



THE CITY OF
Anna

**FY2022
ADOPTED
BUDGET**

City of Anna
Fiscal Year 2021-2022
Budget Cover Page

This budget will raise more revenue from property taxes than last year's budget by an amount of \$1,530,703 which is a 17.9 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 \$930,187.

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

FOR:

Nate Pike, Mayor
Josh Vollmer, Place 2
Randy Atchley, Place 4
Lee Miller, Place 6

Kevin Toten, Place 1
Stan Carver, Place 3
Danny Ussery, Place 5

AGAINST:

PRESENT and not voting:

ABSENT:

Property Tax Rate Comparison

| | 2021-2022 | 2020-2021 |
|---|------------------|------------------|
| Property Tax Rate: | \$0.569500/100 | \$0.583000/100 |
| No-New-Revenue Tax Rate: | \$0.536868/100 | \$0.569415/100 |
| No-New-Revenue Maintenance & Operations Tax Rate: | \$0.431360/100 | \$0.435753/100 |
| Voter-Approval Tax Rate: | \$0.563326/100 | \$0.586560/100 |
| Debt Rate: | \$0.116869/100 | \$0.115947/100 |

Total debt obligation for City of Anna secured by property taxes: \$2,067,113.

CITY OF ANNA
TABLE OF CONTENTS

| | | |
|---|-----------------------|------------|
| | <i>Overview</i> | |
| State Required Cover Page | ..... | 3 |
| Distinguished Budget Presentation Award | ..... | 9 |
| Budget Message | ..... | 13 |
| Budget in Brief | ..... | 33 |
| City Organization | ..... | 39 |
| Community Profile | ..... | 43 |
| Budget Process and Calendar | ..... | 45 |
| | <i>Strategic Plan</i> | |
| Introduction | ..... | 51 |
| Strategic Plan Progress | ..... | 52 |
| Performance Measures Goal 1 | ..... | 72 |
| Performance Measures Goal 2 | ..... | 74 |
| Performance Measures Goal 3 | ..... | 76 |
| Performance Measures Goal 4 | ..... | 80 |
| Strategic Plan Summary Flyer | ..... | 83 |
| | <i>Major Revenues</i> | |
| Property Tax | ..... | 89 |
| Sales Tax | ..... | 92 |
| Licenses and Permits | ..... | 93 |
| Utility Charges for Services | ..... | 94 |
| Other Revenues | ..... | 95 |
| | <i>Fund Summaries</i> | |
| Description of Fund Structure | ..... | 99 |
| Fund Structure Chart | ..... | 100 |
| Fund Relationships Table | ..... | 101 |
| Consolidated Fund Summaries | ..... | 102 |

**CITY OF ANNA
TABLE OF CONTENTS**

| | | |
|------------------------------|-------------------------------|-----|
| | <i>Fund Summaries (Cont.)</i> | |
| Change in Fund Balance Table | ..... | 105 |
| Personnel Summary | ..... | 106 |
| General Fund | ..... | 112 |
| Debt Service Fund | ..... | 116 |
| Restricted Revenue Funds | ..... | 118 |
| Utility Fund | ..... | 124 |
| Component Units | ..... | 126 |
| | <i>Department Summaries</i> | |
| General Fund | | |
| Administration | ..... | 131 |
| City Council | ..... | 133 |
| City Manager | ..... | 134 |
| Human Resources | ..... | 136 |
| City Secretary | ..... | 138 |
| Information Technology | ..... | 140 |
| Finance | ..... | 142 |
| Development Services | ..... | 144 |
| Fire | ..... | 146 |
| Ambulance | ..... | 149 |
| Police | ..... | 150 |
| Municipal Court | ..... | 152 |
| Parks | ..... | 154 |
| Neighborhood Services | ..... | 156 |
| Animal Control | ..... | 159 |

**CITY OF ANNA
TABLE OF CONTENTS**

| | | |
|------------------------------------|-------------------------------------|-----|
| | <i>Department Summaries (Cont.)</i> | |
| Streets | ..... | 160 |
| Fleet and Facilities | ..... | 163 |
| Utility Fund | | |
| Public Works Administration | ..... | 164 |
| Water | ..... | 166 |
| Wastewater | ..... | 168 |
| Solid Waste | ..... | 171 |
| Utility Billing | ..... | 172 |
| Component Units | | |
| Community Development | ..... | 174 |
| Economic Development | ..... | 176 |
| Park Development Fund | | |
| Recreation | ..... | 178 |
| Park Development | ..... | 180 |
| | <i>Five Year Forecasts</i> | |
| Introduction | ..... | 185 |
| General Fund | ..... | 187 |
| Utility Fund | ..... | 191 |
| | <i>Debt Service</i> | |
| General Debt Service | ..... | 197 |
| Utility Debt Service | ..... | 201 |
| Community Development Debt Service | ..... | 203 |
| | <i>Community Investment Program</i> | |
| Introduction | ..... | 207 |
| CIP All Funds Summary | ..... | 210 |
| General Government Funds Summaries | ..... | 212 |

CITY OF ANNA
TABLE OF CONTENTS

Community Investment Program (Cont.)

| | | |
|------------------------------------|-------|------------|
| General Government Projects Detail | ..... | 222 |
| Utility Funds Summaries | ..... | 232 |
| Utility Funds Projects Detail | ..... | 238 |
| Park Development Fund Summary | ..... | 244 |
| Park Development Projects Detail | ..... | 246 |
| <i>Supplemental Information</i> | | |
| Glossary | ..... | 251 |
| Financial Policies | ..... | 255 |
| Legal Information | ..... | 297 |
| Tax Rate Calculation Worksheet | ..... | 307 |



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Anna
Texas**

For the Fiscal Year Beginning

October 1, 2020

Christopher P. Morill

Executive Director

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to City of Anna, Texas, for its Annual Budget for the fiscal year beginning October 1, 2020. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

THE CITY OF
Anna



OVERVIEW

THE CITY OF
Anna



October 1, 2021

Honorable Mayor and Council Members:

In accordance with the City Charter and the laws of the State of Texas governing home rule cities, it is the privilege of my staff and I, as your City Manager, to deliver to you this budget transmittal and executive summary of the Fiscal Year 2021-2022 budget.

The Annual City Budget is the most important document that is adopted by the City Council each year. In developing this document, a significant amount of time is devoted by City Council Members, Department Heads, Budget Manager Terri Doby, and numerous other City Staff. An Annual Budget is developed through an extensive process of reviewing requests received from all City departments, then prioritizing those requests in a manner that utilizes resources effectively, within fiscal constraints, while working to achieve the City's Strategic Goals, as set forth in the Council approved Strategic Plan.

In the past year, and more, our organization, like so many others throughout North America, have been impacted by several issues that have had an effect upon our society and our lives, and things are certainly different than what we previously knew. The ongoing effects of the COVID-19 Pandemic, the winter deep freeze weather event of 2021, the national political landscape setting the tone on all levels of local government, social media outcry on myriad of national concerns, the real estate boom in North Texas, the increasing housing demands in Collin County, the continuous rising costs of water supply and sewage treatment in the explosively growing North Texas Municipal Water District service region, and the skyrocketing cost impacts to the construction supply chain, affecting construction costs and other consumables, impacting all of us, all having brought many challenging issues to the forefront of our society and more importantly, to our community of Anna, Texas.

Anna, like many communities, has persevered despite all of these challenges to deliver services and value to our neighbors, while managing these events and their respective impacts to all of our neighbors. We did this as a team, as a staff, as a neighborhood, as a community, and as a City Council, and having done so with great success exceeding all expectations, maintaining our focus by executing our guiding documents, our Strategic Plan with great precision, dedication and unwavering intent to serve.

When we look back at the past year, we have really shined as an organization amidst these challenges, having completed a myriad of huge tasks, accomplishments, program enhancements, and projects...

- Successful Bond Referenda and Propositions
- Updated Strategic Plan
- Comprehensive Land Use Plan
- Parks & Trails Master Plan
- Downtown Master Plan

- Updated Master Thoroughfare Plan
- Completed Stormwater Utility Study (for 2022 implementation)
- Completed Impact Fee Study (for FY21/22 implementation)
- Request for Qualifications for all professional services
- New Solid Waste Disposal System and contractor
- Updated Comprehensive Fee Structures
- Enterprise Resource Planning System Replacement (Financial Software implementation)
- Constructed over 50,000 square feet of municipal facilities (completed by 2022)

All of these accomplishments were achieved, while building a top-notch municipal team of professionals, hiring or replacing over 75 employees during my tenure as the City Manager, with a State award-winning Human Resources Department, in its second year of existence. We have as an organization continued to profit by the efforts of all on this team.

If you recall, in the first year of my tenure as the City Manager, I themed the budget effort as the **“Year of Transition”** whereby there were many initiatives and challenges before us that were transitioning the organization in many facets throughout all departments or the organization. That was a challenging year as the budget proposal was built prior to my arrival, hence there were numerous limiting factors, as the flexibility availed to me as the new manager were in part somewhat limited. Fortunately, I was afforded great opportunity to implement the first-year plan, that was drafted as part of the recruitment process. The plan was an analysis of the state of the City, with regard to its finances, policies, practices, staffing and strategic outlooks. I was able to execute most all of the stated initiatives which I had proposed, the greatest impact of which was establishing a Strategic Plan, complete with its elements of a Vision, Mission, Values, and with action items, identified as long-, mid-, and short-term targets. This was integral to the delivery of many projects, program enhancements, department reorganizations, department creations and achieving the Council directed goals, objectives, and targets.

The following year I had defined as the **“Year of Implementation”** for the organization, as we set forth on the beginnings of the execution of the very aggressive Strategic Plan, perhaps one of the most aggressive plans that I have worked on. Even with the continuing societal disruption, material cost impacts, and delays resulting from the pandemic, our staff had set the foundation in place for numerous programs and plans to be addressed. We executed most aspects of the Strategic Plan during that year, and successfully responded to many additional unprecedented challenges, with the early impacts of the pandemic, the deep freeze, and other challenges. Regardless of such impediments to our success, numerous strategic initiatives have successfully come to fruition and our organization thrives as a leader in the North Texas economy in the pursuit of becoming the **“The Premier Community in Collin County”** a target for our City, our Council and certainly our community.

During the most recent preceding year which was themed as the **“Year of Execution”** additional organizational transitions have occurred, as we have worked hard to integrate multiple new staff members during this year, executing quarterly budget amendments to keep in line with the impacts of high growth, while raising the level of professionalism, skills, and knowledge, as we develop the new acquired professional staff. We have continued to recruit team members from the premier cities throughout the region, building an awesome team of professionals, in all levels of the organization, touting Anna as a **preferred employer of choice**, as a being recognized as a **“High Performing Professional City.”** Our organization has been recognized by numerous professional associations, development interests, and governmental agencies throughout the country as we have impressed many by our efforts, innovations, and explosive growth patterns.

With the acquisition of new staff members in key leadership and support roles, achieved through key promotions, staff development and targeted procurement, the setting of high expectations with neighbor-based values, reinforced organizational core values, sound financial planning and improved operational efficiencies, the City of Anna is primed to take-on the explosive commercial and residential development in our community. With the City Council updating the Strategic Plan in 2021, providing leadership and guidance to the organization by establishing goals based on a strong Mission, a clear Vision, and an aggressive and accountable Action Plan, the organization is poised to be and achieve the goals of being the **“The Premier Community in Collin County.”** These successes are supported and evidenced by the continued unprecedented record growth, commercial tax-base expansion, increasing sales tax, housing starts, and economic development opportunities to the likes that our city has never seen. We only expect this trend to continue, into the future before us. It is a challenge we not only accept but await with the proper sense of urgency to respond, instilled upon and within all staff.

My staff and I are excited, proud, privileged, and honored to be part of what will be one of the most exciting periods in Anna’s history, and knowing that there is more yet to come! Going forward I have themed our efforts in the 2022 as the **“Year of Results”** as we have collectively set in motion many lofty goals, new programs, solid achievable plans, and exciting initiatives that will come to fruition yielding successes never previously realized in our community over the next two to five years. With great anticipation, we will achieve such accomplishments through the growth of this community, as we deliver the elements of the Council-adopted Strategic Plan, as we expect much new development both residential and commercial, with something for everyone. Without exception, our team has accepted all of these challenges and we will persevere to serve our neighbors with great focus and dedication, delivering what we have termed as **“A Community of Neighbors”** remaining true to our stated and published Values and Vision.

In this message, that follows, I will discuss some of the specific strategic initiatives and goals, the challenges and opportunities before us, the wants and needs of our community, and the recommendations and long-term outlook for the organization. I will discuss the form of government, the Council approved Strategic Plan, our accomplishments and targets, the 2021 Bond Election plans going forward and the establishment and management of the tax rate, all defining how will achieve making Anna reach its greatest potential.

We deserve no less as a team, as an organization and as a community of neighbors.

FORM OF GOVERNMENT

The City of Anna’s operates under the Council-Manager Form of Government.

The council-manager form of government is the system of local government that combines the strong political leadership of elected officials in the form of a council with the strong managerial experience of an appointed local government manager. The council-manager form of government is a representative system where power is concentrated in the elected city council and where the city council hires a professionally trained manager to fully oversee municipal administration. Studies show that cities that operate under the Council-Manager form of government are more efficient, have higher bond ratings, and attract better talent, all solid reasons resulting in the providing of high-performance teams that deliver desired services to our communities.

Within the Council-Manager form of government, the Mayor and six (6) Council Members serve as the City’s legislative body and the community’s policymakers. The Mayor serves as the public face of the community, presides over council meetings, serves as the official head of the City for ceremonial occasions, and leads

the elected body in setting goals and advocating policy decisions. The Mayor and the Council oversee the employment of the City Manager, as well as the other Charter Officers within the city, such as the City Attorney, City Secretary, and Municipal Court Judge.

Under the Council-Manager form of government, the City Manager serves as the chief executive officer and main intragovernmental decision-maker for the City, as provided for in the City Charter. Within this form of government, the City Manager is a professional with education, experience, skills, and abilities related to local governance. Your City Manager is additionally licensed and credentialed by the International City Management Association, as an ICMA Credentialed Manager (ICMA-CM), being 1 of approximately 2,000 city managers in the country to achieve this coveted certification. With over 22,000 municipal agencies in the US, this clearly is a select group. The ICMA Credentialing Program recognizes professional local government managers qualified by a combination of education and experience, adherence to high standards of integrity, an assessment, and an assessed commitment to lifelong learning and professional development, all ensuring consistent, professional, and reliable leadership in the position and the management of the organization.

In their role, the City Manager manages city staff, oversees the delivery of public services, carries out policies established by the Council, prepares a budget for the Council's consideration, and serves as the Council's base of knowledge related to past, present, and future local government operations.

Under the Council-Manager form of government, residents (defined and described as "*neighbors*" in Anna) guide their community. They do so regularly by running for office, serving on city boards and commissions, volunteering their services, and by voicing feedback on community opportunities and challenges through a variety of means. They do so at key points in time by voting for elected officials, voting for or against major community financial obligations such as bonds, and participating in various charettes, comprehensive planning processes, and other public outreach opportunities.

We value our neighbors, their participation and input and treat all in a neighborly manner as it is our philosophy for local government success and service.

STRATEGIC PLAN & GOALS

The Strategic Plan in its current format, originally drafted in FY18/19, was reviewed by Council and staff this past fiscal year 2021. It is the working document that provides guidance to City staff when making budgetary, planning, and operational decisions. As part of the adopted Strategic Plan, the City Council has identified and reaffirmed our four (4) strategic goals that help frame the City's operational work plans, providing focus for staff, community, and Council alike, and providing a system of accountability through performance targets and prioritization of goals for the community. As a part of the iterative process to develop the Strategic Plan, the City Council reaffirmed and established a Vision, Mission, set of Strategic Goals, and identified and adopted key Core Values by which the organization will operate, plan, develop, and grow.

The Action Plan developed is the guiding document that outlines the annual work plans and identifies the priorities and provides the direction for the day-to-day tactical approaches to every service and project we deliver. It is the measurement of success for each department and their respective targets. As we navigate the set of plans in each functional area, these efforts ensure that we focus on the things that are truly important to the City, to the City Council, and to the neighbors we serve each and every day. We operate under this philosophy in all we do, as there will always be constraints on our resources, and it is important

to focus on what is important to our neighbors and differentiating what is not important, hence ensuring resources are always allocated to the former. This document is one of the most important products of the labors of your City Council and staff. It is posted on the City website at anntexas.gov.

Goals

The Goals from the Strategic Plan (reordered for FY21/22) for the City of Anna are:

- 1. Growing Anna Economy**
- 2. Making Anna – A Great Place to Live**
- 3. Sustainable Anna Community Through Planned, Managed Growth**
- 4. High Performing, Professional City**

While the goals have not changed, they were reordered to identify the Council focus and priorities. The Strategic Plan, which is available on the City's web site at anntexas.gov, expands upon the multi-faceted comprehensive goals as well as the strategies to be employed in the execution of this plan.

Mission

Our Mission, which supports these stated goals, commits us to provide for, to be for, and act for our community and neighbors with a laser focus:

- (to provide) ***Exceptional City Services & Facilities***
- (to be) ***Financially Responsible***
- (to act in a) ***Neighbor-Focused Way***
- (provide a) ***High Performing, Professional City Team***
- (to provide) ***Value to Neighbors' Lives***

As you can see, we define our Citizens, Customers, Partners, and Visitors as our "***Neighbors***", and we shall treat them as such in all that we do. This theme will extend through all departments and their efforts each day. It is our purpose to be neighborly.

Vision

In the development of the City's Vision, the Mayor and the City Council, along with staff, have defined the City of Anna in its best form for the future (Anna 2036), looking at the challenges and the opportunities, to ensure the responsible growth of this, our exploding North Texas community, "***The Premier Community in Collin County***" Anna 2036!

The Anna Vision 2036 is a **community of families** that is **beautiful and safe**.

Anna in 2036 has a **vibrant downtown, great housing opportunities and a dynamic business community**.

Anna in 2036 is a **fun community for all** and has **convenient mobility options**.

Anna 2036 is **THE PREMIER COMMUNITY IN COLLIN COUNTY!**

Core Values

One of the most impactful results of the Strategic Planning process was the development of the Organizational Cores Values.

The Anna Team CARES!

The Anna Team **C.A.R.E.S.** by:

- (being) **CREATIVE**
- (taking) **ACTION**
- (taking) **RESPONSIBILITY**
- (delivering) **EXCELLENCE**
- (and is privileged to) **SERVE**

Each of these attributes is the guiding values for the organization. These Values are the measuring stick for all staff. These are the Values to which all in this organization will be accountable. It is how we expect all employees to embrace the culture we have been building, living, and supporting. These values are how we recruit, promote, manage, and govern ourselves.

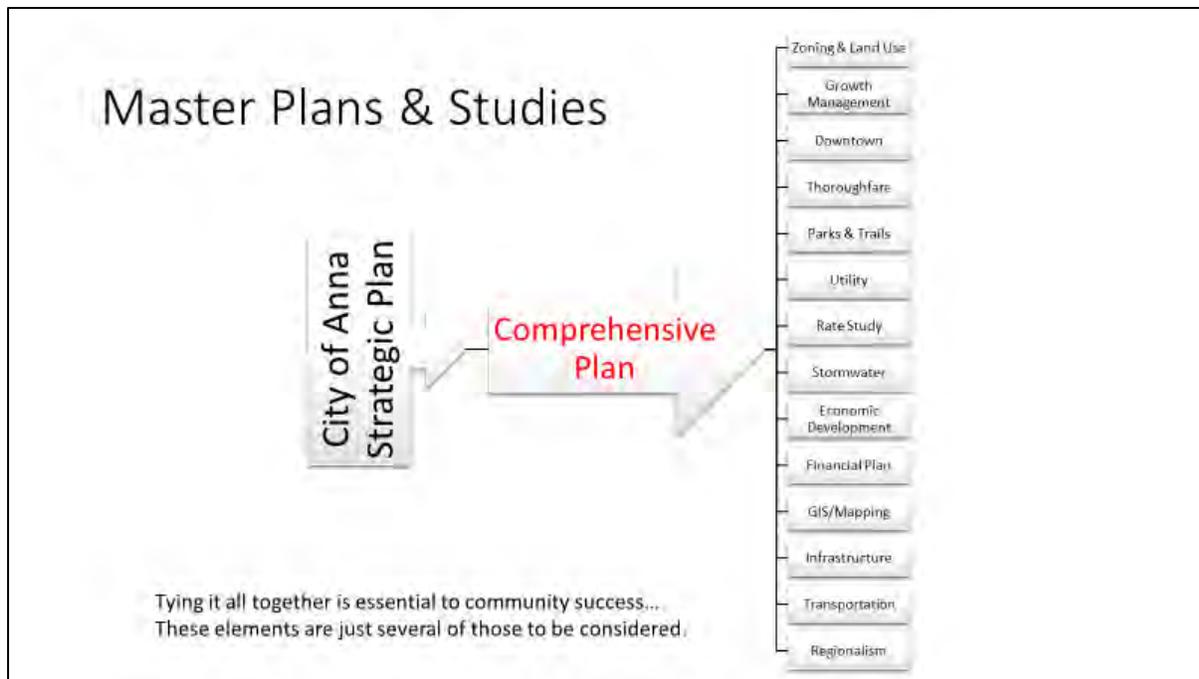
All the details of the Strategic Plan have been integrated in all that we do, providing the guiding values, the purpose, and inspiration for driving the organization to accountability and results. We have installed these processes into our everyday actions, and we review these regularly in our strategy meetings to ensure the execution of the Action Plan.

In the pages that follow this Budget Message, you can review the summary plan documents which shows the details inclusive of policy agendas, management actions, and major projects contained within the Strategic Plan.

MASTER PLANS & STUDIES

As an extension of the adopted and approved Strategic Plan, there are several master plans that have been previously identified as needing to be updated, revised, revisited, or in some cases, created. Several of these plans have statutory requirements, are best practices, and some are simply needed to ensure the planned and managed growth of our community, supporting our community Vision.

Each of the stated plans can be found on our website, within this budget document, or available by request.



In the past year, there have been major strides put forth in many of these areas.

- **Economic Development Strategic Plan** has been implemented and continues to drive this engine. It has numerous key elements that are in alignment with the Council's Strategic Plan. These elements are what drives the Economic Development budget and the team assigned to execution.
- **Utility Rate Analysis** was completed last year and updated this year and is set for continued implementation in FY2022 in an effort to manage rising costs from NTMWD. With no rate increases in over the 5 years prior to 2020, increases to the rates continue to be imminent. Upon recent review of the study the recommended rate structure being proposed yields that Anna is still the lowest rates in the CGMA consortium and will target doing so. Projected rates were anticipated to increase by 10% or more for the stated reasons herein, but staff has made cost conscious decisions to reduce this increase by 2% for FY2022 to 8%. This was promulgated by costs increases from NTMWD, CGMA/GTUA and material supply impacts, outside of local controls.
- **Financial Plan** was revised including:
 - Revision of the Financial Policies, Investment Policy, Purchasing Practice with the implementation of fully automated procurement
 - Achievement and acquisition of the fourth of 5 Transparency Stars from the Texas Comptroller's Transparency Program with the 5th star to be achieved by adoption of this budget
 - Institutionalizing of the 5-year financial model that is used for forecasting and managing the finances of the City
- **Stormwater Utility** study was completed and is projected for implementation in early FY21/22. This will include elements in the budget resulting in starting the stormwater program which may include projects, materials, and staff. It is targeted that this program will be implemented as soon as early 2022
- **Comprehensive Plan** was completed in 2021 and is in place as a guiding document for land use. There are many elements within this plan that guide planning and zoning, development regulation, and future land use planning. This can be found at anna2050.com.
- **Parks and Trails Master Plan** was completed in 2021 and is in place as a guiding document for the



development and project planning for all things parks and trails. This plan can be found at anna2050.com.

- **Downtown Development Plan** was completed in 2021 and is in place as a guiding document. It is a catalyst planning document for the redevelopment effort in the Downtown area. This document can be found at anna2050.com.
- **Zoning & Land Use Codes** have been and will continue to be revised incrementally and with the addition of a new planner and funding will be address in FY21/22. Council has funded resources to address this in the coming year and an RFQ will be awarded early in the fiscal year to be implemented in the new fiscal.
- **Infrastructure Plan** analysis for streets has been completed over the past two years and will be instrumental in the CIP development and proposal. This is integral to the fiscally responsible planning of road paving and road maintenance. This plan will be revisited every other year. The CIP is part of the budget documents.
- **GIS/Mapping** has created numerous resources for all departmental uses and will be expanded over the next year, providing additional analytics for the development of performance metrics. While the position is currently vacant, we expect to have a selection by the beginning of the new fiscal year, setting new priorities and vision for this area. The interactive map is accessible on our website.

In the upcoming year, each of these plans will set the tone for their respective areas of focus and be the guiding documents for our community growth, development processes, success in achieving financially sustainable growth, and providing the environment and opportunity for development that brings value to neighbors' lives making Anna a great place to live, work, and play.

In addition, in this budget, like last year, we will deliver a true and comprehensive **Capital Improvement Plan**, that we will bring forth and define as the "**Community Investment Plan**" providing for project planning for Public Works Infrastructure, Parks & Trails, and Facilities planning for all City Departments and community needs, as well as identifying a long-term outlook that plans for future opportunities, some of which may be unfunded in the short term, but can be used as a planning tool as well as planning for shovel-ready projects for potential grant opportunities in all functional areas.

Each year the CIP will provide a five-year forecast, with both funded and unfunded projects identified as well as their funding sources where applicable. Projects beyond the five-year targets will be considered on the long-term outlook but nonetheless identified for planning purposes. Each year, in advance of the budget process, these plans will be revisited and present to City Council for approval as a part of the budget development process.

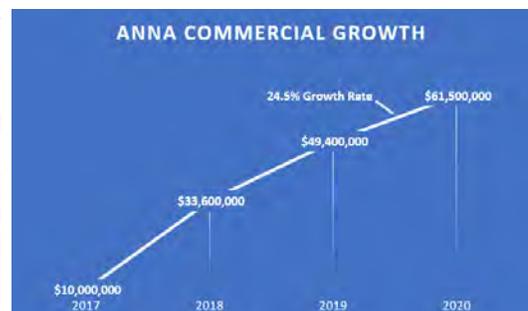
Major Highlights of FY20/21

Some major highlights and successes of FY20/21 were:

- The creation of a culture where applicants and staff consider the City of Anna as an "**employer of choice**" where employees values are in alignment with our stated values, where development friendly regulation is a standard, where all customers, visitors, contractors, consultants, and passers-by are "**neighbors**" and treated as such
- The execution of the Council-approved strategic plan and the other plan elements which were developed to steer our city towards its published vision, mission, and values
- The financial management and related restructuring and improvements achieved in the past year, resulting in huge savings to rate payers, and a reduction in the projected and programmed utility rate increases

- The restructuring and creation of departments and divisions resulting in increased revenues, savings in expenditures, and the expertise and innovations not previously experienced in the organization. The combined savings for all initiatives exceeds seven figures, with the result providing for the funding of the comprehensive planning efforts, enabling the funding of public safety department expansions in both Police and Fire, the internalizing of health inspections, building inspections, code compliance, plan reviews (civil and development), and project management, all resulting in cost containment and savings and/or the offsetting revenue generation providing value to our neighbors as well as efficiencies for development processes
- The more than doubling of the sizes of both the Police and Fire Departments, resulting in reduction in crime rates, improvement in response times, improved professionalism of both departments and recognition of being one of **“Texas’ Safest Cities”**
- For the first time in Anna history, the acquisition and sponsoring of two Police recruits developed through the Collin County Police Academy, who will be sworn in, in October of 2021
- The management of the tax rate with consecutive proposals that either lowered the overall rate or held steady while increasing and improving services, while leveraging the I&S rate (debt) to provide for much desired community improvements through a successful voter-approved bond election
- Facilitated the third annual Mayoral State of the City Address sharing the success with neighbors, this year accomplished through the use of the Telephone Town Hall method of delivery, reaching more neighbors than previously ever
- Institutionalized the use of the Telephone Town Hall Meetings to provide information to neighbors as well as gather data on issues in a highly effective and concise format, presenting items such as utility rates, State of the City, and the Bond Election and we plan to continue these as an efficient means of neighbor communication
- Development of a true 5-year capital improvement plan, with a long-term outlook, planning infrastructure needs for the future
- Solidified the 5-year financial modeling as a part of the daily operational financial management, recognized by Moody’s bond rating agency as a best practice
- Received several organizational awards in Budget, Economic Development, Finance, Parks, and Public Works, for innovative work in each of these operational areas
- Made a presentation to Moody’s bond rating agency resulting in an upgrade from Aa3 to Aa2, for the period during a pandemic, where no other city has been successful in doing so
- Increased the commercial growth over the last three years, yielding a 24.5% growth rate in the last year alone

| 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 |



CHALLENGES & OBSTACLES / OPPORTUNITIES & ACCOMPLISHMENTS

In the evaluation of the City and its many components, we have identified many of the challenges and obstacles as well as the opportunities and accomplishments that set the tone for our community. Several

challenges and obstacles will require significant resources and efforts to overcome and to take the City to the next level.

The following are several of those challenges and obstacles as well as the opportunities and accomplishments that we have leveraged to success. Each year going forward, we will review these challenges and opportunities and include additional target areas all in support of the Council approved and adopted Strategic Plan.

This budget addresses and it built in response to many of the challenges and obstacles.

Pay Plan / Employee Compensation / Benefits

Two years ago, staff has implemented the comprehensive analysis of the Employee Compensation Plan.

North Texas continues to be one of the most highly competitive environments for local government employees in the country and while our City is far from being the leader in compensation, it is imperative that we remain relatively competitive in the area of employee compensation and benefits, if we are to attract, retain, and develop qualified employees. All cities compete for the same talent pools and having a right-sized compensation plan is integral to these goals.

This strategy is most important for a growing community that is constantly seeking employees in all functional areas of the organization. The implementation of the new pay plan resulted in a system that can be actively managed. By right sizing, the employee compensation plan, commensurate with the industry standard compensable factors, market conditions, and the community and organization size, we ensure this stability going forward.

This budget will address the most recent data by ensuring that all employees are brought to the minimums of revised pay grades, provided a small increment for tenure with the organization, and a market adjustment. Public Safety step plans will be revised to be revised resulting in the scale shift commensurate to the market changes. Merit pay will be targeted to fall within the financial constraints put on the cities as a result of the prior legislative SB2, so that the employee compensation plan can be sustainable in the long-term.

Additionally, with the approval of the Fiscal Year 2021-2022 Budget by the Council, the City Manager is implementing the Employee Compensation Plan as presented. Going forward, the Council has approved these recommended strategies adopting a compensation philosophy. This philosophy would include the following elements, defined as follows:

- Philosophy 1: Establish the market, defined as cities located in whole or in part in Collin County, as these cities are the competition for employment in our region.
- Philosophy 2: Maintain pay ranges and step plans with the intent on being relevant and competitive in the Collin County Market, reviewing these for such annually, working towards the 50th percentile, then weighted for organizational size and population served.
- Philosophy 3: Maintain a merit system of compensation, whereby employees are compensated for performance, targeted at 3.5% maximum for the highest performance rating, providing for performance improvement plans and deferrals for low performers not meeting expectations, yet encouraging excellence by tying salary increases to performance.
- Philosophy 4: Maintain a retention system, for encouraging senior and long-term employees, rewarding longevity, consistent with system internal equities, inclusive of longevity pay, incremental adjustments

based on tenure, and lump sum payment when achieving the top of scale or step, not to exceed \$2,000.

- Philosophy 5: Maintain a promotional vacancy practice providing for no less than 5% increase for promotions (or the next highest step, if in a step plan)
- Philosophy 6 : All stated strategies herein are subject to annual funding availability, and not a guarantee of future compensation.

Even with these strategies in place, we remain approximately (and appropriately) 15% behind the 50%ile being the longer term targeted range.

In addition to addressing the financial compensation shortfalls, the benefits structure was augmented by the addition of an employee assistance program in FY19/20, long-term disability insurance effective in FY20/21, and employee optional short-term disability

insurance for those employees desirous of purchasing it, all under the current benefit cost structure. All of which was negotiated to provide comparable or the similar insurance plans without an increase in the prior fiscal year. This is a huge success as most organizations are experiencing wide-spread insurance increases varying from 7% to 12% annually.

With the restructuring of the TML Health Benefits Program, our entire system required an overhaul this year. We successfully navigated this challenge and provided a two-option plan to our employees that not only improved the benefits structure yet resulted in a saving of over \$80,000 to the City and provided many families of staff to come onto our insurance system.

Going forward, in the upcoming fiscal year, we will be looking at enhanced wellness programs to provide employees the opportunity to “be healthy” and further work toward reducing healthcare expenses.

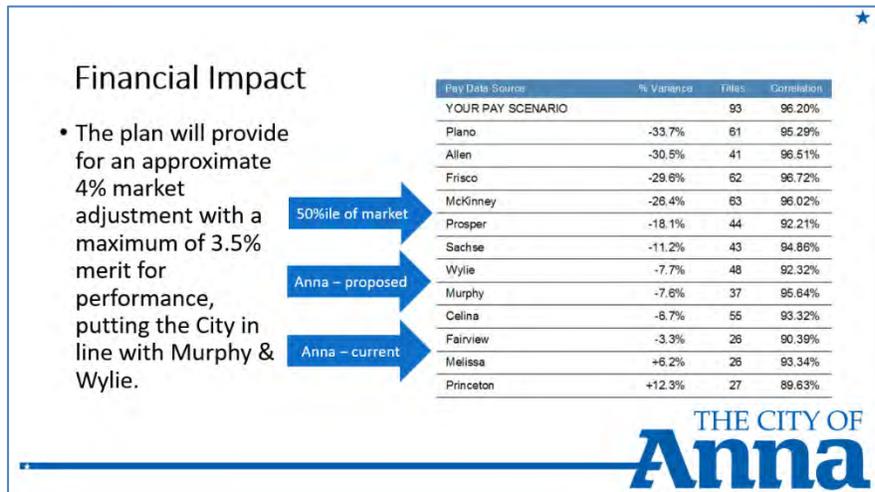
Utility Challenges - Stormwater Utility

Cities are authorized to implement a stormwater utility fee by Local Government Code 552, Sub-chapter C - Municipal Drainage Utility Systems Act.

The Act allows municipalities to establish a service fee for users of the municipal storm system, provided that the basis for the fee is “directly related to drainage” and the fee is “**reasonable, equitable, and non-discriminatory.**” The City of Anna does not currently operate nor directly fund a stormwater utility or related programs regardless of the need.

The goals of a stormwater utility include the components of:

- Neighbor Outreach
- Neighbor Participation/Involvement



- Illicit Discharge Detection and Elimination
- Construction Site Runoff Control
- Post-Construction Runoff
- Pollution Prevention & Good Housekeeping

Revenue derived from a stormwater utility can be used for staffing, projects, equipment, materials, operational impacts, debt service, and planning and engineering related to stormwater. Currently, only a minimal amount of funding is specifically allocated for these items, yet there are growing needs that include several stormwater projects and ongoing maintenance, capital projects, staffing, and more.

During FY19/20, the required study was contracted to a consultant firm to complete and is expected to be completed in early FY20/21. The study has determined the needs assessment and a potential fee structure to fund identified projects and programs. The target will be National Pollution Discharge Elimination System (NPDES) compliance and to determine and implement the level of Integrated Stormwater Management (ISWM) compliance that is the right size for our community, proactively implementing for solutions.

Based on the direction received at a prior City Council Workshop, Staff is working towards an implementation targeted for early FY21/22. The utility will generate revenue to deliver funding for staffing, material, equipment and project funding to stormwater related needs throughout the City.

Utility Challenges - Wastewater/Water Impacts

Prior to 2020 it had been well over five years since the water and sanitary sewer rates in the City of Anna have been updated. During this time, the water purchase and sewer treatment costs imposed on the City by outside entities have increased by double digit percentages each year, with a published expectation to continue this trend for the foreseeable future.

What is of great concern is that these increased costs have not been passed on to rate payers until 2021. Rate payers include neighbors who reside inside the City of Anna as well as a limited amount of those who reside in several portions of Anna's Extraterritorial Jurisdiction (ETJ). **During this multi-year rate freeze, the City Utility Fund has been seeing comparatively decreasing net revenues and was in danger of causing the Utility Fund in becoming insolvent.** These increasing costs weighed against the net proceeds yields a Utility that possesses no bonding capacity for much needed projects, not only to fund expansion, but to address failing infrastructure and direly needed plant upgrades.

Due to the complex relationships based upon regional water and sewer supply strategies Anna must utilize to purchase drinking water and pay for sewer treatment, the City of Anna pays significantly higher costs for both water and wastewater when compared to most other cities in North Texas. When comparing the City of Anna to other communities, the cities in the most similar situation are Melissa, Van Alstyne, and Howe. Cities like McKinney, Allen, Plano, and Richardson have significantly less cost as they are located very close to NTMWD facilities or have NTMWD facilities located within their city limits. The City of Anna does not have NTMWD facilities close by.

Keeping in mind that it is not the goal of the City of Anna Utility Fund to turn a profit. The goal is to balance costs with revenues, in order to provide rate payers with a high level of service at the lowest cost and have capacity to fund much needed infrastructure needs.

Last year the City of Anna had completed a utility rate study with the assistance of NewGen Strategies. This process included the review of all utility costs incurred by the City, all personnel, maintenance, and operations costs, along with the anticipated rising costs of purchasing wholesale water from the Greater Texoma Utility Authority (GTUA) and the North Texas Municipal Water District (NTMWD). In addition, the sewer treatment costs the City pays to NTMWD and the sewer transportation costs the City pays to the City of Melissa were also evaluated. Without these relationships, we would not have enough resources to adequately serve our neighbors.

NTMWD plans to continue to increase water supply and wastewater treatment costs on an annual basis over the next 5 years and beyond. The specific increases will likely range from 3% to 10% over the coming years depending upon their annual rate reviews, which we cannot control, determine, or influence, as NTMWD has to look at the needs of the North Texas region where they serve almost 80 communities.

In order to lessen the rate increase seen by rate payers, the City of Anna has restructured existing debt resulting in a savings of over \$300,000 which will reduce the amount of increase needed to sustain the Utility Fund and remain solvent. This was achieved by sound financial and fiscal management resulting in an improved Bond Rating by Moody's. This restructuring of debt basically saved the Utility a huge amount of interest.

Continued efforts to conserve resources is a priority and the **Waterwise** application is a way for all our neighbors to self-monitor usage. This is a great way to save money and ensure that all water users are well informed of their spending. We encourage customers (neighbors) to look into this as it is an easy way to conserve and ultimately save you money and allow our water supply to adequately serve the growing population, as we grow the system, acquire new water sources, and build the delivery systems to ensure we have supplies for decades to come.

An information campaign was executed and will be repeated to keep rate payers informed and updates to the website provide a source for all of this information. We are planning a series of Telephone Town Hall Meetings where we can reach as many neighbors as we can to keep folks informed.

Formal implementation of new utility rates begins on October 1, 2021. This will allow rate payers to make it through the high-water use period of July through September with the existing rates in place. The rates are illustrated as follows:

One very important note is that this rate plan must continue to be re-evaluated on an annual basis, as the needs of the community and outside cost factors are subject to change on an annual basis and are not within our financial control.

In the upcoming year we feel it is necessary to provide an education process for our neighbors about these water issues. As such we will be providing an education session each year that we will offer to the neighbors free of charge that will cover the various issues and conservation methods. These will include but not limited to:

- water rates and how they are derived
- increasing costs from our suppliers and third-party providers
- how things work in utility systems from water distribution to sewer collections
- ways to pay you bill
- why do neighbors use more water in summer (identifying the many reasons)
- why it's important to conserve as water is a limited resource

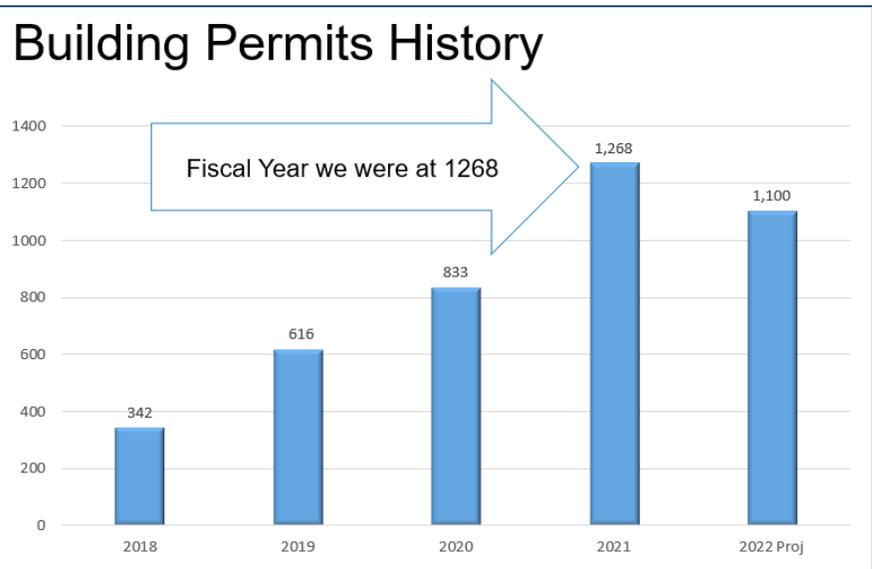
- how to use Watersmart app that we have provided at no cost to neighbors using: <https://annatx.watersmart.com/index.php/welcome>
- how to manage your irrigation to conserve using the Water My Yard app: <https://watermyyard.org/#/Location>
- And several other things you can do like using low flow fixtures and methods
- what you can do about filtration for personal taste preferences

And more...

And as a matter of reassurance to all users of our systems, you can review our annual water quality reports available on our website at: <https://www.annatexas.gov/954/Water-Quality>

Permit Volume

As we received record numbers of building permits both this current and past fiscal years, staff had recently restructured the permit fee process to cover costs of the process. It is expected that permit volume will continue to where we expect to eclipse almost 1300 single family permits in FY2021, and we expect to stay the course in FY2022. Changes in processes, efficiencies employed, and additional staff have resulted in a continued permit turnaround time of **less than 3 days (often within 48 hours and planning for**



improvement to those targets in the coming year), providing for a more development friendly environment which has sparked activity. The plan review process is an in-house effort, as the external reviews were not meeting the timing and expense expectations required by legislative action. The process is not only a major cost saving, but it provides better service and added capacity to the department, with the goal of improved service delivery and cost containment efforts.

Staffing Challenges and Opportunities

In FY20/21, budget amendments were executed to provide for several positions in response to the rapid growth incurred during the fiscal year. These additional positions were funded primarily through development fees, sales tax, and other revenues in excess of original projections.

These positions in the General Fund included:

- Firefighters (3)
- Administrative Assistant (0.5)
- IT Help Desk (1)
- Development Services Technician (1)
- Police Officer (2)

- Communications Manager (1)
- Police Officer (4)
- EDC/CDC Intern (0.5)
- Planner II (1)
- Code Compliance Officer (1)

Total of 15 FTEs during FY

In FY21/22, the General Fund staffing efforts will be focused on the establishment of several key functional areas inclusive of:

- HR Manager (1)
- Firefighter (6)
- Battalion Chief (1)
- Maintenance Worker (3)
- Mechanic (1)
- Facilities Specialist (1)

These positions will be phased in over the first two quarters for a total of 13 FTEs in the general fund. One position was moved the Parks Development Fund as an offsetting expense.

In FY21/22, the Utility Fund staffing efforts will be focused on the establishment of several key functional areas inclusive of:

- Maintenance Technician (2)
- Utility Billing Clerk (1)
- Water Quality Technician (1)

Each of these positions are focused on addressing the greatest and most urgent needs of the City and in alignment with the Strategic Plan.

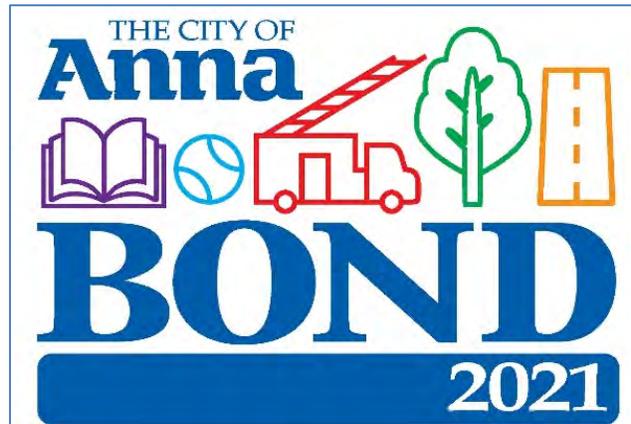
TRANSPARENCY

We are pursuing the Texas Comptrollers Transparency Stars program which will certify our agency as one of the elite agencies with regard to community transparency. **We have received the fourth “star” of five possible stars!** We will continue to pursue this recognition program in an effort to refine our financial management practices and be recognized as an elite financial leader in our industry. We expect to join the top 10% of the 2,500 eligible agencies as a 5-Star agency in early FY2022. This is a crowning achievement for the City and a result of the fruit of the labor of our Finance Team led by Director Alan Guard.



BOND ELECTION

In the prior two years the Council was desirous to explore the elements of initiating a potential bond election process to ask our neighbors what items they would like to see and what items they would want to invest in, giving our neighbors the opportunity to decide what elements they want in our community. These discussions led to the decision to provide a three-tiered set of referenda which provided neighbors the opportunity to tell us what elements they would like to see in our community. In May of 2021 3 propositions were on the ballot to provide options for the Library, Parks and recreation elements, and Fire Station 2.



With landslide results, the 2021 Bond Election was an overwhelming success and reaffirmed the community desire for these projects. \$58 million was approved for items such as, Library/Learning Center, Community Center, Additional park facilities, Fire/Public Safety facilities, sports/water facilities, infrastructure investment, property acquisition for infrastructure, facilities, and development, other related municipal facilities.

Strategies for a successful bond election include the following elements and guiding principles to ensure community support as illustrated as follows:

- Financially Sustainable Goals – can we afford these amenities?
- Foundational Values for Success – do they serve our values?
- Community Priorities – are these what the community wants?
- Driven for Results – can we get it done?

The answer is “YES!” on all counts.

While the preliminary projections provided that these initiatives could cost as much as \$99 annually to the average property owner, through sound financial management, we were able to issue the first round of debt, leveraging the growth, with no increase to the tax rate. This certainly exceeded the expectations set and is a huge win for our neighbors.

GOING FORWARD

Each of the Departments have lofty goals in the Strategic Plan both in the short and long terms targets.

In the early 2022 we will set a retreat to revisit the Strategic Plan with staff and City Council and will assess the body of work completed and determine continuing efforts towards the Vision. At that time, we can amend the action plan going forward and continue to grow this great organization and community.

Based upon the resources available, going forward beginning this fiscal year, in addition to the action plan items, each department will have additional priorities that are integrated into the deliverables. In addition

to the assigned Strategic Plan elements, Departments will be required to have these other items on their radar. The identified items while actionable are for planning for the next round of Strategic Planning, where we can prioritize them for the next iteration of work plan development. This is just a snapshot of some of those initiatives planned.

The Strategic Plan will continue to serve as our roadmap for the upcoming year, the blueprint for our continued success. In addition to the action items in the Strategic Plan we will be looking at the following priorities.

- Relaunch the neighbor academy with a more comprehensive approach for delivery, providing the development of potential future board members and involvement.
- Development of performance metrics can be accomplished once we have more sophisticated processes in place.
- Implementation and refinements of the plan review process moving towards internal service and revenue generation opportunity, while development of the new staff continues.
- An additional Code Officer has been added, and staff will ramp up rental inspections program as this is a concentrated source of neighbor concerns
- Rewrite of the Development Code
- Finalizing the Collin College Plan working with developer and College to plan for all aspects of surrounding development
- Identifying multiple Downtown projects with a strong focus on implantation of the Downtown Plan
- Developing the Risland development agreements, with the strategic moves made in the past year, we are poised to make this move forward once the developer is responsive to the various processes.
- Closing the business park deal activating the projects in this area
- The reserve policy will be revised to provide for distribution of overfunded balances to specific in conformance of financial policy while ensuring that all bond covenants and being adhered to.
- Complete the Texas Comptroller's recognition program for transparency. The 5 areas are: Traditional Finances, Contracts and Procurement, Economic Development, Public Pensions, Debt Obligations. We will soon all five.
- The follow-up on the SAFER grant to fund additional Fire personnel should be determined in the next month or so. Should it fail we will revise our tactics to only ask for what we will budget for as the supplanting prohibition has been eliminated. This will be in alignment with the long-term staffing plan and has been built into our financial model.
- Continue the planning and training needs to commence for the ambulatory service with initial start-up in early 2022.
- All facets of emergency management, preparation, response and aftermath will be visited, and operational processes be reviewed, updated, and trained system wide.
- Distribution of the follow-up Q12 questionnaire to all employees to determine where movement from last year has occurred. This assessment addresses the areas of: Leadership & Communication, Collaboration & Teamwork, Job Satisfaction & Pride, Employee Support, Recognition, Training & Development
- Review and update the administrative and operations policies and depending upon findings
- Review current practices and policies with regard to the IT processes, including network management, system analysis, pc support, hardware and software licensing and inventory, asset management and policy implementation has been a prior since the creation of this group. There is a high sense of urgency with cyber-security, and this will be a focus this coming year.
- The development of the new facilities funded by the bond election will be a strong focus for the department this year.
- Development of an events calendar that can create a community identity, with a rapidly growing community we have the opportunity to develop into somethings that can unique.
- Focused on improving parks maintenance systems and the repairs and improvements of our infrastructure.

- With the great desire to further develop “recreation” elements, staff will continue to grow in the upcoming year.
- Develop a volunteer program for all areas of the city to augment departments and to provide an opportunity to create a sense of community pride giving neighbors an opportunity to give to their community.
- Commence additional research on the execution of transitioning to an independent dispatch for public safety.
- Restarting outreach programs will be a priority this year. This includes programs like Coffee with Cops and National Night Out.
- The water rate analysis is completed determining a feasible structure meeting the needs of the utility. With the reissue of debt, it is expected that this will net less of an increase than expected.
- As a part of the Budget the implementation of a stormwater utility to fund drainage maintenance and improvements will provide funding early in FY2022.
- Getting our city in a position to be prepared for a natural disaster includes the acquisition of prepositioning contracts.
- Bringing forth a proposal for the American Recovery Act of 2021 funds to augment Utility needs in the Downtown area.

These additional targets ensure that our staff is giving our neighbors more bang for their buck than any year prior and we will continue to do so with a high performing professional team.

ON THE HORIZON

In this year’s budget making process, there were many wants and needs identified. The City Manager’s Office accumulated well over \$2.5 million in supplemental requests for programs, staffing, and projects from City Departments. While many of the requests were viable and warranted, the financial capacity to deliver all of these requests were not possible within the current revenue structure. As we continue to grow and the demands of to provide expansion of services while reducing the tax rate are diametrically opposed. It will take the efforts of highly trained staff to balance those desires and we are committed to delivering quality services within those means.

Conversely, several of the tangible items requested by the departments were initiated in this current fiscal year through budget amendments, utilizing these one-time monies to update systems and meet the needs of the departments. With overall spending decreased in the current fiscal year, we were able to make future budgeted purchases for various equipment purchases and take delivery in advance of this proposed budget with these one-time expenses/purchases. These funds were derived through unspent balances, reserves in excess of the City Financial policy (40%), and favorable revenues in excess of projections.

These one-time purchases included items such as:

- Information systems and cyber security needs
- Equipment in public works for concrete repairs
- The second ambulance
- Outfitting for new ambulances set to be in service in early 2022
- Zoning ordinance updates
- Police equipment

Several of the requested remaining shortfalls may be incrementally implemented once a more stable revenue sources are evident. This is the strategy and purpose for the development of solid financial models, long-range planning, and master planning being crucial to the implementation and success of the Strategic Plan. We will continue to leverage growth opportunities and resulting revenue to execute similar initiatives

going forward.

