

*Building on a solid*

# FOUNDATION



THE CITY OF  
**Anna**

2023-2024 Fiscal Year Budget



**City of Anna  
Fiscal Year 2023-2024  
Budget Cover Page**

This budget will raise more revenue from property taxes than last year's budget by an amount of \$3,057,846 which is a 23.6 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 \$1,934,510.

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

**FOR:**

Nate Pike, Mayor  
Pete Cain, Place 2  
Randy Atchley, Place 4  
Lee Miller, Place 6

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

**AGAINST:**

**PRESENT** and not voting:

**ABSENT:**

**Property Tax Rate Comparison**

	<b>2023-2024</b>	<b>2022-2023</b>
Property Tax Rate:	\$0.510717/100	\$0.539750/100
No-New-Revenue Tax Rate:	\$0.464353/100	\$0.464098/100
No-New-Revenue Maintenance & Operations Tax Rate:	\$0.349988/100	\$0.376924/100
Voter-Approval Tax Rate:	\$0.507024/100	\$0.533333/100
Debt Rate:	\$0.144787/100	\$0.143217/100

Total debt obligation for City of Anna secured by property taxes: \$4,665,234.



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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Anna  
Texas**

For the Fiscal Year Beginning

**October 01, 2022**

*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 01, 2022. 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.

THE CITY OF  
**Anna**



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# OVERVIEW

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THE CITY OF  
**Anna**

October 1, 2023

Honorable Mayor and Council Members:

I am pleased to present the fiscal year 2024 adopted budget for the City of Anna. It has been prepared in conformance with the requirements of the City Charter, City financial policies, and State law. This budget represents the expected revenues and planned expenditures for the city's fiscal year from October 1, 2023 to September 30, 2024.

While we continue to experience unprecedented growth in the North Texas area, we are also facing formidable challenges, namely, the competition for talent continues to be fierce and the question of how we will address our infrastructure needs continues to loom. Fortunately, as a community we have been proactive in planning how to address the significant issues that will impact the city's future prosperity. We have plans in place to address:

- How we fund and build our infrastructure and facilities;
- How we compensate our workforce in order to attract, train, and retain talented and effective staff; and
- How we continually improve the way we do business and the services we provide.

### Ongoing Big Issues

#### *Infrastructure Planning & Maintenance*

The fiscal year 2024 budget's focus is the construction and completion of numerous important projects in the Capital Improvement Plan budget. The Capital Improvement Plan (CIP) provides for project planning for public works infrastructure, regional utilities solutions, the first Anna Library, a recreation center, additional parks and trails, and planning for future city facilities.

Each year the CIP provides a five-year forecast with projects identified as well as their funding sources where applicable. Many of the growing list of projects are funded by the 2021 Bond Program. Other funding sources include the Infrastructure Investment Fund, the various Impact Fees, PID Fees derived from Development, and the 2022 Certificate of Obligation Bond for the regional sewer plant.

#### *Attracting and Retaining Talent*

North Texas continues to be a highly competitive environment for local government employees. All cities in North Texas compete for the same talent pools and having a right-sized compensation

plan is integral to success in managing our community.

During the FY2022 budget process, the City Council approved the Employee Compensation Plan and Philosophy, summarized below.

- *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.*
- *Philosophy 3: Maintain a merit system of compensation, whereby employees are compensated for performance.*
- *Philosophy 4: Maintain a retention system for encouraging senior and long-term employees, rewarding longevity, consistent with system internal equities.*
- *Philosophy 5: Maintain a promotional vacancy practice providing for no less than 3.5% 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.*

In addition, the benefits structure was augmented in this budget. We have managed healthcare costs well over the last few years through restructuring, and the increases have been nominal compared to the movement generally observed in the market. Going forward in the upcoming fiscal year, enhanced wellness programs are planned to provide employees the opportunity to “be healthy” while further working toward reducing healthcare expenses.

### *Continuous Improvement*

This budget continues to support our efforts to continually improve the way we deliver services to our neighbors and businesses in Anna. We continue to review how we operate and look for areas for improvement, such as:

- Identifying multiple Downtown projects with a strong focus on implementation of the Downtown Plan;
- Continued priority of the Police Staffing Plan, to ensure ongoing safety and add professional department elements;
- Continue professional development and staff training efforts;
- Development of new facilities funded by the bond election; and
- Development of an events calendar that can create a community identity.

The Annual City Budget is developed through an extensive process of reviewing requests received from all city departments and then prioritizing those requests in a manner that utilizes resources effectively, within the fiscal constraints, while working to achieve the City’s Strategic Success Statements.

## **BUDGET OVERVIEW**

### Property Values

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. Appraised values are established by the Collin Central Appraisal District (CCAD) at 100 percent of the estimated market value and certified by the Chief Appraiser.

Over the last ten years the City of Anna has experienced growth in taxable assessed value of property of 532%. Total assessed property values for fiscal year 2024 equal \$3,226,857,656, which equates to an increase of approximately \$787 million or 32.3% over the previous year. The average market value for a single-family home in Anna is \$378,293, an increase of approximately \$45,748 or 13.8% from the previous year.

The Texas Property Tax Code allows local taxing units to offer exemptions from property appraised values. Local option exemptions are one way for cities to lower the property tax bill of their residents. In June 2023, the City Council voted to increase the General Homestead Exemption from 1% to 3%, giving some tax relief to Anna homeowners.

### Tax Rate

The adopted fiscal year 2024 budget decreases the city's tax rate to 0.510717. The adopted tax rate is equal to the De Minimis rate and greater than the No-New-Revenue rate of \$0.464353. The adopted tax rate allows the city to do two important things: 1) continue to provide the services that neighbors and businesses expect; and 2) take action now to prepare to address revenue constraints that we will face in the future as a result of property tax cap legislation. Of the total tax rate, \$0.365930 is dedicated to maintenance and operations and \$0.144787 is dedicated to debt service payment.

The debt service portion of the tax rate is increasing as a result of general obligation bonds authorized by the voters in the spring of 2021 to build Fire Station #2, the Community Library, and improvements to various parks, trails, and open space facilities.

At a property tax rate of 0.510717, the municipal tax paid on the average single-family home will be approximately \$1,611.71 on an annual basis; an increase of \$136.00 over the previous year.

## **GENERAL FUND**

The General Fund accounts for all expenditures for traditional government services (Public Safety, Parks & Recreation, Administration, etc.). General Fund revenue is generated from ad valorem property taxes, a portion of the sales tax, and a variety of fees and charges for services.

General Fund revenue projections total approximately \$22.2 million for fiscal year 2024, an increase of approximately 14.0% over last year. Property tax revenues are projected to be approximately \$11.1 million, an increase of approximately 18.8% over the previous year's

budgeted amount. Sales tax revenues are projected at approximately \$4.3 million, the same amount as fiscal year 2024.

General Fund operating expenditures are estimated at \$22.2 million, reflecting a 14% increase from the fiscal year 2023 budget. The available ending fund balance for the General Fund is projected to be approximately \$7.5 million, leaving 34% of operating reserves, which exceeds the city's policy of 25% but is less than the City Council's goal of 40%.

This budget proposes to fund the following in the General Fund:

- **Three Additional Police Officers (3.0 FTEs)**; The population growth realized in the City of Anna continues to create a need for additional police positions. This addition is in accordance with the Five-Year Strategic Staffing Plan prepared by Justice Research Consultants.
- **Full-year funding of nine Firefighters (4.5 FTEs)**; Nine authorized positions were added in FY2023 with hiring phased-in at three added each quarter in preparation for the opening of Fire Station #2.
- **Nine Firefighters (7.5 FTEs)**; Nine authorized positions are being added in FY2024 with hiring phased-in at six on October 1<sup>st</sup> and three added on April 1<sup>st</sup> in preparation for the opening of Fire Station #2.

## UTILITY FUND

The Utility Fund is supported by fees charged to water and sewer customers that pay for the services they receive from the City. As a business-type fund, the revenues charged should at a minimum cover the fund's operating expenses and debt service.

**Keep 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 ratepayers with a high level of service at the lowest cost and have capacity to fund much needed infrastructure.**

During the FY2021 budget process, the City of Anna completed a utility rate study with the assistance of a consultant. This process included a 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 were also evaluated.

The FY2024 budget has a rate increase commensurate with these philosophies and strategies of keeping the utility solvent and sustainable as we continue to expand with residential and commercial growth. Formal implementation of new utility rates begins on January 1, 2024. This implementation date will allow ratepayers to make it through the typical high-water use period of the summer with the existing rates in place. Staff continues to review the utility rate model on an annual basis to ensure the rate adjustments are in line with the needs identified in the rate model adopted by the City Council.

The Utility Fund revenues are projected to be \$23.3 million and the expenses are being budgeted at \$21.5 million. This budget is structured to anticipate unforeseen events that include, but are not limited to, shortfalls created by heavy rain events, drought restrictions, and other potential and difficult to predict weather events.

## **CAPITAL IMPROVEMENT PLAN**

The adopted capital improvement budget for fiscal year 2024 is approximately \$107.9 million. Projects are funded by a combination of authorized bond funds, cash contributions and impact fees. The capital improvement budget provides an all funds view of the City's planned capital improvement expenditures on public infrastructure and facilities over the next five years.

Notable items in the Capital Improvement Program this year include:

- **Fire Station #2 (\$11,000,000)**
- **Community Library (\$22,000,000)**
- **Downtown Street Expansion (\$6,000,000)**
- **Hurricane Creek Wastewater Treatment Plant (\$65,800,000)**
- **Collin Pump Station Ground Storage (\$11,000,000)**
- **Slayter Creek Park Improvements (\$2,000,000)**

## **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 while sustainable for years to come. We have spent much time scrubbing 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.

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. This is truly a team effort, and I am proud of this group and their accomplishments.

We, as a team, wish to 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.

The Fiscal Year 2024 Budget is designed to preserve and enhance the quality of existing services and to respond appropriately to our city's continual growth and development. We are honored and privileged to do so and to serve the City of Anna.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Ryan Henderson", with a stylized flourish at the end.

Ryan Henderson  
Interim City Manager

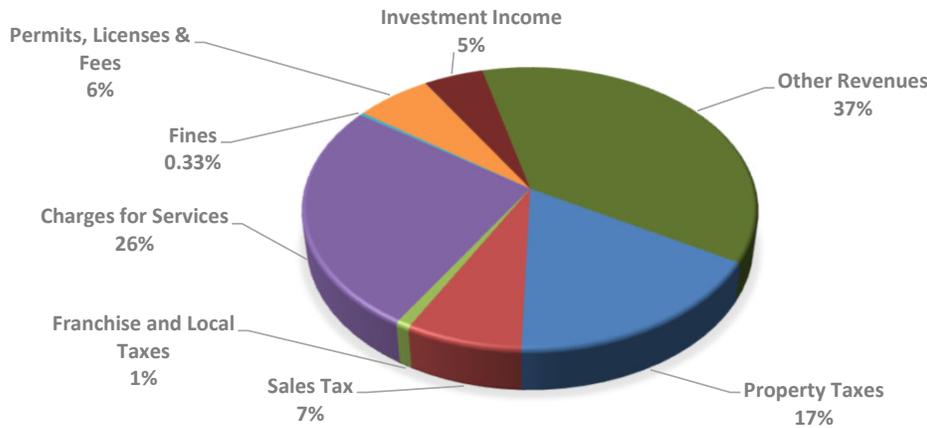
*City Council Success Statements*

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

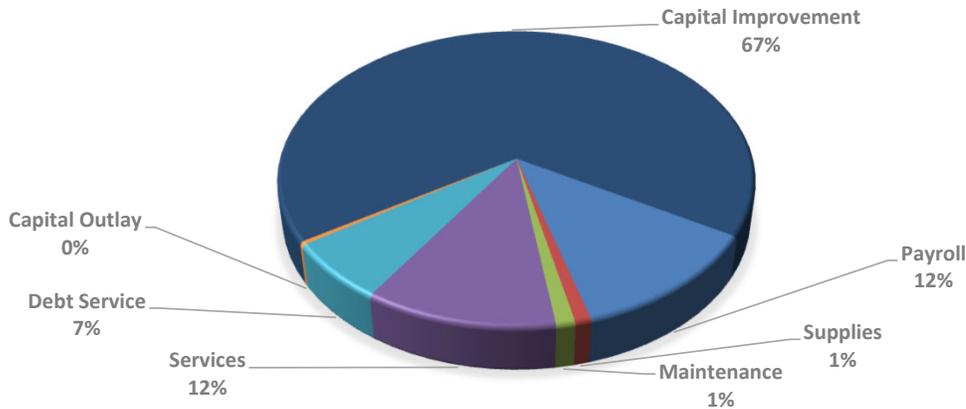
*Consolidated Budget*

The City of Anna adopts a budget annually. The total budget appropriates approximately \$55.1 million for operations and \$113.1 for the capital improvement program. This budget provides sufficient funding to tailor services to meet the needs and expectations of the community.

**FY2024 Citywide Revenue Budget**



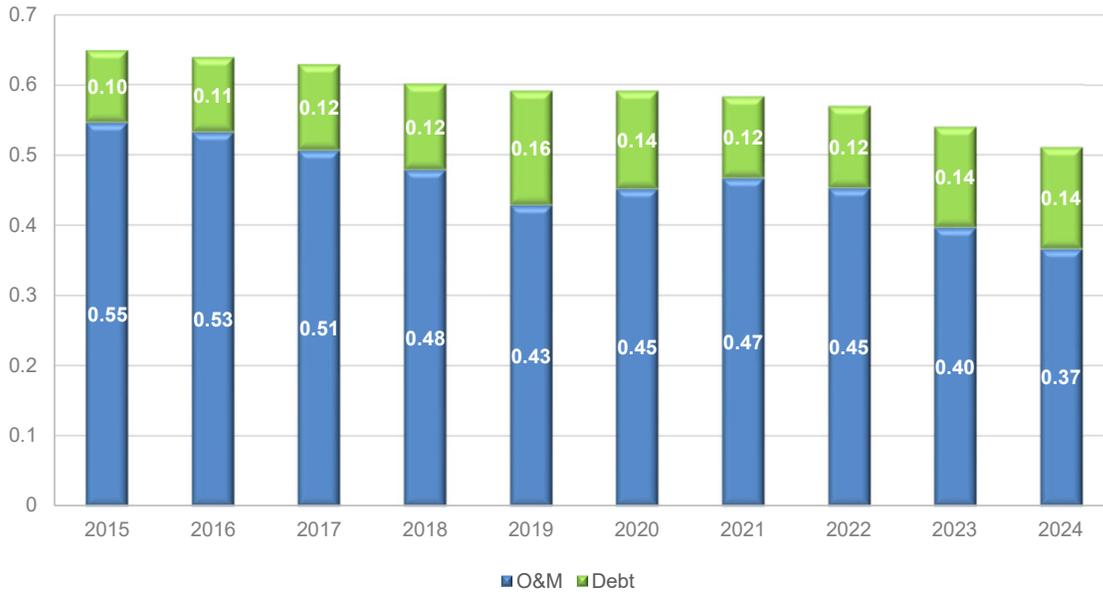
**FY2024 Citywide Expenditure Budget**



*Property Tax*

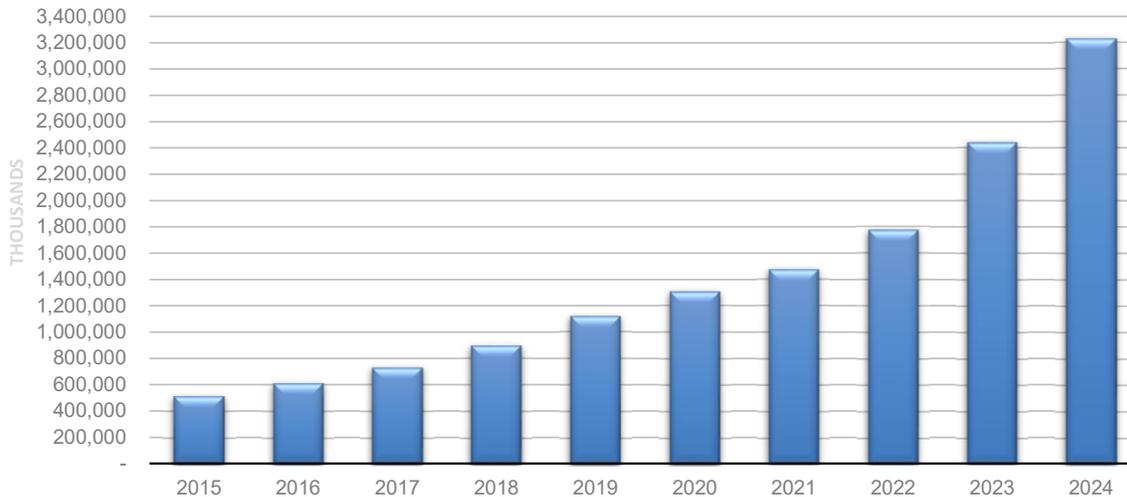
**The proposed property tax rate is \$0.510717.** The FY2024 property tax rate is \$0.510717/\$100, which is less than the FY2023 tax rate. The rate is above the no-new-revenue rate of \$0.464353/\$100. (Numbers on chart have been rounded to nearest penny.)

**Property Tax Rate**



**The certified taxable property value increased by 32.3 percent.** The certified value for all property is approximately \$3.2 billion. The property tax rate generates a total tax levy of \$16,017,734.

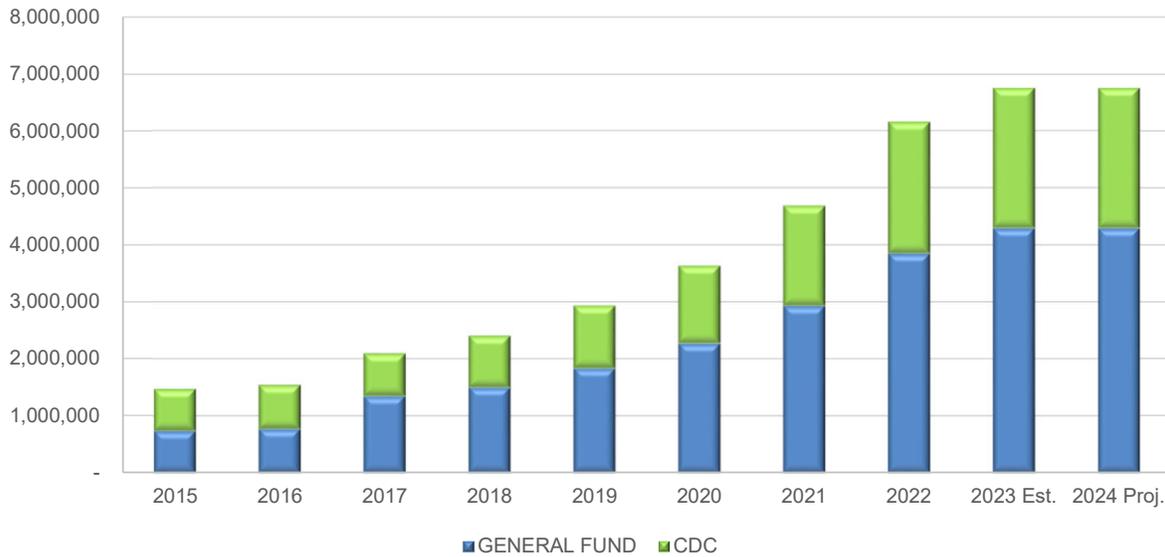
**Taxable Assessed Value  
(in thousands)**



**Sales Tax**

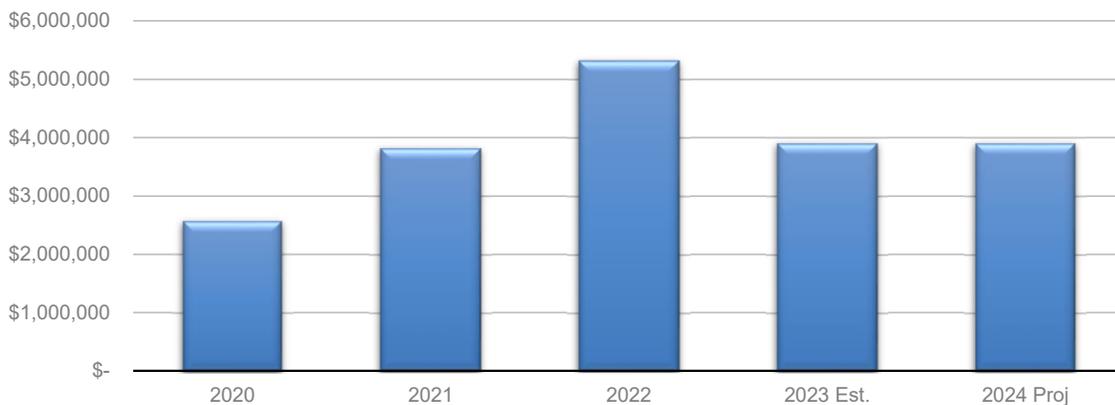
The total sales tax in Anna is 8.25 percent of goods or services sold within the City's boundaries. The tax is collected by businesses making the sale and is remitted to the State's Comptroller of Public Accounts on a monthly, or in some cases, a quarterly basis. Of the 8.25 percent tax, the State retains 6.25 percent and distributes 2 percent to the City. The General Fund portion of the sales tax is 1.25 percent. The remaining 0.75 percent funds is allocated to the Community Development Corporation. For the year ending September 30, 2024, Anna expects to receive \$6,753,000 in sales tax.

**Sales Tax Revenue**



**Building Permits**

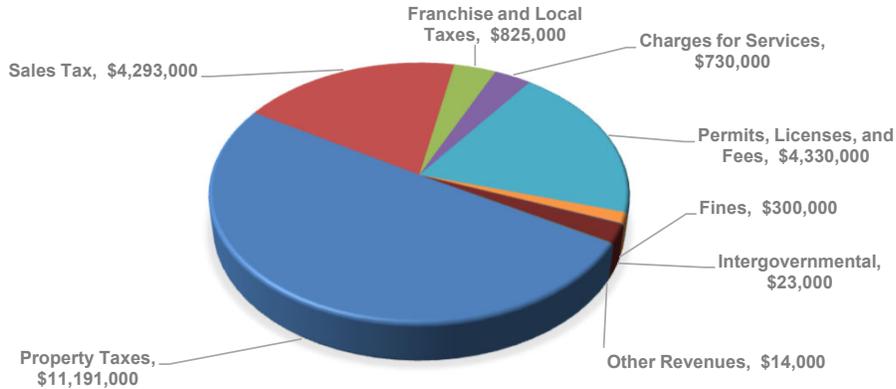
**Building Permit Revenue**



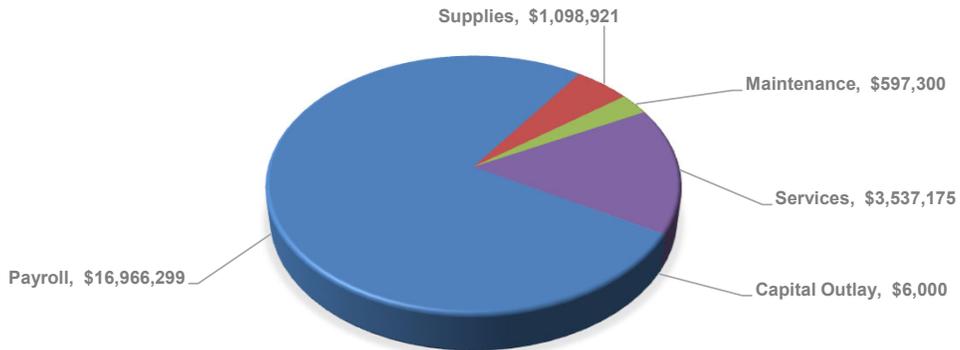
*General Fund*

The General Fund revenues are projected to increase to \$22,206,000 which is \$2,725,336 higher than the FY2023 revised budget. The General Fund expenditures are balanced with revenues at \$22,205,695 for on-going expenses. The largest expenditure by category is Payroll at 76 percent of the total General Fund Budget.

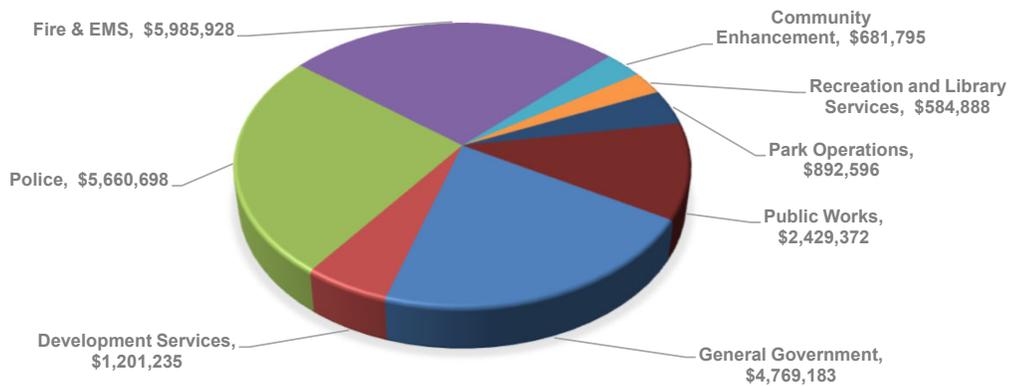
**FY2024 General Fund Revenue Budget**



**FY2024 General Fund Expenditure Budget by Category**



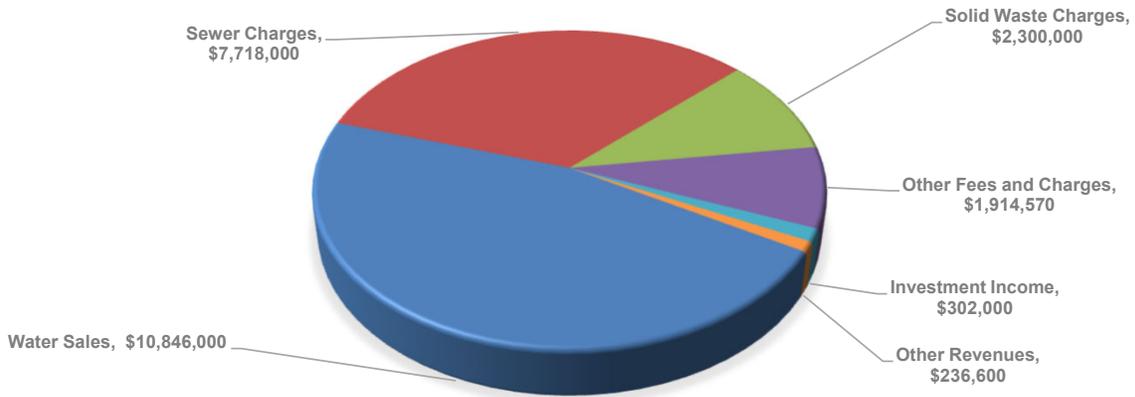
**FY2024 General Fund Expenditure Budget by Department**



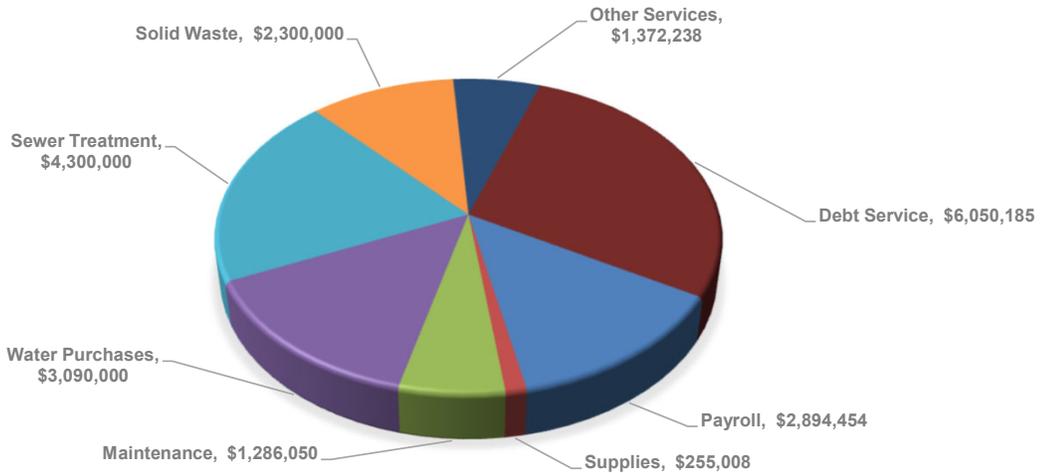
*Utility Fund*

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.

**FY2024 Utility Fund Revenue Budget**



**FY2024 Utility Fund Expenditure Budget by Category**



**Sample Residential Monthly Water and Sewer Bill**

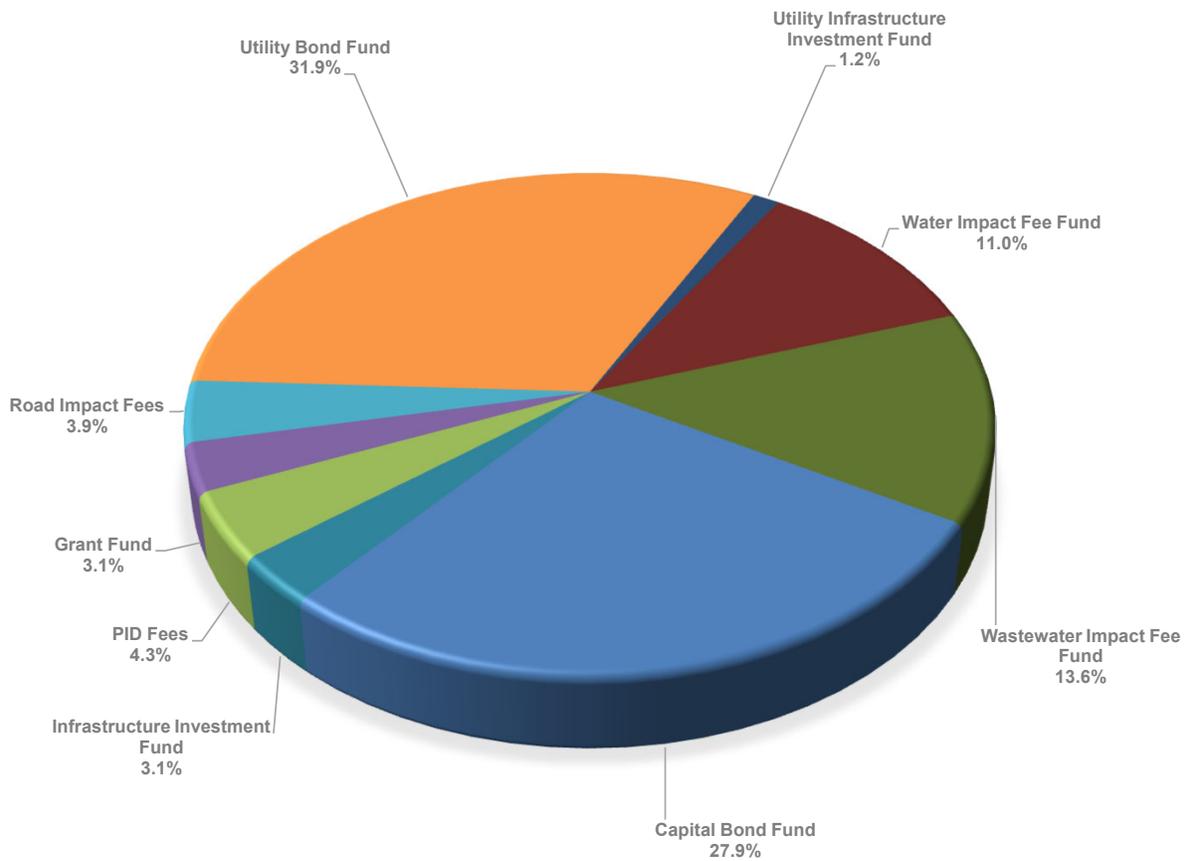
Consumption	FY2023 Rate	FY2024 Rate	Change
2,000 gallons	\$ 62.52	\$ 75.10	\$ 12.58
5,000 gallons	\$ 103.38	\$ 123.97	\$ 20.59
10,000 gallons	\$ 171.48	\$ 205.42	\$ 33.94

*Capital Improvement Program*

The budget includes \$113.2 million for capital improvement projects. Significant items include:

- ◆ Fire Station #2 (\$11,000,000)
- ◆ Community Library (\$22,000,000)
- ◆ Downtown Infrastructure Improvements (\$6,000,000)
- ◆ Hurricane Creek Wastewater Treatment Plant (\$65,000,000)
- ◆ Collin Pump Station Ground Storage (\$11,000,000)
- ◆ Slayter Creek Park Improvements (\$2,000,000)

**FY2024 CIP Appropriations by Source**



**Nate Pike**  
Mayor

**Kevin Toten**  
*Place 1*

**Randy Atchley**  
*Place 4*

**Pete Cain**  
*Place 2*

**Elden Baker**  
*Place 5*

**Stan Carver**  
*Place 3*

**Lee Miller**  
*Place 6*

THE CITY OF  
**Anna**

**Carrie Land, TRMC, MMC**  
*City Secretary*

**Ryan Henderson**  
*City Manager*

**Clark McCoy**  
*City Attorney*

**Taylor Lough**  
*Assistant City Manager*

**Greg Peters, PE**  
*Assistant City Manager*

**Terri Doby, CGFO**  
*Budget Manager*

**Steven Smith**  
*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*

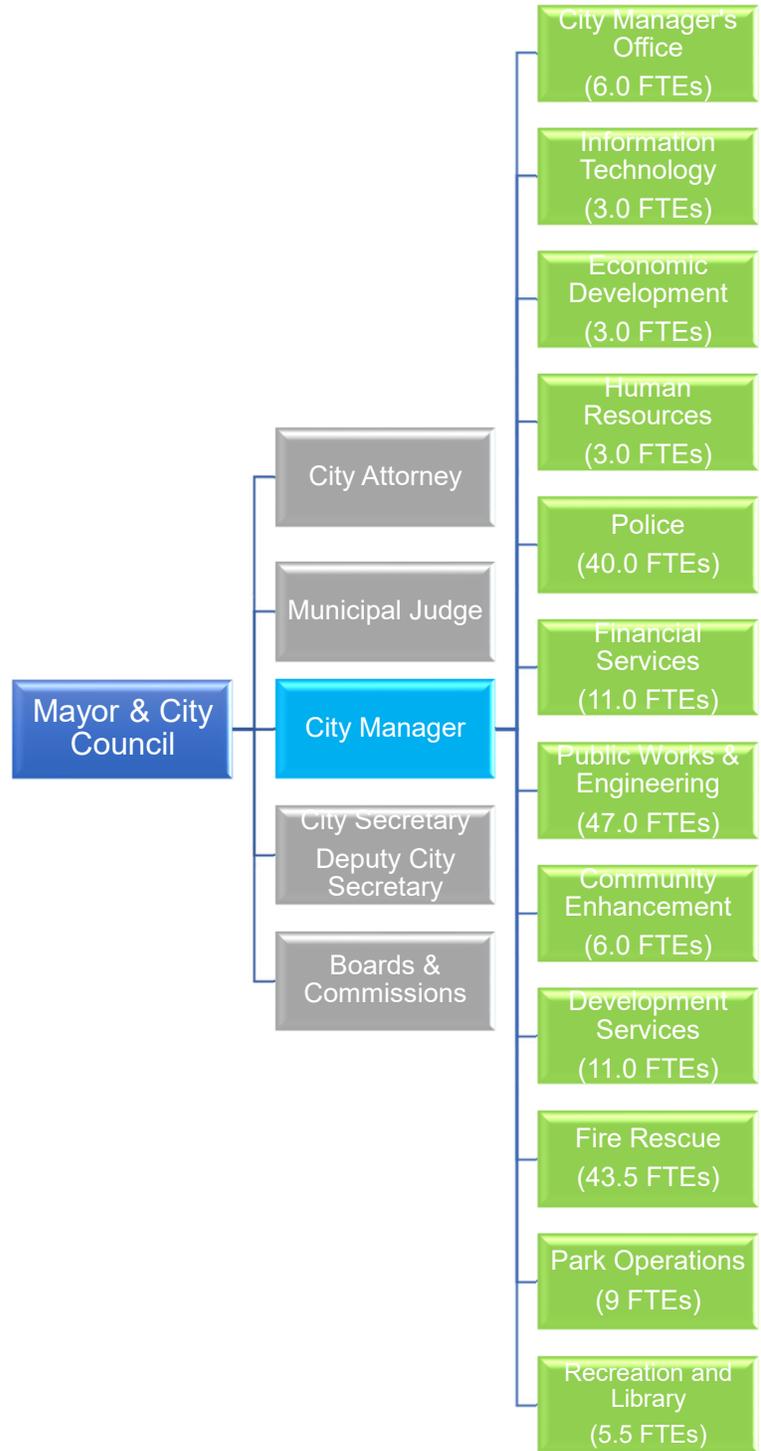
**Stephanie Beitelschies**  
*Director of Human Resources*

**Aimee Ferguson**  
*Interim Director of Finance*

**Chris Talbot**  
*Interim Director of Information Technology*

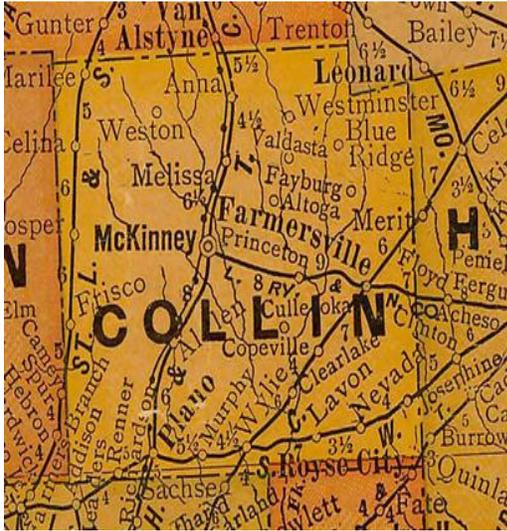
**CITY OF ANNA  
ORGANIZATION CHART**

City of Anna, Texas  
City Officials Organization Chart



**CITY OF ANNA  
COMMUNITY PROFILE**

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

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

### *History of Anna*

Anna sprang to life in the mid-1800's with the arrival of pioneers staking their claim to a better life along the railroad and the Texas high plains. Although Collin McKinney settled within a few miles of the future townsite in 1846, John L. Greer, who arrived in 1867, is credited with building the first home and store in the new community. The Houston and Texas Central Railway, at that time built between Dallas and Denison, passed through the area in 1873. By the time Anna was platted in 1883, it had a population of twenty, two stores, a steam gristmill, and a Baptist church. A post office also opened in that year. By 1890, the town had a population of 100 to 200. Anna was incorporated in 1913, with John L. Greer as first mayor. In the mid-1980's Anna had 855 residents, several businesses, and a strong sense of community. The Census shows the population increased to 1,225 by 2000 and to 8,249 by 2010. Today the estimated population is approximately 23,960.

