942,373
9/30/2030	\$1,608,750	\$334,300		\$1,943,050
9/30/2031	\$1,670,000	\$273,767		\$1,943,767
9/30/2032	\$1,732,500	\$210,853		\$1,943,353
9/30/2033	\$1,777,500	\$145,842		\$1,923,342
9/30/2034	\$661,250	\$98,546		\$759,796
9/30/2035	\$248,750	\$77,134		\$325,884
9/30/2036	\$263,750	\$62,764		\$326,514
9/30/2037	\$280,000	\$47,500		\$327,500
9/30/2038	\$185,000	\$34,397		\$219,397
9/30/2039	\$197,500	\$23,612		\$221,112
9/30/2040	\$207,500	\$12,097		\$219,597
TOTAL	\$22,485,750	\$8,321,085	\$726,193	\$31,533,028



The table below summarizes the outstanding debt service obligations for the Utility Fund through 2040.



This was developed by the City of Anna using data provide by our financial advisors, First Southwest and assumptions developed jointly. It is for planning and discussion purposes only. Actual results may vary based upon future economic conditions.

The following steps have been developed by the City and First Southwest to address the Utility Fund debt:

1. The City’s budgeted rates and charges are sufficient to cover both the contract revenue obligations as well as the general obligations debt issued for water and sewer system improvements.
2. It is the City’s current intent to maintain water and sewer system annual debt service at a maximum level of approximately \$2 million per year.
3. Upcoming refundings would have the goal of reducing debt service payments.

Component Units

The City of Anna is closely involved with the Anna Economic Development Corporation (EDC) and the Anna Community Development Corporation (CDC). The corporations are sometimes referred to as Type A and Type B corporations (respectively). These corporations are presented in the annual budget as a component unit of the City of Anna.

Each corporation acts under the direction of a seven-member board appointed by the City Council and has their own budget separate and distinct from the City of Anna budget. In addition to being managed by their boards, both the EDC and CDC budgets must be approved by the City Council. As discussed previously in this budget, the city sales tax rate is 8.25%. The state takes 6.5% leaving 2% in the city.

Prior to April 2017, of the remaining 2%, the City of Anna received 1%, and the EDC and CDC each received 0.5%. However, legislation authorized cities to hold an election to reallocate the 2% local option sales tax. In November 2016, the City held an election to defund the sales and use tax for the Type A

Economic Development Corporation, and to increase the sales tax by an additional 0.25% for the Type B Community Development Corporation. In addition, the City sales tax was increased by 0.25% to 1.25%. Revenue from the additional 0.25% will be used to fund road and transportation projects. The sales tax reallocation went into effect on April 1, 2017.

The EDC budget will remain through FY 2019 to show revenue generated from a lease agreement on a small business incubator operated out of the old post office which is owned by the EDC. The CDC will rely almost exclusively on sales tax for their revenue. The table below illustrates the revenue sources for the EDC and CDC. In FY 2017, the CDC sold bonds in order to purchase land for a business park.

CDC Revenue

	2017	2018	2019		
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	% CHANGE
SALES TAX	\$674,037	\$822,615	\$855,454	\$898,227	9.19%
INTEREST	\$1,676	\$1,800	\$2,357	\$2,474	37.44%
BOND PROCEEDS	\$1,850,000	\$0	\$0	\$0	0.00%
TRANSFER IN - EDC	\$725,000	\$0	\$0	\$0	0.00%
TOTAL	\$3,250,713	\$824,415	\$857,811	\$900,701	9.25%

EDC Revenue

	2017	2018		2019	
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	% CHANGE
SALES TAX	\$241,060	\$0	\$0	\$0	0.00%
INTEREST	\$1,978	\$650	\$802	\$660	1.54%
RENTAL	\$12,133	\$25,716	\$20,000	\$23,952	-6.86%
MISCELLANEOUS	\$42,780	\$45,480	\$41,090	\$6,000	0.00%
TOTAL	\$297,951	\$71,846	\$61,892	\$30,612	-57.39%

Type B corporations have the ability to perform all the same functions as Type A corporations, as well as additional projects not authorized for Type A corporations. The CDC will continue to pursue projects that improve the quality of life in Anna through projects ranging from the creation of jobs to investments in park facilities. Improvements funded through the CDC have specific eligibility requirements that must be met in order to receive funding. Chapter 501 of the Local Government Code govern both Type A and Type B corporations. Additionally, Chapter 504 specifically governs Type A corporations while Chapter 505 specifically governs Type B corporations.

Community Development Corporation

Purpose / Description

The Anna Community Development Corporation works to expand the city's business tax base and professional workforce through targeted economic development. The Corporation also identifies and funds community facilities and related projects that enhance and improve the quality of life in Anna.

FY 2018 Accomplishments

- Supported the Greater Anna Chamber of Commerce and their 5 annual community events.
- Hired a new Chief Administrative Officer
- Completed a market study of our trade area
- Completed a traffic count study
- Attended ICSC to build relationships with developers, brokers, and retailers interested in locating in Anna.
- Maintained appropriate cash flow and coverage ratios for sound fiscal health and bond ratings

FY 2019 Objectives

Goal: Promote our Community Identity

- Continue to promote community functions that foster civic pride and promote our community identity through partnerships with GACC, Anna ISD, and other community organizations
- Implement through targeted marketing efforts the City's identity

Goal: Pursue Targeted Economic Development

- Pursue targeted economic development consistent with the City's Strategic Plan
- Attend the ICSC local and national conferences to promote the Anna brand and build relationships with retailers and developers
- Identify opportunities to build the professional workforce in Anna through partnerships with businesses and educational Institutions
- Continue to promote development of the Business Park in an effort to diversity the tax base and jobs to the community

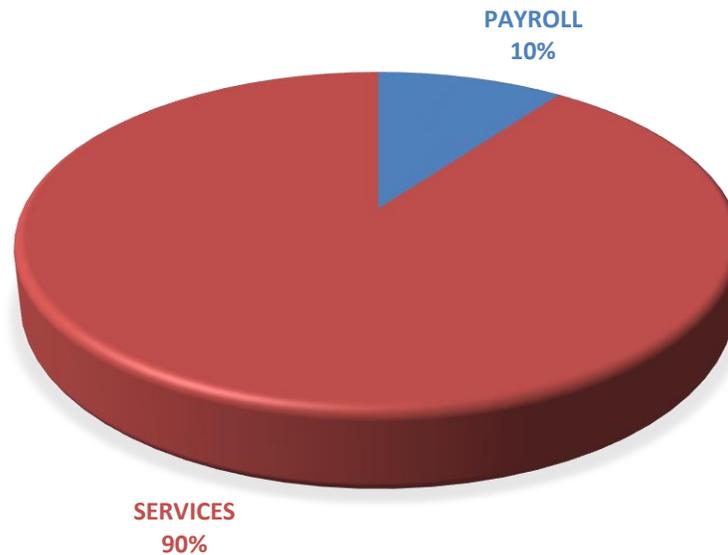
Goal: Improve Curb/Aesthetic Appeal of Community

- Fund as appropriate improvements to the City's parks and park amenities

New & Noteworthy for FY 2019

- CDC staff will launch a new online map feature that will market our commercial real estate inventory
- CDC staff will implement a new software program called Data Impact Service. The software will allow staff to better formulate and evaluate the economic impacts of a project/business locating in Anna. This software tool will provide an analysis of efficiency (cost-benefit) to the community by evaluating the impact of new jobs created, capital investment, salaries, operating costs, etc. This information will assist staff, board members, and councilmembers in decision-making related to potential incentives agreements

FY19 PROPOSED CDC BUDGET



CDC Expenditure Summary

	2017	2018	2019		
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	% CHANGE
PAYROLL	\$0	\$77,155	\$46,422	\$89,744	16.32%
SUPPLIES	\$259	\$2,900	\$2,100	\$2,400	-17.24%
MAINT	\$0	\$0	\$0	\$0	0.00%
SERVICES	\$322,613	\$722,317	\$796,631	\$808,557	11.94%
CAP EX	\$2,892,391	\$0	\$0	\$0	0.00%
TOTAL	\$3,215,263	\$802,372	\$845,153	\$900,701	12.25%

CDC FTE Schedule

Description	FY15	FY16	FY17	FY18	FY19
<i>Economic Development Officer</i>	0.5	0.5	0.5	0	0
<i>CDC Chief Administrative Officer</i>	0	0	0	1	1
TOTAL	0.5	0.5	0.5	1	1

Economic Development Corporation

Purpose / Description

The Anna Economic Development Corporation works to coordinate efforts to expand the city's business tax base with a focus on creating primary jobs within the City of Anna

FY 2018 Accomplishments

- Renovated the property at 312 North Powell Parkway to allow for more private offices
- Cultivated relationships with medical groups and hospitals that could potentially locate in Anna
- Built a water line along the south edge of the Business Park property
- Engaged a landscape architect to design an entry feature and sign for the Business Park

FY 2019 Objectives

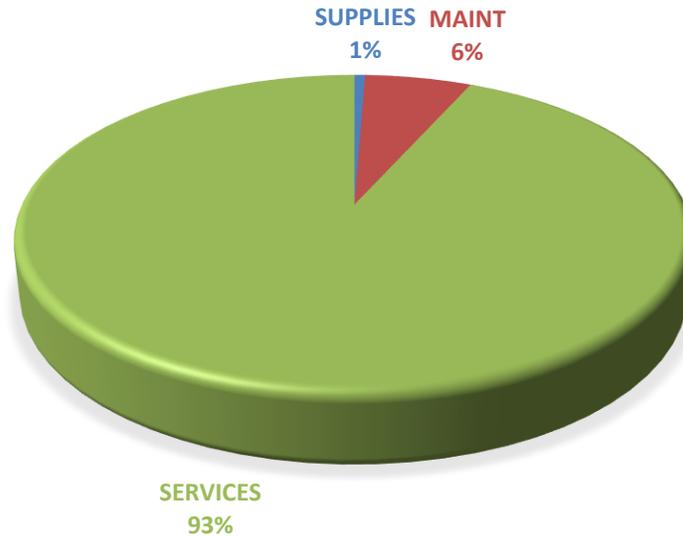
Goal: Promote our Community Identity

- Implement through targeted marketing efforts the City's identity

Goal: Pursue Targeted Economic Development

- Pursue targeted economic development consistent with the City's Strategic Plan
- Attend the ICSC local and national conferences to promote the Anna brand and build relationships with retailers and developers
- Identify opportunities to build the professional workforce in Anna through partnerships with businesses and educational Institutions
- Continue to promote development of the Business Park in an effort to diversity the tax base and jobs to the community

FY19 PROPOSED EDC BUDGET



EDC Expenditure Summary

	2017	2018		2019	
	ACTUAL	BUDGET	ESTIMATE	PROPOSED	% CHANGE
SUPPLIES	\$1,555	\$900	\$0	\$500	-44.44%
MAINT	\$12,772	\$10,000	\$0	\$5,000	-50.00%
SERVICES	\$117,678	\$48,656	\$45,352	\$76,550	57.33%
CAP EX	\$132,594	\$100,000	\$53,161	\$0	-100.00%
TRANSFER CDC	\$725,000	\$0	\$0	\$0	0.00%
TOTAL	\$989,599	\$159,556	\$98,513	\$82,050	-48.58%

Supplemental Information

The supplemental Information section contains the following information:

- General Fund Five Year Forecast
- Utility Fund Five Year Forecast
- Capital Improvements Plan
- Debt Management Plan
- Bond Ratings
- Financial and Investment Policies
- Budget Information from City Charter
- Budget Ordinance

GENERAL FUND

Five Year Forecast

Major Assumptions

Revenue	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Growth in Property Tax Values	25%	10%	5%	3%	2%
Tax Rate - O & M	0.428122	0.428122	0.428122	0.428122	0.428122
Tax Rate - Debt	0.163166	0.163166	0.163166	0.163166	0.163166
O & M Property Tax Increase Debt Property Tax Increase	-	-	-	-	-
Total Tax Rate	0.591288	0.591288	0.591288	0.591288	0.591288
Sales Tax Growth	5%	5%	5%	5%	5%
Fund Balance Target (Unassigned)	25%	25%	25%	25%	25%

Expenditures	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Compensation (Other than Police and Fire)	3% Average merit increase Market adjustment Increase based on market analysis	3% Average merit increase	3% Average merit increase Market adjustment Increase based on market analysis	3% Average merit increase	3% Average merit increase Market adjustment Increase based on market analysis
Compensation - Police	Police Department STEP Increase	STEP Increase & Evaluate STEP plan and adjust for market increases-estimated at 6%	Police Department STEP Increase	STEP Increase & Evaluate STEP plan and adjust for market increases-estimated at 6%	Police Department STEP Increase
Compensation - Fire	3% Avg Merit Increase	3% Avg Merit Increase & review of grade based on market estimated at 5%	3% Avg Merit Increase	3% Avg Merit Increase & review of grade based on market estimated at 5%	3% Avg Merit Increase
Health Insurance	10%	7%	7%	7%	7%
Vehicle Replacement	Leased through Enterprise Fleet Management-4 vehicles to be replaced + estimating 2 addition-increase approx. \$63k	Leased through Enterprise Fleet Management-4 vehicles to be replaced + estimating 1 addition-increase approx. \$40k	Leased through Enterprise Fleet Management-4 vehicles to be replaced + estimating 1 addition-increase approx. \$40k	Leased through Enterprise Fleet Management-4 vehicles to be replaced + estimating 1 addition-increase approx. \$40k	Leased through Enterprise Fleet Management-4 vehicles to be replaced + estimating 1 addition-increase approx. \$40k

GENERAL FUND

Five Year Forecast

	2017-2018 <i>Estimate</i>	2018-2019 <i>Adopted</i>	2019-2020 <i>Projected</i>	2020-2021 <i>Projected</i>	2021-2022 <i>Projected</i>	2022-2023 <i>Projected</i>
BEGINNING FUND BALANCE	\$ 4,482,272	\$ 4,324,683	\$ 4,324,683	\$ 4,324,683	\$ 4,324,683	\$ 4,324,683
REVENUES	\$ 7,935,254	\$ 8,369,061	\$ 8,608,910	\$ 9,014,804	\$ 9,122,925	\$ 9,217,289
EXPENDITURES	\$ 8,092,843	\$ 8,369,061	\$ 8,369,061	\$ 8,668,014	\$ 8,944,627	\$ 9,266,584
FUTURE SUPPLEMENTAL EXPENSES			\$ 337,971	\$ 442,842	\$ 290,068	\$ 36,850
TOTAL EXPENDITURES	\$ 8,092,843	\$ 8,369,061	\$ 8,707,032	\$ 9,110,856	\$ 9,234,695	\$ 9,303,434
INCREASE (DECREASE) TO FB	\$ (157,589)	\$ -	\$ -	\$ -	\$ -	\$ -
ENDING FUND BALANCE	\$ 4,324,683	\$ 4,324,683	\$ 4,324,683	\$ 4,324,683	\$ 4,324,683	\$ 4,324,683
COMMITTED FUND BALANCE	\$ 214,405	\$ -	\$ -	\$ -	\$ -	\$ -
UNASSIGNED FUND BALANCE	\$ 4,110,278	\$ 4,324,683	\$ 4,324,683	\$ 4,324,683	\$ 4,324,683	\$ 4,324,683
% OF FUND BALANCE TO EXP	51%	52%	52%	50%	48%	47%

UTILITY FUND

Five Year Forecast

Major Assumptions

Revenue	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Increase in Number of Accounts	200	100	100	100	100
Water Sales	Increase in Revenue Based on Number of Estimated New Accounts per Year Above with Current Rates				
Sewer Sales	Increase in Revenue Based on Number of Estimated New Accounts per Year Above with Current Rates				
Solid Waste Fees	3%	3%	3%	3%	3%

Expenditures	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Compensation	3% Average merit increase		3% Average merit increase		3% Average merit increase
	Market adjustment Increase based on market analysis		Market adjustment Increase based on market analysis		Market adjustment Increase based on market analysis
	3% Average merit increase				
Health Insurance	10%	7%	7%	7%	7%
All Other Costs	3%	3%	3%	3%	3%
Vehicle Replacement	Leased through Enterprise Fleet Management-1 vehicles to be replaced + 4 additional - increase approx. \$36k	Leased through Enterprise Fleet Management-2 vehicles to be replaced + 2 additional - increase approx. \$24k	Leased through Enterprise Fleet Management-2 vehicles to be replaced + 2 additional - increase approx. \$24k	Leased through Enterprise Fleet Management-2 vehicles to be replaced + 2 additional - increase approx. \$24k	Leased through Enterprise Fleet Management-2 vehicles to be replaced + 2 additional - increase approx. \$24k

UTILITY FUND

Five Year Forecast

	2017-2018 <i>Estimate</i>	2018-2019 <i>Adopted</i>	2019-2020 <i>Projected</i>	2020-2021 <i>Projected</i>	2021-2022 <i>Projected</i>	2022-2023 <i>Projected</i>
BEGINNING UNRESTRICTED WORKING CAPITAL	\$ 2,575,911	\$ 2,700,950	\$ 2,700,950	\$ 2,700,950	\$ 2,700,950	\$ 2,700,950
WATER REVENUES	\$ 4,880,884	\$ 5,218,258	\$ 5,322,623	\$ 5,429,076	\$ 5,537,657	\$ 5,648,410
SEWER REVENUES	\$ 2,536,008	\$ 2,693,998	\$ 2,747,878	\$ 2,802,836	\$ 2,858,892	\$ 2,916,070
SANITATION REVENUES	\$ 949,822	\$ 998,446	\$ 1,028,399	\$ 1,059,251	\$ 1,091,029	\$ 1,123,760
INSPECTION FEES	\$ 455,000	\$ 325,000	\$ 341,250	\$ 358,313	\$ 365,479	\$ 372,788
TRANSFER IN	\$ 445,435	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	\$ 9,267,149	\$ 9,235,702	\$ 9,440,151	\$ 9,649,475	\$ 9,853,057	\$ 10,061,028
PUBLIC WORKS ADMIN EXPENDITURES	\$ 692,342	\$ 981,363	\$ 1,010,804	\$ 1,041,128	\$ 1,072,362	\$ 1,104,533
WATER EXPENDITURES	\$ 3,406,813	\$ 3,803,712	\$ 3,917,823	\$ 4,035,358	\$ 4,156,419	\$ 4,281,111
SEWER EXPENDITURES	\$ 2,363,088	\$ 2,871,295	\$ 2,957,434	\$ 3,046,157	\$ 3,137,542	\$ 3,231,668
SOLID WASTE EXPENDITURES	\$ 800,793	\$ 841,793	\$ 858,629	\$ 875,801	\$ 893,317	\$ 911,184
UTILITY BILLING EXPENDITURES	\$ 419,641	\$ 362,422	\$ 373,295	\$ 384,493	\$ 396,028	\$ 407,909
TRANSFER TO CAPITAL PROJECTS	1,459,435	375,118	322,166	266,537	197,389	124,624
TOTAL EXPENDITURES	\$ 9,142,110	\$ 9,235,702	\$ 9,440,151	\$ 9,649,475	\$ 9,853,057	\$ 10,061,028
INCREASE (DECREASE) TO FB	\$ 125,039	\$ -	\$ -	\$ -	\$ -	\$ -
ENDING UNRESTRICTED WORKING CAPITAL	\$ 2,700,950	\$ 2,700,950	\$ 2,700,950	\$ 2,700,950	\$ 2,700,950	\$ 2,700,950
% OF FUND BALANCE TO EXP	30%	29%	29%	28%	27%	27%

Capital Improvements

The Capital Improvements section includes improvements that benefit both the General and Utility Fund. General Fund Capital Improvements are set aside in a dedicated Capital Improvements Fund to account for financial resources to be used for the acquisition and construction of major capital facilities that benefit the General Fund. While most Utility Fund Capital Improvements are accounted for within the Utility Fund, funds that are set aside for future major capital facilities are also accounted for in a separate Capital Improvements Fund. The separation of capital improvements into separate distinct funds is related to governmental accounting.

Capital Improvements are the result of long term planning that occurs in the Capital Improvements Plan (CIP). Each year projects are updated and projected across a 5-year time horizon and beyond. These projects are given priority based upon a combination of factors including community needs/interests and available funding. Capital projects may be funded with bonds, grants, fund balance, special restricted revenue or other sources of capital including private investment.

CIP Impact on Operating Budgets

When certain types of capital projects are developed and completed, they have ongoing financial impacts upon the City's operating budgets. These impacts can take the form of personnel costs, or operating costs such as maintenance, supplies, electricity, fuel, janitorial services, etc. Typically, replacement capital projects/assets do not have an immediate impact on the City's current or future budgets if they are replacing an existing asset.

FY 2018-19 Major CIP Projects

In FY 2019, the Capital Improvements projects the City will begin working on include the following projects:

- Municipal Complex
- Central Fire Station
- Sherley Elevated Storage Tank Rehab
- U.S. 75 Utility Relocation B (FM455 to GCL)
- Wastewater Line Rehab
- State Hwy 5 Utility Relocations/Project A
- State Hwy 5 Utility Relocations/Project B
- Ferguson Road (Taylor to CCOL)
- Rosamond West (Exiting terminus to US 75)
- East Hackberry Reconstruction (SH 5 to Slayter Creek)

Additional projects for annual street rehabilitation included in the capital projects summary are funded in the in the regular operating budget for the Streets Department presented previously and are not included here.



There are additional public infrastructure projects that will be completed by private developers and are subject to inspection and acceptance by the City of Anna. These projects are often referred to as contributed capital and typically include water, sewer, street, and park improvements and infrastructure. These projects are typically managed, carried out, and funded by private developers. These projects are not included in the annual budget.

The table below highlights the description of the FY 2019 CIP projects, description, estimated cost, potential funding sources, and any impact on operating budgets. The summary of the 5-year CIP will follow.

