

CITY OF ANNA
TABLE OF CONTENTS

Fund Summaries (Cont.)

Utility Fund	112
Component Units	114

Department Summaries

General Fund

Administration	119
City Council	121
City Manager	122
City Secretary	124
Human Resources	126
Information Technology	128
Finance	130
Municipal Court	132
Development Services	134
Fire	136
Police	138
Neighborhood Services	140
Animal Control	143
Parks	144
Fleet and Facilities	146
Streets	148
Utility Fund	
Public Works Administration	150
Water	152
Wastewater	154

CITY OF ANNA
TABLE OF CONTENTS

Department Summaries (Cont.)

Solid Waste	.....	157
Utility Billing	.....	158
Component Units		
Community Development	.....	160
Economic Development	.....	162
Park Development Fund		
Recreation	.....	164
Park Development	.....	167
	<i>Five Year Forecasts</i>	
Introduction	.....	171
General Fund	.....	173
Utility Fund	.....	177
	<i>Debt Service</i>	
General Debt Service	.....	183
Utility Debt Service	.....	187
Community Development Debt Service	.....	189
	<i>Community Investment Program</i>	
Introduction	.....	193
CIP All Funds Summary	.....	196
General Government Funds Summaries	.....	198
General Government Projects Detail	.....	205
Utility Funds Summaries	.....	214
Water Projects Detail	.....	223
Wastewater Projects Detail	.....	227
Park Development Fund Summary	.....	230
Park Development Projects Detail	.....	232

CITY OF ANNA
TABLE OF CONTENTS

Supplemental Information

Financial Policies	.....	242
Legal Information	.....	283
Tax Rate Calculation Worksheet	.....	294
Glossary	.....	303



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Anna
Texas**

For the Fiscal Year Beginning

October 01, 2021

Christopher P. Morill

Executive Director

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to City of Anna, Texas, for its Annual Budget for the fiscal year beginning October 1, 2021. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

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

THE CITY OF
Anna

THE CITY OF **Anna**

OVERVIEW

THE CITY OF
Anna



October 1, 2022

Honorable Mayor and Council Members:

In accordance with the City Charter and the laws of the State of Texas governing home rule cities, it is the privilege of my staff and I, as your City Manager, to deliver to you, this budget transmittal and executive summary for the Fiscal Year 2022-2023 City of Anna Budget.

The Annual City Budget is the most important document adopted by the City Council each year. By authority of the City Charter, the City Manager must prepare and recommend to the City Council the Annual City Budget. After thorough review and consideration, the City Manager presents the resulting recommendation to the City Council for a record vote at the mandated time required by law.

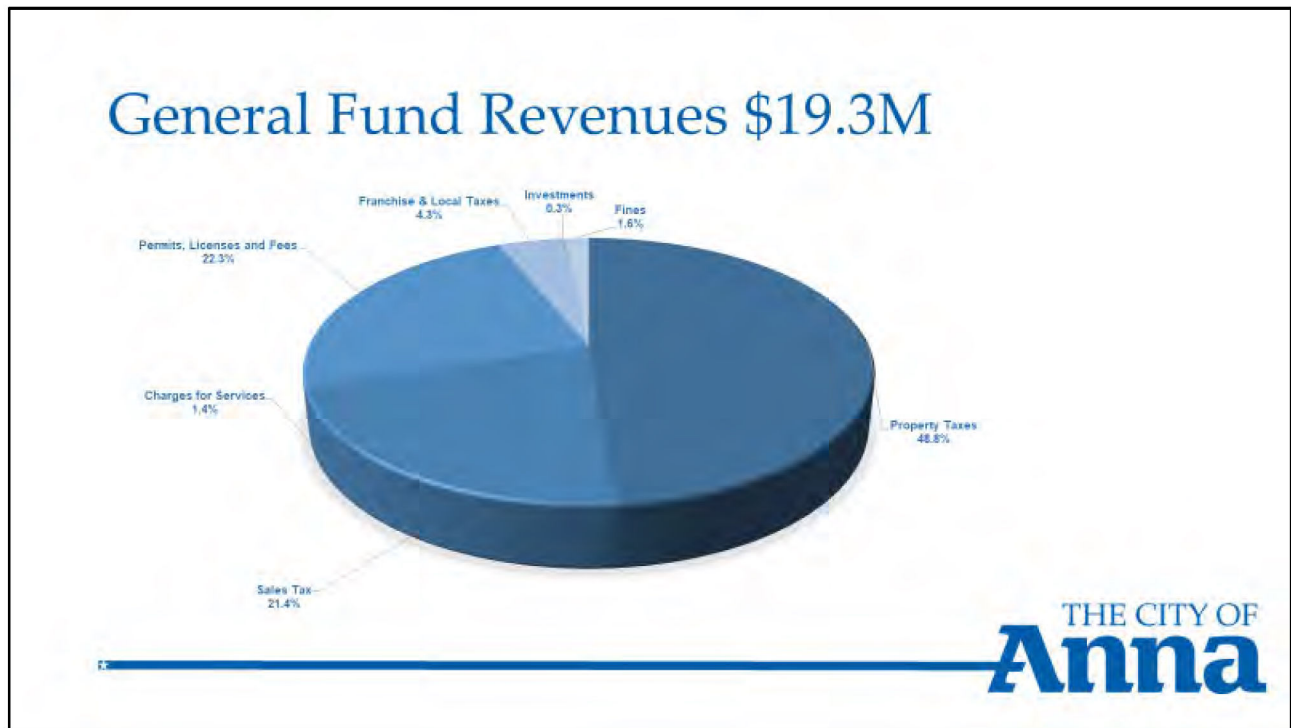
It must be noted that, while this proposal is the City Manager's recommendation to the City Council, it could not be developed without a significant amount of time devoted to this effort by the Mayor and City Council Members, City Department Heads, the Budget Manager, Terri Doby, numerous other City Staff members, and of course the City Manager, all who contribute value to the process each year.

The Annual City Budget is developed through an extensive process of reviewing requests received from all City Departments, then prioritizing those requests in a manner that utilizes resources effectively, within the fiscal constraints, while working to achieve the City's Strategic Goals, as set forth in the City Council approved Strategic Plan, the Comprehensive Plan, and a series of other publicly approved guiding documents, plans, and policies. Some of the details reviewed in this process include, but are not limited to, setting the tax rates for the Interest and Sinking Fund (debt funding) and the Operations and Maintenance Fund (operational funding); adopting fees and rates for numerous point of contact services; setting position control providing for the total full-time equivalent employment levels throughout the various funds; maintaining the base budgets ensuring continuity of operations; delivery of consistent and reliable services; new programs and new staffing in response to growth impacts; and the adoption of the Community Investment Program (also referred to as the Capital Improvement Plan or CIP); and providing for numerous large community-based projects funded by development fees and voter-approved funded projects funded by voter-approved bonds.

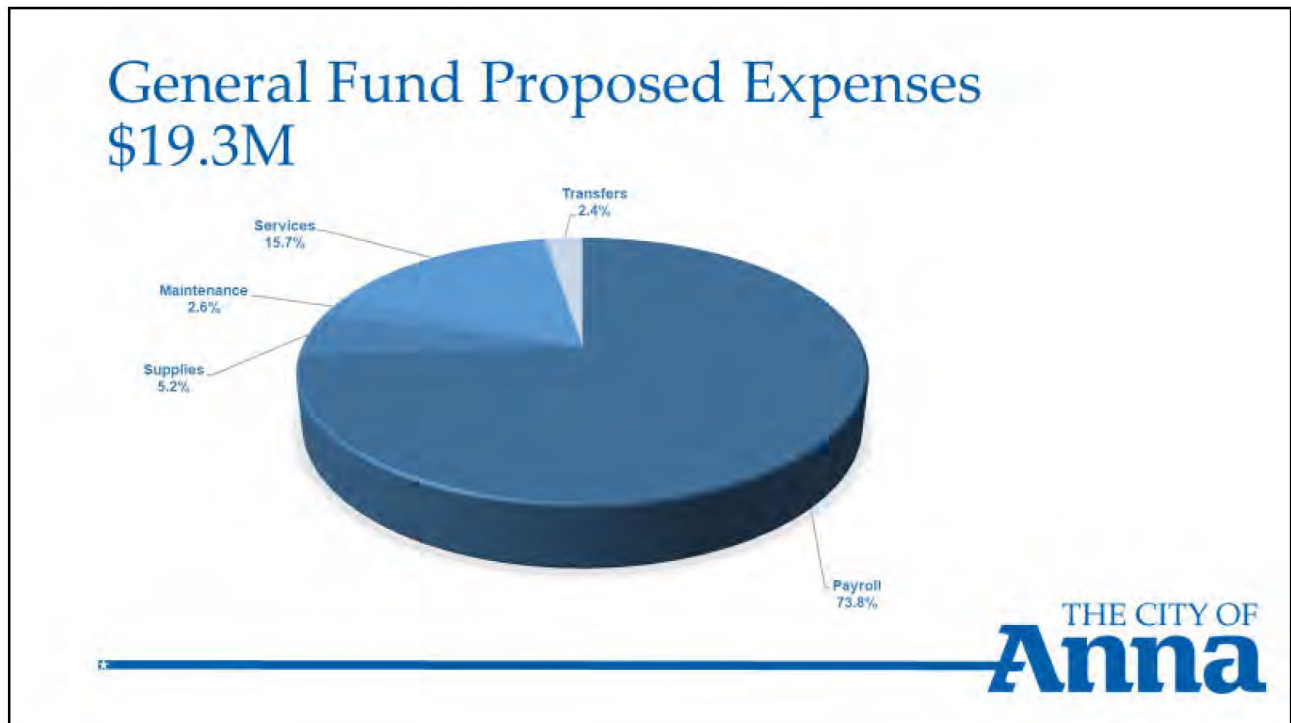
BUDGET OVERVIEW

Over the last year we have seen a lot of growth in volume and valuations. We have seen the overall valuation increase from \$1.77 billion in FY2022 to \$2.44 billion projected for FY2023. This is a result of growth in both residential and commercial market segments as well as increase in valuations. As such the Council had decided to provide the first homestead exemption of 1% (with a minimum of \$5,000) as a form of tax relief for homesteaded property in the City.

All other projected General Fund Revenue is expected to provide approximately \$12.8 million, with sales tax to provide \$6.5 million, for a total of approximately \$19.3 million for all General Fund Revenues, as detailed in the following chart.



As we are required to provide a balanced budget each year, the expenses match the revenues as follows:



The Utility Fund Revenues are projected to be \$15.2 million and the expenses are being conservatively budgeted at \$14.4 million. This is purposeful as we need to anticipate unforeseen items that include, but are not limited to, shortfalls created by water restrictions, drought restrictions, occasions where there are heavier than normal rainfall events resulting in lower usage rates, sewer inflows and infiltration during rainfall events, unforeseen cost increases from inflationary factors, fluctuations in fuel and energy costs, and potential system failures. As you can see, these are things which have direct impact on the Utility but cannot be easily predicted or forecasted.

This year Department requests for the various decision packages such as new programs, new staff, and service level improvements based upon demands for Council requests, operational impacts borne from capital improvements, inflation, equipment replacements, new equipment, and new staff totaled almost \$3 million. Additionally, almost one third of all new revenue was absorbed by the impacts of inflation, something which is mostly overlooked by our neighbors, yet very impactful to our ability to control.

Nevertheless, at the adopted tax rate of 0.539750/\$100, all current levels of service are being maintained and the additional programs and expenses are being fully funded while increasing the General Fund Reserve almost \$1 million dollars, resulting in securing a Aa2 bond rating with a positive outlook.

In brief, we are in stable financial condition for the foreseeable future and have verified our position through our various financial modeling and forecasting.

ONGOING CHALLENGES AND IMPACTS

The past few years have been some of the most challenging for local governments everywhere throughout our great country, and Anna has been no exception to these challenges. In the past couple of years our organization, like so many others throughout North America, have been affected by several national issues that have influenced our society, our community and most certainly our lives. So many things have been impacted, and things have certainly been different than what we previously knew, expected, or experienced. Although we have made many strides and have had significant progress and successes, it is likely to be a while before things begin to seem normal again, if ever.

Even though local government in the form of the Council Manager form of government by design is non-partisan in its structure and operations, the political environment has leaked into the local government at times. As the effects of the national economy have resulted in significant inflation, with impacts are not only to our neighbors, but to our city operations and expenses. The result is significant cost impacts to all of our most foundational operational budgets, including our most important functions of public safety, infrastructure maintenance and construction, utilities services and project delivery. We have seen such impacts is numerous areas as noted herein:

- The continued supply chain issues have affected delivery of every piece of equipment, vehicle acquisitions, materials acquisition, and deployment for projects of all sizes and types.
- All entry-level positions have yielded diminishing returns to employment postings, even with concentrated and targeted advertising efforts, due to lack of local labor force and increasingly higher salaries in competing markets, not only in the government sector but in the retail markets, construction industry, and other market segments not normally competing with our typical market.
- Sky-rocketing property values, not only in Anna but throughout the region, most especially Collin County, have all but eliminated any affordable housing options previously available for those workforce housing needs, adding to the difficulties in recruiting entry level positions throughout all local

governments in North Texas if not the entire state.

- Rental property costs on the rise are resulting in a lack of affordable housing, normally supporting the working-class workforce, which workers are direly needed to staff local retail, restaurants, and other service-related industry segments necessary to attract additional economic development opportunities to Anna.
- The ongoing impacts of the COVID-19 Pandemic have resulted in additional unfunded State-imposed mandates, direly impacting cities with new Workers Compensation requirements, often leaving crucial positions unfilled until resolution can be achieved.
- Other unfunded mandates by the Texas State Legislature were imposed as a result of the winter deep freeze weather event of 2021, requiring the purchase, monitoring, and reporting of emergency equipment redundancies beyond reasonable levels, local affordability, and accessibility to acquisition. With increased demand and twelve months lead time for delivery for required/mandated equipment, these mandates are unattainable by any local government in the State of Texas.
- The continuous rising costs of water supply and sewage treatment in the explosively growing North Texas Municipal Water District service region are an immense challenge. Predicated by the extreme lack of public understanding of the increasing costs and despite continuous education efforts, the need for a regional solution has become imminent for our success.
- Ever increasing construction costs and other consumables have been impacting all of us, our community, and the organization, creating unforeseen financial needs.

All of these things and more have brought many challenging issues to the forefront of our society and more importantly, to our community of Anna, Texas, as we have not been insulated from these impacts amidst the explosive growth we have encountered. These converging opportunities and challenges require solid forecasting as we plan for this budget and for our future and the future of our community. We have been very successful in managing these challenges as a result of our continuous five-year financial forecasting.

Anna, like many communities, has persevered despite all of these challenges, to deliver services and value to our neighbors. We did this as a City staff, as a group of neighborhoods, as a community, and as a City Council, and having done so with great success exceeding all expectations and maintaining our focus: by executing the elements of our guiding documents, especially our Strategic Plan, with great precision, dedication and unwavering intent to serve our neighbors.

When we look back at the past year or so, we have really shined as an organization amidst these challenges, having completed a myriad of huge tasks, accomplishments, program enhancements, and projects. These are just a snapshot of some of the highlights:

FY2022

- Constructed over 51,000 square feet of municipal facilities occupied in Summer 2022
- Planned the construction of a second fire station and a community library to be constructed in 2023 and 2024, respectively, with each project being occupied and staffed once completed
- Completed Impact Fee Study for FY2023 implementation
- Completed analysis of other fees for service outside of general services, i.e., rental registration, building permits, utility rates, and others
- Bringing the City's Emergency Medical Service in-house, providing response times that will exceed the nationally recommended standards of 8 minutes, going from 13 minutes (as contracted with our third-party AMR) to 6 minutes (provided by the City of Anna Fire Department)
- Created a full-time Detective position for the County Children's Advocacy Center that will provide the management of crimes against children in Anna effective in the August of 2022

- Sale of the business park that will bring notable commercial and industrial development, the first project being a regional Caterpillar sales, service, and distribution center, serving the region and southern Oklahoma
- Completed the design, construction, and activation of the Collin Pump Station, including storage tanks, wells and related infrastructure improvements that will increase the City's water supply over 20% and provide for the foreseeable future
- Implemented the Stormwater Utility at a rate of \$3.20 to go into effect October 2022 to fund much needed drainage projects, equipment, and staffing
- Sustained the Bond ratings, through two rating agencies, with a positive outlook, issuing almost \$100 million in general obligation and certificate of obligation bonds for the construction of a regional sewer plant and voter-approved projects

FY2021

- Improved the Bond rating, saving the City of Anna neighbors millions in future interest rates, going from Moody's Aa3 to Aa2, yielding high quality bonds
- Oversaw a successful Bond Referenda with three Propositions, providing for much needed and desired public improvements, facilities and recreation elements
- Updated the Strategic Plan, Comprehensive Land Use Plan, Parks & Trails Master Plan, Downtown Master Plan, Impact Fee Study, and the Master Thoroughfare Plan
- Completed Stormwater Utility Study for October 2022 implementation
- Completed the Request for Qualifications for all professional services, securing continuing service contractual agreements for all genres of engineering and technical services, securing cost effective professional services, streamlining our project management processes
- Implemented an automated purchasing and bidding module, reducing employee time and increasing efficiency
- Updated Comprehensive Fee Structures to fully-fund select operational programs
- Completed the Enterprise Resource Planning System Replacement (Financial Software implementation)

All of these accomplishments were achieved while building a top-notch municipal team of professionals, hiring or replacing well over one hundred employees during my tenure as the City Manager, and more than doubling the size of both Police and Fire departments.

Anna has made significant improvements in public safety response times, becoming one of the safest cities in Texas, and building professional level public safety departments, second to none, for a city of our size. Other departments and divisions created and improved include Economic Development, Code Enforcement & Compliance Division, Building Permitting Division, Engineering Division and Recreation Services. Each of these has provided focused efforts where they did not previously exist.

More importantly to our tax-paying neighbors, these initiatives reduced the reliance on third-party providers of these services and resulted in significant cost savings, literally millions of taxpayer dollars, during the past four years, which enabled public safety upgrades and enhancements. The most notable savings are in building permitting where the costs savings are a 9:1 ratio; engineering services where civil plan review and development inspection is now all done in-house and generates cost recovery revenue; code enforcement where the Rental Registration Program has achieved full cost recovery and ensuring that rental properties are well maintained by meeting habitation and code standards; and fleet operations providing in-house maintenance and repairs of standard city vehicles. Each of these changes from the previous contract services has yielded better, more responsive services, and most importantly, resulted in

enormous cost saving to our tax-paying neighbors.

As your City Manager, my personal mission is to provide the best service in the best way possible at the lowest cost impact.

ANNUAL THEME/VISION

If you recall, in the first year of my tenure as the City Manager, I themed the FY2019 budget effort as the **“Year of Transition”** where there were many initiatives and challenges before us as we transitioned the organization in many facets throughout all departments of the organization. That was a challenging year as the budget proposal was built prior to my arrival, hence there were numerous limiting factors having inherited a plan that was outside of my influence. As the flexibility availed to me as the new manager were, in part, somewhat limited, I was able to make some improvements which were helpful in achieving targets in that first year. Specifically, I was afforded a great opportunity to implement the **“First-Year Plan”** that I had drafted as part of the recruitment process. That plan was an analysis of the State of the City, regarding its finances, policies, practices, staffing and strategic outlooks. The First-Year Plan served as a precursor to the Strategic Plan that we would implement and adopt in early 2019. The First-Year Plan identified a series of strengths, weaknesses, opportunities, and threats and provided a series of action items to make the best of those elements going forward. I was able to execute most of the stated initiatives in the First-Year Plan, yielding many successes by setting foundational systems and programs in place to grow. When in early 2019 we adopted the Strategic Plan, establishing its elements of a Vision, Mission, Values, and with action items identified as long-term, mid-term, and short-term targets. This was integral to the delivery of many projects, program enhancements, department reorganizations, department and division creations and achieving the Council directed goals, objectives, and targets. This was the definition and the highlight of the themed “Year of Transition”, which sustains in the developing culture of this renewed organization.

The following year, FY2020, I had defined as the **“Year of Implementation”** for the organization as we set forth on the beginnings of the execution of the very aggressive Strategic Plan. This plan was certainly one of the most aggressive plans that I have worked on in my career, with almost two hundred program and project action items, setting new expectations for Department Heads and staff, focusing the organization on much needed and desired results. Even with the continuing societal disruptions, material cost impacts and delays resulting from the early stages of the pandemic, our staff had set the foundation in place for numerous programs and plans to be addressed. We executed many aspects of the Strategic Plan during that year and successfully responded to many additional unprecedented and unplanned challenges, including the winter deep freeze and on-going staff recruitment challenges for many of the basic, entry-level positions. Regardless of such impediments to our success, numerous strategic initiatives have successfully come to fruition, and our organization thrives as a leader in the North Texas economy. We are in pursuit of becoming the **“The Premier Community in Collin County”**, a target for our City, our Council, certainly our community, and the continuous focus of our entire organization.

Amidst the continuing impacts of COVID-19, FY2021 was themed as the **“Year of Execution”**, as additional organizational transitions occurred. We worked hard to integrate numerous new staff members during the year, executing quarterly budget amendments to keep in line with the impacts of high growth, while raising the level of professionalism, skills, and knowledge as we develop the new acquired professional staff. We continued to recruit team members from the premier cities throughout the region, building an awesome team of professionals in all levels of the organization, touting Anna as a **preferred employer of choice** and being recognized as a **“High Performing Professional City.”** Our organization has been recognized by numerous professional associations, development interests, and governmental agencies throughout the country, as we have impressed many by our efforts, innovations, and explosive

growth patterns. During this time, the City has received recognition in almost every department, receiving awards for individuals, processes, programs, and projects in the areas of communications, marketing, economic development, human resources, public works, parks, policing, and more. This is all part of the culture supported by the City-adopted Core Values: Anna C.A.R.E.S.

With the continual acquisition of new staff members in key leadership positions as well as key support roles, many of which were achieved through promotions, staff development or targeted recruitment, the City set high expectations with neighbor-based values, reinforced organizational core values, and improved operational efficiencies. The City of Anna staff was primed to take on the explosive commercial and residential development in our community, having the right sense of urgency, knowledge, skills, and experience.

With the City Council updating the Strategic Plan in 2021, once again providing leadership and guidance by establishing goals based on a strong Mission, a clear Vision, and an aggressive and accountable Action Plan. The organization continued to be poised to be and achieve the goals of being the ***“The Premier Community in Collin County.”*** Such success was supported and evidenced by the continued unprecedented record growth, commercial tax-base expansion, increasing sales tax proceeds, increasing housing starts, and vast economic development opportunities to the likes that our City has never seen. We only expect this trend to continue, throughout all economic segments, into the future before us and for the foreseeable future. It is a challenge that we not only accept but await with the proper sense of urgency to respond, instilled upon and within all staff. This is a highly dedicated and motivated team that deserves to be recognized for their collective on-going efforts and successes.