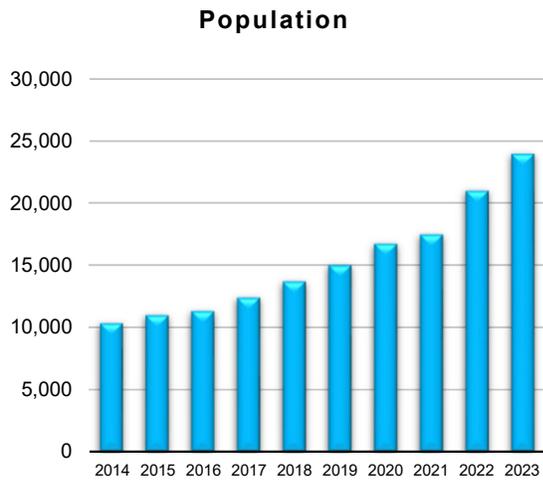
(Source: City of Anna and Anna Chamber of Commerce)

### *Local Economy*

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

The Anna Community Development Corporation and the Anna Economic Development Corporation actively recruit new commercial enterprises that help diversify the City of Anna's tax base and provide job opportunities for Anna neighbors. New residential developments will continue to drive more density that will lead to additional retailers, restaurants, medical, and other commercial projects. 2024 will bring an increased focus on Downtown Anna.

**CITY OF ANNA  
COMMUNITY PROFILE**



Principal Property Taxpayers	Tax Year 2023
D R Horton - Texas LTD	\$ 22,280,503
MM Anna 325 LLC	\$ 20,836,780
Wal-Mart Real Estate Business Trust	\$ 18,960,390
CZ GA I LLC	\$ 17,839,073
Pulte Homes of Texas LP	\$ 14,701,439
Brightland Homes LTC	\$ 11,349,450
Q Seminole Anna Town Center LP	\$ 10,960,548
Parmore Anna Holdings LLC	\$ 10,213,074
North Texas Surgery Real Estate LLC	\$ 8,900,000
HON III LLC	\$ 8,897,809

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

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

*Anna Business Progress*

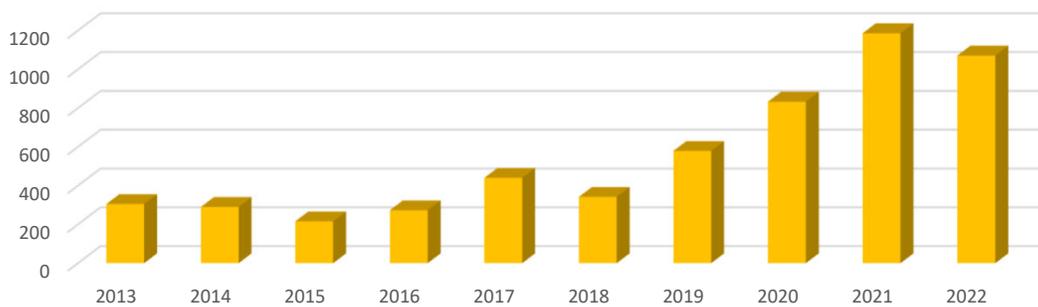


**Over 45 new businesses**  
opened in the last two years and  
400+ jobs created



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

**Residential Building Permits**



**ANNUAL BUDGET FOR FISCAL YEAR 2024**

**CITY OF ANNA**  
**BUDGET PROCESS**

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The annual budget is the single most important financial responsibility of a local government and is required by Texas Local Government Code Sec. 102.002. Citizens are able to see how city officials and staff plan to spend taxpayer dollars. Once the budget is adopted, funds may only be spent in a manner consistent with the stated plans, objectives, and policies outlined in the budget unless amended in accordance with the City Charter and by approval of the City Council.

*General Budget Process, Practice, and Administration*

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

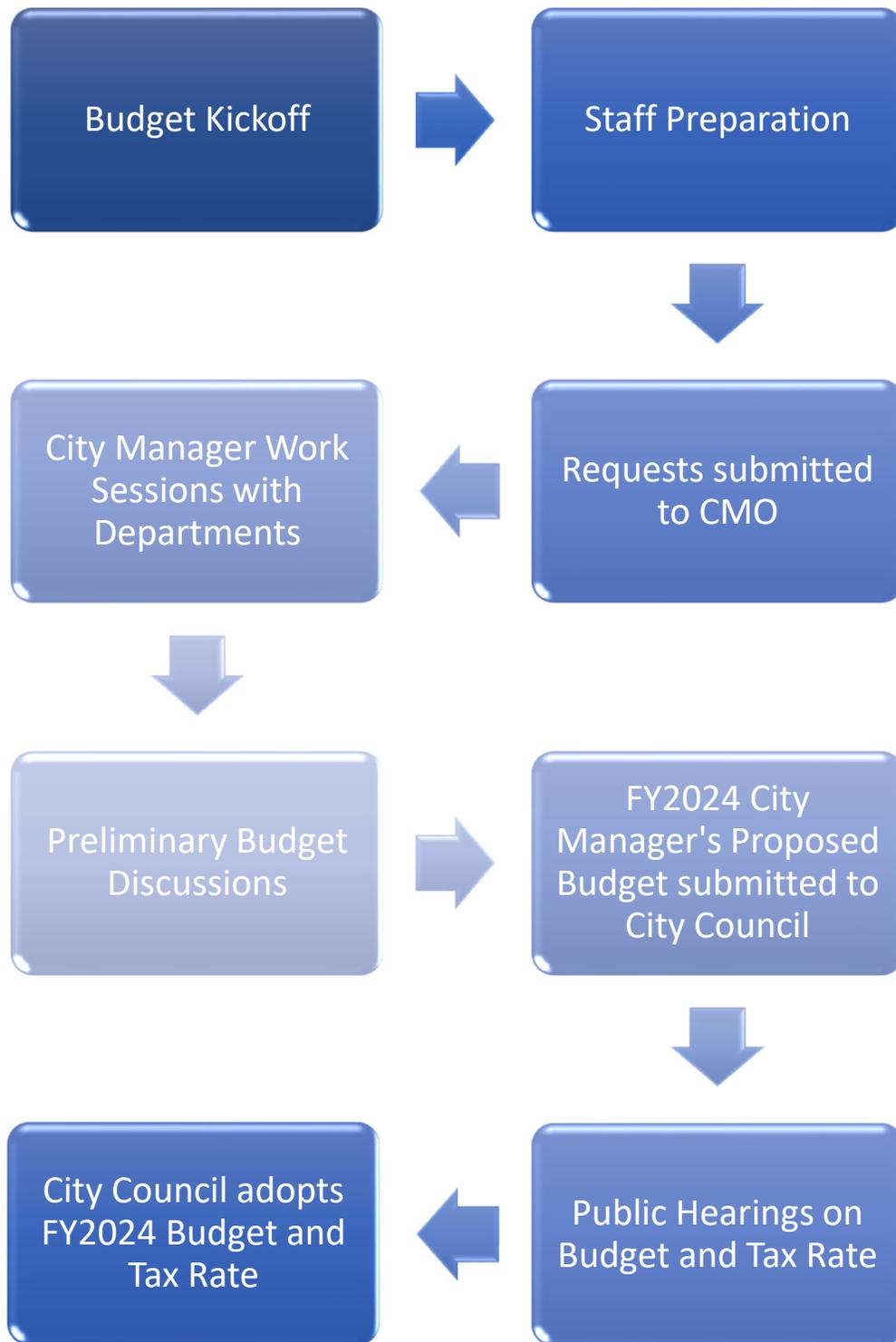
While the budget process is truly a year-round endeavor, the bulk of the work begins at the end of the 2nd quarter of each fiscal year. The budget process generally begins when the Budget Manager develops a Budget Calendar and departments are given preliminary direction from the City Manager regarding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

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

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

The fiscal year begins on October 1st.

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



**CITY OF ANNA  
BUDGET CALENDAR**

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**March 13, 2023**

**FY2024 Budget Kickoff**

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

**May 1, 2023**

**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 8 - 19, 2023**

**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 - July 31, 2023**

**Preliminary Budget Discussions**

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

**July 25, 2023**

**Certified Tax Rolls Received**

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

**August 8, 2023**

**FY2024 City Manager's Proposed Budget**

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

**August 8, 2023**

**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, the voter-approval tax rate calculation and the de minimis tax rate calculation as required by state law. According to the Texas Property Tax Code, a tax rate higher than the no-new-revenue rate may not be adopted until a public hearing is held.

**September 5, 2023**

**Public Hearing Held**

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

**September 12, 2023**

**City Council Adopts the FY2024 Budget**

City Council approves ordinances adopting the budget for the fiscal year beginning October 1, 2023.

**November 1, 2023**

**FY2024 Budget Document is Published**

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

**Oct., 2023 - Sept., 2024**

**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**



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# STRATEGIC PLAN

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THE CITY OF  
**Anna**

**CITY OF ANNA  
STRATEGIC PLAN INTRODUCTION**

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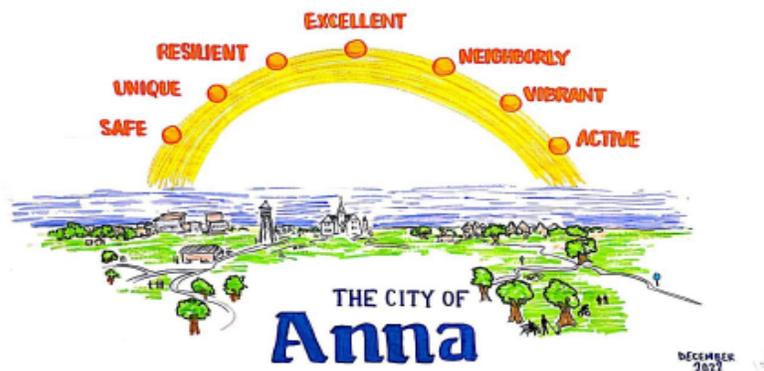
Members of the Anna City Council met on December 9th and 10th, 2022 in the Ashmore Room of the Anna Fire Station to continue conversations began at the September 30th and October 1st retreat and develop success statements for a future strategic plan. The result was a one-page document with proposed Success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

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

On Tuesday, January 24th, the City Council adopted the Success Statements, replacing the City's previous strategic plan. The seven strategic outcome areas make up the City Council's vision. Each are followed by a success statement that explains what these visions mean for the City of Anna.

Following the City Council's adoption of the Success Statements staff presented the proposed work plan on Tuesday February 14th in a work session. The purpose of this work session was to gain feedback and answer any questions. For city staff, the work plan is how to get to the Success Statements. Members of staff leadership met in cross-departmental teams to develop work plans for each strategic outcome area for presentation to the City Council.

Staff leadership provides workplan updates to the City Manager's Office quarterly, and future presentations with updates on individual items to City Council occur as needed throughout the year. With the strategic planning process taking place early in the fiscal year, it well preceded the FY2024 budget process and helps guide where resources should be allocated.



# Success Statements



## Neighborhoodly

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

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



## Unique

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

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



## Vibrant

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

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



## Safe

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

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



## Resilient

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

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



## Active

The City of Anna promotes an active community through:

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



## Excellent

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

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



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# MAJOR REVENUES

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THE CITY OF  
**Anna**

**CITY OF ANNA**  
**SUMMARY OF REVENUES**

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This section presents information about the City's major revenues. The revenue sources described in this section account for \$55.7 million or 96.5 percent of Anna's total operating revenue (excluding interfund transfers).

*Property Tax*

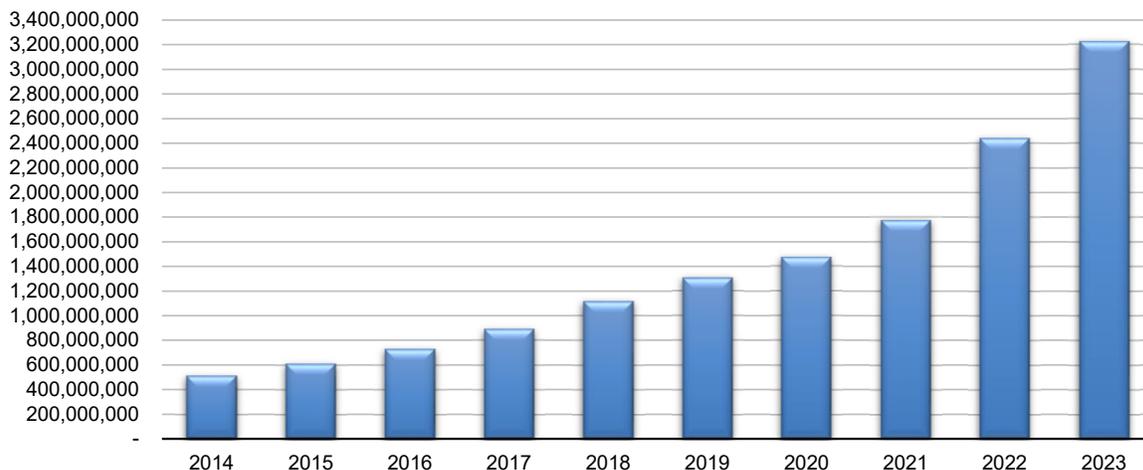
In Texas, property taxes are often the primary source of revenue for local governments. Local governments set tax rates and collect property taxes that are used to provide local services including schools, streets and roads, police and fire protection and many other services.

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 2023 (FY2024) is \$3,226,857,656. This represents an increase of 32.3 percent and is due, in part, to the addition of almost \$380 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 2023 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 2014 was approximately 10,350. 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, 2023 was approximately 23,960.

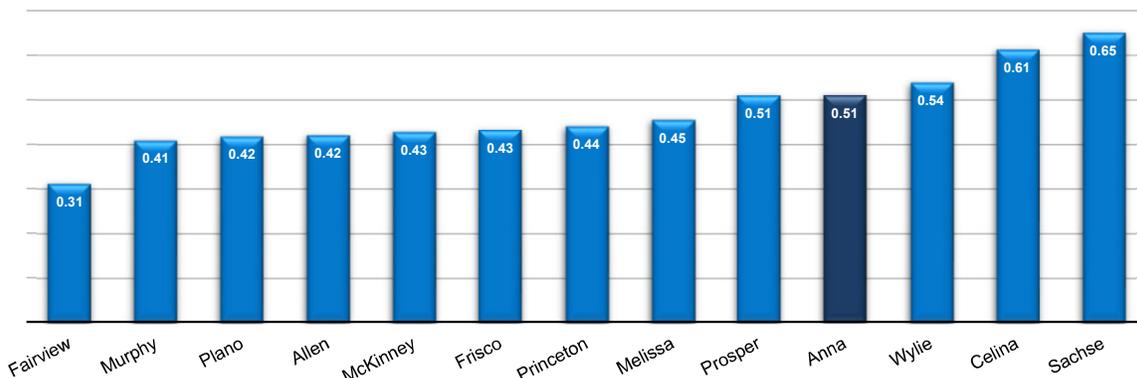
**CITY OF ANNA  
SUMMARY OF REVENUES**

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

Tax Year	Certified Assessed Value	Total Tax Rate	M&O Rate	Debt Service Rate	Property Tax Levy
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	1,472,000,000	0.583000	0.467053	0.115947	\$ 8,570,566
2021	1,773,708,282	0.569500	0.452631	0.116869	\$ 10,026,841
2022	2,439,508,121	0.539750	0.396533	0.143217	\$ 12,959,888
2023	3,226,857,656	0.510717	0.365930	0.144787	\$ 16,017,734

Revenues generated from the City’s Interest and Sinking (I&S) portion of the tax rate are deposited into the Debt Service Fund and are dedicated to pay the principal and interest of outstanding debt secured by property taxes. All debt issued for general government purposes is accounted for in the Debt Service Fund. The City of Anna also participates in five Tax Increment Reinvestment Zones (TIRZ). TIRZ use improvements to spur development and raise property values; some of the tax collected on that increase in value is then used to pay for the improvements.

**Tax Rate Comparison**



**CITY OF ANNA  
SUMMARY OF REVENUES**

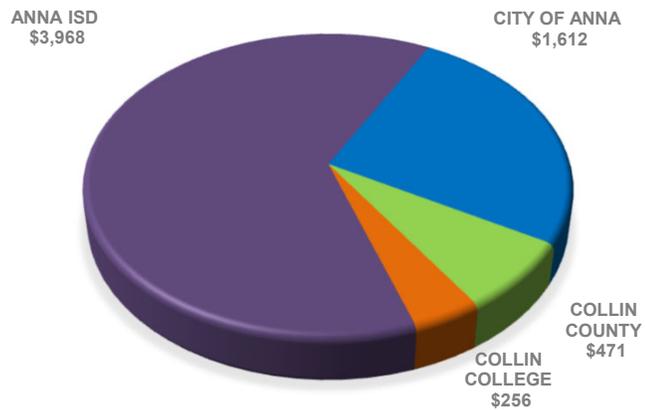
**Impact of the Average Homeowner**

	FY2023	FY2024	Difference
Average Home	\$ 273,417	\$ 315,578	\$ 42,161
Tax Rate	0.539750	0.510717	(0.029033)
Annual Tax Bill	\$ 1,475.77	\$ 1,611.71	\$ 135.94

Based on the average taxable value of \$315,578, the average residential taxpayer would pay \$135.94 more in property taxes than last year.



**Property Taxes on an Average Anna Home**



**FY2024 Property Tax Rates Combined**

	Property Tax Rate	Taxes on Average Anna Home	Percentage of Total
Collin County	0.149343	\$ 471.29	7.5%
Collin College	0.081220	\$ 256.31	4.1%
Anna ISD	1.257500	\$ 3,968.39	62.9%
City of Anna	0.510717	\$ 1,611.71	25.6%
<b>Total</b>	<b>1.998780</b>	<b>\$ 6,307.71</b>	

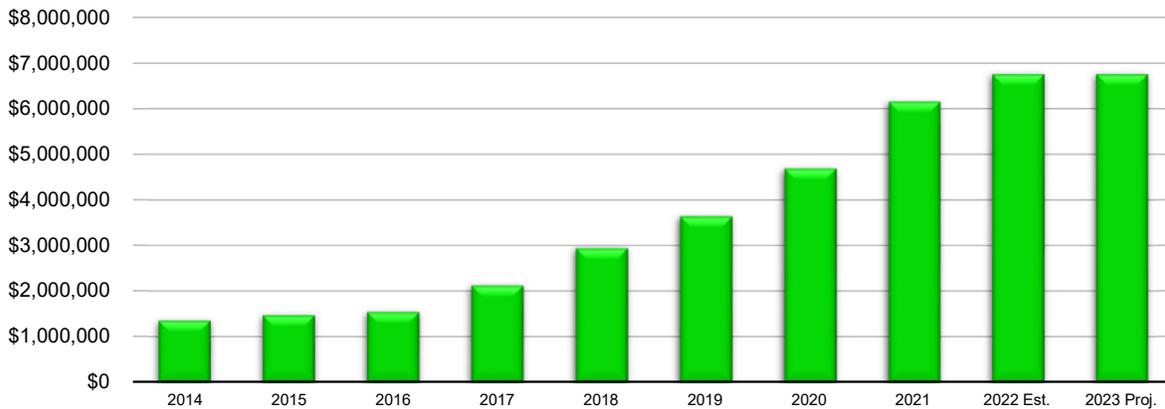
**CITY OF ANNA  
SUMMARY OF REVENUES**

*Sales Tax*

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

Fiscal Year	General Sales Tax	CDC Sales Tax	Total
2019	\$1,835,421	\$1,101,253	\$2,936,674
2020	\$2,271,318	\$1,362,791	\$3,634,109
2021	\$2,929,877	\$1,757,926	\$4,687,803
2022	\$3,847,911	\$2,308,746	\$6,156,657
2023 Est.	\$4,293,100	\$2,460,000	\$6,753,100
2024 Proj.	\$4,293,000	\$2,460,000	\$6,753,000

**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
<b>Total Cost =</b>	<b>\$10.83</b>



*Development Licenses and Permits*

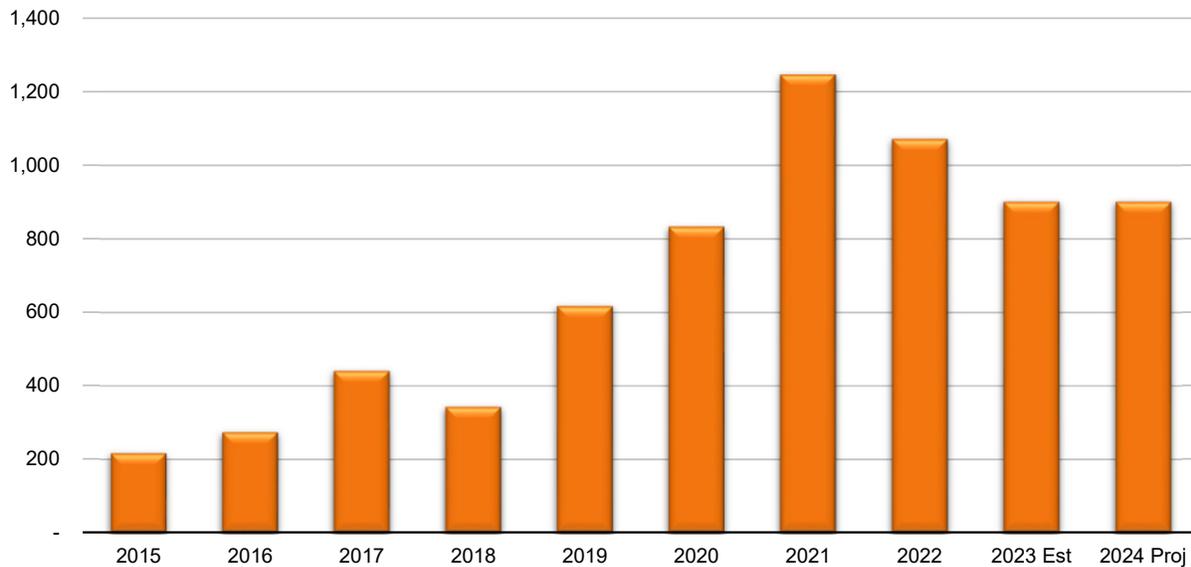
Development revenue is a combination of single-family residential building permits, commercial building permits, zoning and subdivision fees, and all other fees related to the permitting and approval of construction activity in the City.

The City of Anna is a pro-growth community in the fast-growing region of Collin County, Texas. Anna has been one of the top ten fastest growing cities in North Texas for four consecutive years. Development revenue is driven by building activity in the City. Single family permits were up over 49% from FY2020 to FY2021. At least eight multi-family projects are expected to commence construction by the end of FY2023.

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

We anticipate that new home construction will continue to increase as subdivisions that are under construction or in various stages of the development process are completed and become available in the market. The City also has a renewed focus on attracting commercial activity, including a community college, advanced manufacturing jobs, medical, and local retail in order to have a well-diversified economy.

**Residential Building Permits by Year**



**CITY OF ANNA**  
**SUMMARY OF REVENUES**

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*Utility Charges for Services*

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

The City of Anna utility rates include a base charge and a volumetric rate for water consumption beyond 2,000 gallons per month. The base rate provides revenue stability as water sales are more volatile than other revenue sources and can change based upon weather and the amount of precipitation.

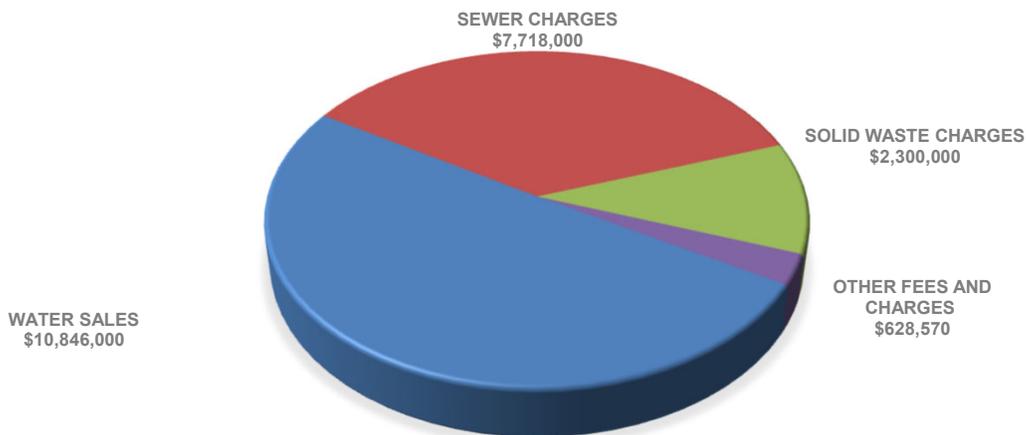
In reviewing the fiscal health of the Utility Fund during the FY2020 budget process, staff determined the need for an updated utility rate structure. A rate model consultant was engaged, and in July 2020, the City Council approved a utility rate policy.

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

**Sample Residential Water and Sewer Bill**

Consumption	FY2023 Rate	FY2024 Rate	Change
2,000 gallons	\$ 62.52	\$ 75.10	\$ 12.58
5,000 gallons	\$ 103.38	\$ 123.97	\$ 20.59
10,000 gallons	\$ 171.48	\$ 205.42	\$ 33.94

**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**



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**FUND  
SUMMARIES**

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THE CITY OF  
**Anna**

**CITY OF ANNA**  
**FUND STRUCTURE**

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

*Governmental Funds*

- ◆ General Fund: This fund is the primary operating fund for the City. The major sources of General Fund revenue is from taxes, fees, fines, and licenses and permits. General Fund expenditures are for typical municipal services such as Police, Fire, Ambulance, Parks, Streets, and Administration.
- ◆ Debt Service Fund: This fund accounts for all the long-term debt supported by taxes and issued to support governmental fund type activities. A portion of the property tax levy (Interest and Sinking Rate) is dedicated to support this fund. Principal and interest payments on long term debt are found in the Debt Service Fund.
- ◆ Restricted Revenue Funds: These funds account for revenue sources that are legally restricted to expenditures for a specific purpose and in accordance with the enabling legislation.

*Proprietary Funds*

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

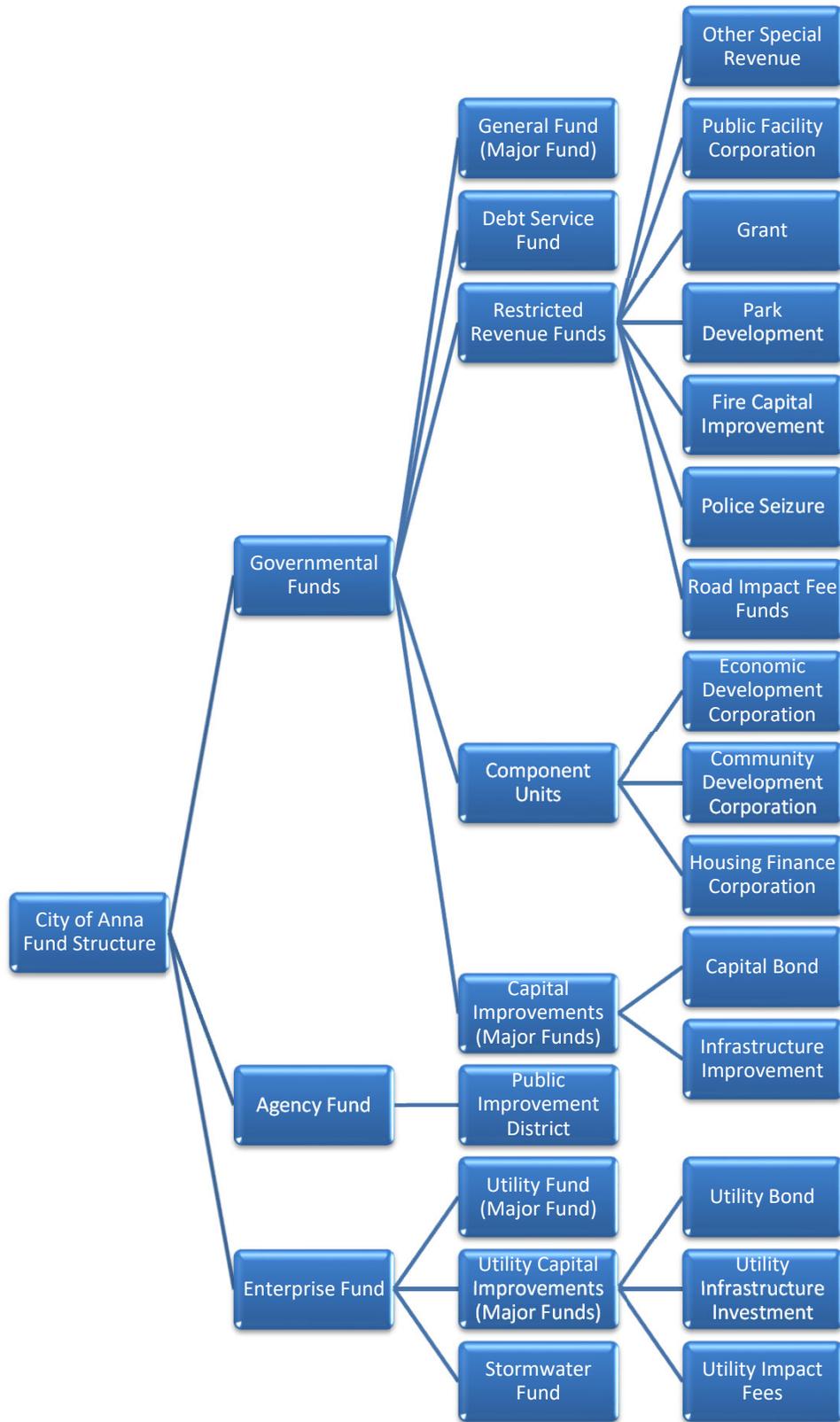
*Basis of Budgeting*

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

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

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

**CITY OF ANNA  
FUND STRUCTURE**



**CITY OF ANNA  
FUND RELATIONSHIPS**

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

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

	Major Governmental		Enterprise		Restricted Revenue		
	General	Debt Service	Utility	Stormwater	Grant	Special Revenue	Public Facility
BEGINNING BALANCES	\$ 9,784,054	\$ 79,294	\$ 6,963,206	\$ 248,150	\$ 13,299	\$ 155,624	\$ 377,050
REVENUES:							
Property Taxes	\$ 11,191,000	\$ 4,665,234	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Tax	4,293,000	-	-	-	-	-	-
Franchise and Local Taxes	825,000	-	-	-	-	-	-
Charges for Services	730,000	-	21,492,570	345,000	-	-	-
Fines	300,000	-	-	-	-	7,500	-
Permits, Licenses and Fees	4,330,000	-	1,286,000	5,000	-	-	-
Intergovernmental	23,000	-	-	-	-	-	-
Investment Income	500,000	4,000	302,000	-	35,000	1,000	-
Other Revenues	14,000	-	236,600	-	-	30,500	-
<b>TOTAL</b>	<b>\$ 22,206,000</b>	<b>\$ 4,669,234</b>	<b>\$ 23,317,170</b>	<b>\$ 350,000</b>	<b>\$ 35,000</b>	<b>\$ 39,000</b>	<b>\$ -</b>
Transfers from other funds	-	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 22,206,000</b>	<b>\$ 4,669,234</b>	<b>\$ 23,317,170</b>	<b>\$ 350,000</b>	<b>\$ 35,000</b>	<b>\$ 39,000</b>	<b>\$ -</b>
<b>TOTAL AVAILABLE RESOURCES</b>	<b>\$ 31,990,054</b>	<b>\$ 4,748,528</b>	<b>\$ 30,280,376</b>	<b>\$ 598,150</b>	<b>\$ 48,299</b>	<b>\$ 194,624</b>	<b>\$ 377,050</b>
EXPENDITURES:							
Payroll	\$ 16,966,300	\$ -	\$ 2,894,454	\$ 115,040	\$ -	\$ 1,800	\$ -
Supplies	1,098,921	-	255,008	9,000	-	-	-
Maintenance	597,300	-	1,286,050	-	-	-	-
Services	3,537,175	5,500	11,062,238	32,500	-	9,325	-
Debt Service	-	4,665,234	6,050,185	-	-	-	-
Capital Outlay	6,000	-	-	-	-	-	-
Capital Improvement	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>\$ 22,205,696</b>	<b>\$ 4,670,734</b>	<b>\$ 21,547,935</b>	<b>\$ 156,540</b>	<b>\$ -</b>	<b>\$ 11,125</b>	<b>\$ -</b>
Transfers to other funds	2,300,000	-	975,000	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 24,505,696</b>	<b>\$ 4,670,734</b>	<b>\$ 22,522,935</b>	<b>\$ 156,540</b>	<b>\$ -</b>	<b>\$ 11,125</b>	<b>\$ -</b>
<b>ENDING FUND BALANCES</b>	<b>\$ 7,484,358</b>	<b>\$ 77,794</b>	<b>\$ 7,757,441</b>	<b>\$ 441,610</b>	<b>\$ 48,299</b>	<b>\$ 183,499</b>	<b>\$ 377,050</b>

**ANNUAL BUDGET FOR FISCAL YEAR 2024**

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

Restricted Revenue			Component Units			CIP Funds	Total All Funds		
Park Develop.	Fire Capital	Seizure	Community Develop.	Economic Develop.	Housing Finance	Community Investment	Budget FY2024	Estimated FY2023	Actual FY2022
\$ 4,413,090	\$ 318,538	\$ 15,212	\$ 7,691,277	\$ 5,219,689	\$ 550,517	\$ 135,015,490	\$ 170,844,490	\$ 75,556,381	\$ 64,040,303
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,856,234	\$ 13,327,686	\$ 10,084,783
-	-	-	2,460,000	-	-	-	6,753,000	6,753,100	6,156,657
-	-	-	-	-	-	-	825,000	825,000	888,723
1,300,000	15,000	-	-	78,120	-	-	23,960,690	18,825,333	18,955,624
-	-	-	-	-	-	-	307,500	392,000	249,928
-	-	-	-	-	-	-	5,621,000	5,986,300	8,799,585
-	-	-	-	-	-	-	23,000	72,000	72,913
155,000	2,000	-	15,000	25,000	-	3,390,000	4,429,000	4,999,500	471,249
75,000	-	-	-	-	-	33,934,800	34,290,900	107,986,100	26,618,677
\$ 1,530,000	\$ 17,000	\$ -	\$ 2,475,000	\$ 103,120	\$ -	\$ 37,324,800	\$ 92,066,324	\$ 159,167,019	\$ 72,298,139
-	-	-	-	-	-	3,275,000	3,275,000	3,175,000	13,607,093
\$ 1,530,000	\$ 17,000	\$ -	\$ 2,475,000	\$ 103,120	\$ -	\$ 40,599,800	\$ 95,341,324	\$ 162,342,019	\$ 85,905,232
\$ 5,943,090	\$ 335,538	\$ 15,212	\$ 10,166,277	\$ 5,322,809	\$ 550,517	\$ 175,615,290	\$ 266,185,814	\$ 237,898,400	\$ 149,945,535
\$ 135,793	\$ -	\$ -	\$ 462,634	\$ -	\$ -	\$ -	\$ 20,576,021	\$ 18,546,244	\$ 14,224,541
227,000	29,500	-	16,100	-	-	-	1,635,529	1,471,406	1,191,021
-	-	-	-	50,000	-	-	1,933,350	1,162,575	1,636,509
38,100	-	-	4,289,665	484,550	-	-	19,459,053	17,121,147	13,383,429
-	-	-	203,006	-	-	-	10,918,425	8,174,555	4,438,931
83,000	130,000	-	350,000	-	-	-	569,000	149,000	335,726
5,220,400	-	-	-	-	-	107,940,563	113,160,963	30,656,100	17,578,716
\$ 5,704,293	\$ 159,500	\$ -	\$ 5,321,405	\$ 534,550	\$ -	\$ 107,940,563	\$ 168,252,341	\$ 77,281,027	\$ 52,788,873
-	-	-	-	-	-	-	3,275,000	3,175,000	13,607,092
\$ 5,704,293	\$ 159,500	\$ -	\$ 5,321,405	\$ 534,550	\$ -	\$ 107,940,563	\$ 171,527,341	\$ 80,456,027	\$ 66,395,965
\$ 238,797	\$ 176,038	\$ 15,212	\$ 4,844,872	\$ 4,788,259	\$ 550,517	\$ 67,674,727	\$ 94,658,473	\$ 157,442,373	\$ 83,549,570

**ANNUAL BUDGET FOR FISCAL YEAR 2024**

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

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24
BEGINNING BALANCES	\$ 64,040,303	\$ 49,963,901	\$ 75,556,381	\$ 170,844,490
REVENUES:				
Property Taxes	\$ 10,084,783	\$ 12,876,950	\$ 13,327,686	\$ 15,856,234
Sales Tax	6,156,657	6,753,100	6,753,100	6,753,000
Franchise and Local Taxes	888,723	825,000	825,000	825,000
Charges for Services	18,955,624	16,700,263	18,825,333	23,960,690
Fines	249,928	302,000	392,000	307,500
Permits, Licenses and Fees	8,799,585	4,772,000	5,986,300	5,621,000
Intergovernmental	72,913	-	72,000	23,000
Investment Income	471,249	218,500	4,999,500	4,429,000
Other Revenues	26,618,677	112,981,500	107,986,100	34,290,900
TOTAL	\$ 72,298,139	\$ 155,429,313	\$ 159,167,019	\$ 92,066,324
Transfers from other funds	13,607,093	1,418,000	3,175,000	3,275,000
TOTAL REVENUE	\$ 85,905,232	\$ 156,847,313	\$ 162,342,019	\$ 95,341,324
TOTAL AVAILABLE RESOURCES	\$ 149,945,535	\$ 206,811,214	\$ 237,898,400	\$ 266,185,814
EXPENDITURES:				
Payroll	\$ 14,224,541	\$ 18,606,244	\$ 18,546,244	\$ 20,576,021
Supplies	1,191,021	1,411,406	1,471,406	1,635,529
Maintenance	1,636,509	1,162,575	1,162,575	1,933,350
Services	13,383,429	14,246,147	17,121,147	19,459,053
Debt Service	4,438,931	5,770,981	8,174,555	10,918,425
Capital Outlay	335,726	204,000	149,000	569,000
Capital Improvement	17,578,716	95,329,863	30,656,100	113,160,963
TOTAL	\$ 52,788,873	\$ 136,731,216	\$ 77,281,027	\$ 168,252,341
Transfers to other funds	13,607,092	1,418,000	3,175,000	3,275,000
TOTAL EXPENDITURES	\$ 66,395,965	\$ 138,149,216	\$ 80,456,027	\$ 171,527,341
ENDING FUND BALANCES	\$ 83,549,570	\$ 68,661,998	\$ 157,442,373	\$ 94,658,473

**CITY OF ANNA  
CHANGE IN FUND BALANCE**

FUND	PROJECTED FUND BALANCE 9/30/23	PROJECTED FUND BALANCE 9/30/24	% CHANGE	EXPLANATION
GENERAL	\$ 9,784,054	\$ 7,484,358	-24%	Utilizing excess over policy for one-time purchases
DEBT SERVICE	\$ 79,294	\$ 77,794	-2%	Restricted revenue; no planned purchases
UTILITY	\$ 6,963,206	\$ 7,757,441	11%	Building reserve to prepare for adverse weather events
STORMWATER	\$ 248,150	\$ 441,610	78%	Building in anticipation of increased program activity in future
SPECIAL REVENUE	\$ 155,624	\$ 183,499	18%	Restricted revenue; no planned purchases
PUBLIC FACILITY CORPORATION	\$ 377,050	\$ 377,050	0%	Restricted revenue; no planned purchases
PARK DEVELOPMENT	\$ 4,413,090	\$ 238,797	-95%	Utilizing for Capital Improvement Projects
FIRE CAPITAL	\$ 318,538	\$ 176,038	-45%	Utilizing for one-time purchases
PUBLIC SAFETY SEIZURE	\$ 15,212	\$ 15,212	0%	No planned purchases
COMMUNITY DEVELOPMENT	\$ 7,691,277	\$ 4,844,872	-37%	Utilizing for Capital Improvement Projects
ECONOMIC DEVELOPMENT	\$ 5,219,689	\$ 4,788,259	-8%	Change in revenue source; drawdown is planned
HOUSING FINANCE CORPORATION	\$ 550,517	\$ 550,517	0%	No planned purchases

**CITY OF ANNA  
PERSONNEL**

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*FY2024 Additions*

<b>Position</b>	<b>Added to</b>	<b>Justification</b>
Firefighters (12.0 FTEs)	Fire	In preparation for the opening of Fire Station #2
Police Officers (3.0 FTEs)	Police	The population growth realized in the City of Anna continues to create a need for additional police positions. This addition is in accordance with the Five-Year Strategic Staffing Plan prepared by Justice Research Consultants.