TAX RATE

For FY20/21 the average home value in Anna is \$230,000. For FY21/22 that value has increased to \$246,777.

With the restrictions set forth by the Texas Legislature and Tax Reform Bill (Senate Bill 2) adopted in the last legislative session (2019) local governments are faced with the 3.5% voter approved rate (cap.) However, cities under 30,000 in population can enact the De Minimus rate, which provide for \$500,000 over the no new revenue rate of \$0.536868 or a rate of \$0.576627 for this fiscal year.

The current approved tax rate in FY20/21 is **\$0.583500/\$100**. The proposed tax rate provided for in this budget was set at a rate below the FY20/21 De Minimus rate of \$0.576627/\$100 under the guidance of the provided Council consensus.

The rate proposed for this budget as presented is **\$0.569500/\$100**, which is lower than the aforementioned De Minimus rate of \$0.576627/\$100. This proposed rate would result in a small increase in actual taxes paid as calculated on the average home value of \$246,777 of approximately \$5 per month.

With departmental requests totaling over \$2.5 million, with growing needs in all functional areas, and all of the stated challenges and targets, there is never enough to cover all of the departmental requests and Council goals. With the prior year adding \$300 million in growth and valuation, increases in sales tax due to new businesses, coupled with increased activity and maintaining levels of services, the available funding for FY21/22 is approximately \$1,460,000 from property taxes; all to be allocated for new programs, personnel, and other department requests.

With the Texas Legislative restrictions put into place in FY19/20, the uncertainty of impacts of COVID-19, and unpredictability of the sales tax, the direction to prepare a budget below the current FY19/20 rate of \$0.583500 is designed to address the capacity of the organization in its current state, weighed against the demands and the priorities set forth in the adopted Strategic Plan. While holding a higher rate, certainly would enable additional expansion, we have to consider the taxpayer impacts as well. This rate will enable us to deliver the elements presented in this budget.

CLOSING

While city budgets are always a challenge, our team has worked diligently to prepare a budget that is both balanced and sufficient to meet the needs of the coming fiscal year. We have spent much time further scrubbing the accounts throughout this process to provide the services needed, while identifying the capacity to provide for the improvements and increased activities that our community desires.

Funding and contingencies are built in to ensure that the organization is prepared to achieve lofty goals, yet agile enough to react should a swing in the economy occur, whether in response to the COVID-19 pandemic, or a drop in construction activity, result with a revenue shortfall causing a loss of services to our neighbors and the community we serve. We watch all of this and more to ensure the financial stability of our organization.

I would like to take the time to thank all the City of Anna's staff for their input and hard work during what is

truly a year-long budget process. I would like to thank the department heads for their efforts in presenting reasonable requests and for doing the hard work and research they provided as part of this process. And most importantly, I would like to specifically thank Terri Doby, Budget Manager, Stephanie Beitelshies, Human Resources Director, Joey Grisham, Economic Development Director, Taylor Lough, Economic Development Assistant Director, and Ryan Henderson, Assistant City Manager, for their tireless efforts in this process. This is truly a team effort and I am proud of this group and their accomplishments.

We, as a team, express our appreciation to the Mayor and the members of the City Council for your diligent efforts throughout the year in providing guidance, direction, and support towards our dedicated efforts to serve our neighbors.

We are honored and privileged to serve the City of Anna.

The Fiscal Year 21/22 budget is designed to preserve and enhance the quality of existing services and to respond appropriately to our City's continual growth and development by delivering the elements of our Strategic Plan.

Respectfully Submitted,

A handwritten signature in black ink that reads "James J. Proce". The signature is written in a cursive, flowing style.

Jim Proce, ICMA-CM, PWLF, MBA
City Manager, Anna Texas

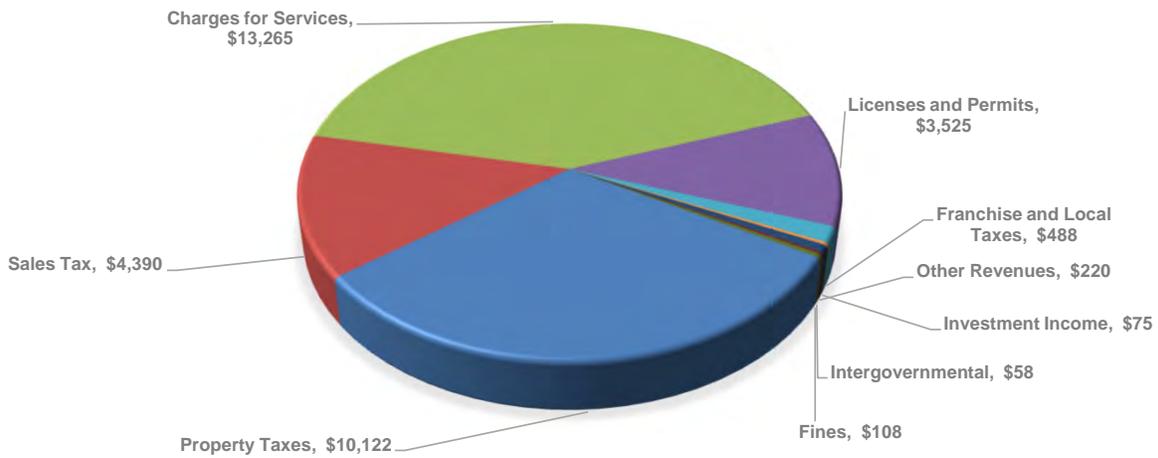
City Council Goals

- ◆ GROWING ANNA ECONOMY
- ◆ SUSTAINABLE ANNA COMMUNITY THROUGH PLANNED MANAGED GROWTH
- ◆ ANNA - GREAT PLACE TO LIVE
- ◆ HIGH PERFORMING, PROFESSIONAL CITY

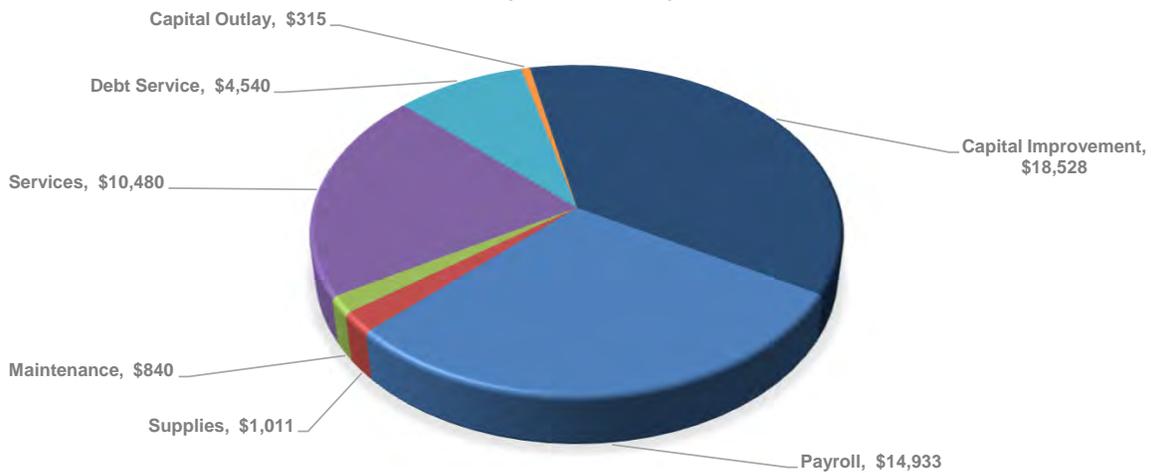
Consolidated Budget

The City of Anna adopts a budget annually. The total budget appropriates approximately \$32.1 million for operations and \$18.5 for the community investment program. This budget provides sufficient funding to tailor services to meet the needs and expectations of the community.

**FY2022 Citywide Revenue Budget
(in thousands)**



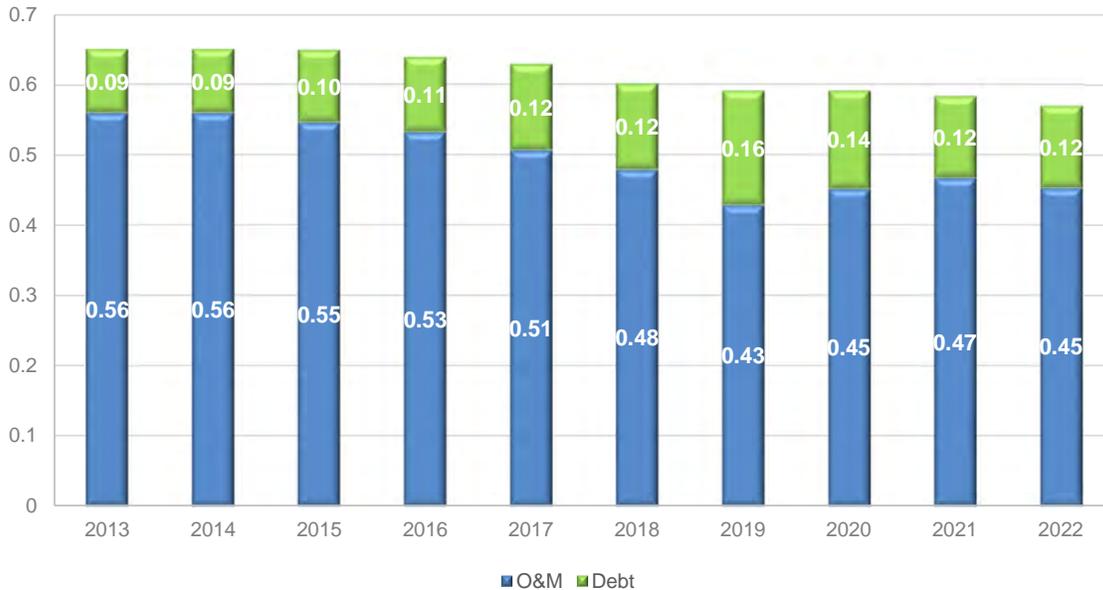
**FY2022 Citywide Expenditure Budget
(in thousands)**



Property Tax

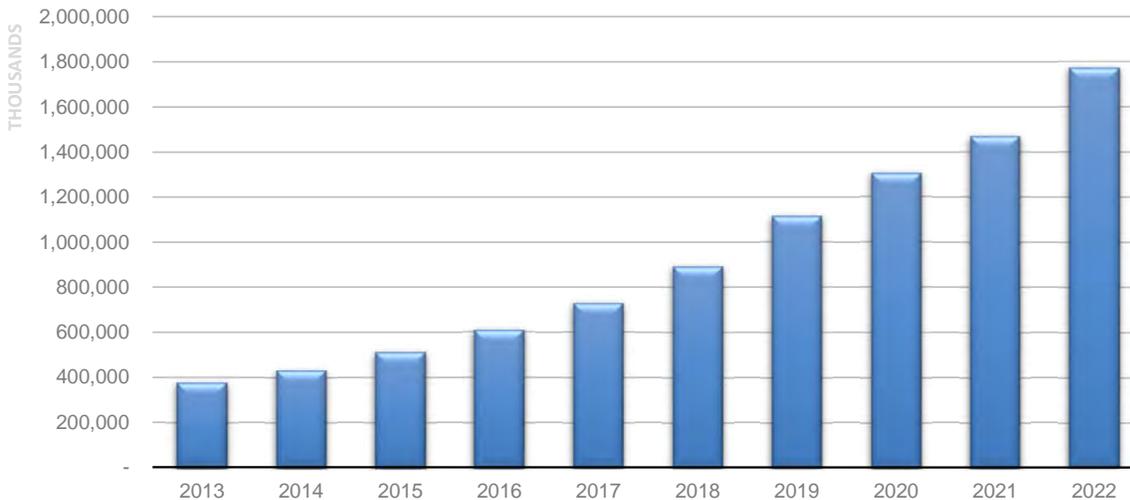
The adopted property tax rate is \$0.569500. The FY2022 property tax rate is \$0.569500/\$100, which is less than the FY2021 tax rate. The rate is above the no-new-revenue rate of \$0.536868/\$100. (Numbers on chart have been rounded to nearest penny.)

Property Tax Rate



The certified taxable property value increased by 20.7 percent. The certified value for all property is approximately \$1.8 billion. The property tax rate generates a total tax levy of \$10,101,269.

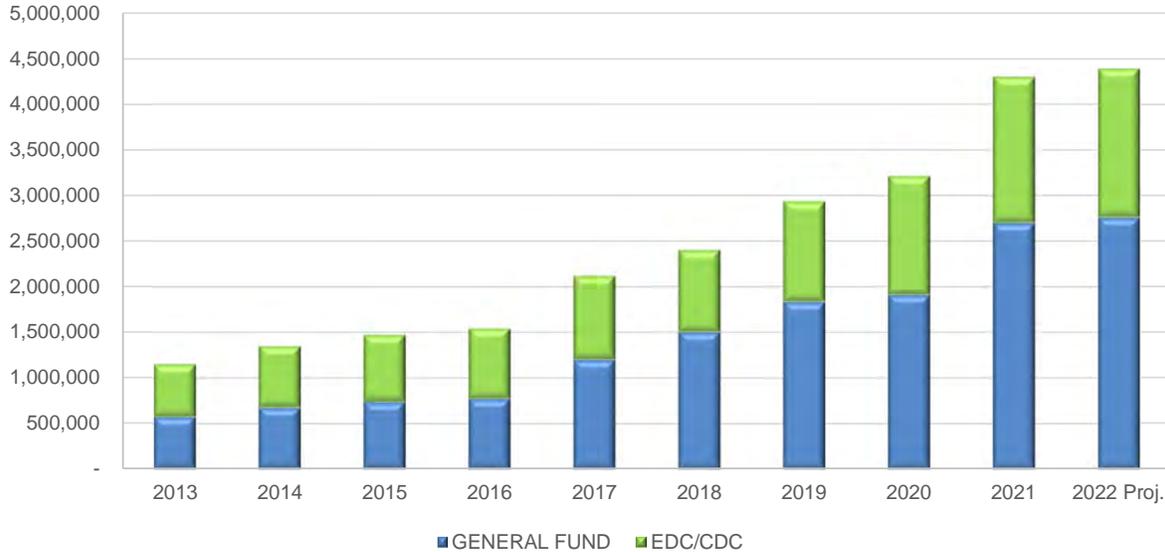
**Taxable Assessed Value
(in thousands)**



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, with 0.25 percent being dedicated to streets projects. The remaining 0.75 percent funds the Community Development Corporation. For the year ending September 30, 2022, Anna expects to receive \$4,350,000 in sales tax.

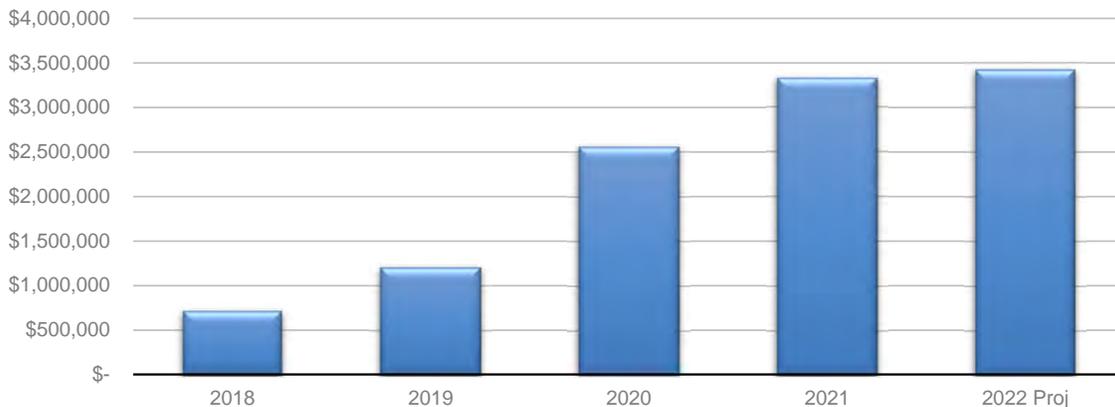
Sales Tax Revenue



Building Permits

The City is experiencing a tremendous amount of growth. Building permit revenue is projected to increase 33.9 percent over the FY2020 actual amount.

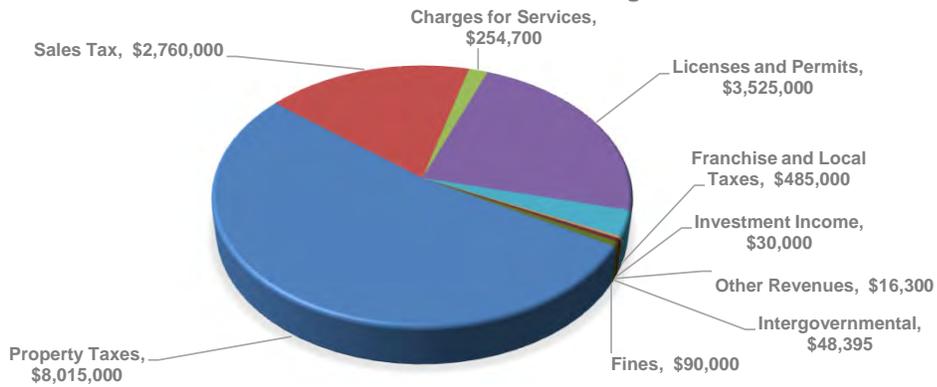
Building Permit Revenue



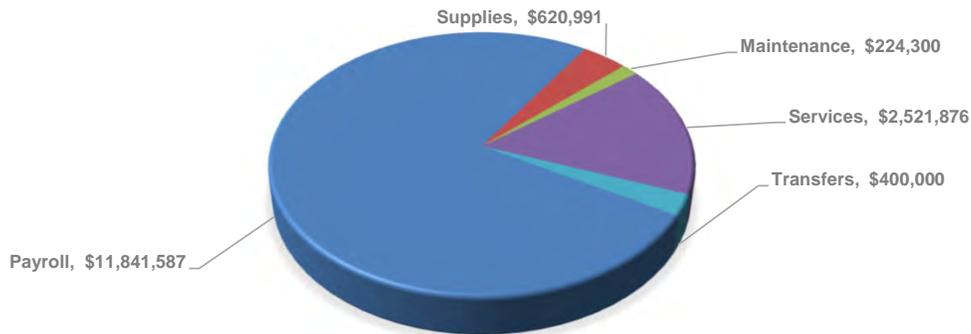
General Fund

The General Fund revenues are projected to increase to \$15,184,395 which is \$2,242,085 higher than the FY2021 revised budget. The General Fund expenditures are balanced with revenues at \$15,143,060 for on-going expenses. The largest expenditure by category is Payroll at 78 percent of the total General Fund Budget.

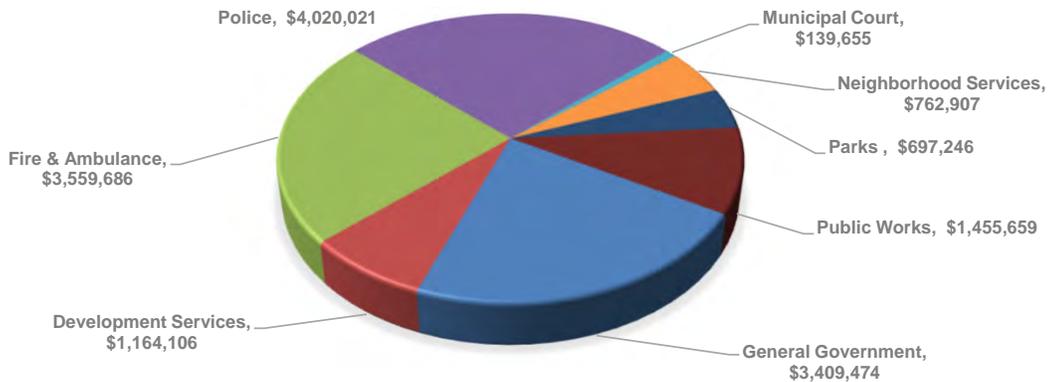
FY2022 General Fund Revenue Budget



FY2022 General Fund Expenditure Budget by Category



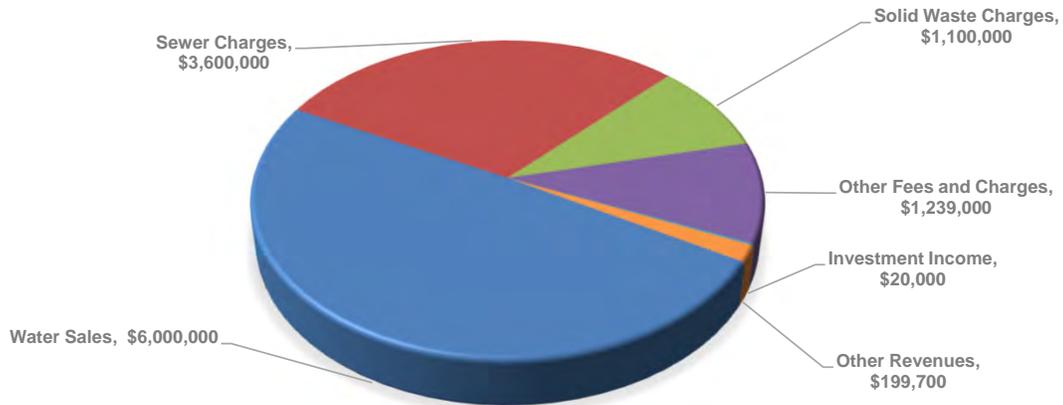
FY2022 General Fund Expenditure Budget by Department



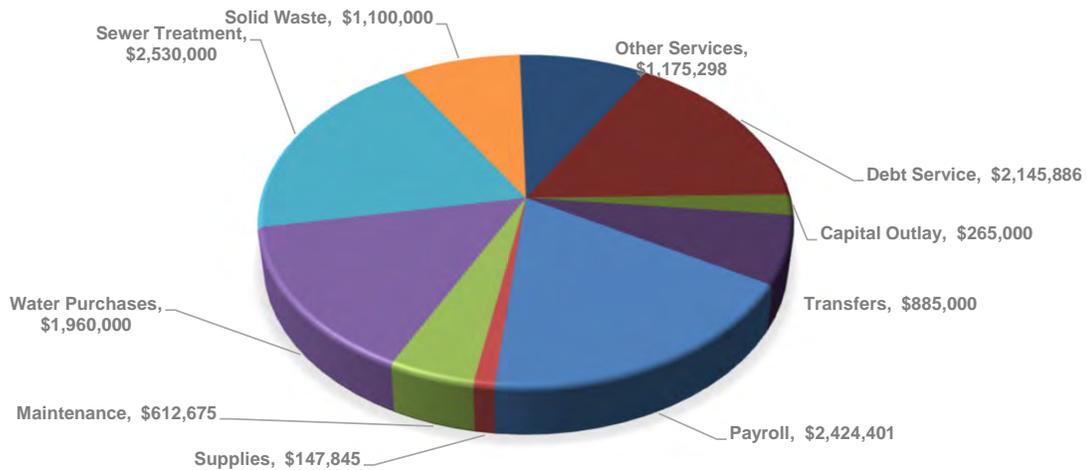
Utility Fund

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.

FY2022 Utility Fund Revenue Budget



FY2022 Utility Fund Expenditure Budget by Category



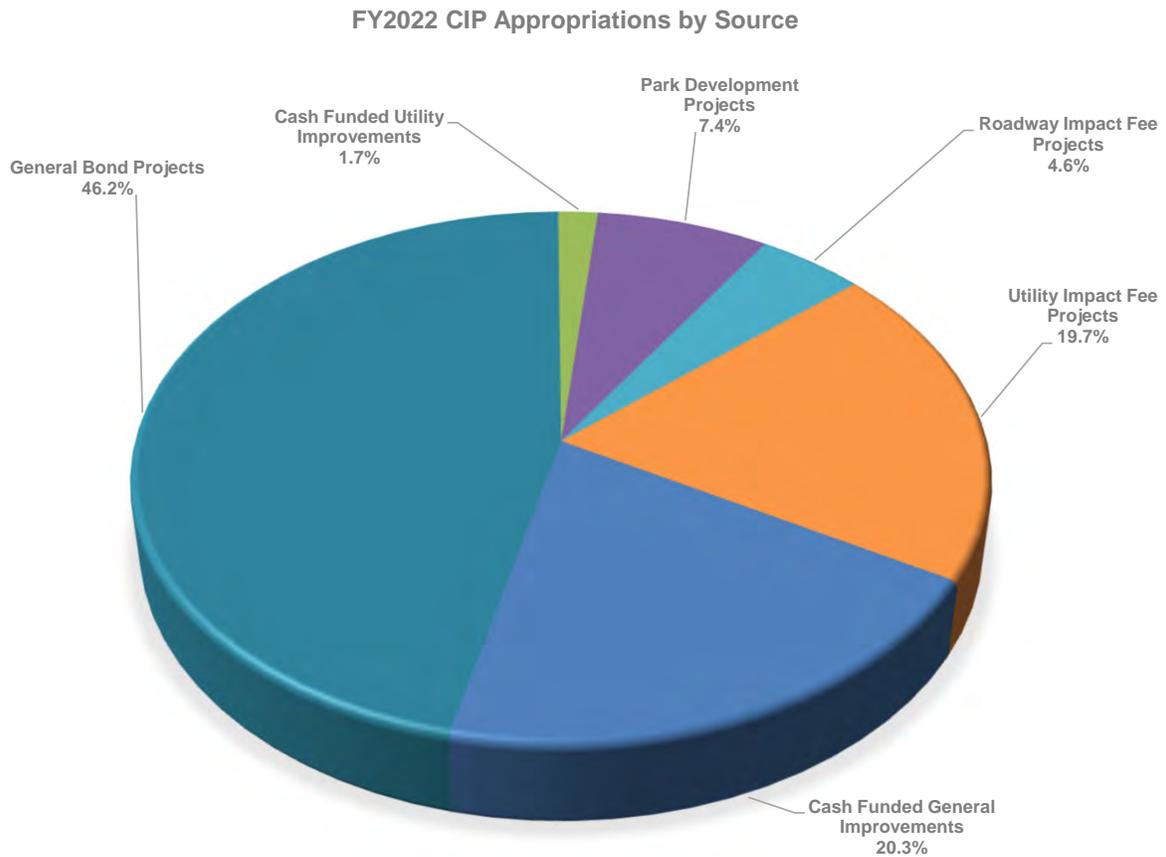
Sample Residential Water and Sewer Bill

| Consumption | FY2021 Rate | FY2022 Rate | Change |
|----------------|-------------|-------------|----------|
| 2,000 gallons | \$ 54.86 | \$ 59.26 | \$ 4.40 |
| 5,000 gallons | \$ 90.81 | \$ 98.07 | \$ 7.26 |
| 10,000 gallons | \$ 150.70 | \$ 162.78 | \$ 12.08 |

Community Investment Program

The budget includes \$18.5 million for capital improvement projects. Significant items include:

- ◆ City Hall Municipal Complex and Fire Station
- ◆ Fire Station #2
- ◆ Community Library
- ◆ Wastewater Treatment Plant Permit & Design
- ◆ Collin Pump Station Expansion



**CITY OF ANNA
MAYOR AND CITY COUNCIL**



Nate Pike
Mayor

Anna's Mayor and City Council are committed to providing high-quality municipal services and responsible development. Through the City Manager, the Mayor and Council provide policy direction by adopting rules, regulations, and procedures to meet community needs.



Kevin Toten
Place 1



Josh Vollmer
Place 2



Stan Carver
Place 3



Randy Atchley
Place 4



Danny Ussery
Place 5



Lee Miller
Place 6

Nate Pike
Mayor

Kevin Toten
Place 1

Randy Atchley
Place 4

Josh Vollmer
Place 2

Danny Ussery
Place 5

Stan Carver
Place 3

Lee Miller
Place 6

THE CITY OF **Anna**

Carrie Land, TRMC, MMC
City Secretary

Jim Proce, ICMA-CM
City Manager

Clark McCoy
City Attorney

Ryan Henderson
Assistant City Manager

Terri Doby, CGFO
Budget Manager

Greg Peters, PE
Director of Public Works

Ross Altobelli
Director of Development Services

Dean Habel
Police Chief

Ray Isom
Fire Chief

Joey Grisham
Director of Economic Development

Marc Marchand
Director of Neighborhood Services

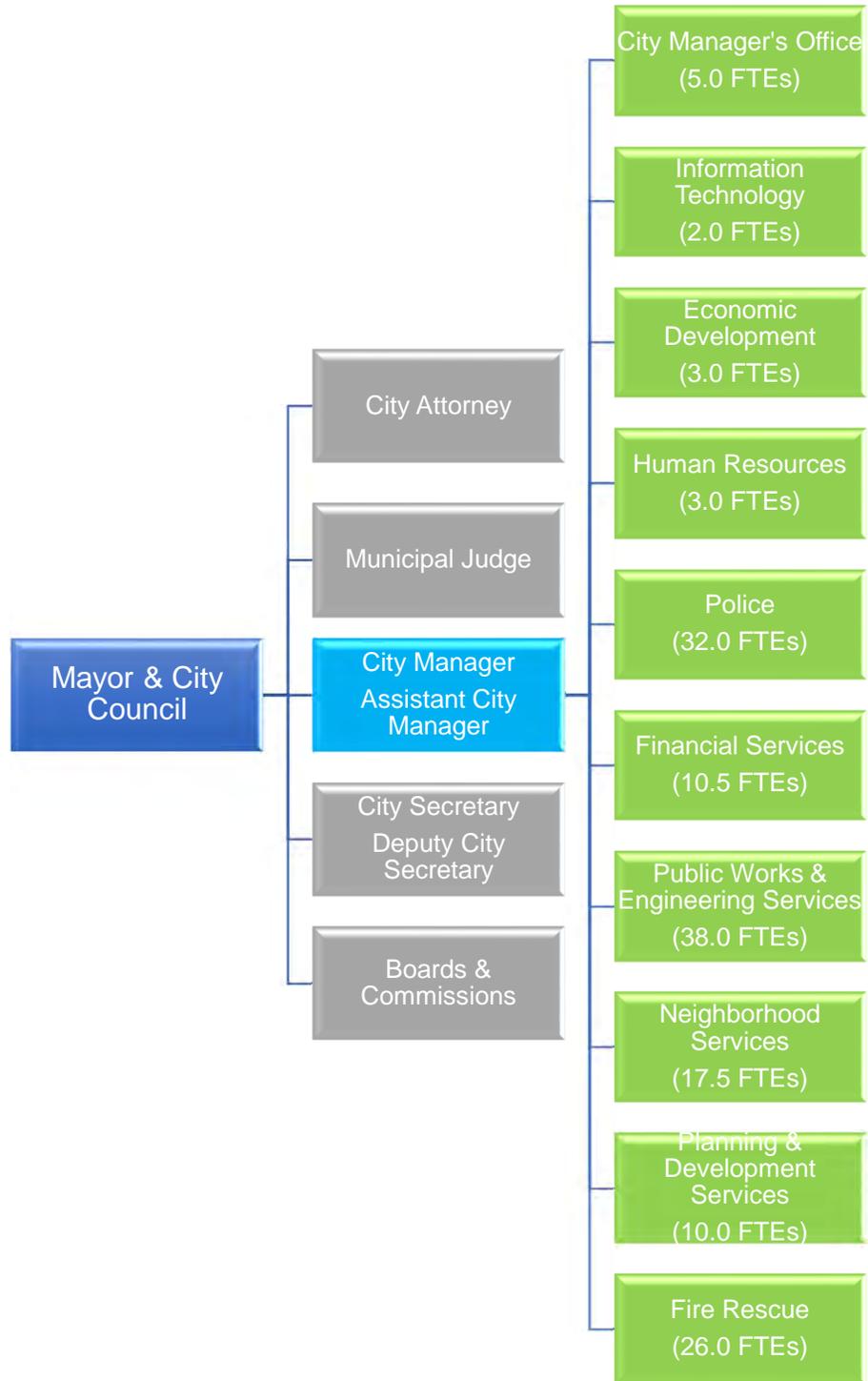
Stephanie Beitelschies
Director of Human Resources

Alan Guard
Director of Finance

Kevin Johnson
Director of Information Technology

**CITY OF ANNA
ORGANIZATION CHART**

City of Anna, Texas
City Officials Organization Chart

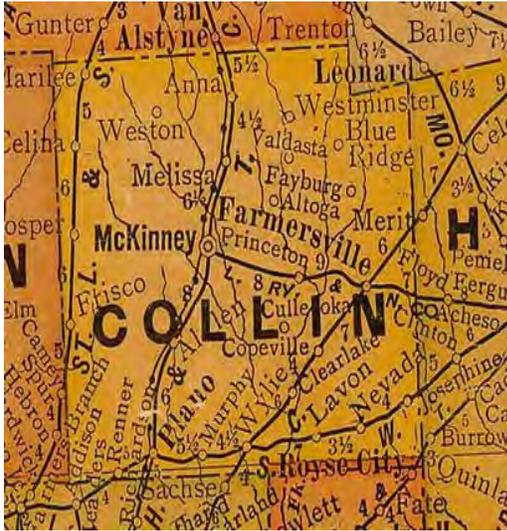


**CITY OF ANNA
ORGANIZATIONAL CHART**

City of Anna, Texas
Functional Organizational Chart



**CITY OF ANNA
COMMUNITY PROFILE**



| | |
|----------------------------------|-------------------|
| County: | Collin |
| Area: | 15.6 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 17,460.

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

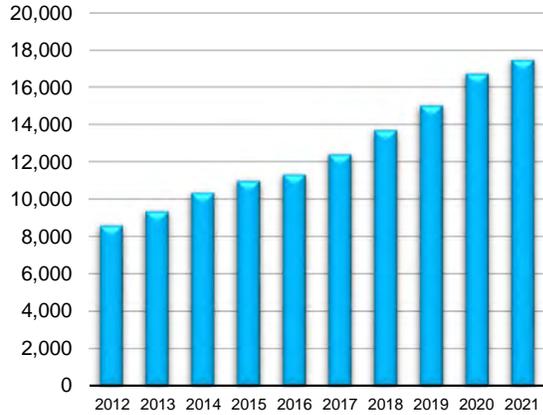
Local Economy

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 a continued increase in tax 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. FY2020 saw many key openings including Starbucks, Chick-fil-A, Salsa Tex Mex, and Whataburger. New residential developments will continue to drive more density that will lead to additional retailers, restaurants, medical, and other commercial projects. 2022 will bring an increased focus on Downtown Anna as the new Municipal Complex is completed.

**CITY OF ANNA
COMMUNITY PROFILE**

Population



- ◆ Median age: 32.3
 - ◆ Average family: 3.1
 - ◆ 26.6% some college
 - ◆ 37.4% bachelors or higher
- Source: Esri

**Principal
Property Taxpayers**

**Assessed Value
Tax Year 2021**

| | | |
|-------------------------------------|----|------------|
| Wal-Mart Real Estate Business Trust | \$ | 16,787,594 |
| Bloomfield Homes LP | \$ | 11,837,016 |
| MM Hurricane Creek FL 1 LLC | \$ | 10,174,815 |
| Q Seminole Anna Town Center LP | \$ | 8,041,898 |
| Wal-Mart Stores Texas LLC | \$ | 7,392,143 |
| North Texas Surgery Real Estate LLC | \$ | 7,200,000 |
| UHS of Texoma Inc | \$ | 6,976,557 |
| Oncor Electric Delivery Company | \$ | 6,695,850 |
| LGI Homes - Texas LLC | \$ | 6,175,959 |
| D R Horton - Texas LTD | \$ | 6,070,859 |

Trade Area

- ◆ 5 mi. = 35,793
 - ◆ 10 mi. = 70,184
 - ◆ 20 mi. = 616,197
- Source: Esri

Anna Business Progress

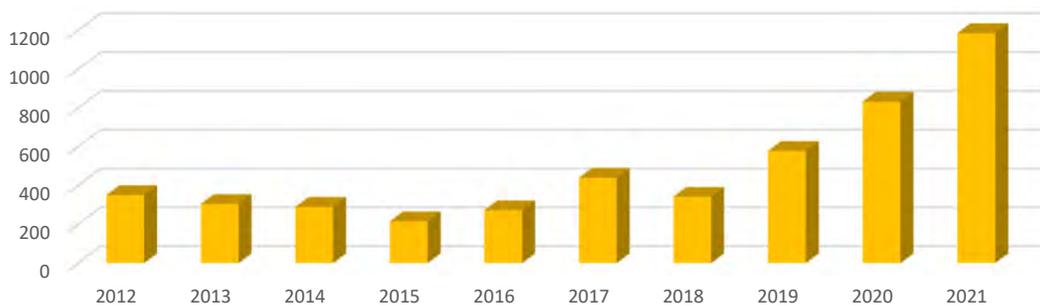


Over 45 new businesses
opened in the last two years and
400+ jobs created



More than 160,000 square feet
of commercial space built or under
construction since 2019

Residential Building Permits



ANNUAL BUDGET FOR FISCAL YEAR 2022

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 the a municipality.

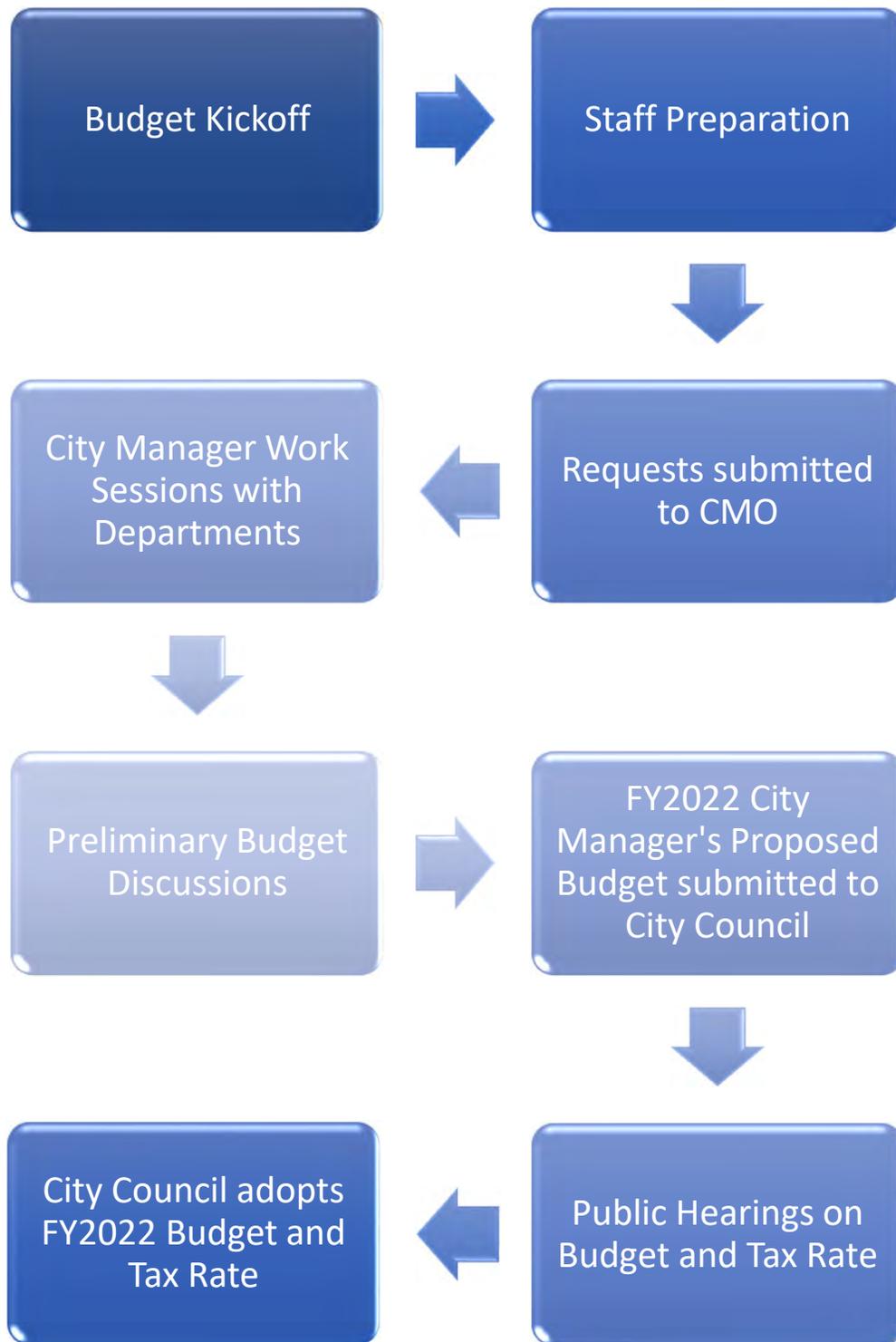
While the budget process is truly a year-round endeavor, the bulk of the work begins at the end of the 2nd quarter of each fiscal year. The budget process generally begins when the Budget Manager develops a Budget Calendar and departments are given preliminary direction from the City Manager regarding appropriate budget guidelines and strategy. Department directors submit their proposed operating and capital improvement requests to the City Manager. This includes the estimated cost for all projects currently in the capital plan and plans for any newly proposed projects. These expenditure projections are reviewed extensively for accuracy, justification, and cost-effectiveness. 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. This hearing typically occurs in early September. The tax rate ordinance and budget ordinance are voted upon at the first 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 budget.



**CITY OF ANNA
BUDGET CALENDAR**

March 1, 2021

FY2022 Budget Kickoff

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

April 12, 2021

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 sessions.

May 2 - 7, 2021

Work Sessions with City Manager

A series of meetings are conducted by the City Manager's Office with individual departments to discuss each department's budget requests.

June 1 - 30, 2021

Preliminary Budget Discussions

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

July 22, 2021

Certified Tax Rolls Received

Certified appraisal rolls received from the Collin Central Appraisal District.

August 10, 2021

FY2022 City Manager's Proposed Budget

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

August 11, 2021

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 as required by state law.

September 7, 2021

Public Hearing Held

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

September 14, 2021

City Council Adopts the FY2021 Budget

City Council approves ordinances adopting the budget for the fiscal year beginning October 1, 2021.

November 1, 2021

FY2022 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.

October, 2021 - September, 2022 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.

THE CITY OF
Anna



STRATEGIC PLAN

THE CITY OF
Anna

CITY OF ANNA
STRATEGIC PLAN INTRODUCTION

The 2021-2022 Strategic Plan is a plan outlining and detailing the most important projects for City of Anna staff to accomplish from May 2021 to May 2022. Revisited and revised annually, the purpose of the strategic plan is to provide city staff with a guiding document, setting priorities for staff to bring the City Council’s vision of the city to life. Strategic planning has many benefits for the city. It is a method by which the City Council plans and prioritizes its goals in a transparent and accountable manner. It also enables the City Council and staff to efficiently move the community forward.

Throughout the winter and spring of every year, the plan is developed through collaboration across City of Anna departments and between management and City Council. Council then formally adopts the plan yearly in May. Over the next 12 months, the plan serves as a living document that staff interacts with and considers in day-to-day decisions and operations to ensure the vision of the City Council is actualized.

This strategic plan informs the annual budget and serves as a roadmap to guide us from vision to reality. The city uses this plan to align our resources with prioritized initiatives, which connect to a broader vision for our community’s future. A full copy of the 2021-2022 Strategic Plan can be found on the City of Anna website at:

<https://www.annatexas.gov/885/City-of-Anna-Strategic-Plan>



In spring of 2021, the City of Anna underwent its annual strategic planning process. This year, under four encompassing strategic goals, 151 projects were identified and action steps were outlined to complete them. This document serves to update City Council and neighbors on the strategic plan progress over the past quarter. To gather these results, the City Manager’s Office met with each department to better understand progress on each step as well as whether the items were expected to be completed by the date outlined in the Strategic Plan.

**CITY OF ANNA
STRATEGIC PLAN PROGRESS**

Action Items Completed as of July 31, 2021

- ◆ Activities / Milestones refers to specific actions outlined by the strategic plan to support the broad goals of the city
- ◆ Responsibility refers to the department with the primary responsibility for the associated activities / milestones
- ◆ Priority refers to the priority given to an item by the Council / management team
- ◆ Target refers to the expected date of completion for the action item when the Strategic Plan was originally approved
- ◆ Progress refers to the amount of progress made on the action item
- ◆ Status refers to whether the action item will be completed on schedule

Strategic Goal 1: Growing Anna Economy

| <i>Activities / Milestones</i> | <i>Responsibility</i> | <i>Priority</i> | <i>Target</i> | <i>Status</i> |
|--|-----------------------|-----------------|----------------|---------------------|
| Collin Community College Campus Development: Location, Master Plan, and Agreement | | | | |
| 1. Develop MOU with Collin Community College | Economic Development | Policy - Top | May 2021 | Behind / Moved Back |
| 2. Decision: MOU Approval | Economic Development | Policy - Top | June 2021 | Behind / Moved Back |
| 3. Develop Master Plan / Engineering Plan | Economic Development | Policy - Top | January 2022 | On Time |
| 4. Prepare TIRZ Analysis | Economic Development | Policy - Top | February 2022 | On Time |
| 5. Report: Presentation and Direction on TIRZ | Economic Development | Policy - Top | March 2022 | On Time |
| 6. Sewer Plan Engineering Permit | Economic Development | Policy - Top | May 2022 | On Time |
| Business Park Activation: Sale and Developer Funded Infrastructure | | | | |
| 1. Finalize Letter of Interest in purchasing Business Park | Economic Development | Policy - Top | April 2021 | Completed |
| 2. Negotiate sale | Economic Development | Policy - Top | July 2021 | Behind / Moved Back |
| 3. Decision: Direction | Economic Development | Policy - Top | September 2021 | On Time |
| 4. Submit Site Plan | Economic Development | Policy - Top | September 2021 | On Time |
| 5. Close on Sale | Economic Development | Policy - Top | November 2021 | On Time |

**CITY OF ANNA
STRATEGIC PLAN PROGRESS**

Action Items Completed as of July 31, 2021

Strategic Goal 1: Growing Anna Economy

| <i>Activities / Milestones</i> | <i>Responsibility</i> | <i>Priority</i> | <i>Target</i> | <i>Status</i> |
|---|-----------------------|-----------------|---------------|---------------|
| Medical Campus Business Development: Hospital and Medical Office Development | | | | |
| 1. Medical Office Development | Economic Development | Policy - High | | |
| a. Receive Site Plan and Civil | Economic Development | Policy - High | October 2021 | On Time |
| b. P&Z Review | Economic Development | Policy - High | November 2021 | On Time |
| c. Decision: Site Plan | Economic Development | Policy - High | December 2021 | On Time |
| d. Complete civil review | Economic Development | Policy - High | February 2022 | On Time |
| e. Groundbreaking | Economic Development | Policy - High | TBD | On Time |
| 2. Hospital | Economic Development | Policy - High | TBD | On Time |

| Retail / Restaurant Attraction Strategy: Outcomes, Market Analysis, Report with Options, Direction and City Actions | | | | |
|--|----------------------|---------------|----------------|---------|
| 1. Prepare and issue RFQ for Retail/Restaurant Analysis | Economic Development | Policy - High | September 2021 | On Time |
| 2. Evaluate response and prepare recommendations | Economic Development | Policy - High | October 2021 | On Time |
| 3. Decision: Award Contract for Analysis | Economic Development | Policy - High | November 2021 | On Time |
| 4. Complete the Retail/Restaurant Analysis/Report | Economic Development | Policy - High | May 2022 | On Time |
| 5. Report: Presentation | Economic Development | Policy - High | June 2022 | On Time |

| Unique Business Attraction: Outcomes, Report, Agreements, and City Actions | | | | |
|---|----------------------|--------|-----------|---------------------|
| 1. Brewery | Economic Development | Policy | | |
| a. Finalize agreement | Economic Development | Policy | May 2021 | Behind / Moved Back |
| b. EDC Review | Economic Development | Policy | May 2021 | Behind / Moved Back |
| c. Decision: Agreement and Transfer of Ownership | Economic Development | Policy | June 2021 | Behind / Moved Back |

**CITY OF ANNA
STRATEGIC PLAN PROGRESS**

Action Items Completed as of July 31, 2021

Strategic Goal 1: Growing Anna Economy

| <i>Activities / Milestones</i> | <i>Responsibility</i> | <i>Priority</i> | <i>Target</i> | <i>Status</i> |
|---|-----------------------|-------------------|----------------|---------------------|
| Unique Business Attraction: Outcomes, Report, Agreements, and City Actions | | | | |
| d. Report: Terms of Lease Agreement | Economic Development | Policy | September 2021 | On Time |
| e. Police Building Vacant | Economic Development | Policy | February 2022 | On Time |
| f. Secure permit | Economic Development | Policy | May 2022 | On Time |
| g. Opening | Economic Development | Policy | June 2022 | On Time |
| 2. Crystal Lagoon | | | | |
| a. Executive Session | Economic Development | Policy | May 2021 | Completed |
| Action: City/EDC Branding and Marketing Program: Direction and Development | | | | |
| 1. New Stories | Economic Development | Management - High | Ongoing | Completed |
| 2. Digital Media | Economic Development | Management - High | June 2021 | Completed |
| 3. Logo | Economic Development | Management - High | Completed | Completed |
| Action: Clean Up Site (Holiday Inn Express Site): Direction and Funding | | | | |
| 1. Continue code enforcement | Neighborhood Services | Management | Ongoing | On Time |
| 2. Talk with attorney | Neighborhood Services | Management | April 2021 | Completed |
| 3. Discuss direction/actions with hotel owner | Neighborhood Services | Management | May 2021 | Completed |
| 4. Report: Update & Direction-Litigation on Agreement | Neighborhood Services | Management | July 2021 | Behind / Moved Back |
| Management in Progress 2021-2022 | | | | |
| ◆ Trade Shows / Marketing Materials: Re-Initiate | Economic Development | | September 2021 | On Time |
| ◆ Development Forum Event: 1st Annual | Economic Development | | October 2021 | Completed |

ANNUAL BUDGET FOR FISCAL YEAR 2022

**CITY OF ANNA
STRATEGIC PLAN PROGRESS**

Action Items Completed as of July 31, 2021

Strategic Goal 1: Growing Anna Economy

| <i>Activities / Milestones</i> | <i>Responsibility</i> | <i>Priority</i> | <i>Target</i> | <i>Status</i> |
|--|-----------------------|-----------------|---------------|---------------|
| Management in Progress 2021-2022 | | | | |
| ♦ International Economic Development Awards: Application | Economic Development | | May 2021 | Completed |
| ♦ Annual Business Appreciation Event | Economic Development | | November 2021 | On Time |
| ♦ Economic Development Incentives Listing on Website | Economic Development | | Ongoing | Completed |
| ♦ Business Retention / Growth Quarterly Report | Economic Development | | Ongoing | On Time |

**CITY OF ANNA
STRATEGIC PLAN PROGRESS**

Action Items Completed as of July 31, 2021

Strategic Goal 2: Sustainable Anna Community Through Planned, Managed Growth

| <i>Activities / Milestones</i> | <i>Responsibility</i> | <i>Priority</i> | <i>Target</i> | <i>Status</i> |
|--|-----------------------|-----------------|---------------|---------------|
| Executive / Large Homes on Large Lots Development Strategy: Outcomes, Report, Direction, and City Actions | | | | |
| 1. Prepare Report: New Zoning Districts (2) | Development Services | Policy - Top | June 2021 | Completed |
| 2. P&Z Review | Development Services | Policy - Top | July 2021 | Completed |
| 3. Decision: New Zoning Districts | Development Services | Policy - Top | August 2021 | On Time |

Downtown Activation: Implementation

| | | | | |
|---|----------------------|--------------|----------------|---------------------|
| 1. TIRZ | Economic Development | Policy - Top | | |
| a. Decision: Direction on Downtown | Economic Development | Policy - Top | April 2021 | Completed |
| b. Hire TIRZ analyst | Economic Development | Policy - Top | October 2021 | On Time |
| c. Complete TIRZ Analysis Report | Economic Development | Policy - Top | December 2021 | On Time |
| d. Report: Presentation and Direction | Economic Development | Policy - Top | January 2022 | On Time |
| 2. Downtown Overlay | Economic Development | Policy - Top | | |
| a. Develop Downtown Overlay | Economic Development | Policy - Top | August 2021 | Behind / Moved Back |
| b. P&Z Review | Economic Development | Policy - Top | September 2021 | Behind / Moved Back |
| c. Decision: Downtown Overlay | Economic Development | Policy - Top | October 2021 | Behind / Moved Back |
| 3. Activation | Economic Development | Policy - Top | | |
| a. Identify developer partner | Economic Development | Policy - Top | September 2021 | On Time |
| b. Negotiate development agreement and incentives | Economic Development | Policy - Top | December 2021 | On Time |
| c. Decision: Development Agreement | Economic Development | Policy - Top | January 2022 | On Time |