CAPITAL IMPROVEMENTS PLAN							
Capital Projects	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
BUILDINGS	12,369,487	14,510,257	-	-	-	11,398,000	38,277,744
New Municipal Complex	9,131,200	10,348,800	-	-	-	-	19,480,000
Central Fire Station	3,238,287	4,121,457	-	-	-	-	7,359,744
Fire Station #2	-	-	-	-	-	3,848,000	3,848,000
New Police Station	-	-	-	-	-	7,550,000	7,550,000
Waste Water Barn Replacement	-	40,000	-	-	-	-	40,000
WATER AND WASTEWATER	2,338,348	7,664,630	2,022,354	-	-	589,807	12,615,139
Sherley Elevated Storage Tank Rehabilitation	150,000	-	-	-	-	-	150,000
US 75 Utility Relocation B - FM 455 to GCL	527,757	-	-	-	-	-	527,757
Grayson Pump Station	-	3,110,000	-	-	-	-	3,110,000
Wastewater Line Rehabilitation (Based on I&I Study)	100,000	900,000	-	-	-	-	1,000,000
WWTP Upgrades (Rotary Press, UV System)	-	1,000,000	-	-	-	-	1,000,000
East Hackberry Waterline	-	-	-	-	-	147,807	147,807
State Hwy 5 Utility Relocations - Project A	968,121	1,071,030	-	-	-	-	2,039,151
State Hwy 5 Utility Relocations - Project B	592,470	1,000,000	2,022,354	-	-	-	3,614,824
Foster Crossing Water Line B (Extension to US 75)	-	583,600	-	-	-	-	583,600
Collin Pump Station Activation	-	-	-	-	-	442,000	442,000
STREETS	4,667,423	225,000	240,000	255,000	270,000	25,160,982	30,818,405
Annual Rehab Program	1,210,000	225,000	240,000	255,000	270,000	-	2,200,000
Ferguson Road (Taylor to CCOL)	1,829,458	-	-	-	-	-	1,829,458
Ferguson Road North - (Hackberry to Rosamond)	-	-	-	-	-	6,440,999	6,440,999
Hackberry West - (Ferguson to US 75)	-	-	-	-	-	5,288,496	5,288,496
Taylor Blvd. (Ferguson to US 75)	-	-	-	-	-	4,900,000	4,900,000
Rosamond West (Existing terminus to US 75)	796,500	-	-	-	-	6,588,167	7,384,667
Mantua Rd./CR 371	-	-	-	-	-	1,943,320	1,943,320
Leonard Blvd. South	-	-	-	-	-	TBD	-
Leonard Blvd. North	-	-	-	-	-	TBD	-
E. Hackberry Reconstruction (SH 5 to Slayter Creek)	831,465	-	-	-	-	-	831,465
PARKS	-	-	-	-	-	555,000	555,000
NSP Dog Park	-	-	-	-	-	555,000	555,000
VEHICLES	480,000	-	1,000,000	37,000	-	195,000	1,712,000
FD - Replace E-901- 2010 E-One	480,000	-	-	-	-	-	480,000
FD - Replace E-902- 2002 Freightliner replace with	-	-	1,000,000	-	-	-	1,000,000
ST - 2015 F-350 Cement Mixer Insert	-	-	-	-	-	30,000	30,000
ST - 2015 Peterbilt 337 Dump Truck	-	-	-	-	-	90,000	90,000
WA - 2000 International 4700 T44E Dump Truck	-	-	-	-	-	75,000	75,000
WW - 2016 D-3500 w/crane	-	-	-	37,000	-	-	37,000
MACHINERY & EQUIPMENT	217,500	424,300	252,000	437,000	30,500	753,000	2,114,300
FD - Heart Monitor	-	-	30,000	-	-	33,000	63,000
FD - Outdoor Warning Sirens	27,500	-	29,000	-	30,500	-	87,000
FD Eagle Air Cadet SCBA air compressor	-	-	50,000	-	-	-	50,000
FD Radio Replacements	-	40,000	-	-	-	-	40,000
FD SCBA's	-	70,000	-	-	-	100,000	170,000
FD Traffic Light Control System	-	32,300	35,000	-	-	-	67,300
PD - Anti-Idling Project	-	40,000	-	-	-	-	40,000
PD - MDC Replacement	-	-	25,000	-	-	-	25,000
PD - 3-D Scanner	-	70,000	-	-	-	-	70,000
PK - 2007 Rhino Mower SR15 ID #5301B	-	-	-	25,000	-	-	25,000
PK - 2009 John Deer 5083 Tractor ID#5301	-	-	-	62,000	-	-	62,000
PK - 2010 Toro 5900 6 Gang Mower ID#5402	-	92,000	-	-	-	-	92,000
PK - 2010 Toro Reel Mower 3100D ID#5403	-	-	38,000	-	-	-	38,000
PK - 2018 Kubota Tractor	-	-	-	-	-	34,000	34,000
PK - 2015 John Deer Mower Flex Wing Attachment	-	-	-	-	-	31,000	31,000
PK - Remcor Spray	-	-	-	-	-	40,000	40,000
PK - Vacuum/verticutter to clean thatch from fields	-	-	45,000	-	-	-	45,000
ST - Bomag Roller (BW-138AD-5)	-	-	-	-	-	55,000	55,000
ST - GradAll Excavator	-	-	-	-	-	375,000	375,000
WA - Well Soft Starters	70,000	-	-	-	-	-	70,000
WA - Vermeer V X50-500 Vac-Trailer	-	-	-	-	-	85,000	85,000
WW - 2004 Pipe Hunter Sewer Jet Machine	-	80,000	-	-	-	-	80,000
WW - Ultra-violet System	120,000	-	-	-	-	-	120,000
WW - Vac Truck	-	-	-	350,000	-	-	350,000
TOTAL	20,072,758	22,824,187	3,514,354	729,000	300,500	38,651,789	86,092,588

Project	Description	FY19 Estimated* Budget	Funding Source	Operating Impact
Municipal Complex	Due to current and future growth projections for the City and the region, the need to continue to add staff will be an ongoing need in order to keep up with the current level of service and to provide additional services. Currently, staff operates out of multiple locations and departments are also out of room in the buildings to expand. This municipal complex will allow for all administrative staff, Police Department, Municipal Court, Planning and Development and Utility Billing to be centrally located in one building, as well as allow for room to expand.	\$9,131,200	2018 Certificates of Obligation	The opening of the new Municipal Complex will have an impact on the future operating budget in several ways. First, maintenance staff will need to be added to ensure the building stays cleanly as well as for minor maintenance repairs. In addition, electricity costs will also increase due to the additional square footage which employees occupy increasing. This bond issuance will increase debt service payments in the Debt Service Fund for FY 2019 by \$1,396,443.
Central Fire Station	Coinciding with the additional of the Municipal Complex, the City will also construct a new Central Fire Station. The current building was built in 1967 and is not efficient or effective to serve a growing community. The new facility will incorporate many needed features such as drive through apparatus bays, a work out area, storage, and training areas.	\$3,238,287	2018 Certificates of Obligation	In addition to the Municipal Complex, the City will also need to incur costs for maintenance staff for the Fire Station as well. The new Fire Station will also significantly increase the cost of electricity due to the increase in the square footage. The increase in debt payments is included in the bond issuance for the Municipal Complex.
Sherley Elevated Storage Tank Rehabilitation	This tank is considered a historical landmark by the City. However, in order to preserve the tank, restoration must occur. The tank will need potential metal work, potential lead mitigation, sandblasting, a prime coat, and to be repainted.	\$150,000	Possible Grant Funding	No operational impact to the FY 2019 Budget.
U.S. 75 Utility Relocation - B	This relocation of water and sewer lines in conflict with improvements to US 75 between FM 455 and the Grayson County Line.	\$527,757	Impact Fees, TXDOT, and/or SIB Loan	No operational impact to the FY 2019 Budget.
Wastewater Line Rehabilitation	This includes replacement of old line based on recommendations from the I&I Study.	\$100,000	TBD	The impact would be a decrease in the cost to treat wastewater for future years.
SH 5 Utility Relocation - A	TXDOT will be reconstructing SH5. The City will need to begin utility relocation which will be completed into two projects.	\$968,121	Impact Fees, Collin County, TXDOT, and/or SIB Loan	No operational impact to the FY 2019 Budget.
SH 5 Utility Relocation - B	TXDOT will be reconstructing SH5. The City will need to begin utility relocation which will be completed into two projects.	\$592,470	Impact Fees, Collin County, TXDOT, and/or SIB Loan	No operational impact to the FY 2019 Budget.

Project	Description	FY19 Estimated* Budget	Funding Source	Operating Impact
Street Rehabilitation Program	Each year the City has budgeted a minimum of \$100k to repair /replace streets. This amount is planned to increase by \$15k each year. FY 2019, also includes additional funding from bond proceeds.	\$1,210,000	General Fund Revenues/Bond Proceeds	The additional funding from the bond issuance for the additional street projects increases the debt payment in the Debt Service Fund by \$297,661. However, this encompasses additional projects list below as well. The annual street maintenance included in the General Fund Budget for FY 2019 is \$160k which is an increase of \$15k over FY 2018.
Ferguson South	Design and acquire right-of-way for Ferguson between Taylor Blvd and the Collin County Outer Loop (CCOL). This road is a future 6-lane divided in 120' of right-of-way.	\$1,829,458	2018 Certificate of Obligations	The impact to the Debt Service bond payment for FY 2019 is included in the amount stated above for the Street Rehabilitation Program.
Hackberry - Slayter Creek	Reconstruct Hackberry Lane from Highway 5 to Slayter Creek. Project will include the transition, install curb and gutter, and create turn lanes at Highway 5.	\$831,465	2018 Certificate of Obligations and Impact Fees	The impact to the Debt Service bond payment for FY 2019 is included in the amount stated above for the Street Rehabilitation Program.
Rosamond West	Design and acquire right-of-way for a new roadway between existing Rosamond (near SH 5) and FM 2862. Rosamond is a future 6-lane divided major collector in 120' of right-of-way.	\$796,500	2019 Certificate of Obligations	The impact to the Debt Service bond payment for FY 2019 is included in the amount stated above for the Street Rehabilitation Program.
Fire Apparatus	This would replace one of the current fire engines. The current fire engines are getting old and requiring significant maintenance. This device will ensure the Fire Department can serve citizens in a more efficient manner as well as allow the department to keep their ISO rating.	\$480,000	Capital Lease & Value of Trade In	The operational impact on the purchase of the fire apparatus will include a capital lease payment in FY 2019 in the amount of \$57,359. This payment is budgeted in FY 2019 in the Fire Department General Fund Budget.
Outdoor Warning Siren	In order to reach more residents, the City will install an additional outdoor warning siren.	\$27,500	General Fund Revenues	The will have an impact to the General Fund Budget in the amount of \$27,500.
Well Soft Starter	The additional of the well soft starter will allow the groundwater wells to turn on and off slowly reducing the wear on the pump bearings and motor.	\$70,000	Utility Fund Revenues	The will have an impact to the Utility Fund Budget in the amount of \$70,000.
Ultraviolet Light System	The ultra-violet (UV) system at the wastewater treatment plant (WWTP) is becoming obsolete and is not longer feasible to find replacement parts quickly. The UV system is critical to permit compliance as it is the disinfection component of the wastewater treatment plant.	\$120,000	Utility Fund Revenues	The will have an impact to the Utility Fund Budget in the amount of \$120,000.



CITY OF ANNA

FY 2018 CAPITAL IMPROVEMENTS PLAN

The addition of a permanent structural improvement or the restoration of some aspect of property that will either enhance the property's overall value or increases its useful life.

**all costs presented in the plan are subject to available funding and periodic review and revision, inclusion in the plan is not a guarantee of funding*

***all images used to depict a project do not necessarily reflect the actual project and may change based upon need and available products*



BUILDINGS

A relatively permanent enclosed construction over a plot of land, having a roof and usually windows and often more than one level, used for any of a wide variety of activities.

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 19 - FY 20		City Hall			Admin		
Total Project Cost	\$	19,480,000		FY 19 Budget	\$	9,131,200	
<p><u>Project Description</u></p> <p>Consistent with the Downtown Revitalization Plan, the City plans to build a new Municipal Complex. While conceptual at this point, the new space will provide a centralized location to interact with all City service except for public safety.</p>							
<p><u>Regulatory or Legal Mandates</u></p> <p>ADA requirements, competitive bids</p>				<p><u>Operational Necessity/Justification</u></p> <p>With current and future growth projections for the city and the region, we are planning for future needs. We have outgrown our facilities and are in need of updated and permanent accommodations.</p>			
<p><u>City Sources of Funding</u></p> <p>Modest amounts of fund balance if available and approved</p>				<p><u>Non-City Sources of Funding</u></p> <p>Bonds</p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							-
Testing Services							-
Design Costs							-
Const. Costs	9,131,200	10,348,800					19,480,000
Const. Mngmt.							
Furn/Fixt/Equip							
Engineering							
Other Prof. Fees							-
Contingencies							-
Total	9,131,200	10,348,800	-	-	-	-	19,480,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 19 - FY 20		Central Fire Station			Fire		
Total Project Cost	\$	7,359,744		FY 19 Budget	\$	3,238,287	
<p><u>Project Description</u></p> <p>The current fire station, built in 1967 has had several additions and renovations. It has served the community well. However, it is currently not efficient or effective in serving the community for the long term. A new facility incorporating drive through apparatus bays, offices, storage, administrative & training areas, crew quarters and amenities is greatly needed. The facility would be designed to meet the needs of Anna for the next 30+ years and would provide a much greater level of enhanced customer service than the current facility. Additionally, the design would help anchor to future growth along highway 5.</p>							
<p><u>Regulatory or Legal Mandates</u></p> <p>None</p>				<p><u>Operational Necessity/Justification</u></p> <p>The current fire station is somewhat limited in its ability to support the growing community for effective and efficient operations of the Fire Department</p>			
<p><u>City Sources of Funding</u></p>				<p><u>Non-City Sources of Funding</u></p> <p>Bonds, and there may be some opportunity for limited grant funding assistance but it is not anticipated that this would provide full funding, if any, for this project.</p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							-
Testing Services							-
Design Costs							-
Const. Costs	3,238,287	4,121,457					7,359,744
Const. Mngmt.							-
Furn/Fixt/Equip							-
Engineering							-
Other Prof. Fees							-
Contingencies							-
Total	3,238,287	4,121,457	-	-	-	-	7,359,744

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
TBD		Fire Station #2			Fire		
Total Project Cost	\$	3,848,000		FY 19 Budget	\$	-	
<p>Project Description</p> <p>As the city of Anna grows and population densities, subdivisions and commercial development increases so does the need to provide timely service to those portions of our community that exceed benchmark response times. A second station will facilitate efficient and effective response to areas that may be underserved.</p>							
<p>Regulatory or Legal Mandates</p> <p>None</p>				<p>Operational Necessity/Justification</p> <p>To maintain effective response capabilities in new growth areas of the city.</p>			
<p>City Sources of Funding</p>				<p>Non-City Sources of Funding</p> <p>Bonds, and there may be some opportunity for limited grant funding assistance but it is not anticipated that this would provide full funding, if any, for this project. Land will be provided as part of a development agreement.</p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							-
Testing Services						14,000	14,000
Design Costs						262,000	262,000
Const. Costs						3,254,000	3,254,000
Const. Mngmt.							-
Furn/Fixt/Equip						136,000	136,000
Engineering						33,000	33,000
Other Prof. Fees						38,000	38,000
Contingencies						111,000	111,000
Total	-	-	-	-	-	3,848,000	3,848,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
TBD		New Police Department			Police		
Total Project Cost		\$	7,550,000	FY 19 Budget		\$	-
<p align="center"><u>Project Description</u></p> <p>As identified in our space need assessment conducted in FY 14, the City will need to build a new Police Station to accommodate the current and expected growth.</p>							
<p align="center"><u>Regulatory or Legal Mandates</u></p> <p>ADA requirements, competitive bids</p>				<p align="center"><u>Operational Necessity/Justification</u></p> <p>With current and future growth projections for the city and the region, we are planning for future needs. When the new City Hall is complete it will free up some space; however, a new facility will ultimately be necessary.</p>			
<p align="center"><u>City Sources of Funding</u></p>				<p align="center"><u>Non-City Sources of Funding</u></p> <p>Bonds</p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							-
Testing Services						23,000	23,000
Design Costs						529,000	529,000
Cons. Costs						6,173,480	6,173,480
Const. Mngmt.							-
Furn/Fixt/Equip						427,000	427,000
Engineering						63,000	63,000
Other Prof. Fees						114,000	114,000
Contingencies						220,520	220,520
Total	-	-	-	-	-	7,550,000	7,550,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY20		WWTP Lab Remodel			Sewer		
Total Project Cost	\$	40,000	FY 19 Budget	\$	-		
<p>Project Description</p> <p>Remodel the lab at the WWTP plant the supports plant operations and reporting. The remodel would include updating the office space and furniture for the WWTP personnel.</p>							
<p>Regulatory or Legal Mandates</p> <p>None</p>				<p>Operational Necessity/Justification</p> <p>Lab is dated and in need of repairs and improvements to improve working conditions and operations.</p>			
<p>City Sources of Funding</p> <p>Bonds</p>				<p>Non-City Sources of Funding</p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							-
Testing Services							-
Design Costs							-
Const. Costs		40,000					40,000
Const. Mngmt.							-
Furn/Fixt/Equip							-
Engineering							-
Other Prof. Fees							-
Contingencies							-
Total	-	40,000	-	-	-	-	40,000

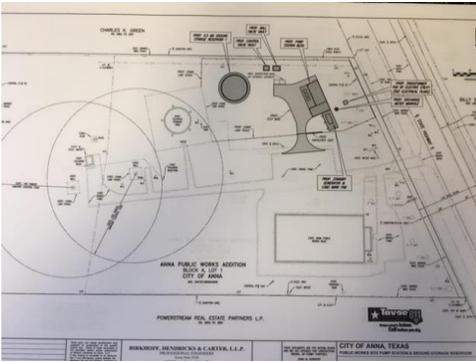


WATER AND SEWER

A transparent, odorless, tasteless liquid, a compound of hydrogen and oxygen; Liquid and solid waste carried off in sewers or drains

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 19		Sherley EST Restoration			Water		
Total Project Cost	\$	150,000		FY 19 Budget	\$	150,000	
<p align="center"><u>Project Description</u></p> <p>Restoration of the Sherley Elevated Storage Tank including any potential metal work, potential lead mitigation, sandblasting, prime coat and repaint. This tank, while not in service, reflects on our water system. If it is to be retained it should be restored.</p>							
<p align="center"><u>Regulatory or Legal Mandates</u></p>				<p align="center"><u>Operational Necessity/Justification</u></p> <p>The tank is a historic landmark, is located in our historic district, stands near a historic church and should be preserved. Tanks of this type were common in the 1920's and this tank is from that era.</p>			
<p align="center"><u>City Sources of Funding</u></p> <p>To be determined. The cost would be less if lead mitigation was performed prior to the last repaint. Cost to restore the tank with no lead mitigation is estimated at \$60,000.</p>				<p align="center"><u>Non-City Sources of Funding</u></p> <p>Possible grant funding from the Texas Historical Commission. We need to apply to have the tank included in the National Register of Historic Places in order to qualify for a Certified Local Government Grant. Grant funding is available for developing a preservation plan/ordinance as well.</p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							-
Testing Services	4,000						4,000
Design Costs	6,000						6,000
Const. Costs	140,000						140,000
Const. Mngmt.							-
Furn/Fixt/Equip							-
Engineering							-
Other Prof. Fees							-
Contingencies							-
Total	150,000	-	-	-	-	-	150,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 19		US 75 Utility Relocation - B			Water		
Total Project Cost	\$	527,757		FY 19 Budget	\$	527,757	
<p align="center"><u>Project Description</u></p> <p>Relocation of water and sewer lines in conflict with improvements to US 75 between FM 455 and the Grayson County Line.</p>							
<p align="center"><u>Regulatory or Legal Mandates</u></p> <p>TxDOT.</p>				<p align="center"><u>Operational Necessity/Justification</u></p> <p>Water and wastewater lines must be relocated in order for the reconstruction of US 75 up to the Grayson County line to be completed.</p>			
<p align="center"><u>City Sources of Funding</u></p> <p>Impact Fees (potentially)</p>				<p align="center"><u>Non-City Sources of Funding</u></p> <p>TxDOT SIB Loan. Project is partially reimbursable.</p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition	17,813						17,813
Testing Services	12,438						12,438
Design Costs							-
Const. Costs	497,506						497,506
Const. Mngmt.							-
Furn/Fixt/Equip							-
Engineering							-
Other Prof. Fees							-
Contingencies							-
Total	527,757	-	-	-	-	-	527,757

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 20		Grayson Pump Station			Water		
Total Project Cost	\$	3,110,000	FY 19 Budget	\$	-		
<p><u>Project Description</u> Installation of pump station, pumps, back-up generator, and all piping and appurtenances. Construction of a 500,000 gallon ground storage reservoir.</p>							
<p><u>Regulatory or Legal Mandates</u> TCEQ requirement for pumping and storage capacity.</p>				<p><u>Operational Necessity/Justification</u> While the Foster Crossing Water Line and Collin Pump Station activation will provide capacity for the short term, the Grayson Pump Station will need to be constructed in order to meet projected demand. The design is complete but the layout may be modified due to the acquisition of the adjacent property.</p>			
<p><u>City Sources of Funding</u> Impact Fees. Potential Certificate of Obligation.</p>				<p><u>Non-City Sources of Funding</u></p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition	-						-
Testing Services		15,000					15,000
Design Costs							-
Const. Costs		3,075,000					3,075,000
Const. Mngmt.							-
Furn/Fixt/Equip							-
Engineering		20,000					20,000
Other Prof. Fees							-
Contingencies							-
Total	-	3,110,000	-	-	-	-	3,110,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 19 - FY20		WW Line Rehab			Sewer		
Total Project Cost	\$	1,000,000		FY 19 Budget	\$	100,000	
<p align="center"><u>Project Description</u></p> <p>Replacement of old line based on recommendations from the FY 17 / FY 18 I&I Study.</p>							
<p align="center"><u>Regulatory or Legal Mandates</u></p> <p>Old sewer lines may allow storm water to infiltrate into the collection system causing regulatory violations due to bypassing at the plant or sanitary sewer overflows.</p>				<p align="center"><u>Operational Necessity/Justification</u></p> <p>Avoid fines from violations, less cost to treat wastewater.</p>			
<p align="center"><u>City Sources of Funding</u></p> <p>TBD.</p>				<p align="center"><u>Non-City Sources of Funding</u></p> <p>TBD.</p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							-
Testing Services							-
Design Costs	100,000						100,000
Const. Costs		900,000					900,000
Const. Mngmt.							-
Furn/Fixt/Equip							-
Engineering							-
Other Prof. Fees							-
Contingencies							-
Total	100,000	900,000	-	-	-	-	1,000,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 20		WWTP Upgrades			Sewer		
Total Project Cost	\$	1,000,000		FY 19 Budget	\$	-	
<p>Project Description</p> <p>Upgrade existing equipment and appurtenances to meet TCEQ guidelines and allow for maximum useful life and efficient operations of the existing WWTP. Replacement of belt press. UV system upgrades.</p>							
<p>Regulatory or Legal Mandates</p> <p>Texas Commission on Environmental Quality (TCEQ) requires certain standards be maintained in order to operate a WWTP. This project will allow the city to make necessary upgrades to the WWTP.</p>				<p>Operational Necessity/Justification</p> <p>In order to keep pace with growth and avoid costly and unnecessary TCEQ violations.</p>			
<p>City Sources of Funding</p> <p>Sewer impact fees if available and consistent with CIP plan.</p>				<p>Non-City Sources of Funding</p> <p>TBD.</p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							-
Testing Services							-
Design Costs		100,000					100,000
Const. Costs		900,000					900,000
Const. Mngmt.							-
Furn/Fixt/Equip							-
Engineering							-
Other Prof. Fees							-
Contingencies							-
Total	-	1,000,000	-	-	-	-	1,000,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
TBD		E. Hackberry Water Line			Water		
Total Project Cost	\$	147,807		FY 19 Budget	\$	-	
<p><u>Project Description</u> Relocation of 1,050 linear feet of 8" water line along Hackberry Dr. between Slayter Creek and SH 5 to make room for the ultimate 4-lane pavement section.</p>							
<p><u>Regulatory or Legal Mandates</u> N/A</p>				<p><u>Operational Necessity/Justification</u> Hackberry Rd. can be improved per the Phase 1 pavement plan without relocating this water line, however, the road project cannot proceed to Phase 2 without relocating the water line.</p>			
<p><u>City Sources of Funding</u> TBD.</p>				<p><u>Non-City Sources of Funding</u> N/A</p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition						4,029	4,029
Testing Services						2,819	2,819
Design Costs						28,192	28,192
Const. Costs						112,767	112,767
Const. Mngmt.							-
Furn/Fixt/Equip							-
Engineering							-
Other Prof. Fees							-
Contingencies							-
Total	-	-	-	-	-	147,807	147,807