**CITY OF ANNA  
PERSONNEL SUMMARY**

	Actual 2021-22	Estimated 2022-23	Budget 2023-24	Increase (Decrease)
<b>GENERAL FUND</b>				
City Manager's Office				
City Manager	1.0	1.0	1.0	-
Assistant City Manager	1.0	2.0	2.0	-
Assistant to the City Manager	1.0	1.0	1.0	-
Budget Manager	1.0	1.0	1.0	-
Communications Manager	1.0	1.0	1.0	-
	<b>5.0</b>	<b>6.0</b>	<b>6.0</b>	<b>-</b>
City Secretary				
City Secretary	1.0	1.0	1.0	-
Deputy City Secretary	1.0	1.0	1.0	-
Admin. Assistant / Records Clerk	0.5	1.0	1.0	-
	<b>2.5</b>	<b>3.0</b>	<b>3.0</b>	<b>-</b>
Information Technology				
IT Director	1.0	1.0	1.0	-
Systems Administrator	1.0	1.0	1.0	-
IT Help Desk Support	-	1.0	1.0	-
	<b>2.0</b>	<b>3.0</b>	<b>3.0</b>	<b>-</b>
Finance				
Director of Finance	1.0	1.0	1.0	-
Assistant Director of Finance	1.0	1.0	1.0	-
Senior Accountant	1.0	1.0	1.0	-
Accountant	1.0	1.0	1.0	-
Accounting Technician	1.0	1.0	1.0	-
	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>-</b>
Human Resources				
Director of Human Resources	1.0	1.0	1.0	-
Human Resources Manager	1.0	1.0	1.0	-
Human Resources Coordinator	1.0	1.0	1.0	-
	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>-</b>
Fleet and Facilities				
Mechanic	1.0	1.0	1.0	-
Fleet Maintenance Technician	-	1.0	1.0	-
Facilities Specialist	1.0	1.0	1.0	-
Custodian	-	2.0	2.0	-
	<b>2.0</b>	<b>5.0</b>	<b>5.0</b>	<b>-</b>
Municipal Court				
Municipal Court Administrator	1.0	1.0	1.0	-
Municipal Court Clerk	-	1.0	1.0	-
	<b>1.0</b>	<b>2.0</b>	<b>2.0</b>	<b>-</b>

**CITY OF ANNA  
PERSONNEL SUMMARY**

	Actual 2021-22	Estimated 2022-23	Budget 2023-24	Increase (Decrease)
<b>Development Services</b>				
Director of Development Services	1.0	1.0	1.0	-
Planning Manager	1.0	1.0	1.0	-
Administrative Assistant	1.0	1.0	1.0	-
Planner II	1.0	1.0	1.0	-
Plans Examiner	1.0	1.0	1.0	-
GIS Manager	1.0	-	-	-
Senior Building Inspector	1.0	1.0	1.0	-
Building Inspector	2.0	2.0	2.0	-
Building Official	1.0	1.0	1.0	-
Development Services Technician	1.0	1.0	1.0	-
Planning Technician	-	1.0	1.0	-
	<b>11.0</b>	<b>11.0</b>	<b>11.0</b>	<b>-</b>
<b>Police</b>				
Police Chief	1.0	1.0	1.0	-
Assistant Police Chief	1.0	1.0	1.0	-
Records Administrator	1.0	1.0	1.0	-
Property and Evidence Tech	-	1.0	1.0	-
Lieutenant	1.0	2.0	2.0	-
Sergeant	4.0	4.0	4.0	-
Sergeant Detective	1.0	1.0	1.0	-
Corporal	4.0	4.0	4.0	-
Police Officer	16.0	18.0	21.0	3.0
Detective	4.0	4.0	4.0	-
	<b>33.0</b>	<b>37.0</b>	<b>40.0</b>	<b>3.0</b>
<b>Fire</b>				
Fire Chief	1.0	1.0	1.0	-
Assistant Fire Chief	1.0	1.0	1.0	-
Division Chief	1.0	1.0	1.0	-
Battalion Chief	3.0	3.0	3.0	-
Fire Prevention Captain	1.0	1.0	1.0	-
Fire Shift Captain	3.0	3.0	3.0	-
Fire Inspector Investigator	-	1.0	1.0	-
Fire Driver / Engineer	3.0	3.0	3.0	-
Fire Fighter	12.0	16.5	28.5	12.0
Fire Services Coordinator	1.0	1.0	1.0	-
	<b>26.0</b>	<b>31.5</b>	<b>43.5</b>	<b>12.0</b>
<b>Community Enhancement</b>				
Director of Neighborhood Services	1.0	1.0	-	(1.0)
Neighborhood Services Coordinator	1.0	1.0	1.0	-
Administrative Assistant	1.0	1.0	1.0	-
Code Compliance Manager	1.0	1.0	1.0	-
Code Compliance Officer	2.0	3.0	3.0	-
	<b>6.0</b>	<b>7.0</b>	<b>6.0</b>	<b>(1.0)</b>

**CITY OF ANNA  
PERSONNEL SUMMARY**

	Actual 2021-22	Estimated 2022-23	Budget 2023-24	Increase (Decrease)
<b>Parks</b>				
Parks Superintendent	1.0	1.0	1.0	-
Parks Crew Leader	2.0	2.0	2.0	-
Maintenance Worker	5.0	6.0	6.0	-
	<u>8.0</u>	<u>9.0</u>	<u>9.0</u>	<u>-</u>
<b>Recreation and Library Services</b>				
Director of Neighborhood Services	-	-	1.0	1.0
Assistant Director	-	-	1.0	1.0
Recreation Coordinator	-	-	3.5	3.5
	<u>-</u>	<u>-</u>	<u>5.5</u>	<u>5.5</u>
<b>Streets</b>				
Street Superintendent	1.0	1.0	1.0	-
Crew Leader	1.0	2.0	2.0	-
Traffic Safety Technician	1.0	1.0	1.0	-
Right-of-Way Inspector	-	1.0	1.0	-
Maintenance Worker	6.0	5.0	5.0	-
	<u>9.0</u>	<u>10.0</u>	<u>10.0</u>	<u>-</u>
<b>GENERAL FUND TOTAL</b>	<b>113.5</b>	<b>132.5</b>	<b>152.0</b>	<b>19.5</b>

**UTILITY FUND**

<b>Public Works Administration</b>				
Director of Public Works	1.0	1.0	1.0	-
Assistant Director of Public Works	1.0	1.0	1.0	-
City Engineer	1.0	1.0	1.0	-
CIP Manager	1.0	1.0	1.0	-
Construction Inspector	3.0	3.0	3.0	-
Construction Supervisor	1.0	1.0	1.0	-
Fleet and Facilities Superintendent	1.0	1.0	1.0	-
Custodian	1.0	-	-	-
GIS Manager	-	1.0	1.0	-
Public Works Coordinator	1.0	1.0	1.0	-
Receptionist	-	1.0	1.0	-
	<u>11.0</u>	<u>12.0</u>	<u>12.0</u>	<u>-</u>
<b>Water</b>				
Utility Operations Supervisor	1.0	1.0	1.0	-
Utility Maintenance Field Supervisor	1.0	1.0	1.0	-
Maintenance Worker	2.0	4.0	4.0	-
Water Operator	2.0	2.0	2.0	-
Utility Crew Leader	2.0	2.0	2.0	-
Meter Service Crew Leader	1.0	1.0	1.0	-
	<u>9.0</u>	<u>11.0</u>	<u>11.0</u>	<u>-</u>
<b>Wastewater</b>				
Senior Wastewater Plant Operator	1.0	1.0	1.0	-
Maintenance Worker I	6.0	5.0	5.0	-
	<u>7.0</u>	<u>6.0</u>	<u>6.0</u>	<u>-</u>

**CITY OF ANNA  
PERSONNEL SUMMARY**

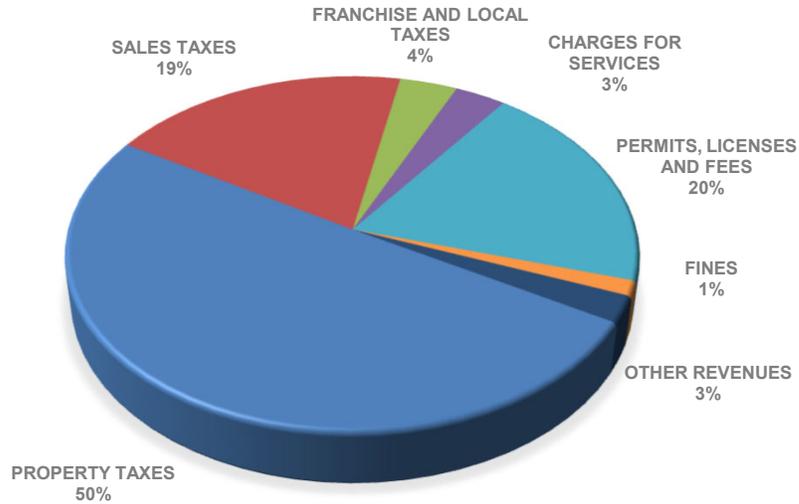
	Actual 2021-22	Estimated 2022-23	Budget 2023-24	Increase (Decrease)
<b>Utility Billing</b>				
Utility Billing Supervisor	1.0	1.0	1.0	-
Senior Utility Billing Clerk	-	1.0	1.0	-
Utility Billing Clerk	3.0	2.0	2.0	-
Admin. Assistant / Records Clerk	0.5	-	-	-
	<u>4.5</u>	<u>4.0</u>	<u>4.0</u>	<u>-</u>
<b>UTILITY FUND TOTAL</b>	<b>31.5</b>	<b>33.0</b>	<b>33.0</b>	<b>-</b>
<b>STORMWATER FUND</b>				
Maintenance Worker I	-	2.0	2.0	-
	<u>-</u>	<u>2.0</u>	<u>2.0</u>	<u>-</u>
<b>STORMWATER TOTAL</b>	<b>-</b>	<b>2.0</b>	<b>2.0</b>	<b>-</b>
<b>PARK DEVELOPMENT FUND</b>				
Recreation Manager	1.0	-	-	-
Assistant Director	-	1.0	-	(1.0)
Parks Planning Manager	1.0	1.0	1.0	-
Recreation Coordinator	1.5	3.0	-	(3.0)
	<u>3.5</u>	<u>5.0</u>	<u>1.0</u>	<u>(4.0)</u>
<b>PARK DEVELOPMENT FUND TOTAL</b>	<b>3.5</b>	<b>5.0</b>	<b>1.0</b>	<b>(4.0)</b>
<b>COMMUNITY DEVELOPMENT CORPORATION</b>				
Director of Economic Development	1.0	1.0	1.0	-
Assistant Director of Economic Develop.	1.0	1.0	1.0	-
Economic Development Coordinator	1.0	1.0	1.0	-
	<u>3.0</u>	<u>3.0</u>	<u>3.0</u>	<u>-</u>
<b>COMMUNITY DEVELOP. TOTAL</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>-</b>
<b>TOTAL EMPLOYEES, ALL FUNDS</b>	<b>151.5</b>	<b>175.5</b>	<b>191.0</b>	<b>15.5</b>

**CITY OF ANNA  
GENERAL FUND**

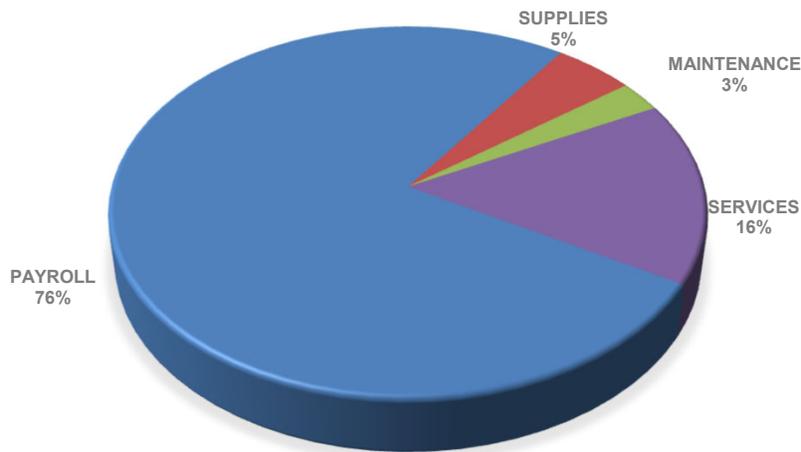
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The General Fund is the largest governmental fund and accounts for most of the financial resources of the general government. The majority of General Fund revenue is from property taxes and sales taxes. Other revenues include franchise fees, licenses 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 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24
BEGINNING BALANCES	\$ 6,572,245	\$ 7,532,411	\$ 9,963,033	\$ 9,784,054
REVENUES:				
Property Taxes	\$ 8,004,989	\$ 9,418,264	\$ 9,869,000	\$ 11,191,000
Sales Tax	3,847,911	4,293,100	4,293,100	4,293,000
Franchise and Local Taxes	888,723	825,000	825,000	825,000
Charges for Services	166,821	273,000	800,000	730,000
Permits, Licenses and Fees	5,871,137	4,305,000	4,904,000	4,330,000
Fines	241,274	300,000	390,000	300,000
Intergovernmental	47,640	-	72,000	23,000
Investment Income	90,387	50,000	565,000	500,000
Other Revenues	154,514	16,300	16,300	14,000
TOTAL OPERATIONAL REVENUE	<u>\$ 19,313,396</u>	<u>\$ 19,480,664</u>	<u>\$ 21,734,400</u>	<u>\$ 22,206,000</u>
Transfers from other funds	-	-	25,000	-
TOTAL REVENUES	<u>\$ 19,313,396</u>	<u>\$ 19,480,664</u>	<u>\$ 21,759,400</u>	<u>\$ 22,206,000</u>
TOTAL AVAILABLE RESOURCES	<u>\$ 25,885,641</u>	<u>\$ 27,013,075</u>	<u>\$ 31,722,433</u>	<u>\$ 31,990,054</u>
EXPENDITURES:				
Payroll	\$ 11,270,087	\$ 14,742,349	\$ 14,682,349	\$ 16,966,300
Supplies	830,290	998,723	1,058,723	1,098,921
Maintenance	547,781	516,900	516,900	597,300
Services	3,150,089	3,126,407	3,126,407	3,537,175
Debt Service	-	-	-	-
Capital Outlay	124,361	54,000	54,000	6,000
Capital Improvement	-	-	-	-
TOTAL OPERATIONAL EXPENDITURES	<u>\$ 15,922,608</u>	<u>\$ 19,438,379</u>	<u>\$ 19,438,379</u>	<u>\$ 22,205,696</u>
Transfers to other funds	-	768,000	2,500,000	2,300,000
TOTAL EXPENDITURES	<u>\$ 15,922,608</u>	<u>\$ 20,206,379</u>	<u>\$ 21,938,379</u>	<u>\$ 24,505,696</u>
ENDING FUND BALANCES	<u>\$ 9,963,033</u>	<u>\$ 6,806,696</u>	<u>\$ 9,784,054</u>	<u>\$ 7,484,358</u>
Fund Balance Percentage	63%	35%	50%	34%

**CITY OF ANNA  
GENERAL FUND BY DEPARTMENT**

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24
<b>EXPENDITURES:</b>				
General Government:				
Administration	\$ 672,237	\$ 492,009	\$ 492,009	\$ 602,374
City Council	35,965	33,778	33,778	41,500
City Manager's Office	1,059,942	1,420,367	1,420,367	1,297,523
City Secretary	278,791	362,509	362,509	379,026
Information Technology	753,749	875,833	875,833	929,280
Finance	643,225	665,735	665,735	670,970
Human Resources	383,320	584,522	584,522	588,858
Municipal Court	178,635	258,957	258,957	259,652
	<u>\$ 4,005,864</u>	<u>\$ 4,693,710</u>	<u>\$ 4,693,710</u>	<u>\$ 4,769,183</u>
Development Services	<u>\$ 1,065,003</u>	<u>\$ 1,200,399</u>	<u>\$ 1,200,399</u>	<u>\$ 1,201,235</u>
Public Safety:				
Police	\$ 4,139,818	\$ 5,059,584	\$ 5,059,584	\$ 5,660,698
Fire	3,367,229	4,616,629	4,616,629	5,985,929
	<u>\$ 7,507,047</u>	<u>\$ 9,676,213</u>	<u>\$ 9,676,213</u>	<u>\$ 11,646,627</u>
Community Enhancement	<u>\$ 732,626</u>	<u>\$ 865,223</u>	<u>\$ 865,223</u>	<u>\$ 681,795</u>
Neighborhood Services				
Recreation and Library Services	\$ -	\$ -	\$ -	\$ 584,888
Park Operations	710,831	808,111	808,111	892,596
	<u>\$ 710,831</u>	<u>\$ 808,111</u>	<u>\$ 808,111</u>	<u>\$ 1,477,484</u>
Public Works				
Streets	\$ 859,909	\$ 1,050,193	\$ 1,050,193	\$ 1,039,452
Fleet and Facilities	1,041,328	1,144,530	1,144,530	1,389,920
	<u>\$ 1,901,237</u>	<u>\$ 2,194,723</u>	<u>\$ 2,194,723</u>	<u>\$ 2,429,372</u>
<b>TOTAL OPERATIONAL EXPENDITURES</b>	<u>\$ 15,922,608</u>	<u>\$ 19,438,379</u>	<u>\$ 19,438,379</u>	<u>\$ 22,205,696</u>
Transfers to other funds	-	768,000	2,500,000	2,300,000
<b>TOTAL EXPENDITURES</b>	<u>\$ 15,922,608</u>	<u>\$ 20,206,379</u>	<u>\$ 21,938,379</u>	<u>\$ 24,505,696</u>

**CITY OF ANNA  
GENERAL FUND REVENUE SUMMARY**

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24
<b>REVENUES:</b>				
Property Taxes				
Current Taxes	\$ 7,942,603	\$ 9,319,764	\$ 9,690,000	\$ 11,129,000
Delinquent Taxes	36,754	70,500	161,000	37,000
Penalty & Interest	25,632	28,000	18,000	25,000
	<u>\$ 8,004,989</u>	<u>\$ 9,418,264</u>	<u>\$ 9,869,000</u>	<u>\$ 11,191,000</u>
Sales Taxes				
Sales Taxes - General	\$ 3,078,329	\$ 3,473,100	\$ 3,473,100	\$ 3,473,000
Sales Taxes - Streets	769,582	820,000	820,000	820,000
	<u>\$ 3,847,911</u>	<u>\$ 4,293,100</u>	<u>\$ 4,293,100</u>	<u>\$ 4,293,000</u>
Franchise and Local Taxes				
Franchise Fees	\$ 863,099	\$ 800,000	\$ 800,000	\$ 800,000
Mixed Beverage Tax	25,624	25,000	25,000	25,000
	<u>\$ 888,723</u>	<u>\$ 825,000</u>	<u>\$ 825,000</u>	<u>\$ 825,000</u>
Charges for Services				
Rental Registration	\$ 81,972	\$ 200,000	\$ 465,000	\$ 450,000
Rentals	84,400	73,000	73,000	80,000
Ambulance Fees	449	-	262,000	200,000
	<u>\$ 166,821</u>	<u>\$ 273,000</u>	<u>\$ 800,000</u>	<u>\$ 730,000</u>
Fines				
	<u>\$ 241,274</u>	<u>\$ 300,000</u>	<u>\$ 390,000</u>	<u>\$ 300,000</u>
Permits, Licenses and Fees				
Residential Building Permits	\$ 3,631,562	\$ 3,200,000	\$ 3,140,000	\$ 2,700,000
Commerical Building Permits	1,688,202	700,000	1,310,000	1,200,000
Other Miscellaneous Permits	195,982	160,000	177,000	166,000
Alarm Permits	16,304	15,000	5,000	5,000
Zoning and Subdivision Fees	287,948	200,000	210,000	200,000
Other Fees	51,139	30,000	62,000	59,000
	<u>\$ 5,871,137</u>	<u>\$ 4,305,000</u>	<u>\$ 4,904,000</u>	<u>\$ 4,330,000</u>
Intergovernmental Revenue				
	<u>\$ 47,640</u>	<u>\$ -</u>	<u>\$ 72,000</u>	<u>\$ 23,000</u>
Investment Income				
	<u>\$ 90,387</u>	<u>\$ 50,000</u>	<u>\$ 565,000</u>	<u>\$ 500,000</u>
Other Revenues				
Miscellaneous	\$ 151,464	\$ 16,300	\$ 16,300	\$ 14,000
Donations	3,050	-	-	-
	<u>\$ 154,514</u>	<u>\$ 16,300</u>	<u>\$ 16,300</u>	<u>\$ 14,000</u>
<b>TOTAL OPERATIONAL REVENUE</b>	<u><u>\$ 19,313,396</u></u>	<u><u>\$ 19,480,664</u></u>	<u><u>\$ 21,734,400</u></u>	<u><u>\$ 22,206,000</u></u>

**CITY OF ANNA**  
**GENERAL DEBT SERVICE FUND**

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The Debt Service Fund is a special revenue fund used to account for a portion of the ad valorem property tax revenue exclusively reserved for principal and interest payments on debt issued for general purposes. The resources of this fund are generated by a tax levy based upon property taxes. Payments of principal and interest are made for general obligation bonds, certificates of obligation, and tax notes.

Anna's legal capacity for additional debt is very large. Article XI, Section 5 of the Texas Constitution limits the ad valorem tax rate to \$2.50 per \$100 valuation for all city purposes. Administratively, the Attorney General of the State of Texas will permit allocation of \$1.50 of the \$2.50 maximum tax rate for all general obligation debt service. Anna's proposed rate of 0.510736 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 FY2024 and previous years.

	2019-20	2020-21	2021-22	2022-23	2023-24
I & S	0.139748	0.115947	0.116869	0.143217	0.144787
O & M	0.451540	0.467053	0.452631	0.396533	0.365930
Total	0.591288	0.583000	0.569500	0.539750	0.510717

**CITY OF ANNA  
GENERAL DEBT SERVICE FUND**

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24
BEGINNING BALANCES	\$ 70,105	\$ 108,605	\$ 82,294	\$ 79,294
REVENUES:				
Property Taxes	\$ 2,079,794	\$ 3,458,686	\$ 3,458,686	\$ 4,665,234
Sales Tax	-	-	-	-
Franchise and Local Taxes	-	-	-	-
Charges for Services	-	-	-	-
Fines	-	-	-	-
Permits, Licenses and Fees	-	-	-	-
Intergovernmental	-	-	-	-
Investment Income	4,344	2,500	2,500	4,000
Other Revenues	-	-	-	-
TOTAL OPERATIONAL REVENUE	\$ 2,084,138	\$ 3,461,186	\$ 3,461,186	\$ 4,669,234
Transfers from other funds	-	-	-	-
TOTAL REVENUES	\$ 2,084,138	\$ 3,461,186	\$ 3,461,186	\$ 4,669,234
TOTAL AVAILABLE RESOURCES	\$ 2,154,243	\$ 3,569,791	\$ 3,543,480	\$ 4,748,528
EXPENDITURES:				
Payroll	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-
Maintenance	-	-	-	-
Services	5,906	5,500	5,500	5,500
Debt Service	2,066,043	3,458,686	3,458,686	4,665,234
Capital Outlay	-	-	-	-
Capital Improvement	-	-	-	-
TOTAL OPERATIONAL EXPENDITURES	\$ 2,071,949	\$ 3,464,186	\$ 3,464,186	\$ 4,670,734
Transfers to other funds	-	-	-	-
TOTAL EXPENDITURES	\$ 2,071,949	\$ 3,464,186	\$ 3,464,186	\$ 4,670,734
ENDING FUND BALANCES	\$ 82,294	\$ 105,605	\$ 79,294	\$ 77,794

**CITY OF ANNA**  
**RESTRICTED REVENUE FUNDS**

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

- ◆ Grant Fund
- ◆ Special Revenue Fund
- ◆ Anna Public Facility Corporation
- ◆ 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.

*Public Facility Corporation*

The Anna Public Facility Corporation (APFC) was created for the purpose of assisting the City in financing, refinancing, or providing public facilities. The APFC may serve as an additional bond issuer for financing affordable housing in the City.

**CITY OF ANNA**  
**RESTRICTED REVENUE FUNDS**

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*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 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24
BEGINNING BALANCES	\$ 449	\$ 449	\$ 13,299	\$ 13,299
REVENUES:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Tax	-	-	-	-
Franchise Fees and Local Taxes	-	-	-	-
Charges for Services	-	-	-	-
Fines	-	-	-	-
Permits, Licenses and Fees	-	-	-	-
Intergovernmental Revenue	25,273	-	-	-
Investment Income	10,949	-	-	35,000
Other Revenues	-	-	-	-
<b>TOTAL OPERATIONAL REVENUE</b>	<b>\$ 36,222</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 35,000</b>
Transfers from other funds	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 36,222</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 35,000</b>
<b>TOTAL AVAILABLE RESOURCES</b>	<b>\$ 36,671</b>	<b>\$ 449</b>	<b>\$ 13,299</b>	<b>\$ 48,299</b>
EXPENDITURES:				
Payroll	\$ -	\$ -	\$ -	\$ -
Supplies	19,703	-	-	-
Maintenance	-	-	-	-
Services	3,669	-	-	-
Debt Service	-	-	-	-
Capital Outlay	-	-	-	-
Capital Improvement	-	-	-	-
<b>TOTAL OPERATIONAL EXPENDITURES</b>	<b>\$ 23,372</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Transfers to other funds	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 23,372</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>ENDING FUND BALANCES</b>	<b>\$ 13,299</b>	<b>\$ 449</b>	<b>\$ 13,299</b>	<b>\$ 48,299</b>

**CITY OF ANNA  
SPECIAL REVENUE FUND**

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24
BEGINNING BALANCES	\$ 165,576	\$ 113,051	\$ 145,249	\$ 155,624
REVENUES:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Tax	-	-	-	-
Franchise Fees and Local Taxes	-	-	-	-
Charges for Services	-	-	-	-
Fines				
Municipal Jury	164	-	-	-
Local Truancy Prevention	8,490	2,000	2,000	7,500
Permits, Licenses and Fees	-	-	-	-
Intergovernmental	-	-	-	-
Investment Income	1,150	-	-	1,000
Other Revenues	-	-	-	-
PEG Fees	6,750	7,000	7,000	7,000
Court Technology	6,571	2,500	2,500	6,000
Building Security	8,033	2,000	2,000	7,500
Child Safety	14,371	8,000	8,000	10,000
Other	280	-	-	-
TOTAL OPERATIONAL REVENUE	\$ 45,809	\$ 21,500	\$ 21,500	\$ 39,000
Transfers from other funds	-	-	-	-
TOTAL REVENUES	\$ 45,809	\$ 21,500	\$ 21,500	\$ 39,000
TOTAL AVAILABLE RESOURCES	\$ 211,385	\$ 134,551	\$ 166,749	\$ 194,624
EXPENDITURES:				
Payroll	\$ -	\$ 1,800	\$ 1,800	\$ 1,800
Supplies	-	-	-	-
Maintenance	-	-	-	-
Services	3,172	9,325	9,325	9,325
Debt Service	-	-	-	-
Capital Outlay	62,964	-	-	-
Capital Improvement	-	-	-	-
TOTAL OPERATIONAL EXPENDITURES	\$ 66,136	\$ 11,125	\$ 11,125	\$ 11,125
Transfers to other funds	-	-	-	-
TOTAL EXPENDITURES	\$ 66,136	\$ 11,125	\$ 11,125	\$ 11,125
ENDING FUND BALANCES	\$ 145,249	\$ 123,426	\$ 155,624	\$ 183,499

**CITY OF ANNA**  
**ANNA PUBLIC FACILITY CORPORATION**

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24
BEGINNING BALANCES	\$ -	\$ -	\$ 377,050	\$ 377,050
REVENUES:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Tax	-	-	-	-
Franchise and Local Taxes	-	-	-	-
Charges for Services	183,712	-	-	-
Fines	-	-	-	-
Permits, Licenses and Fees	199,685	-	-	-
Intergovernmental	-	-	-	-
Investment Income	1,342	-	-	-
Other Revenues	-	-	-	-
TOTAL OPERATIONAL REVENUE	\$ 384,739	\$ -	\$ -	\$ -
Transfers from other funds	-	-	-	-
TOTAL REVENUES	\$ 384,739	\$ -	\$ -	\$ -
TOTAL AVAILABLE RESOURCES	\$ 384,739	\$ -	\$ 377,050	\$ 377,050
EXPENDITURES:				
Payroll	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-
Maintenance	-	-	-	-
Services	7,689	-	-	-
Debt Service	-	-	-	-
Capital Outlay	-	-	-	-
Capital Improvement	-	-	-	-
TOTAL OPERATIONAL EXPENDITURES	\$ 7,689	\$ -	\$ -	\$ -
Transfers to other funds	-	-	-	-
TOTAL EXPENDITURES	\$ 7,689	\$ -	\$ -	\$ -
ENDING FUND BALANCES	\$ 377,050	\$ -	\$ 377,050	\$ 377,050

**CITY OF ANNA  
PARK DEVELOPMENT FUND**

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24
BEGINNING BALANCES	\$ 2,714,472	\$ 3,952,393	\$ 5,302,084	\$ 4,413,090
REVENUES:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Tax	-	-	-	-
Franchise and Local Taxes	-	-	-	-
Charges for Services	2,835,400	1,500,000	1,114,500	1,300,000
Fines	-	-	-	-
Permits, Licenses and Fees	638,245	-	-	-
Intergovernmental	-	-	-	-
Investment Income	24,535	9,000	120,000	155,000
Other Revenues	1,094	-	67,000	75,000
TOTAL OPERATIONAL REVENUE	\$ 3,499,274	\$ 1,509,000	\$ 1,301,500	\$ 1,530,000
Transfers from other funds	-	-	-	-
TOTAL REVENUES	\$ 3,499,274	\$ 1,509,000	\$ 1,301,500	\$ 1,530,000
TOTAL AVAILABLE RESOURCES	\$ 6,213,746	\$ 5,461,393	\$ 6,603,584	\$ 5,943,090
EXPENDITURES:				
Payroll	\$ 305,965	\$ 431,194	\$ 431,194	\$ 135,793
Supplies	59,525	227,000	227,000	227,000
Maintenance	5,904	-	-	-
Services	266,002	31,600	31,600	38,100
Debt Service	-	-	-	-
Capital Outlay	79,133	150,000	95,000	83,000
Capital Improvement	195,133	3,312,984	1,380,700	5,220,400
TOTAL EXPENDITURES	\$ 911,662	\$ 4,152,778	\$ 2,165,494	\$ 5,704,293
Transfers to other funds	-	-	25,000	-
TOTAL EXPENDITURES	\$ 911,662	\$ 4,152,778	\$ 2,190,494	\$ 5,704,293
ENDING FUND BALANCES	\$ 5,302,084	\$ 1,308,615	\$ 4,413,090	\$ 238,797

**CITY OF ANNA  
FIRE CAPITAL IMPROVEMENT FUND**

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24
BEGINNING BALANCES	\$ 186,334	\$ 116,133	\$ 268,538	\$ 318,538
REVENUES:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Tax	-	-	-	-
Franchise and Local Taxes	-	-	-	-
Charges for Services	120,900	50,000	50,000	15,000
Fines	-	-	-	-
Permits, Licenses and Fees	-	-	-	-
Intergovernmental	-	-	-	-
Investment Income	1,395	-	-	2,000
Other Revenues	120	-	-	-
TOTAL OPERATIONAL REVENUE	\$ 122,415	\$ 50,000	\$ 50,000	\$ 17,000
Transfers from other funds	-	-	-	-
TOTAL REVENUES	\$ 122,415	\$ 50,000	\$ 50,000	\$ 17,000
TOTAL AVAILABLE RESOURCES	\$ 308,749	\$ 166,133	\$ 318,538	\$ 335,538
EXPENDITURES:				
Payroll	\$ -	\$ -	\$ -	\$ -
Supplies	28,213	-	-	29,500
Maintenance	-	-	-	-
Services	-	-	-	-
Debt Service	-	-	-	-
Capital Outlay	11,998	-	-	130,000
Capital Improvement	-	-	-	-
TOTAL OPERATIONAL EXPENDITURES	\$ 40,211	\$ -	\$ -	\$ 159,500
Transfers to other funds	-	-	-	-
TOTAL EXPENDITURES	\$ 40,211	\$ -	\$ -	\$ 159,500
ENDING FUND BALANCES	\$ 268,538	\$ 166,133	\$ 318,538	\$ 176,038

**CITY OF ANNA  
PUBLIC SAFETY SEIZURE FUNDS**

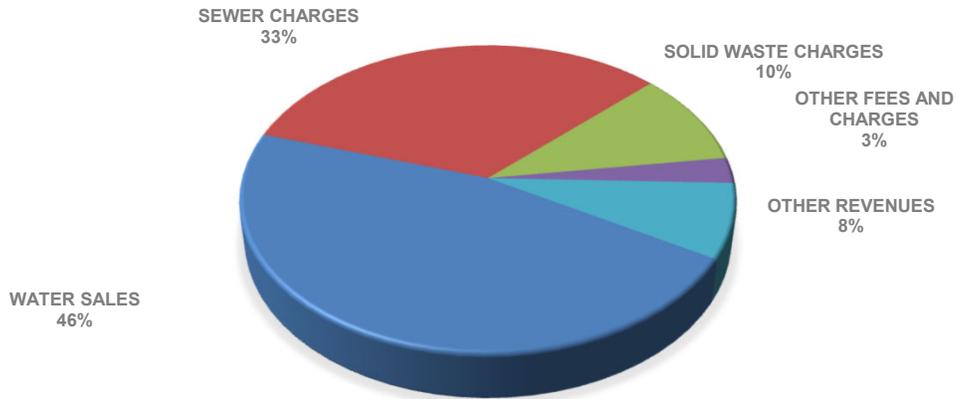
	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24
BEGINNING BALANCES	\$ 12,491	\$ 14,484	\$ 12,712	\$ 15,212
REVENUES:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Tax	-	-	-	-
Franchise and Local Taxes	-	-	-	-
Charges for Services	-	-	-	-
Fines	-	-	-	-
Permits, Licenses and Fees	-	-	-	-
Intergovernmental	-	-	-	-
Investment Income	75	-	-	-
Other Revenues	146	2,500	2,500	-
<b>TOTAL OPERATIONAL REVENUE</b>	<b>\$ 221</b>	<b>\$ 2,500</b>	<b>\$ 2,500</b>	<b>\$ -</b>
Transfers from other funds	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 221</b>	<b>\$ 2,500</b>	<b>\$ 2,500</b>	<b>\$ -</b>
<b>TOTAL AVAILABLE RESOURCES</b>	<b>\$ 12,712</b>	<b>\$ 16,984</b>	<b>\$ 15,212</b>	<b>\$ 15,212</b>
EXPENDITURES:				
Payroll	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-
Maintenance	-	-	-	-
Services	-	-	-	-
Debt Service	-	-	-	-
Capital Outlay	-	-	-	-
Capital Improvement	-	-	-	-
<b>TOTAL OPERATIONAL EXPENDITURES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Transfers to other funds	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>ENDING FUND BALANCES</b>	<b>\$ 12,712</b>	<b>\$ 16,984</b>	<b>\$ 15,212</b>	<b>\$ 15,212</b>

**CITY OF ANNA  
UTILITY FUND**

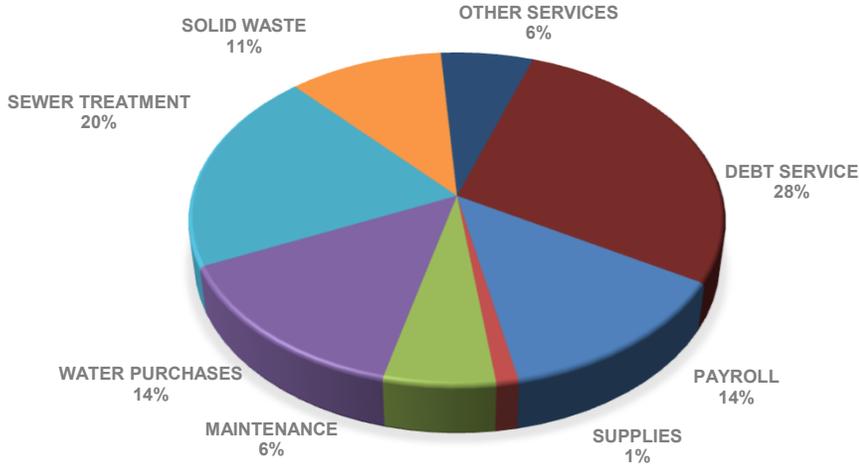
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The Utility Fund is an Enterprise fund that accounts for the water, sewer, and solid waste collection services that are provided to the City’s residents. Proprietary or Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business. The intent is that the costs of providing goods or services are financed primarily through user charges.