**CITY OF ANNA
STRATEGIC PLAN PROGRESS**

Action Items Completed as of July 31, 2021

Strategic Goal 2: Sustainable Anna Community Through Planned, Managed Growth

| <i>Activities / Milestones</i> | <i>Responsibility</i> | <i>Priority</i> | <i>Target</i> | <i>Status</i> |
|--|-----------------------|-----------------|---------------|---------------|
| Long-Term Water Supply Policy/Plan: Direction and City Actions [Collin Grayson Municipal Alliance (CGMA) and the Greater Texoma Utility Authority (GTUA)] | | | | |
| 1. Report: CGMA | Public Works | Policy - High | Completed | Completed |
| 2. Board Meeting: Adoption of CIP Sherman Water | Public Works | Policy - High | December 2021 | On Time |
| 3. Decision: Water Rates | Public Works | Policy - High | December 2022 | On Time |

Comprehensive Development Ordinances: Update

| | | | | |
|---|----------------------|--------|----------------|---------------------|
| 1. Activity | Development Services | Policy | | |
| a. Define the scope and determine the costs | Development Services | Policy | April 2021 | Completed |
| b. Develop budget proposal | Development Services | Policy | May 2021 | Completed |
| c. Budget Workshop: Budget FY22 Direction | Development Services | Policy | June 2021 | Completed |
| d. Decision: Budget FY22 Funding | Development Services | Policy | September 2021 | Completed |
| e. Issue RFP | Development Services | Policy | August 2021 | On Time |
| f. Evaluate responses and prepare recommendations | Development Services | Policy | October 2021 | On Time |
| g. Decision: Award Contract | Development Services | Policy | November 2021 | On Time |
| h. Kick-Off Process | Development Services | Policy | December 2021 | On Time |
| i. Complete update rewrite | Development Services | Policy | April 2022 | On Time |
| j. P&Z Review | Development Services | Policy | May 2022 | On Time |
| k. Decision: Ordinance Adoption | Development Services | Policy | June 2022 | On Time |
| 2. Activity | Development Services | Policy | | |
| a. Hire consultant | Development Services | Policy | July 2021 | Behind / Moved Back |

ANNUAL BUDGET FOR FISCAL YEAR 2022

**CITY OF ANNA
STRATEGIC PLAN PROGRESS**

Action Items Completed as of July 31, 2021

Strategic Goal 2: Sustainable Anna Community Through Planned, Managed Growth

| <i>Activities / Milestones</i> | <i>Responsibility</i> | <i>Priority</i> | <i>Target</i> | <i>Status</i> |
|---|-----------------------|-----------------|---------------|---------------|
| Comprehensive Development Ordinances: Update | | | | |
| b. Kick-Off Process | Development Services | Policy | August 2021 | On Time |
| c. Complete update rewrite | Development Services | Policy | January 2022 | On Time |
| d. P&Z Review | Development Services | Policy | February 2022 | On Time |
| e. Decision: Ordinance Adoption | Development Services | Policy | March 2022 | On Time |

| Rental Single-Family Homes by Corporations: Problem Analysis, Report, Direction, and City Actions | | | | |
|--|-----------------------|--------|---------------|---------------------|
| 1. Review ordinance, enforcement, and fees | Neighborhood Services | Policy | May 2021 | Behind / Moved Back |
| 2. Prepare Report with fee adjustments | Neighborhood Services | Policy | June 2021 | Completed |
| 3. Decision: Direction, Fee Structure, and Funding | Neighborhood Services | Policy | July 2021 | Completed |
| 4. Hire additional City Staff | Neighborhood Services | Policy | December 2021 | On Time |

| New Fire Station (West of U.S. 75): Direction and Funding | | | | |
|--|------|------------------|----------------|---------------------|
| 1. Bond Election | Fire | Management - Top | May 2021 | Completed |
| 2. Decision: Award Contract for Design/Build | Fire | Management - Top | July 2021 | Behind / Moved Back |
| 3. Decision: Bond Advance Reimbursement | Fire | Management - Top | July 2021 | No Longer Relevant |
| 4. Bond Issuance | Fire | Management - Top | July 2021 | Completed |
| 5. Bond Rating and Sale | Fire | Management - Top | September 2021 | Completed |
| 6. Complete Design | Fire | Management - Top | March 2022 | On Time |
| 7. Complete Construction - Open Station | Fire | Management - Top | March 2023 | On Time |

**CITY OF ANNA
STRATEGIC PLAN PROGRESS**

Action Items Completed as of July 31, 2021

Strategic Goal 2: Sustainable Anna Community Through Planned, Managed Growth

| <i>Activities / Milestones</i> | <i>Responsibility</i> | <i>Priority</i> | <i>Target</i> | <i>Status</i> |
|---|-----------------------|------------------|----------------|---------------------|
| Parks, Trails, and Open Spaces Master Plan: Development and Adoption | | | | |
| 1. Decision: Plan Adoption | Neighborhood Services | Management - Top | April 2021 | Completed |
| Ferguson Road Extension Design: Agreement, Direction, and Funding | | | | |
| 1. Finalize and issue RFQ | Public Works | Management - Top | July 2021 | Behind / Moved Back |
| 2. Review responses and prepare recommendations | Public Works | Management - Top | August 2021 | Behind / Moved Back |
| 3. Decision: Award Contract for Engineering Design | Public Works | Management - Top | October 2021 | Behind / Moved Back |
| 4. Complete Final Engineering Design | Public Works | Management - Top | June 2022 | Behind / Moved Back |
| Comprehensive Plan: Development and Adoption | | | | |
| 1. Decision: Plan Adoption | Development Services | Management - Top | April 2021 | Completed |
| Management in Progress 2021-2022 | | | | |
| 1. SmartGov Permitting Software - Public Portal: Implementation | Development Services | | June 2021 | Completed |
| 2. Development Records to Digital Format | Development Services | | October 2021 | On Time |
| 3. Tree City USA Designation | Neighborhood Services | | November 2021 | On Time |
| 4. Environmental Education Program: Implementation | Neighborhood Services | | Ongoing | Completed |
| 5. Ferguson Parkway Environmental Study: Completion | Public Works | | December 2021 | Duplicate |
| 6. Professional Services RFQ Process: Implementation | Public Works | | July 2021 | Completed |
| 7. Public Works GIS Improvements - Phase 1 Implementation | Public Works | | September 2021 | On Time |

**CITY OF ANNA
STRATEGIC PLAN PROGRESS**

Action Items Completed as of July 31, 2021

Strategic Goal 3: Great Place to Live

| <i>Activities / Milestones</i> | <i>Responsibility</i> | <i>Priority</i> | <i>Target</i> | <i>Status</i> |
|---|-----------------------|-----------------|----------------|---------------------|
| Connected Trails Plan: Update and City Actions | | | | |
| 1. Bond Election | Public Works | Policy - Top | May 2021 | Completed |
| 2. RFQ for identification of trails and connectivity, layout and acquisition | Public Works | Policy - Top | May 2021 | Completed |
| 3. Review proposals and make selection | Public Works | Policy - Top | July 2021 | Completed |
| 4. Decision: Award Contract for Plan | Public Works | Policy - Top | August 2021 | Behind / Moved Back |
| 5. Complete Plan | Public Works | Policy - Top | June 2022 | On Time |
| Indoor Community/Recreation Center: Design | | | | |
| 1. Bond Election | Public Works | Policy - High | May 2021 | Completed |
| 2. RFQ for identification of trails and connectivity, layout and acquisition | Public Works | Policy - High | June 2021 | Completed |
| 3. Review proposals and make selection | Public Works | Policy - High | June 2021 | Completed |
| 4. Decision: Award Contract for Plan | Public Works | Policy - High | August 2021 | Behind / Moved Back |
| 5. Complete Plan | Public Works | Policy - High | June 2022 | On Time |
| Code Enforcement / Community Clean-up Performance / Effectiveness: Assessment, Report, Direction, and City Actions | | | | |
| 1. Review existing codes, identify problems and options | Neighborhood Services | Policy | May 2021 | Behind / Moved Back |
| 2. Prepare Report | Neighborhood Services | Policy | May 2021 | Behind / Moved Back |
| 3. Report: Presentation | Neighborhood Services | Policy | June 2021 | Behind / Moved Back |
| 4. Identify problem properties | Neighborhood Services | Policy | August 2021 | On Time |
| 5. Develop process for addressing problems | Neighborhood Services | Policy | September 2021 | On Time |
| 6. Report: Presentation and Direction | Neighborhood Services | Policy | September 2021 | On Time |
| 7. Initiate contact | Neighborhood Services | Policy | October 2021 | On Time |

ANNUAL BUDGET FOR FISCAL YEAR 2022

**CITY OF ANNA
STRATEGIC PLAN PROGRESS**

Action Items Completed as of July 31, 2021

Strategic Goal 3: Great Place to Live

| <i>Activities / Milestones</i> | <i>Responsibility</i> | <i>Priority</i> | <i>Target</i> | <i>Status</i> |
|--|-----------------------|-----------------|----------------|---------------------|
| Gateway LED Signs and Reader Boards: Outcomes, Locations, Report with Options and Costs, Direction and City Funding | | | | |
| 1. City Council submit ideas on locations and signage | Development Services | Policy | May 2021 | Behind / Moved Back |
| 2. Identify locations and property ownership | Development Services | Policy | June 2021 | Behind / Moved Back |
| 3. Prepare initial report | Development Services | Policy | June 2021 | Behind / Moved Back |
| 4. Report: Presentation and Direction | Development Services | Policy | July 2021 | Behind / Moved Back |
| 5. Develop design | Development Services | Policy | September 2021 | Behind / Moved Back |

Community Events / Festivals 1st Year: Implementation

| | | | | |
|------------------------------|-----------------------|--------|--------------|-----------|
| 1. Concerts | Neighborhood Services | Policy | June 2021 | Completed |
| 2. 4th of July and Fireworks | Neighborhood Services | Policy | July 2021 | Completed |
| 3. Harvest Festival | Neighborhood Services | Policy | October 2021 | On Time |
| 4. City Hall Grand Opening | Neighborhood Services | Policy | January 2022 | On Time |

Library / Community Resource Center/Learning Center: Design

| | | | | |
|---|--------------|------------------|----------------|-----------|
| 1. Bond Election | Public Works | Management - Top | May 2021 | Completed |
| 2. Decision: Award Contract for Design/Build | Public Works | Management - Top | September 2021 | On Time |
| 3. Decision: Bond Advance Reimbursement | Public Works | Management - Top | September 2021 | On Time |
| 4. Bond Issuance | Public Works | Management - Top | September 2021 | On Time |
| 5. Bond Rating and Sale | Public Works | Management - Top | November 2021 | On Time |
| 6. Complete Design | Public Works | Management - Top | May 2022 | On Time |
| 7. Complete Construction | Public Works | Management - Top | May 2023 | On Time |

ANNUAL BUDGET FOR FISCAL YEAR 2022

**CITY OF ANNA
STRATEGIC PLAN PROGRESS**

Action Items Completed as of July 31, 2021

Strategic Goal 3: Great Place to Live

| <i>Activities / Milestones</i> | <i>Responsibility</i> | <i>Priority</i> | <i>Target</i> | <i>Status</i> |
|--|-----------------------|-------------------|---------------|---------------|
| Recreation Programs / Activities Development: Staff and Development | | | | |
| 1. Recreation Coordinators (3) | Neighborhood Services | Management - Top | | |
| a. After School Programs | Neighborhood Services | Management - Top | April 2021 | Completed |
| b. Events | Neighborhood Services | Management - Top | April 2021 | Completed |
| c. Adult / Youth Sports | Neighborhood Services | Management - Top | April 2021 | Completed |
| 2. Initiate Summer Programs | Neighborhood Services | Management - Top | June 2021 | Completed |
| 3. Develop Recreational Program Calendar | Neighborhood Services | Management - Top | August 2021 | On Time |
| 4. Takeover Recreation Baseball | Neighborhood Services | Management - Top | January 2022 | On Time |
| Community-Based Trash / Littering Program: Development and Kick Off | | | | |
| 1. Earth Day | Neighborhood Services | Management - High | April 2021 | Completed |
| 2. Clean-Up Day | Neighborhood Services | Management - High | April 2021 | Completed |
| 3. Household Hazardous Waste | Neighborhood Services | Management - High | April 2021 | Completed |
| 4. BEST Team | Neighborhood Services | Management - High | Ongoing | On Time |
| Outdoor Sports Complex / Fields Development: Design | | | | |
| 1. Bond Election | Public Works | Management - High | May 2021 | Completed |
| 2. Request for Qualifications | Public Works | Management - High | June 2021 | Completed |
| 3. Review proposals and make selection | Public Works | Management - High | July 2021 | Completed |
| 4. Decision: Award Contract for Design | Public Works | Management - High | August 2021 | On Time |
| 5. Complete design | Public Works | Management - High | June 2022 | On Time |

**CITY OF ANNA
STRATEGIC PLAN PROGRESS**

Action Items Completed as of July 31, 2021

Strategic Goal 3: Great Place to Live

| <i>Activities / Milestones</i> | <i>Responsibility</i> | <i>Priority</i> | <i>Target</i> | <i>Status</i> |
|---|------------------------|-----------------|----------------|---------------------|
| Management in Progress 2021-2022 | | | | |
| 1. Neighborhood / Business Crime Watch Program: Kickoff | Police | | July 2021 | Behind / Moved Back |
| 2. Community Races at Parks (2) | Neighborhood Services | | | |
| a. July | Neighborhood Services | | July 2021 | No Longer Relevant |
| b. October | Neighborhood Services | | October 2021 | On Time |
| 3. Movies in the Park | Neighborhood Services | | Ongoing | Completed |
| 4. Concerts in the Park: Kick-Off | Neighborhood Services | | June 2021 | Completed |
| 5. Patrol Districts: Annual Evaluation Report | Police | | October 2021 | Completed |
| 6. Park Maps: Enhancements | Neighborhood Services | | August 2021 | On Time |
| 7. Comprehensive Plan Checklist: Development | Development Services | | June 2021 | Behind / Moved Back |
| 8. International Building/National Electrical Codes: Adoption | Development Services | | May 2021 | Completed |
| 9. ARCGIS Training: Completion | Development Services | | December 2021 | On Time |
| 10. Public Wi-Fi at Sherley Park: Implementation | Information Technology | | August 2021 | On Time |
| 11. Health Inspection Software: Implementation | Neighborhood Services | | May 2021 | Completed |
| 12. Program Registration and Facility Rental Software: Implementation | Neighborhood Services | | May 2021 | Completed |
| 13. Parks Asset Management and Condition Software: Implementation | Neighborhood Services | | September 2021 | On Time |
| 14. Community Block Party Trailer: Purchase and Programming | Neighborhood Services | | July 2021 | Completed |
| 15. Summer Concerts and 4th of July Celebration | Neighborhood Services | | June 2021 | Completed |
| 16. IAP's for Special Events | Neighborhood Services | | Ongoing | Completed |
| 17. New Neighbor Welcome Program: Development | Neighborhood Services | | October 2021 | Behind / Moved Back |

ANNUAL BUDGET FOR FISCAL YEAR 2022

**CITY OF ANNA
STRATEGIC PLAN PROGRESS**

Action Items Completed as of July 31, 2021

Strategic Goal 3: Great Place to Live

| <i>Activities / Milestones</i> | <i>Responsibility</i> | <i>Priority</i> | <i>Target</i> | <i>Status</i> |
|---|-----------------------|-----------------|----------------|---------------------|
| Management in Progress 2021-2022 | | | | |
| 18. Parks Community Investment Program: Update | Neighborhood Services | | September 2021 | On Time |
| 19. Code Compliance Assessment Methodology: KPIs | Neighborhood Services | | Ongoing | On Time |
| 20. Recreation Guide for Neighbors Template: Development | Neighborhood Services | | September 2021 | Behind / Moved Back |
| 21. "We Notice..." Campaign: Creation | Neighborhood Services | | September 2021 | On Time |
| 22. Neighborhood Summit and Legal Clinic for HOA's: Development | Neighborhood Services | | April 2021 | Completed |
| 23. Volunteer Program: Creation / Rollout | Neighborhood Services | | August 2021 | Completed |
| 24. Geer Park: Master Plan | Neighborhood Services | | November 2021 | On Time |
| 25. Automated License Plate Reader: TxDOT Approval | Police | | January 2022 | On Time |
| 26. Racial Profiling Data: Evaluation | Police | | February 2022 | On Time |
| 27. Criminal Justice Information Systems (CJIS) Audit Preparation | Police | | March 2022 | On Time |
| 28. Neighborhood Watch: Re-establish | Police | | June 2021 | Behind / Moved Back |

**CITY OF ANNA
STRATEGIC PLAN PROGRESS**

Action Items Completed as of July 31, 2021

Strategic Goal 4: High Performing Professional City

| <i>Activities / Milestones</i> | <i>Responsibility</i> | <i>Priority</i> | <i>Target</i> | <i>Status</i> |
|---|-----------------------|-----------------|----------------|---------------------|
| City Ambulance / EMS Service Implementation: Firefighters Staffing and Additional Ambulances (2) | | | | |
| 1. Order ambulance | Fire | Policy - Top | April 2021 | Completed |
| 2. Notification: SAFER Grant | Fire | Policy - Top | July 2021 | Behind / Moved Back |
| 3. Decision: Budget FY22 Funding | Fire | Policy - Top | September 2021 | On Time |
| 4. Hire 6-9 firefighters | Fire | Policy - Top | November 2021 | On Time |
| 5. Establish Fire-Based EMS | Fire | Policy - Top | March 2022 | On Time |

Joint 9-1-1 Communications Center: Outcomes, Report with Options, Direction and City Actions

| | | | | |
|---|------|---------------|---------------|---------|
| 1. Research on scope, best practices options, costs and funding | Fire | Policy - High | November 2021 | On Time |
| 2. Prepare Briefing Report | Fire | Policy - High | December 2021 | On Time |
| 3. Submit to City Manager for review and refinement | Fire | Policy - High | December 2021 | On Time |
| 4. Report: Presentation and Direction | Fire | Policy - High | January 2022 | On Time |

Public Safety Services, Staffing, and Equipment: 5-Year Plan Direction and Funding (CSPM)

| | | | | |
|---|--------|---------------|----------------|-----------|
| 1. Develop budget proposal | Police | Policy - High | May 2021 | Completed |
| 2. Budget workshop: Budget FY22 Direction | Police | Policy - High | June 2021 | Completed |
| 3. Decision: Budget FY22 Funding | Police | Policy - High | September 2021 | Completed |
| 4. Complete Report | Police | Policy - High | December 2021 | On Time |
| 5. Report: Presentation | Police | Policy - High | January 2022 | On Time |

**CITY OF ANNA
STRATEGIC PLAN PROGRESS**

Action Items Completed as of July 31, 2021

Strategic Goal 4: High Performing Professional City

| <i>Activities / Milestones</i> | <i>Responsibility</i> | <i>Priority</i> | <i>Target</i> | <i>Status</i> |
|--|-----------------------|-----------------|----------------|---------------|
| Proactive Communications Strategy and Actions Plan: Social Media Policy, Council's Message to Our Community and Communications Plan | | | | |
| 1. Hire Communications Manager | City Manager | Policy | June 2021 | Completed |
| 2. Develop Comprehensive Communication Plan | City Manager | Policy | September 2021 | On Time |
| 3. Report: Presentation | City Manager | Policy | October 2021 | On Time |

| | | | | |
|---|--------------|--------|------------|---------------------|
| Collin County Relationship Building and Partnership: Outcomes, Key Issues, Outreach to County and City Actions | | | | |
| 1. Meeting with County Commissioners to discuss issues | City Manager | Policy | April 2021 | Behind / Moved Back |

| | | | | |
|---|--------------|------------------|---------------|---------|
| City Water / Sewer Master Plan and Impact Fees: Report and Direction | | | | |
| 1. Complete updates: Water Master Plan and Sewer Master Plan | Public Works | Management - Top | August 2021 | On Time |
| 2. Review CIP 10-year Study and Fees | Public Works | Management - Top | November 2021 | On Time |
| 3. Prepare updated ordinance | Public Works | Management - Top | December 2021 | On Time |
| 4. Ordinances Adoption | Public Works | Management - Top | December 2021 | On Time |

| | | | | |
|---|-----------------|-------------------|-------------|-----------|
| Employee Wellness / Benefits Gaps Program: Direction and Funding | | | | |
| 1. Hire consultant for review | Human Resources | Management - High | May 2021 | Completed |
| 2. Conduct Wellness Week | Human Resources | Management - High | May 2021 | Completed |
| 3. Receive Report from the consultant | Human Resources | Management - High | August 2021 | Completed |
| 4. City Manager Direction | Human Resources | Management - High | August 2021 | Completed |

**CITY OF ANNA
STRATEGIC PLAN PROGRESS**

Action Items Completed as of July 31, 2021

Strategic Goal 4: High Performing Professional City

| <i>Activities / Milestones</i> | <i>Responsibility</i> | <i>Priority</i> | <i>Target</i> | <i>Status</i> |
|---|-----------------------|-------------------|----------------|---------------------|
| City Employee Compensation: Review, Direction and Funding | | | | |
| 1. Complete study | Human Resources | Management - High | July 2021 | Completed |
| 2. City Manager Review | Human Resources | Management - High | July 2021 | Behind / Moved Back |
| 3. Report: Presentation | Human Resources | Management - High | August 2021 | On Time |
| 4. Decision: Budget FY22 Funding | Human Resources | Management - High | September 2021 | On Time |
| Employee Training and Development: Direction and Funding | | | | |
| 1. Develop budget proposal | Human Resources | Management - High | May 2021 | Completed |
| 2. Budget workshop: Budget FY22 Direction | Human Resources | Management - High | June 2021 | Completed |
| Employee Training and Development: Direction and Funding | | | | |
| 3. Decision: Budget FY22 Funding | Human Resources | Management - High | September 2021 | On Time |
| 4. Kick-off Learning Management System | Human Resources | Management - High | October 2021 | On Time |
| Disaster Recovery and Related Services: Report | | | | |
| 1. Complete final draft | Public Works | Management - High | August 2021 | On Time |
| 2. Report: Presentation | Public Works | Management - High | December 2021 | On Time |
| Personnel (Human Resources) Policies: Direction and Revision | | | | |
| 1. Contract with consultant for review / refinement | Human Resources | Management | April 2021 | Behind / Moved Back |
| 2. Complete re-write | Human Resources | Management | December 2021 | On Time |

**CITY OF ANNA
STRATEGIC PLAN PROGRESS**

Action Items Completed as of July 31, 2021

Strategic Goal 4: High Performing Professional City

| <i>Activities / Milestones</i> | <i>Responsibility</i> | <i>Priority</i> | <i>Target</i> | <i>Status</i> |
|---|----------------------------|-----------------|---------------|---------------------|
| Personnel (Human Resources) Policies: Direction and Revision | | | | |
| 3. City Manager Review | Human Resources Management | | December 2021 | On Time |
| 4. Report: Presentation and Direction | Human Resources Management | | January 2022 | On Time |
| 5. Election: Charter Amendments | Human Resources Management | | May 2022 | On Time |
| Financial Plan Update: Review and Direction | | | | |
| 1. Complete update | City Manager Management | | May 2021 | Completed |
| 2. Budget Workshop: Presentation | City Manager Management | | June 2021 | Completed |
| Financial Policies: Review and Refinement | | | | |
| 1. Cash Management | Finance Management | | June 2021 | Completed |
| 2. PFI Training | Finance Management | | June 2021 | Behind / Moved Back |
| American Rescue Act Dollars Plan: Direction and Development | | | | |
| 1. Review Federal Guidelines | City Manager Management | | TBD | Completed |
| American Rescue Act Dollars Plan: Direction and Development | | | | |
| 2. Develop a plan | City Manager Management | | TBD | Completed |
| 3. Report: Presentation and Direction | City Manager Management | | TBD | Completed |
| Management in Progress 2021-2022 | | | | |
| 1. Police Districting Plan: Annual Evaluation | Police | | April 2021 | Duplicate |
| 2. Department Performance Metrics (Outcome-Based): Refinement | City Manager | | May 2021 | Behind / Moved Back |

ANNUAL BUDGET FOR FISCAL YEAR 2022

**CITY OF ANNA
STRATEGIC PLAN PROGRESS**

Action Items Completed as of July 31, 2021

Strategic Goal 4: High Performing Professional City

| <i>Activities / Milestones</i> | <i>Responsibility</i> | <i>Priority</i> | <i>Target</i> | <i>Status</i> |
|---|-----------------------|-----------------|----------------|---------------------|
| Management in Progress 2021-2022 | | | | |
| 3. Annual City Strategic Plan: Update | City Manager | | April 2021 | Completed |
| 4. Budget Workshop for Mayor and City Council | City Manager | | June 2021 | Completed |
| 5. Cash Management Administrative Directive | Finance | | January 2022 | Completed |
| 6. Internal Control System and Process Administrative Directive | Finance | | January 2022 | Completed |
| 7. Financial Policies: Training | Finance | | June 2021 | Completed |
| 8. City Social Functions: Update | Human Resources | | May 2021 | Behind / Moved Back |
| 9. Annual Q12 Employee Survey | Human Resources | | October 2021 | On Time |
| 10. Financial Transparency Stars Program | Finance | | September 2021 | On Time |
| 11. Police Policy and Procedure: Update | Police | | October 2021 | On Time |
| 12. Annual City Employee In-Service Day (FY22 Funding) | Human Resources | | September 2021 | On Time |
| 13. Neighbor Leadership Academy: Development | City Manager | | November 2021 | On Time |
| 14. Fire Standard of Cover Report | Fire | | September 2021 | On Time |
| 15. Servant Leadership Training Program | Human Resources | | January 2022 | On Time |
| 16. Fire SOP: Review/Refinement | Fire | | October 2021 | On Time |
| 17. Firefighter Physical Agility Course: Revamp | Fire | | April 2022 | On Time |
| 18. Police Leadership Training Program | Police | | Ongoing | On Time |
| 19. Aerial Apparatus (Quint): Design and Acquisition | Fire | | | |
| a. Order | Fire | | May 2021 | Completed |
| b. Operational | Fire | | June 2022 | On Time |

ANNUAL BUDGET FOR FISCAL YEAR 2022

**CITY OF ANNA
STRATEGIC PLAN PROGRESS**

Action Items Completed as of July 31, 2021

Strategic Goal 4: High Performing Professional City

| <i>Activities / Milestones</i> | <i>Responsibility</i> | <i>Priority</i> | <i>Target</i> | <i>Status</i> |
|---|------------------------|-----------------|----------------|---------------------|
| Management in Progress 2021-2022 | | | | |
| 20. Fixed Asset Tracking Spreadsheet: Development | Finance | | July 2021 | Completed |
| 21. City Website Upgrade: Completion | City Manager | | May 2021 | Behind / Moved Back |
| 22. UB Billing Cycles Structure: Review | Finance | | February 2022 | On Time |
| 23. Incode Conversion for Core Financials: Completion | Finance | | September 2021 | On Time |
| 24. Incode Conversion for Utility Billing: Completion | Finance | | December 2021 | On Time |
| 25. Cash Handling Controls In Departments | Finance | | January 2022 | Completed |
| 26. Credit Card Handling | Finance | | June 2021 | Completed |
| 27. Ion Wave Purchasing Software: Implementation | Finance | | June 2021 | Completed |
| 28. Fixed Assets Ledger: Clean-Up | Finance | | July 2021 | Duplicate |
| 29. Texas State Comptroller Transparency Award | Finance | | September 2021 | Duplicate |
| 30. PPE Purchase and Replacement Schedule: Development | Fire | | July 2021 | Completed |
| 31. Ambulance In-Service Agreements, License & Training | Fire | | January 2022 | On Time |
| 32. Deer Oaks City-Wide Training | Human Resources | | November 2021 | On Time |
| 33. Retiree Options for Medical, Dental, Vision: Review and Funding | Human Resources | | October 2021 | Completed |
| 34. Tuition Reimbursement Policy: Review and Funding | Human Resources | | December 2021 | On Time |
| 35. Internship Program: EDC | Human Resources | | May 2021 | Completed |
| 36. Loaner Laptops: Increase (FY22 Funding) | Information Technology | | September 2021 | Completed |
| 37. IT Department Structure | Information Technology | | May 2021 | Completed |
| 38. New Phone System: Direction and Funding | Information Technology | | December 2021 | On Time |

ANNUAL BUDGET FOR FISCAL YEAR 2022

**CITY OF ANNA
STRATEGIC PLAN PROGRESS**

Action Items Completed as of July 31, 2021

Strategic Goal 4: High Performing Professional City

| <i>Activities / Milestones</i> | <i>Responsibility</i> | <i>Priority</i> | <i>Target</i> | <i>Status</i> |
|---|------------------------|-----------------|----------------|---------------|
| Management in Progress 2021-2022 | | | | |
| 39. Disaster Recovery Backup: Direction | Information Technology | | December 2021 | On Time |
| 40. Network Topology Redesign | Information Technology | | December 2021 | Completed |
| 41. City Council Chambers Equipment | Information Technology | | December 2021 | On Time |
| 42. Inspec2Go for Code Enforcement: Implementation | Information Technology | | May 2021 | Completed |
| 43. EOC Equipment: Implementation | Information Technology | | September 2021 | On Time |
| 44. Park Planning and Development Manager: Hiring | Neighborhood Services | | August 2021 | Completed |
| 45. Board Member Clinic: Development | Neighborhood Services | | April 2022 | On Time |
| 46. APWA Accreditation | Public Works | | December 2022 | On Time |
| 47. Police Equipment Upgrade: Purchase | Police | | Ongoing | On Time |
| 48. Standardized Process for FTOs & Out-of-Position Pay | Police | | Ongoing | Completed |

**CITY OF ANNA
PERFORMANCE MEASURES**

GOAL 1: GROW THE ANNA ECONOMY

Objective 1. Maintain and enhance an effective economic development organization that markets Anna, finds prospects, and closes the deal

Objective 2. Expand the commercial tax base

Objective 3. Provide more higher paying jobs for neighbors

Objective 4. Secure campus for Collin Community College

Objective 5. Have a hospital and expanded medical and healthcare services

Objective 6. Have a buildout Business Park through developer participation

Performance Measures

| Department: Economic Development | 2020 Actual | 2021 Estimate | 2022 Target |
|---|-----------------------------|------------------------------|------------------------------|
| Ratio of businesses open / Number of EDC meetings with retailers, restaurants, developers, etc. | 10 Businesses / 75 meetings | 20 Businesses / 156 meetings | 25 Businesses / 200 meetings |
| Number of meetings with prospective/targeted primary employers, partners, and landowners | 75 | 156 | 200 |
| Number of website/social media hits/clicks/likes | 3,620 website; 293 LinkedIn | 14,396 website; 477 LinkedIn | 15,000 website; 500 LinkedIn |
| Number of events attended/hosted by the EDC per year | 5 | 8 | 5 |

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



**CITY OF ANNA
PERFORMANCE MEASURES**

GOAL 1: GROW THE ANNA ECONOMY

Objective 1. Maintain and enhance an effective economic development organization that markets Anna, finds prospects, and closes the deal

Objective 2. Expand the commercial tax base

Objective 3. Provide more higher paying jobs for neighbors

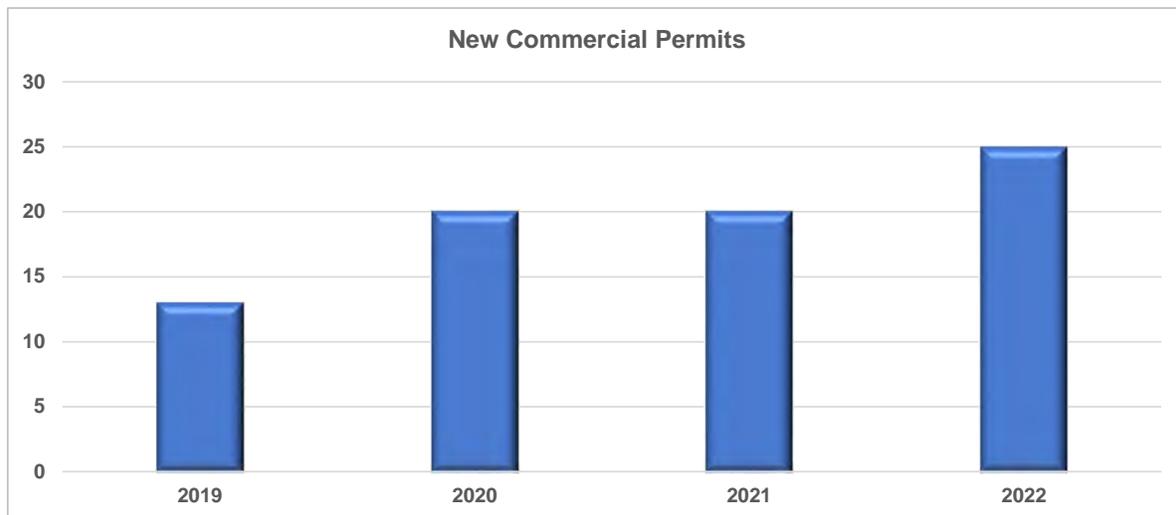
Objective 4. Secure campus for Collin Community College

Objective 5. Have a hospital and expanded medical and healthcare services

Objective 6. Have a buildout Business Park through developer participation

Performance Measures

| Department: Economic Development | 2020 Actual | 2021 Estimate | 2022 Target |
|---|--------------|---------------|--------------|
| Number of new commercial permits/COs per year | 20 | 20 | 25 |
| Net annual change in sales tax collections | 23.7% | 27.0% | 20.0% |
| Net annual increase in commercial property value | \$54,595,646 | \$33,261,398 | \$17,215,445 |
| <i>These indicators demonstrate the expansion of the commercial tax base</i> | | | |



**CITY OF ANNA
PERFORMANCE MEASURES**

GOAL 2: SUSTAINABLE ANNA COMMUNITY THROUGH PLANNED, MANAGED GROWTH

Objective 1. Increase executive/larger homes on large lot developments with amenities

Objective 2. Develop a vibrant community activity center Anna - a community destination

Objective 3. Develop and use City infrastructure master plans to support growth

Objective 4. Manage residential growth

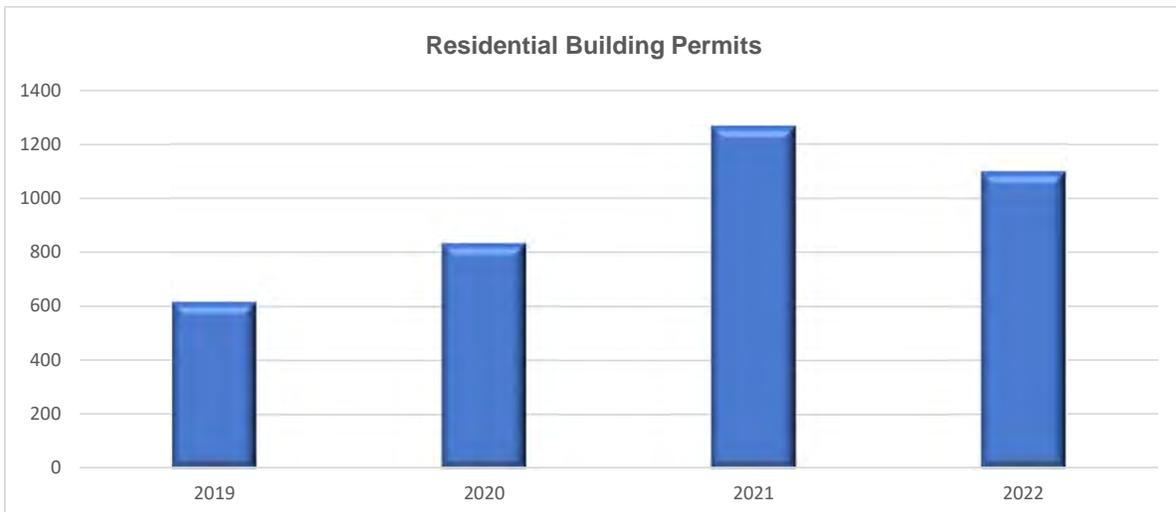
Objective 5. Have a diverse range of housing choices available in Anna

Objective 6. Have growth paying for growth

Performance Measures

| Department: Development Services | 2020 Actual | 2021 Estimate | 2022 Target |
|--|-------------|---------------|-------------|
| Single Family Residential Building Permits | 833 | 1,268 | 1,100 |
| Time for Review and Approval of Single Family Building Permits | <5 Days | <3 Days | <2 Days |

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. This definition is from 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. This time should not be counted as "in-house" processing time.



**CITY OF ANNA
PERFORMANCE MEASURES**

GOAL 2: SUSTAINABLE ANNA COMMUNITY THROUGH PLANNED, MANAGED GROWTH

- Objective 1. Increase executive/larger homes on large lot developments with amenities
- Objective 2. Develop a vibrant community activity center Anna - a community destination
- Objective 3. Develop and use City infrastructure master plans to support growth
- Objective 4. Manage residential growth
- Objective 5. Have a diverse range of housing choices available in Anna
- Objective 6. Have growth paying for growth

Performance Measures

| Department: Development Services | 2020 Actual | 2021 Estimate | 2022 Target |
|---|-------------|---------------|-------------|
| Time for Review and Approval of Complex Commercial Building Permits | 30 Days | 30 Days | 30 Days |

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. This time should not be counted as “in-house” processing time.



**CITY OF ANNA
PERFORMANCE MEASURES**

GOAL 3: ANNA - A GREAT PLACE TO LIVE

Objective 1. Have attractive gateways and entrances that are distinct for Anna

Objective 2. Expand community festivals and events with a feeling of community pride

Objective 3. Increase the number of "family-oriented" restaurants

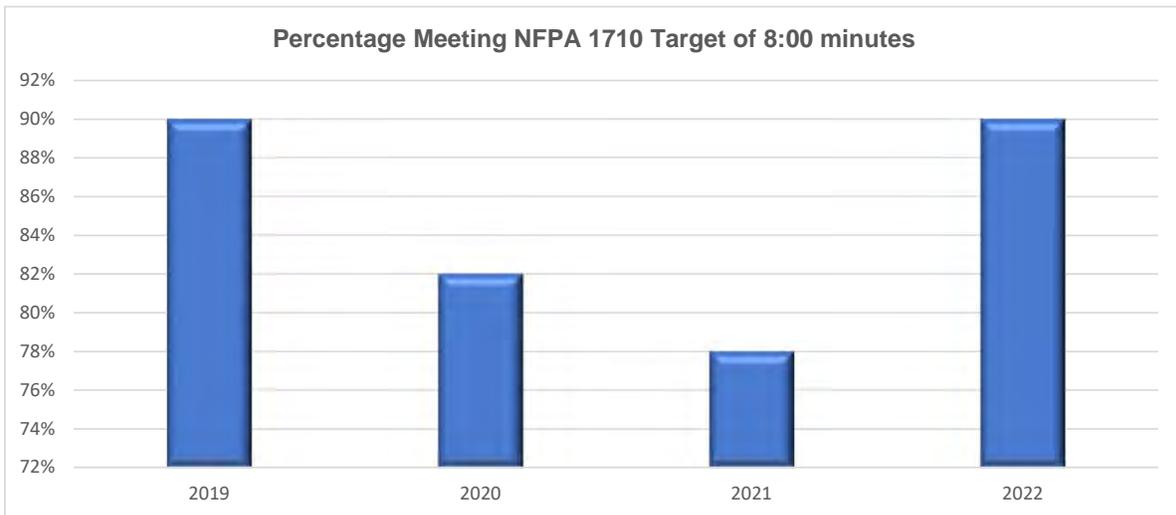
Objective 4. Develop a major community / recreation center

Objective 5. Maintain a safe community - people feeling safe and secure

Objective 6. Have strong partnerships among the City, the schools, and community organizations

Performance Measures

| Department: Fire | 2020 Actual | 2021 Estimate | 2022 Target |
|--|---------------|---------------|---------------|
| Average time for First Arriving Engine Company | 06:24 minutes | 05:57 minutes | 06:52 minutes |
| Percentage Meeting NFPA 1710 Target of 7:00 minutes | 84% | 81% | 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 | 05:40 minutes | 05:48 minutes | 06:32 minutes |
| Percentage Meeting NFPA 1710 Target of 8:00 minutes | 82% | 78% | 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> | | | |



**CITY OF ANNA
PERFORMANCE MEASURES**

GOAL 3: ANNA - A GREAT PLACE TO LIVE

Objective 1. Have attractive gateways and entrances that are distinct for Anna

Objective 2. Expand community festivals and events with a feeling of community pride

Objective 3. Increase the number of "family-oriented" restaurants

Objective 4. Develop a major community / recreation center

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Performance Measures

| Department: Police | 2020 Actual | 2021 Estimate | 2022 Target |
|---|-------------|---------------|-------------|
| Police calls: Calls for service resulting in a unit being dispatched | 11,448 | 13,524 | 14,000 |
| Exclude officer-initiated responses. | | | |
| Top Priority calls: Average time, dispatch to arrival on scene | 3:40 | 3:20 | <4:00 |
| <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; possibility of major property loss.</i> | | | |
| Number of traffic accidents involving fatalities | 0 | 2 | 2 |
| <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> | | | |
| Number of Part I Crimes | 260 | 279 | 299 |
| <i>Part I Property Crimes include: Burglary, larceny theft, motor vehicle theft and arson. This total is of the number of crimes reported. The actual number committed may be lower if some reports are later determined to be unfounded.</i> | | | |
| Percentage of assigned cases cleared | 45.6% | 47.2% | 46.0% |
| <i>To be calculated as the number of assigned cases cleared divided by the number of assigned cases.</i> | | | |



**CITY OF ANNA
PERFORMANCE MEASURES**

GOAL 3: ANNA - A GREAT PLACE TO LIVE

Objective 1. Have attractive gateways and entrances that are distinct for Anna

Objective 2. Expand community festivals and events with a feeling of community pride

Objective 3. Increase the number of "family-oriented" restaurants

Objective 4. Develop a major community / recreation center

Objective 5. Maintain a safe community - people feeling safe and secure

Objective 6. Have strong partnerships among the City, the schools, and community organizations

Performance Measures

| Department: Neighborhood Services | 2020 Actual | 2021 Estimate | 2022 Target |
|---|-------------|---------------|-------------|
| Total code cases available for resolution during the reporting period | 1,026 | 1,300 | 1,500 |
| <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. If multiple violations were uncovered during the inspection of a property, it is still considered one case. Total cases may originate from public complaints or from staff-initiated actions. Case types may include nuisance, housing, zoning, dangerous building, or other violations.</i> | | | |
| Average calendar days, Code Compliance inspection to voluntary compliance | 70 | 55 | 45 |
| <i>Includes all types of cases; Voluntary compliance: violation brought into compliance by the property owner, tenant or person responsible for the property in response to some type of notification of violation by the jurisdiction. An example of a notification would be a correction letter, a door hanger, a personal visit or telephone conversation with a person connected to the property.</i> | | | |
| Developed park acreage | 165 | 165 | 165 |
| Number of Acres Per 1,000 Neighbors | 11 | 11 | 11 |
| <i>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.</i> | | | |
| Recreation class/program/facility registrants | N/A | 412 | 500 |
| <i>Includes every time someone registers whether they do so annually, for a particular class, or for day-use.</i> | | | |



**CITY OF ANNA
PERFORMANCE MEASURES**

GOAL 3: ANNA - A GREAT PLACE TO LIVE

Objective 1. Have attractive gateways and entrances that are distinct for Anna

Objective 2. Expand community festivals and events with a feeling of community pride

Objective 3. Increase the number of "family-oriented" restaurants

Objective 4. Develop a major community / recreation center

Objective 5. Maintain a safe community - people feeling safe and secure

Objective 6. Have strong partnerships among the City, the schools, and community organizations

Performance Measures

| Department: Public Works | 2020 Actual | 2021 Estimate | 2022 Target |
|---|-------------|---------------|-------------|
| Paved lane miles for which the City is responsible | 100 | 100 | 100 |
| PCI Score improvement year over year (0-100 with 100 being a perfect score) | 70.0 | 74.0 | 75 |
| <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> | | | |
| Water loss by % of total production | 35% | 18% | 12% |
| <i>Indicates efficient production and supply of public drinking water.</i> | | | |
| Annual sewer overflow in gallons | 500 | 875 | 0 |
| <i>Indicates reduced number of sewer overflows through maintenance and outreach.</i> | | | |



**CITY OF ANNA
PERFORMANCE MEASURES**

GOAL 4: HIGH-PERFORMING, PROFESSIONAL CITY

Objective 1. Upgrade financial systems and planning processes

Objective 2. Hire, develop and retain a professional city workforce

Objective 3. Have open and transparent city government that is trusted by the neighbors

Objective 4. Define performance expectations / standards and have managers and employees accountable for their behaviors and actions

Objective 5. Develop a professional city organization culture guided by City Core Values

Objective 6. Maintain and update strategic planning process

Objective 7. Have effective ways of communicating with the community

Performance Measures

| Department: Finance | 2020 Actual | 2021 Estimate | 2022 Target |
|---|-------------|---------------|-------------|
| Number of consecutive years awarded the Certificate of Achievement for Excellence in Financial Reporting | 3 | 4 | 5 |
| <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 | Aa3 | 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> | | | |
| Texas Comptroller of Public Accounts' Transparency Stars awarded | 1 | 3 | 5 |
| <i>This program recognizes local governments for going above and beyond in their transparency efforts. This program recognizes entities that open their books in traditional finances, procurement, economic development, public pensions, and debt obligations.</i> | | | |



**CITY OF ANNA
PERFORMANCE MEASURES**

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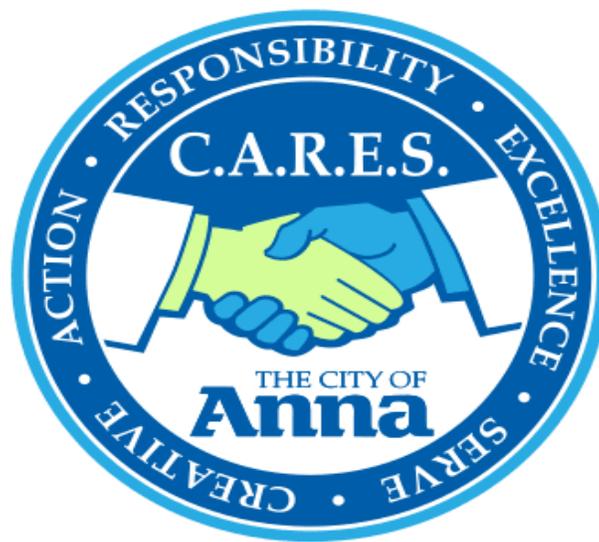
Objective 5. Develop a professional city organization culture guided by City Core Values

Objective 6. Maintain and update strategic planning process

Objective 7. Have effective ways of communicating with the community

Performance Measures

| Department: Human Resources | 2020 Actual | 2021 Estimate | 2022 Target |
|---|-------------|---------------|-------------|
| Turnover rate: All full-time employees | N/A | 20.33% | 16.05% |
| <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 | N/A | 11.81% | 11.00% |
| <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> | | | |



**CITY OF ANNA
PERFORMANCE MEASURES**

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Objective 5. Develop a professional city organization culture guided by City Core Values

Objective 6. Maintain and update strategic planning process

Objective 7. Have effective ways of communicating with the community

Performance Measures

| Department: Information Technology | 2020 Actual | 2021 Estimate | 2022 Target |
|---|-------------|---------------|-------------|
| Help desk (IT): Number of requests received | 188 | 780 | 1,100 |
| <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 | 5 | 28 | 50 |
| <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> | | | |



VISION 2036

ANNA 2036 is a
COMMUNITY OF FAMILIES
that is
BEAUTIFUL *and* SAFE.

ANNA 2036 has a
VIBRANT DOWNTOWN,
GREAT HOUSING OPPORTUNITIES
and a
DYNAMIC BUSINESS COMMUNITY.

ANNA 2036 is a
FUN COMMUNITY FOR ALL
and has
CONVENIENT MOBILITY OPTIONS.

*THE PREMIER COMMUNITY
IN COLLIN COUNTY!*

GOALS 2026

GROWING ANNA ECONOMY

ANNA – A GREAT PLACE TO LIVE

SUSTAINABLE ANNA COMMUNITY
THROUGH PLANNED, MANAGED GROWTH

HIGH PERFORMING, PROFESSIONAL CITY

CITY GOVERNMENT MISSION

The mission of ANNA CITY GOVERNMENT

is to provide

EXCEPTIONAL CITY
SERVICES AND FACILITIES *in a*
FINANCIALLY RESPONSIBLE *and*
NEIGHBOR-FOCUSED WAY *through a*
HIGH-PERFORMING, PROFESSIONAL
CITY TEAM

that provides results in adding
VALUE TO NEIGHBORS' LIVES

**CITY GOVERNMENT:
CORE VALUES**

ANNA TEAM C.A.R.E.S.