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 19 - FY 20		SH 5 Utility Relocation - A			Water		
Total Project Cost	\$	2,039,151		FY 19 Budget	\$	968,121	
<p><u>Project Description</u></p> <p>TxDOT plans to start reconstruction of SH 5 in April of 2021. This means that we need to begin our utility relocation for PROJECT A no later than September 2019 with completion by January 2021. There has been discussion regarding phasing the project so that the costs for relocation are incremental. We will continue to pursue this discussion and further refine the schedule. We anticipate this will be broken into two projects as we are presenting.</p>							
<p><u>Regulatory or Legal Mandates</u></p> <p>TxDOT requires that the City's water and sewer infrastructure be relocated out of their acquired right-of-way.</p>				<p><u>Operational Necessity/Justification</u></p> <p>Water and wastewater lines must be relocated in order for the reconstruction of SH 5 to be completed.</p>			
<p><u>City Sources of Funding</u></p> <p>Impact fees.</p>				<p><u>Non-City Sources of Funding</u></p> <p>Collin County and TxDOT. State Infrastructure Bank (SIB) Loan.</p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition	117,930						117,930
Testing Services	39,276						39,276
Design Costs	310,915						310,915
Const. Costs	500,000	1,071,030					1,571,030
Const. Mngmt.							-
Furn/Fixt/Equip							-
Engineering							-
Other Prof. Fees							-
Contingencies							-
Total	968,121	1,071,030	-	-	-	-	2,039,151

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 19 - FY 21		SH 5 Utility Relocation - B			Water		
Total Project Cost	\$	3,614,824		FY 19 Budget	\$	592,470	
<p><u>Project Description</u></p> <p>TxDOT will be reconstructing SH 5. We anticipate we will need to begin our utility relocation for PROJECT B no later than September 2020 with completion by January 2022. There has been discussion regarding phasing the project so that the costs for relocation are incremental. We will continue to pursue this discussion and further refine the schedule. We anticipate this will be broken into two projects as we are presenting.</p>							
<p><u>Regulatory or Legal Mandates</u></p> <p>TxDOT requires that the City's water and sewer infrastructure be relocated out of their acquired right-of-way.</p>				<p><u>Operational Necessity/Justification</u></p> <p>Water and wastewater lines must be relocated in order for the reconstruction of SH 5 to be completed.</p>			
<p><u>City Sources of Funding</u></p> <p>Impact fees.</p>				<p><u>Non-City Sources of Funding</u></p> <p>Collin County and TxDOT. State Infrastructure Bank (SIB) Loan.</p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition	205,525						205,525
Testing Services			73,716				73,716
Design Costs	386,945						386,945
Const. Costs		1,000,000	1,948,638				2,948,638
Const. Mngmt.							-
Furn/Fixt/Equip							-
Engineering							-
Other Prof. Fees							-
Contingencies							-
Total	592,470	1,000,000	2,022,354	-	-	-	3,614,824

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 20		FCWL B			Water		
Total Project Cost	\$	583,600		FY 19 Budget	\$	-	
<p align="center"><u>Project Description</u></p> <p>Installation of an additional 2,792 linear feet of twelve-inch water line generally along Foster Crossing between the Pecan Grove Subdivision and US 75.</p>							
<p align="center"><u>Regulatory or Legal Mandates</u></p> <p>N/A</p>				<p align="center"><u>Operational Necessity/Justification</u></p> <p>This project would extend the Foster Crossing Water Line to US 75 from Pecan Grove. The line would serve development and enable the City to fully utilize the Collin Pump Station located near the Collin County Outer Loop.</p>			
<p align="center"><u>City Sources of Funding</u></p> <p>Impact Fees.</p>				<p align="center"><u>Non-City Sources of Funding</u></p> <p>N/A</p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition		42,350					42,350
Testing Services		11,519					11,519
Design Costs		69,000					69,000
Const. Costs		460,731					460,731
Const. Mngmt.							-
Furn/Fixt/Equip							-
Engineering							-
Other Prof. Fees							-
Contingencies							-
Total	-	583,600	-	-	-	-	583,600

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 19		Collin Pump Station Activation			Water		
Total Project Cost	\$	442,000		FY 19 Budget	\$	-	
<p align="center"><u>Project Description</u></p> <p>With the well and surface water blending projects complete, the next step is to activate the Collin Pump Station. Collin Pump Station is a surface water take point. The Foster Crossing Water Line along with the activation of this pump station will allow surface water to be pumped into newer sections of the system reducing potential water quality issues that could be caused by introducing unblended surface water in the older section of town.</p>							
<p align="center"><u>Regulatory or Legal Mandates</u></p> <p>The city is approaching and may exceed the TCEQ mandated maximum daily capacity our water system. Upgrades are necessary to keep pace with growth.</p>				<p align="center"><u>Operational Necessity/Justification</u></p> <p>This project is necessary in order to accommodate TBD growth, activate an existing unused asset, and provide for redundancy within the water system.</p>			
<p align="center"><u>City Sources of Funding</u></p> <p>Impact fee funds. 2014 Bond.</p>				<p align="center"><u>Non-City Sources of Funding</u></p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition	-	-	-	-	-	-	-
Testing Services	-	-	-	-	-	-	-
Design Costs	-	-	-	-	-	-	-
Const. Costs	-	-	-	-	-	328,131	328,131
Const. Mngmt.	-	-	-	-	-	-	-
Furn/Fixt/Equip	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	72,090	72,090
Other Prof. Fees	-	-	-	-	-	9,011	9,011
Contingencies	-	-	-	-	-	32,768	32,768
Total	-	-	-	-	-	442,000	442,000

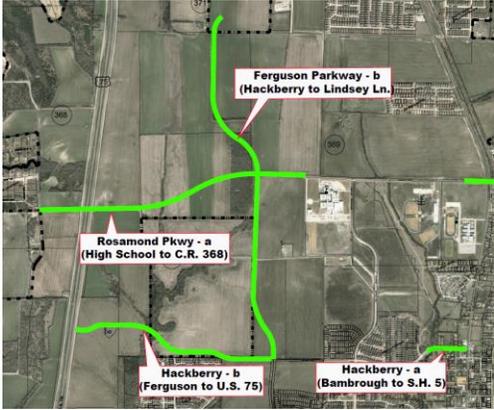


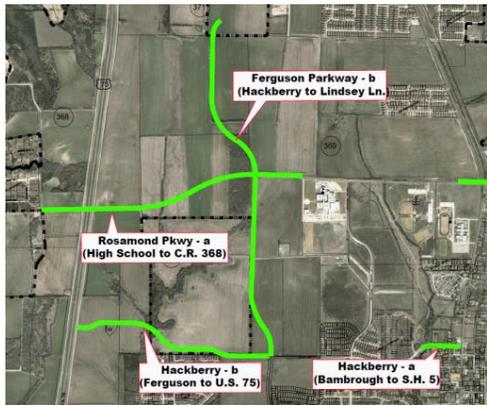
STREETS

A public thoroughfare, usually paved, in a village, town, or city

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
Annually		Street Rehab Program			Streets		
Total Project Cost	\$	2,200,000	FY 19 Budget	\$	1,210,000		
<p><u>Project Description</u></p> <p>Each year the city will reserve \$100,000+ of general fund revenues to repair a street. The particular street project each year will determined based upon the level of wear found upon city streets. Staff recommends increasing the amount by \$15,000 each year. In FY 19 we also expect \$1 million in bond proceeds to be allocated to Street Rehab.</p>							
<p><u>Regulatory or Legal Mandates</u></p> <p>Competitive bids, safety of citizens.</p>				<p><u>Operational Necessity/Justification</u></p> <p>City streets have an anticipated life expectancy. As the city grows and the streets experience wear and tear roads will need to be repaired/replaced.</p>			
<p><u>City Sources of Funding</u></p> <p>General Fund revenues. 2018 General Obligation Bond.</p>				<p><u>Non-City Sources of Funding</u></p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							-
Testing Services							-
Design Costs							-
Const. Costs	1,210,000	225,000	240,000	255,000	270,000		2,200,000
Const. Mngmt.							-
Furn/Fixt/Equip							-
Engineering							-
Other Prof. Fees							-
Contingencies							-
Total	1,210,000	225,000	240,000	255,000	270,000	-	2,200,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY19		Ferguson South			Streets		
Total Project Cost	\$	1,829,458		FY 19 Budget	\$	1,829,458	
<p align="center"><u>Project Description</u></p> <p>Construct 1.2 miles of roadway connecting Ferguson between Taylor Blvd. and the Collin County Outer Loop (CCOL). Road is a future 6-lane divided in 120' of right-of-way. Phase 1 would construct 2 concrete curb and gutter lanes and include a 3-lane bridge. We expect bond money to be allocated to the project for design and ROW acquisition from the 2018 General Obligation Bond. We are also pursuing grant funding from the COG.</p>							
<p align="center"><u>Regulatory or Legal Mandates</u></p>				<p align="center"><u>Operational Necessity/Justification</u></p> <p>This project is a top priority due to the connectivity to two regional roadways (FM 455 and the CCOL). The project gets traffic to our population center without having to use the congested intersections of FM 455 at US 75 and FM 455 at SH 5.</p>			
<p align="center"><u>City Sources of Funding</u></p> <p>Dedicated fund balance and revenue for streets. General Obligation bond. NCTCOG Grant.</p>				<p align="center"><u>Non-City Sources of Funding</u></p> <p>Bonds</p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition	1,577,678						1,577,678
Testing Services							-
Design Costs	251,780						251,780
Const. Costs							-
Const. Mngmt.							-
Furn/Fixt/Equip							-
Engineering							-
Other Prof. Fees							-
Contingencies							-
Total	1,829,458	-	-	-	-	-	1,829,458

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
TBD		Ferguson North			Streets		
Total Project Cost		\$ 6,440,999		FY 19 Budget		\$ -	
<p align="center"><u>Project Description</u></p> <p>Design and acquire right-of-way for Ferguson between Hackberry and future Rosamond. Road is a future 6-lane divided in 120' of right-of-way.</p>							
<p align="center"><u>Regulatory or Legal Mandates</u></p>				<p align="center"><u>Operational Necessity/Justification</u></p> <p>This road connects Ferguson to FM 455 providing connectivity to 2 major east-west corridors namely Hackberry and future Rosamond.</p>			
<p align="center"><u>City Sources of Funding</u></p> <p>Dedicated fund balance and revenue for streets. General Obligation bond.</p>				<p align="center"><u>Non-City Sources of Funding</u></p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition						100,000	100,000
Testing Services							-
Design Costs						595,800	595,800
Const. Costs						4,787,666	4,787,666
Const. Mngmt.							-
Furn/Fixt/Equip							-
Engineering							-
Other Prof. Fees							-
Contingencies						957,533	957,533
Total	-	-	-	-	-	6,440,999	6,440,999

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
TBD		Hackberry West			Streets		
Total Project Cost		\$	5,288,496	FY 19 Budget		\$	-
<p>Project Description</p> <p>Design and acquire right-of-way for 1 mile of roadway connecting Hackberry between Avery Pointe (near Ferguson) and US 75. Road is a future minor collector. This project could move up in the schedule depending upon the Council's prioritization of bond projects.</p>							
<p>Regulatory or Legal Mandates</p>				<p>Operational Necessity/Justification</p> <p>This project provides connectivity between 3 major north-south corridors namely US 75, Ferguson and SH 5.</p>			
<p>City Sources of Funding</p> <p>Dedicated fund balance and revenue for streets. General Obligation bond.</p>				<p>Non-City Sources of Funding</p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition						100,000	100,000
Testing Services							-
Design Costs						496,500	496,500
Const. Costs						3,909,997	3,909,997
Const. Mngmt.							-
Furn/Fixt/Equip							-
Engineering							-
Other Prof. Fees							-
Contingencies						781,999	781,999
Total	-	-	-	-	-	5,288,496	5,288,496

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
TBD		Taylor Blvd.			Streets		
Total Project Cost		\$	4,900,000	FY 19 Budget		\$	-
<p><u>Project Description</u></p> <p>Reconstruction of 1.1 miles of roadway between US 75 and Ferguson Parkway. Road is a TBD minor collector in 80' of right-of-way.</p>							
<p><u>Regulatory or Legal Mandates</u></p>				<p><u>Operational Necessity/Justification</u></p> <p>The current roadway is a 2-lane chip-seal road. This project is an important component of the City's overall transportation plan providing connectivity between US 75 and neighborhoods south of FM 455 as well as connecting to Ferguson.</p>			
<p><u>City Sources of Funding</u></p> <p>Dedicated fund balance and revenue for streets.</p>				<p><u>Non-City Sources of Funding</u></p> <p>Bonds</p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition	-	-	-	-	-	-	-
Testing Services	-	-	-	-	-	-	-
Design Costs	-	-	-	-	-	-	-
Const. Costs	-	-	-	-	-	4,900,000	4,900,000
Const. Mngmt.	-	-	-	-	-	-	-
Furn/Fixt/Equip	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-
Other Prof. Fees	-	-	-	-	-	-	-
Contingencies	-	-	-	-	-	-	-
Total	-	-	-	-	-	4,900,000	4,900,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 19 & TBD		Rosamond West			Streets		
Total Project Cost	\$	7,384,667		FY 19 Budget	\$	796,500	
<p align="center"><u>Project Description</u></p> <p>Design and acquire right-of-way for a new roadway between existing Rosamond (near SH 5) and FM 2862. Rosamond is a future 6-lane divided major collector in 120' of right-of-way.</p>							
<p align="center"><u>Regulatory or Legal Mandates</u></p>				<p align="center"><u>Operational Necessity/Justification</u></p> <p>This project would connect SH 5 to US 75 providing needed connectivity.</p>			
<p align="center"><u>City Sources of Funding</u></p> <p>Dedicated fund balance and revenue for streets. General Obligation bond.</p>				<p align="center"><u>Non-City Sources of Funding</u></p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition	100,000						100,000
Testing Services							-
Design Costs	696,500						696,500
Const. Costs						5,490,139	5,490,139
Const. Mngmt.							-
Furn/Fixt/Equip							-
Engineering							-
Other Prof. Fees							-
Contingencies						1,098,028	1,098,028
Total	796,500	-	-	-	-	6,588,167	7,384,667

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
TBD		Matua Rd/CR 371			Streets		
Total Project Cost		\$	1,943,320	FY 19 Budget	\$	-	
<u>Project Description</u> Reconstruct Mantua Rd./CR 371 from Highway 5 to U.S. 75							
<u>Regulatory or Legal Mandates</u>				<u>Operational Necessity/Justification</u> In preparation for and response to growth, this is a future project the city anticipates to meet our transportation needs.			
<u>City Sources of Funding</u> General Fund Revenue.				<u>Non-City Sources of Funding</u> Bonds.			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							-
Testing Services							-
Design Costs							-
Const. Costs						1,943,320	1,943,320
Const. Mngmt.							-
Furn/Fixt/Equip							-
Engineering							-
Other Prof. Fees							-
Contingencies							-
Total	-	-	-	-	-	1,943,320	1,943,320

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
TBD		Leonard South			Streets		
Total Project Cost	\$	-		FY 19 Budget	\$	-	
<p align="center"><u>Project Description</u></p> <p>Construct 0.85 miles of roadway connecting future Leonard Blvd. between the Collin County Outer Loop (CCOL) and Sharp St. Future major collector 6-lane divided in 120' of right-of-way.</p>							
<p align="center"><u>Regulatory or Legal Mandates</u></p>				<p align="center"><u>Operational Necessity/Justification</u></p> <p>This project connects the CCOL to the Anna Crossing development where existing Leonard ends today. The road is also adjacent to a major school site and crosses future Foster Crossing a future 4-lane divided roadway.</p>			
<p align="center"><u>City Sources of Funding</u></p> <p>Dedicated fund balance and revenue for streets</p>				<p align="center"><u>Non-City Sources of Funding</u></p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							TBD
Testing Services							TBD
Design Costs							TBD
Const. Costs							TBD
Const. Mngmt.							TBD
Furn/Fixt/Equip							TBD
Engineering							TBD
Other Prof. Fees							TBD
Contingencies							TBD
Total	-	-	-	-	-	-	-

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
TBD		Leonard North			Streets		
Total Project Cost		\$ -		FY 19 Budget		\$ -	
<p align="center"><u>Project Description</u></p> <p>Construct 0.88 miles of roadway connecting future Finley to FM 455. Road is a future major collector 6-lane divided in 120' of right-of-way.</p>							
<p align="center"><u>Regulatory or Legal Mandates</u></p>				<p align="center"><u>Operational Necessity/Justification</u></p> <p>This project is a major section of Leonard needed to connect the CCOL to FM 455 east of SH 5. As the ISD builds its new campuses along Leonard south of Anna Crossing, this section will play a role in connectivity to FM 455.</p>			
<p align="center"><u>City Sources of Funding</u></p> <p>Dedicated fund balance and revenue for streets. General Obligation bond.</p>				<p align="center"><u>Non-City Sources of Funding</u></p> <p>Bonds</p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							TBD
Testing Services							TBD
Design Costs							TBD
Const. Costs							TBD
Const. Mngmt.							TBD
Furn/Fixt/Equip							TBD
Engineering							TBD
Other Prof. Fees							TBD
Contingencies							TBD
Total	-	-	-	-	-	-	-

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 19		Hackberry - Slayter Creek			Streets		
Total Project Cost		\$ 831,465		FY 19 Budget		\$ 831,465	
<p align="center"><u>Project Description</u></p> <p>Reconstruct Hackberry Lane from Highway 5 to Slayter Creek. Hackberry Lane transitions from a four lane divided road to a narrow two lane road. Project will improve the transition, install curb and gutter, and create turn lanes at Highway 5. As of 10/1/16 the road is fully designed. Next steps will be to bid and construct.</p>							
<p align="center"><u>Regulatory or Legal Mandates</u></p>				<p align="center"><u>Operational Necessity/Justification</u></p> <p>With the growth in the West Crossing development, Hackberry lane is experiencing increased traffic. This particular section needs to be improved for safety reasons as well as road capacity.</p>			
<p align="center"><u>City Sources of Funding</u></p> <p>Impact fees, General Obligation Debt.</p>				<p align="center"><u>Non-City Sources of Funding</u></p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition	85,350						85,350
Testing Services	16,325						16,325
Design Costs	23,090						23,090
Const. Costs	653,000						653,000
Const. Mngmt.							-
Furn/Fixt/Equip							-
Engineering	53,700						53,700
Other Prof. Fees							-
Contingencies							-
Total	831,465	-	-	-	-	-	831,465



PARKS

An area of land, usually in a largely natural state, for the enjoyment of the public, having facilities for rest and recreation, often owned, set apart, and managed by a city, state, or nation

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
TBD		Dog Park			Parks		
Total Project Cost		\$	555,000	FY 19 Budget		\$	-
<p><u>Project Description</u></p> <p>The Park would include a concrete parking lot and access to White Street and the cross access (\$141,000), a steel fence (\$84,000), new trail (\$25,000), pergola shade structure (\$10,000) and equipment (\$22,000). Equipment would be benches, Water Fountains, Trash Cans, Obstacle, and Misc.).</p>							
<p><u>Regulatory or Legal Mandates</u></p> <p>None</p>				<p><u>Operational Necessity/Justification</u></p> <p>The City of Anna parks master plan is a comprehensive plan for an interconnected top notch park system. Anna is known for its park system and these improvements will enhance the City's park system</p>			
<p><u>City Sources of Funding</u></p> <p>Parks Trust Fund Revenues, General Fund Revenues</p>				<p><u>Non-City Sources of Funding</u></p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							-
Testing Services							-
Design Costs							-
Const. Costs						555,000	555,000
Const. Mngmt.							-
Furn/Fixt/Equip							-
Engineering							-
Other Prof. Fees							-
Contingencies							-
Total	-	-	-	-	-	555,000	555,000



VEHICLES

Any means in or by which someone travels, or something is carried or conveyed

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 19 - FY 21		FD Vehicle Replacement			Fire		
Total Project Cost	\$	2,000,000		FY 19 Budget	\$	480,000	
<p align="center"><u>Project Description</u></p> <p>Schedule includes replacing unit E-902 with a quint in FY 21. And, replacing E-901 in FY19.</p>							
<p align="center"><u>Regulatory or Legal Mandates</u></p> <p>All purchases will follow the City's purchasing policy and those guidelines set forth by Chapter 252; Local Government Code.</p>				<p align="center"><u>Operational Necessity/Justification</u></p> <p>With the addition of multiple large commercial centers, and high rise apartments, and future hotels. The addition of an aerial device (quint) is required for life safety and property conservation. In addition the two current Fire Engines are getting older and require additional maintenance each year. The addition of a aerial device will be required to maintain our current ISO rating.</p>			
<p align="center"><u>City Sources of Funding</u></p> <p>General Fund Revenues</p>				<p align="center"><u>Non-City Sources of Funding</u></p> <p>Bonds and grants if available.</p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							-
Testing Services							-
Design Costs							-
Const. Costs							-
Const. Mngmt.							-
Furn/Fixt/Equip	480,000		1,000,000				1,480,000
Engineering							-
Other Prof. Fees							-
Contingencies							-
Total	480,000	-	1,000,000	-	-	-	1,480,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
TBD		Street Vehicle Replacement			Streets		
Total Project Cost		\$	30,000	FY 19 Budget		\$	-
<p><u>Project Description</u></p> <p>Purchase of a cement mixer insert. If approved the mixer would need to be mounted on a truck to be provided by Enterprise.</p>							
<p><u>Regulatory or Legal Mandates</u></p>				<p><u>Operational Necessity/Justification</u></p> <p>The mixer would allow the Street Division to purchase concrete at the batch plant for substantial savings in time and money. Crews would not have to be on the same schedule as the cement truck, and this would speed repairs. With this machine we can buy up to 10 yards of concrete per week for \$190 total. When delivered by an outside company, the cost is \$140 per yard with a ten yard minimum for a total of \$1,400.</p>			
<p><u>City Sources of Funding</u></p> <p>General Fund revenue and reserves.</p>				<p><u>Non-City Sources of Funding</u></p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition	-	-	-	-	-	-	-
Testing Services	-	-	-	-	-	-	-
Design Costs	-	-	-	-	-	-	-
Const. Costs	-	-	-	-	-	-	-
Const. Mngmt.	-	-	-	-	-	-	-
Furn/Fixt/Equip	-	-	-	-	-	30,000	30,000
Engineering	-	-	-	-	-	-	-
Other Prof. Fees	-	-	-	-	-	-	-
Contingencies	-	-	-	-	-	-	-
Total	-	-	-	-	-	30,000	30,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
TBD		Peterbilt Dump Truck			Streets		
Total Project Cost	\$	90,000		FY 19 Budget	\$	-	
<p><u>Project Description</u> Replacement of 2015 Peterbilt Dump Truck in 10 years per replacement schedule.</p>							
<p><u>Regulatory or Legal Mandates</u></p>				<p><u>Operational Necessity/Justification</u> Replacement per 10-year replacement schedule.</p>			
<p><u>City Sources of Funding</u> General fund revenue and reserves.</p>				<p><u>Non-City Sources of Funding</u></p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition	-	-	-	-	-	-	-
Testing Services	-	-	-	-	-	-	-
Design Costs	-	-	-	-	-	-	-
Const. Costs	-	-	-	-	-	-	-
Const. Mngmt.	-	-	-	-	-	-	-
Furn/Fixt/Equip	-	-	-	-	-	90,000	90,000
Engineering	-	-	-	-	-	-	-
Other Prof. Fees	-	-	-	-	-	-	-
Contingencies	-	-	-	-	-	-	-
Total	-	-	-	-	-	90,000	90,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
TBD		International Replacement			Water		
Total Project Cost	\$	75,000		FY 19 Budget	\$	-	
<p><u>Project Description</u></p> <p>Replace 2000 International Dump Truck. This truck was originally replaced by the new Peterbilt dump truck but is now needed in other departments due to work load.</p>							
<p><u>Regulatory or Legal Mandates</u></p>				<p><u>Operational Necessity/Justification</u></p> <p>Equipment ages and requires replacement based upon useful life. Replacements will be evaluated based upon department need and available resources.</p>			
<p><u>City Sources of Funding</u></p> <p>Utility Fund Revenue and reserves. NCTCOG Grant.</p>				<p><u>Non-City Sources of Funding</u></p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							-
Testing Services							-
Design Costs							-
Const. Costs							-
Const. Mngmt.							-
Furn/Fixt/Equip	-					75,000	75,000
Engineering							-
Other Prof. Fees							-
Contingencies							-
Total	-	-	-	-	-	75,000	75,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 22		Sewer Vehicle Replacement			Sewer		
Total Project Cost	\$	37,000		FY 19 Budget	\$	-	
<p><u>Project Description</u></p> <p>Replace fleet trucks as needed based upon operational requirements and life span of vehicles. Recommend replacement of the 2016 D-3500 with crane in FY 22. We would buy the bed and place it on a leased vehicle. Cost is for bed only.</p>							
<p><u>Regulatory or Legal Mandates</u></p>				<p><u>Operational Necessity/Justification</u></p> <p>Trucks age and require replacement based upon useful life of the equipment. Replacements will be evaluated based upon department need and available resources.</p>			
<p><u>City Sources of Funding</u></p> <p>Utility Fund revenue and reserves.</p>				<p><u>Non-City Sources of Funding</u></p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition	-	-	-	-	-	-	-
Testing Services	-	-	-	-	-	-	-
Design Costs	-	-	-	-	-	-	-
Const. Costs	-	-	-	-	-	-	-
Const. Mngmt.	-	-	-	-	-	-	-
Furn/Fixt/Equip	-	-	-	37,000	-	-	37,000
Engineering	-	-	-	-	-	-	-
Other Prof. Fees	-	-	-	-	-	-	-
Contingencies	-	-	-	-	-	-	-
Total	-	-	-	37,000	-	-	37,000