We themed our efforts in the FY2022 as the ***“Year of Results”*** as we had collectively set in motion many lofty goals, new programs, solid achievable plans, and exciting initiatives set forth in the many revamped and very focused master plans that this City Council had approved. Amidst the on-going disruptions of the on-going pandemic, supply chain issues, construction costs impacts, hyperinflation to the level not seen in decades (exceeding 9%) in 2022, and several of the ongoing concerns throughout our country and region, we continued to persevere and move many of our initiatives forward on all fronts, yielding successes never previously realized in our community. All of this while anticipating the threats of a possible recession, we foresaw a positive outlook over the next two to five years, albeit an obvious shift in development types.

With great anticipation, we would continue to achieve as we continued to deliver the elements of the Council-adopted Strategic Plan, as we expected much new development, both residential and commercial. Without exception, our team accepted all of the challenges, and we would persevere to serve our neighbors with great focus and dedication, delivering what we have termed as ***“A Community of Neighbors”***, remaining true to our stated and published Values and Vision.

All this being considered, we have themed this year - FY2023 - as the ***“Year of Reimagining”***, as we have learned new ways to do so many things. We have created numerous new master planning efforts that have expanded upon the vision of our great City. We have expanded outreach efforts, engaging our neighbors through recreation, education, and activities, and we are on the eve of yet even more. The successful planning and design of a community library and lifelong learning center has begun, to be followed by the planning of a community-based recreation center, an ambitious parks and trails expansion plan, and the birth of a true executable downtown revitalization plan. All of these visionary efforts are the collective work of our neighbors, our professional level staff, and our visionary Mayor and City Council, as we continue to be recognized in the region as the following hashtags:

#AnnaTexasTheNextBigThinginNTX
#AnnaTexasBuildingCommunity
#AnnaTexasACommunityofNeighbors

...where we are all proud of the growth, continued successes, and the potential of our great community.

In this message that follows, I will discuss some of the specific strategic initiatives, the goals, the challenges, and opportunities before us, the wants and needs of our community, and the recommendations and long-term outlook for the organization. I will discuss the form of government, the City Council approved Strategic Plan, our accomplishments and targets, the continued 2021 Bond Election plans going forward, the future planning for other facility needs as we grow, as well as future debt planning for growth and the management of the tax rate, all defining how will achieve making Anna reach its greatest potential - a potential that we deserve as a team, as an organization and as a community of neighbors.

FORM OF GOVERNMENT

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

The Council-Manager form of government is the system of local government that combines the strong political leadership of elected officials in the form of a council with the strong managerial experience of an appointed local government manager. The Council-Manager form of government is a representative system where power is concentrated in the elected city council and where the city council hires a professionally trained manager to fully oversee municipal administration and operations.

The Council-Manager form of government recognizes the critical role of elected officials as policy makers, who focus on mapping out a collective vision for the community and establishing the policies that govern it. This form of government also recognizes the need for a highly qualified individual who is devoted exclusively to the delivery of services to residents. Think about the structure used by many corporations, in which the board of directors hires an experienced Chief Executive Officer (CEO), who is granted broad, executive authority to run the organization. While these boards establish the company's overall policy direction, the CEO, in this case the City Manager, oversees implementation of that policy.

Numerous independent studies show that cities that operate under the Council-Manager form of government are significantly more efficient, have higher bond ratings, employ innovations more regularly, attract better talent, and are supported by the National Civic League, all of which are solid reasons resulting in the providing of high-performance teams that deliver desired services to our communities. These benefits to a community are achieved through:

- Flexibility - The Council-Manager form can adapt to local needs and demands.
- Clearly Defined Roles - Under the Council-Manager form, there is a clear distinction between the administrative role of the City Manager and the political and policy roles of the City Council, led by the Mayor. The day-to-day operations of the City reside with the appointed City Manager, allowing elected officials to devote their time and energy to policy development and the assessment of the effectiveness of those policies within the community.
- A Roadmap for Success - The Council-Manager form is the system of local government under which professional management is most likely to succeed. Under this system, professional managers can focus on service delivery, policy implementation, and performance management and can align the local government's services with the values, mission, and policy goals defined by the community and the Mayor and City Council.

- Practices by Professional Staff - Professionals add value to the quality of public policy and produce results that matter to their communities. They bring their knowledge of performance management and a government-wide perspective to the successful stewardship of public assets and resources; they pursue quality and transparency in the design and delivery of public services. Professionals take a long-term and community-wide perspective. They commit themselves to ethical practices in the service of public values. They help build community and support democratic and community values. They help build community by facilitating partnerships among sectors, groups, and individuals. They promote equitable, fair outcomes and processes. They have an obligation to promote equity and fairness. They develop and sustain organizational excellence and promote innovation. They relentlessly focus on efficient and equitable service delivery, policy implementation, and evaluation. They hired on the basis of merit and committed to professional development for all employees, promoting innovation while valuing consistency and continuity and strive continuously to strengthen organizational capacity to produce results that matter.

Within the Council-Manager form of government, the Mayor and six Council Members serve as the City's legislative body and the community's policymakers and board of directors, synonymous to the structure of a corporation. The Mayor serves as the public face of the community, presides over council meetings, serves as the official head of the City for ceremonial occasions, facilitates communication and understanding between elected and appointed officials, and leads the elected body in setting goals and advocating policy decisions. Under the Council-Manager form, the City Council are the legislative body and the community's policy makers. Power is centralized in this body, which approves the budget and adopts local laws and regulations, for example. The elected officials also focus on the community's big-picture goals, such as community growth and sustainability. The elected officials hire a professional manager based on that person's education, experience, skills, and abilities and not on their political allegiances. The elected officials supervise the City Manager's performance, and if that person is not responsive and effective in their role, the elected officials have the authority to remove the City Manager at any time.

The Mayor and the Council oversee the employment of the City Manager, as well as the other Charter Officers within the city, such as the City Attorney, City Secretary, and Municipal Court Judge.

Under the Council-Manager form of government, the City Manager serves as the chief executive officer and main intragovernmental decision-maker for the City, as provided for in the City Charter. Within this form of government, the City Manager is a professional with education, experience, skills, and abilities related to local governance. Your City Manager is additionally licensed and credentialed by the International City Management Association as an ICMA Credentialed Manager (ICMA-CM), being one of approximately two thousand city managers in the country to achieve and maintain this coveted certification. With over 22,000 municipal agencies in the US, this clearly is a select group of managers.

The ICMA Credentialing Program recognizes professional local government managers qualified by a combination of education and experience, adherence to high standards of integrity, an assessment, and an assessed commitment to lifelong learning and professional development, all ensuring consistent, professional, and reliable leadership in the position and the management of the organization.

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

Under the Council-Manager form of government, residents (defined and described as *“neighbors”* in Anna) guide their community. They do so regularly by running for office, serving on city boards and

commissions, volunteering their services, and by voicing feedback on community opportunities and challenges through a variety of means. They do so at key points in time by voting for elected officials, voting for or against major community financial obligations such as bonds, and participating in various charettes, comprehensive planning processes, and other public events and outreach opportunities.

We value our neighbors, their participation and input, and treat all in a neighborly manner as it is our philosophy for local government success and service. Under Council-Manager government, local governments often actively engage and involve their neighbors in community decision making. Neighbors can guide their community by serving on boards and commissions, participating in visioning and strategic planning sessions, and designing community-oriented local government services.

STRATEGIC PLAN & GOALS

The Strategic Plan in its current format was originally drafted in FY2019 and reviewed by Council and staff typically annually and most recently in FY2021. It is the working document that provides guidance to City staff when making budgetary, planning, and operational decisions. As part of the adopted Strategic Plan, the City Council has identified and reaffirmed our four strategic goals that help frame the City's operational work plans, providing focus for staff, community, and the Council alike, and providing a system of accountability through performance targets and prioritization of goals for the community. As a part of the iterative process to develop the Strategic Plan, the City Council reaffirmed and established a Vision, Mission, set of Strategic Goals, and identified and adopted key Core Values by which the organization will operate, plan, develop, and grow.

The Action Plan developed is the guiding document that outlines the annual work plans and identifies the priorities and provides the direction for the day-to-day tactical approaches to every service and project we deliver. It is the measurement of success for each department and their respective targets. As we navigate the set of plans in each functional area, these efforts ensure that we focus on the things that are truly important to the City, to the City Council, and to the neighbors we serve each and every day. We operate under this philosophy in all we do, as there will always be constraints on our resources. It is important to focus on what is important to our neighbors. When differentiating what is not important, resources are always allocated to the former. This document is one of the most important products of the labors of both City Council and staff.

Goals

The Goals from the Strategic Plan for the City of Anna are:

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

While the over-arching goals have not changed since inception, they were reordered to identify the Council's latest focus and priorities. The Strategic Plan expands upon the multi-faceted comprehensive goals as well as the strategies to be employed in the execution of this plan.

Mission

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

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

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

Vision

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

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

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

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

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

Core Values

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

The Anna Team CARES!

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

- (being) **CREATIVE** – we encourage and will reward creativity in execution of solutions
- (taking) **ACTION** – we encourage taking action, starting at YES, and moving all initiatives forward
- (taking) **RESPONSIBILITY** – we encourage that we own every encounter and see things through to resolution
- (delivering) **EXCELLENCE** – we insist that high standards are met in all we do
- (and is privileged to) **SERVE** – we believe that public service is a calling and that serving the public and our neighbors is a privilege

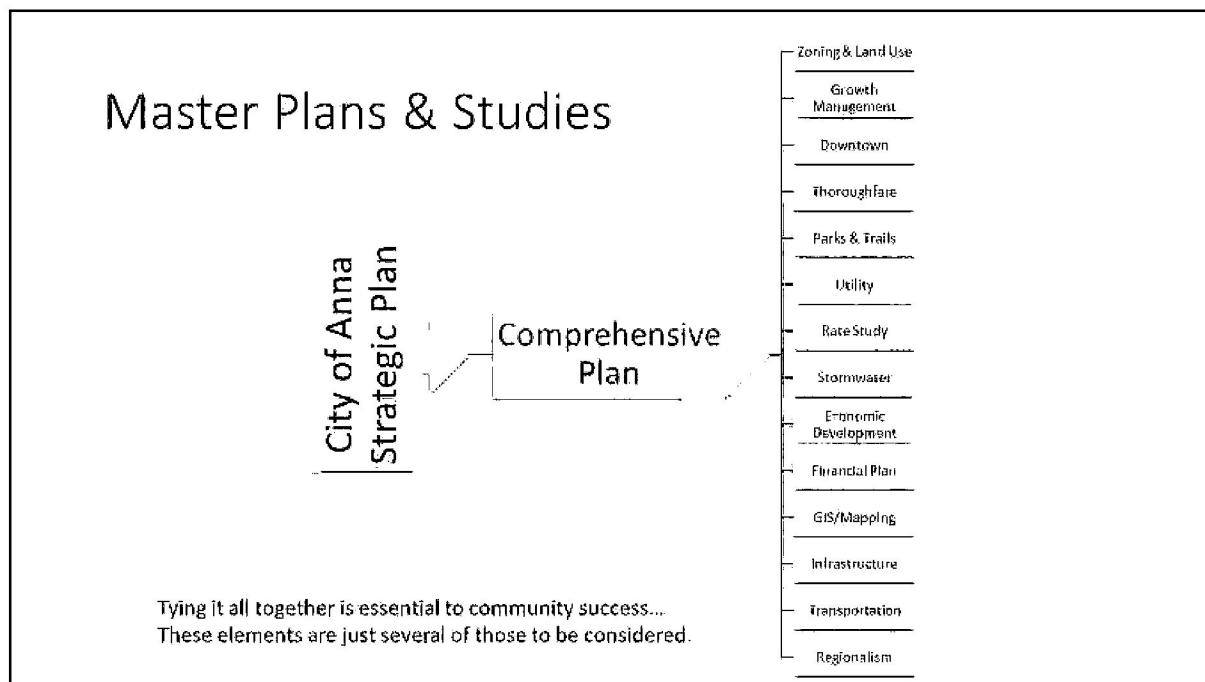
These Values are the measuring stick for all staff. These are the Values to which all in this organization will be accountable. It is how we expect all employees to embrace the culture we have been building, living, and supporting. These values are how we recruit new teammates, promote existing teammates, manage our teams, and govern ourselves through self-accountability.

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

MASTER PLANS & STUDIES

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

Each of the stated plans can be found on our website or are available by request.



Over the last two years, there have been major strides put forth in many of these areas.

- **Economic Development Strategic Plan** has been implemented and continues to drive this engine. It has numerous key elements that are in alignment with the Council's Strategic Plan. These elements are what drives the Economic Development budget and the team assigned to execution. In the coming year, elements of this plan will come to the forefront with numerous planned development projects, multi-family housing projects, Housing Finance Corporation (HFC) and Public Finance Corporation (PFC) revenue generating projects, and downtown revitalization planning.

- **Housing Finance Corporation and Public Finance Corporation** - as previously mentioned, we have created these corporations to recoup payments in lieu of taxes for several tax-exempt projects (including projects in the Extra-Territorial Jurisdiction (ETJ)), where previously we could not derive revenue. This revenue source can eventually be used to augment and reinforce general fund revenue. This revenue stream is unaffected by 2019 Texas State Legislative action, the Property Tax Reform and Transparency Act, and will provide for successful and locally desired and approved programs and needs, without restrictions, allowing the City Council to make decisions on behalf of the community.
- **Utility Rate Analysis** was completed for the FY2021 budget and continues to be update each year to manage rising costs from the North Texas Municipal Water District (NTMWD). Without rate increases in over five years prior to FY2021, the utilities were risking long-term sustainability, simply put we were close to selling water for more than it costs to deliver and headed towards expenses exceeding revenues. The most recent review of the study recommends a rate structure where Anna is still the lowest rates in the Collin Grayson Municipal Alliance (CGMA) consortium. Projected rates were originally forecasted in five-year model to increase by 10% to 12% annually, but our staff has made cost conscious decisions that reduced this increase by 2% for FY2023 to 8%, realizing that any reduction in projected costs are a favorable outcome. This increase was promulgated by costs increases from our suppliers (NTMWD and CGMA), which is clearly outside of our local controls, but nevertheless, through staff efforts, we were able to lower the forecasted increase.
- **Financial Plan** was revised including:
 - Revision of the Financial Policies, Investment Policy, Purchasing Practice with the implementation of fully automated procurement
 - Achievement and acquisition of the fifth of five Transparency Stars from the Texas Comptroller's Transparency Program
 - Institutionalizing of the five-year financial model that is used for forecasting and managing the finances of the City
 - Bond Financing maximized within the voter-approved debt service to take advantage of interest rates before the Federal Reserve impacted our Bond Sales
 - Investment strategies updated and implemented to maximize interest earnings, realizing a significant increase in the project interest revenue for the upcoming fiscal year
- **Stormwater Utility** study was completed and is projected for implementation in October 2022. The plan is for a budget amendment targeted at mid-year (April 2023), resulting in a stormwater program which may include projects, materials, or staff. One upcoming program we are costing out for future implementation is street sweeping in select problem areas and intersections where an accumulation of silt, debris and sand buildup has been identified. Keeping these out of the stormwater stream is an eligible expense and supports the mission of erosion control, surface water quality, and general stormwater management.
- **Comprehensive Plan** was completed in 2021 and is in place as a guiding document for future land use. There are many elements within this plan that guide planning and zoning, development regulation, and future land use planning. The remaining challenges, which we will continue to navigate going forward, are the over 100 planned development documents. These documents are essentially contractual agreements with property owners that were adopted in the early 2000s and are binding on these properties. These agreements will be addressed on a case-by-case basis when and if the property owners come forward to develop these properties. The basic challenge is that there are numerous entitlements in place that are contradictory to the latest land use assumptions, so there will be circumstances where the property owners will execute entitlements granted that current and future Councils and P&Z Commissions may not be in agreement with, but nevertheless subject to, without resolution.

- **Parks and Trails Master Plan** was completed in 2021 and is in place as a guiding document for the development and project planning for all things parks and trails. In the upcoming year we will provide a detailed update and response to action items from this plan so that we can program and construct some of the identified projects.
- **Downtown Development Plan** was completed in 2021 and is in place to guide needed changes to the downtown district. It is a catalyst planning document for the redevelopment effort in the Downtown area. In the upcoming year we expect to begin integrating several target projects to advance these initiatives.
- **Zoning & Land Use Codes** updates were funded in FY2022 and will be addressed in FY2023. It is expected that we will adopt the updated codes in the months to come. This was a major element and milestone in the Comprehensive Plan.
- **Infrastructure Plan** analysis for streets is ongoing, having initially been completed over the past two years. Street condition analysis will be instrumental in the CIP development and future proposals and is integral to fiscally responsible planning of road paving and road maintenance. This plan will be revisited every other year so that we can provide Council a roadway management plan that is planned out for more than just the annual budget.
- **GIS/Mapping** has created numerous resources for all departments to use and will be expanded over the next year, providing additional analytics for the development of performance metrics. With the acquisition of a highly talented asset, we expect to set new priorities and vision. The interactive map is accessible on our website and has proven to be an outstanding asset for staff and neighbors. Additionally, we have met or exceeded all of the unfunded mandates from the 2019 State Legislative requirements regarding GIS through the staff efforts.

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

In addition, this budget, like last year, will continue to deliver a true and comprehensive **Capital Improvement Plan**, defined as the "**Community Investment Plan**", providing 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, encompassing all department and community needs. The CIP has a long-term outlook that plans for future opportunities, some of which may be unfunded in the short term but can be used as a planning tool as well as planning for shovel-ready projects for potential grant opportunities in all functional areas.

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

With the growing list of projects, funded by the 2021 Bond Program, the General Fund Non-Bond, the various Impact Fees, PID Fees derived from Development, a segment of the General Fund Sales Tax and the 2022 Certificate of Obligation Bond for the regional sewer plant, it was necessary to complete a minor reorganization in the Public Works Department to ensure that the capable staff was in place to execute the aggressive CIP plans. With the volume and intensity of the projects we are bringing forth, it is necessary to add resources to ensure proper management and oversight. Through a series of promotional opportunities and training efforts, we successfully put the team members in place and have made numerous process improvements in project management. However, as we grow and take on more projects, it will be to our

advantage to acquire additional staff to support the tens of millions in projected projects, ensuring that we actively manage the public funds that support such initiatives.

Major Highlights of FY2022

The 2021-2022 fiscal year resulted in the completion of numerous key accomplishments of which the City of Anna can be proud. To organize these accomplishments, the following sections are included herein:

- Noteworthy City Council Activities and Special Projects
- Growing the Anna Economy
 - Economic Development
- Sustainable Anna Community Through Planned Managed Growth
 - Planning and Development
 - Public Works
- Anna – A Great Place to Live
 - Fire
 - Police
 - Neighborhood Services
- High Performing, Professional City
 - City Secretary's Office
 - Finance
 - Human Resources
 - Information Technology
 - Organizational Developments

Noteworthy City Council Activities & Special Projects

- First full fiscal year with updated Comprehensive Plan and implementing new Downtown Master Plan and Parks, Trails, and Open Space Master Plan.
- Police Department rewrote all policies and standard operating procedures and established standards and documentation for field training.
- With the implementation of Fire-based ambulance service and transport, the Anna Fire Rescue Strategic Planning Guide was accomplished a year ahead of time.
- Downtown water tower was repainted, with a community involved selection of colors.
- Received the Texas State Comptroller's Transparency Star for Traditional Finance, Public Pensions, Economic Development, Procurement and Debt Management, becoming one of top 200 agencies in the State for fiscal transparency.
- City Council adopted a General Option Homestead Tax Exemption for TY2022/FY2023, providing for a 1% general exemption, in a response to providing tax relief to homesteaded properties.
- The City, as an employer, is now providing new benefits that did not previously exist, such as a compensation plan, long and short-term disability insurance, risk management, new training programs, and updated policies consistent with regional trends in staffing management.
- City staff has occupied the new Municipal Complex and Central Fire Station.
- City Council authorized the sale of \$65 million in Certificates of Obligation to design and construct a wastewater treatment plant in August 2022.
- Created Library Task Force and developed a project charter with community input.

- City Council authorized the sale of more than \$33 million in General Obligation Bonds to construct Fire Station #2, the Community Library with event space, and Recreation Facilities in August 2022.
- Staff continued to navigate the COVID pandemic without disruption to core services.

Growing the Anna Economy

Economic Development Department completed numerous actions:

- Closed on the Anna Business Park Property for \$12 million.
- City Adopted Texas Property Assessed Clean Energy (PACE) Program.
- Created a Tax Increment Reinvestment Zone (TIRZ) and Public Improvement District (PID) for the AnaCapri Development.
- Created a Public Improvement District (PID) for the Crystal Park Development.
- Created a Tax Increment Reinvestment Zone (TIRZ) for Downtown.
- Provided funding for Downtown Drainage Study.
- Parmore Senior Living Project closed in early February and commenced construction in March of 2022.
- Executed new Incentive Agreement with Holiday Inn Express and construction has begun.
- Anna EDC featured in the Dallas Business Journal's "America's New Main Streets."
- Sponsored DCEO Real Estate and Dallas Business Journal BRED awards.
- Created a new ad campaign and community video.
- Held 2nd annual Development Forum as well as Business Appreciation Luncheon.
- Spoke at various events and featured in several articles and other news coverage.

Sustainable Anna Community Through Planned Managed Growth

Planning and Development

- Amended ordinances to improve staff efficiency, modernize language, and provide general clean-up of regulations.
- Implemented new permitting software.
- Contracted with Freese & Nichols to assist in rewriting Planning & Development Regulations.

Public Works – Administration

- 6 Capital projects completed, including: Green Ribbon Project FM 455, Foster Crossing Road Improvements, Rosamond Water Line Extension
- 16 projects inspected by Engineering, including: QT Quick Trip, Villages of Hurricane Creek Phase 1, Anna Ranch Phase 1A, Anna Crossing Phase 1C, Dollar Tree and more
- 53 projects reviewed by Engineering, including: Three Phases of Anacapi, Clement Creek Middle School, West Crossing Phase 12, Chili's
- 28 projects under construction providing inspection services, including: Woods at Lindsey Place, Dairy Queen, Shadowbend Phase 2, Willow Creek Retail, Paramore at Anna, VHC Phase 2
- 6 flood studies reviewed by Engineering, including: West Crossing Phase 10, Parc Place at Anna, Shadowbend, Waterview Apartments, The Woods at Linsey Place

Public Works – Fleet and Facilities

- Implemented formal fleet maintenance processes for preventative maintenance.
- Brought small repair, prevention, and maintenance work in-house, saving time and money.
- Developed a formal building maintenance program for all existing buildings.