C = CREATIVE

A = ACTION

R = RESPONSIBILITY

E = EXCELLENCE

S = SERVE

POLICY AGENDA 2021

Top Priority

Executive/Large Homes on Large Lots Development Strategy: Outcomes, Report, Direction and City Actions

City Ambulance/EMS Service: Implementation: Firefighter Staffing and Additional Ambulances

Collin Community College Campus Development: Location, Master Plan and Agreement

Downtown Activation: Implementation

Business Park Activation: Sale and Developer Funded Infrastructure

Connected Trails Plan: Update and City Actions

High Priority

Long-Term Water Supply Policy/Plan: Direction and City Actions [Collin Grayson Municipal Alliance (CGMA) and the Greater Texoma Utility Authority (GTUA)]

Medical Campus Business Development: Hospital and Medical Office Development

Retail/Restaurant Attraction Strategy: Outcomes, Market Analysis, Report, Direction and City Actions

Joint 9-1-1 Communications Center: Outcomes, Report with Options, Direction and City Actions

Public Safety Services, Staffing and Equipment: 5-Year Plan Direction and Funding (CPSM)

Indoor Community/Recreation Center: Design

MANAGEMENT ACTIONS 2021

Top Priority

New Fire Station (West of U.S. 75): Direction and Funding

Parks, Trails and Open Spaces Master Plan: Development and Adoption

Ferguson Road Extension Design: Agreement, Direction and Funding

City Water/Sewer Master Plan and Impact Fees: Report and Direction

Comprehensive Plan: Development and Adoption

Library/Community Resource Center/Learning Center: Design

Recreation Programs/Activities Expansion: Staffing and Development

High Priority

City/EDC Branding and Marketing Program: Implementation

Community-Based Trash/Littering Program: Development and Kick Off

Employee Wellness/Benefits Gaps Program: Direction and Funding

City Employee Compensation: Review, Direction and Funding

Employee Training and Development: Direction and Funding

Outdoor Sports Complex/Sports Fields Development: Design

Disaster Recovery and Related Services: RFQ

MANAGEMENT IN PROGRESS 2021

Trade Shows/Marketing Materials: Re-Initiate
 Development Forum Event: 1st Annual
 International Economic Development Awards: Application
 Annual Business Appreciation Event
 Economic Development Incentives Listing on Website
 Business Retention/Growth Quarterly Report
 (Chamber of Commerce)
 SmartGov Permitting Software – Public Portal:
 Implementation
 Development Records to Digital Format
 Tree City USA Designation
 Environmental Education Program: Implementation
 Ferguson Parkway (from Collin County Outer Loop to Taylor
 Roadway) Environmental Study: Completion
 Professional Services Request for Qualifications Process:
 Implementation
 Public Works GIS Improvements – Phase 1:
 Implementation (Budget FY '22)
 Neighborhood/Business Crime Watch Program: Kick-Off
 Community Races at Parks (2)
 Movies in the Park
 Concerts in the Park: Kick-Off
 Patrol Districts: Annual Evaluation Report
 Park Maps: Enhancements
 Comprehensive Plan Checklist: Development
 2018 International Building Code/2017
 National Electrical Code: Adoption
 ARCGIS Training: Completion
 Public Wi-Fi at Sherley Park: Implementation
 Health Inspection Software: Implementation
 Program Registration and Facility Rental Software:
 Implementation
 Parks Asset Management and Condition Software:
 Implementation
 Community Block Party Trailer: Live Rollout
 Summer Concerts and 4th of July Celebration
 IAP's for Special Events
 New Neighbor Welcome Program: Development
 Parks Community Investment Program: Update
 City-Wide Code Compliance Assessment Methodology:
 Key Performance Indicators

Recreation Guide for Neighbors Template: Development
 “We Notice...” Campaign: Creation
 Neighborhood Summit and Legal Clinic for HOA's:
 Development
 Volunteer Program Operating Standards and Procedures:
 Creation/Rollout
 Geer Park: Master Plan
 Automated License Plate Reader: TxDOT Approval
 Racial Profiling Data: Evaluation
 Criminal Justice Information Systems
 (CJIS) Audit Preparation
 Neighborhood Watch: Re-Establish
 Police Districting Plan: Annual Evaluation
 Department Performance Metrics
 (Outcome-Based): Refinement
 Annual City Strategic Plan: Update
 Budget Workshop for Mayor and City Council
 Cash Management Administrative Directive
 Internal Control System and Process
 Administrative Directive
 Financial Policies: Training
 City Social Functions:
 Update (Potlucks, Employee Functions, etc.)
 Annual Q12 Employee Survey
 Financial Transparency Stars Program
 Police Policy and Procedure: Update
 Annual City Employee In-Service Day
 (Budget FY '22 Funding)
 Neighbors Leadership Academy: Development
 Fire Standard of Cover Report
 Servant Leadership Training Program
 Fire SOP: Review/Refinement
 Firefighter Physical Agility Course: Revamp
 Police Leadership Training Program
 Aerial Apparatus (Quint):
 Design and Acquisition – Order; Operational
 Fixed Asset Tracking Spreadsheet: Development
 City Website Upgrade: Completion
 UB Billing Cycles Structure: Review
 Incode Conversion for Core Financials: Completion
 Incode Conversion for Utility Billing: Completion

MANAGEMENT IN PROGRESS 2021 (continued)

| | |
|---|--|
| <p>Cash Handling Controls In Departments</p> <p style="padding-left: 40px;">Credit Card Handling</p> <p>Ion Wave Purchasing Software: Implementation</p> <p style="padding-left: 40px;">Fixed Assets Ledger: Clean-Up</p> <p>Texas State Comptroller Transparency Award</p> <p>PPE Purchase and Replacement Schedule: Development</p> <p>COVID Ambulance In-Service Agreements, State Health Department License and Training: Completion</p> <p style="padding-left: 40px;">Deer Oaks City-Wide Training</p> <p>Retiree Options for Medical, Dental, Vision and Prescription: Review and Funding</p> <p style="padding-left: 40px;">Tuition Reimbursement Policy: Review and Funding</p> <p style="padding-left: 80px;">Internship Program: EDC</p> <p>Loaner Laptops: Increase (Budget FY '22 Funding)</p> | <p>IT Department Structure</p> <p>New Phone System: Direction and Funding</p> <p>Disaster Recovery Backup: Direction</p> <p style="padding-left: 40px;">Network Topology Redesign</p> <p style="padding-left: 40px;">City Council Chambers Equipment</p> <p>Inspec2Go for Code Enforcement: Implementation</p> <p style="padding-left: 40px;">EOC Equipment: Implementation</p> <p>Park Planning and Development Manager: Hiring</p> <p style="padding-left: 40px;">Board Member Clinic: Development</p> <p style="padding-left: 80px;">APWA Accreditation</p> <p>Police Equipment Upgrade: Purchase</p> <p style="padding-left: 40px;">Standardized Compensation Process for Field Training Officers and Out-of-Position (OIC) Pay: Development</p> |
|---|--|

MAJOR PROJECTS 2021

| | |
|---|--|
| <p>Village of Hurricane Creek Infrastructure Sewer Project: Bid Award; Construction</p> <p style="padding-left: 40px;">Hackberry Drive: ROW Acquisition; Bid Award; Construction</p> <p style="padding-left: 40px;">TxDOT Traffic Signal Installation (2): CR 371/376</p> <p style="padding-left: 40px;">Taylor Road Reconstruction: Preliminary Engineering; Final Design (with Collin County) Submission</p> <p>East Fork Trunk Sewer: Preliminary Engineering</p> <p>Wastewater Treatment Plant: Submit TCEQ Permit</p> <p style="padding-left: 40px;">SH 5 Utility Relocation Project (TxDOT 2023 – 2035); Design Project A</p> <p>Rosamond from US 75 to SH 5 Roadway Improvements: Construction</p> <p>Rosamond from SH 5 to FM 2862 Roadway Improvements In-House Design</p> <p style="padding-left: 40px;">Water Mains Relocation: Engineering Design (along US 75 north of FM 455)</p> <p style="padding-left: 40px;">Water Well: Construction</p> <p>Collin Water Pump Station Improvements: Construction</p> | <p>West Foster Crossing along Pecan Grove Phase 2-4: Construction</p> <p style="padding-left: 40px;">Hackberry Drive from SH 5 to Bamborough Lane: Construction</p> <p style="padding-left: 40px;">Street Rehabilitation Projects: Construction; Award Contract – Taylor Boulevard; County Road 371</p> <p>Johnson Park Renovation Project: Construction</p> <p style="padding-left: 40px;">Steam Locomotive at Sherley Heritage Park</p> <p>Disc Golf Course at Slayter Creek Park: Update</p> <p style="padding-left: 40px;">Splash Pad: Refresh</p> <p style="padding-left: 40px;">Bryant Park Sports Fields: Direction; Budget FY '22 Funding; Completion</p> <p style="padding-left: 40px;">Natural Springs Park (North End): Additional Parking and Nature Theme Play Structure</p> <p style="padding-left: 40px;">Slayter Creek Park: Parking Lot installation and Lighting Repairs (including Concession Stand and Splash Pad)</p> <p style="padding-left: 40px;">Municipal Complex Project: Completion and Location of City Offices</p> |
|---|--|



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 \$31.8 million or 98 percent of Anna's total operating revenue (excluding interfund transfers).

Property Tax

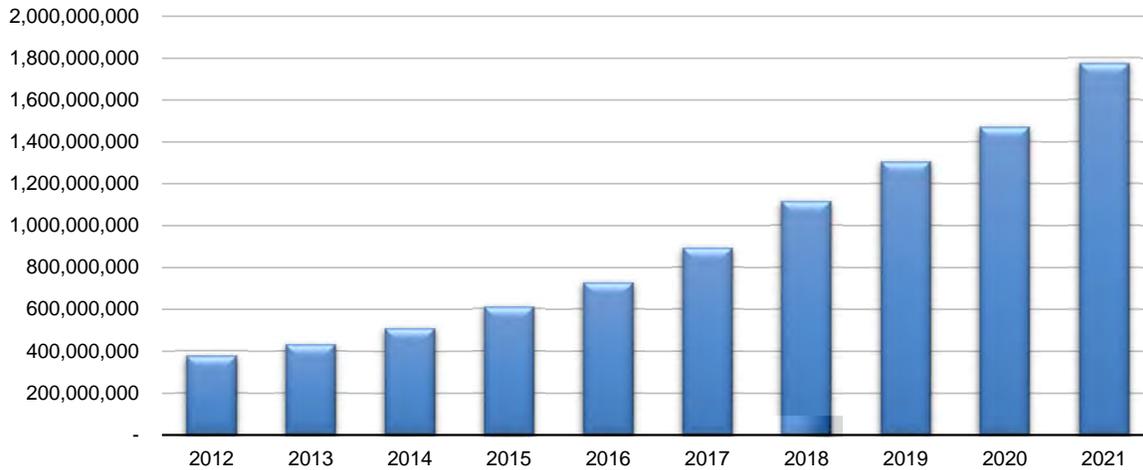
In Texas, property taxes are often the primary source of revenue for local governments. Local governments set tax rates and collect property taxes that are used to provide local services including schools, streets and roads, police and fire protection and many other services.

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 2021 (FY2022) is \$1,773,708,282. This represents an increase of 20.7 percent and is due, in part, to the addition of more than \$163 million in new construction.

Beginning in 2013, 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 2021 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 2011 was approximately 8,300. 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, 2021 was approximately 17,460.

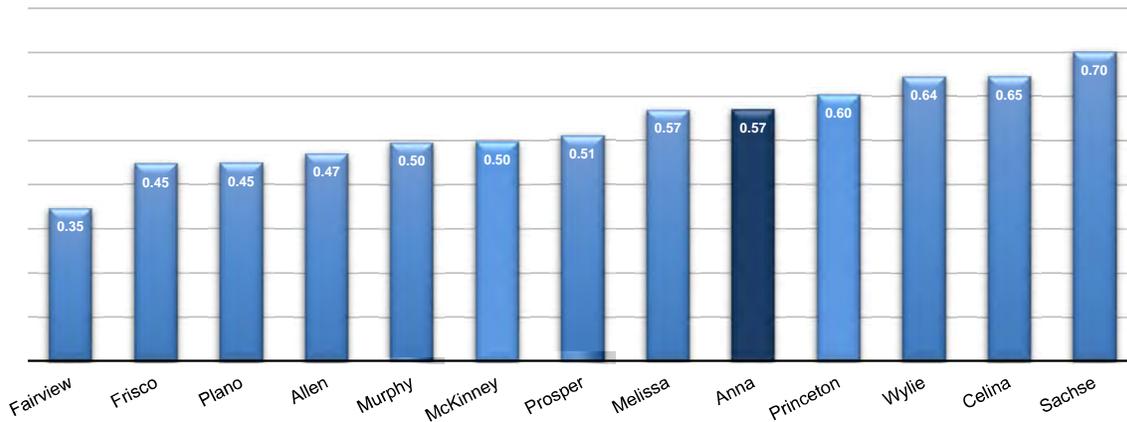
**CITY OF ANNA
SUMMARY OF REVENUES**

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 | Total Property Tax Revenue |
|----------|--------------------------|----------------|----------|-------------------|----------------------------|
| 2003 | 79,351,888 | 0.499700 | 0.499700 | 0.000000 | \$ 396,521 |
| 2004 | 136,234,607 | 0.499700 | 0.499700 | 0.000000 | \$ 680,764 |
| 2005 | 211,508,957 | 0.525000 | 0.525000 | 0.000000 | \$ 1,110,422 |
| 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 | 1,470,079,895 | 0.583000 | 0.467053 | 0.115947 | \$ 8,570,566 |
| 2021 | 1,773,708,282 | 0.569500 | 0.452631 | 0.116869 | \$ 10,101,269 |

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.

Tax Rate Comparison



**CITY OF ANNA
SUMMARY OF REVENUES**

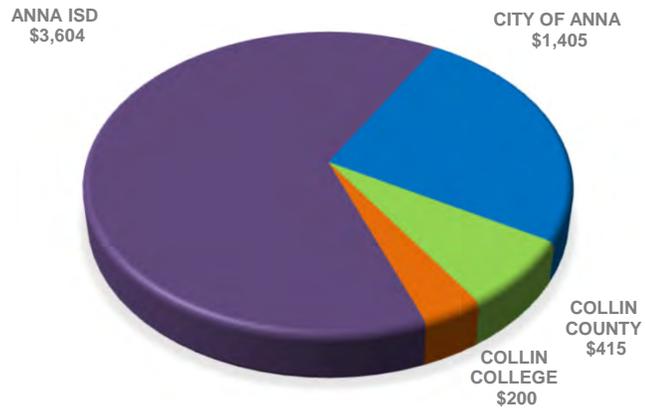
Impact of the Average Homeowner

| | FY2021 | FY2022 | Difference |
|-----------------|-------------|-------------|------------|
| Average Home | \$ 230,000 | \$ 246,777 | \$ 16,777 |
| Tax Rate | 0.583000 | 0.569500 | (0.013500) |
| Annual Tax Bill | \$ 1,340.90 | \$ 1,405.40 | \$ 64.50 |

Based on the average home value of \$246,777, the average residential taxpayer would pay \$64.50 more in property taxes than last year.



Property Taxes on an Average Anna Home



FY2022 Property Tax Rates Combined

| | Property Tax Rate | Taxes on Average Anna Home | Percentage of Total |
|----------------|-------------------|----------------------------|---------------------|
| Collin County | 0.168087 | \$ 414.80 | 7.4% |
| Collin College | 0.081222 | \$ 200.44 | 3.6% |
| Anna ISD | 1.460300 | \$ 3,603.68 | 64.1% |
| City of Anna | 0.569500 | \$ 1,405.40 | 25.0% |
| Total | 2.279109 | \$ 5,624.32 | |

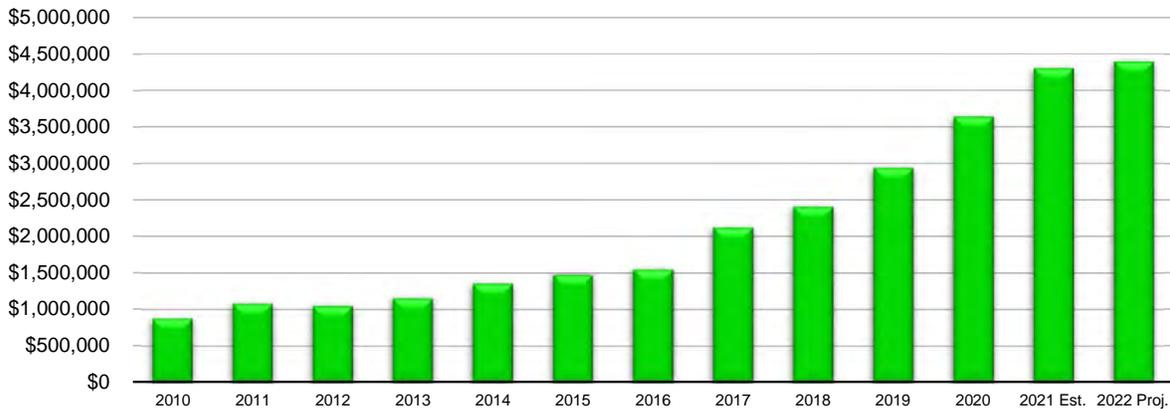
**CITY OF ANNA
SUMMARY OF REVENUES**

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, with 0.25 percent being dedicated to streets projects. 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 |
|-------------|-------------------|---------------|-------------|
| 2017 | \$1,350,028 | \$747,177 | \$2,097,205 |
| 2018 | \$1,502,079 | \$901,247 | \$2,403,326 |
| 2019 | \$1,835,421 | \$1,101,253 | \$2,936,674 |
| 2020 | \$2,271,318 | \$1,362,791 | \$3,634,109 |
| 2021 Est. | \$2,700,000 | \$1,600,000 | \$4,300,000 |
| 2022 Proj. | \$2,760,000 | \$1,630,000 | \$4,390,000 |

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 |



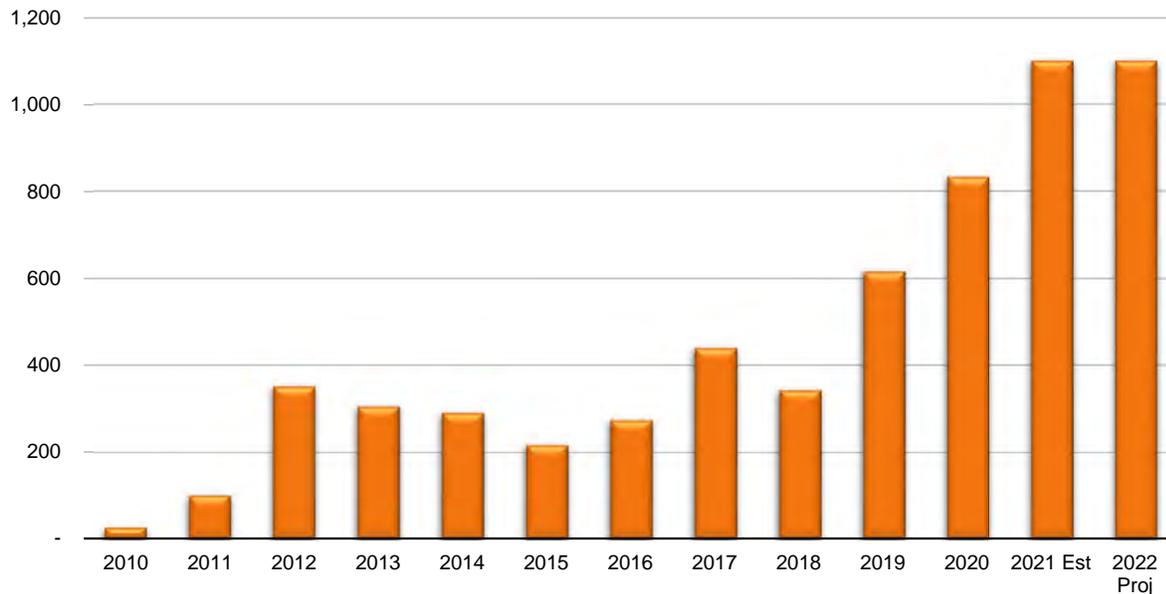
Development Licenses and Permits

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

In FY2018, due to the inventory of lots decreasing, the City once again saw a decline in number of permits. However, the City has once again seen a significant increase in FY2019 and anticipates this growth to continue. FY2021 budget reflected an increase to 800 building permits per year; however, current trends will result in more than 1,100 by year-end. The same level is projected for FY2022.

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.

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.

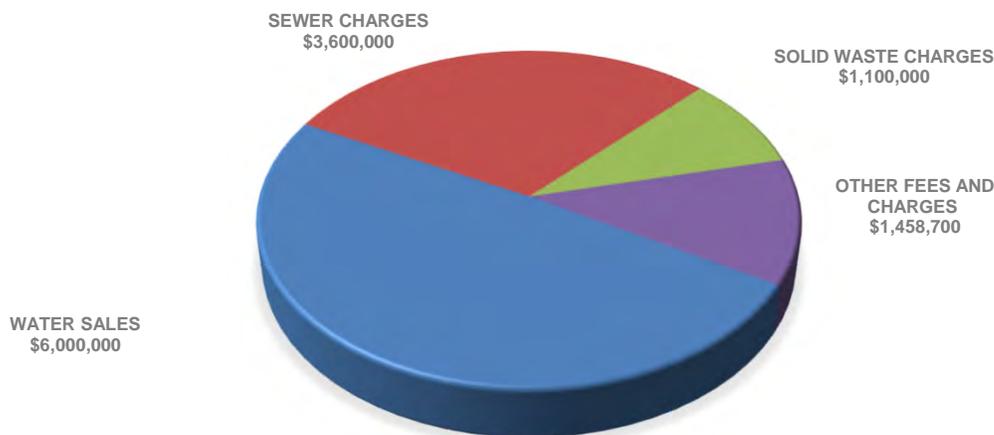
In reviewing the fiscal health of the Utility Fund during the FY2020 budget process, staff determined the need for an updated utility rate structure. A rate model consultant was engaged, and in July 2020, the City Council approved a utility rate policy.

Staff will review 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 | FY2021 Rate | FY2022 Rate | Change |
|----------------|-------------|-------------|----------|
| 2,000 gallons | \$ 54.86 | \$ 59.26 | \$ 4.40 |
| 5,000 gallons | \$ 90.80 | \$ 98.07 | \$ 7.27 |
| 10,000 gallons | \$ 150.70 | \$ 162.78 | \$ 12.08 |

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 City's finances shall be accounted for in accordance with generally accepted accounting principles (GAAP) as established by the Governmental Accounting Standards Board (GASB).

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. The 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.

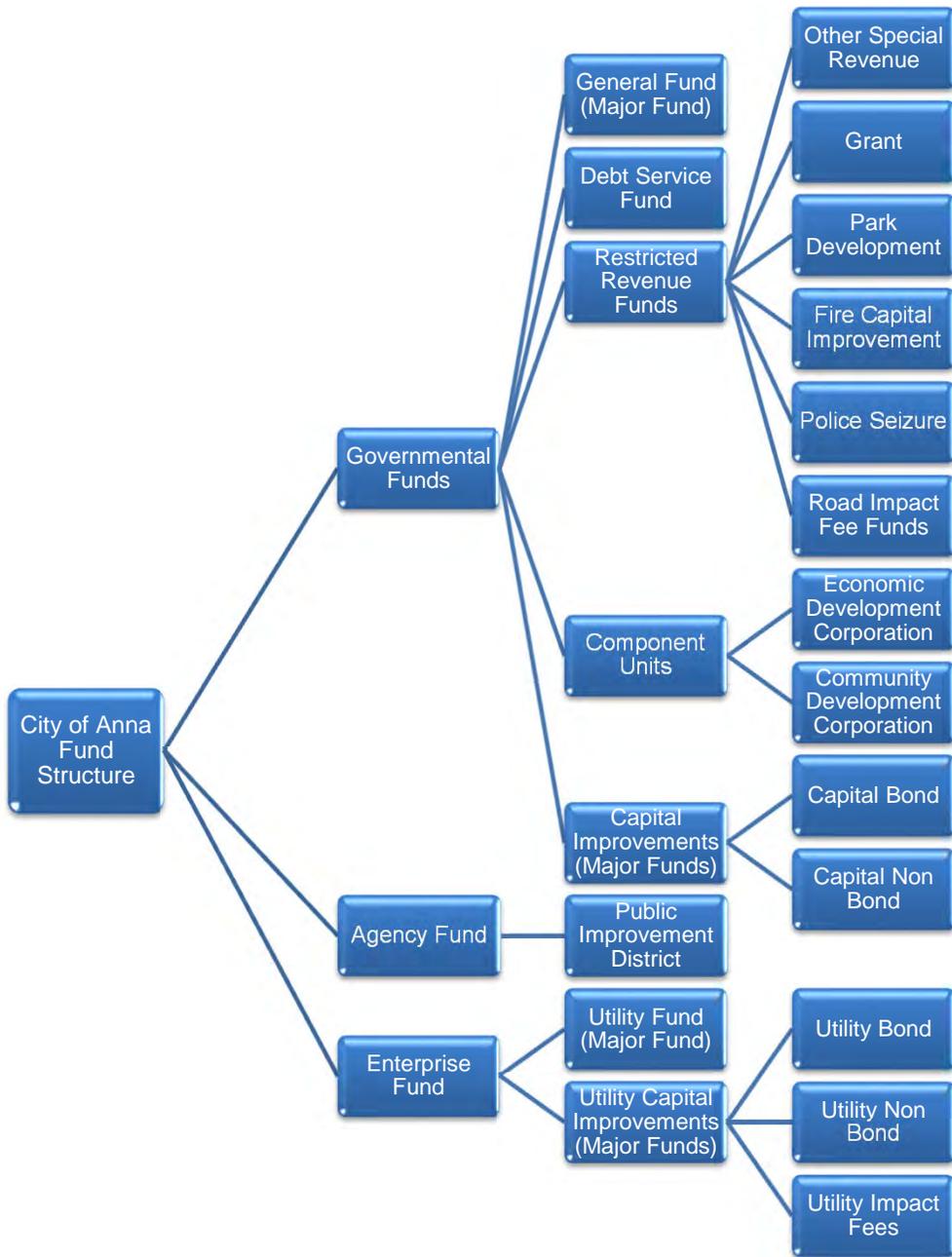
Basis of Budgeting

Budgetary basis refers to the basis of accounting used to estimate financing sources and uses in the budget. Basis of budgeting for the City's budget is consistent with the Comprehensive Annual Financial Report (CAFR) with a few exceptions, primarily in non-cash adjustments.

Governmental funds are budgeted on a modified accrual basis. Under the modified accrual basis of accounting, revenues are recognized when measurable and available while expenditures are recognized as soon as liabilities are incurred, except for debt service, capital lease obligations, and inventories. Year-end remaining capital improvement budgets for active projects are continued until the completion of the project.

The Utility Fund is a Proprietary fund. Proprietary funds are budgeted on an accrual basis similar to private-sector businesses, with a focus on total economic resources. Revenues are recognized when earned, while expenses are recognized when the liability is incurred. Non-cash items, such as investment adjustments to market value, depreciation, amortization, and bad debt expense are not budgeted. 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 (Major Fund) | Utility Fund (Major Fund) | Special Revenue Funds (Non Major Fund) | Component Units (Non Major Fund) | Capital Projects Funds (Major Fund) |
|-----------------------------|------------------------------|------------------------------|--|--|---|
| DEPARTMENTS | | | | | |
| Administration | √ | | | | |
| City Council | √ | | | | |
| City Manager | √ | | | | |
| City Secretary | √ | | | | |
| Human Resources | √ | | | | |
| Information Technology | √ | | | | |
| Finance | √ | | | | |
| Development | √ | | | | |
| Animal Control | √ | | | | |
| Fire | √ | | √ | | |
| Ambulance | √ | | | | |
| Police | √ | | √ | | |
| Municipal Court | √ | | √ | | |
| Parks | √ | | √ | | √ |
| Neighborhood Services | √ | | √ | | √ |
| Streets | √ | | √ | | √ |
| Fleet & Facilities | √ | | | | |
| Economic Development | | | | √ | |
| Community Development | | | | √ | |
| Public Works Administration | | √ | | | |
| Water | | √ | | | √ |
| Sewer | | √ | | | √ |
| Solid Waste | | √ | | | |
| Utility Billing | | √ | | | |

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

| | Major Governmental | | Enterprise | Restricted Revenue | | |
|----------------------------------|----------------------|---------------------|----------------------|--------------------|-------------------|---------------------|
| | General | Debt Service | Utility | Grant | Special Revenue | Park Develop. |
| BEGINNING BALANCES | \$ 6,470,011 | \$ 185,439 | \$ 4,735,201 | \$ 1,093 | \$ 154,566 | \$ 2,083,428 |
| REVENUES: | | | | | | |
| Property Taxes | \$ 8,015,000 | \$ 2,107,113 | \$ - | \$ - | \$ - | \$ - |
| Sales Tax | 2,760,000 | - | - | - | - | - |
| Charges for Services | 254,700 | - | 11,939,000 | - | - | 986,000 |
| Licenses and Permits | 3,525,000 | - | - | - | - | - |
| Franchise and Local Taxes | 485,000 | - | - | - | 3,000 | - |
| Investment Income | 30,000 | 2,500 | 20,000 | - | 1,100 | 14,000 |
| Other Revenues | 16,300 | - | 199,700 | - | - | - |
| Intergovernmental | 48,395 | - | - | 9,375 | - | - |
| Fines | 90,000 | - | - | - | 17,500 | - |
| TOTAL | \$ 15,224,395 | \$ 2,109,613 | \$ 12,158,700 | \$ 9,375 | \$ 21,600 | \$ 1,000,000 |
| Transfers from other funds | - | - | - | - | - | - |
| TOTAL REVENUES | \$ 15,224,395 | \$ 2,109,613 | \$ 12,158,700 | \$ 9,375 | \$ 21,600 | \$ 1,000,000 |
| TOTAL AVAILABLE RESOURCES | \$ 21,694,406 | \$ 2,295,052 | \$ 16,893,901 | \$ 10,468 | \$ 176,166 | \$ 3,083,428 |
| EXPENDITURES: | | | | | | |
| Payroll | \$ 11,841,587 | \$ - | \$ 2,424,401 | \$ - | \$ 1,800 | \$ 275,729 |
| Supplies | 620,991 | - | 147,845 | 4,558 | - | 227,000 |
| Maintenance | 224,300 | - | 612,675 | - | - | - |
| Services | 2,521,876 | 5,500 | 6,765,298 | 5,317 | 9,325 | 20,000 |
| Debt Service | - | 2,067,113 | 2,145,886 | - | - | - |
| Capital Outlay | - | - | 265,000 | - | - | 50,000 |
| Capital Improvement | - | - | - | - | - | 1,379,000 |
| TOTAL | \$ 15,208,754 | \$ 2,072,613 | \$ 12,361,105 | \$ 9,875 | \$ 11,125 | \$ 1,951,729 |
| Transfers to other funds | 400,000 | - | 885,000 | - | - | - |
| TOTAL EXPENDITURES | \$ 15,608,754 | \$ 2,072,613 | \$ 13,246,105 | \$ 9,875 | \$ 11,125 | \$ 1,951,729 |
| ENDING FUND BALANCES | \$ 6,085,652 | \$ 222,439 | \$ 3,647,796 | \$ 593 | \$ 165,041 | \$ 1,131,699 |
| Fund Balance Percentage | 40.0% | 10.7% | 29.5% | 6.0% | 1483.5% | 0.0% |

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

| Restricted Revenue | | Component Units | | CIP Funds | Total All Funds | | |
|--------------------|------------------|---------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| Fire Capital | Seizure | Community Develop. | Economic Develop. | Community Investment | Budget FY2022 | Estimated FY2021 | Actual FY2020 |
| \$ 208,132 | \$ 14,484 | \$ 1,613,338 | \$ 351,708 | \$ - | \$ 19,428,623 | \$ 17,179,272 | \$ 12,251,657 |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ 10,122,113 | \$ 8,800,163 | \$ 7,969,462 |
| - | - | 1,630,000 | - | - | 4,390,000 | 4,300,000 | 3,634,109 |
| 75,000 | - | - | 10,000 | - | 13,264,700 | 12,856,176 | 12,639,540 |
| - | - | - | - | - | 3,525,000 | 3,490,600 | 2,683,906 |
| - | - | - | - | - | 488,000 | 488,000 | 665,206 |
| 800 | - | 5,000 | 2,000 | - | 75,400 | 78,525 | 226,106 |
| - | 2,500 | - | 1,500 | 15,864,000 | 16,084,000 | 345,900 | 243,168 |
| - | - | - | - | - | 57,770 | 516,088 | 728,688 |
| - | - | - | - | - | 107,500 | 102,500 | 116,328 |
| \$ 75,800 | \$ 2,500 | \$ 1,635,000 | \$ 13,500 | \$ 15,864,000 | \$ 48,114,483 | \$ 30,977,952 | \$ 28,906,513 |
| - | - | - | - | 1,285,000 | 1,285,000 | 2,035,366 | 1,614,776 |
| \$ 75,800 | \$ 2,500 | \$ 1,635,000 | \$ 13,500 | \$ 17,149,000 | \$ 49,399,483 | \$ 33,013,318 | \$ 30,521,289 |
| \$ 283,932 | \$ 16,984 | \$ 3,248,338 | \$ 365,208 | \$ 17,149,000 | \$ 68,828,106 | \$ 50,192,590 | \$ 42,772,946 |
| \$ - | \$ - | \$ 389,530 | \$ - | \$ - | \$ 14,933,047 | \$ 10,240,101 | \$ 8,826,096 |
| - | - | 10,600 | - | - | 1,010,994 | 852,208 | 714,909 |
| - | - | - | 3,000 | - | 839,975 | 1,388,260 | 1,080,910 |
| - | - | 1,070,145 | 82,800 | - | 10,480,261 | 10,027,654 | 8,483,296 |
| - | - | 327,463 | - | - | 4,540,462 | 4,236,776 | 4,295,193 |
| - | - | - | - | - | 315,000 | 851,582 | 435,131 |
| - | - | - | - | 17,149,000 | 18,528,000 | 1,132,020 | 143,363 |
| \$ - | \$ - | \$ 1,797,738 | \$ 85,800 | \$ 17,149,000 | \$ 50,647,739 | \$ 28,728,601 | \$ 23,978,898 |
| - | - | - | - | - | 1,285,000 | 2,035,366 | 1,614,776 |
| \$ - | \$ - | \$ 1,797,738 | \$ 85,800 | \$ 17,149,000 | \$ 51,932,739 | \$ 30,763,967 | \$ 25,593,674 |
| \$ 283,932 | \$ 16,984 | \$ 1,450,600 | \$ 279,408 | \$ - | \$ 16,895,367 | \$ 19,428,623 | \$ 17,179,272 |
| 0.0% | 0.0% | 80.7% | 325.7% | | 33.4% | 67.6% | 71.6% |

ANNUAL BUDGET FOR FISCAL YEAR 2022

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

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|----------------------------|-------------------|-------------------|----------------------|-------------------|
| BEGINNING BALANCES | \$ 12,251,657 | \$ 14,556,259 | \$ 17,179,272 | \$ 19,428,623 |
| REVENUES: | | | | |
| Property Taxes | \$ 7,969,462 | \$ 8,588,578 | \$ 8,800,163 | \$ 10,122,113 |
| Sales Tax | 3,634,109 | 3,852,500 | 4,300,000 | 4,390,000 |
| Charges for Services | 12,639,540 | 12,244,523 | 12,856,176 | 13,264,700 |
| Licenses and Permits | 2,683,906 | 2,603,700 | 3,490,600 | 3,525,000 |
| Franchise and Local Taxes | 665,206 | 609,400 | 488,000 | 488,000 |
| Investment Income | 226,106 | 189,640 | 78,525 | 75,400 |
| Other Revenues | 243,168 | 148,000 | 345,900 | 16,084,000 |
| Intergovernmental | 728,688 | 714,692 | 516,088 | 57,770 |
| Fines | 116,328 | 94,500 | 102,500 | 107,500 |
| TOTAL | \$ 28,906,513 | \$ 29,045,533 | \$ 30,977,952 | \$ 48,114,483 |
| Transfers from other funds | 1,614,776 | 1,300,000 | 2,035,366 | 1,285,000 |
| TOTAL REVENUE | \$ 30,521,289 | \$ 30,345,533 | \$ 33,013,318 | \$ 49,399,483 |
| TOTAL AVAILABLE RESOURCES | \$ 42,772,946 | \$ 44,901,792 | \$ 50,192,590 | \$ 68,828,106 |
| EXPENDITURES: | | | | |
| Payroll | \$ 8,826,096 | \$ 11,141,530 | \$ 10,240,101 | \$ 14,933,047 |
| Supplies | 714,909 | 774,896 | 852,208 | 1,010,994 |
| Maintenance | 1,080,910 | 768,135 | 1,388,260 | 839,975 |
| Services | 8,483,296 | 9,386,849 | 10,027,654 | 10,480,261 |
| Debt Service | 4,295,193 | 4,236,776 | 4,236,776 | 4,540,462 |
| Capital Outlay | 435,131 | 567,826 | 851,582 | 315,000 |
| Capital Improvement | 143,363 | 2,207,323 | 1,132,020 | 18,528,000 |
| TOTAL | \$ 23,978,898 | \$ 29,083,335 | \$ 28,728,601 | \$ 50,647,739 |
| Transfers to other funds | 1,614,776 | 2,007,779 | 2,035,366 | 1,285,000 |
| TOTAL EXPENDITURES | \$ 25,593,674 | \$ 31,091,114 | \$ 30,763,967 | \$ 51,932,739 |
| ENDING FUND BALANCES | \$ 17,179,272 | \$ 13,810,678 | \$ 19,428,623 | \$ 16,895,367 |

**CITY OF ANNA
CHANGE IN FUND BALANCE**

| FUND | PROJECTED FUND BALANCE 9/30/21 | PROJECTED FUND BALANCE 9/30/22 | % CHANGE | EXPLANATION |
|-----------------------|--------------------------------------|--------------------------------------|----------|---|
| GENERAL | \$ 6,470,011 | \$ 6,085,652 | -6% | Utilizing excess over policy for one-time purchases |
| DEBT SERVICE | \$ 185,439 | \$ 222,439 | 20% | Better than expected property tax collections |
| UTILITY | \$ 4,735,201 | \$ 3,647,796 | -23% | Utilizing excess over policy for one-time purchases |
| SPECIAL REVENUE | \$ 154,566 | \$ 165,041 | 7% | No expenditures associated with PEG |
| FIRE CAPITAL | \$ 208,132 | \$ 283,932 | 36% | No planned purchases |
| PARK DEVELOPMENT | \$ 2,083,428 | \$ 1,131,699 | -46% | Utilizing excess over policy for one-time purchases |
| PUBLIC SAFETY SEIZURE | \$ 14,484 | \$ 16,984 | 17% | No planned purchases |
| ECONOMIC DEVELOPMENT | \$ 351,708 | \$ 279,408 | -21% | Change in revenue source; drawdown is planned |
| COMMUNITY DEVELOPMENT | \$ 1,384,736 | \$ 1,797,738 | 30% | Better than expected sales tax collections |

**CITY OF ANNA
PERSONNEL**

As the City of Anna pursues becoming "**The Premier Community in Collin County**", organizational transformations have occurred, integrating several new staff members during this transition while raising the level of professionalism, skills, and knowledge. Team members have been recruited from larger surrounding cities, as Anna is becoming a preferred employer of choice, a "**High Performing Professional City**" (Strategic Plan Goal 4). The City is primed for the explosive commercial and residential development in our community.

FY2021 Revised Additions

| Position | Added to | Justification |
|-----------------------------|-----------------------------------|--|
| Communications Manager | City Manager's Office | To use all forms of media and communication to build, maintain and manage the City's branding and marketing. |
| IT Desk Help | Information Technology | To help with the additional technology needs of the growing staff, virtual meetings management and record keeping of same, and integration of off-site hardware to facilitate telecommuting needs as a result of COVID-19 impacts. |
| Development Services Tech | Development Services | To help with the addition workload associated with the consistently large number of building permits expected and experienced. |
| Planner II | Development Services | To help with long-range planning issues and other related duties, including tracking progress on Anna2050 plan implementation, monitoring and managing necessary updates to codes and ordinances. |
| Firefighter (3 FTEs) | Fire | Anna Fire Department received notification from FEMA on October 28, 2020 that no funding was awarded from the Staffing for Adequate Fire and Emergency Response (SAFER) Grant Program. Grant match was used to authorized 3 replacement positions. |
| Police Officer (6 FTEs) | Police | To expand patrol capabilities and fund the development of diversity in hiring in public safety. |
| Code Compliance Officer | Neighborhood Services | To accommodate the city's growth, increasing demands for service, improve response times, and assist neighbors in avoiding citations. |
| Economic Development Intern | Community Development Corporation | To assist in the work of the Community Development Corporation in the community |

**CITY OF ANNA
PERSONNEL**

FY2022 Additions

| Position | Added to | Justification |
|---------------------------------|----------------------|--|
| Human Resources Manager | Human Resources | To assist with recruitment, learning and development, compensation and HRIS. |
| Division Chief | Fire | To oversee the Emergency Management Division. |
| Firefighters (6.0 FTEs) | Fire | Two per shift to run an ambulance service. |
| Maintenance Worker I (3.0 FTEs) | Streets | To increase work volume, decrease response time, and improve efficiency. |
| Mechanic | Fleet and Facilities | To bring repairs in-house for cost savings and efficiency. |
| Facilities Specialist | Fleet and Facilities | To perform a higher level of maintenance on new facilities. |
| Maintenance Worker II | Water | To increase work volume, decrease response time, and improve efficiency. |
| Maintenance Worker I | Water | To increase work volume, decrease response time, and improve efficiency. |
| Water Quality Technician | Water | To be the public face of the Utilities, making house calls & meeting with neighbors to investigate concerns. |
| Utility Billing Clerk | Utility Billing | To increase capacity to serve additional customers as our City grows. |

**CITY OF ANNA
PERSONNEL SUMMARY**

| | Actual 2019-20 | Estimated 2020-21 | Budget 2021-22 | Increase (Decrease) |
|----------------------------------|-------------------|----------------------|-------------------|------------------------|
| GENERAL FUND | | | | |
| City Manager's Office | | | | |
| City Manager | 1.0 | 1.0 | 1.0 | - |
| Assistant City Manager | 1.0 | 1.0 | 1.0 | - |
| Director of Human Resources | 1.0 | 1.0 | - | (1.0) |
| Human Resources Coordinator | - | 1.0 | - | (1.0) |
| Administrative Assistant | 1.0 | 1.0 | - | (1.0) |
| Budget Manager | 1.0 | 1.0 | 1.0 | - |
| Communications Manager | - | 1.0 | 1.0 | - |
| Management Analyst | 1.0 | 1.0 | 1.0 | - |
| TOTAL | 6.0 | 8.0 | 5.0 | (3.0) |
| Human Resources | | | | |
| Director of Human Resources | - | - | 1.0 | 1.0 |
| Human Resources Manager | - | - | 1.0 | 1.0 |
| Human Resources Coordinator | - | - | 1.0 | 1.0 |
| TOTAL | - | - | 3.0 | 3.0 |
| City Secretary | | | | |
| City Secretary | 1.0 | 1.0 | 1.0 | - |
| Deputy City Secretary | - | 1.0 | 1.0 | - |
| Admin. Assistant / Records Clerk | 0.5 | 0.5 | 0.5 | - |
| TOTAL | 1.5 | 2.5 | 2.5 | - |
| Information Technology | | | | |
| IT Manager | 1.0 | 1.0 | 1.0 | - |
| IT Desk Help | - | 1.0 | 1.0 | - |
| TOTAL | 1.0 | 2.0 | 2.0 | - |
| Finance | | | | |
| Director of Finance | 1.0 | 1.0 | 1.0 | - |
| Accounting Manager | 1.0 | 1.0 | 1.0 | - |
| Senior Accountant | - | 1.0 | 1.0 | - |
| Accountant | 1.0 | 1.0 | 1.0 | - |
| Accounting Technician | 1.0 | 1.0 | 1.0 | - |
| TOTAL | 4.0 | 5.0 | 5.0 | - |
| Development Services | | | | |
| Director of Development Services | 1.0 | 1.0 | 1.0 | - |
| Planning Manager | - | 1.0 | 1.0 | - |
| Development Services Coordinator | - | 1.0 | - | (1.0) |
| Administrative Assistant | - | - | 1.0 | 1.0 |
| Planner II | 1.0 | 1.0 | 1.0 | - |
| Planner I | 1.0 | - | - | - |
| Plans Examiner | 1.0 | 1.0 | 1.0 | - |
| GIS Manager | 1.0 | 1.0 | 1.0 | - |
| Building Inspector | 1.0 | 2.0 | 2.0 | - |
| Building Official | 1.0 | 1.0 | 1.0 | - |
| Permit Technician | 1.0 | 1.0 | 1.0 | - |
| TOTAL | 8.0 | 10.0 | 10.0 | - |

**CITY OF ANNA
PERSONNEL SUMMARY**

| | Actual 2019-20 | Estimated 2020-21 | Budget 2021-22 | Increase (Decrease) |
|-----------------------------------|-------------------|----------------------|-------------------|------------------------|
| Fire | | | | |
| Fire Chief | 1.0 | 1.0 | 1.0 | - |
| Assistant Fire Chief | 1.0 | 1.0 | 1.0 | - |
| Division Chief | - | - | 1.0 | 1.0 |
| Battalion Chief | - | 3.0 | 3.0 | - |
| Fire Prevention Captain | 1.0 | 1.0 | 1.0 | - |
| Fire Shift Captain | 3.0 | 3.0 | 3.0 | - |
| Fire Driver / Engineer | 3.0 | 3.0 | 3.0 | - |
| Fire Fighter | 6.0 | 6.0 | 12.0 | 6.0 |
| Fire Services Coordinator | - | 1.0 | 1.0 | - |
| Administrative Assistant | 0.5 | - | - | - |
| TOTAL | 15.5 | 19.0 | 26.0 | 7.0 |
| Police | | | | |
| Police Chief | 1.0 | 1.0 | 1.0 | - |
| Assistant Police Chief | - | 1.0 | 1.0 | - |
| Records Administrator | 1.0 | 1.0 | 1.0 | - |
| Lieutenant | 1.0 | 1.0 | 1.0 | - |
| Sergeant | 4.0 | 4.0 | 4.0 | - |
| Sergeant Detective | - | 1.0 | 1.0 | - |
| Corporal | - | 4.0 | 4.0 | - |
| Police Officer | 14.0 | 17.0 | 17.0 | - |
| Detective | 2.0 | 2.0 | 2.0 | - |
| TOTAL | 23.0 | 32.0 | 32.0 | - |
| Municipal Court | | | | |
| Municipal Court Administrator | 1.0 | 1.0 | 1.0 | - |
| TOTAL | 1.0 | 1.0 | 1.0 | - |
| Parks | | | | |
| Parks Superintendent | 1.0 | 1.0 | 1.0 | - |
| Parks Crew Leader | 1.0 | 1.0 | 1.0 | - |
| Maintenance Worker II | 1.0 | 1.0 | 1.0 | - |
| Maintenance Worker I | 4.0 | 5.0 | 5.0 | - |
| Seasonal Laborer | 0.4 | 0.4 | - | (0.4) |
| TOTAL | 7.4 | 8.4 | 8.0 | (0.4) |
| Neighborhood Services | | | | |
| Director of Neighborhood Services | 1.0 | 1.0 | 1.0 | - |
| Neighborhood Services Manager | 1.0 | - | - | - |
| Parks Planning Manager | - | 1.0 | - | (1.0) |
| Neighborhood Services Coordinator | 1.0 | 1.0 | 1.0 | - |
| Administrative Assistant | - | 1.0 | 1.0 | - |
| Code Compliance Manager | 1.0 | 1.0 | 1.0 | - |
| Code Compliance Officer | - | 2.0 | 2.0 | - |
| TOTAL | 4.0 | 7.0 | 6.0 | (1.0) |

**CITY OF ANNA
PERSONNEL SUMMARY**

| | Actual 2019-20 | Estimated 2020-21 | Budget 2021-22 | Increase (Decrease) |
|-----------------------------|-------------------|----------------------|-------------------|------------------------|
| Streets | | | | |
| Street Superintendent | 1.0 | 1.0 | 1.0 | - |
| Crew Leader | 1.0 | 1.0 | 1.0 | - |
| Traffic Safety Technician | 1.0 | 1.0 | 1.0 | - |
| Maintenance Worker II | 1.0 | 1.0 | 1.0 | - |
| Maintenance Worker I | 2.0 | 2.0 | 5.0 | 3.0 |
| TOTAL | 6.0 | 6.0 | 9.0 | 3.0 |
| Fleet and Facilities | | | | |
| Mechanic | - | - | 1.0 | 1.0 |
| Facilities Specialist | - | - | 1.0 | 1.0 |
| TOTAL | - | - | 2.0 | 2.0 |
| GENERAL FUND TOTAL | 77.4 | 100.9 | 111.5 | 10.6 |

UTILITY FUND

| | | | | |
|--------------------------------------|------------|------------|-------------|------------|
| Public Works Administration | | | | |
| Director of Public Works | 1.0 | 1.0 | 1.0 | - |
| Assistant Director of Public Works | 1.0 | 1.0 | 1.0 | - |
| Civil Engineer | 1.0 | 1.0 | 1.0 | - |
| Engineering Construction Super. | 1.0 | 1.0 | 1.0 | - |
| Construction Inspector | 2.0 | 2.0 | 2.0 | - |
| Right of Way Inspector | 1.0 | - | - | - |
| Meter Services Technician | - | 1.0 | 1.0 | - |
| Administrative Assistant | - | - | - | - |
| Administrative Coordinator | 1.0 | 1.0 | 1.0 | - |
| TOTAL | 8.0 | 8.0 | 8.0 | - |
| Water | | | | |
| Water Superintendent | 1.0 | - | - | - |
| Water Supervisor | 1.0 | - | - | - |
| Utility Operations Supervisor | - | 1.0 | 1.0 | - |
| Utility Maintenance Field Supervisor | - | 1.0 | 1.0 | - |
| Maintenance Worker II | - | - | 1.0 | 1.0 |
| Maintenance Worker I | 4.0 | 2.0 | 3.0 | 1.0 |
| Water Quality Technician | - | - | 1.0 | 1.0 |
| Water Operator | 1.0 | 1.0 | 1.0 | - |
| Utility Crew Leader | - | 2.0 | 2.0 | - |
| Service Order Technician | 2.0 | - | - | - |
| Meter Service Technician | - | 2.0 | 2.0 | - |
| TOTAL | 9.0 | 9.0 | 12.0 | 3.0 |

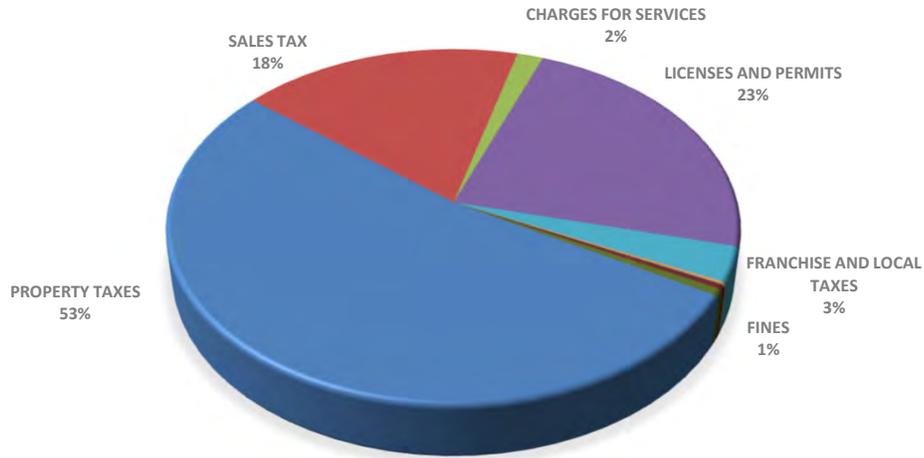
**CITY OF ANNA
PERSONNEL SUMMARY**

| | Actual 2019-20 | Estimated 2020-21 | Budget 2021-22 | Increase (Decrease) |
|--|-------------------|----------------------|-------------------|------------------------|
| Wastewater | | | | |
| Wastewater Superintendent | 1.0 | - | - | - |
| Wastewater Supervisor | - | - | - | - |
| Senior Wastewater Operator | 1.0 | 1.0 | 1.0 | - |
| Wastewater Crew Leader | 1.0 | - | - | - |
| Maintenance Worker II | 1.0 | - | - | - |
| Maintenance Worker I | 3.0 | 6.0 | 6.0 | - |
| TOTAL | 7.0 | 7.0 | 7.0 | - |
| Utility Billing | | | | |
| Customer Service Manager | 1.0 | 1.0 | 1.0 | - |
| Senior Utility Billing Clerk | 1.0 | - | - | - |
| Utility Billing Clerk | 0.5 | 2.0 | 3.0 | 1.0 |
| Admin. Assistant / Records Clerk | 0.5 | 0.5 | 0.5 | - |
| TOTAL | 3.0 | 3.5 | 4.5 | 1.0 |
| UTILITY FUND TOTAL | 27.0 | 27.5 | 31.5 | 4.0 |
| PARK DEVELOPMENT FUND | | | | |
| Recreation Manager | - | 1.0 | 1.0 | - |
| Parks Planning Manager | - | - | 1.0 | 1.0 |
| Recreation Coordinator | - | 1.5 | 1.5 | - |
| TOTAL | - | 2.5 | 3.5 | 1.0 |
| PARK DEVELOPMENT TOTAL | - | 2.5 | 3.5 | 1.0 |
| COMMUNITY DEVELOPMENT CORPORATION | | | | |
| Director of Economic Development | - | - | 1.0 | 1.0 |
| Assistant Director of Economic Develop. | - | - | 1.0 | 1.0 |
| Economic Development Manager | 1.0 | 1.0 | - | (1.0) |
| Economic Development Coordinator | - | - | 1.0 | 1.0 |
| Intern | - | 0.5 | - | (0.5) |
| TOTAL | 1.0 | 1.5 | 3.0 | 1.5 |
| COMMUNITY DEVELOP. TOTAL | 1.0 | 1.5 | 3.0 | 1.5 |
| TOTAL EMPLOYEES, ALL FUNDS | 105.4 | 132.4 | 149.5 | 17.1 |