**Utility Fund Revenues**



**Utility Fund Expenditures**



**CITY OF ANNA  
UTILITY FUND**

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24
BEGINNING BALANCES	\$ 5,757,394	\$ 4,735,201	\$ 8,540,326	\$ 6,963,206
REVENUES:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Tax	-	-	-	-
Franchise Fees and Local Taxes	-	-	-	-
Charges for Services				
Water Sales	7,676,094	6,510,000	8,010,000	10,846,000
Sewer Charges	4,864,040	5,640,263	5,640,263	7,718,000
Solid Waste Charges	1,876,968	1,760,000	2,300,000	2,300,000
Other Charges	713,803	612,000	555,570	628,570
Fines	-	-	-	-
Permits, Licenses and Fees	2,034,268	461,000	1,076,300	1,286,000
Intergovernmental		-	-	-
Investment Income	55,224	20,000	302,000	302,000
Other Revenues	287,948	197,200	242,800	236,600
TOTAL OPERATIONAL REVENUE	\$ 17,508,345	\$ 15,200,463	\$ 18,126,933	\$ 23,317,170
Transfers from other funds	-	-	-	-
TOTAL REVENUES	\$ 17,508,345	\$ 15,200,463	\$ 18,126,933	\$ 23,317,170
TOTAL AVAILABLE RESOURCES	\$ 23,265,739	\$ 19,935,664	\$ 26,667,259	\$ 30,280,376
EXPENDITURES:				
Payroll	\$ 2,255,422	\$ 2,901,362	\$ 2,901,362	\$ 2,894,454
Supplies	240,897	163,583	163,583	255,008
Maintenance	1,081,779	642,675	642,675	1,286,050
Services				
Water Purchases	2,817,915	2,165,000	3,000,000	3,090,000
Sewer Treatment	2,750,996	2,800,000	4,300,000	4,300,000
Solid Waste	2,081,444	1,760,000	2,300,000	2,300,000
Other	1,323,639	1,224,429	1,224,429	1,372,238
Debt Service	2,116,051	2,118,430	4,522,004	6,050,185
Capital Outlay	57,270	-	-	-
TOTAL OPERATIONAL EXPENDITURES	\$ 14,725,413	\$ 13,775,479	\$ 19,054,053	\$ 21,547,935
Transfers to other funds	-	650,000	650,000	975,000
TOTAL EXPENDITURES	\$ 14,725,413	\$ 14,425,479	\$ 19,704,053	\$ 22,522,935
ENDING FUND BALANCES	\$ 8,540,326	\$ 5,510,185	\$ 6,963,206	\$ 7,757,441
Fund Balance Percentage	58.0%	40.0%	36.5%	36.0%

**ANNUAL BUDGET FOR FISCAL YEAR 2024**

**CITY OF ANNA**  
**STORMWATER FUND**

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

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

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

**CITY OF ANNA  
STORMWATER FUND**

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24
BEGINNING BALANCES	\$ -	\$ -	\$ -	\$ 248,150
REVENUES:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Tax	-	-	-	-
Franchise and Local Taxes	-	-	-	-
Charges for Services - Stormwater	-	345,000	345,000	345,000
Fines	-	-	-	-
Permits, Licenses and Fees	-	6,000	6,000	5,000
Intergovernmental	-	-	-	-
Investment Income	-	-	-	-
Other Revenues	-	-	-	-
TOTAL OPERATIONAL REVENUE	\$ -	\$ 351,000	\$ 351,000	\$ 350,000
Transfers from other funds	-	-	-	-
TOTAL REVENUES	\$ -	\$ 351,000	\$ 351,000	\$ 350,000
TOTAL AVAILABLE RESOURCES	\$ -	\$ 351,000	\$ 351,000	\$ 598,150
EXPENDITURES:				
Payroll	\$ -	\$ 61,350	\$ 61,350	\$ 115,040
Supplies	-	9,000	9,000	9,000
Maintenance	-	-	-	-
Services	-	32,500	32,500	32,500
Debt Service	-	-	-	-
Capital Outlay	-	-	-	-
Capital Improvement	-	-	-	-
TOTAL OPERATIONAL EXPENDITURES	\$ -	\$ 102,850	\$ 102,850	\$ 156,540
Transfers to other funds	-	-	-	-
TOTAL EXPENDITURES	\$ -	\$ 102,850	\$ 102,850	\$ 156,540
ENDING FUND BALANCES	\$ -	\$ 248,150	\$ 248,150	\$ 441,610

**CITY OF ANNA**  
**COMPONENT UNITS**

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

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

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

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

*Economic Development Corporation*

The EDC will remain in the budget to show revenue generated from a lease agreement on a small business incubator operated out of the old post office building which is owned by the EDC. The EDC also received one-half of the proceeds from the sale of the Anna Business Park in FY2022.

*Community Development Corporation*

Type B corporations (CDC) have the ability to perform all the same functions as Type A corporations (EDC), as well as additional projects not authorized for Type A corporations. The CDC will continue to pursue projects that improve the quality of life in Anna ranging from the creation of jobs to investments in park facilities.

*Anna Housing Finance Corporation*

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

**CITY OF ANNA  
COMMUNITY DEVELOPMENT CORPORATION**

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24
BEGINNING BALANCES	\$ 1,791,879	\$ 1,613,338	\$ 8,178,320	\$ 7,691,277
REVENUES:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Tax	2,308,746	2,460,000	2,460,000	2,460,000
Franchise and Local Taxes	-	-	-	-
Charges for Services	-	-	-	-
Fines	-	-	-	-
Permits, Licenses and Fees	-	-	-	-
Intergovernmental	-	-	-	-
Investment Income	14,953	5,000	15,000	15,000
Other Revenues	5,615,808	-	-	-
TOTAL OPERATIONAL REVENUE	\$ 7,939,507	\$ 2,465,000	\$ 2,475,000	\$ 2,475,000
Transfers from other funds	-	-	-	-
TOTAL REVENUES	\$ 7,939,507	\$ 2,465,000	\$ 2,475,000	\$ 2,475,000
TOTAL AVAILABLE RESOURCES	\$ 9,731,386	\$ 4,078,338	\$ 10,653,320	\$ 10,166,277
EXPENDITURES:				
Payroll	\$ 393,067	\$ 468,189	\$ 468,189	\$ 462,634
Supplies	12,393	13,100	13,100	16,100
Maintenance	-	-	-	-
Services	890,769	2,286,889	2,286,889	4,289,665
Debt Service	256,837	193,865	193,865	203,006
Capital Outlay	-	-	-	350,000
Capital Improvement	-	-	-	-
TOTAL OPERATIONAL EXPENDITURES	\$ 1,553,066	\$ 2,962,043	\$ 2,962,043	\$ 5,321,405
Transfers to other funds	-	-	-	-
TOTAL EXPENDITURES	\$ 1,553,066	\$ 2,962,043	\$ 2,962,043	\$ 5,321,405
ENDING FUND BALANCES	\$ 8,178,320	\$ 1,116,295	\$ 7,691,277	\$ 4,844,872
Fund Balance Percentage	526.6%	37.7%	259.7%	91.0%

**CITY OF ANNA  
ECONOMIC DEVELOPMENT CORPORATION**

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24
BEGINNING BALANCES	\$ 408,227	\$ 5,923,224	\$ 5,992,186	\$ 5,219,689
REVENUES:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Tax	-	-	-	-
Franchise and Local Taxes	-	-	-	-
Charges for Services	8,166	10,000	10,000	78,120
Fines	-	-	-	-
Permits, Licenses and Fees	-	-	-	-
Intergovernmental	-	-	-	-
Investment Income	25,620	2,000	25,000	25,000
Other Revenues	5,615,652	-	-	-
TOTAL OPERATIONAL REVENUE	\$ 5,649,438	\$ 12,000	\$ 35,000	\$ 103,120
Transfers from other funds	-	-	-	-
TOTAL REVENUES	\$ 5,649,438	\$ 12,000	\$ 35,000	\$ 103,120
TOTAL AVAILABLE RESOURCES	\$ 6,057,665	\$ 5,935,224	\$ 6,027,186	\$ 5,322,809
EXPENDITURES:				
Payroll	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-
Maintenance	1,045	3,000	3,000	50,000
Services	64,434	804,497	804,497	484,550
Debt Service	-	-	-	-
Capital Outlay	-	-	-	-
Capital Improvement	-	-	-	-
TOTAL OPERATIONAL EXPENDITURES	\$ 65,479	\$ 807,497	\$ 807,497	\$ 534,550
Transfers to other funds	-	-	-	-
TOTAL EXPENDITURES	\$ 65,479	\$ 807,497	\$ 807,497	\$ 534,550
ENDING FUND BALANCES	\$ 5,992,186	\$ 5,127,727	\$ 5,219,689	\$ 4,788,259
Fund Balance Percentage	9151.3%	635.0%	646.4%	895.8%

**CITY OF ANNA**  
**ANNA HOUSING FINANCE CORPORATION**

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24
BEGINNING BALANCES	\$ -	\$ -	\$ 550,517	\$ 550,517
REVENUES:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Sales Tax	-	-	-	-
Franchise and Local Taxes	-	-	-	-
Charges for Services	509,720	-	-	-
Fines	-	-	-	-
Permits, Licenses and Fees	56,250	-	-	-
Intergovernmental	-	-	-	-
Investment Income	2,252	-	-	-
Other Revenues	-	-	-	-
TOTAL OPERATIONAL REVENUE	\$ 568,222	\$ -	\$ -	\$ -
Transfers from other funds	-	-	-	-
TOTAL REVENUES	\$ 568,222	\$ -	\$ -	\$ -
TOTAL AVAILABLE RESOURCES	\$ 568,222	\$ -	\$ 550,517	\$ 550,517
EXPENDITURES:				
Payroll	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-
Maintenance	-	-	-	-
Services	17,705	-	-	-
Debt Service	-	-	-	-
Capital Outlay	-	-	-	-
Capital Improvement	-	-	-	-
TOTAL OPERATIONAL EXPENDITURES	\$ 17,705	\$ -	\$ -	\$ -
Transfers to other funds	-	-	-	-
TOTAL EXPENDITURES	\$ 17,705	\$ -	\$ -	\$ -
ENDING FUND BALANCES	\$ 550,517	\$ -	\$ 550,517	\$ 550,517



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# DEPARTMENT SUMMARIES

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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 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24	% Change
Payroll	\$ -	\$ -	\$ -	\$ -	0.0%
Supplies	7,893	6,900	6,900	500	-92.8%
Maintenance	-	500	500	500	0.0%
Services	664,344	484,609	484,609	601,374	24.1%
Debt Service	-	-	-	-	0.0%
Capital Outlay	-	-	-	-	0.0%
Contingency	-	-	-	-	0.0%
<b>TOTAL</b>	<b>\$ 672,237</b>	<b>\$ 492,009</b>	<b>\$ 492,009</b>	<b>\$ 602,374</b>	<b>22.4%</b>



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**

	<b>Actual 2021-22</b>	<b>Budget 2022-23</b>	<b>Estimated 2022-23</b>	<b>Budget 2023-24</b>	<b>% Change</b>
Payroll	\$ -	\$ -	\$ -	\$ -	0.0%
Supplies	9,353	7,500	7,500	10,000	33.3%
Maintenance	-	-	-	-	0.0%
Services	26,612	26,278	26,278	31,500	19.9%
Capital Outlay	-	-	-	-	0.0%
<b>TOTAL</b>	<b>\$ 35,965</b>	<b>\$ 33,778</b>	<b>\$ 33,778</b>	<b>\$ 41,500</b>	<b>22.9%</b>



## *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.

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

### **FY2023 Accomplishments**

- ◆ Adoption and implementation of the City of Anna Strategic Success Statements.
- ◆ Increased the presence of the City of Anna through social and traditional media outlets.
- ◆ Established quarterly strategic plan reporting.
- ◆ Redesigned City website and migrated Police website back into the main site.
- ◆ Integrated SeeClickFix with Brightly and launched service portal to community.

### **FY2024 Objectives**

- ◆ Plan for future City services to accommodate growth.
- ◆ Create citywide brand guide.
- ◆ Delivering City services in a cost-effective and efficient manner.
- ◆ Continue developing and using strategic success statements to implement Annual Work Plan.

## *City Manager*

### City Manager Expenditure Summary

	<b>Actual 2021-22</b>	<b>Budget 2022-23</b>	<b>Estimated 2022-23</b>	<b>Budget 2023-24</b>	<b>% Change</b>
Payroll	\$ 852,114	\$ 1,084,054	\$ 1,084,054	\$ 1,033,178	-4.7%
Supplies	4,272	3,000	3,000	5,500	0.0%
Maintenance	-	-	-	-	0.0%
Services	203,556	333,313	333,313	258,845	-22.3%
Capital Outlay	-	-	-	-	0.0%
<b>TOTAL</b>	<b>\$ 1,059,942</b>	<b>\$ 1,420,367</b>	<b>\$ 1,420,367</b>	<b>\$ 1,297,523</b>	<b>-8.6%</b>

### City Manager FTE Schedule

<b>Description</b>	<b>Actual 2021-22</b>	<b>Budget 2022-23</b>	<b>Estimated 2022-23</b>	<b>Budget 2023-24</b>
City Manager	1.0	1.0	1.0	1.0
Assistant City Manager	1.0	2.0	2.0	2.0
Assistant to the City Manager	1.0	1.0	1.0	1.0
Budget Manager	1.0	1.0	1.0	1.0
Communications Manager	1.0	1.0	1.0	1.0
<b>TOTAL</b>	<b>5.0</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>



## *City Secretary*

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

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

### **FY2023 Accomplishments**

- ◆ Enrolled 227 resolutions and 60 ordinances
- ◆ Quarterly records destruction held in compliance with retention schedules
- ◆ Negotiated contracts with Collin County Elections Administration and moved voting to the new Municipal Complex

### **FY2024 Objectives**

- ◆ Conduct the May 2024 Mayoral Election.
- ◆ Voter Registration Push.
- ◆ Records Management Training in-house for all staff.
- ◆ Digitize all City bonds.
- ◆ Complete citywide records inventory.

### **Performance Measures**

	2022 Actual	2023 Estimate	2024 Target
Number of open records requests received	664	659	600
Percent of open records requests responded to within 10 business days	80%	90%	90%
Number of newly appointed and reappointed Council/Board Members	18	21	25
Percent of appointees completing training required by the Open Meetings Act	100%	90%	100%

## *City Secretary*

### City Secretary Expenditure Summary

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24	% Change
Payroll	\$ 233,484	\$ 299,340	\$ 299,340	\$ 302,786	1.2%
Supplies	251	3,500	3,500	7,000	0.0%
Maintenance	-	-	-	-	0.0%
Services	45,056	59,669	59,669	69,240	16.0%
Capital Outlay	-	-	-	-	0.0%
<b>TOTAL</b>	<b>\$ 278,791</b>	<b>\$ 362,509</b>	<b>\$ 362,509</b>	<b>\$ 379,026</b>	<b>4.6%</b>

### City Secretary FTE Schedule

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24
City Secretary	1.0	1.0	1.0	1.0
Deputy City Secretary	1.0	1.0	1.0	1.0
Admin. Assistant / Records Clerk	0.5	1.0	1.0	1.0
<b>TOTAL</b>	<b>2.5</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>



## Information Technology

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

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

### FY2023 Accomplishments

- ◆ Implementation of new cloud-based VoIP phone system.
- ◆ Improved cellular asset management and reporting
- ◆ Implemented Asset Essentials software.
- ◆ Began transitioning all public safety vehicles to a uniformed communications solution.
- ◆ Implementation of cybersecurity training and phishing campaigns.

### FY2024 Objectives

- ◆ Installation of new server infrastructure at the Municipal Complex.
- ◆ Implementation of network infrastructure at the new Fire Station #2.
- ◆ Continue to transition all public safety vehicles to a uniform communications solution.
- ◆ Implementation of managed print services.
- ◆ Installation of disaster recovery equipment at Central Fire Station.

### Performance Measures

	2022 Actual	2023 Estimate	2024 Target
Help desk (IT): Number of requests received	1,131	2,001	3,500
<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	60%	67%	75%
<i>To be calculated as the number of IT help desk requests resolved in 0-4 hours, divided by the total number of IT help desk requests received. A resolved request would be one viewed as resolved by the customer.</i>			

## *Information Technology*

### Information Technology Expenditure Summary

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24	% Change
Payroll	\$ 232,646	\$ 322,230	\$ 322,230	\$ 333,407	3.5%
Supplies	116,368	65,810	65,810	58,500	-11.1%
Maintenance	18	-	-	-	0.0%
Services	404,717	487,793	487,793	537,373	10.2%
Capital Outlay	-	-	-	-	0.0%
<b>TOTAL</b>	<b>\$ 753,749</b>	<b>\$ 875,833</b>	<b>\$ 875,833</b>	<b>\$ 929,280</b>	<b>6.1%</b>

### Information Technology FTE Schedule

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24
IT Director	1.0	1.0	1.0	1.0
Systems Administrator	1.0	1.0	1.0	1.0
IT Help Desk Support	-	1.0	1.0	1.0
<b>TOTAL</b>	<b>2.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>



## *Finance*

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

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

### **FY2023 Accomplishments**

- ◆ Update and maintain Transparency Stars with information from 2022 ACFR.
- ◆ Maintain and improve usage of Incode software for core financials.
- ◆ Receive the GFOA Certificate of Achievement for Excellence in Financial Reporting for the FY2021 Annual Report.

### **FY2024 Objectives**

- ◆ Update and maintain Transparency Stars with information from 2022 ACFR.
- ◆ Receive the GFOA Certificate of Achievement for Excellence in Financial Reporting for the FY2022 Annual Report.

### **Performance Measures**

	2022 Actual	2023 Estimate	2024 Target
Number of consecutive years awarded the Certificate of Achievement for Excellence in Financial Reporting	5	6	7
<i><b>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.</b></i>			
Moody's Bond Rating	Aa2	Aa2	Aa2
<i><b>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.</b></i>			
Texas Comptroller of Public Accounts' Transparency Stars awarded	5	5	5
<i><b>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.</b></i>			

## Finance

### Finance Expenditure Summary

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24	% Change
Payroll	\$ 523,024	\$ 616,468	\$ 616,468	\$ 621,763	0.9%
Supplies	7,869	3,875	3,875	4,675	20.6%
Maintenance	-	-	-	-	0.0%
Services	112,332	45,392	45,392	44,532	-1.9%
Capital Outlay	-	-	-	-	0.0%
<b>TOTAL</b>	<b>\$ 643,225</b>	<b>\$ 665,735</b>	<b>\$ 665,735</b>	<b>\$ 670,970</b>	<b>0.8%</b>

### Finance FTE Schedule

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24
Director of Finance	1.0	1.0	1.0	1.0
Assistant Director of Finance	1.0	1.0	1.0	1.0
Senior Accountant	1.0	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
<b>TOTAL</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>



# Transparency Stars

Recognizing Local Transparency Achievements

## *Human Resources*

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

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

### **FY2023 Accomplishments**

- ◆ Successful implementation of EmpowerYou, Anna Way Supervisory Toolkit and Anna Ambassador Leadership Academy training programs.
- ◆ Personnel Policy revisions to include tuition reimbursement, sick leave payout and conversion, and vacation leave.
- ◆ Internal communication collaboration with Communications Division which resulted increased employee engagement.
- ◆ Strategic enhancement of employee benefit package to include additional paid time off and ancillary optional benefits.
- ◆ Wellness program (Live Well 365).

### **FY2024 Objectives**

- ◆ Training series continuation for emergent leaders, leadership development, and supervisor toolkit.
- ◆ Safety Program development including creation and implementation of a safety committee.
- ◆ Expansion of the C.A.R.E.S. Employee Recognition.
- ◆ Policy formulation and management of the city personnel policies.
- ◆ Strategic benefits and compensation continuation

### **Performance Measures**

	2022 Actual	2023 Estimate	2024 Target
Turnover rate: All full-time employees	22.90%	20.00%	20.00%
<i>To be calculated based on the number of full-time regular employees who left the government divided by the average number of full-time, regular employees on the payroll.</i>			
Turnover rate: Public safety full-time employees	16.00%	15.00%	15.00%
<i>To be calculated based on the number of full-time regular sworn police and fire staff who left the government divided by the average number of full-time regular sworn police and fire staff on the payroll.</i>			
Reduce workers compensation claims	1	8	6
<i>Provide a comprehensive framework for measuring safety performance and reducing workers compensation claims in the organization.</i>			

## *Human Resources*

### Human Resources Expenditure Summary

	<b>Actual 2021-22</b>	<b>Budget 2022-23</b>	<b>Estimated 2022-23</b>	<b>Budget 2023-24</b>	<b>% Change</b>
Payroll	\$ 312,748	\$ 405,032	\$ 405,032	\$ 409,368	1.1%
Supplies	4,267	1,750	1,750	8,020	358.3%
Maintenance	-	-	-	-	0.0%
Services	66,305	177,740	177,740	171,470	-3.5%
Capital Outlay	-	-	-	-	0.0%
<b>TOTAL</b>	<b>\$ 383,320</b>	<b>\$ 584,522</b>	<b>\$ 584,522</b>	<b>\$ 588,858</b>	<b>0.7%</b>

### Human Resources FTE Schedule

<b>Description</b>	<b>Actual 2021-22</b>	<b>Budget 2022-23</b>	<b>Estimated 2022-23</b>	<b>Budget 2023-24</b>
Director of Human Resources	1.0	1.0	1.0	1.0
Human Resources Manager	1.0	1.0	1.0	1.0
Human Resources Coordinator	1.0	1.0	1.0	1.0
<b>TOTAL</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>



## *Municipal Court*

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

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

### **FY2023 Accomplishments**

- ◆ Continued to support the Anna Police Department by processing all fine-only offenses occurring in the City limits.
- ◆ Began implementation of new court software.

### **FY2024 Objectives**

- ◆ Continue to stay up-to-date on legislation which would impact court operations.
- ◆ Continue to provide excellent customer service.

### **Performance Measures**

	2022 Actual	2023 Estimate	2024 Target
Number of citations filed	2,746	4,129	4,500
Percentage of citations cleared	51.0%	63.2%	65.0%
Warrants issued	123	766	800
Percentage of warrants cleared	63.4%	27.0%	30.0%

## *Municipal Court*

### Municipal Court Expenditure Summary

	<b>Actual 2021-22</b>	<b>Budget 2022-23</b>	<b>Estimated 2022-23</b>	<b>Budget 2023-24</b>	<b>% Change</b>
Payroll	\$ 101,386	\$ 160,612	\$ 160,612	\$ 161,352	0.5%
Supplies	7,294	4,963	4,963	4,963	0.0%
Maintenance	-	-	-	-	0.0%
Services	69,955	93,382	93,382	93,337	0.0%
Capital Outlay	-	-	-	-	0.0%
<b>TOTAL</b>	<b>\$ 178,635</b>	<b>\$ 258,957</b>	<b>\$ 258,957</b>	<b>\$ 259,652</b>	<b>0.3%</b>

### Municipal Court FTE Schedule

	<b>Actual 2021-22</b>	<b>Budget 2022-23</b>	<b>Estimated 2022-23</b>	<b>Budget 2023-24</b>
Municipal Court Administrator	1.0	1.0	1.0	1.0
Municipal Court Clerk	-	1.0	1.0	1.0
<b>TOTAL</b>	<b>1.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>



## *Development Services*

Development Services consists of two divisions - Planning and Building - 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.

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

### **FY2023 Accomplishments**

Rewrote the City’s development-related ordinances to align with the vision expressed in the Anna 2050 Comprehensive Plan and to accommodate the vision of the Future Land Use Plan. Key features included:

- ◆ Adopting Downtown development standards and regulations to ensure high-quality development.
- ◆ Creation of innovative and flexible land development techniques that permit a variety of lot sizes and housing types that will promote context-sensitive development.
- ◆ Incorporating standards for new residential development proposals requiring outdoor open space with amenities and community gathering places.
- ◆ Added standards that preserve aesthetic quality of the city and ensure trees with historic value are preserved.

### **FY2024 Objectives**

- ◆ Adoption of the 2021 International Code Council (ICC) family Building and 2020 National Electric Codes.
- ◆ Implement standard Development Agreement language associated with Planned Development zoning requests.
- ◆ Review/Update the Anna 2050 Future Land Use Map and make revisions necessary to promote development goals identified in the Comprehensive Plan and to address evolving market conditions.
- ◆ Work with City Council to create standardized Development Standards that will apply to all residential subdivision that request Planned Development zoning.
- ◆ Begin public outreach for a City initiated rezoning effort for the Anna Downtown District.

### **Performance Measures**

	2022 Actual	2023 Estimate	2024 Target
Single Family Residential Building Permits	1,071	950	1,000
Time for Review / Approval of Single Family Building Permits	< 2 days	< 2 days	< 2 days
<i>Properties are detached one (1) and two (2) family dwellings and townhouses not more than three stories above-grade in height with a separate means of egress and their accessory structures as defined by the International Residential Code. Average calendar days from application to issuance: includes in-house calendar days from initial screening process to approval; excludes time when an applicant takes back their application to consider further changes.</i>			
	2022 Actual	2023 Estimate	2024 Target
Time for Review/Approval of Complex Commercial Building Permits	< 21 days	< 21 days	< 21 days
<i>Properties are multi-family structures (3 or more units) and properties categorized as office, industrial, institutional, or other non-residential types. Average calendar days from application to issuance: includes in-house calendar days from initial screening process to approval; excludes time when an applicant takes back their application to consider further changes.</i>			

## *Development Services*

### Development Services Expenditure Summary

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24	% Change
Payroll	\$ 944,632	\$ 1,085,714	\$ 1,085,714	\$ 1,086,825	0.1%
Supplies	10,850	16,100	16,100	16,700	3.7%
Maintenance	-	-	-	-	0.0%
Services	109,521	98,585	98,585	97,710	-0.9%
Capital Outlay	-	-	-	-	0.0%
<b>TOTAL</b>	<b>\$ 1,065,003</b>	<b>\$ 1,200,399</b>	<b>\$ 1,200,399</b>	<b>\$ 1,201,235</b>	<b>0.1%</b>

### Development Services FTE Schedule

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24
Director of Development Services	1.0	1.0	1.0	1.0
Planning Manager	1.0	1.0	1.0	1.0
Administrative Assistant	1.0	1.0	1.0	1.0
Planner II	1.0	1.0	1.0	1.0
Plans Examiner	1.0	1.0	1.0	1.0
GIS Manager	1.0	-	-	-
Senior Building Inspector	1.0	1.0	1.0	1.0
Building Inspector	2.0	2.0	2.0	2.0
Building Official	1.0	1.0	1.0	1.0
Development Services Technician	1.0	1.0	1.0	1.0
Planning Technician	-	1.0	1.0	1.0
<b>TOTAL</b>	<b>11.0</b>	<b>11.0</b>	<b>11.0</b>	<b>11.0</b>



## *Police*

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

Safe: Anna is a community where neighbors feel safe.

### **FY2023 Accomplishments**

- ◆ Became fully Criminal Justice Information Services (CJIS) compliant; joint project with IT.
- ◆ Application accepted for Texas Police Chiefs Association (TPCA) accreditation.
- ◆ All supervisors attended ILEA Leadership course as of the end of FY2023.
- ◆ Targeted community engagement opportunities and expanded social media interactions including Back to School Bash, Cruisin with Clause, Chillin with Cops, National Night Out, Anna ISD Career Day and Coffee with Cops.
- ◆ Continued focus on employee recruitment, retention, and morale. Implemented on-duty workout availability, attended job fairs, and enlisted the help of all Texas police academies.

### **FY2024 Objectives**

- ◆ Implement a bicycle unit for use in neighborhood patrols and special events.
- ◆ Obtain Texas Police Chief’s Association Accreditation by mid-year 2025.
- ◆ Continue to focus on and expand community outreach initiatives.
- ◆ Work toward expanding partnerships with nearby agencies.

### **Performance Measures**

	2022 Actual	2023 Estimate	2024 Target
Police calls: Calls for service resulting in a unit being dispatched	12,371	13,200	14,100
<b><i>Exclude officer-initiated responses.</i></b>			
Top Priority calls: Average time, dispatch to arrival on scene	2:19	2:39	4:00
<b><i>Traditionally, top priority calls require an immediate police response. Many jurisdictions refer to top priority calls as “Priority 1 “ or “Code 3 “ for an emergency police response. Possible examples of top priority calls might include, but are not limited to: emergency response and/or lights and sirens; immediate threat to life; violent criminal act in progress; suspect pursuing citizen; imminent critical danger.</i></b>			
Number of traffic accidents involving fatalities	5	3	3
<b><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></b>			
Number of Part I Crimes	740	700	720
<b><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></b>			
Percentage of assigned cases cleared	34.5%	37.0%	30.0%
<b><i>To be calculated as the number of assigned cases cleared divided by the number of assigned cases.</i></b>			

## *Police*

### Police Expenditure Summary

	<b>Actual 2021-22</b>	<b>Budget 2022-23</b>	<b>Estimated 2022-23</b>	<b>Budget 2023-24</b>	<b>% Change</b>
Payroll	\$ 3,614,326	\$ 4,501,384	\$ 4,441,384	\$ 5,001,098	11.1%
Supplies	129,558	176,800	236,800	219,800	24.3%
Maintenance	5,848	10,300	10,300	11,800	14.6%
Services	372,732	371,100	371,100	428,000	15.3%
Capital Outlay	17,354	-	-	-	0.0%
<b>TOTAL</b>	<b>\$ 4,139,818</b>	<b>\$ 5,059,584</b>	<b>\$ 5,059,584</b>	<b>\$ 5,660,698</b>	<b>11.9%</b>

### Police FTE Schedule

	<b>Actual 2021-22</b>	<b>Budget 2022-23</b>	<b>Estimated 2022-23</b>	<b>Budget 2023-24</b>
Police Chief	1.0	1.0	1.0	1.0
Assistant Police Chief	1.0	1.0	1.0	1.0
Records Administrator	1.0	1.0	1.0	1.0
Property and Evidence Tech	-	1.0	1.0	1.0
Lieutenant	1.0	2.0	2.0	2.0
Sergeant	4.0	4.0	4.0	4.0
Sergeant Detective	1.0	1.0	1.0	1.0
Corporal	4.0	4.0	4.0	4.0
Police Officer	16.0	18.0	18.0	21.0
Detective	4.0	4.0	4.0	4.0
<b>TOTAL</b>	<b>33.0</b>	<b>37.0</b>	<b>37.0</b>	<b>40.0</b>



## *Fire*

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

**Safe: Anna is a community where neighbors feel safe.**

### **FY2023 Accomplishments**

- ◆ Completed long-range master plan, Community Risk Assessment (CRA), Standards of Cover, and strategic plan.
- ◆ Finalized design concepts and began construction of Fire Station 2.
- ◆ Took delivery of new ladder truck and began aerial operations training.
- ◆ Initiated joint agency Active Attack Integrated Response (AAIR) training.

### **FY2024 Objectives**

- ◆ Continue training to master and implement skilled Ladder Truck operations.
- ◆ Complete construction of Anna Fire Station #2.
- ◆ Continue joint agency AAIR training to include all fire personnel.
- ◆ Continue standard operating procedure development and implementation.
- ◆ Expand and enhance the Fire Prevention Division to streamline and expedite code enforcement and engineering processes as well as increase life-safety educational programs.
- ◆ Continue to improve training processes through collaboration with Collin College and neighboring fire departments.

### **Performance Measures**

	2022 Actual	2023 Estimate	2024 Target
Average time for First Arriving Engine Company	07:38 minutes	07:59 minutes	7:25 minutes
Percentage Meeting NFPA 1710 Target of 7:00 minutes	73%	79%	90%
<b><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></b>			
Average time for Advanced Life Support (ALS) Equipment Arrival	06:57 minutes	07:28 minutes	06:45 minutes
Percentage Meeting NFPA 1710 Target of 8:00 minutes	77%	81%	90%
<b><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></b>			

## *Fire*

### Fire Expenditure Summary

	<b>Actual 2021-22</b>	<b>Budget 2022-23</b>	<b>Estimated 2022-23</b>	<b>Budget 2023-24</b>	<b>% Change</b>
Payroll	\$ 2,815,886	\$ 3,829,673	\$ 3,829,673	\$ 5,201,711	35.8%
Supplies	148,260	317,375	317,375	305,263	-3.8%
Maintenance	62,714	93,700	93,700	94,000	0.3%
Services	340,369	375,881	375,881	384,955	2.4%
Capital Outlay	-	-	-	-	0.0%
<b>TOTAL</b>	<b>\$ 3,367,229</b>	<b>\$ 4,616,629</b>	<b>\$ 4,616,629</b>	<b>\$ 5,985,929</b>	<b>29.7%</b>

### Fire FTE Schedule

	<b>Actual 2021-22</b>	<b>Budget 2022-23</b>	<b>Estimated 2022-23</b>	<b>Budget 2023-24</b>
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	1.0	1.0	1.0
Battalion Chief	3.0	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 Inspector Investigator	-	1.0	1.0	1.0
Fire Driver / Engineer	3.0	3.0	3.0	3.0
Fire Fighter	12.0	16.5	16.5	28.5
Fire Services Coordinator	1.0	1.0	1.0	1.0
<b>TOTAL</b>	<b>26.0</b>	<b>31.5</b>	<b>31.5</b>	<b>43.5</b>



## *Community Enhancement*

The Community Enhancement and Compliance division strives to meet the City's goal of making Anna a great place to live. The division engages our neighbors and other stakeholders as equal partners in creating safe, attractive, and stable neighborhoods. The division houses the Code Compliance office and programs such as Keep Anna Beautiful, Volunteering, and Community Engagement.

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

**Safe:** Anna is a community where neighbors feel safe.

### **FY2023 Accomplishments**

- ◆ Expanded rental registration program.
- ◆ Increased code compliance caseload.
- ◆ Health and Environmental Services brought in-house with the City's first mosquito monitoring and abatement program successfully completed, and all food establishments have been permitted and inspected.
- ◆ Volunteer program developed, implemented, and completed.
- ◆ Tree City USA designation completed.
- ◆ Held our first Arbor Day giveaway. Providing our neighbors with 100 trees.
- ◆ Received the Award of Excellence in Code Enforcement by the Building Officials Association of Texas.
- ◆ Received 2nd place for the Keep Texas Beautiful Governor's Community Achievement Award.
- ◆ Held our first Adoption Event with Collin County Animal Shelter.
- ◆ Co-hosted first Neighborhood Summit with the City of McKinney.

### **FY2024 Objectives**

- ◆ Updating the International Property Maintenance Code (IPMC) from 2018 to 2021.
- ◆ Increase rental registration efforts regarding single-family, multi-family, and mobile home parks.

### **Performance Measures**

	2022 Actual	2023 Estimate	2024 Target
Total code cases available for resolution during the reporting period	4,206	3,500	3,000
<i>Cases include actionable violations that require compliance, initiated during the reporting period and complaints determined to be without merit and with no basis for considering the incident or complaint to be a violation.. Total cases may originate from public complaints or from staff-initiated actions (e.g., rental inspections, directly-observed violations). Case types may include nuisance, housing, zoning, dangerous building, or other violations.</i>			
Average calendar days, Code Enforcement inspection to voluntary compliance	N/A	45	30
<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. 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>			
Community Enhancement and Engagement Activities	N/A	10	12
<i>Includes all education classes by Agri-Life and Grace Place classes, community clean up events and Community Leadership meetings.</i>			

## Community Enhancement

### Community Enhancement Expenditure Summary

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24	% Change
Payroll	\$ 586,212	\$ 711,836	\$ 711,836	\$ 528,408	-25.8%
Supplies	21,440	11,000	11,000	11,000	0.0%
Maintenance	-	-	-	-	0.0%
Services	124,974	142,387	142,387	142,387	0.0%
Capital Outlay	-	-	-	-	0.0%
<b>TOTAL</b>	<b>\$ 732,626</b>	<b>\$ 865,223</b>	<b>\$ 865,223</b>	<b>\$ 681,795</b>	<b>-21.2%</b>

### Community Enhancement FTE Schedule

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24
Director of Neighborhood Services	1.0	1.0	1.0	-
Neighborhood Services Coordinator	1.0	1.0	1.0	1.0
Administrative Assistant	1.0	1.0	1.0	1.0
Code Compliance Manager	1.0	1.0	1.0	1.0
Code Compliance Officer	2.0	3.0	3.0	3.0
<b>TOTAL</b>	<b>6.0</b>	<b>7.0</b>	<b>7.0</b>	<b>6.0</b>



## *Parks Operations*

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

Active: The City of Anna promotes an active community.

### **FY2023 Accomplishments**

- ◆ Completed 9 Parks maintenance projects, including Natural Springs Paw Park Renovation and Prairie Garden and Slayter Creek Park bridge revamp.
- ◆ Installed 36 new tee signs for the disc golf course at Slayter Creek Park.
- ◆ Replaced 88 linear feet of trail.

### **FY2024 Objectives**

- ◆ Replace 88 linear feet of trail.
- ◆ Implement Brightly into Park Maintenance operations.
- ◆ Complete Parks Maintenance Plan.
- ◆ Revamp Municipal Complex landscaping.

### **Performance Measures**

	2022 Actual	2023 Estimate	2024 Target
Total Developed Park Acreage	165.0	165.0	180.0
Parks per Resident	1 park per 2,945	1 park per 3,417	1 park per 3,551
Number of Acres per 1,000 Neighbors	7.0	6.0	5.6
Miles of Trails	5.5	5.5	6.5
Number of playgrounds per 7,750 Neighbors	0.6	0.7	0.8

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

## *Parks Operations*

### Parks Operations Expenditure Summary

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24	% Change
Payroll	\$ 449,254	\$ 658,411	\$ 658,411	\$ 656,946	-0.2%
Supplies	82,292	61,800	61,800	78,800	27.5%
Maintenance	93,798	37,000	37,000	89,000	140.5%
Services	67,873	50,900	50,900	67,850	33.3%
Capital Outlay	17,614	-	-	-	0.0%
<b>TOTAL</b>	<b>\$ 710,831</b>	<b>\$ 808,111</b>	<b>\$ 808,111</b>	<b>\$ 892,596</b>	<b>10.5%</b>

### Parks and Recreation FTE Schedule

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24
Parks Superintendent	1.0	1.0	1.0	1.0
Parks Crew Leader	2.0	2.0	2.0	2.0
Maintenance Worker	5.0	6.0	6.0	6.0
<b>TOTAL</b>	<b>8.0</b>	<b>9.0</b>	<b>9.0</b>	<b>9.0</b>



## *Recreation and Library Services*

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

Active: The City of Anna promotes an active community.

### **FY2023 Accomplishments**

- ◆ Hosted eight Special Events, including Boots and Booms, AnnaFest, Touch-a-Truck, 12 Days of Anna Tree Lighting and Ice Skating, and Easter Eggstravaganza.
- ◆ Provided 75 youth recreation programs, including Summer ShenANNAgans and Summer Rec-ess weekly programming, National Train Day Celebration, monthly themed pop-up recreation, archery, and art camp.
- ◆ Provided 7 teen programs, including Easter Glow Party, End of the Year Water Balloon Bash and Ice Cream Party, Blacklight Paint Party and Teen Game Nights.
- ◆ Provided 48 adult programs, including adult softball, Fitness at the Park, trivia and game nights, and painting nights.
- ◆ Provided 56 senior programs, including trips, foodie troop, crafting corner, luncheons, and book club.

### **FY2024 Objectives**

- ◆ Add Juneteenth and Splash Bash as new special events.
- ◆ Evaluate, enhance and restructure current youth/adult/senior programs.
- ◆ Revamp teen programs to better achieve recreation goals.
- ◆ Partner with ASG/Anna ISD to run practices for youth basketball.

### **Performance Measures**

	2022 Actual	2023 Estimate	2024 Target
Recreation programs - Youth	63	65	72
Recreation programs - Teen	7	13	14
Recreation programs - Adult	30	40	44
Recreation programs - Senior	32	58	64
Number of programs per 1,000 population	5.60	6.80	6.06

## *Recreation and Library Services*

### Recreation and Library Services Expenditure Summary

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24	% Change
Payroll	\$ -	\$ -	\$ -	\$ 550,888	0.0%
Supplies	-	-	-	2,000	0.0%
Maintenance	-	-	-	-	0.0%
Services	-	-	-	32,000	0.0%
Capital Outlay	-	-	-	-	0.0%
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 584,888</b>	<b>0.0%</b>

### Recreation and Library Services Services FTE Schedule

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24
Director of Neighborhood Services	-	-	-	1.0
Assistant Director	-	-	-	1.0
Recreation Coordinator	-	-	-	3.5
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5.5</b>



## *Fleet and Facilities*

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

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

### **FY2023 Accomplishments**

- ◆ Began restoration of historic fire truck.
- ◆ Managed rehabilitation of water damage portions of City Hall
- ◆ Moved custodial services 100% in-house and ended contract services.