Public Works – Streets

- Street Maintenance resurfaced and repaved over 2.5 miles of City streets.
- Partnered with Collin County Public Works to re-surface Taylor Boulevard and Foster Crossing Road.
- Completed a full re-assessment of pavement conditions and scoring for all City streets for use in planning and budgeting future maintenance projects.
- Completed two erosion protection projects on City-owned parkland.

Public Works – Utilities

- Worked with CGMA/GTUA to implement the first CIP for the 4-City region, leading the planning efforts for the region.
- Reorganized to having a single utilities division in Public Works rather than separate water and wastewater divisions.
- Renewed TCEQ permit for the John R. Geren Wastewater Treatment Plant.
- Submitted permit to TCEQ for Hurricane Creek Regional Wastewater Treatment Plant.
- Planned a temporary lift station for Hurricane Creek so we would not need to pump and haul while Wastewater Treatment Plant is constructed.
- Restored Sherley Elevated Storage Tank to historic appearance (Downtown Water Tower).
- Partnered with Anna ISD to paint a community logo on the Collin Pump Station Ground Storage Tank at the corner of State Highway 5 and the Collin County Outer Loop.
- Reduced calculated water loss below 10% for the first time ever, exceeding national standards.

Anna – A Great Place to Live

Fire

- Completed and occupied Central Fire Station.
- Applied for a SAFER Grant for 15 full-time firefighters to include 3 Lieutenants, 3 Engineers and 9 Firefighter Paramedics to staff Truck-1.
- Developed design concepts and will begin construction of Fire Station 2.
- Began Fire-based, ALS EMS transport ambulance service.
- Delivery of Medic-2 to establish depth in our ambulance capabilities.
- Developed and initiated Transport Paramedic Training Programs.
- Designed and received Truck-1: A 100' Pierce Ascendant Aerial Platform.
- Began Truck Company Operations training to continue through FY2023.
- Completed Driver/Operator Pumper Certification for all department employees.
- Set a staffing projection in place to be prepared for the activation of Station 2 and related apparatus at when the facilities are ready to go live.

Police Department

- Completed a comprehensive inventory of all items of evidence and updated our procedures to better document destructions and chain of custody.
- Overhauled and standardized the hiring process for police applicants.
- Restructured the organizational chart and held a promotional process, adding corporals to eliminate the officer in charge role and made interim sergeant positions permanent. This provides the framework needed to scale up our staffing structure in future years.
- Implemented structured patrol districts to streamline response times and ensure the best city coverage.
- Partnered with an outside party to ensure compliance with all racial profiling laws and institutional best practices.

- Completed a review and re-write of virtually all departmental policies and procedures.
- Revamped the Field Training Program and implemented a new policy manual to standardize and modernize how we train newly hired officers.
- Developed a five-year departmental staffing plan with the assistance of a third-party consultant. This will allow us to look to future staffing needs with additional clarity.
- Implemented Naloxone program and issued doses to Patrol to help combat opioid related overdose deaths, resulting in one life saved to date.
- Brought back Coffee with a Cop Program to improve community engagement.
- Created Narcotics and Children's Advocacy Center (CAC) Detective positions.
- Brought Automated License Plate Reader (ALPR) system online with numerous successes.
- Five supervisors have successfully completed advanced leadership courses at the Institute for Law Enforcement Administration (ILEA). We will continue to send supervisors to these courses to insure departmental depth.
- Two officers certified in advanced accident reconstruction, allowing us to better serve the community.

Neighborhood Services

- Constructed new playground at the newly named Henry Clay "Yank" Washington Park.
- Held Christmas celebration with tree lighting featuring a brand new 30' LED programmable tree, choreographed fireworks, a live reindeer, virtual programs, and more than 800 free, kids' activity kits given away.
- Co-hosted first Neighborhood Summit with the City of McKinney.
- Enhanced Disc Golf Course with new layout, additional tee boxes at 36 holes, new signage, and new course map.
- Developed site plan for Bryant Park.
- Johnson Park Enhancement Project received the DFW Directors Association award for Inclusive Playground of the Year.
- Brought the City's first mosquito abatement program in-house.
- All food establishments were inspected and permitted by Health and Environmental Services.
- Held Easter celebration with more than 1,000 free kids' activity kits given away along with virtual programs, movie in the park, and an Easter egg hunt.
- Hosted two 5K races in conjunction with the fall Harvest Fest and summer Boots and Booms events.
- Hosted a community clean up event to celebrate Earth Day.
- Completed the designation to be a Tree City USA.
- Hosted successful summer concert series with rotating food trucks.

High Performing, Professional City

City Secretary's Office

- Made public documents searchable 24/7 on City website with any device, reducing Public Information Requests.
- Implemented Boards and Commissions software for efficient tracking of applications and terms of office.
- Scanned all files in City Hall File Room file cabinets, imported scanned documents into the Laserfiche repository, and prepared disposition/destruction as appropriate.

Finance

- Completed conversion to new core financial software and utility billing software.
- Completed the FY 2021 Audit and Annual Comprehensive Financial Report.
- Received the **GFOA Certificate of Achievement for Excellence in Financial Reporting** for the FY 2020 Annual Report.
- Sound fiscal management of fund balance and undesignated reserve funds

Human Resources

- Development and implementation of citywide training programs to include:
 - Anna Ambassador Academy Leadership Program – Collin Corporate College
 - “EmpowerU” Training Series
 - The Anna Way Supervisory Toolkit
 - Mandatory training including onsite sexual harassment training and driver safety training
 - Plan of action for FEMA Emergency Management Training (NIMS)
- Accepted the risk management function, transitioned from Finance.
- Coordinated City insurance benefit changes to balance cost containment with employee needs.
- Implemented financial software to automate processes and procedures and improve payroll and HR processes.
- Policy formulation and management of the city personnel policies.
- Expansion of the city wellness program along with planning for future expansion.
- Effectively filling staff vacancies.
- Development and implementation of Employee Newsletter.
- Onboarding platform to include promotion and training component.
- Desk manual creation for new hire processing.
- Developed Human Resources Standard Operating Procedures.

Information Technology

- Implementation of network infrastructure at new Municipal Complex and new Central Fire Station.
- Implementation of new internet services and dark fiber to City buildings.
- Renegotiated current GCEC contract from 10 years to 3 years for significant cost savings.
- Implementation of Asset Management System for City technology assets.
- Streamlined Windows server and computer updates.
- Creation of the IT request website for Department Heads and Managers.
- Implementation of new core financial software.
- Installation of internet services at the Anna train depot in downtown Anna.
- Improved response time on submitted helpdesk tickets.

Significant Staffing Changes

- Hired Assistant Police Chief.
- Hired Planner II.
- Hired Senior Building Inspector.
- Hired Economic Development Coordinator.
- Promoted three Fire Captains.
- Hired a Division Chief of EMS and Training.
- Hired Senior Accountant.
- Hired Recreation Coordinator.
- Hired 6 full-time Fire personnel for EMS transport services.

- Hired first two police cadets from partnership with the Collin County Law Enforcement Academy.
- Hired first two multilingual police officers.

FY2023 Department Objectives (Alphabetical)

City Manager' Office

- Enhanced performance metrics to provide greater department accountability.
- Pursue agency accreditations in eligible departments to encourage best practices.
- Aggressive activation of published plans to revitalize downtown.
- Revisit and update the Strategic Plan.
- Revisit organizational structure to prepare for the next wave of growth and add additional departments (library, recreation center, public safety enhancements, grants management, innovation/automation and general operational improvements).
- Communication enhancements including individual department communication plans.
- Enhanced neighbor interaction to providing an app for engagement and service request management.
- Long term planning for future bond elections.
- Long term planning for future facilities needs including sewer plant #3.
- Long term planning for HFC and PFC recurring revenue.
- Homestead exemption review and implementation.
- Candidate and Council orientation update.
- Legislative tracking for next session.
- Budget process upgrade.

City Secretary's Office

- Provide Public Information Act and software training for all City staff.
- Provide CivicClerk Board View module and digital voting training for Council and Boards.

Economic Development

- Secure new tenants and developers for Downtown Anna and continue implementation of the Downtown Master Plan.
- Attract additional tenants to the Anna Business Park with a partnership with the new property owners.
- Recruit additional retailers and restaurants, to augment the current businesses.

Finance

- Received the GFOA Certificate of Achievement for Excellence in Financial Reporting for the FY2021 Annual Report.
- Update and maintain Transparency Stars with information from 2021 ACFR.
- Maintain and improve usage of Incode software for core financials and utility billing.

Fire

- Staff, train, master, and implement skilled Truck Company operations.
- Complete construction of Anna Fire Station #2.
- Refine and improve our EMS operational efficiencies.
- Improve, grow and enhance our Fire Prevention and Education department to streamline and expedite code enforcement and engineering processes, as well as expand our life-safety educational programs.
- Build better training processes through collaboration with neighbors and mentor organizations, aggressive grant funding efforts, and creative partnerships.

Human Resources

- Training series continuation.
- Safety committee development.
- Safety program development and implementation.
- Return to work program review for potential development and implementation.
- C.A.R.E.S. Employee Recognition.
- Policy revisions including training and development, sick leave payout and buyback, certification pay review, and workers compensation.
- Retiree options for insurance and payouts.
- Wellness program series with incentive for employees.
- Compensation analysis implementation for Public Safety and Open Range employees.

Information Technology

- Increase knowledge of Juniper routers and switches.
- Continue staff professional development.
- Continue improvements on cyber security.
- Installation of new server infrastructure at Municipal Complex.
- Installation of disaster recovery equipment at the Central Fire Station.
- Additional IT Helpdesk Support.
- Upgrade network switches at Public Works, Wastewater, and the INC Cube.

Neighborhood Services

- Complete steam locomotive project at Sherley Heritage Park.
- Construct Bryant Park.
- Construct Skate Park.
- Construct Natural Springs Parking Lot.
- Construct Slayter Creek Park Improvements and Parking.

Police

- Become fully CJIS compliant-Joint project with IT.
- Create framework for Texas Police Chiefs Association (TPCA) accreditation multiyear project.
- Continue advanced leadership training for supervisors and expand specialized training for officers and detectives.
- Target community engagement opportunities and expand social media interactions.
- Continued focus on employee recruitment, retention, and morale.
- Work with City Administration on proposed 5-year staffing plan.

Public Works – Administration

- Bid and construct Hackberry Drive improvements.
- Open Rosamond Parkway from US 75 to Anna High School.
- Begin final design on the new Library, Fire Station #2, and Ferguson Parkway.
- Complete City of Anna's Master Plan Update, including:
 - Adoption of new 10-yr CIP (Long-Term Outlook).
 - Adoption of new Master Plans for Roadway/Water/Sewer.
 - Adoption of updated Impact Fees for new development.
- Complete design and bid Hurricane Creek Regional Wastewater Treatment Plant.
- Complete construction of Hurricane Creek Trunk Sewer Line south of FM 455.

- Design Hurricane Creek Trunk Sewer Line north of FM 455.
- Begin design for downtown utility rehabilitation and improvements.
- Complete design for Ferguson Parkway Extension.
- Complete design of Regional Lift Station in Coyote Meadows.
- Construct Fire Station #2.
- Complete design of Anna Library.

Public Works – Fleet and Facilities

- Initiate facility maintenance program for the new Municipal Complex and Central Fire Station.
- Expand in-house fleet maintenance services to include tires/brakes/fluid changes.
- Negotiate favorable rate update for solid waste and janitorial service contracts.
- Start planning for facility expansion.

Public Works – Streets

- Resurface or repave 3.5 miles of roadway through the Street Maintenance Sales Tax program.
- Initiate comprehensive Traffic Counting and Street Sign Assessment programs to develop data-driven planning for maintenance needs.
- Initiate Stormwater Utility program and develop detailed 5-year stormwater maintenance plan for Council adoption in the CIP.
- Complete at least 5 storm system maintenance and improvement projects.

Public Works – Utilities

- Continue to work with CGMA and GTUA to plan for and obtain additional water capacity to serve our growing region.
- Begin implementing improvements to our public water system security as identified in the recently completed Risk and Resiliency Assessment.
- Update the City CIP with projects designed to work towards obtaining TCEQ Superior Water System designation.
- Grow and prepare current staff with the skills and training needed to operate the future Hurricane Creek Wastewater Treatment Plant.
- Begin construction on Hurricane Creek Wastewater Treatment Plant.

CHALLENGES & OBSTACLES / OPPORTUNITIES & ACCOMPLISHMENTS

In the evaluation of the City and its many components, we have identified many of the challenges and obstacles as well as the opportunities and accomplishments that set the tone for our community. Several of these challenges and obstacles will require significant resources and efforts to overcome and to take the City to the next level. The team we have built have mostly come from high growth and larger organizations all well knowing the future challenges before us as we grow. This is one of the strengths that we must foster and capitalize to ensure our collective successes as a community.

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

This budget addresses and is built in response to many of the challenges and obstacles, yet it remains financial conservative and sound, responsible with contingencies in place, and sustainable for the foreseeable future based upon our five-year financial modeling.

Recent reports from the Texas Comptroller, Glenn Hegar, were inciteful and support our position. Where there have been concerns with labor, inflation, supply chain, and interest rates, there would be an expectation for things to slow, but there is a recent confidence by the Comptroller that there will not be a recession. Additionally, while the national leading economic indicators all seems to lead to some level of recession becoming a reality in the months to come, most of the North Texas Economy, driven by growth and development, is very optimist as to the continuing market growth in the region despite national economics. The development community and its related expertise confirms this with their primary targets being north Collin County.

Texas, especially North Texas, will sustain its growth. It is for this reason, as well as our projected targets, projects, and development, we expect to continue on this course but not without ensuring several safety nets. These safety nets include:

- conservative projections of sales tax revenue.
- Housing Finance Corporation (HFC) and Public Finance Corporation (PFC) revenue being realized but remaining unprogrammed until stabilization in inflation and interest rates are more predictable going forward.
- active investment management and active debt management.
- imperative preparation for the next legislative session, where it is predicted that the Texas Legislature will be revisiting local property tax limitations yet again.

These strategies ensure our financial safety to get us through what could be challenging times unscathed.

Pay Plan / Employee Compensation / Benefits

Three years ago, staff undertook a comprehensive analysis of the Employee Compensation Plan.

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

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

This year, FY2022, staff recognized the challenges of our organization whereby the many entry level positions throughout all departments have been struggling with recruitment. As an example, the local mega-gas station has a hiring starting wage of \$17 per hour, and our skilled labor is getting paid around \$15 per hour. In this market, we are not only competing with the other cities in the region, but now competing with fast food, retail, gas stations and many other segments of the economy which have historically paid much less than skilled labor we require in local government settings.

This budget will address the most recent data by ensuring that all employees are brought to the minimums of the revised pay grades and provided an increment to get most employees to the 30th percentile within a very competitive North Texas market. No open range employee is getting less than a \$1,750 increase as a minimum and increases are capped at \$7,500 as the

Market Payline Comparisons

	% Variance	Titles	Correlation
Plano	-23.5%	71	95.99%
Frisco	-22.7%	71	97.10%
McKinney	-22.0%	73	95.76%
Allen	-18.7%	48	96.35%
Prosper	-15.1%	73	96.14%
Celina	-6.6%	58	96.50%
Wylie	-6.1%	69	95.70%
Sachse	-3.2%	50	97.31%
Fairview	-2.6%	43	96.09%
Murphy	-2.6%	46	96.94%
Melissa	+5.8%	23	97.87%
Princeton	+16.2%	27	93.73%

Anna – 6.2% prop

Anna – current

THE CITY OF
Anna

maximum. These revised pay grades provide the hiring managers with new ranges to hire entry level positions at current local market rates. Before this budget, the aggregate pay of Anna employees was third from the bottom of our comparison cities. With this proposed rate as suggested by the City Council, Anna employees would move closer to the center of the chart. For example: Police and Fire minimum pay would be just over \$66,000 and \$60,000, respectively, with a step 3 lateral entry for experienced applicants; Public Works and Parks entry level positions would start just over \$17.00 per hour. This compensation will not only be an improved recruitment tool and a much-needed boost for our working class employees. While we can assume most all of the competing agencies in the Collin County market will be making some moves as well, this effort on our part is a modest move in meeting our compensation goals and philosophies.

Public Safety step plans will also be revised, resulting in the scale shift commensurate to the market changes as well. The plan revisions work towards the goal of reducing the number of steps to top out and working towards the elimination of overlap between ranks, as agreed to with the Public Safety Associations. While we cannot achieve all of the targets in one year, efforts have been ongoing over the last 4 years to work towards these goals, with the entry levels being a priority for recruitment efforts.

In all plans, merit pay will be targeted to fall within the financial constraints put on the cities as a result of the Property Tax Reform and Transparency Act of 2019 so that the employee compensation plan can be sustainable in the long-term. With this budget, our five-year financial projections show that we are still on course to manage the projected growth and sustain this organization even with some expected market volatility, although we will eventually have to consider the HFC and PFC revenues to meet the demands for growing levels of service.

During the FY2022 budget process, the City Council approved and the City Manager implemented the Employee Compensation Plan and Philosophy. The philosophy, with minor revisions made this summer by Council Resolution, would include the following elements:

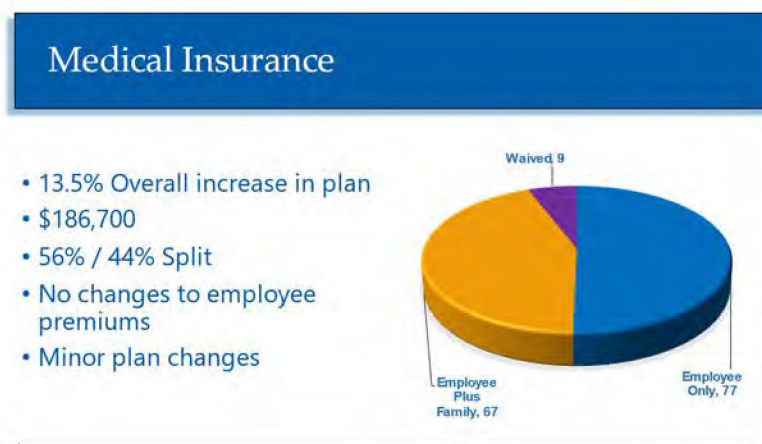
- *Philosophy 1: Establish the market, defined as cities located in whole or in part in Collin County, as these cities are the competition for employment in our region.*
- *Philosophy 2: Maintain pay ranges and step plans with the intent on being relevant and competitive in the Collin County Market, reviewing these for such annually, working towards the 50th percentile, then weighted for organizational size and population served.*

- *Philosophy 3: Maintain a merit system of compensation, whereby employees are compensated for performance, targeted at 3.5% maximum for the highest performance rating, providing for performance improvement plans and deferrals for low performers not meeting expectations, yet encouraging excellence by tying salary increases to performance.*
- *Philosophy 4: Maintain a retention system, for encouraging senior and long-term employees, rewarding longevity, consistent with system internal equities, inclusive of longevity pay, incremental adjustments based on tenure, and lump sum payment when achieving the top of scale or step, not to exceed \$2,000.*
- *Philosophy 5: Maintain a promotional vacancy practice providing for no less than 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 Council has supported the revision of certain practices that would be positive non-base salary benefits. These include alternative work schedules and work arrangements in select areas to be approved by the City Manager's Office and restructuring of numerous policy revisions adopted under a separate title, including sick leave trade back for vacation, leave caps commensurate with the market condition, and leave payouts at retirement.

Even with these strategies in place, we remain approximately (and appropriately) 20% behind the 50th percentile, the longer-term targeted range, but these changes are a move in the right direction. Most importantly, it is sustainable by all measures and forecasting.

In addition to addressing the financial compensation shortfalls, the benefits structure was augmented in this budget with the City covering the small increase to the plan at a cost of \$186,700 with only minor plan revisions and no changes to employee premiums. We have managed the healthcare costs well over the last 3 years through restructuring, and this increase is nominal compared to the movement we generally have observed in the industry. Most organizations are consistently experiencing wide-spread insurance increases varying from 7% to 12% annually. With the restructuring of the TML Health Benefits Program last year, our entire system required an overhaul, but we were able to hold our plans relatively consistent this year. We successfully navigated this challenge and provided a two-option plan to our employees that allowed many families of staff to come onto our insurance system. Going forward in the upcoming fiscal year, we will be looking at enhanced wellness programs to provide employees the opportunity to "be healthy" and further work toward reducing healthcare expenses.



Utility Challenges - Stormwater Utility

Cities are authorized to implement a stormwater utility fee by Local Government Code 552, Sub-chapter C - Municipal Drainage Utility Systems Act. The Act allows municipalities to establish a service fee for users

of the municipal storm system, providing that the basis for the fee is “directly related to drainage” and the fee is “**reasonable, equitable, and non-discriminatory.**”

The goals of a stormwater utility include the components of:

- Neighbor Outreach
- Neighbor Participation and Involvement
- Illicit Discharge Detection and Elimination
- Construction Site Runoff Control
- Post-Construction Runoff
- Pollution Prevention and Good Housekeeping

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

During FY2020 the required study was contracted to a consultant firm and was completed for adoption in 2022. The study included a needs assessment and a potential fee structure to fund identified projects and programs. The target is National Pollution Discharge Elimination System (NPDES) compliance and to determine and implement the level of Integrated Stormwater Management (iSWM) compliance that is the right size for our community, proactively implementing solutions.

Based on the direction received at a City Council Workshop, Council approved a residential rate of \$3.20 and a non-residential (commercial) rate of \$10.94/acre with implementation targeted for October 2022 (FY2023). The utility will generate revenue to fund stormwater-related needs throughout the City.

Staff will return in mid-year FY2023 with a budget proposal to program this revenue once the stream is steady, and we accumulate a fund balance should the Council decide to bond drainage project improvements in the future, hire staff, create related programs like street sweeping, mowing enhancements, ditch maintenance or erosion control efforts.

Utility Challenges - Wastewater/Water Impacts

Prior to FY2021, it had been well over five years since the water and sanitary sewer rates in the City of Anna had been updated. During this time, the water purchase and sewer treatment costs imposed on the City by outside entities had increased by double digit percentages each year, with a published expectation to continue this trend for the foreseeable future.

What was of greatest concern is that these increased costs were not passed on to ratepayers. Ratepayers include neighbors who reside inside the City of Anna as well as a limited amount of those who reside in portions of Anna's Extraterritorial Jurisdiction (ETJ). During this multi-year rate freeze, the City Utility Fund had been seeing comparatively decreasing net revenues and was in danger of becoming insolvent. These increasing costs weighed against the net proceeds yielded a utility that possessed no bonding capacity for much needed projects, not only to fund expansion but to address failing infrastructure and direly needed plant upgrades.

