



CITY OF FARMERS BRANCH, TEXAS

Annual Operating Budget



Fiscal Year 2020-21

Due to the passage of S.B. No. 656, Section 102.007 of the Texas Local Government Code was amended to require that the following information be included as the cover page for a budget document:

ESTIMATED PROJECTION

This budget will raise less revenue from property taxes than last year's budget by an amount of (-\$1,967,604), which is a 5.39% decrease from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$3,500,535.

Upon calling for a vote for approval of an ordinance adopting the City of Farmers Branch 2020-21 Fiscal Year Budget, the members of the City Council voted as follows:

City Council	Aye	Nay
Cristal Retana, Councilmember - District 1	✓	
Bronson Blackson, Councilmember - District 2	✓	
John Norwood, Councilmember - District 3	✓	
Terry Lynne, Councilmember - District 4		✓
Mike Bomgardner, Councilmember - District 5	✓	

The municipal property tax rates for the preceding four fiscal years, and each municipal property tax rate that has been proposed, adopted or calculated for the current fiscal year, include:

Tax Year	2020	2019	2018	2017	2016
Fiscal Year	2020-21	2019-20	2018-19	2017-18	2016-17
Proposed Rate [MAXIMUM]	\$ 0.589000	\$ 0.610000	\$ 0.599507	\$ 0.602267	\$ 0.605600
Total Adopted Rate	\$ 0.589000	\$ 0.599507	\$ 0.599507	\$ 0.602267	\$ 0.602267
Adopted Operating Rate	\$ 0.506203	\$ 0.527348	\$ 0.516722	\$ 0.517699	\$ 0.515267
Adopted Debt Rate	\$ 0.082797	\$ 0.072159	\$ 0.082785	\$ 0.084568	\$ 0.087000
No-New-Revenue (aka Effective Tax Rate)	\$ 0.649066	\$ 0.583953	\$ 0.599508	\$ 0.600386	\$ 0.590846
No-New-Revenue Maintenance & Operations Rate (aka Effective M&O Rate)	\$ 0.576515	\$ 0.503299	\$ 0.515307	\$ 0.511874	\$ 0.502822
Voter-Approval Maintenance & Operations Rate (aka Rollback M&O Rate)	\$ 0.622636	\$ 0.543562	\$ 0.556531	\$ 0.552823	\$ 0.543047
Debt Tax Rate (I&S)	\$ 0.082797	\$ 0.072159	\$ 0.082785	\$ 0.084568	\$ 0.087000
Voter-Approval (aka Rollback Tax Rate)	\$ 0.705433	\$ 0.615721	\$ 0.639316	\$ 0.637931	\$ 0.630047

The total amount of outstanding municipal debt obligations (principal & interest) is as follows:

Type of Debt	Total Outstanding Debt	Current Year Debt
Property Tax Supported	\$ 65,966,798.05	\$ 4,542,200.00
Self-Supporting	\$ 7,158,383.75	\$ 1,791,000.00
Total Debt	\$ 73,125,181.80	\$ 6,333,200.00

Note: The total amount of outstanding debt obligations considered self-supporting are currently secured by lease payments and landfill revenue. In the event such amount is insufficient to pay debt service, the City will be required to assess an ad valorem tax to pay such obligations.



**FARMERS
BRANCH**

CITY OF FARMERS BRANCH, TEXAS ADOPTED FISCAL YEAR BUDGET 2020-21

City Council

Robert C. Dye
John Norwood
Terry Lynne
Cristal Retana
Bronson Blackson
Mike Bomgardner

Mayor
Mayor Pro Tem, District 3
Deputy Mayor Pro Tem, District 4
District 1
District 2 (see note below)
District 5



(From Left) Deputy Mayor Pro Tem Terry Lynne, Councilmember Mike Bomgardner, Mayor Robert C. Dye, Councilmember Bronson Blackson, Councilmember Cristal Retana, Mayor Pro Tem John Norwood

City Manager
Charles S. Cox

Prepared by
Finance Department
Sherrelle Evans-Jones - Director of Finance

Note: Due to the COVID-19 pandemic, the scheduled May 2020 election was postponed until November 2020 (after the budget was adopted). During this election, Mr. Michael Driskill was elected for District 2 and Mayor Robert C. Dye was re-elected to serve a second term. The term of office for both Mr. Driskill and Mayor Dye will be from November 3, 2020 through May 2, 2023.

CITY OF FARMERS BRANCH, TEXAS

ADOPTED FISCAL YEAR BUDGET 2020-21

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CITY OF FARMERS BRANCH, TEXAS

LIST OF PRINCIPAL OFFICIALS

City Council

City Council	Position	District	First Elected	Term Expires ⁽¹⁾
Robert C. Dye	Mayor	N/A	2017	2020
John Norwood	Mayor Pro Tem	District 3	2015	2021
Terry Lynne	Deputy Mayor Pro Tem	District 4	2016	2022
Cristal Retana	Councilmember	District 1	2019	2022
Bronson Blackson	Councilmember	District 2	2017	2020
Mike Bomgardner	Councilmember	District 5	2015	2021

(1) Due to the COVID-19 pandemic, the scheduled May 2020 election was postponed until November 2020 (after the budget was adopted). During this election, Mr. Michael Driskill was elected for District 2 and Mayor Robert C. Dye was re-elected to serve a second term. The term of office for both Mr. Driskill and Mayor Dye will be from November 3, 2020 through May 2, 2023.

Appointed Officials

Charles S. Cox	City Manager
John Land	Deputy City Manager
Ben Williamson	Assistant City Manager
Terry Carnes	City Judge
Amy Piukana	City Secretary
Jeff L. Brady	Communications Director [beginning 1/2021]
Tom Bryson	Communications Director [October thru December 2020]
Hugh Pender	Community Services Director
Allison Cook	Economic Development & Tourism Director
Sherrelle Evans-Jones	Finance Director
Gabriel Vargas	Fire Chief
Kevin Muenchow	Fleet & Facilities Management Director
Brian Beasley	Human Resources Director
Mark Samuels	Innovation & Technology Director
Michael Mashburn	Parks & Recreation Director
Tina Firgens	Planning Director
David Hale	Police Chief
Marc Bentley	Public Works Director
Shane Davis	Sustainability & Public Health Director

Council District Boundaries

FB Council District Boundary

REP

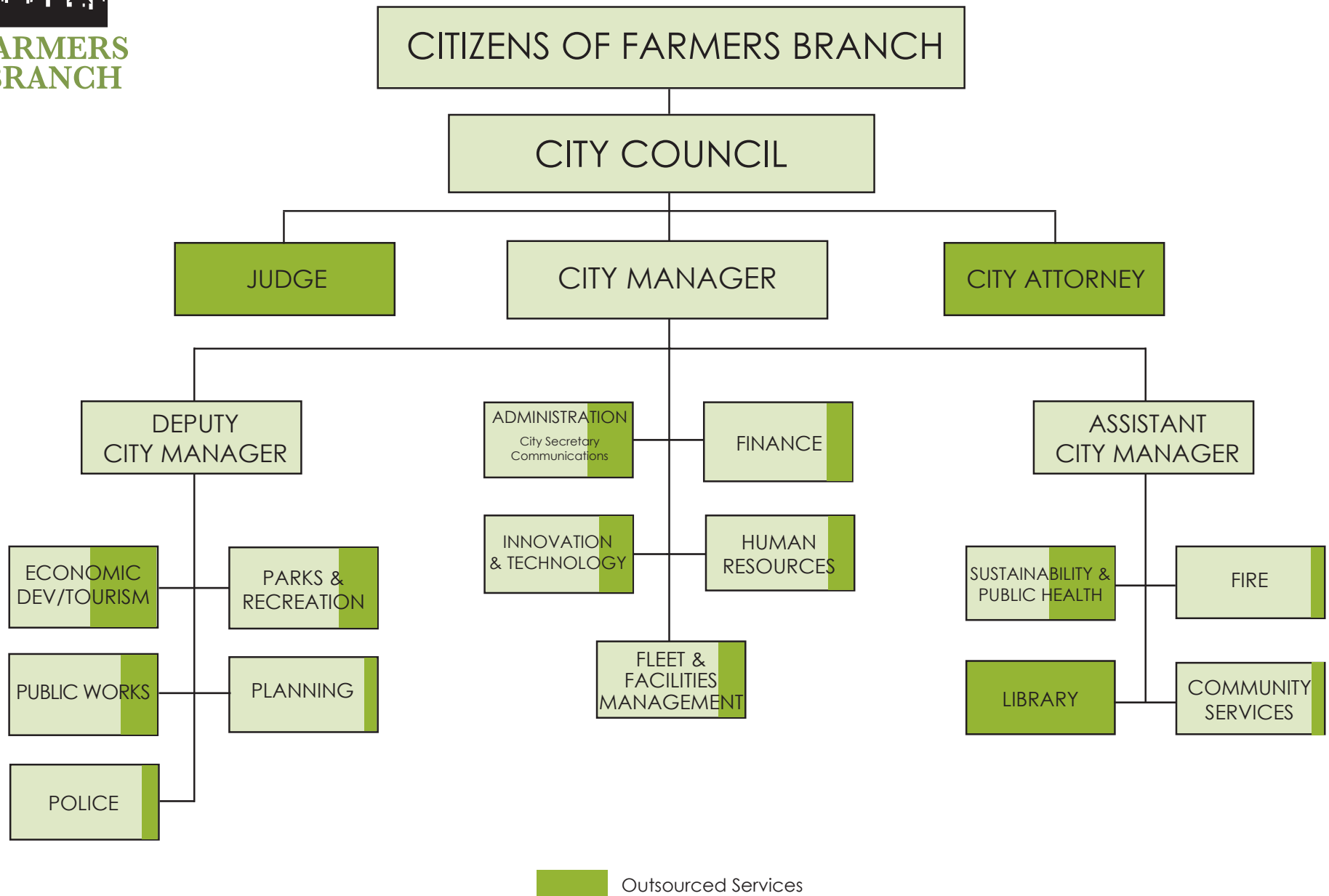
- Crista Retana.....District 1
- Mike Bomgardner.....District 5
- Bronson Blackson (successor Michael Driskill)....District 2
- John Norwood.....District 3
- Terry Lynne.....District 4



2,500 1,250 0 2,500 Feet



CITY OF FARMERS BRANCH FY 2020-21 ORGANIZATION CHART



Note: Beginning 1/1/21, Police & Fire will no longer report directly to the City Manager. Police will report to the Deputy City Manager and Fire will report to the Assistant City Manager. In addition, Community Services will report to the Deputy City Manager until 12/31/20 and will begin reporting to the Assistant City Manager effective 1/1/21. These changes are reflected in the above organization chart.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Farmers Branch

Texas

For the Fiscal Year Beginning

October 1, 2019



Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Farmers Branch, Texas, for its Annual Budget for the fiscal year beginning October 1, 2019. 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.



Transparency Stars

The Texas Comptroller of Public Accounts
awards the **City of Farmers Branch** the
Traditional Finances Star

for exemplary efforts in creating financial transparency around public services and spending decisions. The Transparency Stars program recognizes local governments across Texas that are striving to meet a high standard for financial transparency online. These efforts provide citizens with clear, consistent information about public spending in user-friendly formats.



January 6, 2017



Transparency Stars

The Texas Comptroller of Public Accounts
awards the **City of Farmers Branch** the
Debt Obligations Star

for exemplary efforts in creating financial transparency around public debt. The Transparency Stars program recognizes local governments across Texas that are striving to meet a high standard for financial transparency online. These efforts provide citizens with clear, consistent information about public spending in user-friendly formats.



January 6, 2017



INTERNATIONAL CITY/COUNTY
MANAGEMENT ASSOCIATION

This
Certificate of Excellence
is presented to

Farmers Branch, Texas

for exceeding the standards established by the International City/County Management Association in the identification and public reporting of key outcome measures, surveying of both residents and employees, and the pervasiveness of performance management in the organization's culture.

Presented in conjunction with the
106th ICMA Annual Conference

September 24, 2020

A handwritten signature in black ink, appearing to read "Marc A. Ott".

Marc A. Ott
ICMA Executive Director

A handwritten signature in black ink, appearing to read "Jane S. Brautigam".

Jane Brautigam
ICMA President



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Farmers Branch
Texas**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

September 30, 2019

Christopher P. Morill

Executive Director/CEO



City of Farmers Branch
13000 William Dodson Parkway
Farmers Branch, Texas 75234

September 21, 2020

The Honorable Mayor Robert C. Dye and
Members of the City Council

The City of Farmers Branch management team is pleased to present the Fiscal Year 2020-21 Operating and Capital Improvement Program Budget. This year's budget has been prepared with the objectives of maintaining the financial strength of the City, meeting the needs of citizens and implementing the priorities of the City Council.

Stable financial performance during uncertain economic times and a strategic emphasis on reinvesting in the community provides the City of Farmers Branch a unique opportunity, with this budget, to have a significant positive impact on its residents. This budget has been developed in congruence with the strategic plan including the guiding principles, goals and initiatives set by the City Council. It has also been designed to react to various citizen needs as presented in public information gathering activities such as the biennial citizen survey, town hall meetings, public hearings, and other citizen input mechanisms. The budget has also been developed to be responsive to residents and businesses feeling financial stress. Specifically, the budget includes:

- A one-cent reduction in the property tax rate to 58.9 cents.
- Implementation of a \$15,000 increase in the Over-65 Exemption equivalent to a four-cent property tax rate reduction.
 - No Water and Sewer Rate increase. No Stormwater Utility Fee increase.
 - Continued Business Grant funding for COVID related expenditures.
- Increased funding to assist Residents with food and rental-assistance expenditures.

The COVID-19 pandemic has significantly impacted residents, businesses and governments across the world. The health impact and death rates for individuals is horrific and possibly long-lasting if a vaccine or better management of the viruses spread is not found. Since major outbreaks across the U.S. in March, the City has been focused on following state and county orders designed to help protect the health and safety of residents. Most City facilities have re-opened with stringent policies and requirements designed to protect both residents and employees. From a financial perspective, the City has been fortunate in going into the pandemic with strong fund balance reserves, higher than planned revenues, and significant construction and population growth. A majority of property tax bills were paid by the end of January, construction activity has continued, landfill revenues are up due to reduced competition, and the City's business makeup has resulted

in minimal impact on sales tax revenue projections. The primary revenue reduction has been related to recreation fees, but these revenues represent a relatively small percentage of the budget.

The 86th Texas Legislature recently passed Senate Bill 2 into law, which effectively limits existing property tax revenue growth to 3.5% per year without voter approval beginning with the 2020-21 budget. Senate Bill 2 also includes provisions for disaster relief, allowing cities to calculate property tax revenue growth up to 8.0% in years following a declared disaster. On March 13, 2020, Governor Abbott declared a disaster in every county in Texas due to the COVID-19 pandemic. The COVID-19 pandemic has impacted every aspect of our community including the property appraisal process. The Dallas Central Appraisal District (DCAD) has the responsibility for appraising all Dallas County property values as of January 1st of each year. The Farmers Branch budget and property tax rate setting process are both based upon a certified tax roll delivered to cities generally by July 25th. This year, due to the pandemic, DCAD was only able to certify two-thirds of the roll leaving the remaining portion of the tax roll still under protest with a possible conservatively estimated (by DCAD) value loss of 50%. City staff believes that this estimate is far too conservative and has therefore used an estimated 15% value loss for this portion of the tax roll in the development of this budget. DCAD has indicated that a more accurate certification will be available by August 20th – in advance of any vote on this budget or the property tax rate. State law requires the calculation and advertisement of both no-new-revenue and voter-approval tax rates based upon the estimated certified tax roll received from DCAD. Due to DCAD's conservative estimates this year, these calculated rates will be distorted and will reflect rates well above our current property tax rate amount.

This year's budget emphasizes investment in public safety, infrastructure and equipment needs to continually improve services to citizens. Major projects include:

- Farmers Branch Creek Channel Improvements
- Continuation of Street Bond Program – Phase Two
- Increased Utility Replacement and I&I Funding
- Complete IH-35E Corridor Vision Study
- Station Area Development (Restaurant Park)
- Increased Police & Fire Funding
- Increased Economic Development Funding
- Library Renovations
- Recreation Center, Park, Playground and Trail Improvements
- Street Revitalization and Improvement Funding Increases
- Residential Revitalization Programs
- Farmers Branch Creek Well Project
- Installing Solar Panels at Three City Facilities

Strategic Planning

In January 2020, City Administration met with the City Council to review and affirm the City mission statement and strategy map and to seek direction in preparing the 2020-21 budget. The established mission and vision statements, strategic objectives and goals for the City of Farmers Branch are:

“Our Mission at the City of Farmers Branch is to build a vibrant, dynamic community that consistently seeks to improve the quality of life for our residents.”

“Our Vision is to be a city of the future with a vibrant and diverse economy that supports beautiful parks, great amenities, and friendly neighborhoods.”

Serve our Customers

- C1. Achieve the highest standards of safety and security
- C2. Provide attractive, unique, and connected spaces for community interaction
- C3. Promote opportunities for community participation in government
- C4. Be open, accessible, and transparent
- C5. Attract and retain top-tier businesses to drive a unique and sustainable economic environment

Manage the Business

- B1. Achieve best-in-class status in all City disciplines
- B2. Enhance service delivery through continual process improvement
- B3. Optimize the use of technology
- B4. Ensure constant and effective communication both internally and externally
- B5. Adhere to the strategic management system

Provide Financial Stewardship

- F1. Invest to maintain and provide high quality public assets
- F2. Seek out and maintain alternative funding resources
- F3. Provide services in the most efficient and effective manner possible
- F4. Adhere to financial management principles and budget
- F5. Establish and maintain effective internal controls

Promote Learning and Growth

- L1. Ensure our team understands our strategy and how they contribute to it
- L2. Enhance leadership capabilities to deliver results and develop bench strength
- L3. Attract, develop, and retain employees that embrace our values
- L4. Recognize and reward top performers
- L5. Foster positive employee engagement

These strategic objectives and associated departmental strategic initiatives are detailed and cross-referenced in the pages immediately following this budget message. They provide a road map to accomplish the City's mission to build a vibrant, dynamic community that consistently seeks to improve the quality of life for our residents.

During the 2019-20 fiscal year, the City Council provided guidance for key initiatives to be accomplished during the 2020-21 fiscal year. The following are the 2020-21 City Council critical business outcomes addressed in this year's budget:

- CBO1 – Develop the framework for a comprehensive strategic plan
- CBO2 – Improve options for responsible and diverse housing
- CBO3 – Identify and implement a solution for managing drainage and retention
- CBO4 – Plan for, build, and maintain high quality public assets
- CBO5 – Support the evolution of the arts and culture in Farmers Branch
- CBO6 – Strategically identify and acquire property to further the goals of the City
- CBO7 – Execute sustainability initiatives

Fiscal Summary

The total 2020-21 budget is \$144,398,731, which is \$20,224,927 or approximately 16.3% greater than was adopted (\$124,173,804) for the prior year. For 2020-21, the General Fund includes additional funds for a number of projects, the Water & Sewer Fund includes additional funds for utility capital improvements, and the Capital Projects Fund includes new capital project additions. The following is a summary of the budget for each of the fund groups contained in the budget.

General Fund	\$ 68,805,400
Water & Sewer Fund	\$ 27,105,700
Stormwater Utility Fund	\$ 4,419,800
Hotel/Motel Fund	\$ 2,142,300
Debt Service	\$ 6,333,200
Economic Development	\$ 2,350,000
Special Revenue Funds	<u>\$ 4,700,600</u>
Subtotal Operating	\$115,857,000
Capital Project Funds	<u>\$ 25,398,868</u>
Total Budget	<u>\$141,255,868</u>

Assumptions

Revenues and expenditures are developed on the basis of certain economic assumptions. As has been clearly exhibited in the past, assumptions are, at best, an estimate as conditions can change significantly. Nevertheless, some assumptions must be used in developing a budget. City Administration attempts to conservatively estimate revenue and expenditure projections in order to assure a reasonable and sustainable fiscal plan.

From a macroeconomic perspective, national and state trends are monitored to assess the potential impact to the City of Farmers Branch. The primary national trend impacting the City has been the change in demographics. The millennial generation, born between 1980 and 2000, is the largest in U.S. history and as this generation reaches their prime working and spending years their impact on the economy is going to be huge. Millennial housing needs, employment desires and expectation of city services will impact Farmers Branch. The challenge for the City is to proactively meet those needs, desires and expectations. Additionally, the 2019 U.S. Census population estimate for Farmers Branch reflects an 18.8% jump from 2018 estimates to 48,158 reflective of significant development on the City's Westside. Past budget planning has provided for infrastructure and public safety additions necessary to accommodate this growth.

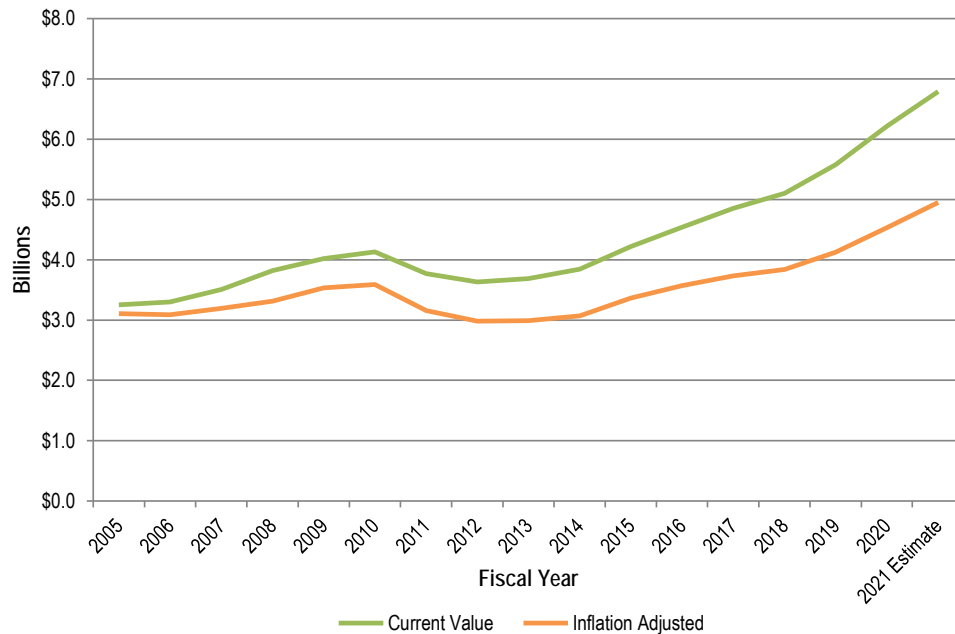
The expansion approval for the City's Camelot Landfill combined with the closing announcement of a nearby private landfill continue to provide significant future revenue growth opportunity. However, plans are in place to direct a significant portion of this new revenue towards prepaying \$19.1 million in closure/post-closure costs anticipated in 33 years.

In fiscal year 2017, construction of the Mercer Crossing planned development on the City's west side began. The impact of this estimated \$1 billion value development will continue to be significant. Public improvements totaling \$33 million (financed with public improvement district bonds) have been constructed. As properties are developed and sold, it is anticipated that close to 10,000 new residents and many new businesses will continue to enter Farmers Branch creating new revenue and expanded needs for city services. This mixed-use development of 1,000 single-family homes, 2,250 apartment units, hotels, retail, office, and restaurants are planned for build-out within four years ultimately increasing net property tax revenue (after 40% tax increment finance participation) to the City by \$1.4 million per year. This additional revenue is expected to cover the increased operational cost of delivering services required by this development.

Farmers Branch is in the process of selecting a master-developer to develop city-owned property located in the light-rail station area of the City. The process is in a very early stage, but has the potential to significantly improve the area.

Revenues are projected to stabilize in 2020-21 due to the impacts of COVID-19 with gradual improvement anticipated in the third quarter of the fiscal year. Property tax and sales tax revenue represent 74.0% of total General Fund Revenues. In past years, the City has had the fortune of a strong tax base and fund balances. Due to the Coronavirus pandemic and the new appraisal review requirements resulting from Senate Bill 2, the Dallas Central Appraisal District has provided cities an "Estimated Certified" property value. The "Estimated Certified" property values utilized in preparing this budget are \$6.79 billion, which represents an increase of 8.5% over prior year values – of which 80% comes from new construction. The commercial tax base, including real and business personal property, represents a strong 71% of the City's total tax base.

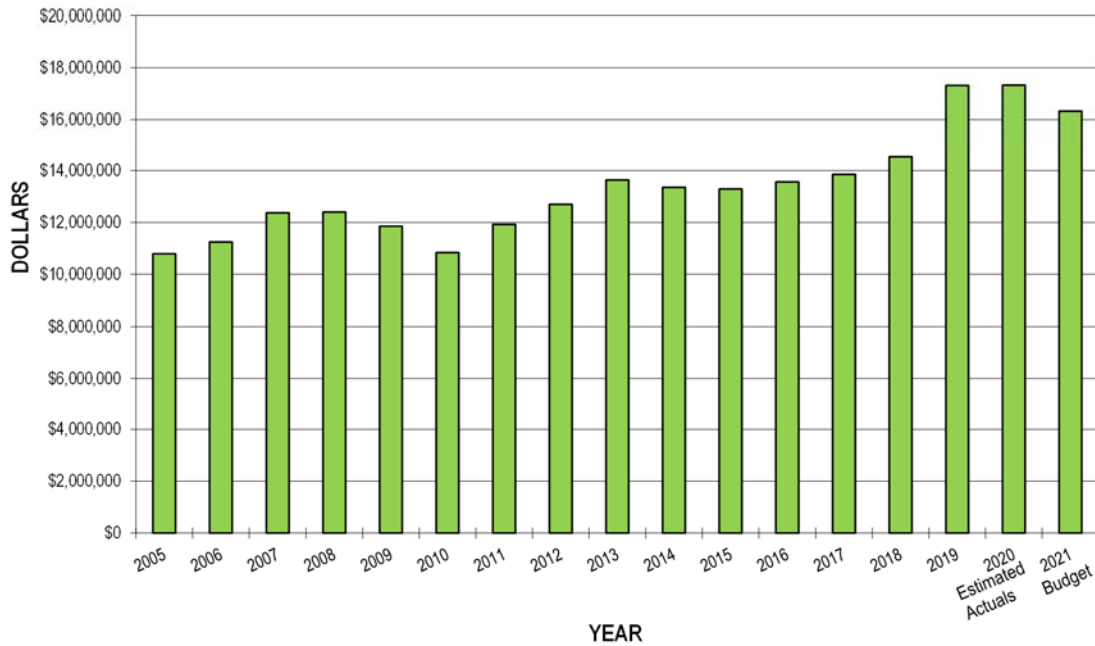
Taxable Property Value Comparison



In fiscal year 2019-20, the City issued remaining voter-authorized Quality of Life Bonds totaling \$4 million (Phase Two) and refinanced \$10 million from a Series 2010 Bond for a lower interest rate while lowering the property tax. Due to increased revenue associated with property value growth, the budget was developed to further decrease the property tax rate just over 1 cent, to \$0.589. A property tax rate at this level continues to position Farmers Branch at one of the lowest rates in Dallas County.

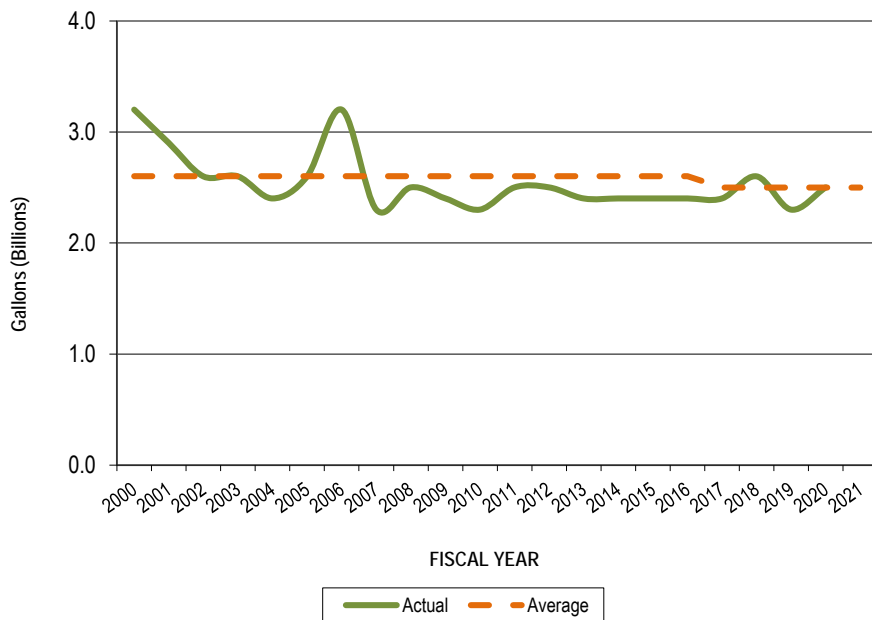
The Coronavirus pandemic has impacted several revenue sources, including sales tax revenues. Sales tax revenues can fluctuate greatly due to national, state and local economic conditions. Overall, sales tax revenues from existing business are anticipated to decrease approximately 5.77% from the prior year's expected actuals.

SALES TAX REVENUE (Current Dollars)



The budget assumes annual sales of 2.5 billion gallons of water – consistent with consumption averages of the past five years. Water consumption is highly dependent on the weather and conservation efforts and is budgeted in a conservative manner. A \$2 million fund balance target provides help in evening out the fluctuations between “wet” and “dry” years. Moderate weather conditions, conservation efforts and increasing use of high-efficiency appliances have combined to stabilize annual sales at a historic 2.5 billion-gallon average.

Annual Water Consumption Trends

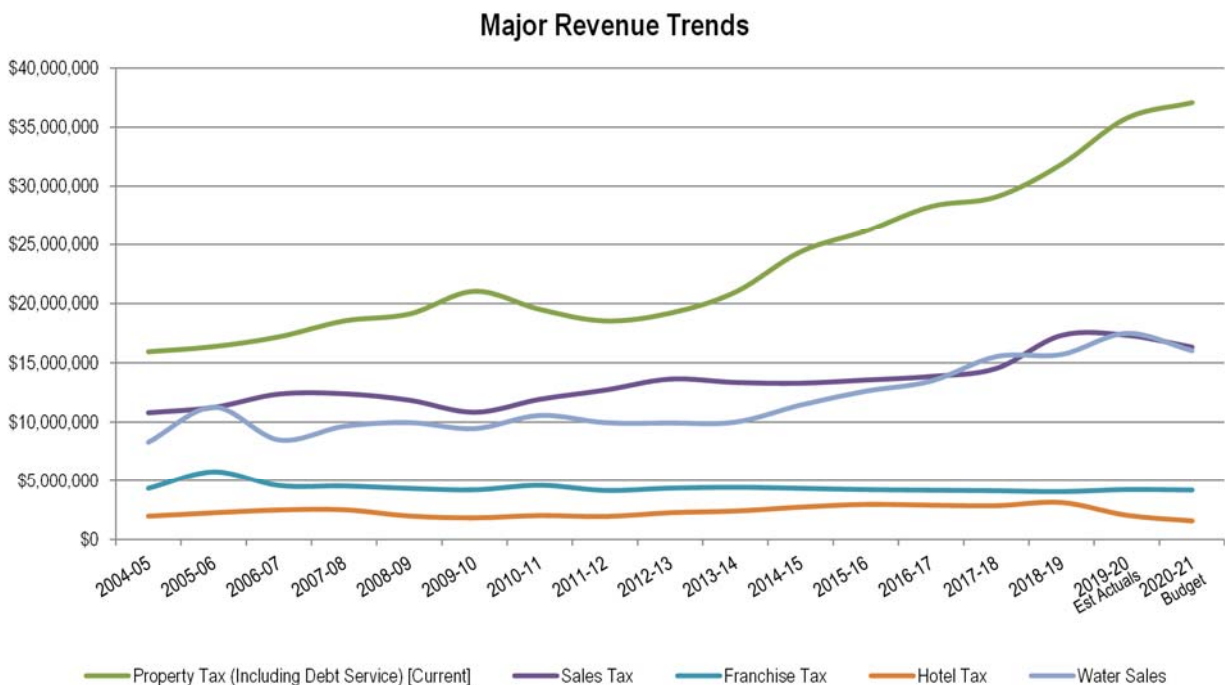


Projected Revenues – Major Operating Funds

The budget details General Fund revenues at \$618,200 greater than the 2019-20 adopted budget due primarily to increases in property tax revenue (\$950,000) offset by decreases in other revenue areas such as sales tax revenue, which is projecting a \$1,170,000 decrease. Property tax revenues are increasing due to an overall 8.51% increase in taxable property values. Sales tax revenues are expected to decrease moderately due to the financial recession that followed the Coronavirus pandemic. Decreased consumer spending is anticipated in the sales tax revenue estimates. The 2020-21 budget includes an anticipated increase in building permit revenue of \$197,000 or 10% resulting from a few larger West Side projects being presented for permitting. Refuse Services is expected to increase by \$870,000 as a result of increased tonnage made possible by the Camelot Landfill Permit Expansion completed in 2017.

The budget details Enterprise Fund revenues at \$2,400 greater than the 2019-20 adopted budget. The budget does not include an increase in Water & Sewer or Stormwater rates. With the 2019 resolution of legal matters between Dallas Water Utilities and the Sabine River Authority, credits have been issued to associated cities. These credits materially offset any increase in rates for the upcoming budget year.

With business and recreational travel being dramatically reduced due to the Coronavirus pandemic, the anticipated revenues from Hotel/Motel taxes have been reduced. The budget details Hotel/Motel Fund revenues at \$1,573,000 less than the 2019-20 adopted budget. This 49% decrease in fund revenue is primarily due to anticipated reduction in travel resulting from the Coronavirus pandemic.



Proposed Expenditures – Major Operating Funds

The 2020-21 budget details General Fund operating expenditures at \$3,319,300 greater than the 2019-20 adopted budget. The increase is primarily due to an increase in transfers to fund capital infrastructure improvements offset by the elimination of personnel costs associated with Police/Fire structure adjustments and staff merit raises, which were \$1,008,500 in the 2019-20 adopted budget. Significant expenditure changes include: \$467,500 of additional Innovation and Technology costs related to fixed asset cost of a new hardware data storage system and further implementation of the City's cybersecurity plan and preparedness; \$780,000 of additional Fire department costs associated with the planned purchase of a new fire truck; \$287,300 of additional Parks and Recreation costs related to the purchase of new fitness equipment and transfers related to renovation of the Recreation Center; additional street revitalization funding of \$1,000,000; and library renovations and improvements totaling \$2,550,000.

Enterprise Fund operating expenditures are budgeted at \$3,924,500 greater than the 2019-20 adopted budget due primarily to \$3.0 million in increased pay-as-you-go funding for utility replacements and inflow and infiltration (I&I) remediation. The Stormwater Utility Fund includes expenditures of \$4,419,800 for stormwater projects and compliance activities required by the City's stormwater permit, including improvements to the City's creeks.

Hotel/Motel Fund operating expenditures are budgeted at \$805,400 less than the 2019-20 adopted budget due primarily to the reduction of hotel incentives, which are paid as a result of hotel room nights. As discussed in the previous section on revenues, the Coronavirus is expected to reduce travel, Hotel/Motel revenue, and accordingly the associated incentive expenditures in this area. The balance of the Hotel/Motel Fund, at an anticipated \$787,778 at the end of the 2020-21 year, exceeds the targeted fund balance of \$300,000.

Fund Balances

This budget meets all multi-year financial objectives approved by the City Council. The current financial management policy notes that the City will maintain an unassigned fund balance to be used for unanticipated emergencies and needs of approximately 15%-20% of the operating budget of the General Fund.

This budget estimates that the General Fund fund balance will be approximately \$10.7 million at the end of the fiscal year with a most realistic scenario of approximately \$11.3 million. One of the City's multi-year financial objectives is to "formulate future budgets so that no use of fund balance will be required in the final operating results." The estimated final operating results are detailed as an exhibit to the budget, which illustrates the "most realistic scenario." For the General Fund, the most realistic scenario represents the expectation that actual expenditures will be \$300,000 less than budgeted due to cost savings, vacancies or contingency items that will not be needed.

The City defines a balanced budget as an operating budget where revenues equal or exceed expenditures and no use of fund balance is required. The 2020-21 General Fund budget details a planned use of fund balance totaling \$2,744,900 with a most realistic projection using \$2,444,900 of fund balance. The adjusted General Fund targeted fund balance range is between \$9.5 million and \$12.7 million. The anticipated most realistic targeted fund balance of \$11,280,477 is equivalent to 17.84% of General Fund operating expenditures adjusted for transfers to the Fixed Asset Fund.

The Water & Sewer Fund targeted fund balance is \$2 million. The 2020-21 budget estimates that this fund balance will be \$3,932,345 at the end of the fiscal year with a most realistic scenario of \$4,132,345. The Water & Sewer Fund budget details a use of fund balance of \$1,676,000 and a most realistic scenario using \$1,576,000 of fund balance. As future weather conditions return to historic norms and major new development occurs, it is anticipated that this fund will remain within the target balance.

This budget estimates that the Hotel/Motel Fund most realistic balance will be \$937,778 at the end of the fiscal year with a target balance of \$300,000. The primary revenues for this fund are hotel occupancy taxes, which are restricted by State law as to their use. City Administration continues to review ways to most effectively use these revenues in accordance with State law.

Investment in Services, Facilities & People

This budget continues to implement the compensation study performed during the 2015-16 fiscal year and implemented in fiscal year 2016-17. A full independent compensation study is anticipated every five years – the next one planned for the 2020-21 fiscal year. In order to keep the City's compensation system current, a mini-compensation survey is conducted annually using key employee positions as benchmarks in order to determine if the pay structure is still competitive. Additionally, an annual North Central Texas Council of Governments City Manager survey (available in July of each year) is used to review planned merit-based pay increases for the upcoming fiscal year within the region. In 2016, the City Council adopted a 105% of average starting salary philosophy for all employees. This budget maintains that philosophy.

Due to economic conditions, no merit increase or overall pay structure adjustment is included in this budget for non-sworn employees. Sworn employees will continue to participate in a step increase pay system. Additionally, funding for incentive pay for sworn public safety positions was included in this budget.

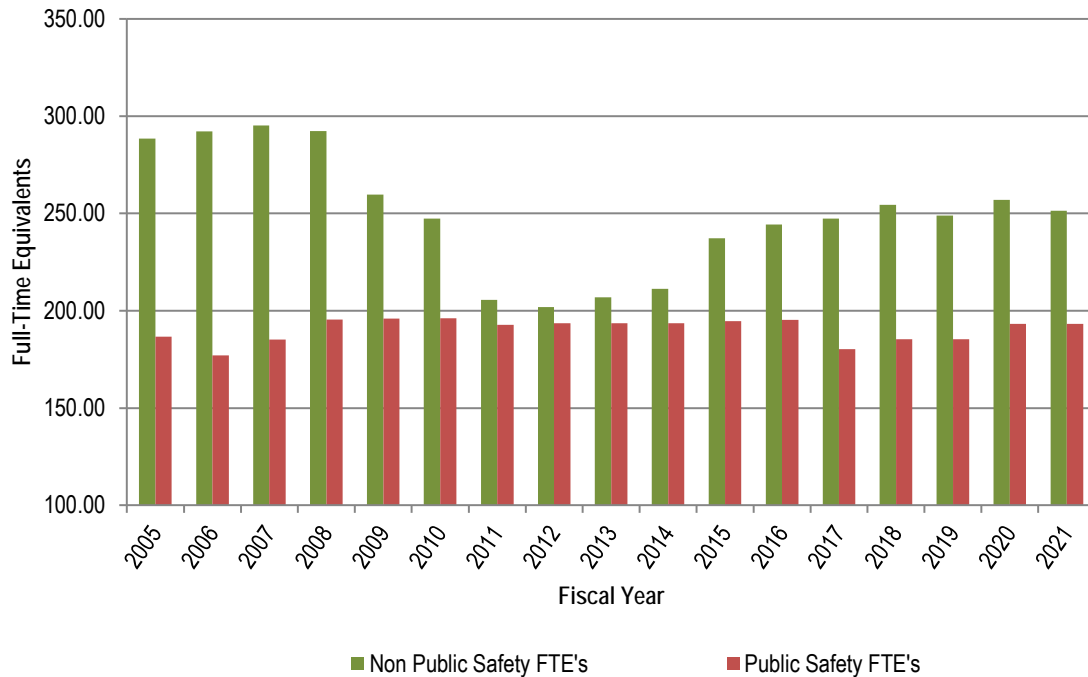
Texas Municipal Retirement System (TMRS) costs continue to meet guidelines established by the Employee Retirement Benefits Committee (ERBC) for the plan's funded ratio. The City's funded ratio increased slightly to 88.4% and the unfunded liability decreased to \$32.4 million. These trends will continue to be monitored in accordance with ERBC guidelines that recommend benefit adjustments if a negative trend continues for three years. The City continues to follow a policy of overfunding contributions with any surplus that may result at year-end if actual TMRS costs are less than budget. This overfunding accelerates the elimination of unfunded liabilities associated with the plan. Any pension system with greater than 80% funded status is considered financially healthy.

Employee health insurance plan design, tight cost controls, wellness and education programs, and a new employee clinic all have combined to provide an unprecedented 8th year of no cost increase to either the City or the employee.

This budget reflects a net reduction of 1 full-time employee due to a reorganization in the Environmental Health Department. General Fund personnel costs represent 56.09% of General Fund expenditures – down from 79% in fiscal year 2010-11.

As detailed in the following graph, staffing levels continue to demonstrate remarkable productivity as service levels remain high.

Meeting Citizen Needs Efficiently



Capital Improvement & Fixed Asset Programs

The Capital Improvement Program (CIP) Funds detail major capital spending plans during the next seven years along with pay-as-you-go funding for major new facilities and public improvements. This budget includes \$25,398,868 for capital improvement projects. Some of the projects included in the multi-year Capital Improvement Program (CIP) Budget are:

- Farmers Branch Creek Channel Improvements
- Inflow and Infiltration Repairs
- Continuation of Street Bond Program – Phase Two
- Station Area Development (Art, Betterments, and Infrastructure)
- Pike Street and Station Area Betterments
- Recreation Center, Park, Playground and Trail Improvements
- Street Revitalization and Improvement

The Fixed Asset Fund includes replacement funding of \$5,807,800 in 2020-21 compared to \$2,991,900 in the prior year's adjusted budget. Significant new fixed asset purchases include:

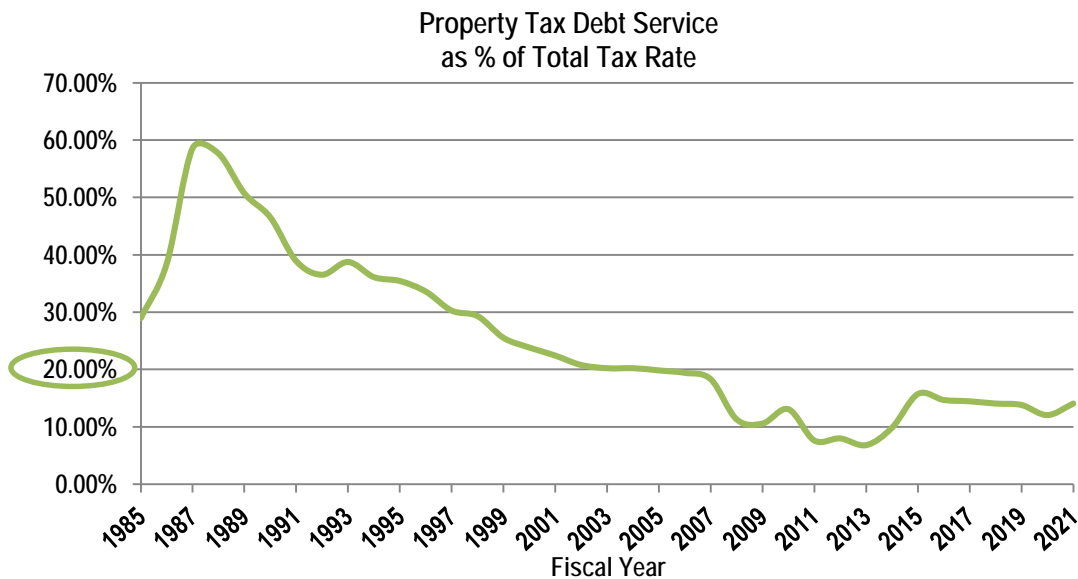
- Library improvements \$2,927,100
- Purchase of New Quint Fire Engine - \$780,000
- Recreation Center Fitness Equipment - \$360,000
- Police Vehicles - \$272,000
- SAN replacement at City Hall Data Center - \$250,000
- Library Materials - \$241,500

- Roll-Off Truck - \$210,000
- Replacement Water Meters - \$200,000
- Fire Station HVAC Replacement - \$297,000
- Replacement Tandem Dump Trucks - \$260,000

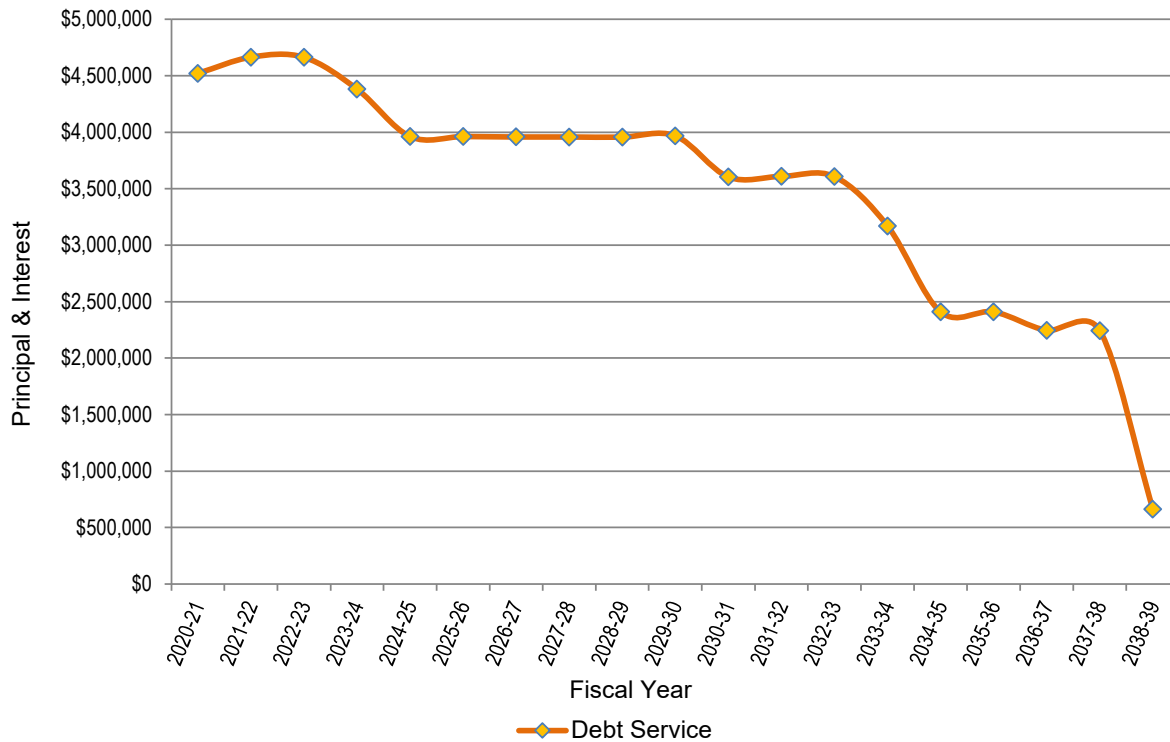
Debt Service

The City's Debt Service Funds provide for repayment of outstanding debt obligations. These debt obligations are categorized as *property tax supported debt* and *self-supporting debt*. The *property tax supported debt* is repaid through the debt service portion of the property tax rate. Currently, there are ten *property tax supported* bond issues outstanding with the longest final maturity in year 2038-39. In the 2020-21 fiscal year, approximately 14.06% of the property tax rate will be used to support debt service. In order to maintain operational flexibility, the City follows a conservative policy of keeping the debt service portion of the property tax rate below 20%.

Self-supporting debt is generally repaid through either rental income (from the facility constructed with the debt proceeds), hotel occupancy taxes, or increases in revenue related to issuance of the debt. Currently, there are two *self-supporting debt* issues outstanding with the longest anticipated final maturity in fiscal year 2025-26. The City follows a pay-as-you-go policy for Water & Sewer Fund operations. The Water & Sewer Fund is currently debt free and has been for more than 30 years.



Property Tax Supported Annual Debt Service



Acknowledgements

By focusing on the vision, mission, guiding principles, and goals set by the City Council, the City has been able to maintain and/or expand service levels to citizen's year-after-year. The process of building the annual strategic plan has increased efficiency/effectiveness and has provided a strong positive direction for the City of Farmers Branch. The COVID-19 pandemic has slowed the growth velocity we have recently witnessed; however, the strong fundamentals of location, low taxes, development, and continued individual and corporate relocations should allow Farmers Branch to recover fairly rapidly. Additionally, our emphasis towards improving neighborhoods and basic infrastructure will accelerate the revitalization and redevelopment of the entire city.

The dedication of our staff to accomplish the goals and initiatives set forth by the Mayor and City Council is truly remarkable. Sherrelle Evans-Jones – Director, along with her team, Mayve Strong – Controller, Suzanne Prichard - Budget Manager, and Mark Woodward – Treasury Manager, deserve praise for their leadership and guidance in preparing a progressive, professional, citizen-friendly document.

A great deal of appreciation should also be given to John Land - Deputy City Manager, Ben Williamson – Assistant City Manager, Department Heads and their teams for stepping up to provide fiscal leadership and guidance during the budget process.

Finally, City Administration would like to thank the Mayor and City Council for their leadership and direction. We look forward to carrying out the budget and serving the citizens of Farmers Branch.

Sincerely,

A handwritten signature in cursive script that reads "Charles S. Cox". The signature is written in black ink and is positioned above the printed name.

Charles S. Cox
City Manager



CRITICAL BUSINESS OUTCOMES 2021

- CBO1 – Develop the framework for a comprehensive strategic plan
- CBO2 – Improve options for responsible and diverse housing
- CBO3 – Identify and implement a solution for managing drainage and retention
- CBO4 – Plan for, build, and maintain high quality public assets
- CBO5 – Support the evolution of the arts and culture in Farmers Branch
- CBO6 – Strategically identify and acquire property to further the goals of the City
- CBO7 – Execute sustainability initiatives

Farmers Branch Strategy Map

Our mission at the City of Farmers Branch is to build a vibrant, dynamic community that consistently seeks to improve the quality of life for our residents.

Our Focus Areas



Serve our Customers

- C1. Achieve the highest standards of safety and security
- C2. Provide attractive, unique, and connected spaces for community interaction
- C3. Promote opportunities for community participation in government
- C4. Be open, accessible, and transparent
- C5. Attract and retain top-tier businesses to drive a unique and sustainable economic environment

Manage the Business

- B1. Achieve best-in-class status in all City disciplines
- B2. Enhance service delivery through continual process improvement
- B3. Optimize the use of technology
- B4. Ensure constant and effective communication both internally and externally
- B5. Adhere to the strategic management system

Provide Financial Stewardship

- F1. Invest to maintain and provide high quality public assets
- F2. Seek out and maintain alternative funding resources
- F3. Provide services in the most efficient and effective manner possible
- F4. Adhere to financial management principles and budget
- F5. Establish and maintain effective internal controls

Promote Learning and Growth

- L1. Ensure our team understands our strategy and how they contribute to it
- L2. Enhance leadership capabilities to deliver results and develop bench strength
- L3. Attract, develop, and retain employees that embrace our values
- L4. Recognize and reward top performers
- L5. Foster positive employee engagement

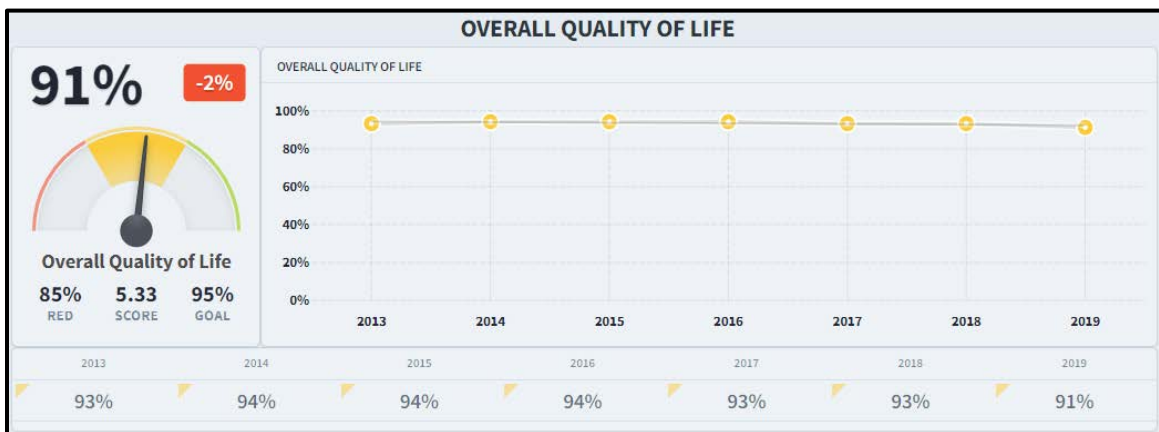
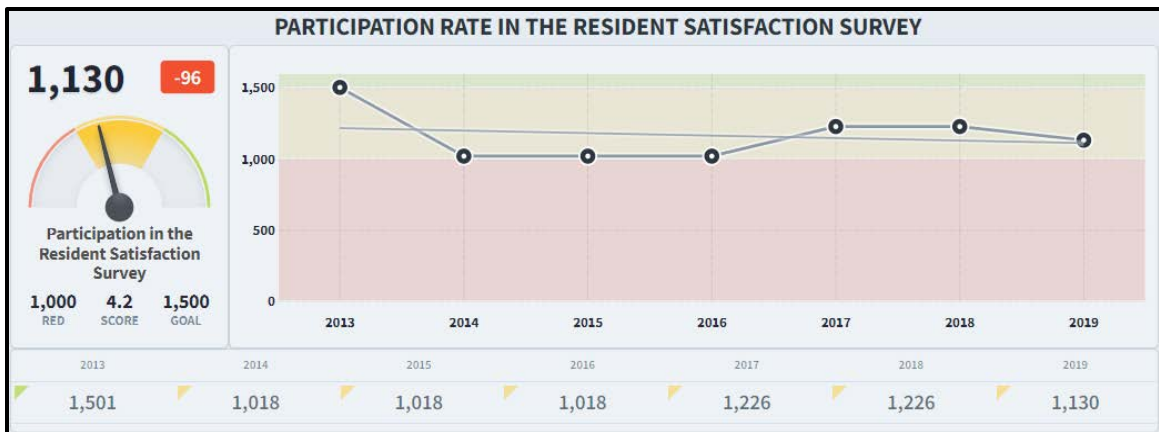
Our vision is to be a city of the future with a vibrant and diverse economy that supports beautiful parks, great amenities, and friendly neighborhoods.