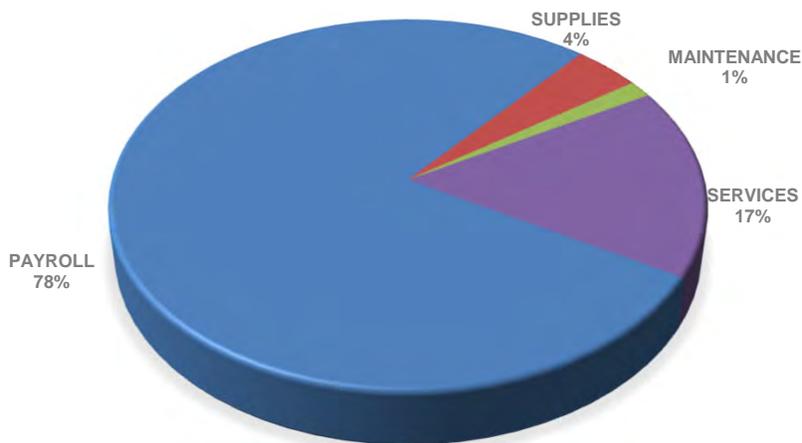
**CITY OF ANNA
GENERAL FUND**

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 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|--------------------------------|-------------------|-------------------|----------------------|-------------------|
| BEGINNING BALANCES | \$ 5,941,424 | \$ 6,445,513 | \$ 6,445,513 | \$ 6,470,011 |
| REVENUES: | | | | |
| Property Taxes | \$ 6,095,539 | \$ 6,736,415 | \$ 6,948,000 | \$ 8,015,000 |
| Sales Tax | 2,271,318 | 2,552,500 | 2,700,000 | 2,760,000 |
| Charges for Services | 188,258 | 151,600 | 266,700 | 254,700 |
| Licenses and Permits | 2,683,906 | 2,603,700 | 3,490,600 | 3,525,000 |
| Franchise and Local Taxes | 657,331 | 601,600 | 485,000 | 485,000 |
| Investment Income | 102,302 | 70,000 | 30,000 | 30,000 |
| Other Revenues | 56,024 | 13,300 | 66,900 | 16,300 |
| Intergovernmental | 123,195 | 133,195 | 133,195 | 48,395 |
| Fines | 97,374 | 80,000 | 85,000 | 90,000 |
| TOTAL OPERATIONAL REVENUE | \$ 12,275,247 | \$ 12,942,310 | \$ 14,205,395 | \$ 15,224,395 |
| Transfers from other funds | - | - | 27,587 | - |
| TOTAL REVENUES | \$ 12,275,247 | \$ 12,942,310 | \$ 14,232,982 | \$ 15,224,395 |
| TOTAL AVAILABLE RESOURCES | \$ 18,216,671 | \$ 19,387,823 | \$ 20,678,495 | \$ 21,694,406 |
| EXPENDITURES: | | | | |
| Payroll | \$ 6,890,375 | \$ 8,789,785 | \$ 8,064,588 | \$ 11,841,587 |
| Supplies | 442,162 | 604,142 | 635,768 | 620,991 |
| Maintenance | 386,397 | 234,360 | 711,300 | 224,300 |
| Services | 2,232,696 | 2,459,032 | 2,379,223 | 2,521,876 |
| Debt Service | 57,359 | - | - | - |
| Capital Outlay | 147,393 | 394,826 | 409,826 | - |
| Capital Improvement | - | 350,000 | - | - |
| TOTAL OPERATIONAL EXPENDITURES | \$ 10,156,382 | \$ 12,832,145 | \$ 12,200,705 | \$ 15,208,754 |
| Transfers to other funds | 1,614,776 | 2,007,779 | 2,007,779 | 400,000 |
| TOTAL EXPENDITURES | \$ 11,771,158 | \$ 14,839,924 | \$ 14,208,484 | \$ 15,608,754 |
| ENDING FUND BALANCES | \$ 6,445,513 | \$ 4,547,899 | \$ 6,470,011 | \$ 6,085,652 |
| Fund Balance Percentage | 63.5% | 35.4% | 53.0% | 40.0% |

**CITY OF ANNA
GENERAL FUND BY DEPARTMENT**

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|--------------------------------|----------------------|----------------------|----------------------|----------------------|
| EXPENDITURES: | | | | |
| General Government: | | | | |
| Administration | \$ 677,088 | \$ 447,740 | \$ 496,579 | \$ 421,259 |
| City Council | 52,419 | 31,278 | 12,278 | 31,278 |
| City Manager's Office | 790,940 | 1,062,590 | 891,566 | 966,930 |
| Human Resources | - | - | - | 430,890 |
| City Secretary | 186,371 | 233,967 | 249,167 | 302,952 |
| Information Technology | - | 457,528 | 433,616 | 612,331 |
| Finance | 551,765 | 561,998 | 499,954 | 643,834 |
| | <u>\$ 2,258,583</u> | <u>\$ 2,795,101</u> | <u>\$ 2,583,160</u> | <u>\$ 3,409,474</u> |
| Development Services | <u>\$ 1,082,521</u> | <u>\$ 1,136,227</u> | <u>\$ 1,061,267</u> | <u>\$ 1,164,106</u> |
| Public Safety: | | | | |
| Animal Control | \$ 67,873 | \$ 77,327 | \$ 77,327 | \$ 77,327 |
| Fire | 1,932,201 | 2,574,278 | 2,614,856 | 3,431,286 |
| Ambulance | 122,247 | 128,400 | 128,400 | 128,400 |
| Police | 2,813,893 | 3,479,445 | 3,095,708 | 4,020,021 |
| Municipal Court | 123,446 | 135,245 | 130,480 | 139,655 |
| | <u>\$ 5,059,660</u> | <u>\$ 6,394,695</u> | <u>\$ 6,046,771</u> | <u>\$ 7,796,689</u> |
| Neighborhood Services | | | | |
| Neighborhood Services | \$ - | \$ 616,632 | \$ 482,045 | \$ 685,580 |
| Parks | 729,407 | 651,373 | 642,459 | 697,246 |
| | <u>\$ 729,407</u> | <u>\$ 1,268,005</u> | <u>\$ 1,124,504</u> | <u>\$ 1,382,826</u> |
| Public Works | | | | |
| Streets | \$ 842,479 | \$ 1,078,546 | \$ 1,225,432 | \$ 864,651 |
| Fleet and Facilities | - | - | - | 591,008 |
| | <u>\$ 842,479</u> | <u>\$ 1,078,546</u> | <u>\$ 1,225,432</u> | <u>\$ 1,455,659</u> |
| Economic Development | <u>\$ 183,732</u> | <u>\$ 159,571</u> | <u>\$ 159,571</u> | <u>\$ -</u> |
| TOTAL OPERATIONAL EXPENDITURES | <u>\$ 10,156,382</u> | <u>\$ 12,832,145</u> | <u>\$ 12,200,705</u> | <u>\$ 15,208,754</u> |
| Transfers to other funds | 1,614,776 | 2,007,779 | 2,007,779 | 400,000 |
| TOTAL EXPENDITURES | <u>\$ 11,771,158</u> | <u>\$ 14,839,924</u> | <u>\$ 14,208,484</u> | <u>\$ 15,608,754</u> |
| ENDING FUND BALANCES | <u>\$ 6,445,513</u> | <u>\$ 4,448,799</u> | <u>\$ 6,470,011</u> | <u>\$ 6,085,652</u> |

ANNUAL BUDGET FOR FISCAL YEAR 2022

**CITY OF ANNA
GENERAL FUND REVENUE SUMMARY**

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| BEGINNING BALANCES | \$ 5,941,424 | \$ 6,445,513 | \$ 6,445,513 | \$ 6,470,011 |
| REVENUES: | | | | |
| Property Taxes | | | | |
| Current Taxes | \$ 5,896,922 | \$ 6,638,415 | \$ 6,850,000 | \$ 7,820,000 |
| Delinquent Taxes | 151,831 | 73,000 | 73,000 | 150,000 |
| Penalty & Interest | 46,786 | 25,000 | 25,000 | 45,000 |
| | <u>\$ 6,095,539</u> | <u>\$ 6,736,415</u> | <u>\$ 6,948,000</u> | <u>\$ 8,015,000</u> |
| Sales Taxes | | | | |
| Sales Taxes - General | \$ 1,817,054 | \$ 2,065,000 | \$ 2,160,000 | \$ 2,200,000 |
| Sales Taxes - Streets | 454,264 | 440,000 | 540,000 | 560,000 |
| | <u>\$ 2,271,318</u> | <u>\$ 2,505,000</u> | <u>\$ 2,700,000</u> | <u>\$ 2,760,000</u> |
| Charges for Services | | | | |
| Rentals | \$ 78,400 | \$ 78,600 | \$ 78,600 | \$ 66,600 |
| Rental Registration | 26,128 | 45,000 | 45,000 | 45,000 |
| Zoning and Subdivision Fees | 63,995 | 25,000 | 100,000 | 100,000 |
| Other Fees | 19,735 | 3,000 | 43,100 | 43,100 |
| | <u>\$ 188,258</u> | <u>\$ 151,600</u> | <u>\$ 266,700</u> | <u>\$ 254,700</u> |
| Licenses and Permits | | | | |
| Residential Building Permits | \$ 2,558,812 | \$ 2,446,000 | \$ 3,217,600 | \$ 3,300,000 |
| Commercial Building Permits | - | 25,000 | 125,000 | 125,000 |
| Alarm Permits | 13,143 | 12,000 | 12,000 | 12,000 |
| Other Miscellaneous Permits | 111,951 | 69,100 | 136,000 | 88,000 |
| | <u>\$ 2,683,906</u> | <u>\$ 2,552,100</u> | <u>\$ 3,490,600</u> | <u>\$ 3,525,000</u> |
| Franchise and Local Taxes | | | | |
| Franchise Fees | \$ 652,744 | \$ 600,000 | \$ 475,000 | \$ 475,000 |
| Mixed Beverage Tax | 4,587 | 1,600 | 10,000 | 10,000 |
| | <u>\$ 657,331</u> | <u>\$ 601,600</u> | <u>\$ 485,000</u> | <u>\$ 485,000</u> |
| Investment Income | <u>\$ 102,302</u> | <u>\$ 70,000</u> | <u>\$ 30,000</u> | <u>\$ 30,000</u> |
| Other Revenues | | | | |
| Gain on Sale of Assets | \$ 17,432 | \$ - | \$ 50,000 | \$ - |
| Miscellaneous | 38,117 | 13,300 | 16,800 | 16,300 |
| Donations | 475 | - | 100 | - |
| | <u>\$ 56,024</u> | <u>\$ 13,300</u> | <u>\$ 66,900</u> | <u>\$ 16,300</u> |
| Intergovernmental Revenue | <u>\$ 123,195</u> | <u>\$ 133,195</u> | <u>\$ 133,195</u> | <u>\$ 48,395</u> |
| Fines | <u>\$ 97,374</u> | <u>\$ 80,000</u> | <u>\$ 85,000</u> | <u>\$ 90,000</u> |
| Transfers In | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 27,587</u> | <u>\$ -</u> |
| TOTAL OPERATIONAL REVENUE | <u>\$ 12,275,247</u> | <u>\$ 12,843,210</u> | <u>\$ 14,232,982</u> | <u>\$ 15,224,395</u> |

ANNUAL BUDGET FOR FISCAL YEAR 2022

CITY OF ANNA
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 rate of 0.569500 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 FY2022 and previous years,

| | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|-------|----------|----------|----------|----------|----------|
| I & S | 0.122418 | 0.163166 | 0.139748 | 0.115947 | 0.116869 |
| O & M | 0.478870 | 0.428122 | 0.451540 | 0.467053 | 0.452631 |
| Total | 0.601288 | 0.591288 | 0.591288 | 0.583000 | 0.569500 |

CITY OF ANNA
GENERAL OBLIGATION DEBT SERVICE FUND

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|--------------------------------|-------------------|-------------------|----------------------|-------------------|
| BEGINNING BALANCES | \$ 89,877 | \$ 138,245 | \$ 148,439 | \$ 185,439 |
| REVENUES: | | | | |
| Property Taxes | \$ 1,873,923 | \$ 1,852,163 | \$ 1,852,163 | \$ 2,107,113 |
| Sales Tax | - | - | - | - |
| Charges for Services | - | - | - | - |
| Licenses and Permits | - | - | - | - |
| Franchise and Local Taxes | - | - | - | - |
| Investment Income | 9,801 | 11,000 | 2,500 | 2,500 |
| Other Revenues | - | - | - | - |
| Intergovernmental | - | - | - | - |
| Fines | - | - | - | - |
| TOTAL OPERATIONAL REVENUE | \$ 1,883,724 | \$ 1,863,163 | \$ 1,854,663 | \$ 2,109,613 |
| Transfers from other funds | - | - | - | - |
| TOTAL REVENUES | \$ 1,883,724 | \$ 1,863,163 | \$ 1,854,663 | \$ 2,109,613 |
| TOTAL AVAILABLE RESOURCES | \$ 1,973,601 | \$ 2,001,408 | \$ 2,003,102 | \$ 2,295,052 |
| EXPENDITURES: | | | | |
| Payroll | \$ - | \$ - | \$ - | \$ - |
| Supplies | - | - | - | - |
| Maintenance | - | - | - | - |
| Services | 5,112 | 5,500 | 5,500 | 5,500 |
| Debt Service | 1,820,050 | 1,812,163 | 1,812,163 | 2,067,113 |
| Capital Outlay | - | - | - | - |
| Capital Improvement | - | - | - | - |
| TOTAL OPERATIONAL EXPENDITURES | \$ 1,825,162 | \$ 1,817,663 | \$ 1,817,663 | \$ 2,072,613 |
| Transfers to Utility Fund | - | - | - | - |
| TOTAL EXPENDITURES | \$ 1,825,162 | \$ 1,817,663 | \$ 1,817,663 | \$ 2,072,613 |
| ENDING FUND BALANCES | \$ 148,439 | \$ 183,745 | \$ 185,439 | \$ 222,439 |

CITY OF ANNA
RESTRICTED REVENUE FUNDS

Restricted Revenue funds are different funds that funding sources are restricted for a specific purpose. These restricted revenue funds are Governmental funds. 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.

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 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|---------------------------------------|-------------------|-------------------|----------------------|-------------------|
| BEGINNING BALANCES | \$ (111,518) | \$ - | \$ - | \$ 1,093 |
| REVENUES: | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - |
| Sales Tax | - | - | - | - |
| Charges for Services | - | - | - | - |
| Licenses and Permits | - | - | - | - |
| Franchise Fees and Local Taxes | - | - | - | - |
| Investment Income | 1,545 | - | 125 | - |
| Other Revenues | - | - | - | - |
| Intergovernmental Revenue | 581,143 | 581,497 | 382,893 | 9,375 |
| Fines | - | - | - | - |
| TOTAL OPERATIONAL REVENUE | \$ 582,688 | \$ 581,497 | \$ 383,018 | \$ 9,375 |
| Transfers from other funds | 3,553 | - | 7,779 | - |
| TOTAL REVENUES | \$ 586,241 | \$ 581,497 | \$ 390,797 | \$ 9,375 |
| TOTAL AVAILABLE RESOURCES | \$ 474,723 | \$ 581,497 | \$ 390,797 | \$ 10,468 |
| EXPENDITURES: | | | | |
| Payroll | \$ - | \$ - | \$ - | \$ - |
| Supplies | 102,888 | 4,558 | 26,670 | 4,558 |
| Maintenance | 2,484 | - | - | - |
| Services | 195,242 | 5,317 | 16,691 | 5,317 |
| Debt Service | - | - | - | - |
| Capital Outlay | 174,109 | 50,000 | 318,756 | - |
| Capital Improvement | - | - | - | - |
| TOTAL OPERATIONAL EXPENDITURES | \$ 474,723 | \$ 59,875 | \$ 362,117 | \$ 9,875 |
| Transfers to other funds | - | - | 27,587 | - |
| TOTAL EXPENDITURES | \$ 474,723 | \$ 59,875 | \$ 389,704 | \$ 9,875 |
| ENDING FUND BALANCES | \$ - | \$ 521,622 | \$ 1,093 | \$ 593 |

**CITY OF ANNA
SPECIAL REVENUE FUND**

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|--------------------------------|-------------------|-------------------|----------------------|-------------------|
| BEGINNING BALANCES | \$ 126,466 | \$ 138,239 | \$ 144,091 | \$ 154,566 |
| REVENUES: | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - |
| Sales Tax | - | - | - | - |
| Charges for Services | - | - | - | - |
| Licenses and Permits | - | - | - | - |
| Franchise Fees and Local Taxes | | | | |
| PEG Fees | 7,875 | 7,800 | 3,000 | 3,000 |
| Investment Income | 1,221 | 1,100 | 1,100 | 1,100 |
| Other Revenues | - | - | - | - |
| Intergovernmental | - | - | - | - |
| Fines | | | | |
| Court Technology | 2,555 | 2,500 | 2,500 | 2,500 |
| Building Security | 2,625 | 2,000 | 2,000 | 2,000 |
| Child Safety | 11,738 | 10,000 | 10,000 | 10,000 |
| Other | 2,036 | - | 3,000 | 3,000 |
| TOTAL OPERATIONAL REVENUE | \$ 28,050 | \$ 23,400 | \$ 21,600 | \$ 21,600 |
| Transfers from other funds | - | - | - | - |
| TOTAL REVENUES | \$ 28,050 | \$ 23,400 | \$ 21,600 | \$ 21,600 |
| TOTAL AVAILABLE RESOURCES | \$ 154,516 | \$ 161,639 | \$ 165,691 | \$ 176,166 |
| EXPENDITURES: | | | | |
| Payroll | \$ 1,100 | \$ 1,800 | \$ 1,800 | \$ 1,800 |
| Supplies | - | - | - | - |
| Maintenance | - | - | - | - |
| Services | 9,325 | 9,325 | 9,325 | 9,325 |
| Debt Service | - | - | - | - |
| Capital Outlay | - | - | - | - |
| Capital Improvement | - | - | - | - |
| TOTAL OPERATIONAL EXPENDITURES | \$ 10,425 | \$ 11,125 | \$ 11,125 | \$ 11,125 |
| Transfers to other funds | - | - | - | - |
| TOTAL EXPENDITURES | \$ 10,425 | \$ 11,125 | \$ 11,125 | \$ 11,125 |
| ENDING FUND BALANCES | \$ 144,091 | \$ 150,514 | \$ 154,566 | \$ 165,041 |

ANNUAL BUDGET FOR FISCAL YEAR 2022

**CITY OF ANNA
PARKS DEVELOPMENT FUND**

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|----------------------------|-------------------|-------------------|----------------------|-------------------|
| BEGINNING BALANCES | \$ 1,192,956 | \$ 2,116,061 | \$ 2,322,141 | \$ 2,083,428 |
| REVENUES: | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - |
| Sales Tax | - | - | - | - |
| Charges for Services | 1,404,600 | 885,500 | 1,500,000 | 986,000 |
| Licenses and Permits | - | - | - | - |
| Franchise and Local Taxes | - | - | - | - |
| Investment Income | 16,404 | 14,000 | 14,000 | 14,000 |
| Other Revenues | - | 15,000 | 15,000 | - |
| Intergovernmental | 24,350 | - | - | - |
| Fines | - | - | - | - |
| TOTAL OPERATIONAL REVENUE | \$ 1,445,354 | \$ 914,500 | \$ 1,529,000 | \$ 1,000,000 |
| Transfers from other funds | - | - | - | - |
| TOTAL REVENUES | \$ 1,445,354 | \$ 914,500 | \$ 1,529,000 | \$ 1,000,000 |
| TOTAL AVAILABLE RESOURCES | \$ 2,638,310 | \$ 3,030,561 | \$ 3,851,141 | \$ 3,083,428 |
| EXPENDITURES: | | | | |
| Payroll | \$ - | \$ 160,311 | \$ 122,693 | \$ 275,729 |
| Supplies | 4,300 | - | 34,000 | 227,000 |
| Maintenance | 20,012 | - | 34,000 | - |
| Services | 61,311 | 234,500 | 322,000 | 20,000 |
| Debt Service | - | - | - | - |
| Capital Outlay | 87,183 | 123,000 | 123,000 | 50,000 |
| Capital Improvement | 143,363 | 1,857,323 | 1,132,020 | 1,379,000 |
| TOTAL EXPENDITURES | \$ 316,169 | \$ 2,375,134 | \$ 1,767,713 | \$ 1,951,729 |
| Transfers to other funds | - | - | - | - |
| TOTAL EXPENDITURES | \$ 316,169 | \$ 2,375,134 | \$ 1,767,713 | \$ 1,951,729 |
| ENDING FUND BALANCES | \$ 2,322,141 | \$ 655,427 | \$ 2,083,428 | \$ 1,131,699 |

**CITY OF ANNA
FIRE CAPITAL IMPROVEMENT FUND**

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|--------------------------------|-------------------|-------------------|----------------------|-------------------|
| BEGINNING BALANCES | \$ 75,020 | \$ 110,720 | \$ 132,332 | \$ 208,132 |
| REVENUES: | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - |
| Sales Tax | - | - | - | - |
| Charges for Services | 82,900 | 75,000 | 75,000 | 75,000 |
| Licenses and Permits | - | - | - | - |
| Franchise and Local Taxes | - | - | - | - |
| Investment Income | 858 | 800 | 800 | 800 |
| Other Revenues | - | - | - | - |
| Intergovernmental | - | - | - | - |
| Fines | - | - | - | - |
| TOTAL OPERATIONAL REVENUE | \$ 83,758 | \$ 75,800 | \$ 75,800 | \$ 75,800 |
| Transfers from other funds | - | - | - | - |
| TOTAL REVENUES | \$ 83,758 | \$ 75,800 | \$ 75,800 | \$ 75,800 |
| TOTAL AVAILABLE RESOURCES | \$ 158,778 | \$ 186,520 | \$ 208,132 | \$ 283,932 |
| EXPENDITURES: | | | | |
| Payroll | \$ - | \$ - | \$ - | \$ - |
| Supplies | - | - | - | - |
| Maintenance | - | - | - | - |
| Services | - | - | - | - |
| Debt Service | - | - | - | - |
| Capital Outlay | 26,446 | - | - | - |
| Capital Improvement | - | - | - | - |
| TOTAL OPERATIONAL EXPENDITURES | \$ 26,446 | \$ - | \$ - | \$ - |
| Transfers to other funds | - | - | - | - |
| TOTAL EXPENDITURES | \$ 26,446 | \$ - | \$ - | \$ - |
| ENDING FUND BALANCES | \$ 132,332 | \$ 186,520 | \$ 208,132 | \$ 283,932 |

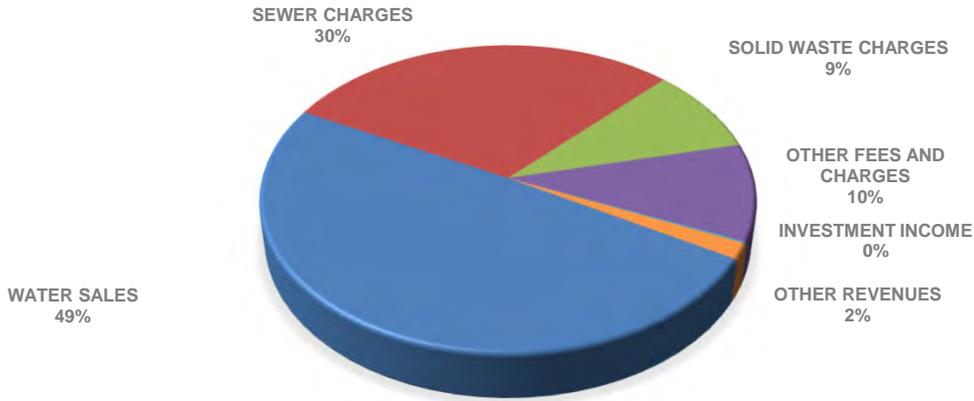
**CITY OF ANNA
PUBLIC SAFETY SEIZURE FUND**

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|--------------------------------|-------------------|-------------------|----------------------|-------------------|
| BEGINNING BALANCES | \$ 5,541 | \$ 11,917 | \$ 11,984 | \$ 14,484 |
| REVENUES: | | | | |
| Property Taxes | \$ - | \$ - | \$ - | - |
| Sales Tax | - | - | - | - |
| Charges for Services | - | - | - | - |
| Licenses and Permits | - | - | - | - |
| Franchise and Local Taxes | - | - | - | - |
| Investment Income | 90 | - | - | - |
| Other Revenues | 7,396 | 2,500 | 2,500 | 2,500 |
| Intergovernmental | - | - | - | - |
| Fines | - | - | - | - |
| TOTAL OPERATIONAL REVENUE | \$ 7,486 | \$ 2,500 | \$ 2,500 | \$ 2,500 |
| Transfers from other funds | - | - | - | - |
| TOTAL REVENUES | \$ 7,486 | \$ 2,500 | \$ 2,500 | \$ 2,500 |
| TOTAL AVAILABLE RESOURCES | \$ 13,027 | \$ 14,417 | \$ 14,484 | \$ 16,984 |
| EXPENDITURES: | | | | |
| Payroll | \$ - | \$ - | \$ - | - |
| Supplies | - | - | - | - |
| Maintenance | - | - | - | - |
| Services | 1,043 | - | - | - |
| Debt Service | - | - | - | - |
| Capital Outlay | - | - | - | - |
| Capital Improvement | - | - | - | - |
| TOTAL OPERATIONAL EXPENDITURES | \$ 1,043 | \$ - | \$ - | \$ - |
| Transfers to other funds | - | - | - | - |
| TOTAL EXPENDITURES | \$ 1,043 | \$ - | \$ - | \$ - |
| ENDING FUND BALANCES | \$ 11,984 | \$ 14,417 | \$ 14,484 | \$ 16,984 |

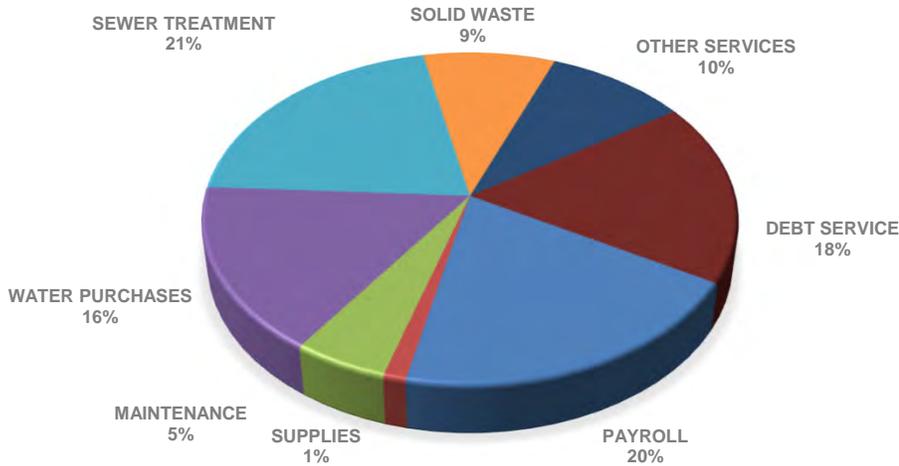
**CITY OF ANNA
UTILITY FUND**

The Utility Fund is an Enterprise fund that accounts for the water, sewer, inspection fees, and solid waste collection services that are provided to the City's residents. 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 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|---------------------------------------|----------------------|----------------------|----------------------|----------------------|
| BEGINNING BALANCES | \$ 3,364,464 | \$ 3,985,083 | \$ 4,510,093 | \$ 4,735,201 |
| REVENUES: | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - |
| Sales Tax | - | - | - | - |
| Charges for Services | | | | |
| Water Sales | 4,973,527 | 5,300,000 | 5,500,000 | 6,000,000 |
| Sewer Charges | 3,072,503 | 3,300,000 | 3,300,000 | 3,600,000 |
| Solid Waste Charges | 1,184,002 | 1,054,314 | 1,100,000 | 1,100,000 |
| Other Fees and Charges | 1,723,507 | 1,460,633 | 1,097,000 | 1,239,000 |
| Licenses and Permits | - | - | - | - |
| Franchise Fees and Local Taxes | - | - | - | - |
| Investment Income | 75,375 | 75,600 | 23,000 | 20,000 |
| Other Revenues | 178,065 | 115,700 | 260,000 | 199,700 |
| Intergovernmental | - | - | - | - |
| Fines | - | - | - | - |
| TOTAL OPERATIONAL REVENUE | \$ 11,206,979 | \$ 11,306,247 | \$ 11,280,000 | \$ 12,158,700 |
| Transfers from other funds | - | - | - | - |
| TOTAL REVENUES | \$ 11,206,979 | \$ 11,306,247 | \$ 11,280,000 | \$ 12,158,700 |
| TOTAL AVAILABLE RESOURCES | \$ 14,571,443 | \$ 15,291,330 | \$ 15,790,093 | \$ 16,893,901 |
| EXPENDITURES: | | | | |
| Payroll | \$ 1,843,952 | \$ 2,050,649 | \$ 1,912,035 | \$ 2,424,401 |
| Supplies | 160,287 | 159,096 | 145,670 | 147,845 |
| Maintenance | 671,984 | 530,775 | 639,960 | 612,675 |
| Services | | | | |
| Water Purchases | 1,354,344 | 1,130,400 | 1,785,000 | 1,960,000 |
| Sewer Treatment | 1,766,381 | 2,314,148 | 2,300,000 | 2,530,000 |
| Solid Waste | 1,097,657 | 1,042,031 | 1,042,031 | 1,100,000 |
| Other | 1,074,862 | 1,153,546 | 1,134,834 | 1,175,298 |
| Debt Service | 2,091,883 | 2,095,362 | 2,095,362 | 2,145,886 |
| Capital Outlay | - | - | - | 265,000 |
| TOTAL OPERATIONAL EXPENDITURES | \$ 10,061,350 | \$ 10,476,007 | \$ 11,054,892 | \$ 12,361,105 |
| Transfers to other funds | - | - | - | 885,000 |
| TOTAL EXPENDITURES | \$ 10,061,350 | \$ 10,476,007 | \$ 11,054,892 | \$ 13,246,105 |
| ENDING FUND BALANCES | \$ 4,510,093 | \$ 4,815,323 | \$ 4,735,201 | \$ 3,647,796 |
| Fund Balance Percentage | 44.8% | 46.0% | 42.8% | 29.5% |

ANNUAL BUDGET FOR FISCAL YEAR 2022

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. Revenue from the additional 0.25 percent allocated to the City of Anna was allocated to street maintenance. 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 a lease agreement on a small business incubator operated out of the old post office building which is owned by the EDC.

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.

**CITY OF ANNA
COMMUNITY DEVELOPMENT CORPORATION**

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|--------------------------------|-------------------|-------------------|----------------------|-------------------|
| BEGINNING BALANCES | \$ 978,731 | \$ 1,192,604 | \$ 1,393,074 | \$ 1,613,338 |
| REVENUES: | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - |
| Sales Tax | 1,362,791 | 1,300,000 | 1,600,000 | 1,630,000 |
| Charges for Services | - | - | - | - |
| Licenses and Permits | - | - | - | - |
| Franchise and Local Taxes | - | - | - | - |
| Investment Income | 11,588 | 11,140 | 5,000 | 5,000 |
| Other Revenues | 183 | - | - | - |
| Intergovernmental | - | - | - | - |
| Fines | - | - | - | - |
| TOTAL OPERATIONAL REVENUE | \$ 1,374,562 | \$ 1,311,140 | \$ 1,605,000 | \$ 1,635,000 |
| Transfers from other funds | - | - | - | - |
| TOTAL REVENUES | \$ 1,374,562 | \$ 1,311,140 | \$ 1,605,000 | \$ 1,635,000 |
| TOTAL AVAILABLE RESOURCES | \$ 2,353,293 | \$ 2,503,744 | \$ 2,998,074 | \$ 3,248,338 |
| EXPENDITURES: | | | | |
| Payroll | \$ 90,669 | \$ 138,985 | \$ 138,985 | \$ 389,530 |
| Supplies | 3,943 | 7,100 | 10,100 | 10,600 |
| Maintenance | - | - | - | - |
| Services | 539,706 | 906,400 | 906,400 | 1,070,145 |
| Debt Service | 325,901 | 329,251 | 329,251 | 327,463 |
| Capital Outlay | - | - | - | - |
| Capital Improvement | - | - | - | - |
| TOTAL OPERATIONAL EXPENDITURES | \$ 960,219 | \$ 1,381,736 | \$ 1,384,736 | \$ 1,797,738 |
| Transfers to other funds | - | - | - | - |
| TOTAL EXPENDITURES | \$ 960,219 | \$ 1,381,736 | \$ 1,384,736 | \$ 1,797,738 |
| ENDING FUND BALANCES | \$ 1,393,074 | \$ 1,122,008 | \$ 1,613,338 | \$ 1,450,600 |
| Fund Balance Percentage | 145.1% | 81.2% | 116.5% | 80.7% |

ANNUAL BUDGET FOR FISCAL YEAR 2022

**CITY OF ANNA
ECONOMIC DEVELOPMENT CORPORATION**

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|--------------------------------|-------------------|-------------------|----------------------|-------------------|
| BEGINNING BALANCES | \$ 588,696 | \$ 417,877 | \$ 460,382 | \$ 351,708 |
| REVENUES: | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - |
| Sales Tax | - | - | - | - |
| Charges for Services | 10,243 | 17,476 | 17,476 | 10,000 |
| Licenses and Permits | - | - | - | - |
| Franchise and Local Taxes | - | - | - | - |
| Investment Income | 6,922 | 6,000 | 2,000 | 2,000 |
| Other Revenues | 1,500 | 1,500 | 1,500 | 1,500 |
| Intergovernmental | - | - | - | - |
| Fines | - | - | - | - |
| TOTAL OPERATIONAL REVENUE | \$ 18,665 | \$ 24,976 | \$ 20,976 | \$ 13,500 |
| Transfers from other funds | - | - | - | - |
| TOTAL REVENUES | \$ 18,665 | \$ 24,976 | \$ 20,976 | \$ 13,500 |
| TOTAL AVAILABLE RESOURCES | \$ 607,361 | \$ 442,853 | \$ 481,358 | \$ 365,208 |
| EXPENDITURES: | | | | |
| Payroll | \$ - | \$ - | \$ - | \$ - |
| Supplies | 1,329 | - | - | - |
| Maintenance | 33 | 3,000 | 3,000 | 3,000 |
| Services | 145,617 | 126,650 | 126,650 | 82,800 |
| Debt Service | - | - | - | - |
| Capital Outlay | - | - | - | - |
| Capital Improvement | - | - | - | - |
| TOTAL OPERATIONAL EXPENDITURES | \$ 146,979 | \$ 129,650 | \$ 129,650 | \$ 85,800 |
| Transfers to other funds | - | - | - | - |
| TOTAL EXPENDITURES | \$ 146,979 | \$ 129,650 | \$ 129,650 | \$ 85,800 |
| ENDING FUND BALANCES | \$ 460,382 | \$ 313,203 | \$ 351,708 | \$ 279,408 |
| Fund Balance Percentage | 313.2% | 241.6% | 271.3% | 325.7% |

ANNUAL BUDGET FOR FISCAL YEAR 2022



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 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 | % Change |
|----------------|---------------------------|---------------------------|------------------------------|---------------------------|---------------------|
| Payroll | \$ - | \$ - | \$ - | \$ - | 0.0% |
| Supplies | 15,224 | 6,900 | 8,800 | 6,900 | 0.0% |
| Maintenance | 2,565 | 18,500 | 18,500 | 500 | -97.3% |
| Services | 601,940 | 422,340 | 469,279 | 413,859 | -2.0% |
| Debt Service | 57,359 | - | - | - | 0.0% |
| Capital Outlay | - | - | - | - | 0.0% |
| Contingency | - | - | - | - | 0.0% |
| TOTAL | \$ 677,088 | \$ 447,740 | \$ 496,579 | \$ 421,259 | -5.9% |



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 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 | % Change |
|----------------|---------------------------|---------------------------|------------------------------|---------------------------|---------------------|
| Payroll | \$ - | \$ - | \$ - | \$ - | 0.0% |
| Supplies | 4,071 | 5,000 | 5,000 | 5,000 | 0.0% |
| Maintenance | - | - | - | - | 0.0% |
| Services | 48,348 | 26,278 | 7,278 | 26,278 | 0.0% |
| Capital Outlay | - | - | - | - | 0.0% |
| TOTAL | \$ 52,419 | \$ 31,278 | \$ 12,278 | \$ 31,278 | 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, administers the annual operating budget, and promotes the overall interests of the community.

FY2021 Accomplishments

- ◆ Built a world class municipal management team, creating departments and divisions with subject matter experts on staff, reducing the dependence on consultants for daily ongoing operational needs
- ◆ Created the Communications Division to centralize “all things communications” for the City, social media, promotional activities, and branding
- ◆ Solidified and institutionalized the strategic planning process and developed reporting and tracking structure
- ◆ Led city team through COVID-19 Response, drafted and executed temporary City policy initiatives in response to COVID-19, executed and audited COVID-19 funding
- ◆ Led city team through winter deep freeze event, identified corrective actions and addressed through budget amendments
- ◆ Facilitated the annual Mayoral State of the City Address sharing the success with neighbors
- ◆ Institutionalized the use of the Telephone Town Hall Meetings to provide information to neighbors as well as gather data on issues in a highly effective and concise format

FY2022 Objectives

- ◆ Execution of the strategic plan and the other plan elements which were developed to steer our city towards its published vision, mission, and values
- ◆ Plan for future City services to accommodate growth
- ◆ Delivering City services in a cost-effective and efficient manner
- ◆ Re-launch the neighbor academies with a more comprehensive approach for delivery, providing the development of potential future board members and involvement
- ◆ Development and refinement of performance metrics
- ◆ Engage staff in professional development ideas that keep up to date on technologies and tactics that pay off, the key to a learning organization.
- ◆ Encourage the development and pursuit of best practices in departments which may include self-assessments, accreditations, and regional and national recognition programs

City Manager

City Manager Expenditure Summary

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 | % Change |
|----------------|---------------------------|---------------------------|------------------------------|---------------------------|---------------------|
| Payroll | \$ 733,407 | \$ 904,594 | \$ 836,285 | \$ 832,884 | -7.9% |
| Supplies | 13,930 | - | 1,500 | - | 0.0% |
| Maintenance | - | - | - | - | 100.0% |
| Services | 43,603 | 157,996 | 53,781 | 134,046 | -15.2% |
| Capital Outlay | - | - | - | - | 0.0% |
| TOTAL | \$ 790,940 | \$ 1,062,590 | \$ 891,566 | \$ 966,930 | -9.0% |

City Manager FTE Schedule

| Description | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|-----------------------------|---------------------------|---------------------------|------------------------------|---------------------------|
| City Manager | 1.0 | 1.0 | 1.0 | 1.0 |
| Assistant City Manager | 1.0 | 1.0 | 1.0 | 1.0 |
| Director of Human Resources | 1.0 | 1.0 | 1.0 | - |
| Administrative Assistant | 1.0 | 1.5 | 1.0 | - |
| Budget Manager | 1.0 | 1.0 | 1.0 | 1.0 |
| Communications Manager | - | - | 1.0 | 1.0 |
| Management Analyst | 1.0 | 1.0 | 1.0 | 1.0 |
| TOTAL | 6.0 | 6.5 | 7.0 | 5.0 |



Human Resources

The Human Resources Department provides support to existing employees as well as assists applicants through the application process.

FY2021 Accomplishments

- ◆ Completed and initiated a benefits gaps analysis and restructure providing for basic programs that include: Employee Assistance Program (EAP), Optional short-term Disability, Long-term disability, Patient advocate service (to assist employees with insurance matters)
- ◆ Administered the annual Q12 employee climate assessment (employee survey) overseeing corrective action plans (where needed) with each of the Departments, achieving better overall ratings for the third year consecutively
- ◆ Improvement on hiring process for Police and Fire
- ◆ Posted 30 job requisitions, received over 1500 employment applications and hired 33 employees in calendar year 2020
- ◆ Created a comprehensive new hire onboarding and orientation process
- ◆ Developed mandatory training plan for city employees
- ◆ Initiated the first elements of an employee Wellness program with the intent to promote wellness and healthy life
- ◆ Developed and released a city employee intranet with the assistance of Information Technology
- ◆ Completed a biannual updated compensation study and review being presented and proposed in the upcoming budget in a effort to remain conservatively competitive in the market
- ◆ Department records management

FY2022 Objectives

- ◆ Creation of a culture where staff consider Anna an employer of choice
- ◆ Distribution of the follow-up Q12 questionnaire to all employees to determine where movement from last year has occurred. This assessment addresses the areas of: Leadership & Communication, Collaboration & Teamwork, Job Satisfaction & Pride, Employee Support, Recognition, Training & Development
- ◆ Partnership with the University of Texas at Dallas
- ◆ Revision to the City of Anna personnel policy including tuition reimbursement, sick/vacation payout
- ◆ Expanding citywide training
- ◆ Expanding wellness program and partnering with Neighborhood Services
- ◆ Leadership training (new supervisor and servant leadership)
- ◆ Maintenance and development of staff recognition programs

Human Resources

Human Resources Expenditure Summary

| | Actual 2019-20 | | Budget 2020-21 | | Estimated 2020-21 | | Budget 2021-22 | % |
|----------------|-------------------|----------|-------------------|----------|----------------------|----------|-------------------|---------------|
| | | - | | - | | - | | Change |
| Payroll | \$ | - | \$ | - | \$ | - | 358,650 | 100.0% |
| Supplies | | - | | - | | - | 4,100 | 100.0% |
| Maintenance | | - | | - | | - | - | 100.0% |
| Services | | - | | - | | - | 68,140 | 100.0% |
| Capital Outlay | | - | | - | | - | - | 100.0% |
| TOTAL | \$ | - | \$ | - | \$ | - | 430,890 | 100.0% |

Human Resources FTE Schedule

| Description | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|-----------------------------|-------------------|-------------------|----------------------|-------------------|
| Director of Human Resources | - | - | - | 1.0 |
| Human Resources Manager | - | - | - | 1.0 |
| Human Resources Coordinator | - | - | - | 1.0 |
| TOTAL | - | - | - | 3.0 |



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.

FY2021 Accomplishments

- ◆ Departmental Records Liaison Records Management Training
- ◆ November 2020 and May 2021 General Election
- ◆ Texas Alcoholic Beverage Commission permitting forms and instructions on website

FY2022 Objectives

- ◆ City Secretary Department policies and procedures handbook
- ◆ Public records made searchable 24/7 on city website with any device. Allows neighbors, council and staff to look up records and reduces Public Information Requests
- ◆ Continue working with department liaisons to eliminate outdated paper records and digitize current records

City Secretary

City Secretary Expenditure Summary

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 | % Change |
|----------------|---------------------------|---------------------------|------------------------------|---------------------------|---------------------|
| Payroll | \$ 141,890 | \$ 164,107 | \$ 186,132 | \$ 237,122 | 44.5% |
| Supplies | 4,200 | - | - | 3,500 | 0.0% |
| Maintenance | - | - | - | - | 0.0% |
| Services | 40,281 | 69,860 | 63,035 | 62,330 | -10.8% |
| Capital Outlay | - | - | - | - | 0.0% |
| TOTAL | \$ 186,371 | \$ 233,967 | \$ 249,167 | \$ 302,952 | 29.5% |

City Secretary FTE Schedule

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|----------------------------------|---------------------------|---------------------------|------------------------------|---------------------------|
| City Secretary | 1.0 | 1.0 | 1.0 | 1.0 |
| Deputy City Secretary | - | 1.0 | 1.0 | 1.0 |
| Admin. Assistant / Records Clerk | 0.5 | 0.5 | 0.5 | 0.5 |
| TOTAL | 1.5 | 2.5 | 2.5 | 2.5 |



Information Technology

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

FY2021 Accomplishments

- ◆ Established a Help Desk Support system for employees to notify IT of issues
- ◆ Provided computer set up, equipment and services for employees that were working from home during COVID-19 and related quarantines
- ◆ Performed inventory of City of Anna IT equipment and standardized equipment warranty purchases
- ◆ Centralized all IT related expenditures under one authority and accountability
- ◆ Implemented Asset Management Software and Remote Assist Software
- ◆ Reduced hours being used by Isogent by managing their hours and taking over tasks that can be performed in house
- ◆ Implemented virtual Municipal Court
- ◆ Joined Texas Association of Governmental Information Technology Managers (TAGITM)
- ◆ Created citywide Information Technology Policy
- ◆ Retrofit Police Department Fleet
- ◆ Managed new contract with Grayson Collin Electric Coop to provide dark fiber and upgraded internet for the City of Anna

FY2022 Objectives

- ◆ Increase knowledge of Juniper routers and switches
- ◆ Various Information Technology certifications
- ◆ Attendance at conferences to keep staff current
- ◆ Continued cooperation with Finance to implement Enterprise Resource Planning software for the City
- ◆ Plan out needed IT infrastructure for new City Hall and Council Chambers
- ◆ Improved cyber security for the City of Anna
- ◆ A Proof of Value for implementing artificial intelligence to help monitoring and preventing threats

Information Technology

Information Technology Expenditure Summary

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 | % Change |
|----------------|-------------------|-------------------|----------------------|-------------------|--------------|
| Payroll | \$ - | \$ 155,517 | \$ 131,059 | \$ 198,946 | 27.9% |
| Supplies | - | 55,254 | 55,800 | 76,254 | 38.0% |
| Maintenance | - | 2,000 | 2,000 | - | -100.0% |
| Services | - | 244,757 | 244,757 | 337,131 | 37.7% |
| Capital Outlay | - | - | - | - | 0.0% |
| TOTAL | \$ - | \$ 457,528 | \$ 433,616 | \$ 612,331 | 33.8% |

Information Technology FTE Schedule

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|--------------|-------------------|-------------------|----------------------|-------------------|
| IT Manager | 1.0 | 1.0 | 1.0 | 1.0 |
| IT Desk Help | - | - | 1.0 | 1.0 |
| TOTAL | 1.0 | 1.0 | 2.0 | 2.0 |



Finance

Finance is the Accountability Department. We partner 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, PID and TIRZ management and the annual audit.

FY2021 Accomplishments

- ◆ Coordinated presentation with the Moody's Rating Agency resulting in an upgrade from Aa3 to Aa2
- ◆ Started conversion to new core financial software and utility billing software
- ◆ Completed the FY2020 Audit and Comprehensive Annual Financial Report.
- ◆ Implemented the Ion Wave Purchasing software, providing for automated purchasing, vendor registration, bid tabulation and management
- ◆ Completed four of the five Transparency Stars with the Texas State Comptroller's Office ensuring that all financial practices are following established best practices.

FY2022 Objectives

- ◆ Update and maintain current Transparency Stars
- ◆ Receive Transparency Star for Economic Development
- ◆ Complete implementation of Incode ERP software including utility billing
- ◆ Complete the FY2021 Annual Report
- ◆ Receive the GFOA Certificate of Achievement for Excellence in Financial Reporting for the FY2020 Annual Report



Finance

Finance Expenditure Summary

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 | % Change |
|----------------|---------------------------|---------------------------|------------------------------|---------------------------|---------------------|
| Payroll | \$ 511,611 | \$ 516,031 | \$ 456,809 | \$ 571,379 | 10.7% |
| Supplies | 8,071 | 3,875 | 3,875 | 3,875 | 0.0% |
| Maintenance | - | - | - | - | 0.0% |
| Services | 32,083 | 42,092 | 39,270 | 68,580 | 62.9% |
| Capital Outlay | - | - | - | - | 0.0% |
| TOTAL | \$ 551,765 | \$ 561,998 | \$ 499,954 | \$ 643,834 | 14.6% |

Finance FTE Schedule

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|-----------------------|---------------------------|---------------------------|------------------------------|---------------------------|
| Director of Finance | 1.0 | 1.0 | 1.0 | 1.0 |
| Accounting Manager | 1.0 | 1.0 | 1.0 | 1.0 |
| Senior Accountant | - | 1.0 | 1.0 | 1.0 |
| Accountant | 1.0 | 1.0 | 1.0 | 1.0 |
| Accounting Technician | 1.0 | 1.0 | 1.0 | 1.0 |
| TOTAL | 4.0 | 5.0 | 5.0 | 5.0 |

Development Services

Development Services consists of three Divisions (Planning Division, Building Division, and GIS Division) that work as a cohesive “Department” to promote sustainable development consistent with the City’s Strategic Plan through fair, consistent and ethical enforcement of the City’s land development regulations. Each division of Development Services ensures that new development occurring within the City and its extra-territorial jurisdiction is consistent and in compliance with the City’s comprehensive plan, zoning ordinance, subdivision ordinance, building codes, and other development regulations.

FY2021 Accomplishments

- ◆ Managed the record numbers of permitting while eliminating the permit backlog going from 3 months to 3 days
- ◆ Oversight and adoption of the Anna 2050 Comprehensive Plan which includes the Comprehensive Plan, Downtown Plan, Parks & Trails Master Plan and Master Thoroughfare Plan
- ◆ Completed conversion to the in-house plan review, permitting, & inspections (Residential & Commercial) resulting in a savings of over \$750K
- ◆ Inventory map of city’s multifamily zoning entitlements
- ◆ Lot size map for all platted properties within the city limits
- ◆ Ordinance amendment to improve staff efficiency, modernize language, and provide general clean-up of regulations
- ◆ Implementation of new permitting software (SmartGov)
- ◆ Completed update of the ICC Building Codes from 2015 edition to 2018 edition & 2017 National Electric Codes

FY2022 Objectives

- ◆ Rewrite the City’s development-related ordinances to align with the vision expressed in the comprehensive plan
- ◆ Create new and modify existing Neighborhood Design Guidelines
- ◆ Create new zoning districts to help diversify lot and housing stock
- ◆ Create enhancements regulations within landscape and HOA buffer of residential subdivision when adjacent to major (120’) and minor (80’) Right of Way (ROW)
- ◆ Review and update Building Permit fees
- ◆ Implementation and refinements of the plan review process moving towards internal service and revenue generation opportunity

Development Services

Development Services Expenditure Summary

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 | % Change |
|----------------|---------------------------|---------------------------|------------------------------|---------------------------|---------------------|
| Payroll | \$ 616,264 | \$ 744,904 | \$ 643,365 | \$ 972,196 | 30.5% |
| Supplies | 14,357 | 13,700 | 13,700 | 13,150 | -4.0% |
| Maintenance | 2,753 | 4,800 | 4,800 | 800 | -83.3% |
| Services | 411,848 | 372,823 | 399,402 | 177,960 | -52.3% |
| Capital Outlay | 37,299 | - | - | - | 0.0% |
| TOTAL | \$ 1,082,521 | \$ 1,136,227 | \$ 1,061,267 | \$ 1,164,106 | 2.5% |

Development Services FTE Schedule

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|----------------------------------|---------------------------|---------------------------|------------------------------|---------------------------|
| Director of Development Services | 1.0 | 1.0 | 1.0 | 1.0 |
| Planning Manager | - | - | 1.0 | 1.0 |
| Development Services Coordinator | - | - | 1.0 | - |
| Administrative Assistant | - | - | - | 1.0 |
| Planner II | 1.0 | 1.0 | 1.0 | 1.0 |
| Planner I | 1.0 | 1.0 | - | - |
| Plans Examiner | 1.0 | 1.0 | 1.0 | 1.0 |
| GIS Manager | 1.0 | 1.0 | 1.0 | 1.0 |
| Building Inspector | 1.0 | 1.0 | 2.0 | 2.0 |
| Building Official | 1.0 | 1.0 | 1.0 | 1.0 |
| Permit Technician | 1.0 | 1.0 | 1.0 | 1.0 |
| TOTAL | 8.0 | 8.0 | 10.0 | 10.0 |



Fire

The Fire Department provides fire suppression, emergency rescue, fire prevention (plan review/inspections/investigations), fire safety education, emergency medical response, and emergency management services to the community of Anna.

