

THE CITY OF
Anna



OUR NEXT
CHAPTER

2025-2026 FISCAL YEAR BUDGET

**City of Anna
Fiscal Year 2025-2026
Budget Cover Page**

This budget will raise more revenue from property taxes than last year's budget by an amount of \$3,146,333 which is a 16.9 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 \$2,443,936.

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

FOR:

Pete Cain, Mayor
Nathan Bryan, Place 2
Kelly Patterson-Herndon, Place 4
Manny Singh, Place 6

Kevin Toten, Place 1
Stan Carver II, Place 3
Elden Baker, Place 5

AGAINST:

PRESENT and not voting:

ABSENT:

Property Tax Rate Comparison

	2025-2026	2024-2025
Property Tax Rate:	\$0.525073/100	\$0.507200/100
No-New-Revenue Tax Rate:	\$0.495928/100	\$0.482976/100
No-New-Revenue Maintenance & Operations Tax Rate:	\$0.350890/100	\$0.346594/100
Voter-Approval Tax Rate:	\$0.532173/100	\$0.505711/100
Debt Rate:	\$0.169002/100	\$0.146987/100

Total debt obligation for City of Anna secured by property taxes: \$7,643,728.

CITY OF ANNA
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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Anna
Texas**

For the Fiscal Year Beginning

October 01, 2024

Christopher P. Morill

Executive Director

THE CITY OF
Anna



OVERVIEW

THE CITY OF
Anna

October 1, 2025

Honorable Mayor and Council Members:

I am pleased to present the Fiscal Year 2026 Adopted Budget for the City of Anna. This budget has been prepared in accordance with the City Charter, financial policies, and applicable State laws. It outlines the anticipated revenues and planned expenditures for the fiscal year beginning October 1, 2025, and ending September 30, 2026.

As Anna continues to grow rapidly, we remain focused on balancing the demands of expansion with the need for sustainable infrastructure, quality services, and a talented workforce. The FY2026 budget reflects our commitment to strategic investment in key areas that will shape the future of our community.

Key Focus Areas

Infrastructure & Capital Projects

The FY2026 Capital Improvement Program (CIP) totals \$109.7 million and includes several transformative projects:

- Construction of a new Police Station (\$30 million)
- Development of Bryant Park (\$4.85 million) and Finley Park (\$7 million)
- Expansion of the Hurricane Creek Wastewater Treatment Plant to 2 MGD (\$54 million)

These projects are part of a long-term strategy to enhance public safety, recreational opportunities, and utility services for our neighbors.

Workforce Investment

To support our growing community and maintain high service standards, the FY2026 budget includes funding for:

- Five new Police Officers
- One Police Detective
- One Police Lieutenant
- Two Custodians for the Library

These additions reflect our continued commitment to public safety and operational excellence.

Financial Overview

- **General Fund Revenues** are projected at **\$29.7 million**, with property taxes, sales taxes, and fees contributing to the increase.
- **General Fund Expenses** are also projected at **\$29.7 million**, with **73% allocated to payroll**, underscoring our investment in human capital.
- **Utility Fund Revenues and Expenses** are both projected at **\$30.9 million**, supporting water, wastewater, and solid waste services.

Property Tax Rate

The Adopted tax rate for FY2026 is **\$0.525073 per \$100 of assessed valuation**, comprising:

- **\$0.356071** for Operations & Maintenance
- **\$0.169002** for Interest & Sinking (Debt Service)

This rate reflects a modest increase from FY2025 and supports the voter-approved bond projects and essential city services and public safety. The continued rapid growth of the community will undoubtedly decrease the tax rate over time, but the smart growth, development and investment directed by the Council will take a bit more time to be more prominently reflected in the budget.

Impact on Homeowners

The average taxable home value is projected at **\$352,359**, resulting in an estimated annual municipal tax bill of **\$1,850.14**, an increase of **\$98.29** from the previous year.

Closing

This budget represents our continued dedication to thoughtful planning, fiscal responsibility, and service excellence. I look forward to working with you to ensure the successful implementation of this plan and continue to build a vibrant future for the City of Anna.

Respectfully submitted,

Marc Marchand
Acting City Manager

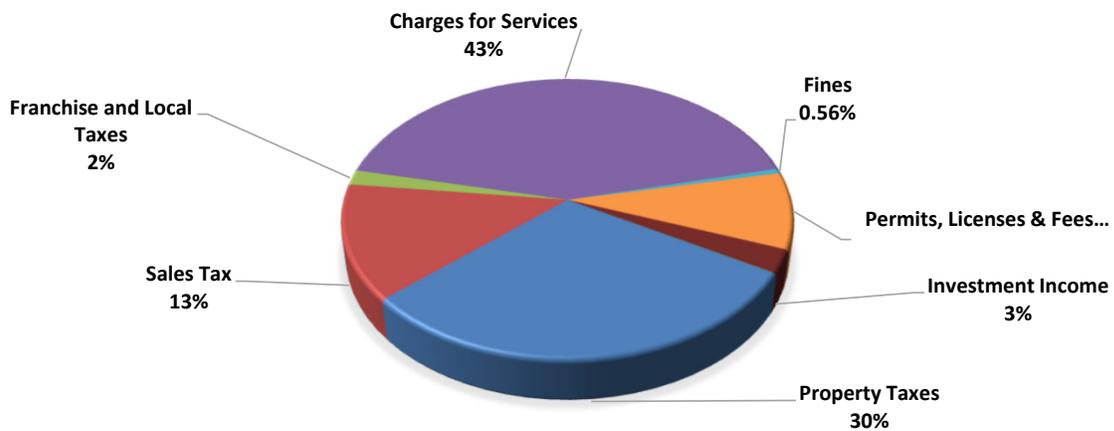
City Council Success Statements

- ◆ **NEIGHBORLY:** Anna's community of neighbors has a sense of hometown pride.
- ◆ **UNIQUE:** Anna is designed to be unique as it transforms from a bedroom community to a thriving city.
- ◆ **VIBRANT:** Anna has a quality workforce that contributes to a prosperous economy.
- ◆ **SAFE:** Anna is a community where neighbors feel safe.
- ◆ **RESILIENT:** Anna's mobility and utility infrastructure consistently meets community needs.
- ◆ **ACTIVE:** The City of Anna promotes an active community.
- ◆ **EXCELLENT:** Anna is a high-performing City that implements best practices & pursues accreditation.

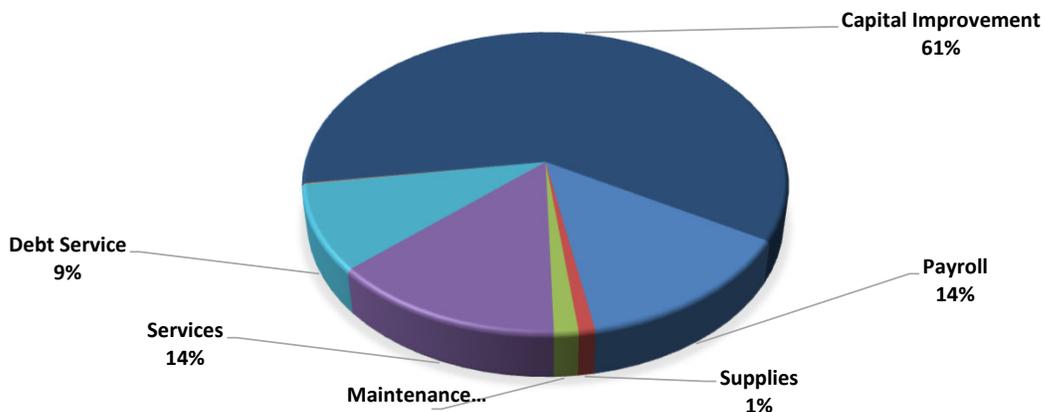
Consolidated Budget

The City of Anna adopts a budget annually. The total budget appropriates approximately \$72.7 million for operations and \$111.9 for the capital improvement program. This budget provides sufficient funding to tailor services to meet the needs and expectations of the community.

FY2026 Citywide Revenue Budget



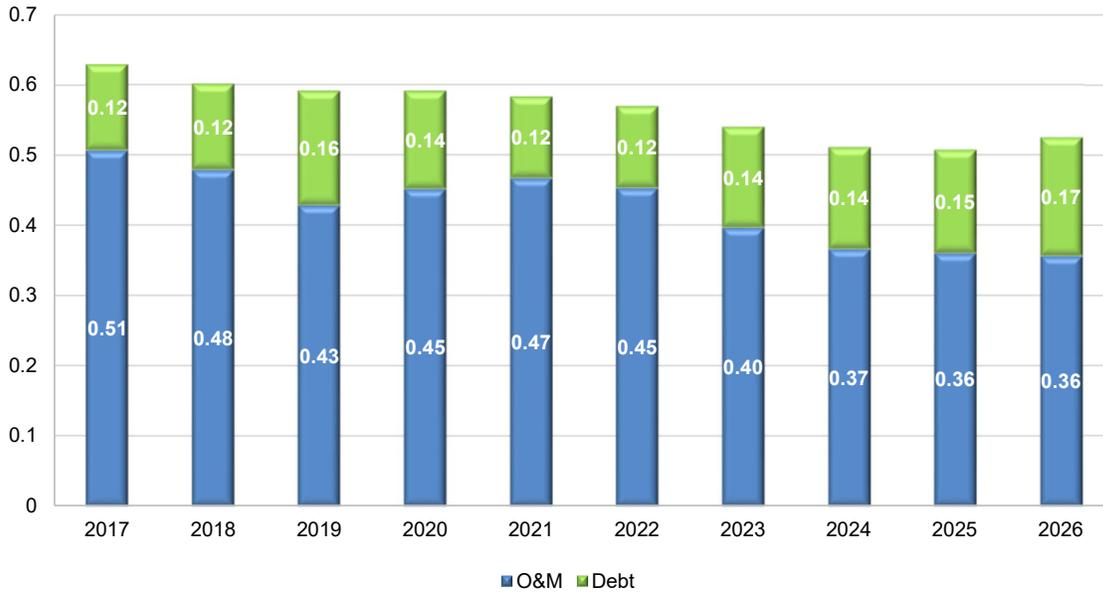
FY2026 Citywide Expenditure Budget



Property Tax

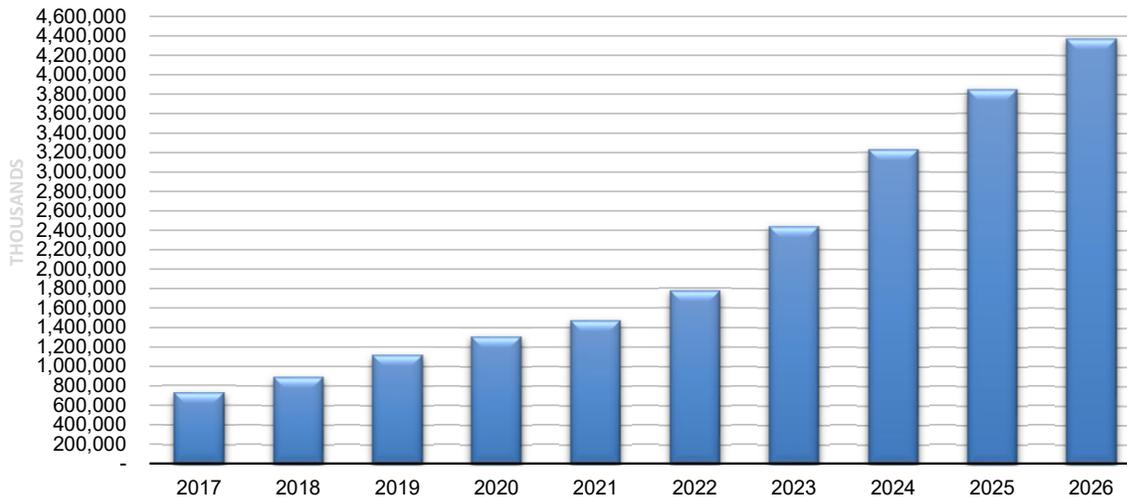
The property tax rate is **\$0.525073**. The FY2026 property tax rate is \$0.525073/\$100. The rate is above the no-new-revenue rate of \$0.495929/\$100. (Numbers on chart have been rounded to nearest penny.)

Property Tax Rate



The certified taxable property value increased by **13.7 percent**. The certified value for all property is approximately \$4.4 billion. The property tax rate generates a total tax levy of \$21,767,188.

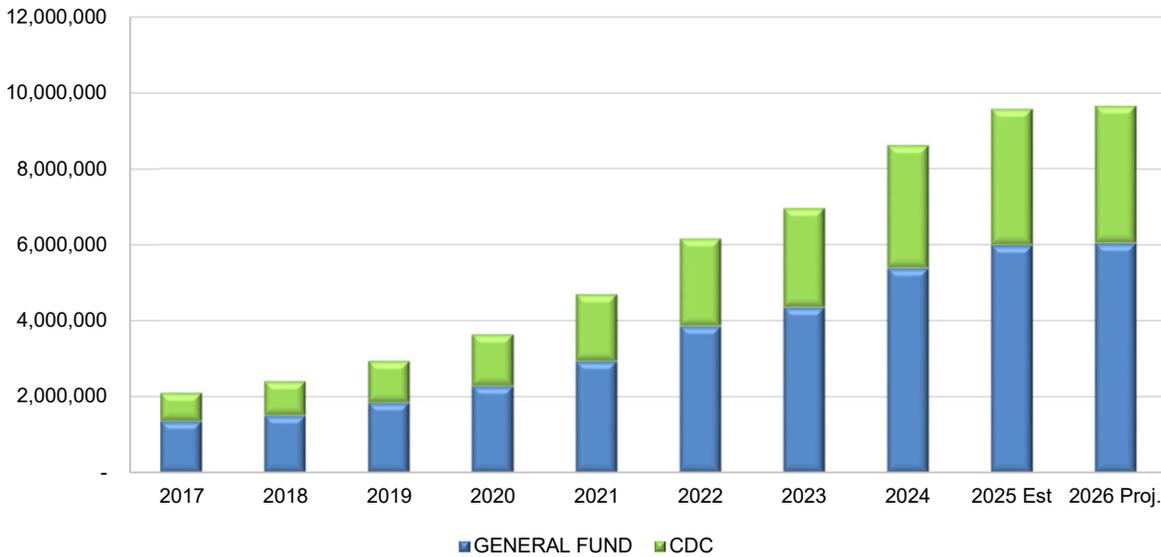
**Taxable Assessed Value
(in thousands)**



Sales Tax

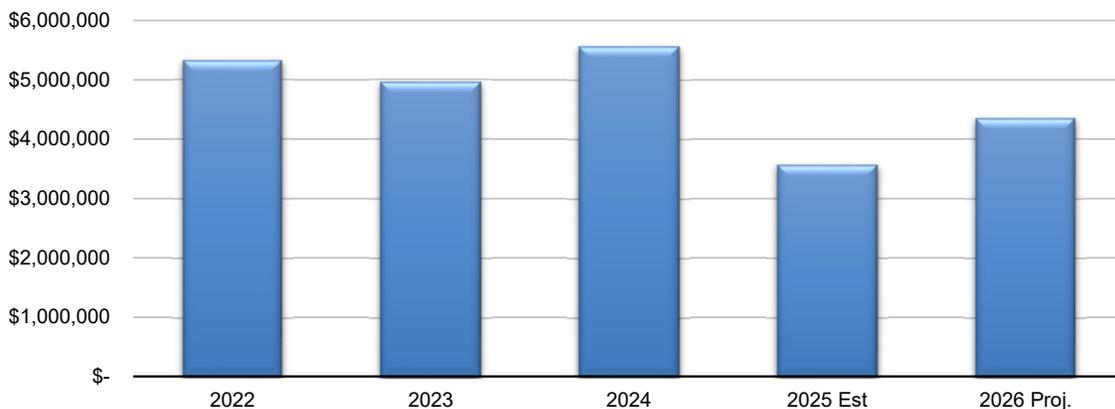
The total sales tax in Anna is 8.25 percent of goods or services sold within the City's boundaries. The tax is collected by businesses making the sale and is remitted to the State's Comptroller of Public Accounts on a monthly, or in some cases, a quarterly basis. Of the 8.25 percent tax, the State retains 6.25 percent and distributes 2 percent to the City. The General Fund portion of the sales tax is 1.25 percent. The remaining 0.75 percent funds is allocated to the Community Development Corporation. For the year ending September 30, 2025, Anna expects to receive \$8,220,000 in sales tax.

Sales Tax Revenue



Building Permits

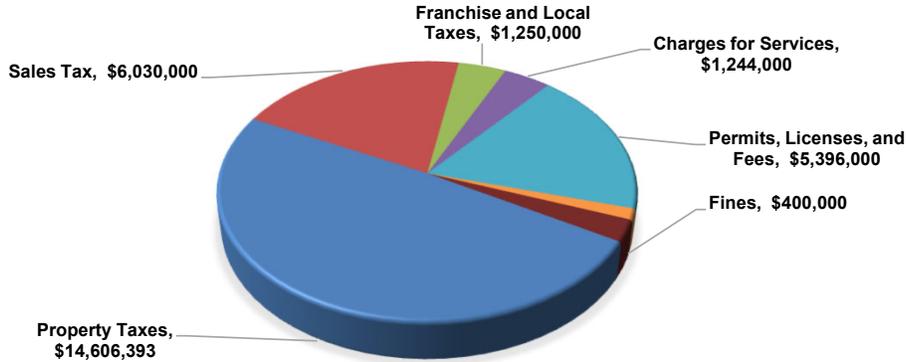
Building Permit Revenue



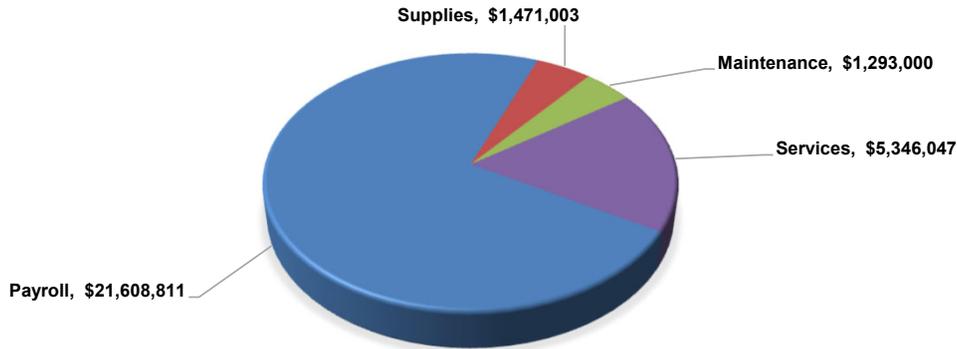
General Fund

The General Fund revenues are projected to increase to \$29,726,393 which is \$3,425,791 higher than the FY2025 revised budget. The General Fund expenditures are balanced with revenues at \$29,718,861 for on-going expenses. The largest expenditure by category is Payroll at 73 percent of the total General Fund Budget.

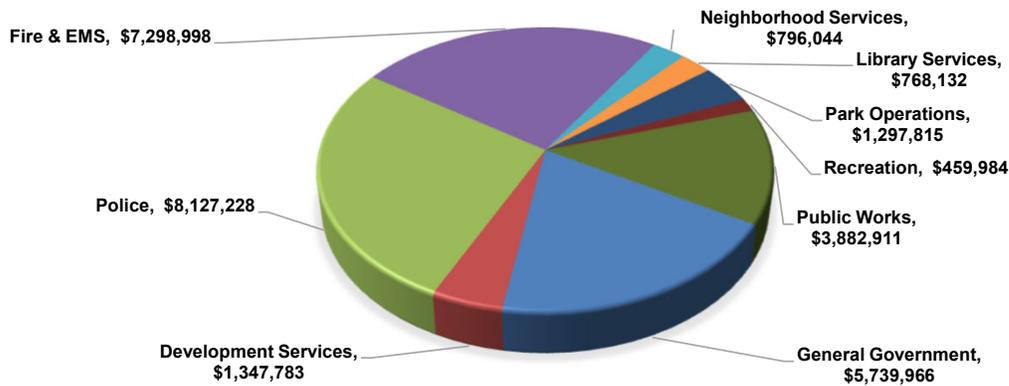
FY2026 General Fund Revenue Budget



FY2026 General Fund Expenditure Budget by Category



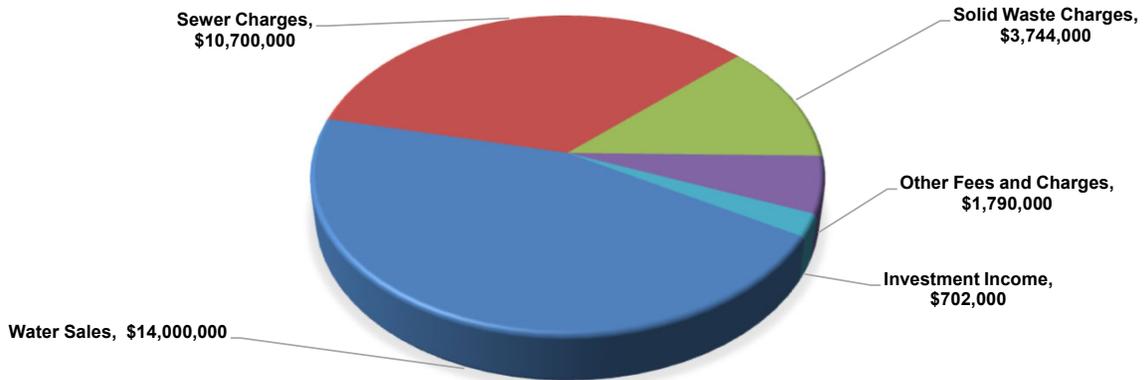
FY2026 General Fund Expenditure Budget by Department



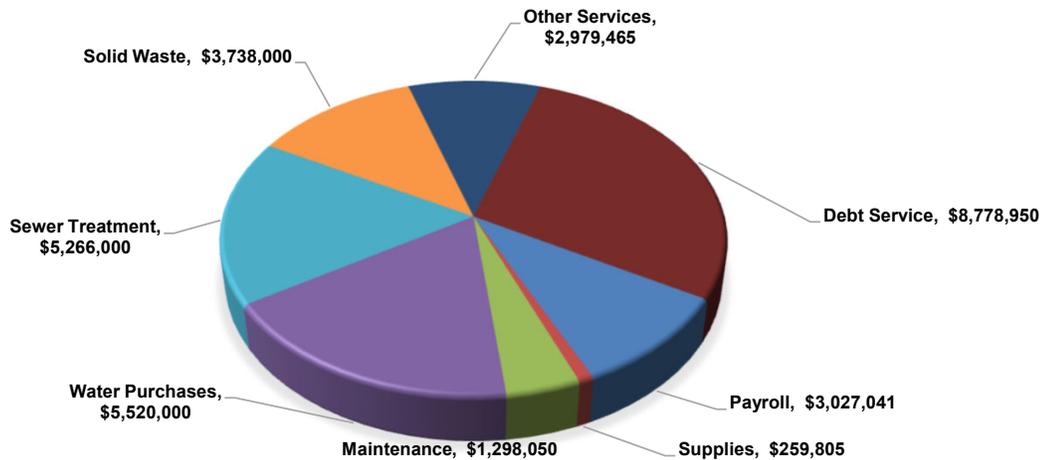
Utility Fund

The Utility Fund accounts for the operation and maintenance of the City's water and wastewater utility system and the contract for solid waste collection services. This fund is financially supported solely by user charges for utility and trash service.

FY2026 Utility Fund Revenue Budget



FY2026 Utility Fund Expenditure Budget by Category



Sample Residential Monthly Water and Sewer Bill

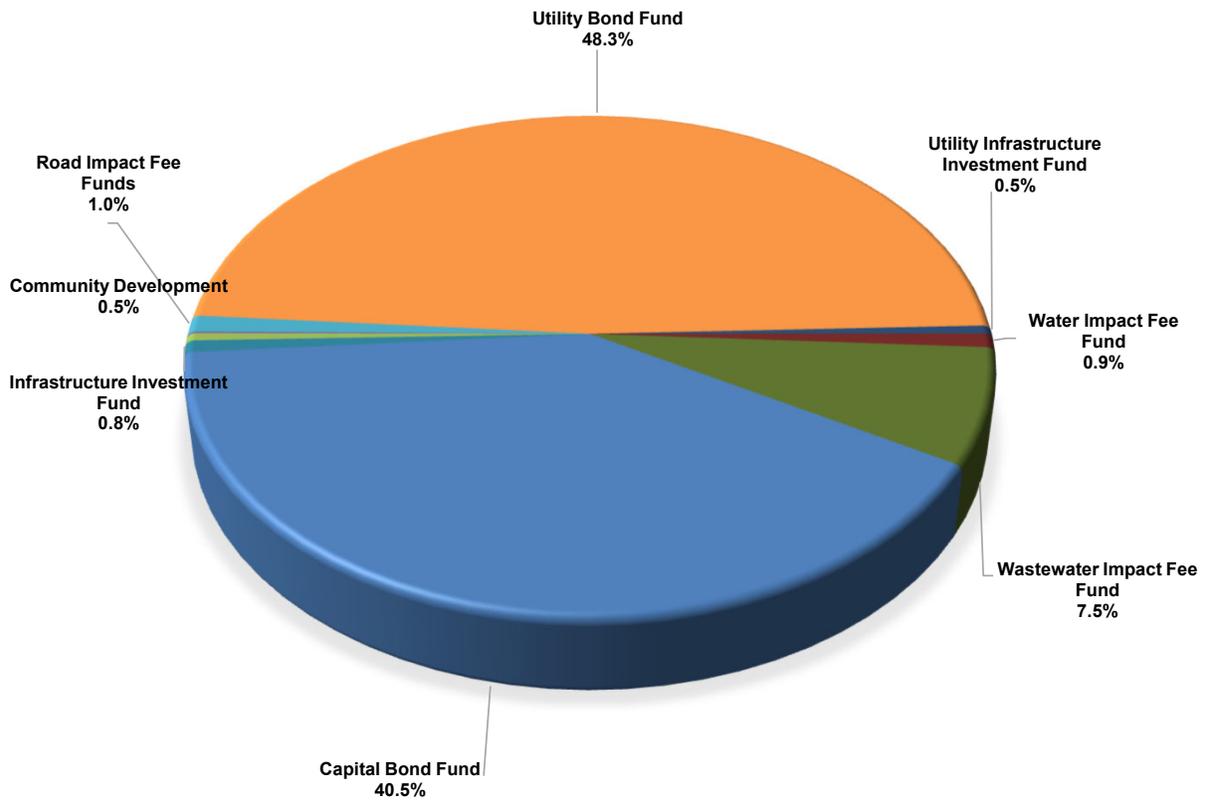
Consumption	FY2025 Rate	FY2026 Rate	Change
2,000 gallons	\$ 79.10	\$ 79.10	\$ -
5,000 gallons	\$ 130.34	\$ 130.34	\$ -
10,000 gallons	\$ 215.74	\$ 215.74	\$ -

Capital Improvement Program

The budget includes \$111.9 million for capital improvement projects. Significant items include:

- ◆ Police Station (\$30,000,000)
- ◆ Bryant Park (\$4,850,000)
- ◆ Finley Park (\$7,000,000)
- ◆ Hurricane Creek Wastewater Treatment Plant (\$65,000,000)

FY2026 CIP Appropriations by Source



Pete Cain
Mayor

Kevin Toten
Place 1

Kelly Patterson-Herndon
Place 4

Nathan Bryan
Place 2

Elden Baker
Place 5

Stan Carver II
Place 3

Manny Singh
Place 6

THE CITY OF
Anna

Carrie Land, TRMC, MMC
City Secretary

Marc Marchand
Acting City Manager

Clark McCoy
City Attorney

Terri Doby, CPFO CGFO
Director of Finance

Joseph Cotton
Director of Public Works

Vacant
Director of Development Services

Dean Habel
Police Chief

Ray Isom
Fire Chief

Joey Grisham
Director of Economic Development

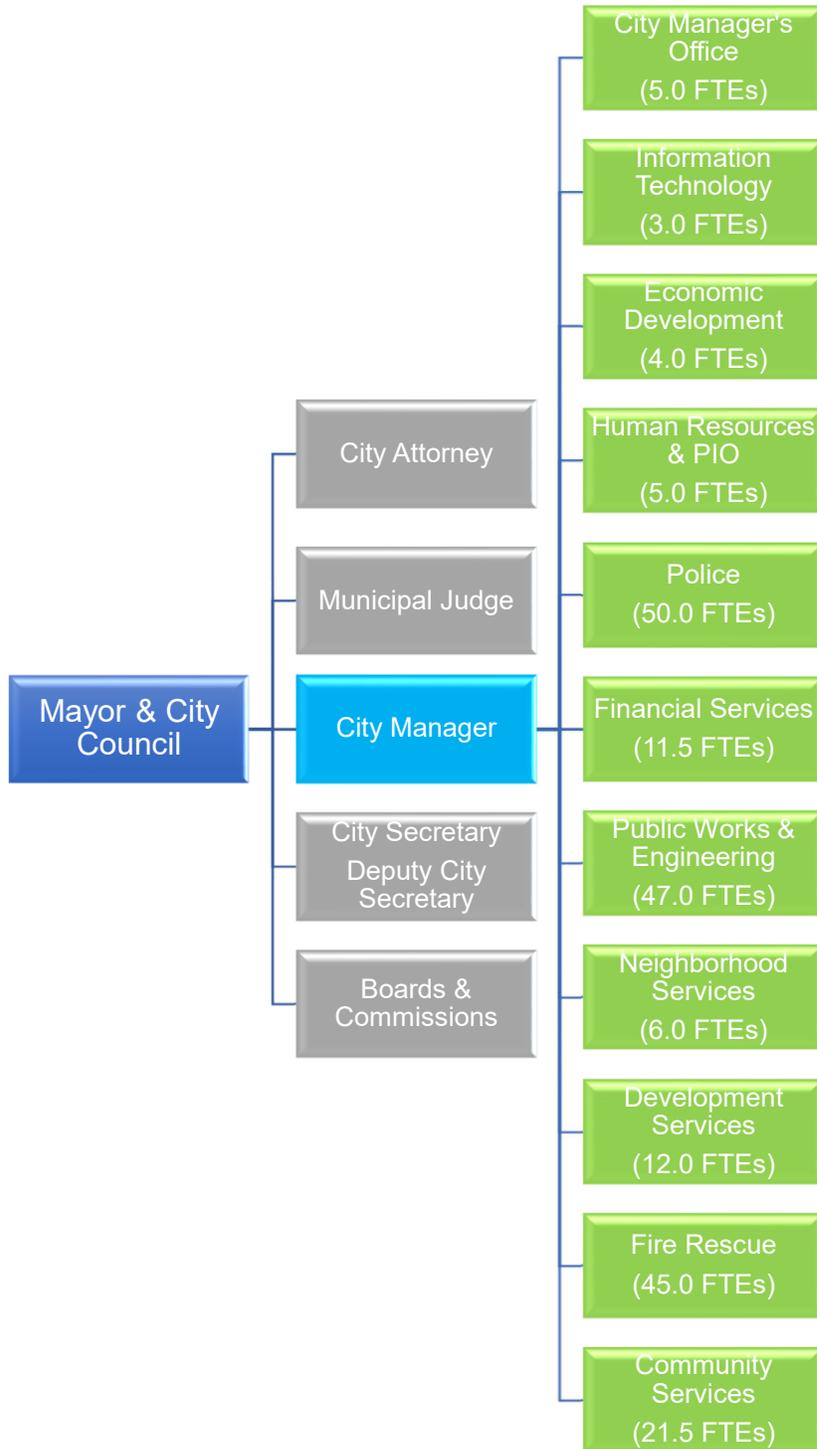
Jeffrey Freeth
Acting Director of Community Services

Stephanie Beitelschies
Director of Human Resources

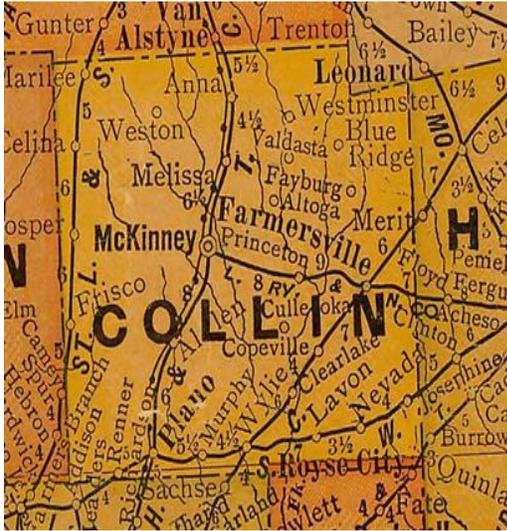
Chris Talbot
Director of Information Technology

**CITY OF ANNA
ORGANIZATION CHART**

City of Anna, Texas
City Officials Organization Chart



**CITY OF ANNA
COMMUNITY PROFILE**



County: Collin
Area: 15.9 sq. miles
Form of Government: Council / Manager
Number of Councilmembers: 7

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.

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. Anna was incorporated in 1913, with John L. Greer as first mayor. In the mid-1980's Anna had 855 residents, several businesses, and a strong sense of community. The Census shows the population increased to 1,225 by 2000 and to 8,249 by 2010. Today the estimated population is approximately 34,100.

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

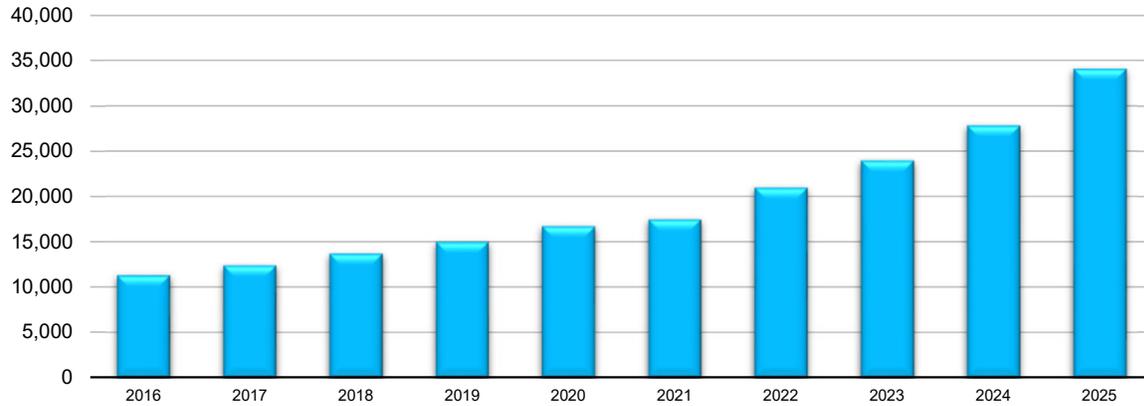
Local Economy

The City of Anna's economic outlook continues to improve due to overall improvement in the economy and continued residential and commercial growth. This growth is evidenced by local economic indicators such as continued increase in property appraisal values, the increase in residential building permits, and continued sales tax growth.

The Anna Community Development Corporation and the Anna Economic Development Corporation actively recruit new commercial enterprises that help diversify the City of Anna's tax base and provide job opportunities for Anna neighbors. New residential developments will continue to drive more density that will lead to additional retailers, restaurants, medical, and other commercial projects. 2026 will bring an increased focus on Downtown Anna.

**CITY OF ANNA
COMMUNITY PROFILE**

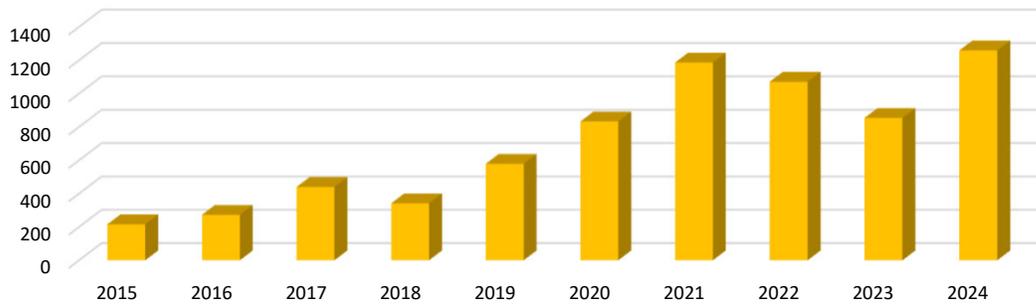
Population



- ◆ Median age: 32.2
- ◆ Average family: 3.33
- ◆ 38.0% Bachelor's Degree or higher

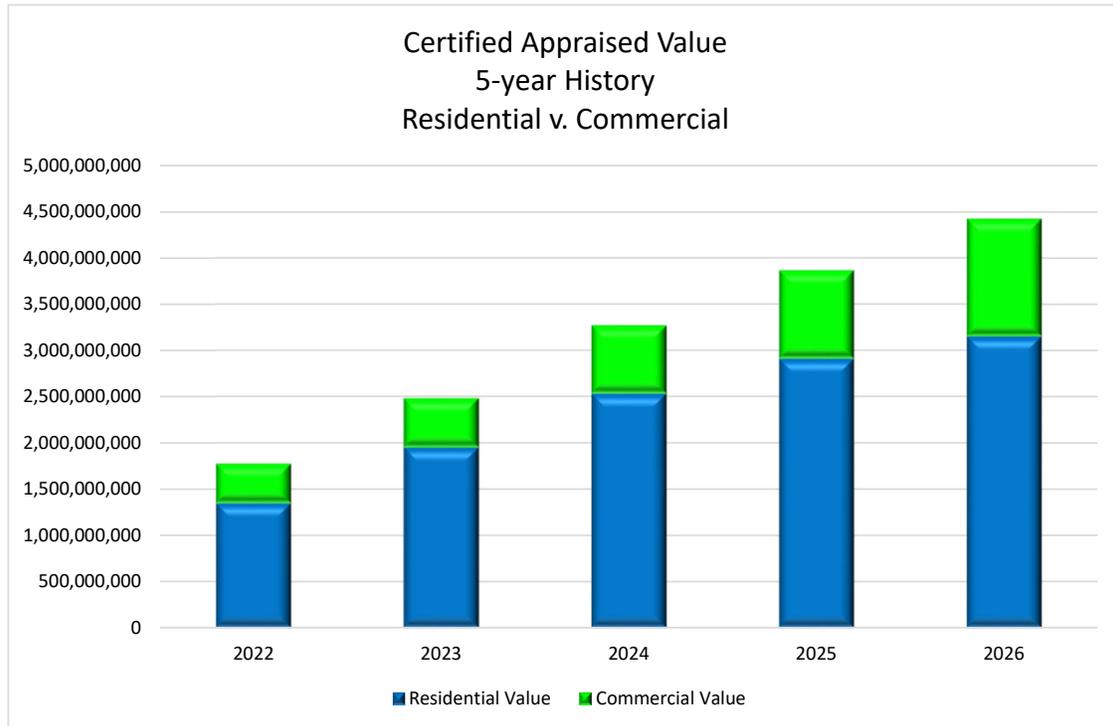
Source: North Central Texas Council of Governments

Residential Building Permits



- ◆ Homeownership Rate: 80.1%
- ◆ Single Family Residential Units in Anna: 9,096
- ◆ Average Single Family Home Market Value: \$374,742

**CITY OF ANNA
COMMUNITY PROFILE**



Tax Year 2025

Principal Property Taxpayers	Value	% of Commercial Total
ANNA VILLAGE RESIDENTIAL LTD	\$ 53,398,871	1.2%
GRAND ANNA OWNER LLC	\$ 49,575,124	1.1%
BTR AT THROCKMORTON LLC	\$ 31,854,904	0.7%
BLOOMFIELD HOMES LP	\$ 23,151,343	0.5%
D R Horton - Texas LTD	\$ 25,056,373	0.6%
DHIC - LINDSEY PLACE LLC	\$ 23,109,932	0.5%
CZ GA I LLC	\$ 22,577,527	0.5%
ARDEN PARK OWNER TX LLC	\$ 18,752,747	0.4%
WAL-MART REAL ESTATE TRUST	\$ 18,284,209	0.4%
MEGATEL ANACAPRI LLC	\$ 16,125,563	0.4%
PULTE HOMES OF TEXAS LP	\$ 14,639,812	0.3%
NASSOUR JIMMY &	\$ 14,509,662	0.3%
HOME DEPOT USA INC	\$ 13,727,238	0.3%
HPI SELF STORAGE	\$ 12,344,280	0.3%
ONCOR ELECTRIC DELIVERY CO LLC	\$ 12,076,758	0.3%

CITY OF ANNA
BUDGET PROCESS

The annual budget is the single most important financial responsibility of a local government and is required by Texas Local Government Code Sec. 102.002. 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.

General Budget Process, Practice, and Administration

The budget follows a fiscal year beginning on October 1 and ending on September 30. Many individuals are involved in the budget process. City officials, department staff, and the public are all involved; however, the primary responsibility for the proposed budget falls upon the City Manager. According to Texas Local Government Code Sec. 102.001, the City Manager serves as the budget officer of a municipality.

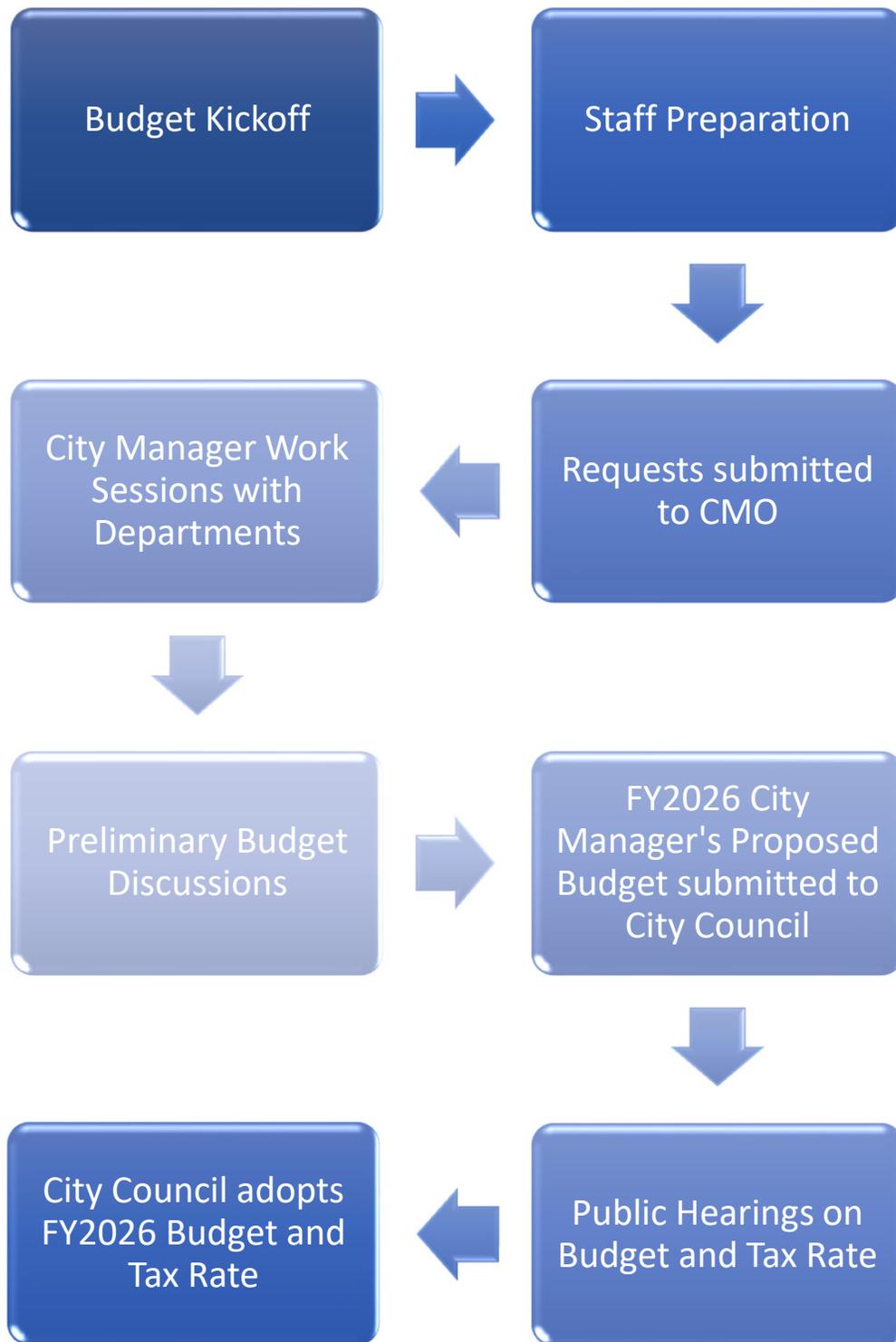
While the budget process is truly a year-round endeavor, the bulk of the work begins at the end of the 2nd quarter of each fiscal year. The budget process generally begins when the Budget Manager develops a Budget Calendar and departments are given preliminary direction from the City Manager regarding appropriate budget guidelines and strategy. Department directors submit their proposed operating and capital improvement requests to the City Manager. These requests are reviewed extensively for accuracy, justification, and cost-effectiveness. Throughout the early summer, the City Manager and Budget Manager meet jointly with each department head to review the department's budget proposal.

In late July the certified tax roll is release from the Collin Central Appraisal District. This information provides the City a firm estimate of the property tax revenues that can be expected in the coming year.

The budget review process culminates in the crafting of a proposed budget, which is submitted to the City Council in early August. In August and September the City Council discusses the budget at Council work sessions and meetings. Public hearings will be held on the budget and tax rate where citizens can express their views on particular budget items. These hearings typically occurs in early September. The tax rate ordinance and budget ordinance are voted upon at the first regular City Council meeting in September.

The fiscal year begins on October 1st.

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 adopted budget document.



**CITY OF ANNA
BUDGET CALENDAR**

March 3, 2025

FY2026 Budget Kickoff

Departments are given preliminary direction from the City Manager regarding appropriate budget guidelines and strategy.

April 4, 2025

Budget Requests Submitted and Reviewed

Deadline for department budgets to be submitted to Budget Manager. Staff spends the next several weeks reviewing department budgets for presentation to the Council in August work session.

June 1 - July 31, 2025

Preliminary Budget Discussions

A series of discussions are conducted by the City Manager's Office to go over information included in the proposed budget.

July 25, 2025

Certified Tax Rolls Received

Certified appraisal rolls are received from the Collin Central Appraisal District.

August 12, 2025

FY2026 City Manager's Proposed Budget

City Manager's proposed budget is presented to the City Council, filed with the City Secretary and made available to the public.

August 21, 2025

Publish Notice of Proposed Tax Rate

Upon receipt of the certified appraisal rolls, the Collin County Tax Assessor-Collector performs the no-new-revenue tax rate calculation and the voter-approval tax rate calculation as required by state law. According to the Texas Property Tax Code, a tax rate higher than the no-new-revenue rate may not be adopted until a public hearing is held.

September 2, 2025

Public Hearing Held

Following the required newspaper notice, public hearings on the tax rate and budget are conducted.

September 9, 2025

City Council Adopts the FY2026 Budget

City Council approves ordinances adopting the budget for the fiscal year beginning October 1, 2025.

November 1, 2025

FY2026 Budget Document is Published

City staff develops the final budget document. The document is returned from the printer, distributed to users and posted on the City's website.

Oct., 2025 - Sept., 2026

Budget is implemented, monitored, & amended

Throughout the fiscal year, City staff closely monitors and tracks the budget. If an amendment becomes necessary, a work session is conducted with City Council, and any budget amendments are adopted by ordinance at a regularly scheduled City Council meeting.



STRATEGIC PLAN

THE CITY OF
Anna

**CITY OF ANNA
STRATEGIC PLAN INTRODUCTION**

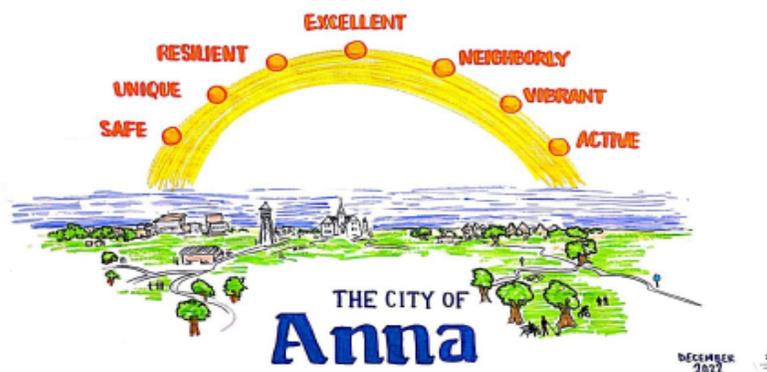
Members of the Anna City Council met on December 9th and 10th, 2022 in the Ashmore Room of the Anna Fire Station to continue conversations began at the September 30th and October 1st retreat and develop success statements for a future strategic plan. The result was a one-page document with proposed Success Statements. Under each Strategic Outcome Area the Success Statements outline the City Council's vision for the City of Anna.