RESPECT ● EXCELLENCE ● ACCOUNTABILITY ● CARE ● TRUST

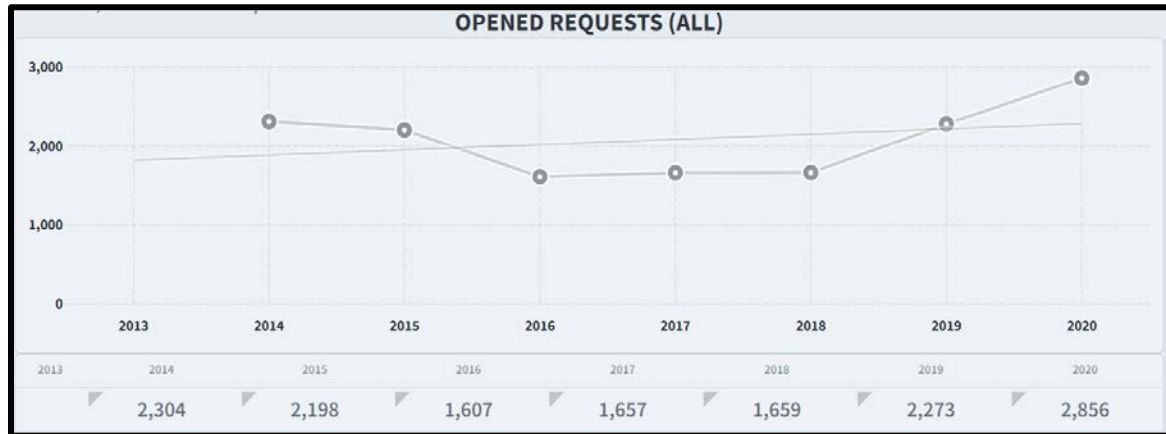
RELATIONSHIP BETWEEN THE CITY'S STRATEGIC OBJECTIVES AND DEPARTMENTAL PERFORMANCE GOALS

City of Farmers Branch Strategic Objectives Serve our Customers (C) Manage the Business (B) Provide Financial Stewardship (F) Promote Learning and Growth (L)	City Manager's Office	City Secretary's Office	Communications & Marketing	Community Services	Economic Development & Tourism	Finance	Fire	Fleet & Facilities Services	Human Resources	Information Services	Library	Parks	Planning	Police	Public Works	Sustainability & Environmental Health
C.1 Achieve the highest standards of safety and security	X		X				X	X	X					X		X
C.2 Provide attractive, unique, and connected spaces for community interaction	X			X							X	X				X
C.3 Promote opportunities for participation in government	X	X	X													
C.4 Be open, accessible, and transparent	X	X	X													
C.5 Attract and retain top-tier businesses to drive a unique and sustainable economic environment	X			X	X								X			
B.1 Achieve best-in-class status in all City disciplines	X		X									X				X
B.2 Enhance service delivery through continual process improvement	X									X						
B.3 Optimize the use of technology	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
B.4 Ensure constant and effective communication both internally and externally	X		X						X			X				
B.5 Adhere to the strategic management system	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
F.1 Invest to maintain high quality public assets	X					X	X	X			X	X			X	
F.2 Seek out and maintain alternative funding resources	X					X	X				X			X		X
F.3 Provide services in the most efficient and effective manner possible	X					X		X	X		X					X
F.4 Adhere to financial management principles and budget	X					X										
F.5 Establish and maintain effective internal controls	X					X			X							
L.1 Ensure our team understands our strategy and how they contribute to it	X					X										
L.2 Enhance leadership capabilities to deliver results and develop bench strength	X			X												X
L.3 Attract, develop, and retain employees that embrace our values	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
L.4 Recognize and reward top performers	X								X							
L.5 Foster positive employee engagement	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X

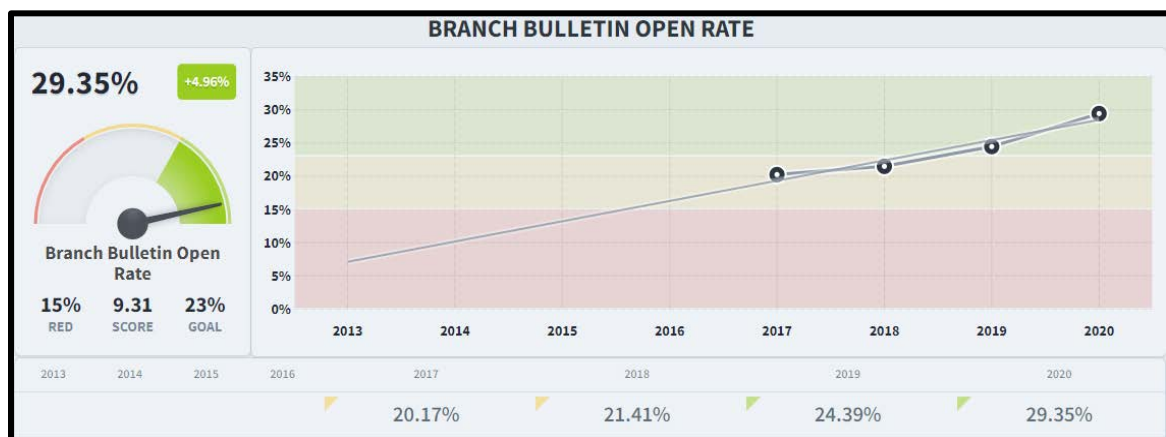
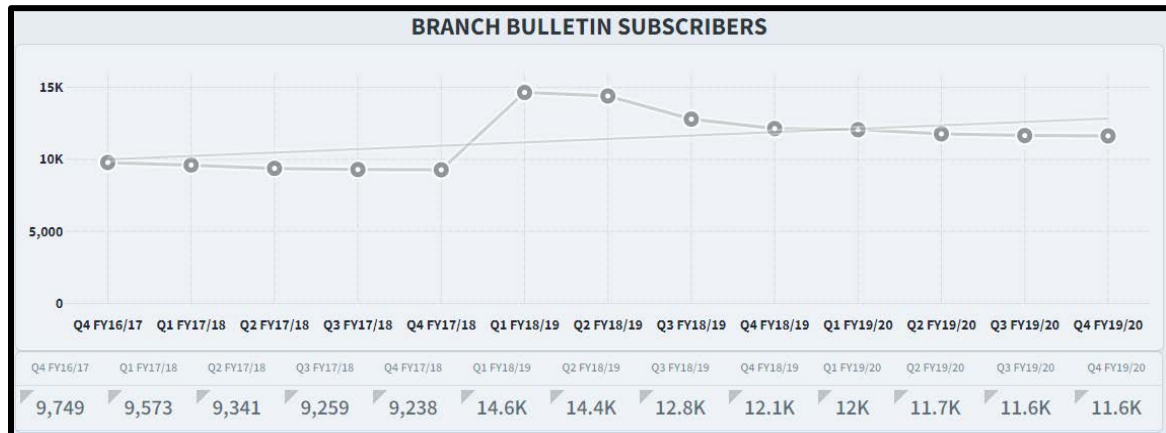
B.1 ACHIEVE BEST-IN-CLASS STATUS IN ALL CITY DISCIPLINES



B.3 OPTIMIZE THE USE OF TECHNOLOGY



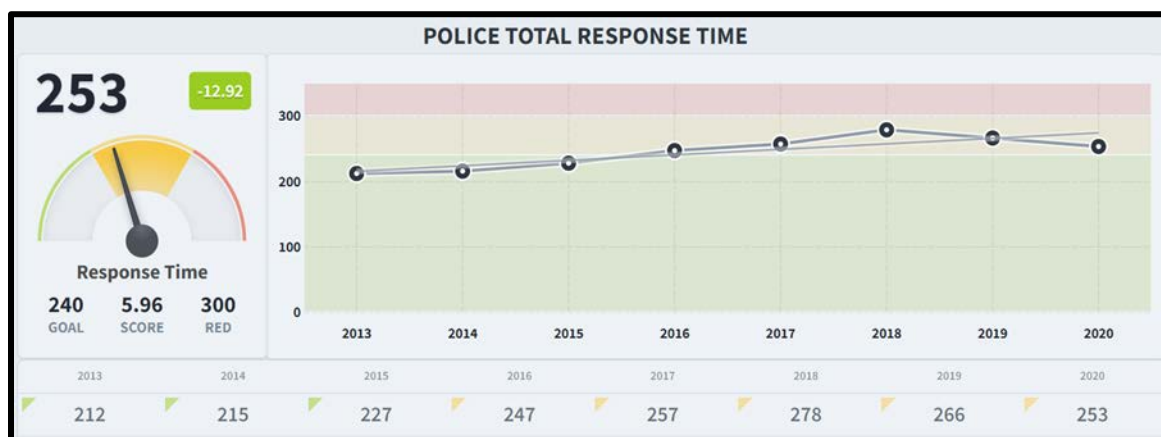
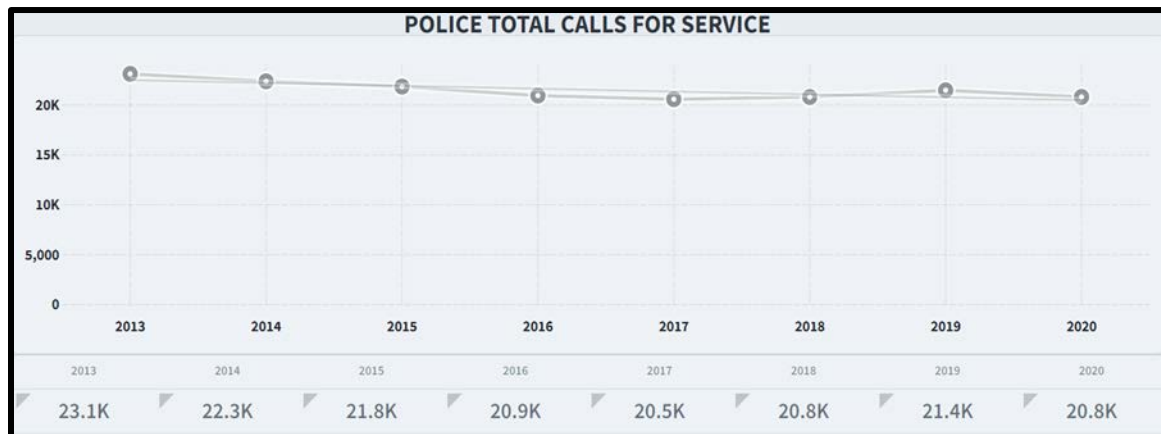
B.4 ENSURE CONSTANT AND EFFECTIVE COMMUNICATION BOTH INTERNALLY AND EXTERNALLY



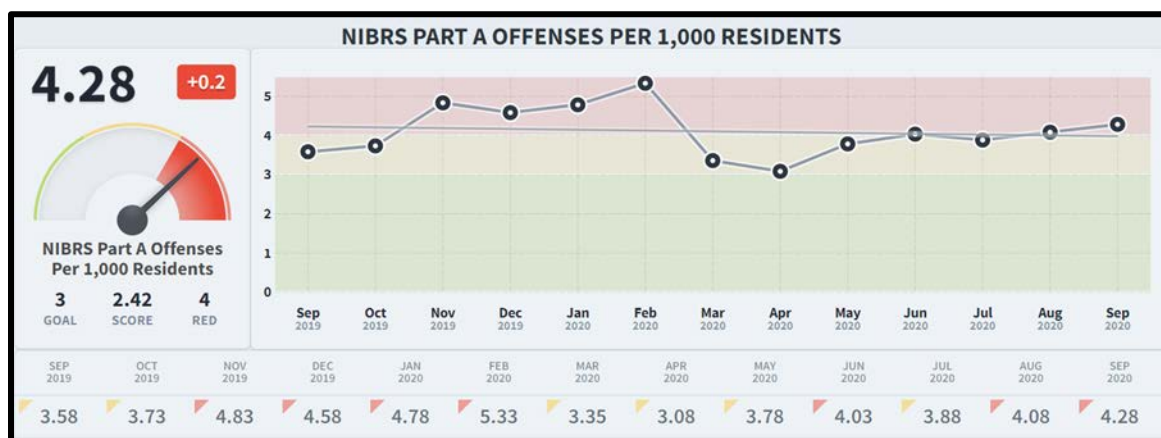
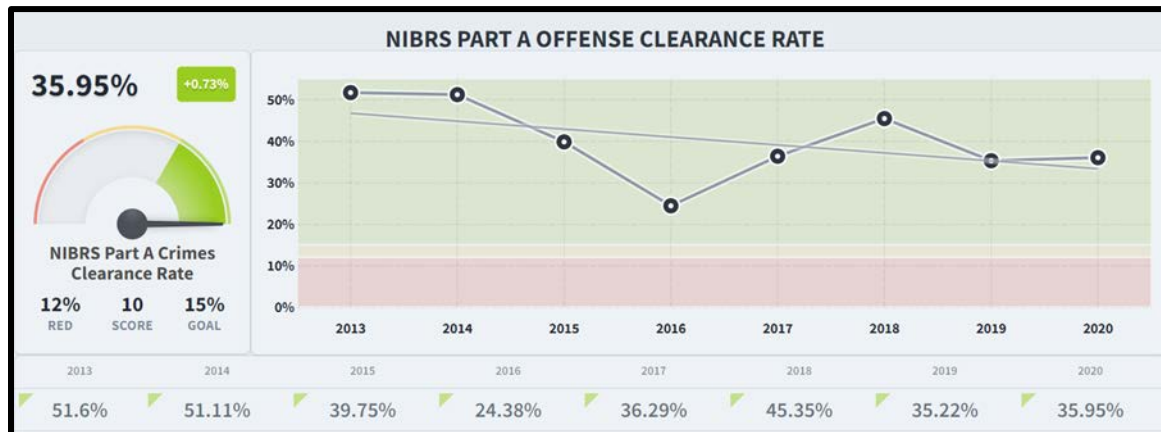
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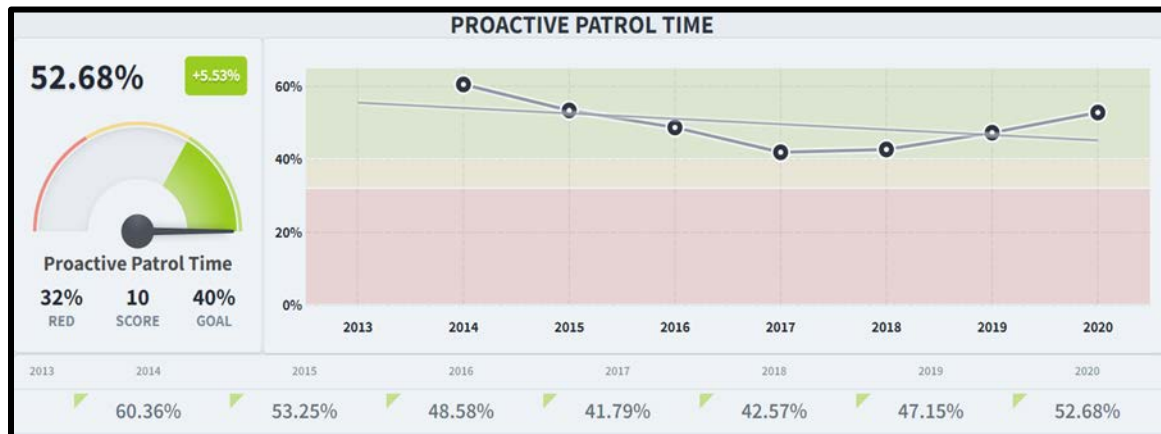
C.1 ACHIEVE THE HIGHEST STANDARDS OF SAFETY AND SECURITY



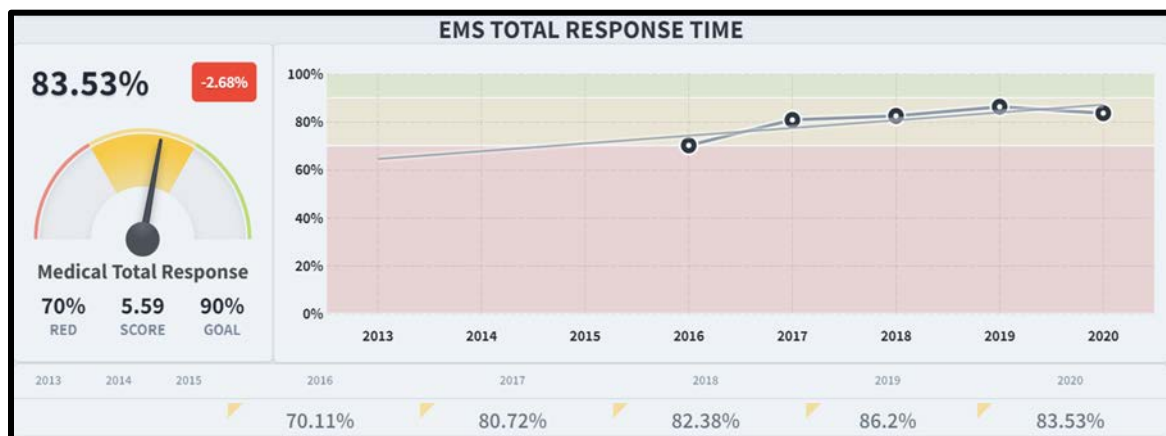
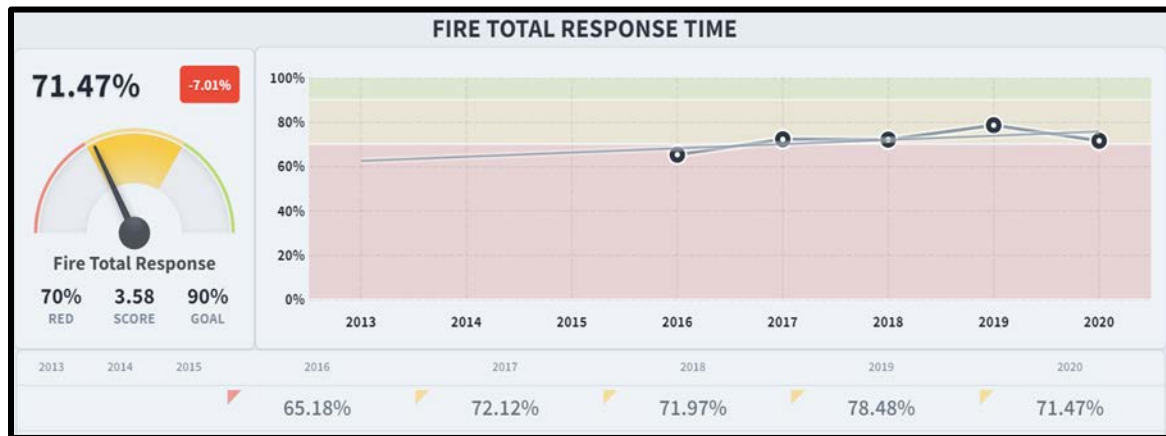
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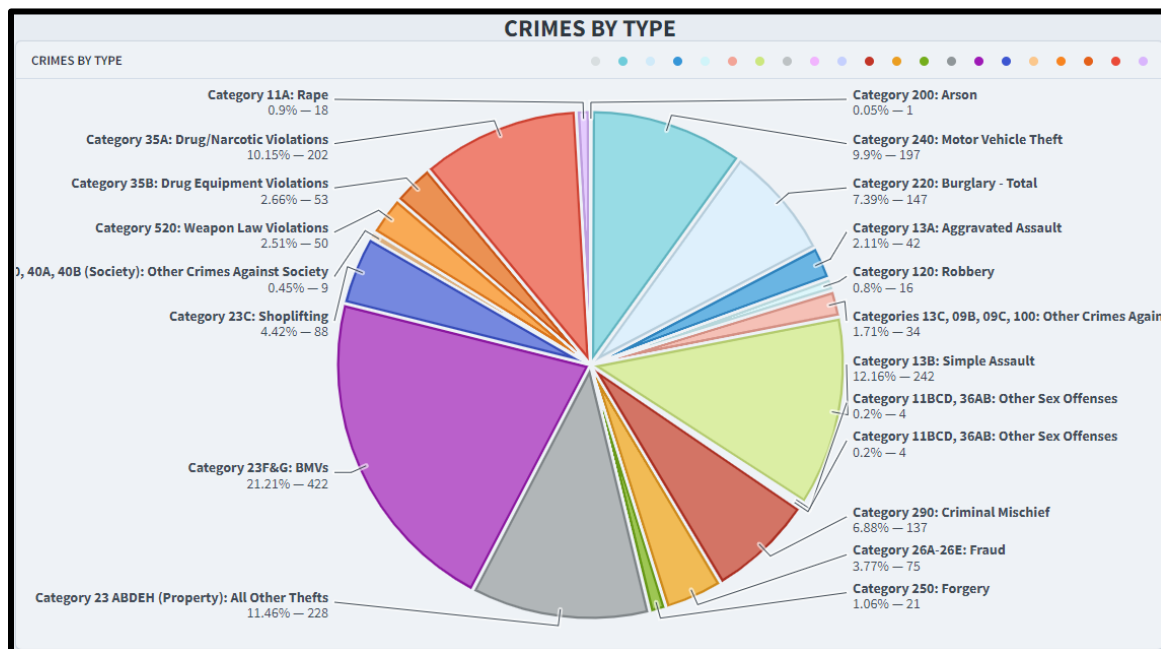
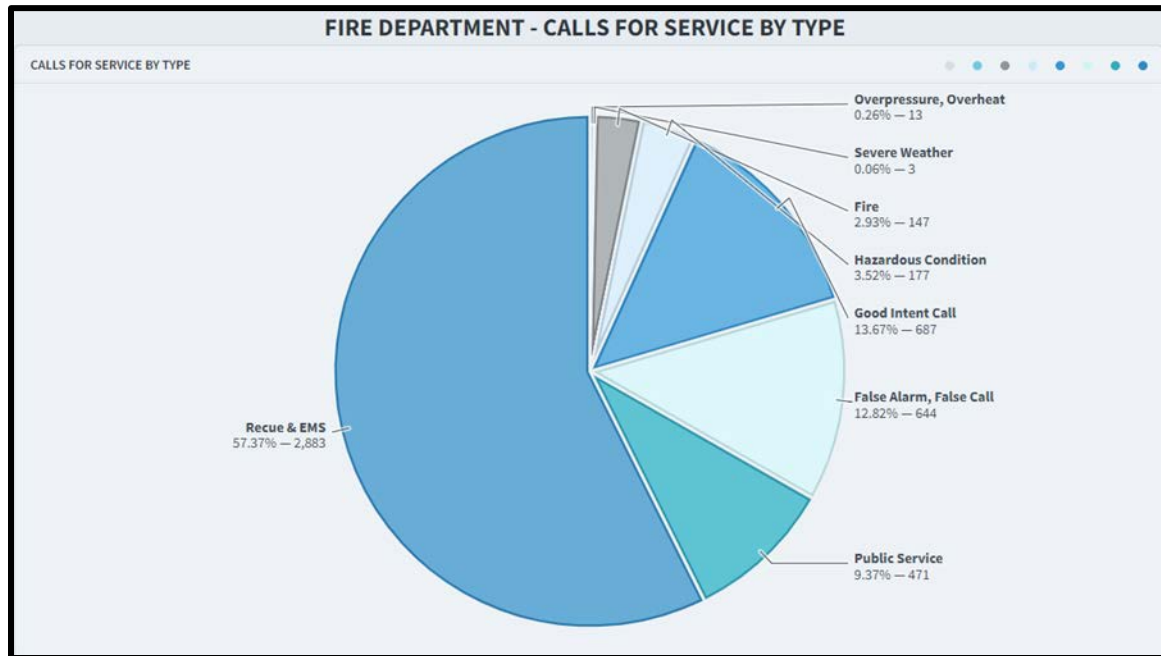
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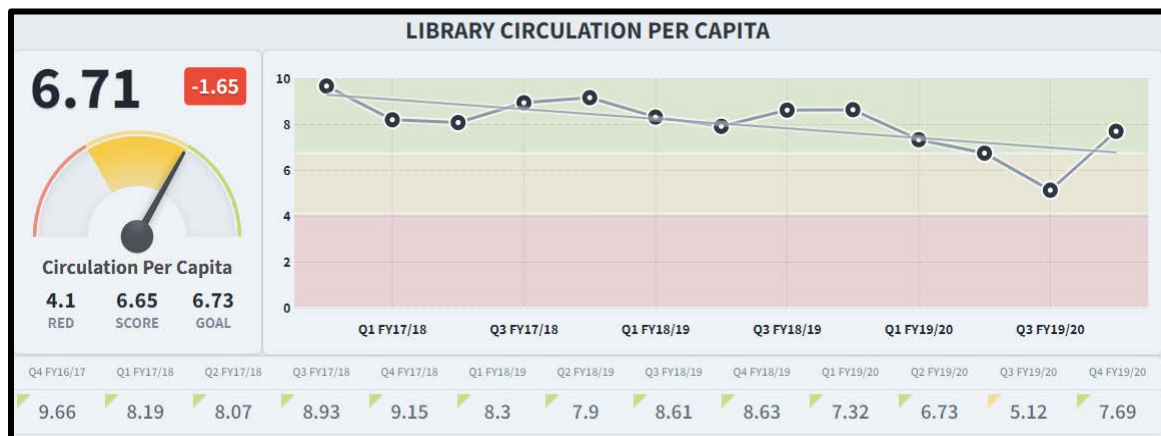
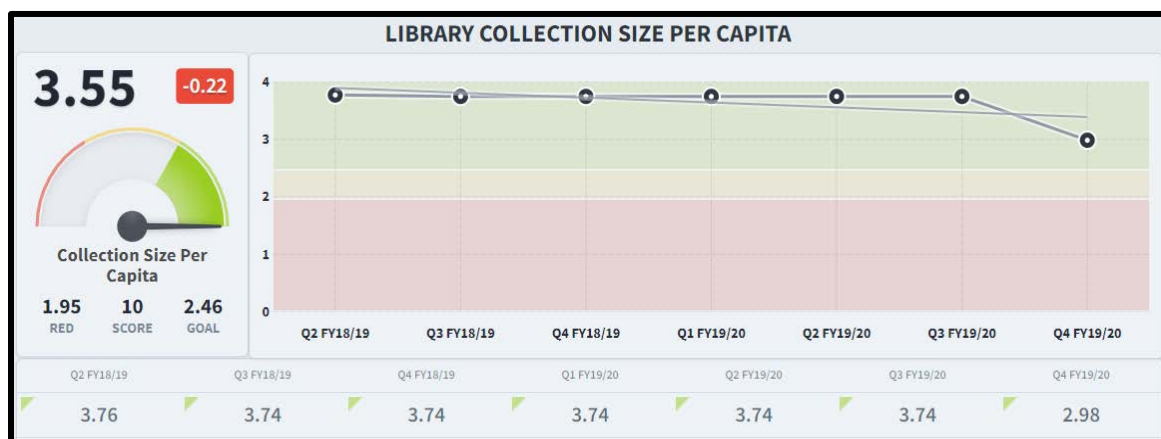
C.1 ACHIEVE THE HIGHEST STANDARDS OF SAFETY AND SECURITY



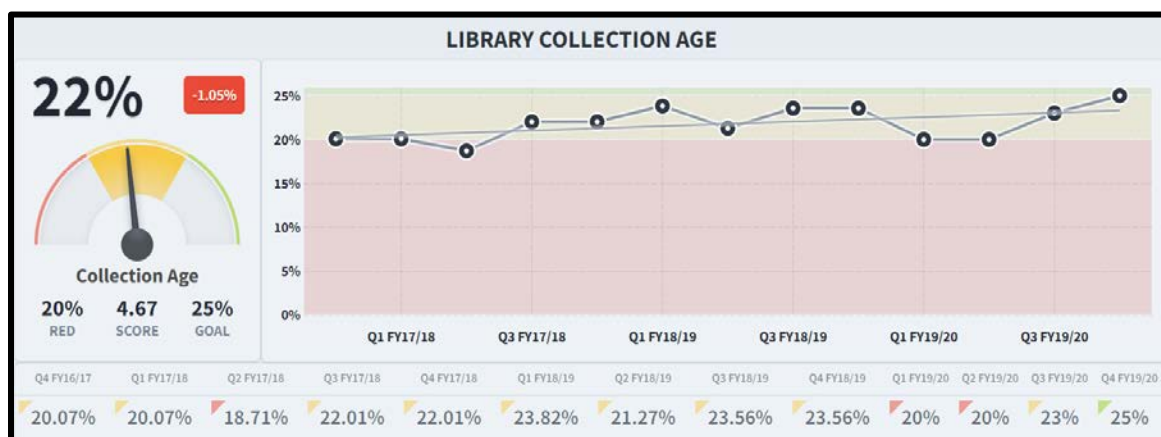
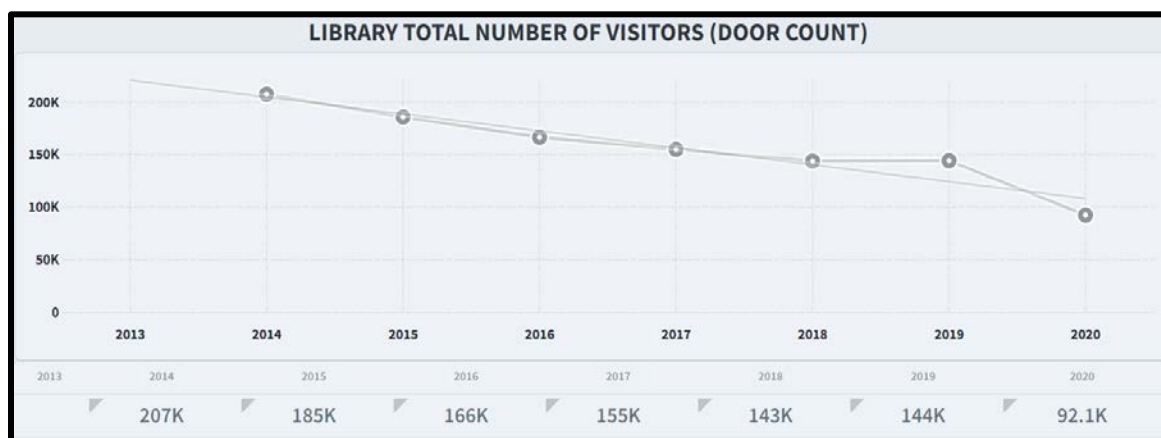
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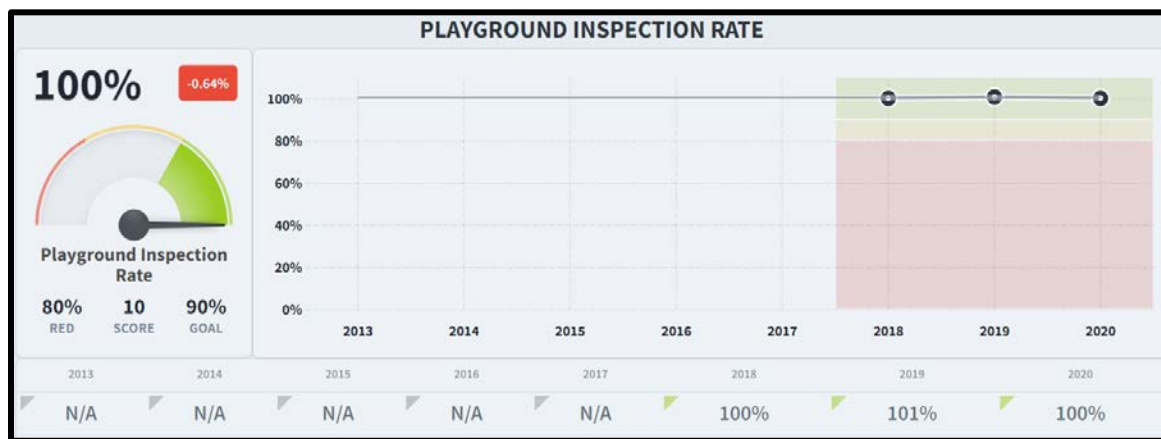
C.2 PROVIDE ATTRACTIVE, UNIQUE, AND CONNECTED SPACES FOR COMMUNITY INTERACTION



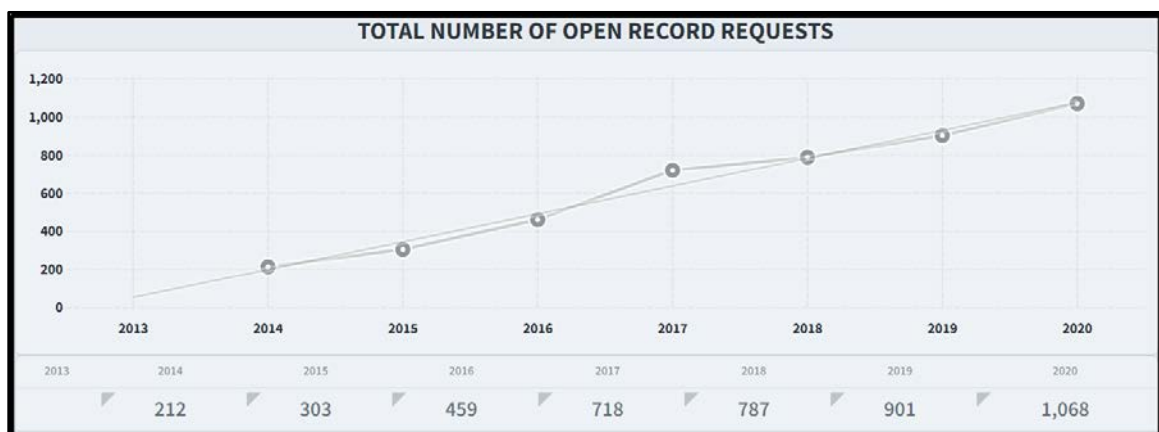
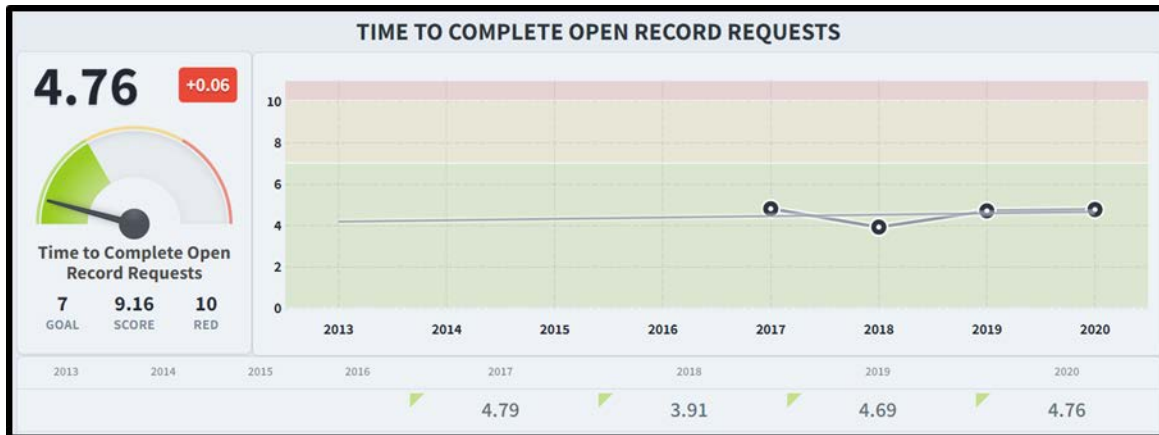
C.2 PROVIDE ATTRACTIVE, UNIQUE, AND CONNECTED SPACES FOR COMMUNITY INTERACTION



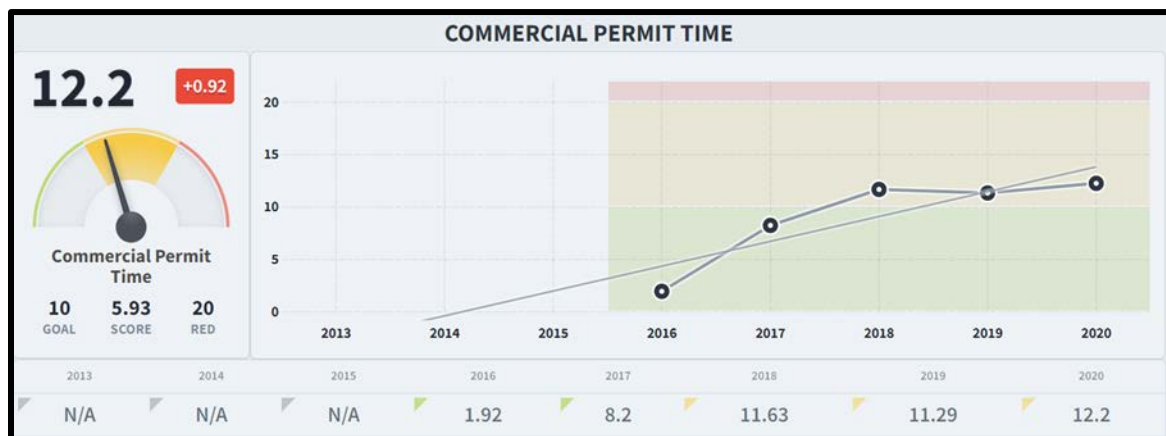
C.2 PROVIDE ATTRACTIVE, UNIQUE, AND CONNECTED SPACES FOR COMMUNITY INTERACTION



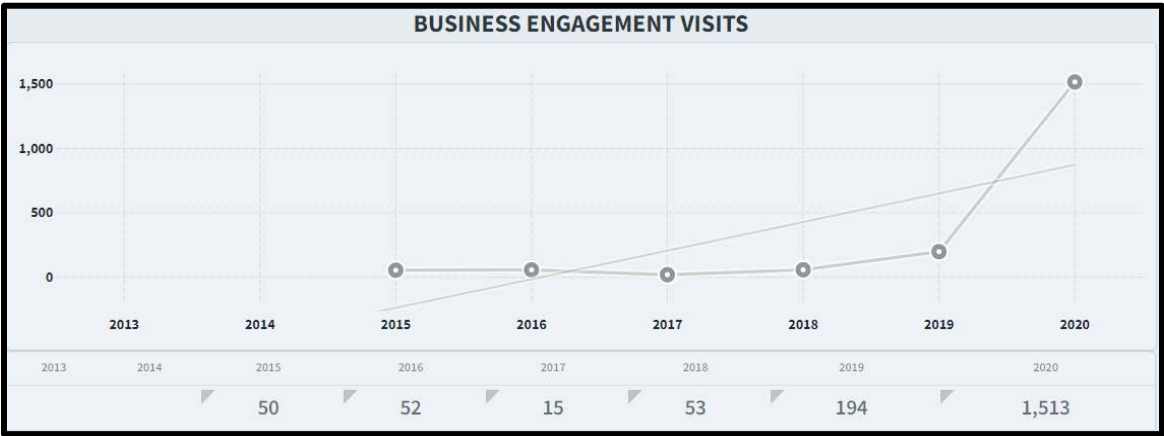
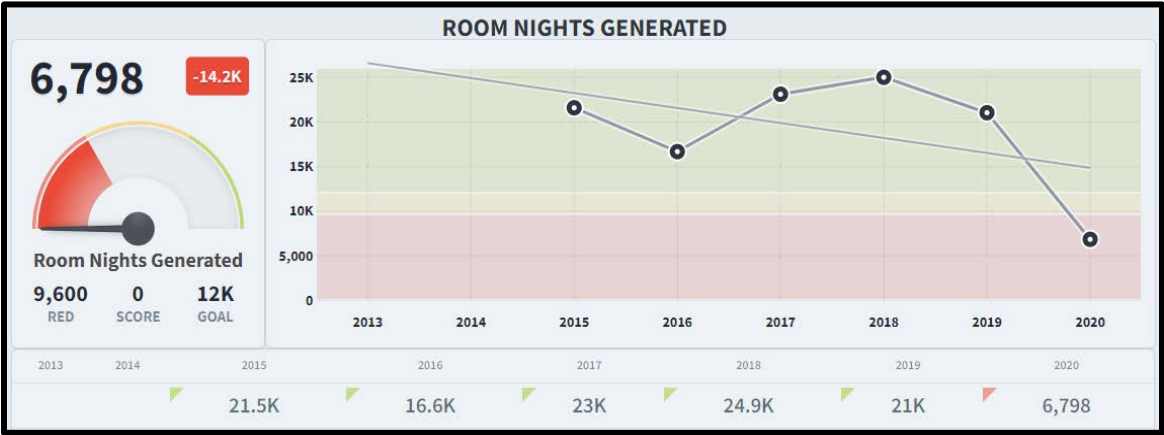
C.4 BE OPEN, ACCESSIBLE, AND TRANSPARENT



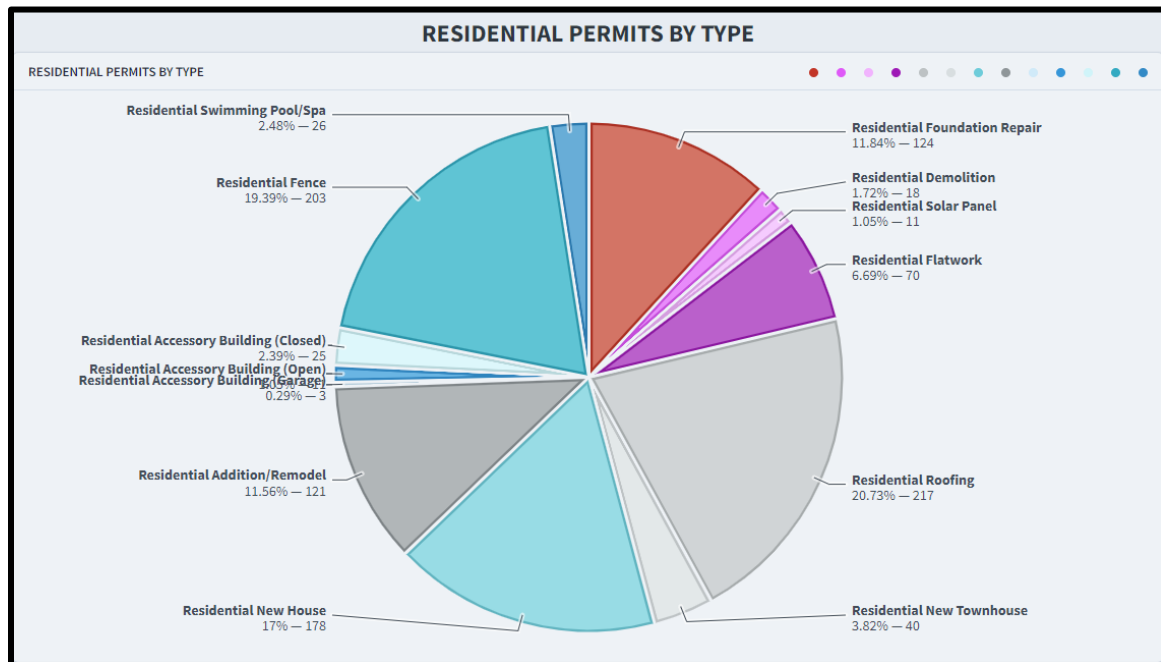
C.5 ATTRACT AND RETAIN TOP-TIER BUSINESSES TO DRIVE A UNIQUE AND SUSTAINABLE ECONOMIC ENVIRONMENT



C.5 ATTRACT AND RETAIN TOP-TIER BUSINESSES TO DRIVE A UNIQUE AND SUSTAINABLE ECONOMIC ENVIRONMENT



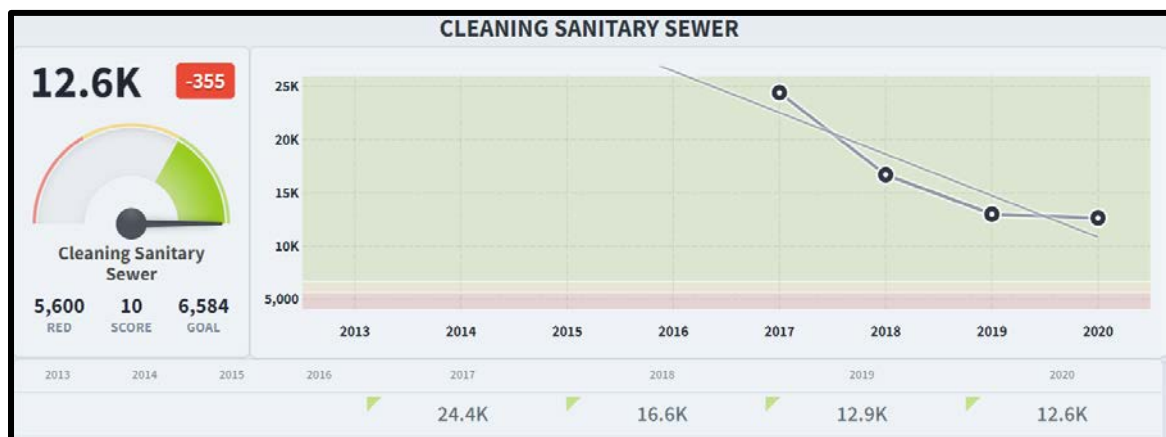
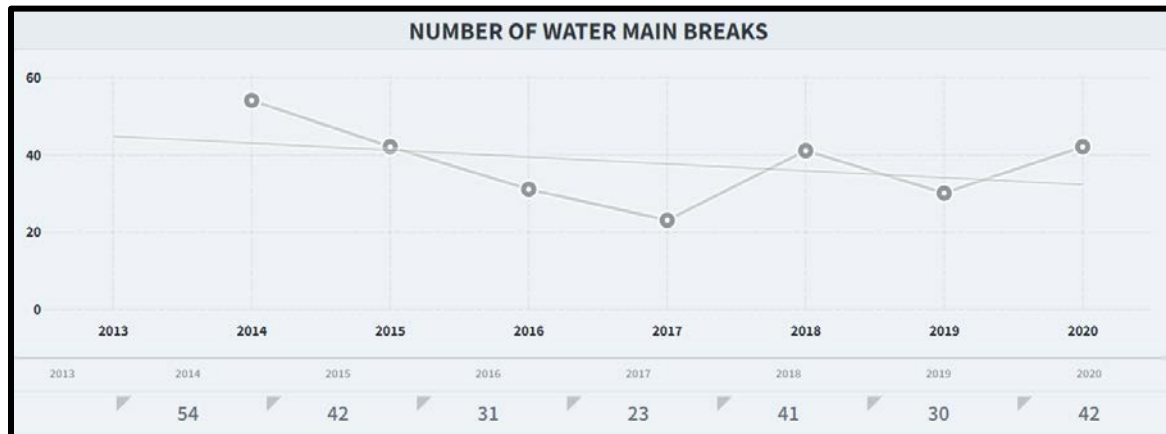
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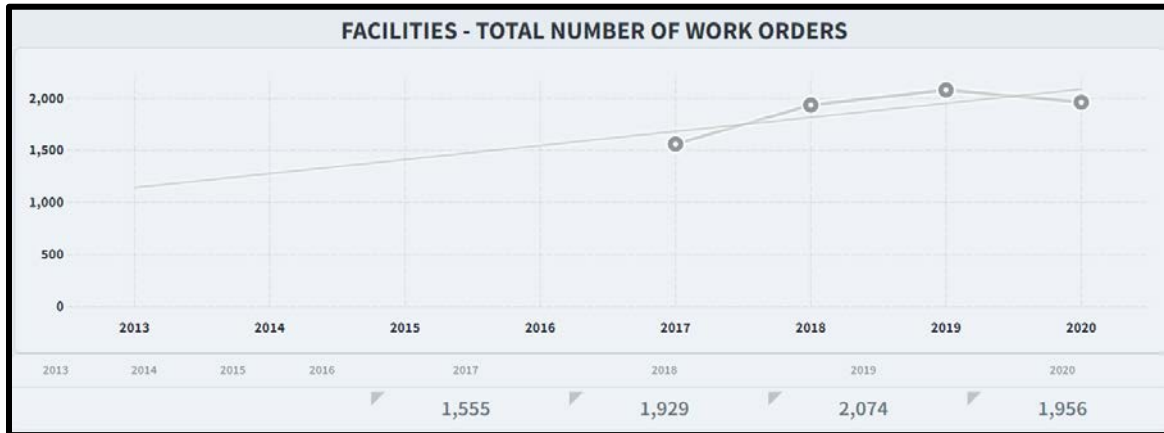


F.1 INVEST TO MAINTAIN AND PROVIDE HIGH QUALITY PUBLIC ASSETS

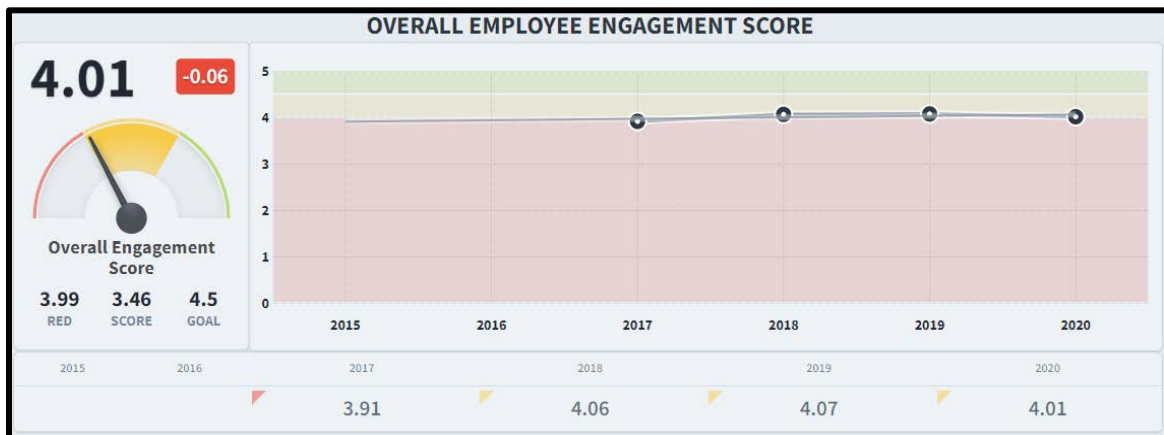
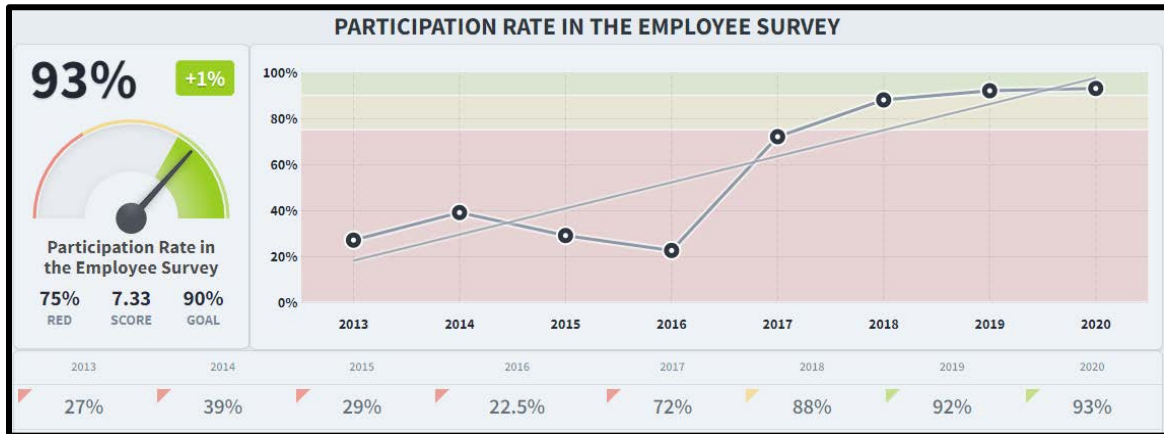


F.1 INVEST TO MAINTAIN AND PROVIDE HIGH QUALITY PUBLIC ASSETS





L.5 FOSTER POSITIVE EMPLOYEE ENGAGEMENT



FARMERS BRANCH PROFILE

The City of Farmers Branch is a political subdivision and home rule municipal corporation of the State, duly organized and existing under the laws of the State, including the City's Home Rule Charter. The City was incorporated in 1946 with an election on February 23rd and first adopted its Home Rule Charter in 1956. The City operates under a Council/Manager form of government governed by an elected Mayor and a five-member council representing single member districts. The term of office is three years with the terms of two members expiring each year. The City Manager is the Chief Executive Officer for the City. Some of the services that the City provides are: public safety (police and fire protection), streets, water and sanitary sewer utilities, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services. The population during the City's year of incorporation was 800. The 2010 U.S. Census population for the City is 28,616, while the estimated July 2019 U.S. Census population is 48,158.

History

Farmers Branch was settled in 1842 by Thomas Keenan and his wife Sarah. The area was called Mustang, as part of Peter's Colony, but later changed to Farmers Branch due to the rich soil and flourishing crops. The settlement originally included all of the land between White Rock Creek on the east, the Elm Fork of the Trinity on the west, the Dallas County line on the north, and Cedar Springs on the south.

John Keenan was the first child born in Farmers Branch, but died two months later. He is buried in the Keenan Cemetery located on Valley View Lane, part of the original Keenan land.

Farmers Branch was widely advertised both in the East and in Europe. During the years 1845-1850, it was the best known of all of the Texas settlements. The settlers were, for the most part, fairly well educated.

A blacksmith shop and gristmill were started in 1845 by the Reverend William Bowles, a Baptist minister. The same year, Isaac Webb donated land for Webb's Chapel Methodist Church, which also served as the first school in the county. Mr. Webb also served as the first postmaster when the Farmers Branch Post Office was established in 1848.

Other early settlers include Dr. Samuel Gilbert and his wife Julia. The couple lived with Isaac Webb until their home was completed in a grove of stately Post Oak trees. The Gilbert House consists of two-foot thick limestone walls and chestnut plank floors. The Gilbert House, located in the Farmers Branch Historical Park, is the oldest rock structure in Dallas County that is still on its original foundation.

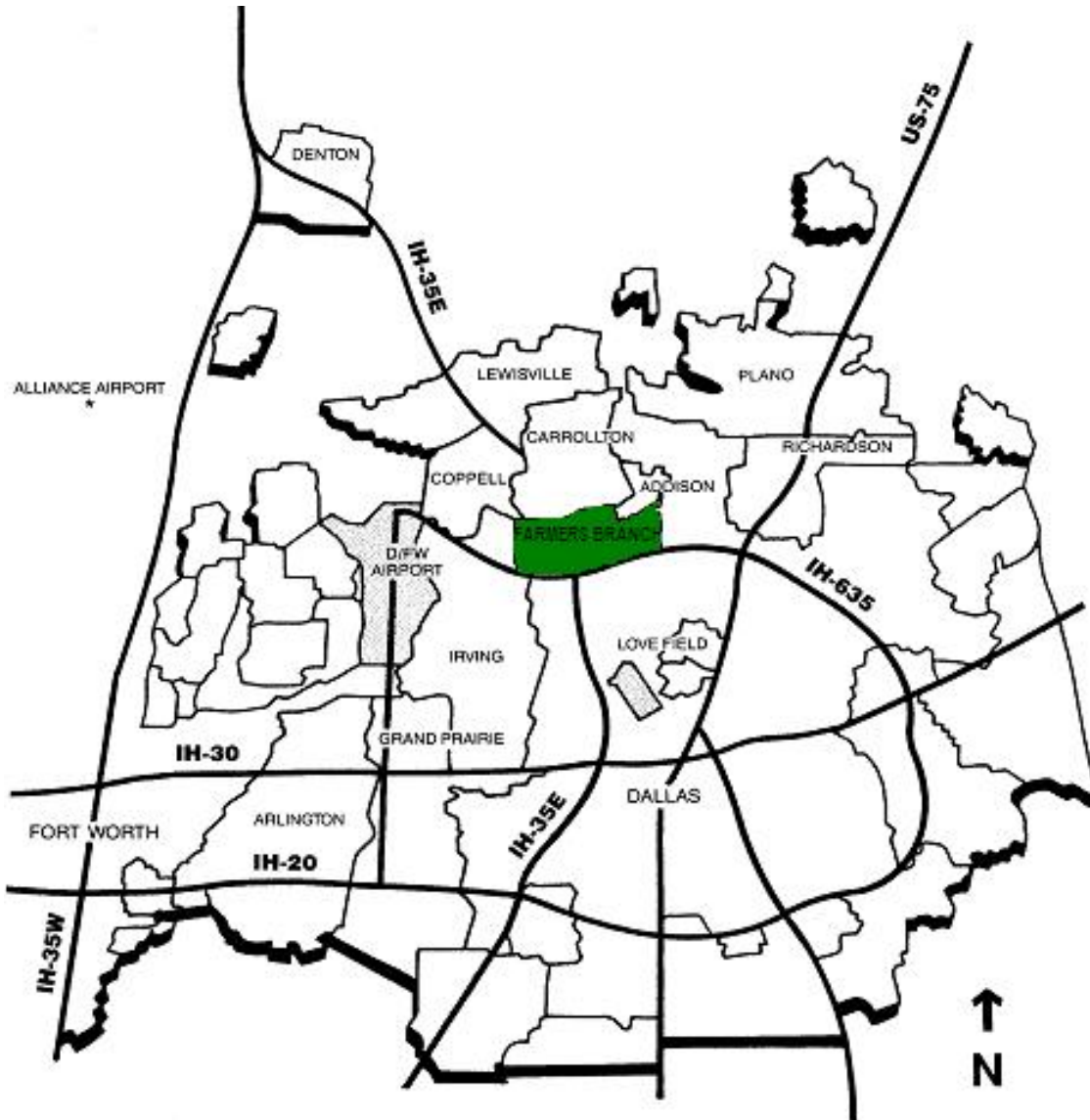
The first school was not well located and a new one was built about a mile northwest of the first on Rawhide Creek. Rawhide Creek was named from the first tanning yard in the county built by R.J. West. Due to the demand for leather, Mr. West did not allow the hides to cure in the vats long enough so that when they became dry they were extremely hard.

In 1874, to assure that railroads would come to Farmers Branch, Dr. Gilbert and other local settlers sold right-of-way through their land. Around 1877, the Dallas and Wichita Railroad built a depot. The original depot has been restored and relocated to the Farmers Branch Historical Park.

There are many interesting tales of happenings in the Farmers Branch settlement, Indian raids on pumpkin patches, bears in the wilderness, and the like. The last buffalo seen east of the Elm Fork of the Trinity River was killed in early 1846 in a small glade about two miles southwest of the town now known as Farmers Branch. (This is approximately present-day Royal Lane and Luna Road.)

The City

The City covers approximately 12.1 square miles and is conveniently located on Dallas' northern border, in the heart of an 11-county area that has emerged as a premier commercial, financial and trading center. This favorable business climate is driven by the City's location as it is bordered by two major interstate highways and the Dallas North Tollway. The Dallas/Fort Worth International Airport is only 10 minutes away from the City's west border and Dallas Love Field is less than 15 minutes down the freeway.



The City's broadly diversified economic base supports home furnishings, financial, high-tech, insurance, and telecommunications industries and includes many of the nation's foremost businesses. Some of the reasons that these enterprises chose the City as a local or regional business center include: strategic Southwest location, convenience to local and worldwide transportation, low municipal tax rate, abundant labor, educational and cultural resources, and overall quality of life.

Three creeks traverse the City and there are more than 20 parks filled with picnic areas, bridges, playgrounds, walking areas and natural surroundings. Farmers Branch has preserved history in its 22-acre Historical Park that takes visitors on a "walk back through time" to the days of the early settlers in the 1800s. The Historical Park is also the site for many of the City's special events, including a Bluegrass Festival, a Fourth of July event, Date Night in the Park events, a number of holiday events, and may be reserved for weddings, parties, family reunions and other special gatherings.

Tax Base

Farmers Branch is able to provide many top-quality services to residents because 71.19%⁽¹⁾ of the tax base comes from the business community. In addition, the City has raised taxes only seven times in more than 40 years and continues to boast that Farmers Branch has one of the lowest municipal tax rates in the metroplex. The top ten largest property tax payers for the current tax year are as follows:

TAXPAYER	NATURE OF PROPERTY	TAXABLE VALUE	PERCENTAGE OF TOTAL CERTIFIED TAXABLE VALUE
Dallas International Parkway	Office Tower - Class A	\$ 131,760,000	2.108%
Southern Glazers Wine and Spirits	Spirit and Wine Distribution	127,178,850	2.034%
Jefferson Mercer Crossing	Real Estate Development	108,324,940	1.733%
Royal TX Partners LLC	Apartment Complex	102,000,000	1.632%
Galleria Mall Inv LP	Real Estate Development	101,700,000	1.627%
EOS Properties at Providence Towers	Office Tower - Class A	95,725,000	1.531%
5005 LBJ Tower LLC	Office Tower - Class A	86,895,390	1.390%
Mercer Acquisition LLC	Apartment Complex	82,500,000	1.320%
Blue Fortress Holdings LLC	Real Estate Development	75,500,000	1.208%
Lakeview at Parkside	Apartment Complex	75,250,000	1.204%
		<u>\$ 986,834,180</u>	<u>15.787%</u>

- (1) Under new provisions of Senate Bill 2, the Dallas Central Appraisal District (DCAD) provided the City with a *Certified Estimate of Value*. This was not a Certified Roll, but an estimate of values as of July 17, 2020. Due to the Covid-19 pandemic, Notices of Appraised Value mailings were delayed from May 15th to May 29th. The response after these mailings was a record number of protests numbering slightly over 177,000. In accordance with Senate Bill 2, if a tax roll is not certified by July 25th, the appraisal district must provide each taxing unit within its jurisdiction with a "Certified Estimate of Value". In accordance with Section 41.12, Tax Code, the DCAD Board of Directors passed a resolution allowing the district to certify the 2020 tax roll no later than August 30, 2020 with a maximum of 10.00% of value still in dispute. Certification of the appraisal roll took place on August 20, 2020. The tax base from the business community utilizing the Certified Roll represents 74.83%.

Special Services

Some of the special services offered in Farmers Branch include twice-weekly garbage collection with no fee, free pickup of recyclables and brush once-a-week, and pickup of bulky items once-a-month for no fee. Citizens also enjoy informational programs seven days a week on the City's Cable Access Channel 16 – FBTv, WPIW 1670 AM radio station and receive a monthly city newsletter. The Police Department offers a free House Watch program for residents who are away from home, as well as other specialized services.

Education

Education for the school age children in Farmers Branch is provided by two different school districts dependent upon where a family resides. The City is served by the Carrollton-Farmers Branch and Dallas Independent School District's. The majority of the City's residents are part of the Carrollton-Farmers Branch ISD, which encompasses a 53.42 square mile area and provides a quality educational system that believes in the importance of a strong community-school relationship. This belief, combined with a strong financial base, makes the Carrollton-Farmers Branch ISD a star attraction in the Dallas-Fort Worth metroplex. The District created the R.L. Turner High School Academies for Biomedical Professions and Media Arts & Technology to serve growing demand for these professions.

Nine major Texas universities and colleges are located within easy driving distance of Farmers Branch. They include Brookhaven Community College, the University of Dallas, Texas Christian University, Texas Woman's University, Southern Methodist University, the University of North Texas, the University of Texas at Arlington, the University of Texas Southwest Medical Center, and the University of Texas at Dallas.

Health Care

Farmers Branch is fortunate to have top-quality medical facilities like Dallas Medical Center. There are numerous other major medical facilities only minutes away.

Community Services

Above are just a few of the special benefits offered in Farmers Branch. However, what makes Farmers Branch so unique is its residents. The people of Farmers Branch are concerned, involved and proud of their community. That's what makes us, "A Cut Above the Rest!"

Census Snapshot

DEMOGRAPHICS		
	2000	2010
City Population	27,508	28,616
Area (Square Miles)	12.1	12.1
Median Age	34.7	35.6
Percent of Population by Age Group		
Residents of Ages 0 to 19	28.52%	26.46%
Residents of Ages 20 to 34	21.99%	22.64%
Residents of Ages 35 to 54	28.01%	27.34%
Residents of Ages 55 to 64	9.33%	10.28%
Residents of Ages 65 and Older	12.13%	13.28%
Total Persons of Working Age (16 years & older)	21,553	23,017
Employment by Occupations ⁽¹⁾		
Mgmt., Profess. & Related Occupations	32.30%	29.50%
Service	13.30%	15.30%
Sales and Office	29.70%	26.20%
Farming and Forestry	0.20%	0.10%
Construction, Production and Maint.	9.40%	14.90%
Operators, Trans. & Material Moving	15.20%	14.00%
Population by Income Level ⁽¹⁾		
Per Capita Income	\$ 24,921	\$ 27,258
Median Family Income	\$ 57,531	\$ 54,665
Population by Highest Education Level ⁽¹⁾ (% of Population 25 Years & Older)		
Less Than 9th Grade	11.9%	12.5%
9th to 12th Grade, No Diploma	11.9%	12.6%
High School Graduate (includes equiv.)	21.9%	24.0%
Some College, No Degree	22.8%	18.8%
Associate's Degree	4.2%	4.9%
Bachelor's Degree	19.4%	18.7%
Graduate or Professional Degree	7.8%	8.5%
Population by Race & Ethnicity		
White	78.4%	73.4%
Black or African American	2.4%	4.8%
American Indian	0.5%	0.7%
Asian or Pacific Islander	3.0%	4.4%
Other	13.0%	13.8%
Persons Reporting Two or More Races	2.7%	2.9%
Hispanic or Latino (of any race)	37.2%	45.4%
Occupied Housing Units	9,766	10,797
Owner-Occupied Housing Units	6,642	6,515
Renter-Occupied Housing Units	3,124	4,282
Households by Income ⁽¹⁾		
Less than \$10,000	3.70%	4.00%
\$10,000 to \$14,999	3.00%	2.90%
\$15,000 to \$24,999	8.30%	9.70%
\$25,000 to \$34,999	12.20%	11.90%
\$35,000 to \$49,999	17.00%	18.50%
\$50,000 to \$74,999	23.60%	18.90%
\$75,000 to \$99,999	12.50%	12.60%
\$100,000 to \$149,999	11.90%	13.80%
\$150,000 to \$199,999	4.00%	3.70%
\$200,000 or more	3.80%	3.90%

Source: U.S. Census Bureau

BUSINESS CATEGORIES ⁽²⁾	
2nd Qtr. 2019 thru 1st Qtr. 2020	
Business Classification	Taxable Sales
Retail Trade	\$ 276,684,885
Administrative Support and Waste Management/Remediation Services	220,714,908
Construction	176,562,970
Wholesale Trade	161,992,774
Professional, Scientific and Technical Services	128,945,695
Accommodations and Food Services	75,378,502
Other Services (Except Public Administration)	27,252,559
Manufacturing	20,674,733
Information	14,152,774
Real Estate and Rental and Leasing	9,295,978
Arts, Entertainment and Recreation	8,189,553
Health Care and Social Assistance	331,978
Educational Services	20,003
Number of Ballots Cast in November 2020 Election:	14,817
Number of Registered Voters in November 2020 Election:	20,604
Estimated Population per 2020 US Census Bureau Preliminary Estimate (Release Date July 2019)	48,158
Estimated Daytime Population ⁽¹⁾	66,000

⁽¹⁾ Source for selected economic characteristics is based on latest version of the *American Community Survey 5-Year Estimates* report.

⁽²⁾ Source for Business Categories is Texas State Comptroller's Office.

BUDGET PROCESS OVERVIEW

What is a Budget?

A budget is a financial and operating plan for a City for a period called a "fiscal year." The City of Farmers Branch fiscal year begins on October 1 and ends on September 30. The fiscal year that begins on October 1, 2020 is referred to as "Fiscal Year 2021." The budget is considered a financial plan, a policy plan, an operating guide, and a communications device.

The City cannot spend money unless it is appropriated within the budget. An appropriation is the legal approval given by the City Council to the City staff to spend money for a specific purpose. The budget also contains an estimate of revenues to be received by the City during the same time period. The legal authorization to collect revenues, such as property tax, utility charges, franchise fees, and user fees, is provided by the City Council by ordinance. Also included in the budget is an estimate of monies left over from the prior fiscal year that can be spent and appropriated in the new year. This money is available and is called unassigned fund balance. The City Charter provides that a portion of unassigned fund balance may be set aside to meet unexpected and unforeseen contingencies in the current operating costs of any budget project.

The Budget Document

The budget document begins with a transmittal letter from the City Manager. This letter summarizes the contents of the budget and provides an explanation of the rationale used by the City Manager during the budget development process. The City Manager also outlines the administration's work program for the upcoming year.

The budget document is divided into nine sections. The first section contains an overview of the City's budget through the budget transmittal, budget process and organizational charts, as well as budget summary information in graph and table form on all of the operating funds of the City. Also included in this section is a detail of budgetary policies relating to financial management and accounting practices. The next seven sections each concentrate on a particular fund of the City. The final section contains a glossary, financial condition analysis, personnel staffing summaries, Truth-in-Taxation documents, and budget, tax and exemption(s) related ordinances.

The Budget Process: How is the budget prepared, adopted and amended?

The City Charter names the City Manager or his designee as the Budget Officer of the City. Budget preparation, monitoring and analysis are a shared responsibility between the City Manager's office and the Finance department. The City Charter provides that the City Manager must prepare a proposed budget to be submitted to the City Council prior to August 1st each year.

Each spring, the Finance department initiates the annual budget process by providing each department director with a budget packet, which includes a budget preparation manual, budget calendar, payroll projection schedule(s), and any other informational materials designed to assist with budget preparation.

The budget process is completed in three phases. Phase one is the preparation of year-end-estimates for the current year. This phase allows departments to project expenditures for the remainder of the year, while being as realistic as possible, and propose estimates that are anticipated to be spent. Once end-of-year estimates are completed, departments begin the second phase of the budget process by preparing proposed budget estimates for the upcoming year. These estimates are completed for each line item account within a department. Details are requested for most line item accounts in order to document and describe the assumptions and calculations that comprise a departments total budget request. Concurrent with this phase, the Finance Department, in conjunction with affected departments, prepares year-end estimates of revenues, and a projection of revenues for the upcoming year. Once this phase is completed, department budget requests are consolidated into an operating budget for the entire City by the Budget Manager.

The third and final phase of the budget process is the budget review. During the budget review, department directors meet with the City Manager, Deputy City Manager, Director of Finance, Assistant City Manager, and Budget Manager (management team) to review budget requests and, more specifically, discuss any proposed new programs or additions for the upcoming year. This is defined as any proposed change in program emphasis, expenditure of funds, allocation of personnel or equipment that will result in a change in the level of service currently being delivered. All requests for new personnel, fleet, or equipment that represent a net addition to the department's operation are reviewed by the management team. Departments are asked to describe all new programs, itemize all new costs and proposed personnel, and justify the need for the request. Justification should detail how the addition relates to the City's multi-year strategic business plan and should detail any service change(s). Upon completion of the budget review phase, the management team makes recommendations as to which items to include in the proposed budget. The City Manager then submits a recommended budget to the City Council prior to August 1st.

The City Council then reviews the recommended budget, provides direction for any changes and holds an official budget hearing before the final adoption of the budget. The budget is then approved through the favorable passage of two ordinances: the budget appropriation ordinance and the ad valorem tax rate ordinance.

Budget Amendments

After adoption by City Council, a budget may be amended by ordinance any time during the fiscal year to account for unusual or unforeseen conditions that occurred subsequent to the original budget adoption. The budget is evaluated throughout the year and is amended at year-end. The Year-End Amended Budget is based upon estimated current year actuals.