### **FY2024 Objectives**

- ◆ Complete restoration of historic fire truck.
- ◆ Implement Municipal Complex landscaping improvements in conjunction with Parks Maintenance staff.
- ◆ Respond to all work orders for vehicle service within 24 hours.
- ◆ Respond to all work orders for facility needs within 48 hours.

### **Performance Measures**

	2022 Actual	2023 Estimate	2024 Target
Work orders for vehicle service	340	579	600
Percentage responded to within 24 hours	65%	70%	80%
Work orders for facility needs	263	327	400
Percentage responded to within 48 hours	50%	75%	80%

## *Fleet and Facilities*

### Fleet and Facilities Expenditure Summary

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24	% Change
Payroll	\$ 109,377	\$ 315,279	\$ 315,279	\$ 313,520	-0.6%
Supplies	289,989	278,675	278,675	325,500	16.8%
Maintenance	220,496	272,900	272,900	279,500	2.4%
Services	414,417	277,676	277,676	471,400	69.8%
Capital Outlay	7,049	-	-	-	0.0%
<b>TOTAL</b>	<b>\$ 1,041,328</b>	<b>\$ 1,144,530</b>	<b>\$ 1,144,530</b>	<b>\$ 1,389,920</b>	<b>21.4%</b>

### Fleet and Facilities FTE Schedule

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24
Mechanic	1.0	1.0	1.0	1.0
Fleet Maintenance Technician	-	1.0	1.0	1.0
Facilities Specialist	1.0	1.0	1.0	1.0
Custodian	-	2.0	2.0	2.0
<b>TOTAL</b>	<b>2.0</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>



## *Streets*

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

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

### **FY2023 Accomplishments**

- ◆ Resurfaced and repaved over 3 miles of City streets.
- ◆ Initiated street sign replacement program.
- ◆ Completed two (North Pointe Subdivision) and (Oak Hollow Subdivision) erosion protection and drainage improvement projects
- ◆ Partnered with Parks Maintenance to construct improvements to creek channel at Slayter Creek Park.

### **FY2024 Objectives**

- ◆ Fill 2,500 potholes.
- ◆ Replace 100 sidewalk panels.
- ◆ Replace 30 street name signs.
- ◆ Replace 40 regulatory street signs

### **Performance Measures**

	2022 Actual	2023 Estimate	2024 Target
Paved lane miles for which the City is responsible	81	94	100
PCI Score improvement year over year (0-100 with 100 being a perfect score)	83.0	84.0	85.0
<b><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></b>			

## *Streets*

### Streets Expenditure Summary

	<b>Actual 2021-22</b>	<b>Budget 2022-23</b>	<b>Estimated 2022-23</b>	<b>Budget 2023-24</b>	<b>% Change</b>
Payroll	\$ 494,998	\$ 752,316	\$ 752,316	\$ 765,050	1.7%
Supplies	(9,666)	39,675	39,675	40,700	2.6%
Maintenance	164,907	102,500	102,500	122,500	19.5%
Services	127,326	101,702	101,702	105,202	3.4%
Capital Outlay	82,344	54,000	54,000	6,000	0.0%
Capital Improve.	-	-	-	-	0.0%
<b>TOTAL</b>	<b>\$ 859,909</b>	<b>\$ 1,050,193</b>	<b>\$ 1,050,193</b>	<b>\$ 1,039,452</b>	<b>-1.0%</b>

### Streets FTE Schedule

	<b>Actual 2021-22</b>	<b>Budget 2022-23</b>	<b>Estimated 2022-23</b>	<b>Budget 2023-24</b>
Street Superintendent	1.0	1.0	1.0	1.0
Crew Leader	1.0	2.0	2.0	2.0
Traffic Safety Technician	1.0	1.0	1.0	1.0
Right-of-Way Inspector	-	1.0	1.0	1.0
Maintenance Worker	6.0	5.0	5.0	5.0
<b>TOTAL</b>	<b>9.0</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>



## *Public Works Administration*

Public Works Administration and Engineering Department provides department management and oversight, manages Capital Improvement Program (CIP) project delivery, and ensures the goals of the City Council and City Manager are met. Engineering provides engineering and construction services including plan review, floodplain management, traffic studies, and construction inspection. Also included in the department is GIS, which provides GIS services to all City departments, including mapping, address and street name management, preparation of exhibits and professional documents for planning staff.

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

### **FY2023 Accomplishments**

- ◆ Six CIP projects completed including the Utility Relocation Phase 2, Hurricane Creek Line B, Downtown Utility Rehab Phase 1, City Hall Parking Lot Expansion, Collin Pump Station Phase 1 and the Sherley Heritage Park Historic Train.
- ◆ Six CIP projects under construction including the Hackberry Drive Paving and Utility, Fire Station #2, Hurricane Creek Wastewater Treatment Plant, Central Fire Station Oasis, Central Police Station Fence and John Geren Wastewater Treatment Plant rehabilitation.
- ◆ Twelve CIP projects under design including the Leonard Avenue extension to the Collin County Outer Loop, Finley Boulevard widening from Sharp to SH 5, Ferguson Parkway southern extension, Collin Pump Station Phase 2 expansion, FM 455 Waterline Improvements, SH 5 Utility Relocation Phase A, and Hurricane Creek Interceptor Sanitary Sewer Line.
- ◆ Eighty-five public and private projects reinspected by Engineering, including Coyote Meadows, Arden Parc, Texas Roadhouse, Anacapi, and Hurricane Creek.
- ◆ Sixty-five projects reviewed by Engineering, including Crystal Park, Leonard Trails, and Hendricks Elementary School.

### **FY2024 Objectives**

- ◆ Complete construction of Hackberry Drive improvements, Leonard Avenue extension, and Finley Boulevard widening.
- ◆ Complete re-construction of 5th Street, 7th Street, and Riggins and the utility improvement project in Downtown Economic Development District.
- ◆ Complete installation of temporary treatment plant at Hurricane Creek WWTP.
- ◆ Reduce plan review backlog, issuing first round comments in two weeks, and 2nd and 3rd round comments in one week.
- ◆ Issue substantial completion letters and acceptance letters within 48 hours of the project meeting compliance requirements.

## *Public Works Administration*

### Public Works Administration Expenditure Summary

	<b>Actual 2021-22</b>	<b>Budget 2022-23</b>	<b>Estimated 2022-23</b>	<b>Budget 2023-24</b>	<b>% Change</b>
Payroll	\$ 972,697	\$ 1,377,951	\$ 1,377,951	\$ 1,353,872	-1.7%
Supplies	38,330	43,588	43,588	43,588	0.0%
Maintenance	10,310	16,050	16,050	16,050	0.0%
Services	315,624	364,160	364,160	468,546	28.7%
Capital Outlay	-	-	-	-	0.0%
Contingency	-	-	-	-	0.0%
<b>TOTAL</b>	<b>\$ 1,336,961</b>	<b>\$ 1,801,749</b>	<b>\$ 1,801,749</b>	<b>\$ 1,882,056</b>	<b>4.5%</b>

### Public Works Administration FTE Schedule

	<b>Actual 2021-22</b>	<b>Budget 2022-23</b>	<b>Estimated 2022-23</b>	<b>Budget 2023-24</b>
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
City Engineer	1.0	1.0	1.0	1.0
CIP Manager	1.0	1.0	1.0	1.0
Construction Inspector	3.0	3.0	3.0	3.0
Construction Supervisor	1.0	1.0	1.0	1.0
Fleet and Facilities Superintendent	1.0	1.0	1.0	1.0
Custodian	1.0	-	-	-
GIS Manager	-	1.0	1.0	1.0
Public Works Coordinator	1.0	1.0	1.0	1.0
Receptionist	-	1.0	1.0	1.0
<b>TOTAL</b>	<b>11.0</b>	<b>12.0</b>	<b>12.0</b>	<b>12.0</b>



## *Water*

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

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

### **FY2023 Accomplishments**

- ◆ Completed 20 main break repairs.
- ◆ Completed 30 leak repairs.
- ◆ Replaced 150 ft of public water main.
- ◆ Implemented valve and hydrant program to increase maintenance levels.

### **FY2024 Objectives**

- ◆ Successfully complete 25 water leak repairs.
- ◆ Maintain water and sewer system with no TCEQ violations.

### **Performance Measures**

	2022 Actual	2023 Estimate	2024 Target
Water loss by % of total production	4%	8%	<=10%
<i>Indicates efficient production and supply of public drinking water.</i>			

## *Water*

### Water Expenditure Summary

	<b>Actual 2021-22</b>	<b>Budget 2022-23</b>	<b>Estimated 2022-23</b>	<b>Budget 2023-24</b>	<b>% Change</b>
Payroll	\$ 633,205	\$ 767,158	\$ 767,158	\$ 831,772	8.4%
Supplies	127,472	80,475	80,475	135,000	67.8%
Maintenance	893,318	458,625	458,625	1,036,000	125.9%
Services Water	2,817,915	2,165,000	3,000,000	3,090,000	42.7%
Services Other	450,320	402,215	402,215	437,115	8.7%
Debt Service	1,374,085	1,374,467	1,374,467	1,390,180	1.1%
Capital Outlay	-	-	-	-	0.0%
Transfer Out	-	275,000	275,000	400,000	45.5%
<b>TOTAL</b>	<b>\$ 6,296,315</b>	<b>\$ 5,522,940</b>	<b>\$ 6,357,940</b>	<b>\$ 7,320,067</b>	<b>32.5%</b>

### Water FTE Schedule

	<b>Actual 2021-22</b>	<b>Budget 2022-23</b>	<b>Estimated 2022-23</b>	<b>Budget 2023-24</b>
Utility Operations Supervisor	1.0	1.0	1.0	1.0
Utility Maintenance Field Supervisor	1.0	1.0	1.0	1.0
Maintenance Worker	2.0	3.0	4.0	4.0
Water Operator	2.0	2.0	2.0	2.0
Utility Crew Leader	2.0	2.0	2.0	2.0
Meter Service Crew Leader	1.0	1.0	1.0	1.0
<b>TOTAL</b>	<b>9.0</b>	<b>10.0</b>	<b>11.0</b>	<b>11.0</b>



## *Wastewater*

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

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

### **FY2023 Accomplishments**

- ◆ Completed 20 main break repairs.
- ◆ Completed 30 leak repairs.
- ◆ Jetted 9.5 miles of sewer main.
- ◆ Replaced 50 ft of public sewer main.
- ◆ Implemented valve and hydrant program to increase maintenance levels.

### **FY2024 Objectives**

- ◆ Successfully jet 10 miles of sewer main.
- ◆ Maintain water and sewer system with no TCEQ violations.

### **Performance Measures**

	2022 Actual	2023 Estimate	2024 Target
Annual sewer overflow in gallons	<1,000	<500	<500
<i>Indicates reduced number of sewer overflows through maintenance and outreach.</i>			

## Wastewater

### Wastewater Expenditure Summary

	<b>Actual</b>		<b>Budget</b>		<b>Estimated</b>		<b>Budget</b>		<b>%</b>
	<b>2021-22</b>		<b>2022-23</b>		<b>2022-23</b>		<b>2023-24</b>		<b>Change</b>
Payroll	\$ 428,803	\$	470,882	\$	470,882	\$	422,386		-10.3%
Supplies	70,442		36,970		36,970		73,870		99.8%
Maintenance	178,151		168,000		168,000		234,000		39.3%
Services Wastewater	2,750,996		2,800,000		4,300,000		4,300,000		53.6%
Services Other	168,904		177,530		177,530		194,530		9.6%
Debt Service	741,966		743,963		3,147,537		4,660,005		526.4%
Capital Outlay	57,270		-		-		-		0.0%
Transfers Out	-		375,000		375,000		575,000		53.3%
<b>TOTAL</b>	<b>\$ 4,396,532</b>	<b>\$</b>	<b>4,772,345</b>	<b>\$</b>	<b>8,675,919</b>	<b>\$</b>	<b>10,459,791</b>		<b>119.2%</b>

### Wastewater FTE Schedule

	<b>Actual</b>		<b>Budget</b>		<b>Estimated</b>		<b>Budget</b>
	<b>2021-22</b>		<b>2022-23</b>		<b>2022-23</b>		<b>2023-24</b>
Senior Wastewater Plant Operator	1.0		1.0		1.0		1.0
Maintenance Worker I	6.0		6.0		5.0		5.0
<b>TOTAL</b>	<b>7.0</b>		<b>7.0</b>		<b>6.0</b>		<b>6.0</b>



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 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24	% Change
Services Solid Waste	\$ 2,081,444	\$ 1,760,000	\$ 2,300,000	\$ 2,300,000	30.7%
Services Other	7,269	-	-	-	0.0%
<b>TOTAL</b>	<b>\$ 2,088,713</b>	<b>\$ 1,760,000</b>	<b>\$ 2,300,000</b>	<b>\$ 2,300,000</b>	<b>30.7%</b>



## *Utility Billing*

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

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

### **FY2023 Accomplishments**

- ◆ Utility Billing went remote; all files are scanned into financial software.
- ◆ Lock Box payments initiated and finalized with all mailed checks processing through the bank.
- ◆ Updated Utility Billing procedures including Service Order Technician procedures.
- ◆ Implemented WaterSmart system for leak or high use alert notifications.

### **FY2024 Objectives**

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

### **Performance Measures**

	2022 Actual	2023 Estimate	2024 Target
Number of residential connections as of September 30th	8,607	9,479	10,500
Number of commercial connections as of September 30th	343	406	500
Average number of disconnects per month	90	126	100
WaterSmart setups	262	400	500

## Utility Billing

### Utility Billing Expenditure Summary

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24	% Change
Payroll	\$ 220,717	\$ 285,371	\$ 285,371	\$ 286,424	0.4%
Supplies	4,653	2,550	2,550	2,550	0.0%
Maintenance	-	-	-	-	0.0%
Services	381,522	280,524	280,524	272,047	-3.0%
Capital Outlay	-	-	-	-	0.0%
<b>TOTAL</b>	<b>\$ 606,892</b>	<b>\$ 568,445</b>	<b>\$ 568,445</b>	<b>\$ 561,021</b>	<b>-1.3%</b>

### Utility Billing FTE Schedule

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24
Utility Billing Supervisor	1.0	1.0	1.0	1.0
Senior Utility Billing Clerk	-	1.0	1.0	1.0
Utility Billing Clerk	3.0	2.0	2.0	2.0
Admin. Assistant / Records Clerk	0.5	-	-	-
<b>TOTAL</b>	<b>4.5</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>



## *Stormwater*

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

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

### **FY2023 Accomplishments**

- ◆ Initiated Stormwater Utility program.

### **FY2024 Objectives**

- ◆ Complete 3 drainage improvement projects.
- ◆ Complete 3 drainage maintenance projects.
- ◆ Complete maintenance and clearing of 50 drainage culverts.
- ◆ Complete 1 drainage improvement project in partnership with Parks Maintenance staff.

### **Performance Measures**

	2022 Actual	2023 Estimate	2024 Target
Miles of storm sewer to be maintained	54	65	70
Percentage of blockages of stormwater infrastructure	25%	15%	10%
Structures flooded	0	0	0

## *Stormwater*

### Stormwater Expenditure Summary

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24	% Change
Payroll	\$ -	\$ 61,350	\$ 61,350	\$ 115,040	87.5%
Supplies	-	9,000	9,000	9,000	0.0%
Maintenance	-	-	-	-	0.0%
Services	-	32,500	32,500	32,500	0.0%
Capital Outlay	-	-	-	-	0.0%
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ 102,850</b>	<b>\$ 102,850</b>	<b>\$ 156,540</b>	<b>52.2%</b>

### Stormwater FTE Schedule

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24
Maintenance Worker I	-	2.0	2.0	2.0
<b>TOTAL</b>	<b>-</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>



## *Community Development Corporation*

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

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

### **FY2023 Accomplishments**

- ◆ Applied for two Downtown CDBG Grants—first application submitted for CDBG grants since 2004.
- ◆ Created a Public Improvement District (PID) for Meadow Vista and The Woods at Lindsey Place.
- ◆ Funded a Wayfinding and Signage Analysis performed by Merje Design and Lee Engineering and Downtown Drainage Study performed by TNP.
- ◆ Executed new Incentive Agreements with Megatel AnaCapri, Home Depot, Wyndham Garden Hotels, and 3 Nations Brewing Company.
- ◆ Hosted first North Texas Job Fair in partnership with Grayson College and Anna ISD.
- ◆ Sponsored DCEO Real Estate and Dallas Business Journal BRED awards.
- ◆ Held 3rd Annual Development Forum and Business Appreciation Luncheon.

### **FY2024 Objectives**

- ◆ Recruit additional retail and industrial projects.
- ◆ Continue implementation of the Anna CDC/EDC Marketing Strategy.
- ◆ Continue implementation of the Downtown Master Plan, including design of the Interurban Pedestrian Corridor, and attract additional retailers and restaurants.

### **Performance Measures**

	2022 Actual	2023 Estimate	2024 Target
Ratio of businesses open / Number of EDC meetings with retailers, restaurants, developers, etc.	17 Businesses / 175 meetings	33 Businesses/180 meetings	35 Businesses/200 meetings
Number of meetings with prospective/targeted primary employers, partners, and landowners	175	180	200
Number of website/social media hits/clicks/likes	29,568 website; 915 LinkedIn	36,000 website; 1,301 LinkedIn	38,000 website; 1,500 LinkedIn
Number of events attended/hosted per year	20	33	40

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

	2022 Actual	2023 Estimate	2024 Target
Number of new commercial permits/COs per year	17	33	35
Net annual change in sales tax collections	32.3%	11.0%	11.0%
Net annual increase in commercial property value	\$104,423,047	\$204,414,129	\$200,000,000

***These indicators demonstrate the expansion of the commercial tax base***

## Community Development Corporation

### Community Development Corporation Expenditure Summary

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24	% Change
Payroll	\$ 393,067	\$ 468,189	\$ 468,189	\$ 462,634	-1.2%
Supplies	12,393	13,100	13,100	16,100	22.9%
Maintenance	-	-	-	-	0.0%
Services	890,769	2,286,889	2,286,889	4,289,665	87.6%
Debt Service	256,837	193,865	193,865	203,006	4.7%
Capital Outlay	-	-	-	350,000	0.0%
<b>TOTAL</b>	<b>\$ 1,553,066</b>	<b>\$ 2,962,043</b>	<b>\$ 2,962,043</b>	<b>\$ 5,321,405</b>	<b>79.7%</b>

### Community Development Corporation FTE Schedule

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24
Director of Economic Development	1.0	1.0	1.0	1.0
Assistant Director of Economic Develop.	1.0	1.0	1.0	1.0
Economic Development Coordinator	1.0	1.0	1.0	1.0
<b>TOTAL</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>



## *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.

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

### **FY2023 Accomplishments**

- ◆ Executed a lease with 3 Nations Brewing Company to occupy the 101 S. Powell Pkwy. Building.
- ◆ Awarded a \$5,000 Anice Read Downtown Grant that was used for the new mural on the 101 S. Powell Pkwy. Building.
- ◆ Sponsored DCEO Real Estate and Dallas Business Journal BRED awards.
- ◆ Hosted first North Texas Job Fair in partnership with Grayson College and Anna ISD.
- ◆ Held 3rd annual Development Forum and Business Appreciation Luncheon.

### **FY2024 Objectives**

- ◆ Recruit additional tenants to the Anna Business Park.
- ◆ Continue implementation of the Anna CDC/EDC Marketing Strategy.

### **Performance Measures**

	2022 Actual	2023 Estimate	2024 Target
Ratio of businesses open / Number of EDC meetings with retailers, restaurants, developers, etc.	17 Businesses / 175 meetings	33 Businesses/180 meetings	35 Businesses/200 meetings
Number of meetings with prospective/targeted primary employers, partners, and landowners	175	180	200
Number of website/social media hits/clicks/likes	29,568 website; 915 LinkedIn	36,000 website; 1,301 LinkedIn	38,000 website; 1,500 LinkedIn
Number of events attended/hosted per year	20	33	40

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

	2022 Actual	2023 Estimate	2024 Target
Number of new commercial permits/COs per year	17	33	35
Net annual change in sales tax collections	32.3%	11.0%	11.0%
Net annual increase in commercial property value	\$104,423,047	\$204,414,129	\$200,000,000

***These indicators demonstrate the expansion of the commercial tax base***

*Economic Development Corporation*

**Economic Development Corporation Expenditure Summary**

	Actual 2021-22	Budget 2022-23	Estimated 2022-23	Budget 2023-24	% Change
Payroll	\$ -	\$ -	\$ -	\$ -	0.0%
Supplies	-	-	-	-	0.0%
Maintenance	1,045	3,000	3,000	50,000	1566.7%
Services	64,434	804,497	804,497	484,550	-39.8%
Capital Outlay	-	-	-	-	0.0%
<b>TOTAL</b>	<b>\$ 65,479</b>	<b>\$ 807,497</b>	<b>\$ 807,497</b>	<b>\$ 534,550</b>	<b>-33.8%</b>



THE CITY OF  
**Anna**



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# **FIVE YEAR FORECASTS**

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THE CITY OF  
**Anna**

**CITY OF ANNA**  
**LONG-TERM FINANCIAL PLANS**

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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 FY2023 budget, the proposed "base year" budget for FY2024, 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 FY2024 budget shows a healthy fund balance in both operating funds.

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

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

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

◆ Property tax revenue is dependent on two variables: appraised value and the tax rate. Property values for tax year 2023 (used for the FY2024 levy) increased 32.3 percent; the last ten years have seen on average a 20 percent growth in appraised value each year. Values have increased 532 percent between FY2015 and FY2024. Anna's focus on expanding economic development efforts has improved economic conditions throughout the community and has helped spur the majority of new construction and development. The proposed tax rate for FY2024 is 51.0717 cents per \$100 assessed values, lower than the previous year. The tax rate and appraised values will generate an additional \$1.8 million in revenue for the General Fund in FY2024. The General Fund long-term plan assumes property tax revenues will grow 15 percent yearly from 2025 to 2028. Much of this expected growth can be attributed to new construction each year.

◆ Sales taxes increased 37 percent from FY2022 actual to the FY2023 projected. Sales tax increases can be attributed mostly to population growth. The FY2024 budget assumes sales tax to be flat, reflecting the slowing economy and predicted recession. Future years assume 2 percent in FY2025 but beginning in FY2026, sales taxes are expected to increase 10 percent per year with the opening of some large, new businesses.

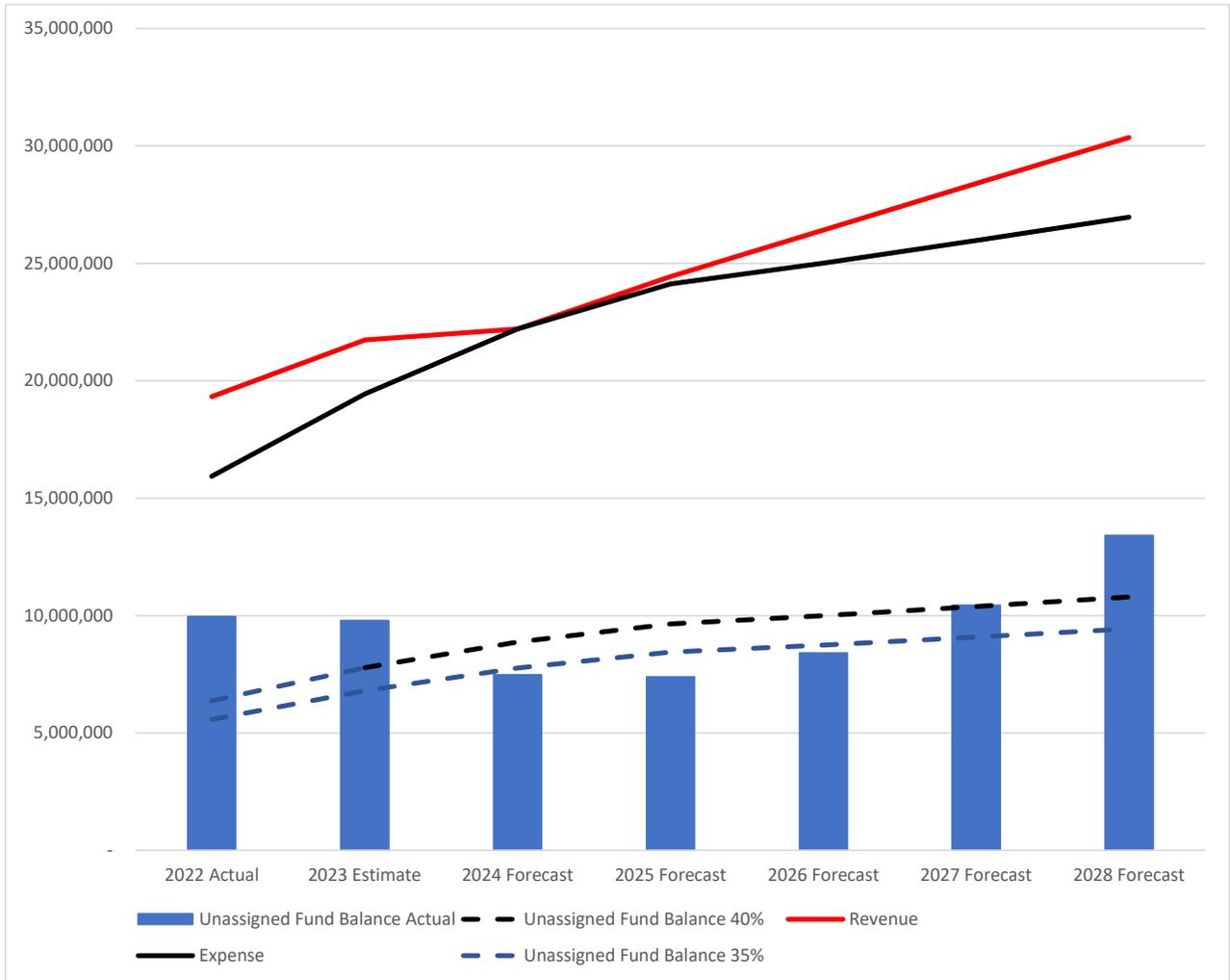
◆ All other revenues during the planning horizon are expected to grow at approximately 2 percent due to population growth.

◆ More than three-fourths of the General Fund's expenditures are associated with employee compensation. The FY2024 budget for payroll is \$2.3 million more than the FY2023 budget due to the funding of merit pay increases and 15.5 additional full-time equivalents (FTEs). Additional staffing is planned in FY2025 as new facilities (Fire Station #2 and the Library) from the 2021 Bond Program are completed. The long-term plan assumes that City Council will continue to award 2 percent merit increases in years 2025 through 2028.

◆ All non-personnel operating expenditures for 2025 through 2028 are adjusted for a 1 percent inflationary increase. If possible, when Anna experiences revenues that do not support programs, departments will accommodate for this inflationary increase in supplies or contractual services through operational efficiencies or reductions to scope of services delivered to the public.

The FY2024 General Fund budget has a projected ending fund balance of 34 percent; additionally, the long-term plan assumes that fund balances will remain above 30 percent 2025 through 2028. Financial planning uses forecasts to provide insight into future financial capacity to meet service objectives and financial challenges. The long-term planning nature of the model will allow for steps to be taken to maintain fund balance goals.

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



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

	Actual 2021-22	Estimated 2022-23	Budget 2023-24
BEGINNING BALANCE	\$ 6,572,245	\$ 9,963,033	\$ 9,784,054
<b>REVENUES:</b>			
Property Taxes	\$ 8,004,989	\$ 9,869,000	\$ 11,191,000
Sales Tax	3,847,911	4,293,100	4,293,000
Franchise and local taxes	888,723	825,000	825,000
Charges for Services	166,821	800,000	730,000
Permits, Licenses and Fees	5,871,137	4,904,000	4,330,000
Fines	241,274	390,000	300,000
Intergovernmental Revenue	47,640	72,000	23,000
Investment income	90,387	565,000	500,000
Other revenues	154,514	16,300	14,000
<b>OPERATIONAL REVENUE</b>	<b>\$ 19,313,396</b>	<b>\$ 21,734,400</b>	<b>\$ 22,206,000</b>
Transfers from other funds	-	25,000	-
<b>TOTAL REVENUE</b>	<b>\$ 19,313,396</b>	<b>\$ 21,759,400</b>	<b>\$ 22,206,000</b>
<b>EXPENDITURES:</b>			
Payroll	\$ 11,270,087	\$ 14,682,349	\$ 16,966,301
Supplies	830,290	1,058,723	1,098,921
Maintenance	547,781	516,900	597,300
Services	3,150,089	3,126,407	3,537,175
Capital Outlay	124,361	54,000	6,000
<b>OPERATIONAL EXPENDITURES</b>	<b>\$ 15,922,608</b>	<b>\$ 19,438,379</b>	<b>\$ 22,205,697</b>
Transfers to other funds	-	2,500,000	2,300,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 15,922,608</b>	<b>\$ 21,938,379</b>	<b>\$ 24,505,697</b>
<b>FUND BALANCE</b>	<b>\$ 9,963,033</b>	<b>\$ 9,784,054</b>	<b>\$ 7,484,357</b>
Ending balance as a % of expenditures	63%	50%	34%

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

	Year 1 Projected 2024-25	Year 2 Projected 2025-26	Year 3 Projected 2026-27	Year 4 Projected 2027-28
\$	7,484,357	\$ 7,392,651	\$ 8,411,771	\$ 10,435,821
\$	13,497,962	\$ 15,009,033	\$ 16,465,100	\$ 17,849,003
	4,378,860	4,816,746	5,298,421	5,828,263
	841,500	858,330	875,497	893,007
	540,600	551,412	562,440	573,689
	4,334,000	4,338,080	4,342,242	4,346,486
	306,000	312,120	318,362	324,730
	23,000	23,000	23,000	23,000
	500,000	500,000	500,000	500,000
	14,000	14,000	14,000	14,000
\$	24,435,922	\$ 26,422,721	\$ 28,399,062	\$ 30,352,177
	-	-	-	-
\$	24,435,922	\$ 26,422,721	\$ 28,399,062	\$ 30,352,177
\$	18,948,940	\$ 19,701,419	\$ 20,494,680	\$ 21,325,186
	1,131,889	1,165,845	1,200,821	1,212,829
	603,273	609,306	615,399	621,553
	3,443,526	3,527,031	3,664,112	3,806,677
	-	-	-	-
\$	24,127,628	\$ 25,003,601	\$ 25,975,012	\$ 26,966,245
	400,000	400,000	400,000	400,000
\$	24,527,628	\$ 25,403,601	\$ 26,375,012	\$ 27,366,245
\$	7,392,651	\$ 8,411,771	\$ 10,435,821	\$ 13,421,753
	31%	34%	40%	50%

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

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

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

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

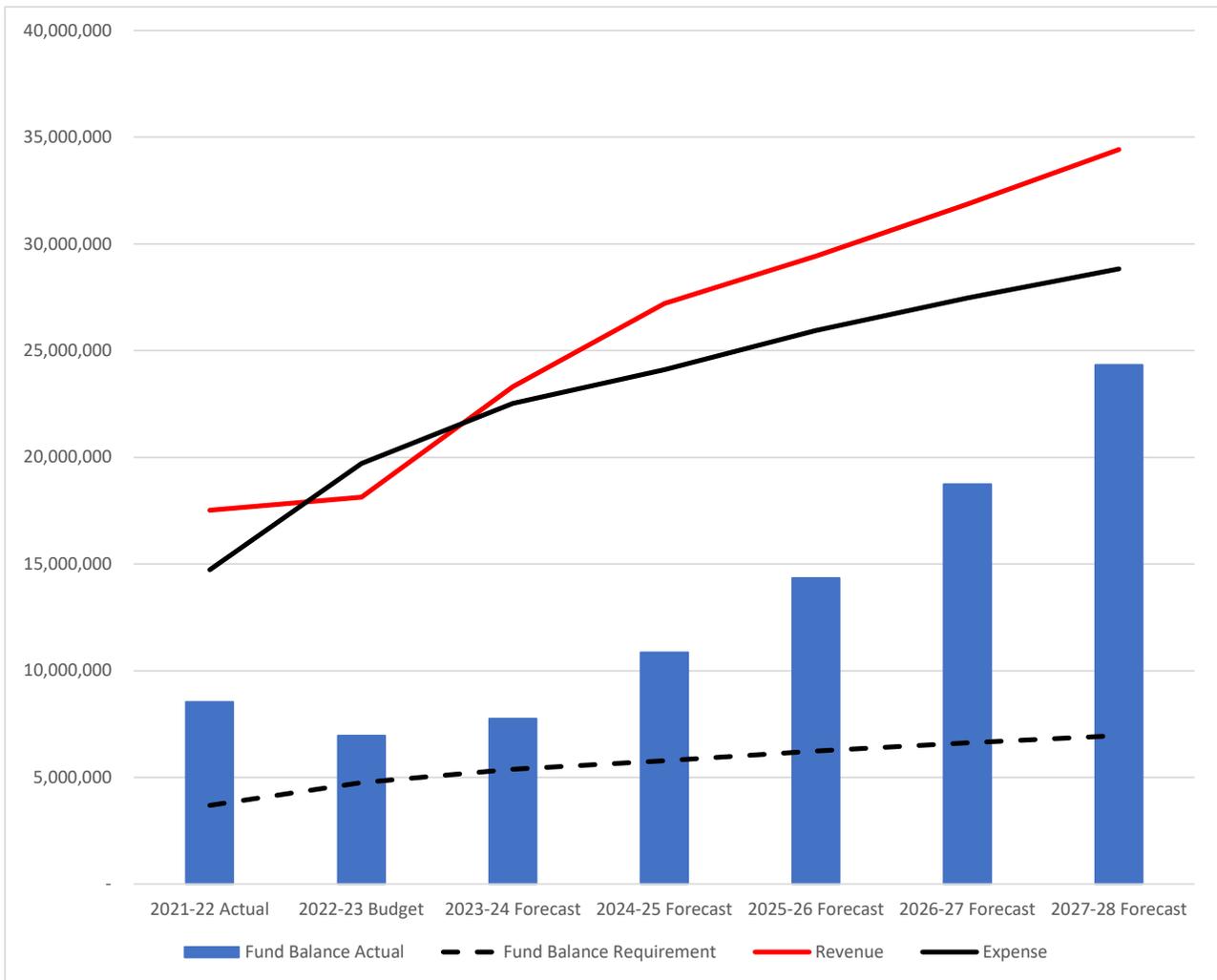
◆ In FY2024, rate increases of 15 percent for water and 25 percent for wastewater are budgeted. Rates increases of 3 percent for water and 8 percent for sewer are planned for 2025 through 2028. The utility rate model will fully fund a staffing plan and provide some cash for capital projects while paying debt service for a new regional wastewater treatment plant. 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 10 percent per year. These assumptions are based primarily on expected growth rates from wholesale suppliers and growth in the population of Anna. The City of Anna is taking steps to add infrastructure that will help to mitigate these increases and dependence on outside providers in the future.

◆ The FY2024 budget for payroll includes funding of a 2 percent merit increase. The long-term plan assumes that Council will continue to award 2 percent merit increases in years 2025 through 2028.

◆ All non-personnel operating expenditures for 2025 through 2028 are adjusted for a 2.6 percent inflationary increase.

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



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

	Actual 2021-22	Estimated 2022-23	Budget 2023-24
BEGINNING BALANCE	\$ 5,757,394	\$ 8,540,326	\$ 6,963,206
REVENUES:			
Property Taxes	\$ -	\$ -	-
Sales Tax	-	-	-
Franchise Fees and Local Taxes	-	-	-
Charges for Services			
<i>Water Sales</i>	7,676,094	8,010,000	10,846,000
<i>Sewer Charges</i>	4,864,040	5,640,263	7,718,000
<i>Sanitation Charges</i>	1,876,968	2,300,000	2,300,000
<i>Other Charges for Service</i>	713,803	555,570	628,570
Fines	-	-	-
Permits, Licenses and Fees	2,034,268	1,076,300	1,286,000
Intergovernmental Revenue	-	-	-
Investment Income	55,224	302,000	302,000
Other Revenues	287,948	242,800	236,600
TOTAL OPERATIONAL REVENUES	\$ 17,508,345	\$ 18,126,933	\$ 23,317,170
EXPENDITURES:			
Payroll	\$ 2,255,423	\$ 2,901,362	\$ 2,894,454
Supplies	240,897	163,583	255,008
Maintenance	1,081,779	642,675	1,286,050
Services			
<i>Water Purchases</i>	2,817,915	3,000,000	3,090,000
<i>Sewer Treatment</i>	2,750,996	4,300,000	4,300,000
<i>Solid Waste</i>	2,081,444	2,300,000	2,300,000
<i>Other</i>	1,323,639	1,224,429	1,372,238
Debt Service	2,116,050	4,522,004	6,050,185
Capital Outlay	57,270	-	-
Transfers to other funds	-	650,000	975,000
TOTAL OPERATIONAL EXPENDITURES	\$ 14,725,413	\$ 19,704,053	\$ 22,522,935
ENDING FUND BALANCE	\$ 8,540,326	\$ 6,963,206	\$ 7,757,441
Ending balance as a % of expenditures	58%	37%	36%

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

	Year 1 Projected 2024-25	Year 2 Projected 2025-26	Year 3 Projected 2026-27	Year 4 Projected 2027-28
\$	7,757,441	\$ 10,862,321	\$ 14,352,170	\$ 18,746,412
\$	-	\$ -	\$ -	-
	-	-	-	-
	-	-	-	-
	11,761,000	12,720,000	13,724,000	14,768,000
	10,518,000	11,535,000	12,715,000	13,950,000
	2,484,000	2,682,720	2,897,338	3,129,125
	594,700	604,594	614,686	624,980
	-	-	-	-
	1,310,200	1,334,884	1,360,062	1,385,743
	-	-	-	-
	302,000	302,000	302,000	302,000
	241,320	246,134	251,045	256,054
\$	27,211,220	\$ 29,425,332	\$ 31,864,130	\$ 34,415,901
\$	3,046,845	\$ 3,207,420	\$ 3,376,630	\$ 3,554,948
	262,374	269,961	277,774	285,820
	1,318,587	1,351,947	1,386,152	1,421,221
	3,510,039	3,902,660	4,325,136	4,736,225
	5,108,506	6,113,144	6,907,853	7,356,863
	2,484,000	2,682,720	2,897,338	3,129,125
	1,325,925	1,360,146	1,397,704	1,437,700
	6,050,064	6,047,485	5,901,302	5,899,179
	-	-	-	-
	1,000,000	1,000,000	1,000,000	1,000,000
\$	24,106,340	\$ 25,935,483	\$ 27,469,888	\$ 28,821,081
\$	10,862,321	\$ 14,352,170	\$ 18,746,412	\$ 24,341,233
	47%	58%	71%	87%

THE CITY OF  
**Anna**



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**DEBT  
SERVICE**

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THE CITY OF  
**Anna**

**CITY OF ANNA**  
**GENERAL DEBT SERVICE**

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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 \$98.7 million in outstanding tax supported debt. Of the outstanding tax supported debt, approximately \$12.1 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 \$86.7 million, was issued for general fund purposes.