FY2021 Accomplishments

- ◆ Applied for 18 SAFER Grant firefighter positions with a fallback strategy in place, accounted for in the financial modeling
- ◆ Established shift-based Battalion Chief rank
- ◆ Completed design for Quint apparatus and placed order
- ◆ Addition of three new firefighter positions
- ◆ Began preliminary designs for Fire Station #2
- ◆ Purchased 2nd ambulance due to be delivered and deployed in early 2022
- ◆ Addition of Fire Department Services Coordinator position
- ◆ Began CPR and AED training program for all city employees
- ◆ Continued COVID-19 response
- ◆ Managed operations during major winter weather event
- ◆ Actively participated in the management of the new state of the art central station and Emergency Operations Center construction

FY2022 Objectives

- ◆ Establish fire-based EMS ambulance (front line)
- ◆ Design Fire Station #2
- ◆ Increase staffing in accordance with NFPA 1710 and TFCA Best Practices
- ◆ Place Ladder Truck into service
- ◆ All facets of emergency management, preparation, response and aftermath; operational processes be reviewed, updated, and trained system-wide
- ◆ Maintain ISO-2 Rating

Fire

Fire Expenditure Summary

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 | % Change |
|----------------|---------------------------|---------------------------|------------------------------|---------------------------|---------------------|
| Payroll | \$ 1,488,133 | \$ 1,877,902 | \$ 1,864,480 | \$ 3,047,477 | 62.3% |
| Supplies | 147,925 | 127,700 | 147,700 | 154,499 | 21.0% |
| Maintenance | 57,945 | 42,000 | 42,000 | 39,000 | -7.1% |
| Services | 178,871 | 179,350 | 198,350 | 190,310 | 6.1% |
| Capital Outlay | 59,327 | 347,326 | 362,326 | - | -100.0% |
| TOTAL | \$ 1,932,201 | \$ 2,574,278 | \$ 2,614,856 | \$ 3,431,286 | 33.3% |

Fire FTE Schedule

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|---------------------------|---------------------------|---------------------------|------------------------------|---------------------------|
| Fire Chief | 1.0 | 1.0 | 1.0 | 1.0 |
| Assistant Fire Chief | 1.0 | 1.0 | 1.0 | 1.0 |
| Division Chief | - | - | - | 1.0 |
| Battalion Chief | - | 3.0 | 3.0 | 3.0 |
| Fire Prevention Captain | 1.0 | 1.0 | 1.0 | 1.0 |
| Fire Shift Captain | 3.0 | 3.0 | 3.0 | 3.0 |
| Fire Driver / Engineer | 3.0 | 3.0 | 3.0 | 3.0 |
| Fire Fighter | 6.0 | 6.0 | 6.0 | 12.0 |
| Fire Services Coordinator | - | - | 1.0 | 1.0 |
| Administrative Assistant | 0.5 | 1.0 | - | - |
| TOTAL | 15.5 | 19.0 | 19.0 | 26.0 |



THE CITY OF
Anna

Ambulance

Ambulance service is currently provided by AMR through a contract with Collin County.

Ambulance Expenditure Summary

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 | % Change |
|--------------|---------------------------|---------------------------|------------------------------|---------------------------|---------------------|
| Services | \$ 122,247 | \$ 128,400 | \$ 128,400 | \$ 128,400 | 0.0% |
| TOTAL | \$ 122,247 | \$ 128,400 | \$ 128,400 | \$ 128,400 | 0.0% |

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.

FY2021 Accomplishments

- ◆ Filled Assistant Chief Position with a high-quality candidate
- ◆ Restructured org chart and added corporal, lieutenant, and additional officer positions
- ◆ Completed the promotional process to eliminate OIC and interim positions
- ◆ Implemented partnership with Collin County Law Enforcement Academy to enable us to hire and train non-certified applicants
- ◆ Comprehensive inventory of property and evidence
- ◆ Revamped the Field Training Program and implemented a new policy manual in an effort to standardize and modernize how we train newly hired officers
- ◆ Overhauled and standardized the application and hiring process
- ◆ Assessed racial profiling policies and confirmed 100% compliance with state requirements
- ◆ Navigated COVID & winter storm emergencies without disruption to core services
- ◆ Completed a comprehensive inventory of all items of evidence, and updated procedures, in order to better document destructions and chain of custody
- ◆ Implemented Naloxone program and issued doses to Patrol to help combat opioid related deaths and overdoses

FY2022 Objectives

- ◆ Continue to change the mindset from reactive to a proactive style of policing
- ◆ Implement efficiency enhancements in identified areas
- ◆ Establish Narcotics Investigator position in Criminal Investigations Division and associated training
- ◆ Improved performance on the Gallup Q12 survey
- ◆ Continue to evaluate technology, equipment, and staffing needs
- ◆ Prioritize stress reduction and morale for department employees
- ◆ Leadership training for supervisors (ILEA, LEMIT, New Supervisor Course)
- ◆ Implement structured defensive tactics program and train regularly
- ◆ Recruit and retain a high-quality team of employees
- ◆ Re-apply for Patrick Leahy Bulletproof Vest grant through US Office of Justice Programs
- ◆ Develop a 5-year staffing matrix with an eye toward specialization
- ◆ Restarting outreach programs will be a priority this year, including programs like Coffee with Cops and National Night Out

Police

Police Expenditure Summary

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 | % Change |
|----------------|---------------------------|---------------------------|------------------------------|---------------------------|---------------------|
| Payroll | \$ 2,240,167 | \$ 2,789,040 | \$ 2,400,303 | \$ 3,591,026 | 28.8% |
| Supplies | 116,459 | 249,800 | 249,800 | 118,100 | -52.7% |
| Maintenance | 46,935 | 30,000 | 30,000 | 8,000 | -73.3% |
| Services | 368,560 | 410,605 | 415,605 | 302,895 | -26.2% |
| Capital Outlay | 41,772 | - | - | - | 0.0% |
| TOTAL | \$ 2,813,893 | \$ 3,479,445 | \$ 3,095,708 | \$ 4,020,021 | 15.5% |

Police FTE Schedule

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|------------------------|---------------------------|---------------------------|------------------------------|---------------------------|
| Police Chief | 1.0 | 1.0 | 1.0 | 1.0 |
| Assistant Police Chief | - | 1.0 | 1.0 | 1.0 |
| Records Administrator | 1.0 | 1.0 | 1.0 | 1.0 |
| Lieutenant | 1.0 | - | 1.0 | 1.0 |
| Sergeant | 4.0 | 4.0 | 4.0 | 4.0 |
| Sergeant Detective | - | 1.0 | 1.0 | 1.0 |
| Corporal | - | - | 4.0 | 4.0 |
| Police Officer | 14.0 | 16.0 | 17.0 | 17.0 |
| Detective | 2.0 | 2.0 | 2.0 | 2.0 |
| TOTAL | 23.0 | 26.0 | 32.0 | 32.0 |



Municipal Court

The Municipal Court provides a fair, impartial and unbiased court system for persons charged with criminal offenses. The Anna Municipal Court supports the Anna Police Department by processing all fine-only offenses occurring in the City limits.

FY2021 Accomplishments

- ◆ Successfully held Court remotely during the pandemic

FY2022 Objectives

- ◆ Continue to cross train and further understand Utility Billing processes
- ◆ Attend Court certification seminar
- ◆ Continue to stay up-to-date on legislation which would impact court operations
- ◆ Continue to provide excellent customer service

Municipal Court

Municipal Court Expenditure Summary

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 | % Change |
|----------------|---------------------------|---------------------------|------------------------------|---------------------------|---------------------|
| Payroll | \$ 81,230 | \$ 84,400 | \$ 84,635 | \$ 88,810 | 5.2% |
| Supplies | 4,219 | 3,463 | 3,463 | 3,463 | 0.0% |
| Maintenance | - | - | - | - | 0.0% |
| Services | 37,997 | 47,382 | 42,382 | 47,382 | 0.0% |
| Capital Outlay | - | - | - | - | 0.0% |
| TOTAL | \$ 123,446 | \$ 135,245 | \$ 130,480 | \$ 139,655 | 3.3% |

Municipal Court FTE Schedule

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|-------------------------------|---------------------------|---------------------------|------------------------------|---------------------------|
| Municipal Court Administrator | 1.0 | 1.0 | 1.0 | 1.0 |
| TOTAL | 1.0 | 1.0 | 1.0 | 1.0 |



Parks

The Parks Department 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.

FY2021 Accomplishments

- ◆ Parks Master Planning Process was initiated, approved and is nearing completion
- ◆ Concession building renovated
- ◆ Natural Springs pond fountains, electrical, mitigation nearing completion
- ◆ Substantial trail repairs made
- ◆ Drainage issues corrected at Slayter Creek Park
- ◆ AEDs installed in parks
- ◆ Automated locking mechanisms installed in park restrooms
- ◆ New teammates hired in park maintenance
- ◆ Security fencing installed at park maintenance facility

FY2022 Objectives

- ◆ Begin designing and coordinating construction of items approved in the 2021 Bond Election
- ◆ Skate Park design and construction
- ◆ Improving maintenance systems and the repairs and improvements of our infrastructure

Parks

Parks Expenditure Summary

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 | % Change |
|----------------|---------------------------|---------------------------|------------------------------|---------------------------|---------------------|
| Payroll | \$ 524,944 | \$ 478,223 | \$ 450,809 | \$ 540,546 | 13.0% |
| Supplies | 70,483 | 70,800 | 75,800 | 61,800 | -12.7% |
| Maintenance | 69,504 | 39,500 | 46,000 | 37,000 | -6.3% |
| Services | 64,476 | 62,850 | 69,850 | 57,900 | -7.9% |
| Capital Outlay | - | - | - | - | 0.0% |
| TOTAL | \$ 729,407 | \$ 651,373 | \$ 642,459 | \$ 697,246 | 7.0% |

Parks FTE Schedule

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|-----------------------|---------------------------|---------------------------|------------------------------|---------------------------|
| Parks Superintendent | 1.0 | 1.0 | 1.0 | 1.0 |
| Parks Crew Leader | 1.0 | 1.0 | 1.0 | 1.0 |
| Maintenance Worker II | 1.0 | 1.0 | 1.0 | 1.0 |
| Maintenance Worker I | 4.0 | 5.0 | 5.0 | 5.0 |
| Seasonal Laborer | 0.4 | 0.4 | 0.4 | - |
| TOTAL | 7.4 | 8.4 | 8.4 | 8.0 |



Neighborhood Services

The Neighborhood Services Department (composed of Neighborhood Life and Code Compliance) is where community happens! Our priority is our neighbors. The Neighborhood Life team is committed to strengthening neighborhoods through community engagement, environmental education, neighborhood leadership development, department communications, volunteer opportunities, fostering a sense of belonging for all neighbors, and serves as the hub of the department ensuring that services are seamless and easily accessible to our neighbors. The Code Compliance team is committed to helping our neighbors avoid citations and making our community a safe and attractive place to live, work, and play.

FY2021 Accomplishments

- ◆ Second Code Compliance Officer position created and filled
- ◆ Neighborhood Services Coordinator position created and filled
- ◆ Facility use agreement with Anna Area Historical Preservation Society for Depot Museum
- ◆ Initiated two propositions approved in 2021 Bond Election
- ◆ Neighborhood Services Administrative Assistant position created and hired
- ◆ Health and Environmental Services brought in-house
- ◆ CivicRec online registration system implementation
- ◆ Inspect2Go health inspection software system implementation
- ◆ Neighbor engagement strategy developed and implemented
- ◆ Online gardening and environmental classes held
- ◆ Website overhauled and enhanced
- ◆ Community Cleanup and Earth Day celebration held

FY2022 Objectives

- ◆ Initiate strategy for Park Master Plan recommendations
- ◆ Begin designing and coordinating construction of items approved in the 2021 Bond Election
- ◆ Skate Park design and construction
- ◆ Park asset management system implementation with Cartegraph
- ◆ Ramp up rental inspections program as this is a concentrated source of neighbor concerns
- ◆ Performance metrics developed to show progress, revenue generation, and actual appearance of community
- ◆ Development of an events calendar that can create a community identity

Neighborhood Services

Neighborhood Services Expenditure Summary

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 | % Change |
|----------------|-------------------|-------------------|----------------------|-------------------|--------------|
| Payroll | \$ - | \$ 519,272 | \$ 433,185 | \$ 609,520 | 17.4% |
| Supplies | - | 20,000 | 20,000 | 11,000 | -45.0% |
| Maintenance | - | 2,000 | 2,000 | - | -100.0% |
| Services | - | 75,360 | 26,860 | 65,060 | -13.7% |
| Capital Outlay | - | - | - | - | 0.0% |
| TOTAL | \$ - | \$ 616,632 | \$ 482,045 | \$ 685,580 | 11.2% |

Neighborhood Services FTE Schedule

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|-----------------------------------|-------------------|-------------------|----------------------|-------------------|
| Director of Neighborhood Services | 1.0 | 1.0 | 1.0 | 1.0 |
| Neighborhood Services Manager | 1.0 | 1.0 | - | - |
| Parks Planning Manager | - | - | 1.0 | - |
| Neighborhood Services Coordinator | 1.0 | 1.0 | 1.0 | 1.0 |
| Administrative Assistant | - | - | 1.0 | 1.0 |
| Code Compliance Manager | 1.0 | 1.0 | 1.0 | 1.0 |
| Code Compliance Officer | - | 1.0 | 2.0 | 2.0 |
| TOTAL | 4.0 | 5.0 | 7.0 | 6.0 |



THE CITY OF
Anna

Animal Control

Animal control and animal shelter services are currently provided through a contract with Collin County. Services include responding to citizen complaints regarding animal control issues. The contract allows animals captured within the City of Anna to be housed at the Collin County animal shelter.

Animal Control Expenditure Summary

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 | % Change |
|--------------|---------------------------|---------------------------|------------------------------|---------------------------|---------------------|
| Services | 67,873 | 77,327 | 77,327 | 77,327 | 0.0% |
| TOTAL | \$ 67,873 | \$ 77,327 | \$ 77,327 | \$ 77,327 | 0.0% |

Streets

The Streets Department is responsible for the maintenance of all City streets, Grayson Collin Electric Coop (GCEC) street lights, sidewalks, and public drainage ways throughout the City.

FY2021 Accomplishments

- ◆ Major street maintenance projects completed: County Road 371, East 7th Street, Wortham Drive, 3rd Street, County Road 368 (Taylor and W Foster Crossing to be done in next 90 days)
- ◆ Winter Storm Response: successful water distribution program and partnering with community to assist those in need. Anna became a hub for providing those in need with drinking water for the north Collin/South Grayson area. We were so successful that we were re-directing water to other communities.
- ◆ Significantly increased right of way mowing and trash pickup

FY2022 Objectives

- ◆ Increase level of in-house street maintenance services provided, including:
 - ◆ More efficient and higher volume of sidewalk replacement
 - ◆ More asphalt repair/pothole repair
 - ◆ Ability to do small concrete street panel replacement in-house
 - ◆ Additional mowing and trash clean-up of City right-of-way

Streets

Streets Expenditure Summary

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 | % Change |
|------------------|---------------------------|---------------------------|------------------------------|---------------------------|---------------------|
| Payroll | \$ 399,566 | \$ 396,224 | \$ 417,955 | \$ 647,799 | 63.5% |
| Supplies | 43,223 | 47,650 | 50,330 | 33,550 | -29.6% |
| Maintenance | 206,695 | 95,560 | 566,000 | 80,500 | -15.8% |
| Services | 184,000 | 141,612 | 143,647 | 102,802 | -27.4% |
| Capital Outlay | 8,995 | 47,500 | 47,500 | - | 0.0% |
| Capital Improve. | - | 350,000 | - | - | -100.0% |
| TOTAL | \$ 842,479 | \$ 1,078,546 | \$ 1,225,432 | \$ 864,651 | -19.8% |

Streets FTE Schedule

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|---------------------------|---------------------------|---------------------------|------------------------------|---------------------------|
| Street Superintendent | 1.0 | 1.0 | 1.0 | 1.0 |
| Crew Leader | 1.0 | 1.0 | 1.0 | 1.0 |
| Traffic Safety Technician | 1.0 | 1.0 | 1.0 | 1.0 |
| Maintenance Worker II | 1.0 | 1.0 | 1.0 | 1.0 |
| Maintenance Worker I | 2.0 | 2.0 | 2.0 | 5.0 |
| TOTAL | 6.0 | 6.0 | 6.0 | 9.0 |



THE CITY OF
Anna

Fleet and Facilities

Fleet and Facilities Expenditure Summary

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 | % Change |
|----------------|-------------------|-------------------|----------------------|-------------------|-------------|
| Payroll | \$ - | \$ - | \$ - | \$ 145,232 | 0.0% |
| Supplies | - | - | - | 125,800 | 0.0% |
| Maintenance | - | - | - | 58,500 | 0.0% |
| Services | - | - | - | 261,476 | 0.0% |
| Capital Outlay | - | - | - | - | 0.0% |
| TOTAL | \$ - | \$ - | \$ - | \$ 591,008 | 0.0% |

Fleet and Facilities FTE Schedule

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|-----------------------|-------------------|-------------------|----------------------|-------------------|
| Mechanic | - | - | - | 1.0 |
| Facilities Specialist | - | - | - | 1.0 |
| TOTAL | - | - | - | 2.0 |



Public Works Administration

The Administration Department provides general administrative support to all the functions, programs, activities, and projects in Public Works and the Utility Fund. These activities have costs not readily assignable to any specific department. Administration covers a number of shared expenses at Public Works headquarters (utilities, supplies, etc.) as well as other Utility Fund expenses (i.e. IT, Legal, and Audit services, Construction Inspections).

FY2021 Accomplishments

- ◆ Completed a Request for Qualifications (RFQ) process for all engineering, planning, architectural, and related professional services enabling the City to have numerous consultant firms under contract for all capital projects, eliminating the ongoing responses to cold calls and sales solicitations, saving a significant number of interruptions a staff time
- ◆ Ensure completion of multiple projects in each division of Public Works
- ◆ Developed partnerships with developers for major infrastructure, meeting the goal of growth paying for growth:
 - DR Horton - Rosamond Parkway Paving & Throckmorton Sewer
 - Gehan - widening of Leonard south of Anna Crossing
 - LGI - Rosamond along Shadowbend
- ◆ Established internal Engineering Services Division, resulting in over \$500K savings in contractual expenses in the Utility Fund
- ◆ Revised water / sewer master plans & impact fees for road / water / sewer
- ◆ Managed the construction of the Municipal Complex

FY2022 Objectives

- ◆ High performing, professional staff
- ◆ Provide high level of customer service and efficient plan review for development projects
- ◆ Complete Municipal Complex project
- ◆ Fully develop Department Strategic Plan aligned with the City Council Strategic Plan
- ◆ Complete in-house engineering design projects to save taxpayer dollars
- ◆ Complete in-house plan review to ensure high service levels for development
- ◆ Implementation of a stormwater utility to fund drainage maintenance and improvements
- ◆ Preparation for a natural disaster, including the acquisition of prepositioning contracts

Public Works Administration

Public Works Administration Expenditure Summary

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 | % Change |
|----------------|---------------------------|---------------------------|------------------------------|---------------------------|---------------------|
| Payroll | \$ 662,703 | \$ 757,254 | \$ 688,791 | \$ 894,184 | 18.1% |
| Supplies | 25,825 | 33,325 | 26,450 | 29,325 | -12.0% |
| Maintenance | 9,712 | 17,650 | 13,300 | 16,050 | -9.1% |
| Services | 237,623 | 280,687 | 276,450 | 279,479 | -0.4% |
| Capital Outlay | - | - | - | - | 0.0% |
| Contingency | - | - | - | - | 0.0% |
| TOTAL | \$ 935,863 | \$ 1,088,916 | \$ 1,004,991 | \$ 1,219,038 | 11.9% |

Public Works Administration FTE Schedule

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|------------------------------------|---------------------------|---------------------------|------------------------------|---------------------------|
| Director of Public Works | 1.0 | 1.0 | 1.0 | 1.0 |
| Assistant Director of Public Works | 1.0 | 1.0 | 1.0 | 1.0 |
| Civil Engineer | 1.0 | 1.0 | 1.0 | 1.0 |
| Engineering Construction Super. | 1.0 | 1.0 | 1.0 | 1.0 |
| Construction Inspector | 2.0 | 2.0 | 2.0 | 2.0 |
| Right of Way Inspector | 1.0 | 1.0 | - | - |
| Meter Services Technician | - | - | 1.0 | 1.0 |
| Administrative Assistant | - | - | - | - |
| Administrative Coordinator | 1.0 | 1.0 | 1.0 | 1.0 |
| TOTAL | 8.0 | 8.0 | 8.0 | 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 seven groundwater production wells and connections to treated surface water purchased from the Greater Texoma Utility Authority through a contract with the North Texas Municipal Water District.

FY2021 Accomplishments

◆ Winter Storm Response: successful water distribution program and partnering with community to assist those in need. Anna became a hub for providing those in need with drinking water for the north Collin/South Grayson area. We were so successful that we were re-directing water to other communities.

FY2022 Objectives

- ◆ High performing, professional staff
- ◆ Safe work environment
- ◆ Provide maintenance and repair for all main breaks
- ◆ Provide maintenance and repair for all leaks located on the City side of the system
- ◆ Efficient production and supply of public drinking water
- ◆ Complete 2 rehab/main replacement projects
- ◆ Utilize development partnerships to extend and increase water infrastructure

Water

Water Expenditure Summary

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 | % Change |
|----------------|---------------------------|---------------------------|------------------------------|---------------------------|---------------------|
| Payroll | \$ 549,331 | \$ 629,860 | \$ 665,630 | \$ 816,869 | 29.7% |
| Supplies | 87,500 | 77,615 | 81,500 | 79,000 | 1.8% |
| Maintenance | 524,775 | 346,825 | 466,160 | 428,625 | 23.6% |
| Services Water | 1,354,344 | 1,130,400 | 1,785,000 | 1,960,000 | 73.4% |
| Services Other | 437,184 | 445,235 | 441,965 | 428,165 | -3.8% |
| Debt Service | 1,362,201 | 1,364,588 | 1,364,588 | 1,391,414 | 2.0% |
| Capital Outlay | - | - | - | 265,000 | 0.0% |
| Transfer Out | - | - | - | 285,000 | |
| TOTAL | \$ 4,315,335 | \$ 3,994,523 | \$ 4,804,843 | \$ 5,654,073 | 41.5% |

Water FTE Schedule

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|--------------------------------------|---------------------------|---------------------------|------------------------------|---------------------------|
| Water Superintendent | 1.0 | 1.0 | - | - |
| Water Supervisor | 1.0 | 1.0 | - | - |
| Utility Operations Supervisor | - | - | 1.0 | 1.0 |
| Utility Maintenance Field Supervisor | - | - | 1.0 | 1.0 |
| Maintenance Worker II | - | - | - | 1.0 |
| Maintenance Worker I | 4.0 | 4.0 | 2.0 | 3.0 |
| Water Quality Technician | - | - | - | 1.0 |
| Water Operator | 1.0 | 1.0 | 1.0 | 1.0 |
| Utility Crew Leader | - | - | 2.0 | 2.0 |
| Service Order Technician | 2.0 | 2.0 | - | - |
| Meter Service Technician | - | - | 2.0 | 2.0 |
| TOTAL | 9.0 | 9.0 | 9.0 | 12.0 |



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.

FY2021 Accomplishments

- ◆ Winter Storm Response: successful water distribution program and partnering with community to assist those in need. Anna became a hub for providing those in need with drinking water for the north Collin/South Grayson area. We were so successful that we were re-directing water to other communities.
- ◆ TCEQ approval of new permit for our existing John R. Geren WWTP

FY2022 Objectives

- ◆ High performing, professional staff
- ◆ Safe work environment
- ◆ Provide maintenance and repair for all sewer main backups
- ◆ Provide maintenance and repair for all sewer lateral backups located on the City side of the system
- ◆ Reduce number of sewer overflows through maintenance and outreach
- ◆ Complete 2 sewer rehabilitation/main replacement projects.

Wastewater

Wastewater Expenditure Summary

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 | % Change |
|----------------|---------------------------|---------------------------|------------------------------|---------------------------|---------------------|
| Payroll | \$ 427,473 | \$ 423,796 | \$ 338,661 | \$ 438,911 | 3.6% |
| Supplies | 43,404 | 45,606 | 35,170 | 36,970 | -18.9% |
| Maintenance | 137,497 | 166,300 | 160,500 | 168,000 | 1.0% |
| Services Sewer | 1,766,381 | 2,314,148 | 2,300,000 | 2,530,000 | 9.3% |
| Services Other | 188,880 | 184,800 | 173,595 | 184,330 | -0.3% |
| Debt Service | 729,682 | 730,774 | 730,774 | 754,472 | 3.2% |
| Capital Outlay | - | - | - | - | 0.0% |
| Transfers Out | - | - | - | 600,000 | 0.0% |
| TOTAL | \$ 3,293,317 | \$ 3,865,424 | \$ 3,738,700 | \$ 4,712,683 | 21.9% |

Wastewater FTE Schedule

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|----------------------------|---------------------------|---------------------------|------------------------------|---------------------------|
| Wastewater Superintendent | 1.0 | - | - | - |
| Wastewater Supervisor | - | 1.0 | - | - |
| Senior Wastewater Operator | 1.0 | 1.0 | 1.0 | 1.0 |
| Wastewater Crew Leader | 1.0 | 1.0 | - | - |
| Maintenance Worker II | 1.0 | 1.0 | - | - |
| Maintenance Worker I | 3.0 | 3.0 | 6.0 | 6.0 |
| TOTAL | 7.0 | 7.0 | 7.0 | 7.0 |



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 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 | % Change |
|--------------|---------------------------|---------------------------|------------------------------|---------------------------|---------------------|
| Services | \$ 1,097,657 | \$ 1,042,031 | \$ 1,042,031 | \$ 1,100,000 | 5.6% |
| TOTAL | \$ 1,097,657 | \$ 1,042,031 | \$ 1,042,031 | \$ 1,100,000 | 5.6% |

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.

FY2021 Accomplishments

- ◆ Continued to provide excellent customer service
- ◆ Started conversion to new core financial software and utility billing software.
- ◆ Managed the continued growth of utility accounts (more than 7,100 accounts) with minimal staffing

FY2022 Objectives

- ◆ Go live with Incode software for core financials and utility billing.
- ◆ Continue to have staff cross train to better understand the courts processes
- ◆ Continue to determine options to reduce credit card costs for the City

Utility Billing

Utility Billing Expenditure Summary

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 | % Change |
|----------------|-------------------|-------------------|----------------------|-------------------|--------------|
| Payroll | \$ 204,445 | \$ 239,739 | \$ 218,953 | \$ 274,437 | 14.5% |
| Supplies | 3,558 | 2,550 | 2,550 | 2,550 | 0.0% |
| Maintenance | - | - | - | - | 0.0% |
| Services | 211,175 | 242,824 | 242,824 | 283,324 | 16.7% |
| Capital Outlay | - | - | - | - | 0.0% |
| TOTAL | \$ 419,178 | \$ 485,113 | \$ 464,327 | \$ 560,311 | 15.5% |

Utility Billing FTE Schedule

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|----------------------------------|-------------------|-------------------|----------------------|-------------------|
| Customer Service Manager | 1.0 | 1.0 | 1.0 | 1.0 |
| Senior Utility Billing Clerk | 1.0 | - | - | - |
| Utility Billing Clerk | 0.5 | 2.0 | 2.0 | 3.0 |
| Admin. Assistant / Records Clerk | 0.5 | 0.5 | 0.5 | 0.5 |
| TOTAL | 3.0 | 3.5 | 3.5 | 4.5 |



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.

FY2021 Accomplishments

- ◆ Received 2020 Economic Excellence recognition by Texas Economic Development Council
- ◆ Secured IEDC Marketing Awards for Business Park video (Bronze) and opportunityannatx.com website (Silver)
- ◆ Adopted Marketing Plan, tagline and began working with Cooksey Communications for plan implementation and public relations; Began digital marketing campaign with Swimming Duck
- ◆ Title sponsor of D CEO Commercial Real Estate Awards
- ◆ News coverage and advertisements in major publications
- ◆ MOU with Collin College for campus in Anna
- ◆ Reappointed Carey Cox Real Estate as the listing broker for the Business Park
- ◆ Adopted Downtown Master Plan, Incentive Policy, and Public Improvement District Policy
- ◆ Created Community Profile, updated website, aerial maps, and promotional items
- ◆ Professional Services Agreement with Greater Anna Chamber of Commerce for Business Retention and Expansion Program
- ◆ Developed and implemented two phases of COVID-19 Recovery Small Business Grant Program
- ◆ Negotiated sale and contract for Anna Business Park for \$9mm

FY2022 Objectives

- ◆ Begin implementation of Downtown Master Plan
- ◆ Finalizing the Collin College Plan, working with developer and College to plan for all aspects of surrounding development
- ◆ On board additional team member
- ◆ Continue to increase marketing frequency and reach through LinkedIn, digital and print advertisements



Community Development Corporation

Community Development Corporation Expenditure Summary

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 | % Change |
|----------------|-------------------|---------------------|----------------------|---------------------|--------------|
| Payroll | \$ 90,669 | \$ 138,985 | \$ 138,985 | \$ 389,530 | 180.3% |
| Supplies | 3,943 | 7,100 | 10,100 | 10,600 | 49.3% |
| Maintenance | - | - | - | - | 0.0% |
| Services | 539,706 | 906,400 | 906,400 | 1,070,145 | 18.1% |
| Debt Service | 325,901 | 329,251 | 329,251 | 327,463 | -0.5% |
| Capital Outlay | - | - | - | - | 0.0% |
| TOTAL | \$ 960,219 | \$ 1,381,736 | \$ 1,384,736 | \$ 1,797,738 | 30.1% |

Community Development Corporation FTE Schedule

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|---|-------------------|-------------------|----------------------|-------------------|
| Director of Economic Development | - | - | - | 1.0 |
| Assistant Director of Economic Develop. | - | - | - | 1.0 |
| Economic Development Manager | 1.0 | 1.0 | 1.0 | - |
| Economic Development Coordinator | - | - | - | 1.0 |
| Intern | - | 0.5 | 0.5 | - |
| TOTAL | 1.0 | 1.5 | 1.5 | 3.0 |



Economic Development Corporation

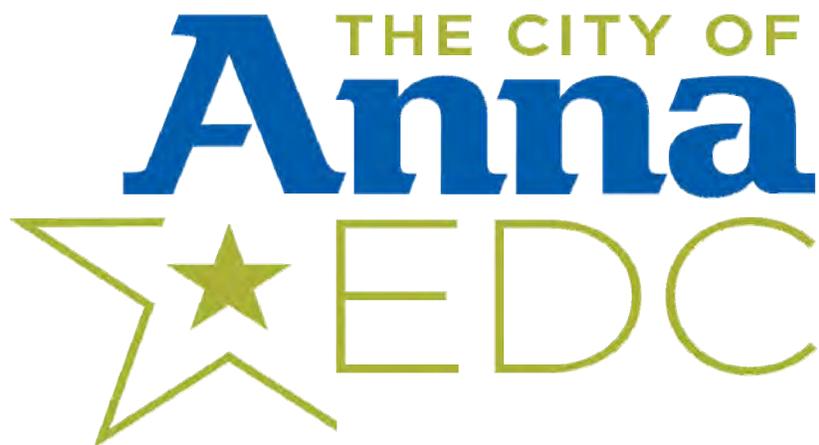
The Anna Economic Development Corporation works to identify and support opportunities that expand the city's tax base and promote job growth in Anna.

FY2021 Accomplishments

- ◆ Received 2020 Economic Excellence recognition by Texas Economic Development Council
- ◆ Secured IEDC Marketing Awards for Business Park video (Bronze) and opportunityannatx.com website (Silver)
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FY2022 Objectives

- ◆ Begin implementation of Downtown Master Plan
- ◆ Finalizing the Collin College Plan, working with developer and College to plan for all aspects of surrounding development
- ◆ On board additional team member
- ◆ Continue to increase marketing frequency and reach through LinkedIn, digital and print advertisements



Economic Development Corporation

Economic Development Corporation Expenditure Summary

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 | % Change |
|----------------|---------------------------|---------------------------|------------------------------|---------------------------|---------------------|
| Payroll | \$ - | \$ - | \$ - | \$ - | 0.0% |
| Supplies | 1,329 | - | - | - | 0.0% |
| Maintenance | 33 | 3,000 | 3,000 | 3,000 | 0.0% |
| Services | 145,617 | 126,650 | 126,650 | 82,800 | -34.6% |
| Capital Outlay | - | - | - | - | 0.0% |
| TOTAL | \$ 146,979 | \$ 129,650 | \$ 129,650 | \$ 85,800 | -33.8% |



Recreation

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.

FY2021 Accomplishments

- ◆ Hosted highly successful Christmas celebration with ice skating, tree lighting, virtual programs and more than 800 free kits given to children
- ◆ Recreation Manager position created, funded, and filled
- ◆ Recreation Coordinator positions created and hired
- ◆ Summer concert planned, band booked, and stage secured
- ◆ Highly successful Easter celebrations with more than 1,000 free easter baskets and kits given to children along with virtual programs, movie in the park, and scavenger hunt
- ◆ Fireworks and concert planned for 4th of July celebration.
- ◆ 2 trailers purchased and being rigged out for neighborhood block parties and adopt-a-neighbor program

Recreation

Recreation Expenditure Summary

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 | % Change |
|----------------|-------------------|-------------------|----------------------|-------------------|---------------|
| Payroll | \$ - | \$ 160,311 | \$ 122,693 | \$ 275,729 | 72.0% |
| Supplies | - | - | 3,000 | 227,000 | 0.0% |
| Maintenance | - | - | - | - | 0.0% |
| Services | - | - | 27,000 | 20,000 | 0.0% |
| Capital Outlay | - | - | - | - | 0.0% |
| TOTAL | \$ - | \$ 160,311 | \$ 152,693 | \$ 522,729 | 226.1% |

Recreation FTE Schedule

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 |
|------------------------|-------------------|-------------------|----------------------|-------------------|
| Recreation Manager | - | 1.0 | 1.0 | 1.0 |
| Parks Planning Manager | - | - | - | 1.0 |
| Recreation Coordinator | - | 1.5 | 1.5 | 1.5 |
| TOTAL | - | 2.5 | 2.5 | 3.5 |



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, or maintenance of the City's parks.

FY2021 Accomplishments

- ◆ New playground constructed at the newly named Henry Clay 'Yank' Washington Park with additional amenities being added.
- ◆ Train track construction documents completed
- ◆ Concept plan developed for Sherley Heritage Park to tie into downtown placemaking plan.
- ◆ Johnson Park Enhancement Project nearing completion.
- ◆ Site plan developed for Bryant Park

FY2022 Objectives

- ◆ Complete steam locomotive project
- ◆ Natural Springs Park parking lot
- ◆ Initiate concept plan for several undeveloped parks

Park Development
Park Development Expenditure Summary

| | Actual 2019-20 | Budget 2020-21 | Estimated 2020-21 | Budget 2021-22 | % Change |
|----------------|---------------------------|---------------------------|------------------------------|---------------------------|---------------------|
| Payroll | \$ - | \$ - | \$ - | \$ - | 0.0% |
| Supplies | 4,300 | - | 31,000 | - | 0.0% |
| Maintenance | 20,012 | - | 34,000 | - | 0.0% |
| Services | 61,311 | 234,500 | 295,000 | - | 0.0% |
| Capital Outlay | 87,183 | 123,000 | 123,000 | 50,000 | -59.3% |
| TOTAL | \$ 172,806 | \$ 357,500 | \$ 483,000 | \$ 50,000 | -86.0% |



THE CITY OF
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FIVE YEAR FORECASTS

THE CITY OF
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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 FY2021 budget, the proposed "base year" budget for FY2022, 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 FY2022 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.

THE CITY OF
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**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 2021 (used for the FY2022 levy) increased 20.7 percent; this is the ninth year in a row of increases in value greater than 10%. From FY2013 through FY2022, values have increased a cumulative 371 percent. 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 tax rate for FY2022 is 56.9500 cents per \$100 assessed values, lower than the previous year. The tax rate and appraised values will generate an additional \$1.5 million in revenue for the General Fund in FY2022. The General Fund long-term plan assumes property tax revenues will grow 15 percent yearly from 2023 to 2026. Much of this expected growth can be attributed to new construction each year.

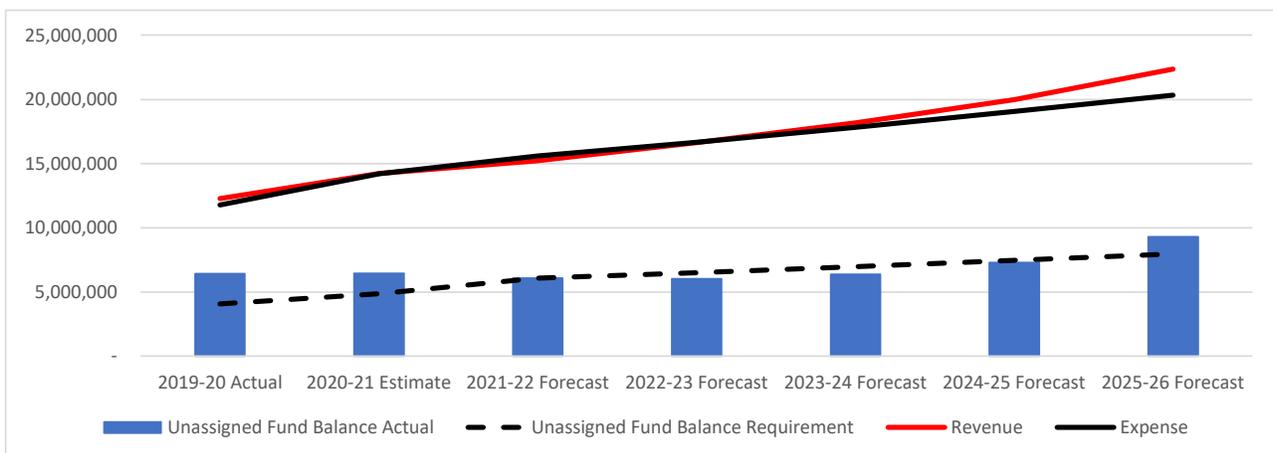
- ◆ Sales taxes increased 19 percent from FY2020 actual to the FY2021 projected due to the opening of several new businesses during FY2020. The FY2022 budget assumes a 2 percent growth in sales tax compared to the FY2021 projection. Future years assume 2 percent per year from FY2023 to FY2026

- ◆ All other revenues during the planning horizon are expected to remain flat.

- ◆ More than three-fourths of the General Fund’s expenditures are associated with employee compensation. The FY2022 budget for payroll is almost \$3 million more than the FY2021 budget due to the funding of the compensation study (which includes a 3 percent merit pool for non-sworn employees and 4 percent public safety step increases) and 11.6 additional full-time equivalents (FTEs). The long-term plan assumes that City Council will continue to award 3% merit increases in years 2023 through 2026.

- ◆ All non-personnel operating expenditures for 2023 through 2026 are adjusted for a 2.6 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 FY2021 General Fund budget has a projected ending fund balance of 53 percent; additionally, the long-term plan assumes that fund balances will remain above 35 percent 2022 through 2026. 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 LONG-TERM FINANCIAL PLAN**

| | Actual 2019-20 | Estimated 2020-21 | Budget 2021-22 |
|---------------------------------------|----------------------|----------------------|----------------------|
| BEGINNING BALANCE | \$ 5,941,424 | \$ 6,445,513 | \$ 6,470,011 |
| REVENUES: | | | |
| Property Taxes | \$ 6,095,539 | \$ 6,948,000 | \$ 8,015,000 |
| Sales Tax | 2,271,318 | 2,700,000 | 2,760,000 |
| Charges for Services | 188,258 | 266,700 | 254,700 |
| Licenses and Permits | 2,683,906 | 3,490,600 | 3,525,000 |
| Franchise and local taxes | 657,331 | 485,000 | 485,000 |
| Investment income | 102,302 | 30,000 | 30,000 |
| Other revenues | 56,024 | 94,487 | 16,300 |
| Intergovernmental Revenue | 123,195 | 133,195 | 48,395 |
| Fines | 97,374 | 85,000 | 90,000 |
| TOTAL OPERATIONAL REVENUE | \$ 12,275,247 | \$ 14,232,982 | \$ 15,224,395 |
| EXPENDITURES: | | | |
| Payroll | \$ 6,890,375 | \$ 8,064,588 | \$ 11,841,587 |
| Supplies | 442,162 | 635,768 | 620,991 |
| Maintenance | 386,397 | 711,300 | 224,300 |
| Services | 2,290,055 | 2,379,223 | 2,521,876 |
| Capital Outlay | 147,393 | 409,826 | - |
| Capital Improvement | - | - | - |
| Contingency | - | - | - |
| Transfers to other funds | 1,614,776 | 2,007,779 | 400,000 |
| TOTAL OPERATIONAL EXPENDITURES | \$ 11,771,158 | \$ 14,208,484 | \$ 15,608,754 |
| FUND BALANCE | \$ 6,445,513 | \$ 6,470,011 | \$ 6,085,652 |
| Ending balance as a % of expenditures | 63% | 53% | 40% |

**CITY OF ANNA
GENERAL FUND LONG-TERM FINANCIAL PLAN**

| | Year 1 Projected 2022-23 | Year 2 Projected 2023-24 | Year 3 Projected 2024-25 | Year 4 Projected 2025-26 |
|----|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| \$ | 6,085,652 | \$ 6,051,072 | \$ 6,387,269 | \$ 7,301,607 |
| \$ | 9,399,386 | \$ 10,877,046 | \$ 12,625,422 | \$ 14,932,731 |
| | 2,815,200 | 2,871,504 | 2,928,934 | 2,987,513 |
| | 234,700 | 234,700 | 234,700 | 234,700 |
| | 3,525,000 | 3,525,000 | 3,525,000 | 3,525,000 |
| | 485,000 | 485,000 | 485,000 | 485,000 |
| | 30,000 | 30,000 | 30,000 | 30,000 |
| | 16,300 | 16,300 | 16,300 | 16,300 |
| | 48,395 | 48,395 | 48,395 | 48,395 |
| | 90,000 | 90,000 | 90,000 | 90,000 |
| \$ | 16,643,981 | \$ 18,177,945 | \$ 19,983,751 | \$ 22,349,638 |
| \$ | 12,879,768 | \$ 13,958,737 | \$ 15,100,023 | \$ 16,275,503 |
| | 637,137 | 653,702 | 670,699 | 688,137 |
| | 228,786 | 233,362 | 238,029 | 242,790 |
| | 2,532,870 | 2,595,946 | 2,660,662 | 2,727,061 |
| | - | - | - | - |
| | - | - | - | - |
| | - | - | - | - |
| | 400,000 | 400,000 | 400,000 | 400,000 |
| \$ | 16,678,561 | \$ 17,841,747 | \$ 19,069,413 | \$ 20,333,489 |
| \$ | 6,051,072 | \$ 6,387,269 | \$ 7,301,607 | \$ 9,317,756 |
| | 37% | 37% | 39% | 47% |

THE CITY OF
Anna

**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.

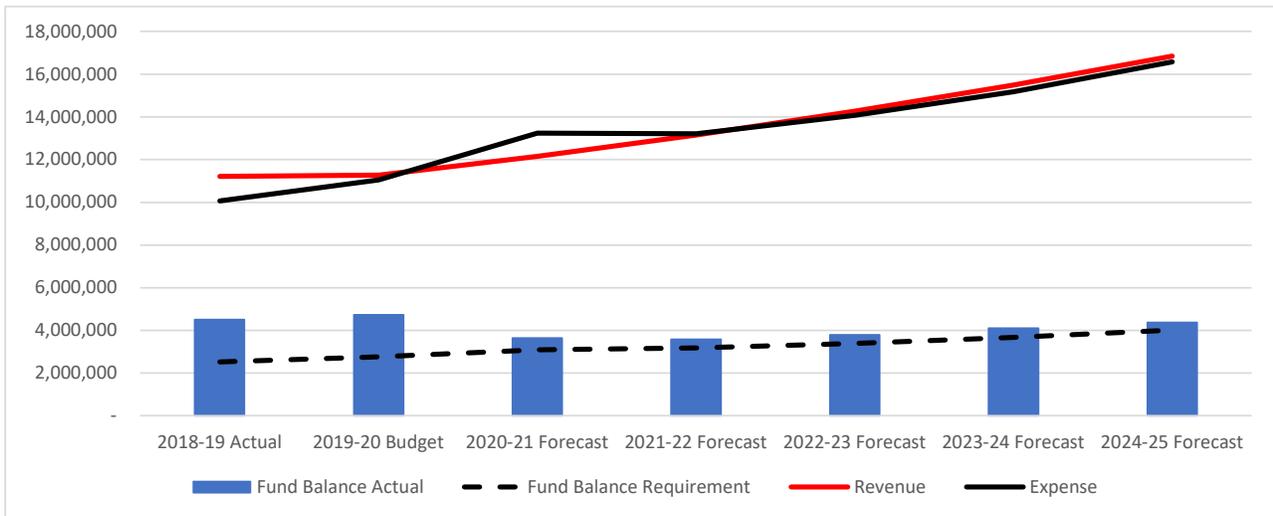
In FY2020, as part of a review of the fiscal condition of the utility fund, areas for improvement that needed to be addressed to maintain long-term sustainability were discovered. The City hired a utility rate consultant to review the rate structure and to assist in creating a new rate model.

◆ The FY2022 budget increases water and wastewater rates 8 percent, less than originally planned in FY2021. Rates increases of 8 percent for water and 10 percent for sewer are planned for 2023, 7 percent for water and 8 percent for sewer in 2024, and 5 percent for both in 2025. The utility rate model will fully fund a staffing plan and provide a mix of cash and bond funding for capital projects. The utility rate model will be reviewed on an annual basis to ensure long-term sustainability.

◆ Payments to other entities for the purchase of water and the treatment of sewage are expected to increase by an average of 5 percent per year. These assumptions are based primarily on expected growth of water rates from wholesale suppliers.

◆ The FY2022 budget for payroll includes funding of the compensation study (which includes a 3 percent merit pool). The long-term plan assumes that Council will continue to award 3% merit increases in years 2023 through 2026.

◆ All non-personnel operating expenditures for 2023 through 2026 are adjusted for a 2.6 percent inflationary increase.



**CITY OF ANNA
UTILITY FUND LONG-TERM FINANCIAL PLAN**

| | Actual 2019-20 | Estimated 2020-21 | Budget 2021-22 |
|---------------------------------------|----------------------|----------------------|----------------------|
| BEGINNING BALANCE | \$ 3,364,464 | \$ 4,510,093 | \$ 4,735,201 |
| REVENUES: | | | |
| Property Taxes | - | - | - |
| Sales Tax | - | - | - |
| Charges for Services | | | |
| <i>Water Sales</i> | \$ 4,973,527 | \$ 5,500,000 | \$ 6,000,000 |
| <i>Sewer Charges</i> | 3,072,503 | 3,300,000 | 3,600,000 |
| <i>Sanitation Charges</i> | 1,184,002 | 1,100,000 | 1,100,000 |
| <i>Other Charges for Service</i> | 1,723,507 | 1,097,000 | 1,239,000 |
| Licenses and Permits | - | - | - |
| Franchise Fees and Local Taxes | - | - | - |
| Investment Income | 75,375 | 23,000 | 20,000 |
| Other Revenues | 178,065 | 260,000 | 199,700 |
| Intergovernmental Revenue | - | - | - |
| Fines | - | - | - |
| Donations | - | - | - |
| TOTAL OPERATIONAL REVENUES | \$ 11,206,979 | \$ 11,280,000 | \$ 12,158,700 |
| EXPENDITURES: | | | |
| Payroll | \$ 1,843,952 | \$ 1,912,035 | \$ 2,424,401 |
| Supplies | 160,288 | 145,670 | 147,845 |
| Maintenance | 671,984 | 639,960 | 612,675 |
| Services | | | |
| <i>Water Purchases</i> | 1,354,344 | 1,785,000 | 1,960,000 |
| <i>Sewer Treatment</i> | 1,766,381 | 2,300,000 | 2,530,000 |
| <i>Solid Waste</i> | 1,097,657 | 1,042,031 | 1,100,000 |
| <i>Other</i> | 1,074,861 | 1,134,834 | 1,175,298 |
| Debt Service | 2,091,883 | 2,095,362 | 2,145,886 |
| Capital Outlay | - | - | 265,000 |
| Capital Improvement | - | - | - |
| Transfers to other funds | - | - | 885,000 |
| TOTAL OPERATIONAL EXPENDITURES | \$ 10,061,350 | \$ 11,054,892 | \$ 13,246,105 |
| ENDING FUND BALANCE | \$ 4,510,093 | \$ 4,735,201 | \$ 3,647,796 |
| Ending balance as a % of expenditures | 44.8% | 42.8% | 29.5% |

**CITY OF ANNA
UTILITY FUND LONG-TERM FINANCIAL PLAN**

| | Year 1 Projected 2022-23 | Year 2 Projected 2023-24 | Year 3 Projected 2024-25 | Year 4 Projected 2025-26 |
|----|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| \$ | 3,647,796 | \$ 3,588,985 | \$ 3,788,979 | \$ 4,109,289 |
| | - | - | - | - |
| | - | - | - | - |
| \$ | 6,600,000 | \$ 7,260,000 | \$ 7,986,000 | \$ 8,784,600 |
| | 3,960,000 | 4,356,000 | 4,791,600 | 5,270,760 |
| | 1,133,000 | 1,166,990 | 1,202,000 | 1,238,060 |
| | 1,244,400 | 1,269,288 | 1,294,674 | 1,320,567 |
| | - | - | - | - |
| | - | - | - | - |
| | 20,000 | 20,000 | 20,000 | 20,000 |
| | 201,100 | 202,528 | 203,985 | 205,470 |
| | - | - | - | - |
| | - | - | - | - |
| | - | - | - | - |
| \$ | 13,158,500 | \$ 14,274,806 | \$ 15,498,258 | \$ 16,839,457 |
| \$ | 2,510,440 | \$ 2,599,998 | \$ 2,693,244 | \$ 2,790,360 |
| | 151,477 | 155,209 | 159,044 | 162,985 |
| | 631,171 | 650,226 | 669,857 | 690,083 |
| | 2,156,000 | 2,371,600 | 2,608,760 | 2,869,636 |
| | 2,783,000 | 3,061,300 | 3,367,430 | 3,704,173 |
| | 1,133,000 | 1,166,990 | 1,202,000 | 1,238,060 |
| | 1,209,334 | 1,244,292 | 1,282,944 | 1,324,400 |
| | 2,142,889 | 2,325,197 | 2,694,670 | 3,292,743 |
| | - | - | - | - |
| | - | - | - | - |
| | 500,000 | 500,000 | 500,000 | 500,000 |
| \$ | 13,217,312 | \$ 14,074,811 | \$ 15,177,949 | \$ 16,572,439 |
| \$ | 3,588,985 | \$ 3,788,979 | \$ 4,109,289 | \$ 4,376,307 |
| | 28.2% | 27.9% | 28.0% | 27.2% |

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 just over \$54.6 million in outstanding tax supported debt. Of the outstanding tax supported debt, approximately \$14.3 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 \$40.4 million, was issued for general fund purposes.

| Series | Par Amount | Outstanding | Purpose | Final Maturity |
|---|---------------|---------------|-----------------------|----------------|
| General Obligation Refunding & Improvement Bonds 2021 | \$ 7,995,000 | \$ 7,995,000 | Additional Facilities | 2/15/2046 |
| Comb. Tax & Revenue Cert. of Obligation 2018 | \$ 30,910,000 | \$ 30,425,000 | Municipal Complex | 2/15/2048 |
| Comb. Tax & Revenue Cert. of Obligation 2017 | \$ 7,630,000 | \$ 5,750,000 | Refunding | 2/15/2033 |
| General Obligation Refunding 2016 | \$ 850,000 | \$ 522,000 | Refunding | 2/15/2027 |
| Comb. Tax & Revenue Cert. of Obligation 2014A | \$ 2,598,000 | \$ 1,550,000 | Water & Sewer | 2/15/2026 |
| General Obligation 2014B | \$ 1,462,000 | \$ 1,034,000 | Refunding | 2/15/2026 |
| Comb. Tax & Revenue Cert. of Obligation 2014 | \$ 4,180,000 | \$ 3,735,000 | Water & Sewer | 2/15/2034 |
| Comb. Tax & Revenue Cert. of Obligation 2012 | \$ 4,210,000 | \$ 3,630,000 | Water & Sewer | 2/15/2033 |

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 and, where possible, refunding bonds that are callable and advance refundable. In this way, the plan will minimize the present value cost to the City.