MACHINERY AND EQUIPMENT

An apparatus consisting of interrelated parts with separate functions, used in the performance of some kind of work; anything kept, furnished, or provided for a specific purpose

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 21 - TBD		Heart Monitor Replacement			Fire		
Total Project Cost	\$	63,000		FY 19 Budget	\$	-	
<p><u>Project Description</u></p> <p>Currently, the Department responds to approximately 1500 calls per year. Of these calls approximately sixty-two percent are Emergency Medical Services (E.M.S.) related. We have also seen an increase of multiple calls occurring at the same time. This project will replace the existing heart monitor and utilize it as a back up and training device. A second monitor would be purchased to support the growing community and service demands.</p>							
<p><u>Regulatory or Legal Mandates</u></p> <p>All purchases will follow the City's purchasing policy and those guidelines set forth by Chapter 252; Local Government Code.</p>				<p><u>Operational Necessity/Justification</u></p> <p>Call volume will dictate the need for another Heart Monitor in FY 2021.</p>			
<p><u>City Sources of Funding</u></p> <p>General Fund Revenues, Fire Capital Fund</p>				<p><u>Non-City Sources of Funding</u></p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							-
Testing Services							-
Design Costs							-
Const. Costs							-
Const. Mngmt.							-
Furn/Fixt/Equip			30,000			33,000	63,000
Engineering							-
Other Prof. Fees							-
Contingencies							-
Total	-	-	30,000	-	-	33,000	63,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 19 - FY 23		Outdoor warning siren			Fire		
Total Project Cost	\$	87,000		FY 19 Budget	\$	27,500	
<u>Project Description</u> Install Outdoor Warning Sirens as needed to alert citizens of potential weather threats..							
<u>Regulatory or Legal Mandates</u>				<u>Operational Necessity/Justification</u> Needed to provide citizens with a sense of security regarding upcoming weather threats.			
<u>City Sources of Funding</u> General fund revenue and reserves.				<u>Non-City Sources of Funding</u> Potential Grant Funding			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							-
Testing Services							-
Design Costs							-
Const. Costs							-
Const. Mngmt.							-
Furn/Fixt/Equip	27,500		29,000		30,500		87,000
Engineering							-
Other Prof. Fees							-
Contingencies							-
Total	27,500	-	29,000	-	30,500	-	87,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 21		SCBA Air Compressor			Fire		
Total Project Cost	\$	50,000		FY 19 Budget	\$	-	
<p><u>Project Description</u></p> <p>This piece of equipment is utilized to refill the Department's Self Contained Breathing Air cylinders (SCBA's). The air that is placed in these cylinders is a compressed air to assist the firefighter while wearing his SCBA in Hazardous environments. The air that is produced by the compressor is tested quarterly to assure it meets NFPA standards.</p>							
<p><u>Regulatory or Legal Mandates</u></p> <p>All purchases will follow the City's purchasing policy and those guidelines set forth by Chapter 252; Local Government Code.</p>				<p><u>Operational Necessity/Justification</u></p> <p>The current compressor, is still in operating condition and passes air quality testing. As the unit continues to age it will need to be replaced with a new model a new unit will need to be installed in Central Fire Station when it is constructed.</p>			
<p><u>City Sources of Funding</u></p> <p>General Fund Revenues, Fire Capital Fund</p>				<p><u>Non-City Sources of Funding</u></p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition	-	-	-	-	-	-	-
Testing Services	-	-	-	-	-	-	-
Design Costs	-	-	-	-	-	-	-
Const. Costs	-	-	-	-	-	-	-
Const. Mngmt.	-	-	-	-	-	-	-
Furn/Fixt/Equip	-	-	50,000	-	-	-	50,000
Engineering	-	-	-	-	-	-	-
Other Prof. Fees	-	-	-	-	-	-	-
Contingencies	-	-	-	-	-	-	-
Total	-	-	50,000	-	-	-	50,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 20		Radio Replacements			Fire		
Total Project Cost	\$	40,000		FY 19 Budget	\$	-	
<p><u>Project Description</u></p> <p>This project would consist of replacing current radios with digital radios that will meet federal inter operable regulations. Radios and communication devices are critical to firefighter safety and efficient and effective emergency operations.</p>							
<p><u>Regulatory or Legal Mandates</u></p> <p>Federal interoperable P25 regulations.</p>				<p><u>Operational Necessity/Justification</u></p> <p>The departments have some radios that are no longer supported by Motorola with limited repair options and parts available. These units will be replaced with the newest digital compliant radios. Current radios could be utilized for other city departments if needed.</p>			
<p><u>City Sources of Funding</u></p> <p>General Fund, Fire Trust</p>				<p><u>Non-City Sources of Funding</u></p> <p>Grant funding from various sources will be researched and applied for accordingly.</p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							
Testing Services							
Design Costs							
Const. Costs							
Const. Mngmt.							
Furn/Fixt/Equip		40,000					40,000
Engineering							
Other Prof. Fees							
Contingencies							
Total	-	40,000	-	-	-	-	40,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 20 - TBD		SCBA's			Fire		
Total Project Cost		\$ 170,000		FY 19 Budget		\$ -	
<p>Project Description</p> <p>The purchase of 12 self contained breathing apparatus (SCBA) will allow for the replacement of all Department SCBA's. The Units have been refurbished in 2017 and life on the cylinders will expire in 2021. Keeping our SCBA's up to date with the current NFPA standard is critical. The life of these SCBA's will be expired and these units must be replaced at this time.</p>							
<p>Regulatory or Legal Mandates</p> <p>None</p>				<p>Operational Necessity/Justification</p> <p>Life of the cylinders will be expiring and these units must be replaced at this time.</p>			
<p>City Sources of Funding</p> <p>Pending Grant Application, Fire Trust</p>				<p>Non-City Sources of Funding</p> <p>Grant opportunities will be sought and applied for when available.</p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							-
Testing Services							-
Design Costs							-
Const. Costs							-
Const. Mngmt.							-
Furn/Fixt/Equip		70,000				100,000	170,000
Engineering							
Other Prof. Fees							
Contingencies							
Total	-	70,000	-	-	-	100,000	170,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 20 - FY 21		Traffic Light Controls			Fire		
Total Project Cost	\$	67,300		FY 19 Budget	\$	-	
<p>Project Description</p> <p>This purchase would equip traffic control systems with a system that would allow for safe entry into and away from a intersection. Emergency vehicles would be equipped with a signaling device that would activate the system located in the traffic signals and turn the intersection to red in all directions. As traffic counts increase this will be method to allow emergency vehicles safe access through controlled intersections to emergency scenes.</p>							
<p>Regulatory or Legal Mandates</p> <p>None</p>				<p>Operational Necessity/Justification</p> <p>This device allows vehicles equipped with signaling devices to control intersections by turning the signal to red. Devices can also be used at gated communities, increases firefighter safety and decreases the chances of intersection accidents involving fleet vehicles.</p>			
<p>City Sources of Funding</p> <p>General Fund</p>				<p>Non-City Sources of Funding</p> <p>Grant funding from various sources will be researched and applied for accordingly. Some cost may also be diverted to developers through agreements and possible road impact fees.</p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							-
Testing Services							-
Design Costs							-
Const. Costs							-
Const. Mngmt.							-
Furn/Fixt/Equip	-	32,300	35,000				67,300
Engineering							-
Other Prof. Fees							-
Contingencies							-
Total	-	32,300	35,000	-	-	-	67,300

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name		Department			
FY 20		Anti-Idling Project		Police			
Total Project Cost	\$	40,000	FY 19 Budget	\$	-		
<p><u>Project Description</u></p> <p>This project is designed to reduce the number of hours a patrol unit idles during a shift. This will be accomplished by installing anti-idling devices in the patrol fleet. This project will help decrease fuel consumption and will demonstrate we are willing to do our part to mitigate our carbon footprint. Studies show agencies that install anti-idling devices typically see a ROI within the first six months following installation.</p>							
<p><u>Regulatory or Legal Mandates</u></p> <p>Although Anna does not currently have a Memorandum of Agreement with TCEQ and our patrol fleet is exempt under the EPA's anti-idling regulations, Collin County does fall within the NCTCOG's area of concern for ozone quality. This is a voluntary project that will help reduce wasteful consumption of fuel and help eliminate our carbon footprint.</p>			<p><u>Operational Necessity/Justification</u></p> <p>Patrol units typically operate 24/7. Because of the technology in the cars (MDC, camera, WiFi hotspot) the cars are left running to keep the equipment cool and to keep the battery from dying. It is also difficult and inefficient for an officer to continually log into his or her computer when there is an emergency. There is an inherent cost associated with the wear on engines, idling forces those costs to increase as parts wear faster when the engine idles for long periods. This technology will eliminate wasteful idling while at the same time keep the equipment and the officer functioning at optimal levels.</p>				
<p><u>City Sources of Funding</u></p> <p>General fund revenue and reserves.</p>			<p><u>Non-City Sources of Funding</u></p> <p>NCTCOG</p>				
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							-
Testing Services							-
Design Costs							-
Const. Costs							-
Const. Mngmt.							-
Furn/Fixt/Equip		40,000					40,000
Engineering							-
Other Prof. Fees							-
Contingencies							-
Total	-	40,000	-	-	-	-	40,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 21		MDC Replacement			Police		
Total Project Cost	\$	25,000		FY 19	\$	-	
<p><u>Project Description</u></p> <p>This project will replace all Mobile Data Computers (MDC) in the patrol vehicles. Their replacement is based on extensive everyday use and costs associated with upgrading exceeding the value of the units.</p>							
<p><u>Regulatory or Legal Mandates</u></p> <p>All purchases will follow the City's purchasing policy and those guidelines set forth by Chapter 252; Local Government Code.</p>				<p><u>Operational Necessity/Justification</u></p> <p>Operational Necessity/Justification: All computers have a life expectancy. Officers use each of the computers daily. The MDC's are exposed to temperature extremes and are used daily by multiple officers. Because of this, parts wear quickly. In addition, technology advances almost daily and the computers are limited to one or two upgrades before the costs outweigh functionality. As technology advances, so does the need for faster more efficient data terminals. Replacement of the MDC's will allow the agency to manage the high-tech demands associated with the increasing patrol extremes.</p>			
<p><u>City Sources of Funding</u></p> <p>General Fund revenue</p>				<p><u>Non-City Sources of Funding</u></p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition	-	-	-	-	-	-	-
Testing Services	-	-	-	-	-	-	-
Design Costs	-	-	-	-	-	-	-
Const. Costs	-	-	-	-	-	-	-
Const. Mngmt.	-	-	-	-	-	-	-
Furn/Fixt/Equip	-	-	25,000	-	-	-	25,000
Engineering	-	-	-	-	-	-	-
Other Prof. Fees	-	-	-	-	-	-	-
Contingencies	-	-	-	-	-	-	-
Total	-	-	25,000	-	-	-	25,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name		Department			
FY 20		3D Scanner		Police			
Total Project Cost	\$	70,000	FY 19	\$	-		
<p><u>Project Description</u></p> <p>This project will allow the PD to acquire two 3D scene mapping and photograph systems to use for accident and crime scene investigation.</p>							
<p><u>Regulatory or Legal Mandates</u></p> <p>All purchases will follow the City's purchasing policy and those guidelines set forth by Chapter 252; Local Government Code.</p>			<p><u>Operational Necessity/Justification</u></p> <p>Operational Necessity/Justification: Investigation of major crime and crash scenes is both time consuming and tedious. Measurements must be taken with extreme precision and photographs must be a clear and accurate representation of the scene. Currently, we rely on outside agencies to respond with technology and trained personnel to work these scenes. This is not only inefficient, but it depletes valuable resources from other agencies because they are assisting with our scenes. In addition, during crash investigations we have in some cases had to close the highway multiple times to accommodate the schedules of other agencies and equipment. This system would allow us to produce 3 dimensional diagrams of both crash and crime scenes and will provide the measurements within 1mm. This system will reduce the amount of time the roadways are closed and require less personnel to work the scene.</p>				
<p><u>City Sources of Funding</u></p> <p>General Fund Revenue</p>			<p><u>Non-City Sources of Funding</u></p>				
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition	-	-	-	-	-	-	-
Testing Services	-	-	-	-	-	-	-
Design Costs	-	-	-	-	-	-	-
Const. Costs	-	-	-	-	-	-	-
Const. Mngmt.	-	-	-	-	-	-	-
Furn/Fixt/Equip	-	70,000.00	-	-	-	-	70,000.00
Engineering	-	-	-	-	-	-	-
Other Prof. Fees	-	-	-	-	-	-	-
Contingencies	-	-	-	-	-	-	-
Total	-	70,000.00	-	-	-	-	70,000.00

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 22		Rhino Mower			Parks		
Total Project Cost	\$	25,000	FY 19 Budget	\$	-		
<p><u>Project Description</u> Replacement for 2007 Rhino Mower.</p>							
<p><u>Regulatory or Legal Mandates</u> None</p>				<p><u>Operational Necessity/Justification</u> Replacement for the Rhino mower to help with right a way mowing and any large areas.</p>			
<p><u>City Sources of Funding</u> Parks Trust Fund Revenues</p>				<p><u>Non-City Sources of Funding</u></p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition	-	-	-	-	-	-	-
Testing Services	-	-	-	-	-	-	-
Design Costs	-	-	-	-	-	-	-
Const. Costs	-	-	-	-	-	-	-
Const. Mngmt.	-	-	-	-	-	-	-
Furn/Fixt/Equip	-	-	-	25,000	-	-	25,000
Engineering	-	-	-	-	-	-	-
Other Prof. Fees	-	-	-	-	-	-	-
Contingencies	-	-	-	-	-	-	-
Total	-	-	-	25,000	-	-	25,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 22		Tractor Replacement			Parks		
Total Project Cost	\$	62,000		FY 19 Budget	\$	-	
<p align="center"><u>Project Description</u></p> <p>A 85-HP Tractor for pulling a bushhog for maintaining road ditches and rough areas and for pulling the flex-wing grooming mowers in large open spaces areas such as Natural Springs Park and Slayter Creek Park</p>							
<p align="center"><u>Regulatory or Legal Mandates</u></p> <p>None</p>				<p align="center"><u>Operational Necessity/Justification</u></p> <p>We currently use the tractor for pulling a bushhog for maintaining road ditches and rough areas. This would be a better steward of City funds since a smaller sized self propelled unit would be approximately \$80,000.</p>			
<p align="center"><u>City Sources of Funding</u></p> <p>Parks Trust Fund Revenues</p>				<p align="center"><u>Non-City Sources of Funding</u></p> <p>None</p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							-
Testing Services							-
Design Costs							-
Const. Costs							-
Const. Mngmt.							-
Furn/Fixt/Equip				62,000			62,000
Engineering							-
Other Prof. Fees							-
Contingencies							-
Total	-	-	-	62,000	-	-	62,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 20		Replace Toro 5900			Parks		
Total Project Cost	\$	92,000		FY 19 Budget	\$	-	
<u>Project Description</u> Replace Toro 5900.							
<u>Regulatory or Legal Mandates</u>				<u>Operational Necessity/Justification</u> This piece of equipment is still servicable but will need to be replaced in the distant TBD. Mower capacity allows for efficient mowing of large park areas.			
<u>City Sources of Funding</u> Park Trust Fund Revenues				<u>Non-City Sources of Funding</u>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							-
Testing Services							-
Design Costs							-
Const. Costs							-
Const. Mngmt.							-
Furn/Fixt/Equip		92,000					92,000
Engineering							-
Other Prof. Fees							-
Contingencies							-
Total	-	92,000	-	-	-	-	92,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 21		Replace Toro 3100D			Parks		
Total Project Cost	\$	38,000	FY 19 Budget	\$	-		
<u>Project Description</u> Replace existing Toro 3100D Reelmaster mower.							
<u>Regulatory or Legal Mandates</u>				<u>Operational Necessity/Justification</u> This piece of equipment is reaching the end of its useful life and is important to establish and maintain quality playing surface on the ball fields.			
<u>City Sources of Funding</u> Park Trust Fund Revenues				<u>Non-City Sources of Funding</u>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition	-	-	-	-	-	-	-
Testing Services	-	-	-	-	-	-	-
Design Costs	-	-	-	-	-	-	-
Const. Costs	-	-	-	-	-	-	-
Const. Mngmt.	-	-	-	-	-	-	-
Furn/Fixt/Equip	-	-	38,000	-	-	-	38,000
Engineering	-	-	-	-	-	-	-
Other Prof. Fees	-	-	-	-	-	-	-
Contingencies	-	-	-	-	-	-	-
Total	-	-	38,000	-	-	-	38,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
TBD		Kubota tractor			Parks		
Total Project Cost	\$	34,000	FY 19 Budget				
<p><u>Project Description</u> Replacement for 2012 existing Tractor.</p>							
<p><u>Regulatory or Legal Mandates</u> None</p>				<p><u>Operational Necessity/Justification</u> Replacement for the Kubota to help with loading, tilling, scraping and using it for any kind of dirt work.</p>			
<p><u>City Sources of Funding</u> Park Trust Fund Revenues</p>				<p><u>Non-City Sources of Funding</u></p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition	-	-	-	-	-	-	-
Testing Services	-	-	-	-	-	-	-
Design Costs	-	-	-	-	-	-	-
Const. Costs	-	-	-	-	-	-	-
Const. Mngmt.	-	-	-	-	-	-	-
Furn/Fixt/Equip	-	-	-	-	-	34,000	34,000
Engineering	-	-	-	-	-	-	-
Other Prof. Fees	-	-	-	-	-	-	-
Contingencies	-	-	-	-	-	-	-
Total	-	-	-	-	-	34,000	34,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name		Department			
TBD		Flex-Wing Grooming Mower		Parks			
Total Project Cost	\$	31,000	FY 19 Budget	\$	-		
<p><u>Project Description</u></p> <p>The Flex-Wing Grooming Mower piece of Equipment (FM2120R) would be pulled behind the 5083 John Deere tractor currently owned. It could be up to 20' wide and used for grooming non irrigated fields and open spaces such as the Disc Golf Course, Natural Springs Park and areas of Slayter Creek Park that are not irrigated.</p>							
<p><u>Regulatory or Legal Mandates</u></p>			<p><u>Operational Necessity/Justification</u></p> <p>We currently use the tractor for pulling a bushhog for maintaining road ditches and rough areas. This would be a better steward of City funds since a smaller sized self propelled unit would be approximately \$80,000.</p>				
<p><u>City Sources of Funding</u></p> <p>Parks Trust Fund Revenues</p>			<p><u>Non-City Sources of Funding</u></p>				
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition	-	-	-	-	-	-	-
Testing Services	-	-	-	-	-	-	-
Design Costs	-	-	-	-	-	-	-
Const. Costs	-	-	-	-	-	-	-
Const. Mngmt.	-	-	-	-	-	-	-
Furn/Fixt/Equip	-	-	-	-	-	31,000	31,000
Engineering	-	-	-	-	-	-	-
Other Prof. Fees	-	-	-	-	-	-	-
Contingencies	-	-	-	-	-	-	-
Total	-	-	-	-	-	31,000	31,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
TBD		Replace Remcor Spray Rig			Parks		
Total Project Cost	\$	40,000		FY 19 Budget			
<u>Project Description</u> Replace Remcor Spray Rig							
<u>Regulatory or Legal Mandates</u>				<u>Operational Necessity/Justification</u> Would spray all pestides and herbicides at each park.			
<u>City Sources of Funding</u> Parks Trust Fund Revenues				<u>Non-City Sources of Funding</u>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							-
Testing Services							-
Design Costs							-
Const. Costs							-
Const. Mngmt.							-
Furn/Fixt/Equ	-					40,000	40,000
Engineering							-
Other Prof. Fees							-
Contingencies							-
Total	-	-	-	-	-	40,000	40,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 21		Vacuum/Verticutter			Parks		
Total Project Cost	\$	45,000		FY 19 Budget	\$	-	
<p><u>Project Description</u> Vacuum/verticutter that can be pulled by our kabota tractor that will pull out dead grass and vacuum it up.</p>							
<p><u>Regulatory or Legal Mandates</u></p>				<p><u>Operational Necessity/Justification</u> Cleans fields from thatch build up and will result in healthier playing fields. Thatch build up can cause fungus and other diseases.</p>			
<p><u>City Sources of Funding</u> Parks Trust Fund Revenues</p>				<p><u>Non-City Sources of Funding</u></p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							-
Testing Services							-
Design Costs							-
Const. Costs							-
Const. Mngmt.							-
Furn/Fixt/Equip			45,000				45,000
Engineering							-
Other Prof. Fees							-
Contingencies							-
Total	-	-	45,000	-	-	-	45,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
TBD		Roller Replacement			Streets		
Total Project Cost	\$	55,000		FY 19 Budget	\$	-	
<p><u>Project Description</u> 10-year replacement of the 2016 Bomag Roller.</p>							
<p><u>Regulatory or Legal Mandates</u></p>				<p><u>Operational Necessity/Justification</u> 10-year replacement per industry standard.</p>			
<p><u>City Sources of Funding</u> General fund revenue and reserves.</p>				<p><u>Non-City Sources of Funding</u></p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition	-	-	-	-	-	-	-
Testing Services	-	-	-	-	-	-	-
Design Costs	-	-	-	-	-	-	-
Const. Costs	-	-	-	-	-	-	-
Const. Mngmt.	-	-	-	-	-	-	-
Furn/Fixt/Equip	-	-	-	-	-	55,000	55,000
Engineering	-	-	-	-	-	-	-
Other Prof. Fees	-	-	-	-	-	-	-
Contingencies	-	-	-	-	-	-	-
Total	-	-	-	-	-	55,000	55,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
TBD		Gradall			Streets		
Total Project Cost	\$	375,000	FY 19 Budget		\$	-	
<p><u>Project Description</u> Future replacement of the Gradall Excavator.</p>							
<p><u>Regulatory or Legal Mandates</u></p>				<p><u>Operational Necessity/Justification</u> As the Department grows this machine will be utilized more. The existing machine is near the end of its useful life.</p>			
<p><u>City Sources of Funding</u> General fund revenue and reserves.</p>				<p><u>Non-City Sources of Funding</u></p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition	-	-	-	-	-	-	-
Testing Services	-	-	-	-	-	-	-
Design Costs	-	-	-	-	-	-	-
Const. Costs	-	-	-	-	-	-	-
Const. Mngmt.	-	-	-	-	-	-	-
Furn/Fixt/Equip	-	-	-	-	-	375,000	375,000
Engineering	-	-	-	-	-	-	-
Other Prof. Fees	-	-	-	-	-	-	-
Contingencies	-	-	-	-	-	-	-
Total	-	-	-	-	-	375,000	375,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 19		Well Soft Starters			Water		
Total Project Cost	\$	70,000		FY 19 Budget	\$	70,000	
<p><u>Project Description</u></p> <p>Soft starters allow groundwater wells to turn on and off slowly reducing the wear on the pump bearings, motor bearings and shaft. This prolongs the life of the pump and motor. This proposal would install soft starters for Wells 3, 4 and 5. The costs would be \$20,000 each for Wells 3 & 4, and \$30,000 for Well 5.</p>							
<p><u>Regulatory or Legal Mandates</u></p>				<p><u>Operational Necessity/Justification</u></p> <p>The installation would reduce the frequency of pump and/or motor failure thereby reducing maintenance costs and the need to purchase additional water.</p>			
<p><u>City Sources of Funding</u></p> <p>Utility Fund revenue and reserves.</p>				<p><u>Non-City Sources of Funding</u></p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							-
Testing Services							-
Design Costs							-
Const. Costs							-
Const. Mngmt.							-
Furn/Fixt/Equip	70,000						70,000
Engineering							-
Other Prof. Fees							-
Contingencies							-
Total	70,000	-	-	-	-	-	70,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
TBD		Vac-trailer			Sewer		
Total Project Cost	\$	85,000	FY 19 Budget		\$	-	
<p><u>Project Description</u></p> <p>Purchase of a hydro excavation and vacuum trailer. The equipment would be used to locate missing valves, uncover high risk utilities (gas, electric, and fiber), and clean grease and debris from lift stations and manholes.</p>							
<p><u>Regulatory or Legal Mandates</u></p> <p>The equipment could help to avoid noncompliance due to overflows caused by grease in lift stations and manholes.</p>				<p><u>Operational Necessity/Justification</u></p> <p>The equipment would be used to locate missing water valves, uncover high risk utilities (gas, electric, and fiber), and clean grease and debris from lift stations and manholes. The equipment would save money by damage avoidance and reducing wear and tear on lift station pumps.</p>			
<p><u>City Sources of Funding</u></p> <p>To be determined.</p>				<p><u>Non-City Sources of Funding</u></p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition	-	-	-	-	-	-	-
Testing Services	-	-	-	-	-	-	-
Design Costs	-	-	-	-	-	-	-
Const. Costs	-	-	-	-	-	-	-
Const. Mngmt.	-	-	-	-	-	-	-
Furn/Fixt/Equip	-	-	-	-	-	85,000	85,000
Engineering	-	-	-	-	-	-	-
Other Prof. Fees	-	-	-	-	-	-	-
Contingencies	-	-	-	-	-	-	-
Total	-	-	-	-	-	85,000	85,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 20		Sewer Jet Trailer			Sewer		
Total Project Cost	\$	80,000	FY 19 Budget	\$	-		
<p><u>Project Description</u></p> <p>Replace equipment every 10 years or as needed based upon operational requirements and life span of equipment. Recommend replacement of the 2004 Sewer Jet Machine in 2020 based upon condition.</p>							
<p><u>Regulatory or Legal Mandates</u></p>				<p><u>Operational Necessity/Justification</u></p> <p>Replace equipment as it reaches the end of its useful life.</p>			
<p><u>City Sources of Funding</u></p> <p>Utility Fund revenue and reserves.</p>				<p><u>Non-City Sources of Funding</u></p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							-
Testing Services							-
Design Costs							-
Const. Costs							-
Const. Mngmt.							-
Furn/Fixt/Equip		80,000					80,000
Engineering							-
Other Prof. Fees							-
Contingencies							-
Total	-	80,000	-	-	-	-	80,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name		Department			
FY 19		Ultra-violet System		Sewer			
Total Project Cost	\$	120,000	FY 19 Budget	\$		120,000	
<p>Project Description</p> <p>The ultra-violet (UV) system at the wastewater treatment plant (WWTP) is becoming obsolete and it is no longer feasible to find replacement parts quickly. The ultra-violet system is critical to permit compliance as it is the disinfection component of the wastewater treatment plant.</p>							
<p>Regulatory or Legal Mandates</p>			<p>Operational Necessity/Justification</p> <p>Permit compliance. If the WWTP is removed from service due to UV failure, then NTMWD treatment costs will increase.</p>				
<p>City Sources of Funding</p> <p>Utility Fund revenue and reserves.</p>			<p>Non-City Sources of Funding</p>				
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition							-
Testing Services							-
Design Costs							-
Const. Costs							-
Const. Mngmt.							-
Furn/Fixt/Equ	120,000						120,000
Engineering							-
Other Prof. Fees							-
Contingencies							-
Total	120,000	-	-	-	-	-	120,000