Due to the complex relationships of regional water and sewer supply strategies the City of Anna must utilize, we pay significantly higher costs for both water and wastewater when compared to most other cities in north

Texas. When comparing to other communities, the cities in the most similar situation are Melissa, Van Alstyne, and Howe. Cities like McKinney, Allen, Plano, and Richardson have significantly lower costs, as they are located very close to North Texas Municipal Water District (NTMWD) facilities or have NTMWD facilities located within their city limits.

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, NewGen Strategies. 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 the City pays to NTMWD and the sewer transportation costs the City pays to the City of Melissa were also evaluated. Without these relationships, we would not have enough resources to adequately serve our neighbors.

NTMWD plans to continue to increase water supply and wastewater treatment costs on an annual basis over the next five years and beyond. The increases will likely range from 7% to 10% over the coming years, depending upon their annual rate reviews, which we cannot control, determine, or influence. NTMWD has to look at the needs of the North Texas region where they now serve almost 80 communities.

To lessen the future rate increases to be seen by ratepayers, the City of Anna restructured existing debt in FY2022, resulting in a savings of over \$300,000 in future interest payments. This debt refunding was achieved by sound financial and fiscal management, resulting in an improved bond rating by Moody's.

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

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

The FY2023 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 October 1, 2022. 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. The new rates will see an increase on a 5,000-gallon bill of \$1.52 for water and \$3.78 for sewer. Additionally, neighbors will see an increase of \$1.22 to the solid waste disposal service provided by CARDS and the implementation of the stormwater fee of \$3.20 per month. All fees result in an increase of just under \$10 for the average bill as noted in the chart below.

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

Average Monthly Bill Increase for Residents

	FY2022	FY2023	Increase
Water (5,000 gallons)	\$50.87	\$52.39	\$1.52
Sewer (5,000 gallons)	\$47.21	\$50.99	\$3.78
Solid Waste	\$16.99	\$18.21	\$1.22
Stormwater Fee	N/A	\$3.20	\$3.20
TOTAL AVERAGE MONTHLY INCREASE			\$9.72



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

- water rates and how they are derived
- increasing costs from our suppliers and third-party providers
- how things work in utility systems from water distribution to sewer collections
- ways to pay your bill
- why do neighbors use more water in summer (identifying the many reasons)
- why it's important to conserve, as water is a limited resource
- how to use Watersmart app that we have provided at no cost to neighbors using:
<https://annatx.watersmart.com/index.php/welcome>
- how to manage your irrigation to conserve using the Water My Yard app:
<https://watermyyard.org/#/Location>
- using low flow fixtures and methods
- what you can do about filtration for personal taste preferences

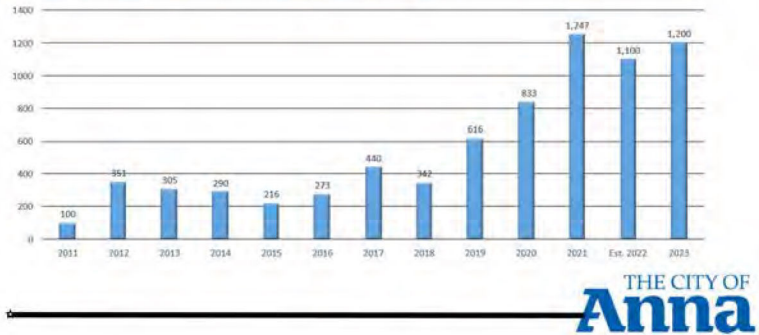
And more...

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

Permit Volume

As we received record numbers of building permits over the last couple of years, staff has recently restructured the permit fee process to full cost recovery. It is expected that permit volume will reach 1,200 single family permits in FY2023. Changes in processes, efficiencies employed, and additional staff have resulted in a building permit turnaround time of **less than 1 business day**, providing for a more development friendly environment which has

Building Permits History



continually sparked activity. The plan review process is an in-house effort, as the external reviews were not meeting the timing required by legislative action or expense expectations. The plan review process now provides better service and added capacity to the department, with the additional goals of improved service delivery and cost containment efforts.

Staffing Challenges and Opportunities

Most local governments are employee-centered, as we are a service industry that does not sell anything. As our City continues to expand, so will our staff. The following chart reflects the growth for this upcoming year. We are adding a significant amount of Police and Fire staff; additional individual positions are also being funded in Code Compliance, Parks, Development Services, Court, Fleet, and Streets.

Staffing Summary

	2019	2020	2021	2022	2023
General Fund	66.9	77.4	99.9	113.5	131.5
Utility Fund	26.0	27.0	27.5	31.5	33.0
Park Development	-	-	2.5	3.5	5.0
Community Development	2.0	1.0	1.5	3.0	3.0
TOTAL	94.9	105.4	131.4	151.5	172.5

THE CITY OF
Anna

New positions funded by this budget are listed in the chart below. It should be noted that the firefighters are budgeted as 4.5 full-time equivalents, resulting in 9 fulltime firefighters being added as staggered hires throughout FY2023. The Recreation Coordinator positions are one full-time and one part-time employee.

FY2023 New Positions

- IT Help Desk Support
- Planning Technician
- Fire Inspector Investigator
- Fire Fighter (4.5 FTE)
- Property and Evidence Tech
- Police Lieutenant
- Police Officers (2 FTE)
- Municipal Court Clerk

- Parks Maintenance Worker
- Code Compliance Officer
- Right-of-Way Inspector
- Fleet Maintenance Technician
- Custodian
- Receptionist
- Water Maintenance Worker
- Recreation Coordinator (1.5 FTE)



TRANSPARENCY

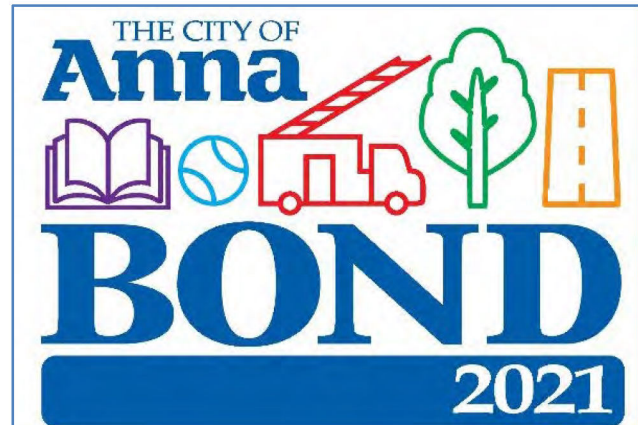
As previously mentioned, we have been recognized by the Texas Comptroller of Public Accounts' Transparency Stars program, certifying our agency as one of the elite local governments with regards to community transparency in Texas. **We have received all 5 stars!** We will continue to maintain this recognition program in order to keep our financial management practices transparent and continue to be recognized as a leader in our industry. We are in the top 13 of the 2,500 eligible agencies as a 5-Star agency. This is a crowning achievement for the City and a result of the fruit of the labor of our Finance Team led by Director Alan Guard with the assistance of Kimberley Winarski, Assistant to the City Manager's Office.



BOND ELECTION

In 2021 the Council, in initiating a bond election process, wanted to give our neighbors the opportunity to decide what elements they wanted in our community. These discussions led to a three-tiered set of referenda. In May of 2021, the three propositions on the ballot were:

- Proposition A – Public Safety (for Fire Station #2)
- Proposition B – Community Library
- Proposition C – Parks, Trails, Recreation and Sports



With landslide results, the 2021 Bond Election was an overwhelming success and reaffirmed the community desire for these projects. \$58 million was approved for items including a Library and Learning Center, Community Center, additional park facilities, Fire and Public Safety facilities, and community sports facilities.

Strategies for a successful bond election include the following guiding principles to ensure community support:

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

The answer is “YES!” on all counts.

In FY2022 we anticipate issuing the next \$33 million of the voter-approved debt to continue to fund the slate of projects. In the upcoming months we will be moving forward with the numerous elements of the Community Investment Program. In FY2023 we will issue the remainder of the FY2021 bond entitlements and begin the long-term planning process for future bond elections.

GOING FORWARD

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

In the late 2022, we will have a retreat to revisit the Strategic Plan with staff and City Council and will assess the body of work completed and determine continuing efforts towards the Vision. Based upon the resources available, each department will have additional priorities that are integrated into the deliverables. The Strategic Plan will continue to serve as our roadmap for the upcoming year, the blueprint for our continued success. In addition to the action items already in the Strategic Plan, we will be looking at the following priorities:

- Continue the neighbor academy with a more comprehensive approach for delivery, providing the development of potential future board members and involvement.

- Development of performance metrics can be accomplished once we have more sophisticated processes in place.
- Implementation and refinements of the plan review process moving towards internal service and revenue generation opportunity, while development of the new staff continues.
- Determining the realities of the Collin College Plan, working with developer and College to plan for all aspects of surrounding development.
- Identifying multiple Downtown projects with a strong focus on implementation of the Downtown Plan.
- Developing the Mantua development agreements; with the strategic moves made in the past year, we are poised to make this move forward once the developer is responsive to the various processes.
- The SAFER grant awards to fund additional Fire personnel should be determined in the next month or so. Should it fail, we will revise our tactics to only ask for what we budget, as the supplanting prohibition has been eliminated. This will be in alignment with the long-term staffing plan and has been built into our financial model.
- Continued priority of the Police Staffing Plan, to ensure ongoing safety and add professional department elements.
- Explore all facets of emergency management; preparation, response and aftermath will be visited, and operational processes be reviewed, updated, and trained system wide.
- Continue and follow-up on the Q12 questionnaire to all employees to determine where movement from last year has occurred. This assessment addresses the areas of: Leadership & Communication, Collaboration & Teamwork, Job Satisfaction & Pride, Employee Support, Recognition, Training & Development.
- Continue professional development and staff training efforts.
- Review and update administrative and operations policies.
- Development of new facilities funded by the bond election.
- Development of an events calendar that can create a community identity; as a rapidly growing community, we have the opportunity to develop into something unique.
- Focused on improving parks maintenance systems and repairs and improvements of our other infrastructure.
- With the great desire to further develop “recreation” elements, staff will continue to grow in the upcoming year.
- Develop a volunteer program for all areas of the city to augment departments and to create a sense of community pride, giving neighbors an opportunity to give back to their community.
- Commence additional research on transitioning to an independent dispatch for public safety.
- Getting our City in a position to be prepared for a natural disaster, including the acquisition of prepositioning contracts.
- Executing the proposal for the American Recovery Act of 2021 funds to augment Utility needs in the Downtown area.

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

ON THE HORIZON

In this year's budget making process, there were many department requests and needs identified. The City Manager's Office accumulated almost \$3 million in supplemental requests for programs, staffing, and projects from City Departments. The direction given to staff in the process was to ask for that which you need, and if there is capacity, we can always revisit. With this strategy we got a list of very specific requests that are the priorities of the department in the current environment. The financial capacity to deliver all of

these requests fortunately is possible within the current revenue structure. However, as we continue to grow, along with the demands to provide expansion of services while reducing the tax rate, are obviously diametrically opposed. It will take the efforts of a highly trained staff to balance those desires, and we are committed to delivering quality services within those means. As it stands, we have balanced revenue and expenses and have a healthy reserve with a positive outlook, which is good in questionable financial times.

Several of the tangible items requested by the departments were funded in this current fiscal year through budget amendments, utilizing these one-time monies to update systems and meet needs. With strong revenue growth and fiscally responsible spending, we were able to make purchases for various equipment and take delivery in advance of the FY2023 budget. These funds were derived through unspent balances, reserves in excess of policy (40%), and favorable revenues in excess of projections. Once we close out this current fiscal year (FY2022), we will revisit the fund balance again to consider one-time purchases, potential of acceleration of projects, and additional capital projects.

This is the purpose for the development of solid financial models, long-range planning, and master planning and is crucial to the implementation and success of the Strategic Plan. We will continue to leverage growth opportunities and the resulting revenue to execute similar initiatives going forward.

TAX RATE

For FY2022 the average home value in Anna was \$246,777. For FY2023 that value has increased to \$332,179.

With the restrictions set forth by the Texas Legislature and the Property Tax Reform and Transparency Act of 2019, local governments are faced with a property tax rate increase cap of 3.5%. However, cities under 30,000 in population can enact the de minimis rate, which allows for a rate that yields \$500,000 in revenue over the no-new-revenue rate.

Anna's no-new-revenue rate is \$0.536868/100 for FY2023, which results in a de minimis rate of **\$0.540964/100**. For FY2023, the City has adopted a rate of **\$0.539750/100**. This rate is higher than the voter-approval tax rate of \$0.533333/100 but lower than the de minimis rate. The tax rate in FY2022 was **\$0.569500/100**. The FY2023 adopted tax rate is a decrease of almost three cents but actually results in a small increase in taxes paid as calculated on the average home value. Because the average home value in FY2022 was \$246,777 and the average home value in FY2023 is \$332,179, the average homeowner is paying approximately \$32.30 more in property taxes per month.

However, the average valuation can be misleading, and it should be noted that individual bills are determined upon actual valuations. A majority of homestead properties are below the calculated average, and as such, will realize tax liabilities commensurate with their actual values, albeit higher or lower, with a majority lower than average. Neighbors should be able confirm their values with the tax rates for all taxing authorities once they receive the upcoming tax bills from the Collin County Tax Assessor-Collector. (This bill will be much different than the previous tax estimate document provided earlier this year by the Collin Central Appraisal District that used the new unprotested valuations with the prior year's tax rates, which were clearly higher than the FY2023 City of Anna adopted rate.)

With an additional \$670 million in property valuation, the available funding for FY2023 is approximately \$2.8 million from property taxes, all to be allocated for new programs, personnel, and other department requests.

With the Texas Legislative restrictions put into place in FY2020, the uncertainty of impacts of COVID-19, and unpredictability of the sales tax, preparing a budget below the current FY2022 rate of \$0.569500/100 is designed to address the capacity of the organization in its current state, weighed against the demands and the priorities set forth in the adopted Strategic Plan. While adopting a higher rate certainly would enable additional expansion, we consider the taxpayer impacts as well. The adopted rate will allow us to deliver the elements presented in this budget and enable this level of service to be sustainable into the future.

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.

Funding and contingencies are built in to ensure that the organization is prepared to achieve lofty goals, yet agile enough to react should a swing in the economy occur. Whether in response to the pandemic, economic impacts, inflation, or a decrease in construction activity, the resulting potential revenue shortfalls and loss of services to our neighbors and the community we serve is not acceptable. We watch all of this and more to ensure the financial stability of our organization.

In FY2022, we budgeted a General Fund Balance at 40%, the top of our Financial Policy, for a cash total of \$6.06 million. For FY2023 we are projecting a reduction in the percentage at just over 36%, or a cash total \$6.99 million. This fund balance is almost an additional million dollars over FY2022 and well within the 25% to 40% financial policy range. In addition, the HFC and PFC revenue remains unprogrammed for the time being, until the national economic conditions resolve.

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

We, as a team, 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 2023 Budget is designed to preserve and enhance the quality of existing services and to respond appropriately to our City's continual growth and development by delivering the elements of our Strategic Plan. We are honored and privileged to do so and to serve the City of Anna, with the theme of the ancient Greeks as our guidepost. The story goes as follows:

In the ancient Greece, Athenian men were obliged to make this oath when they reach the age of seventeen. It was sworn by young men of Athens, typically the sons of Athenian citizens, upon induction into the military academy, graduation from which was required to attain status as citizens. The applicant would have been dressed in full armor, shield and spear in his left hand, and with his right hand raised and touching the right

hand of the moderator, he would make the oath.

The Athenian Oath

"We will never bring disgrace on this, our City, by an act of dishonesty or cowardice. We will fight for the ideals and sacred things of the City both alone and with many. We will revere and obey the City's laws and will do our best to incite a like reverence and respect in those above us who are prone to annul them or set them at naught. We will strive unceasingly to quicken the public's sense of civic duty. Thus, in all these ways, we will transmit this City not only, not less, but greater and more beautiful than it was transmitted to us."



This too is our promise to our community.

Respectfully Submitted,

James J. Proce

James J. Proce, ICMA-CM, PWLF, MBA
City Manager
Anna, Texas

THE CITY OF
Anna

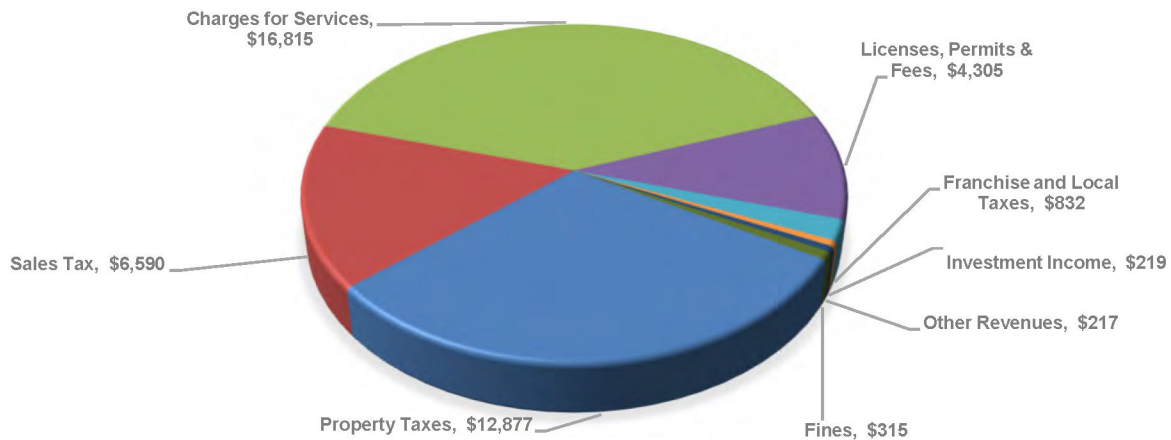
City Council Goals

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

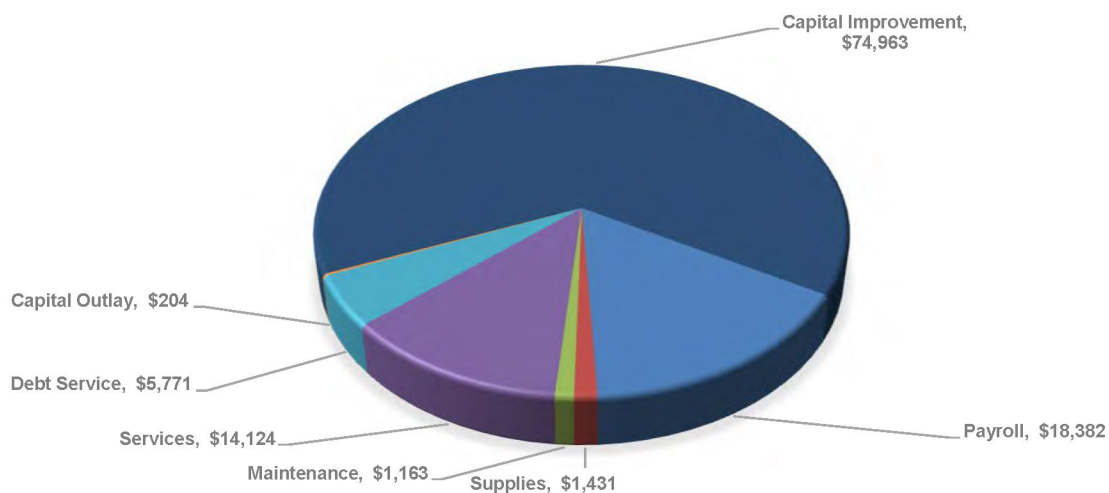
Consolidated Budget

The City of Anna adopts a budget annually. The total budget appropriates approximately \$41.1 million for operations and \$75.0 for the community investment program. This budget provides sufficient funding to tailor services to meet the needs and expectations of the community.

FY2023 Citywide Revenue Budget
(in thousands)



FY2023 Citywide Expenditure Budget
(in thousands)

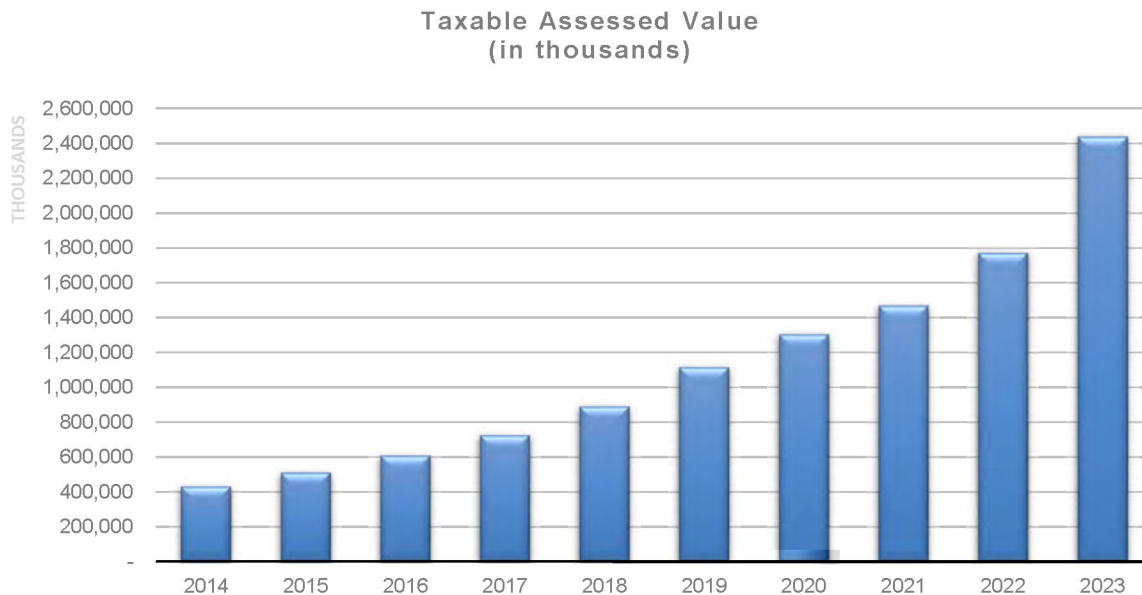


Property Tax

The adopted property tax rate is **\$0.539750**. The FY2023 property tax rate is \$0.539750/\$100, which is less than the FY2022 tax rate. The rate is above the no-new-revenue rate of \$0.464098/\$100. (Numbers on chart have been rounded to nearest penny.)