The 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

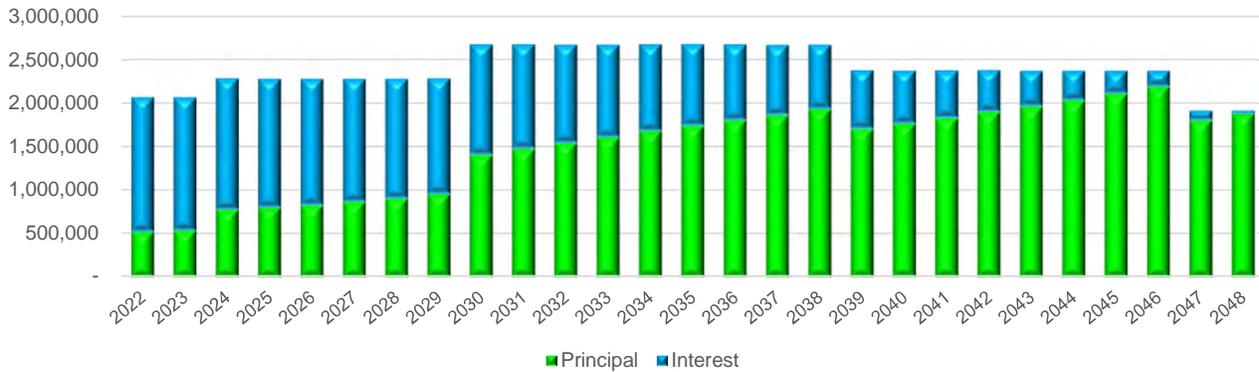
| Period Ending | Principal | Interest | Total Debt Service | % Change |
|----------------------|-------------------|-------------------|---------------------------|-----------------|
| 9/30/2022 | 1,325,000 | 2,022,000 | 3,347,000 | 8.34% |
| 9/30/2023 | 1,364,000 | 1,976,751 | 3,340,751 | -0.19% |
| 9/30/2024 | 1,635,000 | 1,925,690 | 3,560,690 | 6.58% |
| 9/30/2025 | 1,691,000 | 1,866,771 | 3,557,771 | -0.08% |
| 9/30/2026 | 1,740,000 | 1,805,711 | 3,545,711 | -0.34% |
| 9/30/2027 | 1,971,000 | 1,736,660 | 3,707,660 | 4.57% |
| 9/30/2028 | 2,050,000 | 1,657,550 | 3,707,550 | 0.00% |
| 9/30/2029 | 2,310,000 | 1,569,938 | 3,879,938 | 4.65% |
| 9/30/2030 | 2,825,000 | 1,463,926 | 4,288,926 | 10.54% |
| 9/30/2031 | 2,945,000 | 1,342,255 | 4,287,255 | -0.04% |
| 9/30/2032 | 3,060,000 | 1,221,524 | 4,281,524 | -0.13% |
| 9/30/2033 | 3,160,000 | 1,104,183 | 4,264,183 | -0.41% |
| 9/30/2034 | 2,100,000 | 1,005,931 | 3,105,931 | -27.16% |
| 9/30/2035 | 1,740,000 | 935,300 | 2,675,300 | -13.86% |
| 9/30/2036 | 1,800,000 | 871,850 | 2,671,850 | -0.13% |
| 9/30/2037 | 1,860,000 | 806,100 | 2,666,100 | -0.22% |
| 9/30/2038 | 1,930,000 | 737,900 | 2,667,900 | 0.07% |
| 9/30/2039 | 1,700,000 | 673,100 | 2,373,100 | -11.05% |
| 9/30/2040 | 1,760,000 | 611,850 | 2,371,850 | -0.05% |
| 9/30/2041 | 1,825,000 | 548,250 | 2,373,250 | 0.06% |
| 9/30/2042 | 1,895,000 | 481,625 | 2,376,625 | 0.14% |
| 9/30/2043 | 1,960,000 | 411,919 | 2,371,919 | -0.20% |
| 9/30/2044 | 2,030,000 | 339,644 | 2,369,644 | -0.10% |
| 9/30/2045 | 2,105,000 | 264,644 | 2,369,644 | 0.00% |
| 9/30/2046 | 2,185,000 | 186,719 | 2,371,719 | 0.09% |
| 9/30/2047 | 1,800,000 | 111,000 | 1,911,000 | -19.43% |
| 9/30/2048 | 1,875,000 | 37,500 | 1,912,500 | 0.08% |
| TOTAL | 54,641,000 | 27,716,291 | 82,357,291 | |

**CITY OF ANNA
GENERAL DEBT SERVICE**

Outstanding Debt Schedule - General Obligation Debt

The chart below illustrates the outstanding general obligation debt through FY2048. 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 |
|---------------|-------------------|-------------------|--------------------|----------|
| 9/30/2022 | 520,000 | 1,547,113 | 2,067,113 | 14.07% |
| 9/30/2023 | 535,000 | 1,529,139 | 2,064,139 | -0.14% |
| 9/30/2024 | 776,000 | 1,507,162 | 2,283,162 | 10.61% |
| 9/30/2025 | 801,000 | 1,478,656 | 2,279,656 | -0.15% |
| 9/30/2026 | 828,000 | 1,449,123 | 2,277,123 | -0.11% |
| 9/30/2027 | 866,000 | 1,414,310 | 2,280,310 | 0.14% |
| 9/30/2028 | 905,000 | 1,372,300 | 2,277,300 | -0.13% |
| 9/30/2029 | 955,000 | 1,326,500 | 2,281,500 | 0.18% |
| 9/30/2030 | 1,405,000 | 1,267,825 | 2,672,825 | 17.15% |
| 9/30/2031 | 1,475,000 | 1,195,825 | 2,670,825 | -0.07% |
| 9/30/2032 | 1,540,000 | 1,126,525 | 2,666,525 | -0.16% |
| 9/30/2033 | 1,605,000 | 1,062,000 | 2,667,000 | 0.02% |
| 9/30/2034 | 1,675,000 | 998,175 | 2,673,175 | 0.23% |
| 9/30/2035 | 1,740,000 | 935,300 | 2,675,300 | 0.08% |
| 9/30/2036 | 1,800,000 | 871,850 | 2,671,850 | -0.13% |
| 9/30/2037 | 1,860,000 | 806,100 | 2,666,100 | -0.22% |
| 9/30/2038 | 1,930,000 | 737,900 | 2,667,900 | 0.07% |
| 9/30/2039 | 1,700,000 | 673,100 | 2,373,100 | -11.05% |
| 9/30/2040 | 1,760,000 | 611,850 | 2,371,850 | -0.05% |
| 9/30/2041 | 1,825,000 | 548,250 | 2,373,250 | 0.06% |
| 9/30/2042 | 1,895,000 | 481,625 | 2,376,625 | 0.14% |
| 9/30/2043 | 1,960,000 | 411,919 | 2,371,919 | -0.20% |
| 9/30/2044 | 2,030,000 | 339,644 | 2,369,644 | -0.10% |
| 9/30/2045 | 2,105,000 | 264,644 | 2,369,644 | 0.00% |
| 9/30/2046 | 2,185,000 | 186,719 | 2,371,719 | 0.09% |
| 9/30/2047 | 1,800,000 | 111,000 | 1,911,000 | -19.43% |
| 9/30/2048 | 1,875,000 | 37,500 | 1,912,500 | 0.08% |
| TOTAL | 40,351,000 | 24,292,054 | 64,643,054 | |



CITY OF ANNA
UTILITY DEBT SERVICE

During the high growth the City experienced in the early part of 2000, the City issued debt for significant water and sewer infrastructure projects. As the growth in the City has picked up over the past 4 to 5 years, the City has again found the need to issue additional debt for water and sewer improvements.

Obligations

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 FY2022, debt service accounts for 18 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 |
|---|--------------|--------------|------------------------|-----------|
| GTUA Contract Revenue Bonds Series 2007 | \$ 2,325,000 | \$ 1,030,000 | Anna/Melissa Project | 6/1/2028 |
| GTUA Contract Revenue Bonds Series 2006 | \$ 2,125,000 | \$ 680,000 | Anna/Melissa Project | 6/1/2026 |
| GTUA Contract Revenue Bonds Series 2005 | \$ 2,800,000 | \$ 341,250 | Collin/Grayson Project | 10/1/2028 |
| TWDB State Participation Loan Series 2006 | \$ 2,168,750 | \$ 2,168,750 | Collin/Grayson Project | 8/1/2040 |
| GTUA Contract Revenue Bonds Series 2007 | \$ 5,000,000 | \$ 862,500 | Collin/Grayson Project | 10/1/2036 |
| Comb. Tax & Revenue Cert. of Obligation 2012 | \$ 4,210,000 | \$ 3,630,000 | Water & Sewer | 2/15/2033 |
| Comb. Tax & Revenue Cert. of Obligation 2014 | \$ 4,180,000 | \$ 3,735,000 | Water & Sewer | 2/15/2034 |
| Comb. Tax & Revenue Cert. of Obligation 2014A | \$ 2,598,000 | \$ 1,550,000 | Water & Sewer | 2/15/2026 |
| Comb. Tax & Revenue Cert. of Obligation 2017 | \$ 7,630,000 | \$ 5,375,000 | Refunding | 2/15/2033 |

Debt Management Plan

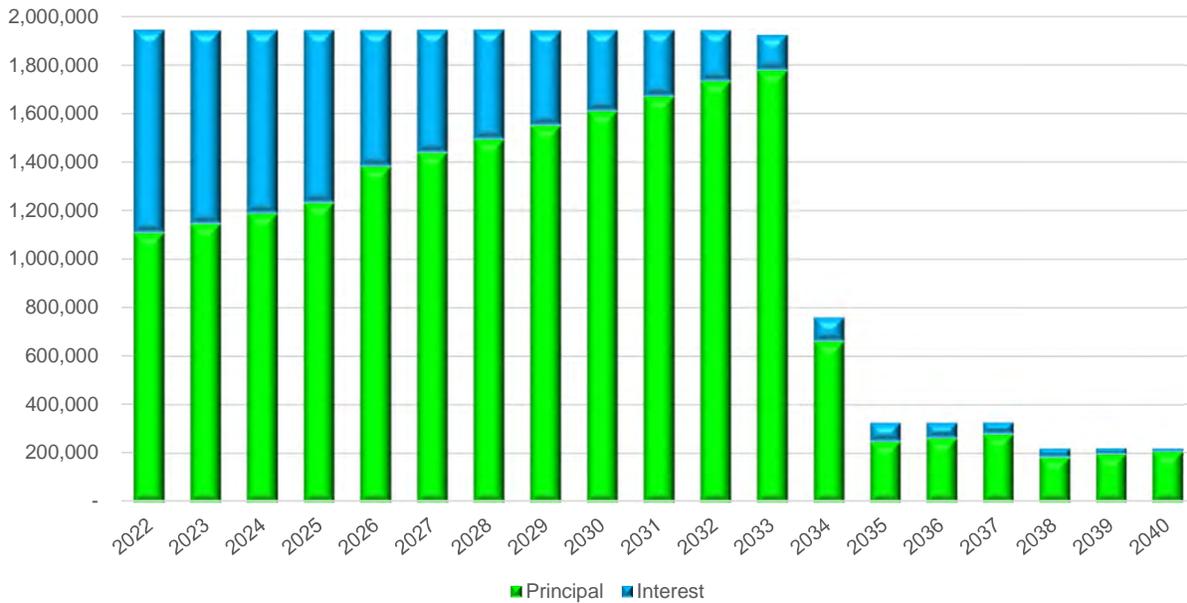
Currently the Utility Fund holds just approximately \$19.4 million in outstanding debt. The City has worked closely with our financial advisors to develop a sound debt management plan for the Utility Fund as well.

The City and its financial advisors continually plan to take advantage of call dates and pursue advance 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.

**CITY OF ANNA
UTILITY DEBT SERVICE**

Outstanding Debt Schedule - Utility Fund

| Period Ending | Principal | Interest | Interest Reduction & Recovery | Total Debt Service |
|---------------|-------------------|------------------|-------------------------------|--------------------|
| 9/30/2022 | 1,108,750 | 732,180 | 103,742 | 1,944,672 |
| 9/30/2023 | 1,145,250 | 692,683 | 103,742 | 1,941,675 |
| 9/30/2024 | 1,189,000 | 650,728 | 103,742 | 1,943,470 |
| 9/30/2025 | 1,232,500 | 606,719 | 103,742 | 1,942,961 |
| 9/30/2026 | 1,382,000 | 560,619 | - | 1,942,619 |
| 9/30/2027 | 1,438,750 | 505,140 | - | 1,943,890 |
| 9/30/2028 | 1,493,750 | 451,567 | - | 1,945,317 |
| 9/30/2029 | 1,550,000 | 392,373 | - | 1,942,373 |
| 9/30/2030 | 1,608,750 | 334,300 | - | 1,943,050 |
| 9/30/2031 | 1,670,000 | 273,767 | - | 1,943,767 |
| 9/30/2032 | 1,732,500 | 210,853 | - | 1,943,353 |
| 9/30/2033 | 1,777,500 | 145,842 | - | 1,923,342 |
| 9/30/2034 | 661,250 | 98,546 | - | 759,796 |
| 9/30/2035 | 248,750 | 77,134 | - | 325,884 |
| 9/30/2036 | 263,750 | 62,764 | - | 326,514 |
| 9/30/2037 | 280,000 | 47,500 | - | 327,500 |
| 9/30/2038 | 185,000 | 34,397 | - | 219,397 |
| 9/30/2039 | 197,500 | 23,612 | - | 221,112 |
| 9/30/2040 | 207,500 | 12,097 | - | 219,597 |
| TOTAL | 19,372,500 | 5,912,820 | 414,967 | 25,700,287 |



Obligations

These bonds are special limited obligations of the Anna Community Development Corporation (CDC) payable from and secured by receipts from the 1/2 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.

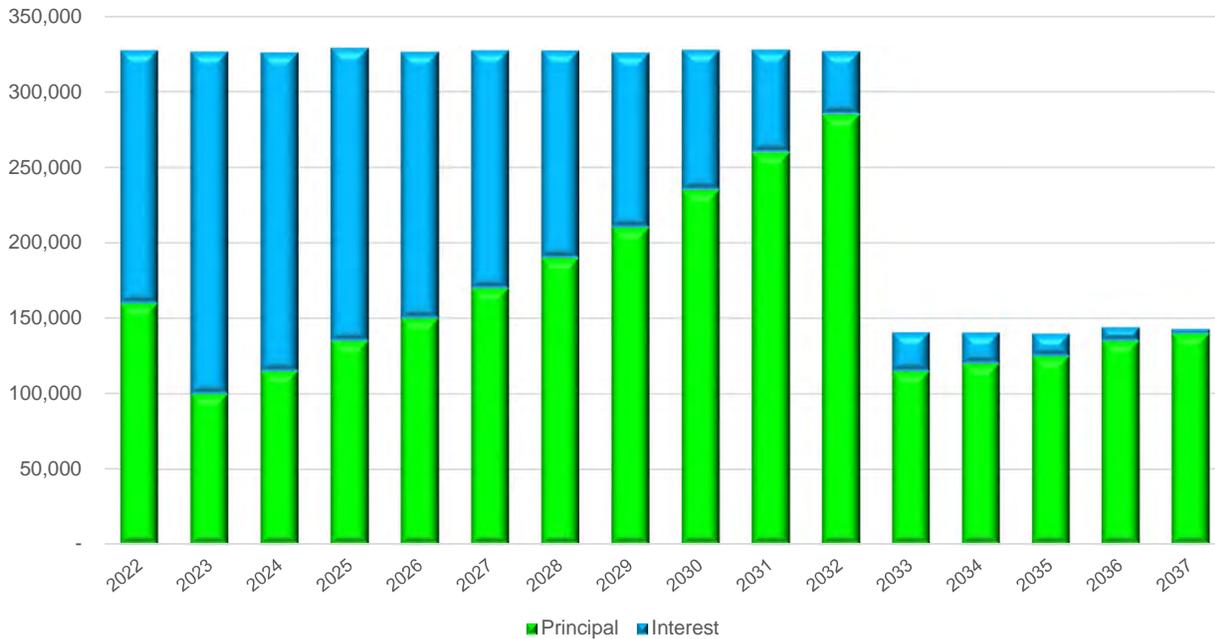
Series 2012B was for public park and open space improvements including recreational facilities, parking facilities and related infrastructure in order to promote and encourage employment and public welfare and to promote and develop new and expanded business enterprises.

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 |
|---------------|------------------|------------------|--------------------|----------|
| 9/30/2022 | 160,000 | 167,463 | 327,463 | -0.54% |
| 9/30/2023 | 100,000 | 226,660 | 326,660 | -0.25% |
| 9/30/2024 | 115,000 | 211,080 | 326,080 | -0.18% |
| 9/30/2025 | 135,000 | 194,238 | 329,238 | 0.97% |
| 9/30/2026 | 150,000 | 176,405 | 326,405 | -0.86% |
| 9/30/2027 | 170,000 | 157,582 | 327,582 | 0.36% |
| 9/30/2028 | 190,000 | 137,395 | 327,395 | -0.06% |
| 9/30/2029 | 210,000 | 115,843 | 325,843 | -0.47% |
| 9/30/2030 | 235,000 | 92,744 | 327,744 | 0.58% |
| 9/30/2031 | 260,000 | 67,981 | 327,981 | 0.07% |
| 9/30/2032 | 285,000 | 41,888 | 326,888 | -0.33% |
| 9/30/2033 | 115,000 | 25,988 | 140,988 | -56.87% |
| 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 | 2,645,000 | 1,663,640 | 4,308,640 | |





**COMMUNITY
INVESTMENT
PROGRAM**

THE CITY OF
Anna

CITY OF ANNA COMMUNITY INVESTMENT PROGRAM

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

The CIP should include:

- ◆ Infrastructure (including Streets, Utilities, and Stormwater)
- ◆ Parks
- ◆ Facilities
- ◆ Large Special Projects

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 Community Investment Program is a road map for the growth and development of the City, as it:

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

The CIP allows the City Council and stakeholders to see all the major needs of the community in the same document. This helps 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, as 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 on 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.

CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM OPERATING IMPACTS

| Project Name / Group | Impacts on Operating Budget |
|-------------------------------|---|
| City Hall Municipal Complex | <ul style="list-style-type: none"> ◆ Facilities Specialist is being added in FY2022 to ensure the new building is properly maintained; cost estimate is \$65,000 per year. ◆ Janitorial services contract will need to increase to ensure that the new, larger facility is kept clean while open to the public; cost estimate is \$35,000 per year |
| Fire Station #2 | <ul style="list-style-type: none"> ◆ Planning for the expansion of the Fire Department is included in the five-year forecast; 6 firefighter positions per year are being added for the next five years. Estimated cost per year is \$540,000 for a total added cost in FY2026 of \$2.9 million. |
| Ladder Truck (Quint / Aerial) | <ul style="list-style-type: none"> ◆ This additional new equipment will require significant hours of training and will eventually, after the warranty period, need an increased maintenance budget. Estimated cost per year is \$50,000. |
| Community Library | <ul style="list-style-type: none"> ◆ Size and scope of Anna's first community library and its programs are in the very preliminary stages of design, but staffing and materials cost is currently estimated at an additional \$250,000 per year. |
| Skate Park | <ul style="list-style-type: none"> ◆ This park addition should require minimal maintenance in its first years of operation, but if it becomes a regional draw as planned, the restrooms and other nearby parks facilities will need more frequent cleaning and maintenance. Estimated cost is \$15,000 per year. |
| Roadway Maintenance Projects | <ul style="list-style-type: none"> ◆ Goal is to continually raise the average street pavement condition; annual proactive projects to keep streets from falling into total disrepair, which would result increased costs of maintenance. These repairs are funded with a portion of the sales tax dedicated to street maintenance which is currently growing at 2 percent per year or an increase of \$100,000 per year. Additionally, an additional streets maintenance crew was added in FY2022 at an estimated cost of \$200,000 per year. |
| Roadway Expansion Projects | <ul style="list-style-type: none"> ◆ 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 \$1,000,000 per year. As these roads are new construction, minimal maintenance is expected for the next five years. |
| Water System Improvements | <ul style="list-style-type: none"> ◆ Expansion projects are funded from impact fees to continue with the City Council direction that growth pay for growth. Water impact fees are currently estimated at \$1,000,000 per year. Failure to stay ahead of the demand curve on water storage and pumping capacity needs will result in incurring additional water supply charges under the "take or pay system" from our provider. As these costs are highly dependent on the weather and the amount of water used by other cities utilizing our provider, they are difficult to quantify and must be continually monitored. As these improvements are new construction, minimal maintenance is expected for the next five years. |

CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM OPERATING IMPACTS

| Project Name / Group | Impacts on Operating Budget |
|----------------------------|--|
| Wastewater Treatment Plant | <p>◆ Performing more sewer treatment will reduce transport and treatment costs from outside providers. The City is currently spending \$2.5 million for transport and treatment from an outside provider with costs increasing every year. A wastewater treatment plant in a high growth area could be paid for with impact fees and allow for the potential to become a regional treatment provider to other small communities in the area.</p> |
| Park Development Projects | <p>◆ Potential addition of parks maintenance staff as the park system expands to meet the needs of the growing population. While additional parks could be developed in three to five years, the current parks staff is able to absorb the workload of additional amenities at our current parks. There is no plan to add parks staffing at this time.</p> |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
ALL FUNDS SUMMARY**

| | Actual Prior Years | Estimated 2020-21 | Budget 2021-22 |
|----------------------------|-----------------------|----------------------|----------------------|
| FUNDS | | | |
| Capital Non-Bond Fund | \$ - | \$ 2,655,000 | \$ 3,769,000 |
| Capital Bond Fund | 10,290,365 | 21,618,000 | - |
| 2021 Bond Fund | - | - | 8,560,000 |
| Road Impact Fees Combined | - | 1,290,000 | 850,000 |
| Utility Non-Bond Fund | - | 50,000 | 315,000 |
| Water Impact Fee Fund | - | 4,180,000 | 500,000 |
| Wastewater Impact Fee Fund | - | 585,000 | 3,155,000 |
| Park Development Fund | 204,935 | 1,132,020 | 1,379,000 |
| TOTAL | \$ 10,495,300 | \$ 31,510,020 | \$ 18,528,000 |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
ALL FUNDS SUMMARY**

| Budget 2022-23 | Budget 2023-24 | Budget 2024-25 | Budget 2025-26 |
|----------------------|---------------------|---------------------|-------------------|
| \$ 377,000 | \$ 221,000 | \$ 449,000 | \$ - |
| - | - | - | - |
| 22,940,000 | - | - | - |
| 2,000,000 | 2,000,000 | 2,000,000 | - |
| 100,000 | 100,000 | 100,000 | - |
| - | 100,000 | - | - |
| 2,133,000 | 1,000,000 | - | - |
| 550,000 | 250,000 | 250,000 | 250,000 |
| \$ 28,100,000 | \$ 3,671,000 | \$ 2,799,000 | \$ 250,000 |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
CAPITAL BOND PROJECTS 2021**

| | Actual Prior Years | Estimated 2020-21 | Budget 2021-22 | Budget 2022-23 |
|-------------------------------|-----------------------|----------------------|-------------------|-------------------|
| BEGINNING BALANCE | \$ - | \$ - | \$ - | \$ - |
| REVENUES | | | | |
| Bond Proceeds | \$ - | \$ - | \$ 8,560,000 | \$ 22,940,000 |
| Interest Revenue | - | - | - | 10,000 |
| TOTAL | \$ - | \$ - | \$ 8,560,000 | \$ 22,950,000 |
| PROJECTS | | | | |
| Fire Station #2 | \$ - | \$ - | \$ 2,700,000 | \$ 3,640,000 |
| Ladder Truck (Quint / Aerial) | - | - | 1,660,000 | - |
| Community Library | - | - | 2,700,000 | 19,300,000 |
| Skate Park | - | - | 1,500,000 | - |
| TOTAL PROJECTS | \$ - | \$ - | \$ 8,560,000 | \$ 22,940,000 |
| ENDING FUND BALANCE | \$ - | \$ - | \$ - | \$ 10,000 |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
CAPITAL BOND PROJECTS 2021**

| Budget 2023-24 | Budget 2024-25 | Budget 2025-26 | Project Total |
|-------------------|-------------------|-------------------|------------------|
| \$ 10,000 | \$ 20,000 | \$ 30,000 | |
| \$ - | \$ - | \$ - | |
| 10,000 | 10,000 | 10,000 | |
| \$ 10,000 | \$ 10,000 | \$ 10,000 | |
| \$ - | \$ - | \$ - | 6,340,000 |
| - | - | - | 1,660,000 |
| - | - | - | 22,000,000 |
| - | - | - | 1,500,000 |
| \$ - | \$ - | \$ - | - |
| \$ 20,000 | \$ 30,000 | \$ 40,000 | |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
CAPITAL PROJECTS NON BOND FUND**

| | Actual Prior Years | Estimated 2020-21 | Budget 2021-22 | Budget 2022-23 |
|---------------------------------------|-----------------------|----------------------|-------------------|-------------------|
| BEGINNING BALANCE | \$ 1,585,396 | \$ 3,216,943 | \$ 3,641,943 | \$ 292,943 |
| REVENUES | | | | |
| Interest Revenue | \$ 20,324 | \$ 20,000 | \$ 20,000 | \$ 20,000 |
| NCTCOG | - | 1,760,000 | - | - |
| Transfers In - General Fund | 1,611,223 | 1,300,000 | 400,000 | 400,000 |
| TOTAL | \$ 1,631,547 | \$ 3,080,000 | \$ 420,000 | \$ 420,000 |
| PROJECTS | | | | |
| City Hall Municipal Complex | \$ - | \$ 300,000 | \$ 700,000 | \$ - |
| Ferguson Parkway | - | 1,760,000 | - | - |
| Hackberry Lane | - | - | 800,000 | - |
| Enterprise Resource Planning Software | - | 120,000 | - | - |
| Downtown Street Expansion | - | - | 1,500,000 | - |
| Street Maintenance Sales Tax Projects | - | - | 369,000 | 377,000 |
| EMS Transport Ambulance | - | - | 400,000 | - |
| Three Single Trailer Mount Generators | - | 475,000 | - | - |
| TOTAL PROJECTS | \$ - | \$ 2,655,000 | \$ 3,769,000 | \$ 377,000 |
| ENDING FUND BALANCE | \$ 3,216,943 | \$ 3,641,943 | \$ 292,943 | \$ 335,943 |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
CAPITAL PROJECTS NON BOND FUND**

| Budget 2023-24 | Budget 2024-25 | Budget 2025-26 | Project Total |
|-------------------|-------------------|-------------------|------------------|
| \$ 335,943 | \$ 534,943 | \$ 505,943 | |
| \$ 20,000 | \$ 20,000 | \$ 20,000 | |
| - | - | - | |
| 400,000 | 400,000 | 400,000 | |
| <u>\$ 420,000</u> | <u>\$ 420,000</u> | <u>\$ 420,000</u> | |
| \$ - | \$ - | \$ - | \$ 1,000,000 |
| - | - | - | 1,760,000 |
| - | - | - | 800,000 |
| - | - | - | 120,000 |
| - | - | - | 1,500,000 |
| 221,000 | 449,000 | - | 1,416,000 |
| - | - | - | 400,000 |
| - | - | - | 475,000 |
| <u>\$ 221,000</u> | <u>\$ 449,000</u> | <u>\$ -</u> | |
| <u>\$ 534,943</u> | <u>\$ 505,943</u> | <u>\$ 925,943</u> | |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
STREET MAINTENANCE SALES TAX**

| | Budget 2021-22 | Budget 2022-23 | Budget 2023-24 |
|---------------------------------|-------------------|-------------------|-------------------|
| PROJECTS | | | |
| County Road 367 (Taylor) | \$ - | \$ 114,000 | \$ 175,000 |
| East 6th Street | - | 168,000 | - |
| Easton Street | - | 95,000 | - |
| North Riggins Street | 73,000 | - | - |
| North James Street | 121,000 | - | - |
| West 2nd Street | 130,000 | - | - |
| County Road 365 | - | - | 46,000 |
| North / South Interurban Street | 45,000 | - | - |
| TOTAL PROJECTS | \$ 369,000 | \$ 377,000 | \$ 221,000 |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
STREET MAINTENANCE SALES TAX**

| | Budget 2024-25 | Budget 2025-26 | Project Total |
|-----------|-------------------|-------------------|------------------|
| \$ | 175,000 | \$ - | \$ 464,000 |
| | - | - | 168,000 |
| | - | - | 95,000 |
| | - | - | 73,000 |
| | - | - | 121,000 |
| | - | - | 130,000 |
| | - | - | 46,000 |
| | 274,000 | - | 319,000 |
| \$ | 449,000 | \$ - | |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
CAPITAL PROJECTS BOND FUND**

| | Actual Prior Years | Estimated 2020-21 | Budget 2021-22 | Budget 2022-23 |
|------------------------------|-----------------------|----------------------|-------------------|-------------------|
| BEGINNING BALANCE | \$ 31,148,985 | \$ 21,920,667 | \$ 372,667 | \$ 382,667 |
| REVENUES | | | | |
| Interest Revenue | \$ 1,062,047 | \$ 70,000 | \$ 10,000 | \$ 10,000 |
| TOTAL | \$ 1,062,047 | \$ 70,000 | \$ 10,000 | \$ 10,000 |
| PROJECTS | | | | |
| City Hall Municipal Complex | \$ 9,299,628 | \$ 21,568,000 | \$ - | \$ - |
| Ferguson Parkway | 207,637 | - | - | - |
| City Hall Utility Relocation | 329,592 | - | - | - |
| Rosamond Parkway | 424,571 | 50,000 | - | - |
| Hackberry Lane | 28,937 | - | - | - |
| TOTAL PROJECTS | \$ 10,290,365 | \$ 21,618,000 | \$ - | \$ - |
| ENDING FUND BALANCE | \$ 21,920,667 | \$ 372,667 | \$ 382,667 | \$ 392,667 |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
CAPITAL PROJECTS BOND FUND**

| Budget 2023-24 | Budget 2024-25 | Budget 2025-26 | Project Total |
|-------------------|-------------------|-------------------|------------------|
| \$ 392,667 | \$ 402,667 | \$ 412,667 | |
| \$ 10,000 | \$ 10,000 | \$ 10,000 | |
| \$ 10,000 | \$ 10,000 | \$ 10,000 | |
| \$ - | \$ - | \$ - | 30,867,628 |
| - | - | - | 207,637 |
| - | - | - | 329,592 |
| - | - | - | 474,571 |
| - | - | - | 28,937 |
| \$ - | \$ - | \$ - | - |
| \$ 402,667 | \$ 412,667 | \$ 422,667 | |

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

| | Actual Prior Years | Estimated 2020-21 | Budget 2021-22 | Budget 2022-23 |
|----------------------------------|-----------------------|----------------------|---------------------|---------------------|
| BEGINNING BALANCE | \$ 911,686 | \$ 1,740,681 | \$ 1,190,681 | \$ 1,155,681 |
| Road Improvement Fees | \$ 812,685 | \$ 725,000 | \$ 800,000 | \$ 2,000,000 |
| Interest Revenue | 16,310 | 15,000 | 15,000 | 15,000 |
| TOTAL REVENUE | \$ 828,995 | \$ 740,000 | \$ 815,000 | \$ 2,015,000 |
| TOTAL AVAILABLE RESOURCES | \$ 1,740,681 | \$ 2,480,681 | \$ 2,005,681 | \$ 3,170,681 |
| PROJECTS | | | | |
| Ferguson Parkway | \$ - | \$ 340,000 | \$ 100,000 | \$ 2,000,000 |
| Foster Crossing Road | - | 800,000 | - | - |
| Taylor Boulevard | - | 150,000 | 750,000 | - |
| TOTAL PROJECTS | \$ - | \$ 1,290,000 | \$ 850,000 | \$ 2,000,000 |
| ENDING FUND BALANCE | \$ 1,740,681 | \$ 1,190,681 | \$ 1,155,681 | \$ 1,170,681 |

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

| Budget 2023-24 | Budget 2024-25 | Budget 2025-26 | Project Total |
|------------------------|------------------------|------------------------|------------------|
| \$ 1,170,681 | \$ 1,185,681 | \$ 1,200,681 | |
| \$ 2,000,000 15,000 | \$ 2,000,000 15,000 | \$ 2,000,000 15,000 | |
| \$ 2,015,000 | \$ 2,015,000 | \$ 2,015,000 | |
| \$ 3,185,681 | \$ 3,200,681 | \$ 3,215,681 | |
| \$ 2,000,000 | \$ 2,000,000 | \$ - | \$ 6,440,000 |
| - | - | - | 800,000 |
| - | - | - | 900,000 |
| \$ 2,000,000 | \$ 2,000,000 | \$ - | |
| \$ 1,185,681 | \$ 1,200,681 | \$ 3,215,681 | |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
GENERAL GOVERNMENT PROJECTS**

| PROJECT NAME: Fire Station #2 | | | | | |
|--|-------------|---------------------|---------------------|-------------|---------------------|
| Description: Fire Station #2 will be constructed on the Villages of Hurricane Creek site on the west side of US 75 utilizing a design-build construction contract. Completion of the facility is expected within eighteen months, weather permitting. | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total |
| Bond Funds | \$ - | \$ 2,700,000 | \$ - | \$ - | \$ 2,700,000 |
| Expenditures | | | | | |
| | - | | | | |
| <i>Design</i> | \$ - | \$ 400,000 | \$ - | \$ - | \$ 400,000 |
| <i>Construction</i> | - | 2,300,000 | 3,640,000 | - | 5,940,000 |
| <i>Equipment</i> | - | - | - | - | - |
| <i>Right of Way</i> | - | - | - | - | - |
| Total | \$ - | \$ 2,700,000 | \$ 3,640,000 | \$ - | \$ 6,340,000 |

| PROJECT NAME: Community Library | | | | | |
|---|-------------|---------------------|----------------------|-------------|----------------------|
| Description: Voters approved the issuance of \$22,000,000 in general obligation bonds for the construction of a community library in the spring of 2021. The library is to be constructed on the northeast corner of West 5th and Riggins streets. | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total |
| Bond Funds | \$ - | \$ 2,700,000 | \$ 19,300,000 | \$ - | \$ 22,000,000 |
| Expenditures | | | | | |
| | - | | | | |
| <i>Design</i> | \$ - | \$ 2,700,000 | \$ 600,000 | \$ - | \$ 3,300,000 |
| <i>Construction</i> | - | - | 18,700,000 | - | 18,700,000 |
| <i>Equipment</i> | - | - | - | - | - |
| <i>Right of Way</i> | - | - | - | - | - |
| Total | \$ - | \$ 2,700,000 | \$ 19,300,000 | \$ - | \$ 22,000,000 |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
GENERAL GOVERNMENT PROJECTS**

| PROJECT NAME: Skate Park | | | | | |
|--|-------------|---------------------|-------------|-------------|---------------------|
| Description: Design and build a skatepark at Slayter Creek Park as well as a small restroom building to serve the skatepark and splashpad. The skatepark ranked highest of amenities requested in the Parks, Recreation and Open Space Master Plan. The skate park will be the first project utilizing the \$28,000,000 approved in the spring of 2021 in Proposition C for Parks, Trails, Recreation and Sports. | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total |
| Bond Funds | \$ - | \$ 1,500,000 | \$ - | \$ - | \$ 1,500,000 |
| Expenditures | | | | | |
| <i>Design</i> | \$ - | \$ 200,000 | \$ - | \$ - | \$ 200,000 |
| <i>Construction</i> | - | 1,300,000 | - | - | 1,300,000 |
| <i>Equipment</i> | - | - | - | - | - |
| <i>Right of Way</i> | - | - | - | - | - |
| Total | \$ - | \$ 1,500,000 | \$ - | \$ - | \$ 1,500,000 |

| PROJECT NAME: City Hall Municipal Complex | | | | | |
|---|----------------------|-------------------|-------------|-------------|----------------------|
| Description: The new Municipal Complex will provide a centralized location to interact with all City services except for Public Works. The current fire station, built in 1967, has had several additions and renovations and has served the community well. It, however, is currently not efficient or effective in serving the community for the long term. A new facility incorporating drive through apparatus bays, offices, storage, administrative & training areas, crew quarters and amenities is greatly needed. | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total |
| Bond Funds | \$ 21,568,000 | \$ - | \$ - | \$ - | \$ 21,568,000 |
| Cash Reserves | 300,000 | 700,000 | - | - | 1,000,000 |
| Total | \$ 21,868,000 | \$ 700,000 | \$ - | \$ - | \$ 22,568,000 |
| Expenditures | | | | | |
| <i>Design</i> | \$ 700,000 | \$ - | \$ - | \$ - | \$ 700,000 |
| <i>Construction</i> | 20,868,000 | - | - | - | 20,868,000 |
| <i>Equipment</i> | 300,000 | 700,000 | - | - | 1,000,000 |
| <i>Right of Way</i> | - | - | - | - | - |
| Total | \$ 21,868,000 | \$ 700,000 | \$ - | \$ - | \$ 22,568,000 |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
GENERAL GOVERNMENT 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 6-lane divided parkway with 120' of right-of-way. Phase 1 would construct 2 concrete curb and gutter lanes and include a 3-lane bridge. This project is a top priority due to the connectivity to two regional roadways (FM 455 and the CCOL). The project moves traffic to our population center without having to use the congested intersections of FM 455 at US 75 and FM 455 at SH 5. | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total |
| Road Impact Fees | \$ 340,000 | \$ 100,000 | \$ 2,000,000 | \$ 2,000,000 | \$ 4,440,000 |
| NCTCOG | 1,760,000 | - | - | - | 1,760,000 |
| Total | \$ 2,100,000 | \$ 100,000 | \$ 2,000,000 | \$ 2,000,000 | \$ 6,200,000 |
| Expenditures | | | | | |
| <i>Design</i> | \$ 2,100,000 | \$ 100,000 | \$ - | \$ - | \$ 2,200,000 |
| <i>Construction</i> | - | - | 2,000,000 | 2,000,000 | 4,000,000 |
| <i>Equipment</i> | - | - | - | - | - |
| <i>Right of Way</i> | - | - | - | - | - |
| Total | \$ 2,100,000 | \$ 100,000 | \$ 2,000,000 | \$ 2,000,000 | \$ 6,200,000 |

| PROJECT NAME: Rosamond Parkway | | | | | |
|---|---------------------|---------------------|-------------|-------------|---------------------|
| Description: Rosamond Boulevard is a future 6-lane divided major collector boulevard with 120' of right-of-way. This project would connect SH 5 to US 75 providing needed connectivity. Project is being completed as an impact fee reimbursement by DR Horton. Construction to start in October 2021. | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total |
| Bond Funds | \$ 50,000 | \$ - | \$ - | \$ - | \$ 50,000 |
| Developer Contrib. | 4,175,000 | 3,000,000 | - | - | 7,175,000 |
| Total | \$ 4,225,000 | \$ 3,000,000 | \$ - | \$ - | \$ 7,225,000 |
| Expenditures | | | | | |
| <i>Design</i> | \$ 225,000 | \$ - | \$ - | \$ - | \$ 225,000 |
| <i>Construction</i> | 4,000,000 | 3,000,000 | - | - | 7,000,000 |
| <i>Equipment</i> | - | - | - | - | - |
| <i>Right of Way</i> | - | - | - | - | - |
| Total | \$ 4,225,000 | \$ 3,000,000 | \$ - | \$ - | \$ 7,225,000 |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
GENERAL GOVERNMENT PROJECTS**

| PROJECT NAME: Hackberry Lane | | | | | | |
|---|-------------|-------------------|-------------|-------------|-------------------|--|
| Description: Improve Hackberry Lane from Bamborough Drive to SH 5. Existing road is in poor condition with a dangerous curve. Design is complete. Property acquisition has begun. Construction should begin in October 2021. | | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total | |
| Non-Bond Capital | \$ - | \$ 800,000 | \$ - | \$ - | \$ 800,000 | |
| Expenditures | | | | | | |
| <i>Design</i> | \$ - | \$ - | \$ - | \$ - | \$ - | |
| <i>Construction</i> | - | 800,000 | - | - | 800,000 | |
| <i>Equipment</i> | - | - | - | - | - | |
| <i>Right of Way</i> | - | - | - | - | - | |
| Total | \$ - | \$ 800,000 | \$ - | \$ - | \$ 800,000 | |

| PROJECT NAME: Foster Crossing Road | | | | | | |
|--|-------------------|-------------|-------------|-------------|-------------------|--|
| Description: Adjacent to Pecan Grove Phase 2 and Phase 4; construct northern 2-lanes of a future 4-lane road. Construction begun in August, 2021. | | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total | |
| Road Impact Fees | \$ 800,000 | \$ - | \$ - | \$ - | \$ 800,000 | |
| Expenditures | | | | | | |
| <i>Design</i> | \$ - | \$ - | \$ - | \$ - | \$ - | |
| <i>Construction</i> | 800,000 | - | - | - | 800,000 | |
| <i>Equipment</i> | - | - | - | - | - | |
| <i>Right of Way</i> | - | - | - | - | - | |
| Total | \$ 800,000 | \$ - | \$ - | \$ - | \$ 800,000 | |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
GENERAL GOVERNMENT PROJECTS**

| PROJECT NAME: Taylor Boulevard | | | | | |
|--|-------------------|---------------------|-------------|-------------|---------------------|
| Description: US 75 to Ferguson Parkway; major road expansion with number of lanes and configurations to be determined | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total |
| Impact Fees | \$ 150,000 | \$ 750,000 | \$ - | \$ - | \$ 900,000 |
| Collin County | - | 7,500,000 | - | - | 7,500,000 |
| Total | \$ 150,000 | \$ 8,250,000 | \$ - | \$ - | \$ 8,400,000 |
| Expenditures | | | | | |
| <i>Design</i> | \$ 150,000 | \$ 750,000 | \$ - | \$ - | \$ 900,000 |
| <i>Construction</i> | - | 7,500,000 | - | - | 7,500,000 |
| <i>Equipment</i> | - | - | - | - | - |
| <i>Right of Way</i> | - | - | - | - | - |
| Total | \$ 150,000 | \$ 8,250,000 | \$ - | \$ - | \$ 8,400,000 |

| PROJECT NAME: Downtown Street Improvements | | | | | |
|--|-------------|---------------------|-------------|-------------|---------------------|
| Description: 5th Street from SH 5 to Riggins Street; 7th Street from SH 5 to Riggins Street; Interurban Street from 5th Street to 4th Street; These projects are part of the Downtown Improvement Plan, and the scope is being revised to align with the newly adopted Comprehensive Plan. A consultant will be selected in September 2021. | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total |
| Non-Bond Capital | \$ - | \$ 1,500,000 | \$ - | \$ - | \$ 1,500,000 |
| Expenditures | | | | | |
| <i>Design</i> | \$ - | \$ - | \$ - | \$ - | \$ - |
| <i>Construction</i> | - | 1,500,000 | - | - | 1,500,000 |
| <i>Equipment</i> | - | - | - | - | - |
| <i>Right of Way</i> | - | - | - | - | - |
| Total | \$ - | \$ 1,500,000 | \$ - | \$ - | \$ 1,500,000 |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
GENERAL GOVERNMENT PROJECTS**

| PROJECT NAME: County Road 367 (Taylor) | | | | | |
|---|-------------------|-------------|-------------------|-------------------|-------------------|
| Description: Phase 1 - Ferguson Parkway to Quail Creek Run (Mutual Boundary Road); Phase 2 - Quail Creek Run to Black Willow Trail (Mutual Boundary Road); Phase 3 - Black Willow Trail to Olive Lane (Mutual Boundary Road); Olive Lane to Twin Creeks Circle (Mutual Boundary Road); Phase 4 - Twin Creeks Circle to Conway Road (Mutual Boundary Road); Conway Road to US 75 Frontage Road (Mutual Boundary Road) | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total |
| Street Tax | \$ 25,000 | \$ - | \$ 114,000 | \$ 175,000 | \$ 314,000 |
| Collin County | 86,000 | - | 84,000 | 175,000 | 345,000 |
| Total | \$ 111,000 | \$ - | \$ 198,000 | \$ 350,000 | \$ 659,000 |
| Expenditures | | | | | |
| <i>Design</i> | \$ - | \$ - | \$ - | \$ - | - |
| <i>Construction</i> | 111,000 | - | 198,000 | 350,000 | 659,000 |
| <i>Equipment</i> | - | - | - | - | - |
| <i>Right of Way</i> | - | - | - | - | - |
| Total | \$ 111,000 | \$ - | \$ 198,000 | \$ 350,000 | \$ 659,000 |

| PROJECT NAME: East 6th Street | | | | | |
|---|-------------|-------------|-------------------|-------------|-------------------|
| Description: Sherley Road to Smith Drive | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total |
| Street Tax | \$ - | \$ - | \$ 168,000 | \$ - | \$ 168,000 |
| Expenditures | | | | | |
| <i>Design</i> | \$ - | \$ - | \$ - | \$ - | - |
| <i>Construction</i> | - | - | 168,000 | - | 168,000 |
| <i>Equipment</i> | - | - | - | - | - |
| <i>Right of Way</i> | - | - | - | - | - |
| Total | \$ - | \$ - | \$ 168,000 | \$ - | \$ 168,000 |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
GENERAL GOVERNMENT PROJECTS**

| PROJECT NAME: Easton Street | | | | | |
|--|-------------|-------------|------------------|-------------|------------------|
| Description: 6th Street to 8th Street | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total |
| Street Tax | \$ - | \$ - | \$ 95,000 | \$ - | \$ 95,000 |
| Expenditures | | | | | |
| Design | \$ - | \$ - | \$ - | \$ - | \$ - |
| Construction | - | - | 95,000 | - | 95,000 |
| Equipment | - | - | - | - | - |
| Right of Way | - | - | - | - | - |
| Total | \$ - | \$ - | \$ 95,000 | \$ - | \$ 95,000 |

| PROJECT NAME: North Riggins Street | | | | | |
|--|-------------|------------------|-------------|-------------|------------------|
| Description: Phase 1 - 8th Street to FM 455 White Street; Phase 2 - Hackberry Lane to West 4th Street | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total |
| Street Tax | \$ - | \$ 73,000 | \$ - | \$ - | \$ 73,000 |
| Expenditures | | | | | |
| Design | \$ - | \$ - | \$ - | \$ - | \$ - |
| Construction | - | 73,000 | - | - | 73,000 |
| Equipment | - | - | - | - | - |
| Right of Way | - | - | - | - | - |
| Total | \$ - | \$ 73,000 | \$ - | \$ - | \$ 73,000 |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
GENERAL GOVERNMENT PROJECTS**

| PROJECT NAME: North Interurban Street / South Interurban Street | | | | | |
|--|------|-----------|------|------|--------|
| Description: Phase 1 - West 4th Street to West 5th Street; Phase 2 - FM 455 White Street to End | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total |
| Street Tax | \$ - | \$ 45,000 | \$ - | \$ - | 45,000 |
| Expenditures | | | | | |
| Design | \$ - | \$ - | \$ - | \$ - | - |
| Construction | - | 45,000 | - | - | 45,000 |
| Equipment | - | - | - | - | - |
| Right of Way | - | - | - | - | - |
| Total | \$ - | \$ 45,000 | \$ - | \$ - | 45,000 |

| PROJECT NAME: North James Street | | | | | |
|---|------|------------|------|------|---------|
| Description: Hackberry Lane to West 3rd Street | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total |
| Street Tax | \$ - | \$ 121,000 | \$ - | \$ - | 121,000 |
| Expenditures | | | | | |
| Design | \$ - | \$ - | \$ - | \$ - | - |
| Construction | - | 121,000 | - | - | 121,000 |
| Equipment | - | - | - | - | - |
| Right of Way | - | - | - | - | - |
| Total | \$ - | \$ 121,000 | \$ - | \$ - | 121,000 |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
GENERAL GOVERNMENT PROJECTS**

| PROJECT NAME: West 2nd Street | | | | | |
|--|-------------|-------------------|-------------|-------------|----------------|
| Description: SH 5 to West End; SH 5 Powell Parkway to North Interurban Street | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total |
| Street Tax | \$ - | \$ 130,000 | \$ - | \$ - | 130,000 |
| Expenditures | | | | | |
| <i>Design</i> | \$ - | \$ - | \$ - | \$ - | - |
| <i>Construction</i> | - | 130,000 | - | - | 130,000 |
| <i>Equipment</i> | - | - | - | - | - |
| <i>Right of Way</i> | - | - | - | - | - |
| Total | \$ - | \$ 130,000 | \$ - | \$ - | 130,000 |

| PROJECT NAME: County Road 365 | | | | | |
|---|-------------|-------------|-------------|-------------------|----------------|
| Description: Phase 1 - SH 5 Powell Parkway to Collin County Outer Loop (Mutual Boundary Road); Phase 2 - SH 5 Powell Parkway to County Road 422 (Mutual Boundary Road) | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total |
| Street Tax | \$ - | \$ - | \$ - | \$ 46,000 | 46,000 |
| Collin County | - | - | - | 287,000 | 287,000 |
| Total | \$ - | \$ - | \$ - | \$ 333,000 | 333,000 |
| Expenditures | | | | | |
| <i>Design</i> | \$ - | \$ - | \$ - | \$ - | - |
| <i>Construction</i> | - | - | - | 333,000 | 333,000 |
| <i>Equipment</i> | - | - | - | - | - |
| <i>Right of Way</i> | - | - | - | - | - |
| Total | \$ - | \$ - | \$ - | \$ 333,000 | 333,000 |

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**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
UTILITY NON-BOND FUND PROJECTS**

| | Actual Prior Years | Estimated 2020-21 | Budget 2021-22 | Budget 2022-23 |
|--|-----------------------|----------------------|-------------------|-------------------|
| BEGINNING BALANCE | \$ 3,557,153 | \$ 3,591,888 | \$ 3,576,888 | \$ 3,691,888 |
| REVENUES | | | | |
| Utility Fund Cash Reserves | \$ - | \$ - | \$ 400,000 | \$ 100,000 |
| Interest Revenue | 34,735 | 35,000 | 30,000 | 30,000 |
| TOTAL | \$ 34,735 | \$ 35,000 | \$ 430,000 | \$ 130,000 |
| PROJECTS | | | | |
| Treatment Plant Rehab & Expansion | \$ - | \$ 50,000 | \$ 120,000 | \$ - |
| Sherley Storage Tank Rehabilitation | - | - | 195,000 | - |
| Storage Tank Painting & Rehabilitation | - | - | - | 100,000 |
| TOTAL PROJECTS | \$ - | \$ 50,000 | \$ 315,000 | \$ 100,000 |
| ENDING FUND BALANCE | \$ 3,591,888 | \$ 3,576,888 | \$ 3,691,888 | \$ 3,721,888 |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
UTILITY NON-BOND FUND PROJECTS**

| Budget 2023-24 | Budget 2024-25 | Budget 2025-26 | Project Total |
|-------------------|-------------------|-------------------|------------------|
| \$ 3,721,888 | \$ 3,751,888 | \$ 3,781,888 | |
| \$ 100,000 | \$ 100,000 | \$ 100,000 | |
| 30,000 | 30,000 | 30,000 | |
| \$ 130,000 | \$ 130,000 | \$ 130,000 | |
| \$ - | \$ - | \$ - | \$ 170,000 |
| - | - | - | 195,000 |
| 100,000 | 100,000 | - | 300,000 |
| \$ 100,000 | \$ 100,000 | \$ - | |
| \$ 3,751,888 | \$ 3,781,888 | \$ 3,911,888 | |