The second day of the workshop included a conversation about successful implementation of the City Council's strategic plan. The roles and responsibilities between the City Council and City Manager's office was discussed at length, led by the facilitator. As participants agreed they would like to have a defined mechanism to support collaborative efforts and clear communication, the Code of Conduct and Civility and Protocol Operating Guidelines were the result.

On Tuesday, January 24, 2023, the City Council adopted the Success Statements, replacing the City's previous strategic plan. The seven strategic outcome areas make up the City Council's vision. Each are followed by a success statement that explains what these visions mean for the City of Anna. November 4, 2024, members of City Council met with a facilitator to re-affirm the Success Statements.

The current Strategic Vision was developed in August 2024 and added to the Strategic Framework in January 2025. A review of Strategic Framework took place during July 25, 2025 Council Retreat.

"The vision for the City of Anna is to be a vibrant, economically thriving community with a diversity of quality transportation options, housing inventory, and destination attractions. Our world-class facilities, services, and infrastructure will attract residents, businesses, and visitors and drive our financial stability and sustainability."



Success Statements



Neighborhoodly

Anna's community of neighbors has a sense of hometown pride and is:

- Caring and giving
- Engaged in the community
- Active in civic life



Unique

Anna is designed to be unique as it transforms from a bedroom community to a thriving city, with:

- Deliberate planning for the future
- A vision for innovative development and positive growth
- A variety of housing, jobs, and educational opportunities



Vibrant

Anna has a quality workforce that contributes to a prosperous economy that includes:

- Diverse businesses with outstanding employment opportunities
- Easy access to a variety of events and entertainment venues
- A one-of-a-kind downtown



Safe

Anna is a community where neighbors feel safe due to the City's commitment to:

- Staffing public safety operations to meet the needs of a growing community
- Preparing for emergencies and ensuring excellent response times



Resilient

Anna's mobility and utility infrastructure consistently meets community needs by:

- Focusing on resiliency and the City's ability to recover from upsets
- Having a robust multi-modal transportation network
- Dependably delivering utility services to the City's neighbors and businesses



Active

The City of Anna promotes an active community through:

- A variety of social opportunities for neighbors and visitors
- Diverse recreational venues
- Well-maintained trails and natural areas
- Opportunities for lifelong learning



Excellent

Anna is a high-performing City that implements best practices and pursues accreditation, demonstrating its commitment to:

- Ethical and collaborative decision-making
- Continuous improvement and achieving measurable outcomes
- Ensuring a positive work environment for Council, staff, and neighbors



MAJOR REVENUES

THE CITY OF
Anna

CITY OF ANNA
SUMMARY OF REVENUES

This section presents information about the City's major revenues. The revenue sources described in this section account for approximately \$73 million or 98 percent of Anna's total operating revenue (excluding interfund transfers).

Property Tax

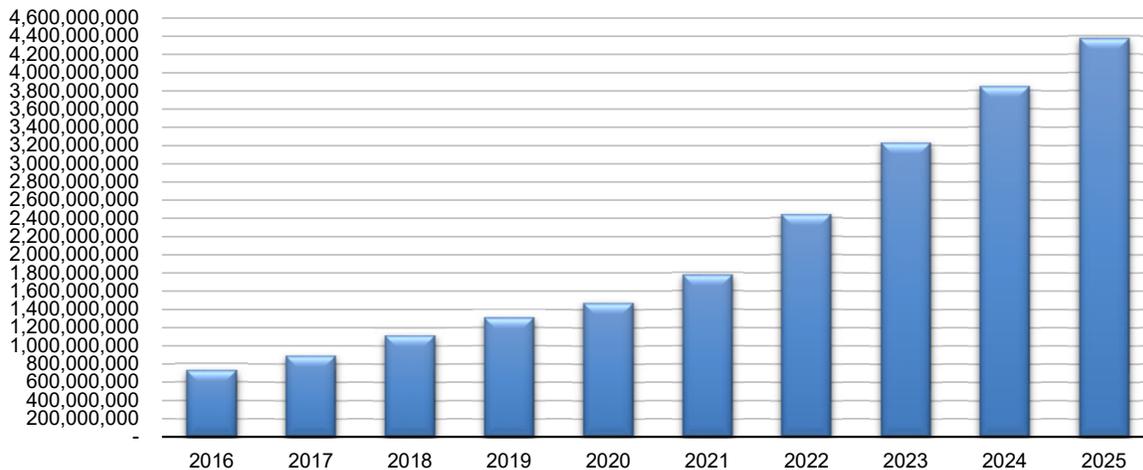
In Texas, property taxes are often the primary source of revenue for local governments. Local governments set tax rates and collect property taxes that are used to provide local services including schools, streets and roads, police and fire protection and many other services.

Property taxes are levied each October 1st on the assessed value listed as of the prior January 1st for all real and business personal property located in the City. Texas law requires property values used in determining taxes to be equal and uniform and establishes the process local officials follow in determining property values, setting tax rates and collecting taxes. Assessed values are established by the Collin Central Appraisal District (CCAD) at 100 percent of the estimated market value and certified by the Chief Appraiser.

The certified taxable assessed value for the Tax Year 2025 (FY2026) is \$4,374,378,861. This represents an increase of 14 percent and is due, in part, to the addition of almost \$466 million in new construction.

Since 2021, strong population growth and new construction has delivered increasing demand for new homes and led to growth in the taxable value. This growth has continued and has contributed to a significant increase in total taxable value for the 2025 tax year. We remain guardedly optimistic that a trend of market appreciation and growth will continue in the coming years.

**Taxable Assessed Value
10 Year History**



The growth in taxable value corresponds to a significant increase in population over the past 10 years. The population of Anna in 2015 was approximately 10,980. 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, 2025 was approximately 34,100.

**CITY OF ANNA
SUMMARY OF REVENUES**

The following table details the change in taxable assessed value, property tax rates, and property tax revenue over time:

Tax Year	Certified Assessed Value	Total Tax Rate	M&O Rate	Debt Service Rate	Property Tax Levy
2006	288,590,455	0.525000	0.525000	0.000000	\$ 1,515,100
2007	356,238,071	0.574900	0.466700	0.108200	\$ 2,048,013
2008	383,935,013	0.574900	0.479400	0.095500	\$ 2,207,242
2009	378,153,710	0.622733	0.529939	0.092794	\$ 2,354,888
2010	365,119,804	0.650332	0.554225	0.096107	\$ 2,374,491
2011	362,969,678	0.650332	0.559367	0.090965	\$ 2,360,508
2012	376,533,308	0.650332	0.559367	0.090965	\$ 2,448,717
2013	430,834,574	0.650332	0.559367	0.090965	\$ 2,801,855
2014	510,576,704	0.649000	0.545826	0.103174	\$ 3,313,643
2015	608,694,594	0.639000	0.532341	0.106659	\$ 3,889,558
2016	726,642,896	0.629000	0.506582	0.122418	\$ 4,570,584
2017	891,474,571	0.601288	0.478870	0.122418	\$ 5,360,330
2018	1,115,372,832	0.591288	0.428122	0.163166	\$ 6,595,066
2019	1,304,938,519	0.591288	0.451540	0.139748	\$ 7,715,945
2020	1,472,000,000	0.583000	0.467053	0.115947	\$ 8,570,566
2021	1,773,708,282	0.569500	0.452631	0.116869	\$ 10,026,841
2022	2,439,508,121	0.539750	0.396533	0.143217	\$ 12,959,888
2023	3,226,857,656	0.510717	0.365930	0.144787	\$ 16,017,734
2024	3,847,208,762	0.507200	0.360213	0.146987	\$ 18,620,850
2025	4,374,378,861	0.525073	0.356071	0.169002	\$ 21,767,188

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. The City of Anna also participates in five Tax Increment Reinvestment Zones (TIRZ). TIRZ use improvements to spur development and raise property values; some of the tax collected on that increase in value is then used to pay for the improvements.

Impact of the Average Homeowner

	FY2025	FY2026	Difference
Average Home	\$ 345,397	\$ 352,359	\$ 6,962
Tax Rate	0.507200	0.525073	0.017873
Annual Tax Bill	\$ 1,751.85	\$ 1,850.14	\$ 98.29

Based on the average taxable value of \$352,395, the average residential taxpayer would pay \$98.29 more in property taxes than last year.



**CITY OF ANNA
SUMMARY OF REVENUES**

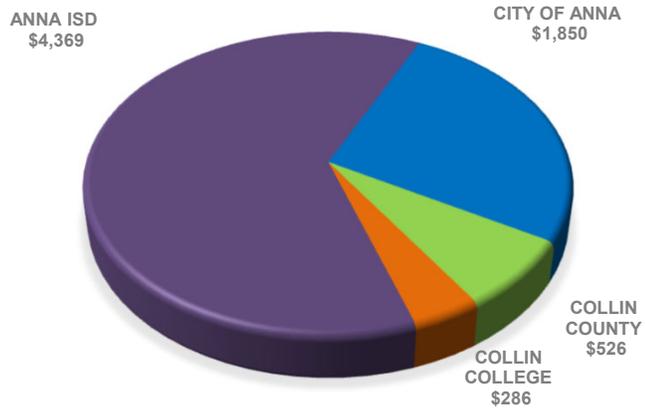
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Property Taxes on an Average Anna Home



FY2026 Property Tax Rates Combined

	Property Tax Rate	Taxes on Average Anna Home	Percentage of Total
Collin County	0.149343	\$ 526.22	7.5%
Collin College	0.081220	\$ 286.19	4.1%
Anna ISD	1.239900	\$ 4,368.90	62.1%
City of Anna	0.525073	\$ 1,850.14	26.3%
Total	1.995536	\$ 7,031.45	

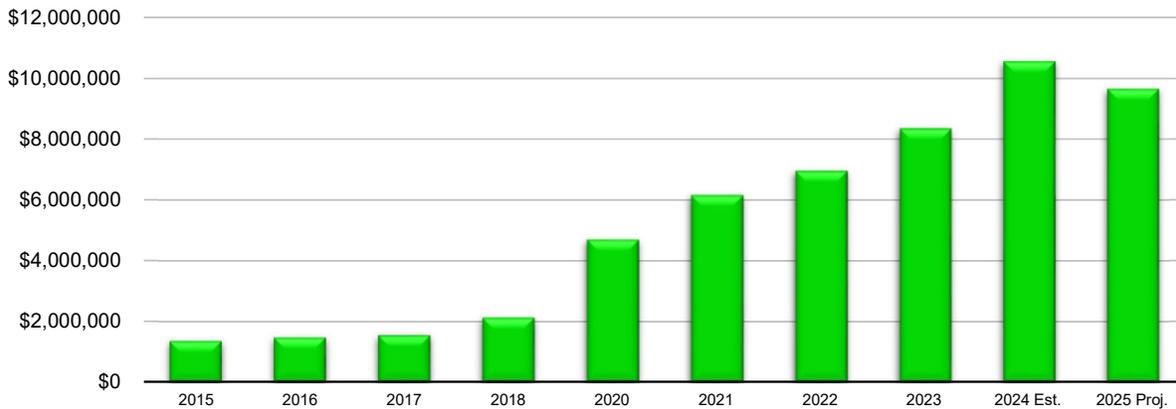
**CITY OF ANNA
SUMMARY OF REVENUES**

Sales Tax

The total sales tax in Anna is 8.25 percent of goods or services sold within the City’s boundaries. The tax is collected by businesses making the sale and is remitted to the State’s Comptroller of Public Accounts on a monthly, or in some cases, a quarterly basis. Of the 8.25 percent tax, the State retains 6.25 percent and distributes 2 percent to the City of Anna. In November 2017, a ballot proposition to change the allocation of the sales tax was approved. As a result, the portion of the sales tax revenue allocated to the General Fund increased from 1 percent to 1.25 percent. This reallocation was effective in April 2017. The remaining 0.75 percent funds the Community Development Corporation. As the City has grown, so has the sales tax base.

Fiscal Year	General Sales Tax	CDC Sales Tax	Total
2021	\$2,929,877	\$1,757,926	\$4,687,803
2022	\$3,847,911	\$2,308,746	\$6,156,657
2023	\$4,345,553	\$2,607,332	\$6,952,885
2024	\$5,115,000	\$3,229,343	\$8,344,343
2025 Est.	\$6,600,000	\$3,960,000	\$10,560,000
2026 Proj.	\$6,030,000	\$3,620,000	\$9,650,000

Sales Tax History



Why does my \$10 purchase cost me \$10.83?

Purchase =	\$10.00
State Sales Tax =	\$0.63
City Sales Tax =	\$0.20
Total Cost =	\$10.83



Development Licenses and Permits

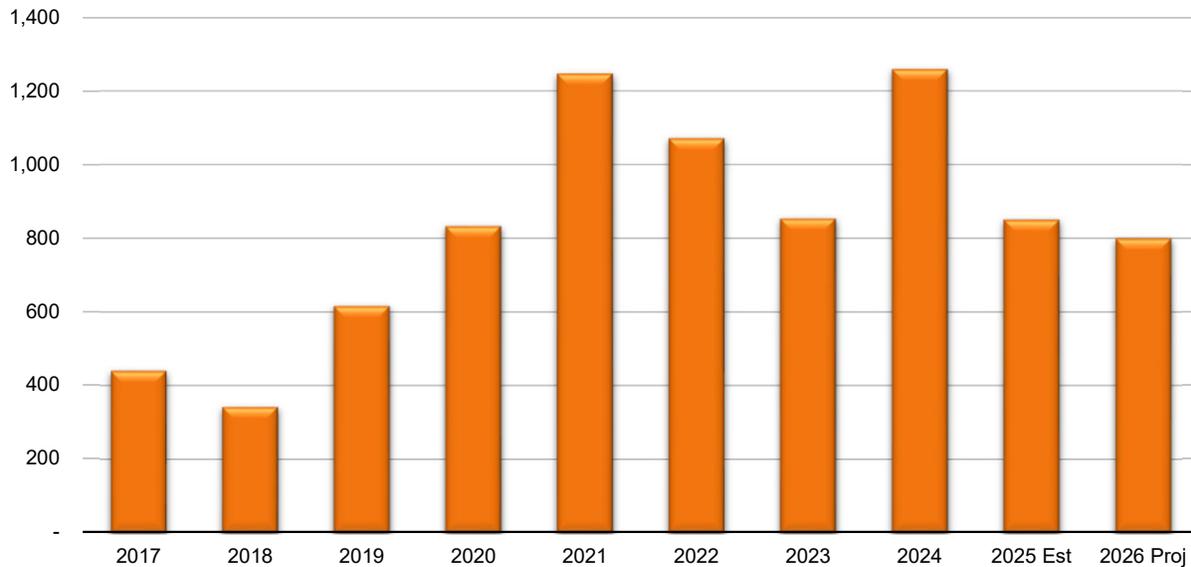
Development revenue is a combination of single-family residential building permits, commercial building permits, zoning and subdivision fees, and all other fees related to the permitting and approval of construction activity in the City.

The City of Anna is a pro-growth community in the fast-growing region of Collin County, Texas. Anna has been one of the top ten fastest growing cities in North Texas for five consecutive years. Development revenue is driven by building activity in the City. Single family permits were up over 49% from FY2020 to FY2021.

While supply chain issues, rising interest rates, and other economic factors are being carefully monitored for the effect they may have on single-family permit revenue, many of the city's development projects remain on track.

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. The City also has a renewed focus on attracting commercial activity, including a community college, advanced manufacturing jobs, medical, and local retail in order to have a well-diversified economy.

Residential Building Permits by Year



**CITY OF ANNA
SUMMARY OF REVENUES**

Utility Charges for Services

The City of Anna charges for water consumption, wastewater collection, solid waste collection, and other fees related to providing consumers with utility services. As an enterprise fund, the revenues charged should at a minimum cover the fund’s operating expenses and debt service, as well as any other policy goals defined by the City Council including funding for capital projects, capital equipment replacement, and conservation efforts.

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 revenue stability as water sales are more volatile than other revenue sources and can change based upon weather and the amount of precipitation.

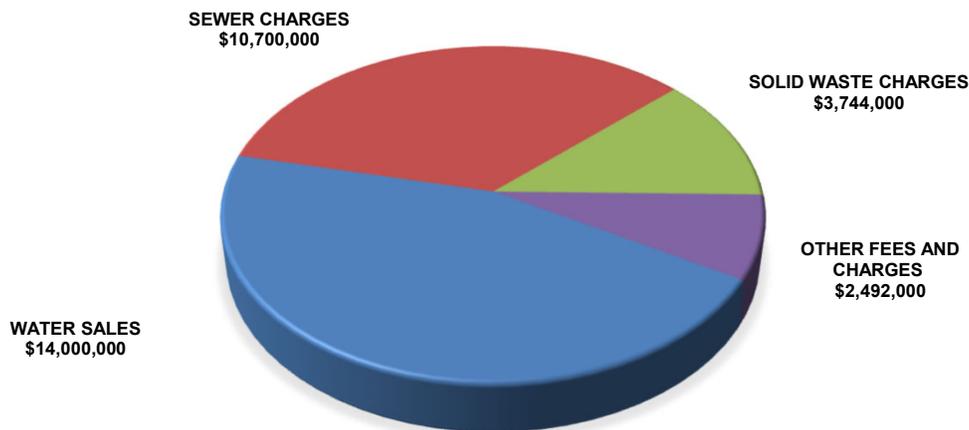
In reviewing the fiscal health of the Utility Fund during the FY2020 budget process, staff determined the need for an updated utility rate structure. A rate model consultant was engaged, and in July 2020, the City Council approved a utility rate policy.

Staff reviews the utility rate model on an annual basis to ensure the rate adjustments are in line with the needs identified in the new rate model adopted by the City Council.

Sample Residential Water and Sewer Bill

Consumption	FY2025 Rate	FY2026 Rate	Change
2,000 gallons	\$ 79.10	\$ 79.10	\$ -
5,000 gallons	\$ 130.34	\$ 130.34	\$ -
10,000 gallons	\$ 215.74	\$ 215.74	\$ -

Utility Fund Charges for Services



Franchise Fees

Franchise fees are the rental costs paid by utilities that use the City's right-of-way or other City property to transmit their services. Right of way, just like other land interests, are valuable to a city and cannot be given away to private companies free of charge. At present, electric, telecommunications, cable television and gas each have their own legal framework with regards to how the fee is calculated and assessed.

Fines

This revenue is collected from persons issued citations for not obeying the law. Traffic violations are the biggest portion.

Investment Income

This revenue comes from investing cash balances. The investment portfolio of the City of Anna is in compliance with the Texas Public Funds Investment Act and the Investment Policy and Strategies adopted by City Council.

Developer Fees

The Fire Capital Fund accounts for voluntary fees negotiated with developers for support of the Anna Fire Department. The Park Development Fund is funded by park development fees as stipulated in either developer agreements or the subdivision ordinance. These fees are used to fund the City's Parks Master Plan through development, improvement, or maintenance of the City's parks.



THE CITY OF
Anna



**FUND
SUMMARIES**

THE CITY OF
Anna

CITY OF ANNA
FUND STRUCTURE

The accounts of the City are organized and operated on the basis of funds. Fund accounting segregates funds according to their intended purpose. Each fund can be presented independent of the other funds to illustrate that fund's purpose for specific activities. The City of Anna has both Governmental and Proprietary funds. Governmental funds are used for most government activities. Governmental funds are the General Fund, the Debt Service Fund, and Restricted Revenue funds. A Proprietary or Enterprise fund is where operations are accounted for and financed in a manner like private business enterprises. The Utility Fund, which accounts for water, sewer, and trash services, is an Enterprise fund.

Governmental Funds

- ◆ General Fund: This fund is the primary operating fund for the City. The major sources of General Fund revenue is from taxes, fees, fines, and licenses and permits. 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.
- ◆ Restricted Revenue Funds: These funds account for revenue sources that are legally restricted to expenditures for a specific purpose and in accordance with the enabling legislation.

Proprietary Funds

- ◆ Utility Fund: This fund accounts for the operation and maintenance of the City's water and wastewater utility system and the contract for solid waste collection services. This fund is financially supported solely by user charges for utility and trash service.
- ◆ Stormwater Fund: This fund accounts for the operation and maintenance of the City's stormwater utility system. These funds are utilized for stormwater quality initiatives such as street sweeping, inlet protection, pollution prevention and erosion protection.

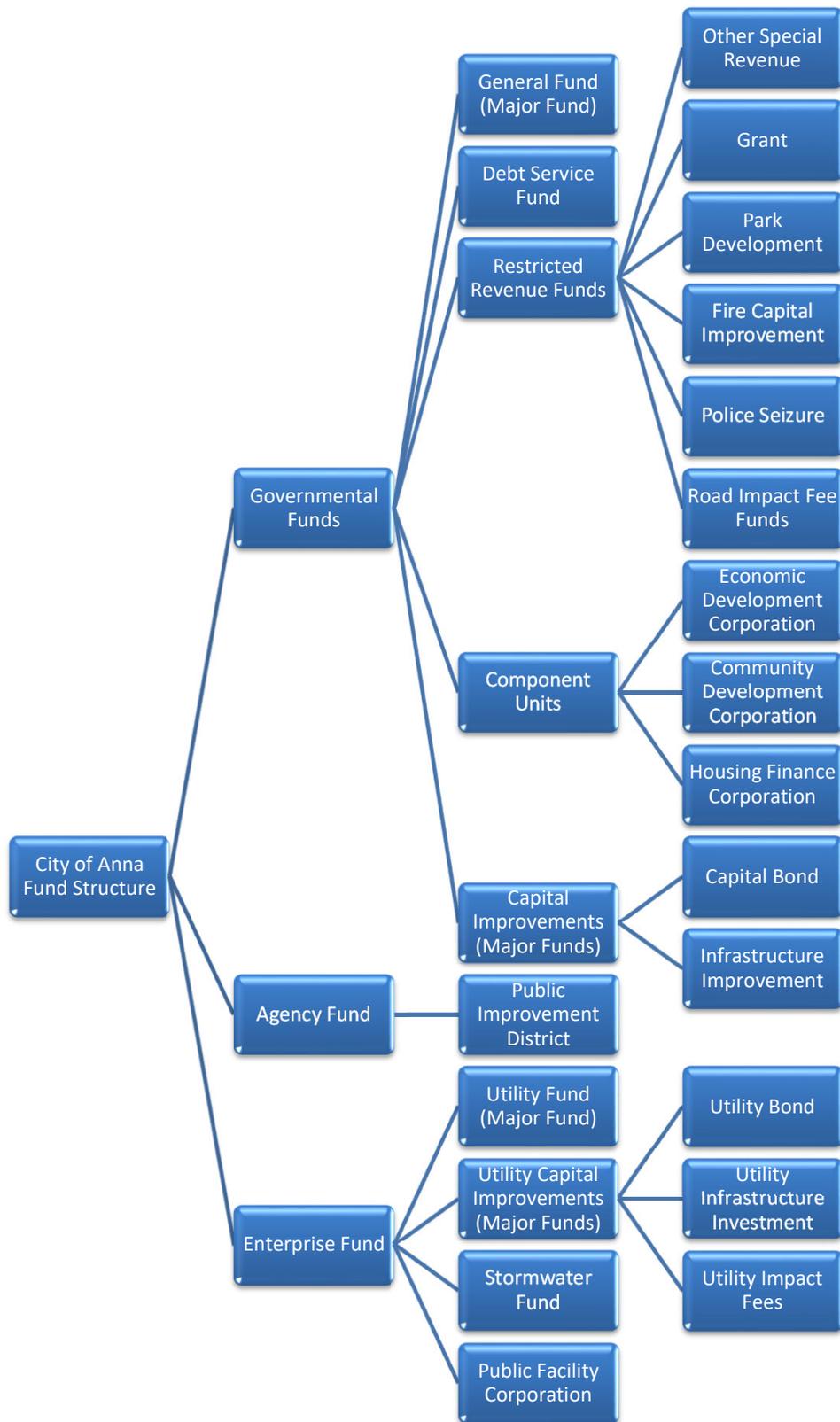
Basis of Budgeting

The City's finances shall be accounted for in accordance with generally accepted accounting principles (GAAP) as established by the Governmental Accounting Standards Board (GASB). Certain expenditures and revenues accrued under GAAP are not accounted for in the same way on a budgetary basis. Fixed assets are depreciated for GAAP purposes but are fully expensed in the period acquired for budgetary purposes.

Governmental funds are budgeted on a modified accrual basis. The accounting records for all governmental funds are also maintained on the modified accrual basis of accounting. This method recognizes revenues when measurable and available and expenditures when goods or services are received. Year-end remaining capital improvement budgets for active projects are continued until the completion of the project.

Proprietary funds are budgeted on an accrual basis similar to private-sector businesses, with a focus on total economic resources. The accounting records for all proprietary funds are also maintained on the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when they are incurred. Multi-year capital projects are continued to the next year until the completion of the project.

**CITY OF ANNA
FUND STRUCTURE**



**CITY OF ANNA
FUND RELATIONSHIPS**

	General Fund	Utility Funds	Special Revenue Funds	Component Units	Capital Projects Funds
	(Major Fund)	(Major Fund) / (Non Major Fund)	(Non Major Fund)	(Non Major Fund)	(Major Fund)
DEPARTMENTS					
General Government					
Administration	√				
City Council	√				
City Manager	√				
Public Affairs	√				
City Secretary	√				
Finance	√				
Human Resources	√				
Information Technology	√				
Municipal Court	√		√		
Utility Billing		√			
Development Services					
	√				
Public Safety					
Fire	√		√		
Police	√		√		
Neighborhood Services					
	√				
Library Services					
	√				
Park Operations					
	√				
Recreation Services					
	√				
Public Works					
Public Works Administration		√			
Engineering		√			
Fleet & Facilities	√				
Solid Waste		√			
Stormwater		√			
Streets	√		√		√
Water		√			√
Wastewater		√			√
Component Units					
Economic Development				√	
Community Development				√	

**CITY OF ANNA
CONSOLIDATED BUDGET SUMMARY OF REVENUE AND EXPENDITURES**

	Major Governmental		Enterprise		Restricted Revenue		
	General	Debt Service	Utility	Stormwater	Grant	Special Revenue	Public Facility
BEGINNING BALANCES	\$ 16,924,349	\$ 334,527	\$ 13,454,587	\$ 788,720	\$ (21,666)	\$ 322,977	\$ 1,098,594
REVENUES:							
Property Taxes	\$ 14,606,393	\$ 7,328,052	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Tax	6,030,000	-	-	-	-	-	-
Franchise and Local Taxes	1,250,000	-	-	-	-	-	-
Charges for Services	1,244,000	-	29,334,000	400,000	-	-	-
Fines	400,000	-	-	-	-	5,000	-
Permits, Licenses and Fees	5,396,000	-	900,000	5,000	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Investment Income	800,000	87,000	702,000	-	35,000	5,000	-
Other Revenues	-	-	-	-	-	45,000	-
TOTAL	\$ 29,726,393	\$ 7,415,052	\$ 30,936,000	\$ 405,000	\$ 35,000	\$ 55,000	\$ -
Transfers from other funds	-	-	-	-	-	-	-
TOTAL REVENUES	\$ 29,726,393	\$ 7,415,052	\$ 30,936,000	\$ 405,000	\$ 35,000	\$ 55,000	\$ -
TOTAL AVAILABLE RESOURCES	\$ 46,650,742	\$ 7,749,579	\$ 44,390,587	\$ 1,193,720	\$ 13,334	\$ 377,977	\$ 1,098,594
EXPENDITURES:							
Payroll	\$ 21,608,811	\$ -	\$ 3,027,041	\$ 134,569	\$ -	\$ 1,800	\$ -
Supplies	1,471,003	-	259,805	10,500	-	-	-
Maintenance	1,293,000	-	1,298,050	-	-	-	-
Services	5,346,047	5,500	17,503,465	41,000	-	9,325	-
Debt Service	-	7,643,728	8,778,950	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
Capital Improvement	-	-	-	-	-	-	-
TOTAL	\$ 29,718,861	\$ 7,649,228	\$ 30,867,311	\$ 186,069	\$ -	\$ 11,125	\$ -
Transfers to other funds	3,925,000	-	710,000	-	-	-	-
TOTAL EXPENDITURES	\$ 33,643,861	\$ 7,649,228	\$ 31,577,311	\$ 186,069	\$ -	\$ 11,125	\$ -
ENDING FUND BALANCES	\$ 13,006,881	\$ 100,351	\$ 12,813,276	\$ 1,007,651	\$ 13,334	\$ 366,852	\$ 1,098,594

ANNUAL BUDGET FOR FISCAL YEAR 2026

**CITY OF ANNA
CONSOLIDATED BUDGET SUMMARY OF REVENUE AND EXPENDITURES**

Restricted Revenue			Component Units			CIP Funds	Total All Funds		
Park Develop.	Fire Capital	Seizure	Community Develop.	Economic Develop.	Housing Finance	Community Investment	Budget FY2026	Estimated FY2025	Actual FY2024
\$ 2,850,777	\$ 158,245	\$ 16,658	\$ 7,829,442	\$ 6,031,401	\$ 683,211	\$ 134,630,674	\$ 185,102,496	\$ 193,230,167	\$ 187,137,692
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,934,445	\$ 18,664,439	\$ 16,105,518
-	-	-	3,620,000	-	-	-	9,650,000	8,220,000	8,611,581
-	-	-	-	-	-	-	1,250,000	1,030,000	1,315,462
-	20,000	-	-	-	-	-	30,998,000	27,007,765	30,724,231
-	-	-	-	-	-	-	405,000	412,000	469,710
113,000	-	-	-	-	-	-	6,414,000	6,892,000	9,691,431
-	-	-	-	-	-	-	-	4,382,871	6,981,689
100,000	7,000	-	40,000	150,000	-	-	1,926,000	3,359,000	10,287,940
-	-	-	-	-	-	-	45,000	92,110,000	38,677,309
\$ 213,000	\$ 27,000	\$ -	\$ 3,660,000	\$ 150,000	\$ -	\$ -	\$ 72,622,445	\$ 162,078,075	\$ 122,864,869
-	-	-	-	-	-	4,635,000	4,635,000	800,000	-
\$ 213,000	\$ 27,000	\$ -	\$ 3,660,000	\$ 150,000	\$ -	\$ 4,635,000	\$ 77,257,445	\$ 162,878,075	\$ 122,864,869
\$ 3,063,777	\$ 185,245	\$ 16,658	\$ 11,489,442	\$ 6,181,401	\$ 683,211	\$ 139,265,674	\$ 262,359,941	\$ 356,108,242	\$ 310,002,561
\$ 148,993	\$ -	\$ -	\$ 551,767	\$ -	\$ -	\$ -	\$ 25,472,981	\$ 23,212,096	\$ 19,700,348
8,500	-	-	22,400	-	-	-	1,772,208	1,555,165	1,626,840
-	-	-	-	50,000	-	-	2,641,050	2,359,100	2,535,228
513,500	-	-	1,716,140	474,800	-	-	25,609,777	22,746,136	21,226,561
-	-	-	638,741	-	-	-	17,061,419	13,030,337	12,736,401
124,000	-	-	-	-	-	-	124,000	529,000	1,786,538
120,000	-	-	525,000	-	-	111,259,268	111,904,268	106,773,912	57,160,474
\$ 914,993	\$ -	\$ -	\$ 3,454,048	\$ 524,800	\$ -	\$ 111,259,268	\$ 184,585,703	\$ 170,205,746	\$ 116,772,394
-	-	-	-	-	-	-	4,635,000	800,000	-
\$ 914,993	\$ -	\$ -	\$ 3,454,048	\$ 524,800	\$ -	\$ 111,259,268	\$ 189,220,703	\$ 171,005,746	\$ 116,772,394
\$ 2,148,784	\$ 185,245	\$ 16,658	\$ 8,035,394	\$ 5,656,601	\$ 683,211	\$ 28,006,406	\$ 77,774,238	\$ 185,102,496	\$ 193,230,167

ANNUAL BUDGET FOR FISCAL YEAR 2026

**CITY OF ANNA
COMBINED FUNDS SUMMARY OF REVENUE AND EXPENDITURES**

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
BEGINNING BALANCES	\$ 187,137,692	\$ 171,479,110	\$ 193,230,167	\$ 185,102,496
REVENUES:				
Property Taxes	\$ 16,105,518	\$ 18,540,158	\$ 18,664,439	\$ 21,934,445
Sales Tax	8,611,581	8,220,000	8,220,000	9,650,000
Franchise and Local Taxes	1,315,462	1,030,000	1,030,000	1,250,000
Charges for Services	30,724,231	26,808,120	27,007,765	30,998,000
Fines	469,710	412,000	412,000	405,000
Permits, Licenses and Fees	9,691,431	6,940,000	6,892,000	6,414,000
Intergovernmental	6,981,689	-	4,382,871	-
Investment Income	10,287,940	1,893,000	3,359,000	1,926,000
Other Revenues	38,677,309	8,535,000	92,110,000	45,000
TOTAL	\$ 122,864,871	\$ 72,378,278	\$ 162,078,075	\$ 72,622,445
Transfers from other funds	-	800,000	800,000	4,635,000
TOTAL REVENUE	\$ 122,864,871	\$ 73,178,278	\$ 162,878,075	\$ 77,257,445
TOTAL AVAILABLE RESOURCES	\$ 310,002,563	\$ 244,657,388	\$ 356,108,242	\$ 262,359,941
EXPENDITURES:				
Payroll	\$ 19,700,348	\$ 23,212,096	\$ 23,212,096	\$ 25,472,981
Supplies	1,626,840	1,555,165	1,555,165	1,772,208
Maintenance	2,535,228	2,359,100	2,359,100	2,641,050
Services	21,226,561	22,746,136	22,746,136	25,609,777
Debt Service	12,736,401	13,030,337	13,030,337	17,061,419
Capital Outlay	1,786,538	529,000	529,000	124,000
Capital Improvement	57,160,474	104,640,673	106,773,912	111,904,268
TOTAL	\$ 116,772,390	\$ 168,072,507	\$ 170,205,746	\$ 184,585,703
Transfers to other funds	-	800,000	800,000	4,635,000
TOTAL EXPENDITURES	\$ 116,772,390	\$ 168,872,507	\$ 171,005,746	\$ 189,220,703
ENDING FUND BALANCES	\$ 193,230,173	\$ 75,784,881	\$ 185,102,496	\$ 73,139,238

**CITY OF ANNA
CHANGE IN FUND BALANCE**

FUND	PROJECTED FUND BALANCE 9/30/25	PROJECTED FUND BALANCE 9/30/26	% CHANGE	EXPLANATION
GENERAL	\$ 16,924,349	\$ 13,006,881	-23%	Utilizing excess over policy for one-time purchases
DEBT SERVICE	\$ 334,527	\$ 100,351	-70%	Restricted revenue; no planned purchases
UTILITY	\$ 13,454,587	\$ 12,813,276	-5%	Utilizing excess over policy for one-time purchases or projects
STORMWATER	\$ 788,720	\$ 1,007,651	28%	Building in anticipation of increased program activity in future
SPECIAL REVENUE	\$ 322,977	\$ 366,852	14%	Restricted revenue; no planned purchases
PUBLIC FACILITY CORPORATION	\$ 1,098,594	\$ 1,098,594	0%	Restricted revenue; no planned purchases
PARK DEVELOPMENT	\$ 2,850,777	\$ 2,148,784	-25%	Utilizing for Capital Improvement Projects
FIRE CAPITAL	\$ 158,245	\$ 185,245	17%	No planned purchases
PUBLIC SAFETY SEIZURE	\$ 16,658	\$ 16,658	0%	No planned purchases
COMMUNITY DEVELOPMENT	\$ 7,829,442	\$ 8,035,394	3%	Building in anticipation of increased program activity in future
ECONOMIC DEVELOPMENT	\$ 6,031,401	\$ 5,656,601	-6%	Change in revenue source; drawdown is planned
HOUSING FINANCE CORPORATION	\$ 683,211	\$ 683,211	0%	No planned purchases

**CITY OF ANNA
PERSONNEL SUMMARY**

	Actual 2023-24	Budget 2024-25	Budget 2025-26	Increase (Decrease)
GENERAL FUND				
City Manager's Office				
City Manager	1.0	1.0	1.0	-
Assistant City Manager	2.0	2.0	2.0	-
Assistant to the City Manager	1.0	1.0	1.0	-
Budget Manager	1.0	1.0	1.0	-
Public Affairs Manager	1.0	1.0	-	(1.0)
Communications Coordinator	-	1.0	-	(1.0)
	<u>6.0</u>	<u>7.0</u>	<u>5.0</u>	<u>(2.0)</u>
Public Affairs				
Public Affairs Manager	-	-	1.0	1.0
Communications Coordinator	-	-	1.0	1.0
	<u>-</u>	<u>-</u>	<u>2.0</u>	<u>2.0</u>
City Secretary				
City Secretary	1.0	1.0	1.0	-
Deputy City Secretary	1.0	1.0	1.0	-
Support Specialist	-	-	1.0	1.0
Admin. Assistant / Records Clerk	1.0	1.0	-	(1.0)
	<u>3.0</u>	<u>3.0</u>	<u>3.0</u>	<u>-</u>
Information Technology				
IT Manager	1.0	1.0	1.0	-
Systems Administrator	1.0	1.0	-	(1.0)
IT Help Desk Support	1.0	1.0	-	(1.0)
Support Specialist	-	-	2.0	2.0
	<u>3.0</u>	<u>3.0</u>	<u>3.0</u>	<u>-</u>
Finance				
Director of Finance	1.0	1.0	1.0	-
Assistant Director of Finance	1.0	1.0	-	(1.0)
Controller	-	-	1.0	1.0
Senior Accountant	1.0	1.0	1.0	-
Accountant	2.0	2.0	2.0	-
	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>	<u>-</u>
Human Resources				
Director of Human Resources	1.0	1.0	1.0	-
Human Resources Manager	-	-	1.0	1.0
Senior Human Resources Analyst	1.0	1.0	-	(1.0)
Human Resources Analyst	1.0	1.0	1.0	-
	<u>3.0</u>	<u>3.0</u>	<u>3.0</u>	<u>-</u>
Fleet and Facilities				
Mechanic	1.0	1.0	1.0	-
Fleet Maintenance Technician	1.0	1.0	1.0	-
Facilities Maintenance Technician	-	-	1.0	1.0
Facilities Specialist	1.0	1.0	-	(1.0)
Custodian	2.0	2.0	4.0	2.0
	<u>5.0</u>	<u>5.0</u>	<u>7.0</u>	<u>2.0</u>

**CITY OF ANNA
PERSONNEL SUMMARY**

	Actual 2023-24	Budget 2024-25	Budget 2025-26	Increase (Decrease)
Municipal Court				
Municipal Court Administrator	1.0	1.0	1.0	-
Deputy Court Clerk	1.0	1.0	1.0	-
Bailiff Officer	-	0.5	0.5	-
	<u>2.0</u>	<u>2.5</u>	<u>2.5</u>	<u>-</u>
Development Services				
Director of Development Services	1.0	1.0	1.0	-
Assistant Director of Develop. Services	1.0	1.0	1.0	-
Planning Manager	1.0	1.0	1.0	-
Planner II	1.0	1.0	1.0	-
Planner I	1.0	1.0	1.0	-
Plans Examiner	1.0	1.0	1.0	-
Planning Technician	1.0	1.0	-	(1.0)
Senior Building Inspector	1.0	1.0	1.0	-
Building Inspector	2.0	2.0	2.0	-
Permit Technician	1.0	1.0	1.0	-
Senior GIS Analyst	-	-	1.0	1.0
Support Specialist	-	-	1.0	1.0
	<u>11.0</u>	<u>11.0</u>	<u>12.0</u>	<u>1.0</u>
Police				
Police Chief	1.0	1.0	1.0	-
Assistant Police Chief	1.0	1.0	1.0	-
Records Clerk	1.0	1.0	1.0	-
Police Department Coordinator	-	1.0	1.0	-
Property and Evidence Tech	1.0	1.0	1.0	-
Lieutenant	2.0	2.0	3.0	1.0
Sergeant	5.0	5.0	5.0	-
Corporal	4.0	4.0	4.0	-
Police Officer	21.0	23.0	28.0	5.0
Detective	4.0	4.0	5.0	1.0
	<u>40.0</u>	<u>43.0</u>	<u>50.0</u>	<u>7.0</u>
Fire				
Fire Chief	1.0	1.0	1.0	-
Assistant Fire Chief	2.0	2.0	2.0	-
Battalion Chief	3.0	3.0	3.0	-
Fire Captain	5.0	5.0	8.0	3.0
Fire Driver / Engineer	3.0	3.0	6.0	3.0
Fire Lieutenant	-	3.0	-	(3.0)
Fire Fighter	28.5	27.0	24.0	(3.0)
Fire Services Analyst	-	-	1.0	1.0
Fire Services Coordinator	1.0	1.0	-	(1.0)
	<u>43.5</u>	<u>45.0</u>	<u>45.0</u>	<u>-</u>

**CITY OF ANNA
PERSONNEL SUMMARY**

	Actual 2023-24	Budget 2024-25	Budget 2025-26	Increase (Decrease)
Community Enhancement				
Community Enhancement Coordinator	1.0	1.0	1.0	-
Support Specialist	1.0	1.0	1.0	-
Code Compliance Manager	1.0	1.0	1.0	-
Senior Code Compliance Officer	1.0	1.0	1.0	-
Code Compliance Officer	2.0	2.0	2.0	-
	6.0	6.0	6.0	-
Library Services				
Director of Neighborhood Services	1.0	1.0	1.0	-
Assistant Director	1.0	1.0	-	-
Recreation Coordinator	3.5	3.5	-	-
Library Manager	-	1.0	1.0	-
Librarian	-	1.0	1.0	-
Circulation Supervisor	-	1.0	1.0	-
Library Assistant	-	1.0	1.0	-
	5.5	9.5	5.0	(4.5)
Parks				
Parks Superintendent	1.0	1.0	1.0	-
Parks Supervisor	1.0	1.0	1.0	-
Irrigation Tech	-	-	1.0	1.0
Maintenance Worker	7.0	9.0	8.0	(1.0)
	9.0	11.0	11.0	-
Recreation Services				
Assistant Director	-	-	1.0	1.0
Recreation Coordinator	-	-	2.5	2.5
Support Specialist	-	-	1.0	1.0
	-	-	4.5	4.5
Streets				
Public Works Operations Manager	1.0	1.0	1.0	-
Crew Leader	2.0	2.0	2.0	-
Traffic Safety Technician	1.0	1.0	1.0	-
CIP Inspector	1.0	1.0	1.0	-
Maintenance Worker	5.0	5.0	5.0	-
	10.0	10.0	10.0	-
GENERAL FUND TOTAL	152.0	164.0	174.0	10.0

**CITY OF ANNA
PERSONNEL SUMMARY**

	Actual 2023-24	Budget 2024-25	Budget 2025-26	Increase (Decrease)
UTILITY FUND				
Public Works Administration				
Director of Public Works	1.0	1.0	1.0	-
City Engineer	1.0	1.0	-	(1.0)
Engineer in Training	1.0	1.0	-	(1.0)
CIP Manager	1.0	1.0	-	(1.0)
Construction Inspector	3.0	3.0	-	(3.0)
Construction Supervisor	1.0	1.0	-	(1.0)
Fleet and Facilities Superintendent	1.0	1.0	1.0	-
GIS Manager	1.0	1.0	-	(1.0)
CIP Analyst	1.0	1.0	-	(1.0)
Receptionist	1.0	1.0	-	(1.0)
Administrative Coordinator	-	-	1.0	1.0
	12.0	12.0	3.0	(9.0)
Engineering				
Director of Engineering	-	-	1.0	1.0
Engineer in Training	-	-	1.0	1.0
CIP Manager	-	-	1.0	1.0
Construction Inspector	-	-	3.0	3.0
Construction Supervisor	-	-	1.0	1.0
CIP Analyst	-	-	1.0	1.0
	-	-	8.0	8.0
Water				
Utility Operations Supervisor	1.0	1.0	1.0	-
Utility Maintenance Field Supervisor	1.0	1.0	1.0	-
Maintenance Worker	5.0	5.0	3.0	(2.0)
Water Operator	2.0	2.0	3.0	1.0
Utility Crew Leader	1.0	1.0	1.0	-
	10.0	10.0	9.0	(1.0)
Wastewater				
Senior Wastewater Plant Operator	1.0	1.0	1.0	-
Wastewater Plant Operator	1.0	1.0	1.0	-
Utility Maintenance Crew Leader	-	-	1.0	1.0
Maintenance Worker	5.0	5.0	5.0	-
	7.0	7.0	8.0	1.0
Utility Billing				
Utility Billing Supervisor	1.0	1.0	1.0	-
Senior Utility Billing Clerk	1.0	1.0	1.0	-
Utility Billing Clerk	2.0	2.0	2.0	-
	4.0	4.0	4.0	-
UTILITY FUND TOTAL	33.0	33.0	32.0	(1.0)

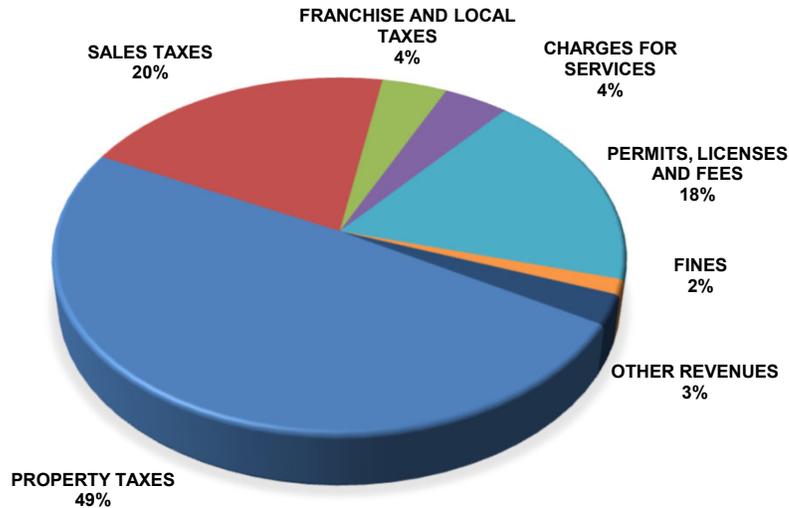
**CITY OF ANNA
PERSONNEL SUMMARY**

	Actual 2023-24	Budget 2024-25	Budget 2025-26	Increase (Decrease)
STORMWATER FUND				
Maintenance Worker	2.0	2.0	2.0	-
	2.0	2.0	2.0	-
STORMWATER TOTAL	2.0	2.0	2.0	-
PARK DEVELOPMENT FUND				
Parks Planning Manager	1.0	1.0	1.0	-
	1.0	1.0	1.0	-
PARK DEVELOPMENT FUND TOTAL	1.0	1.0	1.0	-
COMMUNITY DEVELOPMENT CORPORATION				
Director of Economic Development	1.0	1.0	1.0	-
Assistant Director of Economic Develop.	1.0	1.0	1.0	-
Economic Development Manager	-	-	1.0	1.0
Economic Development Analyst	1.0	1.0	-	(1.0)
Economic Development Coordinator	-	-	1.0	1.0
	3.0	3.0	4.0	1.0
COMMUNITY DEVELOP. TOTAL	3.0	3.0	4.0	1.0
TOTAL EMPLOYEES, ALL FUNDS	191.0	203.0	213.0	10.0

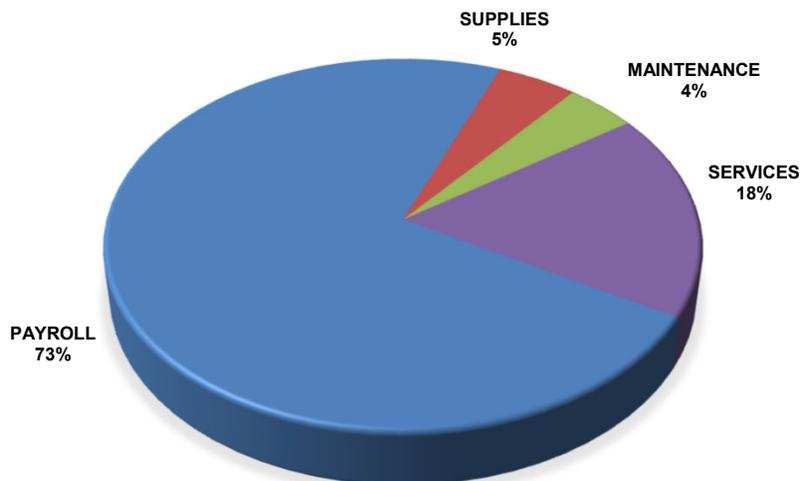
**CITY OF ANNA
GENERAL FUND**

The General Fund is the largest governmental fund and accounts for most of the financial resources of the general government. The majority of General Fund revenue is from property taxes and sales taxes. Other revenues include franchise fees, licenses and permits, and fines. The General Fund usually includes most of the basic operating services, such as fire and police protection, parks, development services, street maintenance, and general government administration for these services and the City Council.