The procedure for amending the budget depends upon the type of change that is needed. The budget ordinance gives specific authority to the City Manager to: a) transfer appropriations budgeted from one account classification to another account classification within the same department; b) transfer appropriations from designated appropriations from one department or activity to another department or activity within the same fund; c) transfer unencumbered appropriations within a department; and, d) to make transfers from the General Fund and all other Funds of unexpended appropriations and excess revenues for the previous fiscal year.

The second type of budget amendment brings about a change in the total appropriation for a fund. An example of this includes the appropriation of additional funding if expenditures are projected to exceed current budget amounts. This type of change requires City Council approval in the form of an ordinance.

STRATEGIC PLANNING CYCLE



Strategic Planning – Ideal Timeline *[Note: This timeline may change in future years to comply with Senate Bill 2.]*

January	-	Council Review of Comprehensive Annual Financial Report
February	-	City Council Strategic Planning Retreat <ul style="list-style-type: none">• Review of the City's Financial Condition• Review of Citizen Survey Results• City Council Goal Setting
March	-	Department Head Planning Retreat <ul style="list-style-type: none">• Objective Setting to Advance Council Goals• Identification of Specific Projects / Initiatives to Meet City Council Goals Refine Performance Measures Based on City Council Goals
April	-	Begin Annual Budget Process Budget Packets Distributed to Departments
May	-	City Council Elections Departments to enter facilities service, gas/oil/diesel, vehicle maintenance, and warehouse service estimates as they become available. Preliminary Tax Roll Due [Mid-May] Preliminary Budget Reviews between Deputy City Manager or City Manager and direct reports [Meeting dates/times to be determined by Deputy City Manager or City Manager.] Budget Files Closed (Department budget entry ended until after City Manager review.)
June	-	Finance Sends Budget Requests to City Manager Executive Team Budget Reviews
July	-	Final Budget Changes Due Finance to Begin Preparation of Preliminary Budget for Council Department Narratives and Goals & Objectives Established During the City Council Strategic Planning Retreat Due Tax Roll Certified by Dallas Central Appraisal District [July 25] City Manager's Proposed Budget Submitted to City Council [July 31]
August	-	Truth in Taxation Calculations due from Dallas County City Council Work Sessions/Retreat & Preliminary Budget Presentations & Deliberations Vote Setting Proposed Maximum Tax Rate, Public Hearing Date and Date for Approval of Proposed Tax Rate and Budget (if required) Council Budget Retreat
September	-	Public Hearing on Proposed Budget and Tax Rate (if required) Adopt Budget and Tax Rate
October	-	Fiscal Year Begins Begin Tracking New Performance Measures National Night Out Neighborhood Gatherings Conduct Citizen Survey
December	-	City Council Goals Evaluation and Report Performance Measure Summary Report (from prior fiscal year)

PROPERTY TAX ANALYSIS

Truth-in-Taxation

State “Truth-in-Taxation” laws give taxpayers a voice in decisions that affect their property tax rates. In 2019, the 86th Texas Legislature changed Truth-in-Taxation laws with the passage of Senate Bill 2, also known as the Texas Property Tax Reform and Transparency Act of 2019. This legislation modified the manner in which the voter-approval tax rate is calculated in an effort to limit the rate of growth of property taxes in the state. The vast majority of this bill took effect on January 1, 2020, which impacted the tax rate setting process for the 2020 tax year, also known as the City’s 2020-21 fiscal year. Among other things, the bill lowers the rollback rate, now called the “voter-approval rate” from 8% to 3.5% for cities based on certified property valuations.

The calculation process begins after the chief appraiser delivers the certified appraisal roll (or in some circumstances, the certified estimate of taxable value) and the estimated values of properties under protest to the taxing unit, which is typically by July 25th each year. Then, beginning in early August, the City takes the first step toward adopting a tax rate and complying with Truth-in-Taxation laws by calculating and publishing the no-new-revenue tax rate and the voter-approval tax rate (previously referred to as effective and rollback tax rates, respectively) based on the appraisal roll received.

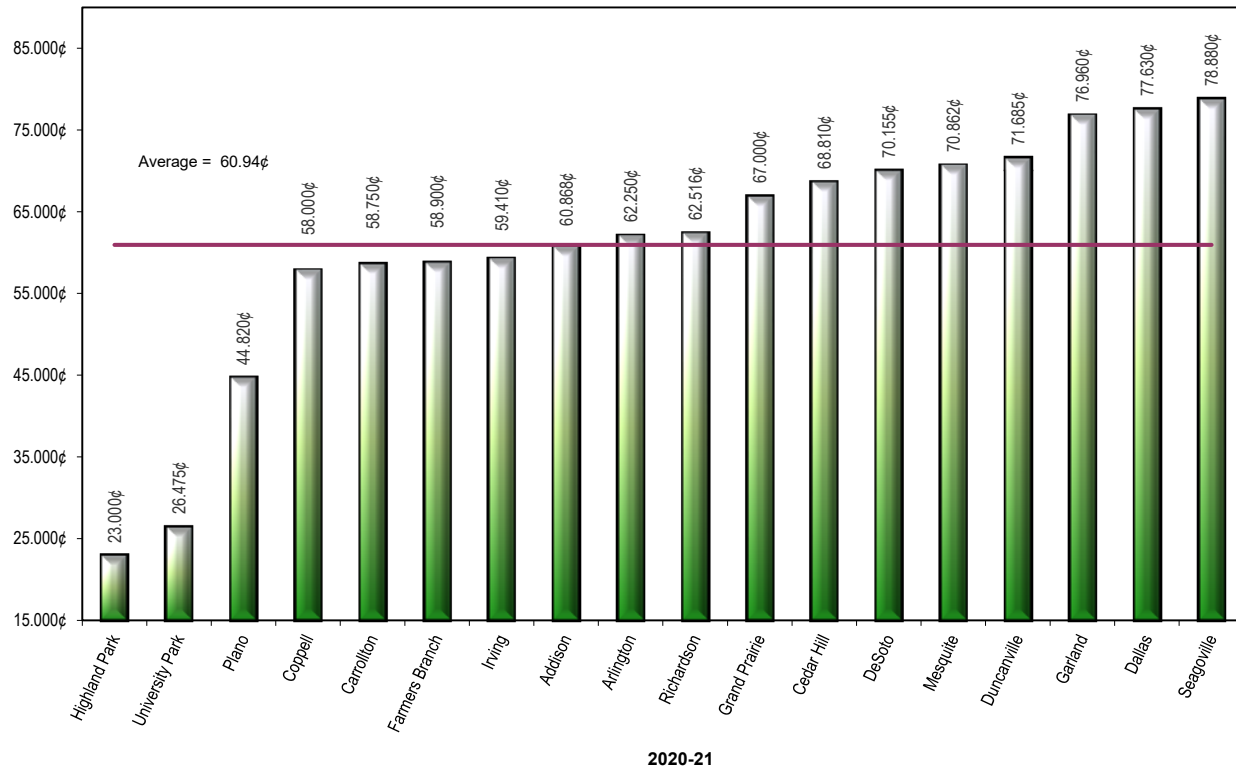
For the 2020 Tax Year (Fiscal Year 2020-21), a Coronavirus pandemic and resulting economic downturn caused a record number of property value appeals at a time when Shelter-in-Place orders and other work restrictions reduced the ability of the county’s Central Appraisal District (CAD) to process these appeals. As a result, the county’s CAD was unable to meet the threshold of 10% or less property under protest for a “Certified Roll” by the July 25th deadline and instead provided the City with a “Certified Estimate” that has no limit regarding the percentage of property under protest. To calculate the no-new-revenue and voter-approval-rates for Tax Year 2020, the City was required to use the value the property owner included in their appeal.

The no-new-revenue tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year, based on a tax rate that would produce the same amount of taxes if applied to the same properties taxed in both years. To do this, several adjustments must be made. The formula assumes that if values increase, the tax rate should decrease to create the same amount of revenue as it did the year before, or if values decrease, the tax rate will increase to produce the same amount of revenue.

The voter-approval tax rate is the highest tax rate the City may adopt without holding an election to seek voter approval of the rate. This rate provides the City with approximately the same amount of tax revenue it spent the previous year for day-to-day operations plus an extra three and one-half percent (3.5%) cushion, and sufficient funds to pay its debts in the coming year. If the City adopts a tax rate that exceeds the voter-approval tax rate, in most cases it must automatically hold an election for voters to approve the tax increase. An election permits voting for or against the tax-rate proposition. If the majority of votes are cast in opposition to the adopted tax rate, the election limits the tax rate for the current year to the voter-approval tax rate.

If required to hold an election to approve the tax rate, the governing body shall hold the election on the uniform election date in November of the applicable tax year. It must adopt the rate no later than the 71st day before the next November uniform election date and the order calling the election may not be issued later than the 78th day before the date of the election.

FISCAL YEAR 2020-21 MUNICIPAL TAX RATE COMPARISON
within Dallas area
(per \$100 assessed valuation)

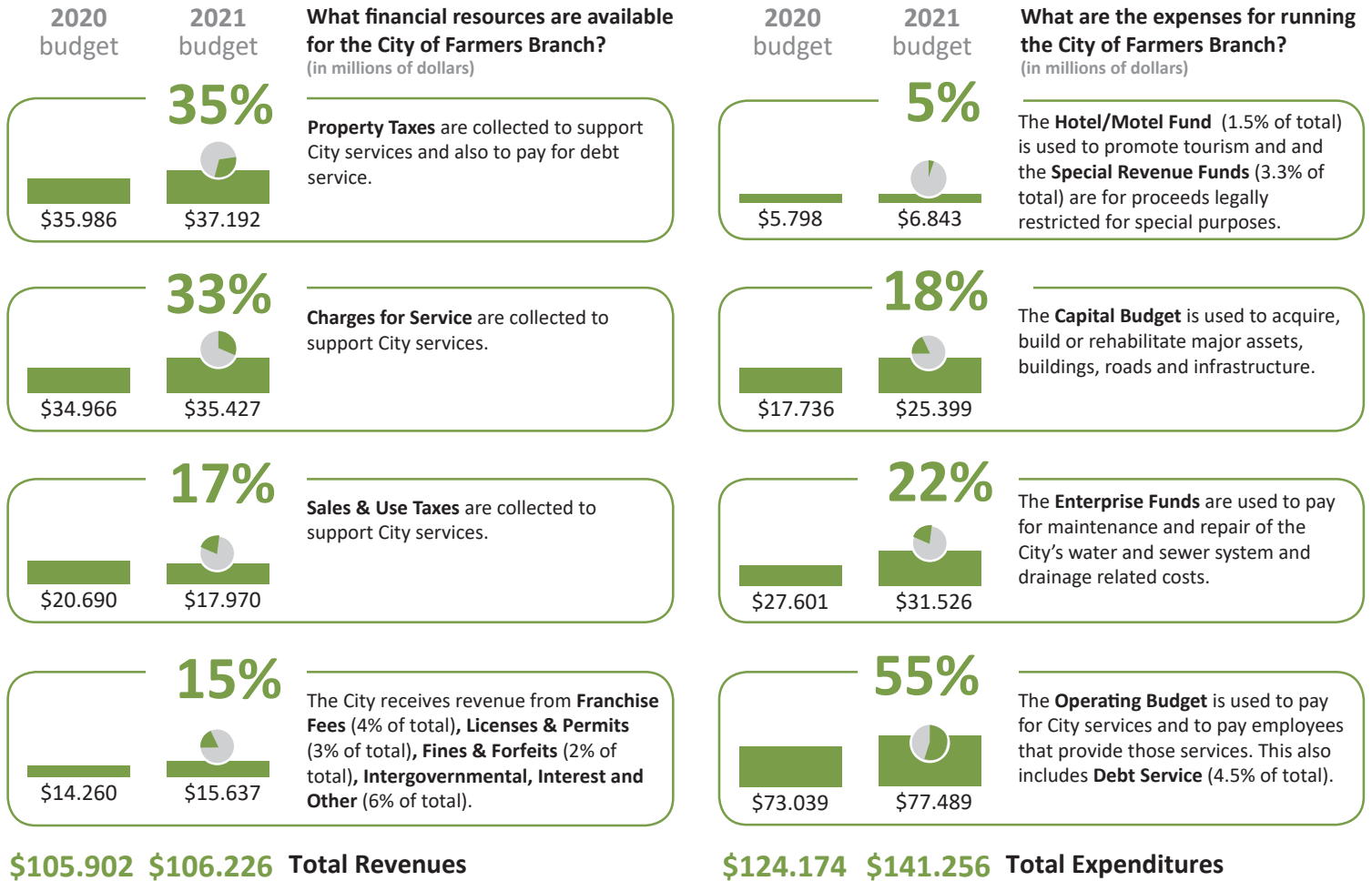


The City's property tax rate compares favorably with other area cities.

CITY OF FARMERS BRANCH BUDGET SNAPSHOT FISCAL YEAR 2020-21

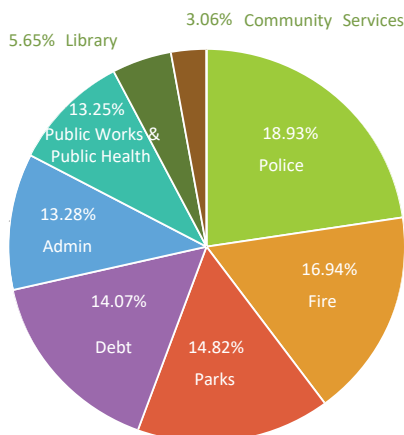
What does it cost to run the City and how are those costs paid?

The City budget is financed through a wide variety of revenue sources. The General Fund receives funding from various sources including taxes, user fees, licenses, permits, and grants. The Enterprise Funds are supported mainly by user fees and the Hotel/Motel Fund is supported by hotel occupancy taxes. *Please note, the numbers reflected in this report are based on the fiscal year 2019-20 and 2020-21 adopted budgets and may change at the close of the fiscal year.*



How Your Property Tax Dollar is Distributed Among City Services

Tax rate of 58.90¢ per \$100 of assessed property value.



Cents on the Tax Rate	
Administration	7.82405¢
Community Services	1.80372¢
Debt Service	8.27970¢
Fire	9.97966¢
Library	3.32957¢
Parks	8.72904¢
Police	11.15243¢
Public Works & Public Health	7.80183¢
TOTAL	58.90000¢

Graph reflects \$68,805,400 in General Fund expenditures (excludes the Economic Development Fund) and \$4,542,200 in property tax supported debt.

CITY OF FARMERS BRANCH FISCAL YEAR 2020-21

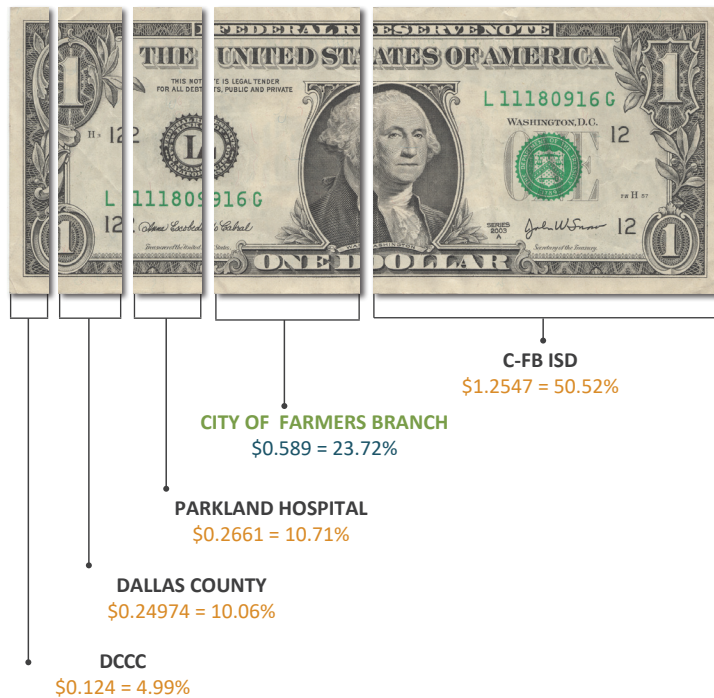
What Property Taxpayers Pay for City Services

The Average Value of a Farmers Branch home is \$263,639 Other

revenues, such as sales tax, franchise fees, and other fees, plus property taxes paid by businesses, make up the difference between the amount of property taxes paid and the actual costs to the City.

Department	Homeowners Pay		Actual Cost to the City (per household)
	With Homestead Exemption	With Homestead and Over-65 Exemptions	
Administration	\$164.97	\$102.40	\$1,180.53
Comm Service	38.01	23.59	272.02
Debt Service	174.80	108.50	1,250.76
Fire	210.44	130.62	1,505.89
Library	70.19	43.57	502.26
Parks	184.10	114.27	1,317.43
Public Works & Public Health	164.60	102.16	1,177.86
Police	235.16	145.96	1,682.79
TOTAL	\$1,242.27	\$771.07	\$8,889.54

Distribution of Your Total Tax Bill



How Do We Compare With Our Neighbors?

Estimated City Property Tax on an Avg Home Value of \$263,639 with residential homestead.

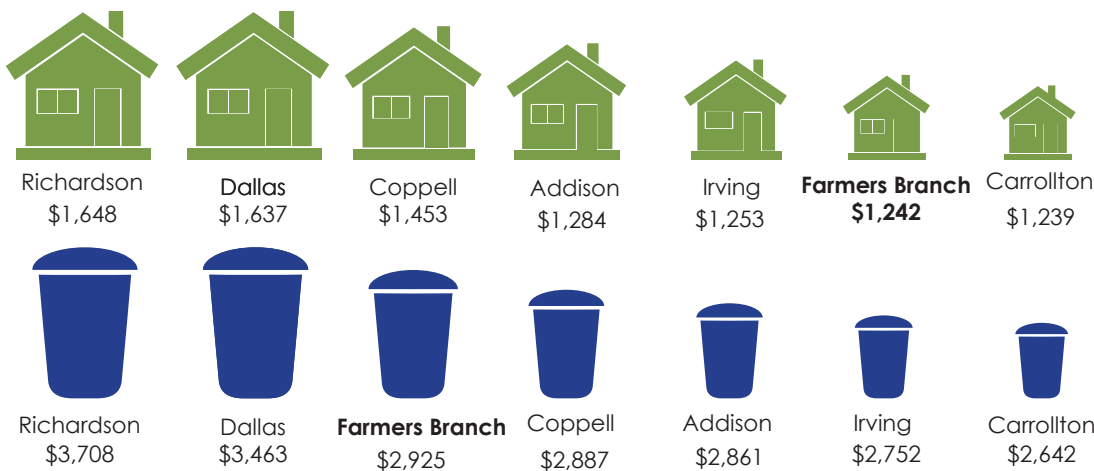
Total Annual Charge

for City Services

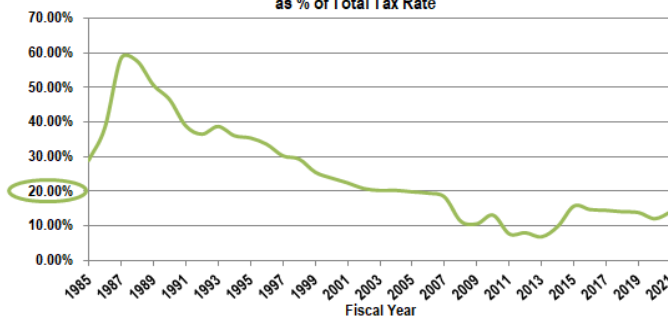
Includes City property taxes, water, sewer, drainage, and trash charges.

Based on a residential homestead

value of \$263,639. Source: Carrollton, TX, Municipal Cost of Service Comparison, adjusted for adopted 2020-21 tax rates and exemptions, Farmers Branch avg home value, and 2020 population estimates.



Property Tax Debt Service as % of Total Tax Rate



FINANCIAL MANAGEMENT POLICIES

Purpose

The financial management policies of the City are designed to ensure the financial integrity of the City's government and assist the City in achieving the following:

- * Quality City services that meet the needs and desires of the citizens.
- * A financial base sufficient to maintain or enhance City assets required to support community service demands.
- * Prudent and professional financial management practices to assure residents of Farmers Branch and the financial community that City government is well managed and in sound fiscal condition.
- * Cost effective services to citizens through cooperation with other government entities.
- * A Capital Improvement Program that maintains and enhances the public's assets.

General Goals

The City follows a five-year review and rotation evaluation of an outside (independent) auditor. The auditors must demonstrate breadth and depth of staff necessary to handle the City's audit in a timely manner. The audited financial statements are required by City Charter to be prepared within 120 days of the close of the fiscal year.

Annual reporting will be done within the guidelines set forth in the Governmental Accounting and Auditing Financial Review (GAAFR) and under the standards currently being set by the Governmental Accounting Standards Board (GASB). Interim activity reports will be made available to City Council and management. Financial systems will be maintained to monitor expenditures and revenues on a monthly basis with a thorough analysis at the end of each quarter. Budgets for all funds are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP). Annual appropriated budgets are adopted for all funds. Appropriations may remain open for 180 days subsequent to year-end unless related to a multi-year capital project.

The City will strive to maintain accounting policies and practices in the preparation of its annual financial report. The report will be presented to the Government Finance Officers Association (GFOA) for review of qualifications that meet those necessary to obtain the Certificate of Achievement for Excellence in Financial Reporting. The City will also submit its annual budget to GFOA for review of qualifications that meet those necessary to obtain the Distinguished Budget Presentation Award.

Revenue Objectives

The City will strive to operate a revenue system that is simple and reliable so that assurances can be provided that the revenue base will materialize according to budget planning. Consistent monitoring and collection policies will be maintained to insure the integrity of the revenue system. The City will periodically review its fee structure to ensure that revenue collections are adequate to meet corresponding expenditures (cost-of-service concept).

The Enterprise Funds and Internal Service Funds engage in transactions with other funds of the City. All services rendered by these two funds for other funds of the City should be billed at predetermined rates and all services received by these funds from other funds should be paid on the same basis that other users are charged.

The Enterprise Fund will pay a franchise fee based on the same rationale as used with the electric, gas and telephone companies. A franchise fee is paid to compensate the City for street and alley usage. Payment-in-lieu-of-taxes (P-I-L-O-T) will be charged to offset the ad valorem taxes lost due to the non-profit status of the fund. This P-I-L-O-T is computed by applying the property tax rate to the book value of the fund's assets since there is no market value. Administrative costs will be charged for services of general overhead, such as administration, finance, customer billing, personnel, data processing, legal counsel, and other costs as appropriate. The charges will be determined through an indirect cost allocation following accepted practices and procedures.

Expenditure Issues

Expenditures will be made in accordance with the City Charter, budget ordinance and City & State purchasing guidelines.

Budget Concepts & Multi-Year Planning

The budget process is part of a multi-year plan including multi-year financial objectives. Objectives for the General Governmental Funds are to: 1.) Formulate future budgets so that no use of fund balance will be required in the final operating results. 2) Provide sufficient funds to maintain the City's streets in terms of pavement structure, rideability and appearance. 3.) Provide, from operating revenues, funding for new major capital improvement projects consistent with the future capital projects plan. 4.) To follow a pay-as-you-go capital financing strategy. Objectives for the Enterprise Funds are to: 1.) Maintain a self-sufficient fund so as to avoid General Fund subsidies. 2.) Provide, from operating revenues, funding for new capital projects consistent with a long-range capital projects plan. 3.) Provide, from current operating revenues, reinvestment in the existing water and sewer system (target level of funding is equal to the annual depreciation in the fund). 4.) Provide for water and sewer rate increases when necessary to cover costs increases to the City.

Fund Balance/Operating Position Concepts

In the General Fund, the City will strive to maintain an unassigned fund balance to be used for unanticipated emergencies within a target range of approximately 15% (low-end) and 20% (high-end) of the actual GAAP basis expenditures and other financing sources and uses. A net current assets balance of \$2.0 million is targeted for the Water & Sewer Fund, which is equivalent to approximately 45 days-worth of working capital. "Net current assets" is an amount derived by subtracting current liabilities from current assets. This amount is the best approximation in an enterprise type fund of spendable resources, which are available for appropriation. These monies will be used to avoid cash-flow interruptions, generate interest income, reduce the need for short-term borrowing, and assist in maintaining an investment-grade rating. Each fund may borrow internally from other funds to provide for cash flow requirements. These loans will be on a short-term basis. Funds of the City will not be operated on a deficit basis.

A balanced budget is an adopted operating budget whereby revenues equal or exceed expenditures and no use of fund balance is required in the final operating results.

Capital Infrastructure and Fixed Asset Financing Strategy

The City will strive to direct revenue growth towards reinvestment in capital infrastructure and fixed assets. This use of operating revenues offers flexibility to the City in using a pay-as-you-go cash financing strategy. The advantages of this flexibility include allowing capital projects to be added if additions to fund balance increase or deferred if economic conditions change. The cash financing strategy also allows projects to be changed and/or substituted from year-to-year.

Fixed asset funding is provided through appropriate transfers from operating departments to an internal Fixed Asset Fund. The goal is to provide an internal financing mechanism to finance the replacement of equipment at the operationally optimum time. The timing of fixed asset purchases may coincide with the fiscal year in which transfers are made from the operating departments. However, expensive or infrequent purchases may be paid for over several fiscal years thereby avoiding a peak in the department's budget for fixed assets. The "installment" payments become an assigned part of the Fixed Asset Fund balance until the purchase actually occurs. For financial reporting purposes, the Fixed Asset Fund is consolidated with the actual operating fund into one summarized fund.

Debt/Capital Planning Criteria

Historically, the City has followed a pay-as-you-go financing concept to set aside funding for major capital projects. This has resulted in low overall debt levels and no debt in the Water & Sewer Fund. Occasionally, bonds are issued to take advantage of unique circumstances (i.e., low interest rates, multijurisdictional consolidation opportunities, etc.). Whenever possible, the City will use special assessment revenue or other self-supporting bonds instead of general obligation bonds so that those benefiting from the improvements will bear all or part of the cost of the project financed. Optional redemption features will be considered for all bond issues depending upon market conditions and/or the needs of the City. Complex derivative-based

strategies such as “swaps” are not authorized. The City will annually review all debt issues for arbitrage rebate filing, investment and compliance requirements.

When applicable, the City shall review its outstanding debt annually for the purpose of determining if the financial marketplace will afford the City the opportunity to refund an issue and lessen its debt service costs. In order to consider the possible refunding of an issue, a “present value” savings of three percent over the life of the respective issue, at a minimum, must be attainable.

The City will maintain good communications with bond rating agencies regarding its financial condition. The City will follow a policy of full disclosure on every financial report and borrowing prospectus. The City will strive to limit general obligation annual debt service requirements to 20% of general governmental expenditures. Revenue bond coverage (Water & Sewer) shall be maintained at a minimum of 1.5% or as stipulated by bond covenants. Bonds should generally be sold on a competitive basis.

Long-term debt shall not be used for operating purposes. The life of bonds shall not exceed the useful life of the projects.

The City will strive to maintain a bond rating of at least an “AA” for General Obligation debt and a rating of “A1” for any future Water & Sewer Revenue debt. Credit enhancement products such as bond insurance are generally not cost effective at this strength of bond rating.

The City Charter of the City of Farmers Branch, Texas, does not provide a debt limit. Under the provision of State law (Article XI, Section 5, of the State of Texas Constitution), the maximum tax rate is limited to \$2.50 per \$100 assessed valuation. The maximum annual debt service amount that could be supported by this maximum tax rate in 2020-21 is approximately \$123.5 million based on the appraisal districts original Certified Estimate of Value (July 2020) and \$156.3 million based on the Certified Roll (August 2020). The City’s tax rate is currently \$0.589000 per \$100 of assessed valuation. This current tax rate supports general governmental operations and approximately \$4.5 million in annual debt service.

Dividend Plan

On February 3, 1997, the City Council approved a plan to annually review and analyze the fiscal condition of the City’s General Fund and establish a framework for declaring a dividend. The dividend plan has been used effectively in good economic times and has helped the City maintain financial stability and strength.

The criteria for declaring a dividend include meeting the following:

1. An audit for the prior fiscal year has been completed that details unassigned General Fund fund balances.
2. The City’s fund balance reserve requirement has been met.
3. All multi-year financial objectives are met.
4. The pay-as-you-go capital plan is appropriately funded.
5. Liabilities have been reviewed for appropriate funding.
6. Needs or opportunities that arise after the adoption of the current budget are considered.
7. The prior year addition to the General Fund fund balance remaining after the above criteria have been met would be available for dividend distribution consideration.
8. Dividends will be paid to taxpayers on an equitable basis.

The adopted budget may be amended during the year if the criteria noted above is evaluated and met in order to provide for a dividend.

Cash and Investment Management Concepts

The City shall manage and invest its cash in accordance with City Investment Policy guidelines and State law. The City shall maintain a comprehensive cash management program that includes collection of accounts receivable, vendor payment in accordance with invoice terms, and prudent investment of available cash.

Interest earned from investment of available funds, whether pooled or not, shall be distributed to the funds from which monies were provided to be invested.

Compensation Practice Philosophy

The basic philosophy of Farmers Branch is to provide an equitable compensation program for all employees. The basic concept of the pay system is that job responsibility and job performance will be the key determinants of an employee's salary.

The purpose of the City's performance-based pay system is to attract, retain and motivate employees through the payment of financial compensation that is commensurate with the individuals' ability, responsibility and contribution toward the City's goals. The program is concerned with providing a compensation framework to inspire the development and progress of each employee. It is further designed to recognize and reward outstanding performance and achieve internally equitable and externally competitive compensation.

In order to keep the City's compensation system current, a mini-compensation survey will be conducted annually using key employee positions as benchmarks in order to determine if the pay structure is still competitive. Additionally, an annual North Central Texas Council of Governments (NCTCOG) survey is available in June of each year and will be used to review planned merit-based pay increases for the upcoming fiscal year within the region. A full independent compensation study was completed in fiscal year 2015-16 for implementation in 2016-17. As a result of this study, the City Council adopted a 105% of average starting salary philosophy to be used in determining pay structures for all employees. Further studies are anticipated every five years.

Texas Municipal Retirement System

In 2011, the City Council authorized the creation of, and appointed members to, an Employee Retirement Benefits Committee for the purpose of researching and reviewing various options available under Federal and/or State law regarding the provision of employee retirement benefits. In March 2012, the committee submitted a final report of findings, which was received by the City Council on April 3, 2012, consisting of the following:

1. That the City continue to participate in the TMRS versus alternative options.
2. That no immediate action be taken at this time with respect to matching ratio options, cost-of-living adjustment options, or updated service credit options.
3. That immediate action should be taken if any one or more of the following events occur: a) if the funded ratio of the TMRS obligation drops below 80%; b) if, in any three year period, there is a consecutive decline in the funded ratio of the TMRS obligation signaling a negative trend or missed assumptions in the actuarial calculation that predicts a 100% funded TMRS obligation over 27 years (2038); c) if the City of Farmers Branch/taxpayer General Fund contribution to the TMRS exceeds 12% of the General Fund budget.
4. Should one or any combination of the above described events occur, an immediate reduction in the updated service credit options should be taken that is commensurate with correcting the associated event.
5. Should reducing the updated service credit options to the lowest allowed percentage not be sufficient to correct the associated event, additional action should be taken to reduce the cost-of-living options to correct the associated event.
6. Once an associated event is deemed to have been corrected, any reduction to cost-of-living options and/or updated service credits should revert back to the level prior to the reduction.

Risk Management

The City will aggressively pursue every opportunity to provide for the public's and City employee's safety and to manage its risks. The goal shall be to minimize the risk of loss or resources through liability claims with an emphasis on safety programs. All reasonable options will be investigated to finance risks. Such options may include risk transfer, insurance and risk retention. Where risk is retained, reserves will be established based upon actuarial determinations and will not be used for purposes other than for financing losses.

Bond Rating Information

The City maintains favorable ratings from bond rating agencies. The ratings are as follows:

	Moody's Investors Service	Date Confirmed	Fitch Ratings	Date Confirmed	Standard & Poor's	Date Confirmed
General obligation bonds						
2009 Combination tax and revenue, taxable	n/a	n/a	AA+	August 31, 2020	AA+	September 3, 2020
2011 General obligation refunding bonds, taxable	Aa2	April 28, 2020	AA+	August 31, 2020	AA+	September 3, 2020
2012 Certificates of obligation (bank issued)	n/a	n/a	n/a	n/a	n/a	n/a
2013 Certificates of obligation	Aa2	April 28, 2020	AA+	August 31, 2020	AA+	September 3, 2020
2014 Certificates of obligation	n/a	n/a	AA+	August 31, 2020	AA+	September 3, 2020
2014 General obligation	n/a	n/a	AA+	August 31, 2020	AA+	September 3, 2020
2016 Certificates of obligation	n/a	n/a	AA+	August 31, 2020	AA+	September 3, 2020
2018 Certificates of obligation	n/a	n/a	AA+	August 31, 2020	AA+	September 3, 2020
2018 General obligation	n/a	n/a	AA+	August 31, 2020	AA+	September 3, 2020
2020 General obligation refunding bonds	Aa2	April 28, 2020	AA+	August 31, 2020	AA+	September 3, 2020
2020 General obligation improvement bonds	Aa2	April 28, 2020	AA+	August 31, 2020	AA+	September 3, 2020

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

Farmers Branch's accounting and financial reporting system follows the principles established by the Governmental Accounting Standards Board (GASB). An annual audit of the City's financial system is performed by an independent public accounting firm with the subsequent issuance of a comprehensive annual financial report.

The accounts of the City are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts, which comprise its assets, liabilities, fund balance/retained earnings, revenues, and expenses/expenditures.

Measurement focus refers to what is being measured and basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. Debt service expenditures and expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

Property, franchise, sales and hotel occupancy taxes, and investment income (including unrealized gains and losses) are all considered to be susceptible to accrual and so are recognized as revenues of the current fiscal period. The portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City's Proprietary Fund Types are accounted for on a cost-of-service or "capital maintenance" measurement focus, using the accrual basis of accounting, under which revenues are recognized when earned and expenses are recognized when the related liabilities are incurred.

The budgetary basis of accounting follows the Generally Accepted Accounting Practices (GAAP) basis of accounting with the following exceptions: Annual operating budgets are prepared on a budgetary basis of accounting for all governmental funds, whereby year-end encumbrances are recognized as expenditures in the current year budget. Capital projects funds are budgeted over the life of the respective project and not on an annual basis. Proprietary funds are budgeted using an accrual basis, except for capital expenses, depreciation and debt service payments, which are budgeted on a cash basis. Unexpended appropriations for budgeted funds lapse at fiscal year-end. Encumbrance accounting is used for all funds.

FUNDS OVERVIEW

The basic building block of governmental finance and budgeting is the “fund.” Each fund is independent of all others and is created to account for the receipt and use of specific revenues. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances/retained earnings, revenues, and expenditures/expenses. The City exercises budgetary control over governmental and proprietary fund types. A description of each fund and fund type follows:

Governmental Fund Types:

General Fund - The General Fund is the main operating fund of the City. The fund is used to account for the current day-to-day operations of the City, which are financed from property taxes and other general revenues, and all financial resources not accounted for in other funds. Activities financed by the General Fund include those of all line and staff departments within the City, except for such activities financed for in the Proprietary and Special Revenue Funds.

Fixed Asset Fund (General) - Appropriate transfers are made to this fund from operating General Fund department budgets to finance fixed asset replacement(s). For comprehensive annual financial reporting purposes, the Fixed Asset Fund is consolidated into one summarized General Fund.

Economic Development Fund - Used to stimulate economic growth and stability in the community by assisting homeowner's and private employers who are located, or plan to locate, or substantially expand operations in the City. The fund invests in projects that support the development of the economy and the building of community capacity and finances projects and programs that create and/or retain jobs, improve the local and/or regional tax base, or otherwise enhance the quality of life in the community. For comprehensive annual financial reporting purposes, the Economic Development Fund is consolidated into one summarized General Fund.

Special Revenue Funds - The Special Revenue Funds account for the accumulation and disbursement of restricted resources other than debt service or capital projects. Special Revenue Funds consist of the following funds:

Hotel/Motel Fund – Used to account for the accumulation of resources from the Hotel/Motel Tax assessment levied by the City. These monies are to be spent to promote the progress, development or growth of the City within the guidelines set forth on disposition of revenues collected under the authority of the Texas Hotel Occupancy Tax Act. The hotel occupancy tax rate for the City's hotels is 7%.

Fixed Asset Fund (Hotel/Motel) - Appropriate transfers are made to this fund from operating Hotel/Motel Fund department budgets to finance fixed asset replacement. For comprehensive annual financial reporting purposes, the Fixed Asset Fund is consolidated into one summarized Hotel/Motel Fund.

Police Forfeiture Fund(s) – Used to account for proceeds from the sale of assets seized in connection with drug arrests. Revenues are restricted to law enforcement expenditures.

Donations Fund – Used to account for voluntary contributions for community improvement.

Local Truancy Prevention Fund – Used to account for certain proceeds from ticket fees, which must be used to finance the salary, benefits, training (etc.) relating to a juvenile case manager employed under Article 45.056, Code of Criminal Procedure.

Youth Scholarship Fund – Used to account for voluntary contributions for youth scholarships that allow resident youths to access non-City sponsored programs.

Grants Fund – Used to account for grant related programs.

Building Security Fund – Used to account for certain proceeds from ticket fees, which must be used for building security purposes.

Court Technology Fund – Used to account for certain proceeds from ticket fees, which must be used for technological enhancements.

Municipal Jury Fund – Fund required by Code of Criminal Procedures to fund juror reimbursements and otherwise finance jury services.

Landfill Closure/Post-Closure Fund – Used to account for resources needed for future landfill final closure and post-closure costs.

Cemetery Fund – Used to account for grounds maintenance of Keenan Cemetery.

Photographic Light System Fund – Used to account for red light enforcement revenues and expenditures. *[Note: Fund closed due to legislation in June 2019.]*

PEG Access Channel Fund – Used to account for PEG (Public, Educational, Governmental) access channel capital support. Funding source is 1% of cable franchisees' gross revenue.

Joint Fire Training Facility Fund – Used to account for the operating revenues and expenditures of the Joint Fire Training facility.

TIRZ District #3 Fund – Used to account for the operating revenues and expenditures of the Tax Increment Reinvestment Zone (TIRZ) District No. 3.

Residential Revitalization Bond Fund – Used to finance the City's programs for economic development for single-family residential redevelopment and revitalization in the City.

Debt Service Funds - The Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Capital Projects Funds - The Capital Projects Funds account for financial resources to be used for the acquisition or construction of major capital assets and facilities by the City. These funds are budgeted on a multi-year basis as the project expenditures normally cross over fiscal years. The following is a description of the City's Capital Projects Funds:

Non-Bond Capital Improvement Program (CIP) Fund – Used to account for the financing and construction of major capital facilities by the City, except for those financed by general obligation bonds or by the Water & Sewer Fund. Funded primarily by operating transfers from the General Fund.

Hotel/Motel CIP Fund – Used to account for the financing and construction of historical park improvements. Funded by Hotel/Motel tax revenues.

Tax Increment Finance District #1 Fund – Used to account for infrastructure construction in the Mercer Crossing tax increment financing (TIF) district. Funded by developers' contributions and advances and incremental property tax payments.

Tax Increment Finance District #2 Fund – Used to account for infrastructure construction in the Old Farmers Branch tax increment financing (TIF) district. Funded by developers' contributions and advances and incremental property tax payments.

Street Improvement Bond Fund - Used to pay for street projects pursuant to a bond election held May 10, 2014.

Fire Station #2 Relocation/Landfill Bond Fund – Used to account for the relocation and construction of a new fire station including land acquisition, design and construction. The current Fire Station #2 will be relocated from 3940 Spring Valley Road to a more centralized City-owned property to improve fire and emergency medical service delivery. Planned funding for the bonds will be by certificates of obligation.

Trail Improvements Bond Fund – Used to improve the availability and quality of sidewalks in the central part of the City and to further implement the John F. Burke Nature Preserve Master Plan.

Pike Street Bond Fund – Used to fund improvements for the betterment of Pike Street in and around the Dallas Area Rapid Transit station.

Proprietary Fund Types:

Enterprise Funds - The Enterprise Funds are used to account for water and sewer utility operations that are financed and operated in a manner similar to private business enterprises. The intent of the City is that the costs of providing utility services to the general public on a continuing basis be financed or recovered primarily through user charges (utility bills). For comprehensive annual financial reporting purposes, the following Enterprise Funds are reported as either Water and Sewer or Stormwater Utility Enterprise Funds, as appropriate.

Water & Sewer Fund – Used to account for the current day-to-day utility operations of the City, which are financed from utility user charges.

Stormwater Utility Fund – Used to account for the current day-to-day stormwater utility operations of the City, which are financed from a stormwater utility fee.

Non-Bond Utility Fund – Used to account for the financing and construction of major water and sewer distribution and storage facilities by the City. Funded primarily by transfers from the Water & Sewer Fund.

Stormwater CIP Fund – Used to account for drainage improvements and creek maintenance. Funded primarily by transfers from the General and stormwater utility fees.

Fixed Asset Funds (Water & Sewer and Stormwater Utility) - Appropriate transfers are made to these funds from operating Enterprise Fund department budgets to finance fixed asset replacement(s).

Internal Service Funds - The Internal Service Funds account for the financing services provided by one department to other departments of the City on a cost reimbursement basis. The following is a description of the City's Internal Service Funds:

Fleet & Facilities Management Fund – Used to account for materials and supplies provided exclusively to other funds and departments of the City.

Workers' Compensation Fund – Used to account for the City's workers' compensation self-insurance program.

Fixed Asset Fund (Internal Service) - Appropriate transfers are made to this fund from operating Internal Service Fund department budgets to finance fixed asset replacement(s).

Health Claims Fund – Used to account for group health insurance for employees and their immediate families.

Operational Structure

Each operational fund is comprised of departments, which are major organizational units of the City, and each department has overall management responsibility for one or more divisions. A summary description stating key processes, strategic initiatives, total full-time equivalent (FTE) position counts, key positions, and a brief summary descriptive of programs/function is presented for all departments.

Expenditure summaries list the subtotal expenditures/expenses by department and division for categories such as personal services/benefits, supplies, repairs and maintenance, and capital outlay. Operational units by fund are listed following this section.

Expenditure Summaries - General Fund expenditures can be summarized in several ways, each providing information with a different focus. Several summaries are presented in the General Fund section of the budget:

Summary by Department - Shows who in the City organizational chart is most directly responsible for control and management of the various activities.

Summary by Function - Shows the purpose of each City activity in categories specified by State reporting requirements. Grouping activities in the functional areas of general government, public works, public safety, culture and parks, and special expenditures allows for comparisons with other local governments in the State.

Summary by Type of Expenditure - Shows how the City plans to accomplish its strategic initiatives and/or goals and objectives in the categories of personal services/benefits, purchased professional and technical services, supplies, repairs and maintenance, services, production and disposal, contracts, Christmas activities, other objects, special incentive, and transfers to other funds.

GENERAL FUND

GENERAL GOVERNMENT

GENERAL GOVERNMENT

General Government
General Contracts
Legal
Non-Departmental

GENERAL ADMINISTRATION

COMMUNICATIONS

ECONOMIC DEVELOPMENT & TOURISM

HUMAN RESOURCES

FINANCE

Finance Administration
Accounting
Purchasing
Municipal Court

INNOVATION & TECHNOLOGY

COMMUNITY SERVICES & PLANNING

Planning
Community Services Admin
Building Inspection

PUBLIC WORKS

PUBLIC WORKS

Public Works Administration
Street Maintenance

SUSTAINABILITY &
PUBLIC HEALTH

Sustainability & Solid Waste
Collection

Animal Services

Environmental Services

PUBLIC SAFETY

POLICE

Police Administration
Police Investigations
Police Patrol
Police Detention
Police Communications
Police Training

FIRE

Fire Administration
Fire Prevention
Fire Operations

CULTURE & RECREATION

PARKS & RECREATION

Parks & Recreation Admin
Park Maintenance
Recreation
Aquatics Center
Senior Center
Park Board
Senior Advisory Board
Events

LIBRARY

ENTERPRISE FUND

PUBLIC WORKS

PUBLIC WORKS

Water & Sewer Administration
Water & Sewer Operations
Stormwater Utilities

INTERNAL SERVICE FUNDS

INTERNAL SERVICES

FLEET & FACILITIES
MANAGEMENT

Facilities Management
Fleet Management

WCF

WORKERS'
COMPENSATION
FUND

HCF

HEALTH
CLAIMS
FUND

HOTEL/MOTEL FUND

CULTURE & RECREATION

PARKS & RECREATION
Historical Preservation

ECONOMIC DEVELOPMENT
& TOURISM

Promotion of Tourism
Convention Center

ADOPTED BUDGET 2020-21
CONSOLIDATED SUMMARY OF REVENUES AND EXPENDITURES
for Operating Funds & Capital Project Funds

	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21
ESTIMATED BEGINNING BALANCES	\$ 63,104,812	\$ 38,960,729	\$ 61,925,334	\$ 45,369,704
REVENUES				
Ad valorem taxes	31,975,934	35,986,100	35,896,100	37,192,200
Non-property taxes	20,525,698	20,690,000	19,445,000	17,970,000
Franchise fees	4,132,975	3,880,000	4,300,000	4,260,000
Licenses & permits	3,712,038	2,834,000	2,705,100	2,863,000
Intergovernmental	510,454	241,087	3,186,490	475,700
Charges for service	34,445,987	34,966,400	35,859,800	35,427,900
Fines and forfeits	2,787,241	1,909,000	1,767,400	1,946,200
Interest and other	13,371,710	5,395,718	20,777,814	6,091,811
TOTAL REVENUES	111,462,037	105,902,305	123,937,704	106,226,811
TRANSFERS FROM OTHER FUNDS	8,336,646	8,140,000	9,462,500	15,815,000
TOTAL REVENUES AND TRANSFERS	119,798,683	114,042,305	133,400,204	122,041,811
TOTAL AVAILABLE RESOURCES	182,903,495	153,003,034	195,325,538	167,411,515
EXPENDITURES				
General government	13,354,958	15,505,300	21,136,790	16,060,100
Public safety	26,765,031	29,498,099	29,840,900	29,803,800
Public works	9,546,070	11,189,160	11,157,100	11,477,900
Culture and recreation	11,843,541	13,148,800	12,377,900	15,396,000
Economic development	2,221,106	1,604,500	5,164,500	3,800,000
Utilities	15,403,024	18,926,500	17,528,400	15,315,300
Capital projects	19,737,798	17,735,645	34,911,444	25,398,868
Debt service	9,141,595	6,052,700	6,363,300	6,333,200
Tourism/historical preservation	1,903,671	2,373,100	2,013,000	1,855,700
TOTAL EXPENDITURES	109,916,795	116,033,804	140,493,334	125,440,868
TRANSFERS TO OTHER FUNDS	8,336,646	8,140,000	9,462,500	15,815,000
TOTAL EXPENDITURES AND TRANSFERS	118,253,441	124,173,804	149,955,834	141,255,868
ADJUSTMENTS ⁽¹⁾	(2,724,720)			
CHANGE IN FUND BALANCE	(1,179,478)	(10,131,499)	(16,555,630)	(19,214,057)
ESTIMATED ENDING FUND BALANCES	\$ 61,925,334	\$ 28,829,230	\$ 45,369,704	\$ 26,155,647

Internal Service and Fixed Asset Funds are not included in this summary as they are funded by the operating funds.

⁽¹⁾ Actuals reflect reserves, designations and adjustments for encumbrances.

ADOPTED BUDGET 2020-21
COMBINED SUMMARY OF REVENUES AND EXPENDITURES

	OPERATING FUNDS						TOTAL OPERATING & CAPITAL PROJECT FUNDS
	GENERAL FUND (1)	ENTERPRISE FUNDS	HOTEL/MOTEL FUND	DEBT SERVICE FUNDS	SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUNDS	
ESTIMATED BEGINNING BALANCES	\$ 14,275,879	\$ 8,946,591	\$ 1,301,078	\$ 2,606,217	\$ 5,556,656	\$ 12,683,283	\$ 45,369,704
REVENUES							
Ad valorem taxes	32,630,000			4,562,200			37,192,200
Non-property taxes	16,410,000		1,560,000				17,970,000
Franchise fees	4,200,000				60,000		4,260,000
Licenses & permits	2,863,000						2,863,000
Intergovernmental					475,700		475,700
Charges for service	7,169,000	27,034,200	42,500	1,181,000	1,200		35,427,900
Fines & forfeitures	1,823,000				123,200		1,946,200
Interest & other	2,965,500	52,500	26,500	600,000	1,174,900	1,272,411	6,091,811
TOTAL REVENUES	68,060,500	27,086,700	1,629,000	6,343,200	1,835,000	1,272,411	106,226,811
TRANSFERS FROM OTHER FUNDS	1,000,000	500,000			300,000	14,015,000	15,815,000
TOTAL REVENUES AND TRANSFERS	69,060,500	27,586,700	1,629,000	6,343,200	2,135,000	15,287,411	122,041,811
TOTAL AVAILABLE RESOURCES	83,336,379	36,533,291	2,930,078	8,949,417	7,691,656	27,970,694	167,411,515
EXPENDITURES							
General government	15,184,700				875,400		16,060,100
Public safety	28,723,700				1,080,100		29,803,800
Public works	10,504,600				973,300		11,477,900
Culture & recreation	15,375,600				20,400		15,396,000
Economic development	2,350,000				1,450,000		3,800,000
Utilities		15,315,300					15,315,300
Capital projects						25,398,868	25,398,868
Debt service				6,333,200			6,333,200
Tourism/historical preservation			1,854,300		1,400		1,855,700
TOTAL EXPENDITURES	72,138,600	15,315,300	1,854,300	6,333,200	4,400,600	25,398,868	125,440,868
TRANSFERS TO OTHER FUNDS	(983,200)	16,210,200	288,000		300,000		15,815,000
TOTAL EXPENDITURES AND TRANSFERS	71,155,400	31,525,500	2,142,300	6,333,200	4,700,600	25,398,868	141,255,868
CHANGE IN FUND BALANCE	(2,094,900)	(3,938,800)	(513,300)	10,000	(2,565,600)	(10,111,457)	(19,214,057)
ESTIMATED ENDING FUND BALANCES	\$ 12,180,979	\$ 5,007,791	\$ 787,778	\$ 2,616,217	\$ 2,991,056	\$ 2,571,826	\$ 26,155,647

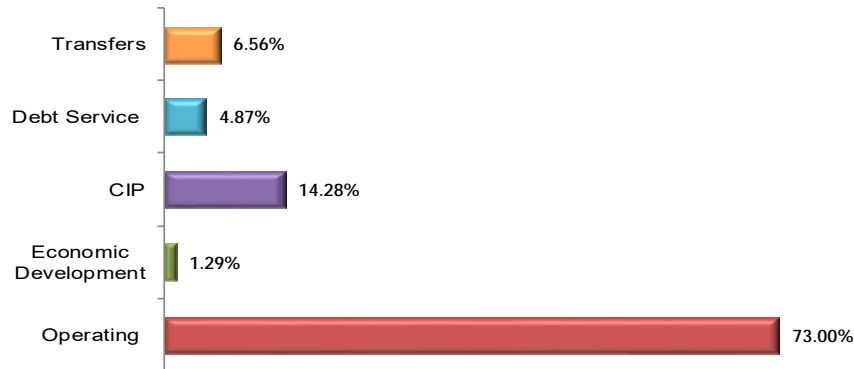
Internal Service and Fixed Asset Funds are not included in this summary as they are funded by the operating funds

(1) Includes Economic Development Fund.

Combined Funds Overview

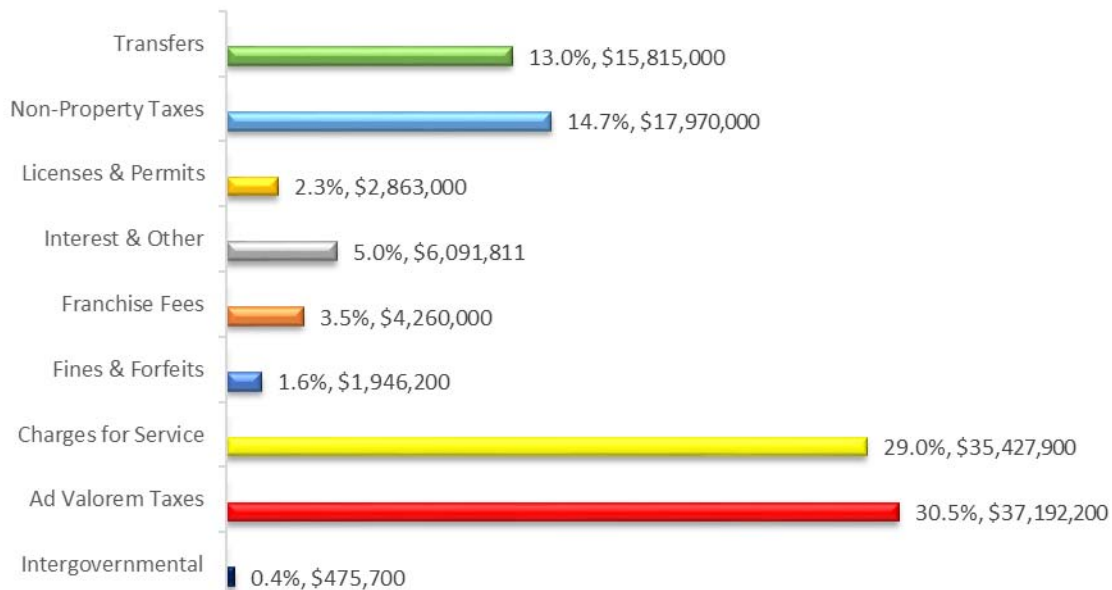
The total adopted budget for all funds for fiscal year 2020-21 is \$141,255,868, which represents a -5.80% decrease from the previous year's amended budget and a 13.76% increase from the previous year's adopted budget. Operating expenditures for the General Fund, Enterprise Funds, Hotel/Motel Fund, and Special Revenue Funds account for \$89,908,800 or 63.65% of the total budget. Economic Development Fund expenditures totaled \$3,800,000 or 2.69%, Capital Improvement Program expenditures total \$25,398,868 and represent 17.98% of the total budget. Expenditures for Debt Service total \$6,333,200 and represent 4.48% of the total budget. Expenditures for Transfers to Other Funds total \$15,815,000 and represent 11.20% of the total budget. Overall, expenditures are higher than revenues due to capital funds received in prior years.

TOTAL ADOPTED BUDGET

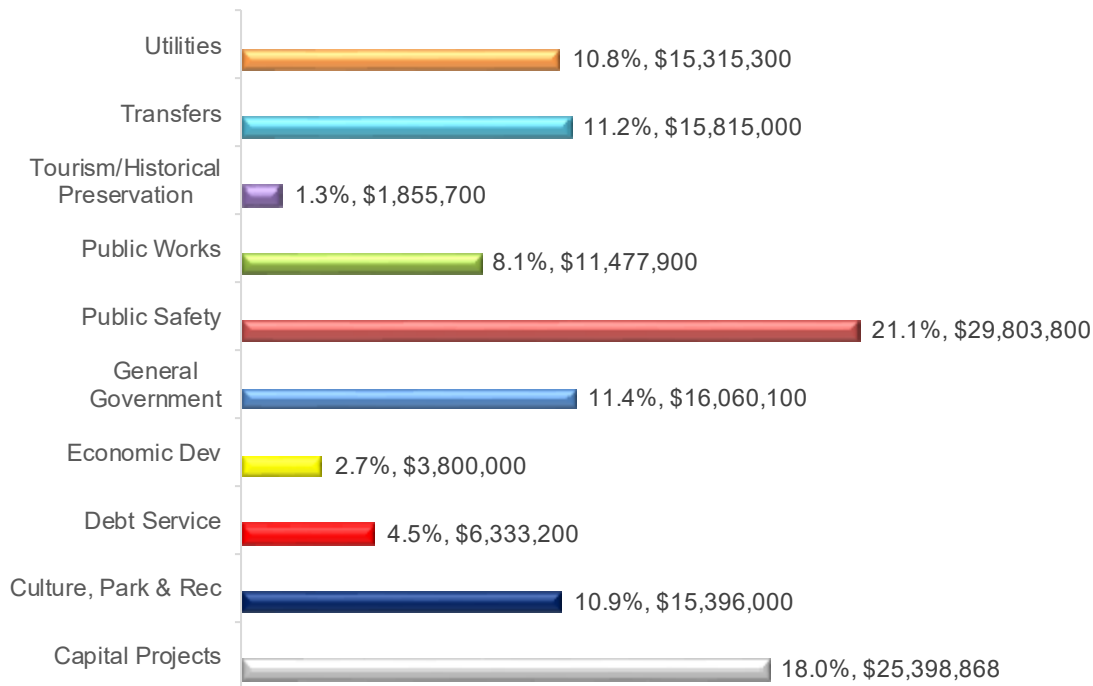


The following graphs illustrate the revenue and expenditure distributions from all funds combined for the total adopted budget.

Revenue Distribution All Funds \$122,041,811



Expenditure Distribution All Funds \$141,255,868



For the past few state legislative sessions, bills have been introduced to reduce or cap the growth of local government revenues and/or expenditures. These bills have the potential to significantly impact the ability to meet the City's demands of growth and still maintain the high service levels expected by our residents. The City Council has adopted a position strongly against state control of local finances. On April 19, 2019, the full Texas Senate approved the passage of Senate Bill 2, the Property Tax Reform & Relief Act of 2019. Among other things, the bill lowered the rollback rate, now called the "voter-approval" from 8% to 3.5% for cities based on the property valuations certified in 2020. The City will continue to monitor the implementation of Senate Bill 2 and other legislation that would adversely impact the ability of elected officials to control finances.

In 2020, the Texas Comptroller of Public Accounts issued a rule change 3.334 that impacts which city that sales could be sourced, resulting in a possible diversion of sales tax revenue away from the City. The changes in the rule were intentionally scheduled to go into effect on October 1, 2021, providing the Texas Legislature an opportunity to amend or even eliminate the new rules. Due to the uncertainty surrounding these rule changes, and the fact they will not become effective until FY 2021-22, the budget is presented without any changes to sales tax revenue as a result of the rule change.

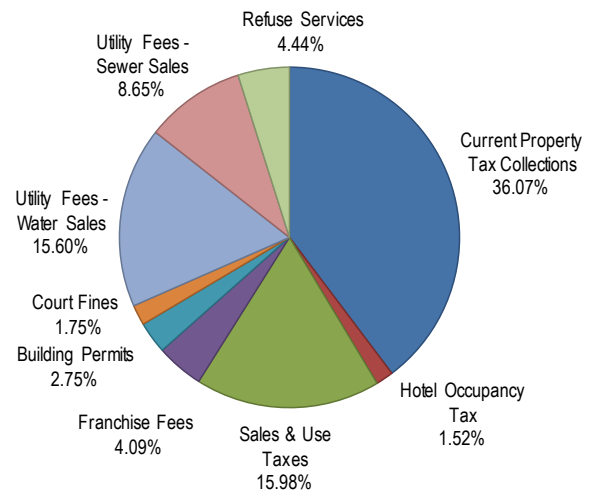
MAJOR REVENUE SOURCES

The revenue sources described in this section account for approximately \$93.3 million or 90.85% of the City's operating revenues (excludes bond proceeds, capital projects and interfund transfers/charges).

Property (Ad Valorem) Taxes

Property tax is the City's largest single source of revenue and commonly refers to the property tax on real and personal property. For property owners, this is the most noticeable of all City revenues. This tax is used because a majority of services provided by the City are in the interest of public good and are not divisible or chargeable as a service to individual persons.

During 2020, the Coronavirus pandemic and resulting economic downturn caused a record number of property value appeals at a time when Shelter-in-Place orders and other work restrictions reduced the ability of each county's Central Appraisal District (CAD) to process these appeals. As a result, each CAD was unable to meet the threshold of 10% or less property under protest for a "Certified Roll" and instead provided the City with a "Certified Estimate" that has no limit regarding the percentage of property under protest. To calculate the no-new-revenue and voter-approval-rates for Tax Year 2020, the City must use the value the property owner included in their appeal. This resulted in a substantial decrease in the estimated taxable assessed value for the City.



The City of Farmers Branch must base its ad valorem tax rate on the certified roll provided by the Dallas Central Appraisal District. Thus, the only variables set by the City are the collection and tax rates. The City's collection rate is set at 99% based on a historically high collection rate.

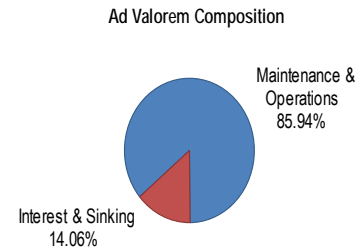
Values: The City of Farmers Branch contracts with the Dallas Central Appraisal District (DCAD) to appraise property values within the City. DCAD is required by State law to repeat the appraisal process for property at least once every three years. DCAD's policy is to appraise approximately one-third business personal property, commercial real property and residential real property each year. Residential and commercial real property includes land and buildings. Business personal property is defined by the tax code as any business property that is not real property. This type of property could include furniture, computer systems, vehicles, etc. Properties are appraised as of January 1 each year. This appraised value is used as the basis for tax billing the following October 1.

To save time and money, the appraisal district uses mass appraisal to appraise large numbers of properties. In a mass appraisal, the appraisal district first collects detailed descriptions of each taxable property in the district. It then classifies properties according to a variety of factors, such as size, use, and construction type. Using data from recent property sales, the district appraises the value of typical properties in each class. Considering differences such as age, location, etc., the district uses typical property values to appraise all properties within a given class.

DCAD contracts with the University of Texas at Dallas to conduct a residential appraisal study. This study compares market value (sales) data to appraised value by neighborhood using a statistical model to determine value in neighborhoods that did not have a recent sale. The resulting property values are then adjusted based on a conditions index that is determined by DCAD during neighborhood inspection. Improvements to a home such as a new roof or a kitchen remodel may affect the overall conditions index. New construction such as a pool or a home addition would immediately affect the appraised value of a home whether or not the home is in an area targeted for appraisal.

Tax Rate & Revenues: The City's tax rate consists of two components: Maintenance & Operations and Interest & Sinking. The Maintenance & Operations part of the tax rate funds General Fund operations and is shown in the General Fund budget as property tax revenue. The Interest & Sinking part of the tax rate funds debt service on General Obligation or Certificates of Obligation Bonds. These bonds are backed by the City's property tax base. The property tax revenue from the debt service part of the tax rate is shown in the Debt Service Fund budget as property tax revenue. The combined total of property tax revenues in the General and Debt Service Funds is called the City's tax levy.

The City's adopted tax rate of \$0.589000 per \$100 property value allocates 85.94% (\$0.506203) of property tax revenues to the General Fund and 14.06% (\$0.082797) to the Debt Service Fund for general obligation long-term debt. Any reduction to the tax rate must be from the General Fund, as the debt service rate cannot be reduced below the level necessary to fund the City's annual debt service. The City is permitted by Article XI, Section 5, of the State of Texas Constitution to levy taxes up to \$2.50 per \$100 of assessed valuation for general governmental services including the payment of principal and interest on general obligation long-term debt.