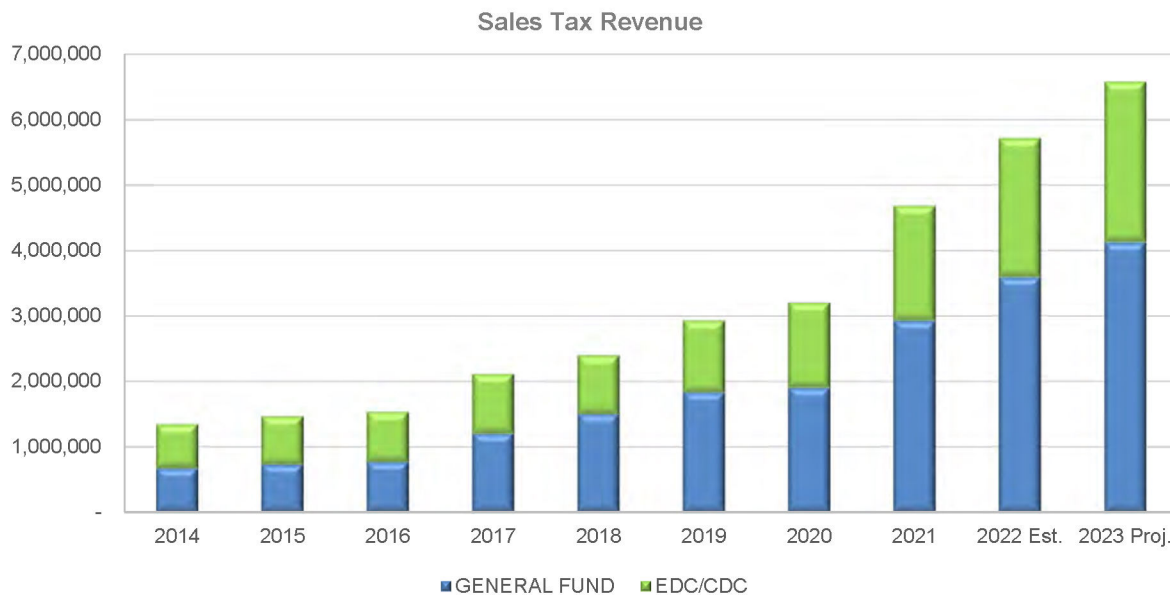


The certified taxable property value increased by **37.5 percent**. The certified value for all property is approximately \$2.4 billion. The property tax rate generates a total tax levy of \$12,959,888.



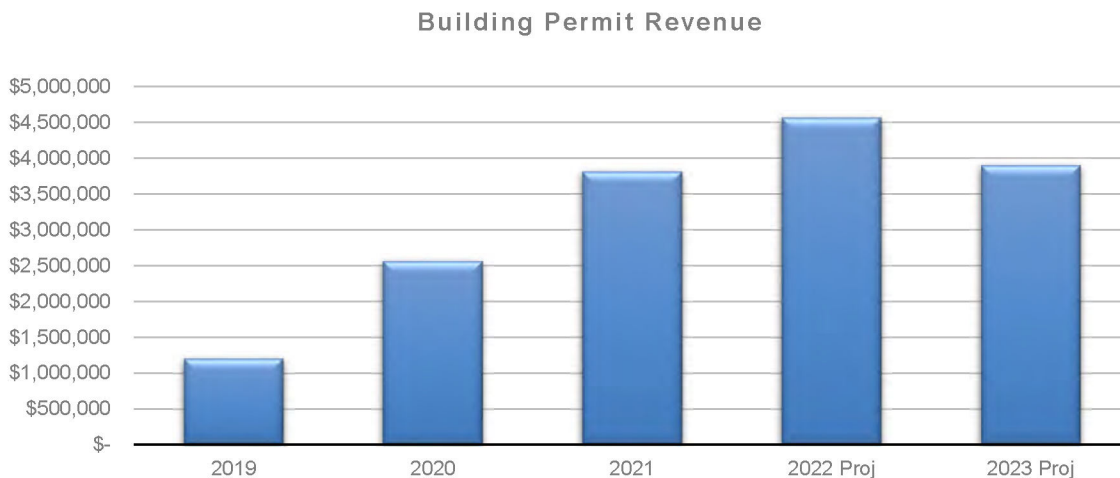
Sales Tax

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 the Community Development Corporation. For the year ending September 30, 2023, Anna expects to receive \$6,520,000 in sales tax.



Building Permits

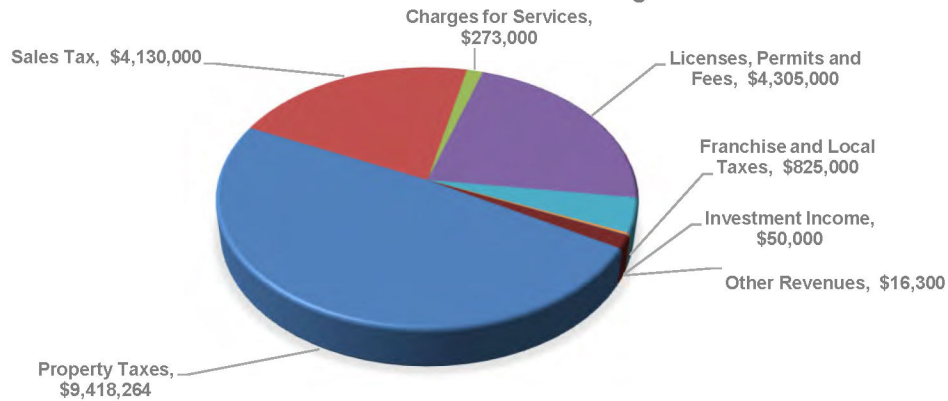
The City is experiencing a tremendous amount of growth. Building permit revenue is projected to increase more than 50 percent over the FY2020 actual amount.



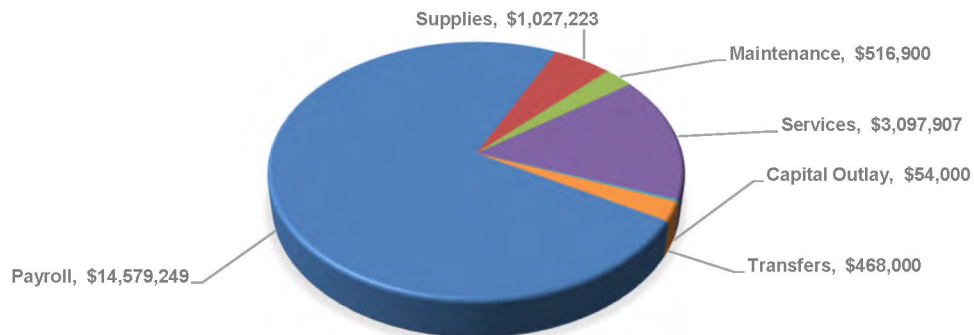
General Fund

The General Fund revenues are projected to increase to \$19,317,564 which is \$3,521,839 higher than the FY2022 revised budget. The General Fund expenditures are balanced with revenues at \$19,275,279 for on-going expenses. The largest expenditure by category is Payroll at 76 percent of the total General Fund Budget.

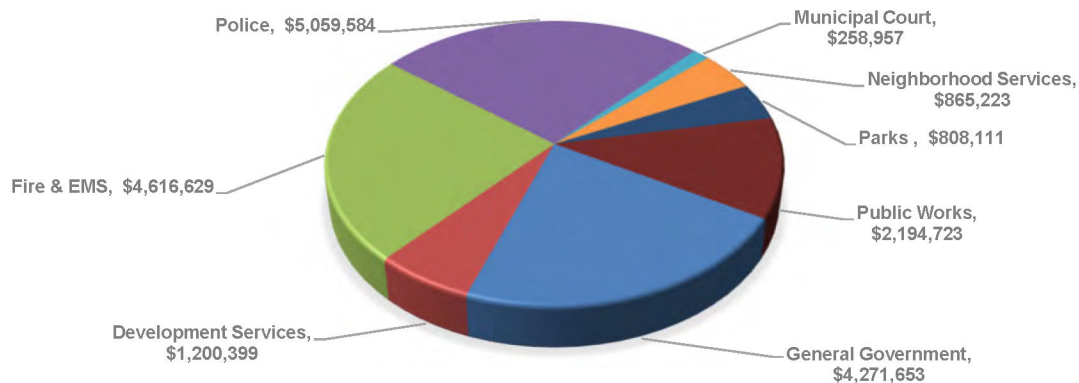
FY2023 General Fund Revenue Budget



FY2023 General Fund Expenditure Budget by Category



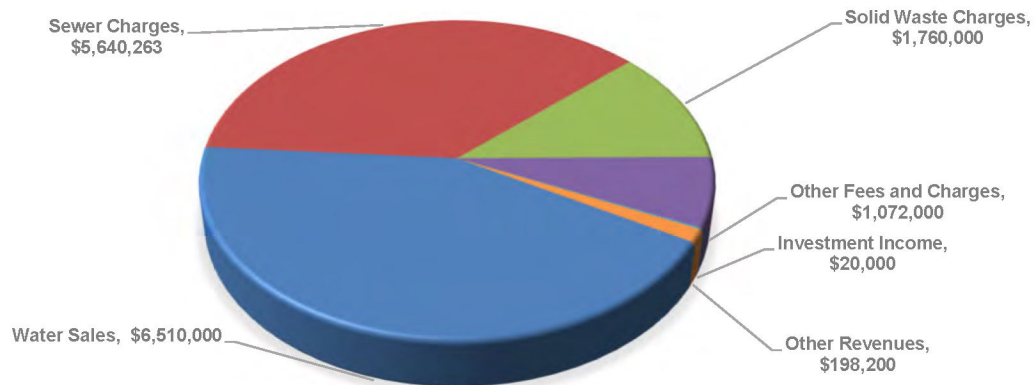
FY2023 General Fund Expenditure Budget by Department



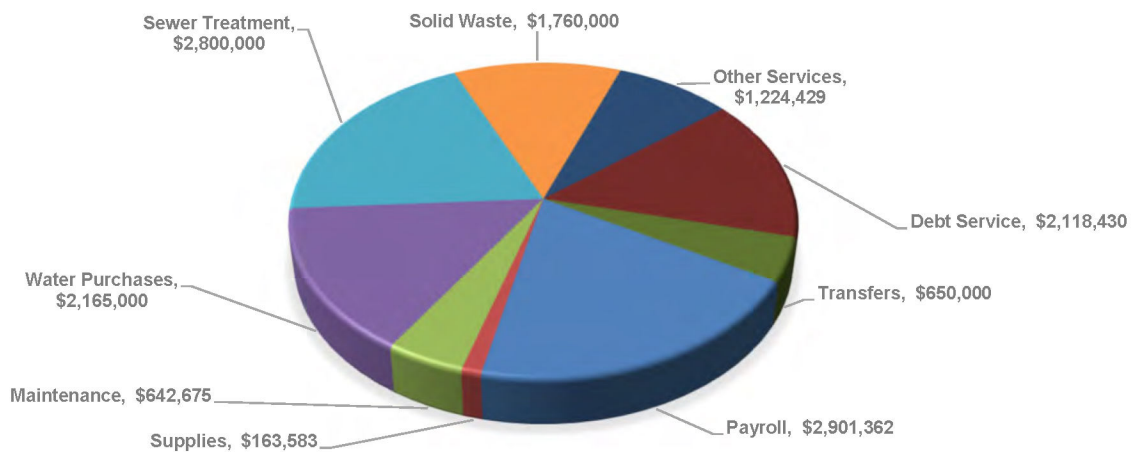
Utility Fund

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.

FY2023 Utility Fund Revenue Budget



FY2023 Utility Fund Expenditure Budget by Category



Sample Residential Water and Sewer Bill

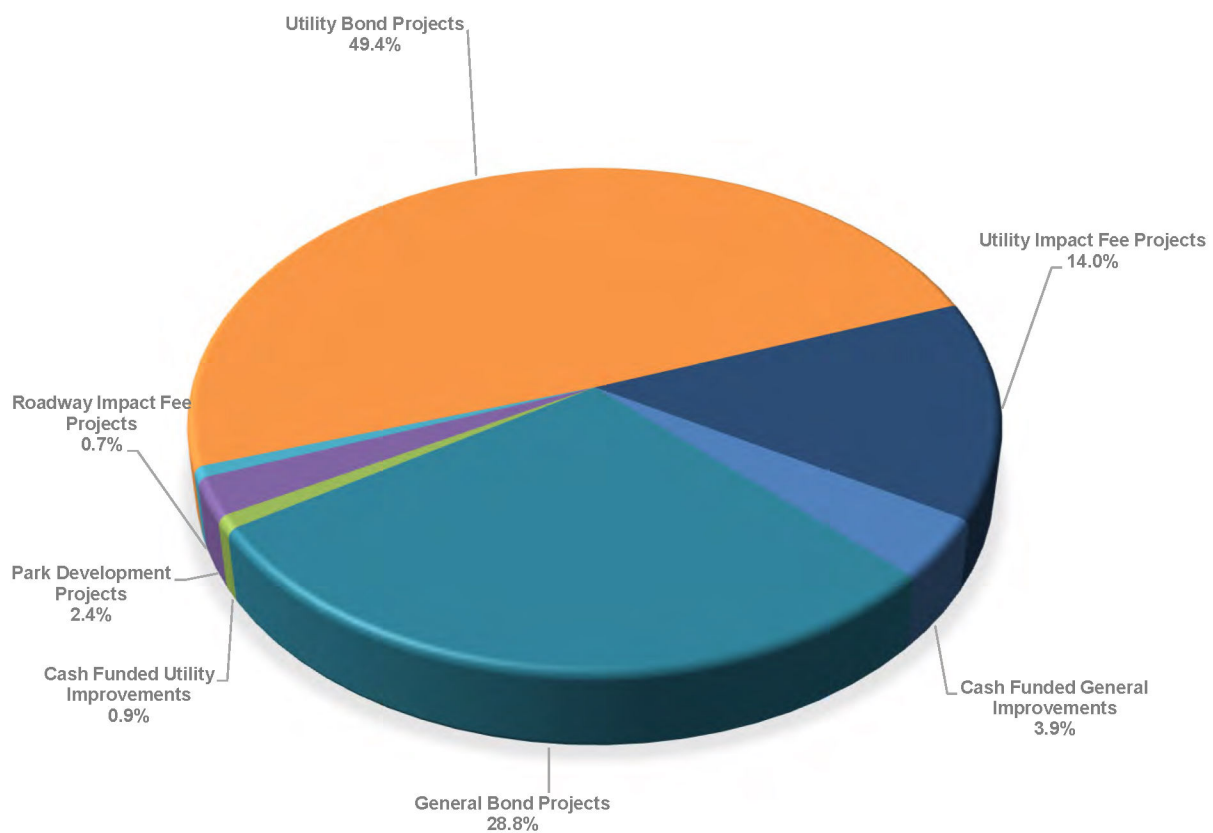
Consumption	FY2022 Rate	FY2023 Rate	Change
2,000 gallons	\$ 59.26	\$ 62.52	\$ 3.26
5,000 gallons	\$ 98.07	\$ 103.38	\$ 5.31
10,000 gallons	\$ 162.78	\$ 171.48	\$ 8.70

Community Investment Program

The budget includes \$75.0 million for capital improvement projects. Significant items include:

- ◆ Fire Station #2
- ◆ Community Library
- ◆ Slayter Creek Park Improvements
- ◆ Parks and Recreation Enhancements
- ◆ Wastewater Treatment Plant Permit & Design

FY2023 CIP Appropriations by Source



Nate Pike
Mayor

Kevin Toten
Place 1

Randy Atchley
Place 4

Pete Cain
Place 2

Danny Ussery
Place 5

Stan Carver
Place 3

Lee Miller
Place 6

THE CITY OF **Anna**

Carrie Land, TRMC, MMC
City Secretary

Jim Proce, ICMA-CM
City Manager

Clark McCoy
City Attorney

Ryan Henderson
Assistant City Manager

Terri Doby, CGFO
Budget Manager

Greg Peters, PE
Director of Public Works

Ross Altobelli
Director of Development Services

Dean Habel
Police Chief

Ray Isom
Fire Chief

Joey Grisham
Director of Economic Development

Marc Marchand
Director of Neighborhood Services

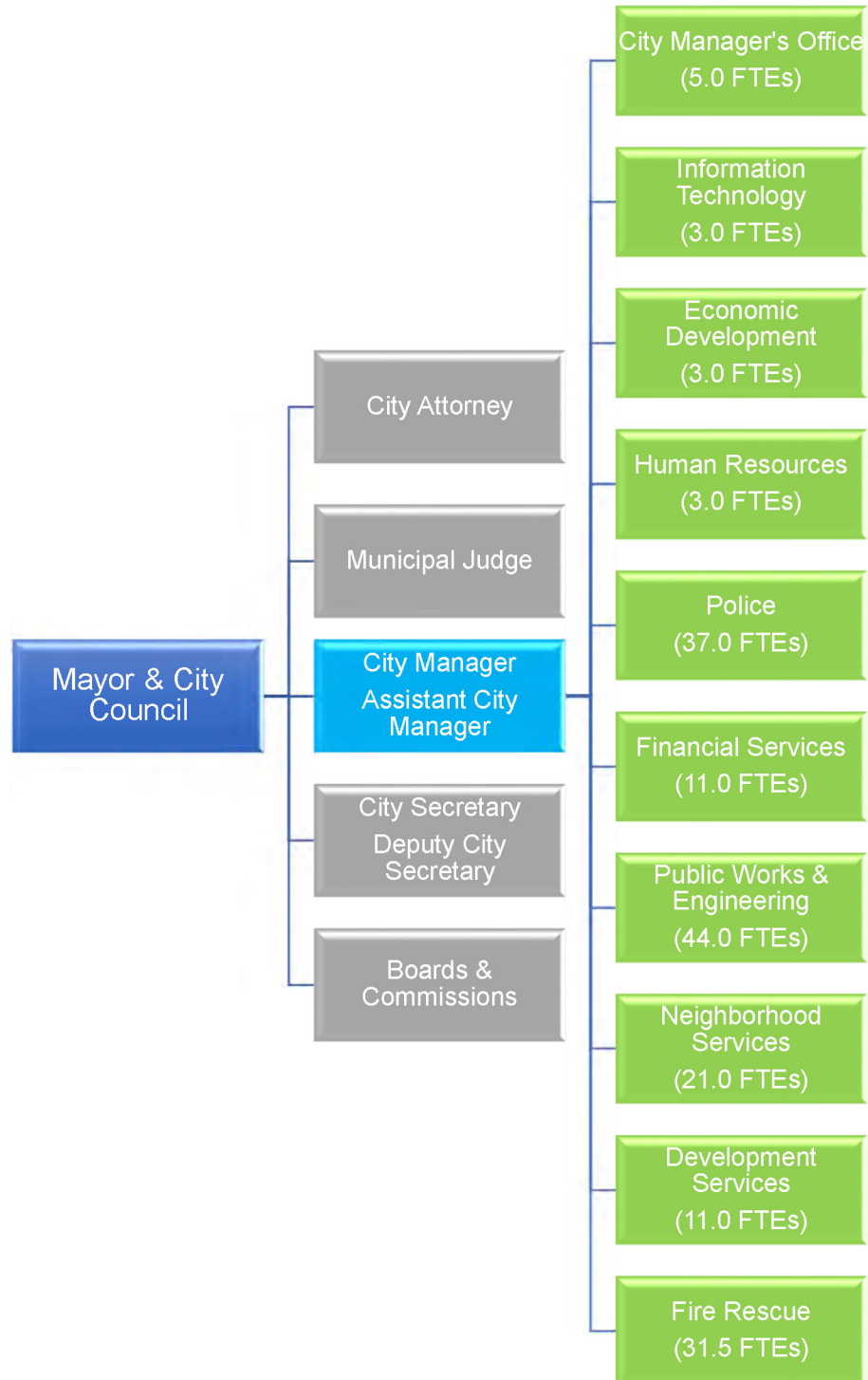
Stephanie Beitelschies
Director of Human Resources

Alan Guard
Director of Finance

Kevin Johnson
Director of Information Technology

CITY OF ANNA
ORGANIZATION CHART

City of Anna, Texas
City Officials Organization Chart

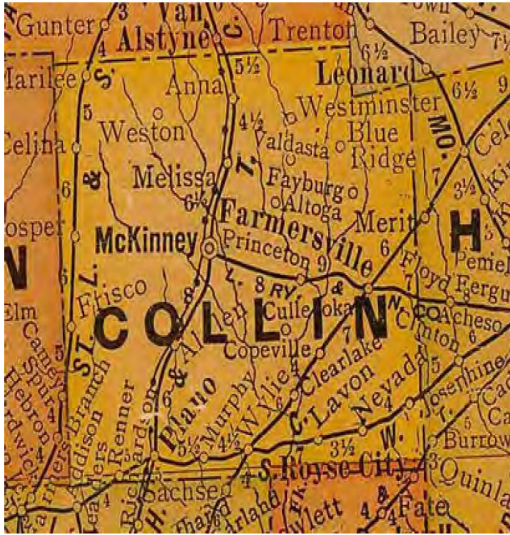


CITY OF ANNA
ORGANIZATIONAL CHART

City of Anna, Texas
 Functional Organizational Chart



CITY OF ANNA COMMUNITY PROFILE



County:	Collin
Area:	15.9 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 20,980.

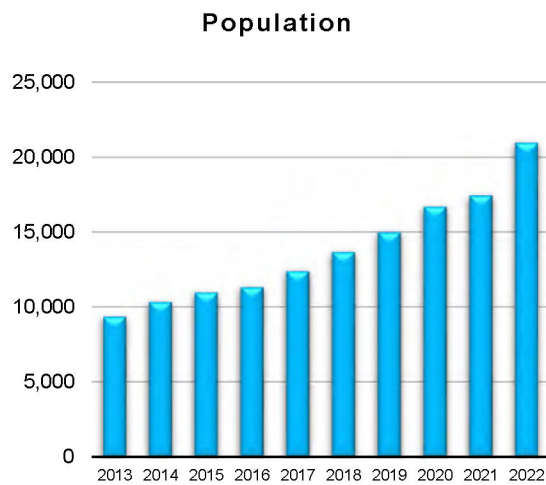
(Source: City of Anna and Anna Chamber of Commerce)

Local Economy

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

The Anna Community Development Corporation and the Anna Economic Development Corporation actively recruit new commercial enterprises that help diversify the City of Anna's tax base and provide job opportunities for Anna neighbors. New residential developments will continue to drive more density that will lead to additional retailers, restaurants, medical, and other commercial projects. 2023 will bring an increased focus on Downtown Anna as the new Municipal Complex is completed.