General Fund Revenues



General Fund Expenditures



**CITY OF ANNA
GENERAL FUND BY CATEGORY**

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
BEGINNING BALANCES	\$ 13,853,231	\$ 8,997,175	\$ 17,681,023	\$ 16,924,349
REVENUES:				
Property Taxes	\$ 11,396,738	\$ 13,093,602	\$ 13,093,602	\$ 14,606,393
Sales Tax	5,382,238	5,220,000	5,220,000	6,030,000
Franchise and Local Taxes	1,315,462	1,030,000	1,030,000	1,250,000
Charges for Services	1,592,244	1,000,000	1,066,000	1,244,000
Permits, Licenses and Fees	5,944,535	4,757,000	4,691,000	5,396,000
Fines	456,859	400,000	400,000	400,000
Intergovernmental	57,070	-	-	-
Investment Income	1,286,598	800,000	800,000	800,000
Other Revenues	658,694	-	-	-
TOTAL OPERATIONAL REVENUE	\$ 28,090,438	\$ 26,300,602	\$ 26,300,602	\$ 29,726,393
Transfers from other funds	-	-	-	-
TOTAL REVENUES	\$ 28,090,441	\$ 26,300,602	\$ 26,300,602	\$ 29,726,393
TOTAL AVAILABLE RESOURCES	\$ 41,943,669	\$ 35,297,777	\$ 43,981,625	\$ 46,650,742
EXPENDITURES:				
Payroll	\$ 16,414,584	\$ 19,515,239	\$ 19,515,239	\$ 21,608,811
Supplies	1,311,856	1,247,897	1,247,897	1,471,003
Maintenance	1,315,681	1,011,050	1,011,050	1,293,000
Services	3,595,710	4,483,090	4,483,090	5,346,047
Debt Service	660,180	-	-	-
Capital Outlay	964,646	-	-	-
TOTAL OPERATIONAL EXPENDITURES	\$ 24,262,649	\$ 26,257,276	\$ 26,257,276	\$ 29,718,861
Transfers to other funds	-	800,000	800,000	3,925,000
TOTAL EXPENDITURES	\$ 24,262,649	\$ 27,057,276	\$ 27,057,276	\$ 33,643,861
ENDING FUND BALANCES	\$ 17,681,023	\$ 8,240,501	\$ 16,924,349	\$ 13,006,881
Fund Balance Percentage	73%	31%	64%	44%

**CITY OF ANNA
GENERAL FUND BY DEPARTMENT**

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
EXPENDITURES:				
General Government:				
Administration	\$ 1,334,652	\$ 738,740	\$ 738,740	\$ 803,740
City Council	42,739	74,000	74,000	74,000
City Manager's Office	1,316,831	1,526,587	1,526,587	1,132,934
Public Affairs	-	-	-	321,144
City Secretary	474,224	414,786	414,786	464,149
Information Technology	1,060,550	1,095,506	1,095,506	1,273,026
Finance	640,947	725,129	725,129	734,770
Human Resources	508,540	583,689	583,689	602,763
Municipal Court	290,486	317,339	317,339	333,440
	<u>\$ 5,668,969</u>	<u>\$ 5,475,776</u>	<u>\$ 5,475,776</u>	<u>\$ 5,739,966</u>
Development Services	<u>\$ 1,004,657</u>	<u>\$ 1,294,573</u>	<u>\$ 1,294,573</u>	<u>\$ 1,347,783</u>
Public Safety:				
Police	\$ 6,135,276	\$ 6,777,611	\$ 6,777,611	\$ 8,127,228
Fire	6,467,995	6,929,249	6,929,249	7,298,998
	<u>\$ 12,603,271</u>	<u>\$ 13,706,860</u>	<u>\$ 13,706,860</u>	<u>\$ 15,426,226</u>
Neighborhood Services	<u>\$ 618,756</u>	<u>\$ 706,174</u>	<u>\$ 706,174</u>	<u>\$ 796,044</u>
Community Services				
Library Services	\$ 550,065	\$ 994,777	\$ 994,777	\$ 768,132
Park Operations	947,370	1,140,269	1,140,269	1,297,815
Recreation Services	-	-	-	459,984
	<u>\$ 1,497,435</u>	<u>\$ 2,135,046</u>	<u>\$ 2,135,046</u>	<u>\$ 2,525,931</u>
Public Works				
Streets	\$ 1,196,072	\$ 1,135,386	\$ 1,135,386	\$ 1,220,338
Fleet and Facilities	1,673,497	1,803,461	1,803,461	2,662,573
	<u>\$ 2,869,569</u>	<u>\$ 2,938,847</u>	<u>\$ 2,938,847</u>	<u>\$ 3,882,911</u>
TOTAL OPERATIONAL EXPENDITURES	<u>\$ 24,262,657</u>	<u>\$ 26,257,276</u>	<u>\$ 26,257,276</u>	<u>\$ 29,718,861</u>
Transfers to other funds	-	800,000	800,000	3,925,000
TOTAL EXPENDITURES	<u>\$ 24,262,657</u>	<u>\$ 27,057,276</u>	<u>\$ 27,057,276</u>	<u>\$ 33,643,861</u>

**CITY OF ANNA
GENERAL FUND REVENUE SUMMARY**

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
REVENUES:				
Property Taxes				
Current Taxes	\$ 11,235,611	\$ 12,913,602	\$ 12,913,602	\$ 14,456,393
Delinquent Taxes	120,132	160,000	160,000	110,000
Penalty & Interest	40,995	20,000	20,000	40,000
	<u>\$ 11,396,738</u>	<u>\$ 13,093,602</u>	<u>\$ 13,093,602</u>	<u>\$ 14,606,393</u>
Sales Taxes				
Sales Taxes - General	\$ 4,305,790	\$ 4,170,000	\$ 4,170,000	\$ 4,820,000
Sales Taxes - Streets	1,076,448	1,050,000	1,050,000	1,210,000
	<u>\$ 5,382,238</u>	<u>\$ 5,220,000</u>	<u>\$ 5,220,000</u>	<u>\$ 6,030,000</u>
Franchise and Local Taxes				
Franchise Fees	\$ 1,263,530	\$ 1,000,000	\$ 1,000,000	\$ 1,200,000
Mixed Beverage Tax	51,932	30,000	30,000	50,000
	<u>\$ 1,315,462</u>	<u>\$ 1,030,000</u>	<u>\$ 1,030,000</u>	<u>\$ 1,250,000</u>
Charges for Services				
Rental Registration	\$ 662,971	\$ 600,000	\$ 600,000	\$ 670,000
Rentals	83,072	-	-	-
Ambulance Fees	767,784	400,000	400,000	500,000
Other	78,417	-	66,000	74,000
	<u>\$ 1,592,244</u>	<u>\$ 1,000,000</u>	<u>\$ 1,066,000</u>	<u>\$ 1,244,000</u>
Fines				
	<u>\$ 456,859</u>	<u>\$ 400,000</u>	<u>\$ 400,000</u>	<u>\$ 400,000</u>
Permits, Licenses and Fees				
Residential Building Permits	\$ 4,249,419	\$ 3,500,000	\$ 3,500,000	\$ 3,700,000
Commerical Building Permits	1,290,753	850,000	850,000	1,300,000
Other Miscellaneous Permits	221,870	174,000	174,000	209,000
Alarm Permits	17,608	12,000	12,000	17,000
Zoning and Subdivision Fees	164,210	155,000	155,000	170,000
Other Fees	675	66,000	-	-
	<u>\$ 5,944,535</u>	<u>\$ 4,757,000</u>	<u>\$ 4,691,000</u>	<u>\$ 5,396,000</u>
Intergovernmental Revenue				
	<u>\$ 57,070</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Investment Income				
	<u>\$ 1,286,598</u>	<u>\$ 800,000</u>	<u>\$ 800,000</u>	<u>\$ 800,000</u>
Other Revenues				
Miscellaneous	\$ 658,024	\$ -	\$ -	\$ -
Donations	670	-	-	-
	<u>\$ 658,694</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL OPERATIONAL REVENUE	<u><u>\$ 28,090,438</u></u>	<u><u>\$ 26,300,602</u></u>	<u><u>\$ 26,300,602</u></u>	<u><u>\$ 29,726,393</u></u>

CITY OF ANNA
GENERAL DEBT SERVICE FUND

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 purposes. The resources of this fund are generated by a tax levy based upon property taxes. Payments of principal and interest are made for general obligation bonds, certificates of obligation, and tax notes.

Anna's legal capacity for additional debt is very large. Article XI, Section 5 of the Texas Constitution limits the ad valorem tax rate to \$2.50 per \$100 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. Anna's proposed rate of 0.525073 falls well under this limit. The following table reflects the allocation of the property tax levy between the maintenance & operations rate and interest & sinking rate for FY2026 and previous years.

	2021-22	2022-23	2023-24	2024-25	2025-26
I & S	0.116869	0.143217	0.144787	0.146987	0.169002
O & M	0.452631	0.396533	0.365930	0.360213	0.356071
Total	0.569500	0.539750	0.510717	0.507200	0.525073

**CITY OF ANNA
GENERAL DEBT SERVICE FUND**

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
BEGINNING BALANCES	\$ 334,538	\$ 333,039	\$ 455,746	\$ 334,527
REVENUES:				
Property Taxes	\$ 4,708,780	\$ 5,446,556	\$ 5,570,837	\$ 7,328,052
Sales Tax	-	-	-	-
Franchise and Local Taxes	-	-	-	-
Charges for Services	-	-	-	-
Fines	-	-	-	-
Permits, Licenses and Fees	-	-	-	-
Intergovernmental	-	-	-	-
Investment Income	86,660	4,000	60,000	87,000
Other Revenues	-	-	-	-
TOTAL OPERATIONAL REVENUE	\$ 4,795,440	\$ 5,450,556	\$ 5,630,837	\$ 7,415,052
Transfers from other funds	-	-	-	-
TOTAL REVENUES	\$ 4,795,440	\$ 5,450,556	\$ 5,630,837	\$ 7,415,052
TOTAL AVAILABLE RESOURCES	\$ 5,129,978	\$ 5,783,595	\$ 6,086,583	\$ 7,749,579
EXPENDITURES:				
Payroll	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-
Maintenance	-	-	-	-
Services	9,088	5,500	5,500	5,500
Debt Service	4,665,146	5,746,556	5,746,556	7,643,728
Capital Outlay	-	-	-	-
Capital Improvement	-	-	-	-
TOTAL OPERATIONAL EXPENDITURES	\$ 4,674,233	\$ 5,752,056	\$ 5,752,056	\$ 7,649,228
Transfers to other funds	-	-	-	-
TOTAL EXPENDITURES	\$ 4,674,233	\$ 5,752,056	\$ 5,752,056	\$ 7,649,228
ENDING FUND BALANCES	\$ 455,746	\$ 31,539	\$ 334,527	\$ 100,351

CITY OF ANNA
RESTRICTED REVENUE FUNDS

Restricted Revenue funds are different funds that funding sources are restricted for a specific purpose. Restrictions are placed on the use of these funds for a number of reasons including, but not limited to laws, ordinances, grant contracts, and donations. The City manages the following Restricted Revenue funds:

- ◆ Grant Fund
- ◆ Special Revenue Fund
- ◆ Park Development Fund
- ◆ Fire Capital Fund
- ◆ Public Safety Seizure Fund

Grant Fund

The Grant Fund was created in order to track grant awards 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. In the event matching funds are required for a grant, the City's matching portion is transferred from the applicable operating fund.

Special Revenue Fund

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

- ◆ The Court Technology Fee accounts for a portion of court fines to support the use of technology in the courtroom.
- ◆ The Building Security Fee is used to maintain security in the courtroom and for overtime pay to officers acting as a bailiff for the court when necessary.
- ◆ The Child Safety Fee accounts 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 law.
- ◆ The PEG fee is a portion of fees assessed by a cable franchise provider. This fee is 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.

Park Development Fund

The Park Development Fund is funded by park development fees as stipulated in either developer agreements or the subdivision ordinance. These funds are used to fund the City's Parks Master Plan through development, improvement, or maintenance of the City's parks.

CITY OF ANNA
RESTRICTED REVENUE FUNDS

Fire Capital Fund

The Fire Capital Fund accounts for voluntary fees negotiated with developers in support of the Anna Fire Department.

Public Safety Seizure Fund

Public Safety Seizure funds are 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.

**CITY OF ANNA
GRANT FUND**

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
BEGINNING BALANCES	\$ 177,075	\$ 212,074	\$ (56,666)	\$ (21,666)
REVENUES:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Tax	-	-	-	-
Franchise Fees and Local Taxes	-	-	-	-
Charges for Services	-	-	-	-
Fines	-	-	-	-
Permits, Licenses and Fees	-	-	-	-
Intergovernmental Revenue	3,512,214	-	2,357,871	-
Investment Income	149,173	35,000	35,000	35,000
Other Revenues	-	-	-	-
TOTAL OPERATIONAL REVENUE	\$ 3,661,387	\$ 35,000	\$ 2,392,871	\$ 35,000
Transfers from other funds	-	-	-	-
TOTAL REVENUES	\$ 3,661,387	\$ 35,000	\$ 2,392,871	\$ 35,000
TOTAL AVAILABLE RESOURCES	\$ 3,838,462	\$ 247,074	\$ 2,336,205	\$ 13,334
EXPENDITURES:				
Payroll	\$ -	\$ -	\$ -	\$ -
Supplies	7,881	-	-	-
Maintenance	-	-	-	-
Services	9,763	-	-	-
Debt Service	-	-	-	-
Capital Outlay	16,536	-	-	-
Capital Improvement	3,860,948	2,357,871	2,357,871	-
TOTAL OPERATIONAL EXPENDITURES	\$ 3,895,128	\$ 2,357,871	\$ 2,357,871	\$ -
Transfers to other funds	-	-	-	-
TOTAL EXPENDITURES	\$ 3,895,128	\$ 2,357,871	\$ 2,357,871	\$ -
ENDING FUND BALANCES	\$ (56,666)	\$ (2,110,797)	\$ (21,666)	\$ 13,334

**CITY OF ANNA
SPECIAL REVENUE FUND**

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
BEGINNING BALANCES	\$ 207,371	\$ 235,528	\$ 283,102	\$ 322,977
REVENUES:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Tax	-	-	-	-
Franchise Fees and Local Taxes	-	-	-	-
Charges for Services	-	-	-	-
Fines				
Municipal Jury	253	-	-	-
Local Truancy Prevention	12,598	12,000	12,000	5,000
Permits, Licenses and Fees	-	-	-	-
Intergovernmental	-	-	-	-
Investment Income	9,625	5,000	5,000	5,000
Other Revenues				
PEG Fees	5,679	4,000	4,000	5,000
Court Technology	9,989	8,000	8,000	8,000
Building Security	12,375	12,000	12,000	12,000
Child Safety	26,251	10,000	10,000	20,000
TOTAL OPERATIONAL REVENUE	\$ 76,771	\$ 51,000	\$ 51,000	\$ 55,000
Transfers from other funds	-	-	-	-
TOTAL REVENUES	\$ 76,771	\$ 51,000	\$ 51,000	\$ 55,000
TOTAL AVAILABLE RESOURCES	\$ 284,142	\$ 286,528	\$ 334,102	\$ 377,977
EXPENDITURES:				
Payroll	\$ -	\$ 1,800	\$ 1,800	\$ 1,800
Supplies	-	-	-	-
Maintenance	-	-	-	-
Services	1,040	9,325	9,325	9,325
Debt Service	-	-	-	-
Capital Outlay	-	-	-	-
Capital Improvement	-	-	-	-
TOTAL OPERATIONAL EXPENDITURES	\$ 1,040	\$ 11,125	\$ 11,125	\$ 11,125
Transfers to other funds	-	-	-	-
TOTAL EXPENDITURES	\$ 1,040	\$ 11,125	\$ 11,125	\$ 11,125
ENDING FUND BALANCES	\$ 283,102	\$ 275,403	\$ 322,977	\$ 366,852

ANNUAL BUDGET FOR FISCAL YEAR 2026

**CITY OF ANNA
PARK DEVELOPMENT FUND**

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
BEGINNING BALANCES	\$ 4,044,665	\$ 3,178,976	\$ 4,065,009	\$ 2,850,777
REVENUES:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Tax	-	-	-	-
Franchise and Local Taxes	-	-	-	-
Charges for Services	2,526,679	1,300,000	1,430,000	-
Fines	-	-	-	-
Permits, Licenses and Fees	-	95,000	113,000	113,000
Intergovernmental	-	-	-	-
Investment Income	164,117	100,000	100,000	100,000
Other Revenues	6,895	-	-	-
TOTAL OPERATIONAL REVENUE	\$ 2,697,690	\$ 1,495,000	\$ 1,643,000	\$ 213,000
Transfers from other funds	-	-	-	-
TOTAL REVENUES	\$ 2,697,690	\$ 1,495,000	\$ 1,643,000	\$ 213,000
TOTAL AVAILABLE RESOURCES	\$ 6,742,355	\$ 4,673,976	\$ 5,708,009	\$ 3,063,777
EXPENDITURES:				
Payroll	\$ 137,635	\$ 145,667	\$ 145,667	\$ 148,993
Supplies	20,805	22,100	22,100	8,500
Maintenance	-	-	-	-
Services	389,184	458,800	458,800	513,500
Debt Service	-	-	-	-
Capital Outlay	67,138	243,000	243,000	124,000
Capital Improvement	2,062,583	1,412,250	1,987,665	120,000
TOTAL EXPENDITURES	\$ 2,677,345	\$ 2,281,817	\$ 2,857,232	\$ 914,993
Transfers to other funds	-	-	-	-
TOTAL EXPENDITURES	\$ 2,677,345	\$ 2,281,817	\$ 2,857,232	\$ 914,993
ENDING FUND BALANCES	\$ 4,065,009	\$ 2,392,159	\$ 2,850,777	\$ 2,148,784

**CITY OF ANNA
FIRE CAPITAL IMPROVEMENT FUND**

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
BEGINNING BALANCES	\$ 235,915	\$ 108,416	\$ 236,245	\$ 158,245
REVENUES:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Tax	-	-	-	-
Franchise and Local Taxes	-	-	-	-
Charges for Services	27,800	20,000	20,000	20,000
Fines	-	-	-	-
Permits, Licenses and Fees	-	-	-	-
Intergovernmental	-	-	-	-
Investment Income	10,305	7,000	7,000	7,000
Other Revenues	-	-	-	-
TOTAL OPERATIONAL REVENUE	\$ 38,105	\$ 27,000	\$ 27,000	\$ 27,000
Transfers from other funds	-	-	-	-
TOTAL REVENUES	\$ 38,105	\$ 27,000	\$ 27,000	\$ 27,000
TOTAL AVAILABLE RESOURCES	\$ 274,020	\$ 135,416	\$ 263,245	\$ 185,245
EXPENDITURES:				
Payroll	\$ -	\$ -	\$ -	\$ -
Supplies	1,801	-	-	-
Maintenance	-	-	-	-
Services	-	-	-	-
Debt Service	-	-	-	-
Capital Outlay	35,974	105,000	105,000	-
Capital Improvement	-	-	-	-
TOTAL OPERATIONAL EXPENDITURES	\$ 37,775	\$ 105,000	\$ 105,000	\$ -
Transfers to other funds	-	-	-	-
TOTAL EXPENDITURES	\$ 37,775	\$ 105,000	\$ 105,000	\$ -
ENDING FUND BALANCES	\$ 236,245	\$ 30,416	\$ 158,245	\$ 185,245

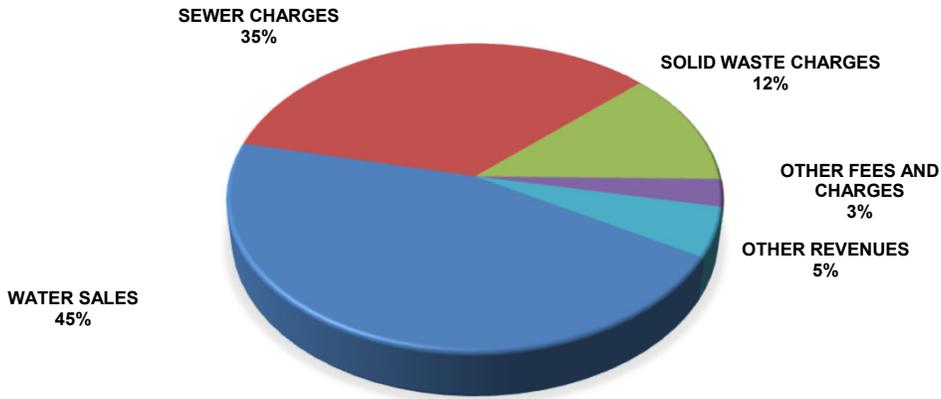
**CITY OF ANNA
PUBLIC SAFETY SEIZURE FUNDS**

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
BEGINNING BALANCES	\$ 12,729	\$ 12,729	\$ 16,658	\$ 16,658
REVENUES:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Tax	-	-	-	-
Franchise and Local Taxes	-	-	-	-
Charges for Services	-	-	-	-
Fines	-	-	-	-
Permits, Licenses and Fees	-	-	-	-
Intergovernmental	-	-	-	-
Investment Income	519	-	-	-
Other Revenues	5,152	-	-	-
TOTAL OPERATIONAL REVENUE	\$ 5,671	\$ -	\$ -	\$ -
Transfers from other funds	-	-	-	-
TOTAL REVENUES	\$ 5,671	\$ -	\$ -	\$ -
TOTAL AVAILABLE RESOURCES	\$ 18,400	\$ 12,729	\$ 16,658	\$ 16,658
EXPENDITURES:				
Payroll	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-
Maintenance	-	-	-	-
Services	1,743	-	-	-
Debt Service	-	-	-	-
Capital Outlay	-	-	-	-
Capital Improvement	-	-	-	-
TOTAL OPERATIONAL EXPENDITURES	\$ 1,743	\$ -	\$ -	\$ -
Transfers to other funds	-	-	-	-
TOTAL EXPENDITURES	\$ 1,743	\$ -	\$ -	\$ -
ENDING FUND BALANCES	\$ 16,658	\$ 12,729	\$ 16,658	\$ 16,658

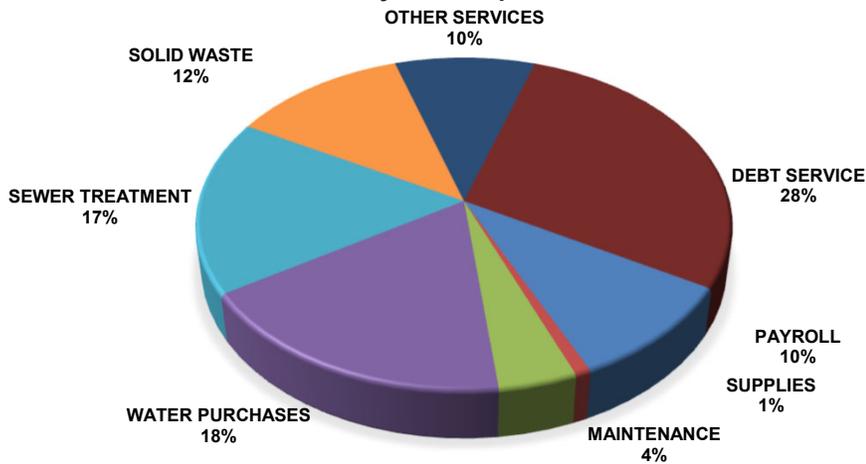
**CITY OF ANNA
UTILITY FUND**

The Utility Fund is an Enterprise fund that accounts for the water, sewer, and solid waste collection services that are provided to the City’s residents. Proprietary or 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.

Utility Fund Revenues



Utility Fund Expenditures



**CITY OF ANNA
UTILITY FUND**

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
BEGINNING BALANCES	\$ 14,199,379	\$ 6,593,397	\$ 13,633,204	\$ 13,454,587
REVENUES:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Tax	-	-	-	-
Franchise Fees and Local Taxes	-	-	-	-
Charges for Services				
Water Sales	12,329,408	11,125,000	11,125,000	14,000,000
Sewer Charges	8,915,711	8,525,000	8,525,000	10,700,000
Solid Waste Charges	3,559,153	3,730,000	3,730,000	3,744,000
Other Charges	889,447	680,000	680,000	890,000
Fines	-	-	-	-
Permits, Licenses and Fees	906,397	2,083,000	2,083,000	900,000
Intergovernmental	-	-	-	-
Investment Income	767,309	502,000	502,000	702,000
Other Revenues	101,672	1,000	1,000	-
TOTAL OPERATIONAL REVENUE	\$ 27,469,097	\$ 26,646,000	\$ 26,646,000	\$ 30,936,000
Transfers from other funds	-	-	-	-
TOTAL REVENUES	\$ 27,469,097	\$ 26,646,000	\$ 26,646,000	\$ 30,936,000
TOTAL AVAILABLE RESOURCES	\$ 41,668,476	\$ 33,239,397	\$ 40,279,204	\$ 44,390,587
EXPENDITURES:				
Payroll	\$ 2,679,918	\$ 2,958,403	\$ 2,958,403	\$ 3,027,041
Supplies	271,769	258,568	258,568	259,805
Maintenance	1,207,770	1,298,050	1,298,050	1,298,050
Services				
Water Purchases	5,079,273	4,100,000	4,100,000	5,520,000
Sewer Treatment	4,693,413	5,800,000	5,800,000	5,266,000
Solid Waste	3,555,814	3,600,000	3,600,000	3,738,000
Other	2,734,232	1,983,556	1,983,556	2,979,465
Debt Service	7,110,839	6,645,040	6,645,040	8,778,950
Capital Outlay	702,244	181,000	181,000	-
TOTAL OPERATIONAL EXPENDITURES	\$ 28,035,272	\$ 26,824,617	\$ 26,824,617	\$ 30,867,311
Transfers to other funds	-	-	-	710,000
TOTAL EXPENDITURES	\$ 28,035,272	\$ 26,824,617	\$ 26,824,617	\$ 31,577,311
ENDING FUND BALANCES	\$ 13,633,204	\$ 6,414,780	\$ 13,454,587	\$ 12,813,276
Fund Balance Percentage	49%	24%	50%	42%

ANNUAL BUDGET FOR FISCAL YEAR 2026

CITY OF ANNA
STORMWATER FUND

A stormwater utility is a public utility allowed in the State of Texas for the management of public drainage systems, per Texas Local Government Code 552.053. The City of Anna Stormwater Utility Fund was created by city ordinance on April 12, 2022.

The resources of this fund are generated by a fee included in monthly utility bills. The intended uses are to fund public drainage operations and maintenance, address unfunded State and Federal mandates (MS4), and implement stormwater quality initiatives such as street sweeping, inlet protection, pollution prevention, and erosion protection.

The current stormwater fees are \$3.20 per month for residential and \$10.94 per acre per month for non-residential.

**CITY OF ANNA
STORMWATER FUND**

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
BEGINNING BALANCES	\$ 333,294	\$ 529,496	\$ 601,972	\$ 788,720
REVENUES:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Tax	-	-	-	-
Franchise and Local Taxes	-	-	-	-
Charges for Services - Stormwater	400,829	350,000	350,000	400,000
Fines	-	-	-	-
Permits, Licenses and Fees	6,537	5,000	5,000	5,000
Intergovernmental	-	-	-	-
Investment Income	-	-	-	-
Other Revenues	-	-	-	-
TOTAL OPERATIONAL REVENUE	\$ 407,366	\$ 355,000	\$ 355,000	\$ 405,000
Transfers from other funds	-	-	-	-
TOTAL REVENUES	\$ 407,366	\$ 355,000	\$ 355,000	\$ 405,000
TOTAL AVAILABLE RESOURCES	\$ 740,660	\$ 884,496	\$ 956,972	\$ 1,193,720
EXPENDITURES:				
Payroll	\$ 119,275	\$ 125,252	\$ 125,252	\$ 134,569
Supplies	5,217	10,500	10,500	10,500
Maintenance	9,977	-	-	-
Services	4,219	32,500	32,500	41,000
Debt Service	-	-	-	-
Capital Outlay	-	-	-	-
Capital Improvement	-	-	-	-
TOTAL OPERATIONAL EXPENDITURES	\$ 138,688	\$ 168,252	\$ 168,252	\$ 186,069
Transfers to other funds	-	-	-	-
TOTAL EXPENDITURES	\$ 138,688	\$ 168,252	\$ 168,252	\$ 186,069
ENDING FUND BALANCES	\$ 601,972	\$ 716,244	\$ 788,720	\$ 1,007,651

CITY OF ANNA
ANNA PUBLIC FACILITY CORPORATION

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
BEGINNING BALANCES	\$ 267,441	\$ 4,992,201	\$ 1,098,594	\$ 1,098,594
REVENUES:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Tax	-	-	-	-
Franchise and Local Taxes	-	-	-	-
Charges for Services	362,210	-	-	-
Fines	-	-	-	-
Permits, Licenses and Fees	377,112	-	-	-
Intergovernmental	-	-	-	-
Investment Income	105,981	-	-	-
Other Revenues	-	-	-	-
TOTAL OPERATIONAL REVENUE	\$ 845,303	\$ -	\$ -	\$ -
Transfers from other funds	-	-	-	-
TOTAL REVENUES	\$ 845,303	\$ -	\$ -	\$ -
TOTAL AVAILABLE RESOURCES	\$ 1,112,744	\$ 4,992,201	\$ 1,098,594	\$ 1,098,594
EXPENDITURES:				
Payroll	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-
Maintenance	-	-	-	-
Services	14,150	-	-	-
Debt Service	-	-	-	-
Capital Outlay	-	-	-	-
Capital Improvement	-	-	-	-
TOTAL OPERATIONAL EXPENDITURES	\$ 14,150	\$ -	\$ -	\$ -
Transfers to other funds	-	-	-	-
TOTAL EXPENDITURES	\$ 14,150	\$ -	\$ -	\$ -
ENDING FUND BALANCES	\$ 1,098,594	\$ 4,992,201	\$ 1,098,594	\$ 1,098,594

CITY OF ANNA
COMPONENT UNITS

Anna Economic Development Corporation (EDC) and the Anna Community Development Corporation (CDC) are presented in the annual budget as component units of the City of Anna.

Each corporation acts under the direction of a seven-member board appointed by the City Council. In addition to being managed by their boards, both the EDC and CDC budgets must be approved by the City Council.

Prior to April 2017, the 2 percent sales tax for local governments was allocated 1 percent to the City of Anna, 0.5 percent to the EDC and 0.5 percent to the CDC. In November 2016, the City held an election to defund the sales tax for the EDC. The sales tax option changed to 1.25 percent to the City of Anna and 0.75 percent to the CDC. The sales tax reallocation went into effect on April 1, 2017.

Chapter 501 of the Local Government Code govern both Type A (EDC) and Type B (CDC) corporations. Additionally, Chapter 504 specifically governs Type A corporations while Chapter 505 specifically governs Type B corporations.

Economic Development Corporation

The EDC will remain in the budget to show revenue generated from one-half of the proceeds from the sale of the Anna Business Park in FY2022. These funds will eventually be expended on Type A qualified projects.

Community Development Corporation

Type B corporations (CDC) have the ability to perform all the same functions as Type A corporations (EDC), 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 ranging from the creation of jobs to investments in park facilities.

Anna Housing Finance Corporation

The Anna Housing Finance Corporation (AHFC) was created in 2021 to play a key role in the financing of affordable rental housing developments in the city through the issuance of tax-exempt private activity bonds that are typically also financed with Low-Income Housing Tax Credits (LIHTCs).

**CITY OF ANNA
COMMUNITY DEVELOPMENT CORPORATION**

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
BEGINNING BALANCES	\$ 6,734,115	\$ 5,926,360	\$ 8,233,583	\$ 7,829,442
REVENUES:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Tax	3,229,343	3,000,000	3,000,000	3,620,000
Franchise and Local Taxes	-	-	-	-
Charges for Services	21,525	-	-	-
Fines	-	-	-	-
Permits, Licenses and Fees	-	-	-	-
Intergovernmental	-	-	-	-
Investment Income	528,403	40,000	40,000	40,000
Other Revenues	(249,667)	-	-	-
TOTAL OPERATIONAL REVENUE	\$ 3,529,604	\$ 3,040,000	\$ 3,040,000	\$ 3,660,000
Transfers from other funds	-	-	-	-
TOTAL REVENUES	\$ 3,529,604	\$ 3,040,000	\$ 3,040,000	\$ 3,660,000
TOTAL AVAILABLE RESOURCES	\$ 10,263,719	\$ 8,966,360	\$ 11,273,583	\$ 11,489,442
EXPENDITURES:				
Payroll	\$ 348,936	\$ 465,735	\$ 465,735	\$ 551,767
Supplies	7,511	16,100	16,100	22,400
Maintenance	-	-	-	-
Services	1,057,079	1,798,565	1,798,565	1,716,140
Debt Service	300,236	638,741	638,741	638,741
Capital Outlay	-	-	-	-
Capital Improvement	316,374	525,000	525,000	525,000
TOTAL OPERATIONAL EXPENDITURES	\$ 2,030,136	\$ 3,444,141	\$ 3,444,141	\$ 3,454,048
Transfers to other funds	-	-	-	-
TOTAL EXPENDITURES	\$ 2,030,136	\$ 3,444,141	\$ 3,444,141	\$ 3,454,048
ENDING FUND BALANCES	\$ 8,233,583	\$ 5,522,219	\$ 7,829,442	\$ 8,035,394

ANNUAL BUDGET FOR FISCAL YEAR 2026

**CITY OF ANNA
ECONOMIC DEVELOPMENT CORPORATION**

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
BEGINNING BALANCES	\$ 5,872,589	\$ 5,254,785	\$ 6,328,081	\$ 6,031,401
REVENUES:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Tax	-	-	-	-
Franchise and Local Taxes	-	-	-	-
Charges for Services	84,645	78,120	78,120	-
Fines	-	-	-	-
Permits, Licenses and Fees	-	-	-	-
Intergovernmental	-	-	-	-
Investment Income	325,604	150,000	150,000	150,000
Other Revenues	106,612	-	-	-
TOTAL OPERATIONAL REVENUE	\$ 516,860	\$ 228,120	\$ 228,120	\$ 150,000
Transfers from other funds	-	-	-	-
TOTAL REVENUES	\$ 516,860	\$ 228,120	\$ 228,120	\$ 150,000
TOTAL AVAILABLE RESOURCES	\$ 6,389,449	\$ 5,482,905	\$ 6,556,201	\$ 6,181,401
EXPENDITURES:				
Payroll	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-
Maintenance	1,800	50,000	50,000	50,000
Services	59,568	474,800	474,800	474,800
Debt Service	-	-	-	-
Capital Outlay	-	-	-	-
Capital Improvement	-	-	-	-
TOTAL OPERATIONAL EXPENDITURES	\$ 61,368	\$ 524,800	\$ 524,800	\$ 524,800
Transfers to other funds	-	-	-	-
TOTAL EXPENDITURES	\$ 61,368	\$ 524,800	\$ 524,800	\$ 524,800
ENDING FUND BALANCES	\$ 6,328,081	\$ 4,958,105	\$ 6,031,401	\$ 5,656,601
Fund Balance Percentage	10311.7%	944.8%	1149.3%	1077.9%

CITY OF ANNA
ANNA HOUSING FINANCE CORPORATION

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
BEGINNING BALANCES	\$ 648,118	\$ 648,118	\$ 679,566	\$ 683,211
REVENUES:				
Property Taxes	\$ -	\$ -	\$ -	-
Sales Tax	-	-	-	-
Franchise and Local Taxes	-	-	-	-
Charges for Services	14,580	-	3,645	-
Fines	-	-	-	-
Permits, Licenses and Fees	3,750	-	-	-
Intergovernmental	-	-	-	-
Investment Income	35,403	-	-	-
Other Revenues	-	-	-	-
TOTAL OPERATIONAL REVENUE	\$ 53,733	\$ -	\$ 3,645	\$ -
Transfers from other funds	-	-	-	-
TOTAL REVENUES	\$ 53,733	\$ -	\$ 3,645	\$ -
TOTAL AVAILABLE RESOURCES	\$ 701,851	\$ 648,118	\$ 683,211	\$ 683,211
EXPENDITURES:				
Payroll	\$ -	\$ -	\$ -	-
Supplies	-	-	-	-
Maintenance	-	-	-	-
Services	22,285	-	-	-
Debt Service	-	-	-	-
Capital Outlay	-	-	-	-
Capital Improvement	-	-	-	-
TOTAL OPERATIONAL EXPENDITURES	\$ 22,285	\$ -	\$ -	\$ -
Transfers to other funds	-	-	-	-
TOTAL EXPENDITURES	\$ 22,285	\$ -	\$ -	\$ -
ENDING FUND BALANCES	\$ 679,566	\$ 648,118	\$ 683,211	\$ 683,211



DEPARTMENT SUMMARIES

THE CITY OF
Anna

Administration

The Administrative 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 Expenditure Summary

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26	% Change
Payroll	\$ -	\$ -	\$ -	\$ -	0.0%
Supplies	697	500	500	500	0.0%
Maintenance	-	500	500	500	0.0%
Services	673,775	737,740	737,740	802,740	8.8%
Debt Service	660,180	-	-	-	0.0%
Capital Outlay	-	-	-	-	0.0%
Contingency	-	-	-	-	0.0%
TOTAL	\$ 1,334,652	\$ 738,740	\$ 738,740	\$ 803,740	8.8%

THE CITY OF
Anna

City Council

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.

City Council Expenditure Summary

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26	% Change
Payroll	\$ -	\$ -	\$ -	\$ -	0.0%
Supplies	10,279	10,000	10,000	10,000	0.0%
Maintenance	-	-	-	-	0.0%
Services	32,460	64,000	64,000	64,000	0.0%
Capital Outlay	-	-	-	-	0.0%
TOTAL	\$ 42,739	\$ 74,000	\$ 74,000	\$ 74,000	0.0%

City Manager

The City Manager oversees the implementation of City Council policies and directives, manages the day-to-day operations of the City, and promotes the overall interests of the community.

Neighboring: Anna's community of neighbors has a sense of hometown pride.

Unique: Anna is designed to be unique as it transforms from a bedroom community to a thriving city.

Vibrant: Anna has a quality workforce that contributes to a prosperous economy.

Safe: Anna is a community where neighbors feel safe.

Resilient: Anna's mobility and utility infrastructure consistently meets community needs.

Active: The City of Anna promotes an active community.

Excellent: Anna is a high-performing City that implements best practices and pursues accreditation.

City Manager

City Manager Expenditure Summary

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26	% Change
Payroll	\$ 1,089,361	\$ 1,204,792	\$ 1,204,792	\$ 1,020,249	-15%
Supplies	11,748	16,750	16,750	4,200	-75%
Maintenance	-	-	-	-	0%
Services	215,722	305,045	305,045	108,485	-64%
Capital Outlay	-	-	-	-	0%
TOTAL	\$ 1,316,831	\$ 1,526,587	\$ 1,526,587	\$ 1,132,934	-26%

City Manager FTE Schedule

Description	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
City Manager	1.0	1.0	1.0	1.0
Assistant City Manager	2.0	2.0	2.0	2.0
Assistant to the City Manager	1.0	1.0	1.0	1.0
Budget Manager	1.0	1.0	1.0	1.0
Public Affairs Manager	1.0	1.0	1.0	-
Communications Coordinator	-	1.0	1.0	-
TOTAL	6.0	7.0	7.0	5.0

Public Affairs

Public Affairs serves as the primary link between the city government and the community it serves including residents, businesses, media, and other stakeholders. Its role is to manage communication, promote transparency, and strengthen public trust in city operations and decisions.

Excellent: Anna is a high-performing City that implements best practices and pursues accreditation.

FY2025 Accomplishments

- ◆ Successful completion of the community survey.
- ◆ Expanded communication outreach through social media platforms such as LinkedIn and Nextdoor.
- ◆ Managed website updates and completed ADA accessibility training to meet federal requirements.

FY2026 Objectives

- ◆ Continue partnership with GRPR for effective crisis management, media relations, and proactive crisis preparedness.
- ◆ Develop communication strategies to provide Anna neighbors with accurate and timely information.

Public Affairs

Public Affairs Expenditure Summary

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26	% Change
Payroll	\$ -	\$ -	\$ -	\$ 212,034	0%
Supplies	-	-	-	12,550	0%
Maintenance	-	-	-	-	0%
Services	-	-	-	96,560	0%
Capital Outlay	-	-	-	-	0%
TOTAL	\$ -	\$ -	\$ -	\$ 321,144	0%

Public Affairs FTE Schedule

Description	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
Public Affairs Manager	-	-	-	1.0
Communications Coordinator	-	-	-	1.0
TOTAL	-	-	-	2.0

City Secretary

The City Secretary’s Office is responsible for promoting open and responsive government through proper recording and preservation of the City’s legislative history and official documents; providing responsive customer service to our diverse customer base; and conducting fair and impartial city elections.

Excellent: Anna is a high-performing City that implements best practices and pursues accreditation.

FY2025 Accomplishments

- ◆ Received the Municipal Clerk’s Office Achievement of Excellence Award.
- ◆ Received the Dorothy Byrd Scholarship from TMCA for Professional Development in the amount of \$500.00.
- ◆ Organized the 2025 Charter Review Commission.
- ◆ Held a recognition event for Board and Commission Members.
- ◆ Held a General Election and Runoff Election.

FY2026 Objectives

- ◆ Conduct a Special Charter Amendment Election in November 2025.
- ◆ Implement Approved Charter Amendments.
- ◆ Implement new meeting policies and procedures for Boards and Commissions.
- ◆ Hold a May General Election for Councilmembers Place 3 and 5.

Performance Measures

	2024 Actual	2025 Estimate	2026 Target
Number of open records requests received	1,039	1,200	1,500
Number of enrolled resolutions	125	130	150
Number of enrolled ordinances	44	46	50

City Secretary

City Secretary Expenditure Summary

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26	% Change
Payroll	\$ 293,403	\$ 315,116	\$ 315,116	\$ 328,602	4%
Supplies	2,243	9,100	9,100	9,100	0%
Maintenance	-	-	-	-	0%
Services	158,628	90,570	90,570	126,447	40%
Capital Outlay	19,950	-	-	-	0%
TOTAL	\$ 474,224	\$ 414,786	\$ 414,786	\$ 464,149	12%

City Secretary FTE Schedule

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
City Secretary	1.0	1.0	1.0	1.0
Deputy City Secretary	1.0	1.0	1.0	1.0
Support Specialist	-	-	1.0	1.0
Admin. Assistant / Records Clerk	1.0	1.0	-	-
TOTAL	3.0	3.0	3.0	3.0

Information Technology

Provide excellent customer service; Secure all City network infrastructure and data; Keep informed of the latest security and IT products and technology.

Excellent: Anna is a high-performing City that implements best practices and pursues accreditation.

FY2025 Accomplishments

- ◆ Implemented of new file server structure, endpoint management software, intrusion prevention and detection, multifactor authentication, and conditional access.
- ◆ Improved Public Safety cellular communications.
- ◆ Improved employee off-boarding process.
- ◆ Achieved 100% completion on state required cybersecurity training.
- ◆ Completed Council Chambers AV Upgrade.

FY2026 Objectives

- ◆ Implement internal employee-facing knowledge base.
- ◆ Implement vulnerability assessment scanning.
- ◆ Implement end-user survey to improve user experience.
- ◆ Implement new email security features.
- ◆ Complete library infrastructure installation and configuration.
- ◆ Implement network monitoring tools.

Performance Measures

	2024 Actual	2025 Estimate	2026 Target
Help desk (IT): Number of requests received	4,078	4,400	4,800
<i>Includes all initial and follow- up help desk requests. For instance, if a single service problem results in ten people contacting the help desk, this should be reported as ten requests. Likewise, if an individual is not able to get a problem resolved after an initial contact, and then calls back about the same issue the next day, both of these contacts should be counted in the total number of calls; requests received via phone, e-mail or other method. Excludes requests for longer-term project implementation, such as installing new equipment or systems in a department.</i>			
Percentage of help desk requests resolved within 4 work hours	78%	80%	80%
<i>To be calculated as the number of IT help desk requests resolved in 0-4 hours, divided by the total number of IT help desk requests received. A resolved request would be one viewed as resolved by the customer.</i>			

Information Technology

Information Technology Expenditure Summary

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26	% Change
Payroll	\$ 209,185	\$ 270,801	\$ 270,801	\$ 294,798	9%
Supplies	123,253	113,000	113,000	212,100	88%
Maintenance	-	-	-	-	0%
Services	478,112	711,705	711,705	766,128	8%
Capital Outlay	250,000	-	-	-	0%
TOTAL	\$ 1,060,550	\$ 1,095,506	\$ 1,095,506	\$ 1,273,026	16%

Information Technology FTE Schedule

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
IT Manager	1.0	1.0	1.0	1.0
Systems Administrator	1.0	1.0	-	-
IT Help Desk Support	1.0	1.0	-	-
Support Specialist	-	-	2.0	2.0
TOTAL	3.0	3.0	3.0	3.0

Finance

Finance partners with all other City departments to ensure that taxpayer dollars are being used effectively providing the most value possible for our neighbors. We are responsible for accounting, investments, bank reconciliations, accounts payable, purchasing, payroll, grant management, and the annual audit.

Excellent: Anna is a high-performing City that implements best practices and pursues accreditation.

FY2025 Accomplishments

- ◆ Maintain Transparency Stars with information from 2024 ACFR.
- ◆ Maintain and improve usage of Incode software for core financials.
- ◆ Receive the GFOA Certificate of Achievement for Excellence in Financial Reporting for the FY2023 Annual Report.

FY2026 Objectives

- ◆ Receive the GFOA Certificate of Achievement for Excellence in Financial Reporting for the FY2024 and FY2025 Annual Report.
- ◆ Maintain and improve usage of Incode software for core financials.
- ◆ Implement Finance training for city staff.

Performance Measures

	2024 Actual	2025 Estimate	2026 Target
Number of consecutive years awarded the Certificate of Achievement for Excellence in Financial Reporting	5	6	8
<i>GFOA established this Certificate of Achievement to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare comprehensive annual financial reports that evidence the spirit of transparency and full disclosure.</i>			
Moody's Bond Rating	Aa2	Aa2	Aa2
<i>A bond rating is a measure of an entity's ability to repay its debt, and in assigning a rating, ratings agencies consider the performance of the local economy, strength of the City's financial and administrative management, and various debt-ratio measurements.</i>			

Finance

Finance Expenditure Summary

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26	% Change
Payroll	\$ 509,189	\$ 603,194	\$ 603,194	\$ 610,995	1%
Supplies	6,305	6,675	6,675	7,175	7%
Maintenance	-	-	-	-	0%
Services	122,048	115,260	115,260	116,600	1%
Capital Outlay	3,405	-	-	-	0%
TOTAL	\$ 640,947	\$ 725,129	\$ 725,129	\$ 734,770	1%

Finance FTE Schedule

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
Director of Finance	1.0	1.0	1.0	1.0
Assistant Director of Finance	1.0	1.0	-	-
Controller	-	-	1.0	1.0
Senior Accountant	1.0	1.0	1.0	1.0
Accountant	2.0	2.0	2.0	2.0
TOTAL	5.0	5.0	5.0	5.0

Human Resources

The Human Resources Department partners with city departments and divisions to ensure development of a high-performing professional organization by providing guidance through our Anna’s core values and beliefs. The HR team strives to provide exceptional customer service both internally and externally.

Excellent: Anna is a high-performing City that implements best practices and pursues accreditation.

FY2025 Accomplishments

- ◆ Successful implementation of our employee recognition program through AwardCo.
- ◆ Successful implementation the performance evaluation platform, Express Evaluations, ensuring sustainability for the future.
- ◆ Designed competitive compensation and benefits package to recruit and retain highly skilled talent.
- ◆ Training series continuation for emergent leaders and leadership development.
- ◆ Reduction in the City’s rate modifier for workers’ compensation and liability coverage—delivering measurable cost savings and improving workplace safety.

FY2026 Objectives

- ◆ Attract and retain highly motivated and skilled employees.
- ◆ Foster a safe, positive, engaging, and supportive work environment for all employees.
- ◆ Enhance the efficiency and effectiveness of the HR department by leveraging technology for better service delivery.
- ◆ Launch the City's inaugural Safety Week.