Property (ad valorem) taxes attach as an enforceable lien on property as of each January 1. The City's property tax is billed each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the City. Assessed values are established by the Dallas Central Appraisal District at 100% of the estimated market value and certified by the Appraisal Review Board. The Certified "Estimated" taxable value for the tax roll provided to the City in July 2020 is \$4,941,716,122. This amount is net of \$1,277,941,044 (representing 25.86% of taxable value) of agricultural, homestead, over-65, and disabled veteran exemptions. The Certified Estimated 2020 tax roll (2020-21 fiscal year) is -20.47% less than the 2019 (2019-20 fiscal year) Certified Roll. .

In late August 2020, the City received a Certified Tax Roll, with an assessed taxable value for the tax roll as of January 1, 2020 (upon which the fiscal year 2020-21 levy is based) of \$6,251,427,895. This amount is net of \$1,344,344,545 (representing 21.50% of taxable value) of agricultural, homestead, over-65, and disabled veteran exemptions. The 2020 Certified Tax Roll (2020-21 fiscal year) is 0.61% more than the 2019 (2019-20 fiscal year) Certified Tax Roll.

Taxes are due January 31 following the October 1 billing date and are considered delinquent after January 31 of each year. Based upon historical collection trends, current tax collections for the year ending September 30, 2021 are estimated to be approximately 99% of levy when including the minimum value for protested accounts and will generate \$37,052,200 in total revenues.

The City offers a 20% homestead exemption (but not less than \$5,000), an \$80,000 exemption for senior citizen homesteads, and a \$60,000 exemption for disabled persons' homesteads.

Sales Tax

In the January 3, 2020 issue of the Texas Register, the Texas Comptroller published proposed rule changes to amend the Texas Administrative Code (34 TAC §3.334) in order to implement a recent U.S. Supreme Court decision and two new state laws:

- South Dakota v. Wayfair, Inc., a June 2018 U.S. Supreme Court ruling finding "that states can mandate that businesses without a physical presence in a state with more than 200 transactions or \$100,000 in-state sales collect and remit sales taxes on transactions in the state." The ruling pertains to interstate - not intrastate - internet sales. (Federal Legislative Update on Post-Wayfair, AICPA, 2019))
- House Bill 1525 (86th Texas Legislature) by Rep. Burrows, regarding collecting tax on the sale of items through a market place.
- House Bill 2153 (86th Texas Legislature) by Rep. Burrows, regarding creating a single local use tax rate as an alternative for remote sellers.

Unfortunately, the Comptroller's proposed rule changes go beyond the regulatory implementation of the Wayfair decision and the new state law. Specifically, the proposed rule changes local sales tax sourcing from being origin-based to destination-based for internet transactions. In addition, the proposed rule severely limits sales tax rebates under Chapter 380 of the Texas Local Government Code. While the proposed rule allows a temporary grace period for existing agreements through December 31, 2022, the rule effectively places a restriction on a critical economic development tool and as a result may hurt the ability of cities to maintain a competitive edge in developing existing businesses and in attracting new business and projects to the community.

The effective date for amendments to 34 TAC § 3.334, affecting sales tax sourcing and allocation rules were intentionally scheduled to go into effect on October 1, 2021, providing the Texas Legislature an opportunity to amend or even eliminate the new rules. Due to the uncertainty surrounding these rule changes and the fact they will not become effective until fiscal year 2021-22, the 2020-21 budget does not include changes to sales tax revenue as a result of the rule changes.

The sales tax in Farmers Branch is 8.25% 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 Comptroller of Public Accounts on a monthly, or in some cases, quarterly basis. Of the 8.25% tax, the State retains 6.25% and distributes 1.0% to the City of Farmers Branch and 1.0% to the Dallas Area Rapid Transit (DART) mass transportation authority. The State Comptroller's office distributes tax proceeds to local entities within 40 days following the period for which the tax is collected by the businesses.

Another sales tax levied by the State is the mixed beverage tax, which is applied against all mixed drinks and packaged liquor sold in the City. Prior to January 1, 2014, all mixed beverage and private club permit holders were required to remit to the State Comptroller a 14% gross receipts tax on their mixed beverage sales each month. Effective January 1, 2014 the gross receipts tax was lowered to 6.7% and an 8.25% mixed beverage sales tax was added to the price of each mixed beverage sold. The City's share of the dollar revenues generated by the tax is 10.7143%.

For the year ending September 30, 2021, the City expects to receive \$16,410,000 in General Fund sales and use and mixed drink tax revenue. This amount represents a -5.74% decrease over the previous year's amended budget. Sales tax revenue can fluctuate greatly due to national, state and local economic conditions.

Franchise Fees

The City of Farmers Branch maintains franchise agreements with utilities that use the City's roadway right-of-ways to conduct their business. Besides defining the responsibilities of the utilities in maintaining their assets, the agreements contain a franchise fee clause that requires the utilities to compensate the City for the use of the right-of-ways. Generally, the fees are based upon a percentage of a utility's gross receipts (generated by customers located within the City's corporate limits), which range from 4% to 10%. The franchise agreement with Southwestern Bell Telephone established a different method for calculating the franchise fee. Under the agreement, the City receives a base annual fee in quarterly payments with a growth factor for subsequent years.

General Fund revenues from the natural gas, electric, telephone, cable television, and commercial garbage franchises are anticipated to total \$4,200,000 for the 2020-21 fiscal year, which represents a -0.94% decrease from the previous year's amended budget.

Refuse Services

The City of Farmers Branch owns a sanitary landfill site located in the City of Lewisville, Texas, which is managed and operated under the terms of a ten-year renewable contract. The City receives revenues under the contract based on an annual usage fee and a royalty fee, determined as a percentage of the facilities gross revenue generated by the volume of waste entering the facility.

Additionally, the City negotiated a ten-year contract for the creation and sale of vintage and future carbon credits derived from landfill activities as well as a contract for a landfill gas-to-energy project, whereby landfill gas is sold for the production of electricity.

Revenues for these activities are anticipated to total \$4,560,000 for the General Fund in the 2020-21 fiscal year, which represents a 10.68% increase from the previous year's amended budget. This increase in revenues is largely due to a state-approved expansion permit, which resulted in increased contract landfill royalties from 10% to 16%, and the closing announcement of a nearby private landfill. Plans are in place to direct a significant portion of the new revenue growth towards prepaying landfill closure/post-closure costs.

Building Permits

Building permit revenue is collected by the Community Services department for services related to construction activity. This revenue includes project permits that cover all parts of construction (electrical, plumbing and mechanical permits and certificate of occupancy fees), specific permits (fences, electric, plumbing, etc.) and service fees (inspections, re-inspections, special inspections, and other special services). Revenues for these activities are anticipated to total \$2,823,000 for the General Fund in the 2020-21 fiscal year, which represents a 5.92% increase from the previous year's amended budget. This increase is largely attributable to construction in the Mercer Crossing planned development area located on the City's west side. The City anticipates a slight increase in 2020-21 due to slowing of construction on the City's west side.

In fiscal year 2017, construction of the Mercer Crossing planned development on the City's west side began. The impact of this estimated \$1 billion value development will continue to be significant. Public improvements totaling \$33 million (financed with public improvement district bonds) are being constructed. As properties are developed and sold, it is anticipated that close to 10,000 new residents and many new businesses will continue to enter Farmers Branch creating new revenue and expanded needs for city services. This mixed-use development of 1,000 single-family homes, 2,250 apartment units, hotels, retail, office, and restaurants are planned for build-out within four years.

Court Fines

The City of Farmers Branch collects fines and fees on Class C Misdemeanor citations, including moving/non-moving traffic violations and State law/City ordinance violations. General Fund revenues for this activity are anticipated to total \$1,798,000 for the 2020-21 fiscal year, which represents a 10.10% increase from the previous year's amended budget. This increase in revenue is attributable to the implementation of a City Marshal Program, which is beginning to show improved court fine collections. Revenues are expected to remain stable over the next few years.

Utility Fees

The City of Farmers Branch charges fees for the provision of water and sewer services to residents and businesses located within the City. The City utilizes a comprehensive utility rate structure that is based upon charging minimum bills for customers, dependent upon meter size, with escalating tiered volume charges depending upon the demand each customer places upon the utility system. This structure allows the fund to equitably recover a greater portion of its fixed expenses through a relatively constant revenue stream.

Under these rates, each customer pays a minimum monthly bill depending upon their meter size. For example, a customer with a 3/4 inch standard size meter will pay \$21.99, which includes 2,000 gallons of water. At the other end of the scale, a customer with an 8 inch meter pays \$614.49, which also includes 2,000 gallons of water. Water in excess of 2,000 gallons is billed at \$6.01 per 1,000 gallons up to 10,000 gallons; \$6.73 per 1,000 gallons from 10,001-20,000 gallons; and \$7.01 per 1,000 gallons over 20,001 gallons consumption. Sewer charges are dependent upon the volume of water consumed and are structured similar to the water rates. The exception to this rule is for residential customers who cease paying sewer fees once water consumption exceeds 10,000 gallons. The combined monthly water and sewer bill for an average residential customer (6,000 gallons consumption) is \$81.50.

For the 2020-21 fiscal year, the City's Water & Sewer Fund anticipates receiving \$16,027,700 from water sales and \$8,884,100 from sewer service fees. These revenues represent a -8.38% decrease in water service fees and a 4.77% increase in sewer service fees compared to the previous year's amended budget with the expectation that consumption levels will increase due to new development. The 2020-21 budget assumes annual sales of 2.5 billion gallons and peak water requirements of 17.0 million gallons a day (MGD). Utility rates are anticipated to increase at the same rate as cost increases for water and wastewater treatment during the next few years.

Hotel/Motel Occupancy Tax

The occupancy tax is levied by both the City and the State on a hotel or motels gross occupancy receipts. The City's portion is collected on a monthly basis. The City's tax is 7% and is levied with the State's 6% rate. Revenue generated by the tax is restricted by State law to directly enhance and promote the tourist, convention and hotel industry. For the year ending September 30, 2021, the City expects to receive \$1,560,000 in Hotel/Motel Fund occupancy tax receipts. This amount represents a -23.34% decrease from the previous year's amended budget and is directly related to the global pandemic. The City currently has thirteen hotels.

BUDGET FACTS

(Commonly Asked Questions)

ADOPTED BUDGET 2020-21

	Adopted Fiscal Year Budget 2020-21		Adopted Fiscal Year Budget 2019-20
<hr/>			
<u>Budgeted Expenditures</u>			
Total Budget	\$	141,255,868	\$ 124,173,804
Operating Budget (includes transfers)	\$	115,857,000	\$ 106,438,159
Capital Budget (includes transfers)	\$	25,398,868	\$ 17,735,645
<u>Property Taxes ⁽¹⁾</u>	<u>Certified Estimate</u>	<u>Certified</u>	
Total Residential Taxable Value	\$ 1,423,831,796	\$ 1,573,593,502	\$ 1,457,717,706
Total Commercial Real Taxable Value	\$ 2,448,406,661	\$ 3,506,530,749	\$ 3,582,001,329
Total Business Personal Property Taxable Value	\$ 1,069,477,665	\$ 1,171,303,644	\$ 1,173,819,998
Total Taxable Value *	\$ 4,941,716,122	\$ 6,251,427,895	\$ 6,213,539,033
Total Exemptions Value *	\$ 1,277,941,044	\$ 1,344,344,545	\$ 1,264,543,117
Tax Rate (per \$100 assessed value)	\$ 0.589000	\$ 0.589000	\$ 0.599507
Average Home Market Value	\$ 258,850	263,639	\$ 233,681
Property Tax Homestead Exemption	Greater of \$5,000 or 20%	Greater of \$5,000 or 20%	Greater of \$5,000 or 20%
Property Tax Over-65 Exemption	\$ 80,000	\$ 80,000	\$ 65,000
Property Tax Disabled Exemption	\$ 60,000	\$ 60,000	\$ 60,000

	Adopted Fiscal Year Budget 2020-21		Amended Budget 2019-20	
	Full-Time Equivalents		Full-Time Equivalents	
	Budget	(FTE) ⁽²⁾	Budget	(FTE) ⁽²⁾
Full-Time	403.00	403.00	404.00	404.00
Part-Time	151.00		155.00	
Full-Time Equivalent (FTE) ⁽²⁾		41.75		46.33
	554.00	444.75	559.00	450.33

* Excludes Values in Protest

(1) The Certified Roll was not available until August 20, 2020. Under new provisions of Senate Bill 2, a "Certified Estimate of Value" was received July 27, 2020 and was used for budget preparation purposes in accordance with the requirements of the new law.

(2) Full-time equivalents is calculated by totaling part-time budgeted hours and dividing the total by the average annual hours worked by full-time employees (2,080).



**FARMERS
BRANCH**

GENERAL FUND REVENUE SUMMARY

	YEAR-END AMENDED BUDGET 2018-19	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21	PERCENT OF BUDGET
<u>TAXES</u>						
PROPERTY TAXES	\$ 27,300,000	\$ 27,285,814	\$ 31,580,000	\$ 31,500,000	\$ 32,530,000	49.24%
SALES & USE	16,700,000	17,323,668	17,500,000	17,330,000	16,330,000	24.72%
MIXED BEVERAGE	85,000	86,653	90,000	80,000	80,000	0.12%
BINGO TAX	0	2	0	0	0	0.00%
FRANCHISE FEES	4,147,000	4,066,386	3,820,000	4,240,000	4,200,000	6.36%
PENALTIES & INTEREST	115,000	112,041	120,000	110,000	100,000	0.15%
SUB-TOTAL	48,347,000	48,874,564	53,110,000	53,260,000	53,240,000	80.59%
<u>LICENSES & PERMITS</u>						
HEALTH	44,000	47,760	40,000	40,000	40,000	0.06%
BUILDING	2,650,000	2,792,744	1,925,000	2,118,500	2,122,000	3.21%
PLUMBING	274,100	257,783	269,000	151,600	201,000	0.30%
ELECTRICAL	285,000	304,995	275,000	205,000	250,000	0.38%
HVAC	240,000	209,496	225,000	90,000	150,000	0.23%
MULTI-FAMILY INSPECTION	100,000	99,260	100,000	100,000	100,000	0.15%
SUB-TOTAL	3,593,100	3,712,038	2,834,000	2,705,100	2,863,000	4.33%
<u>CHARGES FOR SERVICES</u>						
ZONING	42,300	50,227	19,500	35,500	33,000	0.05%
PRINTING & DUPLICATING	26,000	12,703	16,000	6,300	6,500	0.01%
POLICE SERVICES	203,500	177,868	208,500	183,500	178,500	0.27%
EMERGENCY SERVICES	1,469,200	1,484,041	1,260,000	1,225,000	1,260,000	1.91%
FIRE SERVICES	105,000	110,815	135,000	108,200	110,000	0.17%
REFUSE SERVICES	3,950,000	4,024,619	3,690,000	4,120,000	4,560,000	6.90%
HEALTH & INSPECTION FEE	38,000	37,546	36,000	36,000	36,000	0.05%
ANIMAL CONTROL & SHELTER	25,000	21,376	25,000	30,000	25,000	0.04%
AQUATIC CENTER FEES	513,700	549,708	350,000	167,000	351,200	0.53%
SENIOR CENTER FEES	50,000	60,528	50,000	45,500	20,000	0.03%
PARKS & REC CONCESSIONS	240,000	246,317	250,000	132,000	100,000	0.15%
BUILDING USE FEES	624,000	706,088	625,000	431,000	450,000	0.68%
EVENTS	53,000	46,291	50,000	32,500	38,800	0.06%
SUB-TOTAL	7,339,700	7,528,127	6,715,000	6,552,500	7,169,000	10.85%
<u>FINES, FORFEITS & ASSESSMENTS</u>						
COURT	1,758,000	1,933,812	1,773,000	1,633,000	1,798,000	2.72%
LIBRARY	28,000	35,373	25,000	8,000	25,000	0.04%
SUB-TOTAL	1,786,000	1,969,185	1,798,000	1,641,000	1,823,000	2.76%
<u>INTEREST/RENTS/CONTRIBUTIONS</u>						
INTEREST	700,000	675,777	575,000	500,000	600,000	0.91%
RENTS	442,800	408,903	333,800	355,000	320,000	0.48%
SUB-TOTAL	1,142,800	1,084,679	908,800	855,000	920,000	1.39%

GENERAL FUND REVENUE SUMMARY

	YEAR-END AMENDED BUDGET 2018-19	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21	PERCENT OF BUDGET
<u>MISCELLANEOUS</u>						
MISC CUSTOMER SERVICE	0	171	0	0	0	0.00%
PAY PHONE COMMISSIONS	0	0	0	1,200	0	0.00%
RECYCLING	9,000	9,526	8,000	5,000	5,000	0.01%
MISCELLANEOUS	47,200	67,152	50,500	40,300	40,500	0.06%
SALE OF ASSETS	18,000	16,164	18,000	6,500	0	0.00%
INSURANCE RECOVERY	33,000	29,671	0	28,300	0	0.00%
SUB-TOTAL	<u>107,200</u>	<u>122,685</u>	<u>76,500</u>	<u>81,300</u>	<u>45,500</u>	<u>0.07%</u>
GRAND TOTAL	<u>\$ 62,315,800</u>	<u>\$ 63,291,277</u>	<u>\$ 65,442,300</u>	<u>\$ 65,094,900</u>	<u>\$ 66,060,500</u>	<u>100.00%</u>

GENERAL FUND EXPENDITURE SUMMARY

	YEAR-END AMENDED BUDGET 2018-19	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21	PERCENT OF BUDGET
<u>GENERAL GOVERNMENT</u>						
GENERAL GOVERNMENT	\$ 246,200	\$ 217,686	\$ 250,800	\$ 239,700	\$ 240,100	0.35%
GENERAL CONTRACTS	400,000	400,000	400,000	400,000	305,000	0.44%
LEGAL	445,400	389,881	470,400	470,400	380,400	0.55%
NON-DEPARTMENTAL	1,031,376	595,139	987,100	2,039,200	321,200	0.47%
SUB-TOTAL	<u>2,122,976</u>	<u>1,602,706</u>	<u>2,108,300</u>	<u>3,149,300</u>	<u>1,246,700</u>	<u>1.81%</u>
<u>GENERAL ADMINISTRATION</u>						
GENERAL ADMINISTRATION	1,075,300	1,091,384	1,106,500	1,140,400	1,149,600	1.67%
SUB-TOTAL	<u>1,075,300</u>	<u>1,091,384</u>	<u>1,106,500</u>	<u>1,140,400</u>	<u>1,149,600</u>	<u>1.67%</u>
<u>COMMUNICATIONS</u>						
COMMUNICATIONS	746,400	685,826	770,500	760,800	846,700	1.23%
SUB-TOTAL	<u>746,400</u>	<u>685,826</u>	<u>770,500</u>	<u>760,800</u>	<u>846,700</u>	<u>1.23%</u>
<u>ECONOMIC DEVELOPMENT & TOURISM</u>						
ECONOMIC DEVELOPMENT	451,400	423,860	460,500	3,465,700	466,800	0.68%
SUB-TOTAL	<u>451,400</u>	<u>423,860</u>	<u>460,500</u>	<u>3,465,700</u>	<u>466,800</u>	<u>0.68%</u>
<u>HUMAN RESOURCES</u>						
HUMAN RESOURCES	1,074,800	922,690	1,008,900	1,000,800	1,154,300	1.68%
SUB-TOTAL	<u>1,074,800</u>	<u>922,690</u>	<u>1,008,900</u>	<u>1,000,800</u>	<u>1,154,300</u>	<u>1.68%</u>
<u>FINANCE</u>						
FINANCE ADMINISTRATION	810,100	771,732	819,600	814,800	883,000	1.28%
ACCOUNTING	894,100	858,803	683,200	723,200	713,800	1.04%
PURCHASING	135,000	128,024	135,800	138,800	140,900	0.20%
MUNICIPAL COURT	629,200	619,053	637,500	641,900	901,000	1.31%
SUB-TOTAL	<u>2,468,400</u>	<u>2,377,612</u>	<u>2,276,100</u>	<u>2,318,700</u>	<u>2,638,700</u>	<u>3.84%</u>
<u>INNOVATION & TECHNOLOGY</u>						
INNOVATION & TECHNOLOGY	2,746,300	2,632,214	2,655,500	2,704,900	3,132,000	4.55%
SUB-TOTAL	<u>2,746,300</u>	<u>2,632,214</u>	<u>2,655,500</u>	<u>2,704,900</u>	<u>3,132,000</u>	<u>4.55%</u>
<u>COMMUNITY SERVICES</u>						
PLANNING	617,100	517,103	787,400	767,600	645,300	0.94%
COMMUNITY SERVICES ADMIN	397,500	380,319	375,100	488,200	396,600	0.58%
BUILDING INSPECTION	1,257,400	1,228,633	1,416,700	1,324,700	1,409,800	2.05%
SUB-TOTAL	<u>2,272,000</u>	<u>2,126,056</u>	<u>2,579,200</u>	<u>2,580,500</u>	<u>2,451,700</u>	<u>3.56%</u>
<u>PUBLIC WORKS</u>						
PUBLIC WORKS ADMINISTRATION	722,800	691,619	776,800	763,300	733,200	1.07%
STREET MAINTENANCE	4,092,700	3,760,401	4,149,000	4,167,600	4,506,700	6.55%
SUB-TOTAL	<u>4,815,500</u>	<u>4,452,019</u>	<u>4,925,800</u>	<u>4,930,900</u>	<u>5,239,900</u>	<u>7.62%</u>

GENERAL FUND EXPENDITURE SUMMARY

	YEAR-END AMENDED BUDGET 2018-19	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21	PERCENT OF BUDGET
<u>SUSTAINABILITY & PUBLIC HEALTH</u>						
SUSTAINABILITY/SOLID WASTE	3,728,600	3,597,784	4,012,300	4,007,000	4,344,700	6.31%
ANIMAL SERVICES	709,800	658,776	811,800	678,700	769,000	1.12%
ENVIRONMENTAL SERVICES	412,100	390,611	566,000	667,200	251,000	0.36%
SUB-TOTAL	<u>4,850,500</u>	<u>4,647,170</u>	<u>5,390,100</u>	<u>5,352,900</u>	<u>5,364,700</u>	<u>7.80%</u>
<u>POLICE</u>						
POLICE ADMINISTRATION	1,734,100	1,665,685	1,807,600	1,815,300	1,776,900	2.58%
POLICE INVESTIGATIONS	2,212,400	2,174,952	2,152,200	2,178,400	2,238,800	3.25%
POLICE PATROL	7,166,900	6,922,291	7,786,000	7,661,000	8,197,900	11.91%
POLICE DETENTION	1,261,000	1,204,283	1,359,600	1,338,600	1,398,600	2.03%
POLICE COMMUNICATIONS	1,801,600	1,743,581	2,100,700	2,075,100	1,382,400	2.01%
POLICE TRAINING	161,600	156,077	160,500	215,500	164,300	0.24%
SUB-TOTAL	<u>14,337,600</u>	<u>13,866,868</u>	<u>15,366,600</u>	<u>15,283,900</u>	<u>15,158,900</u>	<u>22.03%</u>
<u>FIRE</u>						
FIRE ADMINISTRATION	1,390,324	1,361,980	1,153,900	1,204,400	1,481,000	2.15%
FIRE PREVENTION	612,400	604,812	618,700	596,100	552,800	0.80%
FIRE OPERATIONS	10,451,900	10,397,323	11,167,100	11,527,000	11,531,000	16.76%
SUB-TOTAL	<u>12,454,624</u>	<u>12,364,115</u>	<u>12,939,700</u>	<u>13,327,500</u>	<u>13,564,800</u>	<u>19.71%</u>
<u>PARKS & RECREATION</u>						
PARKS & RECREATION ADMIN	662,100	642,770	526,700	523,100	554,300	0.81%
PARK MAINTENANCE	5,567,000	5,289,833	6,061,100	6,057,100	6,178,000	8.98%
RECREATION	2,176,300	2,042,623	2,229,800	1,983,800	2,361,700	3.43%
AQUATICS CENTER	1,027,000	977,534	1,092,400	1,032,600	1,074,600	1.56%
SENIOR CENTER	807,100	747,897	806,600	760,700	790,400	1.15%
PARK BOARD	4,800	3,355	4,800	4,800	4,800	0.01%
SENIOR ADVISORY BOARD	4,800	3,483	4,800	4,800	4,800	0.01%
EVENTS	945,400	894,680	874,800	817,900	896,300	1.30%
SUB-TOTAL	<u>11,194,500</u>	<u>10,602,175</u>	<u>11,601,000</u>	<u>11,184,800</u>	<u>11,864,900</u>	<u>17.24%</u>
<u>LIBRARY</u>						
LIBRARY	1,885,000	1,870,568	2,297,400	2,297,400	4,525,700	6.58%
SUB-TOTAL	<u>1,885,000</u>	<u>1,870,568</u>	<u>2,297,400</u>	<u>2,297,400</u>	<u>4,525,700</u>	<u>6.58%</u>
GRAND TOTAL	<u>\$ 62,495,300</u>	<u>\$ 59,665,264</u>	<u>\$ 65,486,100</u>	<u>\$ 69,498,500</u>	<u>\$ 68,805,400</u>	<u>100.00%</u>

GENERAL FUND EXPENDITURE SUMMARY Summarized by Function

	YEAR-END AMENDED BUDGET 2018-19	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21	PERCENT OF BUDGET
<u>GENERAL GOVERNMENT</u>						
GENERAL GOVERNMENT	\$ 246,200	\$ 217,686	\$ 250,800	\$ 239,700	\$ 240,100	0.35%
GENERAL CONTRACTS	400,000	400,000	400,000	400,000	305,000	0.44%
LEGAL	445,400	389,881	470,400	470,400	380,400	0.55%
NON-DEPARTMENTAL	1,031,376	595,139	987,100	2,039,200	321,200	0.47%
GENERAL ADMINISTRATION	1,075,300	1,091,384	1,106,500	1,140,400	1,149,600	1.67%
COMMUNICATIONS	746,400	685,826	770,500	760,800	846,700	1.23%
ECONOMIC DEVELOPMENT	451,400	423,860	460,500	3,465,700	466,800	0.68%
HUMAN RESOURCES	1,074,800	922,690	1,008,900	1,000,800	1,154,300	1.68%
FINANCE ADMINISTRATION	810,100	771,732	819,600	814,800	883,000	1.28%
ACCOUNTING	894,100	858,803	683,200	723,200	713,800	1.04%
PURCHASING	135,000	128,024	135,800	138,800	140,900	0.20%
MUNICIPAL COURT	629,200	619,053	637,500	641,900	901,000	1.31%
INNOVATION & TECHNOLOGY	2,746,300	2,632,214	2,655,500	2,704,900	3,132,000	4.55%
PLANNING	617,100	517,103	787,400	767,600	645,300	0.94%
COMMUNITY SERVICES ADMIN.	397,500	380,319	375,100	488,200	396,600	0.58%
BUILDING INSPECTION	1,257,400	1,228,633	1,416,700	1,324,700	1,409,800	2.05%
TOTAL GENERAL GOV'T	<u>\$ 12,957,576</u>	<u>\$ 11,862,347</u>	<u>\$ 12,965,500</u>	<u>\$ 17,121,100</u>	<u>\$ 13,086,500</u>	<u>19.02%</u>
<u>PUBLIC WORKS</u>						
PUBLIC WORKS ADMIN.	\$ 722,800	\$ 691,619	\$ 776,800	\$ 763,300	\$ 733,200	1.07%
SUSTAINABILITY/SOLID WASTE	3,728,600	3,597,784	4,012,300	4,007,000	4,344,700	6.31%
STREET MAINTENANCE	4,092,700	3,760,401	4,149,000	4,167,600	4,506,700	6.55%
ANIMAL SERVICES	709,800	658,776	811,800	678,700	769,000	1.12%
ENVIRONMENTAL SERVICES	412,100	390,611	566,000	667,200	251,000	0.36%
TOTAL PUBLIC WORKS	<u>\$ 9,666,000</u>	<u>\$ 9,099,190</u>	<u>\$ 10,315,900</u>	<u>\$ 10,283,800</u>	<u>\$ 10,604,600</u>	<u>15.41%</u>
<u>PUBLIC SAFETY</u>						
POLICE ADMINISTRATION	\$ 1,734,100	\$ 1,665,685	\$ 1,807,600	\$ 1,815,300	\$ 1,776,900	2.58%
POLICE INVESTIGATIONS	2,212,400	2,174,952	2,152,200	2,178,400	2,238,800	3.25%
POLICE PATROL	7,166,900	6,922,291	7,786,000	7,661,000	8,197,900	11.91%
POLICE DETENTION	1,261,000	1,204,283	1,359,600	1,338,600	1,398,600	2.03%
POLICE COMMUNICATIONS	1,801,600	1,743,581	2,100,700	2,075,100	1,382,400	2.01%
POLICE TRAINING	161,600	156,077	160,500	215,500	164,300	0.24%
FIRE ADMINISTRATION	1,390,324	1,361,980	1,153,900	1,204,400	1,481,000	2.15%
FIRE PREVENTION	612,400	604,812	618,700	596,100	552,800	0.80%
FIRE OPERATIONS	10,451,900	10,397,323	11,167,100	11,527,000	11,531,000	16.76%
TOTAL PUBLIC SAFETY	<u>\$ 26,792,224</u>	<u>\$ 26,230,984</u>	<u>\$ 28,306,300</u>	<u>\$ 28,611,400</u>	<u>\$ 28,723,700</u>	<u>41.75%</u>

**GENERAL FUND
EXPENDITURE SUMMARY**
Summarized by Function

	YEAR-END AMENDED BUDGET 2018-19	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21	PERCENT OF BUDGET
<u>CULTURE & RECREATION</u>						
PARKS & RECREATION ADMIN.	\$ 662,100	\$ 642,770	\$ 526,700	\$ 523,100	\$ 554,300	0.81%
PARK MAINTENANCE	5,567,000	5,289,833	6,061,100	6,057,100	6,178,000	8.98%
RECREATION	2,176,300	2,042,623	2,229,800	1,983,800	2,361,700	3.43%
AQUATICS CENTER	1,027,000	977,534	1,092,400	1,032,600	1,074,600	1.56%
SENIOR CENTER	807,100	747,897	806,600	760,700	790,400	1.15%
PARK BOARD	4,800	3,355	4,800	4,800	4,800	0.01%
SENIOR ADVISORY BOARD	4,800	3,483	4,800	4,800	4,800	0.01%
EVENTS	945,400	894,680	874,800	817,900	896,300	1.30%
LIBRARY	1,885,000	1,870,568	2,297,400	2,297,400	4,525,700	6.58%
TOTAL CULTURE & PARKS	<u>\$ 13,079,500</u>	<u>\$ 12,472,742</u>	<u>\$ 13,898,400</u>	<u>\$ 13,482,200</u>	<u>\$ 16,390,600</u>	<u>23.82%</u>
GRAND TOTAL	<u><u>\$ 62,495,300</u></u>	<u><u>\$ 59,665,264</u></u>	<u><u>\$ 65,486,100</u></u>	<u><u>\$ 69,498,500</u></u>	<u><u>\$ 68,805,400</u></u>	<u><u>100.00%</u></u>

**GENERAL FUND
EXPENDITURE SUMMARY**
Summarized by Type of Expenditure

EXPENDITURES BY TYPE	ACTUAL 2018-19		ADOPTED BUDGET 2019-20		YEAR-END AMENDED BUDGET 2019-20		ADOPTED BUDGET 2020-21	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Personal Services/Benefits								
Full-Time	\$ 25,695,347	43.07%	\$ 26,598,000	40.62%	\$ 26,916,600	38.73%	\$ 27,717,800	40.28%
Part-Time	1,091,453	1.83%	1,229,600	1.88%	1,074,400	1.55%	1,163,200	1.69%
Overtime	826,731	1.39%	987,500	1.51%	960,800	1.38%	966,300	1.40%
Life & Health	3,452,846	5.79%	3,657,700	5.59%	3,672,100	5.28%	3,810,800	5.54%
TMRS	5,049,719	8.46%	5,301,500	8.10%	5,410,300	7.78%	5,627,600	8.18%
Medicare	369,451	0.62%	412,800	0.63%	385,300	0.55%	415,500	0.60%
Workers' Compensation	256,500	0.43%	256,500	0.39%	256,500	0.37%	256,500	0.37%
Car Allowance	95,320	0.16%	98,500	0.15%	98,300	0.14%	105,700	0.15%
Transfers (Personnel Related)	(1,528,700)	-2.56%	(1,763,700)	-2.69%	(1,763,700)	-2.54%	(1,469,600)	-2.14%
Sub-total	35,308,666	59.18%	36,778,400	56.16%	37,010,600	53.25%	38,593,800	56.09%
Purchased Prof & Tech Services	3,633,509	6.09%	4,073,500	6.22%	4,090,400	5.89%	4,275,500	6.21%
Supplies	1,679,314	2.81%	2,367,100	3.61%	2,175,200	3.13%	2,131,900	3.10%
Repairs & Maintenance	6,313,273	10.58%	7,044,900	10.76%	7,192,600	10.35%	7,744,900	11.26%
Services	7,218,044	12.10%	8,727,000	13.33%	8,572,400	12.33%	7,840,100	11.39%
Production & Disposal	35,027	0.06%	47,500	0.07%	47,500	0.07%	44,500	0.06%
Contracts	400,000	0.67%	400,000	0.61%	400,000	0.58%	305,000	0.44%
Events	368,244	0.62%	325,400	0.50%	305,400	0.44%	338,200	0.49%
Other Objects	807,887	1.35%	2,492,200	3.81%	5,370,800	7.73%	1,772,300	2.58%
Transfers	3,901,300	6.54%	3,230,100	4.93%	4,333,600	6.24%	5,759,200	8.37%
Sub-total	24,356,597	40.82%	28,707,700	43.84%	32,487,900	46.75%	30,211,600	43.91%
Total Appropriations	\$ 59,665,264	100.00%	\$ 65,486,100	100.00%	\$ 69,498,500	100.00%	\$ 68,805,400	100.00%

GENERAL GOVERNMENT

Who we are:

General Government consists of four divisions: General Government, General Contracts, Legal, and Non-Departmental. The General Government budget is used to account for expenses of the City Council. The General Contracts budget is used to account for services provided to citizens by City Council approved non-profit organizations. The Legal budget is used to account for expenses associated with the City's contracted legal counsel. The Non-Departmental budget is used to account for expenditures and interfund transfers that benefit the entire General Fund and cannot readily be allocated to a specific department.

What we do (Key Processes):

- The City Council (General Government division) adopts all City ordinances and resolutions
- The City Council makes policy decisions for implementation by the City Manager
- The City Council approves major expenditure items and annually establishes the City's programs and services through adoption of the annual budget
- The City Council participates in the development of a framework to guide the decisions of both elected officials and staff
- Non-profit organizations (General Contracts) provide support to citizens in need
- Legal provides advice and legal services to officials, departments and to others with City-related business to protect the rights of the City and its citizens and reduce the City's legal liability

Critical Business Outcomes 2020-21 (the big policy items):

- CBO1 – Develop the framework for a comprehensive strategic plan
- CBO2 – Improve options for responsible and diverse housing
- CBO3 – Identify and implement a solution for managing drainage and retention
- CBO4 – Plan for, build, and maintain high quality public assets
- CBO5 – Support the evolution of the arts and culture in Farmers Branch
- CBO6 – Strategically identify and acquire property to further the goals of the City
- CBO7 – Execute sustainability initiatives

OUR MISSION

To build a vibrant, dynamic community that consistently seeks to improve the quality of life for our residents.

OUR VISION

Our vision is to be a city of the future with a vibrant and diverse economy that supports beautiful parks, great amenities, and friendly neighborhoods.

OUR CORE VALUES

Respect

Value everyone's opinion and acknowledge their perspective.

Excellence

Continually striving to be the very best.

Accountability

Taking ownership for what you do.

Care

Displaying kindness and concern.

Trust

Being transparent, honest and truthful.

GENERAL GOVERNMENT CITY SECRETARY'S OFFICE

Who we are:

They City Secretary's Office (CSO) is a division under the City Manager's Office and utilizes the same budget accounts. The CSO mission is to support the City Council and promote open government. The CSO serves as a resource for citizens and as a link between citizens and the City organization.

The CSO manages citywide elections, oversees citywide Board and Commission appointments, serve as the custodian of citywide records, managing record retention and destruction, and processes city public information requests and attends and prepares meeting agendas, packets and minutes of all City Council regular and special meetings. The CSO holds and maintains the City seal.

What we do (Key Processes):

- City Elections
- Records Management
- Boards and Commissions
- Public Information Requests
- Council/Meeting Agenda

Our Strategic Initiatives:

B3. Optimize the use of technology

- CSO will train Board Liaisons for the Parks & Recreation Board, Historical Preservation & Restoration Board, and Senior Advisory Board to utilize Granicus Agenda Management Software for better efficiency and consistency with agenda packets and allow City Council to access packet information via their iPad through the i-Legislate Software.

C3. Promote opportunities for community participation in government

- Promote Boards & Commissions outreach within all City Council Districts.
- Provide Orientation Training to all newly appointed officials

C4. Be open, accessible, and transparent

- Create a disaster plan for records management.
- Coordinate with Dallas County for a May Election for Council Districts 2, 3, 5, & Mayor.

F5. Establish and maintain effective internal controls

- Continue execution of the City's Records Management Plan ensuring the City abides by the Texas State Library Records Retention Schedules.
- Continue to organize two shredding events per year including paperless records management via Laserfiche Software

L1. Ensure our team understands our strategy and how they contribute to it

- Conduct annual internal records retention training.
- Host the Annual Boards & Commissions banquet.

Amy Piukana, Officer of the City

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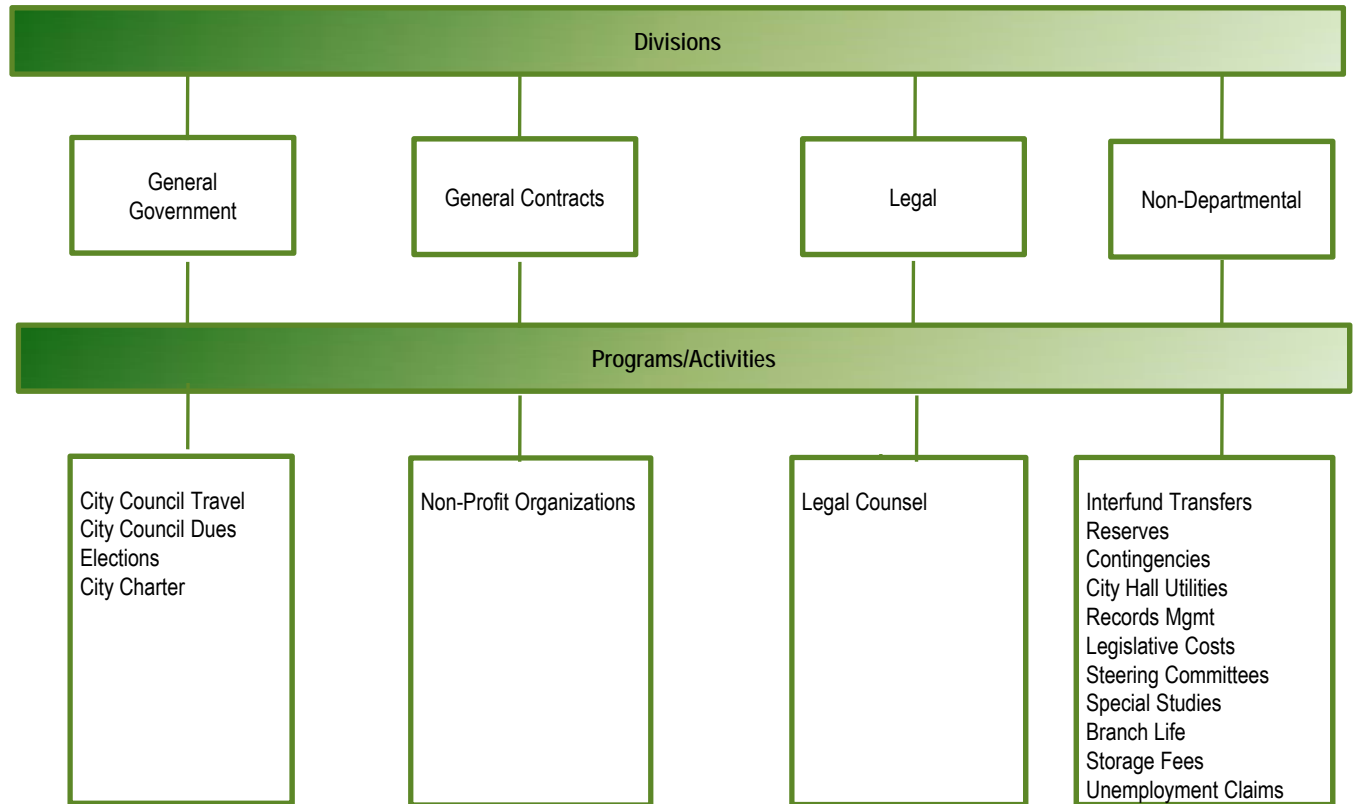
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Trust

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General Government

Charles S. Cox
City Manager
FTE 0.00



GENERAL GOVERNMENT SUMMARY	YEAR-END AMENDED		ADOPTED BUDGET 2019-20	YEAR-END AMENDED		% CHANGE FROM YEAR- END AMENDED
	BUDGET	ACTUAL		BUDGET	ADOPTED BUDGET	
	2018-19	2018-19		2019-20	2020-21	
<i>Purchased Prof & Tech Services</i>	\$ 445,400	\$ 389,881	\$ 470,400	\$ 470,400	\$ 380,400	-19.13%
<i>Supplies</i>	9,400	5,898	10,600	10,600	9,100	-14.15%
<i>Repairs & Maintenance</i>	383,100	383,100	404,700	404,700	517,400	27.85%
<i>Services</i>	476,600	430,240	481,900	470,800	372,700	-20.84%
<i>Contracts</i>	400,000	400,000	400,000	400,000	305,000	-23.75%
<i>Other Objects</i>	1,222,776	807,887	2,492,200	2,370,800	1,662,300	-29.88%
<i>Transfers</i>	(814,300)	(814,300)	(2,151,500)	(978,000)	(2,000,200)	104.52%
Total Budget	\$ 2,122,976	\$ 1,602,706	\$ 2,108,300	\$ 3,149,300	\$ 1,246,700	-60.41%

DIVISION	YEAR-END AMENDED BUDGET 2018-19	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21
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GENERAL GOVERNMENT

<i>Supplies</i>	\$ 9,400	\$ 5,898	\$ 10,600	\$ 10,600	\$ 9,100
<i>Services</i>	236,800	211,788	240,200	229,100	231,000
Total Budget	<u>\$ 246,200</u>	<u>\$ 217,686</u>	<u>\$ 250,800</u>	<u>\$ 239,700</u>	<u>\$ 240,100</u>

GENERAL CONTRACTS

<i>Contracts</i>	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 305,000
Total Budget	<u>\$ 400,000</u>	<u>\$ 400,000</u>	<u>\$ 400,000</u>	<u>\$ 400,000</u>	<u>\$ 305,000</u>

LEGAL

<i>Purchased Prof & Tech Services</i>	\$ 445,400	\$ 389,881	\$ 470,400	\$ 470,400	\$ 380,400
Total Budget	<u>\$ 445,400</u>	<u>\$ 389,881</u>	<u>\$ 470,400</u>	<u>\$ 470,400</u>	<u>\$ 380,400</u>

Note: Approximately \$100,000 of the total legal services *Purchased Professional & Technical Services* category is for prosecutor costs.

NON-DEPARTMENTAL

<i>Repairs & Maintenance</i>	\$ 383,100	\$ 383,100	\$ 404,700	\$ 404,700	\$ 517,400
<i>Services</i>	239,800	218,452	241,700	241,700	141,700
<i>Other Objects</i>	1,222,776	807,887	2,492,200	2,370,800	1,662,300
<i>Transfers</i>	(814,300)	(814,300)	(2,151,500)	(978,000)	(2,000,200)
Total Budget	<u>\$ 1,031,376</u>	<u>\$ 595,139</u>	<u>\$ 987,100</u>	<u>\$ 2,039,200</u>	<u>\$ 321,200</u>

NOTE:

Senate Bill No. 622 Requirement: Senate Bill No. 622 provides that the budget of a political subdivision include a line item indicating expenditures for legally required newspaper notices that allows as clear a comparison as practicable between the expenditures in the proposed budget and actual expenditures for the same purpose in the preceding year. (Effective for budgets beginning on or after January 1, 2018.) The following line item detail is provided to comply with this legislation:

<i>Legal - Legally Required Newspaper Notices</i>	\$ 45,600	\$ 38,548	\$ 45,600	\$ 45,600	\$ 55,600
	<u>\$ 45,600</u>	<u>\$ 38,548</u>	<u>\$ 45,600</u>	<u>\$ 45,600</u>	<u>\$ 55,600</u>

GENERAL ADMINISTRATION CITY MANAGER'S OFFICE

Who we are:

The City of Farmers Branch operates under a council-manager form of government. The Mayor and Council are responsible for making policy decisions for the community and the City Manager is responsible for implementing policy. The City Manager's Office (CMO) provides oversight and direction for all city departments. The CMO prepares and submits a structurally balanced budget and a strategic plan to the City Council, which are tied back to the council's strategic direction. The CMO also assists the City Council in the development and formulation of policies, goals and objectives, and keeps them informed of important community issues. In addition, CMO staff provides legislative support, communication services and legal service functions of the City.

What we do (Key Processes):

- Policy Implementation
- Strategic & Performance Management
- Employee Engagement
- Community Engagement

Our Strategic Initiatives:

B1. Achieve best-in-class status in all City disciplines

- Continue to enhance Performance FBTX.

B2. Enhance service delivery through continual process improvement

- Transition the employee engagement program to Human Resources.

B5. Adhere to the strategic management system

- Develop and implement the City's strategic plan.

C3. Promote opportunities for community participation in government

- Continue to develop the Public Art & Culture Committee.
- Implement a new system to replace the "Resident Satisfaction Survey"

C4. Be open, accessible, and transparent

- Continue to improve and develop the City Manager's Quarterly Report.

F1. Invest to maintain and provide high quality public assets

- Implement Library improvements.

F2. Seek out and maintain alternative funding resources

- Extend and expand TIF #2

F3. Provide services in the most efficient and effective manner possible

- Renegotiate the contract to manage the Library.

L2. Enhance leadership capabilities to deliver results and develop bench strength

- Prepare succession strategies for critical positions.

L5. Foster positive employee engagement

- Transition the employee engagement survey to Human Resources.

Charles Cox, City Manager

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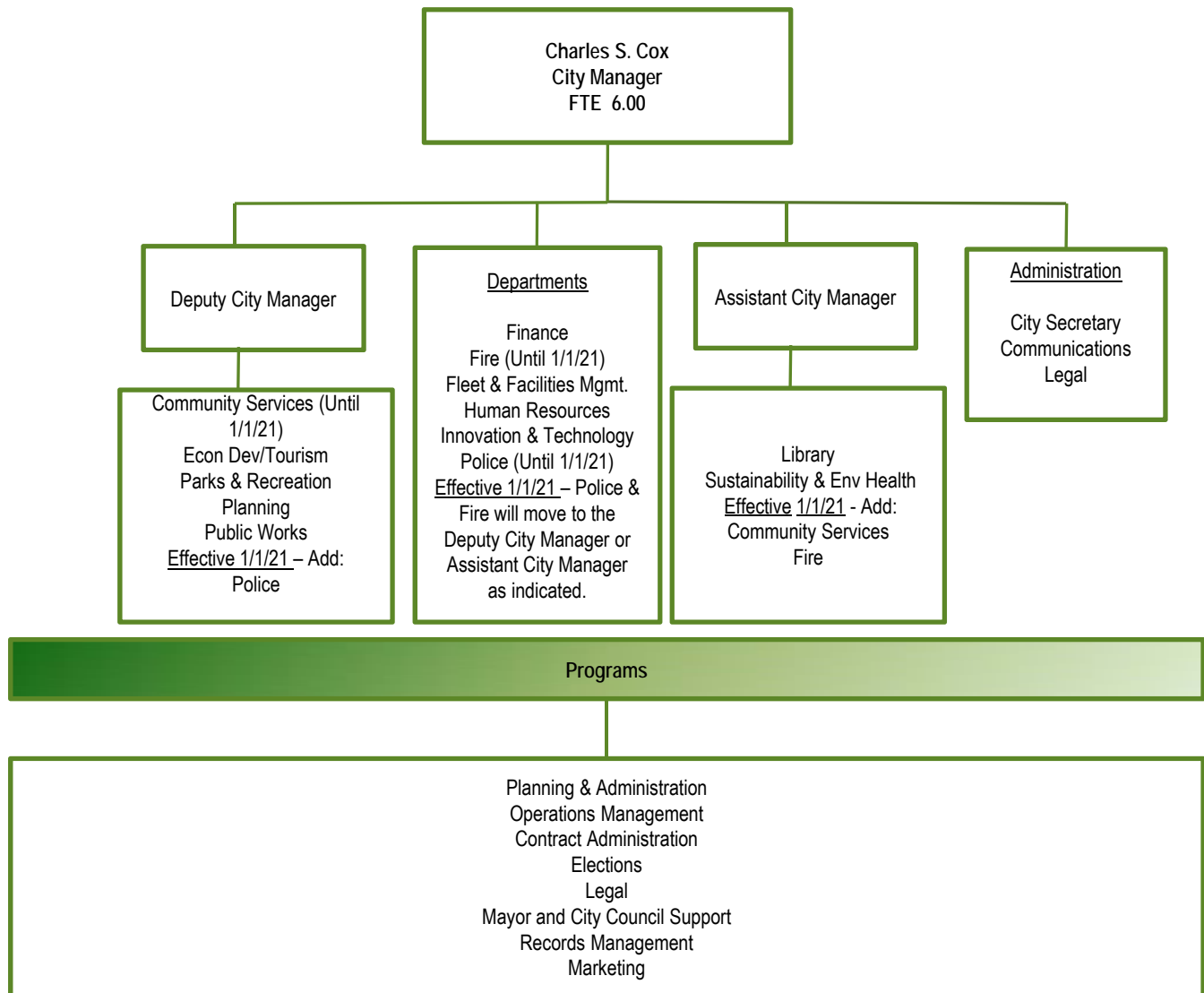
Care

Displaying kindness and concern.

Trust

Being transparent, honest and truthful.

Administration



GENERAL ADMINISTRATION SUMMARY	YEAR-END		ADOPTED		YEAR-END		% CHANGE FROM YEAR- END AMENDED
	AMENDED				AMENDED		
	BUDGET	ACTUAL	BUDGET		BUDGET	BUDGET	
	2018-19	2018-19	2019-20		2019-20	2020-21	
<i>Personal Services/Benefits</i>	\$ 978,600	\$ 982,418	\$ 1,013,500		\$ 1,048,100	\$ 1,048,700	0.06%
<i>Supplies</i>	20,200	17,195	23,300		22,600	23,100	2.21%
<i>Repairs & Maintenance</i>	4,300	25,700	4,500		4,500	2,600	-42.22%
<i>Services</i>	72,200	66,071	65,200		65,200	75,200	15.34%
Total Budget	\$ 1,075,300	\$ 1,091,384	\$ 1,106,500		\$ 1,140,400	\$ 1,149,600	0.81%

COMMUNICATIONS

Who we are:

The responsibility of the Communications department is to tell the City's story. This is accomplished by providing current and accurate information about City of Farmers Branch programs, activities, services, events, and news-making occurrences. In addition, it is the responsibility of the department to market the City of Farmers Branch through various media channels and utilizing specific marketing campaigns. Information is presented to the citizens, newcomers, media, and employees through the Branch Review newsletter, Branch Bulletin eNewsletter, REACTiOn employee eNewsletter, FBTv, City main website at www.farmersbranchtx.gov, personal contacts, Branch Mail e-mail news notifications, video programs and news releases. A 21st century priority of the Communications Department is to exercise oversight of the City's social media presence, on all channels and networks, and to engage best practices in disseminating City news and information via that specific media.

The department executes all public information campaigns and serves as the media relations representative both on a daily basis and in emergency situations. The department also serves as a resource center for citizens, staff, civic groups, and the news media and provides support for special projects for other departments.

What we do (Key Processes):

- Manage the City's web presence
- All external communication
- All internal communication
- City marketing efforts

Our Strategic Initiatives:

B1. Achieve best-in-class status in all City disciplines

- Apply for at least three awards for TAMIO state competition, at least one award from national Telly competition and at least three awards from national 3CMA competition.

B3. Optimize the use of technology

- Redesign and launch new main City website at farmersbranchtx.gov

B4. Ensure constant and effective communication both internally and externally

- Continue to expand and enhance video offerings on multiple platforms.
- Enhance internal communications efforts

L2. Enhance leadership capabilities to deliver results and develop bench strength

- Bring a new Communications Director on board and initiate that person into the workflow of the office and of the organization in the first three months of the fiscal year.
- Provide for ongoing staff education on communications matters, from social media management to media relations.

Tom Bryson, Director thru 12/20
Jeff L. Brady, Director (Beginning 1/21)

OUR MISSION

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OUR VISION

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OUR CORE VALUES

Respect

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Excellence

Continually striving to be the very best.

Accountability

Taking ownership for what you do.

Care

Displaying kindness and concern.

Trust

Being transparent, honest and truthful.

Communications

Tom Bryson [Oct thru Dec 2020]
 Jeff L. Brady [Beginning January 2021]
 Director
 FTE 2.00

Programs

Communications & Public Affairs
 Television/Cable Services
 Information Radio
 Media Relations
 Marketing

COMMUNICATIONS SUMMARY	YEAR-END			YEAR-END		% CHANGE FROM YEAR- END AMENDED
	AMENDED		ADOPTED	AMENDED	ADOPTED	
	BUDGET	ACTUAL	BUDGET	BUDGET	BUDGET	
	2018-19	2018-19	2019-20	2019-20	2020-21	
<i>Personal Services/Benefits</i>	\$ 230,900	\$ 231,864	\$ 235,000	\$ 241,900	\$ 303,300	25.38%
<i>Purchased Prof & Tech Services</i>	189,000	152,234	192,000	192,000	192,000	0.00%
<i>Supplies</i>	12,500	12,033	7,500	7,500	7,500	0.00%
<i>Repairs & Maintenance</i>	29,900	29,854	30,900	31,900	41,700	30.72%
<i>Services</i>	284,100	259,841	305,100	287,500	302,200	5.11%
Total Budget	\$ 746,400	\$ 685,826	\$ 770,500	\$ 760,800	\$ 846,700	11.29%

ECONOMIC DEVELOPMENT & TOURISM

Who we are:

The Economic Development & Tourism Office serves as the development representative for the City and is responsible for implementing the vision set forth by the city council. Recruiting and retaining businesses while redeveloping commercial and residential areas is accomplished through various programs and efforts. Attracting large groups to generate hotel room nights contributes to the hotel occupancy tax fund impacting local events and culture.

What we do (Key Processes):

- Recruit and Retain Businesses
- Redevelopment of residential and commercial properties
- Promote tourism

Our Strategic Initiatives:

B1. Achieve best-in-class status in all City disciplines

- Continue to market and manage the neighborhood partnership program.
- Continue with the two residential revitalization programs for the central area: Demo Rebuild & Neighborhood Renaissance.

C5. Attract and retain top-tier businesses to drive a unique and sustainable economic environment

- Continue to grow the business retention program allows the City to visit with employers and knowing their successes and needs.
- Continue with the Façade Grant Program for commercial buildings.
- Continue to acquire new properties and collaborate with a master developer to create station area destination.
- Acquire new properties and make a plan for the RFQ of existing parcels.
- Collaborate with large full service hotels to maintain strong daily rates.
- Collaborate with businesses inside and outside of the city to use Farmers Branch hotels.
- Market area attractions to visitors and drive hotel room night bookings.

L5. Foster positive employee engagement

- Utilize quarterly engagement meetings have been set for the Economic Development & Tourism teams.

Allison Cook, Director

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Economic Development & Tourism

Allison Cook
Director
FTE 2.00 (General Fund)

Programs

Economic Development
Attraction & Retention
Business Services
Revitalization

The Economic Development & Tourism office also includes Tourism activities, which are detailed in the Hotel/Motel Fund section of this document.

ECONOMIC DEVELOPMENT SUMMARY	YEAR-END AMENDED		ADOPTED BUDGET 2019-20	YEAR-END AMENDED		% CHANGE FROM YEAR- END AMENDED
	BUDGET	ACTUAL		BUDGET	ADOPTED BUDGET	
	2018-19	2018-19		2019-20	2020-21	
<i>Personal Services/Benefits</i>	\$ 217,100	\$ 216,237	\$ 219,000	\$ 224,200	\$ 225,300	0.49%
<i>Purchased Prof & Tech Services</i>	61,900	60,334	65,500	65,500	65,500	0.00%
<i>Supplies</i>	9,300	5,395	6,400	6,400	6,400	0.00%
<i>Services</i>	163,100	141,894	169,600	169,600	169,600	0.00%
<i>Other Objects</i>	0	0	0	3,000,000	0	-100.00%
Total Budget	\$ 451,400	\$ 423,860	\$ 460,500	\$ 3,465,700	\$ 466,800	-86.53%

HUMAN RESOURCES

Who we are:

Human Resources (HR) supports the City's mission, values, and strategic goals by recruiting a qualified, competent, and diverse workforce to deliver exceptional services to Farmers Branch residents, visitors and businesses. In addition, HR develops and implements programs, policies and practices that help retain and reward a highly competent workforce. HR partners with all departments and employees to drive a strong culture and provide excellent guidance and direction for all Human Resources needs.

What we do (Key Processes):

- Manage workforce
- Manage risk
- Manage benefits and wellness
- Administer payroll

Our Strategic Initiatives:

B3. Optimize the use of technology

- Implement Tyler ExecuTime and Advanced Scheduling.

L3. Attract, develop, and retain employees that embrace our values

- Complete a major Compensation Study for all positions with full Job Analysis

L5. Foster positive employee engagement

- Transition the City's employee engagement program from the City Manager's Office to HR.
- Continue to build engagement across the city through BranchLife

Brian Beasley, Director

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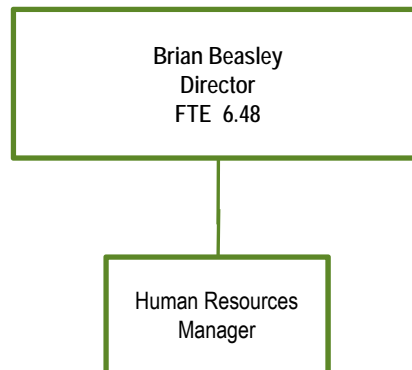
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Human Resources



HUMAN RESOURCES SUMMARY	YEAR-END AMENDED		ADOPTED	YEAR-END AMENDED		% CHANGE FROM YEAR-END
	BUDGET	ACTUAL		BUDGET	BUDGET	
	2018-19	2018-19		2019-20	2020-21	
Personal Services/Benefits	\$ 767,700	\$ 716,916	\$ 695,200	\$ 688,100	\$ 730,600	6.18%
Purchased Prof & Tech Services	20,000	3,238	20,000	26,000	20,000	-23.08%
Supplies	26,100	17,117	26,100	26,100	26,100	0.00%
Repairs & Maintenance	6,200	581	6,200	6,200	6,200	0.00%
Services	254,800	184,839	261,400	254,400	261,400	2.75%
Other Objects	0	0	0	0	110,000	0.00%
Total Budget	\$ 1,074,800	\$ 922,690	\$ 1,008,900	\$ 1,000,800	\$ 1,154,300	15.34%

FINANCE

Who we are:

Finance is responsible for all fiscal matters related to the city including providing useful, timely, and reliable financial information and support to internal and external customers.

What we do (Key Processes):

- Manage the purchasing process
- Establish and maintain financial controls
- Manage all facets of the budget
- Municipal Court
- Utility billing and collections

Our Strategic Initiatives:

F1. Invest to maintain and provide high quality public assets

- Finance team to begin a 12-month implementation of Utility Billing (Tyler) software in September 2020. Manage this process successfully, ensuring seamless delivery to residents and customers and proper financial transition to the new software.

F2. Seek out and maintain alternative funding resources

- Continue to monitor the Marshal's Program and other initiatives to ensure revenue and other metrics are met; Consider technology needs within Courts to ensure we are working as efficiently as possible.

F4. Adhere to financial management principles and budget

- Management of the 2020-21 budget includes the development of a sound budget, tracking performance against goals throughout the year, communicating status, and amending the budget during the Year-End Process.

F5. Establish and maintain effective internal controls

- Conduct the Annual Audit.

L5. Foster positive employee engagement

- Continue to work with the Finance/Court team to take steps to improve scores on Employee Engagement methods.