CITY OF ANNA COMMUNITY PROFILE



- ◆ Median age: 32.8
 - ◆ Average family: 3.1
 - ◆ 26.6% some college
 - ◆ 38.9% bachelors or higher
- Source: Esri

Principal Property Taxpayers	Assessed Value	Tax Year 2022
Wal-Mart Real Estate Business Trust	\$	17,000,156
Bloomfield Homes LP	\$	14,532,761
D R Horton - Texas LTD	\$	13,568,423
Q Seminole Anna Town Center LP	\$	10,736,136
Oncor Electric Delivery Co LLC	\$	9,462,719
LGI Homes - Texas LLC	\$	8,990,694
North Texas Surgery Real Estate LLC	\$	8,400,000
Anna Commercial Partners LLC	\$	7,951,127
Wal-Mart Stores Texas LLC	\$	7,832,630
MM Anna 325 LLC	\$	7,761,680

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

Anna Business Progress

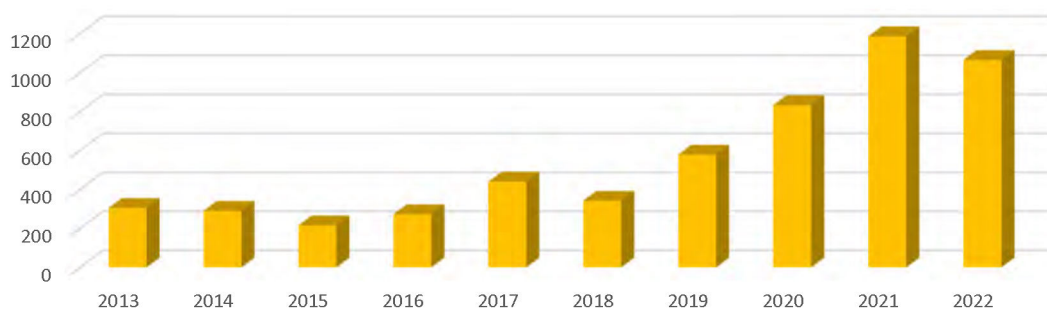


Over 45 new businesses
opened in the last two years and
400+ jobs created



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

Residential Building Permits



ANNUAL BUDGET FOR FISCAL YEAR 2023

CITY OF ANNA BUDGET PROCESS

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

General Budget Process, Practice, and Administration

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

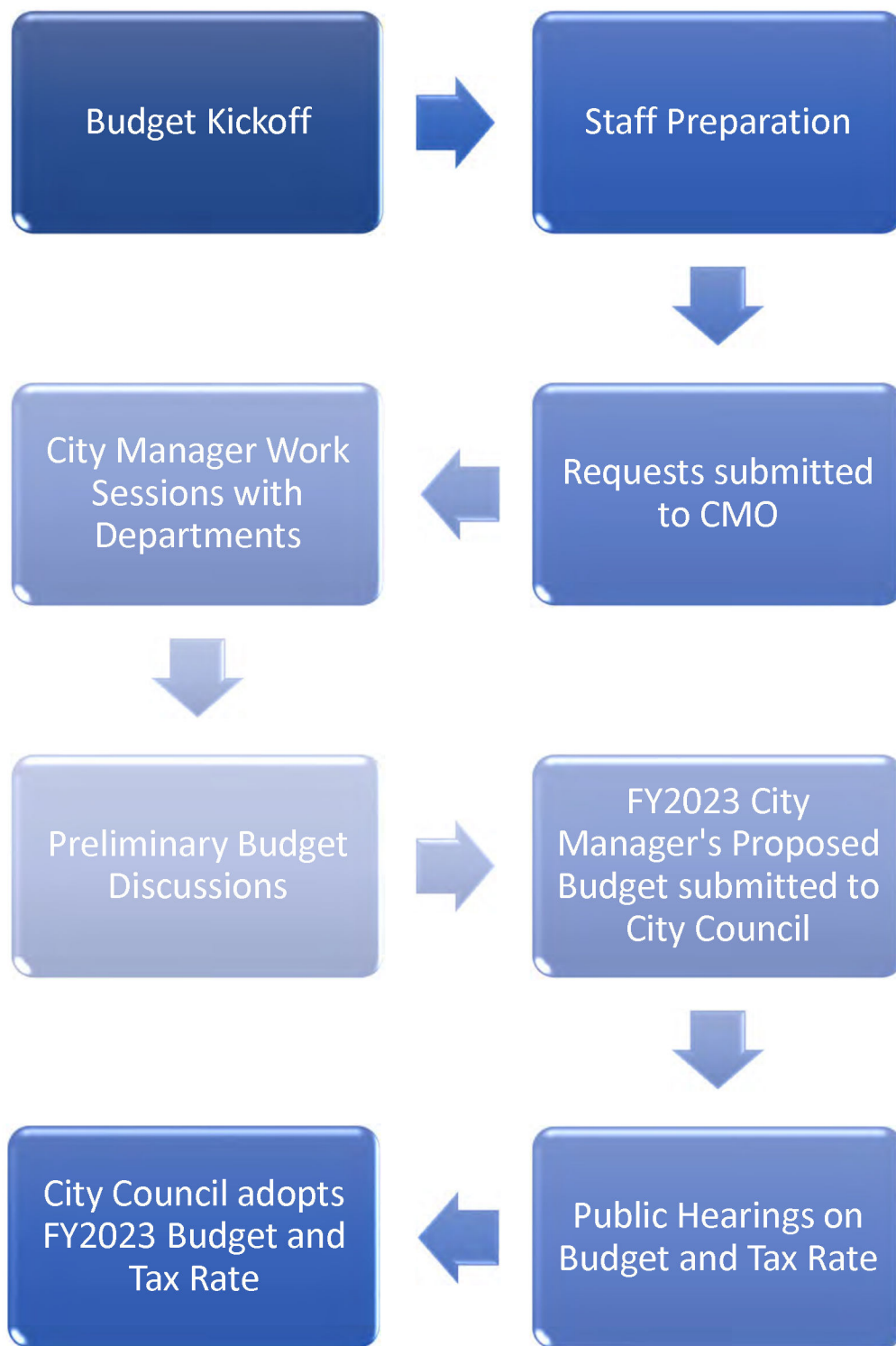
While the budget process is truly a year-round endeavor, the bulk of the work begins at the end of the 2nd quarter of each fiscal year. The budget process generally begins when the Budget Manager develops a Budget Calendar and departments are given preliminary direction from the City Manager regarding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

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

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

The fiscal year begins on October 1st.

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



**CITY OF ANNA
BUDGET CALENDAR**

March 17, 2022

FY2023 Budget Kickoff

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

April 18, 2022

Budget Requests Submitted and Reviewed

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

May 2 - 20, 2022

Work Sessions with City Manager

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

June 1 - 30, 2022

Preliminary Budget Discussions

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

July 25, 2022

Certified Tax Rolls Received

Certified appraisal rolls received from the Collin Central Appraisal District.

August 9, 2022

FY2023 City Manager's Proposed Budget

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

August 18, 2022

Publish Notice of Proposed Tax Rate

Upon receipt of the certified appraisal rolls, the Collin County Tax Assessor-Collector performs the no-new-revenue tax rate calculation as required by state law.

September 6, 2022

Public Hearing Held

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

September 13, 2022

City Council Adopts the FY2023 Budget

City Council approves ordinances adopting the budget for the fiscal year beginning October 1, 2022.

November 1, 2022

FY2023 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., 2022 - Sept., 2023

Budget is implemented, monitored, & amended

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



STRATEGIC PLAN

THE CITY OF
Anna

CITY OF ANNA

STRATEGIC PLAN INTRODUCTION

The Strategic Plan, which outlines a set of actions to accomplishing important projects adopted yearly by City Council, is a living document that staff interacts with and considers in day-to-day decisions and operations.

Revisited and revised annually, the purpose of the strategic plan is to provide city staff with a guiding document, setting priorities for staff to bring the City Council's vision of the city to life. Strategic planning has many benefits for the city. It is a method by which the City Council plans and prioritizes its goals in a transparent and accountable manner. It also enables the City Council and staff to efficiently move the community forward.

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

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



**CITY OF ANNA
STRATEGIC PLAN PROGRESS**

Strategic Goal 1: Growing Anna Economy

<i>Activities / Milestones</i>	<i>Responsibility</i>	<i>Priority</i>	<i>Status</i>
Collin Community College Campus Development: Location, Master Plan, and Agreement			
1. Develop MOU with Collin Community College	Economic Development	Policy - Top	Behind / Moved Back
2. Decision: MOU Approval	Economic Development	Policy - Top	Behind / Moved Back
3. Develop Master Plan / Engineering Plan	Economic Development	Policy - Top	On Time
4. Prepare TIRZ Analysis	Economic Development	Policy - Top	On Time
5. Report: Presentation and Direction on TIRZ	Economic Development	Policy - Top	On Time
6. Sewer Plan Engineering Permit	Economic Development	Policy - Top	On Time

Medical Campus Business Development: Hospital and Medical Office Development			
1. Medical Office Development	Economic Development	Policy - High	
a. Receive Site Plan and Civil	Economic Development	Policy - High	Completed
b. P&Z Review	Economic Development	Policy - High	Behind / Moved Back
c. Decision: Site Plan	Economic Development	Policy - High	On Time
d. Complete civil review	Economic Development	Policy - High	On Time
e. Groundbreaking	Economic Development	Policy - High	On Time
2. Hospital	Economic Development	Policy - High	On Time

Retail / Restaurant Attraction Strategy: Outcomes, Market Analysis, Report with Options, Direction and City Actions			
1. Prepare and issue RFQ for Retail/Restaurant Analysis	Economic Development	Policy - High	Completed
2. Evaluate response and prepare recommendations	Economic Development	Policy - High	Behind / Moved Back
3. Decision: Award Contract for Analysis	Economic Development	Policy - High	Behind / Moved Back
4. Complete the Retail/Restaurant Analysis/Report	Economic Development	Policy - High	On Time
5. Report: Presentation	Economic Development	Policy - High	On Time

ANNUAL BUDGET FOR FISCAL YEAR 2023

CITY OF ANNA
STRATEGIC PLAN PROGRESS

Strategic Goal 1: Growing Anna Economy

<i>Activities / Milestones</i>	<i>Responsibility</i>	<i>Priority</i>	<i>Status</i>
Unique Business Attraction: Outcomes, Report, Agreements, and City Actions			
1. Brewery	Economic Development		
a. Finalize agreement	Economic Development	Policy	Behind / Moved Back
b. EDC Review	Economic Development	Policy	Behind / Moved Back
c. Decision: Agreement and Transfer of Ownership	Economic Development	Policy	Behind / Moved Back
d. Report: Terms of Lease Agreement	Economic Development	Policy	Behind / Moved Back
e. Police Building Vacant	Economic Development	Policy	On Time
f. Secure permit	Economic Development	Policy	On Time
g. Opening	Economic Development	Policy	On Time
2. Crystal Lagoon	Economic Development	Policy	
a. Executive Session	Economic Development	Policy	Completed
Action: Clean Up Site (Holiday Inn Express Site): Direction and Funding			
1. Continue code enforcement	Neighborhood Services	Management	On Time
2. Talk with attorney	Neighborhood Services	Management	Completed
3. Discuss direction/actions with hotel owner	Neighborhood Services	Management	Completed
4. Report: Update & Direction-Litigation on Agreement	Neighborhood Services	Management	Behind / Moved Back

CITY OF ANNA
STRATEGIC PLAN PROGRESS

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

<i>Activities / Milestones</i>	<i>Responsibility</i>	<i>Priority</i>	<i>Status</i>
Downtown Activation: Implementation			
1. TIRZ	Economic Development	Policy - Top	
a. Decision: Direction on Downtown	Economic Development	Policy - Top	Completed
b. Hire TIRZ analyst	Economic Development	Policy - Top	Completed
c. Complete TIRZ Analysis Report	Economic Development	Policy - Top	On Time
d. Report: Presentation and Direction	Economic Development	Policy - Top	On Time
2. Downtown Overlay	Economic Development	Policy - Top	
a. Develop Downtown Overlay	Economic Development	Policy - Top	Behind / Moved Back
b. P&Z Review	Economic Development	Policy - Top	Behind / Moved Back
c. Decision: Downtown Overlay	Economic Development	Policy - Top	Behind / Moved Back
3. Activation	Economic Development	Policy - Top	
a. Identify developer partner	Economic Development	Policy - Top	Behind / Moved Back
c. Decision: Development Agreement	Economic Development	Policy - Top	Behind / Moved Back
Long-Term Water Supply Policy/Plan: Direction and City Actions [Collin Grayson Municipal Alliance (CGMA) and the Greater Texoma Utility Authority (GTUA)]			
1. Report: CGMA	Public Works	Policy - High	Completed
2. Board Meeting: Adoption of CIP Sherman Water	Public Works	Policy - High	Completed
3. Decision: Water Rates	Public Works	Policy - High	On Time

**CITY OF ANNA
STRATEGIC PLAN PROGRESS**

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

<i>Activities / Milestones</i>	<i>Responsibility</i>	<i>Priority</i>	<i>Status</i>
Comprehensive Development Ordinances: Update			
1. Activity	Development Services	Policy	
a. Define the scope and determine the costs	Development Services	Policy	Completed
b. Issue RFP	Development Services	Policy	Completed
c. Evaluate responses and prepare recommendations	Development Services	Policy	Completed
d. Decision: Award Contract	Development Services	Policy	On Time
e. Kick-Off Process	Development Services	Policy	On Time
f. Complete update rewrite	Development Services	Policy	On Time
g. P&Z Review	Development Services	Policy	On Time
h. Decision: Ordinance Adoption	Development Services	Policy	On Time
Rental Single-Family Homes by Corporations: Problem Analysis, Report, Direction, and City Actions			
1. Review ordinance, enforcement, and fees	Neighborhood Services	Policy	Completed
2. Prepare Report with fee adjustments	Neighborhood Services	Policy	Completed
3. Decision: Direction, Fee Structure, and Funding	Neighborhood Services	Policy	Completed
4. Hire additional City Staff	Neighborhood Services	Policy	On Time
New Fire Station (West of U.S. 75): Direction and Funding			
1. Bond Election	Fire	Management - Top	Completed
2. Decision: Award Contract for Design/Build	Fire	Management - Top	Completed
3. Complete Design	Fire	Management - Top	On Time
4. Complete Construction - Open Station	Fire	Management - Top	On Time

ANNUAL BUDGET FOR FISCAL YEAR 2023

CITY OF ANNA
STRATEGIC PLAN PROGRESS

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

<i>Activities / Milestones</i>	<i>Responsibility</i>	<i>Priority</i>	<i>Status</i>
Ferguson Road Extension Design: Agreement, Direction, and Funding			
1. Finalize and issue RFQ	Public Works	Management - Top	Behind / Moved Back
2. Review responses and prepare recommendations	Public Works	Management - Top	Behind / Moved Back
3. Decision: Award Contract for Engineering Design	Public Works	Management - Top	Behind / Moved Back
4. Complete Final Engineering Design	Public Works	Management - Top	Behind / Moved Back

**CITY OF ANNA
STRATEGIC PLAN PROGRESS**

Strategic Goal 3: Great Place to Live

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

ANNUAL BUDGET FOR FISCAL YEAR 2023

**CITY OF ANNA
STRATEGIC PLAN PROGRESS**

Strategic Goal 3: Great Place to Live

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

Library / Community Resource Center/Learning Center: Design

1. Bond Election	Public Works	Management - Top	Completed
2. Decision: Award Contract for Design/Build	Public Works	Management - Top	Behind / Moved Back
3. Complete Design	Public Works	Management - Top	On Time
4. Complete Construction	Public Works	Management - Top	On Time

Outdoor Sports Complex / Fields Development: Design

1. Bond Election	Public Works	Management - High	Completed
2. Request for Qualifications	Public Works	Management - High	Completed
3. Review proposals and make selection	Public Works	Management - High	Completed
4. Decision: Award Contract for Design	Public Works	Management - High	Behind / Moved Back
5. Complete design	Public Works	Management - High	Behind / Moved Back

**CITY OF ANNA
STRATEGIC PLAN PROGRESS**

Strategic Goal 4: High Performing Professional City

Activities / Milestones *Responsibility* *Priority* *Status*

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

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

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

1. Complete updates: Water Master Plan and Sewer Master Plan	Public Works	Management - Top	Behind / Moved Back
2. Review CIP 10-year Study and Fees	Public Works	Management - Top	On Time
3. Prepare updated ordinance	Public Works	Management - Top	On Time
4. Decision: Ordinances Adoption	Public Works	Management - Top	On Time

Disaster Recovery and Related Services: Report

1. Complete final draft	Public Works	Management - High	Behind / Moved Back
2. Report: Presentation	Public Works	Management - High	Behind / Moved Back

Personnel (Human Resources) Policies: Direction and Revision

1. Contract with consultant for review / refinement	Human Resources	Management	Completed
2. Complete re-write	Human Resources	Management	Completed
3. City Manager Review	Human Resources	Management	Completed
4. Report: Presentation and Direction	Human Resources	Management	On Time

THE CITY OF
Anna



MAJOR REVENUES

THE CITY OF
Anna

CITY OF ANNA SUMMARY OF REVENUES

This section presents information about the City's major revenues. The revenue sources described in this section account for \$41.5 million or 99.8 percent of Anna's total operating revenue (excluding interfund transfers).

Property Tax

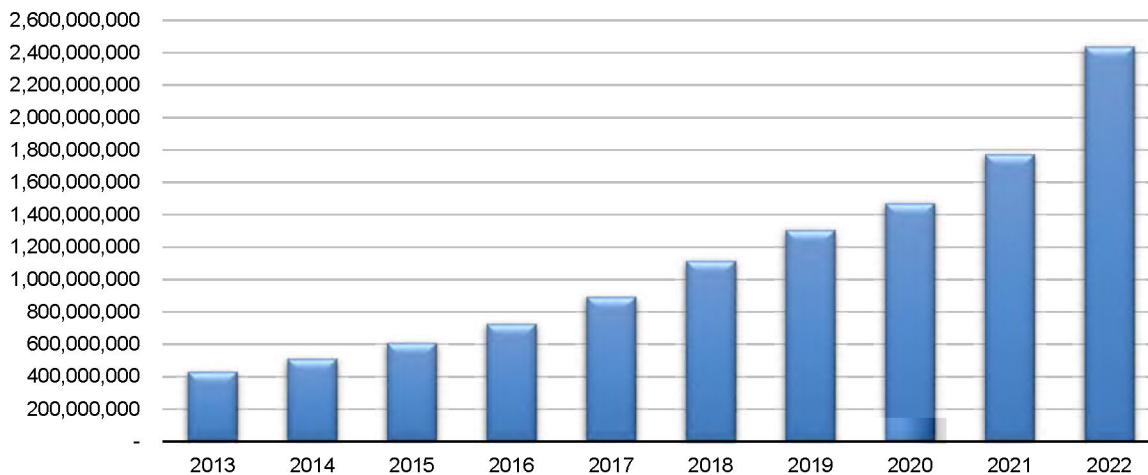
In Texas, property taxes are often the primary source of revenue for local governments. Local governments set tax rates and collect property taxes that are used to provide local services including schools, streets and roads, police and fire protection and many other services.

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 2022 (FY2023) is \$2,439,508,121. This represents an increase of 37.5 percent and is due, in part, to the addition of more than \$260 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 2022 tax year. We remain guardedly optimistic that a trend of market appreciation and growth will continue in the coming years.

**Taxable Assessed Value
10 Year History**



The growth in taxable value corresponds to a significant increase in population over the past 10 years. The population of Anna in 2011 was approximately 8,300. According to the most recent population estimates published by the North Central Texas Council of Governments, the City of Anna population as of January 1, 2022 was approximately 20,980.

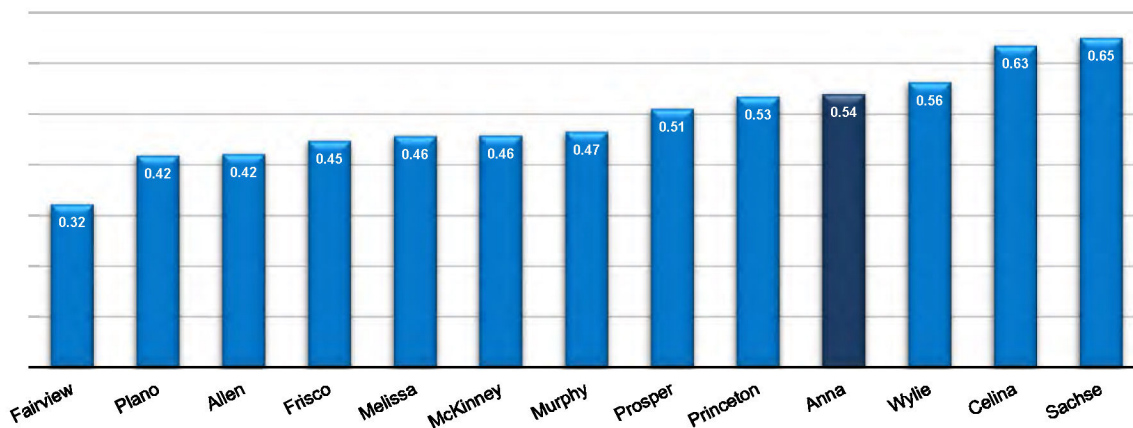
CITY OF ANNA
SUMMARY OF REVENUES

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

Tax Year	Certified Assessed Value	Total Tax Rate	M&O Rate	Debt Service Rate	Total Property Tax Revenue
2003	79,351,888	0.499700	0.499700	0.000000	\$ 396,521
2004	136,234,607	0.499700	0.499700	0.000000	\$ 680,764
2005	211,508,957	0.525000	0.525000	0.000000	\$ 1,110,422
2006	288,590,455	0.525000	0.525000	0.000000	\$ 1,515,100
2007	356,238,071	0.574900	0.466700	0.108200	\$ 2,048,013
2008	383,935,013	0.574900	0.479400	0.095500	\$ 2,207,242
2009	378,153,710	0.622733	0.529939	0.092794	\$ 2,354,888
2010	365,119,804	0.650332	0.554225	0.096107	\$ 2,374,491
2011	362,969,678	0.650332	0.559367	0.090965	\$ 2,360,508
2012	376,533,308	0.650332	0.559367	0.090965	\$ 2,448,717
2013	430,834,574	0.650332	0.559367	0.090965	\$ 2,801,855
2014	510,576,704	0.649000	0.545826	0.103174	\$ 3,313,643
2015	608,694,594	0.639000	0.532341	0.106659	\$ 3,889,558
2016	726,642,896	0.629000	0.506582	0.122418	\$ 4,570,584
2017	891,474,571	0.601288	0.478870	0.122418	\$ 5,360,330
2018	1,115,372,832	0.591288	0.428122	0.163166	\$ 6,595,066
2019	1,304,938,519	0.591288	0.451540	0.139748	\$ 7,715,945
2020	1,472,000,000	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

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

Tax Rate Comparison



CITY OF ANNA
SUMMARY OF REVENUES

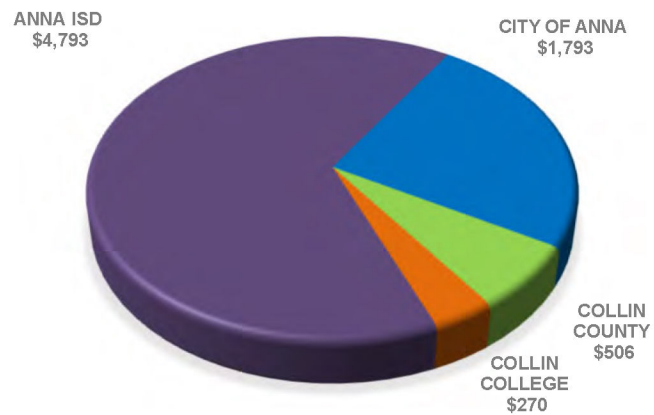
Impact of the Average Homeowner

	FY2022	FY2023	Difference
Average Home	\$ 246,777	\$ 332,179	\$ 85,402
Tax Rate	0.569500	0.539750	(0.029750)
Annual Tax Bill	\$ 1,405.40	\$ 1,792.94	\$ 387.54

Based on the average home value of \$332,179, the average residential taxpayer would pay \$387.54 more in property taxes than last year.