Performance Measures

	2024 Actual	2025 Estimate	2026 Target
Turnover rate: All full-time employees	18.00%	20.00%	20.00%
<i>To be calculated based on the number of full-time regular employees who left the government divided by the average number of full-time, regular employees on the payroll.</i>			
Turnover rate: Public safety full-time employees	9.00%	15.00%	10.00%
<i>To be calculated based on the number of full-time regular sworn police and fire staff who left the government divided by the average number of full-time regular sworn police and fire staff on the payroll.</i>			
Reduce workers compensation claims	23	15	15
<i>Provide a comprehensive framework for measuring safety performance and reducing workers compensation claims in the organization.</i>			

Human Resources

Human Resources Expenditure Summary

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26	% Change
Payroll	\$ 378,515	\$ 423,199	\$ 423,199	\$ 430,863	2%
Supplies	1,341	8,500	8,500	8,500	0%
Maintenance	-	-	-	-	0%
Services	128,684	151,990	151,990	163,400	8%
Capital Outlay	-	-	-	-	0%
TOTAL	\$ 508,540	\$ 583,689	\$ 583,689	\$ 602,763	3%

Human Resources FTE Schedule

Description	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
Director of Human Resources	1.0	1.0	1.0	1.0
Human Resources Manager	-	-	1.0	1.0
Senior Human Resources Analyst	1.0	1.0	-	-
Human Resources Analyst	1.0	1.0	1.0	1.0
TOTAL	3.0	3.0	3.0	3.0

Municipal Court

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.

Excellent: Anna is a high-performing City that implements best practices and pursues accreditation.

FY2025 Accomplishments

- ◆ Continued to support the Anna Police Department by processing all fine-only offenses occurring in the City limits.
- ◆ Completed Municipal Justice software implementation.
- ◆ Worked with Code Compliance on citation processing and court support.
- ◆ Implemented Youth Diversion Program.
- ◆ Completed the 1st City of Anna Warrant Roundup.
- ◆ Successful hiring of part-time Court Bailiff/Warrant Officer and Associate Judge.

FY2026 Objectives

- ◆ Continued training for Municipal Justice software.
- ◆ Reduce the number of outstanding warrants.
- ◆ Creation of Operating Procedures for new court software.
- ◆ Moving the Court to a paper-light atmosphere by scanning documents into the Court Software.

Performance Measures

	2024 Actual	2025 Estimate	2026 Target
Number of citations filed	3,634	4,000	4,200
Percentage of citations cleared	63%	67%	68%
Warrants issued	2,034	2,000	2,500
Percentage of warrants cleared	46%	36%	35%

Municipal Court

Municipal Court Expenditure Summary

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26	% Change
Payroll	\$ 166,460	\$ 198,324	\$ 198,324	\$ 197,875	0%
Supplies	14,311	7,500	7,500	7,500	0%
Maintenance	-	-	-	-	0%
Services	109,715	111,515	111,515	128,065	15%
Capital Outlay	-	-	-	-	0%
TOTAL	\$ 290,486	\$ 317,339	\$ 317,339	\$ 333,440	5%

Municipal Court FTE Schedule

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
Municipal Court Administrator	1.0	1.0	1.0	1.0
Deputy Court Clerk	1.0	1.0	1.0	1.0
Bailiff Officer	-	0.5	0.5	0.5
TOTAL	2.0	2.5	2.5	2.5

Development Services

Development Services promotes sustainable development through fair, consistent, and ethical enforcement of the City's land development regulations. The department's three divisions—Planning, Building, and GIS—work together to ensure all new development within the City and its extra-territorial jurisdiction complies with the comprehensive plan, zoning ordinance, subdivision ordinance, building codes, and related regulations in alignment with the City's Strategic Plan.

Unique: Anna is designed to be unique as it transforms from a bedroom community to a thriving city.

FY2025 Accomplishments

- ◆ Amended various zoning regulations for clarity.
- ◆ Managed the annexation of 1,948 acres into City limits.

FY2026 Objectives

- ◆ Prepare amendments to the Subdivision Regulations, Zoning Ordinance (residential districts and downtown) and Zoning Map update.
- ◆ Consider Adoption of the 2024 International Code Council (ICC) family Building and 2023 National Electric Codes.
- ◆ Streamline Plan Review processes to reduce the site plan and platting approval time.

Performance Measures

	2024 Actual	2025 Estimate	2026 Target
Single Family Residential Building Permits	1,259	800	1,000
Time for Review / Approval of Single Family Building Permits	5 days	5 days	5 days
<i>Properties are detached one (1) and two (2) family dwellings and townhouses not more than three stories above-grade in height with a separate means of egress and their accessory structures as defined by the International Residential Code. Average calendar days from application to issuance: includes in-house calendar days from initial screening process to approval; excludes time when an applicant takes back their application to consider further changes.</i>			
	2024 Actual	2025 Estimate	2026 Target
Time for Review/Approval of Complex Commercial Building Permits	21 days	21 days	15 days
<i>Properties are multi-family structures (3 or more units) and properties categorized as office, industrial, institutional, or other non-residential types. Average calendar days from application to issuance: includes in-house calendar days from initial screening process to approval; excludes time when an applicant takes back their application to consider further changes.</i>			

Development Services

Development Services Expenditure Summary

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26	% Change
Payroll	\$ 921,007	\$ 1,180,163	\$ 1,180,163	\$ 1,310,083	11%
Supplies	9,333	16,700	16,700	10,000	-40%
Maintenance	-	-	-	-	0%
Services	74,317	97,710	97,710	27,700	-72%
Capital Outlay	-	-	-	-	0%
TOTAL	\$ 1,004,657	\$ 1,294,573	\$ 1,294,573	\$ 1,347,783	4%

Development Services FTE Schedule

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
Director of Development Services	1.0	1.0	1.0	1.0
Assistant Director of Develop. Services	1.0	1.0	1.0	1.0
Planning Manager	1.0	1.0	1.0	1.0
Planner II	1.0	1.0	1.0	1.0
Planner I	1.0	1.0	1.0	1.0
Plans Examiner	1.0	1.0	1.0	1.0
Planning Technician	1.0	1.0	-	-
Senior Building Inspector	1.0	1.0	1.0	1.0
Building Inspector	2.0	2.0	2.0	2.0
Permit Technician	1.0	1.0	1.0	1.0
Senior GIS Analyst	-	-	-	1.0
Support Specialist	-	-	1.0	1.0
TOTAL	11.0	11.0	11.0	12.0

Police

The Anna Police Department ensures the safety and security of all members of the Anna community; helps make Anna a great place to live, work, and play; and is a strong partner with neighboring agencies and other city departments.

Safe: Anna is a community where neighbors feel safe.

FY2025 Accomplishments

- ◆ Implemented a departmental drone program.
- ◆ Created the Joint Agency Accident Investigation Team with City of Melissa Police Department & obtained signed MOU.
- ◆ Prioritized officer mental and physical health and resilience by expanding the Peer Support Program and partnering with F1RST.
- ◆ Developed a Civilian Response to Active Shooter (CRASE) curriculum and made training available to the public.
- ◆ Launched a women’s self-defense course and completed the first block of training.
- ◆ Targeted community engagement opportunities and expanded social media interactions including Back to School Bash, Cruisin with Clause, National Night Out, Anna ISD Career Day, Pizza with Police and Coffee with Cops.
- ◆ Continued focus on employee recruitment, retention, and morale with new programs such as on-duty workouts, attended job fairs, and enlisted the help of additional police academies.

FY2026 Objectives

- ◆ Fill all open positions to ensure full operational staffing and improve calls for service times.
- ◆ Complete design and begin construction on the new Police Department building.
- ◆ Continue to expand the capabilities through current Interlocal Agreements with neighboring cities.
- ◆ Expand officer wellness program through continued partnership with Firstgevity.
- ◆ Expand the department’s crime scene abilities through training, equipment and evidence processing capacity.

Performance Measures

	2024 Actual	2025 Estimate	2026 Target
Police calls: Calls for service resulting in a unit being dispatched	11,902	12,887	13,500
<i>Exclude officer-initiated responses.</i>			
Top Priority calls: Average time, dispatch to arrival on scene	2:19	2:58	2:45
<i>Traditionally, top priority calls require an immediate police response. Many jurisdictions refer to top priority calls as “Priority 1 “ or “Code 3 “ for an emergency police response. Possible examples of top priority calls might include, but are not limited to: emergency response and/or lights and sirens; immediate threat to life; violent criminal act in progress; suspect pursuing citizen; imminent critical danger.</i>			
Number of traffic accidents involving fatalities	5	3	<3
<i>Number of vehicle accidents in the jurisdiction service territory involving a driver, passenger or pedestrian fatality. This figure represents the total, whether or not the incident involved alcohol.</i>			
Total NIBRS Group A Crimes	602	770	700
<i>Group A Crimes include: Burglary, larceny theft, motor vehicle theft and arson.</i>			
Case clearance rate	27%	40%	45%

Police

Police Expenditure Summary

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26	% Change
Payroll	\$ 5,045,181	\$ 5,972,011	\$ 5,972,011	\$ 7,237,978	21%
Supplies	179,776	224,900	224,900	291,850	30%
Maintenance	5,591	11,800	11,800	13,000	10%
Services	405,088	568,900	568,900	584,400	3%
Capital Outlay	499,640	-	-	-	0%
TOTAL	\$ 6,135,276	\$ 6,777,611	\$ 6,777,611	\$ 8,127,228	20%

Police FTE Schedule

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
Police Chief	1.0	1.0	1.0	1.0
Assistant Police Chief	1.0	1.0	1.0	1.0
Records Clerk	1.0	1.0	1.0	1.0
Police Department Coordinator	-	1.0	1.0	1.0
Property and Evidence Tech	1.0	1.0	1.0	1.0
Lieutenant	2.0	2.0	2.0	3.0
Sergeant	5.0	5.0	5.0	5.0
Corporal	4.0	4.0	4.0	4.0
Police Officer	21.0	23.0	23.0	28.0
Detective	4.0	4.0	4.0	5.0
TOTAL	40.0	43.0	43.0	50.0

Fire

Anna Fire Rescue is an "All-Hazards" organization that strives to provide the highest possible levels of service to Anna's neighbors, businesses, and visitors. The Fire Department provides fire suppression, emergency medical response, fire prevention (plan review/inspections/investigations), fire safety education, and emergency management services to the community of Anna.

Safe: Anna is a community where neighbors feel safe.

FY2025 Accomplishments

- ◆ Baylor Scott & White / Medical City McKinney Recognitions: 2 Life Saving Awards.
- ◆ Took delivery of new Pumper (nicknamed "Doc") and placed into service.
- ◆ Took delivery of new EMS UTV (Special Rescue Vehicle) and placed into service.
- ◆ Implemented new department software platform (FirstDue).
- ◆ Submitted application to FEMA for SAFER Grant.
- ◆ Began structured Field Training Officer (FTO) Program for all Paramedics.

FY2026 Objectives

- ◆ Submit updated staffing plan for approval.
- ◆ Achieve appropriate operational staffing ratio to reduce overtime.
- ◆ Expand Emergency Management and Fire Prevention services.
- ◆ Continue to refine current and future resource deployment strategies.
- ◆ Re-evaluate district-wide economic model and response standards related to current service area.
- ◆ Re-evaluate current dispatch services agreement.

Performance Measures

	2024 Actual	2025 Estimate	2026 Target
Average time for First Arriving Engine Company	07:38 minutes	06:58 minutes	7:00 minutes
Percentage Meeting NFPA 1710 Target of 7:00 minutes	73%	78%	90%
<i>NFPA is the National Fire Protection Association. All fire calls dispatched within the official service area, regardless of whether the jurisdiction or a neighboring agency was the first to have a unit arrive on the scene.</i>			
Average time for Advanced Life Support (ALS) Equipment Arrival	06:59 minutes	06:23 minutes	07:00 minutes
Percentage Meeting NFPA 1710 Target of 8:00 minutes	76%	79%	90%
<i>NFPA is the National Fire Protection Association. Response to an incident is regardless of the number of units or personnel required. Times include alarm answering time (15 sec), alarm processing time (64 sec), turnout time (60 sec. EMS / 80 sec. Fire), and travel time (240 sec).</i>			

Fire

Fire Expenditure Summary

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26	% Change
Payroll	\$ 5,185,717	\$ 5,960,171	\$ 5,960,171	\$ 6,319,910	6%
Supplies	526,527	329,928	329,928	331,278	0%
Maintenance	138,053	144,750	144,750	146,000	1%
Services	534,643	494,400	494,400	501,810	1%
Capital Outlay	83,055	-	-	-	0%
TOTAL	\$ 6,467,995	\$ 6,929,249	\$ 6,929,249	\$ 7,298,998	5%

Fire FTE Schedule

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
Fire Chief	1.0	1.0	1.0	1.0
Assistant Fire Chief	2.0	2.0	2.0	2.0
Battalion Chief	3.0	3.0	3.0	3.0
Fire Captain	5.0	5.0	8.0	8.0
Fire Driver / Engineer	3.0	3.0	6.0	6.0
Fire Lieutenant	-	3.0	-	-
Fire Fighter	28.5	27.0	24.0	24.0
Fire Services Analyst	-	-	1.0	1.0
Fire Services Coordinator	1.0	1.0	-	-
TOTAL	43.5	45.0	45.0	45.0

Neighborhood Services

The Neighborhood Services Department strives to meet the City's goal of making Anna a great place to live. The department engages our neighbors and other stakeholders as equal partners in creating safe, attractive, and stable neighborhoods. The department houses the Code Compliance, Health Services, and Environmental Services.

Neighborly: Anna's community of neighbors has a sense of hometown pride.

Safe: Anna is a community where neighbors feel safe.

FY2025 Accomplishments

- ◆ Total number of Code Compliance cases exceeded 4,200.
- ◆ Code Compliance division conducted city cleanups in Oak Hollow and in Tara Farms.
- ◆ Neighborhood Services provided educational opportunities for our neighbors at every city sponsored event.
- ◆ Expanded the rental registration program by an increase in registrations of 39%.
- ◆ Code Compliance division completed 98% of all cases in 2025.

FY2026 Objectives

- ◆ Refresh the Mobile Food Establishment permitting process.
- ◆ Increase rental inspection efforts regarding multi-family properties.
- ◆ Utilize new payment system for Health Services.
- ◆ Conduct at least two inspections on every food establishment within the City of Anna.
- ◆ A 90% proactive rate in Code Compliance.

Performance Measures

	2024 Actual	2025 Estimate	2026 Target
Total code cases available for resolution during the reporting period	4,098	3,830	3,500
<i>Cases include actionable violations that require compliance, initiated during the reporting period and complaints determined to be without merit and with no basis for considering the incident or complaint to be a violation.. Total cases may originate from public complaints or from staff-initiated actions (e.g., rental inspections, directly-observed violations). Case types may include nuisance, housing, zoning, dangerous building, or other violations.</i>			
Total number of food establishment inspections	144	165	175
<i>Food establishment inspections are both routine and complaint drive. Food establishments include; restaurants, grocery stores, school cafeterias, convenient stores, and more.</i>			

Neighborhood Services

Neighborhood Services Expenditure Summary

	Actual		Budget		Estimated		Budget		%
	2023-24		2024-25		2024-25		2025-26		Change
Payroll	\$ 462,948	\$	554,114	\$	554,114	\$	562,284		1%
Supplies	19,617		8,600		8,600		10,600		23%
Maintenance	235		-		-		-		0%
Services	135,956		143,460		143,460		223,160		56%
Capital Outlay	-		-		-		-		0%
TOTAL	\$ 618,756	\$	706,174	\$	706,174	\$	796,044		13%

Neighborhood Services FTE Schedule

	Actual		Budget		Estimated		Budget
	2023-24		2024-25		2024-25		2025-26
Community Enhancement Coordinator	1.0		1.0		1.0		1.0
Support Specialist	1.0		1.0		1.0		1.0
Code Compliance Manager	1.0		1.0		1.0		1.0
Senior Code Compliance Officer	1.0		1.0		1.0		1.0
Code Compliance Officer	2.0		2.0		2.0		2.0
TOTAL	6.0		6.0		6.0		6.0

Library Services

The Anna Community Library is a welcoming space where our neighbors come together to imagine, create, and grow by discovering something new every day.

Active: The City of Anna promotes an active community.

FY2025 Accomplishments

- ◆ Hired four staff.
- ◆ Registered 2,287 neighbors for library cards.
- ◆ Added 35,481 items to the catalog.
- ◆ Checked out 439 items from CloudLibrary.
- ◆ Set up the integrated library system and online catalog.

FY2026 Objectives

- ◆ Open the Anna Community Library and educate neighbors on service and resource offerings.
- ◆ Increase Library users.
- ◆ Expand collection.

Performance Measures

	2024 Actual	2025 Estimate	2026 Target
Library Users	N/A	2,287	4,687
Collection	N/A	35,481	52,500

Library Services

Library Services Expenditure Summary

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26	% Change
Payroll	\$ 538,273	\$ 939,434	\$ 939,434	\$ 544,832	-42%
Supplies	2,764	14,500	14,500	27,100	87%
Maintenance	-	-	-	-	0%
Services	9,028	40,843	40,843	196,200	380%
Capital Outlay	-	-	-	-	0%
TOTAL	\$ 550,065	\$ 994,777	\$ 994,777	\$ 768,132	-23%

Library Services Services FTE Schedule

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
Director of Neighborhood Services	1.0	1.0	1.0	1.0
Assistant Director	1.0	1.0	1.0	-
Recreation Coordinator	3.5	3.5	3.5	-
Library Manager	-	1.0	1.0	1.0
Librarian	-	1.0	1.0	1.0
Circulation Supervisor	-	1.0	1.0	1.0
Library Assistant	-	1.0	1.0	1.0
TOTAL	5.5	9.5	9.5	5.0

Parks Operations

Parks Operations is committed to providing a beautiful, safe, and enjoyable experience for our neighbors with all abilities and all stages of their lives. The team oversees the development and maintenance of the City’s parks and recreation facilities and supports community organizations that provide sports and recreation opportunities for the youth of our community.

Active: The City of Anna promotes an active community.

FY2025 Accomplishments

- ◆ Maintained, mowed, and treated over 576 acres of parks and facilities.
- ◆ Cleaned and inspected 5.4 miles of trails each week.
- ◆ Implemented asset management and work order system.
- ◆ Opened Pecan Grove Park and John Flavel Greer Park.
- ◆ Added a playground to Natural Springs Park.
- ◆ Renovated ballfield 4 at Slayter Creek Park to allow a wider range of age divisions to utilize it for practices and games.
- ◆ Repaired irrigation, enhanced parking and added split rail at Geer Park to allow for temporary soccer practice fields.
- ◆ One staff obtained Certified Playground Safety Inspector certification and two staff members obtained Certified Pool Operator Certification.
- ◆ Tony Hawk visited the Skate Park.

FY2026 Objectives

- ◆ Open Hassie Lawrence Morgan Park, Finley Park, Carol Park and Bryant Park.
- ◆ Implement the Stormbridge weather detection system at Slayter Creek Park Splash Pad.
- ◆ Install updated parks signage and wayfinding.
- ◆ Complete the Slayter Creek Park playground replacement.
- ◆ Complete the Parks Master Plan update.

Performance Measures

	2024 Actual	2025 Estimate	2026 Target
Total Developed Park Acreage	162.3	199.5	267.3
Parks per Resident	1 park per 3,998	1 park per 3,425	1 park per 2,846
Number of Acres per 1,000 Neighbors	5.1	5.8	7.2
Miles of Trails	5.4	7.0	9.0
Number of playgrounds per 7,750 Neighbors	1.2	1.8	2.1
Pavilion/Gazebo/Field Rentals	137.0	155.0	180.0

Includes any land that is as developed as the jurisdiction intends it to be, has been improved, is maintained, and is open to the public.

Parks Operations

Parks Operations Expenditure Summary

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26	% Change
Payroll	\$ 604,489	\$ 773,025	\$ 773,025	\$ 836,915	8%
Supplies	89,108	107,994	107,994	145,100	34%
Maintenance	151,029	99,000	99,000	113,500	15%
Services	68,881	160,250	160,250	202,300	26%
Capital Outlay	33,863	-	-	-	0%
TOTAL	\$ 947,370	\$ 1,140,269	\$ 1,140,269	\$ 1,297,815	14%

Parks and Recreation FTE Schedule

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
Parks Superintendent	1.0	1.0	1.0	1.0
Parks Supervisor	1.0	1.0	1.0	1.0
Irrigation Tech	-	-	1.0	1.0
Maintenance Worker	7.0	9.0	8.0	8.0
TOTAL	9.0	11.0	11.0	11.0

Recreation and Community Services

Recreation and Community Enhancement is committed to providing quality service to neighbors and neighborhood programs. The Recreation team facilitates experiences for fun, health, and play that are inclusive and uplifting in every way and plans, coordinates, and implements special community events. Community Enhancement promotes community involvement by strengthening the relationship between neighborhoods and City Staff and providing education to help our neighbors enjoy a great quality of life. Working together, we can have an engaged and safe place to live!

Active: The City of Anna promotes an active community.

FY2025 Accomplishments

- ◆ Hosted six Special Events, including Touch-a-Truck, Boots and Booms, AnnaFest, and 12 Days of Anna Tree Lighting.
- ◆ Offered programs for youth, teens and adults, including soccer and baseball leagues, adult softball, and pickleball.
- ◆ Provided 9 environmental education classes in collaboration with Texas A&M Agri-Life.
- ◆ Hosted first Service and Leadership Symposium with local non-profits.
- ◆ Hosted first North Collin County HOA Legal Clinic and continued the North Collin County Neighborhood Conference.

FY2026 Objectives

- ◆ Merge AnnaFest with BooBash and host a Halloween themed event.
- ◆ Increase program offerings by utilizing the plaza and library space and increase interdepartmental collaborative efforts.
- ◆ Evaluate processes, programs and events to adapt to community needs and enhance overall customer experience.
- ◆ Enhance Volunteer Appreciation Reception and volunteer recruitment initiatives.

Performance Measures

	2024 Actual	2025 Estimate	2026 Target
Recreation programs - Youth	105	34	118
Recreation programs - Teen	18	6	23
Recreation programs - Adult	83	27	17
Recreation programs - Adults 50+	57	62	62
Programs - Family	11	11	11
Number of programs per 1,000 population	8.57	4.09	6.24
Total number of volunteer hours	1,738	2,167	2,400
<i>Total number of volunteer hours in a calendar year. Volunteers assist with special events, recreation programming, youth sports, litter clean-up, and service projects.</i>			
Community Enhancement and Engagement Activities	33	35	37
<i>Includes all education classes, community leadership programming, service projects, Earth Day celebration, block party trailer reservations, and MLK Day of Service.</i>			

Recreation Services

Recreation and Library Services Expenditure Summary

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26	% Change
Payroll	\$ -	\$ -	\$ -	\$ 386,434	0%
Supplies	-	-	-	10,200	0%
Maintenance	-	-	-	-	0%
Services	-	-	-	63,350	0%
Capital Outlay	-	-	-	-	0%
TOTAL	\$ -	\$ -	\$ -	\$ 459,984	0%

Recreation and Library Services Services FTE Schedule

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
Assistant Director	-	-	-	1.0
Recreation Coordinator	-	-	-	2.5
Support Specialist	-	-	-	1.0
TOTAL	-	-	-	4.5

Fleet and Facilities

The Fleet and Facilities division is responsible for maintaining all buildings and fleet vehicles for the City. In addition, the Fleet and Facilities Superintendent manages key contracts, including the solid waste contract for trash and recycling services in the City. The division was created in 2021 to address the growing need for professional maintenance of our vehicles and buildings.

Excellent: Anna is a high-performing City that implements best practices and pursues accreditation.

FY2025 Accomplishments

- ◆ Implementation of preventative maintenance programs to increase vehicle longevity and reduce unexpected breakdowns.
- ◆ Completed routine and emergency repairs on public buildings and spaces, ensuring safety and comfort for employees and the public.
- ◆ Ensuring city vehicles are well-maintained and ready for service.

FY2026 Objectives

- ◆ Complete restoration of historic fire truck.
- ◆ Ensure all city buildings meet modern accessibility standards and safety regulations.
- ◆ Aim for greater financial transparency and efficiency through enhanced tracking of maintenance, repairs, and facility costs.

Performance Measures

	2024 Actual	2025 Estimate	2026 Target
Work orders for vehicle service	340	400	450
Percentage responded to within 24 hours	65%	60%	55%
Work orders for facility needs	263	240	300
Percentage responded to within 48 hours	50%	60%	55%

Fleet and Facilities

Fleet and Facilities Expenditure Summary

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26	% Change
Payroll	\$ 307,505	\$ 318,961	\$ 318,961	\$ 470,073	47%
Supplies	283,811	325,500	325,500	325,500	0%
Maintenance	836,226	575,000	575,000	840,000	46%
Services	243,390	584,000	584,000	1,027,000	76%
Capital Outlay	2,565	-	-	-	0%
TOTAL	\$ 1,673,497	\$ 1,803,461	\$ 1,803,461	\$ 2,662,573	48%

Fleet and Facilities FTE Schedule

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
Mechanic	1.0	1.0	1.0	1.0
Fleet Maintenance Technician	1.0	1.0	1.0	1.0
Facilities Maintenance Technician	-	-	1.0	1.0
Facilities Specialist	1.0	1.0	-	-
Custodian	2.0	2.0	2.0	4.0
TOTAL	5.0	5.0	5.0	7.0

Streets

The Streets Department is responsible for providing Anna neighbors with safe and well-maintained transportation systems. Our comprehensive management program includes biennial citywide street pavement assessments for planning and budgeting; annual contracted major rehabilitation projects; proactive maintenance of streets, sidewalks, streetlights, and street signs by in-house staff; and timely and courteous responses to neighbor requests for sidewalk repairs, streetlight repairs, and street sign replacement.

Resilient: Anna's mobility and utility infrastructure consistently meets community needs.

FY2025 Accomplishments

- ◆ Continued street sign replacement program.
- ◆ Filled more than 500 potholes.
- ◆ Used approximately 60 yards of concrete for various concrete repairs.

FY2026 Objectives

- ◆ Fill 1,000 potholes.
- ◆ Replace 50 sidewalk panels.
- ◆ Replace 100 street name signs.
- ◆ Replace 50 regulatory street signs.

Performance Measures

	2024 Actual	2025 Estimate	2026 Target
Paved lane miles for which the City is responsible	81	140	150
PCI Score improvement year over year (0-100 with 100 being a perfect score)	83.0	80.0	75.0
<i>Paved lane miles based on standard width of 12 feet. One lane mile measures 12 feet by 5,280 feet or 3.66 meters by 1.61 kilometers. PCI is Pavement Condition Index.</i>			

Streets

Streets Expenditure Summary

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26	% Change
Payroll	\$ 703,351	\$ 801,934	\$ 801,934	\$ 844,886	5%
Supplies	30,743	47,750	47,750	47,750	0%
Maintenance	184,547	180,000	180,000	180,000	0%
Services	205,263	105,702	105,702	147,702	40%
Capital Outlay	72,168	-	-	-	0%
TOTAL	\$ 1,196,072	\$ 1,135,386	\$ 1,135,386	\$ 1,220,338	7%

Streets FTE Schedule

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
Public Works Operations Manager	1.0	1.0	1.0	1.0
Crew Leader	2.0	2.0	2.0	2.0
Traffic Safety Technician	1.0	1.0	1.0	1.0
CIP Inspector	1.0	1.0	1.0	1.0
Maintenance Worker	5.0	5.0	5.0	5.0
TOTAL	10.0	10.0	10.0	10.0

Public Works Administration

Public Works Administration provides department management and oversight and ensures the goals of the City Council and City Manager are met.

Resilient: Anna's mobility and utility infrastructure consistently meets community needs.

FY2025 Accomplishments

- ◆ Replaced lights on Hackberry Water Tower.
- ◆ Completed sewer treatment contract with Van Alstyne.
- ◆ Implemented Superconstruct Software for project tracking.

FY2026 Objectives

- ◆ Complete pavement condition assessment.
- ◆ Complete satellite leak detection inspections.

Public Works Administration

Public Works Administration Expenditure Summary

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26	% Change
Payroll	\$ 1,275,584	\$ 1,387,286	\$ 1,387,286	\$ 403,795	-71%
Supplies	18,749	43,588	43,588	35,675	-18%
Maintenance	11,436	16,050	16,050	16,050	0%
Services	560,699	478,161	478,161	671,900	41%
Capital Outlay	-	-	-	-	0%
TOTAL	\$ 1,866,468	\$ 1,925,085	\$ 1,925,085	\$ 1,127,420	-41%

Public Works Administration FTE Schedule

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
Director of Public Works	1.0	1.0	1.0	1.0
City Engineer	1.0	1.0	1.0	-
Engineer in Training	1.0	1.0	1.0	-
CIP Manager	1.0	1.0	1.0	-
Construction Inspector	3.0	3.0	3.0	-
Construction Supervisor	1.0	1.0	1.0	-
Fleet and Facilities Superintendent	1.0	1.0	1.0	1.0
GIS Manager	1.0	1.0	1.0	-
CIP Analyst	1.0	1.0	1.0	-
Receptionist	1.0	1.0	-	-
Administrative Coordinator	-	-	1.0	1.0
TOTAL	12.0	12.0	12.0	3.0

Engineering

The Engineering Department manages Capital Improvement Program (CIP) project delivery and ensures the goals of the City Council and City Manager are met. Engineering provides engineering and construction services including plan review, floodplain management, traffic studies, and construction inspection.

Resilient: Anna's mobility and utility infrastructure consistently meets community needs.

FY2025 Accomplishments

- ◆ Completed Finley Boulevard and Leonard Avenue projects.
- ◆ Collin Pump Station 4MG tank is 90% complete.
- ◆ Completed 0.5MG phase of Hurricane Creek Water Reclamation Facility.
- ◆ Completed CR286 water line installation.
- ◆ Completed West FM455 water line replacement.

FY2026 Objectives

- ◆ Complete engineering of new elevated storage tank.
- ◆ Complete Twin Creeks Circle and Quail Creek Run water line replacement.
- ◆ Complete Hurricane Creek sewer line extensions.
- ◆ Complete 2MG phase of Hurricane Creek Water Reclamation Facility.
- ◆ Complete sidewalk and lighting improvement on 4th St.
- ◆ Complete Riggins Road improvement.

Engineering

Engineering Expenditure Summary

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26	% Change
Payroll	\$ -	\$ -	\$ -	\$ 965,473	0%
Supplies	-	-	-	9,200	0%
Maintenance	-	-	-	-	0%
Services	-	-	-	24,000	0%
Capital Outlay	-	-	-	-	0%
TOTAL	\$ -	\$ -	\$ -	\$ 998,673	0%

Engineering FTE Schedule

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
Director of Engineering	-	-	-	1.0
Engineer in Training	-	-	-	1.0
CIP Manager	-	-	-	1.0
Construction Inspector	-	-	-	3.0
Construction Supervisor	-	-	-	1.0
CIP Analyst	-	-	-	1.0
TOTAL	-	-	-	8.0

Water

The Water Department is responsible for the operation and maintenance of the City’s water production and distribution system that includes the operation of nine 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.

Resilient: Anna's mobility and utility infrastructure consistently meets community needs.

FY2025 Accomplishments

- ◆ Completed 48 main break repairs.
- ◆ Completed 25 leak repairs.
- ◆ Replaced approximately 150 feet of public water main.

FY2026 Objectives

- ◆ Successfully complete 50 water leak repairs.
- ◆ Maintain water and sewer system with no TCEQ violations.
- ◆ Continue valve and hydrant program to increase maintenance levels.

Performance Measures

	2024 Actual	2025 Estimate	2026 Target
Water loss by % of total production	4%	15%	<=10%
<i>Indicates efficient production and supply of public drinking water.</i>			

Water

Water Expenditure Summary

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26	% Change
Payroll	\$ 701,208	\$ 769,721	\$ 769,721	\$ 742,325	-4%
Supplies	202,781	135,000	135,000	135,000	0%
Maintenance	1,010,874	1,048,000	1,048,000	1,048,000	0%
Services Water	5,079,273	4,100,000	4,100,000	4,300,000	5%
Services Other	708,197	441,565	441,565	674,565	53%
Debt Service	2,394,471	1,398,883	1,398,883	1,118,653	-20%
Capital Outlay	221,204	93,000	93,000	-	-100%
Transfer Out	-	-	-	-	0%
TOTAL	\$ 10,318,008	\$ 7,986,169	\$ 7,986,169	\$ 8,018,543	0%

Water FTE Schedule

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
Utility Operations Supervisor	1.0	1.0	1.0	1.0
Utility Maintenance Field Supervisor	1.0	1.0	1.0	1.0
Maintenance Worker	5.0	5.0	3.0	3.0
Water Operator	2.0	2.0	3.0	3.0
Utility Crew Leader	1.0	1.0	1.0	1.0
TOTAL	10.0	10.0	9.0	9.0

Wastewater

The Wastewater Department is responsible for the operation and maintenance of the City’s wastewater collection and treatment system that includes the operation of a 0.50 MGD wastewater treatment plant and connections to the North Texas Municipal Water District Upper East Fork Regional Interceptor System.

Resilient: Anna's mobility and utility infrastructure consistently meets community needs.

FY2025 Accomplishments

- ◆ Completed 6 main break repairs.
- ◆ Completed 18 lateral repairs.
- ◆ Cleaned approximately 96 miles of sewer main.
- ◆ Replaced 20 feet of public sewer main.

FY2026 Objectives

- ◆ Successfully jet 50 miles of sewer main.
- ◆ Maintain sewer system with no TCEQ violations.

Performance Measures

	2024 Actual	2025 Estimate	2026 Target
Annual sewer overflow in gallons	<1,000	>1500	<500
<i>Indicates reduced number of sewer overflows through maintenance and outreach.</i>			

Wastewater

Wastewater Expenditure Summary

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26	% Change
Payroll	\$ 444,332	\$ 499,735	\$ 499,735	\$ 622,279	25%
Supplies	46,951	77,130	77,130	77,130	0%
Maintenance	185,460	234,000	234,000	234,000	0%
Services Wastewater	4,693,413	5,800,000	5,800,000	5,266,000	-9%
Services Other	286,425	200,430	200,430	251,430	25%
Debt Service	4,716,368	5,246,157	5,246,157	7,660,297	46%
Capital Outlay	481,040	88,000	88,000	-	-100%
Transfers Out	-	-	-	-	0%
TOTAL	\$ 10,853,989	\$ 12,145,452	\$ 12,145,452	\$ 14,111,136	16%

Wastewater FTE Schedule

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
Senior Wastewater Plant Operator	1.0	1.0	1.0	1.0
Wastewater Plant Operator	1.0	1.0	1.0	1.0
Utility Maintenance Crew Leader	-	-	1.0	1.0
Maintenance Worker	5.0	5.0	5.0	5.0
TOTAL	7.0	7.0	8.0	8.0

THE CITY OF
Anna

Solid Waste

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

Solid Waste Expenditure Summary

	Actual	Budget	Estimated	Budget	%
	2023-24	2024-25	2024-25	2025-26	Change
Services Solid Waste	\$ 3,555,814	\$ 3,600,000	\$ 3,600,000	\$ 3,738,000	3.8%
Services	18,433	-	-	-	-
TOTAL	\$ 3,555,814	\$ 3,600,000	\$ 3,600,000	\$ 3,738,000	3.8%

Utility Billing

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.

Excellent: Anna is a high-performing City that implements best practices and pursues accreditation.

FY2025 Accomplishments

- ◆ Maintain and improve usage of utility billing software.
- ◆ Continue customer service training and discussions.
- ◆ Improve neighbor education on efficient use of water.
- ◆ Cash handling course.

FY2026 Objectives

- ◆ Maintain and improve usage of utility billing software.
- ◆ Continue customer service training.
- ◆ Improve neighbor education on efficient use of water.
- ◆ Clean up inactive account balances.

Performance Measures

	2024 Actual	2025 Estimate	20265 Target
Number of residential connections as of September 30th	11,400	12,300	13,500
Number of commercial connections as of September 30th	712	795	900
Average number of disconnects per month	174	180	185
WaterSmart setups	54	70	100

Utility Billing

Utility Billing Expenditure Summary

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26	% Change
Payroll	\$ 258,794	\$ 301,661	\$ 301,661	\$ 293,169	-3%
Supplies	3,288	2,850	2,850	2,800	-2%
Maintenance	-	-	-	-	0%
Services	1,160,478	863,400	863,400	1,357,570	57%
Capital Outlay	-	-	-	-	0%
TOTAL	\$ 1,422,560	\$ 1,167,911	\$ 1,167,911	\$ 1,653,539	42%

Utility Billing FTE Schedule

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
Utility Billing Supervisor	1.0	1.0	1.0	1.0
Senior Utility Billing Clerk	1.0	1.0	1.0	1.0
Utility Billing Clerk	2.0	2.0	2.0	2.0
TOTAL	4.0	4.0	4.0	4.0

Stormwater

The Stormwater Utility was created in April, 2022 and began collecting a stormwater fee from neighbors in October, 2022. The purpose of a stormwater utility is for the management of public drainage systems. Major activities include stormwater quality initiatives such as street sweeping, inlet protection, pollution prevention and erosion control.

Resilient: Anna's mobility and utility infrastructure consistently meets community needs.

FY2025 Accomplishments

- ◆ Cleared over 80 culverts.
- ◆ Cleared approximately 120' box culverts; cleaned over 1000' of drainage.
- ◆ North Point Drainage project 90% complete

FY2026 Objectives

- ◆ Complete drainage large improvement project on Fosters Crossing
- ◆ Complete 2 medium sized maintenance projects.
- ◆ Complete maintenance and clearing of 100 drainage culverts.

Performance Measures

	2024 Actual	2025 Estimate	2026 Target
Miles of storm sewer to be maintained	54	60	60
Percentage of blockages of stormwater infrastructure	25%	15%	10%
Structures flooded	0	0	0

Stormwater

Stormwater Expenditure Summary

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26	% Change
Payroll	\$ 119,275	\$ 125,252	\$ 125,252	\$ 134,569	7.4%
Supplies	5,217	10,500	10,500	10,500	0.0%
Maintenance	9,977	-	-	-	0.0%
Services	4,219	32,500	32,500	41,000	26.2%
Capital Outlay	-	-	-	-	0.0%
TOTAL	\$ 138,688	\$ 168,252	\$ 168,252	\$ 186,069	10.6%

Stormwater FTE Schedule

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
Maintenance Worker	2.0	2.0	2.0	2.0
TOTAL	2.0	2.0	2.0	2.0

Community Development Corporation

The Anna Community Development Corporation works to identify and fund projects that enhance the quality of life in Anna and support the work of the Economic Development Corporation in the community.

Vibrant: Anna has a quality workforce that contributes to a prosperous economy.

FY2025 Accomplishments

- ◆ Made the announcement about 3 downtown restaurants
- ◆ Created a Public Improvement District (PID) for Oakridge, Trinity Creek and Sherley Farms
- ◆ Executed incentive agreement with Foursquare Healthcare and GTP Food Group
- ◆ Sponsored DCEO Real Estate and Dallas Business Journal BRED awards.
- ◆ Held 5th Annual Development Forum
- ◆ Joined Brew City, TX organization
- ◆ Held first Lender Lunch with local banks and the SBDC
- ◆ Created Instagram and Facebook accounts to increase our social presence
- ◆ Updated the monthly newsletter.

FY2026 Objectives

- ◆ Recruit industrial and primary job projects
- ◆ Develop a marketing and branding plan for Downtown
- ◆ Acquire more property in the downtown area
- ◆ Recruit medical primary care doctors and a hospital
- ◆ Recruit entertainment options for our community

Performance Measures

	2024 Actual	2025 Estimate	2026 Target
Number of website/social media hits/clicks/likes	29,568 website; 915 LinkedIn	2,210 Newsletter; 1,924 LinkedIn; 99 Instagram; 619 Facebook	38,000 website; 2,000 LinkedIn
Number of events attended/hosted per year	20	37	35

These indicators demonstrate how the EDC / CDC maintain and enhance an effective economic development organization that markets Anna, finds prospects, and closes the deal.

	2024 Actual	2025 Estimate	2026 Target
Number of new commercial permits/COs per year	17	58	50
Net annual change in sales tax collections	24%	12%	2%
Net annual increase in commercial property value	\$204,412,340	\$218,414,159	\$251,176,283

These indicators demonstrate the expansion of the commercial tax base

Community Development Corporation

Community Development Corporation Expenditure Summary

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26	% Change
Payroll	\$ 348,936	\$ 465,735	\$ 465,735	\$ 551,767	18%
Supplies	7,511	16,100	16,100	22,400	39%
Maintenance	-	-	-	-	0%
Services	1,057,079	1,798,565	1,798,565	1,716,140	-5%
Debt Service	300,236	638,741	638,741	638,741	0%
Capital Outlay	-	-	-	-	0%
Capital Improvement	316,374	525,000	525,000	525,000	0%
TOTAL	\$ 2,030,136	\$ 3,444,141	\$ 3,444,141	\$ 3,454,048	0%

Community Development Corporation FTE Schedule

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
Director of Economic Development	1.0	1.0	1.0	1.0
Assistant Director of Economic Develop.	1.0	1.0	1.0	1.0
Economic Development Manager	-	-	1.0	1.0
Economic Development Analyst	1.0	1.0	-	-
Economic Development Coordinator	-	-	-	1.0
TOTAL	3.0	3.0	3.0	4.0

Economic Development Corporation

Economic Development Corporation Expenditure Summary

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26	% Change
Payroll	\$ -	\$ -	\$ -	\$ -	0.0%
Supplies	-	-	-	-	0.0%
Maintenance	1,800	50,000	50,000	50,000	0.0%
Services	59,568	474,800	474,800	474,800	0.0%
Capital Outlay	-	-	-	-	0.0%
TOTAL	\$ 61,368	\$ 524,800	\$ 524,800	\$ 524,800	0.0%

Recreation

Recreation Expenditure Summary

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26	% Change
Payroll	\$ 137,635	\$ 145,667	\$ 145,667	\$ 148,993	2%
Supplies	11,023	22,100	22,100	8,500	-62%
Maintenance	-	-	-	-	0%
Services	369,090	440,800	440,800	459,500	4%
Capital Outlay	-	-	-	-	0%
TOTAL	\$ 517,748	\$ 608,567	\$ 608,567	\$ 616,993	1%

Recreation FTE Schedule

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26
Parks Planning Manager	1.0	1.0	1.0	1.0
TOTAL	1.0	1.0	1.0	1.0

Park Development

Park Development is funded by park development fees as stipulated in either developer agreements or the subdivision ordinance. These funds are used to fund the City's Parks Master Plan through development, improvement, and maintenance of the City's parks.

Park Development Expenditure Summary

	Actual 2023-24	Budget 2024-25	Estimated 2024-25	Budget 2025-26	% Change
Payroll	\$ -	\$ -	\$ -	\$ -	0.0%
Supplies	9,782	-	-	-	0.0%
Maintenance	-	-	-	-	0.0%
Services	20,094	18,000	18,000	54,000	0.0%
Capital Outlay	67,138	243,000	243,000	124,000	-49.0%
TOTAL	\$ 97,014	\$ 261,000	\$ 261,000	\$ 178,000	-31.8%



FIVE YEAR FORECASTS

THE CITY OF
Anna

CITY OF ANNA
LONG-TERM FINANCIAL PLANS

Long-term financial planning combines financial forecasting with strategizing. It is a highly collaborative process that considers future scenarios and helps governments navigate challenges. Long-term financial planning works best as part of an overall strategic plan. Financial forecasting is the process of projecting revenues and expenditures over a long-term period, using assumptions about economic conditions, future spending scenarios, and other salient variables. Financial planning uses forecasts to provide insight into future financial capacity so that strategies can be developed to achieve long-term sustainability in light of the City's service objectives and financial challenges.

Plans have been developed for both of Anna's major operating funds, the General Fund and the Utility Fund. Each plan presents the fund over seven fiscal years: one previous year actuals, an estimation of the current FY2025 budget, the proposed "base year" budget for FY2026, and four projected years. Many governments, including the City of Anna, have a comprehensive long-term financial planning process because it stimulates discussion and engenders a long-range perspective for decision makers. It can be used as a tool to prevent financial challenges; it stimulates long-term and strategic thinking; it can give consensus on long-term financial direction; and it is useful for communications with internal and external stakeholders.

Finally, the plans help the City in absorbing the impact of economic booms and busts. By establishing funding ceilings, revenue generated by an economic "boom" is added to fund balance so that funds are available to support city services when the inevitable economic "bust" arrives. The FY2026 budget shows a healthy fund balance in both operating funds.

To ensure fiscal stability of City operations, Anna relies on a balanced budget to ensure responsible spending of public funds. A balanced budget occurs when the total sum of revenues collected in a fiscal year is equal to its expenditures. This principle ensures adequate resources and funding to cover ongoing city operational expenditures.

CITY OF ANNA
GENERAL FUND FIVE-YEAR FORECAST

The plan reflects the following assumptions based on historic trends and knowledge of economic conditions present when the budget was developed.

◆ Property tax revenue is dependent on two variables: appraised value and the tax rate. Property values for tax year 2025 (used for the FY2026 levy) increased 13 percent; the last five years have seen on average a 20 percent growth in appraised value each year. Anna's focus on expanding economic development efforts has improved economic conditions throughout the community and has helped spur the majority of new construction and development. The proposed tax rate for FY2026 is 52.5073 cents per \$100 assessed values. The tax rate and appraised values will generate an additional \$1.5 million in revenue for the General Fund in FY2025. The General Fund long-term plan assumes property tax revenues will grow 12 percent yearly from 2027 to 2030. Much of this expected growth can be attributed to new construction each year.

◆ Sales taxes increased 23 percent from FY2024 actual to the FY2025 projected. Sales tax increases can be attributed mostly to population growth. The FY2026 budget assumes sales tax will increase 2 percent. Future years also assume 2 percent.

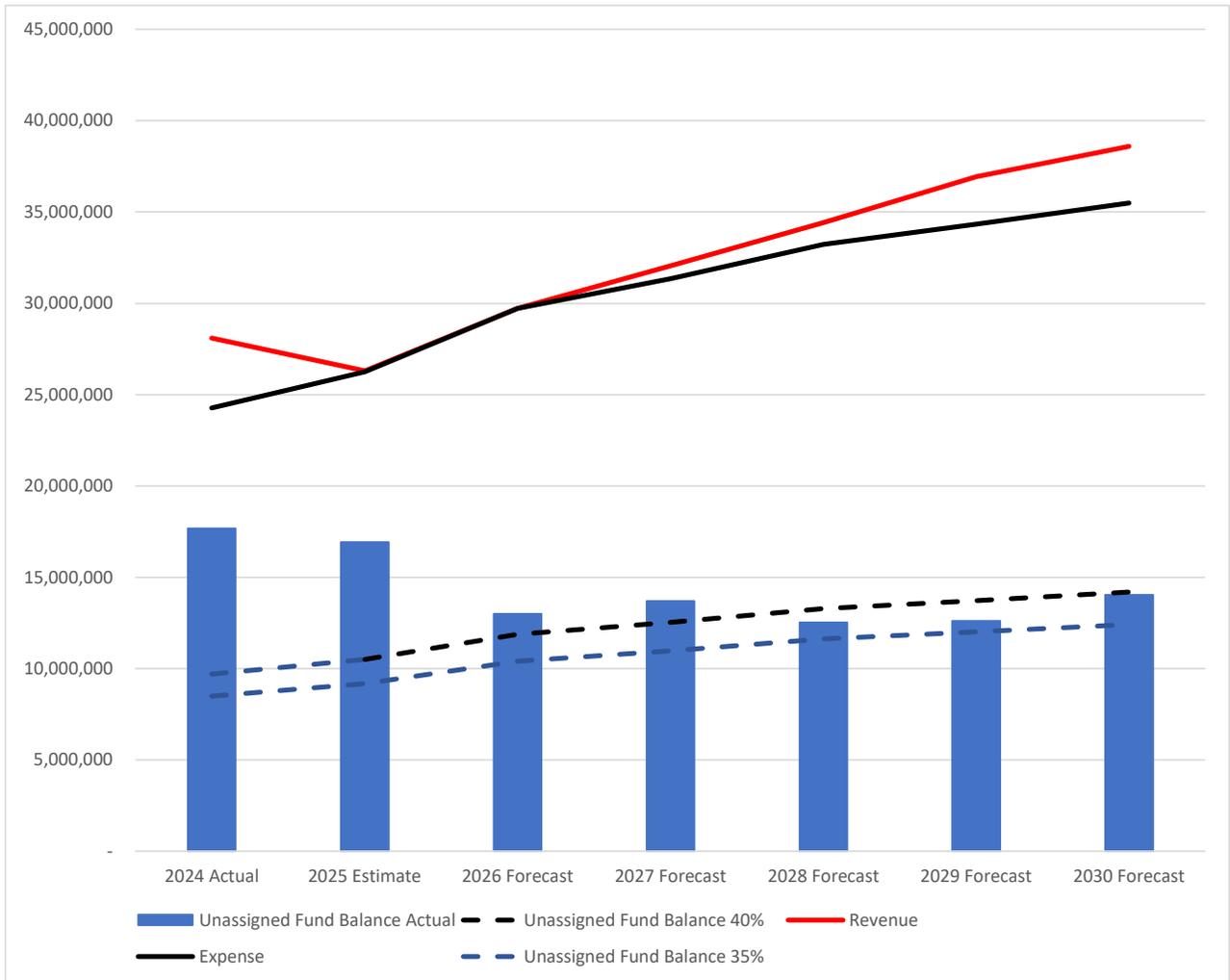
◆ All other revenues during the planning horizon are expected to grow at approximately 2 percent due to population growth.