Sherrelle Evans-Jones, Director

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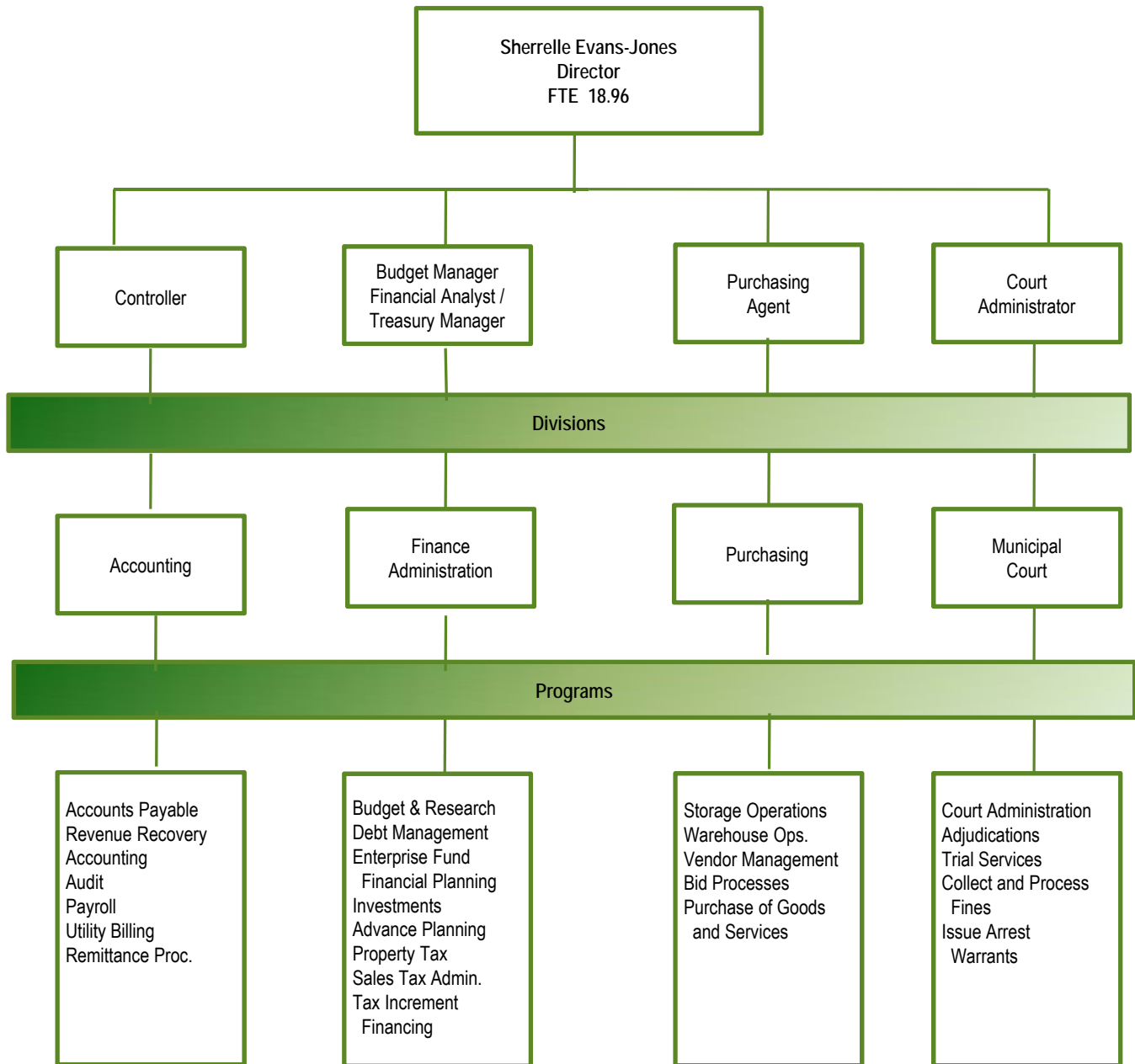
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Finance



FINANCE SUMMARY	YEAR-END		YEAR-END		% CHANGE FROM YEAR- END AMENDED	
	AMENDED		ADOPTED	AMENDED		
	BUDGET	ACTUAL	BUDGET	BUDGET		
	2018-19	2018-19	2019-20	2019-20		
Personal Services/Benefits	\$ 1,629,800	\$ 1,623,039	\$ 1,673,600	\$ 1,665,800	\$ 1,788,200	7.35%
Purchased Prof & Tech Services	354,400	341,148	345,600	344,500	483,900	40.46%
Supplies	55,800	34,923	70,200	65,600	70,300	7.16%
Repairs & Maintenance	22,600	12,215	14,200	14,200	61,000	329.58%
Services	205,800	166,287	172,500	228,600	189,700	-17.02%
Transfers	200,000	200,000	0	0	45,600	0.00%
Total Budget	\$ 2,468,400	\$ 2,377,612	\$ 2,276,100	\$ 2,318,700	\$ 2,638,700	13.80%

DIVISION	YEAR-END AMENDED BUDGET 2018-19	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21
FINANCE ADMINISTRATION					
<i>Personal Services/Benefits</i>	\$ 412,800	\$ 403,024	\$ 402,200	\$ 420,400	\$ 426,700
<i>Purchased Prof & Tech Services</i>	350,400	337,818	341,600	341,600	379,900
<i>Supplies</i>	17,100	7,223	17,100	17,100	17,100
<i>Services</i>	29,800	23,667	58,700	35,700	59,300
Total Budget	\$ 810,100	\$ 771,732	\$ 819,600	\$ 814,800	\$ 883,000
ACCOUNTING					
<i>Personal Services/Benefits</i>	\$ 524,100	\$ 519,949	\$ 571,800	\$ 529,700	\$ 585,900
<i>Supplies</i>	15,000	9,238	15,000	15,000	15,000
<i>Repairs & Maintenance</i>	1,200	0	1,200	1,200	1,200
<i>Services</i>	153,800	129,615	95,200	177,300	111,700
<i>Transfers</i>	200,000	200,000	0	0	0
Total Budget	\$ 894,100	\$ 858,803	\$ 683,200	\$ 723,200	\$ 713,800
PURCHASING					
<i>Personal Services/Benefits</i>	\$ 127,500	\$ 126,592	\$ 128,100	\$ 131,100	\$ 133,200
<i>Supplies</i>	2,600	492	2,600	2,600	2,600
<i>Services</i>	4,900	941	5,100	5,100	5,100
Total Budget	\$ 135,000	\$ 128,024	\$ 135,800	\$ 138,800	\$ 140,900
MUNICIPAL COURT					
<i>Personal Services/Benefits</i>	\$ 565,400	\$ 573,475	\$ 571,500	\$ 584,600	\$ 642,400
<i>Purchased Prof & Tech Services</i>	4,000	3,330	4,000	2,900	104,000
<i>Supplies</i>	21,100	17,970	35,500	30,900	35,600
<i>Repairs & Maintenance</i>	21,400	12,215	13,000	13,000	59,800
<i>Services</i>	17,300	12,064	13,500	10,500	13,600
<i>Transfers</i>	0	0	0	0	45,600
Total Budget	\$ 629,200	\$ 619,053	\$ 637,500	\$ 641,900	\$ 901,000

INNOVATION & TECHNOLOGY

Who we are:

The Innovation & Technology department manages and maintains all technology for the City of Farmers Branch. The mission of the department is to provide secure, high quality technology-based services in a cost-effective manner, be a leader in customer service, and establish services, systems, and solutions based on best practices and industry standards. Innovation & Technology's vision is to help departments use technology to transform the way they work and deliver services to our citizens.

What we do (Key Processes):

- Project Management
- Contract Management
- Network Resiliency
- Business Continuity
- Technology Service and Maintenance

Our Strategic Initiatives:

B3. Optimize the use of technology

- Establish both a GIS user group and a GIS steering committee.

F1. Invest to maintain and provide high quality public assets

- Replacement of older data storage hardware at CH and PD. These are part of our core infrastructure.
- Implementation of phase 4 - Utility Billing Software.

F3. Provide services in the most efficient and effective manner possible

- Conduct a focus group of various users of IT services to gauge user satisfaction.

F4. Adhere to financial management principles and budget

- Establish a technology refresh fund.

F5. Establish and maintain effective internal controls

- Reduce cyber risk by implementing variety of initiatives that will help the city reduce cyber-security related risks.
- Implement a variety of initiatives that will help the city reduce risk as it relates to critical IT infrastructure and systems.

L5. Foster positive employee engagement

- Utilize 2020 Gallup employee survey data to increase or improve employee engagement.

Mark Samuels, Director

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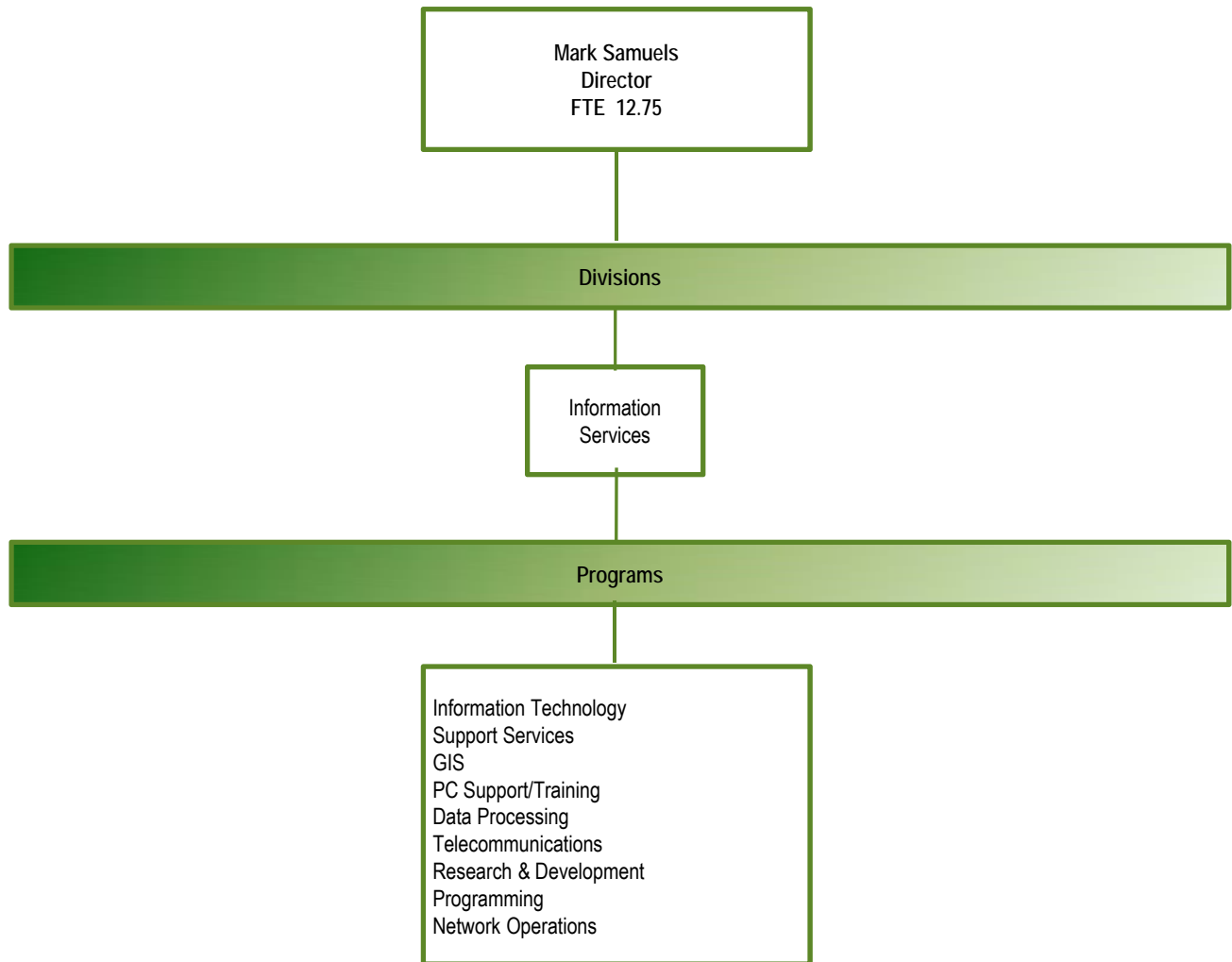
Care

Displaying kindness and concern.

Trust

Being transparent, honest and truthful.

Innovation & Technology



INNOVATION & TECHNOLOGY	YEAR-END		ADOPTED	YEAR-END		% CHANGE	
	AMENDED			AMENDED	ADOPTED		FROM YEAR-
	BUDGET	ACTUAL		BUDGET	BUDGET		END
	2018-19	2018-19	2019-20	2019-20	2020-21	AMENDED	
Personal Services/Benefits	\$ 1,266,200	\$ 1,233,390	\$ 1,377,100	\$ 1,447,900	\$ 1,481,700	2.33%	
Purchased Prof & Tech Services	168,700	103,232	170,800	170,800	146,900	-13.99%	
Supplies	212,600	203,757	182,300	184,100	95,800	-47.96%	
Repairs & Maintenance	706,000	703,229	742,800	752,300	911,400	21.15%	
Services	138,300	134,105	145,500	142,800	166,200	16.39%	
Transfers	254,500	254,500	37,000	7,000	330,000	4614.29%	
Total Budget	\$ 2,746,300	\$ 2,632,214	\$ 2,655,500	\$ 2,704,900	\$ 3,132,000	15.79%	

COMMUNITY SERVICES

Who we are:

The Community Services department is comprised of two divisions: Building Inspection and Code Enforcement.

Building Inspection's mission is to protect the Health, Safety and Welfare of the stakeholders of the City of Farmers Branch by creating safe buildings and communities through enforcement of the City's construction codes.

Code Enforcement's mission is to strive for the continual improvement of our neighborhoods in order to provide a safe and livable environment for our residents. This is accomplished through the use of proactive neighborhood-based enforcement, combined with excellent customer service; as well as, increased collaboration among residents, neighborhood associations and other external partners geared towards promoting public education and increased citizen awareness; all while working towards the common goal of creating a vibrant and dynamic community that seeks to improve the quality of life of all our residents.

What we do (Key Processes):

- Issue permits: residential and commercial
- Ensure property standards are maintained
- Community outreach

Our Strategic Initiatives:

B2. Enhance service delivery through continual process improvement

- Install a digital information screen at the CS front counter.
- Develop an educational opportunity similar to defensive driving. When a person is issued a court citation, as an alternative to paying the sometimes-high fine, a person can take a class on basic Code Enforcement ordinances of the City of FB. The curriculum would be developed, and Code Enforcement staff would teach the class. Upon completion of course and a period of no additional violations, the citation would be removed from your record.

B3. Optimize the use of technology

- Implement a 311 system to appropriately route complaints and concerns to correct departments

C.1 Achieve the highest standards of safety and security

- Adopt the 2020 National Electric Code

F3. Provide services in the most efficient and effective manner possible

- Implement and refine a Virtual Inspection Process

Hugh Pender, Director

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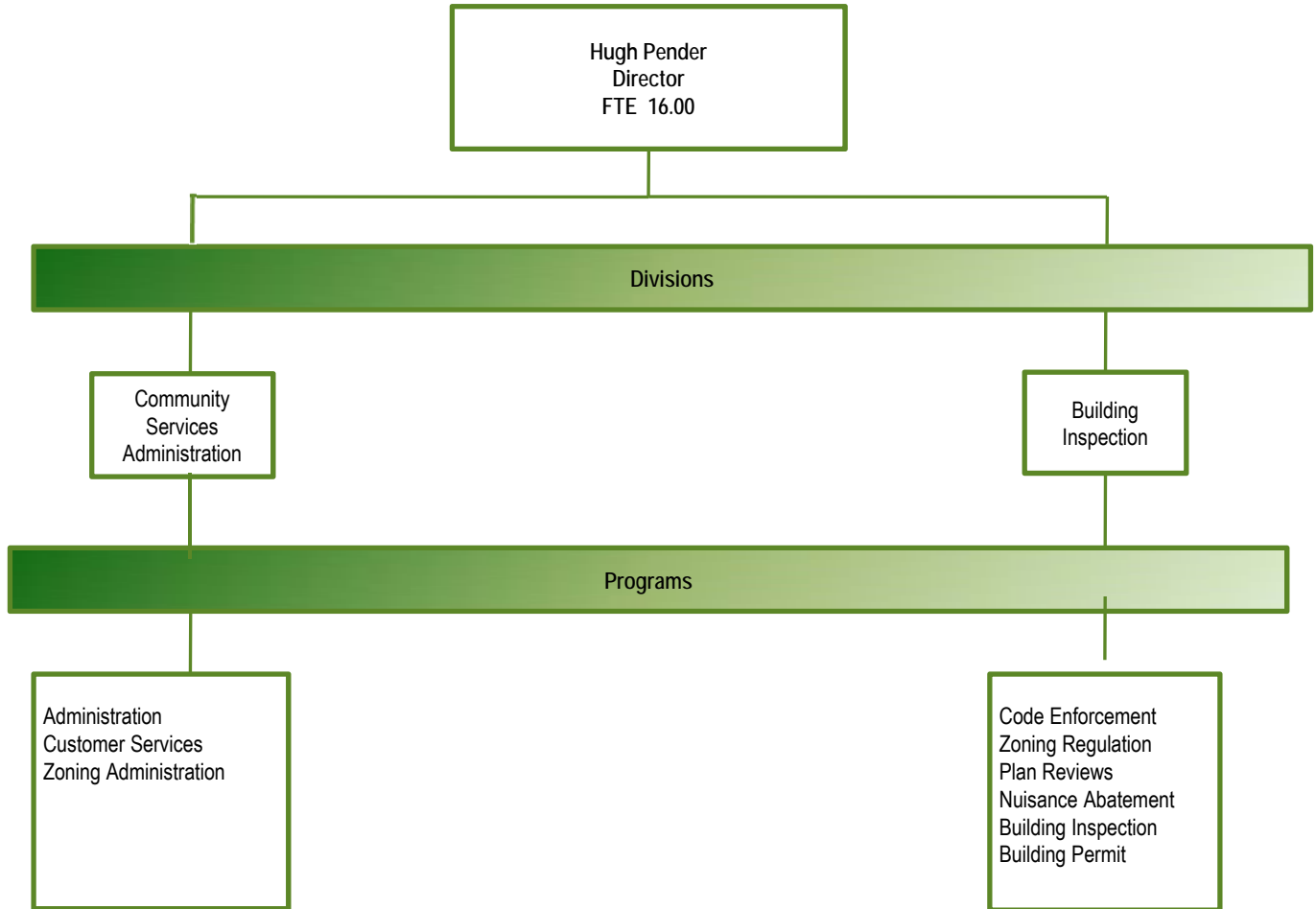
Care

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Trust

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Community Services



COMMUNITY SERVICES SUMMARY	YEAR-END		ADOPTED BUDGET 2019-20	YEAR-END		% CHANGE FROM YEAR-END AMENDED
	AMENDED BUDGET	ACTUAL		AMENDED BUDGET	ADOPTED BUDGET	
	2018-19	2018-19		2019-20	2020-21	
<i>Personal Services/Benefits</i>	\$ 1,445,500	\$ 1,422,196	\$ 1,462,500	\$ 1,499,200	\$ 1,456,000	-2.88%
<i>Supplies</i>	49,500	33,561	71,800	58,200	64,600	11.00%
<i>Repairs & Maintenance</i>	28,100	27,440	30,600	30,600	29,900	-2.29%
<i>Services</i>	131,800	125,756	196,900	194,900	255,900	31.30%
<i>Transfers</i>	0	0	30,000	30,000	0	-100.00%
Total Budget	\$ 1,654,900	\$ 1,608,953	\$ 1,791,800	\$ 1,812,900	\$ 1,806,400	-0.36%

DIVISION	YEAR-END AMENDED BUDGET 2018-19	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21
COMMUNITY SERVICES ADMIN.					
<i>Personal Services/Benefits</i>	\$ 345,600	\$ 343,433	\$ 319,900	\$ 439,000	\$ 341,400
<i>Supplies</i>	22,200	10,318	28,400	23,400	28,400
<i>Repairs & Maintenance</i>	3,300	2,639	4,200	4,200	4,200
<i>Services</i>	26,400	23,930	22,600	21,600	22,600
Total Budget	\$ 397,500	\$ 380,319	\$ 375,100	\$ 488,200	\$ 396,600
BUILDING INSPECTION					
<i>Personal Services/Benefits</i>	\$ 1,099,900	\$ 1,078,762	\$ 1,142,600	\$ 1,060,200	\$ 1,114,600
<i>Supplies</i>	27,300	23,243	43,400	34,800	36,200
<i>Repairs & Maintenance</i>	24,800	24,801	26,400	26,400	25,700
<i>Services</i>	105,400	101,827	174,300	173,300	233,300
<i>Transfers</i>	0	0	30,000	30,000	0
Total Budget	\$ 1,257,400	\$ 1,228,633	\$ 1,416,700	\$ 1,324,700	\$ 1,409,800

PLANNING

Who we are:

The Planning department plays a central role in the growth and development of our City by managing the City's land development process and coordinates the long-range comprehensive planning process. The department processes new development applications through Specific Use Permits, provides technical support to the Planning and Zoning Commission and City Council, maintains the Comprehensive Plan, prepares ordinances, and conducts special land use and demographic studies as necessary.

What we do (Key Processes):

- Manage land development
- Prepare the City's comprehensive plan
- Prepare district plans

Our Strategic Initiatives:

B5. Adhere to the strategic management system

- Prepare for the development of a citywide Comprehensive Plan.

C2. Provide attractive, unique, and connected spaces for community interaction

- Complete implementation of Entertainment Overlay District.
- Complete Parking Comprehensive Zoning Ordinance amendments.
- Complete Landscape and Tree Preservation Comprehensive Zoning Ordinance amendments.

C5. Attract and retain top-tier businesses to drive a unique and sustainable economic environment

- Continue to work with TXDOT related to IH-35E Betterments including executing Advanced Funding Agreements and Maintenance Agreements, and finalizing intersection design work.
- Amend the PD-86 Station Area code.

Tina Firgens, Director

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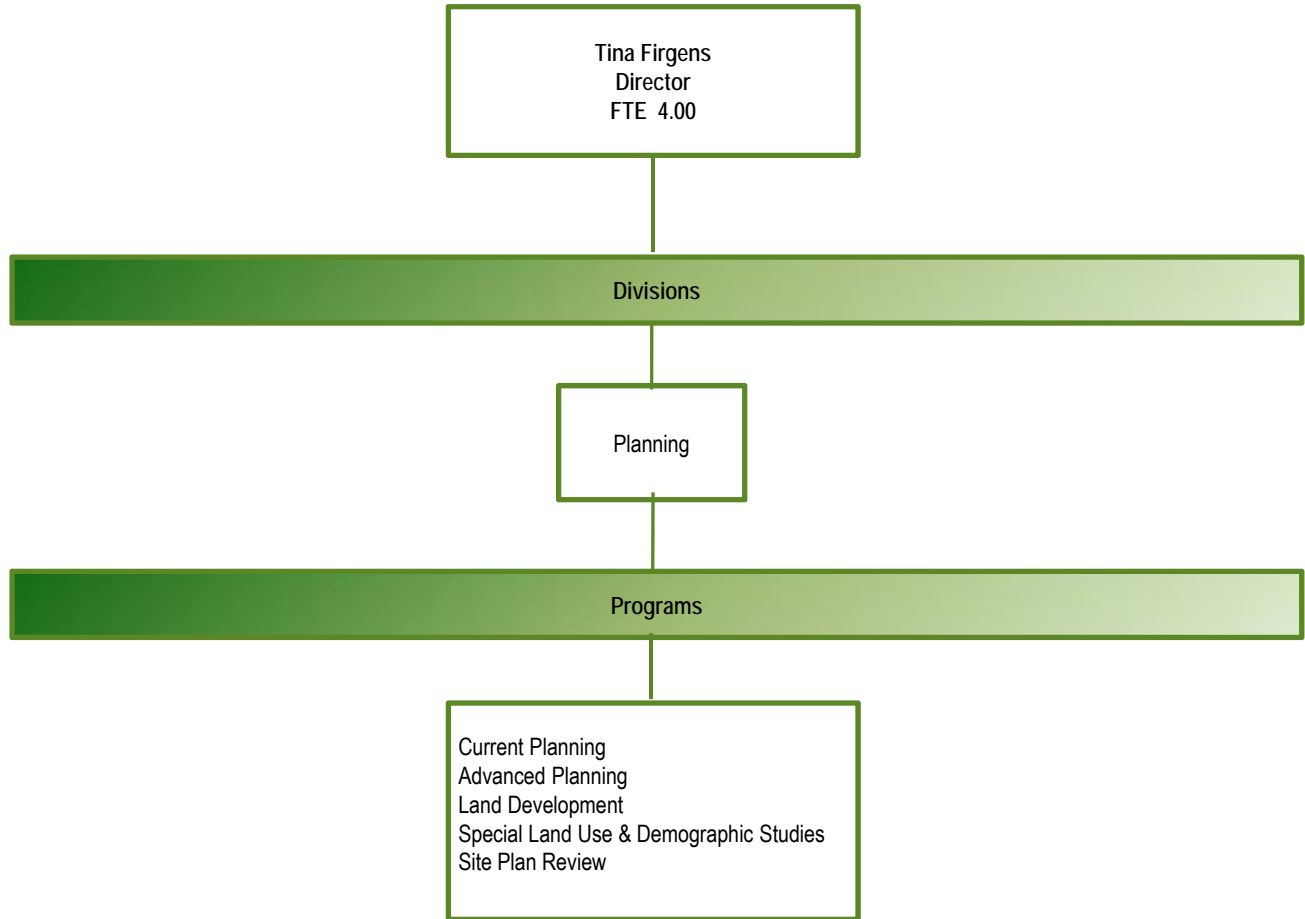
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Planning



PLANNING SUMMARY	YEAR-END AMENDED		ADOPTED		YEAR-END AMENDED		% CHANGE FROM YEAR-END AMENDED
	BUDGET	ACTUAL	BUDGET	BUDGET	BUDGET	BUDGET	
	2018-19	2018-19	2019-20	2019-20	2020-21	2020-21	
<i>Personal Services/Benefits</i>	\$ 415,500	\$ 385,866	\$ 437,300	\$ 438,100	\$ 444,700		1.51%
<i>Supplies</i>	14,400	8,838	17,400	17,400	14,400		-17.24%
<i>Repairs & Maintenance</i>	800	408	800	800	800		0.00%
<i>Services</i>	186,400	121,992	331,900	311,300	185,400		-40.44%
Total Budget	\$ 617,100	\$ 517,103	\$ 787,400	\$ 767,600	\$ 645,300		-15.93%

PUBLIC WORKS

Who we are:

Public Works is responsible for the day-to-day maintenance and operation of the City's infrastructure services such as, street maintenance, storm and sanitary sewer operations, water and wastewater functions, and traffic signals. In addition to maintaining infrastructure, Public Works handles engineering and capital improvement planning for the City, as well as performs inspections on all on-going construction in the City.

The Public Works department is comprised of five divisions that are split between the City's General Fund (governmental activities) and Enterprise Funds (business-type activities). The Administration and Street Maintenance divisions are funded through the City's General Fund, while the Water & Sewer Administration and Water & Sewer Operations divisions are funded through the City's Water & Sewer Enterprise Fund, and the Stormwater Utilities division is funded through the City's Stormwater Utility Enterprise Fund. (The Enterprise Funds are displayed separately.)

What we do (Key Processes):

- Construction inspections and permits
- Infrastructure maintenance and repairs
- Capital improvement projects

Our Strategic Initiatives:

F1. Invest to maintain and provide high quality public assets

- Street Revitalization - Resurfacing Program: resurfacing of identified streets using both Bond (332) and Non-Bond CIP (301).
- Ongoing implementation of Phase II of the Street Bond Program.
- Continue to expand program to replace out-of-date large meters.
- Implement Phase 3 of Rawhide Creek Sewer Rehab project to line sanitary sewer to reduce inflow and infiltration.
- Implement the final year of a 3-year program to improve on erosion issues in Farmers Branch Creek.
- Rehab program for sanitary sewer to reduce inflow and infiltration.
- Ongoing replacement and rehab of water lines, sewer lines and other utility infrastructure.

F2. Seek out and maintain alternative funding resources

- Cooks Creek Channel Improvements to be made over a 3-year period in phases in coordination with a grant.

Marc Bentley, Director

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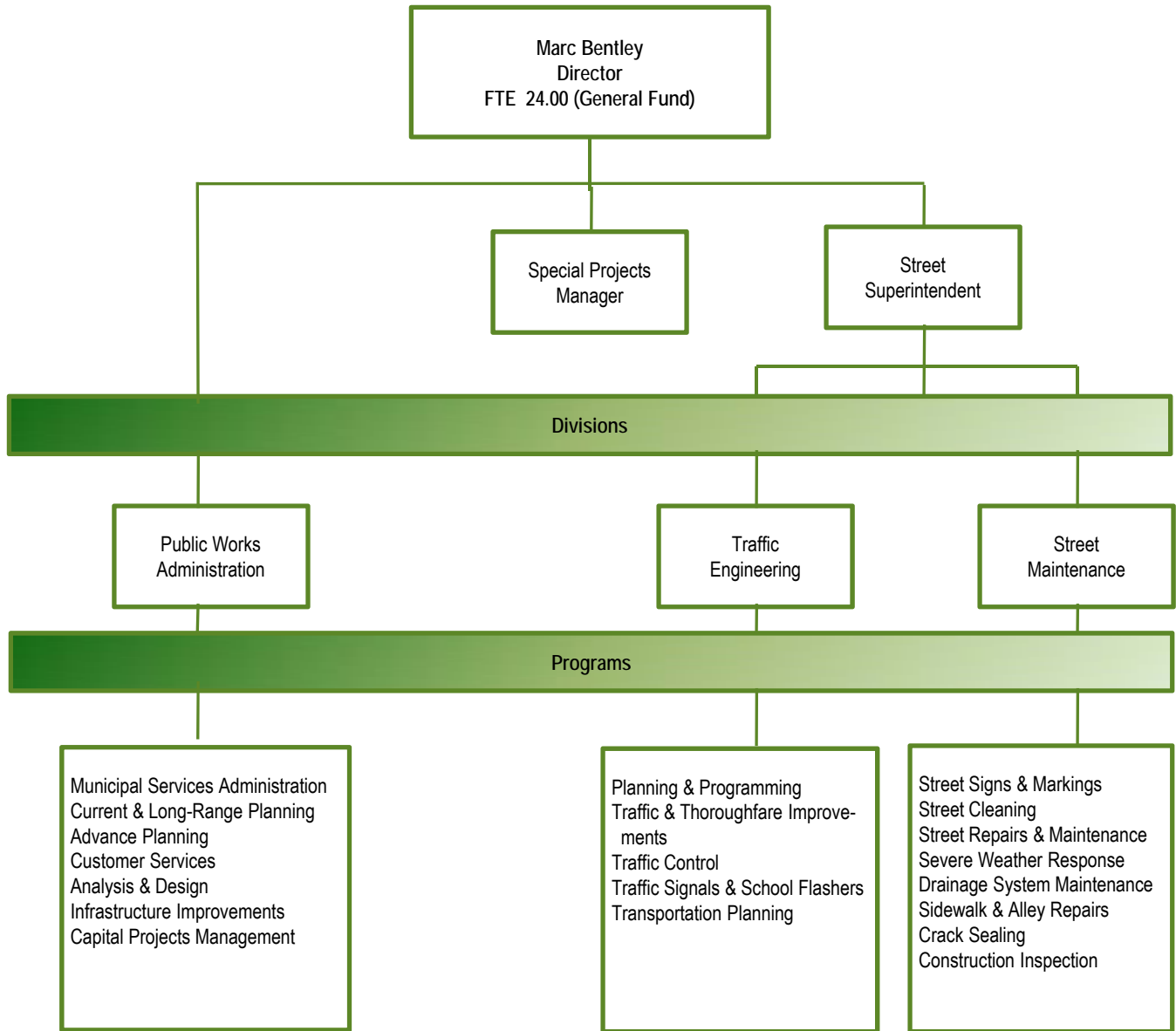
Care

Displaying kindness and concern.

Trust

Being transparent, honest and truthful.

Public Works



The Public Works department also includes Water & Sewer Administration , Water & Sewer Operations and Stormwater Utilities, which are detailed in the Enterprise Fund section of this document.

PUBLIC WORKS SUMMARY	YEAR-END		ADOPTED		YEAR-END		% CHANGE FROM YEAR- END
	AMENDED	ACTUAL	BUDGET	BUDGET	AMENDED	ADOPTED	
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	
	2018-19	2018-19	2019-20	2019-20	2020-21	2020-21	AMENDED
<i>Personal Services/Benefits</i>	\$ 2,136,378	\$ 2,022,773	\$ 2,185,900	\$ 2,135,400	\$ 2,160,400		1.17%
<i>Purchased Prof & Tech Services</i>	49,222	48,507	0	0	0		0.00%
<i>Supplies</i>	99,600	71,338	112,200	90,800	95,500		5.18%
<i>Repairs & Maintenance</i>	1,948,400	1,790,664	1,986,300	2,063,300	2,141,600		3.79%
<i>Services</i>	496,900	433,737	532,400	532,400	634,400		19.16%
<i>Transfers</i>	85,000	85,000	109,000	109,000	208,000		90.83%
Total Budget	\$ 4,815,500	\$ 4,452,019	\$ 4,925,800	\$ 4,930,900	\$ 5,239,900		6.27%

DIVISION	YEAR-END AMENDED BUDGET	ACTUAL	ADOPTED BUDGET	YEAR-END AMENDED BUDGET	ADOPTED BUDGET
	2018-19	2018-19	2019-20	2019-20	2020-21

PUBLIC WORKS ADMINISTRATION

<i>Personal Services/Benefits</i>	\$ 659,000	\$ 655,646	\$ 672,100	\$ 658,600	\$ 669,500
<i>Supplies</i>	17,300	10,748	17,300	17,300	17,300
<i>Repairs & Maintenance</i>	4,100	1,478	4,100	4,100	4,100
<i>Services</i>	42,400	23,746	77,300	77,300	42,300
<i>Transfers</i>	0	0	6,000	6,000	0
Total Budget	\$ 722,800	\$ 691,619	\$ 776,800	\$ 763,300	\$ 733,200

STREET MAINTENANCE

<i>Personal Services/Benefits</i>	\$ 1,477,378	\$ 1,367,128	\$ 1,513,800	\$ 1,476,800	\$ 1,490,900
<i>Purchased Prof & Tech Services</i>	49,222	48,507	0	0	0
<i>Supplies</i>	82,300	60,590	94,900	73,500	78,200
<i>Repairs & Maintenance</i>	1,944,300	1,789,186	1,982,200	2,059,200	2,137,500
<i>Services</i>	454,500	409,991	455,100	455,100	592,100
<i>Transfers</i>	85,000	85,000	103,000	103,000	208,000
Total Budget	\$ 4,092,700	\$ 3,760,401	\$ 4,149,000	\$ 4,167,600	\$ 4,506,700

SUSTAINABILITY & PUBLIC HEALTH

Who we are:

The Sustainability and Public Health department is comprised of three divisions: Solid Waste Collection, Animal Services, and Environmental Health Services. The Solid Waste Collection division monitors and inspects contractor operations at the municipal solid waste landfill, which is operated by a private corporation through a Management and Operations Agreement with the City. The Animal Services division is based out of the Animal Adoption Center and is responsible for programs related to animal welfare and control within the City of Farmers Branch. The Environmental Services division administers a range of public and environmental health programs, is actively involved in remediation of soil/air/groundwater contamination, and manages the City's Phase II Stormwater programs.

What we do (Key Processes):

- Animal welfare and management
- Landfill operations
- Trails
- Public & environmental health
- Community outreach

Our Strategic Initiatives:

B5. Adhere to the strategic management system

- Develop a sustainability plan.

C2. Provide attractive, unique, and connected spaces for community interaction

- Develop a plan for bike stands throughout the City.

C3. Promote opportunities for community participation in government

- Develop a volunteer program and recruitment for the Animal Services Division.

F1. Invest to maintain and provide high quality public assets

- Complete the solar installation project at three City facilities: Library, Recreation Center, and the new Fire Station #2.

F3. Provide services in the most efficient and effective manner possible

- Reorganize the public health function and outsource restaurant inspections.
- Implement the fourth Contract Amendment with Republic Services for operation and maintenance of Camelot Landfill to maximize its lifespan.
- Implement a mulching program at the Camelot Landfill.
- Complete a Brush/Bulk Business Analysis to optimize service delivery.

L3. Attract, develop, and retain employees that embrace our values

- Complete Environmental Health Manager transitions.
- Complete Sustainability Manager transitions.

Shane Davis, Director

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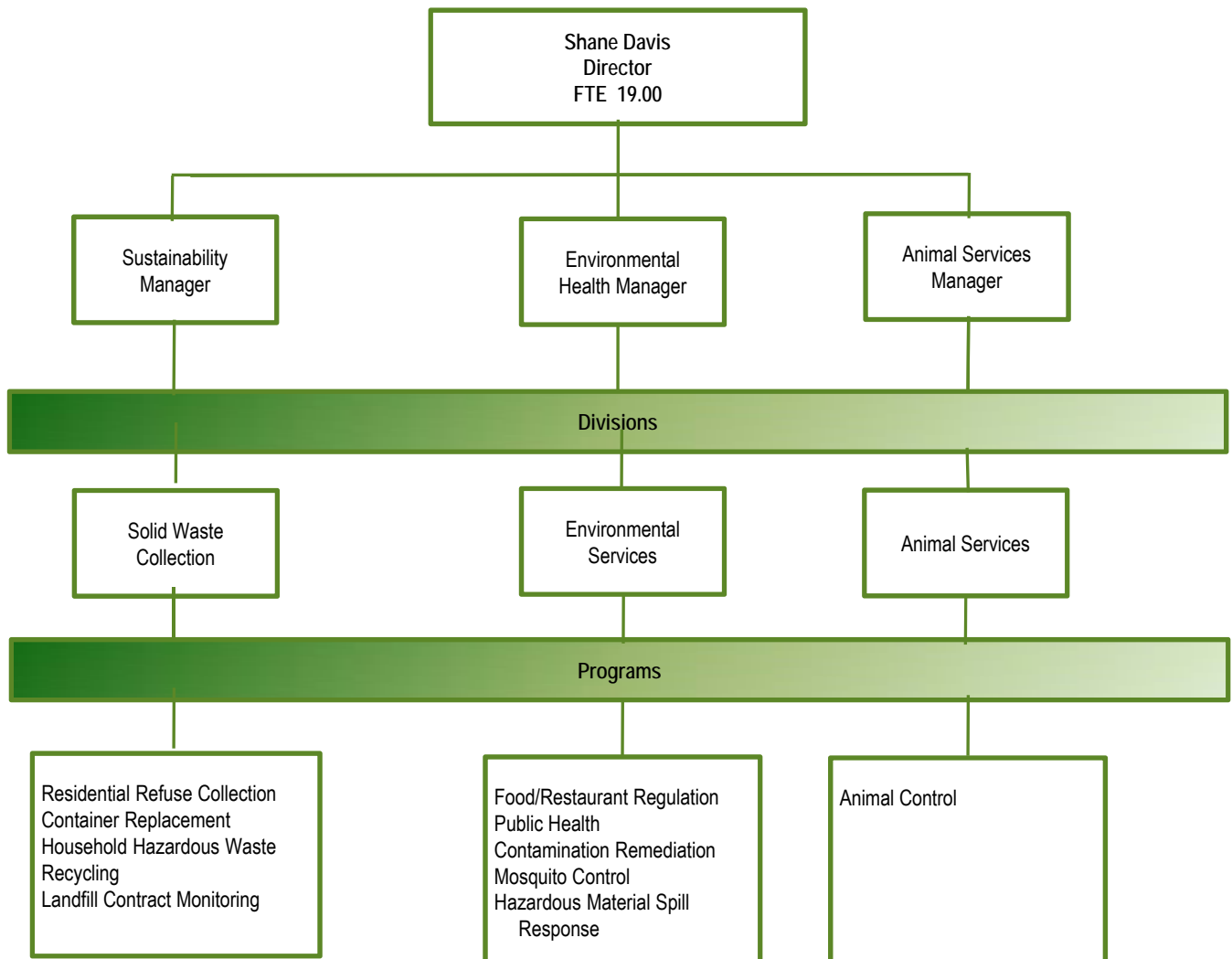
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Sustainability & Public Health



SUSTAINABILITY & PUBLIC HEALTH SUMMARY	YEAR-END AMENDED		ADOPTED		YEAR-END		% CHANGE FROM YEAR- END AMENDED
	BUDGET	ACTUAL	BUDGET		BUDGET	BUDGET	
	2018-19	2018-19	2019-20		2019-20	2020-21	
<i>Personal Services/Benefits</i>	\$ 1,543,400	\$ 1,507,692	\$ 1,620,000		\$ 1,593,600	\$ 1,514,000	-4.99%
<i>Purchased Prof & Tech Services</i>	1,282,700	1,175,123	1,358,900		1,352,900	1,483,200	9.63%
<i>Supplies</i>	121,500	96,835	192,500		138,700	125,300	-9.66%
<i>Repairs & Maintenance</i>	253,200	251,920	285,900		308,900	369,900	19.75%
<i>Services</i>	1,472,200	1,444,574	1,585,300		1,611,300	1,517,800	-5.80%
<i>Production & Disposal</i>	41,500	35,027	47,500		47,500	44,500	-6.32%
<i>Transfers</i>	136,000	136,000	300,000		300,000	310,000	3.33%
Total Budget	\$ 4,850,500	\$ 4,647,170	\$ 5,390,100		\$ 5,352,900	\$ 5,364,700	0.22%

DIVISION	YEAR-END AMENDED BUDGET	ACTUAL	ADOPTED BUDGET	YEAR-END AMENDED BUDGET	ADOPTED BUDGET
	2018-19	2018-19	2019-20	2019-20	2020-21

SUSTAINABILITY/SOLID WASTE COLLECTION

<i>Personal Services/Benefits</i>	\$ 761,800	\$ 765,281	\$ 771,100	\$ 761,800	\$ 894,600
<i>Purchased Prof & Tech Services</i>	1,282,700	1,175,123	1,358,900	1,352,900	1,458,200
<i>Supplies</i>	83,300	64,492	116,400	73,400	73,900
<i>Repairs & Maintenance</i>	200,200	199,840	217,700	240,700	289,900
<i>Services</i>	1,259,100	1,258,022	1,200,700	1,230,700	1,273,600
<i>Production & Disposal</i>	41,500	35,027	47,500	47,500	44,500
<i>Transfers</i>	100,000	100,000	300,000	300,000	310,000
Total Budget	\$ 3,728,600	\$ 3,597,784	\$ 4,012,300	\$ 4,007,000	\$ 4,344,700

ANIMAL SERVICES

<i>Personal Services/Benefits</i>	\$ 490,900	\$ 461,363	\$ 552,100	\$ 423,300	\$ 512,900
<i>Supplies</i>	30,300	27,094	47,900	43,600	40,400
<i>Repairs & Maintenance</i>	49,900	49,288	55,100	55,100	74,000
<i>Services</i>	129,700	112,030	156,700	156,700	141,700
<i>Transfers</i>	9,000	9,000	0	0	0
Total Budget	\$ 709,800	\$ 658,776	\$ 811,800	\$ 678,700	\$ 769,000

ENVIRONMENTAL SERVICES

<i>Personal Services/Benefits</i>	\$ 290,700	\$ 281,048	\$ 296,800	\$ 408,500	\$ 106,500
<i>Purchased Prof & Tech Services</i>	0	0	0	0	25,000
<i>Supplies</i>	7,900	5,248	28,200	21,700	11,000
<i>Repairs & Maintenance</i>	3,100	2,792	13,100	13,100	6,000
<i>Services</i>	83,400	74,521	227,900	223,900	102,500
<i>Transfers</i>	27,000	27,000	0	0	0
Total Budget	\$ 412,100	\$ 390,611	\$ 566,000	\$ 667,200	\$ 251,000

POLICE

Who we are:

The mission of the Police department is to assure each citizen the opportunity to enjoy life in peace and freedom from criminal acts. Through a commitment to work in partnership with citizens to provide courteous professional services, the department will fairly and impartially carry out its mission with P.R.I.D.E. (Partnership, Respect, Innovation, Dedication, and Excellence).

Functions of the department are divided among six Sections that fall under two Divisions, Support Services and Patrol Division; (each commanded by a Deputy Chief): Administration, Patrol, Investigations, Training, Detention and Communications.

What we do (Key Processes):

- Police response and patrol
- Community outreach
- Community programs
- Investigations

Our Strategic Initiatives:

C.1 Achieve the highest standards of safety and security

- Conduct at least 1000 park patrols between the hours of 7pm and 10pm.
- UCR and NIBRS Crime Levels: after adjusting for population growth, maintain violent crimes (homicide, rape, robbery and aggravated assault and property crimes (vehicle burglary, auto theft, and residential/commercial burglary) below the 5-year average.

C3. Promote opportunities for community participation in government

- Conduct two Citizen Police Academies and at least one active shooter training for the public.
- Provide engagement opportunities to enhance and improve police community relations with an emphasis on engaging members of our community that may feel marginalized.

B2. Enhance service delivery through continual process improvement

- Engage with other community stakeholders in roundtables and other educational opportunities to learn more about addressing homelessness and mental health issues in our community.

B3. Optimize the use of technology

- Equip one additional intersection with fixed license plate reader technology.

F2. Seek out and maintain alternative funding resources

- Apply for the bulletproof vest reimbursement grant.

L3. Attract, develop, and retain employees that embrace our values

- Provide for 3000 hours of TCOLE approved in-service training to officers and non-sworn staff.
- Continue to provide mental health resources to police officers through various training and connections to mental health services.

L5. Foster positive employee engagement

- Utilize 2020 Gallup Q12 employee survey data to increase employee engagement.

David Hale, Chief

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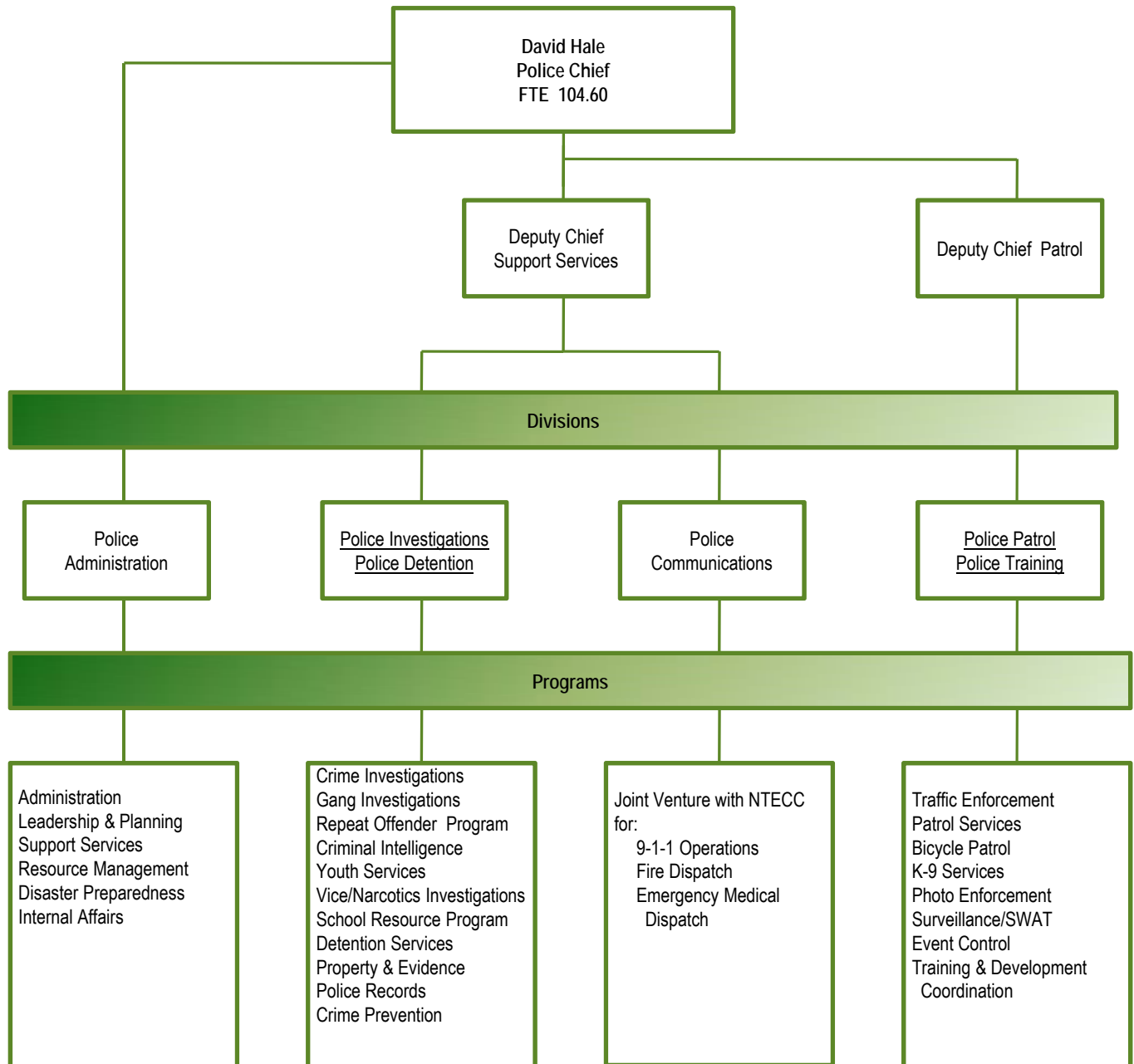
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Police



POLICE SUMMARY	YEAR-END AMENDED		ADOPTED BUDGET 2019-20	YEAR-END AMENDED		% CHANGE FROM YEAR-END AMENDED
	BUDGET	ACTUAL		BUDGET	ADOPTED BUDGET	
	2018-19	2018-19		2019-20	2020-21	
Personal Services/Benefits	\$ 10,646,900	\$ 10,374,077	\$ 11,248,700	\$ 11,191,100	\$ 11,870,900	6.07%
Supplies	369,200	291,006	447,500	395,200	385,500	-2.45%
Repairs & Maintenance	794,300	742,091	876,000	903,200	832,000	-7.88%
Services	2,123,100	2,055,594	2,509,900	2,509,900	1,798,500	-28.34%
Transfers	404,100	404,100	284,500	284,500	272,000	-4.39%
Total Budget	<u>\$ 14,337,600</u>	<u>\$ 13,866,868</u>	<u>\$ 15,366,600</u>	<u>\$ 15,283,900</u>	<u>\$ 15,158,900</u>	<u>-0.82%</u>

DIVISION	YEAR-END AMENDED BUDGET 2018-19	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21
POLICE ADMINISTRATION					
<i>Personal Services/Benefits</i>	\$ 1,088,400	\$ 1,071,453	\$ 1,106,600	\$ 1,133,600	\$ 1,146,800
<i>Supplies</i>	51,300	37,907	52,300	52,300	43,700
<i>Repairs & Maintenance</i>	250,400	243,336	281,300	261,400	274,400
<i>Services</i>	320,900	289,888	367,400	368,000	312,000
<i>Transfers</i>	23,100	23,100	0	0	0
Total Budget	\$ 1,734,100	\$ 1,665,685	\$ 1,807,600	\$ 1,815,300	\$ 1,776,900
POLICE INVESTIGATIONS					
<i>Personal Services/Benefits</i>	\$ 1,975,600	\$ 1,942,042	\$ 1,997,500	\$ 2,016,500	\$ 2,101,100
<i>Supplies</i>	32,000	29,901	38,500	30,700	30,100
<i>Repairs & Maintenance</i>	48,300	48,078	51,300	51,300	51,000
<i>Services</i>	31,500	29,932	64,900	79,900	56,600
<i>Transfers</i>	125,000	125,000	0	0	0
Total Budget	\$ 2,212,400	\$ 2,174,952	\$ 2,152,200	\$ 2,178,400	\$ 2,238,800
POLICE PATROL					
<i>Personal Services/Benefits</i>	\$ 6,203,300	\$ 6,033,457	\$ 6,664,500	\$ 6,532,900	\$ 7,097,600
<i>Supplies</i>	258,800	203,413	333,000	285,000	285,000
<i>Repairs & Maintenance</i>	386,400	376,666	448,900	499,500	409,200
<i>Services</i>	62,400	52,756	55,100	59,100	134,100
<i>Transfers</i>	256,000	256,000	284,500	284,500	272,000
Total Budget	\$ 7,166,900	\$ 6,922,291	\$ 7,786,000	\$ 7,661,000	\$ 8,197,900
POLICE DETENTION					
<i>Personal Services/Benefits</i>	\$ 1,227,000	\$ 1,179,733	\$ 1,327,600	\$ 1,300,600	\$ 1,371,600
<i>Supplies</i>	23,600	16,425	20,200	23,700	20,200
<i>Repairs & Maintenance</i>	5,300	5,015	5,300	5,300	5,300
<i>Services</i>	5,100	3,109	6,500	9,000	1,500
Total Budget	\$ 1,261,000	\$ 1,204,283	\$ 1,359,600	\$ 1,338,600	\$ 1,398,600
POLICE COMMUNICATIONS					
<i>Repairs & Maintenance</i>	\$ 103,900	\$ 68,997	\$ 89,200	\$ 85,700	\$ 92,100
<i>Services</i>	1,697,700	1,674,584	2,011,500	1,989,400	1,290,300
Total Budget	\$ 1,801,600	\$ 1,743,581	\$ 2,100,700	\$ 2,075,100	\$ 1,382,400
POLICE TRAINING					
<i>Personal Services/Benefits</i>	\$ 152,600	\$ 147,392	\$ 152,500	\$ 207,500	\$ 153,800
<i>Supplies</i>	3,500	3,361	3,500	3,500	6,500
<i>Services</i>	5,500	5,325	4,500	4,500	4,000
Total Budget	\$ 161,600	\$ 156,077	\$ 160,500	\$ 215,500	\$ 164,300

FIRE

Who we are:

The Fire department's primary function and responsibility to the citizens of Farmers Branch is to protect lives and property from fire and to provide emergency medical assistance. The department consists of three divisions: Administration/Training, Operations, and Fire Prevention. The department is responsible for fire suppression, emergency medical services, rescue operations, emergency management, fire safety inspections, public fire prevention education programs, building and site plan review, fire investigations, and training of personnel.

What we do (Key Processes):

- Emergency response: Fire and EMS
- Emergency preparedness
- Community outreach
- Fire safety inspections
- Building and site plan reviews

Our Strategic Initiatives:

B2. Enhance service delivery through continual process improvement

- Award a FEMA compliant debris-hauling contract to complete the City's Debris Management Plan.

B4. Ensure constant and effective communication both internally and externally

- Annual Outdoor Warning Siren Maintenance and repair of known operational problems.

C.1 Achieve the highest standards of safety and security

- Purchase a Hydraulic Rescue Tool for Quint 133.
- Complete outfitting both reserve apparatuses to have them both 100% equipped.
- Inspect 1,080 commercial businesses.

C3. Promote opportunities for community participation in government

- Fire Station No. 2 Grand Opening Ceremony.
- Deliver a Citizens Fire Academy class to a minimum of 16 students.

F1. Invest to maintain and provide high quality public assets

- Purchase a Fire Engine to replace a 17-year-old apparatus.
- Year 2 of 8 to strip and paint "Traffic Red" 150 of our 2,200 fire hydrants.

L5. Foster positive employee engagement

- Annual Firefighter NFPA 1582 & 1583 medical and fitness screening.
- Year 2 of 3 to secure a 2nd set of firefighter bunker gear (25 sets) for our firefighters.

Gabriel Vargas, Fire Chief

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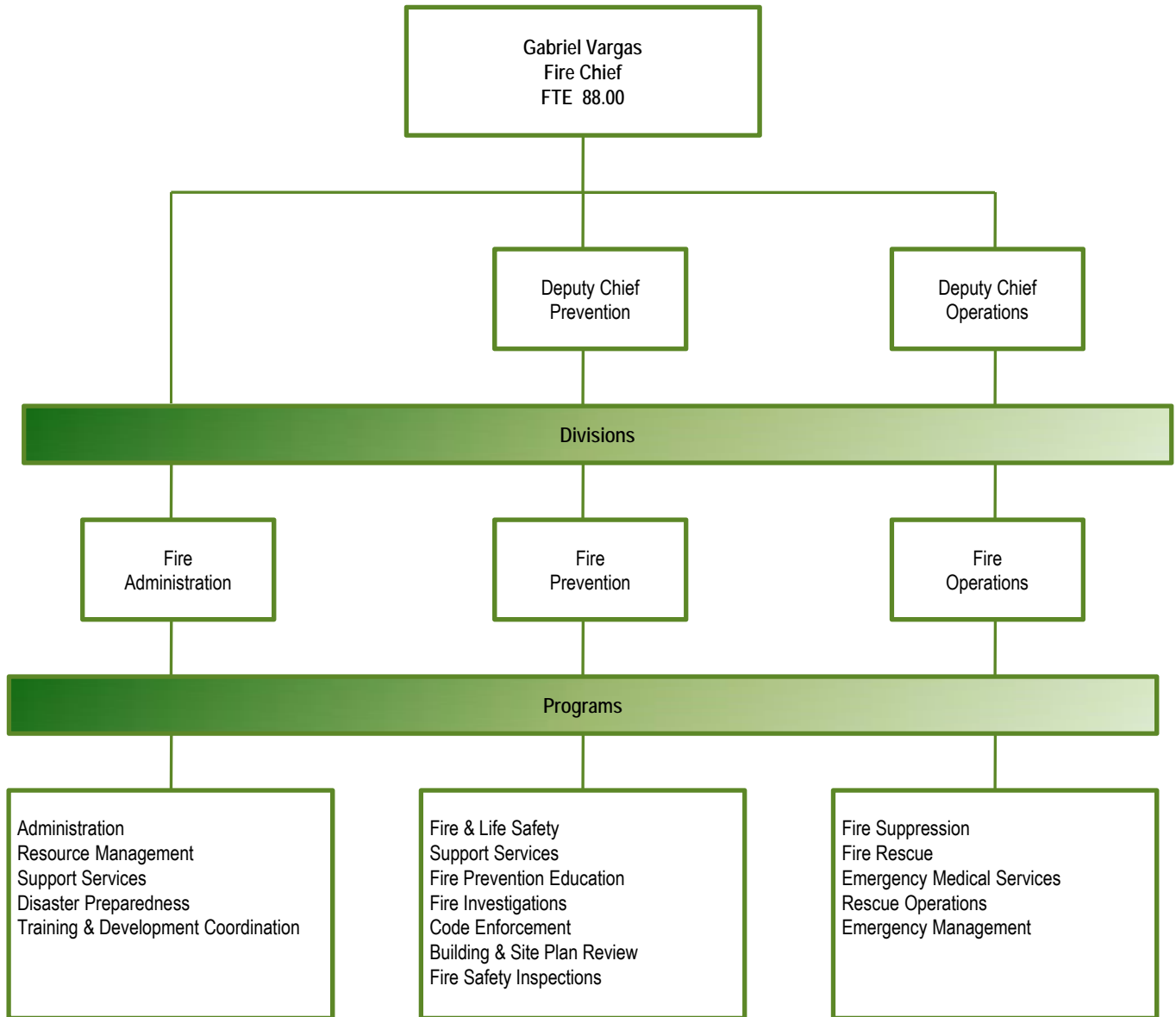
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Fire



FIRE SUMMARY	YEAR-END			YEAR-END		% CHANGE FROM YEAR- END AMENDED
	AMENDED		ADOPTED BUDGET 2019-20	AMENDED		
	BUDGET			BUDGET		
	2018-19	ACTUAL 2018-19		2019-20	2020-21	
<i>Personal Services/Benefits</i>	\$ 10,334,600	\$ 10,288,266	\$ 10,450,400	\$ 10,848,500	\$ 10,919,800	0.66%
<i>Supplies</i>	354,124	339,635	477,000	503,000	474,600	-5.65%
<i>Repairs & Maintenance</i>	718,600	712,755	714,000	731,300	734,600	0.45%
<i>Services</i>	321,300	297,459	354,900	301,300	346,600	15.03%
<i>Transfers</i>	726,000	726,000	943,400	943,400	1,089,200	15.45%
Total Budget	\$ 12,454,624	\$ 12,364,115	\$ 12,939,700	\$ 13,327,500	\$ 13,564,800	1.78%

DIVISION	YEAR-END AMENDED BUDGET 2018-19	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21
FIRE ADMINISTRATION					
<i>Personal Services/Benefits</i>	\$ 867,300	\$ 859,849	\$ 815,800	\$ 887,700	\$ 848,200
<i>Supplies</i>	53,424	52,270	34,100	34,100	34,800
<i>Repairs & Maintenance</i>	368,300	365,245	212,500	197,100	214,400
<i>Services</i>	101,300	84,616	91,500	85,500	86,600
<i>Transfers</i>	0	0	0	0	297,000
Total Budget	\$ 1,390,324	\$ 1,361,980	\$ 1,153,900	\$ 1,204,400	\$ 1,481,000
FIRE PREVENTION					
<i>Personal Services/Benefits</i>	\$ 572,200	\$ 567,515	\$ 577,200	\$ 553,200	\$ 515,600
<i>Supplies</i>	29,400	28,870	30,200	30,200	27,100
<i>Services</i>	10,800	8,428	11,300	12,700	10,100
Total Budget	\$ 612,400	\$ 604,812	\$ 618,700	\$ 596,100	\$ 552,800
FIRE OPERATIONS					
<i>Personal Services/Benefits</i>	\$ 8,895,100	\$ 8,860,903	\$ 9,057,400	\$ 9,407,600	\$ 9,556,000
<i>Supplies</i>	271,300	258,495	412,700	438,700	412,700
<i>Repairs & Maintenance</i>	350,300	347,510	501,500	534,200	520,200
<i>Services</i>	209,200	204,415	252,100	203,100	249,900
<i>Transfers</i>	726,000	726,000	943,400	943,400	792,200
Total Budget	\$ 10,451,900	\$ 10,397,323	\$ 11,167,100	\$ 11,527,000	\$ 11,531,000

PARKS & RECREATION

Who we are:

The Parks and Recreation department provides beautifully maintained natural environments, parks, rights of way and green space, and a wide variety of quality recreational and entertainment opportunities for all ages. Parks and Recreation is composed of 3 functional divisions: administration, maintenance, and recreation/aquatics/senior center/events.

What we do (Key Processes):

- Park maintenance
- Facility programming
- Special events
- Historical preservation

Our Strategic Initiatives:

B2. Enhance service delivery through continual process improvement

- Re-imagine Historical Park operations and develop a plan for sustainable operations.

B5. Adhere to the strategic management system

- Create, adopt, and develop a plan to act upon the recommendations in the Parks Master Plan

F1. Invest to maintain and provide high quality public assets

- Complete construction of John F. Burke Nature Preserve enhancements.
- Complete Phase I of the Farmers Branch Community Recreation Center renovation and identify funding sources to complete Phases II & III.

L2. Enhance leadership capabilities to deliver results and develop bench strength

- Create a Parks department succession plan and develop formal curriculum to train, develop, and mentor staff.

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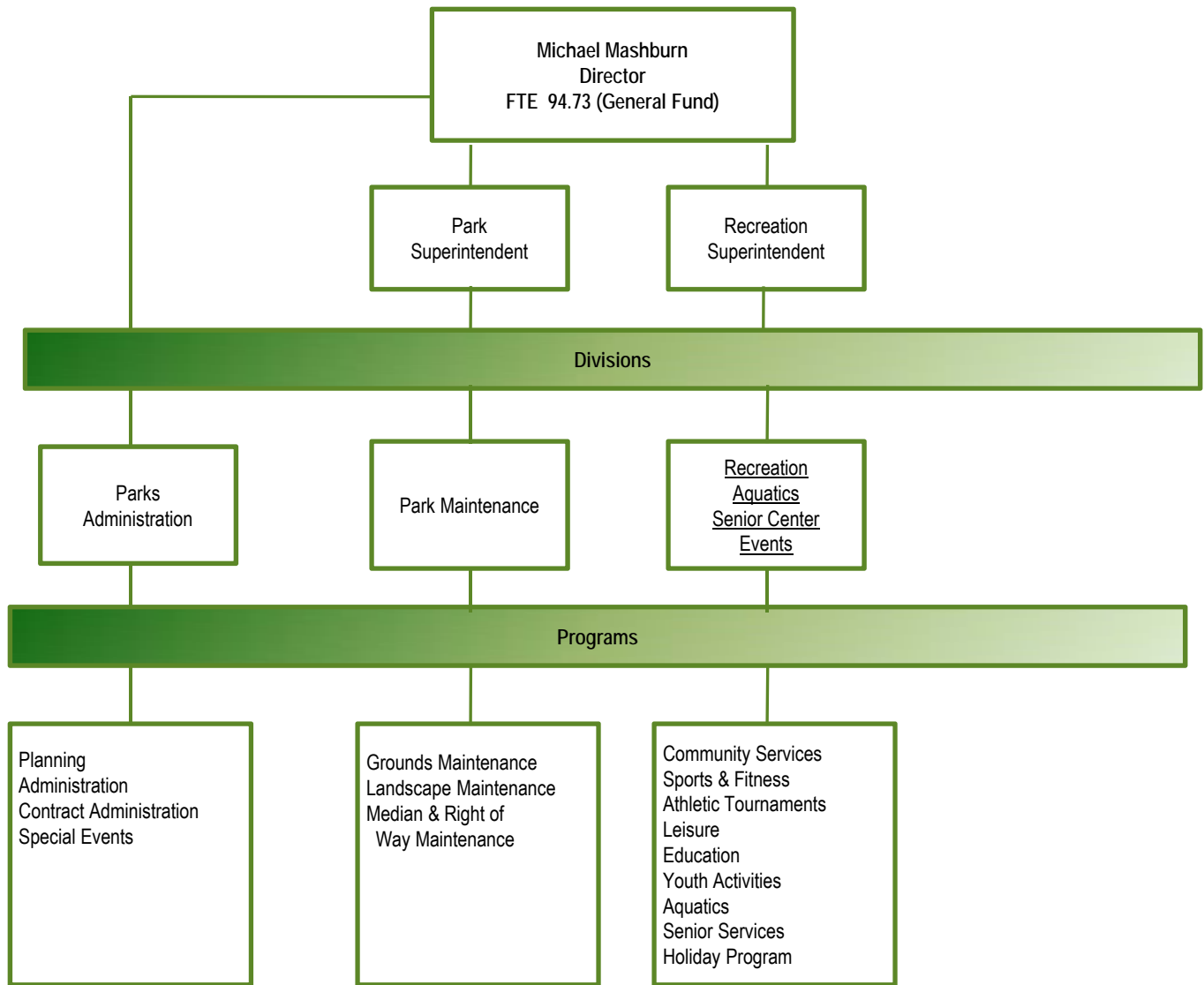
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Michael Mashburn, Director

Parks & Recreation



The Parks & Recreation Department also includes the Historical Preservation Division, which is detailed in the Hotel/Motel Fund section of this document.