City of Anna - Capital Projects Detail Sheet							
Budget Year (s)		Project Name			Department		
FY 22		Vac Truck			Sewer		
Total Project Cost	\$	350,000		FY 19 Budget	\$	-	
<p><u>Project Description</u></p> <p>Purchase Sewer Vac-Truck for large scale sewer maintenance operations.</p>							
<p><u>Regulatory or Legal Mandates</u></p>				<p><u>Operational Necessity/Justification</u></p> <p>As the City adds wastewater personnel to maintain the collection system, a sewer vac truck is necessary in order to properly clean and maintain the system. The machine can also be used for various other operations including prevention of SSO's.</p>			
<p><u>City Sources of Funding</u></p> <p>Utility Fund revenue and reserves.</p>				<p><u>Non-City Sources of Funding</u></p>			
Proposed Project Budget							
	FY 19	FY 20	FY 21	FY 22	FY 23	TBD	Total
Land Acquisition	-	-	-	-	-	-	-
Testing Services	-	-	-	-	-	-	-
Design Costs	-	-	-	-	-	-	-
Const. Costs	-	-	-	-	-	-	-
Const. Mngmt.	-	-	-	-	-	-	-
Furn/Fixt/Equip	-	-	-	350,000	-	-	350,000
Engineering	-	-	-	-	-	-	-
Other Prof. Fees	-	-	-	-	-	-	-
Contingencies	-	-	-	-	-	-	-
Total	-	-	-	350,000	-	-	350,000

CITY OF ANNA

DEBT MANAGEMENT PLAN

The City of Anna is situated in a high growth area in Collin County along Highway 75. During the high growth, the City experienced in the early part of 2000, the City issued debt for significant water and sewer infrastructure projects. As the growth in the City has picked up over the past 4-5 years, the City has again found the need to issue additional debt for water and sewer improvements.

Staff has worked diligently with our financial advisors, First Southwest, to develop and implement a debt management plan that will take advantage of call dates, rate resets, and market conditions in order to maximize the City's economic position as it relates to current and future debt issues.

The following will detail current debt held by the City of Anna with the anticipated steps to ensure our financial goals are met.

City's Outstanding General Obligation Debt as of Fiscal Year Ending September 30, 2018

Series	Name	Amount Outstanding	Interest Rates	Call Date	Final Maturity	Supported by:
2012	Comb Tax & Rev C/O	\$3,890,000	1.50% to 2.50%	2/15/19	2/15/33	W&S Revs
2014	Comb Tax & Rev C/O	\$3,965,000	2.00% to 3.65%	2/15/24	2/15/34	W&S Revs
2014A	Comb Tax & Rev Ref Bonds	\$2,377,000	0.95% to 3.60%	n/a	2/15/26	W&S Revs
2014B	GO Ref Bonds	\$1,328,000	0.30% to 2.40%	n/a	2/15/26	I&S Taxes
2016	GO Ref Bonds	\$690,000	2.00%	n/a	2/15/27	I&S Taxes
2017	Comb Tax & Rev C/O	\$7,120,000	4.00%	n/a	2/15/33	I&S Taxes/ W&S Revs
2018	Comb Tax & Rev C/O	\$30,910,000	3.719% to 3.790%	n/a	2/15/48	I&S Taxes
	TOTAL	\$50,280,000				

Breakdown of General Obligation Debt as of Fiscal Year Ending September 30, 2018

I&S Tax Supported General Obligation Debt:

Series	Name	Amount Outstanding	Interest Rates	Call Date	Final Maturity	Supported by:
2014B	GO Ref Bonds	\$1,328,000	0.30% to 2.40%	n/a	2/15/26	I&S Taxes
2016	GO Ref Bonds	\$690,000				I&S Taxes
2017	Comb Tax & Rev C/O	\$800,000		n/a	2/15/33	I&S Taxes
2018	Comb Tax & Rev C/O	\$30,910,000		n/a	2/15/48	I&S Taxes
	TOTAL	\$33,728,000				

Water & Sewer System Supported General Obligation Debt with Tax Pledge:

Series	Name	Amount Outstanding	Interest Rates	Call Date	Final Maturity	Supported by:
2012	Comb Tax & Rev C/O	\$3,890,000	1.50% to 2.50%	2/15/19	2/15/33	W&S Revs
2014	Comb Tax & Rev C/O	\$3,965,000	2.00% to 3.65%	2/15/24	2/15/34	W&S Revs
2014A	Comb Tax & Rev Ref Bonds	\$2,377,000	0.95% to 3.60%	n/a	2/15/26	W&S Revs
2017	Comb Tax & Rev C/O	\$6,320,000		n/a	2/15/33	W&S Revs
	TOTAL	\$16,552,000				

Other Obligations as of Fiscal Year Ending September 30, 2018

Contract Debt (Greater Texoma Utility Authority) Supported by Water & Sewer System Revenue:

Series	Name	Amount Outstanding	Interest Rates	Call Date	Final Maturity	GTUA Contract
2005	Contract Rev Bonds	\$435,000	4.79% to 5.74%	4/1/15	10/1/28	Collin/Grayson Project
2006	Contract Rev Bonds	\$1,040,000	3.40% to 3.75%	12/1/16	6/1/26	Anna/Melissa Project
2006	TWDB State Participation Loan	\$2,168,750	5.68% to 5.83%	n/a	8/1/40	Collin/Grayson Project
2007	Contract Rev Bonds	\$1,390,000	3.40% to 4.10%	12/1/17	6/1/28	Anna/Melissa Project
2007	Contract Rev Bonds	\$900,000	4.52% to 5.62%	4/1/17	10/1/36	Collin/Grayson Project
	TOTAL	\$5,933,750				

The Contract Debt is included in the operating expenses of the Water and Sewer System, therefore, senior to the "Water & Sewer System Supported General Obligation Debt with a Tax Pledge."

Interest and Sinking Fund Tax Debt Management

1. The City has levied an Interest and Sinking Fund rate of \$0.163166 in Tax Year 2018.
2. The City's tax base is now at \$1,115,372,832 which means the City is not dependent on future refundings and restructuring to manage it's I&S rate.
3. Assuming 2% growth, no debt refundings/restructures and no new debt; the City could cover all of its I&S tax support obligations through maturity in 2048 at current revenue levels.

The table below illustrates the planned debt service obligations specifically related to tax secured debt.

PERIOD ENDING	PRINCIPAL	INTEREST	TOTAL DEBT SERVICE	% CHANGE
9/30/2019	371,000	1,672,917	2,043,917	399.00%
9/30/2020	497,000	1,323,132	1,820,132	-10.95%
9/30/2021	504,000	1,308,163	1,812,163	-0.44%
9/30/2022	520,000	1,295,364	1,815,364	0.18%
9/30/2023	535,000	1,280,839	1,815,839	0.03%
9/30/2024	556,000	1,264,362	1,820,362	0.25%
9/30/2025	571,000	1,247,106	1,818,106	-0.12%
9/30/2026	588,000	1,229,323	1,817,323	-0.04%
9/30/2027	611,000	1,206,885	1,817,885	0.03%
9/30/2028	640,000	1,177,875	1,817,875	0.00%
9/30/2029	675,000	1,145,700	1,820,700	0.16%
9/30/2030	1,110,000	1,101,400	2,211,400	21.46%
9/30/2031	1,165,000	1,044,525	2,209,525	-0.08%
9/30/2032	1,215,000	991,100	2,206,100	-0.16%
9/30/2033	1,265,000	941,500	2,206,500	0.02%
9/30/2034	1,320,000	889,800	2,209,800	0.15%
9/30/2035	1,375,000	835,900	2,210,900	0.05%
9/30/2036	1,430,000	779,800	2,209,800	-0.05%
9/30/2037	1,485,000	721,500	2,206,500	-0.15%
9/30/2038	1,545,000	660,900	2,205,900	-0.03%
9/30/2039	1,305,000	603,900	1,908,900	-13.46%
9/30/2040	1,360,000	550,600	1,910,600	0.09%
9/30/2041	1,415,000	495,100	1,910,100	-0.03%
9/30/2042	1,475,000	437,300	1,912,300	0.12%
9/30/2043	1,535,000	377,100	1,912,100	-0.01%
9/30/2044	1,595,000	314,500	1,909,500	-0.14%
9/30/2045	1,660,000	249,400	1,909,400	-0.01%
9/30/2046	1,730,000	181,600	1,911,600	0.12%
9/30/2047	1,800,000	111,000	1,911,000	-0.03%
9/30/2048	1,875,000	37,500	1,912,500	0.08%
TOTAL	33,728,000	25,476,090	59,204,090	

Water and Sewer System Fund Debt Management

1. The City's budgeted rates and charges are sufficient to cover both the contract revenue obligations as well as the general obligations issued for water and sewer system improvements.
2. It is the City's current intent to maintain water and sewer system annual debt service at a maximum level of approximately \$2 million per year.
3. Refunding that occurred in FY 2018 accomplished the goal of reducing debt service payments in fiscal years 2019 – 2026.

The following table illustrates the planned debt service for the Utility Fund debt including those debt instruments with a tax pledge.

PERIOD ENDING	PRINCIPAL	INTEREST	INTEREST REDUCTION & RECOVERY	TOTAL DEBT SERVICE
9/30/2019	\$1,006,250	\$835,548	\$103,742	\$1,945,540
9/30/2020	\$1,033,750	\$803,528	\$103,742	\$1,941,020
9/30/2021	\$1,073,250	\$769,190	\$103,742	\$1,946,182
9/30/2022	\$1,108,750	\$732,180	\$103,742	\$1,944,672
9/30/2023	\$1,145,250	\$692,683	\$103,742	\$1,941,675
9/30/2024	\$1,189,000	\$650,728	\$103,742	\$1,943,470
9/30/2025	\$1,232,500	\$606,719	\$103,742	\$1,942,961
9/30/2026	\$1,382,000	\$560,619		\$1,942,619
9/30/2027	\$1,438,750	\$505,140		\$1,943,890
9/30/2028	\$1,493,750	\$451,567		\$1,945,317
9/30/2029	\$1,550,000	\$392,373		\$1,942,373
9/30/2030	\$1,608,750	\$334,300		\$1,943,050
9/30/2031	\$1,670,000	\$273,767		\$1,943,767
9/30/2032	\$1,732,500	\$210,853		\$1,943,353
9/30/2033	\$1,777,500	\$145,842		\$1,923,342
9/30/2034	\$661,250	\$98,546		\$759,796
9/30/2035	\$248,750	\$77,134		\$325,884
9/30/2036	\$263,750	\$62,764		\$326,514
9/30/2037	\$280,000	\$47,500		\$327,500
9/30/2038	\$185,000	\$34,397		\$219,397
9/30/2039	\$197,500	\$23,612		\$221,112
9/30/2040	\$207,500	\$12,097		\$219,597
TOTAL	\$22,485,750	\$8,321,085	\$726,193	\$31,533,028

Debt Management Plan Considerations

1. The City is currently rated “AA-“ by Fitch and “Aa3” by Moody’s. It is assumed the City will be able to maintain it’s “A” category ratings to achieve the goals set forth in the debt management plan.
2. The City may undertake new debt in the future; however, new debt is expected to fall within the guidelines of the City’s debt management plan and would not have unplanned or negative budgetary impact on the City’s finances, tax rates, and utility rates.
3. The City’s current practice of conservative assumptions (tax base and utility fund revenues) are incorporated into the City’s debt management plan and future borrowings.
4. The City may extend the original maturity of refunded obligations if it is necessary to achieve cash flow goals. At this time, the City does not expect to extend original maturity of I&S tax supported debt, but it could extend original maturity of water and sewer revenue supported bonds evaluated on a case-by-case basis.

FITCH UPGRADES ANNA, TX COS TO 'AA-' ON CRITERIA CHANGE; OUTLOOK STABLE

Fitch Ratings-New York-21 March 2017: Fitch Ratings has upgraded the following City of Anna, TX (the city) ratings to 'AA-' from 'A':

--\$530,000 combination tax and limited surplus revenue certificates of obligation (COs), series 2006;
--Long-Term Issuer Default Rating (IDR).

The Rating Outlook is Stable.

SECURITY

The COs are payable by a pledge of ad valorem taxes levied annually within the limits prescribed by law against all taxable property in the city. The COs are further payable from a limited pledge (not to exceed \$1,000) of surplus net waterworks and sewer system revenues.

KEY RATING DRIVERS

The upgrade of the IDR and CO rating to 'AA-' reflects the application of Fitch's revised criteria for U.S. state and local governments, released on April 18, 2016. The revised criteria highlight the city's exceptionally strong financial operations, solid expenditure flexibility and strong revenue growth prospects, as well as the city's substantial independent ability to raise revenues. The 'AA-' also considers the moderately elevated long-term liability burden.

Economic Resource Base

The city is located 40 miles north of Dallas in relatively affluent Collin County. Easy access to Dallas and affordable land has spurred rapid population growth. The 2015 estimated population of approximately 11,400 residents increased by a significant 38% since the 2000 census.

Revenue Framework: 'aaa' factor assessment

Revenue growth prospects are strong, benefiting from continued residential development and strong population gains. The city has ample legal ability to independently raise property tax revenues.

Expenditure Framework: 'aa' factor assessment

Fitch expects the city's expenditures to generally grow in line with revenues. Anna maintains ample flexibility over labor costs (its largest operating outlay) based on the absence of collective bargaining or contractual labor agreements. Additionally, the city's moderate carrying costs do not hinder its expenditure flexibility.

Long-Term Liability Burden: 'a' factor assessment

Long-term liabilities, driven primarily by overlapping debt, are elevated but still in the moderate range. Fitch expects the city's long-term liability burden to increase but remain within this moderate range based on the city's debt needs and regional growth pressures. The city's net pension liability is negligible.

Operating Performance: 'aaa' factor assessment

The city's budget flexibility, supplemented by large operating reserves, provide exceptional gap-closing capacity through typical economic cycles.

RATING SENSITIVITIES

Growth Management: The 'AA-' IDR assumes the city's ongoing ability to manage growth, as demonstrated by maintenance of an adequate financial cushion, affordable debt carrying costs and a manageable long-term liability burden. A material decrease in the long-term liability burden would be a positive credit consideration.

CREDIT PROFILE

Rapid population growth north from Dallas into Collin County has fueled Anna's local economy. The city's primarily residential tax base has more than tripled since 2005, and recent growth has been substantial. Average annual growth in taxable assessed value (TAV) from fiscal 2015 through fiscal 2017 has been close to 19%. The city reports significant new residential construction projects, accompanied by some commercial projects. Fitch believes ongoing growth in TAV through the medium term is likely, based on the city's availability of developable property and its manageable commuting distances to various cities in the Dallas-Fort Worth metroplex.

There is minimal taxpayer concentration, and the city's top 10 taxpayers consist of a mix of retail and commercial establishments. The city's wealth levels are lower than the state and national averages; however, the county's poverty levels and unemployment rate are significantly lower than state and national rates (no employment information is available for the city).

Revenue Framework

The city's general fund revenues include primarily property tax revenues (57%), sales tax revenues (13%) and licenses and permits revenue (12%), based on fiscal 2016 unaudited results.

Fitch views the city's revenue growth prospects as strong. The rolling 10-year revenue CAGR for general fund revenues for both fiscal years 2014 and 2015 was well above U.S. GDP performance, aided primarily by gains in TAV as well as increased retail activity and periodic policy action on the tax rate. Significant growth remains likely, as developers continue residential and commercial projects in varying stages of planning and start-up.

Anna's fiscal 2017 tax rate of \$0.6290 per \$100 of TAV provides ample capacity below the constitutional cap of \$2.50. There are no legal limits to management's ability to implement annual property tax increases below this cap, although an annual property tax levy increase in excess of 8% above the prior year levy triggers the possibility of a voter-implemented rollback election.

Expenditure Framework

Public safety is the city's largest expenditure item, accounting for approximately 43% of the city's fiscal 2016 unaudited expenditures. General government spending accounts for about 21%.

Fitch expects the city's operating expenditures to generally grow in line with the city's anticipated strong revenue growth due to increasing service demands.

Anna retains flexibility over its largest operating expenditure, workforce costs, and does not participate in any contractual labor agreements. The city's carrying costs, consisting of debt service, required pension contributions and retiree healthcare benefit outlays, were a moderate 17% of fiscal 2015 spending.

Long-Term Liability Burden

The long-term liability burden, including overall debt and net pension liabilities, represents an elevated 24% of resident personal income. The vast majority of this burden is overlapping debt (\$96 million), issued primarily by the local school district. Fitch expects the long-term liability burden to remain comfortably within the 'aa' assessment range, even incorporating road and city

hall capital needs over the next several years that are expected to be funded by approximately \$17 million of new debt. Amortization of existing debt is average with 50% of principal retired in 10 years. The city's fiscal 2015 net direct debt totaled \$6 million.

The city's pensions are provided through the Texas Municipal Retirement System, an agent multiple-employer defined benefit plan. Under GASB Statement 68 the city reported a fiscal 2015 net pension liability (NPL) of approximately \$875,000, with fiduciary assets covering 79% of total pension liabilities at the plan's 7% investment return assumption.

Operating Performance

The city is exceptionally well positioned to address fiscal challenges associated with a typical economic downturn. Fitch believes the city could tap its healthy fund balance, as well as lean on its strong revenue raising capacity and expenditure cutting flexibility, to offset temporary revenue pressures without jeopardizing its fundamental financial flexibility.

The city has consistently maintained a very strong financial operating profile, with unrestricted general fund reserves above 50% of spending since fiscal 2009. The reserves are well above Fitch's modeled reserve safety margin for municipalities with moderate revenue volatility and superior inherent budget flexibility, and they comfortably exceed the city's formal fund balance policy minimum of 25% of operating expenditures.

Unaudited results for fiscal 2016 show an approximate \$475,000 increase in the general fund balance (approximately 9% of spending), the result of both revenues and expenditures tracking favorably to budget. The ending unrestricted general fund balance of approximately \$3.3 million is projected to equal roughly 61% of expenditures.

The adopted fiscal 2017 \$6 million general fund budget reflects a 12% increase over the prior year's budget to accommodate growing service needs for an expanding population. The budget includes the addition of several new employees, wage and benefit increases, and is balanced without the use of reserves. In November 2016, the city received voter approval to re-allocate a portion of its 2% local option sales tax to the general fund, which will now receive 1.25% (compared to 1% historically). The additional .25%, which is expected to generate approximately \$187,500 annually, will fund transportation and road improvements.

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In addition to the sources of information identified in Fitch's applicable criteria specified below, this action was informed by information from Lumesis and InvestorTools.