◆ More than three-fourths of the General Fund's expenditures are associated with employee compensation. The FY2026 budget for payroll is \$2.0 million more than the FY2025 budget due to the funding of cost-of-living pay increases and 10 additional full-time equivalents (FTEs). Additional staffing is planned in FY2027 and FY2028 according to the City Council-approved police staffing plan. The long-term plan assumes that City Council will continue to award 3.5 percent salary increases in years 2027 through 2030.

◆ All non-personnel operating expenditures for 2027 through 2030 are adjusted for a 1 percent inflationary increase. If possible, when Anna experiences revenues that do not support programs, departments will accommodate for this inflationary increase in supplies or contractual services through operational efficiencies or reductions to scope of services delivered to the public.

The FY2025 General Fund budget has a projected ending fund balance of 64 percent; additionally, the long-term plan assumes that fund balances will remain above 35 percent 2026 through 2030. Financial planning uses forecasts to provide insight into future financial capacity to meet service objectives and financial challenges. The long-term planning nature of the model will allow for steps to be taken to maintain fund balance goals.

**CITY OF ANNA
GENERAL FUND FIVE-YEAR FORECAST**



**CITY OF ANNA
GENERAL FUND FIVE-YEAR FORECAST**

	Actual 2023-24	Estimated 2024-25	Budget 2025-26
BEGINNING BALANCE	\$ 13,853,231	\$ 17,681,023	\$ 16,924,349
REVENUES:			
Property Taxes	\$ 11,396,738	\$ 13,093,602	\$ 14,606,393
Sales Tax	5,382,238	5,220,000	6,030,000
Franchise and local taxes	1,315,462	1,030,000	1,250,000
Charges for Services	1,513,827	1,000,000	1,170,000
Permits, Licenses and Fees	6,229,044	4,757,000	5,470,000
Fines	456,859	400,000	400,000
Intergovernmental Revenue	57,070	-	-
Investment income	1,286,598	800,000	800,000
Other revenues	452,602	-	-
OPERATIONAL REVENUE	<u>\$ 28,090,438</u>	<u>\$ 26,300,602</u>	<u>\$ 29,726,393</u>
Transfers from other funds	-	-	-
TOTAL REVENUE	<u>\$ 28,090,438</u>	<u>\$ 26,300,602</u>	<u>\$ 29,726,393</u>
EXPENDITURES:			
Payroll	\$ 16,414,584	\$ 19,515,239	\$ 21,608,811
Supplies	1,311,856	1,247,897	1,471,003
Maintenance	1,315,681	1,011,050	1,293,000
Services	3,595,710	4,483,090	5,346,047
Debt Service	660,180	-	-
Capital Outlay	964,646	-	-
OPERATIONAL EXPENDITURES	<u>\$ 24,262,649</u>	<u>\$ 26,257,276</u>	<u>\$ 29,718,861</u>
Transfers to other funds	-	800,000	3,925,000
TOTAL EXPENDITURES	<u>\$ 24,262,649</u>	<u>\$ 27,057,276</u>	<u>\$ 33,643,861</u>
FUND BALANCE	\$ 17,681,023	\$ 16,924,349	\$ 13,006,881
Ending balance as a % of expenditures	73%	64%	44%

ANNUAL BUDGET FOR FISCAL YEAR 2026

**CITY OF ANNA
GENERAL FUND FIVE-YEAR FORECAST**

Year 1 Projected 2026-27	Year 2 Projected 2027-28	Year 3 Projected 2028-29	Year 4 Projected 2029-30
\$ 13,006,881	\$ 13,711,055	\$ 12,541,268	\$ 12,614,757
\$ 16,806,629	\$ 19,031,074	\$ 21,412,553	\$ 22,944,432
6,150,600	6,273,612	6,399,084	6,527,066
1,250,000	1,250,000	1,250,000	1,250,000
1,170,000	1,170,000	1,170,000	1,170,000
5,470,000	5,470,000	5,470,000	5,470,000
408,000	416,160	424,483	432,973
-	-	-	-
800,000	800,000	800,000	800,000
-	-	-	-
\$ 32,055,229	\$ 34,410,846	\$ 36,926,120	\$ 38,594,471
-	-	-	-
\$ 32,055,229	\$ 32,055,229	\$ 34,410,846	\$ 36,926,120
\$ 23,032,684	\$ 24,528,241	\$ 25,351,886	\$ 26,206,433
1,515,133	1,560,587	1,607,405	1,655,627
1,305,930	1,318,989	1,332,179	1,345,501
5,497,307	5,817,199	6,045,887	6,283,723
-	-	-	-
-	-	-	-
\$ 31,351,054	\$ 33,225,016	\$ 34,337,357	\$ 35,491,283
-	-	-	-
\$ 31,351,054	\$ 33,225,016	\$ 34,337,357	\$ 35,491,283
\$ 13,711,055	\$ 12,541,268	\$ 12,614,757	\$ 14,049,594
44%	38%	37%	40%

CITY OF ANNA
UTILITY FUND FIVE-YEAR FORECAST

Anna's Utility Fund is an enterprise fund where operations are accounted for and financed in a manner similar to private business enterprises. The goal is that Anna's water and wastewater utilities are operated so that the costs of providing the services to the public are financed through user charges.

Operating revenues are determined by the water and sewer rates as well as the volume of water sold and sewer treated. These revenues are highly influenced by weather patterns. Hot, dry summers result in high water sales which to a certain extent also generate higher sewer revenues. Seasons of heavy precipitation, on the other hand, result in reduced water sales and the corresponding sewer revenues.

In FY2020, as part of a review of the fiscal condition of the Utility Fund, areas for improvement needed to be addressed to maintain long-term sustainability. The City hired a utility rate consultant to review the rate structure and to assist in creating a new rate model.

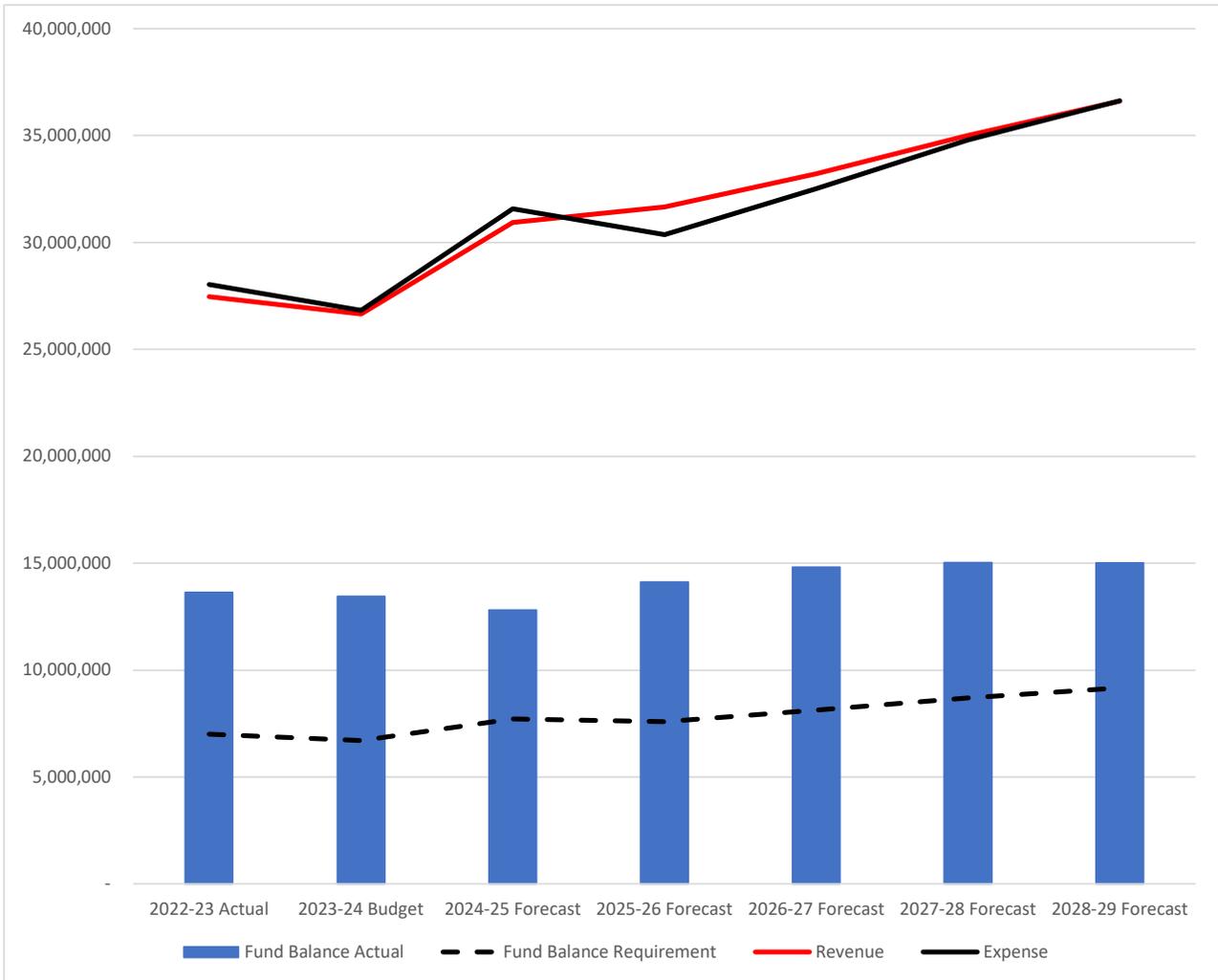
◆ No rate increase is planned for FY2026. A re-evaluation of the current utility rate model is planned in FY2026 to account for the costs and revenues of the new Hurricane Creek Wastewater Treatment Plant as well as other pressing infrastructure needs in our fast growing community.

◆ Payments to other entities for the purchase of water and the treatment of sewage are expected to increase by an average of 10 percent per year. These assumptions are based primarily on expected growth rates from wholesale suppliers and growth in the population of Anna. The City of Anna is taking steps to add infrastructure that will help to mitigate these increases and dependence on outside providers in the future.

◆ The FY2026 budget for payroll includes funding of a 3.5 percent merit increase. The long-term plan assumes that Council will continue to award 3 percent merit increases in years 2027 through 2030.

◆ All non-personnel operating expenditures for 2027 through 2030 are adjusted for a 2.6 percent inflationary increase.

**CITY OF ANNA
UTILITY FUND FIVE-YEAR FORECAST**



**CITY OF ANNA
UTILITY FUND FIVE-YEAR FORECAST**

	Actual 2023-24	Estimated 2024-25	Budget 2025-26
BEGINNING BALANCE	\$ 14,199,379	\$ 13,633,204	\$ 13,454,587
REVENUES:			
Property Taxes	\$ -	\$ -	-
Sales Tax	-	-	-
Franchise Fees and Local Taxes	-	-	-
Charges for Services			
<i>Water Sales</i>	12,329,408	11,125,000	14,000,000
<i>Sewer Charges</i>	8,915,711	8,525,000	10,700,000
<i>Sanitation Charges</i>	3,559,153	3,730,000	3,744,000
<i>Other Charges for Service</i>	889,447	680,000	890,000
Fines	-	-	-
Permits, Licenses and Fees	906,397	2,083,000	900,000
Intergovernmental Revenue	-	-	-
Investment Income	767,309	502,000	702,000
Other Revenues	101,672	1,000	-
TOTAL OPERATIONAL REVENUES	\$ 27,469,097	\$ 26,646,000	\$ 30,936,000
EXPENDITURES:			
Payroll	\$ 2,679,918	\$ 2,958,403	\$ 3,027,041
Supplies	271,769	258,568	259,805
Maintenance	1,207,770	1,298,050	1,298,050
Services			
<i>Water Purchases</i>	5,079,273	4,100,000	5,520,000
<i>Sewer Treatment</i>	4,693,413	5,800,000	5,266,000
<i>Solid Waste</i>	3,555,814	3,600,000	3,738,000
<i>Other</i>	2,734,232	1,983,556	2,979,465
Debt Service	7,110,839	6,645,040	8,778,950
Capital Outlay	702,244	181,000	-
Transfers to other funds	-	-	710,000
TOTAL OPERATIONAL EXPENDITURES	\$ 28,035,272	\$ 26,824,617	\$ 31,577,311
ENDING FUND BALANCE	\$ 13,633,204	\$ 13,454,587	\$ 12,813,276
Ending balance as a % of expenditures	49%	50%	42%

**CITY OF ANNA
UTILITY FUND FIVE-YEAR FORECAST**

	Year 1 Projected 2026-27	Year 2 Projected 2027-28	Year 3 Projected 2028-29	Year 4 Projected 2029-30
\$	12,813,276	\$ 14,116,993	\$ 14,818,356	\$ 15,031,287
\$	-	\$ -	\$ -	-
	-	-	-	-
	-	-	-	-
	14,400,000	15,000,000	15,700,000	16,300,000
	10,700,000	11,300,000	12,000,000	12,600,000
	4,043,520	4,367,002	4,716,362	5,093,671
	904,500	919,290	934,376	949,763
	-	-	-	-
	915,500	931,310	947,436	963,885
	-	-	-	-
	702,000	702,000	702,000	702,000
	-	-	-	-
\$	31,665,520	\$ 33,219,602	\$ 35,000,174	\$ 36,609,319
\$	3,185,311	\$ 3,351,988	\$ 3,527,525	\$ 3,712,404
	267,293	275,003	282,944	291,121
	1,330,891	1,364,562	1,399,086	1,434,482
	4,810,000	5,320,000	5,870,000	6,400,000
	5,820,000	7,000,000	7,900,000	8,500,000
	4,037,040	4,360,003	4,708,803	5,085,508
	3,057,247	3,136,498	3,221,801	3,311,706
	7,854,021	7,710,184	7,877,083	7,893,783
	-	-	-	-
	-	-	-	-
\$	30,361,803	\$ 32,518,239	\$ 34,787,242	\$ 36,629,005
\$	14,116,993	\$ 14,818,356	\$ 15,031,287	\$ 15,011,601
	46%	46%	43%	41%

THE CITY OF
Anna



**DEBT
SERVICE**

THE CITY OF
Anna

CITY OF ANNA
GENERAL DEBT SERVICE

The City of Anna is situated in a high growth area in Collin County, Texas along Highway 75. Staff has worked diligently with our financial advisors 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.

Obligations

The City of Anna currently holds \$261.8 million in outstanding tax supported debt. Of the outstanding tax supported debt, approximately \$136.4 million outstanding 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, approximately \$125.4 million, was issued for general fund purposes.

Series	Par Amount	Outstanding	Purpose	Final Maturity
Comb. Tax & Revenue Cert. of Obligation 2025	\$ 82,275,000	\$ 82,275,000	Additional Facilities	2/15/2050
Comb. Tax & Revenue Cert. of Obligation 2024	\$ 22,410,000	\$ 22,410,000	Additional Facilities	2/15/2049
General Obligation Bonds 2023	\$ 14,930,000	\$ 14,930,000	Additional Facilities	2/15/2048
General Obligation Bonds 2022	\$ 32,465,000	\$ 31,480,000	Additional Facilities	2/15/2042
Comb. Tax & Revenue Cert. of Obligation 2022	\$ 64,845,000	\$ 62,570,000	Water & Sewer	2/15/2047
General Obligation Refunding & Improvement Bonds 2021	\$ 11,330,000	\$ 10,535,000	Additional Facilities	2/15/2046
Comb. Tax & Revenue Cert. of Obligation 2018	\$ 30,910,000	\$ 29,520,000	Municipal Complex	2/15/2048
Comb. Tax & Revenue Cert. of Obligation 2017	\$ 7,630,000	\$ 4,250,000	Refunding	2/15/2033
Comb. Tax & Revenue Cert. of Obligation 2014	\$ 4,180,000	\$ 3,315,000	Water & Sewer	2/15/2034
Comb. Tax & Revenue Cert. of Obligation 2014A	\$ 2,598,000	\$ 332,000	Water & Sewer	2/15/2026
General Obligation 2014B	\$ 1,462,000	\$ 214,000	Refunding	2/15/2026

Debt Management Plan

The current debt plan is based upon very conservative assumptions in the growth of the property tax base and interest rates. Additionally, any planned refundings will be scheduled to coincide with interest rate resets. In this way, the plan will minimize the present value cost to the City.

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 and tax rates.

The City does not currently have any debt limit in terms of a dollar amount. Municipal debt limits in Texas are established by state code. All taxable property within the City is subject to the assessment, levy and collection of a direct annual ad valorem tax sufficient to provide for the payment of principal and interest. Article XI, Section 5, of the Texas Constitution limits the 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.

Refundings could 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 is currently rated Aa2 by Moody's. It is assumed the City will be able to maintain it's A category rating to achieve the goals set forth in the debt management plan.

Quality of Rating	Standard & Poor's (S&P)	Moody's
Best Quality	AAA	Aaa
High Quality	AA+	Aa1
	AA	Aa2
	AA-	Aa3
Upper Medium	A+	A1
	A	A2
	A-	A3
Medium Grade	BBB+	Baa1
	BBB	Baa2
	BBB-	Baa3

**CITY OF ANNA
GENERAL DEBT SERVICE**

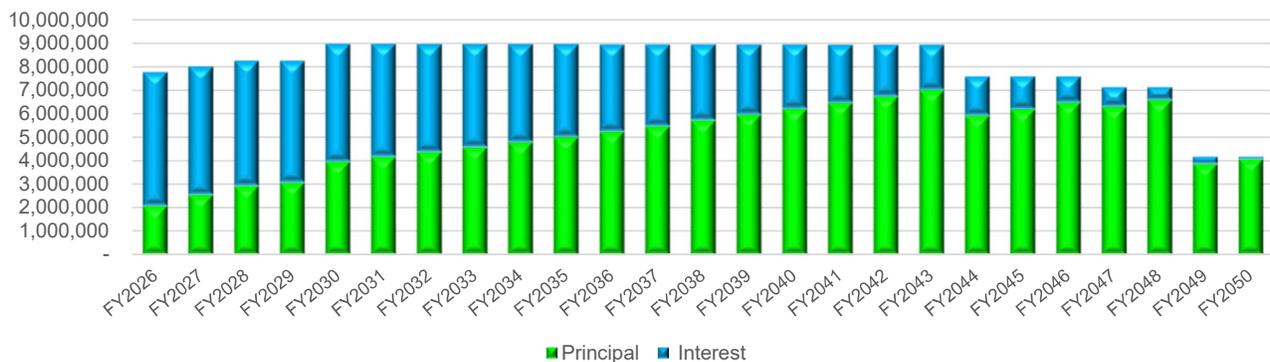
Outstanding Debt Schedule - Tax Pledged Debt

Period Ending	Principal	Interest	Total Debt Service	% Change
9/30/2026	4,241,000	11,980,464	16,221,464	43.07%
9/30/2027	5,540,000	11,590,356	17,130,356	5.60%
9/30/2028	6,040,000	11,335,131	17,375,131	1.43%
9/30/2029	6,510,000	11,043,869	17,553,869	1.03%
9/30/2030	7,555,000	10,700,270	18,255,270	4.00%
9/30/2031	7,930,000	10,319,199	18,249,199	-0.03%
9/30/2032	8,325,000	9,925,055	18,250,055	0.00%
9/30/2033	8,730,000	9,521,214	18,251,214	0.01%
9/30/2034	9,145,000	9,100,725	18,245,725	-0.03%
9/30/2035	9,590,000	8,657,719	18,247,719	0.01%
9/30/2036	10,060,000	8,191,519	18,251,519	0.02%
9/30/2037	10,525,000	7,717,419	18,242,419	-0.05%
9/30/2038	11,000,000	7,247,569	18,247,569	0.03%
9/30/2039	11,480,000	6,766,494	18,246,494	-0.01%
9/30/2040	11,985,000	6,262,419	18,247,419	0.01%
9/30/2041	12,510,000	5,736,850	18,246,850	0.00%
9/30/2042	13,050,000	5,192,425	18,242,425	-0.02%
9/30/2043	13,615,000	4,630,788	18,245,788	0.02%
9/30/2044	12,700,000	4,066,188	16,766,188	-8.11%
9/30/2045	13,270,000	3,494,675	16,764,675	-0.01%
9/30/2046	13,875,000	2,896,831	16,771,831	0.04%
9/30/2047	14,035,000	2,276,669	16,311,669	-2.74%
9/30/2048	14,700,000	1,612,841	16,312,841	0.01%
9/30/2049	12,395,000	957,363	13,352,363	-18.15%
9/30/2050	13,025,000	325,625	13,350,625	-0.01%
TOTAL	261,831,000	171,549,673	433,380,673	

Outstanding Debt Schedule - General Obligation Debt

The chart below illustrates the outstanding general obligation debt through FY2050. The amounts included here represent just the portion of all tax-secured debt that was issued for general fund purposes.

Period Ending	Principal	Interest	Total Debt Service	% Change
9/30/2026	2,064,000	5,693,647	7,757,647	37.14%
9/30/2027	2,545,000	5,454,391	7,999,391	3.12%
9/30/2028	2,915,000	5,331,884	8,246,884	3.09%
9/30/2029	3,055,000	5,190,121	8,245,121	-0.02%
9/30/2030	3,950,000	5,013,787	8,963,787	8.72%
9/30/2031	4,155,000	4,807,956	8,962,956	-0.01%
9/30/2032	4,360,000	4,597,727	8,957,727	-0.06%
9/30/2033	4,570,000	4,384,924	8,954,924	-0.03%
9/30/2034	4,780,000	4,167,499	8,947,499	-0.08%
9/30/2035	5,000,000	3,945,550	8,945,550	-0.02%
9/30/2036	5,225,000	3,715,029	8,940,029	-0.06%
9/30/2037	5,465,000	3,473,584	8,938,584	-0.02%
9/30/2038	5,705,000	3,231,942	8,936,942	-0.02%
9/30/2039	5,945,000	2,989,153	8,934,153	-0.03%
9/30/2040	6,195,000	2,736,576	8,931,576	-0.03%
9/30/2041	6,455,000	2,475,349	8,930,349	-0.01%
9/30/2042	6,720,000	2,205,672	8,925,672	-0.05%
9/30/2043	6,995,000	1,930,670	8,925,670	0.00%
9/30/2044	5,915,000	1,662,680	7,577,680	-15.10%
9/30/2045	6,175,000	1,398,186	7,573,186	-0.06%
9/30/2046	6,460,000	1,121,416	7,581,416	0.11%
9/30/2047	6,285,000	836,901	7,121,901	-6.06%
9/30/2048	6,580,000	544,282	7,124,282	-5.93%
9/30/2049	3,860,000	298,364	4,158,364	-45.15%
9/30/2050	4,055,000	101,075	4,156,075	-41.64%
TOTAL	125,429,000	77,308,363	202,737,363	



Obligations

During the high growth the City has experienced over the last ten years, the City began issuing debt for significant water and sewer infrastructure projects. Unlike the General Fund, there is no special fund to account for Utility Fund debt because the Utility Fund is an enterprise 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 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 FY2026, debt service accounts for 28 percent of the Utility Fund budget. In the department summaries, debt is split between the water and sewer departments, depending on what projects the debt was planned to fund.

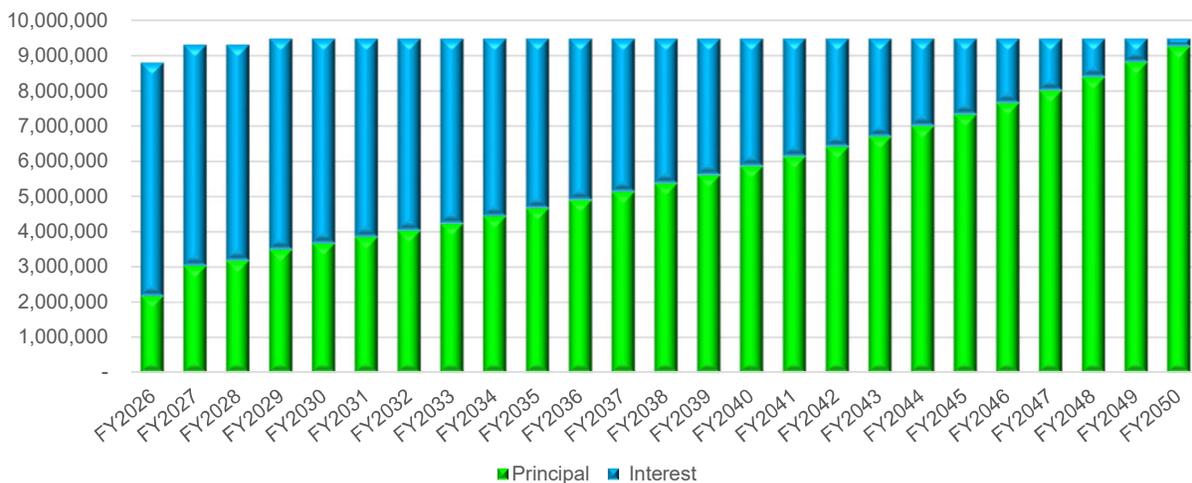
Series	Par Amount	Outstanding	Purpose	Term
Comb. Tax & Revenue Cert. of Obligation 2025	\$ 54,760,000	\$ 54,760,000	Wastewater Treatment Facility	2/15/2053
Comb. Tax & Revenue Cert. of Obligation 2024	\$ 11,676,000	\$ 11,676,000	Wastewater Interceptor Line	2/15/2049
Comb. Tax & Revenue Cert. of Obligation 2022	\$ 64,845,000	\$ 62,570,000	Wastewater Treatment Facility	2/15/2047
General Obligation Refunding & Improvement Bonds 2021	\$ 2,870,000	\$ 2,800,000	Refunding	2/15/2046
Comb. Tax & Revenue Cert. of Obligation 2017	\$ 7,630,000	\$ 4,010,000	Refunding	2/15/2033
Comb. Tax & Revenue Cert. of Obligation 2014A	\$ 2,598,000	\$ 332,000	Water & Sewer	2/15/2026
Comb. Tax & Revenue Cert. of Obligation 2014	\$ 4,180,000	\$ 3,315,000	Water & Sewer	2/15/2034

Debt Management Plan

Currently the Utility Fund holds just approximately \$139.5 million in outstanding debt. The City and its financial advisors continually plan to take advantage of call dates and pursue refundings of the City's outstanding Utility Fund debt when prudent. 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 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.

Outstanding Debt Schedule - Utility Fund

Period Ending	Principal	Interest	Total Debt Service	% Change
9/30/2026	2,177,000	6,628,500	8,805,500	54.99%
9/30/2027	3,040,000	6,270,273	9,310,273	5.73%
9/30/2028	3,180,000	6,135,164	9,315,164	0.05%
9/30/2029	3,500,000	5,983,299	9,483,299	1.80%
9/30/2030	3,670,000	5,813,423	9,483,423	0.00%
9/30/2031	3,850,000	5,634,828	9,484,828	0.01%
9/30/2032	4,035,000	5,447,440	9,482,440	-0.03%
9/30/2033	4,230,000	5,253,061	9,483,061	0.01%
9/30/2034	4,440,000	5,046,585	9,486,585	0.04%
9/30/2035	4,665,000	4,822,048	9,487,048	0.00%
9/30/2036	4,900,000	4,583,152	9,483,152	-0.04%
9/30/2037	5,140,000	4,347,168	9,487,168	0.04%
9/30/2038	5,370,000	4,115,389	9,485,389	-0.02%
9/30/2039	5,610,000	3,873,664	9,483,664	-0.02%
9/30/2040	5,865,000	3,618,742	9,483,742	0.00%
9/30/2041	6,135,000	3,350,852	9,485,852	0.02%
9/30/2042	6,410,000	3,072,430	9,482,430	-0.04%
9/30/2043	6,705,000	2,782,012	9,487,012	0.05%
9/30/2044	7,005,000	2,478,320	9,483,320	-0.04%
9/30/2045	7,325,000	2,160,805	9,485,805	0.03%
9/30/2046	7,655,000	1,828,776	9,483,776	-0.02%
9/30/2047	8,005,000	1,481,586	9,486,586	0.03%
9/30/2048	8,385,000	1,098,636	9,483,636	-0.03%
9/30/2049	8,810,000	677,280	9,487,280	0.04%
9/30/2050	9,255,000	230,690	9,485,690	-0.02%
TOTAL	139,362,000	96,734,121	236,096,121	



Obligations

These bonds are special limited obligations of the Anna Community Development Corporation (CDC) payable from and secured by receipts from the 3/4 cent sales tax allocated to the CDC. The sales tax was authorized by Section 4B at an election held in the City and became effective October of 1999.

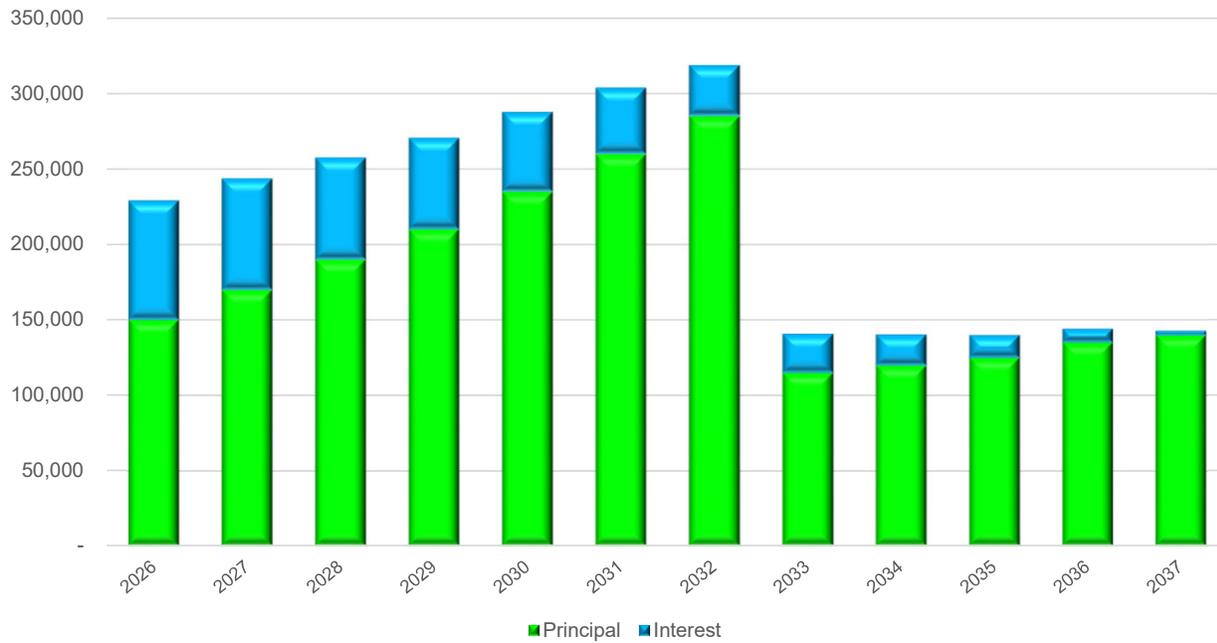
Series 2012B was for public park and open space improvements including recreational facilities, parking facilities and related infrastructure in order to promote and encourage employment and public welfare and to promote and develop new and expanded business enterprises.

Series 2016 was used to acquire land in the southern portion of the City, north of the Collin County Outer Loop, to be made suitable for industrial or commercial development, in order to sell or lease such land to new or expanding businesses and promote new or expanded business development within the City.

**CITY OF ANNA
COMMUNITY DEVELOPMENT CORPORATION DEBT SERVICE**

Outstanding Debt Schedule - Community Development Corporation

Period Ending	Principal	Interest	Total Debt Service	% Change
9/30/2026	150,000	79,257	229,257	4.69%
9/30/2027	170,000	73,845	243,845	6.36%
9/30/2028	190,000	67,663	257,663	5.67%
9/30/2029	210,000	60,713	270,713	5.06%
9/30/2030	235,000	52,812	287,812	6.32%
9/30/2031	260,000	43,843	303,843	5.57%
9/30/2032	285,000	33,842	318,842	4.94%
9/30/2033	115,000	25,988	140,988	-55.78%
9/30/2034	120,000	20,700	140,700	-0.20%
9/30/2035	125,000	15,188	140,188	-0.36%
9/30/2036	135,000	9,338	144,338	2.96%
9/30/2037	140,000	3,150	143,150	-0.82%
TOTAL	2,135,000	486,336	2,621,336	





**CAPITAL
IMPROVEMENT
PROGRAM**

THE CITY OF
Anna

CITY OF ANNA
CAPITAL IMPROVEMENTS PROGRAM

A Capital Improvements Program (CIP) is a comprehensive multi-year road map for the planning, development, and construction of important community assets.

The CIP should include:

- ◆ Facilities;
- ◆ Parks;
- ◆ Roadways;
- ◆ Utilities;
- ◆ Large equipment.

The CIP does not typically include:

- ◆ Work performed by City departments through standard operations;
- ◆ Small projects with costs far below \$50,000;
- ◆ Recurring purchases.

A well thought out Capital Improvements Program is a road map for the growth and development of

- ◆ Identifies current and future needs of the community;
- ◆ Provides realistic project costs for budgeting;
- ◆ Contemplates potential funding sources.

As an extension of the adopted and approved Strategic Success Statements, there are several master plans. Several of these plans have statutory requirements, and some are simply needed to ensure the planned and managed growth of our community, supporting community vision. Some of these master plans influencing the development of the Capital Improvements Program are the Parks and Trails Master Plan, the Downtown Development Plan, the Master Thoroughfare Plan, and the Water and Wastewater Master Plan.

The CIP allows the City Council and stakeholders to see all the major needs of the community in the same document, helping City leaders prioritize the needs of the community and make financial plans to accomplish community goals.

The first year's program in the CIP is adopted by the City Council as a multi-year capital budget, a counterpart to the annual operating budget. Although fiscal resources are appropriated only in the first year of the CIP, the succeeding four years of the CIP are important in providing a longer-term plan for setting spending priorities, scheduling projects in a logical sequence, and coordinating and targeting capital improvement projects for all city departments.

The operating budget is directly affected by the CIP budget. As a rule, any new capital improvement will impact ongoing expenses for routine operations, repairs, and maintenance, either positively or negatively. New facilities often require additional staff. Other projects actually reduce maintenance costs by improving systems or processes. Projects that involve inspection, studies, cleaning and rehabilitation generally do not have operating cost impacts. Financing of new capital through pay-as-you-go, grant funding, debt service, or other methods will also impact the operating budget, depending upon the selected method and available financing capacity.

THE CITY OF
Anna

CITY OF ANNA
CAPITAL IMPROVEMENTS PROGRAM OPERATING IMPACTS

Project Name / Group	Impacts on Operating Budget
Community Library	◆ Anna's first community library is under construction and expected to open in the winter of 2025. Staffing cost are currently estimated in the five-year financial forecast at \$400,000 in FY2025. Additional funding for contract services and collection materials in the amount of \$80,000 is planned after opening in FY2026. Recreation staff will also be relocated to the Library to assist with programming in the community meeting and maker space.
Slayter Creek Park Improvements	◆ As additional parks and park amenities are added, additional maintenance workers will be needed. Two maintenance workers were added in FY2025 at a cost of \$60,000 each. This trend can be expected to continue for each park that is improved with the 2021 Bond funds over the next three years.
Bryant Park Improvements	◆ As additional parks and park amenities are added, additional maintenance workers will be needed. Two maintenance workers were added in FY2025 at a cost of \$60,000 each. This trend can be expected to continue for each park that is improved with the 2021 Bond funds over the next three years.
Anna Crossing Park	◆ As additional parks and park amenities are added, additional maintenance workers will be needed. Two maintenance workers were added in FY2025 at a cost of \$60,000 each. This trend can be expected to continue for each park that is improved with the 2021 Bond funds over the next three years.
Roadway Expansion Projects	◆ Expansion projects are funded from impact fees to continue with the City Council direction that growth pay for growth. Roadway impact fees are currently estimated at \$2,000,000 per year. As these roads are new construction, minimal maintenance is expected for the next five years.
Wastewater Treatment Plant	◆ Performing more sewer treatment will reduce transport and treatment costs from outside providers. The City is currently spending \$5.8 million for transport and treatment from an outside provider with costs increasing every year. Building a wastewater treatment plant in a high growth area allows for the potential to become a regional treatment provider to other small communities in the area, earning revenue to pay for the additional operating costs.

**CITY OF ANNA
CAPITAL IMPROVEMENTS PROGRAM
ALL FUNDS SUMMARY**

	Actual 2023-24	Budget 2024-25	Budget 2025-26
BEGINNING BALANCE	\$ 140,217,211	\$ 139,974,050	\$ 134,630,674
REVENUES			
Bond Proceeds	\$ 23,850,404	\$ 84,000,000	\$ -
Interest Revenue	6,818,243	1,660,000	-
PID Assessment	2,453,100	-	-
Road Improvement Fees	3,541,205	3,240,000	-
Water Improvement Fees	6,357,392	3,110,000	-
Wastewater Improvement Fees	4,244,656	1,725,000	-
Miscellaneous Revenue	3,412,405	2,025,000	-
Transfers In	-	800,000	4,635,000
TOTAL	<u>\$ 50,677,405</u>	<u>\$ 96,560,000</u>	<u>\$ 4,635,000</u>
FUNDS			
Capital Bond Fund	\$ 11,865,338	\$ 33,357,853	\$ 45,300,000
Infrastructure Investment Fund	3,205,495	745,510	851,368
PID Fees	4,626,721	150,000	-
Road Impact Fees	5,917,581	1,145,000	1,172,900
Utility Bond Fund	17,748,843	50,497,363	54,000,000
Utility Infrastructure Investment Fund	833,197	206,924	575,000
Water Impact Fee Fund	5,710,964	12,889,734	1,000,000
Wastewater Impact Fee Fund	1,012,430	2,910,992	8,360,000
TOTAL	<u>\$ 50,920,569</u>	<u>\$ 101,903,376</u>	<u>\$ 111,259,268</u>
ENDING FUND BALANCE	<u>\$ 139,974,050</u>	<u>\$ 134,630,674</u>	<u>\$ 28,006,406</u>

	Budget 2026-27	Budget 2027-28	Budget 2028-29
\$	28,006,406	\$ 26,866,406	\$ 24,316,406
\$	-	\$ -	\$ -
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
\$	-	\$ -	\$ -
\$	-	\$ -	\$ -
	150,000	150,000	150,000
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	990,000	2,400,000	-
\$	1,140,000	\$ 2,550,000	\$ 150,000
\$	26,866,406	\$ 24,316,406	\$ 24,166,406

ANNUAL BUDGET FOR FISCAL YEAR 2026

**CITY OF ANNA
CAPITAL IMPROVEMENTS PROGRAM
CAPITAL PROJECTS BOND FUNDS**

	Actual 2023-24	Budget 2024-25	Budget 2025-26
BEGINNING BALANCE	\$ 46,580,204	\$ 37,211,084	\$ 16,412,231
REVENUES			
Bond Proceeds	\$ -	\$ -	-
Interest Revenue	2,496,218	1,059,000	-
TOTAL	\$ 2,496,218	\$ 1,059,000	-
PROJECTS			
<i>Facilities</i>			
Fire Station #2	2,518,085	-	-
Community Library	7,010,437	13,495,843	-
Municipal Complex Plaza	78,490	3,421,510	-
<i>Parks</i>			
Slayter Creek Skate Park	307,081	-	-
Slayter Creek Park - Sports Court	1,409,957	-	-
Slayter Creek Park - Practice Field Lighting	194,543	-	-
Slayter Creek Park - Parking	16,071	-	-
Slayter Creek Park - Restroom	210,132	-	-
Trails - Pecan Grove Trail	120,542	1,290,500	-
Oak Hollow Trail Extension	-	600,000	1,300,000
Bryant Park Improvements	-	350,000	4,500,000
Anna Crossing Park (Finley)	-	500,000	6,500,000
Slayter Creek Park - Facility Improvements	-	2,200,000	3,000,000
TOTAL PROJECTS	\$ 11,865,338	\$ 21,857,853	\$ 15,300,000
ENDING FUND BALANCE	\$ 37,211,084	\$ 16,412,231	\$ 1,112,231

Budget 2026-27	Budget 2027-28	Budget 2028-29	Project Total
\$ 1,112,231	\$ 1,112,231	\$ 1,112,231	
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	
			6,344,483
			22,000,000
			3,500,000
			1,738,985
			1,748,793
			684,511
			631,013
			210,132
			1,414,792
			1,900,000
			4,850,000
			7,000,001
			5,200,000
\$ -	\$ -	\$ -	
\$ 1,112,231	\$ 1,112,231	\$ 1,112,231	

ANNUAL BUDGET FOR FISCAL YEAR 2026

**CITY OF ANNA
 CAPITAL IMPROVEMENTS PROGRAM
 CERTIFICATE OF OBLIGATION FUND 524**

	Actual 2023-24		Budget 2024-25		Budget 2025-26
BEGINNING BALANCE	\$ -		\$ 11,500,000		\$ -
REVENUES					
Bond Proceeds	\$ 11,500,000		\$ -		\$ -
Interest Revenue	-		-		-
TOTAL	\$ 11,500,000		\$ -		\$ -
PROJECTS					
<i>Facilities</i>					
Land Acquisition General Facilities	\$ -		\$ 10,000,000		\$ -
<i>Equipment</i>					
Fire Apparatus	-		1,500,000		-
TOTAL PROJECTS	\$ -		\$ 11,500,000		\$ -
ENDING FUND BALANCE	\$ 11,500,000		\$ -		\$ -

	Budget 2026-27	Budget 2027-28	Budget 2028-29	Project Total
\$	-	\$ -	\$ -	-
\$	-	\$ -	\$ -	-
\$	-	\$ -	\$ -	-
\$	-	\$ -	\$ -	-
\$	-	\$ -	\$ -	10,000,000
\$	-	\$ -	\$ -	1,500,000
\$	-	\$ -	\$ -	-
\$	-	\$ -	\$ -	-

**CITY OF ANNA
 CAPITAL IMPROVEMENTS PROGRAM
 CERTIFICATE OF OBLIGATION FUND 525**

	Actual 2023-24		Budget 2024-25		Budget 2025-26
BEGINNING BALANCE	\$	-	\$	-	\$ 30,000,000
REVENUES					
Bond Proceeds	\$	-	\$ 30,000,000	\$	-
Interest Revenue		-		-	-
TOTAL	\$	-	\$ 30,000,000	\$	-
PROJECTS					
<i>Facilities</i>					
Public Safety Facility	\$	-	\$	-	\$ 30,000,000
TOTAL PROJECTS	\$	-	\$	-	\$ 30,000,000
ENDING FUND BALANCE	\$	-	\$ 30,000,000	\$	-

**CITY OF ANNA
CAPITAL IMPROVEMENTS PROGRAM
INFRASTRUCTURE INVESTMENT FUND**

	Actual 2023-24	Budget 2024-25	Budget 2025-26
BEGINNING BALANCE	\$ 87,657	\$ (2,596,962)	\$ (2,542,472)
REVENUES			
TxDOT Reimbursement Ferguson Road	\$ 662,889	\$ -	\$ -
Interest Revenue	(142,016)	-	-
Transfers In	-	800,000	3,925,000
TOTAL	<u>\$ 520,876</u>	<u>\$ 800,000</u>	<u>\$ 3,925,000</u>
PROJECTS			
<i>Facilities</i>			
Fire Station #2 (FFE)	375,906	-	-
Community Library	(500)	-	-
Municipal Complex Plaza	67,007	86,510	-
Central Station Ventilation Grills	49,500	-	-
PW Facility Improvements	-	-	225,000
<i>Roadways</i>			
Downtown Infrastructure Improvements	677,565	-	-
Street Maintenance Sales Tax Projects	34,628	-	-
Hackberry Drive	631,147	-	-
Ferguson Parkway	878,950	240,000	-
CR 286 & Outer Loop Intersection	-	19,000	-
Riggins Street Paving and Drainage	-	-	476,368
<i>Equipment</i>			
EMS Transport Ambulance #3	456,364	-	-
Gateway Signs / Landscaping on US75	4,229	250,000	-
Police Technology Equipment	30,699	150,000	150,000
TOTAL PROJECTS	<u>\$ 3,205,495</u>	<u>\$ 745,510</u>	<u>\$ 851,368</u>
ENDING FUND BALANCE	<u>\$ (2,596,962)</u>	<u>\$ (2,542,472)</u>	<u>\$ 531,160</u>

Budget 2026-27	Budget 2027-28	Budget 2028-29	Project Total
\$ 531,160	\$ 381,160	\$ 231,160	
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	
			375,906
			-
			300,000
			49,500
			225,000
			997,322
			1,065,951
			1,567,299
			1,930,455
			19,000
			476,368
			551,466
			254,229
150,000	150,000	150,000	630,699
\$ 150,000	\$ 150,000	\$ 150,000	
\$ 381,160	\$ 231,160	\$ 81,160	

ANNUAL BUDGET FOR FISCAL YEAR 2026

**CITY OF ANNA
 CAPITAL IMPROVEMENTS PROGRAM
 ROADWAY SVC AREA 1 IMPACT FEES**

	Actual 2023-24	Budget 2024-25	Budget 2025-26
BEGINNING BALANCE	\$ 3,910,498	\$ 5,366,462	\$ 7,711,462
Road Improvement Fees	\$ 2,987,941	\$ 2,250,000	\$ -
Interest Revenue	175,408	95,000	-
TOTAL REVENUE	\$ 3,163,349	\$ 2,345,000	\$ -
TOTAL AVAILABLE RESOURCES	\$ 7,073,847	\$ 7,711,462	\$ 7,711,462
PROJECTS			
Hackberry Drive	\$ 660,610	\$ -	\$ -
Rosamond Parkway	-	-	1,172,900
Developer Incentive Payment	1,046,773	-	-
Transfers Out	-	-	-
TOTAL PROJECTS	\$ 1,707,384	\$ -	\$ 1,172,900
ENDING FUND BALANCE	\$ 5,366,462	\$ 7,711,462	\$ 6,538,562

Budget 2026-27	Budget 2027-28	Budget 2028-29	Project Total
\$ 6,538,562	\$ 6,538,562	\$ 6,538,562	
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	
\$ 6,538,562	\$ 6,538,562	\$ 6,538,562	
\$ -	\$ -	\$ -	977,916
\$ -	\$ -	\$ -	1,172,900
\$ -	\$ -	\$ -	2,288,412
\$ -	\$ -	\$ -	81,514
\$ -	\$ -	\$ -	
\$ 6,538,562	\$ 6,538,562	\$ 6,538,562	

ANNUAL BUDGET FOR FISCAL YEAR 2026

**CITY OF ANNA
CAPITAL IMPROVEMENTS PROGRAM
ROADWAY SVC AREA 2 IMPACT FEES**

	Actual 2023-24	Budget 2024-25	Budget 2025-26
BEGINNING BALANCE	\$ 2,142,079	\$ 1,194,409	\$ 3,104,409
Road Improvement Fees	\$ 553,264	\$ 990,000	\$ -
Collin County Contribution	2,590,000	2,025,000	-
Interest Revenue	119,263	40,000	-
TOTAL REVENUE	\$ 3,262,527	\$ 3,055,000	\$ -
TOTAL AVAILABLE RESOURCES	\$ 5,404,606	\$ 4,249,409	\$ 3,104,409
PROJECTS			
Leonard Avenue	\$ 3,551,836	\$ 895,000	\$ -
Finley Boulevard	658,361	250,000	-
TOTAL PROJECTS	\$ 4,210,197	\$ 1,145,000	\$ -
ENDING FUND BALANCE	\$ 1,194,409	\$ 3,104,409	\$ 3,104,409