Series	Par Amount	Outstanding	Purpose	Final Maturity
General Obligation Bonds 2023	\$ 14,930,000	\$ 14,930,000	Additional Facilities	2/15/2048
General Obligation Bonds 2022	\$ 32,465,000	\$ 32,465,000	Additional Facilities	2/15/2042
General Obligation Refunding & Improvement Bonds 2021	\$ 11,330,000	\$ 11,180,000	Additional Facilities	2/15/2046
Comb. Tax & Revenue Cert. of Obligation 2018	\$ 30,910,000	\$ 29,995,000	Municipal Complex	2/15/2048
Comb. Tax & Revenue Cert. of Obligation 2017	\$ 7,630,000	\$ 4,975,000	Refunding	2/15/2033
Comb. Tax & Revenue Cert. of Obligation 2014	\$ 4,180,000	\$ 3,575,000	Water & Sewer	2/15/2034
Comb. Tax & Revenue Cert. of Obligation 2014A	\$ 2,598,000	\$ 961,000	Water & Sewer	2/15/2026
General Obligation 2014B	\$ 1,462,000	\$ 631,000	Refunding	2/15/2026

*Debt Management Plan*

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

The City may undertake new debt in the future; however, new debt is expected to fall within the guidelines of the City's debt management plan and would not have unplanned or negative budgetary impact on the City's finances and tax rates.

The City does not currently have any debt limit in terms of a dollar amount. Municipal debt limits in Texas are established by state code. All taxable property within the City is subject to the assessment, levy and collection of a direct annual ad valorem tax sufficient to provide for the payment of principal and interest. Article XI, Section 5, of the Texas Constitution limits the maximum ad valorem tax rate to \$2.50 per \$100 taxable assessed valuation for all City purposes. Administratively, the Attorney General of the State of Texas will permit allocation of \$1.50 of the \$2.50 maximum tax rate for all general obligation debt service, as calculated at the time of issuance.

Refundings could support capacity for additional future general fund bond issues for needs that arise as the City continues to grow and develop. All refundings will be carefully analyzed by staff, our financial advisors, and the City Council.

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

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

**CITY OF ANNA**  
**GENERAL DEBT SERVICE**

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*Outstanding Debt Schedule - Tax Pledged Debt*

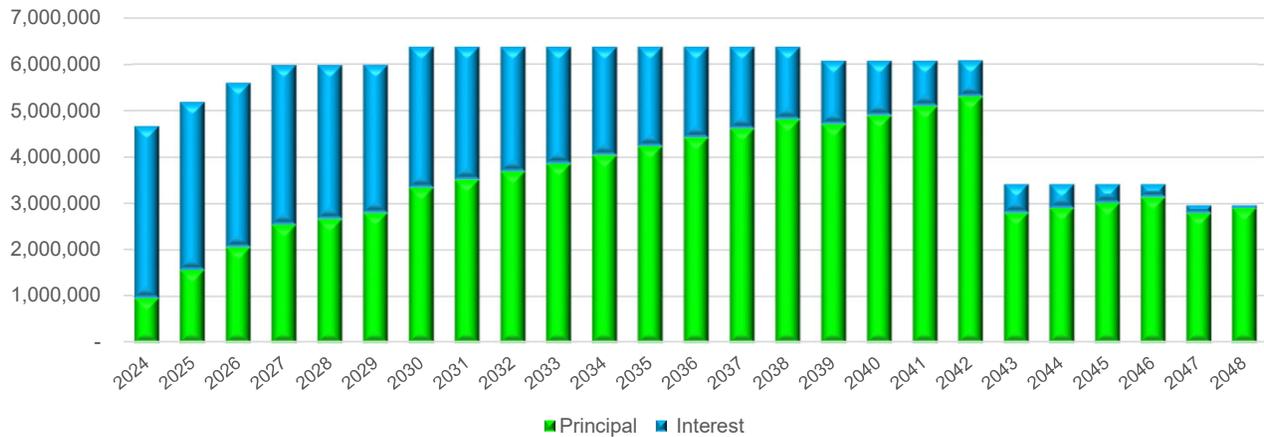
<b>Period Ending</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>% Change</b>
9/30/2024	1,752,000	4,167,674	5,919,674	
9/30/2025	2,384,000	4,050,276	6,434,276	8.69%
9/30/2026	2,896,000	3,941,389	6,837,389	6.27%
9/30/2027	3,575,000	3,800,438	7,375,438	7.87%
9/30/2028	3,740,000	3,640,313	7,380,313	0.07%
9/30/2029	4,095,000	3,461,825	7,556,825	2.39%
9/30/2030	4,710,000	3,253,001	7,963,001	5.37%
9/30/2031	4,940,000	3,022,955	7,962,955	0.00%
9/30/2032	5,170,000	2,787,911	7,957,911	-0.06%
9/30/2033	5,385,000	2,552,395	7,937,395	-0.26%
9/30/2034	4,465,000	2,335,531	6,800,531	-14.32%
9/30/2035	4,230,000	2,143,525	6,373,525	-6.28%
9/30/2036	4,415,000	1,952,450	6,367,450	-0.10%
9/30/2037	4,610,000	1,752,575	6,362,575	-0.08%
9/30/2038	4,810,000	1,554,625	6,364,625	0.03%
9/30/2039	4,705,000	1,365,150	6,070,150	-4.63%
9/30/2040	4,890,000	1,176,134	6,066,134	-0.07%
9/30/2041	5,090,000	981,591	6,071,591	0.09%
9/30/2042	5,300,000	776,769	6,076,769	0.09%
9/30/2043	2,800,000	618,920	3,418,920	-43.74%
9/30/2044	2,905,000	512,344	3,417,344	-0.05%
9/30/2045	3,015,000	401,644	3,416,644	-0.02%
9/30/2046	3,135,000	286,518	3,421,518	0.14%
9/30/2047	2,790,000	172,000	2,962,000	-13.43%
9/30/2048	2,905,000	58,100	2,963,100	0.04%
<b>TOTAL</b>	<b>98,712,000</b>	<b>50,766,052</b>	<b>149,478,052</b>	

**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
9/30/2024	968,000	3,697,234	4,665,234	
9/30/2025	1,574,000	3,608,811	5,182,811	11.09%
9/30/2026	2,064,000	3,530,013	5,594,013	7.93%
9/30/2027	2,545,000	3,425,800	5,970,800	6.74%
9/30/2028	2,665,000	3,309,525	5,974,525	0.06%
9/30/2029	2,800,000	3,180,350	5,980,350	0.10%
9/30/2030	3,345,000	3,027,050	6,372,050	6.55%
9/30/2031	3,515,000	2,855,550	6,370,550	-0.02%
9/30/2032	3,685,000	2,681,625	6,366,625	-0.06%
9/30/2033	3,860,000	2,507,100	6,367,100	0.01%
9/30/2034	4,040,000	2,327,775	6,367,775	0.01%
9/30/2035	4,230,000	2,143,525	6,373,525	0.09%
9/30/2036	4,415,000	1,952,450	6,367,450	-0.10%
9/30/2037	4,610,000	1,752,575	6,362,575	-0.08%
9/30/2038	4,810,000	1,554,625	6,364,625	0.03%
9/30/2039	4,705,000	1,365,150	6,070,150	-4.63%
9/30/2040	4,890,000	1,176,134	6,066,134	-0.07%
9/30/2041	5,090,000	981,591	6,071,591	0.09%
9/30/2042	5,300,000	776,769	6,076,769	0.09%
9/30/2043	2,800,000	618,920	3,418,920	-43.74%
9/30/2044	2,905,000	512,344	3,417,344	-0.05%
9/30/2045	3,015,000	401,644	3,416,644	-0.02%
9/30/2046	3,135,000	286,518	3,421,518	0.14%
9/30/2047	2,790,000	172,000	2,962,000	-13.43%
9/30/2048	2,905,000	58,100	2,963,100	0.04%
<b>TOTAL</b>	<b>86,661,000</b>	<b>47,903,178</b>	<b>134,564,178</b>	



*Obligations*

During the high growth the City has experienced over the last ten years, the City began issuing debt for significant water and sewer infrastructure projects. As the growth in the City has continued, the City found the need to issue additional debt in the spring of 2022.

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 FY2024, debt service accounts for 28 percent of the Utility Fund budget.

Series	Par Amount	Outstanding	Purpose	Term
Comb. Tax & Revenue Cert. of Obligation 2022	\$ 64,845,000	\$ 64,845,000	Wastewater Treatment Facility	2/15/2047
General Obligation Refunding & Improvement Bonds 2021	\$ 2,870,000	\$ 2,840,000	Refunding	2/15/2046
Comb. Tax & Revenue Cert. of Obligation 2017	\$ 7,630,000	\$ 4,675,000	Refunding	2/15/2033
Comb. Tax & Revenue Cert. of Obligation 2014A	\$ 2,598,000	\$ 961,000	Water & Sewer	2/15/2026
Comb. Tax & Revenue Cert. of Obligation 2014	\$ 4,180,000	\$ 3,575,000	Water & Sewer	2/15/2034
GTUA Contract Revenue Bonds Series 2007	\$ 5,000,000	\$ 817,500	Collin/Grayson Project	10/1/2036
GTUA Contract Revenue Bonds Series 2007	\$ 3,430,000	\$ 765,000	Anna/Melissa Project	6/1/2028
GTUA Contract Revenue Bonds Series 2006	\$ 8,675,000	\$ 425,000	Anna/Melissa Project	6/1/2026
TWDB State Participation Loan Series 2006	\$ 3,870,000	\$ 2,168,750	Collin/Grayson Project	8/1/2040
GTUA Contract Revenue Bonds Series 2005	\$ 2,800,000	\$ 270,000	Collin/Grayson Project	10/1/2028

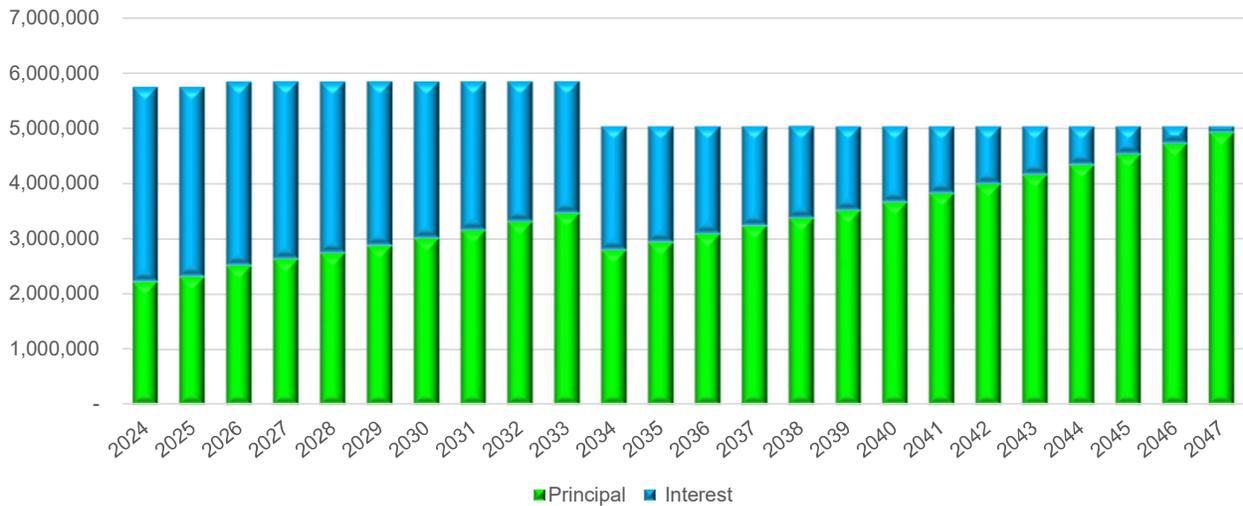
*Debt Management Plan*

Currently the Utility Fund holds just approximately \$81.4 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 refundings of the City's outstanding Utility Fund debt when prudent. The current plan makes very conservative assumptions regarding interest rates and is reviewed and analyzed in conjunction with a utility rate study to evaluate the current water and sewer rates. The City's budgeted rates and charges are sufficient to cover both the contract revenue obligations as well as the general obligations debt issued for water and sewer system improvements.

*Outstanding Debt Schedule - Utility Fund*

<b>Period Ending</b>	<b>Principal</b>	<b>Interest</b>	<b>Interest Reduction &amp; Recovery</b>	<b>Total Debt Service</b>
9/30/2024	2,224,000	3,521,229	103,742	5,848,970
9/30/2025	2,317,500	3,427,607	103,742	5,848,849
9/30/2026	2,517,000	3,329,269	-	5,846,269
9/30/2027	2,633,750	3,215,515	-	5,849,265
9/30/2028	2,743,750	3,103,393	-	5,847,143
9/30/2029	2,875,000	2,975,673	-	5,850,673
9/30/2030	3,008,750	2,838,412	-	5,847,162
9/30/2031	3,155,000	2,694,379	-	5,849,379
9/30/2032	3,307,500	2,543,278	-	5,850,778
9/30/2033	3,462,500	2,386,967	-	5,849,467
9/30/2034	2,796,250	2,240,309	-	5,036,559
9/30/2035	2,938,750	2,098,272	-	5,037,022
9/30/2036	3,093,750	1,945,902	-	5,039,652
9/30/2037	3,235,000	1,800,787	-	5,035,787
9/30/2038	3,375,000	1,664,785	-	5,039,785
9/30/2039	3,512,500	1,523,899	-	5,036,399
9/30/2040	3,662,500	1,374,825	-	5,037,325
9/30/2041	3,825,000	1,212,578	-	5,037,578
9/30/2042	3,990,000	1,048,900	-	5,038,900
9/30/2043	4,160,000	875,713	-	5,035,713
9/30/2044	4,340,000	695,088	-	5,035,088
9/30/2045	4,530,000	506,600	-	5,036,600
9/30/2046	4,725,000	309,931	-	5,034,931
9/30/2047	4,930,000	104,763	-	5,034,763
<b>TOTAL</b>	<b>81,358,500</b>	<b>47,438,073</b>	<b>207,484</b>	<b>129,004,056</b>



*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.

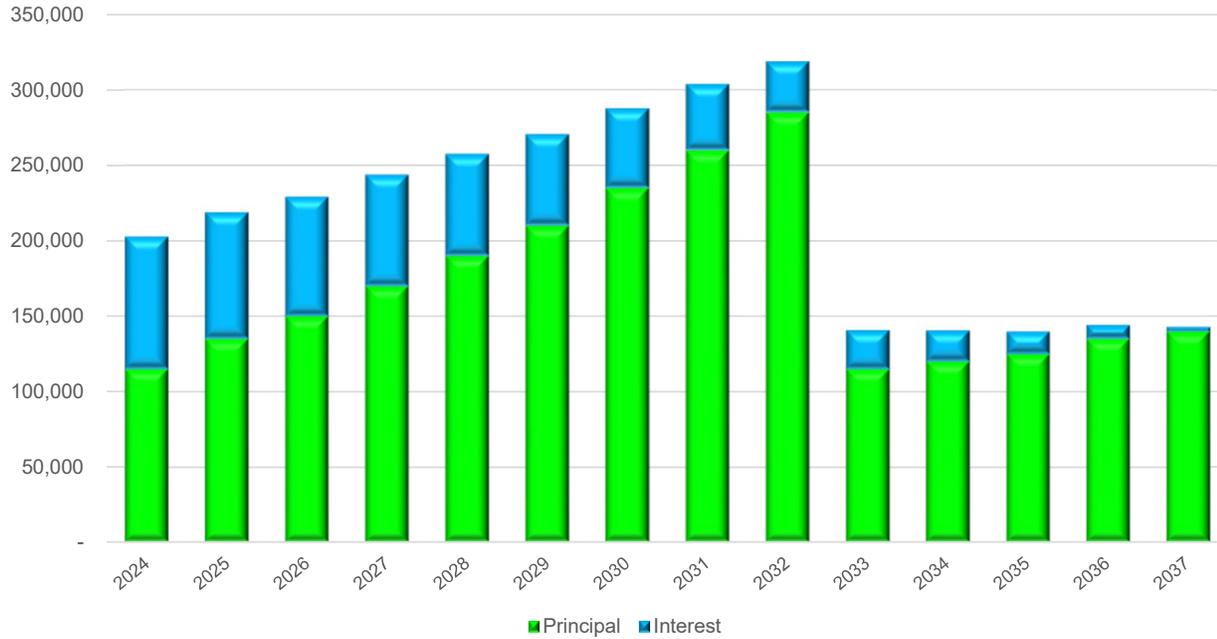
Series 2012B was for public park and open space improvements including recreational facilities, parking facilities and related infrastructure in order to promote and encourage employment and public welfare and to promote and develop new and expanded business enterprises.

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
9/30/2024	115,000	88,006	203,006	
9/30/2025	135,000	83,978	218,978	7.87%
9/30/2026	150,000	79,257	229,257	4.69%
9/30/2027	170,000	73,845	243,845	6.36%
9/30/2028	190,000	67,663	257,663	5.67%
9/30/2029	210,000	60,713	270,713	5.06%
9/30/2030	235,000	52,812	287,812	6.32%
9/30/2031	260,000	43,843	303,843	5.57%
9/30/2032	285,000	33,842	318,842	4.94%
9/30/2033	115,000	25,988	140,988	-55.78%
9/30/2034	120,000	20,700	140,700	-0.20%
9/30/2035	125,000	15,188	140,188	-0.36%
9/30/2036	135,000	9,338	144,338	2.96%
9/30/2037	140,000	3,150	143,150	-0.82%
<b>TOTAL</b>	<b>2,385,000</b>	<b>658,320</b>	<b>3,043,320</b>	





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**CAPITAL  
IMPROVEMENT  
PROGRAM**

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THE CITY OF  
**Anna**

**CITY OF ANNA**  
**CAPITAL IMPROVEMENTS PROGRAM**

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

The CIP should include:

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

The CIP does not typically include:

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

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

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

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

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

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

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

THE CITY OF  
**Anna**

**CITY OF ANNA**  
**CAPITAL IMPROVEMENTS PROGRAM OPERATING IMPACTS**

Project Name / Group	Impacts on Operating Budget
Fire Station #2	◆ Planning for the expansion of the Fire Department is included in the FY2024 operating budget; six firefighter positions are being added on October 1st with three additional positions being added in the spring when the station opens. Estimated cost for new personnel in FY2024 is \$640,000. \$200,000 will be added in FY2025 to full-year fund the three positions added in the spring of 2024.
Community Library	◆ Anna's first community library is under construction and expected to open in the winter of 2025. Staffing cost are currently estimated in the five-year financial forecast at \$400,000 in FY2025. Recreation staff will also be relocated to the Library to assist with programming in the community meeting and maker space.
Community Recreation Center	◆ The parks advisory board is currently working with city staff and a third party consultant to develop a project scope. The project is planned to be built in phases to ensure the ability to fund maintenance and operations costs in the current revenue restricted environment.
Slayter Creek Park Improvements	◆ Improvements to the Splash Pad are resulting in increased chemical expenses of \$50,000. As improvements to lighting are made, electricity costs will increase as the park has longer hours of activation. Projected costs are \$50,000 per year.
Downtown Infrastructure Rehab	◆ Streets will be converted to concrete and include pedestrian improvements, activating downtown and generating additional sales tax revenue. Improvements to the water and sewer system will address sewer infiltration problems and reduce sewer treatment costs while improving firefighting capabilities.
Roadway Expansion Projects	◆ Expansion projects are funded from impact fees to continue with the City Council direction that growth pay for growth. Roadway impact fees are currently estimated at \$1,900,000 per year. As these roads are new construction, minimal maintenance is expected for the next five years.
Collin Pump Station Improvements	◆ This project is funded from impact fees to continue with the City Council direction that growth pay for growth. Water impact fees are currently estimated at \$2,500,000 per year. Increasing capacity to produce and store water from wells will prevent incurring additional water supply charges under the "take or pay system" from our third party 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.
Wastewater Treatment Plant	◆ 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. Building a wastewater treatment plant in a high growth area allows for the potential to become a regional treatment provider to other small communities in the area, earning revenue to pay for the additional operating costs.

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

	Actual 2021-22	Re-estimate 2022-23	Budget 2023-24
BEGINNING BALANCE	\$ 46,361,131	\$ 46,911,572	\$ 137,805,515
REVENUES			
Bond Proceeds	\$ -	\$ 99,000,000	\$ 15,440,000
Interest Revenue	239,023	3,970,000	3,390,000
PID Assessment	-	-	784,800
SLFRF Grant	1,844,454	1,858,000	-
Road Improvement Fees	3,153,293	1,953,000	1,900,000
Water Improvement Fees	5,530,937	2,787,000	2,500,000
Wastewater Improvement Fees	4,352,356	2,040,000	13,310,000
Miscellaneous Revenue	26,350	-	-
Transfers In	13,607,093	3,150,000	3,275,000
<b>TOTAL</b>	<b>\$ 28,753,506</b>	<b>\$ 114,758,000</b>	<b>\$ 40,599,800</b>
FUNDS			
Capital Bond Fund	\$ 7,337,148	\$ 7,277,000	\$ 30,141,905
Infrastructure Investment Fund	4,946,246	2,465,400	3,328,558
PID Fees	-	-	4,660,000
Grant Fund	-	330,000	3,372,454
Road Impact Fees	-	1,617,000	4,257,000
Utility Bond Fund	-	2,620,000	34,380,000
Utility Infrastructure Investment Fund	3,544,718	12,927,000	1,291,798
Water Impact Fee Fund	664,932	1,428,000	11,877,000
Wastewater Impact Fee Fund	890,539	611,000	14,631,848
<b>TOTAL</b>	<b>\$ 17,383,583</b>	<b>\$ 29,275,400</b>	<b>\$ 107,940,563</b>
ENDING FUND BALANCE	<b>\$ 57,731,054</b>	<b>\$ 132,394,172</b>	<b>\$ 70,464,752</b>

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

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	Budget 2024-25	Budget 2025-26	Budget 2026-27
\$	66,290,459	\$ 32,902,548	\$ 27,543,459
\$	-	\$ -	\$ -
	515,000	515,000	475,000
	-	-	-
	-	-	-
	1,150,000	1,150,000	1,150,000
	8,000,000	2,500,000	2,500,000
	3,800,000	2,000,000	2,000,000
	-	-	-
	100,000	100,000	100,000
\$	13,565,000	\$ 6,265,000	\$ 6,225,000
\$	6,054,000	\$ 11,422,000	\$ -
	-	-	-
	-	-	-
	-	-	-
	1,140,000	1,000,000	3,000,000
	28,000,000	-	-
	100,000	100,000	100,000
	8,500,000	-	-
	3,900,000	-	-
\$	47,694,000	\$ 12,522,000	\$ 3,100,000
\$	32,161,459	\$ 26,645,548	\$ 30,668,459

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

	Actual 2021-22	Re-estimate 2022-23	Budget 2023-24	Budget 2024-25
BEGINNING BALANCE	\$ 13,857,492	\$ 6,530,718	\$ 34,353,718	\$ 20,651,813
REVENUES				
Bond Proceeds	\$ -	\$ 34,000,000	\$ 15,440,000	\$ -
Interest Revenue	10,375	1,100,000	1,000,000	60,000
TOTAL	\$ 10,375	\$ 35,100,000	\$ 16,440,000	\$ 60,000
PROJECTS				
<i>Facilities</i>				
City Hall Municipal Complex	\$ 5,245,055	\$ 280,000	\$ -	\$ -
Fire Station #2	11,645	2,226,000	4,102,355	-
Community Library	322,450	781,000	20,896,550	-
Community Recreation Center	-	50,000	988,000	4,220,000
<i>Parks</i>				
Slayter Creek Skate Park	74,125	1,026,000	592,000	-
Slayter Creek Park - Fitness Court	-	163,000	-	-
Slayter Creek Park - Splash Pad	-	2,504,000	-	-
Slayter Creek Park - Sports Court	-	90,000	1,838,000	-
Slayter Creek Park - Practice Field Lighting	-	-	700,000	-
Slayter Creek Park - Parking	-	126,000	524,000	-
Slayter Creek Park - Restroom	-	-	200,000	-
Trails - Pecan Grove Trail	-	-	101,000	1,284,000
Bryant Park Improvements	-	-	200,000	550,000
<i>Equipment</i>				
Ladder Truck (Quint / Aerial)	1,619,969	31,000	-	-
<i>Roadway</i>				
Rosamond Parkway	63,904	-	-	-
TOTAL PROJECTS	\$ 7,337,148	\$ 7,277,000	\$ 30,141,905	\$ 6,054,000
ENDING FUND BALANCE	\$ 6,530,718	\$ 34,353,718	\$ 20,651,813	\$ 14,657,813

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

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	Budget 2025-26	Budget 2026-27	Project Total
\$	14,657,813	\$ 3,295,813	
\$	-	\$ -	
	60,000	20,000	
\$	60,000	\$ 20,000	
\$	-	\$ -	\$ 31,386,002
	-	-	6,340,000
	-	-	22,000,000
11,422,000		-	16,680,000
	-	-	1,692,125
	-	-	163,000
	-	-	2,504,000
	-	-	1,928,000
	-	-	700,000
	-	-	650,000
	-	-	200,000
	-	-	1,385,000
	-	-	750,000
	-	-	1,654,187
	-	-	63,904
\$	11,422,000	\$ -	
\$	3,295,813	\$ 3,315,813	

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

	Actual 2021-22	Re-estimate 2022-23	Budget 2023-24	Budget 2024-25
BEGINNING BALANCE	\$ 5,578,908	\$ 944,473	\$ 1,019,073	\$ 30,515
REVENUES				
Transfers In	\$ 292,407	\$ 2,500,000	\$ 2,300,000	\$ -
Interest Revenue	19,404	40,000	40,000	20,000
TOTAL	\$ 311,811	\$ 2,540,000	\$ 2,340,000	\$ 20,000
PROJECTS				
<i>Facilities</i>				
City Hall Municipal Complex	\$ 1,039,253	\$ 532,000	\$ -	\$ -
Municipal Complex Plaza	-	74,000	226,000	-
Central Station Ventilation Grills	-	-	120,000	-
<i>Roadways</i>				
Downtown Infrastructure Improvements	13,546	257,000	1,998,000	-
Street Maintenance Sales Tax Projects	701,363	282,000	-	-
Hackberry Drive	39,721	596,000	511,558	-
Ferguson Parkway	35,418	523,000	-	-
Rosamond Parkway	-	104,000	-	-
Foster Crossing	616,662	2,400	-	-
Taylor Boulevard	195,086	-	-	-
Easements	200,000	-	-	-
US 75 Relocation Collin Co. Reimbursement	1,435,645	-	-	-
<i>Equipment</i>				
EMS Transport Ambulance #3	-	95,000	405,000	-
Enterprise Resource Planning Software	45,195	-	68,000	-
EMS Transport Ambulance #2	265,351	-	-	-
Three Single Trailer Mount Generators	359,006	-	-	-
TOTAL PROJECTS	\$ 4,946,246	\$ 2,465,400	\$ 3,328,558	\$ -
ENDING FUND BALANCE	\$ 944,473	\$ 1,019,073	\$ 30,515	\$ 50,515

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

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	Budget 2025-26	Budget 2026-27	Project Total
\$	50,515	\$ 70,515	
\$	-	\$ -	
	20,000	20,000	
\$	20,000	\$ 20,000	
\$	-	\$ -	1,860,492
	-	-	300,000
	-	-	120,000
	-	-	2,268,546
	-	-	983,363
	-	-	1,147,279
	-	-	558,418
	-	-	104,000
	-	-	619,062
	-	-	195,086
	-	-	200,000
	-	-	1,435,645
	-	-	500,000
	-	-	227,553
	-	-	400,000
	-	-	359,006
\$	-	\$ -	
\$	70,515	\$ 90,515	

**CITY OF ANNA  
CAPITAL IMPROVEMENTS PROGRAM  
GRANT FUND**

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	Actual 2021-22	Re-estimate 2022-23	Budget 2023-24	Budget 2024-25
BEGINNING BALANCE	\$ -	\$ 1,844,454	\$ 3,372,454	\$ -
REVENUES				
Coronavirus State & Local Recovery	\$ 1,844,454	\$ 1,858,000	\$ -	\$ -
Interest Revenue	-	-	-	-
TOTAL	\$ 1,844,454	\$ 1,858,000	\$ -	\$ -
PROJECTS				
Downtown Infrastructure Improvements	\$ -	\$ 330,000	\$ 3,372,454	\$ -
TOTAL PROJECTS	\$ -	\$ 330,000	\$ 3,372,454	\$ -
ENDING FUND BALANCE	\$ 1,844,454	\$ 3,372,454	\$ -	\$ -

**CITY OF ANNA  
CAPITAL IMPROVEMENTS PROGRAM  
GRANT FUND**

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	Budget 2025-26	Budget 2026-27	Project Total
\$	-	\$ -	
\$	-	\$ -	
\$	-	\$ -	
\$	-	\$ -	
\$	-	\$ -	3,702,454
\$	-	\$ -	
\$	-	\$ -	

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

	Actual 2021-22	Re-estimate 2022-23	Budget 2023-24	Budget 2024-25
BEGINNING BALANCE	\$ 961,132	\$ 3,353,936	\$ 3,681,936	\$ 3,609,936
Road Improvement Fees	\$ 2,457,453	\$ 1,860,000	\$ 1,800,000	\$ 1,000,000
Interest Revenue	16,865	85,000	85,000	15,000
<b>TOTAL REVENUE</b>	<b>\$ 2,474,318</b>	<b>\$ 1,945,000</b>	<b>\$ 1,885,000</b>	<b>\$ 1,015,000</b>
<b>TOTAL AVAILABLE RESOURCES</b>	<b>\$ 3,435,450</b>	<b>\$ 5,298,936</b>	<b>\$ 5,566,936</b>	<b>\$ 4,624,936</b>
<b>PROJECTS</b>				
Ferguson Parkway	\$ -	\$ -	\$ 723,000	\$ 1,140,000
Finley Boulevard	-	32,000	-	-
Leonard Avenue	-	335,000	-	-
Hackberry Drive	-	-	1,234,000	-
Developer Incentive Payment	-	1,250,000	-	-
Transfers Out	81,514	-	-	-
<b>TOTAL PROJECTS</b>	<b>\$ 81,514</b>	<b>\$ 1,617,000</b>	<b>\$ 1,957,000</b>	<b>\$ 1,140,000</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 3,353,936</b>	<b>\$ 3,681,936</b>	<b>\$ 3,609,936</b>	<b>\$ 3,484,936</b>

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

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Budget 2025-26	Budget 2026-27	Project Total
\$ 3,484,936	\$ 3,499,936	
\$ 1,000,000	\$ 1,000,000	
15,000	15,000	
\$ 1,015,000	\$ 1,015,000	
\$ 4,499,936	\$ 4,514,936	
\$ 1,000,000	\$ 3,000,000	\$ 5,863,000
-	-	32,000
-	-	335,000
-	-	1,234,000
-	-	1,250,000
-	-	81,514
\$ 1,000,000	\$ 3,000,000	
\$ 3,499,936	\$ 1,514,936	

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

	Actual 2021-22	Re-estimate 2022-23	Budget 2023-24	Budget 2024-25
BEGINNING BALANCE	\$ 1,299,439	\$ 1,995,328	\$ 2,148,328	\$ 13,328
Road Improvement Fees	\$ 695,840	\$ 93,000	\$ 100,000	\$ 150,000
Interest Revenue	10,942	60,000	65,000	20,000
<b>TOTAL REVENUE</b>	<b>\$ 706,782</b>	<b>\$ 153,000</b>	<b>\$ 165,000</b>	<b>\$ 170,000</b>
<b>TOTAL AVAILABLE RESOURCES</b>	<b>\$ 2,006,221</b>	<b>\$ 2,148,328</b>	<b>\$ 2,313,328</b>	<b>\$ 183,328</b>
PROJECTS				
Leonard Avenue	\$ -	\$ -	\$ 1,310,000	\$ -
Finley Boulevard	-	-	990,000	-
Transfers Out	10,893	-	-	-
<b>TOTAL PROJECTS</b>	<b>\$ 10,893</b>	<b>\$ -</b>	<b>\$ 2,300,000</b>	<b>\$ -</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 1,995,328</b>	<b>\$ 2,148,328</b>	<b>\$ 13,328</b>	<b>\$ 183,328</b>

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

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Budget 2025-26	Budget 2026-27	Project Total
\$ 183,328	\$ 353,328	
\$ 150,000	\$ 150,000	
20,000	20,000	
\$ 170,000	\$ 170,000	
\$ 353,328	\$ 523,328	
\$ -	\$ -	1,310,000
-	-	990,000
-	-	
\$ -	\$ -	
\$ 353,328	\$ 523,328	

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

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	Actual 2021-22	Re-estimate 2022-23	Budget 2023-24	Budget 2024-25
BEGINNING BALANCE	\$ -	\$ -	\$ 3,875,200	\$ -
REVENUES				
PID Fees	\$ -	\$ -	\$ 784,800	\$ -
Interest Revenue	-	-	-	-
TOTAL	\$ -	\$ -	\$ 784,800	\$ -
PROJECTS				
Fire Station #2	\$ -	\$ -	\$ 4,660,000	\$ -
TOTAL PROJECTS	\$ -	\$ -	\$ 4,660,000	\$ -
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ -

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

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	Budget 2025-26	Budget 2026-27	Project Total
\$	-	\$ -	
\$	-	\$ -	
\$	-	\$ -	
\$	-	\$ -	
\$	-	\$ -	4,660,000
\$	-	\$ -	
\$	-	\$ -	

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

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	Actual 2021-22	Re-estimate 2022-23	Budget 2023-24	Budget 2024-25
BEGINNING BALANCE	\$ -	\$ -	\$ 64,355,000	\$ 31,575,000
REVENUES				
Bond Proceeds	\$ -	\$ 65,000,000	\$ -	\$ -
Interest Revenue	-	1,975,000	1,600,000	-
TOTAL	\$ -	\$ 66,975,000	\$ 1,600,000	\$ -
PROJECTS				
Hurricane Creek Wastewater Treatment Plant	\$ -	\$ 2,620,000	\$ 34,380,000	\$ 28,000,000
TOTAL PROJECTS	\$ -	\$ 2,620,000	\$ 34,380,000	\$ 28,000,000
ENDING FUND BALANCE	\$ -	\$ 64,355,000	\$ 31,575,000	\$ 3,575,000

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

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	Budget 2025-26	Budget 2026-27	Project Total
\$	3,575,000	\$ 3,575,000	
\$	-	\$ -	
\$	-	\$ -	
\$	-	\$ -	
\$	-	\$ -	\$ 65,000,000
\$	-	\$ -	
\$	3,575,000	\$ 3,575,000	

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

	Actual 2021-22	Re-estimate 2022-23	Budget 2023-24	Budget 2024-25
BEGINNING BALANCE	\$ 8,715,747	\$ 18,592,350	\$ 9,060,487	\$ 9,043,689
REVENUES				
Transfer In	\$ 13,314,686	\$ 650,000	\$ 975,000	\$ 100,000
Interest Revenue	80,286	320,000	300,000	100,000
Miscellaneous Revenue	26,350	-	-	-
TOTAL	\$ 13,421,322	\$ 970,000	\$ 1,275,000	\$ 200,000
PROJECTS				
Geren Treatment Plant Rehabilitation	\$ 78,202	\$ -	\$ 291,798	\$ -
Risk & Resilience Infrastructure Improvements	-	-	200,000	100,000
SCADA Hardware and Programming	-	-	500,000	-
Sherley Water Tower Lighting	-	-	300,000	-
Sherley Storage Tank Rehabilitation	179,250	-	-	-
US 75 Utility Relocations	37,533	38,000	-	-
State Hwy 5 Utility Relocation	130,010	491,000	-	-
Hurricane Creek Temporary Treatment	146,547	4,000	-	-
Hurricane Creek Line B Sanitary Sewer	162,887	4,810,000	-	-
Hurricane Creek Wastewater Treatment Plant	2,163,906	4,345,000	-	-
Hurricane Creek Sewer Interceptor Line North	-	23,000	-	-
Throckmorton Creek Trunk Sewer Expansion	93,382	-	-	-
Collin Pump Station - Pumps and Wells	539,275	2,690,000	-	-
Collin Pump Station - Ground Storage	-	462,000	-	-
Project Designs	13,726	64,000	-	-
TOTAL PROJECTS	\$ 3,544,718	\$ 12,927,000	\$ 1,291,798	\$ 100,000
ENDING FUND BALANCE	\$ 18,592,350	\$ 6,635,350	\$ 9,043,689	\$ 9,143,689

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

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	Budget 2025-26	Budget 2026-27	Project Total
\$	9,143,689	\$ 9,243,689	
\$	100,000	\$ 100,000	
	100,000	100,000	
	-	-	
\$	200,000	\$ 200,000	
\$	-	\$	370,000
	100,000	100,000	500,000
	-	-	500,000
	-	-	300,000
	-	-	179,250
	-	-	75,533
	-	-	621,010
	-	-	150,547
	-	-	4,972,887
	-	-	6,508,906
	-	-	23,000
	-	-	93,382
	-	-	3,229,275
	-	-	462,000
	-	-	77,726
\$	100,000	\$ 100,000	
\$	9,243,689	\$ 9,343,689	

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

	Actual 2021-22	Re-estimate 2022-23	Budget 2023-24	Budget 2024-25
BEGINNING BALANCE	\$ 6,672,199	\$ 8,330,099	\$ 9,959,099	\$ 782,099
Water Improvement Fees	\$ 5,530,937	\$ 2,787,000	\$ 2,500,000	\$ 8,000,000
Interest Revenue	52,957	270,000	200,000	200,000
TOTAL REVENUE	\$ 5,583,894	\$ 3,057,000	\$ 2,700,000	\$ 8,200,000
TOTAL AVAILABLE RESOURCES	\$ 12,256,093	\$ 11,387,099	\$ 12,659,099	\$ 8,982,099
PROJECTS				
US 75 Utility Relocations	\$ -	\$ 1,428,000	\$ 162,000	\$ -
Collin Pump Station - Pumps and Wells	-	-	2,200,000	-
FM455 Water Line	-	-	800,000	3,000,000
Collin Pump Station - Ground Storage	-	-	6,000,000	5,000,000
SH 5 Utility Relocation - Project A	-	-	2,000,000	-
SH 5 Utility Relocation - Project B	-	-	550,000	500,000
Sherley Elementary Utilities	664,932	-	-	-
Hackberry Drive Utilities	-	-	165,000	-
Developer Incentive Payment	-	-	-	-
Transfers Out	3,261,063	-	-	-
TOTAL PROJECTS	\$ 3,925,995	\$ 1,428,000	\$ 11,877,000	\$ 8,500,000
ENDING FUND BALANCE	\$ 8,330,099	\$ 9,959,099	\$ 782,099	\$ 482,099

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

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Budget 2025-26	Budget 2026-27	Project Total
\$ 482,099	\$ 3,182,099	
\$ 2,500,000	\$ 2,500,000	
200,000	200,000	
\$ 2,700,000	\$ 2,700,000	
\$ 3,182,099	\$ 5,882,099	
\$ -	\$ -	\$ 1,590,000
-	-	2,200,000
-	-	3,800,000
-	-	11,000,000
-	-	2,000,000
-	-	1,050,000
-	-	664,932
-	-	165,000
-	-	-
-	-	3,261,063
\$ -	\$ -	
\$ 3,182,099	\$ 5,882,099	