Property Taxes on an Average Anna Home



FY2023 Property Tax Rates Combined

	Property Tax Rate	Taxes on Average Anna Home	Percentage of Total
Collin County	0.152443	\$ 506.38	6.9%
Collin College	0.081220	\$ 269.80	3.7%
Anna ISD	1.442900	\$ 4,793.01	65.1%
City of Anna	0.539750	\$ 1,792.94	24.4%
Total	2.216313	\$ 7,362.13	

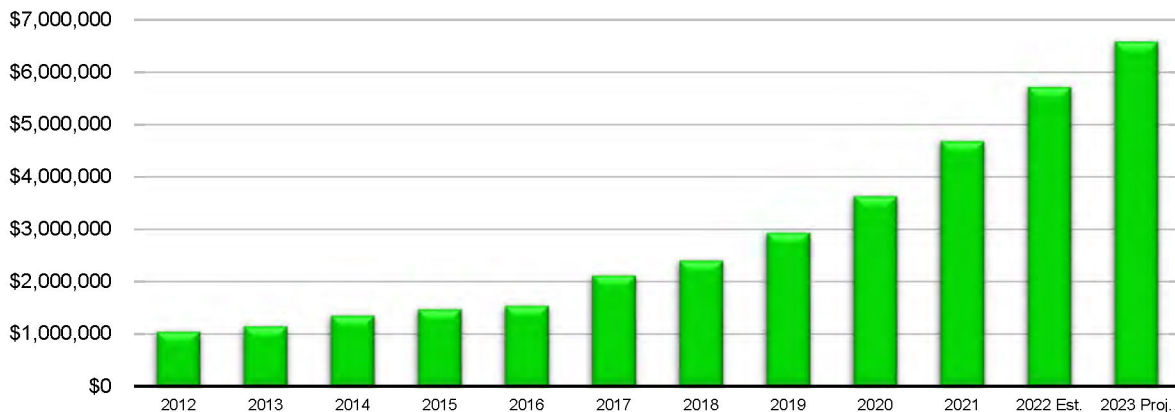
CITY OF ANNA
SUMMARY OF REVENUES

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
2018	\$1,502,079	\$901,247	\$2,403,326
2019	\$1,835,421	\$1,101,253	\$2,936,674
2020	\$2,271,318	\$1,362,791	\$3,634,109
2021	\$2,929,877	\$1,757,926	\$4,687,803
2022 Est.	\$3,600,000	\$2,120,000	\$5,720,000
2023 Proj.	\$4,130,000	\$2,460,000	\$6,590,000

Sales Tax History



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

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



Development Licenses and Permits

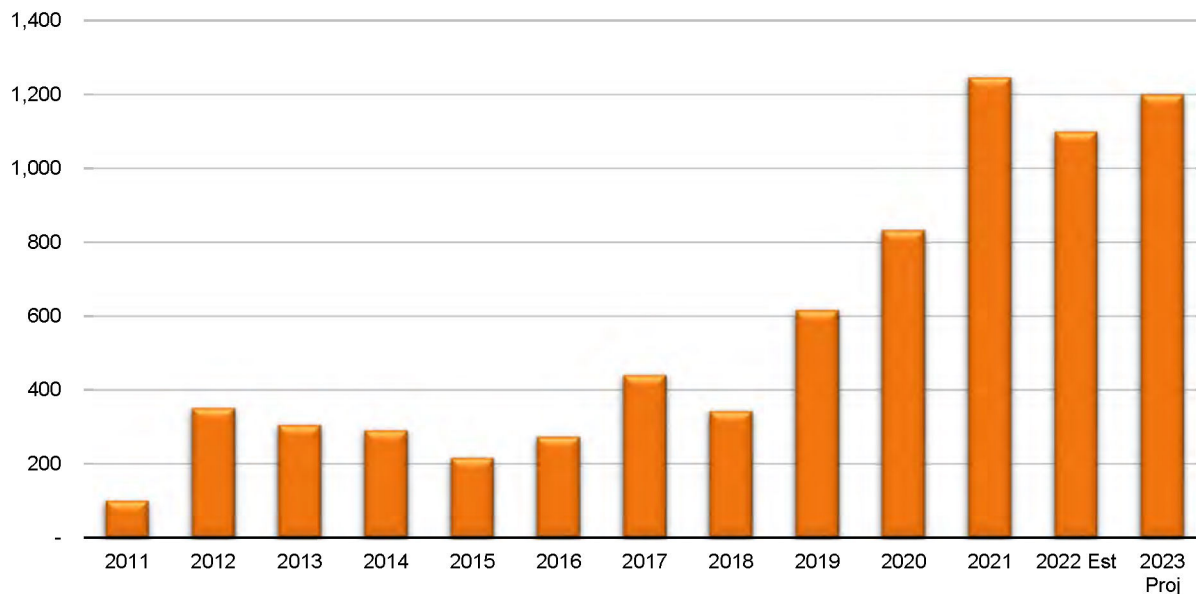
Development revenue is a combination of single-family residential building permits, commercial building permits, zoning and subdivision fees, and all other fees related to the permitting and approval of construction activity in the City.

The City of Anna is a pro-growth community in the fast-growing region of Collin County, Texas. Anna has been one of the top ten fastest growing cities in North Texas for 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 in 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

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.

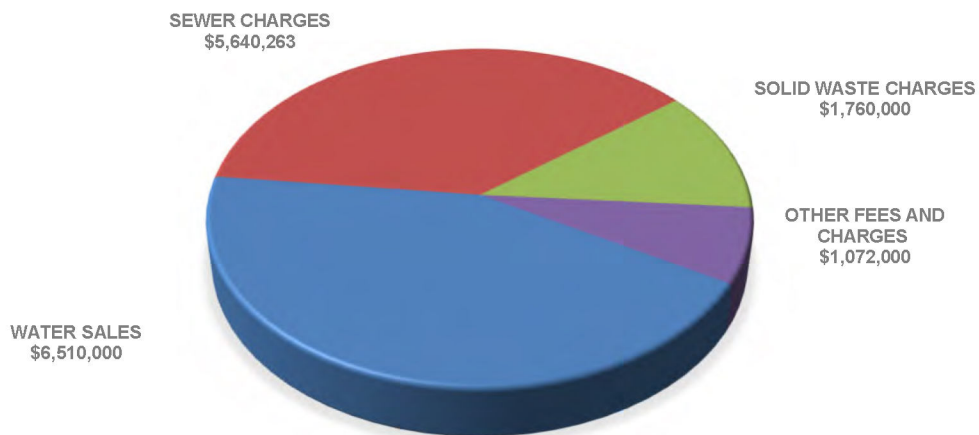
In reviewing the fiscal health of the Utility Fund during the FY2020 budget process, staff determined the need for an updated utility rate structure. A rate model consultant was engaged, and in July 2020, the City Council approved a utility rate policy.

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	FY2022 Rate	FY2023 Rate	Change
2,000 gallons	\$ 59.26	\$ 62.52	\$ 3.26
5,000 gallons	\$ 98.07	\$ 103.38	\$ 5.31
10,000 gallons	\$ 162.78	\$ 171.48	\$ 8.70

Utility Fund Charges for Services



Franchise Fees

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

Fines

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

Investment Income

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

Developer Fees

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



THE CITY OF
Anna



FUND SUMMARIES

THE CITY OF
Anna

CITY OF ANNA FUND STRUCTURE

The accounts of the City are organized and operated on the basis of funds. Fund accounting segregates funds according to their intended purpose. Each fund is a distinct, self-balancing entity. Each fund can be presented independent of the other funds to illustrate that fund's purpose for specific activities.

The City of Anna has both Governmental and Proprietary funds. Governmental funds are used for most government activities. The Governmental funds are the General Fund, the Debt Service Fund, and Restricted Revenue funds. A Proprietary or Enterprise fund is where operations are accounted for and financed in a manner like private business enterprises. The Utility Fund, which accounts for water, sewer, and trash services, is an Enterprise fund.

Governmental Funds

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

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

♦ Restricted Revenue Funds: These funds account for revenue sources that are legally restricted to expenditures for a specific purpose and in accordance with the enabling legislation.

Proprietary Funds

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

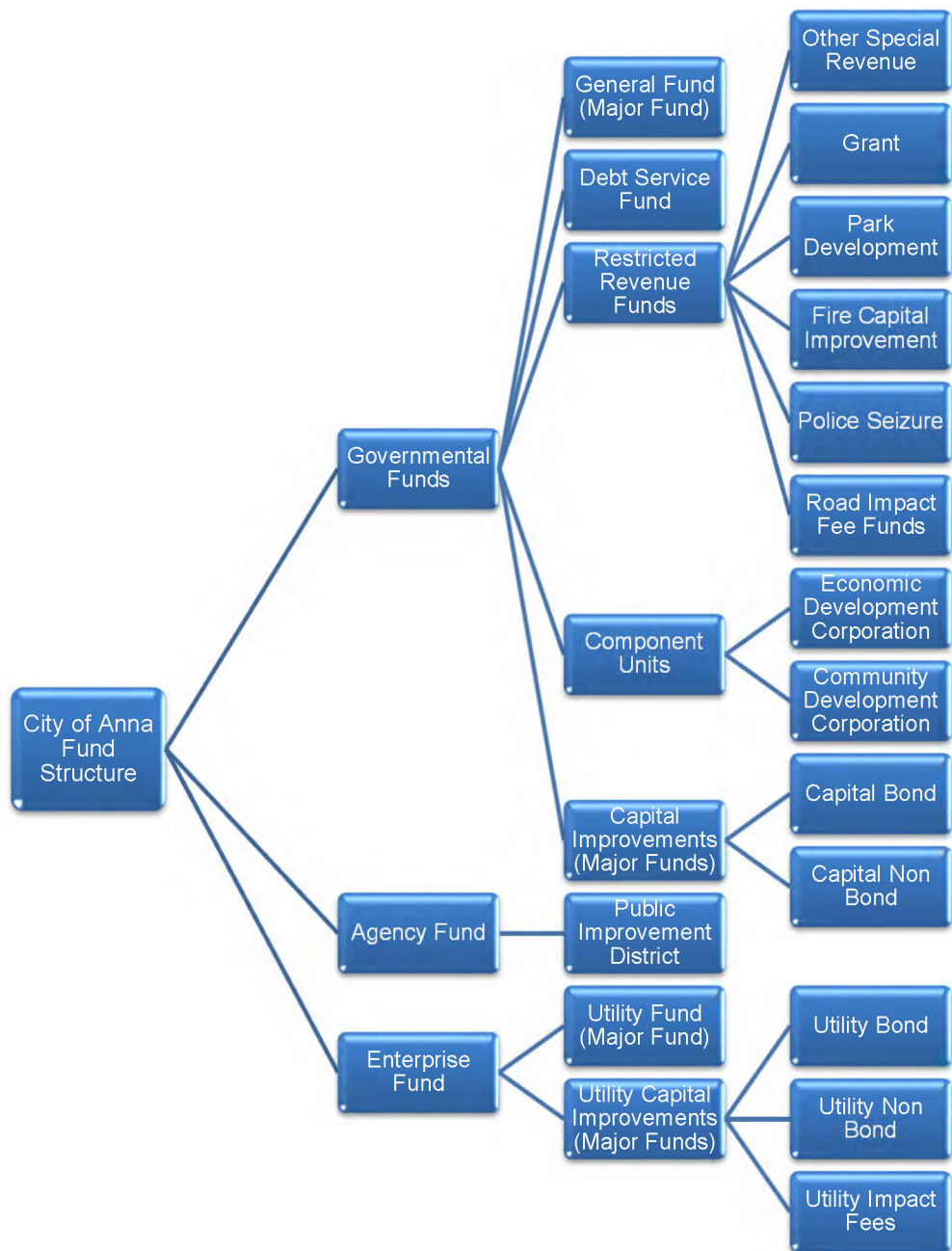
Basis of Budgeting

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 (Major Fund)	Utility Fund (Major Fund)	Special Revenue Funds (Non Major Fund)	Component Units (Non Major Fund)	Capital Projects Funds (Major Fund)
DEPARTMENTS					
Administration	√				
City Council	√				
City Manager	√				
City Secretary	√				
Human Resources	√				
Information Technology	√				
Finance	√				
Development	√				
Animal Control	√				
Fire	√		√		
Ambulance	√				
Police	√		√		
Municipal Court	√		√		
Parks	√		√		√
Neighborhood Services	√		√		√
Streets	√		√		√
Fleet & Facilities	√				
Economic Development				√	
Community Development				√	
Public Works Administration		√			
Water		√			√
Sewer		√			√
Solid Waste		√			
Utility Billing		√			

CITY OF ANNA
CONSOLIDATED BUDGET SUMMARY OF REVENUE AND EXPENDITURES

	Major Governmental		Enterprise	Restricted Revenue		
	General	Debt Service	Utility	Grant	Special Revenue	Park Develop.
BEGINNING BALANCES	\$ 7,532,411	\$ 108,605	\$ 5,439,989	\$ 449	\$ 113,051	\$ 3,952,393
REVENUES:						
Property Taxes	\$ 9,418,264	\$ 3,458,686	\$ -	\$ -	\$ -	\$ -
Sales Tax	4,130,000	-	-	-	-	-
Charges for Services	273,000	-	14,982,263	-	-	1,500,000
Permits, Licenses and Fees	4,305,000	-	-	-	-	-
Franchise and Local Taxes	825,000	-	-	-	7,000	-
Investment Income	50,000	2,500	20,000	-	-	9,000
Other Revenues	16,300	-	198,200	-	-	-
Intergovernmental	-	-	-	-	-	-
Fines	300,000	-	-	-	14,500	-
TOTAL	\$ 19,317,564	\$ 3,461,186	\$ 15,200,463	\$ -	\$ 21,500	\$ 1,509,000
Transfers from other funds	-	-	-	-	-	-
TOTAL REVENUES	\$ 19,317,564	\$ 3,461,186	\$ 15,200,463	\$ -	\$ 21,500	\$ 1,509,000
TOTAL AVAILABLE RESOURCES	\$ 26,849,975	\$ 3,569,791	\$ 20,640,452	\$ 449	\$ 134,551	\$ 5,461,393
EXPENDITURES:						
Payroll	\$ 14,579,249	\$ -	\$ 2,901,362	\$ -	\$ 1,800	\$ 431,194
Supplies	1,027,223	-	163,583	-	-	227,000
Maintenance	516,900	-	642,675	-	-	-
Services	3,097,907	5,500	7,949,429	-	9,325	31,600
Debt Service	-	3,458,686	2,118,430	-	-	-
Capital Outlay	54,000	-	-	-	-	150,000
Capital Improvement	-	-	-	-	-	1,822,500
TOTAL	\$ 19,275,279	\$ 3,464,186	\$ 13,775,479	\$ -	\$ 11,125	\$ 2,662,294
Transfers to other funds	468,000	-	650,000	-	-	-
TOTAL EXPENDITURES	\$ 19,743,279	\$ 3,464,186	\$ 14,425,479	\$ -	\$ 11,125	\$ 2,662,294
ENDING FUND BALANCES	\$ 7,106,696	\$ 105,605	\$ 6,214,973	\$ 449	\$ 123,426	\$ 2,799,099
Fund Balance Percentage	36.9%	3.0%	45.1%		1109.4%	0.0%

ANNUAL BUDGET FOR FISCAL YEAR 2023

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

Restricted Revenue		Component Units		CIP Funds	Total All Funds		
Fire Capital	Seizure	Community Develop.	Economic Develop.	Community Investment	Budget FY2023	Estimated FY2022	Actual FY2021
\$ 116,133	\$ 14,974	\$ 7,734,793	\$ 5,923,224	\$ 25,854,611	\$ 60,075,633	\$ 19,466,984	\$ 15,125,930
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,876,950	\$ 10,122,113	\$ 8,697,681
-	-	2,460,000	-	-	6,590,000	5,720,000	4,687,802
50,000	-	-	10,000	-	16,815,263	16,543,000	14,572,456
-	-	-	-	-	4,305,000	4,952,425	4,224,928
-	-	-	-	-	832,000	773,000	733,264
-	-	5,000	2,000	130,000	218,500	96,900	83,866
-	2,500	-	-	104,070,000	104,287,000	19,081,304	29,472,759
-	-	-	-	-	-	58,270	526,766
-	-	-	-	-	314,500	217,500	149,466
\$ 50,000	\$ 2,500	\$ 2,465,000	\$ 12,000	\$ 104,200,000	\$ 146,239,213	\$ 57,564,512	\$ 63,148,988
-	-	-	-	1,118,000	1,118,000	2,185,000	2,087,052
\$ 50,000	\$ 2,500	\$ 2,465,000	\$ 12,000	\$ 105,318,000	\$ 147,357,213	\$ 59,749,512	\$ 65,236,040
\$ 166,133	\$ 17,474	\$ 10,199,793	\$ 5,935,224	\$ 131,172,611	\$ 207,432,846	\$ 79,216,496	\$ 80,361,970
\$ -	\$ -	\$ 468,189	\$ -	\$ -	\$ 18,381,794	\$ 15,011,577	\$ 10,676,543
-	-	13,100	-	-	1,430,906	1,010,994	1,103,222
-	-	-	3,000	-	1,162,575	839,975	1,470,794
-	-	2,247,378	783,350	-	14,124,489	11,238,616	11,258,873
-	-	193,865	-	-	5,770,981	4,540,462	4,129,340
-	-	-	-	-	204,000	546,500	877,972
-	-	-	-	73,140,000	74,962,500	26,619,411	24,816,075
\$ -	\$ -	\$ 2,922,532	\$ 786,350	\$ 73,140,000	\$ 116,037,245	\$ 59,807,535	\$ 54,332,819
-	-	-	-	-	1,118,000	2,185,000	2,087,052
\$ -	\$ -	\$ 2,922,532	\$ 786,350	\$ 73,140,000	\$ 117,155,245	\$ 61,992,535	\$ 56,419,871
\$ 166,133	\$ 17,474	\$ 7,277,261	\$ 5,148,874	\$ 58,032,611	\$ 90,277,601	\$ 17,223,961	\$ 23,942,099
0.0%	0.0%	249.0%	654.8%		77.8%	28.8%	44.1%

ANNUAL BUDGET FOR FISCAL YEAR 2023

CITY OF ANNA
COMBINED FUNDS SUMMARY OF REVENUE AND EXPENDITURES

	Actual 2020-21	Budget 2021-22	Estimated 2021-22	Budget 2022-23
BEGINNING BALANCES	\$ 54,489,539	\$ 59,569,073	\$ 63,218,657	\$ 60,075,633
REVENUES:				
Property Taxes	\$ 8,697,681	\$ 10,122,113	\$ 10,122,113	\$ 12,876,950
Sales Tax	4,687,802	4,926,370	5,720,000	6,590,000
Charges for Services	14,572,456	13,121,600	16,543,000	16,815,263
Permits, Licenses and Fees	4,224,928	3,703,060	4,952,425	4,305,000
Franchise and Local Taxes	733,264	488,000	773,000	832,000
Investment Income	83,866	75,400	96,900	218,500
Other Revenues	29,472,759	7,850,000	19,081,304	104,287,000
Intergovernmental	526,766	57,770	58,270	-
Fines	149,466	107,500	217,500	314,500
TOTAL	\$ 63,148,988	\$ 40,451,813	\$ 57,564,512	\$ 146,239,213
Transfers from other funds	2,087,052	1,785,000	2,185,000	1,118,000
TOTAL REVENUE	\$ 65,236,040	\$ 42,236,813	\$ 59,749,512	\$ 147,357,213
TOTAL AVAILABLE RESOURCES	\$ 119,725,579	\$ 101,805,886	\$ 122,968,169	\$ 207,432,846
EXPENDITURES:				
Payroll	\$ 10,676,543	\$ 15,011,577	\$ 15,011,577	\$ 18,381,794
Supplies	1,103,222	1,010,994	1,010,994	1,430,906
Maintenance	1,470,794	839,975	839,975	1,162,575
Services	11,258,873	10,508,616	11,238,616	14,124,489
Debt Service	4,129,340	4,540,462	4,540,462	5,770,981
Capital Outlay	877,972	546,500	546,500	204,000
Capital Improvement	24,816,075	27,937,241	26,619,411	74,962,500
TOTAL	\$ 54,332,819	\$ 60,395,365	\$ 59,807,535	\$ 116,037,245
Transfers to other funds	2,087,052	1,785,000	2,185,000	1,118,000
TOTAL EXPENDITURES	\$ 56,419,871	\$ 62,180,365	\$ 61,992,535	\$ 117,155,245
ENDING FUND BALANCES	\$ 63,305,708	\$ 39,625,521	\$ 60,975,634	\$ 90,277,601

CITY OF ANNA
CHANGE IN FUND BALANCE

FUND	PROJECTED FUND BALANCE 9/30/22	PROJECTED FUND BALANCE 9/30/23	% CHANGE	EXPLANATION
GENERAL	\$ 7,532,411	\$ 7,106,696	-6%	Utilizing excess over policy for one-time purchases
DEBT SERVICE	\$ 108,605	\$ 105,605	-3%	Utilizing excess to lower debt service payment
UTILITY	\$ 5,439,989	\$ 6,214,973	14%	Building reserve to prepare for adverse weather events
SPECIAL REVENUE	\$ 113,051	\$ 123,426	9%	Restricted revenue; no planned purchases
FIRE CAPITAL	\$ 116,133	\$ 166,133	43%	No planned purchases
PARK DEVELOPMENT	\$ 3,952,393	\$ 2,799,099	-29%	Utilizing excess over policy for one-time purchases
PUBLIC SAFETY SEIZURE	\$ 14,974	\$ 17,474	17%	No planned purchases
ECONOMIC DEVELOPMENT	\$ 5,923,224	\$ 5,148,874	-13%	Change in revenue source; drawdown is planned
COMMUNITY DEVELOPMENT	\$ 1,797,738	\$ 2,922,532	63%	Better than expected sales tax collections and proceeds from sale of real estate

CITY OF ANNA
PERSONNEL

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

FY2023 Additions

Position	Added to	Justification
IT Desk Help	Information Technology	To help with the additional technology needs of the growing staff and increasing number of devices.
Planning Technician	Development Services	To perform administrative work for the Planning Division. Some of the daily responsibilities include, but are not limited to, answering zoning and addressing questions, ensuring city webpage and permitting software is up-to day with correct project information, and responding to public information requests.
Firefighters (4.5 FTEs)	Fire	In preparation for the opening of Fire Station #2
Fire Inspector Investigator	Fire	To address the increasing demand on the Fire Prevention Division regarding engineering, education, and enforcement.
Police Lieutenant	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.
Police Officers (2.0 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.
Property Evidence Technician	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.
Municipal Court Clerk	Municipal Court	Activity in Municipal Court is increasing with population growth, the end of Covid-19 restrictions, and an increased enforcement of traffic violations by Anna Police.