Budget 2026-27	Budget 2027-28	Budget 2028-29	Project Total
\$ 3,104,409	\$ 3,104,409	\$ 3,104,409	
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	
\$ 3,104,409	\$ 3,104,409	\$ 3,104,409	
\$ -	\$ -	\$ -	4,446,836
\$ -	\$ -	\$ -	943,643
\$ -	\$ -	\$ -	
\$ 3,104,409	\$ 3,104,409	\$ 3,104,409	

**CITY OF ANNA
 CAPITAL IMPROVEMENTS PROGRAM
 PID FEES FUND**

	Actual 2023-24		Budget 2024-25		Budget 2025-26
BEGINNING BALANCE	\$ 3,920,200	\$	1,891,517	\$	1,741,517
REVENUES					
PID Fees	\$ 2,453,100	\$	-	\$	-
Interest Revenue	144,937		-		-
TOTAL	\$ 2,598,037	\$	-	\$	-
PROJECTS					
Fire Station #2	\$ 4,626,721	\$	-	\$	-
Facilities Study	-		150,000		-
TOTAL PROJECTS	\$ 4,626,721	\$	150,000	\$	-
ENDING FUND BALANCE	\$ 1,891,517	\$	1,741,517	\$	1,741,517

Budget 2026-27	Budget 2027-28	Budget 2028-29	Project Total
\$ 1,741,517	\$ 1,741,517	\$ 1,741,517	
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	4,626,721
\$ -	\$ -	\$ -	150,000
\$ -	\$ -	\$ -	
\$ 1,741,517	\$ 1,741,517	\$ 1,741,517	

ANNUAL BUDGET FOR FISCAL YEAR 2026

**CITY OF ANNA
 CAPITAL IMPROVEMENTS PROGRAM
 UTILITY BOND FUND 622 PROJECTS**

	Actual 2023-24	Budget 2024-25	Budget 2025-26
BEGINNING BALANCE	\$ 58,004,845	\$ 43,440,480	\$ 4,943,117
REVENUES			
Bond Proceeds	\$ -	\$ -	-
Interest Revenue	3,184,478	-	-
TOTAL	<u>\$ 3,184,478</u>	<u>\$ -</u>	<u>-</u>
PROJECTS			
Hurricane Creek Wastewater Treatment Plant	\$ 17,748,843	\$ 38,497,363	-
TOTAL PROJECTS	<u>\$ 17,748,843</u>	<u>\$ 38,497,363</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ 43,440,480</u>	<u>\$ 4,943,117</u>	<u>\$ 4,943,117</u>

Budget 2026-27	Budget 2027-28	Budget 2028-29	Project Total
\$ 4,943,117	\$ 4,943,117	\$ 4,943,117	
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	\$ 66,100,000
\$ -	\$ -	\$ -	
\$ 4,943,117	\$ 4,943,117	\$ 4,943,117	

**CITY OF ANNA
 CAPITAL IMPROVEMENTS PROGRAM
 UTILITY BOND FUND 624 PROJECTS**

	Actual 2023-24		Budget 2024-25		Budget 2025-26
BEGINNING BALANCE	\$ -	-	\$ 12,351,774	\$	351,774
REVENUES					
Bond Proceeds	\$ 12,350,404	\$	-	\$	-
Interest Revenue	1,370		-		-
TOTAL	\$ 12,351,774	\$	-	\$	-
PROJECTS					
Hurricane Creek Interceptor Line C	\$ -	\$	12,000,000	\$	-
TOTAL PROJECTS	\$ -	\$	12,000,000	\$	-
ENDING FUND BALANCE	\$ 12,351,774	\$	351,774	\$	351,774

Budget 2026-27	Budget 2027-28	Budget 2028-29	Project Total
\$ 351,774	\$ 351,774	\$ 351,774	
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	\$ 12,000,000
\$ -	\$ -	\$ -	
\$ 351,774	\$ 351,774	\$ 351,774	

ANNUAL BUDGET FOR FISCAL YEAR 2026

**CITY OF ANNA
 CAPITAL IMPROVEMENTS PROGRAM
 UTILITY BOND FUND 625 PROJECTS**

	Actual 2023-24		Budget 2024-25		Budget 2025-26
BEGINNING BALANCE	\$	-	\$	-	\$ 54,000,000
REVENUES					
Bond Proceeds	\$	-	\$ 54,000,000	\$	-
Interest Revenue		-		-	-
TOTAL	\$	-	\$ 54,000,000	\$	-
PROJECTS					
Hurricane Creek Wastewater Treatment Plant	\$	-	\$	-	\$ 54,000,000
TOTAL PROJECTS	\$	-	\$	-	\$ 54,000,000
ENDING FUND BALANCE	\$	-	\$ 54,000,000	\$	-

Budget 2026-27	Budget 2027-28	Budget 2028-29	Project Total
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	\$ 54,000,000
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	

**CITY OF ANNA
CAPITAL IMPROVEMENTS PROGRAM
UTILITY INFRASTRUCTURE FUND PROJECTS**

	Actual 2023-24	Budget 2024-25	Budget 2025-26
BEGINNING BALANCE	\$ 4,605,309	\$ 3,722,242	\$ 3,515,318
REVENUES			
Interest Revenue	\$ (49,870)	\$ -	\$ -
Transfer In	-	-	710,000
TOTAL	\$ (49,870)	\$ -	\$ 710,000
PROJECTS			
Geren Treatment Plant Rehabilitation	\$ 63,940	\$ -	\$ -
PW Facility Improvements	-	-	225,000
Risk & Resilience Infrastructure Improvements	117,644	57,019	-
Sherley Water Tower Lighting	250,000	-	-
State Hwy 5 Utility Relocation A	15,000	-	-
Hurricane Creek Wastewater Treatment Plant	5,595	-	-
Collin Pump Station - Pumps and Wells	(147,900)	-	-
Collin Pump Station - Ground Storage	87,166	57,074	-
FM455 Water Line	272,938	-	-
Twin Creek Run Water Line	102,335	-	-
Slater Creek Run Water Line	32,993	831	-
Quail Creek Water Line	-	22,000	350,000
Emergency Line Repair	33,485	-	-
Water and Wastewater Plan Updates	-	70,000	-
TOTAL PROJECTS	\$ 833,197	\$ 206,924	\$ 575,000
ENDING FUND BALANCE	\$ 3,722,242	\$ 3,515,318	\$ 3,650,318

Budget 2026-27	Budget 2027-28	Budget 2028-29	Project Total
\$ 3,650,318	\$ 3,650,318	\$ 3,650,318	
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	239,513
\$ -	\$ -	\$ -	225,000
\$ -	\$ -	\$ -	218,914
\$ -	\$ -	\$ -	250,000
\$ -	\$ -	\$ -	511,492
\$ -	\$ -	\$ -	(49,226)
\$ -	\$ -	\$ -	2,792,611
\$ -	\$ -	\$ -	144,240
\$ -	\$ -	\$ -	274,090
\$ -	\$ -	\$ -	102,335
\$ -	\$ -	\$ -	70,269
\$ -	\$ -	\$ -	372,000
\$ -	\$ -	\$ -	33,485
\$ -	\$ -	\$ -	70,000
\$ -	\$ -	\$ -	
\$ 3,650,318	\$ 3,650,318	\$ 3,650,318	

ANNUAL BUDGET FOR FISCAL YEAR 2026

**CITY OF ANNA
CAPITAL IMPROVEMENTS PROGRAM
WATER IMPACT FEES**

	Actual 2023-24	Budget 2024-25	Budget 2025-26
BEGINNING BALANCE	\$ 12,791,356	\$ 14,117,375	\$ 4,573,641
Water Improvement Fees	\$ 6,357,392	\$ 3,110,000	\$ -
Intergovernmental Revenue	159,516	-	-
Interest Revenue	520,075	236,000	-
TOTAL REVENUE	<u>\$ 7,036,983</u>	<u>\$ 3,346,000</u>	<u>\$ -</u>
TOTAL AVAILABLE RESOURCES	<u>\$ 19,828,339</u>	<u>\$ 17,463,375</u>	<u>\$ 4,573,641</u>
PROJECTS			
US 75 Utility Relocations	\$ 20,938	\$ -	\$ -
Collin Pump Station - Pumps and Wells	191,905	-	-
FM455 Water Line	781,672	3,018,328	-
Collin Pump Station - Ground Storage	3,225,105	7,774,895	-
SH 5 Utility Relocation - Project A	512,218	1,387,782	-
SH 5 Utility Relocation - Project B	149,250	358,729	1,000,000
Hackberry Drive Utilities	119,600	-	-
CR 286 Water Line Improvement	564,038	350,000	-
Developer Incentive Payment	146,237	-	-
TOTAL PROJECTS	<u>\$ 5,710,964</u>	<u>\$ 12,889,734</u>	<u>\$ 1,000,000</u>
ENDING FUND BALANCE	<u>\$ 14,117,375</u>	<u>\$ 4,573,641</u>	<u>\$ 3,573,641</u>

Budget 2026-27	Budget 2027-28	Budget 2028-29	Project Total
\$ 3,573,641	\$ 3,573,641	\$ 3,573,641	
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	
\$ 3,573,641	\$ 3,573,641	\$ 3,573,641	
\$ -	\$ -	\$ -	1,686,646
\$ -	\$ -	\$ -	1,425,207
\$ -	\$ -	\$ -	3,800,000
\$ -	\$ -	\$ -	11,000,000
\$ -	\$ -	\$ -	2,000,907
\$ -	\$ -	\$ -	1,550,000
\$ -	\$ -	\$ -	170,716
\$ -	\$ -	\$ -	914,038
\$ -	\$ -	\$ -	530,218
\$ -	\$ -	\$ -	
\$ 3,573,641	\$ 3,573,641	\$ 3,573,641	

ANNUAL BUDGET FOR FISCAL YEAR 2026

**CITY OF ANNA
CAPITAL IMPROVEMENTS PROGRAM
WASTEWATER IMPACT FEES**

	Actual 2023-24	Budget 2024-25	Budget 2025-26
BEGINNING BALANCE	\$ 8,175,063	\$ 11,775,669	\$ 10,819,677
Wastewater Improvement Fees	\$ 4,244,656	\$ 1,725,000	\$ -
Interest Revenue	368,380	230,000	-
TOTAL REVENUE	\$ 4,613,036	\$ 1,955,000	\$ -
TOTAL AVAILABLE RESOURCES	\$ 12,788,099	\$ 13,730,669	\$ 10,819,677
PROJECTS			
Hurricane Creek Sewer Line C	\$ 508,491	\$ 385,000	\$ -
Hurricane Creek Sewer Line D	-	1,500,000	5,000,000
SH 5 Utility Relocation - Project A	503,939	467,587	-
SH 5 Utility Relocation - Project B	-	250,000	1,000,000
Stiff Creek Trunk Sewer	-	-	1,200,000
Clement Creek Trunk Sewer Expansion	-	-	600,000
John R Geren WWTP Expansion	-	-	-
Throckmorton Creek Trunk Sewer Expansion	-	-	560,000
Sewer Improvement Study	-	85,410	-
Developer Incentive Payment	-	222,995	-
TOTAL PROJECTS	\$ 1,012,430	\$ 2,910,992	\$ 8,360,000
ENDING FUND BALANCE	\$ 11,775,669	\$ 10,819,677	\$ 2,459,677

Budget 2026-27	Budget 2027-28	Budget 2028-29	Project Total
\$ 2,459,677	\$ 1,469,677	\$ (930,323)	
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	
\$ 2,459,677	\$ 1,469,677	\$ (930,323)	
\$ -	\$ -	\$ -	1,597,904
-	-	-	6,500,000
-	-	-	995,000
-	-	-	1,250,000
-	-	-	1,200,000
-	-	-	600,000
350,000	-	-	350,000
640,000	2,400,000	-	1,200,000
-	-	-	85,410
-	-	-	233,366
\$ 990,000	\$ 2,400,000	\$ -	
\$ 1,469,677	\$ (930,323)	\$ (930,323)	

ANNUAL BUDGET FOR FISCAL YEAR 2026

**CITY OF ANNA
CAPITAL IMPROVEMENTS PROGRAM
PARK DEVELOPMENT**

	Actual 2023-24	Budget 2024-25	Budget 2025-26
BEGINNING BALANCE	\$ 4,044,663	\$ 4,065,008	\$ 2,850,776
REVENUES			
Park Development Fees	\$ 2,526,679	\$ 1,430,000	\$ -
Interest Revenue	164,117	100,000	100,000
Other Revenues	6,895	113,000	113,000
TOTAL	<u>\$ 2,697,691</u>	<u>\$ 1,643,000</u>	<u>\$ 213,000</u>
OPERATIONS			
Recreation	\$ 517,750	\$ 608,567	\$ 616,993
Park Operations	29,876	18,000	54,000
Capital Equipment	67,138	243,000	124,000
	<u>614,766</u>	<u>869,567</u>	<u>794,993</u>
PROJECTS			
Slayter Creek Skate Park	459,554	-	-
Slayter Creek Park - Fitness Court	74,693	-	-
Slayter Creek Park - Sports Court	206,377	-	-
Slayter Creek Park - Plaza, Lighting, Electrical	325,014	-	-
Slayter Creek Park - Irrigation and Drainage	40,400	459,600	-
Slayter Creek Park - Parking	58	-	-
Slayter Creek Park - Restroom	1,444	-	-
Slayter Creek Park - Facility Improvements	-	407,750	-
Natural Springs Park - Parking and Other	110,169	-	-
Natural Springs Park - Dog Park Irrigation	4,800	-	-
Natural Springs Park - Playground	399,729	70,000	-
Yank Park	273,334	-	-
Anna Crossing Park (Finley)	123,822	200,000	-
Johnson Park Improvements	15,110	-	120,000
Trails - Pecan Grove Trail	3,896	-	-
Parks Master Plan Update	-	350,000	-
Natural Springs Park Master Plan	-	100,000	-
Sherley Park Master Plan	-	50,000	-
Parks Wayfinding Signs	24,185	350,315	-
	<u>2,062,583</u>	<u>1,987,665</u>	<u>120,000</u>
TOTAL	<u>\$ 2,677,345</u>	<u>\$ 2,857,232</u>	<u>\$ 914,993</u>
ENDING FUND BALANCE	<u>\$ 4,065,008</u>	<u>\$ 2,850,776</u>	<u>\$ 2,148,783</u>

Budget 2026-27	Budget 2027-28	Budget 2028-29	Project Total
\$ 2,148,783	\$ 1,369,450	\$ 577,531	
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	
\$ -	\$ -	\$ -	
\$ 629,333	\$ 641,920	\$ 654,758	
-	-	-	
150,000	150,000	150,000	
779,333	791,920	804,758	
-	-	-	459,554
-	-	-	74,693
-	-	-	219,777
-	-	-	569,905
-	-	-	500,000
-	-	-	43,488
-	-	-	67,584
-	-	-	407,750
-	-	-	388,418
-	-	-	4,800
-	-	-	469,729
-	-	-	455,118
-	-	-	323,822
-	-	-	465,863
-	-	-	75,311
-	-	-	350,000
-	-	-	100,000
-	-	-	50,000
-	-	-	374,500
\$ 779,333	\$ 791,920	\$ 804,758	
\$ 1,369,450	\$ 577,531	\$ (227,227)	

ANNUAL BUDGET FOR FISCAL YEAR 2026

**CITY OF ANNA
CAPITAL IMPROVEMENTS PROGRAM
FACILITIES PROJECTS**

PROJECT NAME: COMMUNITY LIBRARY

Description: In May 2021, voters approved \$22 million dollars in funding for the development of a public library / community center. The facility is being designed with public input, implementing complementary objectives of the Parks and Recreation Master Plan. The facility will be located on the northeast corner of the municipal complex campus.

Justification: This project was identified by the community through various public outreach efforts and through the City of Anna 2050 Comprehensive Plan process. Voters overwhelmingly approved the funding in May of 2021.

Funding	Prior Years	Re-estimate 2025	Budget 2026	Budget 2027	Project Total
Bond Funds	\$ 8,504,157	\$ 13,495,843	\$ -	\$ -	\$ 22,000,000
Expenditures					
<i>Design</i>	\$ 2,000,966	\$ 735,025	\$ -	\$ -	\$ 2,735,991
<i>Construction</i>	6,238,351	12,760,818	-	-	18,999,169
<i>Equipment</i>	264,840	-	-	-	264,840
<i>Right of Way</i>	-	-	-	-	-
Total	\$ 8,504,157	\$ 13,495,843	\$ -	\$ -	\$ 22,000,000

PROJECT NAME: MUNICIPAL COMPLEX PLAZA

Description: The plaza on the Anna Municipal Complex property is a key component of the overall development of the site. It will tie in all three buildings, including the existing Central Fire Station, Municipal Building, and the future Library. In addition, this area will be a public event space.

Justification: Anna 2050 Downtown Master Plan: Action 9.13 Programming Space; Action 9.21 Parks and Plazas; Action 9.3 Municipal Complex Connectivity

Funding	Prior Years	Re-estimate 2025	Budget 2026	Budget 2027	Project Total
Bond Funds	\$ 78,490	\$ 3,421,510	\$ -	\$ -	\$ 3,500,000
Infrastructure Fund	213,490	86,510	-	-	300,000
Total	\$ 291,980	\$ 3,508,020	\$ -	\$ -	\$ 3,800,000
Expenditures					
<i>Design</i>	\$ 225,976	\$ 86,510	\$ -	\$ -	\$ 312,486
<i>Construction</i>	-	3,421,510	-	-	3,421,510
<i>Equipment</i>	66,004	-	-	-	66,004
<i>Right of Way</i>	-	-	-	-	-
Total	\$ 291,980	\$ 3,508,020	\$ -	\$ -	\$ 3,800,000

**CITY OF ANNA
CAPITAL IMPROVEMENTS PROGRAM
FACILITIES PROJECTS**

PROJECT NAME: PUBLIC SAFETY FACILITY

Description: The new police station for the Anna Police Department will be a state-of-the-art facility purpose-built to handle the demands of a growing city while enhancing both community service and officer support.

Justification: Since the design of the current Municipal Complex in 2018 where the Police Department is currently housed, the population of Anna has grown from 13,690 to 34,100.

Funding	Prior Years	Re-estimate 2025	Budget 2026	Budget 2027	Project Total
Bond Funds	\$ -	\$ -	\$ 30,000,000	\$ -	\$ 30,000,000
Expenditures					
<i>Design</i>			\$ 3,000,000	\$ -	\$ 3,000,000
<i>Construction</i>			27,000,000	-	27,000,000
<i>Equipment</i>			-	-	-
<i>Right of Way</i>			-	-	-
Total	\$ -	\$ -	\$ 30,000,000	\$ -	\$ 30,000,000

**CITY OF ANNA
CAPITAL IMPROVEMENTS PROGRAM
PARKS PROJECTS**

PROJECT NAME: TRAILS - PECAN GROVE TRAIL

Description: Trails are needed to connect city parks, schools and downtown among other destination areas in the community, promoting healthy, active lifestyles for our neighbors.

Justification: Anna 2050 Parks Master Plan

Action 10. Trail Opportunities - Explore additional areas for trails through wooded and riparian corridor areas.
Action 12. New Connections - Install additional trail and sidewalk connections utilizing Capital Improvements Program and grants funding when available.

Funding	Prior Years	Re-estimate 2025	Budget 2026	Budget 2027	Project Total
Bond Funds	\$ 22,057	\$ 1,290,500	\$ -	\$ -	1,312,557
Park Development	-	-	-	-	-
Total	\$ 22,057	\$ 1,290,500	\$ -	\$ -	1,312,557

Expenditures

<i>Design</i>	\$ 22,057	\$ 55,500	\$ -	\$ -	77,557
<i>Construction</i>	-	1,235,000	-	-	1,235,000
<i>Equipment</i>	-	-	-	-	-
<i>Right of Way</i>	-	-	-	-	-
Total	\$ 22,057	\$ 1,290,500	\$ -	\$ -	1,312,557

PROJECT NAME: OAK HOLLOW TRAIL EXTENSION

Description: Trails are needed to connect city parks, schools and downtown among other destination areas in the community, promoting healthy, active lifestyles for our neighbors. This trail extension would be from Carol Park along the Oak Hollow Subdivision to the Park Place Subdivision

Justification: Anna 2050 Parks Master Plan

Action 10. Trail Opportunities - Explore additional areas for trails through wooded and riparian corridor areas.
Action 12. New Connections - Install additional trail and sidewalk connections utilizing Capital Improvements Program and grants funding when available.

Funding	Prior Years	Re-estimate 2025	Budget 2026	Budget 2027	Project Total
Bond Funds	\$ -	\$ 600,000	\$ 1,300,000	\$ -	1,900,000

Expenditures

<i>Design</i>	\$ -	\$ 600,000	\$ 1,300,000	\$ -	1,900,000
<i>Construction</i>	-	-	-	-	-
<i>Equipment</i>	-	-	-	-	-
<i>Right of Way</i>	-	-	-	-	-
Total	\$ -	\$ 600,000	\$ 1,300,000	\$ -	1,900,000

**CITY OF ANNA
CAPITAL IMPROVEMENTS PROGRAM
PARKS PROJECTS**

PROJECT NAME: BRYANT PARK IMPROVEMENTS

Description: Bryant Park is a 5-acre tract located on the north side of CR371 just south of Bryant Elementary. Park is in design. Proposed amenities include outdoor soccer fields, baseball fields, a shared parking agreement with Anna Independent School District, fencing, and irrigation.

Justification: Anna 2050 Parks Master Plan
Action 1. City Owned Properties - Expand and/or enhance City-owned park and recreation properties.

Funding	Prior Years	Re-estimate 2025	Budget 2026	Budget 2027	Project Total
Bond Funds	\$ -	\$ 350,000	\$ 4,500,000	\$ -	\$ 4,850,000
Total	\$ -	\$ 350,000	\$ 4,500,000	\$ -	\$ 4,850,000
Expenditures					
<i>Design</i>	\$ -	\$ 350,000	\$ -	\$ -	\$ 350,000
<i>Construction</i>	-	-	4,500,000	-	4,500,000
<i>Equipment</i>	-	-	-	-	-
<i>Right of Way</i>	-	-	-	-	-
Total	\$ -	\$ 350,000	\$ 4,500,000	\$ -	\$ 4,850,000

PROJECT NAME: ANNA CROSSING PARK (FINLEY)

Description: Project includes the development of a master plan, construction documents, and the construction of the approved design. The design will be based on needs identified in the master plan as well as public input.

Justification: Anna 2050 Parks Master Plan
Action 1. City Owned Properties - Expand and/or enhance City-owned park and recreation properties that have the potential to better serve the surrounding residents.

Funding	Prior Years	Re-estimate 2025	Budget 2026	Budget 2027	Project Total
Bond Funds	\$ -	\$ 500,000	\$ 6,500,000	\$ -	\$ 7,000,000
Park Development	123,822	200,000	-	-	323,822
Total	\$ 123,822	\$ 700,000	\$ 6,500,000	\$ -	\$ 7,323,822
Expenditures					
<i>Design</i>	\$ 123,822	\$ 700,000	\$ -	\$ -	\$ 823,822
<i>Construction</i>	-	-	6,500,000	-	6,500,000
<i>Equipment</i>	-	-	-	-	-
<i>Right of Way</i>	-	-	-	-	-
Total	\$ 123,822	\$ 700,000	\$ 6,500,000	\$ -	\$ 7,323,822

**CITY OF ANNA
CAPITAL IMPROVEMENTS PROGRAM
PARKS PROJECTS**

PROJECT NAME: SLAYTER CREEK PARK - FACILITY IMPROVEMENTS

Description: Multi-faceted facility improvement project, including: demolish and replace existing restroom and concession building, install shade structure at skate park, remove and replace existing playground, construct storage shed for parks equipment, install fence toppers on ballfield fences, install new small pavilion for disc golf, replace batting cages, and renovate existing park pavilion.

Justification: Anna 2050 Parks Master Plan

Action 1. City Owned Properties - Expand and/or enhance City-owned park and recreation properties that have the potential to better serve the surrounding residents.

Funding	Prior Years	Re-estimate 2025	Budget 2026	Budget 2027	Project Total
Bond Funds	\$ -	\$ 2,200,000	\$ 3,000,000	\$ -	\$ 5,200,000
Park Development	-	407,750	-	-	407,750
Total	\$ -	\$ 2,607,750	\$ 3,000,000	\$ -	\$ 5,607,750
Expenditures					
<i>Design</i>	\$ -	\$ 350,000		\$ -	\$ 350,000
<i>Construction</i>	-	800,000	3,000,000	-	3,800,000
<i>Equipment</i>	-	1,350,000		-	1,350,000
<i>Right of Way</i>	-	107,750		-	107,750
Total	\$ -	\$ 2,607,750	\$ 3,000,000	\$ -	\$ 5,607,750

**CITY OF ANNA
CAPITAL IMPROVEMENTS PROGRAM
ROADWAY PROJECTS**

PROJECT NAME: FERGUSON PARKWAY					
Description: Construct 1.2 miles of roadway connecting Ferguson Parkway between Taylor Blvd. and the Collin County Outer Loop (CCOL). Road is a future six-lane divided parkway with one hundred twenty feet of right-of-way.					
Justification: 10-Year Roadway Impact Fee Capital Improvement Plan; this project is a top priority due to the connectivity to two regional roadways (FM 455 and the CCOL) and moves traffic to the population center without having to use the congested intersections of FM 455 at US 75 and FM 455 at SH 5.					
Funding	Prior Years	Re-estimate 2025	Budget 2026	Budget 2027	Project Total
Infrastructure Fund	\$ 1,690,455	\$ 240,000	\$ -	\$ -	\$ 1,930,455
	\$ 1,690,455	\$ 240,000	\$ -	\$ -	\$ 1,930,455
Expenditures					
Design	\$ 1,690,455	\$ 240,000	\$ -	\$ -	\$ 1,930,455
Construction	-	-	-	-	-
Equipment	-	-	-	-	-
Right of Way	-	-	-	-	-
Total	\$ 1,690,455	\$ 240,000	\$ -	\$ -	\$ 1,930,455

PROJECT NAME: ROSAMOND PARKWAY					
Description: This project consists of the preparation of construction plans, details, and bidding documents for the construction expansion of W Rosamond Parkway from a two-lane configuration to a proposed four-lane divided concrete section. The project length of W Rosamond Parkway is approximately 1.35 miles and runs from approximately 350 feet east of the Buddy Hayes Blvd. to Langdon Drive.					
Justification: Neighbors have reached out to City staff with concerns regarding access and traffic congestion around their neighborhoods. Rosamond Parkway is illustrated in the Master Thoroughfare Plan as a Major Arterial Road, which is a four-lane divided concrete section east of Buddy Hayes Blvd. to Langdon Drive.					
Funding	Prior Years	Re-estimate 2025	Budget 2026	Budget 2027	Project Total
Impact Fees	\$ -	\$ -	\$ 1,172,900	\$ -	\$ 1,172,900
Total	\$ -	\$ -	\$ 1,172,900	\$ -	\$ 1,172,900
Expenditures					
Design	\$ -	\$ -	\$ 1,172,900	\$ -	\$ 1,172,900
Construction	-	-	-	-	-
Equipment	-	-	-	-	-
Right of Way	-	-	-	-	-
Total	\$ -	\$ -	\$ 1,172,900	\$ -	\$ 1,172,900

**CITY OF ANNA
CAPITAL IMPROVEMENTS PROGRAM
UTILITIES PROJECTS**

PROJECT NAME: HURRICANE CREEK REGIONAL WASTEWATER TREATMENT PLANT					
Description: New wastewater treatment plant on the Hurricane Creek tributary of the Elm Fork of the Trinity River.					
Justification: Plant will provide sewer treatment for developments on the west side of US 75 and build regional partnerships to help maintain affordable treatment for the region. This facility will open the entire west side of Anna for high quality development.					
Funding	Prior Years	Re-estimate 2025	Budget 2026	Budget 2027	Project Total
Bond Funds	\$ 27,553,411	\$ 38,497,363	\$ 54,000,000	\$ -	\$ 120,050,774
Total	\$ 27,553,411	\$ 38,497,363	\$ 54,000,000	\$ -	\$ 120,050,774
Expenditures					
<i>Design</i>	\$ 9,833,050	\$ -	\$ -	\$ -	\$ 9,833,050
<i>Construction</i>	14,954,321	38,497,363	54,000,000	-	107,451,684
<i>Equipment</i>	43,582	-	-	-	43,582
<i>Right of Way</i>	2,722,458	-	-	-	2,722,458
Total	\$ 27,553,411	\$ 38,497,363	\$ 54,000,000	\$ -	\$ 120,050,774

PROJECT NAME: HURRICANE CREEK SEWER INTERCEPTOR LINE NORTH (SEGMENT C)					
Description: This sewer line will run from Van Alstyne to FM455, connecting Hurricane Creek Sanitary Sewer Line B to the new Hurricane Creek Wastewater Treatment Plant. The line will also provide sewer access to northwest Anna and promote highest and best land use of the US 75 corridor.					
Justification: The 48" interceptor line is needed to provide sanitary sewer on the west side of FM455 and bring many new developments. This line will also take sanitary sewer flow from Van Alstyne, helping to grow the new Hurricane Creek Wastewater Treatment Plant into a regional sewer treatment solution.					
Funding	Prior Years	Re-estimate 2025	Budget 2026	Budget 2027	Project Total
Bond Funds	\$ -	\$ 12,000,000	\$ -	\$ -	\$ 12,000,000
Impact Fees	1,235,498	385,000	-	-	1,620,498
Total	\$ 1,235,498	\$ 12,385,000	\$ -	\$ -	\$ 13,620,498
Expenditures					
<i>Design</i>	\$ 1,149,419	\$ 385,000	\$ -	\$ -	\$ 1,534,419
<i>Construction</i>	145	12,000,000	-	-	12,000,145
<i>Equipment</i>	-	-	-	-	-
<i>Right of Way</i>	85,934	-	-	-	85,934
Total	\$ 1,235,498	\$ 12,385,000	\$ -	\$ -	\$ 13,620,498

**CITY OF ANNA
CAPITAL IMPROVEMENTS PROGRAM
UTILITIES PROJECTS**

PROJECT NAME: SH 5 UTILITY RELOCATION - PROJECT A

Description: Relocate and expand public water and wastewater system along SH 5. Project A is from the Collin County Outer Loop to Hackberry Drive. Project will relocate utilities for the TxDOT SH5 widening and increase main sizes in accordance with the Water and Wastewater Master Plans.

Justification: Project is mandated by Texas Department of Transportation (TxDOT).

Funding	Prior Years	Re-estimate 2025	Budget 2026	Budget 2027	Project Total
Impact Fees	\$ 1,140,538	\$ 1,855,369	\$ -	\$ -	2,995,907
Infrastructure Fund	560,543	-	-	-	560,543
Total	\$ 1,701,081	\$ 1,855,369	\$ -	\$ -	3,556,450
Expenditures					
<i>Design</i>	\$ 472,904	\$ 185,755	\$ -	\$ -	658,659
<i>Construction</i>	929,388	1,669,614	-	-	2,599,002
<i>Equipment</i>	-	-	-	-	-
<i>Right of Way</i>	298,789	-	-	-	298,789
Total	\$ 1,701,081	\$ 1,855,369	\$ -	\$ -	3,556,450

PROJECT NAME: SH 5 UTILITY RELOCATION - PROJECT B

Description: Relocate and expand public water and wastewater system along State Highway 5 (SH 5), starting where and when Project A concludes and TxDOT work begins moving north.

Justification: Project is mandated by Texas Department of Transportation (TxDOT).

Funding	Prior Years	Re-estimate 2025	Budget 2026	Budget 2027	Project Total
Impact Fees	\$ 191,271	\$ 608,729	\$ 2,000,000	\$ -	2,800,000
Expenditures					
<i>Design</i>	\$ 191,271	\$ 220,000	\$ -	\$ -	411,271
<i>Construction</i>	-	358,729	2,000,000	-	2,358,729
<i>Equipment</i>	-	-	-	-	-
<i>Right of Way</i>	-	30,000	-	-	30,000
Total	\$ 191,271	\$ 608,729	\$ 2,000,000	\$ -	2,800,000

**CITY OF ANNA
CAPITAL IMPROVEMENTS PROGRAM
UTILITIES PROJECTS**

PROJECT NAME: HURRICANE CREEK LINE - NORTH EXTENSION TO CITY LIMIT (SEGMENT D)

Description: Design and construct trunk main to County Road 290 for Van Alstyne connection and Liberty Hills Development.

Justification: The 48" interceptor line is needed to provide sanitary sewer on the west side of FM455 and bring many new developments. This line will also take sanitary sewer flow from Van Alstyne, helping to grow the new Hurricane Creek Wastewater Treatment Plant into a regional sewer treatment solution.

Funding	Prior Years	Re-estimate 2025	Budget 2026	Budget 2027	Project Total
Impact Fees	\$ -	\$ 1,500,000	\$ 5,000,000	\$ -	\$ 6,500,000
Expenditures					
<i>Design</i>	\$ -	\$ 1,000,000	\$ -	\$ -	\$ 1,000,000
<i>Construction</i>	-	-	5,000,000	-	5,000,000
<i>Equipment</i>	-	-	-	-	-
<i>Right of Way</i>	-	500,000	-	-	500,000
Total	\$ -	\$ 1,500,000	\$ 5,000,000	\$ -	\$ 6,500,000

PROJECT NAME: CLEMENT CREEK TRUNK SEWER EXPANSION

Description: Parallel line in Clement Creek Basin to Melissa. Requires revised contract with Melissa. Melissa to design and construct portion in Melissa. Anna design and construct in Anna, and fund and oversee portion in Melissa.

Justification: Required for development on east side of SH 5.

Funding	Prior Years	Re-estimate 2025	Budget 2026	Budget 2027	Project Total
Impact Fees	\$ -	\$ -	\$ 600,000	\$ -	\$ 600,000
Expenditures					
<i>Design</i>	\$ -	\$ -	\$ 400,000	\$ -	\$ 400,000
<i>Construction</i>	-	-	-	-	-
<i>Equipment</i>	-	-	-	-	-
<i>Right of Way</i>	-	-	200,000	-	200,000
Total	\$ -	\$ -	\$ 600,000	\$ -	\$ 600,000

**CITY OF ANNA
CAPITAL IMPROVEMENTS PROGRAM
UTILITIES PROJECTS**

PROJECT NAME: FM455 WATER LINE					
Description: Design and construct approximately 1,500 linear feet of 12-inch water line on FM 455 at the Hurricane Creek Bridge and 11,800 linear feet of 12-inch water on FM 455 between Cowan Road and County Road 1101.					
Justification: This project is needed to service water to new development on the west side of US 75.					
Funding	Prior Years	Re-estimate 2025	Budget 2026	Budget 2027	Project Total
Impact Fees	\$ 781,672	\$ 3,018,328	\$ -	\$ -	\$ 3,800,000
Infrastructure Fund	274,090	-	-	-	274,090
Total	\$ 1,055,762	\$ 3,018,328	\$ -	\$ -	\$ 4,074,090
Expenditures					
<i>Design</i>	\$ 274,592	\$ -	\$ -	\$ -	\$ 274,592
<i>Construction</i>	779,102	3,018,328	-	-	3,797,430
<i>Equipment</i>	-	-	-	-	-
<i>Right of Way</i>	2,068	-	-	-	2,068
Total	\$ 1,055,762	\$ 3,018,328	\$ -	\$ -	\$ 4,074,090

PROJECT NAME: COLLIN PUMP STATION - GROUND STORAGE					
Description: Install four million gallon water ground storage tank at the Collin Pump Station site to provide additional storage capacity. Increased ground storage will meet growing water demand and lessen reliance on well systems. Additionally, this storage will enhance the ability to deal with extreme water usage in the summer months.					
Justification: 10-Year Water Impact Fee Capital Improvement Plan					
Funding	Prior Years	Re-estimate 2025	Budget 2026	Budget 2027	Project Total
Impact Fees	\$ 3,225,105	\$ 7,774,895	\$ -	\$ -	\$ 11,000,000
Infrastructure Fund	87,166	57,074	-	-	144,240
Total	\$ 3,312,271	\$ 7,831,969	\$ -	\$ -	\$ 11,144,240
Expenditures					
<i>Design</i>	\$ 116,922	57,074	-	\$ -	\$ 173,996
<i>Construction</i>	3,195,349	7,774,895	-	-	10,970,244
<i>Equipment</i>	-	-	-	-	-
<i>Right of Way</i>	-	-	-	-	-
Total	\$ 3,312,271	\$ 7,831,969	\$ -	\$ -	\$ 11,144,240

**CITY OF ANNA
CAPITAL IMPROVEMENTS PROGRAM
UTILITIES PROJECTS**

PROJECT NAME: STIFF CREEK TRUNK SEWER EXPANSION						
Description: New trunk sewer connection to Melissa for properties east of SH 5. Design to begin in FY24-25, construction to begin in FY25-26. Melissa agreement required for design and construction.						
Justification: Required for development on east side of SH 5.						
Funding	Prior Years	Re-estimate 2025	Budget 2026	Budget 2027	Project Total	
Impact Fees	\$ -	\$ -	\$ 1,200,000	\$ -	\$ 1,200,000	
Expenditures						
<i>Design</i>	\$ -	\$ -	\$ 800,000	\$ -	\$ 800,000	
<i>Construction</i>	-	-	-	-	-	
<i>Equipment</i>	-	-	-	-	-	
<i>Right of Way</i>	-	-	400,000	-	400,000	
Total	\$ -	\$ -	\$ 1,200,000	\$ -	\$ 1,200,000	



SUPPLEMENTAL INFORMATION

THE CITY OF
Anna

CITY OF ANNA
FINANCIAL POLICIES OVERVIEW

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, internal controls, and fund balance, as well as integrity, communication, prudent stewardship, planning, accountability, and full disclosure. These policies are intended to:

- ◆ Assist the City to ensure long-term financial stability and a healthy financial position;
- ◆ Assist the City Council and City staff in evaluating current activities and proposals for future programs;
- ◆ Demonstrate to the Neighbors of Anna, the investment community, and the bond rating agencies that the City is committed to strong fiscal operations;
- ◆ Fairly present and fully disclose the financial position of the City in conformity with accounting practices generally accepted in the United States of America; and
- ◆ Demonstrate compliance with finance-related legal and contractual issues in accordance with the Texas Local Government Code and other related legal mandates upon the City.

The policies are to be reviewed on an annual basis and modified to accommodate changing circumstances and conditions.

Policy areas include:

- | | |
|--------------------------|-----------------------|
| ◆ Annual Budget Process | ◆ Debt Management |
| ◆ Revenue Management | ◆ Financial Reporting |
| ◆ Operating Expenditures | ◆ Accounting |
| ◆ Fund Balance | |

The FY2026 budget is currently in compliance with relevant financial policies as stated here.

A summary of each of the above listed policy areas along with a complete copy of the financial policies can be found in the following pages.

Annual Budget Process

IV. Budgeting is an essential element of the financial planning, control, and evaluation process of municipal government. The budget shall be prepared on the basis of priorities outlined by the City Council and the City Manager in the Strategic Plan. In addition, the budget shall be prepared and presented to meet the requirements of Section 102 of the Texas Local Government Code.

IV.I. The annual budget document shall be published in a format that satisfies all criteria established by the Government Finance Officers Association's Distinguished Budget Program. The final budget document shall be published no later than 90 days following the date of the budget's adoption by the City Council.

IV.I. 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 funds, which Council approves project-length budgets.

IV.I. The basis of budgeting will be the same as the basis of accounting; that is, that budgets for the General Fund and all special revenue funds are prepared on the modified accrual basis of accounting, and budgets for the Utility (Proprietary) Fund are presented on a full accrual basis, except that capital purchases and depreciation are not adjusted until year-end financial reporting.

IV.I. A balanced budget is one in which total proposed expenditures shall not exceed the total estimated income. The City's goal is to balance the operating budget with current revenues, whereby, current revenues match and fund on-going expenditures. The City considers the budget balanced when total expenditures are equal to total revenues. However, the budget is also balanced when total expenditures are less than total revenues, a surplus. There may also be instances where the City plans to spend excess fund balance accumulated from previous years on one-time non-recurring purchases, while maintaining established reserves. The City considers the budget to be balanced in this case as well. However, the plan shall not be to build on-going expenditures into this type of funding.

Revenue Management

V.A. To protect the City's financial integrity, the City will maintain a diversified and stable revenue system to shelter it from fluctuations in any one revenue source.

V.A.1. For every annual budget, the City shall levy two property tax rates: debt service and operation/maintenance. The debt service levy shall be sufficient for meeting all principal and interest payments associated with the City's outstanding general obligation debt for that budget year. The debt service levy and related debt service expenditures shall be accounted for in the Debt Service Fund. The operation and maintenance levy shall be accounted for in the General Fund.

V.A.1. The City will maintain a policy of levying the lowest tax rate on the broadest tax base. Minimal exemptions will be provided to homeowners, senior citizens, and disabled veterans. The City may consider providing tax abatements or other incentives to encourage development.

CITY OF ANNA
FINANCIAL POLICIES SUMMARY

V.A.2. The State Comptroller's Office collects, administers, and disburses sales tax on a monthly basis.

V.A.3. The City will establish utility fees (water, wastewater, and sanitation) at a level that attempts to recover the full cost of providing the service.

V.A. When developing the annual budget, the City Manager shall project revenues from every source based on actual collections from the preceding year and estimated collections of the current fiscal year, while taking into account known circumstances which will impact revenues for the new fiscal year. The revenue projections for each fund should be made conservatively so that total actual fund revenues exceed budgeted projections.

Operating Expenditures

V.B. The annual budget shall appropriate sufficient funds for operating, recurring expenditures necessary to maintain established (i.e. status quo) quality and scope of city services.

V.B. Capital outlay is defined as machinery, vehicles or equipment that exceeds \$5,000 and has a useful life of at least three years. Existing capital equipment shall be replaced when needed to ensure the optimal productivity of City employees.

V.B. Capital improvement is defined as an enhancement that exceeds \$50,000 and has a useful life of at least ten years. Capital improvements are budgeted as multi-year projects in the Community Investment Program budget.

Fund Balance

VIII. F. It is the goal of the City to achieve and maintain an unassigned General Fund fund balance equal to 40% of total appropriations. The City considers a balance of less than 25% to be a cause for concern, barring unusual or deliberate circumstances, and a balance of more than 40% as excessive.

VIII. G. It shall be the goal of the City to maintain a working capital reserve in the Utility Fund of 25% of total appropriations in order to provide for potential unanticipated needs or the impact of weather.

Debt Management

IX.B. Under the governance and guidance of Federal and State laws and the City's Charter, ordinances and resolutions, the City may periodically enter into debt obligations to finance the construction or acquisition of infrastructure and other assets; or to refinance existing debt for the purpose of meeting its governmental obligation to its residents. It is the City's desire and direction to ensure that such debt obligations are issued and administered in such fashion as to obtain the best long-term financial advantage to the City and its residents, while making every effort to maintain and improve the City's bond ratings.

IX.B. The City shall not issue debt obligations or utilize debt proceeds to finance current operations of the City.

Financial Reporting

I.D. The City will prepare and publish a Annual Comprehensive Financial Report. The Annual Report will be prepared in accordance with generally accepted accounting principles and will be presented annually to the Government Finance Officers Association (GFOA) for evaluation and awarding of the Certification of Achievement for Excellence in Financial Reporting. The Annual Report will be published and presented to the City Council within 180 days after the end of the fiscal year.

Accounting

I.A. The Finance Director and Accounting Manager are responsible for establishing and maintaining the chart of accounts and for properly recording financial transactions.

I.B. The accounts of the City are organized and operated on the basis of funds and account groups. Each fund is created for a specific purpose except for the General Fund. The General Fund is used to account for all transactions not accounted for in other funds. Fund accounting is used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

I.B. 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.

I.C.1-2 The City will be audited annually by an outside independent auditing firm or other times as may be deemed necessary. The auditors must be a CPA and must demonstrate that they have the breadth and depth of staff to conduct the City's annual audit in accordance with generally accepted auditing standards, generally accepted government auditing standards, and contractual requirements. 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.

I.C.3. 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.



City of Anna, Texas
Financial Policies

Adopted: February 14, 2023

THE CITY OF
Anna

FINANCIAL POLICIES

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, internal controls, and fund balance, as well as integrity, communication, prudent stewardship, planning, accountability, and full disclosure. These policies are intended to:

- A. Assist the City to ensure long-term financial stability and a healthy financial position;
- B. Assist the City Council and City staff in evaluating current activities and proposals for future programs;
- C. Demonstrate to the Neighbors of Anna, the investment community, and the bond rating agencies that the City is committed to strong fiscal operations;
- D. Fairly present and fully disclose the financial position of the City in conformity with accounting practices generally accepted in the United States of America; and
- E. Demonstrate compliance with finance-related legal and contractual issues in accordance with the Texas Local Government Code and other related legal mandates upon the City.

The policies are to be reviewed on an annual basis and modified to accommodate changing circumstances and conditions.

THE CITY OF
Anna

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FINANCIAL MANAGEMENT POLICIES

I. ACCOUNTING, AUDITING, AND FINANCIAL REPORTING

A. Accounting

The Finance Director and Accounting Manager are responsible for establishing and maintaining the chart of accounts and for properly recording financial transactions.

B. Funds

The accounts of the City are organized and operated on the basis of funds and account groups. Each fund is created for a specific purpose except for the General Fund. The General Fund is used to account for all transactions not accounted for in other funds. Fund accounting 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 funds, which Council approves 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.

C. External Auditing

The City will be audited annually by an outside independent auditing firm or other times as may be deemed necessary.

1. External Auditor Repute – The auditors must be a CPA and must demonstrate that they have the breadth and depth of staff to conduct the City's annual audit in accordance with generally accepted auditing standards, generally accepted government auditing standards, and contractual requirements.
2. Timing - 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.
3. Financial Statements - 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.
4. Management Letter – The external auditor will prepare and review the Management

Letter with the City Council within 180 days from the end of the fiscal year. The external auditor will present and review the audit with City Council at a regular scheduled meeting.

5. Rotation of External Auditor - As stated in the City Charter, the City shall not use the same firm for more than five consecutive years.

D. External Financial Reporting

The City will prepare and publish a Comprehensive Annual Financial Report (CAFR). The CAFR will be prepared in accordance with generally accepted accounting principles and will be presented annually to the Government Finance Officers Association (GFOA) for evaluation and awarding of the Certification of Achievement for Excellence in Financial Reporting. The CAFR will be published and presented to the City Council within 180 days after the end of the fiscal year.

E. Internal Financial Reporting

The Finance Department will monitor revenues and expenditures as compared to current year budgets and investigate any variances found. Staff will prepare internal financial reports on a monthly basis sufficient for management and Council to plan, monitor, and control the City's fiscal affairs. This report will compare previous year-to-date (YTD) actuals to current YTD actuals of the same quarter, as well as percentage of budget remaining.

In addition, a more detailed analysis and report will be completed on a quarterly basis and provided to the City Manager and City Council. The report shall accurately reflect the City's current position in regard to revenue and expenditure performance, as well as any additional information that reflects the City's current and future fiscal position.

F. Bank Depository

The City 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 the 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 bank depository shall be used. Depositories shall be selected 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.

II. INTERNAL CONTROLS

A. Written Procedures

1. The City shall maintain an environment conducive to good internal control.

2. Definitions

Internal Control comprises the plan of organization and all of the coordinated methods and measures adopted within the City to safeguard its assets, check the accuracy and reliability of its assets, check the accuracy and reliability of its accounting data, promote operational efficiency, and encourage adherence to prescribed managerial policies. (This is the broad definition, recognizing that a “system” of internal control extends beyond those matters which relate directly to the accounting and finance functions. Source: AICPA SAS). This broad definition can be subdivided into two components; accounting and administrative, as follows:

- a. Accounting controls comprise the plan of organization and all the methods and procedures that are concerned mainly with, and relate directly to, the safeguarding of assets and the reliability of the financial records.
- b. Administrative controls comprise the plan of organization and all the methods and procedures that are concerned mainly with operational efficiency and adherence to managerial policies and usually relate only indirectly to the financial records.

This policy is concerned primarily with the “Accounting Controls” and when the terms “internal controls” or “controls” are used, it is meant as Accounting Controls.

3. Responsibilities

The Finance Department is responsible for designing appropriate controls for the departments and the departments are responsible for implementation. Inherent in these responsibilities is the recognition that the cost of internal control should not exceed the benefits expected to be derived. Also, internal controls may become inadequate as conditions change, thus requiring review and modification.

4. Objectives

To provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management’s authorization and recorded properly to permit the preparation of general-purpose financial statements in accordance with generally accepted accounting principles.