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Additional information is available on www.fitchratings.com Applicable

Criteria

U.S. Tax-Supported Rating Criteria (pub. 18 Apr 2016)
<https://www.fitchratings.com/site/re/879478>

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MOODY'S

INVESTORS SERVICE

CREDIT OPINION

30 October 2017

New Issue

Rate this Research



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City of Anna, TX

New Issue - Moody's Upgrades to Aa3, City of Anna's, TX
GOLT

Summary Rating Rationale

Moody's Investors Service has assigned a Aa3 rating to the City of Anna's, TX approximately \$8 million Combination Tax and Revenue Refunding Bonds, Series 2017. At the same time, Moody's has upgraded the outstanding general obligation bonds to Aa3 from A1, affecting \$12.7 million. Moody's has also upgraded the issuer rating to Aa3.

The Aa3 rating reflects material assessed valuation growth supported by high residential demand because of the city's favorable location to a strong job market in the Dallas Fort Worth metropolitan area. The rating also reflects ample reserves a benefit of consistently strong operating performance, as well as an affordable debt and pension profile.

Credit Strengths

- » Rapidly growing tax base favorably located north of Dallas
- » Consistently positive operating performance drives high reserve levels
- » Affordable debt and pension profile

Credit Challenges

- » Income levels are slightly under the Aa3 median
- » Unanticipated challenges related to rapid growth

Rating Outlook

Moody's does not generally assign outlooks to issuers with this amount of debt outstanding.

Factors that Could Lead to an Upgrade

- » Continued and material assessed valuation growth
- » Increases in income levels
- » Favorable financial performance that results in reserve levels above similarly rated peers

Factors that Could Lead to a Downgrade

- » Tax base contraction
- » Significant increases in debt and pension levels that pressure city operations

» Material decrease in reserves or liquidity

Key Indicators

Exhibit 1

Anna (City of) TX	2012	2013	2014	2015	2016
Economy/Tax Base					
Total Full Value (\$000)	\$ 362,970	\$ 376,578	\$ 430,705	\$ 510,888	\$ 609,657
Full Value Per Capita	\$ 42,648	\$ 41,852	\$ 44,961	\$ 45,605	\$ 41,866
Median Family Income (% of USMedian)	107.6%	108.5%	95.0%	107.5%	107.5%
Finances					
Operating Revenue (\$000)	\$ 4,565	\$ 4,688	\$ 5,109	\$ 5,799	\$ 6,509
Fund Balance as a % of Revenues	51.4%	50.9%	50.9%	47.1%	50.8%
Cash Balance as a % of Revenues	56.9%	48.0%	51.6%	61.4%	54.7%
Debt/Pensions					
Net Direct Debt (\$000)	\$ 4,529	\$ 4,768	\$ 4,430	\$ 4,171	\$ 3,473
Net Direct Debt / Operating Revenues (x)	1.0x	1.0x	0.9x	0.7x	0.5x
Net Direct Debt / Full Value (%)	1.2%	1.3%	1.0%	0.8%	0.6%
Moody's - adjusted Net Pension Liability (3-yr average) to Revenues (x)	N/A	0.5x	0.5x	0.5x	0.5x
Moody's - adjusted Net Pension Liability (3-yr average) to Full Value (%)	N/A	0.6%	0.6%	0.6%	0.7%

Fund balance includes general and debt service funds

Source: City of Anna, TX Comprehensive Annual Financial Reports FY 2012 - 2016, Moody's Investors Service

Detailed Rating Considerations

Economy and Tax Base: Residential Demand Drives Gains in Assessed Valuation

The City of Anna's tax base is poised to continue to experience assessed valuation growth, because of its favorable location in north [Dallas](#) (A1 negative) with access to several employment opportunities in nearby [Plano](#) (Aaa stable), [Richardson](#) (Aaa stable) and Dallas. Located in [Collin County](#) (Aaa stable), Anna is approximately 40 miles from Dallas and encompasses 15 square miles. Population growth in the city has been impressive, increasing 573.4% over the last decade, per the 2010 U.S. Census. Since then, the city's 2017 estimated population of 9,733 reflects an increase of approximately 53.9%. Income levels in the area are slightly weaker than peers with the 2015 median family income equal to 107.5% of the nation, per the American Community Survey.

Driven by favorable in-migration trends as well as relative affordability in the north Dallas area, the city's assessed valuation performance significantly outweighs peers with an annual average increase of 18.8% over the prior five years. In fiscal 2018, assessed valuation grew 22.7% to \$891.5 million, following a 19.2% increase reported in the prior year. City officials anticipate assessed valuation performance will remain favorable, but are conservatively budgeting for a 10% increase within the next year despite ongoing development projects. A huge retail store recently opened in the area, and city officials anticipate the store will spur further smaller commercial development in the related area. Residential projects continue within the city and city officials report new homes range between \$200,000 to \$250,000. Major taxpayer concentration is minimal with the top 10 taxpayers accounting for less than 7% of total assessed values in fiscal 2018.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on www.moody's.com for the most updated credit rating action information and rating history.

Financial Operations and Reserves: Consistently High Reserve Levels Supported by Solid Operating Performance

The city's financial profile is expected to remain healthy due to budgeting practices that typically result in favorable operating performance, compared to the budget. Within the past six years, revenues have outpaced expenditures in the operating funds (general and debt service) in each year except fiscal 2013, when a modest deficit was reported. In fiscal 2016, which ended on September 30, 2016, operating performance resulted in a \$558,000 increase, boosting the total fund balance to \$3.3 million, an ample 50.8% of operating revenues. Majority of the balance was housed in the general fund, as reserves in the debt service fund are minimal.

Estimates for fiscal 2017 reflect a \$1.1 million surplus within the general fund, resulting in a balance of \$4.4 million (a favorable 61.1% of estimated general fund revenues). The fiscal 2018 adopted budget was balanced and included new personnel as well as a 3% raise for all employees.

Majority of the revenues received during the fiscal year were from property taxes (61.1%), followed by sales taxes (11.8%) and then licenses and permits (10.9%).

The city maintains significant flexibility under its property tax cap of \$25 (no more than \$15 for debt) per \$1,000 of assessed values per state law. In fiscal 2017 the total tax rate was \$6.29 with \$5.07 for operations, and \$1.22 for debt service. The total tax rate reduced to \$6.01 in fiscal 2018 with \$4.79 for operations, and \$1.22 for debt.

Sales taxes are capped at 1% for general fund purposes. Although, in November 2016, voters approved a reallocation of $\frac{1}{4}$ of 1% in sales taxes from the economic development fund which has been informally allocated for street projects; this revenue stream will flow into the general fund but will be tracked separately. Sales tax collections have historically been robust averaging 8.5% over the past five years. In fiscal 2017, sales taxes grew 66.1% due to the opening of a major retailer. Sales taxes are estimated to grow 32% in fiscal 2018 as the city realizes the first full year of the retailer opening, and also receives the $\frac{1}{4}$ of 1% sales tax allocation for streets.

LIQUIDITY

In line with the operating performance, the city's liquidity position has increased, reaching \$3.6 million (54.7% of operating revenues) in total operating funds in fiscal 2016. The fiscal 2017 liquidity is expected to increase in line with the city's anticipated positive operating performance.

Debt and Pensions: Modest Debt and Pension Levels

The city's debt profile is likely to increase within the next 12 - 24 months as the city considers debt issuance for buildings. Post sale, the city will have \$21.2 million outstanding in general obligation limited tax debt, resulting in a direct debt burden of 2.4%, on a fiscal 2018 valuation. However, majority of the city's debt is supported by the utility system, which reduces the debt burden to 0.4%.

The city does not have any authorized unissued debt. However, the city anticipates debt issuance of between \$14 and \$25 million for an administrative office, as well as a public safety facility in the near term. The city has road needs, due to a growing population. However, the city expects to fund the needs through a $\frac{1}{4}$ of 1% sales tax levy, which has been informally allocated from the economic development fund for street projects and provides a relatively stable source of funding. The levy is expected to yield \$336,326 in fiscal 2018.

DEBT STRUCTURE

The debt service schedule is relatively flat with a final maturity scheduled for fiscal 2034.

DEBT-RELATED DERIVATIVES

All of the city's debt is fixed rate, and the city is not party to any derivative agreement.

PENSIONS AND OPEB

The city participates in the Texas Municipal Retirement System (TMRS), a multi-employer agent plan. In fiscal 2016, the city reported an unfunded liability of \$1 million. Moody's adjusted net pension liability (ANPL) was \$3.4 million in fiscal 2016. The three-year average ANPL is elevated at modest at 0.5% of full value or a minimal 0.5 times fiscal 2016 operating revenues. Moody's ANPL reflects certain adjustments we make to improve comparability of reported pension liabilities. The adjustments are not intended to replace the city's reported contribution information, or the reported liability information of the statewide cost-sharing plans, but to improve comparability with other rated entities.

For the year ended September 30, 2016, the city recognized total pension expense of \$445,000 which was equal to the actuarial determined contribution rate. The city's fiscal 2016 contribution rate was also above the Moody's calculated "tread water" level of \$395,000. The "tread water" indicator measures the annual government contribution required to prevent the reported net pension liability from growing, under reported assumptions. Contributions above this level cover all net pension liability interest plus pay down some principal; this is stronger from a credit perspective compared to contributions below this level. Ratios comparing government contributions to the "tread water" level and "tread water" costs to government revenues shed light on budgetary fixed cost burdens.

The city offers other post employment benefits (OPEB) in the form of a supplemental death benefit, through TMRS. The city may terminate the coverage and discontinue participation by adopting an ordinance before November 1 of any year to be effective the following January 1. In fiscal 2016, the city paid \$4,083 as part of the required contribution.

Fixed costs, including pension contributions, debt service and OPEB totaled \$878,000, an affordable 13.5% of operating revenues.

Management and Governance: High Institutional Framework Score

Texas Cities have an Institutional Framework score of Aa, which is high compared to the nation. Institutional Framework scores measure a sector's legal ability to increase revenues and decrease expenditures. Property taxes, one of the sector's major revenue sources are subject to a cap, which cannot be overridden. However, the cap of \$25 per \$1,000 of assessed values with no more than \$15 allocated for debt, still allows for significant revenue-raising ability. Unpredictable revenue fluctuations tend to be minor, or under 5% annually. Across the sector, fixed and mandated costs are generally greater than 25% of expenditures. Texas is a Right to Work state, providing significant expenditure-cutting ability. Unpredictable expenditure fluctuations tend to be minor, under 5% annually.

The city operates under a council/manager form of government with a city council comprised of the Mayor and six council members elected for staggered three year terms. The city demonstrates good governance by utilizing conservative budgeting evident by actual performance surpassing expectations, and multiyear capital planning.

Legal Security

The bonds are secured by a direct and continuing annual ad valorem tax, levied against all taxable property, within the limits prescribed by law. The bonds are additionally secured by a pledge of the surplus net revenues of the city's water and wastewater system.

Use of Proceeds

A portion of the proceeds will be used to refund and restructure the city's outstanding contract tax obligation to the Greater Texoma Utility Authority, which is currently supported by the utility system. The transaction will result in level debt service of \$2 million between fiscal 2019 and 2032, from a prior range of \$1.6 million to \$2.7 million, and extend the final maturity by two years. The transaction will also yield an estimated savings of 13.8%

The proceeds will also refund outstanding Series 2006 and 2009 bonds for an estimated 40.5% in savings. There will be no extension of final maturity on this portion of the transaction.

Obligor Profile

The City of Anna is located in north Collin County, approximately 40 miles north of Dallas, TX. The City's population was 8,249 as of the 2010 US Census, an increase of 573% from the prior census periods. The largest industry sectors that drive the local economy are professional/scientific/technical services, retail trade, and finance/insurance.

Methodology

The principal methodology used in this rating was US Local Government General Obligation Debt published in December 2016. Please see the Rating Methodologies page on www.moody's.com for a copy of this methodology.

Ratings

Exhibit 2

Anna (City of) TX

Issue	Rating
Combination Tax and Revenue Refunding Bonds, Series 2017	Aa3



MOODY'S INVESTORS SERVICE

U.S. PUBLIC FINANCE

Rating Type	Underlying LT
Sale Amount	\$8,515,000
Expected Sale Date	11/14/2017
Rating Description	General Obligation Limited Tax

Source: Moody's Investors Service

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U.S. PUBLIC FINANCE

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City of Anna, Texas

Financial Policies

February 10, 2015

BUDGET POLICY

Introduction:

The City of Anna, Texas financial policies set forth the basic framework for the fiscal management of the City. These policies are to ensure consistency in the City's financial processes related to revenue, expenditures, purchasing, accounting, investing, fiscal management and integrity, and fund balance. The City's financial policies are intended to assist the City council and City staff in evaluating current activities and proposals for future programs. The policies are to be reviewed on an annual basis and modified to accommodate changing circumstances and conditions. The City of Anna will ensure long-standing policies that provide guidelines for current decision-making processes and future plans.

Operating Budget Policies:

The fiscal year of the City of Anna shall begin on October 1 of each calendar year and end on September 30 of the following calendar year. The fiscal year will also be established as the accounting and budget year.

The operating budget will be balanced with current revenues and a portion of beginning resources or fund balances which will be greater than or equal to current expenditures or expenses. The City Manager's budget shall assume, for each fund, operating revenues that are equal to, or exceed operating expenditures.

Annual estimates of revenues in all funds will be based on historical trends, and reasonable expectations and assumptions regarding growth, the state of the economy, and other relevant factors. A conservative approach will be observed in estimating revenues.

Expenditures in all funds will be managed so as to ensure the fund's obligations are met when due. Throughout the year the Finance Department will provide regular budgetary comparisons reports to Department Directors and the City Manager. These reports will highlight Adopted Budget, Adjusted Budget, Current, Year to Date, and Previous Year expenditures and revenues. These periodic budgetary comparisons statements of revenue and expenditures will allow department directors to adequately manage their department's budget and anticipate revenues and expenditures.

Expenditures within the each Fund will remain within each department's original appropriation unless an intra-fund budget transfer is approved by the City Manager. The City Manager is authorized to approve intra-fund transfers. Only the City Council may approve inter-fund transfers. Budget amendments will occur when total actual expenditures exceed budgeted expenditures in any fund(s). Budget amendments are authorized only by the City Council approved by ordinance. If at any time during a fiscal year the City Manager estimates that current year expenditures in any fund will exceed available revenues, the City Manager will submit a plan to the City Council addressing the estimated deficit including a plan of action to overcome the estimated deficit.

Anna's budget is coordinated to identify major policy issues for the City Council to consider several months prior to the budget approval date. In this way, the Council has adequate time to evaluate decisions and ensure proper decisions are made. The budget review process will include City Council, City staff, and citizen participation through public hearings.

Each department head is responsible for ensuring proper budgetary procedures are followed throughout his or her department.

Investments made by the City of Anna will be in compliance with policies contained in the City of Anna Investment Policy and the Public Funds Investment Act. All investments will be evaluated upon safety, liquidity, and yield. Interest earned from investment of available funds is based on departmental ownership of the invested dollars and will be booked to the appropriate department's fund when realized.

After City council adoption, the budget shall be in effect for the budget year. Final adoption of the budget by the City council shall constitute the official appropriations for the current year and shall constitute the basis of the official levy of the property tax. Following the final adoption of the budget by ordinance, the City Council shall pass an ordinance levying property taxes for the current year.

Fund Balance:

A key element of the financial stability of the City is to establish guidelines or "safe harbors" for fund balance. Unassigned fund balance is an important measure of economic stability. It is essential that the City maintain adequate levels of unassigned fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and similar circumstances. The fund balance also provides cash flow liquidity for the City's general operations.

For governmental funds, it is important to distinguish between fund equity and fund balance. A fund's equity is typically the difference between its assets and liabilities. Fund balance is an accounting distinction made between the portions of fund equity that are spendable and non-spendable. The Governmental Accounting Standards Board has established 5 classifications of fund balance:

- 1. Nonspendable fund balance** – includes amounts that are not in a spendable form or are required to be maintained intact. Examples are inventory or permanent funds (i.e. endowment funds).
- 2. Restricted fund balance** – includes amounts that can be spent only for the specific purposes stipulated by external resource providers either constitutionally or through enabling legislation. Examples include grants and child safety fees.

3. **Committed fund balance** – includes amounts that can be used only for the specific purposes determined by a formal action of the government’s highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.
 - a. The City Council is the City’s highest level of decision-making authority and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the Council at the City’s Council meeting. The resolution must either be approved or rescinded, as applicable, prior to the last day of the fiscal year for which the commitment is made. The amount subject to the constraint may be determined in the subsequent period.
4. **Assigned fund balance** – comprises amounts *intended* to be used by the government for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund (i.e. only funds in the capital projects fund may be used for capital projects).
 - a. The City Council has authorized the City Manager to assign fund balance to a specific purpose as approved by this fund balance policy.
5. **Unassigned fund balance** – is the residual classification of the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose.

Minimum Unassigned Fund Balance

The City shall set aside resources during years of growth to fund a reserve for years of decline and/or to fund capital out of current funds for projects that would have otherwise been funded through debt financing. It shall be the goal of the City to maintain an unassigned fund balance in the General Fund of 25% of total appropriations.

Minimum Unrestricted Net Assets

The City shall set aside resources during years of growth to fund a reserve for years of decline and/or to fund capital out of current funds for projects that would have otherwise been funded through debt financing. It shall be the goal of the City to maintain unrestricted net assets in the Utility Fund (a non-governmental type fund) of 25% of total appropriations.

At the close of each fiscal year, the unencumbered balance of each appropriation shall revert to the fund from which it was appropriated.

If minimum fund balance falls below the goals stated above, the City Manager will develop a strategy to initially evaluate current government wide spending to determine areas where cost

efficiencies may be realized and implement those efficiencies. Should the analysis prove insufficient to attain the goal, a multi-year strategy will be put in place to meet the goals through a combination of cost cutting, cost recovery, and revenue enhancing strategies.

Order of Expenditure of Funds

When multiple categories of fund balance are available for expenditure (for example, a construction project is being funded partly by a grant, funds set aside by the City Council, and unassigned fund balance), the City will start with the most restrictive category and spend those funds first before moving down to the next category with available funds.

Financial Policies:

The accounts of the City are organized and operated on the basis of funds and account groups. accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

The City's annual budget shall be prepared and adopted on a basis consistent with generally accepted accounting principles for all governmental and proprietary funds except the capital projects fund, which adopts project-length budgets.

Account balances shall be reported on the modified accrual basis of accounting within the General Fund and other governmental funds and the accrual basis of accounting in the Utilities Fund.

Quarterly Reports:

Revenues actually received will be regularly compared to budgeted revenues and variances will be investigated. This process will be summarized in the quarterly budget reports prepared and submitted by the City Manager's Office.

The City Manager shall submit to the City Council each quarterly financial report of the City. The report will compare budget estimates against the previous quarter's realized revenues including year to date realized revenues. The previous fiscal year's performance will also be included.

General Obligation Bonds/ Debt:

Anna shall have the power to borrow money on the full faith and credit of the City and to issue general obligation bonds for permanent public improvements. The City will also be allowed to borrow money for any other public purpose not prohibited by the Constitution and laws of the State of Texas, and to issue refunding bonds to refund outstanding bonds of the City previously issued. All such bonds shall be voted on and issued in conformity with the laws of the State of Texas.

Any and all bond funds approved by the vote of the Citizens of Anna will be expended only for the purposes stated in the bond issue.

The City shall also from time to time borrow money utilizing other available instruments including revenue bonds, certificates of obligation, et al.

In all cases, the City shall evaluate the following prior to incurring debt obligations:

- Ensure that the purpose of the debt is consistent with type of debt instrument
- Where possible, match the useful life of the asset with the maturity of the debt
- Review the maintenance & operations property tax rate against the debt service tax rate and ensure that no more than 35% of the total tax rate is used for debt obligations.

The City will manage the length and maturity of its long-term debt in order to lower net interest cost and to maintain future flexibility by paying off debt earlier.

Revenues:

The City of Anna strives to maintain and enhance a diversified and stable revenue system to shelter it from fluctuations in any single revenue source. The City also pursues an aggressive policy of collecting all money due to the City. The City will continue an aggressive policy to reduce the level of delinquent taxes.

For every annual budget, the City shall levy two property tax rates: maintenance/operations (M&O) and debt service (I&S). The debt service levy shall be sufficient for meeting all principal and interest obligations associated with the City's outstanding debt, less money transferred into the debt service fund from other funds and any self-sustaining debt such as revenue bonds, for the budget year. The operation and maintenance levy shall be accounted for in the General Fund.

The City is primarily a bedroom community with a heavy reliance upon property taxes. In order to supplement property taxes, the City has and will continue to support economic development and community development to create a vibrant community with a growing sales tax base to defray the reliance upon property taxes.

The City Manager shall project revenues from every source based on actual collections from the preceding years and estimated collections of the current fiscal year. There are a variety of factors that may impact revenues for an upcoming fiscal year, and the City Manager will take these into account when projecting collections. Sales tax revenue projections should be conservative due to the nature of this more volatile revenue source.

Types of City Funds:

- General Fund is the government's primary operating fund.

- Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term obligation debt of governmental funds.
- Capital Projects Fund accounts for the acquisition of capital assets or construction of major capital projects not being financed by any other fund.
- Utility Fund is used to account for the City's water and wastewater operations and certain long-term debt.

Fire Trust:

As part of the General Fund, the City operates a Fire Trust Account. This account is used to support the following activities in the Fire Department:

- Purchase of equipment
- Purchase of fire apparatus
- Support of Fire Department Grants, including use as matching funds

Funds in the Fire Trust and held in a special account and maintained in the City's financial software. Interest earned on Fire Trust deposits are maintained in the Fire Trust. Donations to the Fire Department, including funds voluntarily contributed by developers to support the Fire Department, are deposited into the Fire Trust.

Financial Statements:

An annual independent audit will be completed and filed with the City Secretary within one hundred eighty (180) days from the completion of each fiscal year, the results of which shall be presented to and approved by the City Council. The financial statements to the City are to be prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The City shall contract with a qualified independent auditing firm on an annual basis, and shall use the same firm no more than five consecutive years.

PURCHASING POLICY

Section 1. Purpose

The purpose of the Purchasing Policy and Procedures is to provide a means for the acquisition of supplies and services that are required for the operation of the City of Anna.

Section 2. Authorization and Procedures

The City Manager is authorized to make purchases and enter into contracts on behalf of the City if the amount does not exceed \$50,000. The City Manager is also authorized to make Emergency Purchases consistent with this Purchasing Policy. Notwithstanding anything to the contrary in this Purchasing Policy or in any other City ordinance, rule, regulation or policy; except for Emergency Purchases authorized under this Policy, all purchases, transactions and contracts for expenditures regardless of amount must be expressly approved in advance by the City Council during a duly noticed public meeting if—with respect to such purchase, transaction or contract for expenditure—any City Official (as defined in the Anna Code of Ethics) is: (1) required to file a Conflicts Disclosure Statement under Chapter 176 of the Texas Local Gov't Code or the Anna Code of Ethics, as amended; or (2) is a Vendor as that term is described under Section 176.002 of the Texas Local Gov't Code, which includes acting as an agent of a Vendor. Otherwise, the following purchasing procedure is outlined in accordance with the noted dollar thresholds of expenditures.

- a) Expenditures for Goods or Services \$.01 - \$999: Department Directors are allowed to make and authorize purchases for goods or services up to \$999 without seeking quotes or bids. Expenditures in this category do not require a purchase order.
- b) Expenditures for Goods or Services \$1,000 - \$2,999: Expenditures for good or services equal to or greater than \$1,000 but not exceeding \$2,999 may be approved at the department level by the Department Director. Department Directors should request and review at least three different quotes or bids unless the purchase is listed under the General Exemptions in Texas Local Government Code Chapter 252.022. This is an informal bid process and quotes or bids may be obtained via mail, e-mail, delivery service, telephone, facsimile, catalogues, internet websites, in-store price comparison, verbal quotes, or any other reasonable method of comparing vendor pricing.
 1. Upon receipt and evaluation of the quotes or bids, the Department Director shall submit to the Finance Department a purchase order and purchasing memo summarizing the bids received and the recommended or selected vendor.
 2. In lieu of requesting three different quotes or bids, and when authorized by the City Manager, Department Directors may purchase goods or services in this category through a local government purchasing cooperative or interlocal purchasing agreement of which the City of Anna is a member or is eligible to participate, and

where the products and services to be purchased have been submitted for competitive procurement as outlined by state statute.