PARKS & RECREATION SUMMARY	YEAR-END AMENDED		ADOPTED BUDGET 2019-20	YEAR-END AMENDED		% CHANGE FROM YEAR- END AMENDED
	BUDGET 2018-19	ACTUAL 2018-19		BUDGET 2019-20	BUDGET 2020-21	
Personal Services/Benefits	\$ 6,011,200	\$ 5,832,631	\$ 5,923,900	\$ 5,752,400	\$ 6,119,800	6.39%
Purchased Prof & Tech Services	103,400	72,072	128,400	146,400	143,600	-1.91%
Supplies	639,200	511,431	685,300	612,000	691,100	12.92%
Repairs & Maintenance	1,529,900	1,399,715	1,684,600	1,677,300	1,835,400	9.43%
Services	1,374,400	1,278,282	1,527,400	1,405,300	1,493,300	6.26%
Events	396,600	368,244	325,400	305,400	338,200	10.74%
Transfers	1,139,800	1,139,800	1,326,000	1,286,000	1,243,500	-3.30%
Total Budget	\$ 11,194,500	\$ 10,602,175	\$ 11,601,000	\$ 11,184,800	\$ 11,864,900	6.08%

DIVISION	YEAR-END AMENDED BUDGET 2018-19	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21
PARKS & RECREATION ADMIN.					
<i>Personal Services/Benefits</i>	\$ 594,600	\$ 579,677	\$ 426,700	\$ 428,300	\$ 449,300
<i>Purchased Prof & Tech Services</i>	0	0	50,000	38,000	35,200
<i>Supplies</i>	21,600	17,987	17,700	17,100	17,700
<i>Repairs & Maintenance</i>	3,500	3,234	3,500	3,500	3,500
<i>Services</i>	42,400	41,872	28,800	36,200	48,600
Total Budget	\$ 662,100	\$ 642,770	\$ 526,700	\$ 523,100	\$ 554,300
PARK MAINTENANCE					
<i>Personal Services/Benefits</i>	\$ 3,084,800	\$ 3,002,964	\$ 3,164,200	\$ 3,232,300	\$ 3,438,200
<i>Purchased Prof & Tech Services</i>	103,400	72,072	73,400	73,400	73,400
<i>Supplies</i>	336,400	268,235	357,200	332,400	345,000
<i>Repairs & Maintenance</i>	759,700	708,296	886,200	878,900	983,800
<i>Services</i>	606,700	562,266	694,100	694,100	730,100
<i>Transfers</i>	676,000	676,000	886,000	846,000	607,500
Total Budget	\$ 5,567,000	\$ 5,289,833	\$ 6,061,100	\$ 6,057,100	\$ 6,178,000
RECREATION					
<i>Personal Services/Benefits</i>	\$ 895,700	\$ 868,727	\$ 827,400	\$ 706,500	\$ 776,600
<i>Supplies</i>	118,900	98,296	149,400	122,300	148,500
<i>Repairs & Maintenance</i>	440,200	379,599	408,400	408,400	446,000
<i>Services</i>	383,500	358,000	404,600	306,600	354,600
<i>Transfers</i>	338,000	338,000	440,000	440,000	636,000
Total Budget	\$ 2,176,300	\$ 2,042,623	\$ 2,229,800	\$ 1,983,800	\$ 2,361,700
AQUATICS CENTER					
<i>Personal Services/Benefits</i>	\$ 629,700	\$ 595,662	\$ 657,700	\$ 601,100	\$ 651,900
<i>Supplies</i>	76,400	65,464	60,100	67,000	71,900
<i>Repairs & Maintenance</i>	131,900	125,654	170,800	170,800	172,500
<i>Services</i>	189,000	190,755	203,800	193,700	178,300
Total Budget	\$ 1,027,000	\$ 977,534	\$ 1,092,400	\$ 1,032,600	\$ 1,074,600
SENIOR CENTER					
<i>Personal Services/Benefits</i>	\$ 416,500	\$ 414,534	\$ 403,800	\$ 406,000	\$ 386,500
<i>Supplies</i>	85,800	61,449	100,800	73,100	107,900
<i>Repairs & Maintenance</i>	171,800	160,132	190,400	190,400	197,800
<i>Services</i>	92,200	70,983	111,600	91,200	98,200
<i>Transfers</i>	40,800	40,800	0	0	0
Total Budget	\$ 807,100	\$ 747,897	\$ 806,600	\$ 760,700	\$ 790,400
PARK BOARD					
<i>Services</i>	\$ 4,800	\$ 3,355	\$ 4,800	\$ 4,800	\$ 4,800
Total Budget	\$ 4,800	\$ 3,355	\$ 4,800	\$ 4,800	\$ 4,800
SENIOR ADVISORY BOARD					
<i>Services</i>	\$ 4,800	\$ 3,483	\$ 4,800	\$ 4,800	\$ 4,800
Total Budget	\$ 4,800	\$ 3,483	\$ 4,800	\$ 4,800	\$ 4,800
EVENTS					
<i>Personal Services/Benefits</i>	\$ 389,900	\$ 371,068	\$ 444,100	\$ 378,200	\$ 417,300
<i>Purchased Prof & Tech Services</i>	0	0	5,000	35,000	35,000
<i>Supplies</i>	100	0	100	100	100
<i>Repairs & Maintenance</i>	22,800	22,800	25,300	25,300	31,800
<i>Services</i>	51,000	47,568	74,900	73,900	73,900
<i>Events</i>	396,600	368,244	325,400	305,400	338,200
<i>Transfers</i>	85,000	85,000	0	0	0
Total Budget	\$ 945,400	\$ 894,680	\$ 874,800	\$ 817,900	\$ 896,300

LIBRARY

Who we are:

The Library's mission is to provide free and equal access to information resources, technologies, educational programs, and community spaces. Funds for the Library are used to encourage the use of library materials by the residents for their informational, educational, and recreational needs; to serve as the City's cultural center; to promote literacy; and to provide maximum use of the facility and its services.

What we do (Key Processes):

- Manage the Library's collection of materials
- Develop and provide programming for our residents
- Manage the day-to-day operations of the Library

Our Strategic Initiatives:

C2. Provide attractive, unique, and connected spaces for community interaction

- Evaluate effectiveness and quality of current programs and events.

C3. Promote opportunities for community participation in government

- Improve Library Advisory Board participation.

C4. Be open, accessible, and transparent

- Assess availability and display of materials for circulation and public use.

B2. Enhance service delivery through continual process improvement

- Continue evaluating age of print collection and number of items available to the community to align with exemplary Texas State Library standards bringing the collection age to 25% under 5 years old.

B4. Ensure constant and effective communication both internally and externally

- Provide more community updates on what is available at the Library in a Park.

F1. Invest to maintain and provide high quality public assets

- With Council's direction, complete the design and remodel/renovation of the Manske Library

F3. Provide services in the most efficient and effective manner possible

- Continue programming partnerships with city events, schools and area businesses to benefit residents of Farmers Branch.

L2. Enhance leadership capabilities to deliver results and develop bench strength

- Use 2020 Gallup Survey results to improve engagement from an already productive library staff.

L3. Attract, develop, and retain employees that embrace our values

- Complete the updates to the staff areas and update the offices for the Operations and Circulation functions.

Denise Wallace, Director

OUR MISSION

To build a vibrant, dynamic community that consistently seeks to improve the quality of life for our residents.

OUR VISION

Our vision is to be a city of the future with a vibrant and diverse economy that supports beautiful parks, great amenities, and friendly neighborhoods.

OUR CORE VALUES

Respect

Value everyone's opinion and acknowledge their perspective.

Excellence

Continually striving to be the very best.

Accountability

Taking ownership for what you do.

Care

Displaying kindness and concern.

Trust

Being transparent, honest and truthful.

Library

The Library was outsourced during the 2010-11 Fiscal Year. Current year expenses reflect outsourcing costs.

Programs

Planning & Administration
Adult Services
Youth Services
Technical Services
Circulation

LIBRARY SUMMARY	YEAR-END		ADOPTED BUDGET 2019-20	YEAR-END		% CHANGE FROM YEAR- END AMENDED
	AMENDED BUDGET	ACTUAL		AMENDED BUDGET	ADOPTED BUDGET	
	2018-19	2018-19		2019-20	2020-21	
<i>Purchased Prof & Tech Services</i>	\$ 1,287,800	\$ 1,287,742	\$ 1,321,900	\$ 1,321,900	\$ 1,360,000	2.88%
<i>Supplies</i>	35,000	30,352	37,000	37,000	42,600	15.14%
<i>Repairs & Maintenance</i>	233,600	233,600	263,400	263,400	260,400	-1.14%
<i>Services</i>	87,100	77,373	87,100	87,100	71,200	-18.25%
<i>Transfers</i>	241,500	241,500	588,000	588,000	2,791,500	374.74%
Total Budget	\$ 1,885,000	\$ 1,870,568	\$ 2,297,400	\$ 2,297,400	\$ 4,525,700	96.99%

ENTERPRISE FUNDS REVENUE SUMMARY

	YEAR-END AMENDED BUDGET 2018-19	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21	PERCENT OF BUDGET
<u>WATER & SEWER FUND</u>						
<u>INTEREST/RENTS/CONTRIBUTIONS</u>						
INTEREST	\$ 20,000	\$ 36,610	\$ 15,000	\$ 55,000	\$ 15,000	0.05%
SUB-TOTAL	20,000	36,610	15,000	55,000	15,000	0.05%
<u>MISCELLANEOUS</u>						
MISCELLANEOUS	4,100	7,926	4,100	9,000	6,500	0.02%
SALE OF ASSETS	1,000	2,064	1,000	0	1,000	0.00%
INSURANCE RECOVERY	7,900	7,849	0	3,300	0	0.00%
SUB-TOTAL	13,000	17,840	5,100	12,300	7,500	0.03%
<u>CHARGES FOR SERVICES</u>						
WATER SERVICE	14,003,000	15,709,440	16,027,700	17,493,000	16,027,700	58.10%
SEWER SERVICE	7,561,000	7,854,118	8,884,100	8,480,000	8,884,100	32.20%
ADDISON SEWER	67,000	58,942	68,400	68,400	68,400	0.25%
TAPPING FEES	2,000	8,046	2,000	2,000	2,000	0.01%
RECONNECTS/SERVICE CHARGE	40,000	43,475	40,000	36,000	40,000	0.14%
LATE FEES	225,000	221,539	225,000	202,500	225,000	0.82%
INSPECTIONS	314,400	314,613	125,000	100,000	125,000	0.45%
BACKFLOW PROGRAM	50,000	54,020	35,000	54,000	35,000	0.13%
SUB-TOTAL	22,262,400	24,264,193	25,407,200	26,435,900	25,407,200	92.10%
TOTAL WATER & SEWER FUND	\$ 22,295,400	\$ 24,318,642	\$ 25,427,300	\$ 26,503,200	\$ 25,429,700	92.18%
<u>STORMWATER UTILITY FUND</u>						
<u>INTEREST/RENTS/CONTRIBUTIONS</u>						
INTEREST	\$ 30,000	\$ 68,352	\$ 30,000	\$ 55,000	\$ 30,000	0.11%
SUB-TOTAL	30,000	68,352	30,000	55,000	30,000	0.11%
<u>MISCELLANEOUS</u>						
INTERFUND TRANSFERS	1,086,000	1,086,000	500,000	500,000	500,000	1.81%
SUB-TOTAL	1,086,000	1,086,000	500,000	500,000	500,000	1.81%
<u>CHARGES FOR SERVICES</u>						
STORMWATER	1,415,000	1,434,813	1,627,000	1,627,000	1,627,000	5.90%
SUB-TOTAL	1,415,000	1,434,813	1,627,000	1,627,000	1,627,000	5.90%
TOTAL STORMWATER UTILITY FUND	\$ 2,531,000	\$ 2,589,165	\$ 2,157,000	\$ 2,182,000	\$ 2,157,000	7.82%
GRAND TOTAL	\$ 24,826,400	\$ 26,907,807	\$ 27,584,300	\$ 28,685,200	\$ 27,586,700	100.00%

ENTERPRISE FUNDS EXPENDITURE SUMMARY

	YEAR-END AMENDED BUDGET 2018-19	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21	PERCENT OF BUDGET
<u>WATER & SEWER FUND</u>						
<u>PUBLIC WORKS</u>						
WATER & SEWER ADMINISTRATION	\$ 4,643,600	\$ 4,582,867	\$ 5,008,000	\$ 5,018,800	\$ 5,219,200	19.25%
WATER & SEWER OPERATIONS	17,595,700	17,503,688	19,114,000	17,705,100	21,886,500	80.75%
TOTAL WATER & SEWER FUND	<u>\$ 22,239,300</u>	<u>\$ 22,086,556</u>	<u>\$ 24,122,000</u>	<u>\$ 22,723,900</u>	<u>\$ 27,105,700</u>	<u>100.00%</u>
<u>STORMWATER UTILITY FUND</u>						
<u>PUBLIC WORKS</u>						
STORMWATER UTILITIES	\$ 2,535,000	\$ 1,494,369	\$ 3,479,000	\$ 3,479,000	\$ 4,419,800	100.00%
TOTAL STORMWATER UTILITY FUND	<u>\$ 2,535,000</u>	<u>\$ 1,494,369</u>	<u>\$ 3,479,000</u>	<u>\$ 3,479,000</u>	<u>\$ 4,419,800</u>	<u>100.00%</u>
GRAND TOTAL	<u><u>\$ 24,774,300</u></u>	<u><u>\$ 23,580,924</u></u>	<u><u>\$ 27,601,000</u></u>	<u><u>\$ 26,202,900</u></u>	<u><u>\$ 31,525,500</u></u>	<u><u>100.00%</u></u>

PUBLIC WORKS

Who we are:

Public Works is responsible for the day-to-day maintenance and operation of the City's infrastructure services such as, street maintenance, storm and sanitary sewer operations, water and wastewater functions, and traffic signals. In addition to maintaining infrastructure, Public Works handles engineering and capital improvement planning for the City, as well as performs inspections on all on-going construction in the City.

The Public Works department is comprised of five divisions that are split between the City's General Fund (governmental activities) and Enterprise Funds (business-type activities). The Administration and Street Maintenance divisions are funded through the City's General Fund, while the Water & Sewer Administration and Water & Sewer Operations divisions are funded through the City's Water & Sewer Enterprise Fund, and the Stormwater Utilities division is funded through the City's Stormwater Utility Enterprise Fund. (The Enterprise Funds are displayed separately.)

What we do (Key Processes):

- Construction inspections and permits
- Infrastructure maintenance and repairs
- Capital improvement projects

Our Strategic Initiatives:

F1. Invest to maintain and provide high quality public assets

- Street Revitalization - Resurfacing Program: resurfacing of identified streets using both Bond (332) and Non-Bond CIP (301).
- Ongoing implementation of Phase II of the Street Bond Program.
- Continue to expand program to replace out-of-date large meters.
- Implement Phase 3 of Rawhide Creek Sewer Rehab project to line sanitary sewer to reduce inflow and infiltration.
- Implement the final year of a 3-year program to improve on erosion issues in Farmers Branch Creek.
- Rehab program for sanitary sewer to reduce inflow and infiltration.
- Ongoing replacement and rehab of water lines, sewer lines and other utility infrastructure.

F2. Seek out and maintain alternative funding resources

- Cooks Creek Channel Improvements to be made over a 3-year period in phases in coordination with a grant.

Marc Bentley, Director

OUR MISSION

To build a vibrant, dynamic community that consistently seeks to improve the quality of life for our residents.

OUR VISION

Our vision is to be a city of the future with a vibrant and diverse economy that supports beautiful parks, great amenities, and friendly neighborhoods.

OUR CORE VALUES

Respect

Value everyone's opinion and acknowledge their perspective.

Excellence

Continually striving to be the very best.

Accountability

Taking ownership for what you do.

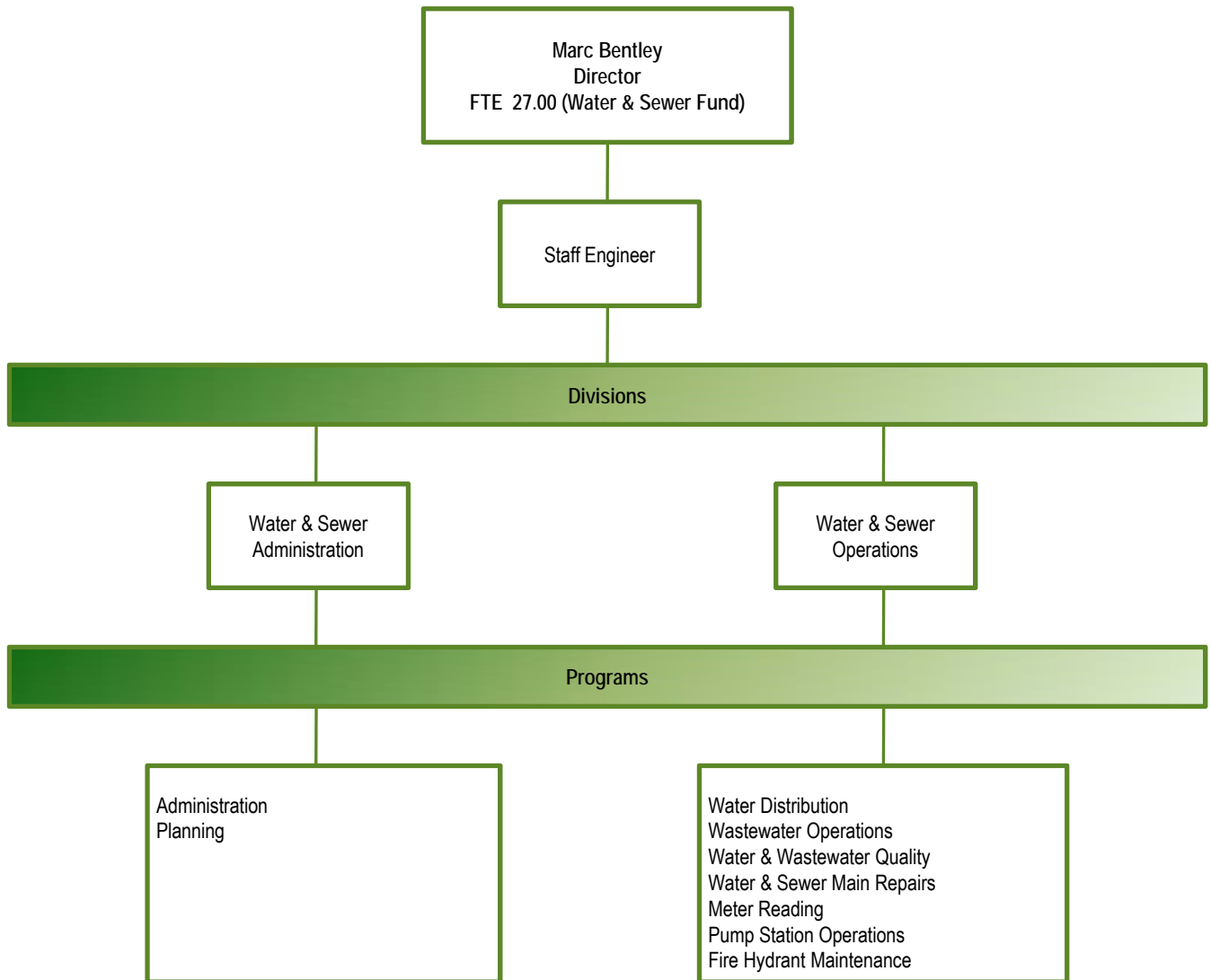
Care

Displaying kindness and concern.

Trust

Being transparent, honest and truthful.

Public Works



The Public Works department also includes Public Works Administration and Street Maintenance operations, which are detailed in the General Fund section of this document.

WATER & SEWER SUMMARY	YEAR-END		ADOPTED		YEAR-END		% CHANGE FROM YEAR- END AMENDED
	AMENDED	ACTUAL	BUDGET	BUDGET	AMENDED	ADOPTED	
	BUDGET		BUDGET		BUDGET		
	2018-19	2018-19	2019-20	2019-20	2020-21		
Personal Services/Benefits	\$ 2,179,000	\$ 2,310,745	\$ 2,277,100	\$ 2,230,200	\$ 2,329,400	4.45%	
Purchased Prof & Tech Services	91,900	99,469	91,900	91,900	91,900	0.00%	
Supplies	311,600	275,824	326,900	326,900	304,100	-6.97%	
Repairs & Maintenance	723,100	674,300	755,100	775,100	754,200	-2.70%	
Services	484,500	427,764	483,400	483,400	483,600	0.04%	
Production & Disposal	9,896,100	9,946,980	11,022,900	9,651,700	10,722,100	11.09%	
Other Objects	66,200	2,650,261	60,000	60,000	60,000	0.00%	
Transfers	8,486,900	8,486,900	9,104,700	9,104,700	12,360,400	35.76%	
Total Budget	\$ 22,239,300	\$ 24,872,244	\$ 24,122,000	\$ 22,723,900	\$ 27,105,700	19.28%	

DIVISION	YEAR-END AMENDED BUDGET	ACTUAL	ADOPTED BUDGET	YEAR-END AMENDED BUDGET	ADOPTED BUDGET
	2018-19	2018-19	2019-20	2019-20	2020-21

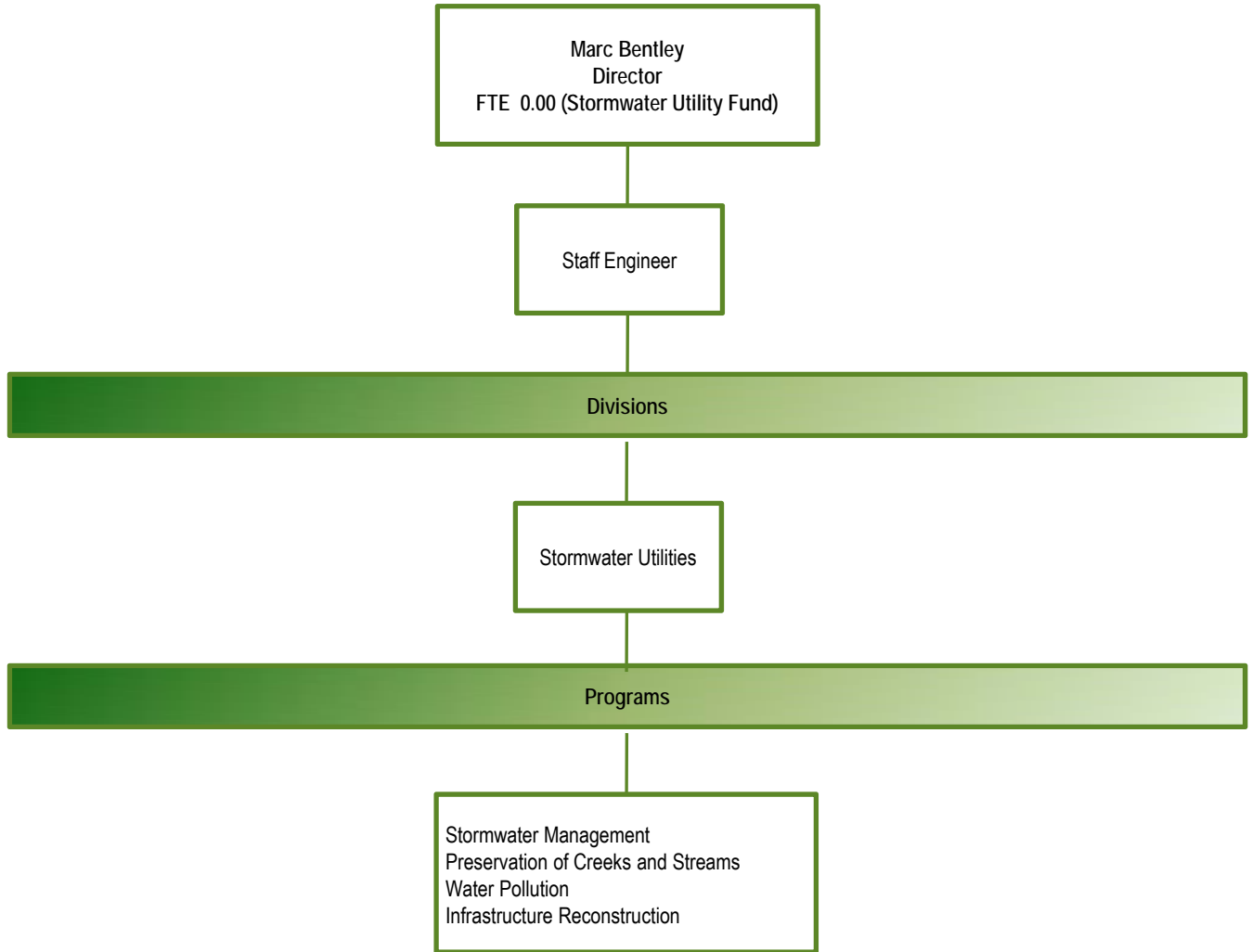
WATER & SEWER ADMINISTRATION

<i>Personal Services/Benefits</i>	\$ 109,800	\$ 106,938	\$ 110,600	\$ 121,400	\$ 122,800
<i>Purchased Prof & Tech Services</i>	91,900	99,469	91,900	91,900	91,900
<i>Supplies</i>	85,400	60,798	85,400	85,400	75,400
<i>Repairs & Maintenance</i>	53,800	57,655	50,900	50,900	51,500
<i>Services</i>	70,000	52,434	70,000	70,000	70,000
<i>Production & Disposal</i>	69,600	62,778	89,500	89,500	72,200
<i>Other Objects</i>	10,000	2,250	10,000	10,000	10,000
<i>Transfers</i>	4,153,100	4,153,100	4,499,700	4,499,700	4,725,400
Total Budget	\$ 4,643,600	\$ 4,595,422	\$ 5,008,000	\$ 5,018,800	\$ 5,219,200

WATER & SEWER OPERATIONS

<i>Personal Services/Benefits</i>	\$ 2,069,200	\$ 2,203,807	\$ 2,166,500	\$ 2,108,800	\$ 2,206,600
<i>Supplies</i>	226,200	215,026	241,500	241,500	228,700
<i>Repairs & Maintenance</i>	669,300	616,645	704,200	724,200	702,700
<i>Services</i>	414,500	375,331	413,400	413,400	413,600
<i>Production & Disposal</i>	9,826,500	9,884,202	10,933,400	9,562,200	10,649,900
<i>Other Objects</i>	56,200	2,648,011	50,000	50,000	50,000
<i>Transfers</i>	4,333,800	4,333,800	4,605,000	4,605,000	7,635,000
Total Budget	\$ 17,595,700	\$ 20,276,821	\$ 19,114,000	\$ 17,705,100	\$ 21,886,500

Public Works



The Public Works department also includes Public Works Administration and Street Maintenance operations, which are detailed in the General Fund section of this document.

STORMWATER UTILITIES SUMMARY	YEAR-END AMENDED		ADOPTED BUDGET 2019-20	YEAR-END AMENDED		% CHANGE FROM YEAR- END AMENDED
	BUDGET	ACTUAL		BUDGET	ADOPTED	
	2018-19	2018-19		2019-20	2020-21	
<i>Purchased Prof & Tech Services</i>	\$ 274,200	\$ 3,420	\$ 130,000	\$ 130,000	\$ 35,000	-73.08%
<i>Repairs & Maintenance</i>	2,186,000	1,414,362	3,274,200	3,274,200	0	-100.00%
<i>Other Objects</i>	0	68,819	0	0	0	0.00%
<i>Transfers</i>	74,800	74,800	74,800	74,800	4,384,800	5762.03%
Total Budget	\$ 2,535,000	\$ 1,561,402	\$ 3,479,000	\$ 3,479,000	\$ 4,419,800	27.04%

INTERNAL SERVICE FUNDS REVENUE SUMMARY

	YEAR-END AMENDED BUDGET 2018-19	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21	PERCENT OF BUDGET
<u>FLEET & FACILITIES MANAGEMENT FUND</u>						
<u>CHARGES FOR SERVICES</u>						
FLEET SERVICES	\$ 2,629,200	\$ 2,501,571	\$ 2,859,200	\$ 2,938,400	\$ 2,864,300	30.25%
FACILITIES SERVICES	1,816,700	1,805,829	2,018,100	1,982,800	2,269,900	23.97%
TOTAL FLEET & FACILITIES MGMT FUND	<u>\$ 4,445,900</u>	<u>\$ 4,307,401</u>	<u>\$ 4,877,300</u>	<u>\$ 4,921,200</u>	<u>\$ 5,134,200</u>	<u>54.22%</u>
<u>WORKERS' COMPENSATION FUND</u>						
<u>MISCELLANEOUS</u>						
MISCELLANEOUS	\$ 60,000	\$ 11,796	\$ 60,000	\$ 60,000	\$ 60,000	0.63%
INTERFUND TRANSFERS	340,000	324,500	340,000	340,000	340,000	3.59%
TOTAL WORKERS' COMPENSATION FUND	<u>\$ 400,000</u>	<u>\$ 336,296</u>	<u>\$ 400,000</u>	<u>\$ 400,000</u>	<u>\$ 400,000</u>	<u>4.22%</u>
<u>HEALTH CLAIMS FUND</u>						
<u>INTEREST/RENTS/CONTRIBUTIONS</u>						
MEDICAL CONTRIBUTIONS	\$ 3,935,600	\$ 4,212,003	\$ 3,935,600	\$ 3,935,600	\$ 3,935,600	41.56%
SUB-TOTAL	<u>3,935,600</u>	<u>4,212,003</u>	<u>3,935,600</u>	<u>3,935,600</u>	<u>3,935,600</u>	<u>41.56%</u>
<u>MISCELLANEOUS</u>						
INTERFUND TRANSFERS	0	0	0	0	0	0.00%
SUB-TOTAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
TOTAL HEALTH CLAIMS FUND	<u>\$ 3,935,600</u>	<u>\$ 4,212,003</u>	<u>\$ 3,935,600</u>	<u>\$ 3,935,600</u>	<u>\$ 3,935,600</u>	<u>41.56%</u>
GRAND TOTAL	<u>\$ 8,781,500</u>	<u>\$ 8,855,699</u>	<u>\$ 9,212,900</u>	<u>\$ 9,256,800</u>	<u>\$ 9,469,800</u>	<u>100.00%</u>

INTERNAL SERVICE FUNDS EXPENDITURE SUMMARY

	YEAR-END AMENDED BUDGET 2018-19	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21	PERCENT OF BUDGET
<u>FLEET & FACILITIES MANAGEMENT FUND</u>						
<u>FLEET & FACILITIES MANAGEMENT</u>						
FACILITIES MANAGEMENT	\$ 1,816,700	\$ 1,735,542	\$ 2,018,100	\$ 2,001,425	\$ 2,269,900	44.21%
FLEET MANAGEMENT	<u>2,629,200</u>	<u>2,517,087</u>	<u>2,859,200</u>	<u>2,919,775</u>	<u>2,864,300</u>	<u>55.79%</u>
TOTAL FLEET & FACILITIES MGMT FUND	<u>\$ 4,445,900</u>	<u>\$ 4,252,629</u>	<u>\$ 4,877,300</u>	<u>\$ 4,921,200</u>	<u>\$ 5,134,200</u>	<u>100.00%</u>
<u>WORKERS' COMPENSATION FUND</u>						
<u>INTERNAL SERVICE</u>						
WORKERS' COMPENSATION	<u>\$ 400,000</u>	<u>\$ 241,560</u>	<u>\$ 400,000</u>	<u>\$ 400,000</u>	<u>\$ 400,000</u>	<u>100.00%</u>
TOTAL WORKERS' COMPENSATION FUND	<u>\$ 400,000</u>	<u>\$ 241,560</u>	<u>\$ 400,000</u>	<u>\$ 400,000</u>	<u>\$ 400,000</u>	<u>100.00%</u>
<u>HEALTH CLAIMS FUND</u>						
<u>INTERNAL SERVICE</u>						
HEALTH CLAIMS	<u>\$ 3,855,800</u>	<u>\$ 3,684,366</u>	<u>\$ 3,855,800</u>	<u>\$ 3,855,800</u>	<u>\$ 3,855,800</u>	<u>100.00%</u>
TOTAL HEALTH CLAIMS FUND	<u>\$ 3,855,800</u>	<u>\$ 3,684,366</u>	<u>\$ 3,855,800</u>	<u>\$ 3,855,800</u>	<u>\$ 3,855,800</u>	<u>100.00%</u>
GRAND TOTAL	<u><u>\$ 8,701,700</u></u>	<u><u>\$ 8,178,555</u></u>	<u><u>\$ 9,133,100</u></u>	<u><u>\$ 9,177,000</u></u>	<u><u>\$ 9,390,000</u></u>	<u><u>100.00%</u></u>

FLEET & FACILITY SERVICES

Who we are:

The Fleet & Facilities Management department is a customer service oriented Internal Service Fund responsible for the maintenance, repair, fueling and replacement of the City's fleet and management of the City's facilities. The department operates in a business-oriented fashion by structuring the customer billing system to emulate business practices to ensure the department is competitive. The department provides service to its customers, while striving towards the lowest possible fleet and facilities cost by designing and implementing a comprehensive management program. In addition, the department is responsible for the operation of the City warehouse, which purchases and stocks materials for all departments

Fleet's mission is to provide a well-maintained, safe, dependable and cost-effective fleet for the City by being service-oriented and having pride in our work.

Facilities' mission is providing quality service in an efficient and friendly manner to ensure functional, safe, comfortable and aesthetically pleasing buildings to all who use our facilities."

What we do (Key Processes):

- Vehicle management and maintenance
- Facility management and maintenance
- Project management
- Contract management
- Central warehouse operations

Our Strategic Initiatives:

F1. Invest to maintain and provide high quality public assets

- Continue implementation of both short and long-range facilities capital maintenance program projects/replacement to provide sustainability of City facilities and assets. 21 projects have been identified for FY21: Fire House Theatre - (1) Theatre electrical updating - (2) Replace Sewer lines - (3) Exterior building lighting; Justice Center - (1) Replace Stairs by Courts - (2) reupholster Court bench seating; Animal Adoption Center - Replace HVAC control system; City Hall - (1) replace/update fountain pump system - (2) Replace/update server room fire suppression system - (3) update sound panels in lobby; Citywide - All buildings - (1) building expansion moisture joint sealing; Parks - (1) Renovate Farmers Branch Park Restroom; Branch Connection - (1) paint/update corridor lighting; Fire Station 3 - (1) installation of door to separate bedrooms for common area; Recreation Center - (1) sun shade for children's outside play area - (2) Gym floor cover for events.
- Continue the annual replacement program of the City's fleet vehicles and equipment based on life-cycle costing: 4 Police patrol vehicles, 1 Fire Truck – Pumper, 1 Grabber Truck, 2 Tandem Dump truck, 1 Medium Duty Truck with sewer jet, 1 zero turn mower, 1 1-ton utility body truck, 1 Ball Field drag.

L5. Foster positive employee engagement

- Continue to make Farmers Branch the employer of choice by focusing on employee engagement.

Kevin Muenchow, Director

OUR MISSION

To build a vibrant, dynamic community that consistently seeks to improve the quality of life for our residents.

OUR VISION

Our vision is to be a city of the future with a vibrant and diverse economy that supports beautiful parks, great amenities, and friendly neighborhoods.

OUR CORE VALUES

Respect

Value everyone's opinion and acknowledge their perspective.

Excellence

Continually striving to be the very best.

Accountability

Taking ownership for what you do.

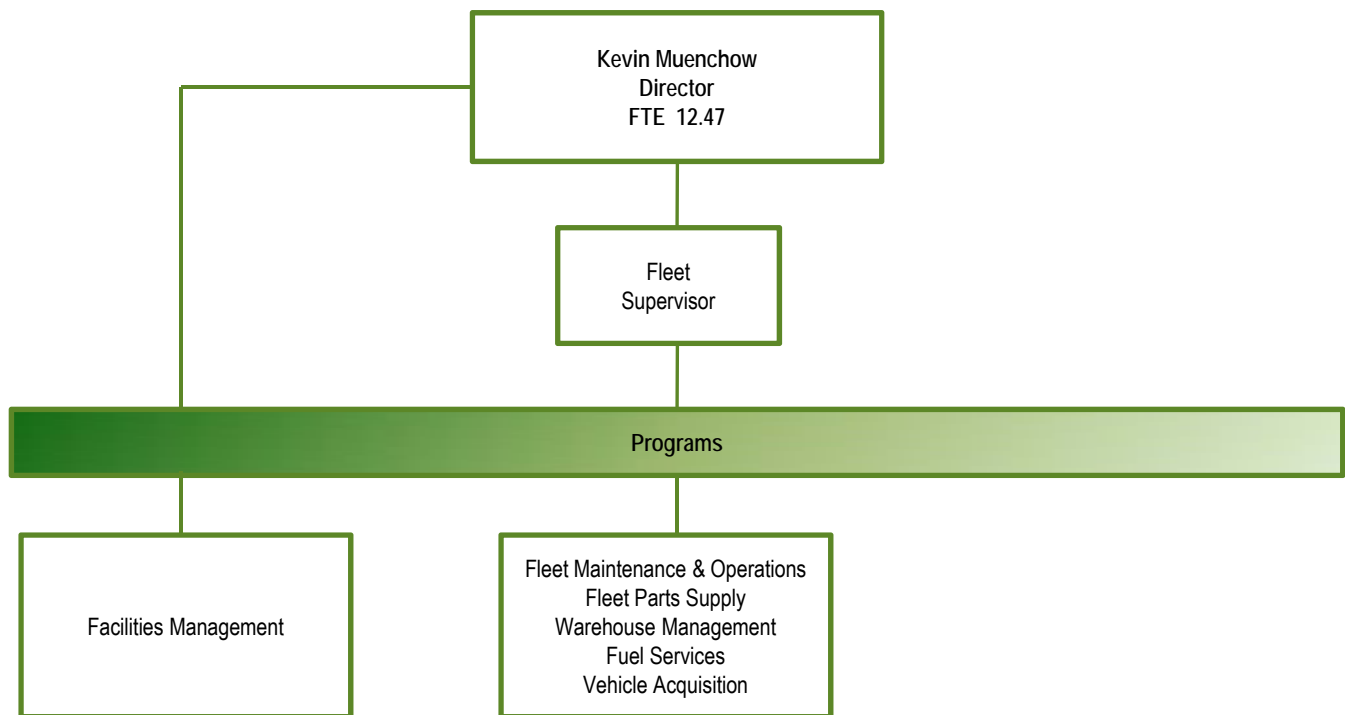
Care

Displaying kindness and concern.

Trust

Being transparent, honest and truthful.

Fleet & Facilities Management



FLEET & FACILITIES MANAGEMENT SUMMARY	YEAR-END AMENDED		ADOPTED BUDGET	YEAR-END AMENDED		% CHANGE FROM YEAR- END AMENDED
	BUDGET	ACTUAL		BUDGET	BUDGET	
	2018-19	2018-19		2019-20	2020-21	
Personal Services/Benefits	\$ 1,133,500	\$ 1,188,713	\$ 1,221,300	\$ 1,178,500	\$ 1,201,900	1.99%
Supplies	42,200	29,371	42,400	49,500	46,000	-7.07%
Repairs & Maintenance	530,100	483,880	575,600	648,225	917,200	41.49%
Services	1,107,400	1,072,504	1,232,700	1,224,000	1,312,600	7.24%
Inventory Usage	1,626,200	1,574,677	1,791,300	1,804,175	1,656,500	-8.19%
Other Objects	0	88,786	0	2,800	0	-100.00%
Transfers	6,500	6,500	14,000	14,000	0	-100.00%
Total Budget	\$ 4,445,900	\$ 4,444,431	\$ 4,877,300	\$ 4,921,200	\$ 5,134,200	4.33%

DIVISION	YEAR-END AMENDED		ADOPTED BUDGET	YEAR-END AMENDED	
	BUDGET	ACTUAL		BUDGET	ADOPTED BUDGET
	2018-19	2018-19	2019-20	2019-20	2020-21

FACILITIES MANAGEMENT

<i>Personal Services/Benefits</i>	\$ 537,900	\$ 556,335	\$ 592,500	\$ 555,400	\$ 577,400
<i>Supplies</i>	12,600	11,668	14,300	11,500	19,400
<i>Repairs & Maintenance</i>	425,700	380,731	461,100	534,325	713,500
<i>Services</i>	840,500	824,150	936,200	883,400	959,600
<i>Other Objects</i>	0	44,497	0	2,800	0
<i>Transfers</i>	0	0	14,000	14,000	0
Total Budget	<u>\$ 1,816,700</u>	<u>\$ 1,817,381</u>	<u>\$ 2,018,100</u>	<u>\$ 2,001,425</u>	<u>\$ 2,269,900</u>

FLEET MANAGEMENT

<i>Personal Services/Benefits</i>	\$ 595,600	\$ 632,378	\$ 628,800	\$ 623,100	\$ 624,500
<i>Supplies</i>	29,600	17,702	28,100	38,000	26,600
<i>Repairs & Maintenance</i>	104,400	103,149	114,500	113,900	203,700
<i>Services</i>	266,900	248,354	296,500	340,600	353,000
<i>Inventory Usage</i>	1,626,200	1,574,677	1,791,300	1,804,175	1,656,500
<i>Other Objects</i>	0	44,289	0	0	0
<i>Transfers</i>	6,500	6,500	0	0	0
Total Budget	<u>\$ 2,629,200</u>	<u>\$ 2,627,049</u>	<u>\$ 2,859,200</u>	<u>\$ 2,919,775</u>	<u>\$ 2,864,300</u>

WORKERS' COMPENSATION

The Workers' Compensation Fund is used to account for the City's workers' compensation self-insurance plan.

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has established a Workers' Compensation Fund (an Internal Service Fund) to account for workers' compensation uninsured risks of loss. Under this program, the Workers' Compensation Fund provides coverage for up to a maximum of \$350,000 for each workers' compensation occurrence claim. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The costs associated with this self-insurance plan are reported as interfund transactions. Accordingly, they are treated as operating revenues of the Workers' Compensation Fund and operating expenditures (expenses) of the other funds. Claims payable include provisions for claims reported and claims incurred, but not yet reported. The provision for reported claims is computed by the City's third-party administrator based upon standard actuarial principles. The provision for claims incurred, but not yet reported is estimated based on the City's experience and an actuarial study that was performed during fiscal year 2019. State law provides that the City is relieved of liability if a notice of employee injury is not received within 30-days of the date on which the injury occurs.

WORKERS' COMPENSATION SUMMARY	YEAR-END		YEAR-END		% CHANGE FROM YEAR- END AMENDED	
	AMENDED		ADOPTED			
	BUDGET	ACTUAL	BUDGET	BUDGET		
	2018-19	2018-19	2019-20	2020-21		
<i>Purchased Prof & Tech Services</i>	\$ 5,000	\$ 0	\$ 5,000	\$ 5,000	\$ 5,000	0.00%
<i>Workers' Compensation</i>	395,000	241,560	395,000	395,000	395,000	0.00%
Total Budget	\$ 400,000	\$ 241,560	\$ 400,000	\$ 400,000	\$ 400,000	0.00%

HEALTH CLAIMS

The Health Claims Fund is used to account for the provision of group health insurance coverage for employees, their dependents and retirees. The health insurance program is a self-insured plan funded by both the City and participating employees. The City makes a predetermined contribution to the plan each pay-period for group health insurance coverage for qualifying City employees and a subsidy toward employee dependent coverage. Employees contribute through payroll deductions for the balance of employee and dependent health insurance coverage. The City's health insurance program includes stop loss coverage.

All claims are reviewed and processed by an independent insurance company. The insurance company pays claims based on the health plan and the City reimburses the insurance company for the amount of each claim paid. The insurance company charges the City a fee for each claim processed.

HEALTH CLAIMS SUMMARY	YEAR-END		ADOPTED	YEAR-END		% CHANGE FROM YEAR- END AMENDED		
	AMENDED			AMENDED				
	BUDGET	ACTUAL		BUDGET	BUDGET		BUDGET	
	2018-19	2018-19		2019-20	2019-20		2020-21	
Claims Incurred	\$ 3,051,300	\$ 2,890,875	\$ 3,086,300	\$ 3,054,700	\$ 3,086,300	1.03%		
Insurance Premiums	365,100	362,898	330,100	361,700	330,100	-8.74%		
Fees	239,400	230,594	239,400	239,400	239,400	0.00%		
Other Objects	200,000	200,000	200,000	200,000	200,000	0.00%		
Total Budget	\$ 3,855,800	\$ 3,684,366	\$ 3,855,800	\$ 3,855,800	\$ 3,855,800	0.00%		



**FARMERS
BRANCH**

HOTEL/MOTEL FUND REVENUE SUMMARY

	YEAR-END AMENDED BUDGET 2018-19	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21	PERCENT OF BUDGET
<u>TAXES</u>						
HOTEL/MOTEL TAX	\$ 3,100,000	\$ 3,115,375	\$ 3,100,000	\$ 2,035,000	\$ 1,560,000	95.76%
SUB-TOTAL	<u>3,100,000</u>	<u>3,115,375</u>	<u>3,100,000</u>	<u>2,035,000</u>	<u>1,560,000</u>	<u>95.76%</u>
<u>CHARGES FOR SERVICES</u>						
EVENTS	<u>35,000</u>	<u>35,442</u>	<u>35,000</u>	<u>62,200</u>	<u>42,500</u>	<u>2.61%</u>
SUB-TOTAL	<u>35,000</u>	<u>35,442</u>	<u>35,000</u>	<u>62,200</u>	<u>42,500</u>	<u>2.61%</u>
<u>INTEREST/RENTS/CONTRIBUTIONS</u>						
INTEREST	<u>40,000</u>	<u>42,707</u>	<u>35,000</u>	<u>35,000</u>	<u>20,000</u>	<u>1.23%</u>
SUB-TOTAL	<u>40,000</u>	<u>42,707</u>	<u>35,000</u>	<u>35,000</u>	<u>20,000</u>	<u>1.23%</u>
<u>MISCELLANEOUS</u>						
MISCELLANEOUS	2,200	2,384	2,000	1,500	500	0.03%
HISTORICAL PARK RENTALS	23,000	25,419	25,000	12,100	5,000	0.31%
HISTORICAL PARK TEAS	<u>5,000</u>	<u>4,760</u>	<u>5,000</u>	<u>5,500</u>	<u>1,000</u>	<u>0.06%</u>
SUB-TOTAL	<u>30,200</u>	<u>32,564</u>	<u>32,000</u>	<u>19,100</u>	<u>6,500</u>	<u>0.40%</u>
GRAND TOTAL	<u>\$ 3,205,200</u>	<u>\$ 3,226,088</u>	<u>\$ 3,202,000</u>	<u>\$ 2,151,300</u>	<u>\$ 1,629,000</u>	<u>100.00%</u>

HOTEL/MOTEL FUND EXPENDITURE SUMMARY

	YEAR-END AMENDED BUDGET 2018-19	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21	PERCENT OF BUDGET
<u>PARKS & RECREATION</u>						
HISTORICAL PRESERVATION	\$ 1,437,500	\$ 1,304,285	\$ 1,467,000	\$ 1,275,900	\$ 1,311,600	61.22%
SUB-TOTAL	<u>1,437,500</u>	<u>1,304,285</u>	<u>1,467,000</u>	<u>1,275,900</u>	<u>1,311,600</u>	<u>61.22%</u>
<u>ECONOMIC DEVELOPMENT & TOURISM</u>						
PROMOTION OF TOURISM	\$ 1,431,900	\$ 1,159,978	\$ 1,461,700	\$ 1,013,200	\$ 811,700	37.89%
CONVENTION CENTER	<u>19,000</u>	<u>0</u>	<u>19,000</u>	<u>11,900</u>	<u>19,000</u>	<u>0.89%</u>
SUB-TOTAL	<u>1,450,900</u>	<u>1,159,978</u>	<u>1,480,700</u>	<u>1,025,100</u>	<u>830,700</u>	<u>38.78%</u>
GRAND TOTAL	<u><u>\$ 2,888,400</u></u>	<u><u>\$ 2,464,263</u></u>	<u><u>\$ 2,947,700</u></u>	<u><u>\$ 2,301,000</u></u>	<u><u>\$ 2,142,300</u></u>	<u><u>100.00%</u></u>

PARKS & RECREATION

Who we are:

The Parks and Recreation department provides beautifully maintained natural environments, parks, rights of way and green space, and a wide variety of quality recreational and entertainment opportunities for all ages. Parks and Recreation is composed of 3 functional divisions: administration, maintenance, and recreation/aquatics/senior center/events.

What we do (Key Processes):

- Park maintenance
- Facility programming
- Special events
- Historical preservation

Our Strategic Initiatives:

B2. Enhance service delivery through continual process improvement

- Re-imagine Historical Park operations and develop a plan for sustainable operations.

B5. Adhere to the strategic management system

- Create, adopt, and develop a plan to act upon the recommendations in the Parks Master Plan

F1. Invest to maintain and provide high quality public assets

- Complete construction of John F. Burke Nature Preserve enhancements.
- Complete Phase I of the Farmers Branch Community Recreation Center renovation and identify funding sources to complete Phases II & III.

L2. Enhance leadership capabilities to deliver results and develop bench strength

- Create a Parks department succession plan and develop formal curriculum to train, develop, and mentor staff.

Michael Mashburn, Director

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Accountability

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Care

Displaying kindness and concern.

Trust

Being transparent, honest and truthful.

Parks & Recreation

Michael Mashburn
Director
FTE 6.76 (Hotel/Motel Fund)

Programs

Historical Preservation
Hospitality Development
Special Events

The Parks & Recreation Department also includes the Parks & Administration, Park Maintenance, Recreation, Aquatics Center, Senior Center, Park Board, Senior Advisory Board, and Events Divisions, which are detailed in the General Fund section of this document.

HISTORICAL PRESERVATION/ SPECIAL EVENTS SUMMARY	YEAR-END AMENDED		ADOPTED BUDGET 2019-20	YEAR-END AMENDED		% CHANGE FROM YEAR- END AMENDED
	BUDGET 2018-19	ACTUAL 2018-19		BUDGET 2019-20	BUDGET 2020-21	
<i>Personal Services/Benefits</i>	\$ 512,700	\$ 506,754	\$ 549,600	\$ 577,900	\$ 522,300	-9.62%
<i>Purchased Prof & Tech Services</i>	62,300	55,069	70,000	15,700	60,000	282.17%
<i>Supplies</i>	48,800	40,272	56,000	36,600	44,200	20.77%
<i>Repairs & Maintenance</i>	247,500	232,415	249,500	184,500	236,700	28.29%
<i>Services</i>	171,800	143,207	146,900	122,200	139,300	13.99%
<i>Other Fixed Assets</i>	400	400	8,000	0	5,000	0.00%
<i>Special Events</i>	307,000	239,168	322,000	274,000	304,100	10.99%
<i>Other Objects</i>	0	0	0	0	0	0.00%
<i>Transfers</i>	87,000	87,000	65,000	65,000	0	-100.00%
Total Budget	\$ 1,437,500	\$ 1,304,285	\$ 1,467,000	\$ 1,275,900	\$ 1,311,600	2.80%

ECONOMIC DEVELOPMENT & TOURISM

Who we are:

The Economic Development & Tourism Office serves as the development representative for the City and is responsible for implementing the vision set forth by the city council. Recruiting and retaining businesses while redeveloping commercial and residential areas is accomplished through various programs and efforts. Attracting large groups to generate hotel room nights contributes to the hotel occupancy tax fund impacting local events and culture.

What we do (Key Processes):

- Recruit and Retain Businesses
- Redevelopment of residential and commercial properties
- Promote tourism

Our Strategic Initiatives:

B1. Achieve best-in-class status in all City disciplines

- Continue to market and manage the neighborhood partnership program.
- Continue with the two residential revitalization programs for the central area: Demo Rebuild & Neighborhood Renaissance.

C5. Attract and retain top-tier businesses to drive a unique and sustainable economic environment

- Continue to grow the business retention program allows the City to visit with employers and knowing their successes and needs.
- Continue with the Façade Grant Program for commercial buildings.
- Continue to acquire new properties and collaborate with a master developer to create station area destination.
- Acquire new properties and make a plan for the RFQ of existing parcels.
- Collaborate with large full service hotels to maintain strong daily rates.
- Collaborate with businesses inside and outside of the city to use Farmers Branch hotels.
- Market area attractions to visitors and drive hotel room night bookings.

L5. Foster positive employee engagement

- Utilize quarterly engagement meetings have been set for the Economic Development & Tourism teams.

Allison Cook, Director

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Care

Displaying kindness and concern.

Trust

Being transparent, honest and truthful.

Economic Development & Tourism

Allison Cook
Director
FTE 0.00 (Hotel/Motel Fund)

Programs

Hospitality Development
Convention Center

The Economic Development & Tourism office also includes Economic Development activities, which are detailed in the General Fund section of this document.

PROMOTION OF TOURISM/ CONVENTION SUMMARY	YEAR-END AMENDED		ADOPTED		YEAR-END AMENDED		% CHANGE FROM YEAR- END AMENDED
	BUDGET	ACTUAL	BUDGET	BUDGET	ADOPTED	BUDGET	
	2018-19	2018-19	2019-20	2019-20	2020-21		
<i>Purchased Prof & Tech Services</i>	\$ 25,600	\$ 25,600	\$ 35,600	\$ 35,600	\$ 35,600		0.00%
<i>Supplies</i>	9,000	4,271	9,000	8,500	2,000		-76.47%
<i>Repairs & Maintenance</i>	2,000	0	2,000	2,000	2,000		0.00%
<i>Services</i>	24,800	6,331	29,800	14,500	29,800		105.52%
<i>Marketing</i>	828,300	562,576	828,300	676,500	473,300		-30.04%
<i>Other Objects</i>	0	0	0	0	0		0.00%
<i>Transfers</i>	561,200	561,200	576,000	288,000	288,000		0.00%
Total Budget	\$ 1,450,900	\$ 1,159,978	\$ 1,480,700	\$ 1,025,100	\$ 830,700		-18.96%

DIVISION	YEAR-END AMENDED BUDGET	ACTUAL	ADOPTED BUDGET	YEAR-END AMENDED BUDGET	ADOPTED BUDGET
	2018-19	2018-19	2019-20	2019-20	2020-21

PROMOTION OF TOURISM

<i>Purchased Prof & Tech Services</i>	\$ 25,600	\$ 25,600	\$ 35,600	\$ 35,600	\$ 35,600
<i>Supplies</i>	8,000	4,271	8,000	7,500	1,000
<i>Services</i>	8,800	6,331	13,800	5,600	13,800
<i>Marketing</i>	828,300	562,576	828,300	676,500	473,300
<i>Other Objects</i>	0	0	0	0	0
<i>Transfers</i>	561,200	561,200	576,000	288,000	288,000
Total Budget	<u>\$ 1,431,900</u>	<u>\$ 1,159,978</u>	<u>\$ 1,461,700</u>	<u>\$ 1,013,200</u>	<u>\$ 811,700</u>

CONVENTION CENTER

<i>Supplies</i>	\$ 1,000	\$ 0	\$ 1,000	\$ 1,000	\$ 1,000
<i>Repairs & Maintenance</i>	2,000	0	2,000	2,000	2,000
<i>Services</i>	16,000	0	16,000	8,900	16,000
Total Budget	<u>\$ 19,000</u>	<u>\$ 0</u>	<u>\$ 19,000</u>	<u>\$ 11,900</u>	<u>\$ 19,000</u>



**FARMERS
BRANCH**

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

General obligation debt can be in the form of bonds, certificates of obligation or tax notes. Bonds must be approved by vote of the general population prior to issuance. Certificates of obligation do not require voter approval, are generally short term in nature, and are frequently used to fund capital improvements not anticipated at the time of the latest bond election. Tax notes are similar to certificates of obligation in that there is no requirement for voter approval and they are generally short term in nature.

The City has the following outstanding debt issues:

\$10,000,000 Certificates of Obligation – Taxable Series 2009

Used to pay contractual obligations to be incurred for the following purposes: a) acquiring and demolishing dangerous structures located within the City, and b) paying for professional services of attorneys, financial advisors and other professionals in connection with the project and the issuance of the certificates. The Certificates constitute direct obligations of the City and are payable from a combination of a) the levy and collection of a direct and continuing ad valorem tax levied, within the limits prescribed by law, on all taxable property within the City, and b) a limited pledge of the surplus net revenues of the City's waterworks and sewer system with such pledge being limited to an amount not in excess of \$1,000.

There are currently \$3,320,000 bonds outstanding. These bonds are issued as serial certificates maturing on February 15 in the years 2010 through 2020 and as term certificates maturing February 15, 2022 and February 15, 2024.

\$7,035,000 General Obligation Refunding Bonds, Taxable Series 2011

Used to refund the City's outstanding \$7,895,000 Combination Tax and Revenue Certificates of Obligation, Taxable Series 2004, in order to lower the overall debt service requirements of the City.

There are currently \$3,230,000 bonds outstanding. These bonds will be fully matured and paid on November 1, 2025.

\$3,000,000 Certificates of Obligation - Series 2012

Used to pay contractual obligations to be incurred for the following purposes: a) the acquisition of public safety radio system upgrades and improvements, and b) paying for professional services of attorneys, financial advisors and other professionals in connection with the project and the issuance of the certificates. The Certificates constitute direct obligations of the City and are payable from a combination of a) the levy and collection of a direct and continuing ad valorem tax levied, within the limits prescribed by law, on all taxable property within the City, and b) all or a part of certain surplus revenues of the City's waterworks and sewer system remaining after payment of any obligations of the City payable in whole or in part from a lien on or pledge of such revenues that would be superior to the obligations to be authorized.

There are currently \$960,000 bonds outstanding. These bonds are issued as term certificates maturing on May 1 in the years 2014 through 2023.

\$6,500,000 Combination Tax & Revenue Certificates of Obligation – Series 2013

Used to pay contractual obligations to be incurred for designing, constructing and equipping an aquatics facility in the City, including site preparation, and to pay the costs associated with the issuance of the Certificates.

There are currently \$4,730,000 bonds outstanding. These bonds will be fully matured and paid on November 1, 2032.

\$13,920,000 General Obligation Bonds – Series 2014

Used to pay for street projects pursuant to a bond election held May 10, 2014, authorizing bonds in the aggregate principal amount of \$23,500,000. The remaining bonds, totaling \$9,000,000, were issued in 2018.

There are currently \$8,425,000 bonds outstanding. These bonds will be fully matured and paid on February 15, 2034.

\$1,890,000 Combination Tax and Revenue Certificates of Obligation – Series 2014

Used for the acquisition, equipping or constructing of joint public safety dispatch, communications and training facilities and to pay the costs associated with the issuance of the Certificates.

There are currently \$820,000 bonds outstanding. These bonds will be fully matured and paid on February 15, 2024.

\$2,545,000 Combination Tax and Revenue Certificates of Obligation – Series 2016

Used to pay contractual obligations to be incurred for designing, constructing, improving, renovating, expanding, equipping and furnishing police facilities and acquiring police equipment and supporting systems, including improvements to the Farmers Branch Justice Center, and the acquisition of land therefor, and to pay the costs associated with the issuance of the Certificates.

There are currently \$2,120,000 bonds outstanding. These bonds will be fully matured and paid on May 1, 2036.

\$13,540,000 General Obligation Bonds – Series 2018

Used to pay for street projects pursuant to a bond election held May 10, 2014, authorizing bonds in the aggregate principal amount of \$23,500,000. This issuance reflects the remaining authorized, but unissued bonds, totaling \$9,000,000. In addition, pursuant to a bond election held November 7, 2017, Quality of Life Bonds in the amount of \$15,000,000 were authorized for infrastructure improvements (\$4,000,000), parks and open space (\$7,000,000), and neighborhood development (\$4,000,000). Of the November 7, 2017 authorized amount, this issuance represents \$4,000,000 for parks and open space and \$1,000,000 for neighborhood development. The remaining bonds totaling \$10,000,000 were issued in 2020.

There are currently \$13,315,000 bonds outstanding. These bonds will be fully matured and paid on February 15, 2038.

\$5,360,000 Combination Tax and Revenue Certificates of Obligation – Series 2018

Used to pay contractual obligations to be incurred for designing, constructing, renovating, improving, and equipping Fire Station No. 2.

There are currently \$5,150,000 bonds outstanding. These bonds will be fully matured and paid on February 15, 2038.

\$5,155,000 Combination Tax and Revenue Certificates of Obligation – Series 2018

Used to pay contractual obligations to be incurred for designing, developing, constructing, improving, extending, and expanding landfill facilities for the City's Camelot Landfill, including streets and roads.

There are currently \$3,295,000 bonds outstanding. These bonds will be fully matured and paid on February 15, 2023.

\$2,895,000 General Obligation Refunding Bonds – Series 2020

Used to refund \$3,295,000 in Series 2010 General Obligation Refunding & Improvement Bonds (Original Amount of Issue \$5,470,000) in order to lower the overall debt service requirements of the City.

There are currently \$2,895,000 bonds outstanding. These bonds will be fully matured and paid on February 15, 2030.

\$9,410,000 General Obligation Improvement Bonds – Series 2020

This issuance reflects the remaining authorized, but unissued Quality of Life bonds, pursuant to a bond election held November 7, 2017. This issuance represents \$3,000,000 for parks and open space, \$3,000,000 for neighborhood development, and \$4,000,000 for infrastructure improvements

There are currently \$9,410,000 bonds outstanding. These bonds will be fully matured and paid on February 15, 2039.