5. Basic Elements of Internal Control

- a. Personnel - Objectives are dependent on competence and integrity of personnel, independence of assigned functions, and their understanding of prescribed procedures.
- b. Computer Data Processing - Control over development, modification, and maintenance of computer programs; control over use and changes to data maintained on computer files; application controls, for example, edits that verify vendor numbers for check writing.
- c. Segregation of Duties - Procedures designed to detect errors and irregularities should be performed by persons other than those who are in a position to perpetrate them.

d. Execution of Transactions - There is reasonable assurance that transactions are executed as authorized.

e. Recording of Transactions - To permit preparation of financial statements, transactions are recorded in the proper period, amounts, and classification.

f. Access to Assets - Both direct physical access and indirect access through preparation/processing of documents that authorize the use or disposition of assets be limited to authorized personnel.

g. Comparison of Recorded Accountability with Assets - Comparison of actual assets with the recorded accountability, such as bank reconciliations and physical inventories.

Accounting will utilize these basic elements of internal control in formulating departmental plans suitable to each department's needs. An annual review of the plans will be performed and modifications made as required (or as a result of internal or external audits).

B. Internal Audit Program

1. Committee - An internal audit committee, consisting of the Finance Director, Accounting Manager, and Budget Manager will be established. Annually, the Internal Audit Committee will review the administrative directives for any process improvements or changes and submit them for approval to the City Manager
2. Departmental Audits – Departmental processes will be reviewed on an on-going basis to ensure dual control of City assets and to identify the opportunity for fraud potential, as well as to ensure that departmental internal procedures are documented and updated as needed.
3. Employee or Transaction Review – Programs to be audited include petty cash (cash drawers), city credit card accounts, time entry, and travel expense. Discrepancies will be identified and remedied. The Department Director will be notified of the situation and, in cases of serious infractions, the City Manager will also be notified as well.

C. Department Director's Responsibility

Department Director's responsibilities to the City are to ensure that good internal controls are followed throughout his or her department, that all guidelines on cash handling and internal controls are implemented, and that all internal or external auditor internal control recommendations are addressed.

III. CASH HANDLING

A. Purpose

The Cash Handling Policy is meant to provide City of Anna employees with guidelines on handling cash from the initial point of collection through depositing and the reconciliation

process. Well managed cash handling is critical to safeguard the liquid assets of the City of Anna, provides a sound basis for generating accurate and reliable information and encourages adherence to federal and State of Texas laws and regulations. Finally, well managed cash handling promotes departmental efficiency and encourages employees who handle cash and interface with the public to provide courteous and outstanding customer service and support while safeguarding public funds.

B. Basic Cash Handling Principles:

All monies in the possession of City of Anna employees must be managed with the utmost care and understanding of the public trust given when handling public money. It is expressly understood that public monies require employees to use their best judgement when processing and depositing cash they are responsible for.

Employees should consider the following when handling cash:

- Are funds safely kept?
- Are transactions promptly processed?
- Am I providing high levels of customer service?
- Are funds being reconciled accurately?
- Do my actions pose any risk of loss or theft of public funds?

In consideration of the basic principle outlined above, the following directives are set forth to ensure the proper safeguarding and processing of public funds.

All monies prepared for deposit shall not be commingled with or used in the following ways:

- Employees' personal money
- Cashing employee personal checks
- Making personal change for City employees
- Combining deposits with another employees' cash drawer onto a single report

Employees who are authorized to handle cash shall be issued their own individual cash box/drawer/register. The Finance Director is authorized to open and review any cash box at any time against the daily transactions. This will only be done in the presence of at least two other employees. It is expected that any employees collecting cash are held accounting for the transactions they handle. It should be possible to accurately determine the amount of cash for which each employee is responsible for at any point in time during any day.

Cash boxes/drawers/registers shall always be locked when unattended or not in use and prior to securing in their department safe at the close of each business day.

Employees shall verify and balance in their box and prepare a report of transactions each day when preparing their daily deposit.

C. Processing Transactions:

Cash received in person from a payer by a City employee shall be kept in view of and

counted in front of the payer until the receipt is issued to the payer and the payer is satisfied. The City cashier employee shall count change due to the customer/payer twice - once to himself and once back to the payer.

A receipt represents proof of payment and employees shall issue a receipt for every payment they receive. Receipts that are computer-generated shall indicate the payment method (i.e. cash, check, money order, etc.). Payments are entered in the Cash Receipts Entry Screen in the current Computer Software System. All hand-written receipts shall be maintained in a receipt book with carbon copies maintain for inspection and inclusion with deposit reports. Hand-written receipts are not preferred and should only be used in rare events when the software system is down or to provide greater service and expediency to a customer.

Checks must be made payable to the City of Anna. The City cannot accept third-party checks. Employees should review checks carefully to determine the legal amount of the check. If the numeric amount on the check differs from the written amount, the written amount prevails as the legal amount. If the check includes only a numeric amount, the numeric amount is the legal amount. Employees are not permitted to change any amounts on a check.

Whenever a payment is received, it is expected that the payment will be processed and prepared for deposit within 24 hours.

D. Deposits:

At the conclusion of each day all cash and checks shall be secured in each respective employees' cash boxes/drawer and placed in a safe until the bank deposit is prepared. A bank deposit that includes the previous day's cash collections for all departments is hand-delivered to the finance department each morning by 9:00 a.m. Upon receipt of all cash for deposits, finance department will provide all deposits to the Utility Billing Supervisor to take to the bank for processing each morning.

Unless expressly authorized by the City Manager of Finance Director no employees shall hold any payment for any reason. All payments are expected to be prepared for deposit within 24 hours of receipt. The City of Anna does not hold checks in anticipation of providing a refund. The practice of holding payments for a refund is strictly prohibited and considered a poor safekeeping of public funds. If an employee is found to engage in this practice there may be cause for disciplinary action. This applies to all services provided by the City of Anna, i.e., utility billing, parks fees, building & permit fees, etc.

E. Reconciliations:

Each employee authorized to handle cash shall prepare a daily reconciliation of his/her cash box. Amounts received, receipts issued and actual monies deposited must be reconciled each day.

The total of all cash, checks, money orders and credit card received must equal the total amount of receipts issued to customers. A Notice of Error Statement–Cash Overage or Shortage Form must be prepared and given to the Finance Director in the event of a money overage or shortage

discrepancy. This Form must contain the date, employee's name, type of payment, overage or shortage amount, explanation as to what caused the error(s) and be signed by the applicable employee and Director of Finance.

IV. ANNUAL BUDGET PROCESS

Budgeting is an essential element of the financial planning, control, and evaluation process of municipal government. The budget shall be prepared on the basis of priorities outlined by the City Council and the City Manager in the Strategic Plan. In addition, the budget shall be prepared and presented to meet the requirements of Section 102 of the Texas Local Government Code.

A. 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.

B. 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.

C. 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.

D. 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.

E. Public Hearing on Budget

The City Council shall hold a public hearing on the proposed budget. Any person may attend and may participate in the hearing. The hearing will be held after the 15th day after the date the proposed budget is filed with the City Clerk but before the date the City Council makes its tax levy.

Notice of the date, time, and location of the hearing will be published not earlier than the 30th or later than the 10th day before the public hearing in at least one newspaper of general circulation in the county.

The notice will include, in type of a size at least equal to the type used for other items in the notice, the statement “This budget will raise more total property taxes than last year’s budget by (insert total dollar amount of increase and percentage increase), and of that amount (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll) is tax revenue raised from new property added to the tax roll this year.”

F. Adoption of Budget

At the conclusion of the public hearing, the City Council shall take action on the proposed budget. A vote to adopt the budget must be a record vote.

Adoption of a budget that will require raising more revenue from property taxes than in the previous year requires a separate vote of the City Council to ratify the property tax increase reflected in the budget. This vote is in addition to and separate from the vote to adopt the budget or a vote to set the tax rate.

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.

An adopted budget must contain a cover page that includes a statement that accurately describes the property tax revenue as increasing, decreasing or staying the same; the record vote of each member of the City Council by name; the municipal property tax rates for the preceding fiscal year and current fiscal year; and the total amount of debt obligation secured by property taxes.

G. 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.

H. 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.

I. Budget Document

The annual budget document shall be published in a format that satisfies all criteria established by the Government Finance Officers Association's Distinguished Budget Program. The final budget document shall be published no later than 90 days following the date of the budget's adoption by the City Council.

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 funds, which Council approves project-length budgets.

The basis of budgeting will be the same as the basis of accounting; that is, that budgets for the General Fund and all special revenue funds are prepared on the modified accrual basis of accounting, and budgets for the Utility (Proprietary) Fund are presented on a full accrual basis, except that capital purchases and depreciation are not adjusted until year-end financial reporting.

A balanced budget is one in which total proposed expenditures shall not exceed the total estimated income. The City's goal is to balance the operating budget with current revenues, whereby, current revenues match and fund on-going expenditures. The City considers the budget balanced when total expenditures are equal to total revenues. However, the budget is also balanced when total expenditures are less than total revenues, a surplus. There may also be instances where the City plans to spend excess fund balance accumulated from previous years on one-time non-recurring purchases, while maintaining established reserves. The City considers the budget to be balanced in this case as well. However, the plan shall not be to build on-going expenditures into this type of funding.

V. BUDGET ADMINISTRATION

The City's Charter (Section 7.09) addresses amending the adopted 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.

Transfers between funds must be accomplished by budget amendment approved by the City Council. Budget amendments calling for new fund appropriations must also be approved by the City Council.

Expenditures within each fund will remain within each department's original appropriation unless a budget adjustment is approved by the City Manager. Transfers between expenditure accounts in one department may occur with the approval of the Budget Manager. Transfers between operating departments may occur with the approval of the City Manager.

According to the City's Charter (Section 7.13) all annual appropriations lapse at fiscal year-end. Under the City's budgetary process, outstanding encumbrances are reported as reservations of fund balances and do not constitute expenditures or liabilities since the commitments will be re-appropriated and honored the subsequent fiscal year.

A. REVENUE MANAGEMENT

To protect the City's financial integrity, the City will maintain a diversified and stable revenue system to shelter it from fluctuations in any one revenue source. Recognizing that sales tax is a volatile, unpredictable source of revenue, the City will attempt to reduce its dependence on sales tax revenue.

1. Property Tax Revenues

For every annual budget, the City shall levy two property tax rates: debt service and operation/maintenance. The debt service levy shall be sufficient for meeting all principal and interest payments associated with the City's outstanding general obligation debt for that budget year. The debt service levy and related debt service expenditures shall be accounted for in the Debt Service Fund. The operation and maintenance levy shall be accounted for in the General Fund.

According to the Texas Property Tax Reform and Transparency Act of 2019, the operation and maintenance levy will not exceed the three and one-half percent voter-approval property tax rate without a mandatory election. As a result, it should be the policy of the City of Anna to adopt a tax rate below the voter-approval property tax rate.

The City will maintain a policy of levying the lowest tax rate on the broadest tax base. Minimal exemptions will be provided to homeowners, senior citizens, and disabled veterans. The City may consider providing tax abatements or other incentives to encourage development.

2. Sales Tax Revenue

The State Comptroller's Office collects, administers, and disburses sales tax on a monthly basis. However, there is a two-month lag between the month of sales and when the City receives the revenue. The Budget Manager monitors and reports the activity, reflecting any state audit adjustments, refunds to gross collections, or fees withheld for the collection process.

Accounting staff reports the sales tax revenues based on the month of sales. This results in sales tax received in the month of October and November being accrued back to the previous year.

3. Utility Charges

The City will establish utility fees (water, wastewater, and sanitation) at a level that attempts to recover the full cost of providing the service.

- Utility rates should identify the relative costs of serving different classes of customers.
- Where possible, utility rates should be designed to reduce peak (hour and day) demands on the utility systems.

4. Impact Fees

Impact Fees are currently imposed for water, wastewater, and roadway in accordance with applicable City Ordinances and state law. Impact fees will be re-evaluated at least every five years, as required by state law.

When developing the annual budget, the City Manager shall project revenues from every source based on actual collections from the preceding year and estimated collections of the current fiscal year, while taking into account known circumstances which will impact revenues for the new fiscal year. The revenue projections for each fund should be made conservatively so that total actual fund revenues exceed budgeted projections.

B. OPERATING EXPENDITURES

Operating expenditures shall be accounted, reported, and budgeted for in the following major categories:

Operating, Recurring Expenditures:

- *PAYROLL*
- *SUPPLIES*
- *MAINTENANCE*
- *CONTRACTUAL SERVICES*

Operating, Non-Recurring Expenditures

- *CAPITAL OUTLAY*

The annual budget shall appropriate sufficient funds for operating, recurring expenditures necessary to maintain established (i.e. status quo) quality and scope of city services.

The City will constantly examine the methods for providing public services in order to reduce operating, recurring expenditures and/or enhance quality and scope of public services with no increase to cost.

Payroll expenditures will reflect the minimum staffing needed to provide established quality and scope of city services. To attract and retain employees necessary for providing high-quality service, the City shall maintain a compensation and benefit package competitive with the public and, when quantifiable, private service industries.

Supply expenditures shall be sufficient for ensuring the optimal productivity of City employees.

Maintenance expenditures shall be sufficient for addressing the deterioration of the City’s capital assets to ensure the optimal productivity of the capital assets. Maintenance should be conducted to ensure a relatively stable level of maintenance expenditures for every budget year.

The City will utilize contracted labor for the provision of city services whenever private contractors can perform the established level of service at less expense to the City. The City will regularly evaluate its agreements with private contractors to ensure the established levels of service are performed at the least expense to the City.

Capital outlay is defined as machinery, vehicles or equipment that exceeds \$5,000 and has a useful life of at least three years. Existing capital equipment shall be replaced when needed to ensure the optimal productivity of City employees.

Capital improvement is defined as an enhancement that exceeds \$50,000 and has a useful life of at least ten years. Capital improvements are budgeted as multi-year projects in the Community Investment Program budget.

To assist in controlling the growth of operating expenditures, operating departments will submit their annual budgets to the City Manager within a ceiling calculated by the Budget Manager. Projected expenditures that exceed the ceiling must be submitted as separate supplemental budget request.

C. LONG-TERM FINANCIAL PLANS

The City will adopt every annual budget in context of a long-term financial plan for the General Fund. Financial plans for other funds may be developed as needed.

The General Fund long-term plan will establish assumptions for revenues, expenditures, and changes to fund balance over a five-year horizon. The assumptions will be evaluated each year as part of the budget development process.

D. BUDGET CONTINGENCY PLAN

This policy is designed to establish general guidelines for managing revenue shortfalls resulting from local and national economic downturn that adversely affect the City’s revenue stream.

1. Immediate Action

Once a budgetary shortfall is projected, the City Manager will take the necessary actions to offset the projected shortfall with a reduction in current expenditures. The City Manager may:

- a. Freeze all hiring and filling of vacant positions except those deemed to be absolutely

- necessary;
- b. Review and delay all planned remaining capital expenditures not funded by bond proceeds;
- c. Delay all “non-essential” spending or equipment replacement purchases.

2. Further Action

If the above actions are insufficient to offset the revenue deficit and the shortfall continues to increase, the City Manager will further reduce operating expenses to balance the variance. Any remaining service level reductions, including workforce reductions, will be reviewed and addressed between the City Council and City Manager.

VI. ASSET MANAGEMENT

A. Investments

1. Investment Policy - The City Council has formally approved a separate Investment Policy for the City that meets the requirements of the Public Funds Investment Act (PFIA), Section 2256 of the Texas Local Government Code. The policy is reviewed annually by the Council and applies to all financial assets held by the City.
2. Quarterly Report - As required by the Public Funds Investment Act (PFIA), a Quarterly Investment Report will be prepared and provided to the City Council. The report shall consist of at a minimum the following:
 - a) A comparison of the prior quarter investment’s book and market value;
 - b) Contain the current quarter and year-to-date (YTD) average yields;
 - c) Reference the amount of interest income by quarter and YTD;
 - d) List each investment instrument for the previous and current quarter with its rate of return, purchase and maturity date, book value, and market value;
 - e) Provide a summary of the investments by fund group;
 - f) Compare the total investment portfolio performance to the performance of a government investment pool.

B. Cash Management

The City’s cash flow will be managed to maximize the cash available to invest. The City’s depository accounts shall be pooled to limit the numbers of accounts and to allow for the City to pool investment purchases between funding sources.

The Finance Director is responsible for establishing internal controls for banking activities such as wires, ACH payments, and transfers. Dual authorization shall be required for all wires and ACH payments.

VII. FIXED ASSETS

The City's fixed (capital) assets are to be reasonably safeguarded and prudently insured against loss. The Finance Department is responsible for properly accounting for, reporting and capitalizing the assets in accordance with GAAP.

A. Capitalization Criteria

For the purposes of budgeting and accounting classification, the following criteria apply to assets to be capitalized:

- a) The asset must be owned by the City.
- b) The asset must be tangible.
- c) The expected useful life must be longer than three (3) years or must extend the useful life of an existing asset by more than two (2) years.
- d) The original cost of the asset must be greater than \$5,000.
- e) Useful life will be established based on available sources that are in accordance with GAAP.
- f) On-going repairs and general maintenance will not be capitalized.
- g) Assets not meeting the above criteria will be expensed.

B. New Purchases

All costs associated with bringing the asset into working order will be capitalized as part of the asset cost. This will include start-up costs, engineering or consultant type fees that are incurred once the decision to purchase is made. The cost of land acquired should include all related costs associated with the purchase.

C. Improvements and Replacements

Improvements will be capitalized when they extend the useful life of an asset or when they make the asset more valuable than it was originally. The replacement of asset components will normally be expensed unless they are of a significant nature and meet all of the capitalization criteria.

D. Contributed Capital

Infrastructure assets received from developers will be recorded as equity contributions once the City Manager or Director of Public Works approves the letter of acceptance.

E. Reporting and Inventory

The Finance Department will maintain the permanent records of the city's fixed assets, including description, cost, department of responsibility, date of acquisition, depreciation, and expected useful life. Periodic, random sampling will be performed to inventory fixed assets assigned to a department. Responsibility for safeguarding the City's fixed assets lies with the department that has been assigned the asset. When an asset leaves a department's responsibility due to disposition, sale or transfer, the assigned department is responsible to report the change in status or location to the Finance Department.

VIII. FUND BALANCE AND WORKING CAPITAL RESERVE POLICY

A. BACKGROUND

The City of Anna (“City”) believes that sound financial management principles require that sufficient funds be retained by the City to provide a stable financial base at all times. To retain this stable financial base, the City needs to maintain a General Fund fund balance and Utility Fund working capital reserve sufficient to fund all cash flows of the City, to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature, and to secure and maintain investment grade bond ratings. A fund’s equity in the General Fund is the difference between its total assets and total liabilities. On the other hand, working capital reserve in the Utility Fund is an excess of current assets over current liabilities. The purpose of this policy is to specify the size and composition of the City’s financial reserves and to identify certain requirements for replenishing any fund balance or working capital reserves utilized.

The Governmental Accounting Standards Board (“GASB”) issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (“GASB-54”). One objective of this standard was to improve, including the understandability, the usefulness of fund balance information by providing clear fund balance classifications.

GASB-54 requires local governments to focus on the constraints imposed upon resources when reporting fund balance in governmental funds. Governmental funds are typically used to account for tax-supported activities (i.e. General Fund, Debt Service Fund). The fund balance classifications indicate the level of constraints placed upon how resources can be spent and identify the sources of those constraints. The following five classifications serve to inform readers of the financial statements of the extent to which the City is bound to honor constraints on the specific purposes for which resources in the General Fund can be spent.

B. DEFINITIONS

- Nonspendable Fund Balance – Fund balance reported as “nonspendable” represents fund balance that is (a) not in a spendable form such as prepaid items or (b) legally or contractually required to be maintained intact such as an endowment.
- Restricted Fund Balance – Fund balance reported as “restricted” consists of amounts that can be spent only on the specific purposes stipulated by law or by the external providers of those resources.
- Committed Fund Balance – Fund balance reported as “committed” are self-imposed limitations set in place prior to the end of the fiscal period. These amounts can be used only for the specific purposes determined by a formal action of the City Council, which is

the highest level of decision-making authority, and that require the same level of formal action to remove the constraint.

- Assigned Fund Balance – Fund balance reported as “assigned” consists of amounts that are subject to a purpose constraint that represents an intended use established by the City Council or by their designated body or official. The purpose of the assignment must be narrower than the purpose of the General Fund. Formal action is *not* necessary to impose, remove, or modify a constraint in Assigned Fund Balance.
- Unassigned Fund Balance – Fund balance reported as “unassigned” represents the residual classification of fund balance and includes all spendable amounts not contained within the other classifications.

C. ORDER OF EXPENDITURES

When expenditures are incurred for the purposes for which multiple categories of fund balance can be utilized, the City will start with the most restrictive category and spend those funds first before moving down to the next category with available funds.

D. POLICY ON COMMITTING FUND BALANCE

In accordance with GASB-54, it is the policy of the City of Anna (“City”) that fund balance amounts will be reported as “Committed Fund Balance” only after formal action and approval by City Council. The action to constrain amounts in such a manner must occur prior to year-end; however, the actual dollar amount may be determined in the subsequent period.

For example, the City Council may approve a motion prior to year-end to report within the year-end financial statements, if available, up to a specified dollar amount as Committed Fund Balance for a specified purpose. The exact dollar amount to be reported as Committed Fund Balance may not be known at the time of approval due to the annual financial audit not yet being completed. This amount can be determined at a later date when known and appropriately reported within the year-end financial statements due to the governing body approving this action before year-end.

It is the policy of the City that the City Council may commit fund balance for any reason that is consistent with the definition of Committed Fund Balance contained within GASB-54. Examples of reasons to commit fund balance would be to display intentions to use portions of fund balance for future capital items, stabilization funds, or to earmark special General Fund revenue streams unspent at year-end that are intended to be used for specific purposes.

After approval by the City Council, the amount reported as Committed Fund Balance cannot be reversed without utilizing the same process required to commit the funds. Therefore, in accordance with GASB-54, it is the policy of the City that funds can only be removed from the Committed Fund Balance category after motion and approval by the City Council.

E. POLICY ON ASSIGNED FUND BALANCE

In accordance with GASB-54, funds that are intended to be used for a specific purpose but have not received the formal approval action at the governing body level may be recorded as Assigned Fund Balance. Likewise, redeploying assigned resources to an alternative use does not require formal action by the governing body.

GASB-54 states that resources can be assigned by the governing body or by another internal body or person whom the governing body gives the authority to do so, such as a committee or employee of the City.

Therefore, having considered the requirements to assign fund balance, it is the policy of the City that the City Manager will have the authority to assign fund balance of this organization based on intentions for use of fund balance communicated by the City Council.

F. UNASSIGNED FUND BALANCE OF THE GENERAL FUND

It is the goal of the City to achieve and maintain an unassigned General Fund fund balance equal to 40% of total appropriations. The City considers a balance of less than 25% to be a cause for concern, barring unusual or deliberate circumstances, and a balance of more than 40% as excessive. An amount in excess of 40% can be used in one of the following ways:

- Increase the pay-as-you-go contributions needed to fund capital projects in the City's Capital Improvement Plan. These funds will be transferred out to the Governmental Non-Bond Capital Projects Fund.
- Increase funds contributed and transferred out to the Equipment Replacement Fund to assist in financing large capital equipment purchases.
- Reduce accrued liabilities, including but not limited to the TMRS pension liability and capital lease liabilities.

Prior to year-end, an Ordinance will be presented to Council when appropriate to give specific authority to the City Manager to make transfers of unexpended appropriations and excess revenues up to a certain threshold. The exact dollar amount to be transferred may not be known at the time of approval. This amount can be determined at a later date when known and appropriately reported within the year-end financial statements due to the governing body approving this action before year-end.

In the event that the unassigned General Fund fund balance is less than the policy anticipates, the City shall adjust budget resources in the subsequent fiscal years to restore the balance or establish a time frame and work plan to replenish the fund balance. The work plan may include tax increases, fee increases, reduction of services, and/or reduction of expenditures (i.e. hiring freeze, salary freeze, or reduction of travel/training).

Appropriation drawing down on unassigned General Fund fund balance shall require the approval of the City Council and shall be only for one-time expenditures, such as capital

purchases, and not for ongoing expenditures unless a viable plan designated to sustain the expenditures is simultaneously adopted.

G. WORKING CAPITAL RESERVES OF THE UTILITY FUND

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 a working capital reserve in the Utility Fund of 25% of total appropriations in order to provide for potential unanticipated needs or the impact of weather.

The City considers a balance of less than 25% to be a cause for concern, barring unusual or deliberate circumstances, and a balance of more than 40% as excessive. An amount in excess of 40% can be utilized in one of the following ways:

- Increase the pay-as-you-go contributions needed to fund capital projects in the City's Capital Improvement Plan. These funds will be transferred out to the Enterprise Non-Bond Capital Projects Fund.
- Increase funds contributed and transferred out to the Equipment Replacement Fund to assist in financing large capital equipment purchases.
- Reduce accrued liabilities, including but not limited to the TMRS pension liability and capital lease liabilities.

Prior to year-end, an Ordinance will be presented to Council when appropriate to give specific authority to the City Manager to make transfers of unexpended appropriations and excess revenues up to a certain threshold. The exact dollar amount to be transferred may not be known at the time of approval. This amount can be determined at a later date when known and appropriately reported within the year-end financial statements due to the governing body approving this action before year-end.

In the event the working capital reserves in the Utility Fund are less than the policy anticipates, a utility rate plan study will be utilized to determine the appropriate course of action when determining rates and establishing a timeframe to replenish the working capital reserves. This could include cost cutting, cost recovery, and revenue enhancing strategies.

H. UNASSIGNED FUND BALANCE OF PUBLIC IMPROVEMENT DISTRICT FUNDS

Funds collected from Public Improvement Districts (PIDs) through approved development agreements shall be treated in the following manner. PID funds may be used for any legal purpose. PID funds do not require any minimum fund balance reserve requirement. Any excess funds can be used in one of the following ways:

- Increase the pay-as-you-go contributions needed to fund capital projects in the City’s Capital Improvement Plan. These funds will be transferred out to the Governmental Non-Bond Capital Projects Fund.

At any time during the fiscal year, an Ordinance will be presented to Council when appropriate to give specific authority to the City Manager to make transfers of appropriated or unexpended PID funds and excess revenues up to a certain threshold. The exact dollar amount to be transferred may not be known at the time of approval. This amount can be determined at a later date when known and appropriately reported within the year-end financial statements due to the governing body approving this action before year-end.

Appropriation drawing down on unassigned PID fund balance shall require the approval of the City Council and shall be only for one-time expenditures, such as capital purchases, and not for ongoing expenditures unless a viable plan designated to sustain the expenditures is simultaneously adopted.

IX. DEBT MANAGEMENT POLICY

A. PURPOSE

The purpose of this policy is to set forth the parameters for issuing new debt as well as managing the outstanding debt portfolio, identifying the types and amount of permissible debt, and maintaining or improving the current bond rating in order to minimize borrowing costs and preserving access to credit. Adherence to a debt management policy signals to rating agencies and capital markets that a government is well managed and should meet its obligations in a timely manner. Debt levels and their related annual costs are important long-term obligations that must be managed within available resources.

This Policy establishes specific guidelines to ensure that the City adheres to sound financial practices whenever it incurs debt. The City should consider this Policy when recommending the issuance of debt. This Policy may be amended from time to time by the City Council to reflect innovative, but prudent financial and business practices. It is the intent of the City to establish this policy in order to:

- Ensure high quality debt management decisions;
- Ensure the debt management decisions are viewed positively by rating agencies, investment communities, and citizens;
- Ensure support for debt issuance both internally and externally;
- Ensure the legal and prudent use of the City’s bonding authority through an effective system of financial security and internal controls;

- Promote sound financial management that utilizes long range financial planning;
- Use debt financing where appropriate to match projected revenue streams;
- Evaluate critical debt issuance options.

B. POLICY STATEMENT

Under the governance and guidance of Federal and State laws and the City’s Charter, ordinances and resolutions, the City may periodically enter into debt obligations to finance the construction or acquisition of infrastructure and other assets; or to refinance existing debt for the purpose of meeting its governmental obligation to its residents. It is the City’s desire and direction to ensure that such debt obligations are issued and administered in such fashion as to obtain the best long-term financial advantage to the City and its residents, while making every effort to maintain and improve the City’s bond ratings.

The City shall not issue debt obligations or utilize debt proceeds to finance current operations of the City.

C. CAPITAL IMPROVEMENT PROGRAM

A Capital Improvement Program shall be prepared, submitted to, and approved by the Council annually. The Capital Improvement Program shall consist of at least a 5-year priority listing of long-term capital projects, accompanied by a financing plan which reflects potential financing options for all projects in the plan, and is supported by the appropriate sources of revenue. The financing plan shall be in accordance with the debt management policies contained herein. The CIP guides capital expenditures and funding requirements, and generally includes:

- All capital projects, including outside funding sources such as grant funding, and those proposed to be financed, as available.
- The fiscal impact these capital projects, once completed, will have on the City’s operating budget.

D. DEBT LIMITS AND STRUCTURE

As a Home Rule Charter City, the City of Anna is not limited in the amount of debt it may issue. However, the Texas Constitution, Article XI, Section 5 provides that the general property tax is limited to \$2.50 per \$100 of assessed valuation. Because the property tax is comprised of two components, Operations and Maintenance (O&M), plus Interest and Sinking (I&S) (which is the payment of principal and interest on legal debt instruments), the constitutional limits on the City’s property tax rate effectively establishes an absolute ceiling on the amount of debt that may be funded by property tax revenues.

The determination of how much indebtedness the City can afford begins by assessing the

sufficiency of future revenues through the use of a long-term financial projection. Factors such as debt service coverage requirements outlined in the bond indentures, the impact on the tax or utility rates, and any impact on the bond ratings shall be carefully considered.

Debt service will be structured, to the greatest extent possible, to match projected cash flows, minimize the impact of future property tax levies, and maintain a relatively rapid payment of principle. The term of the debt issuance should not be greater than the expected useful life of the asset being financed, or the maximum maturity permitted by State law for the obligations to finance the acquisition or construction of the asset.

E. RESPONSIBILITY

The primary responsibility for developing financing recommendations rests with the City Manager and Finance Director. In developing financing recommendations, consideration will be given as follows:

- The time proceeds are expected to remain on hand and the related carrying costs;
- The options for interim financing including short term and interfund borrowing, taking into consideration federal and state reimbursement regulations;
- The effect of the proposed action on the tax rate and user charges;
- Trends in interest rates;
- And other factors as appropriate.

F. PROFESSIONAL CONSULTANTS

A. Financial Advisor – A Financial Advisor will be used to assist in the issuance and administration of the City’s debt. The Financial Advisor will provide the City with objective advice and analysis on debt issuance. Financial services provided to the City shall include but shall not be limited to those listed below.

- Provide analysis of the City’s financial capacity to authorize, issue, and service any debt instruments that are considered;
- Monitor market opportunities, providing interpretation of market conditions which factor into timing of issuance;
- Take primary responsibility for review of the quantitative analysis of the cash flows provided by the underwriter. Prepare reports matching all calculations for bond sizing, debt service schedules, savings calculations, bond calls, escrow calculations and cash flows on the project;
- Coordinate assembly of data necessary for preparation of necessary petitions, ordinances, notices as may be required for elections to authorize debt instruments;

- Maintain liaison with Bond Counsel utilized by the City in preparation of legal documents regarding authorization, sale and issuance of debt instruments;
- Prepare official statements of disclosure as required;
- Advise and facilitate obtaining credit ratings as necessary when issuing debt;
- Attend meetings and make presentations as requested;
- Participate in activities associated with rating agency reviews;
- Other services as defined by the contract.

B. Bond Counsel – The Bond Counsel will issue an opinion as to the legality and tax-exempt status of any obligation. The City will also seek the advice of Bond Counsel on all other types of financing and on any other questions involving federal tax or arbitrage law. The services provided by Bond Counsel will include but not limited to the list below.

- Provide an objective legal opinion with respect to the authorization and issuance of debt obligations and whether interest paid is tax-exempt under federal and/or state laws and regulations;
- Research applicable law; preparing documents; consulting with City staff and the Financial Advisor; reviewing proceedings; and performing additional duties as necessary to render the opinion;
- Provide continuing legal advice regarding any actions necessary to ensure that interest will continue to be tax-exempt;
- Participate, when requested, in activities associated with rating agency reviews;
- Attend City Council meetings when the debt obligation for which Counsel is providing services is being considered;
- Prepare the ordinance authorizing issuance of the obligations;
- Other services as defined by the contract.

G. APPROACH TO FINANCING

A sound debt management program integrates pay-as-you-go project financing with projects financed through the issuance of debt. Pay-as-you-go financing may include; intergovernmental grants from federal, state, and other sources, current revenues and fund balance, private sector contributions, public/private partnerships, and/or leasing. The City's Capital Improvement Program utilizes this combined approach to fund the City's capital projects and capital assets.

The City's Debt Management Policy promotes the use of debt only in those cases where public policy, equity, and economic efficiency favor debt over cash (i.e., pay-as-you-go) financing or in the case where cash financing is not a possibility.

Once the City has determined that "pay-as-you-go" is not a feasible financing option, the City may use Short-term or Long-term debt to finance capital projects.

1. Short Term Debt – Maturity of ten (10) years or less

Short term obligations may be issued to finance projects or portions of projects. Typically, tax notes will be considered for smaller issues (less than \$1 million). The City may also secure interim financing which shall eventually be refunded with the proceeds of long-term obligations. Short-term obligations may be backed with a tax or revenue pledge of available resources. Capital leases may be used to purchase high-priced equipment to manage year-to-year capital expenditure levels.

2. Long Term Debt (Bonds) – Maturity of ten (10) years up to thirty (30) years

Long term general obligation or revenue bonds shall be issued to finance significant capital improvements or capital assets as set forth by the Capital Improvement Program (CIP). Long term debt may be incurred for only those purposes as provided by State law. The following list is factors which favor long term debt issuance.

- Revenues available for debt service are sufficient and reliable such that long-term financing can be marketed with an investment grade credit rating.
- Market conditions present favorable interest rates.
- The project is required to meet or relieve capacity needs and current resources are insufficient or unavailable.
- The life of the project or capital asset to be financed is 10 years or longer.

Notwithstanding the above considerations, the City may consider the use of long-term debt in special circumstances for projects other than capital projects to better manage its assets and liabilities over time.

H. CAPITAL LEASING

Leasing shall not be considered when funds are on hand for the acquisition unless interest expense associated with the lease is less than the interest that can be earned by investing the funds on hand or when other factors such as budget constraints override the economic consideration.

Whenever a lease is arranged with a private sector entity, a tax-exempt rate shall be sought. Whenever a lease is arranged with a government or other tax-exempt entity, the City shall strive to obtain an explicitly defined taxable rate so that the lease will not be counted in the City's total annual borrowings subject to arbitrage rebate.

The advice of the City's Bond Counsel shall be sought in any leasing arrangement and when federal tax forms 8038 are prepared to ensure that all federal tax laws are obeyed.

I. OTHER FINANCING ALTERNATIVES

From time to time other types of financing may become available. Examples of these options are low-interest loans from State agencies. At the direction of the City Manager and Finance Director, the City's Financial Advisor will prepare an analysis of the option.

J. GENERAL DEBT GOVERNING POLICIES

The primary use of debt the City is to fund capital projects; however, other debt may be issued as necessary and appropriate. Because of the use of facilities will occur over many years, it is appropriate to allocate the cost of the facilities over the useful life of the financed project. The City establishes the following policies concerning the issuance and management of debt:

- The City will not issue debt obligations or use debt proceeds to finance current operations or normal maintenance.
- The term of the bond shall not exceed thirty (30 years) unless there are extenuating circumstances that justify the longer term.
- The City shall publish and distribute an official statement for each publicly traded Bond issue.
- The City shall consider the purchase of private bond insurance at the time of the issuance, if it is financially beneficial to the transaction.
- Debt financing includes, general obligation bonds, certificate of obligation bonds, revenue bonds, lease/purchase agreements and other obligations permitted to be issued under Texas law.
- The City and the Financial Advisor shall review its outstanding debt annually for the purpose of determining if the financial marketplace will afford the City the opportunity to refund an issue and lessen its debt service costs. As a general rule, the present value savings of a particular refunding should exceed four (4%) of the refunded maturities, unless a restructuring or bond convent revision is necessary in order to facilitate the ability to provide services or issue additional debt in accordance with established debt policies, the refunding is done in combination with a new money issuance and involves maturities that would not be efficient to be refunded on a stand-alone basis, or a refunding that generates savings due to historically low interest rates or an unusual yield curve.

- The City shall not issue bonded debt without enacting an authorizing Resolution.
- The City shall seek to maintain the highest bond rating practical to ensure that borrowing costs are minimized and access to credit is preserved.
- The City shall use a competitive bidding process in the sale of debt unless the nature of the issue warrants a negotiated sale or private placement.
- The bond proceeds will be invested in accordance with the City’s Investment Policy. Interest earnings received on the investment bond proceeds shall be used to assist the costs associated with the capital project.
- Debt shall be primarily used to finance capital projects or assets with a relatively long-life expectancy, i.e., generally five (5) years or greater.
- Long-term debt will be structured such that the obligations do not exceed the expected useful life of the respective project or asset.
- The City will primarily issue fixed rate bonds to protect the City against interest rate risk. The City does have the option to issue variable rate bonds and may, if market conditions warrant considering such a structure.
- Short term debt may be issued as authorized by the City Council when circumstances or opportunities are present and such issuance will not adversely affect the operating funds, the ability to make debt payments, or jeopardize the financial integrity of the City or the component units.
- The City shall have a program to comply with arbitrage rebate monitoring and filing. Because of the complexity of arbitrage rebate regulations and the severity of non-compliance penalties, the City will contract for these services. The City currently utilizes Hilltop Securities for these calculations.
- The City is committed to continuing disclosure of financial and pertinent credit information relevant to the City’s outstanding securities and will abide by the provisions of Securities and Exchange Commission (SEC) Rule 15c2-12 concerning primary and secondary market disclosures. The City currently has a contract with Hilltop Securities to work with City staff to compile and file the required information in a timely manner.

K. DEBT ISSUANCE AND REVENUE SOURCES

General capital improvements shall be financed in accordance with the capital improvements program. Funds shall be for the financing of general improvements in accordance with the following:

- To the extent funds described above are in excess of that required by the City’s General Fund operating budget, all or a portion of the excess amount shall be used for pay-as-you-go financing of general capital improvements or assets.
- It shall be a goal, but not a requirement, of the City to finance a portion of the city-at-large capital improvement budget with pay-as-you-go financing with current resources remaining from year-end savings.
- Outstanding bonds will be retired according to the debt repayment schedule.
- Assumptions for taxable assessed value increases and revenues growth shall be conservative and justifiable.
- Debt issued for water, sewer and other purposes for which operating and capital needs are supported by user fees, shall first be considered for issuance in the form of revenue bonds, certificates of obligation, or other debt instruments secured by the appropriate user fees. User fees shall be adequate to support operating requirements and revenue bond covenants for each purpose. Certificate of Obligation or General Obligation debt secured by operating revenues may also need to be secured with property taxes.

L. METHODS OF SALE

The City may use competitive sales, negotiated sales, or private placements. When considering the method of sale, the City will take the following conditions into consideration:

- a. Financial conditions;
- b. Market conditions;
- c. Transaction-specific conditions;
- d. City-related conditions; and
- e. Risks associated with each method.

Additionally, the City considers the following criteria when determining the appropriate method of sale for any debt issuance:

- a. Complexity of the Issue – Municipal securities with complex security features require greater marketing and buyer education efforts on the part of the underwriter, to improve the investors’ willingness to purchase.
- b. Volatility of Bond Yields – If municipal markets are subject to abrupt changes in interest rates, there may be a need to have some flexibility in the timing of the sale to take advantage of positive market changes or to delay a sale in the face of negative market changes.

- c. Familiarity of Underwriters with the City’s Credit Quality – If underwriters are familiar with the City’s credit quality, a lower True Interest Cost (TIC) may be achieved. Awareness of the credit quality of the City has a direct impact on the TIC an underwriter will bid on an issue. Therefore, where additional information in the form of presale marketing benefits the interest rate, a negotiated sale may be recommended. The City strives to continue to increase the bond rating.
- d. Size of the Issue – The City may choose to offer sizable issues as negotiated so that pre-marketing and buyer education efforts may be done to more effectively promote the bond sale.

M. DEFINITIONS OF METHODS OF SALE

A **Competitive Sale** is when bonds are awarded in a sealed bid sale to an underwriter or syndicate of underwriters that provides the lowest True Interest Cost (TIC) bid. TIC is defined as the rate, which will discount the aggregate amount of debt service payable over the life of the bond issue to its present value on the date of delivery.

A **Negotiated Sale** is when the City chooses an underwriter or underwriting syndicate, generally from the pool selected through its RFQ process, that is interested in reoffering a particular series of bonds to investors.

A **Private Placement** is a sale of debt securities to a limited number of sophisticated investors. The City may engage a placement agent to identify likely investors. A private placement is beneficial when the issue size is small or when the security of the bonds is weak since the private placement permits issuers to sell more risky securities at a higher yield to investors that are familiar with the credit risk.

N. FINANCING ALTERNATIVES

It is the City’s intent to develop a level of cash and debt funded capital improvement projects that provide the citizens with the desired amount of City services at the lowest cost. The City may use general obligation debt, certificate of obligation debt, revenues bonds, tax notes, and capital leases as deemed appropriate by the City Staff, City’s Financial Advisors, and approved by the City Council. Below are guidelines the City utilizes in evaluating financing alternatives:

- The City will fund the majority of capital projects with voter-approved debt; however, on occasion, it becomes necessary to seek additional financing in order to fund a particular non-quality of life project.
- The total dollar amount of bond election propositions recommended to the voters shall not exceed the City’s estimated ability to issue said bonds within a normal 10-year period.
- The use of reimbursement resolutions shall be encouraged as a cash management tool for general obligation and certificate of obligation debt funded projects.

- Revenue Bond will be issued for projects will be issued for projects that generate revenues that are sufficient to repay the debt. Except where otherwise required by State Statutes, revenue bonds may be issued without voter approval and only in accordance with the laws of Texas.
- The use of other debt obligations, permitted by law, including but not limited to tax notes and lease purchase obligations will be reviewed on a case-by-case basis.

O. RATINGS

- The City will strive to maintain good relationship with bond rating agencies as well as disclose financial reports and information to these agencies and to the public.
- The City will obtain a rating from one nationally recognized bond-rating agency on all issues being sold on the public market.
- Timely disclosure of annual financial information including other information will be provided to the rating agencies.
- Timely disclosure of a pertinent financial information that could potentially affect the City’s credit rating will also be presented to the ratings agencies required information repositories and bond insurance companies insuring the City of Anna debt.

This Debt Management Policy shall be reviewed at least annually, and any modifications must be adopted by the City Council.

X. POST ISSUANCE COMPLIANCE FOR TAX-EXEMPT DEBT

A. Purpose

The purpose of these Procedures for Post-issuance Compliance (these “Procedures”) is to ensure that the bond financings of the City of Plano (the “City”) remain in compliance with the following federal tax requirements:

- General Recordkeeping & Record Retention
- Timely return filings
- Proper and timely use of bond proceeds and bond-financed property
- Arbitrage - yield restriction and rebate
- Reissuance requirements
- Corrective Action

These Procedures apply to any obligations to which Sections 103 and 141 through 150 of the Internal Revenue Code of 1986 (the “Code”) apply, whether or not such obligations are in fact tax-exempt. For example, these Procedures will be followed with respect to any issue of tax credit bonds to which such sections of the Code apply. Further, the City is responsible for compliance with any requirements set forth in subsequent rulings and other advice published

by the Internal Revenue Service (the “Service” or the “IRS”), as such authorities may apply to the City and its obligations.

B. Responsible Parties

The Finance Director of the City is ultimately responsible for the post-issuance compliance of bond financings. In addition, the following persons are responsible for the compliance roles described below:

- Finance Director – Approval of policies, authorization of expenditures, delegation of responsibilities, and oversight of processes.
- Accounting Manager – Review and reporting of expenditures of Bond proceeds, oversight of financial staff engaged in construction spending, coordination of expenditure, reporting on expenditure, financial reporting, internal controls and processing of invoice payments.
- City Attorney – Coordination of legal services, review and records management of special legal entitlement agreements for Bond-financed facilities.
- Finance Director – Day to day money management, investment of Bond related funds, investment and debt management services, investment and debt activity and coordination of records management of these details.
- Budget Manager – Budgeting and determining bond-financed projects, and monitoring of bond-financed capital expenditures.

Parties responsible for the financing aspects and the operations aspects of bond-financed facilities will coordinate efforts to ensure that any actions taken with respect to a bond-financed facility will be in compliance with the requirements of the Code. The City will provide training and/or make available educational materials regarding compliance requirements (e.g., private use requirements) to the parties responsible for the oversight of bond-financed facilities.

C. General Recordkeeping and Records Retention

General record retention duties are the responsibility of Finance Director and General Accounting Manager.

The Finance Director will maintain a copy of the following documents on file at all times:

- Audited Financial Statements
- Reports of any examinations by the IRS of the City’s financing

With respect to each issue of obligations, the Treasurer will retain the following for the life of the obligations (including the life of any issued to refunds the original debt) plus three years:

- Bond transcript, including authorizing documents, offering document, the federal tax certificate and certificates regarding issue price
- Minutes and resolution(s) authorizing the issue
- Appraisals, demand surveys, and/or feasibility studies for bond-financed property
- Related publications, brochures, and newspaper articles

- Any formal elections (e.g., election to employ an accounting methodology other than specific tracing)
- Records relating to the payment of debt service (including credit enhancement)
- Documentation relating to investments and arbitrage compliance, as described in “Arbitrage – Yield Restriction and Rebate - Recordkeeping” below
- Any grant requests or fundraising materials and documentation of grants or fundraising receipts relating to projects that also may be financed, in whole or in part, with bond proceeds
- Any agreement listed in “Private Business Use – Special Legal Entitlements” that relates to a bond-financed facility
- Bond paying agent/trustee statements
- Rebate compliance reports
- Related IRS filings (e.g. Form 8038-T Rebate)
- IRS correspondence regarding such issue
- Other documentation material to the particular requirements that are applicable to the tax status of the financing

With respect to each issue of obligations, the Accounting Manager will retain Documentary evidence of when and for what purpose the bond proceeds were expended, as described in “Expenditures of Bond Proceeds - Recordkeeping” below (including the requisitions for expenditure of bond proceeds) for the life of the obligations (including the life of any obligations issued to refund the original debt) plus three years.

Documents may be retained as hard copies or in an electronic format (in accordance with Revenue Procedure 97-22, 1997-1 C.B. 652), so long as such documents are retained in organized, accessible format that preserves the accuracy of such documents.

D. Return Filings

The Accounting Manager will be responsible for tracking the timely filing of the Form 8038-G information report (or such other series 8038 form as may be applicable to a specific issue of bonds) with the Service, which filing may be completed by bond counsel after the issuance of the obligations. The City must file a separate Form 8038-G for each issue of bonds not later than the 15th day of the second calendar month after the close of the calendar quarter in which the bonds are issued.

E. Expenditure of Bond Proceeds

1. General

The Controller is responsible for oversight of the expenditure of bond proceeds, including monitoring whether such expenditures are made in a timely manner for the purposes for which the bonds were authorized. The Controller will ensure that all proceeds of a bond issue are allocated to expenditures by the later of 18 months after the expenditure was made or the date the project is placed in service (and in no event, later than 60 days after (i) the fifth anniversary of the issue date or (ii) retirement of the issue).

With respect to the reimbursement of any expenditure paid prior to the date of issue of the bonds, the Controller will ensure that such reimbursement allocation to bond proceeds is made not later than 18 months after the later of (i) the date the original expenditure is made or (ii) the date the project is placed in service, but in no event more than three years after the original expenditure is paid. Furthermore, the Controller will ensure that such reimbursement allocation is for the reimbursement of expenditures paid on or after 60 days prior to the date of a reimbursement resolution (including for this purpose a bond order). Bond Counsel should be consulted regarding allocation of expenditures between each Bond issue to ensure timely expenditure of Bond proceeds.

In addition to ensuring the timely expenditure of bond proceeds, the Controller will ensure that bond proceeds are allocated to capital expenditures. Bond Counsel should be consulted regarding allocation of expenditures to non-capital items.