- c) **Expenditures for Goods or Services \$3,000 - \$49,999:** Expenditures for good or services equal to or greater than \$3,000 but not exceeding \$49,999 are also bid on an informal basis with at least three written bids or quotes required unless the purchase is listed under the General Exemptions in Texas Local Government Code Chapter 252.022. The City will contact Historically Underutilized Business as stipulated in Texas Local Government Code Chapter 252.0215 unless the purchase is listed under the General Exemptions in Texas Local Government Code Chapter 252.022.
1. All purchases in this category must be approved in advance by the City Manager and the Finance Department. Upon receipt and evaluation of the quotes or bids, the Department Direct shall submit to the City Manager a purchase order and purchasing memorandum summarizing the responses and recommending a vendor. The memorandum shall include supporting documentation for all quotes or bids and evidence the department contacted Historically Underutilized Businesses as outlined above. After authorization has been received from the City Manager, the purchase order can be submitted to the Finance Department for final approval and processing.
 2. In lieu of providing three different written quotes, goods or services in this category may be purchased through a local government purchasing cooperative or interlocal purchasing agreement of which the City of Anna is a member or is eligible to participate, and where the products and services to be purchased have been submitted for competitive procurement as outlined by state statute.
- d) **Expenditures for Goods or Services \$50,000 and over:** Except for Emergency Purchases authorized under this Policy, all purchases above \$50,000 must be purchased under formal competitive sealed bidding rules or as otherwise permitted by the Local Government Code under Chapters 252 and 271. No bid process shall begin until approved by the City Council and City Manager. The City Council hereby selects as its designated representative the City Manager of the City of Anna, Texas to discharge on its behalf any duty it may have now or in the future with respect to any purchase or contract to determine the method(s) of purchase that will provide the best value to the City.
- e) **Professional Services:** Notwithstanding anything to the contrary in this Purchasing Policy or in any other City ordinance, rule, regulation or policy, purchases of professional services regulated by the Professional Services Procurement Act (PSPA) shall be in accordance with the requirements outlined in the PSPA as amended.
- f) **Emergency Purchases:** Notwithstanding anything to the contrary in this Purchasing Policy or in any other City ordinance, rule, regulation or policy, the City Manager is

authorized to make or approve any emergency purchase necessary to respond to a public calamity, to preserve or protect the public health or safety of the municipality's residents, or because of unforeseen damage to public machinery, equipment, or other property; in accordance with the General Exemptions authorized in Section 252.022 of the Texas Local Government Code without seeking bids or contacting Historically Underutilized Businesses. The City Manager is authorized to declare or determine an emergency that necessitates an emergency purchase, and shall advise the City Council of any such emergency purchase in excess of \$50,000. When an emergency occurs during regular business hours and the expense exceeds the normal department approval amount, the department director shall contact the City Manager or his designee, to receive authorization for the emergency purchase.

g) Responsibilities:

1. The City Manager administers this Purchasing Policy, approves purchases between \$3,000 and \$49,999, and oversees the competitive bidding process for all purchases in excess of \$50,000 requiring approval of the City Council.
2. Department Directors prepare and review solicitations for the purchase of goods and services as outlined in this Purchasing Policy. Directors sign off on and approve all department purchases and ensure that all purchasing requirements are met. Department Directors ensure that reasonable and prudent steps are taken to assure that the best value is obtained for the goods or services to be procured.
3. The Finance Department reviews budgets to determine availability of funds for purchases.
4. Accounts Payable receives, reviews, and processes all purchase orders and payment requests.
5. Each city employee authorized to purchase supplies, equipment, or services shall be familiar with and follow this Purchasing Policy and related purchasing procedures.

Section 3. Petty Cash

Petty Cash is deemed appropriate when it allows for more efficient procurement of minor goods and services. Petty Cash may only be used for minor purchases of goods or services up to \$50.00. An employee requesting the Petty Cash must have approval from their Department Director. Documentation for the use of Petty Cash is required at time of reimbursement, and must include an invoice or receipt for the purchase. The employee requesting reimbursement will be required to sign for receipt of the cash.

Section 4. Purchase Orders

Purchase orders are required for all purchases in excess of \$999, unless otherwise indicated below. Purchase orders may be submitted for purchases less than \$999 but are not required. Purchase orders shall be submitted to Accounts Payable for processing after obtaining the appropriate approval signatures and with all supporting documentation attached. Purchase orders submitted without appropriate approval or required documentation will be returned to the originating department.

Subject the limits on the City Manager's authority to make purchases and enter into contracts on behalf of the City as outlined in the Section 2 of this Policy, purchase of the following items do not require the solicitation of bids or a purchase order and can be paid by completing a check request or payment authorization:

- Insurance Premium Payments
- Retirement System Payments (TMRS)
- Debt Service Payments
- Utility Service Payments
- Operating Leases/Maintenance Agreements
- Contracted Services (if contract was entered in accordance with this policy)
- Travel and Lodging
- Registration fees
- Membership/Professional Association dues and fees
- Postage
- Subscription Services
- Other similar routine purchases authorized by the City Manager

PURCHASING CARD POLICY

Purpose:

The purpose of the Purchasing Card Program is to provide the City with an efficient and controllable method of making small dollar commodity, service, and travel purchases. The City will issue cards from a company that has received the State of Texas purchasing card contract or under a Co-operative purchasing agreement with another municipality within the State of Texas. The card will be primarily used in place of petty cash, small regular purchase orders, blanket purchase orders (where sales are made over-the-counter), emergency purchase orders, and all other credit cards. This card policy is not intended to replace, but rather supplement existing purchasing, travel and other City policies. Participating in the purchasing card program will be the option of the employer. Employees that are not issued a card may obtain travel advances or reimbursements

Use:

The card will be used for the following:

- 1) Any transaction that does not exceed \$1,500 or the cardholder's transaction limit, whichever is less.
- 2) Over-the-counter type retail purchases normally made using a charge account or discontinued credit cards.
- 3) Travel related purchases in compliance with the City of Anna Travel Policy.
- 4) Any other business related purchase as long as:
 - a. The vendor accepts credit cards, and the goods/services purchases are not covered under a City supply contract. Accounting Department will periodically update staff via email of any commodities that cannot be purchased with the purchasing card.
 - b. All other purchases are to be made using the standard purchasing process.

Transaction/Card Limits:

Each individual purchasing card will have transaction and/or spending limits. The Finance Director has the ability also to limit types of purchases, place of purchase and hours of day purchases can be made on individual cards. The total purchase price as printed on the individual credit card receipt is known as the "transaction amount". The purchasing card may be limited by the merchant type, transaction amount, and monthly transaction limit. The Department Director, Finance Director, and City Manager determine limits.

Cardholder Class	*Per Transaction	*Per Month
Management City Manager, Department Directors	\$ 2,500	\$ 5,000
Supervisory Division Heads, Supervisors	\$ 1,500	\$ 3,000
Intermediate Level Users	\$ 500	\$ 2,000

*The City Manager may set different limits for specific individuals as needed.

Restrictions:

Employees may NOT use the card for the following:

1. Any purchases of items for personal use
2. Cash refunds or advances
3. Any purchases of goods/services at a merchant type not considered prudent or of good judgment
4. Any transaction amount greater than the cardholder's transaction limit
5. Items under contract, unless an emergency exception is granted by the Finance Department
6. Alcohol, liquor, and tobacco products of any kind
7. Separate, sequential and component purchases or any transaction made with intent to circumvent City purchasing policy or state law
8. Any other purchase specifically excluded in the City purchasing policy

Receipts:

All purchases must be supported by a receipt for the purchaser. Any purchase without a receipt shall be the responsibility of the purchaser unless approved by the City Manager.

Audit review:

Purchases using the Anna Purchasing cards shall be reviewed for compliance with this policy by City Auditor during the annual audit process.

ETHICS POLICY

This Ethics Policy is cumulative of any provisions governing ethics or conflicts of interest under state law, the City of Anna's Home-Rule Charter, and the Anna Code of Ethics, all as amended, and in the event of any conflict between any such provisions, the most restrictive provision shall govern. This Ethics Policy will promote the objectives of protecting government integrity and facilitating the recruitment and retention of qualified ethical personnel needed by the City of Anna. Such policy is implemented by prescribing essential standards of ethical conduct without creating unnecessary obstacles to entering public service.

As a public entity, the City is expected to be able to demonstrate to the public that it has spent their tax dollars wisely. All participants in the City are responsible for insuring that money is spent in accordance with the terms and conditions of all the policies of the City of Anna. Public employees must discharge their duties impartially so as to assure fair competitive access to government procurement by responsible contractors. Public officials and employees must take precautions to avoid even the appearance of impropriety, self-dealing, favoritism, or undue influence.

Therefore, all persons with the responsibility of handling City of Anna monies must obtain and/or create as appropriate adequate documentation, including a clear explanation of exactly what each purchase is for.

General Ethical Standards:

1. It shall be a breach of ethics to attempt to realize personal gain through public employment with the City of Anna by any conduct inconsistent with the proper discharge of the employee's duties.
2. It shall be a breach of ethics to attempt to influence any public employee of the City of Anna to breach the standards of ethical conduct set forth in this code.
3. It shall be a breach of ethics for any employee of the City of Anna to participate directly or indirectly in a procurement when the employee knows that:
 - a. The employee or any member of the employee's immediate family has a financial interest in the procurement;
 - b. A business or organization in which the employee, or any member of the employee's immediate family, has a financial interest pertaining to the procurement;
 - c. Any other person, business or organization with whom the employee or any member of the employee's immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement.
4. It shall be a breach of ethics for any employee of the City of Anna to accept, receive, or arrange for any gratuity or any offer of employment in connection with any decision, approval, denial, recommendation, preparation of any part of a program requirement or purchase request, influencing the content or any specification or procurement standard,

rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter pertaining to any program requirement of a contract or subcontract, or to any solicitation or proposal thereof, pending before this government.

5. It shall be a breach of ethics for any employee of the City of Anna to approve or allow any purchase, transaction or contract for expenditure regardless of the amount unless said employee has been expressly authorized to do so in advance by the City Council during a duly noticed public meeting if—with respect to such purchase, transaction or contract for expenditure—any City Official (as defined in the Anna Code of Ethics) is: (1) required to file a Conflicts Disclosure Statement under Chapter 176 of the Texas Local Gov't Code or the Anna Code of Ethics, as amended; or (2) is a Vendor as that term is described under Section 176.002 of the Texas Local Gov't Code, which includes acting as an agent of a Vendor.
6. It shall be a breach of ethics for any employee or former employee of the City of Anna knowingly to use confidential information for actual or anticipated personal gain, or for the actual or anticipated gain of any person.

BANK DEPOSITORY

The City Council shall select a bank depository that will meet the needs of the City and comply with all state laws governing such depositories and the management and safeguarding of public funds. The City shall issue a request for proposals/qualifications for bank depository services every five years, or more often if necessary. However, said requirements shall not restrict the number of years, either cumulatively or consecutively, that any single bank depository shall be used. Depositories shall be selected based on a number of criteria, including, but not limited to, ability to comply with state and local statutes, customer service, hours of operation, yield on deposits, geographic proximity to City hall, services offered, etc.



City of Anna, Texas

Investment Policy

INVESTMENT POLICY

A component part of the overall financial management of the City of Anna, Texas is an effective cash management plan. Many factors determine the amount of funds on hand during any fiscal year, but these funds are an important revenue source for the City budget. It is imperative that these funds be managed in such a way as to be responsive to the public need and consistent with a conservative cash management plan. To provide this framework for effective cash management, an Investment Policy and a Statement of Investment Strategy have been prepared.

Purpose:

The Investment Policy is authorized by the City Council of the City of Anna in accordance with Chapter 2256, Texas Government Code, also known as the Public Funds Investment Act (PFIA). The Policy addresses the methods, procedures and practices that must be exercised to ensure effective and judicious fiscal management of City funds. All such funds will be managed within the guidelines of this Policy with the exception of pension and other deferred compensation plans that are separately managed. Bond funds, in addition to this Policy, shall be managed in accordance with their issuing documentation and all applicable state and federal law.

This Policy provides a separate written investment strategy for each of the City's funds. Each investment strategy describes the investment objectives for each particular fund according to the following priorities:

- 1) Investment Suitability
- 2) Preservation and Safety of Principal
- 3) Liquidity
- 4) Marketability Prior to Maturity of each Investment
- 5) Diversification
- 6) Yield

Annual Review:

The Investment Policy and the Statement of Investment Strategy will be reviewed on an annual basis by the City Council. Revisions and/or amendments will be approved and documented by the City Council. A written document shall attest to the annual review and amendment adoption.

Investment Objectives:

The investment of funds will be governed by the following investment objectives, in order of priority:

1. Preservation and Safety of Principal
Preservation of capital is the foremost objective of the City. Each investment transaction shall seek first to ensure that capital losses are avoided, whether they are from issuer defaults, erosion of market value, or other risks.

2. Liquidity

The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements that can be reasonably anticipated. Liquidity will be achieved by matching investment maturities with forecasted cash flow requirements.

3. Public Trust

All employees involved in the City's investment program shall seek to act responsibly as custodians of the public trust. All employees involved in the investment process shall avoid any transaction which might impair public confidence in the City's ability to govern effectively.

4. Yield

The investment portfolio of the City shall be designed to attain a market rate of return throughout budgetary and economic cycles taking into account risk constraints and liquidity needs. Return on investment, while important, is of less importance than safety and liquidity.

Authorized Investments:

While the PFIA allows a wide range of eligible investments, the City has chosen to allow only the following, which are more restrictive than the PFIA:

1. Obligations of the United States government or its agencies and instrumentalities, including the Federal Home Loan Banks.
2. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this State or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States.
3. Direct obligations of this State or its agencies and instrumentalities.
4. Certificates of Deposit, and other forms of deposit, issued in compliance with the PFIA and insured by the FDIC, or when applicable, collateralized in accordance with this Policy and the Public Funds Collateral Act.
5. Repurchase agreements placed and secured in compliance with the PFIA and, collateralized with a minimum market value of 102 percent of the dollar value of the transaction plus accumulated accrued interest.
6. SEC-registered, AAAM, or its equivalent, (as rated by Fitch, Moody's or Standard & Poor's), no-load money market mutual funds. The investment objective of the fund must be to maintain a stable dollar net asset value of \$1.0000. The City may not invest funds under its control in

an amount that exceeds 10% of total assets of any individual money market mutual fund. A fund prospectus shall be reviewed for compliance with this Policy prior to depositing monies.

7. State or local investment pools organized under the Interlocal Cooperation Act, operating in compliance with the PFIA and authorized by the City Council. The investment pool must be rated AAAM, or its equivalent, (as rated by Fitch, Moody's or Standard & Poor's). The investment objective of the pool must be to maintain a stable dollar net asset value.

Prohibited Investments:

The City is expressly prohibited from entering into options trading or futures contracts, hedging or purchasing any security that is not authorized by Texas State law, or any direct investment in asset backed or mortgage-backed securities. The City expressly prohibits the acceptance of Interest-only (IO) and Principal-only (PO) Collateralized Mortgage Obligations (CMOs) as collateral for bank deposits or repurchase agreements. No transactions may be entered for speculation. No transaction may be entered using leverage.

Protection of Principal:

The City shall seek to control the risk of principal loss due to the failure of an issuer or grantor. Such default risk shall be controlled by investing only in the safest types of issuers as defined in the Policy and by collateralization as required by law.

Individual security transactions shall be executed by "delivery versus payment" (DVP) method through the City's safekeeping agent. By so doing, City funds are not released until the City has received, through the safekeeping agent, the securities purchased.

Diversification by Investment Type:

When appropriate and applicable, diversification by investment type shall be maintained by ensuring an active and efficient secondary market in portfolio investments, and by controlling the market and opportunity risks associated with specific investment types. Undue concentrations of assets in a specific maturity sector shall be avoided. Bond proceeds may be invested to comply with Federal arbitrage restrictions or to facilitate arbitrage record-keeping and calculation.

Diversification by Investment Maturity:

In order to minimize risk of loss due to interest rate fluctuations, investment maturities will not exceed the anticipated cash flow requirements of the funds. Maturity guidelines by fund are as follows:

Operating Funds Strategy:

Suitability - Any investment eligible in the Investment Policy is suitable for Operating Funds.

Safety of Principal - All investments shall be of high quality with no perceived default risk. Market price fluctuations may occur. However, by managing the weighted average days to maturity for the

Operating Fund's portfolio to less than 270 days and restricting the maximum allowable maturity to two years, the price volatility of the overall portfolio will be minimized.

Marketability - Securities with active and efficient secondary markets are necessary in the event of an unanticipated cash flow requirement.

Liquidity - The Operating Fund requires the greatest short-term liquidity of any of the Fund types. Cash equivalent investments will provide daily liquidity and may be utilized as a competitive yield alternative to fixed maturity investments.

Diversification - Investment maturities should be staggered throughout the budget cycle to provide cash flow based on the anticipated operating needs of the City. Market cycle risk will be reduced by diversifying the appropriate maturity structure out through two years.

Yield - Attaining a competitive market yield for comparable investment-types and portfolio restrictions is the desired objective. The yield of an equally weighted, rolling three-month Treasury Bill portfolio will be the minimum yield objective.

Construction and Capital Improvement Funds Strategy:

Suitability - Any investment eligible in the Investment Policy is suitable for Construction and Capital Improvement Funds.

Safety of Principal – All investments will be of high quality with no perceived default risk. Market fluctuations may occur. However, by restricting the maximum maturity to the lesser of the anticipated cash flow requirements or the IRS defined temporary period, the market risk of the portfolio will be minimized.

Marketability - The balancing of short-term and long-term cash flow needs requires the Construction and Capital Improvement Funds portfolio to have securities with active and efficient secondary markets.

Liquidity - Construction and Capital Improvement Funds used as part of a CIP plan or scheduled repair and replacement program are reasonably predictable. However, unanticipated needs or emergencies may arise. Maintaining minimum cash equivalent investment amounts will reduce the liquidity risk of unanticipated expenditures. A singular repurchase agreement may be utilized if disbursements are allowed in the amount necessary to satisfy any required expenditures. This investment structure is commonly referred to as a flexible repurchase agreement.

Diversification - Investment maturities should blend the short-term and long-term cash flow needs to provide adequate liquidity, yield enhancement and stability. A “barbell” maturity ladder may be appropriate.

Yield - Attaining a competitive market yield for comparable investment-types and portfolio structures is the desired objective. The yield of an equally weighted, rolling six-month Treasury Bill portfolio will be the minimum yield objective.

Debt Service Funds Strategy:

Suitability - Any investment eligible in the Investment Policy is suitable for the Debt Service Fund.

Safety of Principal - All investments shall be of high quality with no perceived default risk. Market price fluctuations may occur. However, by managing Debt Service Funds to not exceed the debt service payment schedule, the market risk of the overall portfolio will be minimized.

Marketability - Securities with active and efficient secondary markets are not necessary as the event of an unanticipated cash flow requirement is not probable.

Liquidity - Debt Service Funds have predictable payment schedules. Therefore, investment maturities should not exceed the anticipated cash flow requirements. Cash equivalent investments may provide a competitive yield alternative for short term fixed maturity investments. A singular repurchase agreement may be utilized if disbursements are allowed in the amount necessary to satisfy any debt service payment. This investment structure is commonly referred to as a flexible repurchase agreement.

Diversification - Market conditions influence the attractiveness of fully extending maturity to the next “unfunded” payment date. Generally, if investment rates are anticipated to decrease over time, the City is best served by locking in most investments. If the interest rates are potentially rising, then investing in shorter and larger amounts may provide advantage. At no time shall the debt service schedule be exceeded in an attempt to bolster yield.

Yield - Attaining a competitive market yield for comparable investment-types and portfolio restrictions is the desired objective. The yield of an equally weighted, rolling three-month Treasury Bill portfolio shall be the minimum yield objective.

Ensuring Liquidity:

Liquidity shall be achieved by analyzing and anticipating cash flow requirements, by investing in securities with active secondary markets and by maintaining minimum cash equivalent investment balances. An investment may be liquidated or redeemed prior to maturity for the following reasons:

1. To meet unanticipated cash requirements
2. To re-deploy cash into other investments expected to outperform current holdings
3. To otherwise to adjust the portfolio.

Depository Agreements:

The City will select and designate a qualified primary bank depository in compliance with State law and the City's purchasing policy. Additionally the City may utilize other depository institutions to expand deposit placement opportunities or provide specialty services.

All depository balances shall be insured or collateralized in compliance with applicable State law. The City reserves the right, in its sole discretion, to accept or reject any form of insurance or collateralization pledged towards depository deposits. Depositories will be required to sign a Depository Agreement with the City. The Agreement shall address any concerns in relation to acceptable collateral, levels of collateral, substitution and addition of collateral, and reporting and monitoring of collateral. The collateralized deposit portion of the Agreement shall define the City's rights to the collateral in case of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with Federal and State regulations, including:

- The Agreement must be in writing;
- The Agreement has to be executed by the Depository and the City contemporaneously with the acquisition of the asset;
- The Agreement must be approved by the Board of Directors or Designated Committee of the Depository and a copy of the meeting minutes must be delivered to the City; and
- The Agreement must be part of the Depository's "official record" continuously since its execution.

Safekeeping and Custody:

The City shall contract with a bank or banks for the safekeeping of securities either owned by the City as part of its investment portfolio or held as collateral to secure financial institution deposits and repurchase agreements.

Securities owned by the City shall be held in the City's account as evidenced by safekeeping receipts of the institution holding the securities. Safekeeping institutions shall be independent from the parties involved in the investment transaction.

Collateral will be held by a third party custodian designated by the City and pledged to the City as evidenced by pledge receipts of the institution with which the collateral is deposited. Original pledge receipts shall be obtained. Collateral may be held by a Federal Reserve Bank or branch of a Federal Reserve Bank, a Federal Home Loan Bank, or a third party bank approved by the City and eligible under State law.

Competitive Environment:

It is the policy of the City to provide a competitive environment for all individual investment purchases and sales, and financial institution, money market mutual fund, and local government investment pool selections.

Authority to Invest:

The City Manager and Finance Director shall be the Investment Officers. The Investment Officers shall oversee and approve any deposit, withdrawal, investment, transfer, documentation, and otherwise manage City funds according to this Policy. No person may engage in an investment transaction or the management of funds except as provided under the terms of the Investment Policy, the Statement of Investment Strategy, and other operational procedures established by the City Manager.

In order ensure qualified and capable investment management, within twelve (12) months after taking office or assuming duties, each Investment Officer shall attend training relating to his/her investment responsibilities and accumulate not less than ten (10) hours of instruction. On an ongoing basis, all Investment Officers shall receive not less than eight (8) hours of instruction in each subsequent two-year period that begins on the first day of the City's fiscal year and consists of the two consecutive fiscal years after that date. Training will be conducted by an independent source approved by the Investment Committee and must include education in investment controls, security risks, strategy risks, market risks and compliance with the Public Funds Investment Act.

Prudent Investment Management:

Each Investment Officer shall perform his/her duties in accordance with the adopted Investment Policy and internal procedures. In determining whether an Investment Officer has exercised prudence with respect to an investment decision, the investment of all funds over which the Investment Officer had responsibility, rather than the prudence of a single investment, shall be considered. Investment Officers acting in good faith and in accordance with these policies and procedures shall be relieved of personal liability.