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

| | Actual Prior Years | Estimated 2020-21 | Budget 2021-22 | Budget 2022-23 |
|--------------------------------|-----------------------|----------------------|-------------------|-------------------|
| BEGINNING BALANCE | \$ 2,994,555 | \$ 5,713,192 | \$ 2,563,192 | \$ 3,093,192 |
| Water Improvement Fees | \$ 2,678,871 | \$ 1,000,000 | \$ 1,000,000 | \$ 1,000,000 |
| Interest Revenue | 39,767 | 30,000 | 30,000 | 30,000 |
| TOTAL REVENUE | \$ 2,718,638 | \$ 1,030,000 | \$ 1,030,000 | \$ 1,030,000 |
| TOTAL AVAILABLE RESOURCES | \$ 5,713,193 | \$ 6,743,192 | \$ 3,593,192 | \$ 4,123,192 |
| PROJECTS | | | | |
| US 75 Utility Relocations | \$ - | \$ 130,000 | \$ 500,000 | \$ - |
| Collin Pump Station Expansion | - | 3,700,000 | - | - |
| Well #9 | - | - | - | - |
| State Hwy 5 Utility Relocation | - | 350,000 | - | - |
| TOTAL PROJECTS | \$ - | \$ 4,180,000 | \$ 500,000 | \$ - |
| ENDING FUND BALANCE | \$ 5,713,192 | \$ 2,563,192 | \$ 3,093,192 | \$ 4,123,192 |

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

| Budget 2023-24 | Budget 2024-25 | Budget 2025-26 | Project Total |
|------------------------|------------------------|------------------------|------------------|
| \$ 4,123,192 | \$ 5,053,192 | \$ 6,083,192 | |
| \$ 1,000,000 30,000 | \$ 1,000,000 30,000 | \$ 1,000,000 30,000 | |
| \$ 1,030,000 | \$ 1,030,000 | \$ 1,030,000 | |
| \$ 5,153,192 | \$ 6,083,192 | \$ 7,113,192 | |
| \$ - | \$ - | \$ - | \$ 630,000 |
| - | - | - | 3,700,000 |
| 100,000 | - | - | 100,000 |
| - | - | - | 350,000 |
| \$ 100,000 | \$ - | \$ - | |
| \$ 5,053,192 | \$ 6,083,192 | \$ 7,113,192 | |

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

| | Actual Prior Years | Estimated 2020-21 | Budget 2021-22 | Budget 2022-23 |
|--|-----------------------|----------------------|-------------------|-------------------|
| BEGINNING BALANCE | \$ 1,291,804 | \$ 3,431,182 | \$ 3,866,182 | \$ 1,731,182 |
| Sewer Improvement Fees | \$ 2,115,604 | \$ 1,000,000 | \$ 1,000,000 | \$ 1,000,000 |
| Interest Revenue | 23,774 | 20,000 | 20,000 | 20,000 |
| TOTAL REVENUE | \$ 2,139,378 | \$ 1,020,000 | \$ 1,020,000 | \$ 1,020,000 |
| TOTAL AVAILABLE RESOURCES | \$ 3,431,182 | \$ 4,451,182 | \$ 4,886,182 | \$ 2,751,182 |
| PROJECTS | | | | |
| Throckmorton Creek Trunk Sewer Expansion | \$ - | \$ 450,000 | \$ - | \$ - |
| State Hwy 5 Utility Relocation | - | - | 655,000 | 2,133,000 |
| Wastewater Treatment Plant Permit & Design | - | 135,000 | 2,500,000 | - |
| TOTAL PROJECTS | \$ - | \$ 585,000 | \$ 3,155,000 | \$ 2,133,000 |
| ENDING FUND BALANCE | \$ 3,431,182 | \$ 3,866,182 | \$ 1,731,182 | \$ 618,182 |

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

| Budget 2023-24 | Budget 2024-25 | Budget 2025-26 | Project Total |
|-------------------|-------------------|-------------------|------------------|
| \$ 618,182 | \$ 638,182 | \$ 1,658,182 | |
| \$ 1,000,000 | \$ 1,000,000 | \$ 1,000,000 | |
| 20,000 | 20,000 | 20,000 | |
| \$ 1,020,000 | \$ 1,020,000 | \$ 1,020,000 | |
| \$ 1,638,182 | \$ 1,658,182 | \$ 2,678,182 | |
| \$ - | \$ - | \$ - | \$ 450,000 |
| 1,000,000 | - | - | 3,788,000 |
| - | - | - | 2,635,000 |
| \$ 1,000,000 | \$ - | \$ - | - |
| \$ 638,182 | \$ 1,658,182 | \$ 2,678,182 | |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
WATER PROJECTS**

| PROJECT NAME: Well #9 | | | | | |
|---|-------------|-------------|-------------|---------------------|---------------------|
| Description: Construct new combination deep/shallow well near existing Well 5 at Smith & 6th Street to meet required peak demand; also included are a new storage tank and pump house; needed to enhance water supply needs. | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total |
| Water Impact Fees | \$ - | \$ - | \$ - | \$ 100,000 | \$ 100,000 |
| Future Bond | - | - | - | 3,000,000 | 3,000,000 |
| Total | \$ - | \$ - | \$ - | \$ 3,100,000 | \$ 3,100,000 |
| Expenditures | | | | | |
| Design | \$ - | \$ - | \$ - | \$ - | - |
| Construction | - | - | - | 3,100,000 | 3,100,000 |
| Equipment | - | - | - | - | - |
| Right of Way | - | - | - | - | - |
| Total | \$ - | \$ - | \$ - | \$ 3,100,000 | \$ 3,100,000 |

| PROJECT NAME: Collin Pump Station Expansion | | | | | |
|---|---------------------|-------------|-------------|-------------|---------------------|
| Description: New pumps, two wells, and treatment to bring station online and increase supply; south major take point for GTUA / NTMWD water; needed to enhance water supply needs. | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total |
| Water Impact Fees | \$ 3,700,000 | \$ - | \$ - | \$ - | \$ 3,700,000 |
| Expenditures | | | | | |
| Design | \$ - | \$ - | \$ - | \$ - | - |
| Construction | 3,700,000 | - | - | - | 3,700,000 |
| Equipment | - | - | - | - | - |
| Right of Way | - | - | - | - | - |
| Total | \$ 3,700,000 | \$ - | \$ - | \$ - | \$ 3,700,000 |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
WATER PROJECTS**

| PROJECT NAME: State Hwy 5 Utility Relocation - Water | | | | | | |
|---|------------|------|------|------|------------|--|
| Description: Relocate and expand public water system along SH 5. Phase 1 is to the south, and Phase 2 is to the north. TxDOT is widening SH5 to four lanes, and city water and wastewater must be relocated. | | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total | |
| Water Impact Fees | \$ 350,000 | \$ - | \$ - | \$ - | \$ 350,000 | |
| Expenditures | | | | | | |
| Design | \$ 10,000 | \$ - | \$ - | \$ - | \$ 10,000 | |
| Construction | 340,000 | - | - | - | 340,000 | |
| Equipment | - | - | - | - | - | |
| Right of Way | - | - | - | - | - | |
| Total | \$ 350,000 | \$ - | \$ - | \$ - | \$ 350,000 | |

| PROJECT NAME: US 75 Utility Relocation | | | | | | |
|---|------------|------------|------|------|------------|--|
| Description: Water and wastewater lines must be relocated in order for the reconstruction of US 75 up to the Grayson County line to be completed. City Council awarded design at April 13, 2021 meeting. Design will be completed in FY2021 with construction in FY2022. | | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total | |
| Water Impact Fees | \$ 130,000 | \$ 500,000 | \$ - | \$ - | \$ 630,000 | |
| Expenditures | | | | | | |
| Design | \$ 130,000 | \$ - | \$ - | \$ - | \$ 130,000 | |
| Construction | 1,000 | 500,000 | - | - | 501,000 | |
| Equipment | - | - | - | - | - | |
| Right of Way | - | - | - | - | - | |
| Total | \$ 131,000 | \$ 500,000 | \$ - | \$ - | \$ 631,000 | |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
WATER PROJECTS**

| PROJECT NAME: Grayson Pump Station | | | | | | |
|---|-------------|-------------|-------------------|-------------------|-------------------|--|
| Description: Design expansion and creation of major northern take point for GTUA / NTMWD water; Installation of pump station, pumps, back-up generator, and all piping and appurtenances. Construction of a 500,000 gallon ground storage reservoir; needed to enhance water supply needs. | | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total | |
| Future Bond | \$ - | \$ - | \$ 375,000 | \$ 375,000 | \$ 750,000 | |
| Expenditures | | | | | | |
| <i>Design</i> | \$ - | \$ - | \$ 375,000 | \$ 375,000 | \$ 750,000 | |
| <i>Construction</i> | - | - | - | - | - | |
| <i>Equipment</i> | - | - | - | - | - | |
| <i>Right of Way</i> | - | - | - | - | - | |
| Total | \$ - | \$ - | \$ 375,000 | \$ 375,000 | \$ 750,000 | |

| PROJECT NAME: Sherley Elevated Storage Tank Rehabilitation | | | | | | |
|--|-------------|-------------------|-------------|-------------|-------------------|--|
| Description: Rehabilitation of historic water tower downtown as visual landmark (not in service) including any potential metal work, potential lead mitigation, sandblasting, prime coat and repaint. This tank, while not in service, reflects on our water system. If it is to be retained, it should be restored. The tank is a historic landmark, is located in our historic district, stands near a historic church and should be preserved. Tanks of this type were common in the 1920's, and this tank is from that era. | | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total | |
| Cash Reserves | \$ - | \$ 195,000 | \$ - | \$ - | \$ 195,000 | |
| Expenditures | | | | | | |
| <i>Design</i> | \$ - | \$ - | \$ - | \$ - | - | |
| <i>Construction</i> | - | 195,000 | - | - | 195,000 | |
| <i>Equipment</i> | - | - | - | - | - | |
| <i>Right of Way</i> | - | - | - | - | - | |
| Total | \$ - | \$ 195,000 | \$ - | \$ - | \$ 195,000 | |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
WATER PROJECTS**

| PROJECT NAME: Storage Tank Painting and Rehabilitation | | | | | | |
|--|-------------|-------------|-------------------|-------------------|-------------------|--|
| Description: Annual maintenance and repainting of water storage tanks; FY2023 - Painting of West Crossing; FY2024 - Rehabilitation of Grayson; FY2025 - Rehabilitation of West Crossing | | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total | |
| Cash Reserves | \$ - | \$ - | \$ 100,000 | \$ 100,000 | \$ 200,000 | |
| Expenditures | | | | | | |
| <i>Design</i> | \$ - | \$ - | \$ - | \$ - | \$ - | |
| <i>Construction</i> | - | - | 100,000 | 100,000 | 200,000 | |
| <i>Equipment</i> | - | - | - | - | - | |
| <i>Right of Way</i> | - | - | - | - | - | |
| Total | \$ - | \$ - | \$ 100,000 | \$ 100,000 | \$ 200,000 | |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
WASTEWATER PROJECTS**

| PROJECT NAME: State Hwy 5 Utility Relocation - Sewer | | | | | |
|--|-------------|-------------------|---------------------|---------------------|---------------------|
| Description: Relocate and expand public water system along SH 5. Phase 1 is to the south, and Phase 2 is to the north. TxDOT is widening SH5 to four lanes, and city water and sewer must be relocated. | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total |
| WW Impact Fees | \$ - | \$ 655,000 | \$ 2,133,000 | \$ 1,000,000 | \$ 3,788,000 |
| Future Bond | - | - | - | 2,575,000 | 2,575,000 |
| Total | \$ - | \$ 655,000 | \$ 2,133,000 | \$ 3,575,000 | \$ 6,363,000 |
| Expenditures | | | | | |
| <i>Design</i> | \$ - | \$ 478,000 | \$ - | \$ - | \$ 478,000 |
| <i>Construction</i> | - | - | 1,825,000 | 3,575,000 | 5,400,000 |
| <i>Equipment</i> | - | - | - | - | - |
| <i>Right of Way</i> | - | 177,000 | 308,000 | - | 485,000 |
| Total | \$ - | \$ 655,000 | \$ 2,133,000 | \$ 3,575,000 | \$ 6,363,000 |

| PROJECT NAME: Wastewater Treatment Plant Permitting and Design | | | | | |
|---|-------------------|---------------------|-------------|-------------|---------------------|
| Description: New wastewater treatment plant on Hurricane Creek tributary of the Elm Fork of the Trinity River. An additional treatment plant is required to efficiently provide municipal sewer west of US 75. | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total |
| WW Impact Fees | \$ 135,000 | \$ 2,500,000 | \$ - | \$ - | \$ 2,635,000 |
| Expenditures | | | | | |
| <i>Design</i> | \$ 135,000 | \$ 2,500,000 | \$ - | \$ - | \$ 2,635,000 |
| <i>Construction</i> | - | - | - | - | - |
| <i>Equipment</i> | - | - | - | - | - |
| <i>Right of Way</i> | - | - | - | - | - |
| Total | \$ 135,000 | \$ 2,500,000 | \$ - | \$ - | \$ 2,635,000 |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
WASTEWATER PROJECTS**

| PROJECT NAME: Throckmorton Creek Trunk Sewer Expansion | | | | | | |
|---|------------|------|------|------|------------|--|
| Description: From just north of FM 455 to Rosamond Parkway; Extension of a 15-inch sewer trunk main; project identified by staff as critical to development between US 75 and SH 5, north of FM 455 because there is interest in the area but no sewer service. Project has been turned over to DR Horton. | | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total | |
| WW Impact Fees | \$ 450,000 | \$ - | \$ - | \$ - | \$ 450,000 | |
| Expenditures | | | | | | |
| Design | \$ 450,000 | \$ - | \$ - | \$ - | \$ 450,000 | |
| Construction | - | - | - | - | - | |
| Equipment | - | - | - | - | - | |
| Right of Way | - | - | - | - | - | |
| Total | \$ 450,000 | \$ - | \$ - | \$ - | \$ 450,000 | |

| PROJECT NAME: John R Geren Treatment Plant Rehabilitation and Expansion (in phases) | | | | | | |
|---|-----------|------------|------|--------------|--------------|--|
| Description: Four phase rehabilitation and two phase expansion of existing treatment plant: 2022 Phase I Rehabilitation - Bar Screen Replacement; 2023 Phase II Rehabilitation - Aeration Blowers and Air Lines; 2024 Phase III Rehabilitation - Re-skinning of UV Room and Belt Press Room, Replacement of Equipment Barn; 2025 Phase IV Rehabilitation - Creek Erosion Protection and Fence Replacement. | | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total | |
| Future Bond | \$ - | \$ - | \$ - | \$ 2,000,000 | \$ 2,000,000 | |
| Cash Reserves | 50,000 | 120,000 | - | - | 170,000 | |
| Total | \$ 50,000 | \$ 120,000 | \$ - | \$ 2,000,000 | \$ 2,170,000 | |
| Expenditures | | | | | | |
| Design | \$ 50,000 | \$ - | \$ - | \$ - | \$ 50,000 | |
| Construction | - | 120,000 | - | 2,000,000 | 2,120,000 | |
| Equipment | - | - | - | - | - | |
| Right of Way | - | - | - | - | - | |
| Total | \$ 50,000 | \$ 120,000 | \$ - | \$ 2,000,000 | \$ 2,170,000 | |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
PARK DEVELOPMENT**

| | Actual Prior Years | Estimated 2020-21 | Budget 2021-22 | Budget 2022-23 |
|--|-----------------------|----------------------|-------------------|-------------------|
| BEGINNING BALANCE | \$ 1,192,956 | \$ 2,322,141 | \$ 2,083,428 | \$ 1,131,699 |
| REVENUES | | | | |
| Park Development Fees | \$ 1,404,600 | \$ 1,500,000 | \$ 986,000 | \$ 885,500 |
| Interest Revenue | 16,404 | 14,000 | 14,000 | 14,000 |
| Other Revenues | - | 15,000 | - | - |
| Intergovernmental | 24,350 | - | - | - |
| TOTAL | \$ 1,445,354 | \$ 1,529,000 | \$ 1,000,000 | \$ 899,500 |
| OPERATIONS | | | | |
| Recreation & Park Operations | \$ 24,051 | \$ 512,693 | \$ 522,729 | \$ 538,411 |
| Capital Equipment | 87,183 | 123,000 | 50,000 | 50,000 |
| | \$ 111,234 | \$ 635,693 | \$ 572,729 | \$ 588,411 |
| PROJECTS | | | | |
| Natural Springs Park Improvements | \$ - | \$ 65,000 | \$ 260,000 | \$ - |
| Sherley Heritage Park Train & Improvements | 79,963 | 30,000 | 569,000 | - |
| Natural Springs Paw Park | 63,661 | 5,020 | - | - |
| Johnson Park Improvements | - | 525,000 | - | - |
| Parks Master Plan | 61,311 | 122,000 | - | - |
| Trails | - | - | 100,000 | 100,000 |
| Slayter Creek Park Improvements | - | 135,000 | 200,000 | 200,000 |
| Land Acquisition and Amenities | - | 250,000 | 250,000 | 250,000 |
| TOTAL PROJECTS | \$ 204,935 | \$ 1,132,020 | \$ 1,379,000 | \$ 550,000 |
| ENDING FUND BALANCE | \$ 2,322,141 | \$ 2,083,428 | \$ 1,131,699 | \$ 892,788 |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
PARK DEVELOPMENT**

| Budget 2023-24 | Budget 2024-25 | Budget 2025-26 | Project Total |
|-------------------|-------------------|-------------------|------------------|
| \$ 892,788 | \$ 937,725 | \$ 966,025 | |
| \$ 885,500 | \$ 885,500 | \$ 885,500 | |
| 14,000 | 14,000 | 14,000 | |
| - | - | - | |
| - | - | - | |
| <u>\$ 899,500</u> | <u>\$ 899,500</u> | <u>\$ 899,500</u> | |
| \$ 554,563 | \$ 571,200 | \$ 588,336 | |
| 50,000 | 50,000 | 50,000 | |
| <u>\$ 604,563</u> | <u>\$ 621,200</u> | <u>\$ 638,336</u> | |
| \$ - | \$ - | \$ - | \$ 325,000 |
| - | - | - | 678,963 |
| - | - | - | 68,681 |
| - | - | - | 525,000 |
| - | - | - | 183,311 |
| - | - | - | 200,000 |
| - | - | - | 535,000 |
| 250,000 | 250,000 | 250,000 | 1,500,000 |
| <u>\$ 250,000</u> | <u>\$ 250,000</u> | <u>\$ 250,000</u> | |
| <u>\$ 937,725</u> | <u>\$ 966,025</u> | <u>\$ 977,189</u> | |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
PARK DEVELOPMENT PROJECTS**

| PROJECT NAME: Sherley Heritage Park Train and Park Improvements | | | | | |
|---|------------------|-------------------|-------------|-------------|-------------------|
| Description: This funding is for the steam locomotive, tracks, burying the overhead utility lines, lighting, an 8-foot fence and pipe fence. | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total |
| Developer Fee | \$ 30,000 | \$ 569,000 | \$ - | \$ - | \$ 599,000 |
| Expenditures | | | | | |
| <i>Design</i> | \$ 30,000 | \$ - | \$ - | \$ - | \$ 30,000 |
| <i>Construction</i> | - | 220,000 | - | - | 220,000 |
| <i>Equipment</i> | - | 349,000 | - | - | 349,000 |
| <i>Right of Way</i> | - | - | - | - | - |
| Total | \$ 30,000 | \$ 569,000 | \$ - | \$ - | \$ 599,000 |

| PROJECT NAME: Johnson Park Improvements | | | | | |
|--|-------------------|-------------|-------------|-------------|-------------------|
| Description: Johnson Park is in poor condition. It is out of date and looks like it belongs in another era. The park desperately needs to be redeveloped and modernized. Improvements that need to be made include new baseball fields, fencing, lighting, playground upgrades, and parking upgrades. | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total |
| Developer Fee | \$ 525,000 | \$ - | \$ - | \$ - | \$ 525,000 |
| Expenditures | | | | | |
| <i>Design</i> | \$ - | \$ - | \$ - | \$ - | \$ - |
| <i>Construction</i> | 525,000 | - | - | - | 525,000 |
| <i>Equipment</i> | - | - | - | - | - |
| <i>Right of Way</i> | - | - | - | - | - |
| Total | \$ 525,000 | \$ - | \$ - | \$ - | \$ 525,000 |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
PARK DEVELOPMENT PROJECTS**

| PROJECT NAME: Trails | | | | | | |
|--|-------------|-------------------|-------------------|-------------|-------------------|--|
| Description: Trails are needed to connect city parks, schools and downtown among other areas in the community. Amenities such as trail head access points, signage, and benches will be phased in future years. Park Development funds will be used for design and bond funding will be used to construct trails beginning in FY2024. | | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total | |
| Developer Fee | \$ - | \$ 100,000 | \$ 100,000 | \$ - | \$ 200,000 | |
| Expenditures | | | | | | |
| <i>Design</i> | \$ - | \$ 100,000 | \$ 100,000 | \$ - | \$ 200,000 | |
| <i>Construction</i> | - | - | - | - | - | |
| <i>Equipment</i> | - | - | - | - | - | |
| <i>Right of Way</i> | - | - | - | - | - | |
| Total | \$ - | \$ 100,000 | \$ 100,000 | \$ - | \$ 200,000 | |

| PROJECT NAME: Natural Springs Park Improvements | | | | | | |
|---|------------------|-------------------|-------------|-------------|-------------------|--|
| Description: A security fence is needed outside the parks maintenance barn to protect equipment and materials stored outside. Additional concrete pads and sidewalks are needed to the Paw Park. Additional parking is needed at Natural Springs Park for Anna Neighbors that use the Paw Park and to hold future events at the park such as movies in the park and other activities. Once parking is addressed, consideration of adding a playground is recommended. The middle pond located just south of the gazebo needs dredging, aeration, and repair. | | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total | |
| Developer Fee | \$ 65,000 | \$ 150,000 | \$ - | \$ - | \$ 215,000 | |
| Expenditures | | | | | | |
| <i>Design</i> | \$ - | \$ 20,000 | \$ - | \$ - | \$ 20,000 | |
| <i>Construction</i> | 65,000 | 80,000 | - | - | 145,000 | |
| <i>Equipment</i> | - | 160,000 | - | - | 160,000 | |
| <i>Right of Way</i> | - | - | - | - | - | |
| Total | \$ 65,000 | \$ 260,000 | \$ - | \$ - | \$ 325,000 | |

**CITY OF ANNA
COMMUNITY INVESTMENT PROGRAM
PARK DEVELOPMENT PROJECTS**

| PROJECT NAME: Slayter Creek Park Improvements | | | | | |
|---|-------------------|-------------------|-------------------|-------------|----------------|
| Description: Other additions to the park could include pickleball court, a tennis backboard at the tennis courts for single player practice and an outdoor basketball court. | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total |
| Developer Fee | \$ 135,000 | \$ - | \$ - | \$ - | 135,000 |
| Expenditures | | | | | |
| <i>Design</i> | \$ - | \$ 10,000 | \$ 10,000 | \$ - | 20,000 |
| <i>Construction</i> | 135,000 | 180,000 | 180,000 | - | 495,000 |
| <i>Equipment</i> | - | 10,000 | 10,000 | - | 20,000 |
| <i>Right of Way</i> | - | - | - | - | - |
| Total | \$ 135,000 | \$ 200,000 | \$ 200,000 | \$ - | 535,000 |

| PROJECT NAME: Land Acquisition and Amenities | | | | | |
|---|-------------------|-------------------|-------------------|-------------------|------------------|
| Description: This funding is dedicated to purchasing park land, participating in partnership with developers or other agencies to develop or enhance new parks, and develop existing park land with new park amenities. This is based on receiving half of the projected developer contributions with a goal of working with the developers to dedicate land and build the park instead of receiving the fees. | | | | | |
| Funding | 2021 | 2022 | 2023 | 2024 | Total |
| Developer Fee | \$ 250,000 | \$ 250,000 | \$ 250,000 | \$ 250,000 | 1,000,000 |
| Expenditures | | | | | |
| <i>Design</i> | \$ - | \$ - | \$ - | \$ - | - |
| <i>Construction</i> | - | - | - | - | - |
| <i>Equipment</i> | - | - | - | - | - |
| <i>Right of Way</i> | 250,000 | 250,000 | 250,000 | 250,000 | 1,000,000 |
| Total | \$ 250,000 | \$ 250,000 | \$ 250,000 | \$ 250,000 | 1,000,000 |



SUPPLEMENTAL INFORMATION

THE CITY OF
Anna

**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>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 expenses do not exceed 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. |
| <i>CCAD</i> | Collin Central Appraisal District |
| <i>Certificates of Obligation</i> | Similar to general obligation bonds except the certificates require no voter approval. |

**CITY OF ANNA
GLOSSARY**

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| <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>Delinquent Taxes</i> | Taxes that remain unpaid on and after the date on which a penalty for non-payment is attached. |
| <i>EMS</i> | 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. |
| <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. |

**CITY OF ANNA
GLOSSARY**

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| <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>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. |
| <i>Levy</i> | To impose taxes, special assessments, or service charges for the support of governmental activities. |
| <i>Modified Accrual Basis</i> | 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. |
| <i>NCTCOG</i> | North Central Texas Council of Governments |
| <i>No-New-Revenue Tax Rate</i> | A calculated rate that would provide the same amount of revenue received in the year before on properties taxed in both years. |

**CITY OF ANNA
GLOSSARY**

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| <i>Non-Exempt</i> | Personnel eligible to receive overtime pay when overtime work has been authorized or requested by the supervisor. |
| <i>Operating Budget</i> | 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. |
| <i>NTMWD</i> | North Texas Municipal Water District |
| <i>Performance Measures</i> | Specific quantitative measure of work performed within an activity or program. They may also measure results obtained through an activity or program. |
| <i>Property Tax Rate</i> | 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. |
| <i>Restricted Revenue Fund</i> | A fund used to account for the proceeds of specific revenue sources that are legally restricted or formally committed to expenditures for specific purposes. |
| <i>Revenues</i> | 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. |
| <i>Taxes</i> | Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. |
| <i>TML</i> | Texas Municipal League |
| <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. |

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
- ◆ Revenue Management
- ◆ Operating Expenditures
- ◆ Fund Balance
- ◆ Debt Management
- ◆ Financial Reporting
- ◆ Accounting

The FY2022 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.

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.

CITY OF ANNA
FINANCIAL POLICIES SUMMARY

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 Comprehensive Annual 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.

CITY OF ANNA
FINANCIAL POLICIES SUMMARY

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: May 25, 2021

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.

TABLE OF CONTENTS

| | | |
|-------|--|----|
| I. | ACCOUNTING, AUDITING, AND FINANCIAL REPORTING | 4 |
| II. | INTERNAL CONTROLS | 5 |
| III. | CASH HANDLING | 7 |
| IV. | ANNUAL BUDGET PROCESS | 10 |
| V. | BUDGET ADMINISTRATION | 12 |
| VI. | ASSET MANAGEMENT | 16 |
| VII. | FIXED ASSETS | 17 |
| VIII. | FUND BALANCE AND WORKING CAPITAL RESERVE POLICY..... | 18 |
| IX. | DEBT MANAGEMENT POLICY | 21 |
| X. | POST ISSUANCE COMPLIANCE FOR TAX EXEMPT DEBT | 30 |

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.

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

THE CITY OF
Anna

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. 936-2021

Ordinance Adopting the Budget for the 2021 – 2022 Fiscal Year

AN ORDINANCE MAKING APPROPRIATIONS FOR THE SUPPORT OF THE CITY OF ANNA FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2021 AND ENDING SEPTEMBER 30, 2022; 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 2021 – 2022 FISCAL YEAR.

WHEREAS, the budget, appended hereto as Exhibit A, for the fiscal year beginning October 1, 2021 and ending September 30, 2022, was duly presented to the City Council by the City Manager and a public hearing was ordered by the City Council and a public notice of said hearing was caused to be given by the City Council and said notice was published in the Anna-Melissa Tribune and said public hearing was held according to said notice; now, therefore,

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

SECTION 1. The appropriations for the fiscal year beginning October 1, 2021, and ending September 30, 2022 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 2021 – 2022 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, 2021 and ending September 30, 2022.

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 2021 – 2022 of the City of Anna.

PASSED AND APPROVED by record roll call vote on this, the 14th day of September 2021.

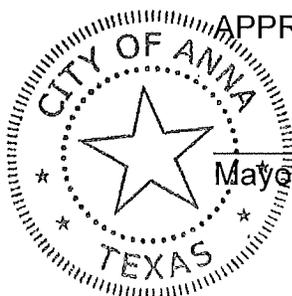
Ayes 7

Nays 0

Abstained 0

ATTESTED:

Carrie L. Land
City Secretary Carrie L. Land



APPROVED:

Nate Pike

Mayor Nate Pike

CITY OF ANNA, TEXAS

Ordinance No. 937-2021

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 2021-2022 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 2021-2022 fiscal year; upon all property, real, personal and mixed, within the corporate limits of said City subject to taxation, a tax of \$0.569500 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) \$0.452631 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 \$0.116869 on each \$100 valuation of property.

SECTION 2. That taxes levied under this ordinance shall be due October 1, 2021 and if not paid on or before January 31, 2022 shall immediately become delinquent. There shall be no discount for payment of taxes on or prior to January 31, 2022. 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, 2022 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, 2022 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 4.93 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY -\$14.42.

SECTION 6. Taxes shall be payable in full at the office of the Tax Assessor/Collector, Kenneth Maun, 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 14th day of September 2021.

Ayes 7 Nays 0 Abstained 0

ATTESTED:

Carrie L. Lana
City Secretary Carrie L. Lana



APPROVED:

Nate Pike
Mayor Nate Pike

2021 Tax Rate Calculation Worksheet

Date: 07/28/2021 06:42 PM

Taxing Units Other Than School Districts or Water Districts

City of Anna

972-924-3325

Taxing Unit Name

Phone (area code and number)

111 N. Powell Parkway, 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 Districts without Chapter 313 Agreements* or 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.

| No-New-Revenue Tax Rate Worksheet | Amount/Rate |
|---|------------------|
| 1. 2020 total taxable value. Enter the amount of 2020 taxable value on the 2020 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 | \$1,474,059,811 |
| 2. 2020 tax ceilings. Counties, cities and junior college districts. Enter 2020 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 units adopted the tax ceiling provision in 2020 or a prior year for homeowners age 65 or older or disabled, use this step. ² | \$0 |
| 3. Preliminary 2020 adjusted taxable value. Subtract Line 2 from Line 1. | \$1,474,059,811 |
| 4. 2020 total adopted tax rate. | \$0.583000/\$100 |
| 5. 2020 taxable value lost because court appeals of ARB decisions reduced 2020 appraised value. A. Original 2020 ARB values: | \$0 |

| | |
|--|-----------------|
| B. 2020 values resulting from final court decisions: | \$0 |
| C. 2020 value loss. Subtract B from A. ³ | \$0 |
| 6. 2020 taxable value subject to an appeal under Chapter 42, as of July 25. | |
| A. 2020 ARB certified value: | \$2,500,914 |
| B. 2020 disputed value: | \$446,913 |
| C. 2020 undisputed value. Subtract B from A. ⁴ | \$2,054,001 |
| 7. 2020 Chapter 42 related adjusted values Add Line 5C and Line 6C. | \$2,054,001 |
| 8. 2020 taxable value, adjusted for actual and potential court-ordered reductions. Add Line 3 and Line 7. | \$1,476,113,812 |
| 9. 2020 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2020. Enter the 2020 value of property in deannexed territory. ⁵ | \$0 |
| 10. 2020 taxable value lost because property first qualified for an exemption in 2021. 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 2021 does not create a new exemption or reduce taxable value. | |
| A. Absolute exemptions. Use 2020 market value: | \$402,804 |
| B. Partial exemptions. 2021 exemption amount or 2021 percentage exemption times 2020 value: | \$2,962,798 |
| C. Value loss. Add A and B. ⁵ | \$3,365,602 |
| 11. 2020 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 2021. Use only properties that qualified in 2021 for the first time; do not use properties that qualified in 2020. | |
| A. 2020 market value: | \$0 |
| B. 2021 productivity or special appraised value: | \$0 |
| C. Value loss. Subtract B from A. ⁷ | \$0 |
| 12. Total adjustments for lost value. Add lines 9, 10C and 11C. | \$3,365,602 |
| 13. 2020 captured value of property in a TIF. Enter the total value of 2020 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which 2020 taxes were deposited into the tax increment fund. ⁸ If the taxing unit has no captured appraised value in line 18D, enter 0. | \$2,742,689 |
| 14. 2020 total value. Subtract Line 12 and Line 13 from Line 8. | \$1,470,005,521 |
| 15. Adjusted 2020 total levy. Multiply Line 4 by Line 14 and divide by \$100. | \$8,570,132 |
| 16. Taxes refunded for years preceding tax year 2020. Enter the amount of taxes refunded | \$5,292 |

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| by the taxing unit for tax years preceding tax year 2020. 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 2020. This line applies only to tax years preceding tax year 2020. ⁸ | |
| 17. Adjusted 2020 levy with refunds and TIF adjustment. Add Lines 15 and 16. ¹⁰ | \$8,575,424 |
| 18. Total 2021 taxable value on the 2021 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 | |
| A. Certified values: | \$1,756,018,147 |
| B. Counties: Include railroad rolling stock values certified by the Comptroller's office: | \$0 |
| 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 |
| D. Tax increment financing: Deduct the 2021 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2021 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 23 below. ¹² | \$13,068,902 |
| E. Total 2021 value. Add A and B, then subtract C and D. | \$1,742,949,245 |
| 19. Total value of properties under protest or not included on certified appraisal roll. ¹³ | |
| A. 2021 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 | \$17,690,135 |
| B. 2021 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 | \$0 |
| C. Total value under protest or not certified: Add A and B. | \$17,690,135 |
| 20. 2021 tax ceilings. Counties, cities and junior colleges enter 2021 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 units adopted the tax ceiling provision in 2020 or a prior year for homeowners age 65 or older or disabled, use this step. ¹⁶ | \$0 |
| 21. 2021 total taxable value. Add Lines 18E and 19C. Subtract Line 20. ¹⁷ | \$1,760,639,380 |

| | |
|---|------------------|
| 22. Total 2021 taxable value of properties in territory annexed after Jan. 1, 2020. Include both real and personal property. Enter the 2021 value of property in territory annexed. ¹⁸ | \$0 |
| 23. Total 2021 taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in 2020. 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, 2020, and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for 2021. ¹⁹ | \$163,333,910 |
| 24. Total adjustments to the 2021 taxable value. Add Lines 22 and 23. | \$163,333,910 |
| 25. Adjusted 2021 taxable value. Subtract Line 24 from Line 21. | \$1,597,305,470 |
| 26. 2021 NNR tax rate. Divide Line 17 by Line 25 and multiply by \$100. ²⁰ | \$0.536868/\$100 |
| 27. COUNTIES ONLY. Add together the NNR tax rates for each type of tax the county levies. The total is the 2021 county NNR tax rate. ²¹ | |

¹Tex. Tax Code Section 26.012(14)

²Tex. Tax Code Section 26.012(14)

³Tex. Tax Code Section 26.012(13)

⁴Tex. Tax Code Section 26.012(13)

⁵Tex. Tax Code Section 26.012(15)

⁶Tex. Tax Code Section 26.012(15)

⁷Tex. Tax Code Section 26.012(13)

⁸Tex. Tax Code Section 26.012(13)

⁹Tex. Tax Code Section 26.03(c)

¹⁰Tex. Tax Code Section 26.012(13)

¹¹Tex. Tax Code Section 26.012,26.04(c-2)

¹²Tex. Tax Code Section 26.03(c)

¹³Tex. Tax Code Section 26.01(c) and (d)

¹⁴Tex. Tax Code Section 26.01(c)

¹⁵Tex. Tax Code Section 26.01(d)

¹⁶Tex. Tax Code Section 26.012(6)(b)

¹⁷Tex. Tax Code Section 26.012(6)

¹⁸Tex. Tax Code Section 26.012(17)

¹⁹Tex. Tax Code Section 26.012(17)

²⁰Tex. Tax Code Section 26.04(c)

²¹Tex. Tax Code Section 26.04(d)

²²Reserved for expansion

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.

| Voter-Approval Tax Rate Worksheet | Amount/Rate |
|--|------------------|
| 28. 2020 M&O tax rate. Enter the 2020 M&O tax rate. | \$0.467053/\$100 |
| 29. 2020 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> . | \$1,476,113,812 |
| 30. Total 2020 M&O levy. Multiply Line 28 by Line 29 and divide by \$100. | \$6,894,233 |
| 31. Adjusted 2020 levy for calculating NNR M&O rate. | |
| A. M&O taxes refunded for years preceding tax year 2020 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 2020. This line applies only to tax years preceding tax year 2020. | \$4,035 |
| B. 2020 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 2021 captured appraised value in Line 18D, enter 0. | \$8,120 |
| C. 2020 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. 2020 M&O levy adjustments. Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function. | \$-4,085 |
| E. Add Line 30 to 31D. | \$6,890,148 |
| 32. Adjusted 2020 taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> . | \$1,597,305,470 |
| 33. 2021 NNR M&O rate (unadjusted). Divide Line 31E by Line 32 and multiply by \$100. | \$0.431360/\$100 |
| 34. Rate adjustment for state criminal justice mandate.²³ | |
| A. 2021 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 |

| | |
|---|--|
| <p>B. 2020 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.</p> <p>C. Subtract B from A and divide by Line 32 and multiply by \$100.</p> <p>D. Enter the rate calculated in C. If not applicable, enter 0.</p> | <p>\$0</p> <p>\$0/\$100</p> <p>\$0/\$100</p> |
| <p>35. Rate adjustment for indigent health care expenditures.²⁴</p> <p>A. 2021 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, 2020 and ending on June 30, 2021, less any state assistance received for the same purpose.</p> <p>B. 2020 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, 2019 and ending on June 30, 2020, less any state assistance received for the same purpose.</p> <p>C. Subtract B from A and divide by Line 32 and multiply by \$100.</p> <p>D. Enter the rate calculated in C. If not applicable, enter 0.</p> | <p>\$0</p> <p>\$0</p> <p>\$0/\$100</p> <p>\$0/\$100</p> |
| <p>36. Rate adjustment for county indigent defense compensation.²⁵</p> <p>A. 2021 indigent defense compensation expenditures: Enter the amount paid by a county to provide appointed counsel for indigent individuals for the period beginning on July 1, 2020 and ending on June 30, 2021, less any state grants received by the county for the same purpose.</p> <p>B. 2020 indigent defense compensation expenditures: Enter the amount paid by a county to provide appointed counsel for indigent individuals for the period beginning on July 1, 2019 and ending on June 30, 2020, less any state grants received by the county for the same purpose.</p> <p>C. Subtract B from A and divide by Line 32 and multiply by \$100.</p> <p>D. Multiply B by 0.05 and divide by Line 32 and multiply by \$100.</p> <p>E. Enter the lessor of C and D. If not applicable, enter 0.</p> | <p>\$0</p> <p>\$0</p> <p>\$0/\$100</p> <p>\$0/\$100</p> <p>\$0/\$100</p> |
| <p>37. Rate adjustment for county hospital expenditures.²⁶</p> <p>A. 2021 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, 2020 and ending on June 30, 2021.</p> <p>B. 2020 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, 2019 and ending on June 30, 2020.</p> | <p>\$0</p> <p>\$0</p> |

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| C. Subtract B from A and divide by Line 32 and multiply by \$100. | \$0/\$100 |
| D. Multiply B by 0.08 and divide by Line 32 and multiply by \$100. | \$0/\$100 |
| E. Enter the lessor of C and D, if applicable. If not applicable, enter 0. | \$0/\$100 |
| 38. 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 26.0444 for more information. | \$0 |
| A. Amount appropriated for public safety in 2020. 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 2020. Enter the amount of money spent by the municipality for public safety during the preceding fiscal year. | |
| C. Subtract B from A and divide by Line 32 and multiply by \$100. | \$0/\$100 |
| D. Enter the rate calculated in C. If not applicable, enter 0. | \$0/\$100 |
| 39. Adjusted 2021 NNR M&O rate. Add Lines 33, 34D, 35D, 36E, and 37E. Subtract Line 38D. | \$0.431360/\$100 |
| 40. Adjustment for 2020 sales tax specifically to reduce property values. Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in 2020 should complete this line. These entities will deduct the sales tax gain rate for 2021 in Section 3. Other taxing units, enter zero. | |
| A. Enter the amount of additional sales tax collected and spent on M&O expenses in 2020, 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 40A by Line 32 and multiply by \$100. | \$0.431360 |
| C. Add Line 40B to Line 39. | |
| 41. 2021 voter-approval M&O rate. Enter the rates as calculated by the scenario below. Special Taxing Unit. If the taxing unit qualifies as a special taxing unit, multiply Line 40C by 1.08. - or - Other Taxing Unit. If the taxing unit does not qualify as a special taxing unit, multiply Line 40C by 1.035. | \$0.446457/\$100 |
| D41. Disaster Line 41 (D41): 2021 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 | \$0/\$100 |

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| <p>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> <ol style="list-style-type: none"> 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 2. the third tax year after the tax year in which the disaster occurred. <p>If the taxing unit qualifies under this scenario, multiply Line 40C by 1.08.²⁷ If the taxing unit does not qualify, do not complete Disaster Line 41 (Line D41).</p> | |
| <p>42. Total 2021 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> <ol style="list-style-type: none"> (1) are paid by property taxes, (2) are secured by property taxes, (3) are scheduled for payment over a period longer than one year and (4) are not classified in the taxing unit's budget as M&O expenses <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.²⁸ Enter debt amount.</p> <p>B. Subtract unencumbered fund amount used to reduce total debt.</p> <p>C. Subtract certified amount spent from sales tax to reduce debt (enter zero if none)</p> <p>D. Subtract amount paid from other resources.</p> <p>E. Adjusted debt. Subtract B, C, and D from A.</p> | <p>\$2,067,113</p> <p>\$0</p> <p>\$0</p> <p>\$0</p> <p>\$2,067,113</p> |
| <p>43. Certified 2020 excess debt collections. Enter the amount certified by the collector.²⁸</p> | \$0 |
| <p>44. Adjusted 2021 debt. Subtract Line 43 from Line 42E.</p> | \$2,067,113 |
| <p>45. 2021 anticipated collection rate.</p> <p>A. Enter the 2021 anticipated collection rate certified by the collector:²⁹</p> <p>B. Enter the 2020 actual collection rate</p> <p>C. Enter the 2019 actual collection rate</p> <p>D. Enter the 2018 actual collection rate</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%.³¹</p> | <p>100.00%</p> <p>100.46%</p> <p>105.77%</p> <p>103.84%</p> <p>100.46%</p> |
| <p>46. 2021 debt adjusted for collections. Divide Line 44 by Line 45E</p> | \$2,057,647 |
| <p>47. 2021 total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i>.</p> | \$1,760,639,380 |
| <p>48. 2021 debt tax rate. Divide Line 46 by Line 47 and multiply by \$100.</p> | \$0.116869/\$100 |

| | |
|---|------------------|
| 49. 2021 voter-approval tax rate. Add Lines 41 and 48. | \$0.563326/\$100 |
| D49. Disaster Line 49 (D49): 2021 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 D41. Add Line D41 and 48. | \$0.000000/\$100 |
| 50. COUNTIES ONLY. Add together the voter-approval tax rates for each type of tax the county levies. The total is the 2021 county voter-approval tax rate. | |

²³Tex. Tax Code Section 26.044

²⁴Tex. Tax Code Section 26.0442

²⁵Tex. Tax Code Section 26.0442

²⁶Tex. Tax Code Section 26.0443

²⁷Tex. Tax Code Section 26.04(c-1)

²⁸Tex. Tax Code Section 26.012(10) and 26.04(b)

²⁹Tex. Tax Code Section 26.04(b)

³⁰Tex. Tax Code Section 26.04(b)

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.

| Additional Sales and Use Tax Worksheet | Amount/Rate |
|---|------------------|
| <p>51. Taxable Sales. For taxing units that adopted the sales tax in November 2020 or May 2021, enter the Comptroller's estimate of taxable sales for the previous four quarters.²⁰ Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November 2020, enter 0.</p> | \$0 |
| <p>52. 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.³³</p> <p>Taxing units that adopted the sales tax in November 2020 or in May 2021. Multiply the amount on Line 51 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95.³⁴</p> <p>- or -</p> <p>Taxing units that adopted the sales tax before November 2020. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.</p> | \$0 |
| <p>53. 2021 total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i>.</p> | \$1,760,639,380 |
| <p>54. Sales tax adjustment rate. Divide Line 52 by Line 53 and multiply by \$100.</p> | \$0/\$100 |
| <p>55. 2021 NNR tax rate, unadjusted for sales tax.³⁵ Enter the rate from Line 26 or 27, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet</i>.</p> | \$0.536868/\$100 |
| <p>56. 2021 NNR tax rate, adjusted for sales tax.</p> <p>Taxing units that adopted the sales tax in November 2020 or in May 2021. Subtract Line 54 from Line 55. Skip to Line 57 if you adopted the additional sales tax before November 2020.</p> | \$0.536868/\$100 |
| <p>57. 2021 voter-approval tax rate, unadjusted for sales tax.³⁶ Enter the rate from Line 49, Line D49 (disaster), or Line 50 (counties), as applicable, of the <i>Voter-Approval Tax Rate Worksheet</i>.</p> | \$0.563326/\$100 |
| <p>58. 2021 voter-approval tax rate, adjusted for sales tax. Subtract Line 54 from Line 57.</p> | \$0.563326/\$100 |

³¹Reserved for expansion

³⁴Tex. Tax Code Section 26.041(d)

³²Tex. Tax Code Section 26.041(d)

³⁵Tex. Tax Code Section 26.04(c)

³³Tex. Tax Code Section 26.041(i)

³⁶Tex. Tax Code Section 26.04(c)

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.

| Voter-Approval Protection for Pollution Control Worksheet | Amount/Rate |
|---|------------------|
| 59. Certified expenses from the Texas Commission on Environmental Quality (TCEQ). Enter the amount certified in the determination letter from TCEQ. ³⁷ The taxing unit shall provide its tax assessor-collector with a copy of the letter. ³⁸ | \$0 |
| 60. 2021 total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> . | \$1,760,639,380 |
| 61. Additional rate for pollution control. Divide Line 59 by Line 60 and multiply by \$100. | \$0/\$100 |
| 62. 2021 voter-approval tax rate, adjusted for pollution control. Add Line 61 to one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties) or Line 58 (taxing units with the additional sales tax). | \$0.563326/\$100 |

³⁷Tex. Tax Code Section 26.045(d)

³⁸Tex. Tax Code Section 26.045(i)

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

The unused increment rate is the rate equal to the difference between the adopted tax rate and voter-approval tax rate before the unused increment rate for the prior three years.³⁹ In a year where a taxing unit adopts a rate by applying any portion of the unused increment rate, the unused increment rate for that year would be zero.

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

- a tax year before 2020; and⁴⁰
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a);⁴¹ 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.⁴²

This section should only be completed by a taxing unit that does not meet the definition of a special taxing unit.⁴³

| Unused Increment Rate Worksheet | Amount/Rate |
|---|------------------|
| 63. 2020 unused increment rate. Subtract the 2020 actual tax rate and the 2020 unused increment rate from the 2020 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero. | \$0 |
| 64. 2019 unused increment rate. Subtract the 2019 actual tax rate and the 2019 unused increment rate from the 2019 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero | \$0 |
| 65. 2018 unused increment rate. Subtract the 2018 actual tax rate and the 2018 unused increment rate from the 2018 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero. | \$0 |
| 66. 2021 unused increment rate. Add Lines 63, 64 and 65. | \$0/\$100 |
| 67. 2021 voter-approval tax rate, adjusted for unused increment rate. ²³ Add Line 66 to one of the following lines (as applicable): Line 49, Line D49(disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax) or Line 62 (taxing units with pollution control). | \$0.563326/\$100 |

³⁹Tex. Tax Code Section 26.013(a)

⁴⁰Tex. Tax Code Section 26.013(c)

⁴¹Tex. Tax Code Section 26.063(a)(1)

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.⁴²

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.⁴³

| De Minimis Rate Worksheet | Amount/Rate |
|--|--------------------|
| 68. Adjusted 2021 NNR M&O tax rate. Enter the rate from Line 39 of the <i>Voter-Approval Tax Rate Worksheet</i> | \$0.431360/\$100 |
| 69. 2021 total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> . | \$1,760,639,380 |
| 70. Rate necessary to impose \$500,000 in taxes. Divide \$500,000 by Line 69 and multiply by \$100. | \$0.028398 |
| 71. 2021 debt rate. Enter the rate from Line 48 of the <i>Voter-Approval Tax Rate Worksheet</i> . | \$0.116869/\$100 |
| 72. De minimis rate. ²³ Add Lines 68, 70 and 71. | \$0.576627/\$100 |

⁴²Tex. Tax Code Section 26.012(8-a)

⁴³Tex. Tax Code Section 26.063(a)(1)

⁴⁴Tex. Tax Code Section 26.04(c)

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.⁴⁶

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.

NOTE: This section will not apply to any taxing units in 2021. It is added to implement Senate Bill 1438 (87th Regular Session) and does not apply to a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a declared disaster in 2020, as provided for in the recently repealed Tax Code Sections 26.04(c-1) and 26.041(c-1).

In future tax years, 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.

In future tax years, this section will also 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).

| Emergency Revenue Rate Worksheet | Amount/Rate |
|--|-------------|
| <p>73. 2020 adopted tax rate. Enter the rate in Line 4 of the <i>No-New-Revenue Tax Rate Worksheet</i>.</p> | N/A |
| <p>74. Adjusted 2020 voter-approval tax rate. Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line.</p> <p>If a disaster occurred in 2020 and the taxing unit calculated its 2020 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2020 worksheet due to a disaster, enter the 2020 voter-approval tax rate as calculated using a multiplier of 1.035 from Line 49.</p> <p>- or -</p> <p>- or -If a disaster occurred prior to 2020 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 2020, complete the separate <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 2020 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the year(s) following the disaster.⁴⁸ Enter the final adjusted 2020 voter-approval tax rate from the worksheet.</p> <p>If the taxing unit adopted a tax rate above the 2020 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.</p> | N/A |
| <p>75. Increase in 2020 tax rate due to disaster. Subtract Line 74 from Line 73.</p> | N/A |
| <p>76. Adjusted 2020 taxable value. Enter the amount in Line 13 of the <i>No-New-Revenue Tax Rate Worksheet</i>.</p> | N/A |
| <p>77. Emergency revenue. Multiply Line 75 by Line 76 and divide by \$100.</p> | N/A |

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| | |
| 78. Adjusted 2021 taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> . | N/A |
| 79. Emergency revenue rate. Divide Line 77 by Line 78 and multiply by \$100. ⁴⁹ | N/A |
| 80. 2021 voter-approval tax rate, adjusted for emergency revenue. Subtract Line 79 from one of the following lines (as applicable): Line 49, Line D49(disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax), Line 62 (taxing units with pollution control) or Line 67 (taxing units with the unused increment rate). | N/A |

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-New-Revenue tax rate

As applicable, enter the 2021 NNR tax rate from: Line 26, Line 27 (counties), or Line 56 (adjusted for sales tax). \$0.536868/\$100

Indicate the line number used: 26

Voter-Approval tax rate

As applicable, enter the 2021 voter-approval tax rate from: Line 49, Line 50 (counties), Line 58 (adjusted for sales tax), Line 62 (adjusted for pollution control), Line 67 (adjusted for unused increment), or Line 80 (adjusted for emergency revenue). \$0.563326/\$100

Indicate the line number used: 49

De minimis rate

If applicable, enter the de minimis rate from Line 70. \$0.576627/\$100

SECTION 9: 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 Tax Code.⁵⁰

print here Karen Thier

Printed Name of Taxing Unit Representative

sign here Karen Thier

Taxing Unit Representative

7/28/2021

Date

THE CITY OF
Anna