2. Recordkeeping

With respect to each issue of obligations, the City will retain the following for the life of the obligations plus three years:

- Documentation of allocations of bond proceeds to expenditures (e.g., allocation of bond proceeds for expenditures for the construction, renovation or purchase of facilities)
- Documentation of allocations of bond proceeds to bond issuance costs
- Copies of all requisitions, draw schedules, draw requests, invoices, bills, and cancelled checks related to bond proceeds spent during the construction period
- Copies of all contracts entered into for the construction, renovation or purchase of bond-financed facilities
- Records of expenditure reimbursements incurred prior to issuing bonds for bond-financed facilities
- List or schedule of all bond-financed facilities or equipment
- Depreciation schedules for bond-financed depreciable property
- Documentation of any purchase or sale of bond-financed assets

Documents may be retained as hard copies or in an electronic format (in accordance with Revenue Procedure 97-22, 1997-1 C.B. 652), so long as such documents are retained in organized, accessible format that preserves the accuracy of such documents.

F. Private Business Use

1. General

To confirm that the Bonds serve “purely” governmental purposes for the general public, it must be determined whether the issuer expects that there will be any private business use of the proceeds of the bonds. Private business use exists if more than the lesser of (i) five percent (and, in certain circumstances, ten percent) or (ii) \$15,000,000 of the proceeds of the issue or the property to be financed by the bond proceeds are used directly or indirectly by any nongovernmental person in that person’s trade or business. In addition, no more than the lesser of (i) five percent (and, in certain circumstances, ten percent) or (ii) \$15,000,000 of the proceeds of an issue may be secured directly or indirectly by property or payments derived from private business use under the “private security or payment test.”

Private business use may occur due to trade or business use by unrelated third parties, the existence of special legal entitlements with respect to the bond-financed property or the sale or other transfer of bond-financed property. Finally, no more than the lesser of (i) five percent or (ii) \$5,000,000 of the proceeds of an issue of bonds may be used to make loans or arrangement that allow a nongovernmental person to defer payments that it is obligated to make with respect to the financed property or the bonds.

The City's finance team will coordinate with the parties responsible for the operation of a bond-financed facility by communicating the private business use restrictions to such parties and requiring that all activity that may give rise to such use be communicated to the Finance Director.

2. Trade or Business Activities by Third Parties

The City will maintain records of all trade or business activities by third parties allocable to its bond-financed facilities. Recognizing that trade or business activities by third parties may give rise to private business use, the City will maintain records of all unrelated trade or business activities allocable to its bond-financed facilities. The Controller is responsible for tracking trade or business activity by third parties as it relates to bond-financed facilities and will monitor such activity no less frequently than annually and, in any event, upon being notified of any new activity that will give rise to a significant amount of trade or business activity by a third party.

3. Special Legal Entitlements

A special legal entitlement is an arrangement that conveys rights similar to ownership, a lease or a management contract (e.g., priority rights to use the facility). Recognizing that a special legal entitlement may give rise to private business use, each time the City intends to enter into one of the following, the City will determine if such agreement relates to any bond -financed facility:

- Management and other service contracts
- Research agreements
- Naming rights contracts
- Ownership
- Leases
- Subleases
- Leasehold improvement contracts
- Joint venture arrangements
- Limited liability corporation arrangements
- Partnership agreements
- Non-contractual use of bond-financed office space and/or parking facilities by any nongovernmental person
- Written contracts for special rates or priority for the purchase of output from bond-financed facilities (e.g., water)

- Any other contract conferring a special legal entitlement or special economic benefit that are comparable to ownership

If such an agreement will be with respect to a bond-financed facility, the City will take measures so that such agreement does not create impermissible private business use with respect to any issue of bonds used to finance such facility. Such measures may include ensuring that such agreement falls into an applicable safe harbor, making a determination that private use will not exceed the applicable limit or such other action as may be recommended by bond counsel.

4. Recordkeeping Related to Private Business Use

With respect to each issue of bonds, the Controller will retain any records tracking private business use for the life of the bonds plus three years. In addition, with respect to each issue of bonds, the Controller will retain any agreements giving rise to private business use for the life of the bonds plus three years.

G. Payments on the Bonds

The trustee/paying agent for the bonds shall determine the amount of principal and interest payable on each payment date for the bonds. Periodically, and no less frequently than annually, the Controller will review the amount of the interest payments to verify that proper determinations of interest have been made.

H. Arbitrage – Yield Restriction & Rebate

1. General

The Treasurer is responsible for monitoring the City’s compliance with the yield restriction requirements of section 148(a) of the Code and the rebate requirements of section 148(f) of the Code. Such monitoring includes, but is not limited to:

- Tracking the allocation of bond proceeds to expenditures for compliance with any temporary period and spending exceptions, no less frequently than yearly
- Ensuring that any forms required to be filed with the IRS relating to arbitrage and any payments required pursuant thereto are filed in a timely manner
- Ensuring that “fair market value” is used with respect to the purchase and sale of investments

Additionally, the City will utilize a rebate analyst to monitor compliance with rebate and yield restriction rules on an annual basis. The City utilizes First Southwest to monitor arbitrage rebate and yield restriction.

Compliance with the investment rules will require that the City be able to account for, in terms of dates and amounts, all uses (including disbursements and investment activity) of particular categories of bond-related money. The Controller will account for all of the following disbursements: monies in the project fund, debt service fund and any other fund

into which proceeds of the obligations have been deposited, including any reserve fund. In doing so, the Controller will use any reasonable consistently applied accounting method to account for gross proceeds, investments and expenditures of an issue.

2. Recordkeeping

With respect to each issue of obligations, the City will retain the following for the life of the obligations plus three years:

- Documentation of allocations of investments and calculations of investment earnings
- Documentation for investments of the bond proceeds related to:
 1. Investment contracts (*e.g.*, guaranteed investment contracts)
 2. Credit enhancement transactions (*e.g.*, bond insurance contracts)
 3. Financial derivatives (*e.g.*, swaps, caps, etc.)
 4. Bidding of financial products
- Documentation regarding arbitrage compliance, including:
 1. Computation of bond yield
 2. Computation of rebate and yield reduction payments
 3. Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate
 4. Form 8038-R, Request for Recovery of Overpayments Under *Arbitrage Rebate Provisions*

Documents may be retained as hard copies or in an electronic format (in accordance with Revenue Procedure 97-22, 1997-1 C.B. 652), so long as such documents are retained in organized, accessible format that preserves the accuracy of such documents.

I. Reissuance

Prior to making any changes to the terms of an obligation, including its underlying security, the City will consult with bond counsel to determine whether such change will result in the reissuance of such obligation for federal tax law purposes. If it is determined that a change will result in a reissuance, the City will take such action, including the recalculation of yield, the filing of a new form 8038-G and the payment of rebate obligations, as is necessary to maintain the tax status of the bonds.

J. Corrective Action

Reports regarding the aforementioned compliance policies with respect to any issue of bonds will be made to the Finance Director no less frequently than the end of each bond year. At such time,

the Finance Director will determine whether any corrective action is required with respect to the applicable issue.

A corrective action may be required if, for example, it is determined that bond proceeds were not properly expended, the City is not in compliance with the arbitrage requirements imposed by the Code or the City has taken a deliberation action that results in impermissible private business use (e.g., sale of bond-financed property). If the City determines or is advised that corrective action is necessary with respect to any issue of its obligations, the City will, as may be applicable, in a timely manner:

- Seek to enter into a closing agreement under the Tax-Exempt Bonds Voluntary Closing Agreement Program described in Notice 2008-31 (or any successor notice thereto)
- Take remedial action described under Section 1.141-12 of the Code
- Take such other action as recommended by bond counsel

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. 1165-2025-09

Ordinance Adopting the Budget for the 2025 – 2026 Fiscal Year

AN ORDINANCE MAKING APPROPRIATIONS FOR THE SUPPORT OF THE CITY OF ANNA FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2025 AND ENDING SEPTEMBER 30, 2026; 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 2025 – 2026 FISCAL YEAR.

WHEREAS, the budget, appended hereto as Exhibit A, for the fiscal year beginning October 1, 2025 and ending September 30, 2026, 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 Herald Democrat 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, 2025 and ending September 30, 2026 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 2025 – 2026 budget, a copy of which is appended hereto as Exhibit A and incorporated herein as if set forth in full;

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, 2025 and ending September 30, 2026.

SECTION 3. 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 2025 – 2026 of the City of Anna.

PASSED AND APPROVED by record roll call vote on this, the 9th day of September 2025.

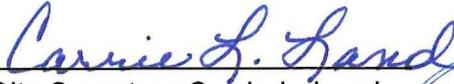
Ayes 7

Nays 0

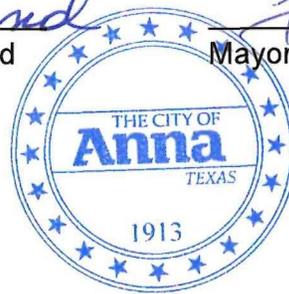
Abstained 0

ATTESTED:

APPROVED:


City Secretary Carrie L. Land


Mayor Pete Cain



CITY OF ANNA, TEXAS

Ordinance No. 1166-2025-09

Ordinance Setting the Tax Rate for the Next Fiscal Year

AN ORDINANCE LEVYING PROPERTY TAXES FOR USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT OF THE CITY OF ANNA FOR THE 2025-2026 FISCAL YEAR; PROVIDING FOR AN INTEREST AND SINKING FUND FOR ALL OUTSTANDING DEBT OF THE CITY OF ANNA; PROVIDING FOR APPORTIONING EACH LEVY FOR THE SPECIFIC PURPOSES; AND, PROVIDING WHEN TAXES SHALL BECOME DUE AND WHEN SAME SHALL BECOME DELINQUENT IF NOT PAID.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ANNA, TEXAS.

SECTION 1. That there is hereby levied and there shall be collected for the use and support of the municipal government of the City of Anna, and to provide an Interest and Sinking Fund for the 2025-2026 fiscal year; upon all property, real, personal and mixed, within the corporate limits of said City subject to taxation, a tax of \$0.525073 on each \$100.00 in valuation of property, said tax being so levied and apportioned to the specific purposes here set forth:

- a. For the maintenance and support of the general government (General Fund) \$0.356071 on each \$100 valuation of property.
- b. For the purposes of creating an Interest and Sinking Fund to pay the interest and principal maturities of all outstanding debt of the City of Anna, not otherwise provided for, a tax of \$0.169002 on each \$100 valuation of property.

SECTION 2. That taxes levied under this ordinance shall be due October 1, 2025 and if not paid on or before January 31, 2026 shall immediately become delinquent. There shall be no discount for payment of taxes on or prior to January 31, 2026. A delinquent tax shall incur all penalty and interest authorized by law, Section 33.01 of the Texas Property Tax Code, as amended, to wit: a penalty of 6% of the amount of the tax for the first calendar month the tax is delinquent plus 1% for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent, or such other penalty as may be allowed by law.

Provided, however, a tax delinquent on July 1, 2026 incurs a total penalty of 12% of the amount of the delinquent tax without regard to the number of months the tax had been delinquent. A delinquent tax shall also accrue interest at a rate of 1% for each month or portion of a month the tax remains unpaid. Taxes that remain delinquent on July 1, 2025 incur an additional penalty of 15% of the amount of taxes, penalty and interest due; such additional penalty is to defray the costs of collection due pursuant to the contract with the City's attorney authorized by Section 6.30 of the Texas Property Tax Code, as amended.

SECTION 3. All taxes shall become a lien upon the property against which assessed, and the city assessor and collector of the City of Anna is hereby authorized and empowered to enforce the collections of such taxes according to the Constitution and laws of the State of Texas and ordinances of the City of Anna shall, by virtue of the tax rolls, fix and establish a lien by levying upon such property, whether real or personal, for the payment of said taxes, penalty and interest; and, the interest and penalty collected from such delinquent taxes shall be apportioned to the general funds of the City of Anna. All delinquent taxes shall bear interest from date of delinquency at the rate as prescribed by state law.

SECTION 4. THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

SECTION 5. THIS TAX RATE WILL EFFECTIVELY BE RAISED BY 5.88 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY (\$4.14).

SECTION 6. Taxes shall be payable in full at the office of the Tax Assessor/Collector, Scott Grigg, 2300 Bloomdale Road, Suite 2366, McKinney, Texas 75071. The Town shall have available all rights and remedies provided by law for the enforcement of the collection of taxes levied under this ordinance.

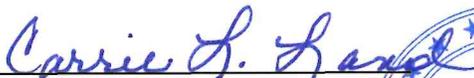
SECTION 7. That this ordinance shall take effect and be in force from and after its passage.

PASSED AND APPROVED by record roll call vote on this, the 9th day of September 2025.

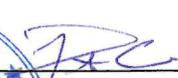
Ayes 6 Nays 1 Abstained 0

ATTESTED:

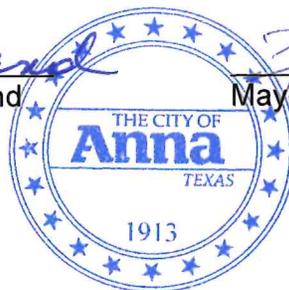
APPROVED:



City Secretary Carrie L. Land



Mayor Pete Cain



2025 Tax Rate Calculation Worksheet

Taxing Units Other Than School Districts or Water Districts

Form 50-856

City of Anna

972-924-3325

Taxing Unit Name

Phone (area code and number)

120 W. 7th St., Anna, TX 75409

www.annatexas.gov

Taxing Unit's Address, City, State, ZIP Code

Taxing Unit's Website Address

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue (NNR) tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per \$100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll and the estimated values of properties under protest. The designated officer or employee shall certify that the officer or employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or employee submits the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

School districts do not use this form, but instead use Comptroller Form 50-859 *Tax Rate Calculation Worksheet, School District without Chapter 313 Agreements* or Comptroller Form 50-884 *Tax Rate Calculation Worksheet, School District with Chapter 313 Agreements*.

Water districts as defined under Water Code Section 49.001(1) do not use this form, but instead use Comptroller Form 50-858 *Water District Voter-Approval Tax Rate Worksheet for Low Tax Rate and Developing Districts* or Comptroller Form 50-860 *Developed Water District Voter-Approval Tax Rate Worksheet*.

The Comptroller's office provides this worksheet to assist taxing units in determining tax rates. The information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

SECTION 1: No-New-Revenue Tax Rate

The NNR tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both years. When appraisal values increase, the NNR tax rate should decrease.

The NNR tax rate for a county is the sum of the NNR tax rates calculated for each type of tax the county levies.

While uncommon, it is possible for a taxing unit to provide an exemption for only maintenance and operations taxes. In this case, the taxing unit will need to calculate the NNR tax rate separately for the maintenance and operations tax and the debt tax, then add the two components together.

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
1.	Prior year total taxable value. Enter the amount of the prior year taxable value on the prior year tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (adjustment is made by deducting TIF taxes, as reflected in Line 17). ¹	\$ 3,799,765,727
2.	Prior year tax ceilings. Counties, cities and junior college districts. Enter the prior year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision last year or a prior year for homeowners age 65 or older or disabled, use this step. ²	\$ 0
3.	Preliminary prior year adjusted taxable value. Subtract Line 2 from Line 1.	\$ 3,799,765,727
4.	Prior year total adopted tax rate.	\$ 0.507200 /\$100
5.	Prior year taxable value lost because court appeals of ARB decisions reduced the prior year's appraised value. A. Original prior year ARB values: \$ 35,416,265 B. Prior year values resulting from final court decisions: - \$ 34,283,481 C. Prior year value loss. Subtract B from A. ³	\$ 1,132,784
6.	Prior year taxable value subject to an appeal under Chapter 42, as of July 25. A. Prior year ARB certified value: \$ 3,814,965 B. Prior year disputed value: - \$ 171,320 C. Prior year undisputed value. Subtract B from A. ⁴	\$ 3,643,645
7.	Prior year Chapter 42 related adjusted values. Add Line 5C and Line 6C.	\$ 4,776,429

¹ Tex. Tax Code §26.012(14)

² Tex. Tax Code §26.012(14)

³ Tex. Tax Code §26.012(13)

⁴ Tex. Tax Code §26.012(13)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
8.	Prior year taxable value, adjusted for actual and potential court-ordered adjustments. Add Line 3 and Line 7.	\$ 3,804,542,156
9.	Prior year taxable value of property in territory the taxing unit deannexed after Jan. 1, 2024. Enter the prior year value of property in deannexed territory. ⁵	\$ 0
10.	<p>Prior year taxable value lost because property first qualified for an exemption in the current year. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in the current year does not create a new exemption or reduce taxable value.</p> <p>A. Absolute exemptions. Use prior year market value: \$ 283,756</p> <p>B. Partial exemptions. Current year exemption amount or current year percentage exemption times prior year value: + \$ 10,168,408</p> <p>C. Value loss. Add A and B.⁶</p>	\$ 10,452,164
11.	<p>Prior year taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in the current year. Use only properties that qualified for the first time in the current year; do not use properties that qualified in the prior year.</p> <p>A. Prior year market value: \$ 0</p> <p>B. Current year productivity or special appraised value: - \$ 0</p> <p>C. Value loss. Subtract B from A.⁷</p>	\$ 0
12.	Total adjustments for lost value. Add Lines 9, 10C and 11C.	\$ 10,452,164
13.	Prior year captured value of property in a TIF. Enter the total value of the prior year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the prior year taxes were deposited into the tax increment fund. ⁸ If the taxing unit has no captured appraised value in line 18D, enter 0.	\$ 212,259,231
14.	Prior year total value. Subtract Line 12 and Line 13 from Line 8.	\$ 3,581,830,761
15.	Adjusted prior year total levy. Multiply Line 4 by Line 14 and divide by \$100.	\$ 18,167,045
16.	Taxes refunded for years preceding the prior tax year. Enter the amount of taxes refunded by the taxing unit for tax years preceding the prior tax year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for the prior tax year. This line applies only to tax years preceding the prior tax year. ⁹	\$ 63,263
17.	Adjusted prior year levy with refunds and TIF adjustment. Add Lines 15 and 16. ¹⁰	\$ 18,230,308
18.	<p>Total current year taxable value on the current year certified appraisal roll today. This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled.¹¹</p> <p>A. Certified values: \$ 4,034,382,174</p> <p>B. Counties: Include railroad rolling stock values certified by the Comptroller's office: + \$ _____</p> <p>C. Pollution control and energy storage system exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property: - \$ 0</p> <p>D. Tax increment financing: Deduct the current year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the current year taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 24 below.¹² - \$ 228,824,971</p> <p>E. Total current year value. Add A and B, then subtract C and D.</p>	\$ 3,805,557,203

⁵ Tex. Tax Code §26.012(15)

⁶ Tex. Tax Code §26.012(15)

⁷ Tex. Tax Code §26.012(15)

⁸ Tex. Tax Code §26.03(c)

⁹ Tex. Tax Code §26.012(13)

¹⁰ Tex. Tax Code §26.012(13)

¹¹ Tex. Tax Code §26.012, 26.04(c-2)

¹² Tex. Tax Code §26.03(c)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
19.	<p>Total value of properties under protest or not included on certified appraisal roll. ¹³</p> <p>A. Current year taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district’s value and the taxpayer’s claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. ¹⁴ \$ <u>339,996,687</u></p> <p>B. Current year value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll. ¹⁵ + \$ <u>0</u></p> <p>C. Total value under protest or not certified. Add A and B. \$ <u>339,996,687</u></p>	
20.	<p>Current year tax ceilings. Counties, cities and junior colleges enter current year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in the prior year or a previous year for homeowners age 65 or older or disabled, use this step. ¹⁶</p>	\$ <u>0</u>
21.	<p>Anticipated contested value. Affected taxing units enter the contested taxable value for all property that is subject to anticipated substantial litigation. ¹⁷ An affected taxing unit is wholly or partly located in a county that has a population of less than 500,000 and is located on the Gulf of Mexico. ¹⁸ If completing this section, the taxing unit must include supporting documentation in Section 9. ¹⁹ Taxing units that are not affected, enter 0.</p>	\$ <u>0</u>
22.	<p>Current year total taxable value. Add Lines 18E and 19C, then subtract Lines 20 and 21. ²⁰</p>	\$ <u>4,145,553,890</u>
23.	<p>Total current year taxable value of properties in territory annexed after Jan. 1, of the prior year. Include both real and personal property. Enter the current year value of property in territory annexed. ²¹</p>	\$ <u>4,112,932</u>
24.	<p>Total current year taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in the prior year. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, of the prior year and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for the current year. ²²</p>	\$ <u>465,446,840</u>
25.	<p>Total adjustments to the current year taxable value. Add Lines 23 and 24.</p>	\$ <u>469,559,772</u>
26.	<p>Adjusted current year taxable value. Subtract Line 25 from Line 22.</p>	\$ <u>3,675,994,118</u>
27.	<p>Current year NNR tax rate. Divide Line 17 by Line 26 and multiply by \$100. ²³</p>	\$ <u>0.495928</u> /\$100
28.	<p>COUNTIES ONLY. Add together the NNR tax rates for each type of tax the county levies. The total is the current year county NNR tax rate. ²⁴</p>	\$ _____ /\$100

SECTION 2: Voter Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the rate. The voter-approval tax rate is split into two separate rates:

1. **Maintenance and Operations (M&O) Tax Rate:** The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.
2. **Debt Rate:** The debt rate includes the debt service necessary to pay the taxing unit’s debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

The voter-approval tax rate for a county is the sum of the voter-approval tax rates calculated for each type of tax the county levies. In most cases the voter-approval tax rate exceeds the no-new-revenue tax rate, but occasionally decreases in a taxing unit’s debt service will cause the NNR tax rate to be higher than the voter-approval tax rate.

¹³ Tex. Tax Code §26.01(c) and (d)
¹⁴ Tex. Tax Code §26.01(c)
¹⁵ Tex. Tax Code §26.01(d)
¹⁶ Tex. Tax Code §26.012(6)(B)
¹⁷ Tex. Tax Code §§26.012(6)(C) and 26.012(1-b)
¹⁸ Tex. Tax Code §26.012(1-a)
¹⁹ Tex. Tax Code §26.04(d-3)
²⁰ Tex. Tax Code §26.012(6)
²¹ Tex. Tax Code §26.012(17)
²² Tex. Tax Code §26.012(17)
²³ Tex. Tax Code §26.04(c)
²⁴ Tex. Tax Code §26.04(d)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
29.	Prior year M&O tax rate. Enter the prior year M&O tax rate.	\$ 0.360213 /\$100
30.	Prior year taxable value, adjusted for actual and potential court-ordered adjustments. Enter the amount in Line 8 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 3,804,542,156
31.	Total prior year M&O levy. Multiply Line 29 by Line 30 and divide by \$100.	\$ 13,704,455
32.	Adjusted prior year levy for calculating NNR M&O rate. A. M&O taxes refunded for years preceding the prior tax year. Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2024. This line applies only to tax years preceding the prior tax year..... + \$ 45,575 B. Prior year taxes in TIF. Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no current year captured appraised value in Line 18D, enter 0..... - \$ 851,324 C. Prior year transferred function. If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0. +/- \$ 0 D. Prior year M&O levy adjustments. Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function..... \$ -805,749 E. Add Line 31 to 32D.	\$ 12,898,706
33.	Adjusted current year taxable value. Enter the amount in Line 26 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 3,675,994,118
34.	Current year NNR M&O rate (unadjusted). Divide Line 32E by Line 33 and multiply by \$100.	\$ 0.350890 /\$100
35.	Rate adjustment for state criminal justice mandate. ²⁶ A. Current year state criminal justice mandate. Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. \$ 0 B. Prior year state criminal justice mandate. Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies..... - \$ 0 C. Subtract B from A and divide by Line 33 and multiply by \$100..... \$ 0.000000 /\$100 D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.000000 /\$100
36.	Rate adjustment for indigent health care expenditures. ²⁷ A. Current year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state assistance received for the same purpose..... \$ 0 B. Prior year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2023 and ending on June 30, 2024, less any state assistance received for the same purpose..... - \$ 0 C. Subtract B from A and divide by Line 33 and multiply by \$100..... \$ 0.000000 /\$100 D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.000000 /\$100

²⁵ [Reserved for expansion]
²⁶ Tex. Tax Code §26.044
²⁷ Tex. Tax Code §26.0441

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
37.	Rate adjustment for county indigent defense compensation. ²⁸	
	A. Current year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender’s office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state grants received by the county for the same purpose.	\$ 0 _____
	B. Prior year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender’s office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2023 and ending on June 30, 2024, less any state grants received by the county for the same purpose.	\$ 0 _____
	C. Subtract B from A and divide by Line 33 and multiply by \$100.	\$ 0.000000 _____/\$100
	D. Multiply B by 0.05 and divide by Line 33 and multiply by \$100.	\$ 0.000000 _____/\$100
E. Enter the lesser of C and D. If not applicable, enter 0.	\$ 0.000000 _____/\$100	
38.	Rate adjustment for county hospital expenditures. ²⁹	
	A. Current year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year.	\$ 0 _____
	B. Prior year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2023 and ending on June 30, 2024.	\$ 0 _____
	C. Subtract B from A and divide by Line 33 and multiply by \$100.	\$ 0.000000 _____/\$100
	D. Multiply B by 0.08 and divide by Line 33 and multiply by \$100.	\$ 0.000000 _____/\$100
E. Enter the lesser of C and D, if applicable. If not applicable, enter 0.	\$ 0.000000 _____/\$100	
39.	Rate adjustment for defunding municipality. This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code Section 26.0444 for more information.	
	A. Amount appropriated for public safety in the prior year. Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year.	\$ 0 _____
	B. Expenditures for public safety in the prior year. Enter the amount of money spent by the municipality for public safety during the preceding fiscal year	\$ 0 _____
	C. Subtract B from A and divide by Line 33 and multiply by \$100	\$ 0.000000 _____/\$100
D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.000000 _____/\$100	
40.	Adjusted current year NNR M&O rate. Add Lines 34, 35D, 36D, 37E, and 38E. Subtract Line 39D.	\$ 0.350890 _____/\$100
41.	Adjustment for prior year sales tax specifically to reduce property taxes. Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in the prior year should complete this line. These entities will deduct the sales tax gain rate for the current year in Section 3. Other taxing units, enter zero.	
	A. Enter the amount of additional sales tax collected and spent on M&O expenses in the prior year, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent	\$ 0 _____
	B. Divide Line 41A by Line 33 and multiply by \$100	\$ 0.000000 _____/\$100
C. Add Line 41B to Line 40.	\$ 0.350890 _____/\$100	
42.	Current year voter-approval M&O rate. Enter the rate as calculated by the appropriate scenario below. Special Taxing Unit. If the taxing unit qualifies as a special taxing unit, multiply Line 41C by 1.08. - or - Other Taxing Unit. If the taxing unit does not qualify as a special taxing unit, multiply Line 41C by 1.035.	\$ 0.363171 _____/\$100

²⁸ Tex. Tax Code §26.0442
²⁹ Tex. Tax Code §26.0443

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
D42.	<p>Disaster Line 42 (D42): Current year voter-approval M&O rate for taxing unit affected by disaster declaration. If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of:</p> <p>1) the first year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred; or</p> <p>2) the third tax year after the tax year in which the disaster occurred.</p> <p>If the taxing unit qualifies under this scenario, multiply Line 41C by 1.08.³⁰ If the taxing unit does not qualify, do not complete Disaster Line 42 (Line D42).</p>	\$ 0.000000 /\$100
43.	<p>Total current year debt to be paid with property taxes and additional sales tax revenue. Debt means the interest and principal that will be paid on debts that:</p> <p>(1) are paid by property taxes;</p> <p>(2) are secured by property taxes;</p> <p>(3) are scheduled for payment over a period longer than one year; and</p> <p>(4) are not classified in the taxing unit’s budget as M&O expenses.</p> <p>A. Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here.³¹</p> <p>Enter debt amount \$ 7,643,728</p> <p>B. Subtract unencumbered fund amount used to reduce total debt. – \$ 450,000</p> <p>C. Subtract certified amount spent from sales tax to reduce debt (enter zero if none) – \$ 0</p> <p>D. Subtract amount paid from other resources – \$ 0</p> <p>E. Adjusted debt. Subtract B, C and D from A. \$ 7,193,728</p>	\$ 7,193,728
44.	Certified prior year excess debt collections. Enter the amount certified by the collector. ³²	\$ 187,634
45.	Adjusted current year debt. Subtract Line 44 from Line 43E.	\$ 7,006,094
46.	<p>Current year anticipated collection rate.</p> <p>A. Enter the current year anticipated collection rate certified by the collector.³³ 100.00 %</p> <p>B. Enter the prior year actual collection rate..... 99.29 %</p> <p>C. Enter the 2023 actual collection rate. 103.47 %</p> <p>D. Enter the 2022 actual collection rate. 107.16 %</p> <p>E. If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%.³⁴</p>	100.00 %
47.	Current year debt adjusted for collections. Divide Line 45 by Line 46E.	\$ 7,006,094
48.	Current year total taxable value. Enter the amount on Line 22 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 4,145,553,890
49.	Current year debt rate. Divide Line 47 by Line 48 and multiply by \$100.	\$ 0.169002 /\$100
50.	Current year voter-approval M&O rate plus current year debt rate. Add Lines 42 and 49.	\$ 0.532173 /\$100
D50.	<p>Disaster Line 50 (D50): Current year voter-approval tax rate for taxing unit affected by disaster declaration. Complete this line if the taxing unit calculated the voter-approval tax rate in the manner provided for a special taxing unit on Line D42. Add Line D42 and 49.</p>	\$ 0.000000 /\$100

³⁰ Tex. Tax Code §26.042(a)
³¹ Tex. Tax Code §26.012(7)
³² Tex. Tax Code §26.012(10) and 26.04(b)
³³ Tex. Tax Code §26.04(b)
³⁴ Tex. Tax Code §§26.04(h), (h-1) and (h-2)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
51.	COUNTIES ONLY. Add together the voter-approval tax rates for each type of tax the county levies. The total is the current year county voter-approval tax rate.	\$ 0.000000 /\$100

SECTION 3: NNR Tax Rate and Voter Approval Tax Rate Adjustments for Additional Sales Tax to Reduce Property Taxes

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its NNR and voter-approval tax rates to offset the expected sales tax revenue.

This section should only be completed by a county, city or hospital district that is required to adjust its NNR tax rate and/or voter-approval tax rate because it adopted the additional sales tax.

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
52.	Taxable Sales. For taxing units that adopted the sales tax in November of the prior tax year or May of the current tax year, enter the Comptroller's estimate of taxable sales for the previous four quarters. ³⁵ Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November of the prior year, enter 0.	\$ 0
53.	Estimated sales tax revenue. Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. ³⁶ Taxing units that adopted the sales tax in November of the prior tax year or in May of the current tax year. Multiply the amount on Line 52 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. ³⁷ - or - Taxing units that adopted the sales tax before November of the prior year. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	\$ 0
54.	Current year total taxable value. Enter the amount from Line 22 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 4,145,553,890
55.	Sales tax adjustment rate. Divide Line 53 by Line 54 and multiply by \$100.	\$ 0.000000 /\$100
56.	Current year NNR tax rate, unadjusted for sales tax. ³⁸ Enter the rate from Line 27 or 28, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 0.495928 /\$100
57.	Current year NNR tax rate, adjusted for sales tax. Taxing units that adopted the sales tax in November the prior tax year or in May of the current tax year. Subtract Line 55 from Line 56. Skip to Line 58 if you adopted the additional sales tax before November of the prior tax year.	\$ 0.495928 /\$100
58.	Current year voter-approval tax rate, unadjusted for sales tax. ³⁹ Enter the rate from Line 50, Line D50 (disaster) or Line 51 (counties) as applicable, of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.532173 /\$100
59.	Current year voter-approval tax rate, adjusted for sales tax. Subtract Line 55 from Line 58.	\$ 0.532173 /\$100

SECTION 4: Voter Approval Tax Rate Adjustment for Pollution Control

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
60.	Certified expenses from the Texas Commission on Environmental Quality (TCEQ). Enter the amount certified in the determination letter from TCEQ. ⁴⁰ The taxing unit shall provide its tax assessor-collector with a copy of the letter. ⁴¹	\$ 0
61.	Current year total taxable value. Enter the amount from Line 22 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 4,145,553,890
62.	Additional rate for pollution control. Divide Line 60 by Line 61 and multiply by \$100.	\$ 0.000000 /\$100

³⁵ Tex. Tax Code §26.041(d)
³⁶ Tex. Tax Code §26.041(i)
³⁷ Tex. Tax Code §26.041(d)
³⁸ Tex. Tax Code §26.04(c)
³⁹ Tex. Tax Code §26.04(c)
⁴⁰ Tex. Tax Code §26.045(d)
⁴¹ Tex. Tax Code §26.045(i)

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
63.	Current year voter-approval tax rate, adjusted for pollution control. Add Line 62 to one of the following lines (as applicable): Line 50, Line D50 (disaster), Line 51 (counties) or Line 59 (taxing units with the additional sales tax).	\$ 0.532173 /\$100

SECTION 5: Voter Approval Tax Rate Adjustment for Unused Increment Rate

The unused increment rate is the rate equal to the sum of the prior 3 years Foregone Revenue Amounts divided by the current taxable value.⁴² The Foregone Revenue Amount for each year is equal to that year’s adopted tax rate subtracted from that year’s voter-approval tax rate adjusted to remove the unused increment rate multiplied by that year’s current total value.⁴³

The difference between the adopted tax rate and adjusted voter-approval tax rate is considered zero in the following scenarios:

- a tax year in which a taxing unit affected by a disaster declaration calculates the tax rate under Tax Code Section 26.042;⁴⁴
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a);⁴⁵ or
- after Jan. 1, 2022, a tax year in which the comptroller determines that the county implemented a budget reduction or reallocation described by Local Government Code Section 120.002(a) without the required voter approval.⁴⁶

This section should only be completed by a taxing unit that does not meet the definition of a special taxing unit.⁴⁷

Line	Unused Increment Rate Worksheet	Amount/Rate
64.	Year 3 Foregone Revenue Amount. Subtract the 2024 unused increment rate and 2024 actual tax rate from the 2024 voter-approval tax rate. Multiply the result by the 2024 current total value A. Voter-approval tax rate (Line 68) B. Unused increment rate (Line 67) C. Subtract B from A D. Adopted Tax Rate E. Subtract D from C F. 2024 Total Taxable Value (Line 60) G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....	\$ 0.505711 /\$100 \$ 0.000000 /\$100 \$ 0.505711 /\$100 \$ 0.507200 /\$100 \$ -0.001489 /\$100 \$ 3,671,304,371 \$ 0
65.	Year 2 Foregone Revenue Amount. Subtract the 2023 unused increment rate and 2023 actual tax rate from the 2023 voter-approval tax rate. Multiply the result by the 2023 current total value A. Voter-approval tax rate (Line 67) B. Unused increment rate (Line 66) C. Subtract B from A D. Adopted Tax Rate E. Subtract D from C F. 2023 Total Taxable Value (Line 60) G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....	\$ 0.507024 /\$100 \$ 0.000000 /\$100 \$ 0.507024 /\$100 \$ 0.510717 /\$100 \$ -0.003693 /\$100 \$ 3,136,323,448 \$ 0
66.	Year 1 Foregone Revenue Amount. Subtract the 2022 unused increment rate and 2022 actual tax rate from the 2022 voter-approval tax rate. Multiply the result by the 2022 current total value A. Voter-approval tax rate (Line 67) B. Unused increment rate (Line 66) C. Subtract B from A D. Adopted Tax Rate E. Subtract D from C F. 2022 Total Taxable Value (Line 60) G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....	\$ 0.533333 /\$100 \$ 0.000000 /\$100 \$ 0.533333 /\$100 \$ 0.539750 /\$100 \$ -0.006417 /\$100 \$ 2,401,090,937 \$ 0
67.	Total Foregone Revenue Amount. Add Lines 64G, 65G and 66G	\$ 0 /\$100
68.	2025 Unused Increment Rate. Divide Line 67 by Line 22 of the <i>No-New-Revenue Rate Worksheet</i> . Multiply the result by 100	\$ 0.000000 /\$100
69.	Total 2025 voter-approval tax rate, including the unused increment rate. Add Line 68 to one of the following lines (as applicable): Line 50, Line 51 (counties), Line 59 (taxing units with additional sales tax) or Line 63 (taxing units with pollution)	\$ 0.532173 /\$100

⁴² Tex. Tax Code §26.013(b)
⁴³ Tex. Tax Code §§26.013(a)(1-a), (1-b), and (2)
⁴⁴ Tex. Tax Code §§26.04(c)(2)(A) and 26.042(a)
⁴⁵ Tex. Tax Code §§26.0501(a) and (c)
⁴⁶ Tex. Local Gov’t Code §120.007(d)
⁴⁷ Tex. Local Gov’t Code §26.04(c)(2)(B)

SECTION 6: De Minimis Rate

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate, the rate that will raise \$500,000, and the current debt rate for a taxing unit.⁴⁸ This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit.⁴⁹

Line	De Minimis Rate Worksheet	Amount/Rate
70.	Adjusted current year NNR M&O tax rate. Enter the rate from Line 40 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.350890 /\$100
71.	Current year total taxable value. Enter the amount on Line 22 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 4,145,553,890
72.	Rate necessary to impose \$500,000 in taxes. Divide \$500,000 by Line 71 and multiply by \$100.	\$ 0.012061 /\$100
73.	Current year debt rate. Enter the rate from Line 49 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.169002 /\$100
74.	De minimis rate. Add Lines 70, 72 and 73.	\$ 0.000000 /\$100

SECTION 7: Voter Approval Tax Rate Adjustment for Emergency Revenue Rate

In the tax year after the end of the disaster calculation time period detailed in Tax Code Section 26.042(a), a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a disaster must calculate its emergency revenue rate and reduce its voter-approval tax rate for that year.⁵⁰

Similarly, if a taxing unit adopted a tax rate that exceeded its voter-approval tax rate, calculated normally, without holding an election to respond to a disaster, as allowed by Tax Code Section 26.042(d), in the prior year, it must also reduce its voter-approval tax rate for the current tax year.⁵¹

This section will apply to a taxing unit other than a special taxing unit that:

- directed the designated officer or employee to calculate the voter-approval tax rate of the taxing unit in the manner provided for a special taxing unit in the prior year; and
- the current year is the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred or the disaster occurred four years ago. This section will apply to a taxing unit in a disaster area that adopted a tax rate greater than its voter-approval tax rate without holding an election in the prior year.

Note: This section does not apply if a taxing unit is continuing to calculate its voter-approval tax rate in the manner provided for a special taxing unit because it is still within the disaster calculation time period detailed in Tax Code Section 26.042(a) because it has not met the conditions in Tax Code Section 26.042(a)(1) or (2).

Line	Emergency Revenue Rate Worksheet	Amount/Rate
75.	2024 adopted tax rate. Enter the rate in Line 4 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 0.507200 /\$100
76.	Adjusted 2024 voter-approval tax rate. Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line. ⁵² If a disaster occurred in 2024 and the taxing unit calculated its 2024 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2024 worksheet due to a disaster, complete the applicable sections or lines of <i>Form 50-856-a, Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> . - or - If a disaster occurred prior to 2024 for which the taxing unit continued to calculate its voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) in 2024, complete form 50-856-a, <i>Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> to recalculate the voter-approval tax rate the taxing unit would have calculated in 2024 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the years following the disaster. ⁵³ Enter the final adjusted 2024 voter-approval tax rate from the worksheet. - or - If the taxing unit adopted a tax rate above the 2024 voter-approval tax rate without calculating a disaster tax rate or holding an election due to a disaster, no recalculation is necessary. Enter the voter-approval tax rate from the prior year's worksheet.	\$ 0.000000 /\$100
77.	Increase in 2024 tax rate due to disaster. Subtract Line 76 from Line 75.	\$ 0.000000 /\$100
78.	Adjusted 2024 taxable value. Enter the amount in Line 14 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 3,581,830,761
79.	Emergency revenue. Multiply Line 77 by Line 78 and divide by \$100.	\$ 0
80.	Adjusted 2024 taxable value. Enter the amount in Line 26 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 3,675,994,118
81.	Emergency revenue rate. Divide Line 79 by Line 80 and multiply by \$100. ⁵³	\$ 0.000000 /\$100

⁴⁸ Tex. Tax Code §26.012(8-a)

⁴⁹ Tex. Tax Code §26.063(a)(1)

⁵⁰ Tex. Tax Code §26.042(b)

⁵¹ Tex. Tax Code §26.042(f)

⁵² Tex. Tax Code §26.042(c)

⁵³ Tex. Tax Code §26.042(b)

Line	Emergency Revenue Rate Worksheet	Amount/Rate
82.	Current year voter-approval tax rate, adjusted for emergency revenue. Subtract Line 81 from one of the following lines (as applicable): Line 50, Line D50 (disaster), Line 51 (counties), Line 59 (taxing units with the additional sales tax), Line 63 (taxing units with pollution control) or Line 69 (taxing units with the unused increment rate).	\$ <u>0.532173</u> /\$100

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate. \$ 0.495928 /\$100
 As applicable, enter the current year NNR tax rate from: Line 27, Line 28 (counties), or Line 57 (adjusted for sales tax).
 Indicate the line number used: 27

Voter-approval tax rate. \$ 0.532173 /\$100
 As applicable, enter the current year voter-approval tax rate from: Line 50, Line D50 (disaster), Line 51 (counties), Line 59 (adjusted for sales tax), Line 63 (adjusted for pollution control), Line 69 (adjusted for unused increment), or Line 82 (adjusted for emergency revenue).
 Indicate the line number used: 50

De minimis rate. \$ 0.000000 /\$100
 If applicable, enter the current year de minimis rate from Line 74.

SECTION 9: Addendum

An affected taxing unit that enters an amount described by Tax Code Section 26.012(6)(C) in line 21 must include the following as an addendum:

1. Documentation that supports the exclusion of value under Tax Code Section 26.012(6)(C); and
2. Each statement submitted to the designated officer or employee by the property owner or entity as required by Tax Code Section 41.48(c)(2) for that tax year.

Insert hyperlinks to supporting documentation:

SECTION 10: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit’s certified appraisal roll or certified estimate of taxable value, in accordance with requirements in the Tax Code.⁵⁴

print here ➔ Jayna Dean
 Printed Name of Taxing Unit Representative

sign here ➔ Jayna Dean
 Taxing Unit Representative

7/29/2025
 Date

⁵⁴ Tex. Tax Code §§26.04(c-2) and (d-2)

**CITY OF ANNA
GLOSSARY**

<i>Accounts Payable</i>	A liability account reflecting the amount of open accounts owed to private persons or organizations for goods and services received by a government (but not including amounts due to other funds of the same government or to other governments).
<i>Accounts Receivable</i>	An asset account reflecting amounts owed from private persons or organizations for goods or services furnished by a government.
<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>	Latin for “according to the value of.” Refers to the tax assessed against real (land and building) and personal (equipment and furniture) property.
<i>Appropriation</i>	An authorization made by the legislative body of 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>Arbitrage</i>	With respect to the issuance of municipal securities, arbitrage usually refers to the difference between the interest paid on tax-exempt bonds and the interest earned by investing the proceeds of the tax-exempt bonds in higher-yielding taxable securities.
<i>Assessed Valuation</i>	A value that is established for real or personal property 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>Balanced Budget</i>	Annual financial plan in which ongoing expenses do not exceed ongoing revenues.
<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>	Funds used to acquire or upgrade physical assets such as property, industrial buildings or equipment.
<i>Capital Outlays</i>	Expenditures which result in the acquisition of or addition to fixed assets which are individually priced at more than \$5,000.

**CITY OF ANNA
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CCAD	Collin Central Appraisal District
<i>Certificates of Obligation</i>	Similar to general obligation bonds except the certificates require no voter approval.
<i>Community Investment Program</i>	Construction projects or very large capital purchases designed to improve and maintain the value of the city's assets, usually separate from the operating budget. The process of planning, monitoring, programming, and budgeting over a multi-year period to allocate the City's capital monies.
<i>Component Unit</i>	Component units are legally separate organizations that must be included in the financial report of the primary government.
<i>Debt Service Fund</i>	A fund used to account for the monies set aside for the payment of interest and principal to holders of the City's general obligation and revenue bonds, the sale of which finances long-term capital improvements, such as facilities, streets and drainage, parks and water and wastewater systems.
<i>Department</i>	A functional unit of the city containing one or more divisions or activities.
<i>Depreciation</i>	The process of recognizing the physical deterioration of assets over a period of time. All assets are assigned an estimated life when purchased and a portion of the purchase price is charged off each year in recognition of wear and tear. Depreciation is recorded only in enterprise funds.
<i>Delinquent Taxes</i>	Taxes that remain unpaid on and after the date on which a penalty for non-payment is attached.
EMS	Emergency Medical Services
<i>Encumbrances</i>	Commitments related to unperformed contracts for goods and services used in budgeting. Encumbrances are not expenditures or liabilities but represent the estimated amount of expenditures ultimately to result if unperformed contracts in process are completed.
<i>Enterprise Fund</i>	A fund established to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City uses an enterprise fund to account for its water, sewer and sanitation operations.
<i>Exempt</i>	Personnel not eligible to receive overtime pay and who are expected to work as necessary to complete their job assignments.
<i>Expenditures</i>	Decrease in net financial resources. Expenditures include current operating expenses which require the current or future use of net current assets, debt service, and capital outlays.

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<i>Fiscal Year (FY)</i>	A twelve-month period designated as the operating year for accounting and budgeting purposes in an organization. Home rule cities in Texas have an October 1st to September 30th as the fiscal year.
<i>Fixed Assets</i>	Assets of a long-term character which are intended to continue to be held or used, such as land buildings, improvements, and infrastructure.
<i>Franchise</i>	A special privilege granted by a government permitting the continuing use of public property, such as city streets, and usually involving the elements of monopoly and regulation.
<i>Full Time Equivalent (FTE)</i>	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.
<i>Fund</i>	A fiscal and accounting entity with a set of self-balancing accounts recording cash and other financial resources, together with all related liabilities and residual equities of balances, and charges therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.
<i>Fund Balance</i>	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.
<i>GAAP</i>	Generally Accepted Accounting Principles
<i>GASB</i>	Governmental Accounting Standards Board
<i>General Fund</i>	The fund used to account for all financial resources except those required to be accounted for in another fund. This fund includes most of the basic operating services such as fire and police protection, health services, parks and recreation, street maintenance, and general administration.
<i>General Obligation Bonds</i>	Bonds for the payment of which the full faith and credit of the issuing government is pledged. In issuing its general obligation bonds, the City of Anna pledges to levy whatever property tax is needed to repay the bonds for a particular year. Bonds cannot be issued without voter approval and are usually issued.
<i>GFOA</i>	Government Finance Officers Association
<i>GTUA</i>	Greater Texoma Utility Authority
<i>Infrastructure</i>	That portion of a city's assets located at or below ground level, including water system, sewer system, and streets.
<i>Liabilities</i>	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.

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Levy	To impose taxes, special assessments, or service charges for the support of governmental activities.
Modified Accrual Basis	A basis of accounting in which expenditures are accrued but revenues are accounted for when they are measurable and available to pay current liabilities. This accounting technique is a combination of cash and accrual accounting since expenditures are immediately incurred as a liability while revenues are not recorded until they are measurable and available to pay current liabilities. This type of accounting is conservative and is recommended as the standard for most governmental funds.
NCTCOG	North Central Texas Council of Governments
No-New-Revenue Tax Rate	A calculated rate that would provide the same amount of revenue received in the year before on properties taxed in both years.
Non-Exempt	Personnel eligible to receive overtime pay when overtime work has been authorized or requested by the supervisor.
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.
NTMWD	North Texas Municipal Water District
Performance Measures	Specific quantitative measure of work performed within an activity or program. They may also measure results obtained through an activity or program.
Property 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.
Restricted Revenue Fund	A fund used to account for the proceeds of specific revenue sources that are legally restricted or formally committed to expenditures for specific purposes.
Revenues	Increases in net financial resources. Revenues include the receipt of assets for goods sold or services provided in the current reporting period, intergovernmental grants, and interest income.
Taxes	Compulsory charges levied by a government for the purpose of financing services performed for the common benefit.
TIF	Tax increment financing (TIF) is a method local governments can use to pay for improvements that will draw private investment to an area. It redirects some of the future ad valorem tax from property in a geographic area to pay for improvements in the zone.
TIRZ	Tax Increment Reinvestment Zone (TIRZ) is a geographic area designated to receive the benefits of tax increment financing (TIF).
TML	Texas Municipal League

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<i>TMRS</i>	Texas Municipal Retirement System
<i>TxDOT</i>	Texas Department of Transportation
<i>Voter-Approval Tax Rate</i>	Provides the taxing unit with about the same amount of tax revenue it spent the previous year for day-to-day operations plus a three and one-half 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.