Standard of Care:

The standard of care used by the City shall be the "prudent person rule" and shall be applied in the context of managing the overall portfolio within the applicable legal constraints. The PFIA states:

"Investments shall be made with judgment and care, under circumstances then prevailing, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived."

Standard of Ethics:

Each Investment Officer shall act as custodian of the public trust avoiding any transaction which might involve a conflict of interest, the appearance of a conflict of interest, or any activity which might otherwise discourage public confidence. An Investment Officer shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair his/her ability to make impartial investment decisions. Additionally, an Investment Officer shall file with the Texas Ethics Commission and the City Council a statement disclosing any personal business relationship with an entity seeking to sell investments to the City or any relationship with the second

degree by affinity or third degree of consanguinity to an individual seeking to sell investments to the City.

Internal Controls:

The City Manager will establish a system of internal controls that shall be designed to prevent losses of public funds arising from fraud, employee error, and misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by City staff. Controls deemed most important would include, but not be limited to:

1. Control of collusion
2. Separation of duties
3. Separating transaction authority from accounting and record-keeping
4. Custodial safekeeping
5. Avoidance of bearer-form securities
6. Clear delegation of authority
7. Written confirmation of telephone transactions
8. Documentation of transactions

As part of the annual audit, the Investment Officers shall facilitate an independent review by the City's external auditor to assure compliance with policies and procedures.

Monitoring Market Value:

Market value of all collateral, mutual funds, pools, and securities will be monitored periodically and obtained from a reputable and independent source.

Effect of Loss of Rating:

All prudent measures will be taken to liquidate an investment that is downgraded to less than the required minimum rating. At least quarterly, the City shall monitor the rating of all investments, as applicable.

Exemption for Existing Investments:

The City is not required to liquidate investments authorized at the time of purchase.

Performance:

The City's investment portfolio shall be designed to obtain a market rate of return on investments consistent with risk constraints and expected cash flow of the City. Weighted average yield to maturity shall be the performance measurement standard.

Authorized Broker/Dealers:

The Investment Committee shall, at least annually, review, revise, and adopt a list of qualified broker/dealers authorized to engage in securities transactions with the City. Authorized firms include primary dealers or secondary dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (Uniform Net Capital Rule).

Investment Policy Certification:

All local government investment pools and discretionary investment management firms must sign a certification acknowledging that the organization has received and reviewed the City's Investment Policy, and that reasonable procedures and controls have been implemented to preclude investment transactions that are not authorized by the City's Policy in accordance with the PFIA.

Investment Committee:

An Investment Committee comprised of the City Manager, City Finance Director and the City Finance and Budget Analyst will meet on a periodic basis. The Committee shall monitor the investment activities; assist in the development of investment policies, strategies and procedures; and annually review and approve the City's broker/dealers and independent training sources.

Reporting:

The Investment Officers shall prepare an investment report at least quarterly in compliance with the PFIA. This report will be prepared in a manner that will allow the City to ascertain whether investment activities during the reporting period have conformed to this Policy. The report will be provided to the City Council.

CITY OF ANNA, TEXAS

HOME-RULE CHARTER

**Originally adopted by vote of the people of the City of Anna, Texas on
May 7, 2005**

**Amended on
November 4, 2008 and May 12, 2012**

**Codified as:
PART I of The Anna City Code of Ordinances**

ARTICLE 7—FINANCIAL PROCEDURES

SECTION 7.01 Fiscal Year

The fiscal year of the City begins on the first day of October and ends on the last day of September on the next succeeding year. Such fiscal year also constitutes the budget and accounting year.

SECTION 7.02 Submission of Budget and Budget Message

On or before the 15th day of August of the fiscal year, the City Manager must submit to the City Council a budget for the ensuing fiscal year and an accompanying budget message.

SECTION 7.03 Budget Message

The City Manager's message must explain the budget both in fiscal terms and in terms of the work programs. It must outline the proposed financial policies of the City for the ensuing fiscal year, describe the important features of the budget, indicate any major changes from the current year in financial policies, expenditures, and revenues together with the reasons for such changes, summarize the City's debt position and include such other material as the City Manager deems desirable.

SECTION 7.04 Budget a Public Record

The budget and all supporting schedules must be filed with the person performing the duties of City Secretary when submitted to the City Council and must be open to public inspection by anyone interested.

SECTION 7.05 Public Hearing on Budget

At the City Council meeting when the budget is submitted, the City Council must name the date and place of a public hearing and have published in the official newspaper of the City, at least twice, the time and place,

which will be not less than ten days nor more than 30 days after the date of notice. At this hearing, interested citizens may express their opinions concerning items of expenditures, giving their reasons for wishing to increase or decrease any items of expense.

SECTION 7.06 Proceeding on Adoption of Budget

After public hearing, the City Council must analyze the budget, making any additions or deletions which they feel appropriate, and must, at least ten days before the beginning of the next fiscal year, adopt the budget by the affirmative vote of a majority of the full membership of the City Council. Should the City Council take no final action on or before such day, the current budget will continue to be in force on a month-to-month basis until a new budget is adopted.

SECTION 7.07 Budget, Appropriation and Amount to be Raised by Taxation

On final adoption, the budget is in effect for the budget year. Final adoption of the budget by the City Council constitutes the official appropriations as proposed by expenditures for the current year and constitutes the basis of official levy of the property tax as the amount of tax to be assessed and collected for the corresponding tax year. Estimated expenditures will in no case exceed proposed revenue plus cash on hand. Unused appropriations may be transferred to any item required for the same general purpose.

SECTION 7.08 Contingent Appropriation

Provision may be made in the annual budget and in the appropriation ordinance for a contingent appropriation in an amount not more than three percent of the total general fund expenditures, to be used in case of unforeseen items of expenditures. This contingent appropriation must apply to current operating expenses and must not include any reserve funds of the City. Such contingent appropriation is under the control of the City Manager and may be distributed by him only after prior approval by the City Council. The proceeds of the contingent appropriation may be disbursed only by transfer to other departmental appropriation, the spending of which must be charged to the departments or activities for which the appropriations are made.

SECTION 7.09 Amending the Budget

Under conditions which may arise and which could not reasonably have been foreseen in the normal process of planning the budget, the City Council may, by the affirmative vote of a majority of the full membership of the City Council, amend or change the budget to provide for any additional expense in which the general welfare of the citizenry is involved. These amendments must be by ordinance, and must become an attachment to the annual budget.

SECTION 7.10 Certification; Copies Made Available

A copy of the budget, as finally adopted, must be filed with the person performing the duties of City Secretary and such other places required by state law or as the City Council may designate. The final budget must be printed or otherwise reproduced and sufficient copies made available upon request for the use of all offices, agencies, interested persons and civic organizations.

SECTION 7.11 Capital Program

The City Manager must submit a five-year capital program as an attachment to the annual budget. The program as submitted must include:

- (1) a clear summary of its contents;
- (2) a list of all capital improvements which are proposed to be undertaken during the five fiscal years succeeding the budget year, with appropriate supporting information as to the necessity for such improvements;
- (3) cost estimates, method of financing, and recommended time schedules for each improvement; and
- (4) the estimated annual cost of operating and maintaining the facilities to be constructed or acquired. The above information may be revised and extended each year with regard to capital improvements still pending or in the process of construction or acquisition.

SECTION 7.12 Defect Does Not Invalidate the Tax Levy

Errors or defects in the form or preparation of the budget or the failure to perform any procedural requirements do not nullify the tax levy or the tax rate.

SECTION 7.13 Lapse of Appropriations

Every appropriation, except an appropriation for a capital expenditure, lapses at the close of the fiscal year to the extent that it has not been expended or encumbered. An appropriation for a capital expenditure continues in force until the purpose for which it was made has been accomplished or abandoned. The purpose of any such appropriation is deemed abandoned if three years pass without any disbursement from or encumbrance of the appropriation. Any funds not expended, disbursed or encumbered will be deemed excess funds.

SECTION 7.14 Borrowing

- (a) The City has the right and power, except as prohibited by law or this Charter, to borrow money by whatever method it may deem to be in the public interest.

- (b) General Obligation Bonds.
 - 1 The City has the power to borrow money on the credit of the City and to issue general obligation bonds for permanent public improvements or any other public purpose not prohibited by law and this Charter, and to issue refunding bonds to refund outstanding bonds previously issued. All such bonds must be issued in conformity with state and federal law and must be used only for purposes for which they were issued.
 - 2 Any bonds issued under the provisions of this Section may not be issued without an election. The City Council must prescribe the procedure for calling and holding such elections, must define the voting precincts and must provide for the return and canvass of the ballots cast at such elections.
 - 3 If at such elections a majority of the vote is in favor of creating such a debt or refunding outstanding valid bonds of the City, it will be lawful for the City Council to issue bonds as proposed in the ordinance submitting same. However, if a majority of the votes are against the creation of such debt or refunding such bonds, the City Council is without authority to issue the bonds. In all cases when the City Council orders an election for the issuance of

bonds of the City, it must at the same time submit the question of whether or not a tax may be levied upon the property within the City for the purpose of paying the interest on the bonds and to create a sinking fund for their redemption.

(c) Revenue Bonds.

- 1 The City has the power to borrow money for the purpose of constructing, purchasing, improving, extending or repairing of public utilities, or any other self-liquidating municipal function not prohibited by state or federal law.
- 2 With an affirmative vote of at least two-thirds of the Council Members present and having authority to vote, the City has the power to issue revenue bonds and to evidence the obligation created thereby.
- 3 Such bonds are a charge upon and payable from all or any part of the properties pledged or from the income gained from the properties, or both. The holders of the revenue bonds are not entitled to demand payment on the bonds out of monies raised or to be raised by taxation.
- 4 All such bonds must be issued in conformity with state and federal law and must be used only for the purpose for which they were issued.

(d) Emergency Funding. In any budget year, the City Council may, by affirmative vote of at least two-thirds of the Council Members present and having authority to vote, authorize the borrowing of money. Notes may be issued which are repayable not later than the end of the current fiscal year.

SECTION 7.15 Purchasing

- (a) The City Council may by ordinance, give the City Manager general authority to contract for expenditure without further approval of the City Council for all budgeted items not exceeding limits set by the City Council within the ordinance.
- (b) All contracts for expenditures or purchases involving more than the limits must be expressly approved in advance by the City Council. All contracts or purchases involving more than the limits set by the City Council must be awarded by the City Council in accordance with state and federal law.

- (c) Emergency contracts as authorized by law and this Charter may be negotiated by the City Council or City Manager if given authority by the City Council, without competitive bidding, and in accordance with state and federal law. Such emergency may be declared by the City Manager if approved by the City Council, or may be declared by the City Council.

SECTION 7.16 Administration of Budget

- (a) No payment may be made or obligation incurred against any allotment or appropriation except in accordance with appropriations duly made, unless the City Manager, or the City Manager's designee, first certifies that there is a sufficient unencumbered balance in the budget and that sufficient budget funds are or will be available to cover the claim or meet the obligation when it becomes due and payable.
- (b) Any authorization of payment or incurring of obligation in violation of Subsection (a) of this Section is void and any payment so made illegal.
- (c) This prohibition does not prevent the making or authorizing of payments, or making of contracts for capital improvements to be financed wholly or partly by the issuance of bonds, time warrants, certificates of indebtedness, or certificates of obligation, or to prevent the making of any contract or lease providing for payments beyond the end of the fiscal year, providing that such action is made or approved by ordinance.
- (d) The City Manager must submit to the City Council each month a report covering the revenues and expenditures of the City in such form as requested by the City Council.

SECTION 7.17 Depository

All monies received by any person, department or agency of the City for or in connection with the affairs of the City must be deposited promptly in the City depository or depositories. The City depositories must be designated by the City Council in accordance with such regulations and subject to the requirements as to security for deposits and interest thereon as may be established by ordinance and law. Procedures for withdrawal of money or the disbursement of funds from the City depositories may be prescribed by ordinance.

SECTION 7.18 Independent Audit

When deemed necessary by the City Council, it may call—and at the close of each fiscal year—must call for an independent audit of all accounts of the City by a certified public accountant. No more than five consecutive annual audits may be completed by the same firm. The certified public accountant selected may have no personal interest, directly or indirectly, in the financial affairs of the City or any of its officers. The report of audit, with the auditor's recommendations, will be made to the City Council. Upon completion of the audit, the summary must be published immediately in the official newspaper of the City and copies of the audit placed on file in the office of the person performing the duties of City Secretary, as a public record.

SECTION 7.19 Power to Tax

- (a) The City has the power to levy, assess and collect taxes of every character and type for any municipal purpose not prohibited by state or federal law.
- (b) The City has the power to grant tax exemptions in accordance with the laws of the State of Texas.

SECTION 7.20 Office of Tax Collector

There must be an office of taxation to collect taxes, the head of which is the City Tax Collector. The City Council may contract for such services.

SECTION 7.21 Taxes; When Due and Payable

- (a) All taxes due in the City are payable at the office of the City Tax Collector, or at such location or locations as may be designated by the City Council, and may be paid at any time after the tax rolls for the year have been completed and approved. Taxes for each year must be paid before February 1 of the next succeeding year, and all such taxes not paid before that date are delinquent, and subject to penalty and interest as the City Council may provide by ordinance. The City Council may provide discounts for the payment of taxes before January 1 in amounts not to exceed those established by state law.
- (b) Failure to levy and assess taxes through omission in preparing the appraisal rolls does not relieve the person, firm or corporation so omitted from obligation to pay such current or past due taxes as shown to be payable by recheck of the rolls and receipts for the years in question, omitting penalty and interest.

SECTION 7.22 Tax Liens, Liabilities and Suits

- (a) All taxable property located in the City on January 1 of each year is charged from that date with a special lien in favor of the City for the taxes due. All persons purchasing any such property on or after January 1 in any year take the property subject to the liens provided above. In addition to these liens, on January 1 of any year, the owner of property subject to taxation by the City is personally liable for the taxes due for that year.

- (b) The City has the power to sue for and recover personal judgment for taxes without foreclosure, or to foreclose its lien or liens, or to recover both personal judgment and foreclosure. In any such suit where it appears that the description of any property in the City appraisal rolls is insufficient to identify such property, the City has the right to plead a good description of the property to be assessed, to prove the same, and to have its judgment foreclosing the tax lien or for personal judgment against the owners for such taxes.

CITY OF ANNA, TEXAS

Ordinance No. _____

Ordinance Adopting the Budget for the 2018 – 2019 Fiscal Year

A ORDINANCE MAKING APPROPRIATIONS FOR THE SUPPORT OF THE CITY OF ANNA FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2018 AND ENDING SEPTEMBER 30, 2019; APPROPRIATING MONEY TO AN INTEREST AND SINKING FUND TO PAY INTEREST AND PRINCIPAL ON THE CITY'S INDEBTEDNESS; AND ADOPTING THE ANNUAL BUDGET OF THE CITY OF ANNA FOR THE 2018 – 2019 FISCAL YEAR.

WHEREAS, the budget, appended hereto as Exhibit A, for the fiscal year beginning October 1, 2018 and ending September 30, 2019, was duly presented to the City Council by the City Manager and a public hearing was ordered by the City Council and a public notice of said hearing was caused to be given by the City Council and said notice was published in the Anna-Melissa Tribune and said public hearing was held according to said notice; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ANNA THAT:

SECTION 1. The appropriations for the fiscal year beginning October 1, 2018, and ending September 30, 2019 for the support of the general government of the City of Anna, Texas, be fixed and determined for said terms in accordance with the expenditures shown in the City's fiscal year 2018 – 2019 budget, a copy of which is appended hereto as Exhibit A;

SECTION 2. The budget, as shown in words and figures in Exhibit A, is hereby approved in all respects and adopted as the City's budget for the fiscal year beginning October 1, 2018 and ending September 30, 2019.

SECTION 3. That there is hereby appropriated the amount shown in said budget necessary to provide for an interest and sinking fund for the payment of principal and interest and the retirement of the bonded debt requirements of fiscal year 2018 – 2019 of the City of Anna.

SECTION 4. In addition to Exhibit A, and in accordance with Section 7.08 of the Anna City Charter, the budget also includes a contingency appropriation of \$202,794 in the General Fund and \$109,885 in the Utility Fund. All expenditures from this contingency appropriation shall be in accordance with Section 7.08 of the Anna City Charter.

PASSED AND APPROVED by record roll call vote on this, the 11th day of September, 2018.

Ayes _____

Nays _____

Abstained _____

ATTESTED:

APPROVED:

Carrie L. Smith, City Secretary

Nate Pike, Mayor

Glossary of Terms

<i>Accrual</i>	Method of accounting that recognizes the financial effect of transactions, events, and inter-fund activities when they occur, regardless of the timing of related cash flows.
<i>Ad Valorem Tax</i>	A tax computed from the assessed evaluation of land and improvements.
<i>Assigned Fund Balance</i>	Fund balance amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body which the governing body delegates the authority.
<i>Appropriation</i>	An authorization made by the legislative body a government which permits officials to incur obligations against and to make expenditures of governmental resources. Specific appropriations are usually made at the fund level and are granted for a one-year period.
<i>Assessed Valuation</i>	A value that is established for real or personal property for us as a basis for levying property taxes. (Note: Property values are established by the Central Appraisal District.)
<i>Assets</i>	Resources owned or held by the City which have monetary value.
<i>Audit</i>	An examination of organization financial statements and the utilization of resources.
<i>Balanced Budget</i>	A budget adopted by the legislative body and authority by ordinance where the proposed expenditures equal to or less than the proposed resources.
<i>Bonds</i>	A written promise to pay a sum of money on a specific date at a specific interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation bonds and revenue bonds.
<i>Budget</i>	The City's financial plan for a specific fiscal year that contains both the estimated revenues to be received during the year and the proposed expenditures to be incurred to achieve related objectives.
<i>Budget Document</i>	The compilation of the spending plans for the various funds, along with supporting schedules, tables and charts which, in total, comprises the annual revenue and expenditure plan.
<i>Capital Expenditures</i>	Expenditures which result in the acquisition of or addition to fixed assets. Fixed assets are defined as a piece of equipment, vehicle, or furniture or fixture that cost at least \$5,000 and have a useful life of greater than 3 years.
<i>Capital Improvements Plan</i>	The process of planning, monitoring, programming, and budgeting over a multi-year period to allocate the City's capital monies. Items included in the Capital Improvements Plan are usually construction projects designed to improve and maintain the value of the City's assets or major capital expenditures over \$25,000.

CCOL	Collin County Outer Loop
CMOM	Acronym for “Capacity, Management, Operation and Maintenance” used by the EPA in regard to its program for evaluating Sanitary Sewer collection systems
Certificates of Obligation	Similar to general obligation bonds except the certificates require no voter approval.
Committed Fund Balance	Fund balance amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.
Component Unit	Component units are legally separate organizations that must be included in the financial report of the primary government.
Current Taxes	Taxes that are levied and due within one year.
Debt Service Fund	A fund used to account for the monies set aside for the payment of interest and principal to holders of the City’s general obligations and revenue bonds, the sale of which finances long-term capital improvements, such as facilities, streets and drainage, parks and water/wastewater systems.
Department	A functional unit of the city containing one or more divisions or activities.
Delinquent Taxes	Taxes that remain unpaid on and after the date on which a penalty for non-payment is attached.
Enterprise Fund	A fund established to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.
Effective Tax Rate	A calculated rate that would provide about the same amount of revenue received in the year before on properties taxed in both years.
Encumbrances	Obligations in the form of a purchase order, contracts, or salary commitments which are chargeable to an appropriation and for which a part of the appropriation is reserved. When paid, the encumbrance is liquidated.
Expenditures	The cost of goods received or services rendered whether cash payments have been made or encumbered.
Fiscal Year	A twelve-month period designated as the operating year for accounting and budgeting purposes in an organization. The City of Anna has specified October 1st to September 30th as its fiscal year.
Fixed Assets	Assets of a long-term character which are intended to continue to be held or used, such as land buildings, improvements, and infrastructure.

Full Time Equivalent (FTE)	A unit of measure based on the number of hours that an employee works during the fiscal year. One FTE is equal to 2080 hours.
Fund	An accounting entity that has a set of self-balancing accounts and that records all financial transactions for specific activities or government functions. Eight commonly used funds in public accounting are: general fund, special revenue fund, debt service funds, capital projects funds, enterprise funds, trust and agency funds, internal service funds, and special assessment funds.
Fund Balance	The excess of a fund's current assets over its current liabilities; sometimes called working capital in enterprise funds. A negative fund balance is often referred to as a deficit.
GAAP	Governmental Accounting Standards Principles
GASB	Governmental Accounting Standards Board
General Fund	The fund used to account for all financial resources except those required to be accounted for in another fund. The General Fund is tax supported.
General Obligation Debt	Monies owed on interest and principal to holders of the City's general obligation bonds. The debt is supported by revenue provided from real property which is assessed through the taxation power of the local governmental unit.
General Ledger	A file that contains the accounts needed to reflect the financial positions and the results of operations of the City.
GFOA	Government Finance Officers Association
GIS	Geographical Information System
Goals	Targets or plans that are reflective of major departmental activities.
Governmental Funds	Those funds through which most governmental functions typically are financed. The acquisition use and financial resources and the related current liabilities are accounted for through governmental funds. (General, Special Revenue, General Debt Service, General Capital Projects)
Grants	Contributions of assets from another government to be used or expended for a specified purpose, activity, or facility.
Infrastructure	That portion of a city's assets located at or below ground level, including water system, sewer system, and streets.
Liabilities	Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed, or refunded at some future date. The term does not include encumbrances.
Levy	To impose taxes, special assessments, or service charges for the support of governmental activities.
Modified Accrual	The accrual basis of accounting adapted to the governmental fund type spending

Basis	measurement focus. Under this basis, revenues are recognized when they become both “measurable and available to finance expenditures with the current period.” Expenditures are recognized when the related fund liability is incurred.
NCTCOG	North Central Texas Council of Governments
Non-Spendable Fund Balance	Fund balance amounts which are not in a spendable form (such as inventory) or are legally or contractually required to be maintained intact.
NTMWD	North Texas Municipal Water District
Operating Budget	Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending, and service delivery activities of the city are controlled.
Operating Expenditures	Fund expenditures which are directly related to the fund’s primary service activities.
Operating Revenues	Fund revenues, which are directly related to the fund’s primary service activities. They consist primarily of user charges for services.
Performance Measures	Specific quantitative measure of work performed within an activity or program. They may also measure results obtained through an activity or program.
Revenues	All amount of money received by a government from external sources.
Restricted Fund Balance	Fund balance amounts constrained to specific purposes by their external providers (such as grants or bondholders), through constitutional provisions or by enabling legislation.
Rollback Tax Rate	Provides the taxing unit with about the same amount of tax revenue it spent the previous year for day-to-day operations, plus an extra eight percent increase for those operations and sufficient funds to pay debts in the upcoming year. It is a calculated maximum rate allowed by law without voter approval.
SH	State Highway
Special Revenue	A Special Revenue Fund is a governmental fund that is used to account for the proceeds of specific revenue sources that are restricted or committed for a specific project and purpose, other than debt service or capital projects.
Tax Rate	A percentage applied to all taxable property to raise general revenues. It is derived by dividing the total tax levy by the taxable net property valuation.
Taxes	Compulsory charges levied by a government for the purpose of financing services performed for the common benefit.
Tax Roll	The official list showing the amount of taxes levied against each taxpayer or property.
TCEQ	Texas Commission on Environmental Quality
TMRS	Texas Municipal Retirement System
Transfers	Amounts transferred from one fund to another.

TxDot

Texas Department of Transportation

***Unassigned Fund
Balance***

Any fund in excess of non-spendable, restricted, committed, and assigned components; these fund balance amounts that are available for any purpose. These amounts are reported only in the General Fund.

W&S

Water & Sewer

Working Capital

Budgeted working capital is calculated as a fund's current assets less current liabilities plus current portion of long-term debt.