DEBT SERVICE FUND SUMMARY OF REVENUES AND EXPENDITURES

PROPERTY TAX SUPPORTED DEBT

<i>FUND BALANCE 9/30/2019</i>			\$ 867,644
2019-20	ESTIMATED PROPERTY TAX REVENUES	\$ 4,266,100	
2019-20	ESTIMATED PRIOR YEAR TAX, PENALTY AND INTEREST	20,000	
2019-20	DEBT SERVICE REQUIREMENTS [1]	(4,383,000)	
2019-20	DEBT ISSUANCE COSTS	(90,400)	
<i>INCREASE (DECREASE) IN FUND BALANCE</i>			<u>(187,300)</u>
<i>ESTIMATED FUND BALANCE 9/30/2020</i>			\$ 680,344
2020-21	ESTIMATED PROPERTY TAX REVENUES	\$ 4,542,200	
2020-21	ESTIMATED PRIOR YEAR TAX, PENALTY AND INTEREST	20,000	
2020-21	DEBT SERVICE REQUIREMENTS [2]	(4,542,200)	
<i>INCREASE (DECREASE) IN FUND BALANCE</i>			<u>20,000</u>
<i>ESTIMATED FUND BALANCE 9/30/2021</i>			<u><u>\$ 700,344</u></u>

SELF-SUPPORTING DEBT

<i>FUND BALANCE 9/30/2019</i>			\$ 1,931,473
2019-20	COMMERCIAL RENT	\$ 600,000	
2019-20	LANDFILL REVENUE	1,181,000	
2019-20	DEBT SERVICE REQUIREMENTS [3]	(1,786,600)	
<i>INCREASE (DECREASE) IN FUND BALANCE</i>			<u>(5,600)</u>
<i>ESTIMATED FUND BALANCE 9/30/2020</i>			\$ 1,925,873
2020-21	COMMERCIAL RENT	\$ 600,000	
2020-21	LANDFILL REVENUE	1,181,000	
2020-21	DEBT SERVICE REQUIREMENTS [3]	(1,791,000)	
<i>INCREASE (DECREASE) IN FUND BALANCE</i>			<u>(10,000)</u>
<i>ESTIMATED FUND BALANCE 9/30/2021</i>			<u><u>\$ 1,915,873</u></u>

[1] Includes approximately \$16,000 for paying agent fees and arbitrage calculation services.

[2] Includes approximately \$20,000 for paying agent fees and arbitrage calculation services.

[3] Includes approximately \$3,000 for paying agent fees and arbitrage calculation services.

**SUMMARY
PROPERTY TAX SUPPORTED DEBT
PRINCIPAL & INTEREST REQUIREMENTS**

YEAR	PRINCIPAL	INTEREST	TOTAL
2020-21	\$ 2,760,000.00	\$ 1,762,106.78	\$ 4,522,106.78
2021-22	3,025,000.00	1,640,563.28	4,665,563.28
2022-23	3,155,000.00	1,508,659.28	4,663,659.28
2023-24	3,005,000.00	1,377,359.78	4,382,359.78
2024-25	2,695,000.00	1,267,450.28	3,962,450.28
2025-26	2,795,000.00	1,167,700.28	3,962,700.28
2026-27	2,895,000.00	1,064,250.28	3,959,250.28
2027-28	3,000,000.00	958,034.78	3,958,034.78
2028-29	3,110,000.00	847,943.78	3,957,943.78
2029-30	3,235,000.00	733,256.53	3,968,256.53
2030-31	2,980,000.00	624,328.15	3,604,328.15
2031-32	3,090,000.00	519,881.77	3,609,881.77
2032-33	3,190,000.00	417,569.27	3,607,569.27
2033-34	2,845,000.00	325,200.02	3,170,200.02
2034-35	2,160,000.00	249,956.27	2,409,956.27
2035-36	2,225,000.00	184,759.39	2,409,759.39
2036-37	2,130,000.00	116,259.38	2,246,259.38
2037-38	2,195,000.00	49,150.00	2,244,150.00
2038-39	655,000.00	7,368.75	662,368.75
Total	<u>\$ 51,145,000.00</u>	<u>\$ 14,821,798.05</u>	<u>\$ 65,966,798.05</u>

COMBINATION TAX and REVENUE
 CERTIFICATES OF OBLIGATION
 TAXABLE SERIES 2009
 AMOUNT OF ISSUE: \$10,000,000
 PRINCIPAL & INTEREST REQUIREMENTS
 Property Tax Supported Debt

YEAR	PRINCIPAL	INTEREST	TOTAL
2020-21	\$ 765,000.00	\$ 152,145.00	\$ 917,145.00
2021-22	810,000.00	111,825.00	921,825.00
2022-23	850,000.00	68,904.00	918,904.00
2023-24	895,000.00	23,359.50	918,359.50
Total	<u>\$ 3,320,000.00</u>	<u>\$ 356,233.50</u>	<u>\$ 3,676,233.50</u>

Interest Rates:

2020-24 - 4.970%

GENERAL OBLIGATION
REFUNDING & IMPROVEMENT BONDS
SERIES 2010
AMOUNT OF ISSUE: \$5,470,000 (1) (2)
PRINCIPAL & INTEREST REQUIREMENTS
Property Tax Supported Debt

YEAR	PRINCIPAL	INTEREST	TOTAL
2020-21	\$ 0	\$ 0	\$ 0
2021-22	0	0	0
2022-23	0	0	0
2023-24	0	0	0
2024-25	0	0	0
2025-26	0	0	0
2026-27	0	0	0
2027-28	0	0	0
2028-29	0	0	0
2029-30	0	0	0
Total	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Interest Rates:

2020-21	-	3.500%
2021-22	-	3.500%
2022-23	-	3.500%
2023-30	-	4.000%

(1) The total issue amount for the Series 2010 General Obligation Refunding & Improvement Bonds is \$7,160,000, of which \$1,690,000 is reported as Self-Supporting Debt and was used to refund 1999 Combination Tax and Hotel Occupancy Tax Certificates of Obligation. The remaining debt will be used to support the design, construction and relocation of Fire Station No. 1 in the amount of \$5,470,000.

(2) Effective March 2020, the remaining General Obligation Refunding & Improvement Bonds Series 2010 principal amount of \$3,295,000 (Original Amount of Issue \$5,470,000) was refunded with the issuance of General Obligation Refunding Bonds Series 2020 in the amount of \$2,895,000.

COMBINATION TAX and REVENUE
 CERTIFICATES OF OBLIGATION
 SERIES 2012
 AMOUNT OF ISSUE: \$3,000,000
 PRINCIPAL & INTEREST REQUIREMENTS
 Property Tax Supported Debt

YEAR	PRINCIPAL	INTEREST	TOTAL
2020-21	\$ 315,000.00	\$ 16,224.00	\$ 331,224.00
2021-22	320,000.00	10,900.50	330,900.50
2022-23	<u>325,000.00</u>	<u>5,492.50</u>	<u>330,492.50</u>
Total	<u>\$ 960,000.00</u>	<u>\$ 32,617.00</u>	<u>\$ 992,617.00</u>

COMBINATION TAX and REVENUE
 CERTIFICATES OF OBLIGATION
 SERIES 2013
 AMOUNT OF ISSUE: \$6,500,000
 PRINCIPAL & INTEREST REQUIREMENTS
 Property Tax Supported Debt

YEAR	PRINCIPAL	INTEREST	TOTAL
2020-21	\$ 300,000.00	\$ 138,875.00	\$ 438,875.00
2021-22	310,000.00	125,150.00	435,150.00
2022-23	325,000.00	111,675.00	436,675.00
2023-24	335,000.00	100,987.50	435,987.50
2024-25	345,000.00	92,487.50	437,487.50
2025-26	355,000.00	83,737.50	438,737.50
2026-27	365,000.00	74,737.50	439,737.50
2027-28	370,000.00	65,550.00	435,550.00
2028-29	380,000.00	55,700.00	435,700.00
2029-30	395,000.00	45,043.75	440,043.75
2030-31	405,000.00	33,537.50	438,537.50
2031-32	415,000.00	20,718.75	435,718.75
2032-33	430,000.00	6,987.50	436,987.50
Total	<u>\$ 4,730,000.00</u>	<u>\$ 955,187.50</u>	<u>\$ 5,685,187.50</u>

GENERAL OBLIGATION BONDS
 SERIES 2014
 AMOUNT OF ISSUE: \$13,920,000
 PRINCIPAL & INTEREST REQUIREMENTS
 Property Tax Supported Debt

YEAR	PRINCIPAL	INTEREST	TOTAL
2020-21	\$ 465,000.00	\$ 289,394.00	\$ 754,394.00
2021-22	490,000.00	265,519.00	755,519.00
2022-23	515,000.00	240,394.00	755,394.00
2023-24	535,000.00	219,494.00	754,494.00
2024-25	555,000.00	203,144.00	758,144.00
2025-26	570,000.00	186,269.00	756,269.00
2026-27	590,000.00	168,869.00	758,869.00
2027-28	605,000.00	150,566.00	755,566.00
2028-29	630,000.00	130,875.00	760,875.00
2029-30	650,000.00	109,669.00	759,669.00
2030-31	670,000.00	86,975.00	756,975.00
2031-32	695,000.00	63,088.00	758,088.00
2032-33	715,000.00	38,413.00	753,413.00
2033-34	740,000.00	12,950.00	752,950.00
Total	<u>\$ 8,425,000.00</u>	<u>\$ 2,165,619.00</u>	<u>\$ 10,590,619.00</u>

COMBINATION TAX and REVENUE
 CERTIFICATES OF OBLIGATION
 SERIES 2014
 AMOUNT OF ISSUE: \$1,890,000
 PRINCIPAL & INTEREST REQUIREMENTS
 Property Tax Supported Debt

YEAR	PRINCIPAL	INTEREST	TOTAL
2020-21	\$ 190,000.00	\$ 32,350.00	\$ 222,350.00
2021-22	200,000.00	25,500.00	225,500.00
2022-23	210,000.00	16,250.00	226,250.00
2023-24	220,000.00	5,500.00	225,500.00
Total	<u>\$ 820,000.00</u>	<u>\$ 79,600.00</u>	<u>\$ 899,600.00</u>

COMBINATION TAX and REVENUE
 CERTIFICATES OF OBLIGATION
 SERIES 2016
 AMOUNT OF ISSUE: \$2,545,000
 PRINCIPAL & INTEREST REQUIREMENTS
 Property Tax Supported Debt

YEAR	PRINCIPAL	INTEREST	TOTAL
2020-21	\$ 110,000.00	\$ 57,200.00	\$ 167,200.00
2021-22	110,000.00	55,000.00	165,000.00
2022-23	115,000.00	52,800.00	167,800.00
2023-24	115,000.00	50,500.00	165,500.00
2024-25	120,000.00	47,625.00	167,625.00
2025-26	120,000.00	44,625.00	164,625.00
2026-27	125,000.00	41,625.00	166,625.00
2027-28	130,000.00	38,500.00	168,500.00
2028-29	130,000.00	35,250.00	165,250.00
2029-30	135,000.00	31,350.00	166,350.00
2030-31	140,000.00	27,300.00	167,300.00
2031-32	145,000.00	23,100.00	168,100.00
2032-33	150,000.00	18,750.00	168,750.00
2033-34	155,000.00	14,250.00	169,250.00
2034-35	160,000.00	9,600.00	169,600.00
2035-36	160,000.00	4,800.00	164,800.00
Total	<u>\$ 2,120,000.00</u>	<u>\$ 552,275.00</u>	<u>\$ 2,672,275.00</u>

**GENERAL OBLIGATION BONDS
SERIES 2018
AMOUNT OF ISSUE: \$13,540,000
PRINCIPAL & INTEREST REQUIREMENTS
Property Tax Supported Debt**

YEAR	PRINCIPAL	INTEREST	TOTAL
2020-21	\$ 150,000.00	\$ 491,018.76	\$ 641,018.76
2021-22	110,000.00	485,818.76	595,818.76
2022-23	115,000.00	481,318.76	596,318.76
2023-24	125,000.00	476,518.76	601,518.76
2024-25	705,000.00	459,918.76	1,164,918.76
2025-26	735,000.00	431,118.76	1,166,118.76
2026-27	760,000.00	401,218.76	1,161,218.76
2027-28	795,000.00	370,118.76	1,165,118.76
2028-29	825,000.00	337,718.76	1,162,718.76
2029-30	860,000.00	304,018.76	1,164,018.76
2030-31	895,000.00	268,918.76	1,163,918.76
2031-32	930,000.00	232,418.76	1,162,418.76
2032-33	965,000.00	198,137.51	1,163,137.51
2033-34	1,000,000.00	165,956.26	1,165,956.26
2034-35	1,030,000.00	132,075.01	1,162,075.01
2035-36	1,065,000.00	96,721.88	1,161,721.88
2036-37	1,105,000.00	59,412.50	1,164,412.50
2037-38	1,145,000.00	20,037.50	1,165,037.50
Total	<u>\$ 13,315,000.00</u>	<u>\$ 5,412,465.78</u>	<u>\$ 18,727,465.78</u>

Interest Rates:

2018-19 thru 2031-32	-	4.000%
2032-33	-	3.250%
2033-34	-	3.300%
2034-35 thru 2035-36	-	3.375%
2036-37 thru 2037-38	-	3.500%

COMBINATION TAX and REVENUE
CERTIFICATES OF OBLIGATION
SERIES 2018
AMOUNT OF ISSUE: \$5,360,000 (1)
PRINCIPAL & INTEREST REQUIREMENTS
Property Tax Supported Debt

YEAR	PRINCIPAL	INTEREST	TOTAL
2020-21	\$ 100,000.00	\$ 192,506.26	\$ 292,506.26
2021-22	150,000.00	186,256.26	336,256.26
2022-23	155,000.00	178,631.26	333,631.26
2023-24	90,000.00	172,506.26	262,506.26
2024-25	255,000.00	163,881.26	418,881.26
2025-26	270,000.00	150,756.26	420,756.26
2026-27	280,000.00	137,006.26	417,006.26
2027-28	295,000.00	124,106.26	419,106.26
2028-29	305,000.00	112,106.26	417,106.26
2029-30	315,000.00	101,281.26	416,281.26
2030-31	325,000.00	91,478.13	416,478.13
2031-32	340,000.00	81,087.50	421,087.50
2032-33	350,000.00	70,087.50	420,087.50
2033-34	360,000.00	58,550.00	418,550.00
2034-35	370,000.00	46,687.50	416,687.50
2035-36	385,000.00	34,178.13	419,178.13
2036-37	395,000.00	21,015.63	416,015.63
2037-38	410,000.00	7,175.00	417,175.00
Total	<u>\$ 5,150,000.00</u>	<u>\$ 1,929,296.99</u>	<u>\$ 7,079,296.99</u>

Interest Rates:

2018-19 thru 2026-27	-	5.000%
2027-28 thru 2028-29	-	4.000%
2029-30	-	3.000%
2030-31 thru 2031-32	-	3.125%
2032-33 thru 2034-35	-	3.250%
2035-36 thru 2036-37	-	3.375%
2037-38	-	3.500%

(1) The total issue amount for the Series 2018 Combination Tax and Revenue Certificates of Obligation is \$10,515,000, of which \$5,155,000 is reported as Self-Supporting Debt and will be used to support improvements at the Camelot Landfill.

**GENERAL OBLIGATION
REFUNDING BONDS
SERIES 2020
AMOUNT OF ISSUE: \$2,895,000 (1)
PRINCIPAL & INTEREST REQUIREMENTS
Property Tax Supported Debt**

YEAR	PRINCIPAL	INTEREST	TOTAL
2020-21	\$ 235,000.00	\$ 111,100.00	\$ 346,100.00
2021-22	250,000.00	101,400.00	351,400.00
2022-23	260,000.00	91,200.00	351,200.00
2023-24	275,000.00	80,500.00	355,500.00
2024-25	280,000.00	69,400.00	349,400.00
2025-26	295,000.00	57,900.00	352,900.00
2026-27	305,000.00	45,900.00	350,900.00
2027-28	315,000.00	33,500.00	348,500.00
2028-29	330,000.00	20,600.00	350,600.00
2029-30	350,000.00	7,000.00	357,000.00
Total	<u>\$ 2,895,000.00</u>	<u>\$ 618,500.00</u>	<u>\$ 3,513,500.00</u>

Interest Rates:

2019 -2030 - 4.000%

(1) This issuance is being used to refund \$3,295,000 in Series 2010 General Obligation Refunding & Improvement Bonds (Original Amount of Issue \$5,470,000) supporting the design, construction and relocation of Fire Station No. 1.

GENERAL OBLIGATION BONDS
IMPROVEMENT BONDS
SERIES 2020
AMOUNT OF ISSUE: \$9,410,000
PRINCIPAL & INTEREST REQUIREMENTS
Property Tax Supported Debt

YEAR	PRINCIPAL	INTEREST	TOTAL
2020-21	\$ 130,000.00	\$ 281,293.76	\$ 411,293.76
2021-22	275,000.00	273,193.76	548,193.76
2022-23	285,000.00	261,993.76	546,993.76
2023-24	415,000.00	247,993.76	662,993.76
2024-25	435,000.00	230,993.76	665,993.76
2025-26	450,000.00	213,293.76	663,293.76
2026-27	470,000.00	194,893.76	664,893.76
2027-28	490,000.00	175,693.76	665,693.76
2028-29	510,000.00	155,693.76	665,693.76
2029-30	530,000.00	134,893.76	664,893.76
2030-31	545,000.00	116,118.76	661,118.76
2031-32	565,000.00	99,468.76	664,468.76
2032-33	580,000.00	85,193.76	665,193.76
2033-34	590,000.00	73,493.76	663,493.76
2034-35	600,000.00	61,593.76	661,593.76
2035-36	615,000.00	49,059.38	664,059.38
2036-37	630,000.00	35,831.25	665,831.25
2037-38	640,000.00	21,937.50	661,937.50
2038-39	655,000.00	7,368.75	662,368.75
Total	<u>\$ 9,410,000.00</u>	<u>\$ 2,720,003.28</u>	<u>\$ 12,130,003.28</u>

Interest Rates:

2019-20 thru 2029-30	-	4.000%
2030-31 thru 2031-32	-	3.000%
2032-33 thru 2034-35	-	2.000%
2035-36 thru 2036-37	-	2.125%
2037-38 thru 2038-39	-	2.250%

SUMMARY
SELF-SUPPORTING DEBT
PRINCIPAL & INTEREST REQUIREMENTS

YEAR	PRINCIPAL	INTEREST	TOTAL
2020-21	\$ 1,540,000.00	\$ 247,981.25	\$ 1,787,981.25
2021-22	1,605,000.00	178,270.00	1,783,270.00
2022-23	1,680,000.00	104,286.25	1,784,286.25
2023-24	545,000.00	56,146.25	601,146.25
2024-25	565,000.00	34,900.00	599,900.00
2025-26	590,000.00	11,800.00	601,800.00
Total	<u>\$ 6,525,000.00</u>	<u>\$ 633,383.75</u>	<u>\$ 7,158,383.75</u>

GENERAL OBLIGATION REFUNDING BONDS
TAXABLE SERIES 2011
AMOUNT OF ISSUE: \$7,035,000
PRINCIPAL & INTEREST REQUIREMENTS
Self-Supporting Debt

YEAR	PRINCIPAL	INTEREST	TOTAL
2020-21	\$ 495,000.00	\$ 109,356.25	\$ 604,356.25
2021-22	510,000.00	93,145.00	603,145.00
2022-23	525,000.00	75,411.25	600,411.25
2023-24	545,000.00	56,146.25	601,146.25
2024-25	565,000.00	34,900.00	599,900.00
2025-26	590,000.00	11,800.00	601,800.00
Total	<u>\$ 3,230,000.00</u>	<u>\$ 380,758.75</u>	<u>\$ 3,610,758.75</u>

Interest Rates:

2016-26 - 5.800%

Series refunding Taxable Series 2004 Certificates of Obligation.

COMBINATION TAX and REVENUE
 CERTIFICATES OF OBLIGATION
 SERIES 2018
 AMOUNT OF ISSUE: \$5,155,000 (1)
 PRINCIPAL & INTEREST REQUIREMENTS
 Self-Supporting Debt

YEAR	PRINCIPAL	INTEREST	TOTAL
2020-21	\$ 1,045,000.00	\$ 138,625.00	\$ 1,183,625.00
2021-22	1,095,000.00	85,125.00	1,180,125.00
2022-23	<u>1,155,000.00</u>	<u>28,875.00</u>	<u>1,183,875.00</u>
Total	<u>\$ 3,295,000.00</u>	<u>\$ 252,625.00</u>	<u>\$ 3,547,625.00</u>

Interest Rates:

2018-19 thru 2022-23 - 5.000%

(1) The total issue amount for the Series 2018 Combination Tax and Revenue Certificates of Obligation is \$10,515,000, of which \$5,360,000 is reported as Property Tax-Supported Debt and will be used to support relocation of Fire Station No. 2.



**FARMERS
BRANCH**

ECONOMIC DEVELOPMENT FUND

Adopted Budget 2020-21

	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21
<i>PROJECTED BEGINNING FUND BALANCE - ASSIGNED TO ECONOMIC DEVELOPMENT</i>	\$ 97,902	\$ 850,502
BUDGETED REVENUES		
Sale of Capital Assets - Soccer Complex (2019-20), Carrick (2020-21)	2,407,800	2,000,000
Economic Development - Land Sales	500,000	
Transfer from General Fund	1,500,000	1,000,000
TOTAL BUDGETED REVENUES	<u>4,407,800</u>	<u>3,000,000</u>
BUDGETED EXPENDITURES		
Economic Development Agreements (Façade and Tax Incentives)	1,505,200	1,500,000
Economic Development Land Purchases (Station Area \$600,000; Other \$1,200,000)	1,800,000	500,000
Redevelopment Operations - Commercial Façade Grant Program	312,000	350,000
Transfer to Non-Bond CIP (Wooded Creek Wall Project)	38,000	
TOTAL BUDGETED EXPENDITURES	<u>3,655,200</u>	<u>2,350,000</u>
<i>PROJECTED ENDING FUND BALANCE</i>	<u>\$ 850,502</u>	<u>\$ 1,500,502</u>

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used by the City to account for the accumulation and disbursement of restricted resources. The following is a description of the City's currently budgeted Special Revenue Funds:

Police Forfeitures - to account for proceeds from the sale of assets seized in connection with drug arrests. Revenues are restricted to law enforcement expenditures.

Donations - to account for voluntary contributions for community improvement.

Local Truancy Prevention – new fund required by Code of Criminal Procedure to finance the salary, benefits, training (etc.) relating to a juvenile case manager employed under Article 45.056, Code of Criminal Procedure.

Youth Scholarship - to account for voluntary contributions for youth scholarship.

Grants - to account for grant revenues and expenditures.

Building Security – to account for the municipal court building security fee dedicated to courthouse security.

Court Technology – to account for the municipal court technology fee for the purchase of technological enhancements.

Municipal Jury Fund – new fund required by Code of Criminal Procedure that may only be used to fund juror reimbursements and otherwise finance jury services.

Landfill Closure/Post-Closure – used to account for future landfill costs. Beginning in Fiscal Year 2022, funding of \$1.0 million per year will be made from the City's General Fund and will increase to \$2.0 - \$2.5 million per year beginning in Fiscal Year 2024.

Cemetery – to account for grounds maintenance of Keenan Cemetery.

Photographic Light System – to account for penalties and fees collected and all costs associated with the operation and enforcement of the photographic traffic monitoring system. [Program ended June 1, 2019.]

PEG Access Channel – to account for Public, Educational, Governmental (PEG) access channel capital support. Funding source is 1% of cable franchisees' gross revenue.

Joint Fire Training Facility – to account for the operating revenues and expenditures of the Joint Fire Training facility.

TIRZ District #3 – to account for the operating revenues and expenditures of the Tax Increment Reinvestment Zone (TIRZ) District #3.

Residential Revitalization Bond – to finance the City's programs for economic development for single-family residential redevelopment and revitalization in the City.

SPECIAL REVENUE FUNDS REVENUE SUMMARY

	YEAR-END AMENDED BUDGET 2018-19	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21	PERCENT OF BUDGET
POLICE FORFEITURE FUND	\$ 137,200	\$ 172,350	\$ 45,000	\$ 49,200	\$ 45,000	2.11%
DONATIONS FUND	66,200	73,860	48,400	79,700	34,400	1.61%
LOCAL TRUANCY PREVENTION FUND	0	0	0	11,900	15,600	0.73%
YOUTH SCHOLARSHIP FUND	500	453	200	300	200	0.01%
GRANTS FUND	58,100	44,857	162,987	3,108,390	405,000	18.97%
BUILDING SECURITY FUND	32,800	29,567	32,800	30,800	32,800	1.54%
COURT TECHNOLOGY FUND	40,000	39,419	40,000	35,500	36,000	1.69%
MUNICIPAL JURY FUND	0	0	0	100	600	0.03%
LANDFILL CLOSURE/POST-CLOSURE FUND	778,000	280,910	662,000	1,199,400	662,000	31.01%
CEMETERY FUND	1,400	1,365	1,400	1,400	1,400	0.07%
PHOTOGRAPHIC LIGHT SYSTEM FUND	609,000	584,769	0	5,900	0	0.00%
PEG ACCESS CHANNEL FUND	62,000	70,238	62,000	62,700	62,000	2.90%
JOINT FIRE TRAINING FACILITY FUND	66,000	65,749	78,500	78,600	71,100	3.33%
TIRZ DISTRICT #3 FUND	100,000	113,255	93,800	106,000	763,900	35.78%
RESIDENTIAL REVITALIZATION BOND FUND	13,300	12,941	0	3,049,400	5,000	0.23%
GRAND TOTAL	<u>\$ 1,964,500</u>	<u>\$ 1,489,732</u>	<u>\$ 1,227,087</u>	<u>\$ 7,819,290</u>	<u>\$ 2,135,000</u>	<u>100.00%</u>

SPECIAL REVENUE FUNDS EXPENDITURE SUMMARY

	YEAR-END AMENDED BUDGET 2018-19	ACTUAL 2018-19	ADOPTED BUDGET 2019-20	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21	PERCENT OF BUDGET
POLICE FORFEITURE FUND	\$ 201,500	\$ 36,823	\$ 161,000	\$ 161,000	\$ 161,000	3.43%
DONATIONS FUND	128,660	73,092	75,360	110,600	75,400	1.60%
YOUTH SCHOLARSHIP FUND	6,000	700	6,000	6,000	6,000	0.13%
GRANTS FUND	58,100	44,857	162,987	3,108,390	405,000	8.62%
BUILDING SECURITY FUND	45,900	35,086	38,600	37,100	38,600	0.82%
COURT TECHNOLOGY FUND	55,600	54,462	55,600	51,600	0	0.00%
LANDFILL CLOSURE/POST-CLOSURE FUND	1,056,500	586,390	1,228,000	1,228,000	1,228,000	26.12%
PHOTOGRAPHIC LIGHT SYSTEM FUND	600,200	400,185	777,312	527,400	431,000	9.17%
PEG ACCESS CHANNEL FUND	60,000	50,070	75,000	75,000	75,000	1.60%
JOINT FIRE TRAINING FACILITY FUND	65,300	65,287	78,100	78,100	70,700	1.50%
TIRZ DISTRICT #3 FUND	83,400	49,892	88,200	93,000	759,900	16.17%
RESIDENTIAL REVITALIZATION BOND FUND	700,000	695,759	104,500	1,547,300	1,450,000	30.85%
GRAND TOTAL	\$ 3,061,160	\$ 2,092,603	\$ 2,850,659	\$ 7,023,490	\$ 4,700,600	100.00%

SPECIAL REVENUE FUND

ADOPTED BUDGET 2020-21

Police Forfeiture Funds

	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21
<i>PROJECTED BEGINNING FUND BALANCE</i>	\$ 318,290	\$ 206,490
 BUDGETED REVENUES		
Court Ordered Forfeitures	1,000	40,000
Federal Equitable Sharing	42,500	0
Interest Allocation	5,700	5,000
 TOTAL BUDGETED REVENUES	<u>49,200</u>	<u>45,000</u>
 BUDGETED EXPENDITURES		
Operating	50,000	50,000
Training	8,000	8,000
Other Expenditures		
Body Armor & Protective Gear	10,000	10,000
Communications & Computer	15,000	15,000
Community-Based Programs	18,000	18,000
Credit Card	1,000	1,000
Firearms & Weapons	8,000	8,000
Other	8,000	8,000
Services - Federal	10,000	10,000
Services - State	25,000	25,000
Vehicle Maintenance	8,000	8,000
 TOTAL BUDGETED EXPENDITURES	<u>161,000</u>	<u>161,000</u>
 <i>PROJECTED ENDING FUND BALANCE</i>	 <u><u>\$ 206,490</u></u>	 <u><u>\$ 90,490</u></u>

SPECIAL REVENUE FUND
ADOPTED BUDGET 2020-21

Donations Fund

	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21
<i>PROJECTED BEGINNING FUND BALANCE</i>	\$ 325,661	\$ 294,761
BUDGETED REVENUES		
Animal Care & Adoption Center	10,000	10,000
Employee Wellness	31,300	0
Fire	6,000	6,000
Historical Park	100	100
Interest Allocation	6,000	5,000
Jurors - Animal Adoptions	1,200	1,000
Library	400	300
Parks	5,000	5,000
Police	16,900	5,000
Senior Center	2,800	2,000
	<hr/>	<hr/>
TOTAL BUDGETED REVENUES	79,700	34,400
BUDGETED EXPENDITURES		
Animal Adoption - Juror Donations	1,000	1,000
Animal Care - General	40,000	40,000
Animal Care - Spay and Neuter	5,300	5,300
Fire - General	5,000	5,000
Fire Prevention	1,000	1,000
Historical Park	0	1,400
Library Materials	5,000	5,000
Park Maintenance	5,300	2,000
Police Training Aids and Equipment	6,400	6,400
Senior Center	9,400	7,400
Wellness Program	32,200	900
	<hr/>	<hr/>
TOTAL BUDGETED EXPENDITURES	110,600	75,400
<i>PROJECTED ENDING FUND BALANCE</i>	<hr/> <hr/> \$ 294,761	<hr/> <hr/> \$ 253,761

NOTE:

(1) The projected ending fund balance is as follows:

Animal Care - Glenda Sue Moore Endowment	\$ 146,127	\$ 116,127
Animal Care/Spay Neuter	455	(4,845)
Farmers Branch Community Foundation	12,491	12,491
Fire	531	531
Fishin' Fun	2,875	2,875
Flexible Spending Refunds - Medical Reimbursement	3,159	2,259
Historical Park - Victorian House	3,440	2,140
Interest Allocation	6,000	11,000
Library	14,690	9,990
Park Improvements	35,487	38,487
Police/Safety	34,805	33,405
Senior Center	34,700	29,300
	<u>\$ 294,761</u>	<u>\$ 253,761</u>

SPECIAL REVENUE FUND
ADOPTED BUDGET 2020-21

Local Truancy Prevention Fund

	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21
<i>PROJECTED BEGINNING FUND BALANCE</i>	\$ 0	\$ 11,900
BUDGETED REVENUES		
Youth Scholarship	11,900	15,600
TOTAL BUDGETED REVENUES	<u>11,900</u>	<u>15,600</u>
BUDGETED EXPENDITURES		
TOTAL BUDGETED EXPENDITURES	<u>0</u>	<u>0</u>
<i>PROJECTED ENDING FUND BALANCE</i>	<u><u>\$ 11,900</u></u>	<u><u>\$ 27,500</u></u>

SPECIAL REVENUE FUND
ADOPTED BUDGET 2020-21

Youth Scholarship Fund

	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21
<i>PROJECTED BEGINNING FUND BALANCE</i>	\$ 17,622	\$ 11,922
BUDGETED REVENUES		
Interest Allocation	300	200
TOTAL BUDGETED REVENUES	<u>300</u>	<u>200</u>
BUDGETED EXPENDITURES		
Parks & Recreation	6,000	6,000
TOTAL BUDGETED EXPENDITURES	<u>6,000</u>	<u>6,000</u>
<i>PROJECTED ENDING FUND BALANCE</i>	<u>\$ 11,922</u>	<u>\$ 6,122</u>

SPECIAL REVENUE FUND

ADOPTED BUDGET 2020-21

Grants Fund

	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21
<i>PROJECTED BEGINNING FUND BALANCE</i>	\$ 0	\$ 0
 BUDGETED REVENUES		
Economic Development - State Grant Dallas County CARES	2,648,690	0
COVID CESF Program	44,500	0
Fire - State HHS CARES	12,700	0
Fire - State NCT Trauma	5,000	5,000
Fire - Federal SAFER	363,600	375,000
Innovation & Technology - E-Rate Internet	9,100	0
Police - Federal Police Uniform	24,800	25,000
 TOTAL BUDGETED REVENUES	<u>3,108,390</u>	<u>405,000</u>
 BUDGETED EXPENDITURES		
Economic Development - Dallas County CARES	2,648,690	0
Fire - NCT Trauma	5,000	5,000
Fire - SAFER	363,600	375,000
Fire - HHS CARES	12,700	0
Fire - COVID CESF	44,500	0
Innovation & Technology - Internet Grant	9,100	0
Police - State Criminal Justice Grant	24,800	25,000
 TOTAL BUDGETED EXPENDITURES	<u>3,108,390</u>	<u>405,000</u>
 <i>PROJECTED ENDING FUND BALANCE</i>	 <u>\$ 0</u>	 <u>\$ 0</u>

Notes: Deficits in beginning or ending fund balance are a result of a timing difference between grant expenditures incurred and the filing of requests for reimbursements. Fire SAFER grant requires 25% City match and the amount budgeted reflects the cost for six firefighters.

SPECIAL REVENUE FUND

ADOPTED BUDGET 2020-21

Building Security Fund

	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21
<i>PROJECTED BEGINNING FUND BALANCE</i>	\$ 24,142	\$ 17,842
 BUDGETED REVENUES		
Building Security	30,000	32,000
Interest Allocation	800	800
TOTAL BUDGETED REVENUES	<u>30,800</u>	<u>32,800</u>
 BUDGETED EXPENDITURES		
Court Security	25,200	25,200
Equipment Repairs & Maintenance	8,400	8,400
Supplies	3,500	5,000
TOTAL BUDGETED EXPENDITURES	<u>37,100</u>	<u>38,600</u>
 <i>PROJECTED ENDING FUND BALANCE</i>	<u><u>\$ 17,842</u></u>	<u><u>\$ 12,042</u></u>

SPECIAL REVENUE FUND
ADOPTED BUDGET 2020-21

Court Technology Fund

	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21
<i>PROJECTED BEGINNING FUND BALANCE</i>	\$ 19,258	\$ 3,158
BUDGETED REVENUES		
Court Fines	35,000	35,000
Interest Allocation	500	1,000
TOTAL BUDGETED REVENUES	<u>35,500</u>	<u>36,000</u>
BUDGETED EXPENDITURES		
Court Technology	7,500	0
Equipment - Office	44,100	0
TOTAL BUDGETED EXPENDITURES	<u>51,600</u>	<u>0</u>
<i>PROJECTED ENDING FUND BALANCE</i>	<u><u>\$ 3,158</u></u>	<u><u>\$ 39,158</u></u>

SPECIAL REVENUE FUND
ADOPTED BUDGET 2020-21

Municipal Jury Fund

	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21
<i>PROJECTED BEGINNING FUND BALANCE</i>	\$ 0	\$ 100
BUDGETED REVENUES		
Municipal Jury Receipts	100	600
TOTAL BUDGETED REVENUES	<u>100</u>	<u>600</u>
BUDGETED EXPENDITURES		
TOTAL BUDGETED EXPENDITURES	<u>0</u>	<u>0</u>
<i>PROJECTED ENDING FUND BALANCE</i>	<u>\$ 100</u>	<u>\$ 700</u>

SPECIAL REVENUE FUND

ADOPTED BUDGET 2020-21

Landfill Closure/Post-Closure Fund & Huffines Extension Fund

	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21
<i>PROJECTED BEGINNING FUND BALANCE</i>	\$ 2,744,127	\$ 2,715,527
Landfill Closure/Post-Closure Fund	\$ 2,008,414	\$ 1,966,314
Huffines Extension Fund	\$ 735,713	\$ 749,213
 BUDGETED REVENUES		
Landfill Closure/Post-Closure Fund		
Interest Allocation	50,000	50,000
Sale of Asset	535,900	0
Transfer from Huffines Extension Fund	300,000	300,000
Huffines Extension Fund		
Developer's Contributions	300,000	300,000
Interest Allocation	13,500	12,000
 TOTAL BUDGETED REVENUES	<u>1,199,400</u>	<u>662,000</u>
 BUDGETED EXPENDITURES		
Landfill Closure/Post-Closure Fund		
Landfill Gas Collection System Expansion	928,000	928,000
Huffines Extension Fund		
Transfer to Landfill Closure/Post-Closure Fund	300,000	300,000
 TOTAL BUDGETED EXPENDITURES	<u>1,228,000</u>	<u>1,228,000</u>
 <i>PROJECTED ENDING FUND BALANCE</i>		
Landfill Closure/Post-Closure Fund	\$ 1,966,314	\$ 1,388,314
Huffines Extension Fund	<u>\$ 749,213</u>	<u>\$ 761,213</u>
	<u>\$ 2,715,527</u>	<u>\$ 2,149,527</u>

SPECIAL REVENUE FUND

ADOPTED BUDGET 2020-21

Cemetery Fund

	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21
<i>PROJECTED BEGINNING FUND BALANCE</i>	\$ 6,917	\$ 8,317
BUDGETED REVENUES		
Interest Allocation	200	200
Johnston Family Perpetual Trust for Maintenance Fees	1,200	1,200
TOTAL BUDGETED REVENUES	<u>1,400</u>	<u>1,400</u>
BUDGETED EXPENDITURES		
TOTAL BUDGETED EXPENDITURES	<u>0</u>	<u>0</u>
<i>PROJECTED ENDING FUND BALANCE</i>	<u><u>\$ 8,317</u></u>	<u><u>\$ 9,717</u></u>

SPECIAL REVENUE FUND
ADOPTED BUDGET 2020-21

Photographic Light System Fund

	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21
<i>PROJECTED BEGINNING FUND BALANCE</i>	\$ 953,096	\$ 431,596
BUDGETED REVENUES		
Red Light Enforcement	5,900	0
TOTAL BUDGETED REVENUES	<u>5,900</u>	<u>0</u>
BUDGETED EXPENDITURES		
Operating *	6,400	181,000
Supplies	521,000	250,000
TOTAL BUDGETED EXPENDITURES	<u>527,400</u>	<u>431,000</u>
<i>PROJECTED ENDING FUND BALANCE</i>	<u>\$ 431,596</u>	<u>\$ 596</u>

* Operating represents amount of funds available to spend that have previously been adjusted for State Revenue Sharing Costs. This program ended in July 2019.

SPECIAL REVENUE FUND

ADOPTED BUDGET 2020-21

PEG Access Channel Fund

	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21
<i>PROJECTED BEGINNING FUND BALANCE</i>	\$ 169,683	\$ 157,383
BUDGETED REVENUES		
Cable Franchise - Access Channel Fee	60,000	60,000
Interest Allocation	2,700	2,000
TOTAL BUDGETED REVENUES	62,700	62,000
BUDGETED EXPENDITURES		
Contingency for Equipment Failures, Upgrades and Additional Costs	75,000	75,000
TOTAL BUDGETED EXPENDITURES	75,000	75,000
<i>PROJECTED ENDING FUND BALANCE</i>	\$ 157,383	\$ 144,383

SPECIAL REVENUE FUND

ADOPTED BUDGET 2020-21

Joint Fire Training Facility Fund

	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21
<i>PROJECTED BEGINNING FUND BALANCE</i>	\$ 766	\$ 1,266
BUDGETED REVENUES		
Interest Allocation	500	400
Local Shared Revenue	78,100	70,700
TOTAL BUDGETED REVENUES	78,600	71,100
BUDGETED EXPENDITURES		
Fire Training - All Cities	78,100	70,700
TOTAL BUDGETED EXPENDITURES	78,100	70,700
<i>PROJECTED ENDING FUND BALANCE</i>	\$ 1,266	\$ 1,666

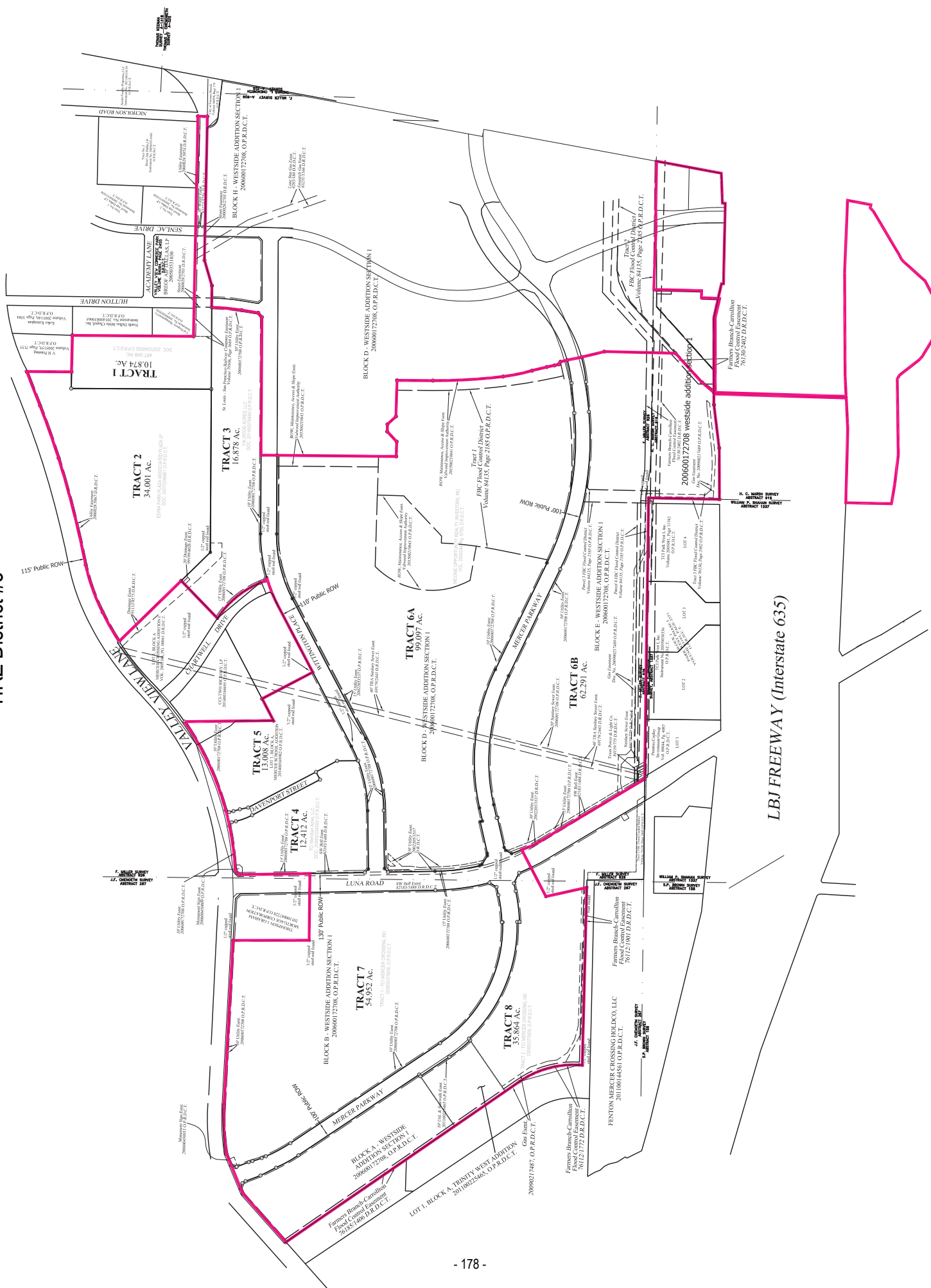
SPECIAL REVENUE FUND

ADOPTED BUDGET 2020-21

TIRZ District #3 Fund

	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21
<i>PROJECTED BEGINNING FUND BALANCE</i>	\$ 226,291	\$ 239,291
BUDGETED REVENUES		
Interest Allocation	13,000	4,000
Tax Increment Financing	8,100	675,000
TIRZ - Administrative Contribution	84,900	84,900
TOTAL BUDGETED REVENUES	106,000	763,900
BUDGETED EXPENDITURES		
Property Owner Assessment Rebate	8,100	675,000
Special Administrative Services	84,900	84,900
TOTAL BUDGETED EXPENDITURES	93,000	759,900
<i>PROJECTED ENDING FUND BALANCE</i>	\$ 239,291	\$ 243,291

TIRZ District #3



SPECIAL REVENUE FUND

ADOPTED BUDGET 2020-21

Residential Revitalization Bond Fund

	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21
<i>PROJECTED BEGINNING FUND BALANCE</i>	\$ (44,997)	\$ 1,457,103
BUDGETED REVENUES		
Interest Allocation	5,100	5,000
Bonds Issued	2,823,000	0
Premiums on Bonds Issued	221,300	0
TOTAL BUDGETED REVENUES	3,049,400	5,000
BUDGETED EXPENDITURES		
Inventory/Land Purchase	750,000	750,000
Residential Demo/Rebuild	750,000	700,000
Debt Issuance Costs	47,300	0
TOTAL BUDGETED EXPENDITURES	1,547,300	1,450,000
<i>PROJECTED ENDING FUND BALANCE</i>	\$ 1,457,103	\$ 12,103

FIXED ASSET FUND SUMMARY

		YEAR-END AMENDED BUDGET 2018-19	ADOPTED BUDGET 2019-20	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21
<i>BEGINNING FUND BALANCE</i>		\$ 2,041,885	\$ 1,357,989	\$ 1,754,472	\$ 1,774,448
ESTIMATED TRANSFER FROM OPERATING FUNDS		3,398,000	3,460,900	2,991,900	5,807,800
CREDIT OF PRIOR YEAR ASSIGNMENTS & RESERVES		-	1,392,688	1,392,688	461,098
ESTIMATED FIXED ASSET PURCHASES		(1,919,209)	(5,039,590)	(4,493,514)	(6,314,900)
ASSIGNED FOR FUTURE PURCHASES		(1,392,688)	(383,998)	(461,098)	46,002
PRIOR YEAR PURCHASE ORDERS CARRIED FORWARD		1,500	-	-	-
RESERVE FOR ENCUMBRANCES		(512,338)	-	-	-
PRIOR YEAR PURCHASE ORDER(S) CLOSED		20,824	-	-	-
INSURANCE RECOVERY		6,246	-	26,000	-
PROCEEDS FROM AUCTIONS/SALE OF ASSETS	(1)	110,252	545,000	564,000	100,000
<i>ESTIMATED ENDING FUND BALANCE</i>		<u>\$ 1,754,472</u>	<u>\$ 1,332,989</u>	<u>\$ 1,774,448</u>	<u>\$ 1,874,448</u>
		YEAR-END AMENDED BUDGET 2018-19	ADOPTED BUDGET 2019-20	YEAR-END AMENDED BUDGET 2019-20	ADOPTED BUDGET 2020-21
<i>ASSIGNED FOR FUTURE PURCHASES, PROVIDED (USED):</i>		<u>ASSIGNMENTS</u>	<u>ASSIGNMENTS</u>	<u>ASSIGNMENTS</u>	<u>ASSIGNMENTS</u>
ACCOUNTING - SOFTWARE		\$ 82,926	\$ 114,650	\$ (5,350)	\$ (5,350)
FIRE - FUNDING RESERVES		700,000			
FIRE EQUIPMENT		22,467	22,467	22,467	22,467
HISTORICAL PRESERVATION - SOFTWARE		33,231	41,162	11,162	11,162
INNOVATION & TECHNOLOGY RESERVES					50,000
LIBRARY ROOF REPLACEMENT				377,100	
NON-DEPT'L - FACILITIES IMPROVEMENTS		76,000			
RECREATION FITNESS EQUIPMENT (REIMBURSEMENT DUE 2022)					(180,000)
RECREATION RENOVATION		312,000			
WATER & SEWER OPERATIONS - SOFTWARE		166,064	205,719	55,719	55,719
<i>TOTAL ASSIGNMENTS / FUNDS DUE</i>		<u>\$ 1,392,688</u>	<u>\$ 383,998</u>	<u>\$ 461,098</u>	<u>\$ (46,002)</u>

Note: The Year-End Amended Budget 2018-19 column reflects 10/1/2018 beginning fund balance. The ending fund balance in this column, when added to the total assignments, reflects the ending fund balance per the City's audited financial statements for the period ending 9/30/2019.

(1) The Adopted Budget 2019-20 includes anticipated sales proceeds for the sale of land (previous Fire Station No. 2 site - estimated fair market value of \$320,000) and fire equipment (estimated \$200,000).

FIXED ASSETS

DIVISION	ASSET TYPE / DESCRIPTION	YEAR-END	YEAR-END	ADOPTED	ADOPTED	YEAR-END	YEAR-END	ADOPTED	ADOPTED
		AMENDED BUDGET TRANSFERS 2018-19	AMENDED BUDGET PLANNED PURCHASES 2018-19	BUDGET TRANSFERS 2019-20	BUDGET PLANNED PURCHASES 2019-20	AMENDED BUDGET TRANSFERS 2019-20	AMENDED BUDGET PLANNED PURCHASES 2019-20	BUDGET TRANSFERS 2020-21	BUDGET PLANNED PURCHASES 2020-21
Non-Departmental	Transfer In	\$ 488,800		\$ 129,000		\$ 90,000		\$ 98,000	
	Transfer Out						76,000		
	Building/Infrastructure		452,800		205,000		90,000		98,000
	City Hall Fountain Control System Vault Subpump							18,000	18,000
	Environmental Lab Renovation	15,000	15,000						
	Facility Repairs & Improvements Reserve	473,800	397,800	105,000	181,000	66,000	66,000		
	Halon Fire System Replacement in Server Rm							80,000	80,000
	Information Technology Testing Room		40,000						
	Monument Signs			24,000	24,000	24,000	24,000		
	Sub-Total	<u>488,800</u>	<u>452,800</u>	<u>129,000</u>	<u>205,000</u>	<u>90,000</u>	<u>166,000</u>	<u>98,000</u>	<u>98,000</u>
Accounting	Transfer In	200,000							
	Computer		144,006		168,276		288,300		
	Software (Finance/HR ERP)	[1] 200,000	144,006		168,276		288,300		
	Sub-Total	<u>200,000</u>	<u>144,006</u>	<u></u>	<u>168,276</u>	<u></u>	<u>288,300</u>	<u></u>	<u></u>
Municipal Court	Transfer In							45,600	
	Other Fixed Assets								45,600
	Cameras							45,600	45,600
	Sub-Total	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>	<u>45,600</u>	<u>45,600</u>
Innovation & Technology	Transfer In	254,500		37,000		7,000		330,000	
	Computer		254,500						250,000
	Backup & Recovery Software	24,500	24,500						
	City Hall Data Center - SAN Replacement							250,000	250,000
	Data Center Upgrade Project at Police Station	55,000	55,000						
	Firewall Security/Disaster Recovery	9,500	9,500						
	Future Purchase Reserves							50,000	
	Microsoft Server License Additions	7,500	7,500						
	Video Server	20,000	20,000						
	Virtual Server Host Refresh	138,000	138,000						
	Equipment				7,000		7,000		
	Firewall Security/Disaster Recovery			7,000	7,000	7,000	7,000		
	Other Fixed Assets				30,000				30,000
	Laserfiche Forms			30,000	30,000			30,000	30,000
	Sub-Total	<u>254,500</u>	<u>254,500</u>	<u>37,000</u>	<u>37,000</u>	<u>7,000</u>	<u>7,000</u>	<u>330,000</u>	<u>280,000</u>

FIXED ASSETS

DIVISION	ASSET TYPE / DESCRIPTION	YEAR-END	YEAR-END	ADOPTED	ADOPTED	YEAR-END	YEAR-END	ADOPTED	ADOPTED
		AMENDED BUDGET TRANSFERS	AMENDED BUDGET PURCHASES			AMENDED BUDGET TRANSFERS	AMENDED BUDGET PURCHASES		
		2018-19	2018-19	2019-20	2019-20	2019-20	2019-20	2020-21	2020-21
Community Services	Transfer In								
	Other Fixed Assets		10,000						
	Copier		10,000						
	Sub-Total		10,000						
Building Inspections	Transfer In			30,000		30,000			
	Vehicle				30,000		37,900		
	Vehicle(s)			30,000	30,000	30,000	37,900		
	Sub-Total			30,000	30,000	30,000	37,900		
Public Works Administration	Transfer In			6,000		6,000			
	Other Fixed Assets				6,000		6,000		
	Copier Replacement (split with Water/Sewer)	[2]		6,000	6,000	6,000	6,000		
	Sub-Total			6,000	6,000	6,000	6,000		
Sustainability/Solid Waste	Transfer In			200,000		200,000		210,000	
	Vehicle				200,000		192,100		210,000
	Roll-off Truck			200,000	200,000	200,000	192,100	210,000	210,000
	Sub-Total			200,000	200,000	200,000	192,100	210,000	210,000
Street Maintenance	Transfer In	85,000		103,000		103,000		208,000	
	Equipment		85,000		78,000		78,000	78,000	78,000
	Traffic Signal Cabinets	78,000	78,000	78,000	78,000		78,000		78,000
	Trailer - Replacement	7,000	7,000						
	Vehicle				25,000		25,000	130,000	130,000
	Vehicle(s)			25,000	25,000		25,000		130,000
	Other Fixed Assets		242,800						
	Monument Signs		242,800						
Animal Services	Transfer In	9,000							
	Building/Infrastructure		9,000						
	Facility Improvement - Parking/Driveway	9,000	9,000						
	Sub-Total	9,000	9,000						

FIXED ASSETS

DIVISION	ASSET TYPE / DESCRIPTION	YEAR-END	YEAR-END	ADOPTED	ADOPTED	YEAR-END	YEAR-END	ADOPTED	ADOPTED
		AMENDED BUDGET TRANSFERS	AMENDED BUDGET PURCHASES			AMENDED BUDGET TRANSFERS	AMENDED BUDGET PURCHASES		
		2018-19	2018-19	2019-20	2019-20	2019-20	2019-20	2020-21	2020-21
Environmental Services	Transfer In	27,000							
	Vehicle		27,000						
	Vehicle Replacement	27,000	27,000						
	Sub-Total	<u>27,000</u>	<u>27,000</u>						
Police Administration	Transfer In	23,100							
	Building/Infrastructure		6,500						
	HVAC Replacements	6,500	6,500						
	Computer		16,600						
	Internal Affairs Software	16,600	16,600						
	Sub-Total	<u>23,100</u>	<u>23,100</u>						
Police Investigations	Transfer In	125,000							
	Vehicle		30,000						
	Vehicle	30,000	30,000						
	Other Fixed Assets		95,000						
	License Plate Reader Cameras	95,000	95,000						
	Sub-Total	<u>125,000</u>	<u>125,000</u>						
Police Patrol	Transfer In	256,000		284,500		284,500		272,000	
	Vehicle		216,000		284,500		284,500	272,000	272,000
	Vehicle(s)	[3] 216,000	216,000	284,500	284,500	284,500	284,500		272,000
	Other Fixed Assets		46,300						
	Drones	40,000	40,000						
	Smart Radar Trailer (Funded with Insurance Proc)		6,300						
	Sub-Total	<u>256,000</u>	<u>262,300</u>	<u>284,500</u>	<u>284,500</u>	<u>284,500</u>	<u>284,500</u>	<u>272,000</u>	<u>272,000</u>
Fire Administration	Transfer In							297,000	
	Building/Infrastructure								297,000
	HVAC								297,000
	Sub-Total							<u>297,000</u>	<u>297,000</u>

FIXED ASSETS

DIVISION	ASSET TYPE / DESCRIPTION	YEAR-END	YEAR-END	ADOPTED	ADOPTED	YEAR-END	YEAR-END	ADOPTED	ADOPTED
		AMENDED BUDGET TRANSFERS	AMENDED BUDGET PURCHASES			AMENDED BUDGET TRANSFERS	AMENDED BUDGET PURCHASES		
		2018-19	2018-19	2019-20	2019-20	2019-20	2019-20	2020-21	2020-21
Fire Operations	Transfer In	726,000		943,400		943,400		792,200	
	Building/Infrastructure				193,100		193,100		
	Landscaping Fire Station No. 2			173,100	193,100	173,100	193,100		
	Computer								
	Equipment		53,000		6,800		6,800		
	Hose Management System	9,000	9,000						
	Hurst Electric Rescue Equipment			6,800	6,800	6,800	6,800		
	Thermal Imaging Cameras	36,000	36,000						
	Trailer (Enclosed)	8,000	8,000						
	Vehicle		313,000		1,463,500		1,463,500	780,000	780,000
	Ambulance	230,000	230,000	223,000	223,000	223,000	223,000		
	Fire Engine			480,000	1,180,000	480,000	1,180,000		780,000
	Vehicles	83,000	83,000	60,500	60,500	60,500	60,500		
Other Fixed Assets									12,200
	Combination Tool							12,200	12,200
	Future Funding Reserves	[3]	360,000						
	Sub-Total		726,000	943,400	1,663,400	943,400	1,663,400	792,200	792,200
Park Maintenance	Transfer In	106,000		116,000		116,000		32,500	
	Equipment		30,000					32,500	32,500
	Ball Field Drag								23,000
	Mower								9,500
	Tractor Replacement (Medium Utility)	30,000	30,000						
	Vehicle		76,000		116,000		116,000		
	Replacement Vehicles	56,000	56,000	116,000	116,000	116,000	116,000		
	Trailer Replacement	20,000	20,000						
	Sub-Total		106,000	116,000	116,000	116,000	116,000	32,500	32,500
Recreation	Transfer In	338,000		440,000		40,000		196,000	
	Transfer Out						312,000		
	Building/Infrastructure				712,000				
	Renovation	312,000		400,000	712,000				
	Vehicle		26,000						
	Vehicle (5-7 Passenger Minivan)	26,000	26,000						
	Other Fixed Assets				40,000		40,000		376,000
	Children's Playground Sunshade							16,000	16,000
	Fitness Equipment	[4]		40,000	40,000	40,000	40,000	180,000	360,000
	Sub-Total		338,000	440,000	752,000	40,000	352,000	196,000	376,000

FIXED ASSETS

DIVISION	ASSET TYPE / DESCRIPTION	YEAR-END	YEAR-END	ADOPTED	ADOPTED	YEAR-END	YEAR-END	ADOPTED	ADOPTED
		AMENDED BUDGET TRANSFERS	AMENDED BUDGET PURCHASES			AMENDED BUDGET TRANSFERS	AMENDED BUDGET PURCHASES		
		2018-19	2018-19	2019-20	2019-20	2019-20	2019-20	2020-21	2020-21
Senior Center	Transfer In	40,800							
	Building/Infrastructure		40,800						
	Monument Signs	40,800	40,800						
	Sub-Total	<u>40,800</u>	<u>40,800</u>						
Library	Transfer In	241,500		588,000		588,000		2,791,500	
	Building/Infrastructure				506,500		129,400		2,927,100
	HVAC Replacement			121,500	121,500	121,500	121,500		
	Library Improvements							2,550,000	2,550,000
	Roof Replacement			35,000	385,000	35,000	7,900		377,100
	Other Fixed Assets		241,500		431,500		431,500		241,500
	Library Materials	241,500	241,500	241,500	241,500	241,500	241,500	241,500	241,500
	Parking Lot Repairs/Replacement			190,000	190,000	190,000	190,000		
	Sub-Total	<u>241,500</u>	<u>241,500</u>	<u>588,000</u>	<u>938,000</u>	<u>588,000</u>	<u>560,900</u>	<u>2,791,500</u>	<u>3,168,600</u>
Water & Sewer Operations	Transfer In	383,800		505,000		505,000		535,000	
	Computer		180,100		210,345		360,345		
	Software (Finance/HR ERP)	[1] 250,000	180,100	250,000	210,345		360,345		
	Equipment		106,800		214,000		224,000		200,000
	AMR Repeater with Solar Power	6,800	6,800						
	Hydrant Kit			14,000	14,000	14,000	14,000		
	Large Water Meters	100,000	100,000	200,000	200,000	200,000	200,000		200,000
	Vehicle		27,000		35,000		25,000		335,000
	Dump Truck								130,000
	Flatbed Trailer			10,000	10,000	10,000	10,000		
	Sewer Jet Truck								140,000
	Vehicles	27,000	27,000	25,000	25,000	25,000	25,000		65,000
	Other Fixed Assets				6,000		6,000		
	Copier Replacement (split with Public Works)	[2]		6,000	6,000	6,000	6,000		
	Sub-Total	<u>383,800</u>	<u>313,900</u>	<u>505,000</u>	<u>465,345</u>	<u>505,000</u>	<u>615,345</u>	<u>535,000</u>	<u>535,000</u>
Facilities Management	Transfer In			14,000		14,000			
	Other Fixed Assets				14,000		14,000		
	Ice Machine			14,000	14,000	14,000	14,000		
	Sub-Total			<u>14,000</u>	<u>14,000</u>	<u>14,000</u>	<u>14,000</u>		

FIXED ASSETS

DIVISION	ASSET TYPE / DESCRIPTION	YEAR-END	YEAR-END	ADOPTED	ADOPTED	YEAR-END	YEAR-END	ADOPTED	ADOPTED
		AMENDED	AMENDED			AMENDED	AMENDED		
		BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
		PLANNED	PLANNED	PLANNED	PLANNED	PLANNED	PLANNED	PLANNED	PLANNED
		TRANSFERS	PURCHASES	TRANSFERS	PURCHASES	TRANSFERS	PURCHASES	TRANSFERS	PURCHASES
		2018-19	2018-19	2019-20	2019-20	2019-20	2019-20	2020-21	2020-21
Fleet Management	Transfer In	6,500							
	Equipment		6,500						
	A/C Unit	6,500	6,500						
	Sub-Total	<u>6,500</u>	<u>6,500</u>						
Historical Preservation	Transfer In	87,000		65,000		65,000			
	Computer		36,002		42,069		72,069		
	Software (Finance/HR ERP)	[1] 50,000	36,002	50,000	42,069	50,000	72,069		
	Equipment		37,000		15,000		15,000		
	Security Camera	5,000	5,000	15,000	15,000	15,000	15,000		
	Smoke Detection System	32,000	32,000						
	Sub-Total	<u>87,000</u>	<u>73,002</u>	<u>65,000</u>	<u>57,069</u>	<u>65,000</u>	<u>87,069</u>		
GRAND TOTAL		<u>\$ 3,398,000</u>	<u>\$ 2,809,208</u>	<u>\$ 3,460,900</u>	<u>\$ 5,039,590</u>	<u>\$ 2,991,900</u>	<u>\$ 4,493,514</u>	<u>\$ 5,807,800</u>	<u>\$ 6,314,900</u>
Totals by Fund:									
	General Fund	\$ 2,920,700	\$ 2,415,806	\$ 2,876,900	\$ 4,503,176	\$ 2,407,900	\$ 3,777,100	\$ 5,272,800	\$ 5,779,900
	Enterprise Funds	383,800	313,900	505,000	465,345	505,000	615,345	535,000	535,000
	Internal Service Funds	6,500	6,500	14,000	14,000	14,000	14,000		
	Hotel/Motel Fund	87,000	73,002	65,000	57,069	65,000	87,069		
		<u>\$ 3,398,000</u>	<u>\$ 2,809,208</u>	<u>\$ 3,460,900</u>	<u>\$ 5,039,590</u>	<u>\$ 2,991,900</u>	<u>\$ 4,493,514</u>	<u>\$ 5,807,800</u>	<u>\$ 6,314,900</u>

Footnotes for Transfers and Purchases:

[1] Funding for Finance/HR ERP software.