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

	Actual 2021-22	Re-estimate 2022-23	Budget 2023-24	Budget 2024-25
BEGINNING BALANCE	\$ 6,561,742	\$ 18,130	\$ 1,567,130	\$ 345,282
Wastewater Improvement Fees	\$ 4,352,356	\$ 2,040,000	\$ 13,310,000	\$ 3,800,000
Interest Revenue	48,194	120,000	100,000	100,000
TOTAL REVENUE	\$ 4,400,550	\$ 2,160,000	\$ 13,410,000	\$ 3,900,000
TOTAL AVAILABLE RESOURCES	\$ 10,962,292	\$ 2,178,130	\$ 14,977,130	\$ 4,245,282
PROJECTS				
Hurricane Creek Sewer Interceptor Line North	\$ -	\$ 600,000	\$ 8,250,000	\$ 3,700,000
Hurricane Creek Sewer Line B	-	-	5,136,848	-
SH 5 Utility Relocation - Project A	-	-	995,000	-
SH 5 Utility Relocation - Project B	-	-	250,000	200,000
Sherley Elementary Utilities	664,932	-	-	-
Developer Incentive Payment	-	11,000	-	-
Engineering	225,607	-	-	-
Transfers Out	10,053,622	-	-	-
TOTAL PROJECTS	\$ 10,944,161	\$ 611,000	\$ 14,631,848	\$ 3,900,000
ENDING FUND BALANCE	\$ 18,130	\$ 1,567,130	\$ 345,282	\$ 345,282

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

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Budget 2025-26	Budget 2026-27	Project Total
\$ 345,282	\$ 2,445,282	
\$ 2,000,000	\$ 2,000,000	
100,000	100,000	
<u>\$ 2,100,000</u>	<u>\$ 2,100,000</u>	
<u>\$ 2,445,282</u>	<u>\$ 4,545,282</u>	
\$ -	\$ -	\$ 12,550,000
-	-	5,136,848
-	-	995,000
-	-	450,000
-	-	664,932
-	-	11,000
-	-	225,607
-	-	10,053,622
<u>\$ -</u>	<u>\$ -</u>	
<u>\$ 2,445,282</u>	<u>\$ 4,545,282</u>	

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

	Actual 2021-22	Re-estimate 2022-23	Budget 2023-24	Budget 2024-25
BEGINNING BALANCE	\$ 2,714,472	\$ 5,302,084	\$ 4,413,090	\$ 238,797
REVENUES				
Park Development Fees	\$ 3,473,645	\$ 1,114,500	\$ 1,300,000	\$ 1,300,000
Interest Revenue	24,535	120,000	155,000	100,000
Other Revenues	1,094	67,000	75,000	65,000
TOTAL	\$ 3,499,274	\$ 1,301,500	\$ 1,530,000	\$ 1,465,000
OPERATIONS				
Recreation	\$ 593,015	\$ 714,794	\$ 400,893	\$ 408,911
Park Operations	53,499	-	-	-
Capital Equipment	70,015	95,000	83,000	150,000
PROJECTS				
Municipal Complex Plaza	-	-	1,500,000	-
Slayter Creek Skate Park	-	4,100	295,900	-
Slayter Creek Park - Sports Court	-	-	363,500	-
Slayter Creek Park - Plaza, Lighting, Electrical	-	47,000	887,500	-
Slayter Creek Park - Irrigation	-	-	500,000	-
Slayter Creek Park - Parking	-	42,000	-	-
Slayter Creek Park - Restroom	-	50,000	-	-
Slayter Creek Park Splash Pad	-	73,600	-	-
Natural Springs Park - Parking and Other	-	71,000	385,000	-
Natural Springs Park - Dog Park Irrigation	-	-	175,000	-
Natural Springs Park - Playground	-	-	400,000	-
Bryant Park	113,857	60,000	5,000	-
Sherley Heritage Park Train & Improvements	200	456,000	203,000	-
Yank Park	-	84,000	405,500	-
Anna Crossing Park	-	-	100,000	165,000
Johnson Park Improvements	7,242	325,000	-	-
Trails - Pecan Grove Trail	-	57,000	-	-
Land Acquisition and Amenities	73,834	111,000	-	-
TOTAL PROJECTS	\$ 911,662	\$ 2,190,494	\$ 5,704,293	\$ 723,911
ENDING FUND BALANCE	\$ 5,302,084	\$ 4,413,090	\$ 238,797	\$ 979,886

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

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	Budget 2025-26	Budget 2026-27	Project Total
\$	979,886	\$ 1,877,797	
\$	1,300,000	\$ 1,300,000	
	100,000	100,000	
	65,000	65,000	
\$	<u>1,465,000</u>	<u>\$ 1,465,000</u>	
\$	417,089	\$ 425,431	
	-	-	
	150,000	150,000	
	-	-	1,500,000
	-	-	300,000
	-	-	363,500
	-	-	934,500
	-	-	500,000
	-	-	42,000
	-	-	50,000
	-	-	73,600
	-	-	456,000
	-	-	175,000
	-	-	400,000
	-	-	178,857
	-	-	659,200
	-	-	489,500
	-	-	265,000
	-	-	332,242
	-	-	57,000
	-	-	184,834
\$	<u>567,089</u>	<u>\$ 575,431</u>	
\$	<u>1,877,797</u>	<u>\$ 2,767,366</u>	

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

<b>PROJECT NAME: FIRE STATION #2</b>					
<b>Description:</b> Fire Station #2 will be constructed on the Villages of Hurricane Creek site on the west side of US 75 (Creek Meadows Drive and Standridge). The station will house dual companies with six bays for primary and reserve apparatus.					
<b>Justification:</b> Needed for improved response times for fire and ambulance service along US 75 and the western side of Anna.					
<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total
Bond Funds	\$ 11,645	\$ 2,226,000	\$ 4,102,355		\$ 6,340,000
PID Fees	-	-	4,660,000		4,660,000
<b>Total</b>	<b>\$ 11,645</b>	<b>\$ 2,226,000</b>	<b>\$ 8,762,355</b>	<b>\$ -</b>	<b>\$ 11,000,000</b>
<b>Expenditures</b>					
<i>Design</i>	\$ 11,645	\$ 2,182,000	\$ 402,355	\$ -	\$ 2,596,000
<i>Construction</i>	-	40,000	8,360,000	-	8,400,000
<i>Equipment</i>	-	-	-	-	-
<i>Right of Way</i>	-	4,000	-	-	4,000
<b>Total</b>	<b>\$ 11,645</b>	<b>\$ 2,226,000</b>	<b>\$ 8,762,355</b>	<b>\$ -</b>	<b>\$ 11,000,000</b>

<b>PROJECT NAME: COMMUNITY LIBRARY</b>					
<b>Description:</b> In May 2021, voters approved \$22 million dollars in funding for the development of a public library / community center. The facility is being designed with public input, implementing complementary objectives of the Parks and Recreation Master Plan. The facility will be located on the northeast corner of the municipal complex campus.					
<b>Justification:</b> This project was identified by the community through various public outreach efforts and through the City of Anna 2050 Comprehensive Plan process. Voters overwhelmingly approved the funding in May of 2021.					
<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total
Bond Funds	\$ 322,450	\$ 781,000	\$ 20,896,550	\$ -	\$ 22,000,000
<b>Expenditures</b>					
<i>Design</i>	\$ 322,450	\$ 781,000	\$ 1,596,550	\$ -	\$ 2,700,000
<i>Construction</i>	-	-	19,300,000	-	19,300,000
<i>Equipment</i>	-	-	-	-	-
<i>Right of Way</i>	-	-	-	-	-
<b>Total</b>	<b>\$ 322,450</b>	<b>\$ 781,000</b>	<b>\$ 20,896,550</b>	<b>\$ -</b>	<b>\$ 22,000,000</b>

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

<b>PROJECT NAME: COMMUNITY RECREATION CENTER</b>					
<b>Description:</b> Project includes funding for the planning and design of a community recreation center as identified in the Parks and Recreation Master Plan. Research, public input and a task force developed a project charter, which will be used to design the facility.					
<b>Justification:</b> Anna 2050 Parks Master Plan, Actions 22 - 27. Facilities Strategies					
<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total
Bond Funds	\$ -	\$ 50,000	\$ 988,000	\$ 4,220,000	\$ 16,680,000
<b>Expenditures</b>					
<i>Design</i>	\$ -	\$ 50,000	\$ 988,000	\$ -	\$ 1,038,000
<i>Construction</i>	-	-	-	4,220,000	14,142,000
<i>Equipment</i>	-	-	-	-	1,500,000
<i>Right of Way</i>	-	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 50,000</b>	<b>\$ 988,000</b>	<b>\$ 4,220,000</b>	<b>\$ 16,680,000</b>

<b>PROJECT NAME: MUNICIPAL COMPLEX PLAZA</b>					
<b>Description:</b> The plaza on the Anna Municipal Complex property is a key component of the overall development of the site. It will tie in all three buildings, including the existing Central Fire Station, Municipal Building, and the future Library. In addition, this area will be a public event space.					
<b>Justification:</b> Anna 2050 Downtown Master Plan: Action 9.13 Programming Space; Action 9.21 Parks and Plazas; Action 9.3 Municipal Complex Connectivity					
<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total
Infrastructure Fund	\$ -	\$ 74,000	\$ 226,000	\$ -	\$ 300,000
EDC / CDC	-	-	2,000,000	-	2,000,000
Park Development	-	-	1,500,000	-	1,500,000
<b>Total</b>	<b>\$ -</b>	<b>\$ 74,000</b>	<b>\$ 3,726,000</b>	<b>\$ -</b>	<b>\$ 3,800,000</b>
<b>Expenditures</b>					
<i>Design</i>	\$ -	\$ 74,000	\$ 226,000	\$ -	\$ 300,000
<i>Construction</i>	-	-	3,500,000	-	3,500,000
<i>Equipment</i>	-	-	-	-	-
<i>Right of Way</i>	-	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 74,000</b>	<b>\$ 3,726,000</b>	<b>\$ -</b>	<b>\$ 3,800,000</b>

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

<b>PROJECT NAME: CENTRAL STATION VENTILATION GRILLS</b>						
<b>Description:</b> The current air quality is likely substandard in the apparatus bay area. This is due to the value engineering process which excluded necessary data and the effects of eliminating the grills as originally designed.						
<b>Justification:</b> Proper air quality for firefighter personnel. According to the National Fire Protection Association (NFPA), diesel particulate matter is the number one cause of preventable firefighter cancer. It is suspected that the current exhaust system is inadequate and does not maintain proper air quality in the apparatus bay area.						
<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total	
Infrastructure Fund	\$ -	\$ -	\$ 120,000	\$ -	\$ 120,000	
<b>Expenditures</b>						
<i>Design</i>	\$ -	\$ -	-	\$ -	\$ -	
<i>Construction</i>	-	-	-	-	-	
<i>Equipment</i>	-	-	120,000	-	120,000	
<i>Right of Way</i>	-	-	-	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 120,000</b>	<b>\$ -</b>	<b>\$ 120,000</b>	

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

**PROJECT NAME: SLAYTER CREEK SKATE PARK**

**Description:** Design and construction of a skate park at Slayter Creek Park. The facility will cover approximately 18,000 square feet and will be lighted. The skate park ranked highest of amenities requested in the Parks and Recreation Master Plan.

**Justification:** Anna 2050 Parks Master Plan, Actions 22 - 27. Facilities Strategies

<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total
Bond Funds	\$ 74,125	\$ 1,026,000	\$ 592,000	\$ -	\$ 1,692,125
Park Development	-	4,100	295,900	-	300,000
<b>Total</b>	<b>\$ 74,125</b>	<b>\$ 1,030,100</b>	<b>\$ 887,900</b>	<b>\$ -</b>	<b>\$ 1,992,125</b>

**Expenditures**

<i>Design</i>	\$ 74,125	\$ 143,000	\$ -	\$ -	\$ 217,125
<i>Construction</i>	-	887,100	887,900	-	1,775,000
<i>Equipment</i>	-	-	-	-	-
<i>Right of Way</i>	-	-	-	-	-
<b>Total</b>	<b>\$ 74,125</b>	<b>\$ 1,030,100</b>	<b>\$ 887,900</b>	<b>\$ -</b>	<b>\$ 1,992,125</b>

**PROJECT NAME: SLAYTER CREEK PARK SPORTS COURT**

**Description:** Slayter Creek Park, named after one of the original families to settle in Anna, is a large park with many amenities for neighbors. The addition of pickleball courts and two basketball courts is planned.

**Justification:** Anna 2050 Parks Master Plan

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

<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total
Bond Funds	\$ -	\$ 90,000	\$ 1,838,000	\$ -	\$ 1,928,000
Park Development	-	-	363,500	-	363,500
<b>Total</b>	<b>\$ -</b>	<b>\$ 90,000</b>	<b>\$ 2,201,500</b>	<b>\$ -</b>	<b>\$ 2,291,500</b>

**Expenditures**

<i>Design</i>	\$ -	\$ 32,000	\$ 75,000	\$ -	\$ 107,000
<i>Construction</i>	-	58,000	2,126,500	-	2,184,500
<i>Equipment</i>	-	-	-	-	-
<i>Right of Way</i>	-	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 90,000</b>	<b>\$ 2,201,500</b>	<b>\$ -</b>	<b>\$ 2,291,500</b>

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

<b>PROJECT NAME: SLAYTER CREEK PARK PRACTICE FIELD LIGHTING</b>						
<b>Description:</b> Slayter Creek Park, named after one of the original families to settle in Anna, is a large park with many amenities for neighbors. Lighting of the practice field is planned. New features will allow for more experiences for a wider age group.						
<b>Justification:</b> Anna 2050 Parks Master Plan Action 1. City Owned Properties - Expand and/or enhance City-owned park and recreation properties that have the potential to better serve the surrounding residents.						
<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total	
Bond Funds	\$ -	\$ -	\$ 700,000	\$ -	\$ 700,000	
<b>Expenditures</b>						
<i>Design</i>	\$ -	\$ -	\$ -	\$ -	\$ -	
<i>Construction</i>	-	-	700,000	-	700,000	
<i>Equipment</i>	-	-	-	-	-	
<i>Right of Way</i>	-	-	-	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 700,000</b>	<b>\$ -</b>	<b>\$ 700,000</b>	

<b>PROJECT NAME: SLAYTER CREEK PARK PARKING EXPANSION</b>						
<b>Description:</b> Slayter Creek Park, named after one of the original families to settle in Anna, is a large park with many amenities for neighbors. New features will allow for more experiences for a wider age group.						
<b>Justification:</b> Anna 2050 Parks Master Plan Action 1. City Owned Properties - Expand and/or enhance City-owned park and recreation properties that have the potential to better serve the surrounding residents.						
<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total	
Bond Funds	\$ -	\$ 126,000	\$ 524,000	\$ -	\$ 650,000	
Park Development	-	42,000	-	-	42,000	
<b>Total</b>	<b>\$ -</b>	<b>\$ 168,000</b>	<b>\$ 524,000</b>	<b>\$ -</b>	<b>\$ 692,000</b>	
<b>Expenditures</b>						
<i>Design</i>	\$ -	\$ 42,000	\$ -	\$ -	\$ 42,000	
<i>Construction</i>	-	126,000	524,000	-	650,000	
<i>Equipment</i>	-	-	-	-	-	
<i>Right of Way</i>	-	-	-	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ 168,000</b>	<b>\$ 524,000</b>	<b>\$ -</b>	<b>\$ 692,000</b>	

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

<b>PROJECT NAME: SLAYTER CREEK PARK RESTROOM</b>						
<b>Description:</b> Slayter Creek Park, named after one of the original families to settle in Anna, is a large park with many amenities for neighbors. New features will allow for more experiences for a wider age group.						
<b>Justification:</b> Anna 2050 Parks Master Plan Action 1. City Owned Properties - Expand and/or enhance City-owned park and recreation properties that have the potential to better serve the surrounding residents.						
<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total	
Bond Funds	\$ -	\$ -	\$ 200,000	\$ -	\$ 200,000	
Park Development	-	50,000	-	-	50,000	
<b>Total</b>	<b>\$ -</b>	<b>\$ 50,000</b>	<b>\$ 200,000</b>	<b>\$ -</b>	<b>\$ 250,000</b>	
<b>Expenditures</b>						
<i>Design</i>	\$ -	\$ 50,000	\$ -	\$ -	\$ 50,000	
<i>Construction</i>	-	-	200,000	-	200,000	
<i>Equipment</i>	-	-	-	-	-	
<i>Right of Way</i>	-	-	-	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ 50,000</b>	<b>\$ 200,000</b>	<b>\$ -</b>	<b>\$ 250,000</b>	

<b>PROJECT NAME: TRAILS - PECAN GROVE TRAIL</b>						
<b>Description:</b> Trails are needed to connect city parks, schools and downtown among other destination areas in the community, promoting healthy, active lifestyles for our neighbors.						
<b>Justification:</b> Anna 2050 Parks Master Plan Action 10. Trail Opportunities - Explore additional areas for trails through wooded and riparian corridor areas.						
<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total	
Bond Funds	\$ -	\$ -	\$ 101,000	\$ 1,284,000	\$ 1,385,000	
Park Development	-	57,000	-	-	57,000	
<b>Total</b>	<b>\$ -</b>	<b>\$ 57,000</b>	<b>\$ 101,000</b>	<b>\$ 1,284,000</b>	<b>\$ 1,442,000</b>	
<b>Expenditures</b>						
<i>Design</i>	\$ -	\$ 57,000	\$ 1,000	\$ 84,000	\$ 142,000	
<i>Construction</i>	-	-	-	1,200,000	1,200,000	
<i>Equipment</i>	-	-	-	-	-	
<i>Right of Way</i>	-	-	100,000	-	100,000	
<b>Total</b>	<b>\$ -</b>	<b>\$ 57,000</b>	<b>\$ 101,000</b>	<b>\$ 1,284,000</b>	<b>\$ 1,442,000</b>	

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

<b>PROJECT NAME: SLAYTER CREEK PARK PLAZA, LIGHTING AND OTHER ELECTRICAL</b>						
<b>Description:</b> Slayter Creek Park, named after one of the original families to settle in Anna, is a large park with many amenities for neighbors. New features will allow for more experiences for a wider age group.						
<b>Justification:</b> Anna 2050 Parks Master Plan Action 1. City Owned Properties - Expand and/or enhance City-owned park and recreation properties that have the potential to better serve the surrounding residents.						
<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total	
Park Development	\$ -	\$ 47,000	\$ 887,500	\$ -	\$ 934,500	
<b>Expenditures</b>						
<i>Design</i>	\$ -	\$ 30,000	\$ -	\$ -	\$ 30,000	
<i>Construction</i>	-	17,000	887,500	-	904,500	
<i>Equipment</i>	-	-	-	-	-	
<i>Right of Way</i>	-	-	-	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ 47,000</b>	<b>\$ 887,500</b>	<b>\$ -</b>	<b>\$ 934,500</b>	

<b>PROJECT NAME: SLAYTER CREEK PARK IRRIGATION</b>						
<b>Description:</b> Slayter Creek Park, named after one of the original families to settle in Anna, is a large park with many amenities for neighbors. New features will allow for more experiences for a wider age group.						
<b>Justification:</b> Anna 2050 Parks Master Plan Action 1. City Owned Properties - Expand and/or enhance City-owned park and recreation properties that have the potential to better serve the surrounding residents.						
<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total	
Park Development	\$ -	\$ -	\$ 500,000	\$ -	\$ 500,000	
<b>Expenditures</b>						
<i>Design</i>	\$ -	\$ -	\$ 50,000	\$ -	\$ 50,000	
<i>Construction</i>	-	-	450,000	-	450,000	
<i>Equipment</i>	-	-	-	-	-	
<i>Right of Way</i>	-	-	-	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 500,000</b>	<b>\$ -</b>	<b>\$ 500,000</b>	

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

**PROJECT NAME: BRYANT PARK IMPROVEMENTS**

**Description:** Bryant Park is a five acre tract located on the north side of County Road 371 just south of Bryant Elementary. Currently, the park is undeveloped but in the future will be available for outdoor athletic and recreational activities. This project includes the development of a plat, master plan and construction documents for Bryant Park. It also includes funding for construction of a restroom, parking, irrigation and possibly lights.

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

<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total
Bond Funds	\$ -	\$ -	\$ 200,000	\$ 550,000	\$ 750,000
Park Development	113,857	60,000	5,000	-	178,857
<b>Total</b>	<b>\$ 113,857</b>	<b>\$ 60,000</b>	<b>\$ 205,000</b>	<b>\$ 550,000</b>	<b>\$ 928,857</b>
<b>Expenditures</b>					
<i>Design</i>	\$ -	\$ -	\$ 200,000	\$ -	\$ 200,000
<i>Construction</i>	113,857	60,000	5,000	550,000	728,857
<i>Equipment</i>	-	-	-	-	-
<i>Right of Way</i>	-	-	-	-	-
<b>Total</b>	<b>\$ 113,857</b>	<b>\$ 60,000</b>	<b>\$ 205,000</b>	<b>\$ 550,000</b>	<b>\$ 928,857</b>

**PROJECT NAME: NATURAL SPRINGS PARK DOG PARK IRRIGATION**

**Description:** The design and installation of an irrigation system at the dog park in Natural Springs Park.

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

<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Budget Total
Park Development	\$ -	\$ -	\$ 175,000	\$ -	\$ 175,000
<b>Expenditures</b>					
<i>Design</i>	\$ -	\$ -	\$ 25,000	\$ -	\$ 25,000
<i>Construction</i>	-	-	150,000	-	150,000
<i>Equipment</i>	-	-	-	-	-
<i>Right of Way</i>	-	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 175,000</b>	<b>\$ -</b>	<b>\$ 175,000</b>

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

<b>PROJECT NAME: NATURAL SPRINGS PARK PLAYGROUND</b>						
<b>Description:</b> Project includes the design and installation of a playground in Natural Springs Park.						
<b>Justification:</b> Anna 2050 Parks Master Plan Action 1. City Owned Properties - Expand and/or enhance City-owned park and recreation properties that have the potential to better serve the surrounding residents or that could become a wellness and enjoyment destination for the community at large.						
<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total	
Park Development	\$ -	\$ -	\$ 400,000	\$ -	\$ 400,000	
<b>Expenditures</b>						
<i>Design</i>	\$ -	\$ -	\$ 20,000	\$ -	\$ 20,000	
<i>Construction</i>	-	-	380,000	-	380,000	
<i>Equipment</i>	-	-	-	-	-	
<i>Right of Way</i>	-	-	-	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 400,000</b>	<b>\$ -</b>	<b>\$ 400,000</b>	

<b>PROJECT NAME: SHERLEY HERITAGE PARK TRAIN &amp; IMPROVEMENTS</b>						
<b>Description:</b> Sherley Heritage Park is Anna's most historical park, celebrating Anna's location along the rail line. Located on the corner of Sherley Avenue and 4th Street, the park features a community built, train-themed playground and newly restored train depot and pavilion. Other amenities include a historic Mogul locomotive.						
<b>Justification:</b> Anna 2050 Downtown Master Plan Action 9.21 Parks and Plazas - Develop a strategy for designing, funding and improving Downtown parks and plazas; conduct a feasibility study for the highest priority facilities.						
<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total	
Park Development	\$ 33,227	\$ 456,000	\$ 203,000	\$ -	\$ 692,227	
<b>Expenditures</b>						
<i>Design</i>	\$ -	\$ -	\$ -	\$ -	\$ -	
<i>Construction</i>	33,227	107,000	203,000	-	343,227	
<i>Equipment</i>	-	349,000	-	-	349,000	
<i>Right of Way</i>	-	-	-	-	-	
<b>Total</b>	<b>\$ 33,227</b>	<b>\$ 456,000</b>	<b>\$ 203,000</b>	<b>\$ -</b>	<b>\$ 692,227</b>	

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

**PROJECT NAME: YANK PARK**

**Description:** Yank Park was built by the developer of the adjacent subdivision. However, the curb around the playground does not provide acceptable accessibility. Funding is for the design and construction of park improvements which include a trail around the playground and a half-court basketball court.

**Justification:** Anna 2050 Parks Master Plan

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

<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total
Park Development	\$ -	\$ 84,000	\$ 405,500	\$ -	\$ 489,500
<b>Expenditures</b>					
<i>Design</i>	\$ -	\$ 50,000	\$ -	\$ -	\$ 50,000
<i>Construction</i>	-	34,000	405,500	-	439,500
<i>Equipment</i>	-	-	-	-	-
<i>Right of Way</i>	-	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 84,000</b>	<b>\$ 405,500</b>	<b>\$ -</b>	<b>\$ 489,500</b>

**PROJECT NAME: ANNA CROSSING PARK**

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

**Justification:** Anna 2050 Parks Master Plan

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

<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total
Park Development	\$ -	\$ -	\$ 100,000	\$ 165,000	\$ 265,000
<b>Expenditures</b>					
<i>Design</i>	\$ -	\$ -	\$ 100,000	\$ 165,000	\$ 265,000
<i>Construction</i>	-	-	-	-	-
<i>Equipment</i>	-	-	-	-	-
<i>Right of Way</i>	-	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>	<b>\$ 165,000</b>	<b>\$ 265,000</b>

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

<b>PROJECT NAME: DOWNTOWN INFRASTRUCTURE IMPROVEMENTS</b>						
<b>Description:</b> Project includes downtown roadway improvements to 5th Street, 7th Street, and Riggins and utility system rehabilitation in the historic Downtown area. Streets will be converted to concrete paving and include pedestrian improvements. Project will also address sewer infiltration problems and improve firefighting capability.						
<b>Justification:</b> Anna 2050 Downtown Master Plan Action 9.5 Downtown Street Types - Implement the new Downtown Street Types and proactively redevelop roadways that are critical to optimizing reinvestment in the Downtown Core.						
<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total	
Infrastructure Fund	\$ 13,546	\$ 257,000	\$ 1,998,000	\$ -	\$ 2,268,546	
SLFRF	-	330,000	3,372,454	-	3,702,454	
<b>Total</b>	<b>\$ 13,546</b>	<b>\$ 587,000</b>	<b>\$ 5,370,454</b>	<b>\$ -</b>	<b>\$ 5,971,000</b>	
<b>Expenditures</b>						
<i>Design</i>	\$ 13,546	\$ 257,000	\$ -	\$ -	\$ 270,546	
<i>Construction</i>	-	330,000	5,370,454	-	5,700,454	
<i>Equipment</i>	-	-	-	-	-	
<i>Right of Way</i>	-	-	-	-	-	
<b>Total</b>	<b>\$ 13,546</b>	<b>\$ 587,000</b>	<b>\$ 5,370,454</b>	<b>\$ -</b>	<b>\$ 5,971,000</b>	

<b>PROJECT NAME: LEONARD AVENUE</b>						
<b>Description:</b> The City of Anna Master Thoroughfare Plan shows Leonard Avenue to be constructed as a divided arterial roadway from the Anna Crossing neighborhood to the Collin County Outer Loop.						
<b>Justification:</b> 10-Year Roadway Impact Fee Capital Improvement Plan						
<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total	
Impact Fees	\$ -	\$ 335,000	\$ 1,110,000	\$ -	\$ 1,445,000	
Collin County	-	-	2,781,000	-	2,781,000	
<b>Total</b>	<b>\$ -</b>	<b>\$ 335,000</b>	<b>\$ 3,891,000</b>	<b>\$ -</b>	<b>\$ 4,226,000</b>	
<b>Expenditures</b>						
<i>Design</i>	\$ -	\$ 135,000	\$ 60,000	\$ -	\$ 195,000	
<i>Construction</i>	-	-	3,631,000	-	3,631,000	
<i>Equipment</i>	-	-	-	-	-	
<i>Right of Way</i>	-	200,000	200,000	-	400,000	
<b>Total</b>	<b>\$ -</b>	<b>\$ 335,000</b>	<b>\$ 3,891,000</b>	<b>\$ -</b>	<b>\$ 4,226,000</b>	

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

**PROJECT NAME: FERGUSON PARKWAY**

**Description:** Construct 1.2 miles of roadway connecting Ferguson Parkway between Taylor Blvd. and the Collin County Outer Loop (CCOL). Road is a future six-lane divided parkway with one hundred twenty feet of right-of-way.

**Justification:** 10-Year Roadway Impact Fee Capital Improvement Plan; this project is a top priority due to the connectivity to two regional roadways (FM 455 and the CCOL) and moves traffic to the population center without having to use the congested intersections of FM 455 at US 75 and FM 455 at SH 5.

<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total
Impact Fees	\$ -	\$ -	\$ 723,000	\$ 1,140,000	\$ 5,863,000
Infrastructure Fund	35,418	523,000	-	-	558,418
NCTCOG	-	-	2,822,000	4,560,000	23,382,000
<b>Total</b>	<b>\$ 35,418</b>	<b>\$ 523,000</b>	<b>\$ 3,545,000</b>	<b>\$ 5,700,000</b>	<b>\$ 29,803,418</b>

**Expenditures**

<i>Design</i>	\$ 35,418	\$ 523,000	\$ 3,545,000	\$ -	\$ 4,103,418
<i>Construction</i>	-	-	-	-	20,000,000
<i>Equipment</i>	-	-	-	-	-
<i>Right of Way</i>	-	-	-	5,700,000	5,700,000
<b>Total</b>	<b>\$ 35,418</b>	<b>\$ 523,000</b>	<b>\$ 3,545,000</b>	<b>\$ 5,700,000</b>	<b>\$ 29,803,418</b>

**PROJECT NAME: FINLEY BOULEVARD**

**Description:** Install southern two lanes on Finley Blvd (900 linear feet) from the Dart right of way (ROW) to Sharp Street. Project will increase section from two to four lines and improve ingress and egress to the neighborhood.

**Justification:** The adjacent land for this section of Finley is not likely to develop in the near future. Traffic congestion is increasing in the area, requiring additional travel lanes.

<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total
Impact Fees	\$ -	\$ 32,000	\$ 990,000	\$ -	\$ 1,022,000

**Expenditures**

<i>Design</i>	\$ -	\$ 32,000	\$ 90,000	\$ -	\$ 122,000
<i>Construction</i>	-	-	900,000	-	900,000
<i>Equipment</i>	-	-	-	-	-
<i>Right of Way</i>	-	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 32,000</b>	<b>\$ 990,000</b>	<b>\$ -</b>	<b>\$ 1,022,000</b>

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

<b>PROJECT NAME: HURRICANE CREEK REGIONAL WASTEWATER TREATMENT PLANT</b>					
<b>Description:</b> New wastewater treatment plant on the Hurricane Creek tributary of the Elm Fork of the Trinity River.					
<b>Justification:</b> Plant will provide sewer treatment for developments on the west side of US 75 and build regional partnerships to help maintain affordable treatment for the region. This facility will open the entire west side of Anna for high quality development.					
<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total
Bond Funds	\$ -	\$ 2,620,000	\$ 34,380,000	\$ 28,000,000	\$ 65,000,000
Infrastructure Fund	2,163,906	4,345,000	-	-	6,508,906
<b>Total</b>	<b>\$ 2,163,906</b>	<b>\$ 6,965,000</b>	<b>\$ 34,380,000</b>	<b>\$ 28,000,000</b>	<b>\$ 71,508,906</b>
<b>Expenditures</b>					
<i>Design</i>	\$ 2,163,906	\$ 4,170,000	\$ -	\$ -	\$ 6,333,906
<i>Construction</i>	-	175,000	34,380,000	28,000,000	62,555,000
<i>Equipment</i>	-	-	-	-	-
<i>Right of Way</i>	-	2,620,000	-	-	2,620,000
<b>Total</b>	<b>\$ 2,163,906</b>	<b>\$ 6,965,000</b>	<b>\$ 34,380,000</b>	<b>\$ 28,000,000</b>	<b>\$ 71,508,906</b>

<b>PROJECT NAME: FM455 WATER LINE</b>					
<b>Description:</b> Design and construct approximately 1,500 linear feet of 12-inch water line on FM 455 at the Hurricane Creek Bridge and 11,800 linear feet of 12-inch water on FM 455 between Cowan Road and County Road 1101.					
<b>Justification:</b> This project is needed to service water to new development on the west side of US 75.					
<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total
Impact Fees	\$ -	\$ -	\$ 800,000	\$ 3,000,000	\$ 3,800,000
<b>Expenditures</b>					
<i>Design</i>	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Construction</i>	-	-	800,000	3,000,000	3,800,000
<i>Equipment</i>	-	-	-	-	-
<i>Right of Way</i>	-	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 800,000</b>	<b>\$ 3,000,000</b>	<b>\$ 3,800,000</b>

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

<b>PROJECT NAME: COLLIN PUMP STATION - GROUND STORAGE</b>					
<b>Description:</b> Install four million gallon water ground storage tank at the Collin Pump Station site to provide additional storage capacity. Increased ground storage will meet growing water demand and lessen reliance on well systems. Additionally, this storage will enhance the ability to deal with extreme water usage in the summer months.					
<b>Justification:</b> 10-Year Water Impact Fee Capital Improvement Plan					
<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total
Impact Fees	\$ -	\$ -	\$ 6,000,000	\$ 5,000,000	\$ 11,000,000
Infrastructure Fund	-	462,000	-	-	462,000
<b>Total</b>	<b>\$ -</b>	<b>\$ 462,000</b>	<b>\$ 6,000,000</b>	<b>\$ 5,000,000</b>	<b>\$ 11,462,000</b>
<b>Expenditures</b>					
<i>Design</i>	\$ -	\$ 462,000	\$ -	\$ -	\$ 462,000
<i>Construction</i>	-	-	6,000,000	5,000,000	11,000,000
<i>Equipment</i>	-	-	-	-	-
<i>Right of Way</i>	-	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 462,000</b>	<b>\$ 6,000,000</b>	<b>\$ 5,000,000</b>	<b>\$ 11,462,000</b>

<b>PROJECT NAME: SH 5 UTILITY RELOCATION - PROJECT A</b>					
<b>Description:</b> Relocate and expand public water and wastewater system along State Highway 5 (SH 5). Project A is from the Collin County Outer Loop to Hackberry Drive. Project will relocate utilities for the TxDOT SH5 widening and increase main sizes in accordance with the Water and Wastewater Master Plans.					
<b>Justification:</b> Project is mandated by Texas Department of Transportation (TxDOT).					
<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total
Impact Fees	\$ -	\$ -	\$ 2,995,000	\$ -	\$ 2,995,000
Infrastructure Fund	179,061	491,000	-	-	670,061
<b>Total</b>	<b>\$ 179,061</b>	<b>\$ 491,000</b>	<b>\$ 2,995,000</b>	<b>\$ -</b>	<b>\$ 3,665,061</b>
<b>Expenditures</b>					
<i>Design</i>	\$ 179,061	\$ 206,000	\$ 200,000	\$ -	\$ 585,061
<i>Construction</i>	-	-	2,520,000	-	2,520,000
<i>Equipment</i>	-	-	-	-	-
<i>Right of Way</i>	-	285,000	275,000	-	560,000
<b>Total</b>	<b>\$ 179,061</b>	<b>\$ 491,000</b>	<b>\$ 2,995,000</b>	<b>\$ -</b>	<b>\$ 3,665,061</b>

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

<b>PROJECT NAME: SH 5 UTILITY RELOCATION - PROJECT B</b>					
<b>Description:</b> Relocate and expand public water and wastewater system along State Highway 5 (SH 5), starting where and when Project A concludes and TxDOT work begins moving north.					
<b>Justification:</b> Project is mandated by Texas Department of Transportation (TxDOT).					
<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total
Impact Fees	\$ -	\$ -	\$ 800,000	\$ 700,000	\$ 1,500,000
<b>Expenditures</b>					
Design	\$ -	\$ -	\$ 700,000	\$ 300,000	\$ 1,000,000
Construction	-	-	-	-	-
Equipment	-	-	-	-	-
Right of Way	-	-	100,000	400,000	500,000
Total	\$ -	\$ -	\$ 800,000	\$ 700,000	\$ 1,500,000

<b>PROJECT NAME: HURRICANE CREEK SEWER INTERCEPTOR LINE NORTH</b>					
<b>Description:</b> This sewer line will run from Van Alstyne to FM455, connecting Hurricane Creek Sanitary Sewer Line B to the new Hurricane Creek Wastewater Treatment Plant. The line will also provide sewer access to northwest Anna and promote highest and best land use of the US 75 corridor.					
<b>Justification:</b> The 48" interceptor line is needed to provide sanitary sewer on the west side of FM455 and bring many new developments. This line will also take sanitary sewer flow from Van Alstyne, helping to grow the new Hurricane Creek Wastewater Treatment Plant into a regional sewer treatment solution.					
<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total
Impact Fees	\$ -	\$ 600,000	\$ 8,250,000	\$ 3,700,000	\$ 12,550,000
Infrastructure Fund	-	23,000	-	-	-
Total	\$ -	\$ 623,000	\$ 8,250,000	\$ 3,700,000	\$ 12,550,000
<b>Expenditures</b>					
Design	\$ -	\$ 623,000	\$ -	\$ -	\$ 623,000
Construction	-	-	8,000,000	3,700,000	11,700,000
Equipment	-	-	-	-	-
Right of Way	-	-	250,000	-	250,000
Total	\$ -	\$ 623,000	\$ 8,250,000	\$ 3,700,000	\$ 12,573,000

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

<b>PROJECT NAME: HURRICANE CREEK SEWER LINE B</b>						
<b>Description:</b> Trunk sewer expansion required for large developments west of US 75.						
<b>Justification:</b> 10-Year Waste Water Impact Fee Capital Improvement Plan						
<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total	
Impact Fees	\$ -	\$ -	\$ 5,136,848	\$ -	\$ 5,136,848	
Infrastructure Fund	162,887	4,810,000	-	-	4,972,887	
<b>Total</b>	<b>\$ 162,887</b>	<b>\$ 4,810,000</b>	<b>\$ 5,136,848</b>	<b>\$ -</b>	<b>\$ 10,109,735</b>	
<b>Expenditures</b>						
<i>Design</i>	\$ -	\$ 54,000	\$ 50,000	\$ -	\$ 104,000	
<i>Construction</i>	61,087	4,750,000	5,080,848	-	9,891,935	
<i>Equipment</i>	-	-	-	-	-	
<i>Right of Way</i>	101,800	6,000	6,000	-	113,800	
<b>Total</b>	<b>\$ 162,887</b>	<b>\$ 4,810,000</b>	<b>\$ 5,136,848</b>	<b>\$ -</b>	<b>\$ 10,109,735</b>	

<b>PROJECT NAME: RISK AND RESILIENCE INFRASTRUCTURE IMPROVEMENTS</b>						
<b>Description:</b> Correcting deficiencies noted in our 2021 Risk and Resilience Assessment.						
<b>Justification:</b> Compliance with America's Water Infrastructure Act.						
<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total	
Infrastructure Fund	\$ -	\$ -	\$ 200,000	\$ 100,000	\$ 500,000	
<b>Expenditures</b>						
<i>Design</i>	\$ -	\$ -	\$ -	\$ -	-	
<i>Construction</i>	-	-	200,000	100,000	500,000	
<i>Equipment</i>	-	-	-	-	-	
<i>Right of Way</i>	-	-	-	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 200,000</b>	<b>\$ 100,000</b>	<b>\$ 500,000</b>	

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

<b>PROJECT NAME: SCADA HARDWARE AND PROGRAMMING</b>						
<b>Description:</b> The SCADA software and hardware that controls the water and wastewater system needs to have its hardware updated, and the entire logic in water system program needs to be updated.						
<b>Justification:</b> The system has very little automation and logic; without those, operation is inefficient and time consuming. An upgrade would result in a more efficient system operation which would reduce operation costs year over year.						
<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total	
Infrastructure Fund	\$ -	\$ -	\$ 500,000	\$ -	\$ 500,000	
<b>Expenditures</b>						
<i>Design</i>	\$ -	\$ -	\$ -	\$ -	\$ -	
<i>Construction</i>	-	-	-	-	-	
<i>Equipment</i>	-	-	500,000	-	500,000	
<i>Right of Way</i>	-	-	-	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 500,000</b>	<b>\$ -</b>	<b>\$ 500,000</b>	

<b>PROJECT NAME: SHERLEY WATER TOWER LIGHTING</b>						
<b>Description:</b> Decorative LED lighting of the Sherley Water Tower in Downtown Anna.						
<b>Justification:</b> Anna 2050 Downtown Master Plan: Action 9.13 Programming Space; Action 9.21 Parks and Plazas; Action 9.3 Municipal Complex Connectivity						
<b>Funding</b>	Prior Years	Re-estimate 2023	Budget 2024	Budget 2025	Project Total	
Infrastructure Fund	\$ -	\$ -	\$ 300,000	\$ -	\$ 300,000	
<b>Expenditures</b>						
<i>Design</i>	\$ -	\$ -	\$ -	\$ -	\$ -	
<i>Construction</i>	-	-	300,000	-	300,000	
<i>Equipment</i>	-	-	-	-	-	
<i>Right of Way</i>	-	-	-	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 300,000</b>	<b>\$ -</b>	<b>\$ 300,000</b>	



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# **SUPPLEMENTAL INFORMATION**

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THE CITY OF  
**Anna**

**CITY OF ANNA**  
**FINANCIAL POLICIES OVERVIEW**

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The City of Anna, Texas financial policies set forth the basic framework for the fiscal management of the City. These policies are to ensure consistency in the City's financial processes related to revenue, expenditures, purchasing, accounting, investing, fiscal management, internal controls, and fund balance, as well as integrity, communication, prudent stewardship, planning, accountability, and full disclosure. These policies are intended to:

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

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

Policy areas include:

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

The FY2024 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.