CITY OF ANNA
PERSONNEL

FY2023 Additions (Continued)

Position	Added to	Justification
Parks	Maintenance Worker	To increase work volume, decrease response time, and improve efficiency.
Code Compliance Officer	Neighborhood Services	To accommodate the city's growth, increasing demands for service, improve response times, and assist neighbors in avoiding citations.
Right-of-Way Inspector	Streets	To help review, inspect, and provide oversight of construction within the City's right of way including every driveway, sidewalk, and sod installation for each new house.
Fleet Maintenance Technician	Fleet and Facilities	Provide additional fleet personnel to bring more maintenance and services in-house including for vehicle pick-up, vehicle delivery, and making runs to obtain equipment and parts during the work day.
Custodian (2 FTEs)	Fleet and Facilities	Provide in-house daily custodial services at the new City Hall and Central Fire Station. Contracted custodial services are effective for weekly cleaning but are cost prohibitive for the daily attention required at these facilities.
Receptionist	Public Works Administration	Provide front office contact for Streets, Utilities, and Engineering; these divisions receive significant requests and questions from the public. When Development Services moves out of the building, additional customer service personnel is needed.
Maintenance Worker I	Water	To increase work volume, decrease response time, and improve efficiency.
Recreation Coordinators (1.5 FTEs)	Park Development	To continue enrichment of Anna's growing Recreation programs

**CITY OF ANNA
PERSONNEL SUMMARY**

	Actual 2020-21	Estimated 2021-22	Budget 2022-23	Increase (Decrease)
GENERAL FUND				
City Manager's Office				
City Manager	1.0	1.0	1.0	-
Assistant City Manager	1.0	1.0	1.0	-
Director of Human Resources	1.0	-	-	-
Human Resources Coordinator	1.0	-	-	-
Budget Manager	1.0	1.0	1.0	-
Communications Manager	1.0	1.0	1.0	-
Management Analyst	1.0	1.0	1.0	-
	7.0	5.0	5.0	-
Human Resources				
Director of Human Resources	-	1.0	1.0	-
Human Resources Manager	-	1.0	1.0	-
Human Resources Coordinator	-	1.0	1.0	-
	-	3.0	3.0	-
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	0.5	1.0	0.5
	2.5	2.5	3.0	0.5
Information Technology				
IT Manager	1.0	1.0	1.0	-
Systems Administrator	-	1.0	1.0	-
IT Help Desk Support	1.0	-	1.0	1.0
	2.0	2.0	3.0	1.0
Finance				
Director of Finance	1.0	1.0	1.0	-
Assistant Director	-	1.0	1.0	-
Accounting Manager	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	-
	5.0	5.0	5.0	-
Development Services				
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	1.0	-	(1.0)
Senior Building Inspector	-	-	1.0	1.0
Building Inspector	2.0	3.0	2.0	(1.0)
Building Official	1.0	1.0	1.0	-
Development Services Technician	1.0	1.0	1.0	-
Planning Technician	-	-	1.0	1.0
	10.0	11.0	11.0	-

ANNUAL BUDGET FOR FISCAL YEAR 2023

**CITY OF ANNA
PERSONNEL SUMMARY**

	Actual 2020-21	Estimated 2021-22	Budget 2022-23	Increase (Decrease)
Fire				
Fire Chief	1.0	1.0	1.0	-
Assistant Fire Chief	1.0	1.0	1.0	-
Division Chief	-	1.0	1.0	-
Battalion Chief	3.0	3.0	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	6.0	12.0	16.5	4.5
Fire Services Coordinator	1.0	1.0	1.0	-
	19.0	26.0	31.5	5.5
Police				
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	1.0	2.0	1.0
Sergeant	4.0	4.0	4.0	-
Sergeant Detective	1.0	1.0	1.0	-
Corporal	4.0	4.0	4.0	-
Police Officer	17.0	16.0	18.0	2.0
Detective	2.0	4.0	4.0	-
	32.0	33.0	37.0	4.0
Municipal Court				
Municipal Court Administrator	1.0	1.0	1.0	-
Municipal Court Clerk	-	-	1.0	1.0
	1.0	1.0	2.0	1.0
Parks				
Parks Superintendent	1.0	1.0	1.0	-
Parks Crew Leader	1.0	1.0	1.0	-
Maintenance Worker	6.0	6.0	7.0	1.0
Seasonal Laborer	0.4	-	-	-
	8.4	8.0	9.0	1.0
Neighborhood Services				
Director of Neighborhood Services	1.0	1.0	1.0	-
Parks Planning Manager	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	2.0	3.0	1.0
	7.0	6.0	7.0	1.0

**CITY OF ANNA
PERSONNEL SUMMARY**

	Actual 2020-21	Estimated 2021-22	Budget 2022-23	Increase (Decrease)
Streets				
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	3.0	5.0	5.0	-
	6.0	9.0	10.0	1.0
Fleet and Facilities				
Mechanic	-	1.0	1.0	-
Fleet Maintenance Technician	-	-	1.0	1.0
Facilities Specialist	-	1.0	1.0	-
Custodian	-	-	2.0	2.0
	-	2.0	5.0	3.0
GENERAL FUND TOTAL	99.9	113.5	131.5	18.0
UTILITY FUND				
Public Works Administration				
Director of Public Works	1.0	1.0	1.0	-
Assistant Director of Public Works	1.0	1.0	1.0	-
City Engineer	1.0	1.0	1.0	-
Engineering Construction Super.	1.0	-	-	-
CIP Manager	-	1.0	1.0	-
Construction Inspector	3.0	3.0	3.0	-
Construction Supervisor	-	1.0	1.0	-
Fleet and Facilities Superintendent	1.0	1.0	1.0	-
Custodian	-	1.0	-	(1.0)
GIS Manager	-	-	1.0	1.0
Public Works Coordinator	1.0	1.0	1.0	-
Receptionist	-	-	1.0	1.0
	9.0	11.0	12.0	1.0
Water				
Utility Operations Supervisor	1.0	1.0	1.0	-
Utility Maintenance Field Supervisor	1.0	1.0	1.0	-
Maintenance Worker	1.0	2.0	3.0	1.0
Water Quality Technician	-	-	-	-
Water Operator	1.0	2.0	2.0	-
Utility Crew Leader	2.0	2.0	2.0	-
Meter Service Crew Leader	-	1.0	1.0	-
Meter Service Technician	2.0	-	-	-
	8.0	9.0	10.0	1.0
Wastewater				
Senior Wastewater Plant Operator	1.0	1.0	1.0	-
Maintenance Worker I	6.0	6.0	6.0	-
	7.0	7.0	7.0	-

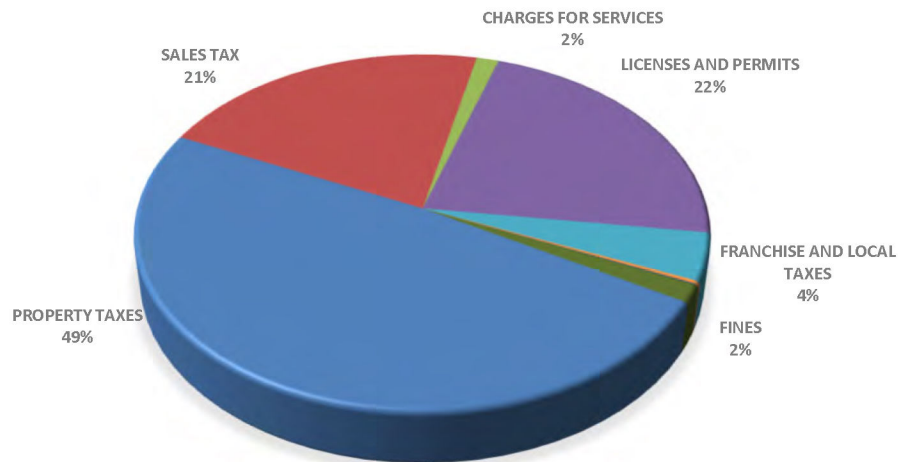
**CITY OF ANNA
PERSONNEL SUMMARY**

	Actual 2020-21	Estimated 2021-22	Budget 2022-23	Increase (Decrease)
Utility Billing				
Customer Service Manager	1.0	1.0	1.0	-
Senior Utility Billing Clerk	-	1.0	1.0	-
Utility Billing Clerk	2.0	2.0	2.0	-
Admin. Assistant / Records Clerk	0.5	0.5	-	(0.5)
	3.5	4.5	4.0	(0.5)
UTILITY FUND TOTAL	27.5	31.5	33.0	1.5
PARK DEVELOPMENT FUND				
Recreation Manager	1.0	1.0	1.0	-
Parks Planning Manager	-	1.0	1.0	-
Recreation Coordinator	1.5	1.5	3.0	1.5
	2.5	3.5	5.0	1.5
PARK DEVELOPMENT TOTAL	2.5	3.5	5.0	1.5
COMMUNITY DEVELOPMENT CORPORATION				
Director of Economic Development	-	1.0	1.0	-
Assistant Director of Economic Develop.	-	1.0	1.0	-
Economic Development Manager	1.0	-	-	-
Economic Development Coordinator	-	1.0	1.0	-
Intern	0.5	-	-	-
	1.5	3.0	3.0	-
COMMUNITY DEVELOP. TOTAL	1.5	3.0	3.0	-
TOTAL EMPLOYEES, ALL FUNDS	131.4	151.5	172.5	21.0

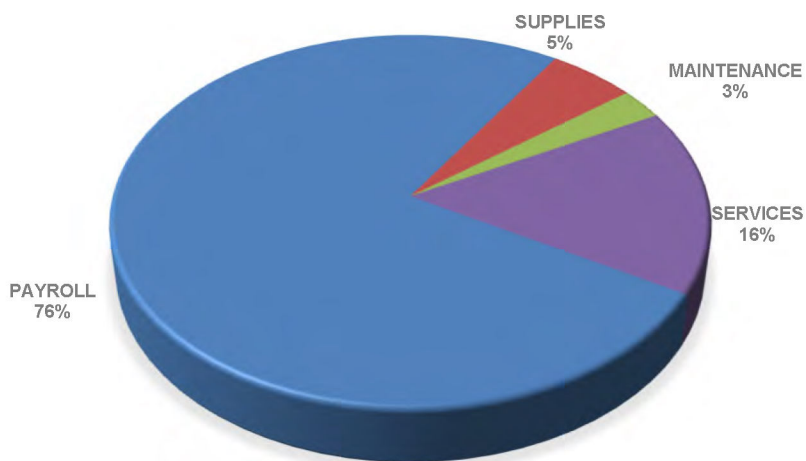
CITY OF ANNA
GENERAL FUND

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

General Fund Revenues



General Fund Expenditures



**CITY OF ANNA
GENERAL FUND BY CATEGORY**

	Actual 2020-21	Budget 2021-22	Estimated 2021-22	Budget 2022-23
BEGINNING BALANCES	\$ 6,233,419	\$ 6,470,011	\$ 6,360,075	\$ 7,532,411
REVENUES:				
Property Taxes	\$ 6,962,799	\$ 8,015,000	\$ 8,015,000	\$ 9,418,264
Sales Tax	2,929,876	3,296,370	3,600,000	4,130,000
Charges for Services	105,697	111,600	130,000	273,000
Permits, Licenses and Fees	4,215,485	3,703,060	4,952,425	4,305,000
Franchise and Local Taxes	726,006	485,000	770,000	825,000
Investment Income	35,020	30,000	50,000	50,000
Other Revenues	70,146	16,300	16,300	16,300
Intergovernmental	140,426	48,395	48,395	-
Fines	124,993	90,000	200,000	300,000
TOTAL OPERATIONAL REVENUE	\$ 15,310,448	\$ 15,795,725	\$ 17,782,120	\$ 19,317,564
Transfers from other funds	-	-	-	-
TOTAL REVENUES	\$ 15,310,448	\$ 15,795,725	\$ 17,782,120	\$ 19,317,564
TOTAL AVAILABLE RESOURCES	\$ 21,543,867	\$ 22,265,736	\$ 24,142,195	\$ 26,849,975
EXPENDITURES:				
Payroll	\$ 8,469,844	\$ 11,920,117	\$ 11,920,117	\$ 14,579,249
Supplies	830,087	620,991	620,991	1,027,223
Maintenance	780,439	224,300	224,300	516,900
Services	2,604,015	2,521,876	2,521,876	3,097,907
Debt Service	-	-	-	-
Capital Outlay	399,170	22,500	22,500	54,000
Capital Improvement	13,185	-	-	-
TOTAL OPERATIONAL EXPENDITURES	\$ 13,096,740	\$ 15,309,784	\$ 15,309,784	\$ 19,275,279
Transfers to other funds	2,087,052	900,000	1,300,000	468,000
TOTAL EXPENDITURES	\$ 15,183,792	\$ 16,209,784	\$ 16,609,784	\$ 19,743,279
ENDING FUND BALANCES	\$ 6,360,075	\$ 6,055,952	\$ 7,532,411	\$ 7,106,696
Fund Balance Percentage	48.6%	39.6%	49.2%	36.9%

**CITY OF ANNA
GENERAL FUND BY DEPARTMENT**

	Actual 2020-21	Budget 2021-22	Estimated 2021-22	Budget 2022-23
EXPENDITURES:				
General Government:				
Administration	\$ 564,350	\$ 421,259	\$ 421,259	\$ 492,009
City Council	16,916	31,278	31,278	33,778
City Manager's Office	974,949	966,930	966,930	1,257,267
Human Resources	5,686	430,890	430,890	584,522
City Secretary	275,747	302,952	302,952	362,509
Information Technology	635,780	612,331	612,331	875,833
Finance	533,101	643,834	643,834	665,735
	<u>\$ 3,006,529</u>	<u>\$ 3,409,474</u>	<u>\$ 3,409,474</u>	<u>\$ 4,271,653</u>
Development Services	<u>\$ 1,121,635</u>	<u>\$ 1,199,066</u>	<u>\$ 1,199,066</u>	<u>\$ 1,200,399</u>
Public Safety:				
Animal Control	\$ 77,327	\$ 77,327	\$ 77,327	\$ 77,327
Fire	2,673,789	3,431,286	3,431,286	4,616,629
Ambulance	122,140	128,400	128,400	-
Police	3,343,233	4,086,091	4,086,091	5,059,584
Municipal Court	137,717	139,655	139,655	258,957
	<u>\$ 6,354,206</u>	<u>\$ 7,862,759</u>	<u>\$ 7,862,759</u>	<u>\$ 10,012,497</u>
Neighborhood Services				
Neighborhood Services	\$ 526,761	\$ 685,580	\$ 685,580	\$ 787,896
Parks	651,933	697,246	697,246	808,111
	<u>\$ 1,178,694</u>	<u>\$ 1,382,826</u>	<u>\$ 1,382,826</u>	<u>\$ 1,596,007</u>
Public Works				
Streets	\$ 1,271,677	\$ 864,651	\$ 864,651	\$ 1,050,193
Fleet and Facilities	-	591,008	591,008	1,144,530
	<u>\$ 1,271,677</u>	<u>\$ 1,455,659</u>	<u>\$ 1,455,659</u>	<u>\$ 2,194,723</u>
Economic Development	<u>\$ 163,999</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL OPERATIONAL EXPENDITURES	<u>\$ 13,096,740</u>	<u>\$ 15,309,784</u>	<u>\$ 15,309,784</u>	<u>\$ 19,275,279</u>
Transfers to other funds	2,087,052	900,000	1,300,000	468,000
TOTAL EXPENDITURES	<u>\$ 15,183,792</u>	<u>\$ 16,209,784</u>	<u>\$ 16,609,784</u>	<u>\$ 19,743,279</u>

CITY OF ANNA
GENERAL FUND REVENUE SUMMARY

	Actual 2020-21	Budget 2021-22	Estimated 2021-22	Budget 2022-23
REVENUES:				
Property Taxes				
Current Taxes	\$ 6,864,061	\$ 7,820,000	\$ 7,952,000	\$ 9,319,764
Delinquent Taxes	70,282	150,000	43,000	70,500
Penalty & Interest	28,456	45,000	20,000	28,000
	<u>\$ 6,962,799</u>	<u>\$ 8,015,000</u>	<u>\$ 8,015,000</u>	<u>\$ 9,418,264</u>
Sales Taxes				
Sales Taxes - General	\$ 2,343,901	\$ 2,736,370	\$ 2,880,000	\$ 3,310,000
Sales Taxes - Streets	585,975	560,000	720,000	820,000
	<u>\$ 2,929,876</u>	<u>\$ 3,296,370</u>	<u>\$ 3,600,000</u>	<u>\$ 4,130,000</u>
Charges for Services				
Rentals	\$ 84,267	\$ 66,600	\$ 73,000	\$ 73,000
Rental Registration	21,430	45,000	57,000	200,000
	<u>\$ 105,697</u>	<u>\$ 111,600</u>	<u>\$ 130,000</u>	<u>\$ 273,000</u>
Permits, Licenses and Fees				
Residential Building Permits	\$ 3,680,331	\$ 3,334,960	\$ 3,200,000	\$ 3,200,000
Commerical Building Permits	151,281	125,000	1,365,000	700,000
Other Miscellaneous Permits	172,847	88,000	153,000	160,000
Alarm Permits	16,464	12,000	9,000	15,000
Zoning and Subdivision Fees	138,594	100,000	190,000	200,000
Other Fees	55,968	43,100	35,425	30,000
	<u>\$ 4,215,485</u>	<u>\$ 3,703,060</u>	<u>\$ 4,952,425</u>	<u>\$ 4,305,000</u>
Franchise and Local Taxes				
Franchise Fees	\$ 706,674	\$ 475,000	\$ 750,000	\$ 800,000
Mixed Beverage Tax	19,332	10,000	20,000	25,000
	<u>\$ 726,006</u>	<u>\$ 485,000</u>	<u>\$ 770,000</u>	<u>\$ 825,000</u>
Investment Income	<u>\$ 35,020</u>	<u>\$ 30,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>
Other Revenues				
Gain on Sale of Assets	\$ 50,000	\$ -	\$ -	\$ -
Miscellaneous	19,536	16,300	16,300	16,300
Donations	610	-	-	-
	<u>\$ 70,146</u>	<u>\$ 16,300</u>	<u>\$ 16,300</u>	<u>\$ 16,300</u>
Intergovernmental Revenue	<u>\$ 140,426</u>	<u>\$ 48,395</u>	<u>\$ 48,395</u>	<u>\$ -</u>
Fines	<u>\$ 124,993</u>	<u>\$ 90,000</u>	<u>\$ 200,000</u>	<u>\$ 300,000</u>
Transfers In	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL OPERATIONAL REVENUE	<u><u>\$ 15,310,448</u></u>	<u><u>\$ 15,795,725</u></u>	<u><u>\$ 17,782,120</u></u>	<u><u>\$ 19,317,564</u></u>

CITY OF ANNA
DEBT SERVICE FUND

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

Anna's legal capacity for additional debt is very large. Article XI, Section 5 of the Texas Constitution limits the ad valorem tax rate to \$2.50 per \$100 valuation for all city purposes. Administratively, the Attorney General of the State of Texas will permit allocation of \$1.50 of the \$2.50 maximum tax rate for all general obligation debt service. Anna's rate of 0.540964 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 FY2023 and previous years,

	2018-19	2019-20	2020-21	2021-22	2022-23
I & S	0.163166	0.139748	0.115947	0.116869	0.143217
O & M	0.428122	0.451540	0.467053	0.452631	0.396533
Total	0.591288	0.591288	0.583000	0.569500	0.539750

CITY OF ANNA
GENERAL OBLIGATION DEBT SERVICE FUND

	Actual 2020-21	Budget 2021-22	Estimated 2021-22	Budget 2022-23
BEGINNING BALANCES	\$ 148,439	\$ 185,439	\$ 70,105	\$ 108,605
REVENUES:				
Property Taxes	\$ 1,734,882	\$ 2,107,113	\$ 2,107,113	\$ 3,458,686
Sales Tax	-	-	-	-
Charges for Services	-	-	-	-
Permits, Licenses and Fees	-	-	-	-
Franchise and Local Taxes	-	-	-	-
Investment Income	3,195	2,500	4,000	2,500
Other Revenues	534,357	-	-	-
Intergovernmental	-	-	-	-
Fines	-	-	-	-
TOTAL OPERATIONAL REVENUE	\$ 2,272,434	\$ 2,109,613	\$ 2,111,113	\$ 3,461,186
Transfers from other funds	-	-	-	-
TOTAL REVENUES	\$ 2,272,434	\$ 2,109,613	\$ 2,111,113	\$ 3,461,186
TOTAL AVAILABLE RESOURCES	\$ 2,420,873	\$ 2,295,052	\$ 2,181,218	\$ 3,569,791
EXPENDITURES:				
Payroll	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-
Maintenance	-	-	-	-
Services	538,663	5,500	5,500	5,500
Debt Service	1,812,105	2,067,113	2,067,113	3,458,686
Capital Outlay	-	-	-	-
Capital Improvement	-	-	-	-
TOTAL OPERATIONAL EXPENDITURES	\$ 2,350,768	\$ 2,072,613	\$ 2,072,613	\$ 3,464,186
Transfers to other funds	-	-	-	-
TOTAL EXPENDITURES	\$ 2,350,768	\$ 2,072,613	\$ 2,072,613	\$ 3,464,186
ENDING FUND BALANCES	\$ 70,105	\$ 222,439	\$ 108,605	\$ 105,605