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.

*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**

THE CITY OF  
**Anna**

## **FINANCIAL POLICIES**

The City of Anna, Texas financial policies set forth the basic framework for the fiscal management of the City. These policies are to ensure consistency in the City's financial processes related to revenue, expenditures, purchasing, accounting, investing, fiscal management, internal controls, and fund balance, as well as integrity, communication, prudent stewardship, planning, accountability, and full disclosure. These policies are intended to:

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

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

THE CITY OF  
**Anna**

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# **FINANCIAL MANAGEMENT POLICIES**

## **I. ACCOUNTING, AUDITING, AND FINANCIAL REPORTING**

### **A. Accounting**

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

### **B. Funds**

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

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

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

### **C. External Auditing**

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

1. External Auditor Repute – The auditors must be a CPA and must demonstrate that they have the breadth and depth of staff to conduct the City's annual audit in accordance with generally accepted auditing standards, generally accepted government auditing standards, and contractual requirements.
2. Timing - An annual independent audit will be completed and filed with the City Secretary within one hundred eighty (180) days from the completion of each fiscal year, the results of which shall be presented to and approved by the City Council.
3. Financial Statements - The financial statements to the City are to be prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.
4. Management Letter – The external auditor will prepare and review the Management

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

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

#### **D. External Financial Reporting**

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

#### **E. Internal Financial Reporting**

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

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

#### **F. Bank Depository**

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

## **II. INTERNAL CONTROLS**

### **A. Written Procedures**

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

## 2. Definitions

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

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

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

## 3. Responsibilities

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

## 4. Objectives

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

## 5. Basic Elements of Internal Control

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

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

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

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

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

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

## **B. Internal Audit Program**

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

## **C. Department Director's Responsibility**

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

## **III. CASH HANDLING**

### **A. Purpose**

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

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

**B. Basic Cash Handling Principles:**

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

Employees should consider the following when handling cash:

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

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

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

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

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

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

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

**C. Processing Transactions:**

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

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

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

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

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

**D. Deposits:**

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

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

**E. Reconciliations:**

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

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

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

#### **IV. ANNUAL BUDGET PROCESS**

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

##### **A. Fiscal Year**

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

##### **B. Submission of Budget and Budget Message**

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

##### **C. Budget Message**

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

##### **D. Budget a Public Record**

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

##### **E. Public Hearing on Budget**

The City Council shall hold a public hearing on the proposed budget. Any person may attend and may participate in the hearing. The hearing will be held after the 15<sup>th</sup> 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 30<sup>th</sup> or later than the 10<sup>th</sup> 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

15<sup>th</sup> 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. 1074-2023-09**

**Ordinance Adopting the Budget for the 2023 – 2024 Fiscal Year**

**AN ORDINANCE MAKING APPROPRIATIONS FOR THE SUPPORT OF THE CITY OF ANNA FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2023 AND ENDING SEPTEMBER 30, 2024; 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 2023 – 2024 FISCAL YEAR.**

**WHEREAS**, the budget, appended hereto as Exhibit A, for the fiscal year beginning October 1, 2023 and ending September 30, 2024, 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, 2023 and ending September 30, 2024 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 2023 – 2024 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, 2023 and ending September 30, 2024.

**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 2023 – 2024 of the City of Anna.

**PASSED AND APPROVED** by record roll call vote on this, the 12<sup>th</sup> day of September 2023.

Ayes 7

Nays 0

Abstained 0

ATTESTED:

APPROVED:

*Carrie L. Land*

City Secretary Carrie L. Land



*Nate Pike*

Mayor Nate Pike

**CITY OF ANNA, TEXAS**

**Ordinance No. 1075-2023-09**

**Ordinance Setting the Tax Rate for the Next Fiscal Year**

**AN ORDINANCE LEVYING PROPERTY TAXES FOR USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT OF THE CITY OF ANNA FOR THE 2023-2024 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 2023-2024 fiscal year; upon all property, real, personal and mixed, within the corporate limits of said City subject to taxation, a tax of \$0.510717 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) \$0.365930 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 \$0.144787 on each \$100 valuation of property.

**SECTION 2.** That taxes levied under this ordinance shall be due October 1, 2023 and if not paid on or before January 31, 2024 shall immediately become delinquent. There shall be no discount for payment of taxes on or prior to January 31, 2024. 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, 2024 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, 2024 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 4.6 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY -\$30.60.**

**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 12<sup>th</sup> day of September 2023.

Ayes 7 Nays 0 Abstained 0

ATTESTED:

*Carrie L. Land*  
City Secretary Carrie L. Land



APPROVED:

*Nate Pike*  
Mayor Nate Pike

# 2023 Tax Rate Calculation Worksheet

## Taxing Units Other Than School Districts or Water Districts

Form 50-856

City of Anna	972-924-3325
Taxing Unit Name	Phone (area code and number)
120 W. 7th St., Anna, TX 75409	www.annatexas.gov
Taxing Unit's Address, City, State, ZIP Code	Taxing Unit's Website Address

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

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

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

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

### SECTION 1: No-New-Revenue Tax Rate

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

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

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

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
1.	<b>2022 total taxable value.</b> Enter the amount of 2022 taxable value on the 2022 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). <sup>1</sup>	\$ 2,462,210,534
2.	<b>2022 tax ceilings.</b> Counties, cities and junior college districts. Enter 2022 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2022 or a prior year for homeowners age 65 or older or disabled, use this step. <sup>2</sup>	\$ 0
3.	<b>Preliminary 2022 adjusted taxable value.</b> Subtract Line 2 from Line 1.	\$ 2,462,210,534
4.	<b>2022 total adopted tax rate.</b>	\$ 0.539750 /\$100
5.	<b>2022 taxable value lost because court appeals of ARB decisions reduced 2022 appraised value.</b>	
	A. Original 2022 ARB values: ..... \$ 29,648,467	
	B. 2022 values resulting from final court decisions: ..... - \$ 28,001,025	
	C. 2022 value loss. Subtract B from A. <sup>3</sup>	\$ 1,647,442
6.	<b>2022 taxable value subject to an appeal under Chapter 42, as of July 25.</b>	
	A. 2022 ARB certified value: ..... \$ 922,621	
	B. 2022 disputed value: ..... - \$ 93,092	
	C. 2022 undisputed value. Subtract B from A. <sup>4</sup>	\$ 829,529
7.	<b>2022 Chapter 42 related adjusted values.</b> Add Line 5C and Line 6C.	\$ 2,476,971

<sup>1</sup> Tex. Tax Code §26.012(14)  
<sup>2</sup> Tex. Tax Code §26.012(14)  
<sup>3</sup> Tex. Tax Code §26.012(13)  
<sup>4</sup> Tex. Tax Code §26.012(13)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
8.	<b>2022 taxable value, adjusted for actual and potential court-ordered adjustments.</b> Add Line 3 and Line 7.	\$ 2,464,687,505
9.	<b>2022 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2022.</b> Enter the 2022 value of property in deannexed territory. <sup>5</sup>	\$ 0
10.	<p><b>2022 taxable value lost because property first qualified for an exemption in 2023.</b> 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 2023 does not create a new exemption or reduce taxable value.</p> <p><b>A. Absolute exemptions.</b> Use 2022 market value: ..... \$ 537,975</p> <p><b>B. Partial exemptions.</b> 2023 exemption amount or 2023 percentage exemption times 2022 value: ..... + \$ 38,859,950</p> <p><b>C. Value loss.</b> Add A and B.<sup>6</sup></p>	\$ 39,397,925
11.	<p><b>2022 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 2023.</b> Use only properties that qualified in 2023 for the first time; do not use properties that qualified in 2022.</p> <p><b>A. 2022 market value:</b> ..... \$ 0</p> <p><b>B. 2023 productivity or special appraised value:</b> ..... - \$ 0</p> <p><b>C. Value loss.</b> Subtract B from A.<sup>7</sup></p>	\$ 0
12.	<b>Total adjustments for lost value.</b> Add Lines 9, 10C and 11C.	\$ 39,397,925
13.	<b>2022 captured value of property in a TIF.</b> Enter the total value of 2022 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which 2022 taxes were deposited into the tax increment fund. <sup>8</sup> If the taxing unit has no captured appraised value in line 18D, enter 0.	\$ 58,052,873
14.	<b>2022 total value.</b> Subtract Line 12 and Line 13 from Line 8.	\$ 2,367,236,707
15.	<b>Adjusted 2022 total levy.</b> Multiply Line 4 by Line 14 and divide by \$100.	\$ 12,777,160
16.	<b>Taxes refunded for years preceding tax year 2022.</b> Enter the amount of taxes refunded by the taxing unit for tax years preceding tax year 2022. 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 2022. This line applies only to tax years preceding tax year 2022. <sup>9</sup>	\$ 0
17.	<b>Adjusted 2022 levy with refunds and TIF adjustment.</b> Add Lines 15 and 16. <sup>10</sup>	\$ 12,777,160
18.	<p><b>Total 2023 taxable value on the 2023 certified appraisal roll today.</b> 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.<sup>11</sup></p> <p><b>A. Certified values:</b> ..... \$ 3,108,792,245</p> <p><b>B. Counties:</b> Include railroad rolling stock values certified by the Comptroller's office: ..... + \$ _____</p> <p><b>C. Pollution control and energy storage system exemption:</b> Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property: ..... - \$ 101,626</p> <p><b>D. Tax increment financing:</b> Deduct the 2023 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2023 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 23 below.<sup>12</sup> ..... - \$ 90,534,208</p> <p><b>E. Total 2023 value.</b> Add A and B, then subtract C and D.</p>	\$ 3,018,156,411

<sup>5</sup> Tex. Tax Code §26.012(15)

<sup>6</sup> Tex. Tax Code §26.012(15)

<sup>7</sup> Tex. Tax Code §26.012(15)

<sup>8</sup> Tex. Tax Code §26.03(c)

<sup>9</sup> Tex. Tax Code §26.012(13)

<sup>10</sup> Tex. Tax Code §26.012(13)

<sup>11</sup> Tex. Tax Code §26.012, 26.04(c-2)

<sup>12</sup> Tex. Tax Code §26.03(c)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
19.	<p><b>Total value of properties under protest or not included on certified appraisal roll.</b> <sup>13</sup></p> <p><b>A. 2023 taxable value of properties under protest.</b> 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. <sup>14</sup> ..... \$ <u>118,167,037</u></p> <p><b>B. 2023 value of properties not under protest or included on certified appraisal roll.</b> 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. <sup>15</sup> ..... + \$ <u>0</u></p> <p><b>C. Total value under protest or not certified.</b> Add A and B. <span style="float: right;">\$ <u>118,167,037</u></span></p>	
20.	<b>2023 tax ceilings.</b> Counties, cities and junior colleges enter 2023 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2022 or a prior year for homeowners age 65 or older or disabled, use this step. <sup>16</sup>	\$ <u>0</u>
21.	<b>2023 total taxable value.</b> Add Lines 18E and 19C. Subtract Line 20. <sup>17</sup>	\$ <u>3,136,323,448</u>
22.	<b>Total 2023 taxable value of properties in territory annexed after Jan. 1, 2022.</b> Include both real and personal property. Enter the 2023 value of property in territory annexed. <sup>18</sup>	\$ <u>5,935,919</u>
23.	<b>Total 2023 taxable value of new improvements and new personal property located in new improvements.</b> New means the item was not on the appraisal roll in 2022. 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, 2022 and be located in a new improvement. New improvements <b>do</b> include property on which a tax abatement agreement has expired for 2023. <sup>19</sup>	\$ <u>378,783,276</u>
24.	<b>Total adjustments to the 2023 taxable value.</b> Add Lines 22 and 23.	\$ <u>384,719,195</u>
25.	<b>Adjusted 2023 taxable value.</b> Subtract Line 24 from Line 21.	\$ <u>2,751,604,253</u>
26.	<b>2023 NNR tax rate.</b> Divide Line 17 by Line 25 and multiply by \$100. <sup>20</sup>	\$ <u>0.464353</u> /\$100
27.	<b>COUNTIES ONLY.</b> Add together the NNR tax rates for each type of tax the county levies. The total is the 2023 county NNR tax rate. <sup>21</sup>	\$ _____ /\$100

**SECTION 2: Voter-Approval Tax Rate**

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

- 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.
- 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.

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
28.	<b>2022 M&amp;O tax rate.</b> Enter the 2022 M&O tax rate.	\$ <u>0.396533</u> /\$100
29.	<b>2022 taxable value, adjusted for actual and potential court-ordered adjustments.</b> Enter the amount in Line 8 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ <u>2,464,687,505</u>

<sup>13</sup> Tex. Tax Code §26.01(c) and (d)  
<sup>14</sup> Tex. Tax Code §26.01(c)  
<sup>15</sup> Tex. Tax Code §26.01(d)  
<sup>16</sup> Tex. Tax Code §26.012(6)(B)  
<sup>17</sup> Tex. Tax Code §26.012(6)  
<sup>18</sup> Tex. Tax Code §26.012(17)  
<sup>19</sup> Tex. Tax Code §26.012(17)  
<sup>20</sup> Tex. Tax Code §26.04(c)  
<sup>21</sup> Tex. Tax Code §26.04(d)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
30.	<b>Total 2022 M&amp;O levy.</b> Multiply Line 28 by Line 29 and divide by \$100	\$ 9,773,299
31.	<p><b>Adjusted 2022 levy for calculating NNR M&amp;O rate.</b></p> <p><b>A. M&amp;O taxes refunded for years preceding tax year 2022.</b> Enter the amount of M&amp;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 2022. This line applies only to tax years preceding tax year 2022. .... + \$ 7,773</p> <p><b>B. 2022 taxes in TIF.</b> 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 2023 captured appraised value in Line 18D, enter 0. .... - \$ 150,784</p> <p><b>C. 2022 transferred function.</b> 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</p> <p><b>D. 2022 M&amp;O levy adjustments.</b> Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function. .... \$ -143,011</p> <p><b>E.</b> Add Line 30 to 31D. ....</p>	\$ 9,630,288
32.	<b>Adjusted 2023 taxable value.</b> Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 2,751,604,253
33.	<b>2023 NNR M&amp;O rate (unadjusted).</b> Divide Line 31E by Line 32 and multiply by \$100.	\$ 0.349988 /\$100
34.	<p><b>Rate adjustment for state criminal justice mandate.</b> <sup>23</sup>  <b>If not applicable or less than zero, enter 0.</b></p> <p><b>A. 2023 state criminal justice mandate.</b> 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> <p><b>B. 2022 state criminal justice mandate.</b> Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies. .... - \$ 0</p> <p><b>C.</b> Subtract B from A and divide by Line 32 and multiply by \$100. .... \$ 0 /\$100</p> <p><b>D.</b> Enter the rate calculated in C. If not applicable, enter 0. ....</p>	\$ 0 /\$100
35.	<p><b>Rate adjustment for indigent health care expenditures.</b> <sup>24</sup>  <b>If not applicable or less than zero, enter 0.</b></p> <p><b>A. 2023 indigent health care expenditures.</b> 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, 2022 and ending on June 30, 2023, less any state assistance received for the same purpose. .... \$ 0</p> <p><b>B. 2022 indigent health care expenditures.</b> 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, 2021 and ending on June 30, 2022, less any state assistance received for the same purpose. .... - \$ 0</p> <p><b>C.</b> Subtract B from A and divide by Line 32 and multiply by \$100. .... \$ 0 /\$100</p> <p><b>D.</b> Enter the rate calculated in C. If not applicable, enter 0. ....</p>	\$ 0 /\$100

<sup>22</sup> [Reserved for expansion]  
<sup>23</sup> Tex. Tax Code §26.044  
<sup>24</sup> Tex. Tax Code §26.0441

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
36.	<p><b>Rate adjustment for county indigent defense compensation.</b> <sup>25</sup>  <b>If not applicable or less than zero, enter 0.</b></p> <p><b>A. 2023 indigent defense compensation expenditures.</b> Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2022 and ending on June 30, 2023, less any state grants received by the county for the same purpose..... \$ <u>0</u></p> <p><b>B. 2022 indigent defense compensation expenditures.</b> Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2021 and ending on June 30, 2022, less any state grants received by the county for the same purpose..... \$ <u>0</u></p> <p><b>C.</b> Subtract B from A and divide by Line 32 and multiply by \$100..... \$ <u>0</u> /\$100</p> <p><b>D.</b> Multiply B by 0.05 and divide by Line 32 and multiply by \$100..... \$ <u>0</u> /\$100</p> <p><b>E.</b> Enter the lesser of C and D. If not applicable, enter 0.</p>	\$ <u>0</u> /\$100
37.	<p><b>Rate adjustment for county hospital expenditures.</b> <sup>26</sup>  <b>If not applicable or less than zero, enter 0.</b></p> <p><b>A. 2023 eligible county hospital expenditures.</b> Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2022 and ending on June 30, 2023. .... \$ <u>0</u></p> <p><b>B. 2022 eligible county hospital expenditures.</b> Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2021 and ending on June 30, 2022. .... \$ <u>0</u></p> <p><b>C.</b> Subtract B from A and divide by Line 32 and multiply by \$100..... \$ <u>0</u> /\$100</p> <p><b>D.</b> Multiply B by 0.08 and divide by Line 32 and multiply by \$100..... \$ <u>0</u> /\$100</p> <p><b>E.</b> Enter the lesser of C and D, if applicable. If not applicable, enter 0.</p>	\$ <u>0</u> /\$100
38.	<p><b>Rate adjustment for defunding municipality.</b> This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code Section 26.0444 for more information.</p> <p><b>A. Amount appropriated for public safety in 2022.</b> Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year ..... \$ <u>0</u></p> <p><b>B. Expenditures for public safety in 2022.</b> Enter the amount of money spent by the municipality for public safety during the preceding fiscal year ..... \$ <u>0</u></p> <p><b>C.</b> Subtract B from A and divide by Line 32 and multiply by \$100 ..... \$ <u>0</u> /\$100</p> <p><b>D.</b> Enter the rate calculated in C. If not applicable, enter 0.</p>	\$ <u>0</u> /\$100
39.	<p><b>Adjusted 2023 NNR M&amp;O rate.</b> Add Lines 33, 34D, 35D, 36E, and 37E. Subtract Line 38D.</p>	\$ <u>0.349988</u> /\$100
40.	<p><b>Adjustment for 2022 sales tax specifically to reduce property taxes.</b> Cities, counties and hospital districts that collected and spent additional sales tax on M&amp;O expenses in 2022 should complete this line. These entities will deduct the sales tax gain rate for 2023 in Section 3. Other taxing units, enter zero.</p> <p><b>A.</b> Enter the amount of additional sales tax collected and spent on M&amp;O expenses in 2022, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent ..... \$ <u>0</u></p> <p><b>B.</b> Divide Line 40A by Line 32 and multiply by \$100 ..... \$ <u>0</u> /\$100</p> <p><b>C.</b> Add Line 40B to Line 39.</p>	\$ <u>0.349988</u> /\$100
41.	<p><b>2023 voter-approval M&amp;O rate.</b> Enter the rate as calculated by the appropriate scenario below.</p> <p><b>Special Taxing Unit.</b> If the taxing unit qualifies as a special taxing unit, multiply Line 40C by 1.08.</p> <p>- or -</p> <p><b>Other Taxing Unit.</b> If the taxing unit does not qualify as a special taxing unit, multiply Line 40C by 1.035.</p>	\$ <u>0.362237</u> /\$100

<sup>25</sup> Tex. Tax Code §26.0442  
<sup>26</sup> Tex. Tax Code §26.0443

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
D41.	<p><b>Disaster Line 41 (D41): 2023 voter-approval M&amp;O rate for taxing unit affected by disaster declaration.</b> If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of</p> <p>1) the first year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred, or</p> <p>2) the third tax year after the tax year in which the disaster occurred</p> <p>If the taxing unit qualifies under this scenario, multiply Line 40C by 1.08. <sup>27</sup> If the taxing unit does not qualify, do not complete Disaster Line 41 (Line D41).</p>	\$ 0 /\$100
42.	<p><b>Total 2023 debt to be paid with property taxes and additional sales tax revenue.</b> Debt means the interest and principal that will be paid on debts that:</p> <p>(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&amp;O expenses.</p> <p><b>A. Debt</b> 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. <sup>28</sup></p> <p>Enter debt amount ..... \$ 4,665,234</p> <p><b>B. Subtract unencumbered fund amount</b> used to reduce total debt. .... - \$ 0</p> <p><b>C. Subtract certified amount spent from sales tax to reduce debt</b> (enter zero if none) ..... - \$ 0</p> <p><b>D. Subtract amount paid</b> from other resources ..... - \$ 0</p> <p><b>E. Adjusted debt.</b> Subtract B, C and D from A. .... \$ 4,665,234</p>	\$ 4,665,234
43.	<b>Certified 2022 excess debt collections.</b> Enter the amount certified by the collector. <sup>29</sup>	\$ 103,339
44.	<b>Adjusted 2023 debt.</b> Subtract Line 43 from Line 42E.	\$ 4,561,895
45.	<p><b>2023 anticipated collection rate.</b></p> <p><b>A.</b> Enter the 2023 anticipated collection rate certified by the collector. <sup>30</sup> ..... 100.00 %</p> <p><b>B.</b> Enter the 2022 actual collection rate. .... 107.16 %</p> <p><b>C.</b> Enter the 2021 actual collection rate. .... 100.93 %</p> <p><b>D.</b> Enter the 2020 actual collection rate. .... 100.46 %</p> <p><b>E.</b> 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%. <sup>31</sup></p>	100.46 %
46.	<b>2023 debt adjusted for collections.</b> Divide Line 44 by Line 45E.	\$ 4,541,006
47.	<b>2023 total taxable value.</b> Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 3,136,323,448
48.	<b>2023 debt rate.</b> Divide Line 46 by Line 47 and multiply by \$100.	\$ 0.144787 /\$100
49.	<b>2023 voter-approval tax rate.</b> Add Lines 41 and 48.	\$ 0.507024 /\$100
D49.	<p><b>Disaster Line 49 (D49): 2023 voter-approval tax rate for taxing unit affected by disaster declaration.</b> 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.</p>	\$ _____ /\$100

<sup>27</sup> Tex. Tax Code §26.042(a)  
<sup>28</sup> Tex. Tax Code §26.012(7)  
<sup>29</sup> Tex. Tax Code §26.012(10) and 26.04(b)  
<sup>30</sup> Tex. Tax Code §26.04(b)  
<sup>31</sup> Tex. Tax Code §§26.04(h), (h-1) and (h-2)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
50.	<b>COUNTIES ONLY.</b> Add together the voter-approval tax rates for each type of tax the county levies. The total is the 2023 county voter-approval tax rate.	\$ 0.000000 /\$100

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

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

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

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
51.	<b>Taxable Sales.</b> For taxing units that adopted the sales tax in November 2022 or May 2023, enter the Comptroller’s estimate of taxable sales for the previous four quarters. <sup>32</sup> Estimates of taxable sales may be obtained through the Comptroller’s Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November 2022, enter 0.	\$ 0
52.	<b>Estimated sales tax revenue.</b> Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. <sup>33</sup>  <b>Taxing units that adopted the sales tax in November 2022 or in May 2023.</b> Multiply the amount on Line 51 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. <sup>34</sup> <b>- or -</b> <b>Taxing units that adopted the sales tax before November 2022.</b> Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	\$ 0
53.	<b>2023 total taxable value.</b> Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 3,136,323,448
54.	<b>Sales tax adjustment rate.</b> Divide Line 52 by Line 53 and multiply by \$100.	\$ 0 /\$100
55.	<b>2023 NNR tax rate, unadjusted for sales tax.</b> <sup>35</sup> Enter the rate from Line 26 or 27, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 0.464353 /\$100
56.	<b>2023 NNR tax rate, adjusted for sales tax.</b> <b>Taxing units that adopted the sales tax in November 2022 or in May 2023.</b> Subtract Line 54 from Line 55. Skip to Line 57 if you adopted the additional sales tax before November 2022.	\$ 0.464353 /\$100
57.	<b>2023 voter-approval tax rate, unadjusted for sales tax.</b> <sup>36</sup> Enter the rate from Line 49, Line D49 (disaster) or Line 50 (counties) as applicable, of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.507024 /\$100
58.	<b>2023 voter-approval tax rate, adjusted for sales tax.</b> Subtract Line 54 from Line 57.	\$ 0.507024 /\$100

**SECTION 4: Voter-Approval Tax Rate Adjustment for Pollution Control**

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

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

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
59.	<b>Certified expenses from the Texas Commission on Environmental Quality (TCEQ).</b> Enter the amount certified in the determination letter from TCEQ. <sup>37</sup> The taxing unit shall provide its tax assessor-collector with a copy of the letter. <sup>38</sup>	\$ 0
60.	<b>2023 total taxable value.</b> Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 3,136,323,448
61.	<b>Additional rate for pollution control.</b> Divide Line 59 by Line 60 and multiply by \$100.	\$ 0 /\$100
62.	<b>2023 voter-approval tax rate, adjusted for pollution control.</b> 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).	\$ 0.507024 /\$100

<sup>32</sup> Tex. Tax Code §26.041(d)  
<sup>33</sup> Tex. Tax Code §26.041(i)  
<sup>34</sup> Tex. Tax Code §26.041(d)  
<sup>35</sup> Tex. Tax Code §26.04(c)  
<sup>36</sup> Tex. Tax Code §26.04(c)  
<sup>37</sup> Tex. Tax Code §26.045(d)  
<sup>38</sup> Tex. Tax Code §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 adjusted to remove the unused increment rate for the prior three years.<sup>39</sup> In a year where a taxing unit adopts a rate by applying any portion of the unused increment rate, the portion of the unused increment rate must be backed out of the calculation for that year.

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

- a tax year before 2020;<sup>40</sup>
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a);<sup>41</sup> 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.<sup>42</sup>

Individual components can be negative, but the overall rate would be the greater of zero or the calculated rate.

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

Line	Unused Increment Rate Worksheet	Amount/Rate
<b>63.</b>	<b>Year 3 component.</b> Subtract the 2022 actual tax rate and the 2022 unused increment rate from the 2022 voter-approval tax rate.	
A.	Voter-approval tax rate (Line 67).....	\$ 0.533333 /\$100
B.	Unused increment rate (Line 66).....	\$ 0.000000 /\$100
C.	Subtract B from A.....	\$ 0.533333 /\$100
D.	Adopted Tax Rate.....	\$ 0.539750 /\$100
E.	Subtract D from C.....	\$ -0.006417 /\$100
<b>64.</b>	<b>Year 2 component.</b> Subtract the 2021 actual tax rate and the 2021 unused increment rate from the 2021 voter-approval tax rate.	
A.	Voter-approval tax rate (Line 67).....	\$ 0.563326 /\$100
B.	Unused increment rate (Line 66).....	\$ 0.000000 /\$100
C.	Subtract B from A.....	\$ 0.563326 /\$100
D.	Adopted Tax Rate.....	\$ 0.569500 /\$100
E.	Subtract D from C.....	\$ -0.006174 /\$100
<b>65.</b>	<b>Year 1 component.</b> Subtract the 2020 actual tax rate and the 2020 unused increment rate from the 2020 voter-approval tax rate.	
A.	Voter-approval tax rate (Line 65).....	\$ 0.566951 /\$100
B.	Unused increment rate (Line 64).....	\$ 0.000000 /\$100
C.	Subtract B from A.....	\$ 0.566951 /\$100
D.	Adopted Tax Rate.....	\$ 0.583000 /\$100
E.	Subtract D from C.....	\$ -0.016049 /\$100
<b>66.</b>	<b>2023 unused increment rate.</b> Add Lines 63E, 64E and 65E.	\$ 0 /\$100
<b>67.</b>	<b>Total 2023 voter-approval tax rate, including the unused increment rate.</b> 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).	\$ 0.507024 /\$100

<sup>39</sup> Tex. Tax Code §26.013(a)

<sup>40</sup> Tex. Tax Code §26.013(c)

<sup>41</sup> Tex. Tax Code §§26.0501(a) and (c)

<sup>42</sup> Tex. Local Gov't Code §120.007(d), effective Jan. 1, 2022

<sup>43</sup> Tex. Tax Code §26.063(a)(1)

<sup>44</sup> Tex. Tax Code §26.012(8-a)

<sup>45</sup> Tex. Tax Code §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.<sup>44</sup> 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.<sup>45</sup>

Line	De Minimis Rate Worksheet	Amount/Rate
68.	<b>Adjusted 2023 NNR M&amp;O tax rate.</b> Enter the rate from Line 39 of the <i>Voter-Approval Tax Rate Worksheet</i>	\$ 0.349988 /\$100
69.	<b>2023 total taxable value.</b> Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 3,136,323,448
70.	<b>Rate necessary to impose \$500,000 in taxes.</b> Divide \$500,000 by Line 69 and multiply by \$100.	\$ 0.015942 /\$100
71.	<b>2023 debt rate.</b> Enter the rate from Line 48 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.144787 /\$100
72.	<b>De minimis rate.</b> Add Lines 68, 70 and 71.	\$ 0.510717 /\$100

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

In the tax year after the end of the disaster calculation time period detailed in Tax Code Section 26.042(a), a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a disaster must calculate its emergency revenue rate and reduce its voter-approval tax rate for that year.<sup>46</sup>

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.<sup>47</sup>

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

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

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

Line	Emergency Revenue Rate Worksheet	Amount/Rate
73.	<b>2022 adopted tax rate.</b> Enter the rate in Line 4 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 0.539750 /\$100
74.	<b>Adjusted 2022 voter-approval tax rate.</b> Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line.  If a disaster occurred in 2022 and the taxing unit calculated its 2022 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2022 worksheet due to a disaster, complete the applicable sections or lines of Form 50-856-a, Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet. <b>- or -</b> If a disaster occurred prior to 2022 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 2022, 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 2022 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the year(s) following the disaster. <sup>48</sup> Enter the final adjusted 2022 voter-approval tax rate from the worksheet. <b>- or -</b> If the taxing unit adopted a tax rate above the 2022 voter-approval tax rate without calculating a disaster tax rate or holding an election due to a disaster, no recalculation is necessary. Enter the voter-approval tax rate from the prior year's worksheet.	\$ 0 /\$100
75.	<b>Increase in 2022 tax rate due to disaster.</b> Subtract Line 74 from Line 73.	\$ 0 /\$100
76.	<b>Adjusted 2022 taxable value.</b> Enter the amount in Line 14 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 2,367,236,707
77.	<b>Emergency revenue.</b> Multiply Line 75 by Line 76 and divide by \$100.	\$ 0
78.	<b>Adjusted 2023 taxable value.</b> Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 2,751,604,253
79.	<b>Emergency revenue rate.</b> Divide Line 77 by Line 78 and multiply by \$100. <sup>49</sup>	\$ 0 /\$100

<sup>46</sup> Tex. Tax Code §26.042(b)

<sup>47</sup> Tex. Tax Code §26.042(f)

<sup>48</sup> Tex. Tax Code §26.042(c)

<sup>49</sup> Tex. Tax Code §26.042(b)

Line	Emergency Revenue Rate Worksheet	Amount/Rate
80.	<b>2023 voter-approval tax rate, adjusted for emergency revenue.</b> 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).	\$ <u>0.507024</u> /\$100

**SECTION 8: Total Tax Rate**

Indicate the applicable total tax rates as calculated above.

**No-new-revenue tax rate.** ..... \$ 0.464353 /\$100  
 As applicable, enter the 2023 NNR tax rate from: Line 26, Line 27 (counties), or Line 56 (adjusted for sales tax).  
 Indicate the line number used: 26

**Voter-approval tax rate.** ..... \$ 0.507024 /\$100  
 As applicable, enter the 2023 voter-approval tax rate from: Line 49, Line D49 (disaster), 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).  
 Indicate the line number used: 49

**De minimis rate.** ..... \$ 0.510717 /\$100  
 If applicable, enter the 2023 de minimis rate from Line 72.

**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 the Tax Code.<sup>50</sup>

**print here** ▶ Jayna Dean  
 Printed Name of Taxing Unit Representative

**sign here** ▶ Jayna Dean  
 Taxing Unit Representative

8/09/2023  
 Date

<sup>50</sup> Tex. Tax Code §§26.04(c-2) and (d-2)

**CITY OF ANNA  
GLOSSARY**

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<b><i>Accounts Payable</i></b>	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).
<b><i>Accounts Receivable</i></b>	An asset account reflecting amounts owed from private persons or organizations for goods or services furnished by a government.
<b><i>Accrual</i></b>	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.
<b><i>Ad Valorem Tax</i></b>	Latin for “according to the value of.” Refers to the tax assessed against real (land and building) and personal (equipment and furniture) property.
<b><i>Appropriation</i></b>	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.
<b><i>Arbitrage</i></b>	With respect to the issuance of municipal securities, arbitrage usually refers to the difference between the interest paid on tax-exempt bonds and the interest earned by investing the proceeds of the tax-exempt bonds in higher-yielding taxable securities.
<b><i>Assessed Valuation</i></b>	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.)
<b><i>Assets</i></b>	Resources owned or held by the City which have monetary value.
<b><i>Balanced Budget</i></b>	Annual financial plan in which ongoing expenses do not exceed ongoing revenues.
<b><i>Bonds</i></b>	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.
<b><i>Budget</i></b>	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.
<b><i>Budget Document</i></b>	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.
<b><i>Capital Expenditures</i></b>	Funds used to acquire or upgrade physical assets such as property, industrial buildings or equipment.
<b><i>Capital Outlays</i></b>	Expenditures which result in the acquisition of or addition to fixed assets which are individually priced at more than \$5,000.
<b><i>CARES</i></b>	Creative Action Responsibility Excellence Serve

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<b>CCAD</b>	Collin Central Appraisal District
<b>Certificates of Obligation</b>	Similar to general obligation bonds except the certificates require no voter approval.
<b>Community Investment Program</b>	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.
<b>Component Unit</b>	Component units are legally separate organizations that must be included in the financial report of the primary government.
<b>Debt Service Fund</b>	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.
<b>Department</b>	A functional unit of the city containing one or more divisions or activities.
<b>Depreciation</b>	The process of recognizing the physical deterioration of assets over a period of time. All assets are assigned an estimated life when purchased and a portion of the purchase price is charged off each year in recognition of wear and tear. Depreciation is recorded only in enterprise funds.
<b>Delinquent Taxes</b>	Taxes that remain unpaid on and after the date on which a penalty for non-payment is attached.
<b>EMS</b>	Emergency Medical Services
<b>Encumbrances</b>	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.
<b>Enterprise Fund</b>	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.
<b>Exempt</b>	Personnel not eligible to receive overtime pay and who are expected to work as necessary to complete their job assignments.
<b>Expenditures</b>	Decrease in net financial resources. Expenditures include current operating expenses which require the current or future use of net current assets, debt service, and capital outlays.

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GLOSSARY**

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<b><i>Fiscal Year (FY)</i></b>	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.
<b><i>Fixed Assets</i></b>	Assets of a long-term character which are intended to continue to be held or used, such as land buildings, improvements, and infrastructure.
<b><i>Franchise</i></b>	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.
<b><i>Full Time Equivalent (FTE)</i></b>	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.
<b><i>Fund</i></b>	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.
<b><i>Fund Balance</i></b>	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.
<b><i>GAAP</i></b>	Generally Accepted Accounting Principles
<b><i>GASB</i></b>	Governmental Accounting Standards Board
<b><i>General Fund</i></b>	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.
<b><i>General Obligation Bonds</i></b>	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.
<b><i>GFOA</i></b>	Government Finance Officers Association
<b><i>GTUA</i></b>	Greater Texoma Utility Authority
<b><i>Infrastructure</i></b>	That portion of a city's assets located at or below ground level, including water system, sewer system, and streets.
<b><i>Liabilities</i></b>	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.

**CITY OF ANNA  
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<b>Levy</b>	To impose taxes, special assessments, or service charges for the support of governmental activities.
<b>Modified Accrual Basis</b>	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.
<b>NCTCOG</b>	North Central Texas Council of Governments
<b>No-New-Revenue Tax Rate</b>	A calculated rate that would provide the same amount of revenue received in the year before on properties taxed in both years.
<b>Non-Exempt</b>	Personnel eligible to receive overtime pay when overtime work has been authorized or requested by the supervisor.
<b>Operating Budget</b>	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.
<b>NTMWD</b>	North Texas Municipal Water District
<b>Performance Measures</b>	Specific quantitative measure of work performed within an activity or program. They may also measure results obtained through an activity or program.
<b>Property Tax Rate</b>	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.
<b>Restricted Revenue Fund</b>	A fund used to account for the proceeds of specific revenue sources that are legally restricted or formally committed to expenditures for specific purposes.
<b>Revenues</b>	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.
<b>Taxes</b>	Compulsory charges levied by a government for the purpose of financing services performed for the common benefit.
<b>TIF</b>	Tax increment financing (TIF) is a method local governments can use to pay for improvements that will draw private investment to an area. It redirects some of the future ad valorem tax from property in a geographic area to pay for improvements in the zone.
<b>TIRZ</b>	Tax Increment Reinvestment Zone (TIRZ) is a geographic area designated to receive the benefits of tax increment financing (TIF).
<b>TML</b>	Texas Municipal League

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<b><i>TMRS</i></b>	Texas Municipal Retirement System
<b><i>TxDOT</i></b>	Texas Department of Transportation
<b><i>Voter-Approval Tax Rate</i></b>	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.