[2] Shared cost between General Fund and Water & Sewer Fund (50/50 split).

[3] Ongoing annual replacement funding. Transfers cover purchases on a multi-year basis.

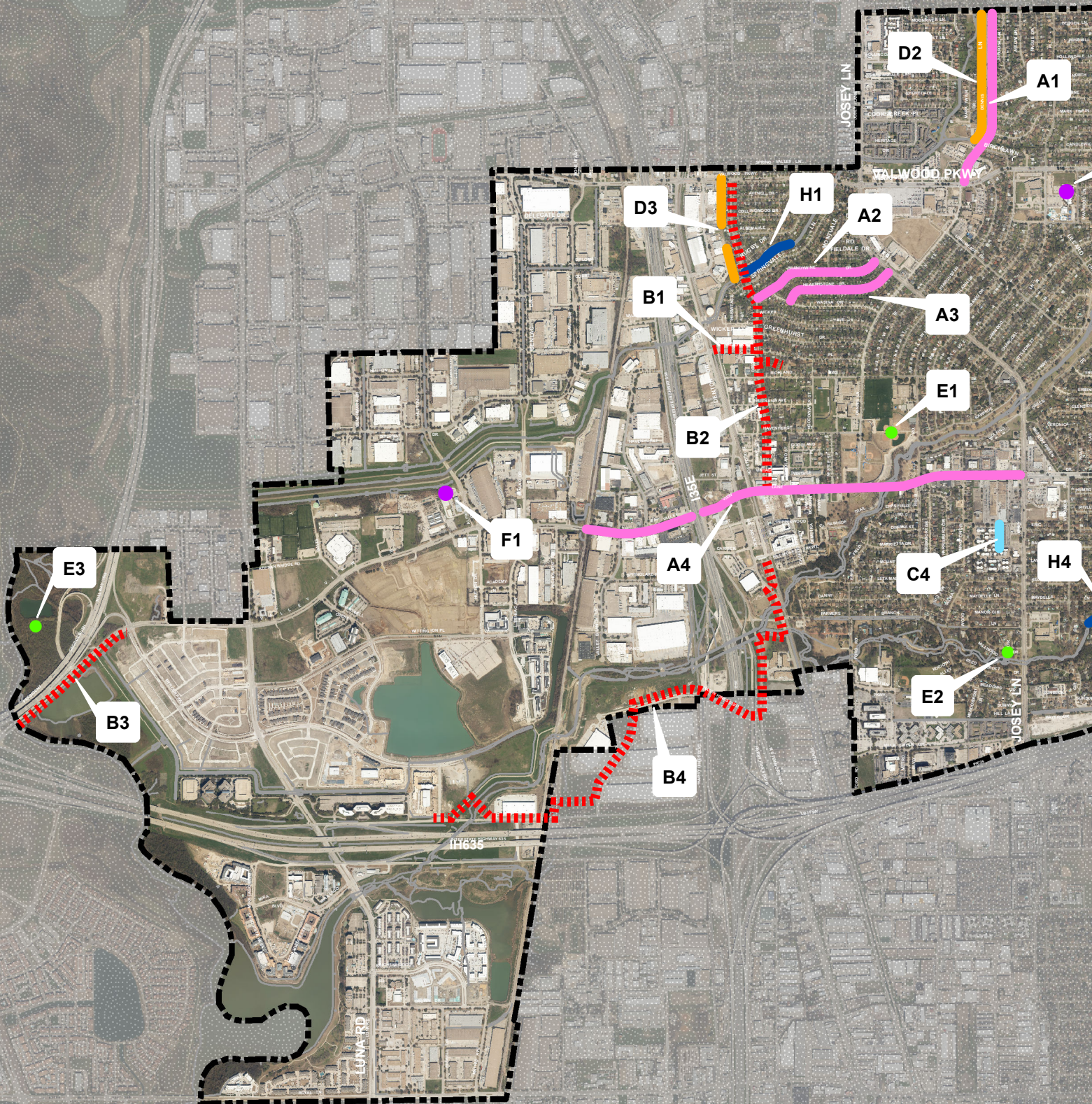
[4] Adopted Budget Planned Purchase 2020-21 includes \$180,000 to advance fund the purchase of fitness equipment. The advance will be reimbursed with a related transfer to the General Fixed Asset Fund in Fiscal Year 2021-22 in the amount of \$180,000.

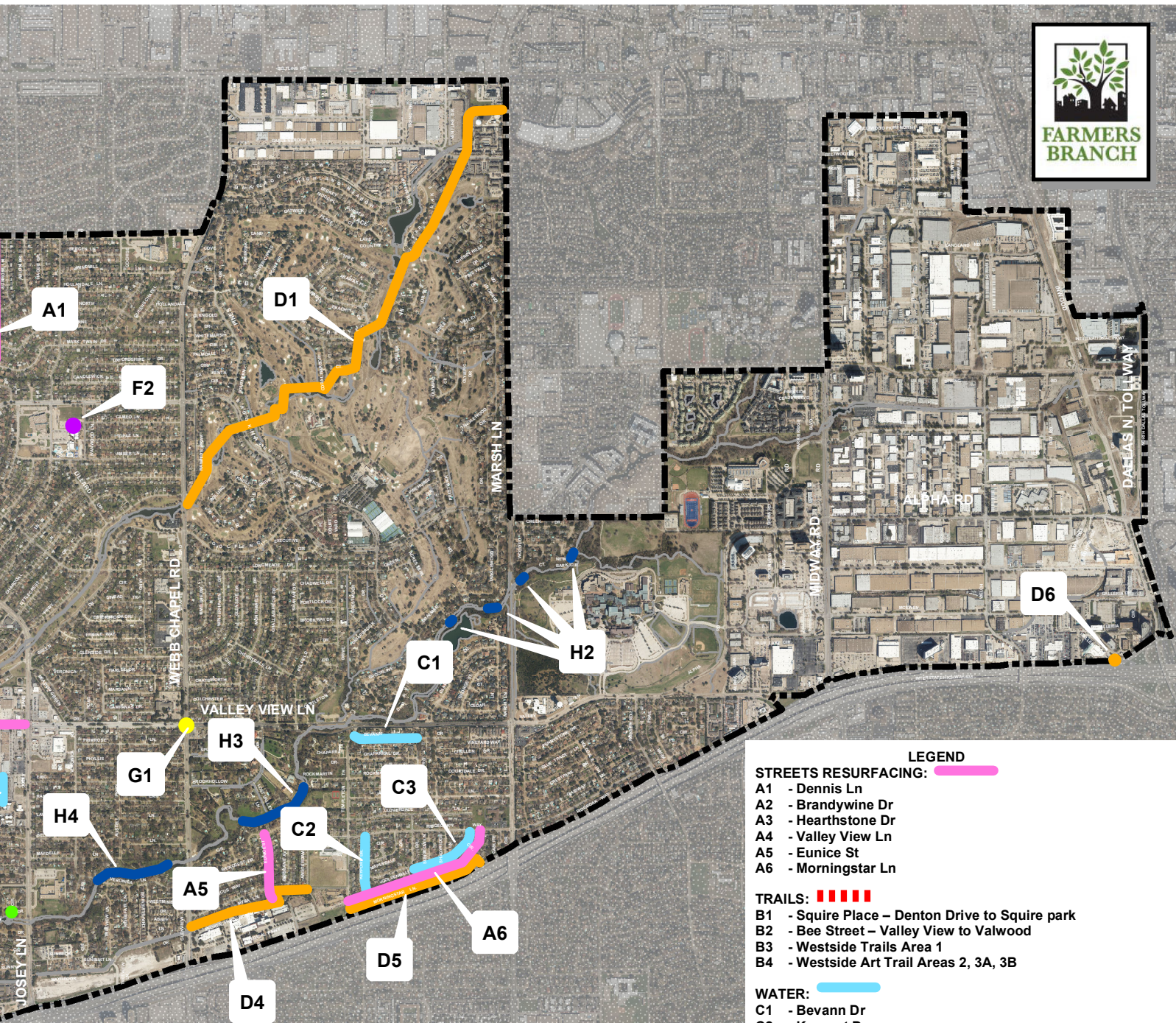
THE CIP PROCESS AND ITS RELATIONSHIP TO OPERATION BUDGETS

The Capital Improvement Program (CIP) is a financial plan for the development, design and construction of major infrastructure improvements and projects in the City of Farmers Branch. This program encompasses projects funded through the sale of general obligation bonds, revenue bonds, interest earnings, and available fund balances from the General Fund and Water & Sewer Fund.

All CIP projects are identified through a long-range strategic planning process involving the City Council and all departments of the City. Projects for rehabilitation as well as new projects for growth and development are identified and prioritized based on needs. Funding is identified and projects are reorganized based on funding availability. Projects are spaced over time in order to achieve maximum construction with minimum tax rate or user charge impact.

The Capital Improvement Program can significantly impact the operating budget. The City relies heavily on General Fund and Water & Sewer Fund transfers in order to fund the CIP. Revenue growth and conservative spending patterns have allowed the City to make these transfers in the past and departments have the ability to fund day-to-day operations of the improvements through their existing operating budgets. In many instances, operating costs have actually been reduced by these improvements. For example, rebuilding older roadways reduces maintenance costs and the replacement of old water and sewer lines has reduced leakage and inflow/infiltration problems. Further detail related to the operating cost impact of new capital improvement projects can be found in the project descriptions located at the beginning of this section. A “minimal” operating budget impact is defined as \$20,000 or less in operating cost.





CAPITAL IMPROVEMENT PROGRAM AS PROVIDED IN THE 2020-2021 BUDGET



0 0.25 0.5
Miles

Date: 12/14/2020

LEGEND

STREETS RESURFACING:

- A1 - Dennis Ln
- A2 - Brandywine Dr
- A3 - Hearthstone Dr
- A4 - Valley View Ln
- A5 - Eunice St
- A6 - Morningstar Ln

TRAILS:

- B1 - Squire Place – Denton Drive to Squire park
- B2 - Bee Street – Valley View to Valwood
- B3 - Westside Trails Area 1
- B4 - Westside Art Trail Areas 2, 3A, 3B

WATER:

- C1 - Bevann Dr
- C2 - Keyport Dr
- C3 - Morningstar Ln
- C4 - Lineville Dr

SEWER:

- D1 - Rawhide Creek Sewer Rehabilitation
- D2 - Dennis Ln
- D3 - Distribution Way
- D4 - Myra Ln & Medical Pkwy
- D5 - Morningstar Ln
- D6 - FBOP Lift Station

PARKS:

- E1 - Oran Good Athletic Field Lighting System Upgrade
- E2 - Mallon Park Playground Replacements
- E3 - John F Burke Nature Preserve Improvements

FACILITIES:

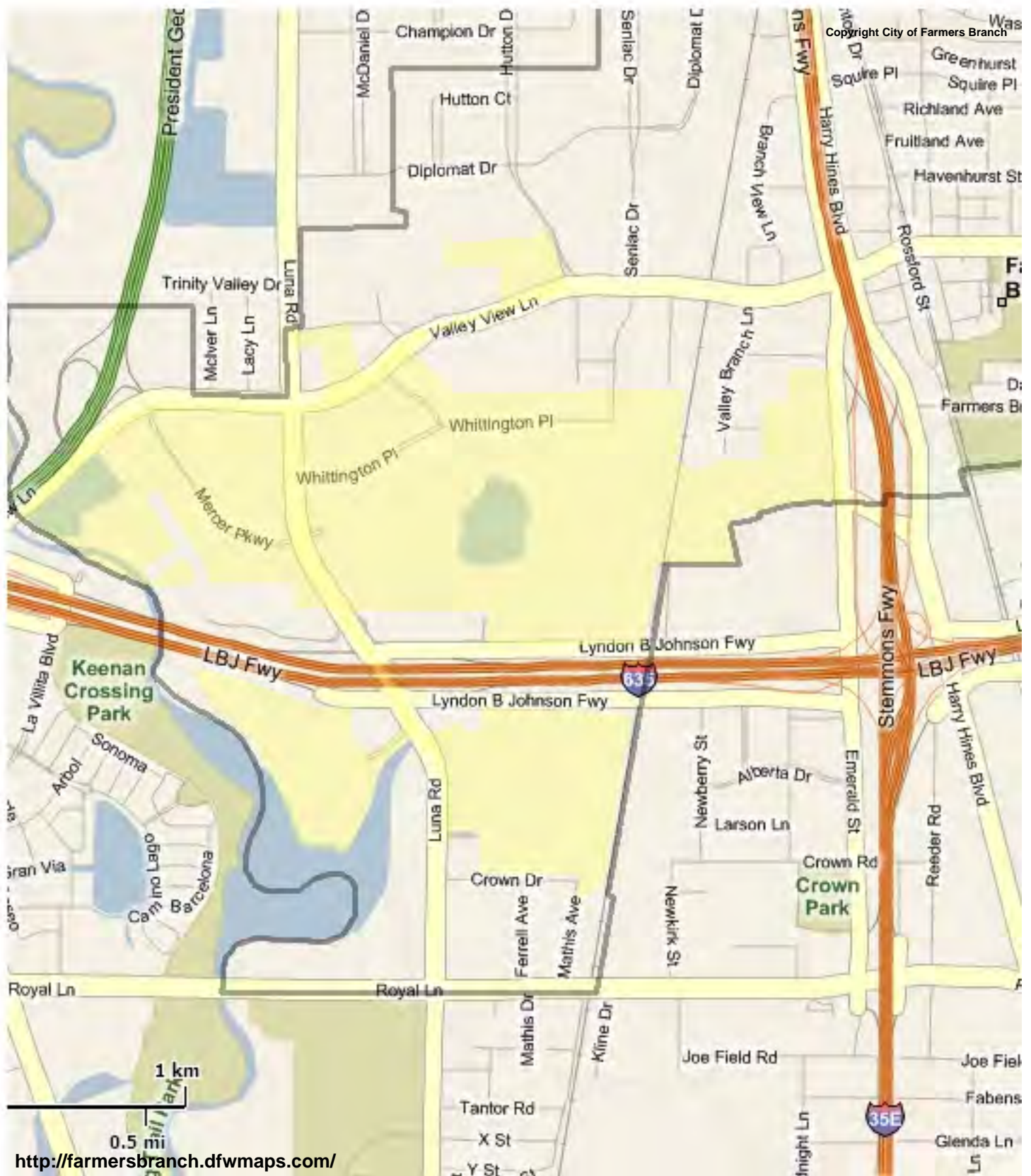
- F1 - Service Center Relocations & Improvements
- F2 - F.B. Community Recreation Center Improvements

TRAFFIC SIGNAL:

- G1 - Traffic Signal Rehab. at Valley View/Webb Chapel

STORMWATER:

- H1 - Cooks Creek
- H2 - FB Creek Reach1
- H3 - FB Creek Reach 2
- H4 - FB Creek Reach 3

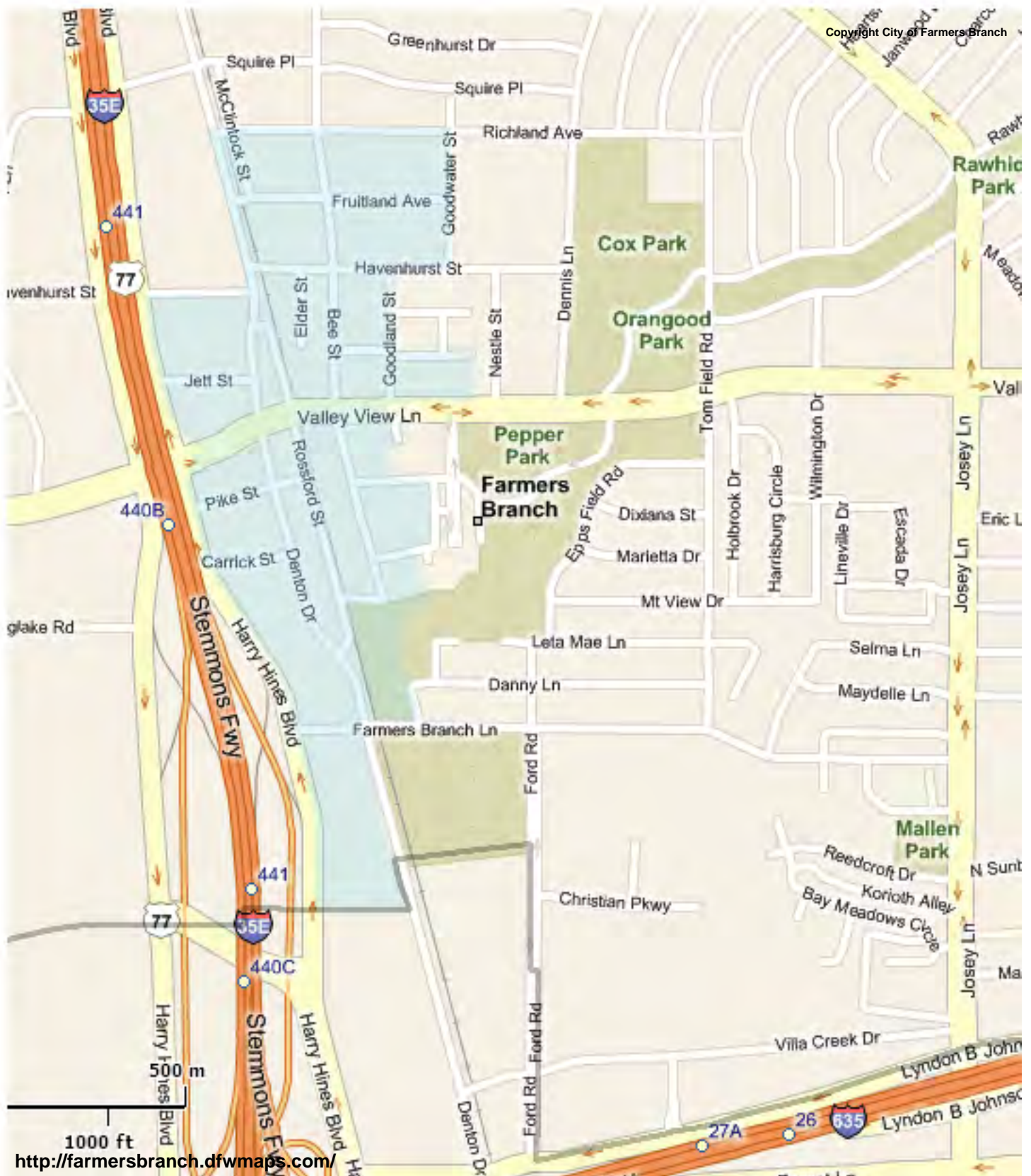


TIF No 1

<http://farmersbranch.dfwmaps.com/>

DISCLAIMER

This data has been compiled for City of Farmers Branch. Various official and unofficial sources were used to gather this information. Every effort was made to ensure the accuracy of this data, however, no guarantee is given or implied as to the accuracy of said data.



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TIF NO 2

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CAPITAL IMPROVEMENT PROGRAM BUDGET

ADOPTED FISCAL YEAR BUDGET 2020-21

The Capital Improvement Program (CIP) consists of budgets for ten capital improvement funds that represent the capital spending plan for the City. The first four funds listed represent the City's Pay-As-You-Go Program. The capital improvement funds include:

Non-Bond Capital Improvement Program (CIP) Fund: The revenues are primarily from General Fund transfers. Expenditures are for improvements to municipal facilities, parks, land acquisition, the Street Resurfacing and Reconstruction Programs, and other capital improvement projects not included in one of the other funds.

Hotel/Motel Capital Improvement Program (CIP) Fund: This fund was previously identified as the Historical Park Fund. The revenues are exclusively from the Hotel/Motel Fund. Expenditures are for improvements to the Historical Park.

Non-Bond Utility Fund: The revenues consist primarily of transfers from the Water & Sewer Fund. Expenditures are for water and sanitary sewer improvements. The budget has been expanded to begin funding capital replacement at levels based on the annual depreciation of the water and sanitary sewer systems.

Stormwater Capital Improvement Program (CIP) Fund: The revenues consist primarily of transfers from the General Fund and stormwater charges received from property owners. Expenditures are for drainage improvements and creek maintenance.

Tax Increment Finance District #1 Fund: The Mercer Crossing TIF district expires in 2019 and the fund will be active until that expiration date. Revenues will be generated from bonds, developers' contributions and advances, and property tax payments.

Tax Increment Finance District #2 Fund: The Old Farmers Branch TIF district expires in 2020 and the fund will be active until that expiration date. Revenues will be generated from bonds, developers' contributions and advances, and property tax payments.

Tax Increment Reinvestment Zone (TIRZ) No. 3 *(Located in the Special Revenue Funds):* Through FY 2052 the City will contribute 40% of the incremental tax revenue generated by the City's ad valorem tax associated with the growth of the tax base in TIRZ No.3 to a Special Revenue Fund to reduce the public improvement district assessments associated with the zone.


Street Improvement Bond Fund: Voter approved General Obligation bonds issued for \$13.92 million (plus premium) in 2014. These funds are to be used in addition to non-bond funds having \$5 million for residential streets. Major street renovations expenses estimated at \$13.12 million. South bound Marsh Lane bridge replacement expenses estimated at \$1 million. Voter approved General Obligation bonds issued for \$9.58 million (plus premium) in 2018. Major street renovations expenses estimated at \$9 million.

Fire Station #2 Relocation/Landfill Bond Fund: The revenues consist primarily of bond proceeds. Expenditures are for design and construction of Fire Station 2, which will be relocated from its existing location at 3940 Spring Valley Road to a City owned property that will improve the community's fire and EMS service delivery. **Landfill:** Construct new scale house and maintenance facility at Camelot Landfill.


Trail Improvements Bond Fund: The revenues consist primarily of bond proceeds. Improve the availability and quality of sidewalks in the central part of the City and to further implement the John F. Burke Nature Preserve Master Plan.

Pike Street Bond Fund: The revenues consist primarily of bond proceeds. Expenditures are for the betterment of Pike street in and around the Dallas Area Rapid Transit station.


City of Farmers Branch, Texas
Capital Improvement Program

Project: Street Revitalization			Responsible Dept: Public Works						
Projected Financial Plan	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
	\$ 3,252,231	\$ 1,500,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 16,752,231
Description:									
Residential Street Overlay Program									
<div><div></div><div><div>Estimated Project Cost:</div><div>Design\$ 500,000</div><div>Construction\$ 16,252,231</div><div>Total\$ 16,752,231</div></div><div><div>Project Schedule:</div><div>Design:</div><div>Bid Award:</div><div>Construction:</div></div><div><div>Funding Source(s):</div><div>General Fund</div></div></div>									
Project Listing:	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
	\$ 3,252,231	\$ 1,500,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 16,752,231
Total:	\$ 3,252,231	\$ 1,500,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 16,752,231
Operating Budget Impact:	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
	\$ -	\$ (23,347)	\$ (23,347)	\$ (23,347)	\$ (23,347)	\$ (23,347)	\$ (23,347)	\$ (23,347)	\$ (303,511)


City of Farmers Branch, Texas
Capital Improvement Program

Project: Park Field Light Replacement				Responsible Dept: Parks And Recreation					
Projected Financial Plan	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
	\$ 1,194,837	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 2,769,837
Description:									
Athletic field lighting structure upgrade and replacement.									
<div><div></div><div><div>Estimated Project Cost:</div><div>Design\$ 200,000</div><div>Construction\$ 2,569,837</div><div>Total\$ 2,769,837</div></div><div><div>Project Schedule:</div><div>Design:</div><div>Bid Award:</div><div>Construction:</div><div>Funding Source(s):</div><div>General Fund</div></div></div>									
Project Listing:									
1	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
	\$ 1,194,837	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 2,769,837
Total:									
	\$ 1,194,837	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 2,769,837
Operating Budget Impact:	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
	Negligible impact. Upgrades are to lighting structures to prevent future failure								\$ -


City of Farmers Branch, Texas
Capital Improvement Program

Project: Burke Nature Preserve Improvements				Responsible Dept: Parks And Recreation					
Projected Financial Plan	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
	\$ 200,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 550,000
Description: Ongoing improvements to John F. Burke Nature Preserve.									
<div><div></div><div><div>Estimated Project Cost:</div><div>Design\$ 50,000</div><div>Construction\$ 500,000</div><div>Total\$ 550,000</div><div>Project Schedule:</div><div>Design:</div><div>Bid Award:</div><div>Construction:</div><div>Funding Source(s):</div><div>General Fund</div></div></div>									
Project Listing:	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
1	\$ 200,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 550,000
Total:	\$ 200,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 550,000
Operating Budget Impact:	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
	\$ (30,000)	\$ (10,000)	\$ (10,000)	\$ (10,000)	\$ (10,000)	\$ (10,000)	\$ (10,000)	\$ (10,000)	\$ (70,000)


City of Farmers Branch, Texas
Capital Improvement Program

Project: Playground Equipment Replacement				Responsible Dept: Parks And Recreation					
Projected Financial Plan	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
	\$ 250,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 600,000
Description: Playground renovations and enhancements.									
<div><div></div><div><div>Estimated Project Cost:</div><div>Design<div>\$50,000</div></div><div>Construction<div>\$550,000</div></div><div>Total<div>\$600,000</div></div></div><div><div>Project Schedule:</div><div>Design:</div><div>Bid Award:</div><div>Construction:</div></div><div><div>Funding Source(s):</div><div>General Fund</div></div></div>									
Project Listing:	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
1	\$ 250,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 600,000
Total:	\$ 250,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 600,000
Operating Budget Impact:	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
	Negligible impact. New equipment requires same maintenance.								\$ -


City of Farmers Branch, Texas
Capital Improvement Program

Project: Trail Improvements		Responsible Dept: Parks And Recreation							
Projected Financial Plan	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
	\$ 3,022,500	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 3,722,500
Description: Trail improvements based on recommendations and priorities in adopted Trail Master Plan.									
<div><div></div><div><div>Estimated Project Cost:</div><div>Design\$ 50,000</div><div>Construction\$ 3,672,500</div><div>Total\$ 3,722,500</div><div>Project Schedule:</div><div>Design:</div><div>Bid Award:</div><div>Construction:</div><div>Funding Source(s):</div><div>General Fund & Hotel Motel Fund</div></div></div>									
Project Listing:	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
1	\$ 3,022,500	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 3,722,500
Total:	\$ 3,022,500	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 3,722,500
Operating Budget Impact:	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
	Potential for future cost savings due to reduction of maintenance needed on older trails.								\$ -


City of Farmers Branch, Texas
Capital Improvement Program

Project: Utility Replacement & Improvement				Responsible Dept: Public Works						
Projected Financial Plan	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total	
	\$ 19,992,390	\$ 3,100,000	\$ 2,400,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 3,250,000	\$ 3,250,000	\$ 39,492,390	
	Description: This project funds the rehabilitation and replacement of water and sanitary sewer lines throughout the city.									
	Estimated Project Cost:									
	Design								\$	-
	Construction								\$	34,492,390
	ROW/Easements/Land								\$	-
	Other								\$	-
	Total								\$	34,492,390
Funding Source(s): Water and Sewer Fund										
Project Listing:	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total	
Water and sewer line improvements	\$ 19,992,390	\$ 3,100,000	\$ 2,400,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 3,250,000	\$ 3,250,000	\$ 39,492,390	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			\$ -	
Total:	\$ 19,992,390	\$ 3,100,000	\$ 2,400,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 3,250,000	\$ 3,250,000	\$ 39,492,390	
Operating Budget Impact:	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total	
	Cost savings due to reduction of treatment of water are dependent on size of pipe, precipitation and usage.								\$	-


City of Farmers Branch, Texas
Capital Improvement Program

Project: I & I Repairs			Responsible Dept: Public Works						
Projected Financial Plan	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
	\$ 4,428,187	\$ 3,300,000	\$ 1,300,000	\$ 1,300,000	\$ 1,300,000	\$ 1,300,000	\$ 1,300,000	\$ 1,300,000	\$ 15,528,187
Description:									
This is a yearly program that will provide for inflow and infiltration reduction improvements on the sanitary sewer system. Expenditures in future years will focus on identifying problems areas within the city so repairs can be made.									
	Estimated Project Cost:								
	Design	\$	-						
	Construction	\$	15,528,187						
	ROW/Easements/Land	\$	-						
	Other	\$	-						
	Total	\$	15,528,187						
Funding Source(s):									
Water and Sewer Fund									
Project Listing:	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
1. Completed Projects	\$ 4,428,187	\$ -	\$ -	\$ -	\$ -	\$ -			\$ 4,428,187
2. Future year projects		\$ 3,300,000	\$ 1,600,000	\$ 1,300,000	\$ 1,300,000	\$ 1,300,000	\$ 1,300,000	\$ 1,300,000	\$ 11,400,000
Total:	\$ 4,428,187	\$ 3,300,000	\$ 1,600,000	\$ 1,300,000	\$ 1,300,000	\$ 1,300,000	\$ 1,300,000	\$ 1,300,000	\$ 15,828,187
Operating Budget Impact:	Prior Yr	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
	Potential reduction in maintenance and repair costs dependent upon usage.								\$ -

City of Farmers Branch, Texas
Capital Improvement Program

Project: Service Center Improvements				Responsible Dept: Public Works					
Projected Financial Plan	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
	\$ 8,590,500	\$ 700,000	\$ 550,000	\$ 600,000	\$ 500,000				\$ 10,940,500
Description: This budget provides for the acquisition of land and master planning costs associated with relocating the Service Center.									
<div><div></div><div><div>Estimated Project Cost:</div><div>Design\$ 40,500</div><div>Construction\$ 10,810,500</div><div>ROW/Easements/Land\$ 89,500</div><div>Other\$ -</div><div>Total\$ 10,940,500</div></div></div> <div><div>Funding Source(s):</div><div>Water and Sewer Fund</div></div>									
Project Listing:	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
Design	\$ 40,500	\$ -	\$ -	\$ -	\$ -	\$ -			\$ 40,500
ROW/Easements/Land	\$ 89,500	\$ -	\$ -	\$ -	\$ -	\$ -			\$ 89,500
Construction	\$ 8,460,500	\$ 700,000	\$ 550,000	\$ 600,000	\$ 500,000	\$ -			\$ 10,810,500
Total:	\$ 8,590,500	\$ 700,000	\$ 550,000	\$ 600,000	\$ 500,000	\$ -			\$ 10,940,500
For years when both centers will need utilities and maintenance.									
Operating Budget Impact:	Prior Yr	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
	\$ -	\$ 18,950	\$ 18,950	\$ 18,950	\$ 18,950				\$ 132,650


City of Farmers Branch, Texas
Capital Improvement Program

Project: Motor/Tank/Pump Improvements				Responsible Dept: Public Works																				
Projected Financial Plan	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total															
	\$ 2,462,402	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 2,952,402															
<p><u>Description:</u></p> <p>This project will rehabilitate and/or replace major components of the water distribution system. The improvements focus on improving system reliability by lowering maintenance costs, reducing power outages, increasing efficiency, and extending the useful lives of equipment and facilities.</p>																								
				<p><u>Estimated Project Cost:</u></p> <table><tr><td>Design</td><td>\$</td><td>-</td></tr><tr><td>Construction</td><td>\$</td><td>2,952,402</td></tr><tr><td>ROW/Easements/Land</td><td>\$</td><td>-</td></tr><tr><td>Other</td><td>\$</td><td>-</td></tr><tr><td>Total</td><td>\$</td><td>2,952,402</td></tr></table> <p><u>Funding Source(s):</u></p> <p>Water and Sewer Fund</p>						Design	\$	-	Construction	\$	2,952,402	ROW/Easements/Land	\$	-	Other	\$	-	Total	\$	2,952,402
Design	\$	-																						
Construction	\$	2,952,402																						
ROW/Easements/Land	\$	-																						
Other	\$	-																						
Total	\$	2,952,402																						
<u>Project Listing:</u>	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total															
1. Prior Years	\$ 874,166	\$ -	\$ -	\$ -	\$ -	\$ -			\$ 874,166															
2. Rehab Wicker Tank	\$ 1,588,236	\$ -	\$ -	\$ -	\$ -	\$ -			\$ 1,588,236															
3. Future projects	\$ -	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 490,000															
Total:	\$ 2,462,402	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 2,952,402															
Operating Budget Impact:	Prior Yr	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total															
	Potential reduction in maintenance costs and improved efficiency.								\$ -															


City of Farmers Branch, Texas
Capital Improvement Program

Project: Western Securities			Responsible Dept: Public Works																
Projected Financial Plan	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total										
	\$ 1,902,303	\$ 497,697	\$ -	\$ -					\$ 2,400,000										
Description:																			
Developer incentive reimbursements for public improvements (Mustang Station).																			
<div><div></div><div><div>Estimated Project Cost:</div><table><tr><td>Design</td><td>\$ -</td></tr><tr><td>Construction</td><td>\$ -</td></tr><tr><td>ROW/Easements/Land</td><td>\$ -</td></tr><tr><td>Other</td><td>\$ 2,400,000</td></tr><tr><td>Total</td><td>\$ 2,400,000</td></tr></table><div>Funding Source(s): TIF No. 2 Funds</div></div></div>										Design	\$ -	Construction	\$ -	ROW/Easements/Land	\$ -	Other	\$ 2,400,000	Total	\$ 2,400,000
										Design	\$ -								
										Construction	\$ -								
										ROW/Easements/Land	\$ -								
										Other	\$ 2,400,000								
										Total	\$ 2,400,000								
										Project Listing:									
										Developer's Reimbursement	\$ 1,902,303	\$ 497,697	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,400,000
										Total:	\$ 1,902,303	\$ 497,697	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,400,000
Operating Budget Impact:	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26		Total										
	No impact. Developers reimbursement if required.								\$ -										

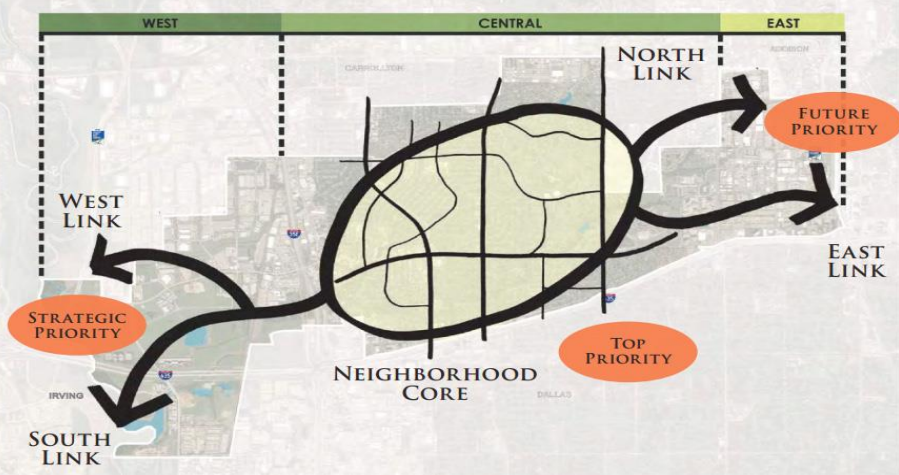
City of Farmers Branch, Texas
Capital Improvement Program

Project: Street Improvements			Responsible Dept: Public Works						
Projected Financial Plan	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
	\$ 21,418,984	\$ 1,266,000	\$ 1,898,950	\$ -	\$ -	\$ -			\$ 24,583,934
Description:									
This project is for the improvement of streets and Marsh Lane bridge over a four-year period. A total of \$23.5 million in bonds were authorized by voters.									
				Estimated Project Cost:					
				Street Improvements	\$	22,871,666			
				Marsh Lane Bridge (south bound)	\$	1,295,339			
				Bond Issuance costs	\$	328,110			
				Other	\$	88,819			
				Total	\$	24,583,934			
				Project Schedule:					
				Design:					
				Bid Award:					
				Construction:					
				Funding Source(s):					
				Bond proceeds					
Project Listing:	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
Street Improvements	\$ 19,706,716	\$ 1,266,000	\$ 1,898,950	\$ -	\$ -	\$ -			\$ 22,871,666
Marsh Lane Bridge	\$ 1,295,339	\$ -	\$ -	\$ -	\$ -	\$ -			\$ 1,295,339
Public Way Improvements	\$ 88,819	\$ -	\$ -	\$ -	\$ -	\$ -			\$ 88,819
Bond Issuance Cost	\$ 328,110	\$ -	\$ -	\$ -	\$ -	\$ -			\$ 328,110
Total:	\$ 21,418,984	\$ 1,266,000	\$ 1,898,950	\$ -	\$ -	\$ -			\$ 24,583,934
Operating Budget Impact:	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
	Potential reduction in maintenance costs and improved efficiency.								\$ -


City of Farmers Branch, Texas
Capital Improvement Program

Project: Landfill		Responsible Dept: Sustainability and Solid Waste							
Projected Financial Plan	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
	\$ 5,598,717	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,598,717
Description: Construct new scale house and maintenance facility at Camelot Landfill. Contractor is Weaver Holdings, LLC. Weaver Consultants Group and Achor Construction are wholly owned subsidiaries of the Weaver Holdings, LLC. This project will increase the operational capacity of the facility by processing more trucks per hour.									
	Estimated Project Cost:								
	Design								\$ -
	Construction								\$ 5,500,000
	Permitting								\$ -
	Other (Bond issuance costs)								\$ 98,717
	Total								\$ 5,598,717
	Funding Source(s):								
	Bond Proceeds								\$ 5,000,000
	Bond Premium								\$ 568,717
Est. Interest								\$ 30,000	
Total								\$ 5,598,717	
Project Listing:	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
Design	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction	\$ 5,500,000		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,500,000
Permitting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (Bond issuance costs)	\$ 98,717	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 98,717
Total:	\$ 5,598,717	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,598,717
Operating Budget Impact:	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
	\$ 2,220,000	\$ 1,082,000	\$ 1,135,000	\$ 1,190,000	\$ 1,248,000	\$ 1,309,000	\$ 1,309,000	\$ 1,309,000	\$ 10,802,000


City of Farmers Branch, Texas
Capital Improvement Program

Project: Trail Improvements			Responsible Dept: Parks And Recreation								
Projected Financial Plan			Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
			\$ 4,066,251	\$ 3,157,656	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,223,907
Description: Improve the availability and quality of sidewalks in the central part of the City and to further implement the John F. Burke Nature Preserve Master Plan with trails and amenities for groups and wildlife observation.											
						Estimated Project Cost: Design \$ 50,725 Construction \$ 7,106,931 Bond Issuance costs \$ 66,251 Total \$ 7,223,907 Project Schedule: Design: Bid Award: Construction: Funding Source(s): Bond Proceeds					
Project Listing:			Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
Design			\$ 50,725	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,725
Construction			\$ 3,949,275	\$ 3,157,656	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,106,931
Bond Issuance Costs			\$ 66,251	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,251
Total:			\$ 4,066,251	\$ 3,157,656	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,223,907
Operating Budget Impact:			Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26		Total
			Potential for future cost savings due to reduction of maintenance needed on older trails.								\$ -

City of Farmers Branch, Texas
Capital Improvement Program

Pike Street/Station Improvements				Responsible Dept: Economic Development/Sustainability					
Projected Financial Plan	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
	\$ -	\$ 4,062,791	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,062,791
Description: Designing, developing, constructing, improving, extending, and expanding streets in the City's light rail station area including sidewalks, street lighting, parking and streetscaping, and related storm drainage improvements; and acquiring rights-of-way in connection therewith.									
				Estimated Project Cost: Pike Street \$ 1,500,000 Station Area Betterments \$ 2,500,000 Bond Issuance costs \$ 62,791 Total \$ 4,062,791					
				Project Schedule: Design: Bid Award: Construction:					
				Funding Source(s): Bond Proceeds					
Project Listing:	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
Pike Street	\$ -	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000
Station Area Betterments	\$ -	\$ 2,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,500,000
Bond Issuance Costs	\$ -	\$ 62,791	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 62,791
Total:	\$ -	\$ 4,062,791	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,062,791
Operating Budget Impact:	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26		Total
	Potential for future cost savings due to reduction of maintenance needed on older trails.								\$ -

City of Farmers Branch, Texas
Capital Improvement Program

Stormwater Capital Improve			Responsible Dept: Public Works						
Projected Financial Plan	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
	\$ -	\$ 4,300,000	\$ 2,030,000	\$ 2,030,000	\$ 2,030,000	\$ 2,030,000	\$ 2,030,000	\$ 2,030,000	\$ 16,480,000
<u>Description:</u> Expenditures are for drainage improvements and creek maintenance.									
<div><div></div><div><div><div>Estimated Project Cost:</div><div>Drainage Projects (Public)</div><div>\$ 16,480,000</div></div><div><div>Total</div><div>\$ 16,480,000</div></div><div><div>Funding Source(s):</div><div>General Fund and Stormwater charges</div></div></div></div>									
Project Listing:	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Total
Drainage projects (public)	\$ -	\$ 4,300,000	\$ 2,030,000	\$ 2,030,000	\$ 2,030,000	\$ 2,030,000	\$ 2,030,000	\$ 2,030,000	\$ 16,480,000
Total:	\$ -	\$ 4,300,000	\$ 2,030,000	\$ 2,030,000	\$ 2,030,000	\$ 2,030,000	\$ 2,030,000	\$ 2,030,000	\$ 16,480,000
Operating Budget Impact:	Prior Yrs	20/21	21/22	22/23	23/24	24/25	25/26		Total
	Potential reduction in maintenance costs and improved efficiency.								\$ -

**CITY OF FARMERS BRANCH
CAPITAL IMPROVEMENT PROGRAM
SUMMARY
ADOPTED BUDGET 2020-21**

			PRIOR							
			YEARS	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
REVENUES										
Non-Bond CIP	\$	109,640,197	91,911,403	3,175,194	2,425,600	2,425,600	2,425,600	2,425,600	2,425,600	2,425,600
Hotel/Motel CIP	\$	6,177,408	6,177,408							
Non-Bond Utility	\$	85,210,548	51,543,205	7,123,199	4,423,431	4,423,665	4,423,901	4,424,140	4,424,382	4,424,626
Stormwater CIP	\$	16,480,000		4,330,000	2,030,000	2,030,000	2,030,000	2,030,000	2,015,000	2,015,000
DART LAP	\$	25,483,587	25,483,587							
Tax Increment Finance District #1	\$	42,099,189	42,099,189							
Tax Increment Finance District #2	\$	7,733,152	7,101,633	631,519						
Street Improvement/Animal Shelter Bond	\$	8,170,849	8,170,849							
Fire Station 1 Relocation Bond	\$	5,633,031	5,633,031							
Radio System Bond	\$	3,113,126	3,113,126							
Aquatics Center Bond	\$	8,907,703	8,907,703							
Consolidated Dispatch Bond	\$	2,063,362	2,063,362							
Street Improvement Bond	\$	24,583,935	24,533,935	25,000	25,000					
Justice Center Security Upgrades Bond	\$	2,724,208	2,724,208							
Fire Station # 2 Relocation	\$	11,595,581	11,595,581							
Trail Improvements	\$	7,223,907	7,223,407	500						
Pike Street	\$	4,065,791	4,062,791	2,000	1,000					
TOTAL REVENUES	\$	370,905,574	302,344,418	15,287,411	8,905,031	8,879,265	8,879,501	8,879,740	8,864,982	8,865,226
EXPENDITURES										
Non-Bond CIP	\$	109,492,811	91,523,674	3,419,137	2,425,000	2,425,000	2,425,000	2,425,000	2,425,000	2,425,000
Hotel/Motel CIP	\$	6,166,232	6,166,232							
Non-Bond Utility	\$	84,923,352	51,183,352	7,170,000	4,620,000	4,470,000	4,370,000	3,870,000	4,620,000	4,620,000
Stormwater CIP	\$	16,480,000		4,300,000	2,030,000	2,030,000	2,030,000	2,030,000	2,030,000	2,030,000
DART LAP	\$	25,474,256	25,474,256							
Tax Increment Finance District #1	\$	42,059,975	42,059,975							
Tax Increment Finance District #2	\$	7,733,149	5,945,219	1,787,930						
Street Improvement/Animal Shelter Bond	\$	8,170,850	8,170,850							
Fire Station 1 Relocation Bond	\$	5,636,153	5,636,153							
Radio System Bond	\$	3,026,720	3,026,720							
Aquatics Center Bond	\$	8,905,887	8,905,887							
Consolidated Dispatch Bond	\$	2,044,796	2,044,796							
Street Improvement Bond	\$	24,583,934	21,418,984	1,266,000	1,898,950					
Justice Center Security Upgrades Bond	\$	2,678,561	2,678,561							
Fire Station #2 Relocation	\$	11,595,578	11,297,433	298,145						
Trail Improvements	\$	7,223,907	4,066,251	3,157,656						
Pike Street	\$	4,062,791	62,791	4,000,000						
TOTAL EXPENDITURES	\$	370,258,952	289,661,134	25,398,868	10,973,950	8,925,000	8,825,000	8,325,000	9,075,000	9,075,000

CITY OF FARMERS BRANCH
CAPITAL IMPROVEMENT PROGRAM
NON-BOND CIP FUND
ADOPTED BUDGET 2020-21

REVENUE SOURCES:

	PROJECT BUDGET	PRIOR YEARS	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
<i>Miscellaneous Revenues</i>									
Prior Year Revenue	\$ 4,240,303	4,240,303							
North Texas Toll way Authority	\$ 150,000	150,000							
Interest	\$ 8,631,945	8,627,745	600	600	600	600	600	600	600
Developer Contributions	\$ 1,956,819	1,956,819							
Dallas County	\$ 1,524,705	965,111	559,594						
Public Improvement District [1]	\$ 3,568,918	3,568,918							
Las Campanas Wall Assessment	\$ 105,127	105,127							
Hotel/Motel Fund Transfer	\$ 1,466,200	1,466,200							
DART Signal Reimbursement	\$ 97,467	97,467							
TxDOT (LBJ Express)	\$ 974,570	974,570							
TxDOT RTR (NCTCOG)	\$ 658,145	658,145							
CDBG Funds	\$ 1,388,637	1,388,637							
<i>Subtotal Revenues Excluding Transfers</i>	\$ 24,762,836	24,199,042	560,194	600	600	600	600	600	600
<i>Transfer of General Fund Balance</i>									
Prior Year Revenue	\$ 19,441,000	19,441,000							
<i>Subtotal Transfer of General Fund Balance</i>	\$ 19,441,000	19,441,000							
<i>General Fund Transfers</i>									
Prior Year Revenue	\$ 8,388,000	8,388,000							
Street Revitalization	\$ 17,000,000	3,500,000	1,500,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Fire Station #2 Relocation	\$ 400,000	400,000							
Street Program Transfer	\$ 15,018,000	15,018,000							
Farmers Branch Creek Well Transfer	\$ 800,000	800,000							
Creek Improvements	\$ 828,000	828,000							
Trails Program Transfer	\$ 550,000	550,000							
Future Infrastructure	\$ 76,000	76,000							
Solar Upgrades	\$ 1,287,000	1,287,000							
Farmers Market Grove at Mustang Crossing	\$ 435,000	435,000							
<i>Subtotal General Fund Transfers</i>	\$ 44,782,000	31,282,000	1,500,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
<i>Departmental Transfers</i>									
Prior Year Revenue	\$ 11,555,500	11,555,500							
Playground/Park Renovations ('13-'14 Lighting Study)	\$ 425,000	425,000							
Park Maintenance Rawhide Creek Lighting	\$ 170,000	170,000							
Park Maintenance General Improvements	\$ 600,000	300,000	300,000						
Park Maintenance/Sustainability	\$ 5,419,300	2,494,300	375,000	425,000	425,000	425,000	425,000	425,000	425,000
Park Maintenance Rec Center Renovation	\$ 1,228,000	788,000	440,000						
Parks Maintenance (VV Soccer Complex)	\$ 105,000	105,000							
Parks Maintenance (Dog Park)	\$ 236,000	236,000							
Streets/Railroad Crossings	\$ 754,000	754,000							
DART	\$ 161,562	161,562							
<i>Subtotal Departmental Transfers</i>	\$ 20,654,362	16,989,362	1,115,000	425,000	425,000	425,000	425,000	425,000	425,000
TOTAL REVENUES:	\$ 109,640,197	91,911,403	3,175,194	2,425,600	2,425,600	2,425,600	2,425,600	2,425,600	2,425,600

CITY OF FARMERS BRANCH
CAPITAL IMPROVEMENT PROGRAM
NON-BOND CIP FUND
ADOPTED BUDGET 2020-21

PROJECTED EXPENDITURES

Completed Projects

	PROJECT BUDGET	PRIOR YEARS	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Prior Years [2]	\$ 66,407,646	66,407,646							
Liberty Plaza	\$ 429,858	429,858							
Screen Wall Assistance	\$ 185,196	185,196							
City Entryway Enhancements	\$ 48,878	48,878							
Field of Blue Statue	\$ 24,500	24,500							
CDBG Project 2008-10	\$ 136,693	136,693							
Railroad Crossing Signal Controllers (DART)	\$ 97,767	97,767							
Current and Future Projects									
Playground/Park Renovations (*13-'14 Lighting Study)	\$ 629,386	629,386							
Parks Maintenance (VV Soccer Complex)	\$ 105,000	105,000							
Parks Maintenance (Dog Park)	\$ 236,000	236,000							
Park Field Light Replacement	\$ 2,769,837	1,194,837	225,000	225,000	225,000	225,000	225,000	225,000	225,000
Burke Nature Preserve Improvements	\$ 550,000	200,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Playground Equipment Replacement	\$ 600,000	250,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Trail Improvements [4]	\$ 3,722,500	3,022,500	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Farmers Market - Grove at Mustang Crossing	\$ 435,000	435,000							
Rawhide Creek Lighting	\$ 170,000	170,000							
Oakbrook Street Revitalization	\$ 1,150,000	1,150,000							
Farmers Branch Creek Well	\$ 800,000	800,000							
Redevelopment Program	\$ 2,816,584	2,816,584							
-Monument Signs (LBJ/Josey, Webb Chapel)	\$ 50,000	50,000							
CDBG Project 2018-19 Havenhurst Water & Sewer Improvements	\$ 230,212	230,212							
CDBG Project 2020-21 Bee/Springvale Water & Sewer Improvements	\$ 227,300		227,300						
CDBG Project 2020-21 CARES Dennis Lane Sewer	\$ 350,000		350,000						
Traffic Signals Rehabilitation	\$ 120,385	120,385							
Creek Projects	\$ 1,240,000	1,240,000							
Wooded Creek Wall	\$ 63,000	63,000							
Street Revitalization [3]	\$ 16,752,231	3,252,231	1,500,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Traffic Counts	\$ 26,283	26,283							
Parks Recreation Center Renovation	\$ 1,925,000	1,193,163	731,837						
Quiet Zones	\$ 110,000	110,000							
Streetscape Enhancements	\$ 75,000	75,000							
Solar Upgrades	\$ 1,287,000	1,287,000							
Farmers Branch Station Streets/Transit Center	\$ 267,336	267,336							
TOTAL PLANNED EXPENDITURES:	\$ 104,011,622	86,042,485	3,419,137	2,425,000	2,425,000	2,425,000	2,425,000	2,425,000	2,425,000
Transfers	\$ 5,481,189	5,481,189							
TOTAL EXPENDITURES:	\$ 109,492,811	91,523,674	3,419,137	2,425,000	2,425,000	2,425,000	2,425,000	2,425,000	2,425,000
RESERVED FOR CONTINGENCIES AND FUTURE PROJECTS:									
	\$ 147,386	387,729	143,786	144,386	144,986	145,586	146,186	146,786	147,386

[1] Funding is from savings resulting from the early payoff of public improvement district (PID) debt.

[2] A list of completed projects is available upon request.

[3] Street Revitalization project spans 10 years from FY 2013-2014 to FY 2022-2023 for total of \$5,000,000.

[4] An additional \$500,000 to be paid from Street Improvement Bonds making total project \$3,000,000 (\$1,500,000 funded by Dallas County) for fiscal 2016-2017.

CITY OF FARMERS BRANCH
 CAPITAL IMPROVEMENT PROGRAM
 HOTEL/MOTEL CIP FUND
 ADOPTED BUDGET 2020-21

REVENUE SOURCES:

Appropriated Fund Balance	\$ 200,199	200,199
Interest	\$ 325,809	325,809
Hotel/Motel Transfer from Non-Bond CIP	\$ 360,400	360,400
Special Revenue Donations	\$ 75,000	75,000
Hotel/Motel Transfers	\$ 5,216,000	5,216,000

TOTAL REVENUES:

\$ 6,177,408	6,177,408
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PROJECTED EXPENDITURES

Completed Projects

Prior Years [1]	\$ 4,051,632	4,051,632
Stars Center Upgrades	\$ 986,000	986,000
Barn	\$ 25,000	25,000
Historical Park Structure Repairs	\$ 796,000	796,000
Historical Park Master plan	\$ 28,500	28,500
Historical Park General Store	\$ 100,000	100,000
Historical Park Lighting Study	\$ 25,000	25,000
Historical Park Bridge & Pathways	\$ 154,100	154,100

TOTAL EXPENDITURES:

\$ 6,166,232	6,166,232
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RESERVED FOR CONTINGENCIES AND FUTURE PROJECTS:

\$ 11,177	11,177
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[1] A list of completed projects is available upon request.

CITY OF FARMERS BRANCH
CAPITAL IMPROVEMENT PROGRAM
NON-BOND UTILITY FUND
ADOPTED BUDGET 2020-21

REVENUE SOURCES:

	PROJECT BUDGET	PRIOR YEARS	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Transfer from Water & Sewer Fund Operations [1]	\$ 72,749,346	39,249,346	7,100,000	4,400,000	4,400,000	4,400,000	4,400,000	4,400,000	4,400,000
Transfer from Water & Sewer Fund - Fund Balance	\$ 6,200,000	6,200,000							
Transfer from Sewer Interceptor Fund	\$ 1,495,069	1,495,069							
Transfer from Fixed Asset Fund	\$ 213,166	213,166							
Developer Contribution	\$ 83,643	83,643							
Interest	\$ 3,771,154	3,603,811	23,199	23,431	23,665	23,901	24,140	24,382	24,626
TML Reimbursements	\$ 415,864	415,864							
CDBG	\$ 282,305	282,305							
TOTAL REVENUES:	\$ 85,210,548	51,543,205	7,123,199	4,423,431	4,423,665	4,423,901	4,424,140	4,424,382	4,424,626

PROJECTED EXPENDITURES

Completed Projects

Prior Years [2]	\$ 8,389,812	8,389,812							
Benchmark Water/SS Line	\$ 392,611	392,611							

Current and Future Projects

Utility Replacement & Improvements	\$ 39,492,390	19,992,390	3,100,000	2,400,000	2,500,000	2,500,000	2,500,000	3,250,000	3,250,000
I & I Repairs	\$ 15,828,187	4,428,187	3,300,000	1,600,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000
Service Center Improvements	\$ 10,940,500	8,590,500	700,000	550,000	600,000	500,000			
Motor/Pump/Tank Improvements	\$ 2,952,402	2,462,402	70,000	70,000	70,000	70,000	70,000	70,000	70,000
Technology/Security Improvements	\$ 1,707,166	1,707,166							
East Side Lift Station	\$ 1,216,688	1,216,688							
Farmers Branch Station Streets	\$ 833,071	833,071							

TOTAL PLANNED EXPENDITURES:

Transfers	\$ 81,752,827	48,012,827	7,170,000	4,620,000	4,470,000	4,370,000	3,870,000	4,620,000	4,620,000
	\$ 3,170,525	3,170,525							
TOTAL EXPENDITURES:	\$ 84,923,352	51,183,352	7,170,000	4,620,000	4,470,000	4,370,000	3,870,000	4,620,000	4,620,000

RESERVED FOR CONTINGENCIES AND FUTURE PROJECTS:

	\$ 287,196	359,853	313,052	116,482	70,147	124,048	678,189	482,571	287,196
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[1] Transfer from Water & Sewer Operations. This is a planned use of fund balance for capital improvements.

[2] A list of completed projects is available upon request.

CITY OF FARMERS BRANCH
CAPITAL IMPROVEMENT PROGRAM
STORMWATER CIP
ADOPTED BUDGET 2020-21

REVENUE SOURCES:

General Fund Transfers

Payments

Interest

TOTAL REVENUES:

PROJECTED EXPENDITURES

Current and Future Projects

Drainage Projects (public)

Reserved for Future Projects

TOTAL PLANNED EXPENDITURES:

Transfers

TOTAL EXPENDITURES

RESERVED FOR CONTINGENCIES:

PROJECT BUDGET	PRIOR YEARS	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
\$ 3,500,000		500,000	500,000	500,000	500,000	500,000	500,000	500,000
\$ 12,800,000		3,800,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
\$ 180,000		30,000	30,000	30,000	30,000	30,000	15,000	15,000
\$ 16,480,000		4,330,000	2,030,000	2,030,000	2,030,000	2,030,000	2,015,000	2,015,000
\$ 16,480,000		4,300,000	2,030,000	2,030,000	2,030,000	2,030,000	2,030,000	2,030,000
\$								
\$ 16,480,000		4,300,000	2,030,000	2,030,000	2,030,000	2,030,000	2,030,000	2,030,000
\$								
\$ 16,480,000		4,300,000	2,030,000	2,030,000	2,030,000	2,030,000	2,030,000	2,030,000
0	0	30,000	30,000	30,000	30,000	30,000	15,000	0

**CITY OF FARMERS BRANCH
CAPITAL IMPROVEMENT PROGRAM
TAX INCREMENT FINANCE DISTRICT #1 FUND
ADOPTED BUDGET 2020-21**

REVENUE SOURCES:

CFBISD (100%)	\$ 21,514,794	21,514,794
City of Farmers Branch (35%)	\$ 3,955,877	3,955,877
Dallas County Hospital District (34%)	\$ 1,925,502	1,925,502
Dallas County (34%)	\$ 1,525,984	1,525,984
Dallas County Community College District (35%)	\$ 204,912	204,912
Valwood Improvement Authority (50% - M&O Rate)	\$ 353,061	353,061
Dallas Independent School District (35%)	\$ 258,600	258,600
Developer Advance [1]	\$ 11,601,824	11,601,824
Interest	\$ 758,635	758,635
TOTAL REVENUES:	\$ 42,099,189	42,099,189

PROJECTED EXPENDITURES

Completed Projects

Prior Years [2]	\$ 3,245,649	3,245,649
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Current and Future Projects

City and School Administrative Fees	\$ 247,602	247,602
Developer Reimbursement [3]	\$ 13,936,284	13,936,284
Zone School Project Costs (CFBISD) [4]	\$ 13,991,208	13,991,208
Zone School Project Costs (DISD) [5]	\$ 4,558	4,558
Mercer Parkway	\$ 3,531,657	3,531,657
Lake Improvements: north of I-635	\$ 1,343,709	1,343,709
"Peninsula Tract" Improvements [6]	\$ 2,980,332	2,980,332
Remaining West Side Projects [1]	\$ 2,453,432	2,453,432
Mercer Parkway Extension (Luna to I-35)	\$ 364,450	364,450
Knightsbridge Road	\$ 363,700	363,700
Bond Street	\$ 363,700	363,700
East Lift Station (west of I35, north of IH635)	\$ 380,696	380,696
Luna Road Lift Station	\$ 632,140	632,140
Lake Improvements: South of I-635	\$ 348,745	348,745

TOTAL PLANNED EXPENDITURES:

Transfers	\$ 41,734,431	41,734,431
	\$ 325,544	325,544
TOTAL EXPENDITURES	\$ 42,059,975	42,059,975

RESERVED FOR CONTINGENCIES AND FUTURE PROJECTS:

	\$ 39,214	39,214
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[1] A list of completed projects is available upon request

[2] Developer reimbursements to be based on provisions of Developer Agreements Nos. 1-8.
(Principal and Interest as of Sept. 30th 2016 is \$15,649,907.12)

[3] Figures represent 65% of CFBISD revenue payment

[4] Figures represent 20% of DISD revenue payment

[5] Design for Phase 2 improvements were funded by Developer Advances.

[6] Does not include future projects or overpayments/refunds.

34% up to \$4.5MM
100% up to \$129,805,190
50% of O&M rate only
35% up to \$4,145,043
35%
34% up to \$4.5MM
35%

**CITY OF FARMERS BRANCH
CAPITAL IMPROVEMENT PROGRAM
TAX INCREMENT FINANCE DISTRICT #2 FUND
ADOPTED BUDGET 2020-21**

REVENUE SOURCES:

	PROJECT BUDGET	PRIOR YEARS	2020-21	2021-22
CFBISD (100%)	\$ 4,106,355	4,106,355		
City of Farmers Branch (100%)	\$ 2,234,247	1,813,715	420,531	
Dallas County Hospital District (55%)	\$ 577,187	469,444	107,743	
Dallas County (55%)	\$ 478,257	384,513	93,745	
Dallas County Community College District (100%)	\$ 53,258	53,258		
Non-Bond CIP Fund Advance	\$ 200,000	200,000		
Interest [1]	\$ 83,849	74,349	9,500	
TOTAL REVENUES:	\$ 7,733,152	7,101,633	631,519	

PROJECTED EXPENDITURES

Completed Projects

Prior Years [2]	\$ 14,943	14,943		
Phase One Public Imp./Enhancements	\$ 144,999	144,999		

Current and Future Projects

Zone School Project Costs [3]	\$ 1,218,647	1,218,647		
City and School Administrative Fees	\$ 69,933	69,933		
Bee Street Development	\$ 1,600,000	1,600,000		
Station Area Art, Betterments and Infrastructure	\$ 1,290,233		1,290,233	
Farmers Branch Station Streets	\$ 644,394	644,394		
K. Hovnanian	\$ 150,000	150,000		
Western Securities [4]	\$ 2,400,000	1,902,303	497,697	
TOTAL PLANNED EXPENDITURES:	\$ 7,533,149	5,745,219	1,787,930	

Transfers

	\$ 200,000	200,000		
TOTAL EXPENDITURES	\$ 7,733,149	5,945,219	1,787,930	

RESERVED FOR CONTINGENCIES AND FUTURE PROJECTS:

	\$ 3	1,156,414	3	3
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[1] Includes bond premiums, interest income, and accrued interest

[2] A list of completed projects is available upon request.

[3] Figures represent 30% of CFBISD revenue payment

[4] Contractual cap of \$2,400,000

55% up to \$1.7MM
100% up to \$23,895,858
100%
55% up to \$1.7MM
100%

CITY OF FARMERS BRANCH
CAPITAL IMPROVEMENT PROGRAM
STREET IMPROVEMENT BOND FUND
ADOPTED BUDGET 2020-21

REVENUE SOURCES:

Bond Proceeds	\$ 23,204,286	23,204,286		
Bond Premium	\$ 623,530	623,530		
Interest	\$ 756,119	706,119	25,000	25,000
TOTAL REVENUES:	\$ 24,583,935	24,533,935	25,000	25,000

PROJECTED EXPENDITURES

Current and Future Projects

Street Improvements	\$ 22,871,666	19,706,716	1,266,000	1,898,950
Marsh Lane Bridge (south bound) [1]	\$ 1,295,339	1,295,339		
Public Way Improvements [2]	\$ 88,819	88,819		
Bond Issuance Costs	\$ 328,110	328,110		
TOTAL PLANNED EXPENDITURES:	\$ 24,583,934	21,418,984	1,266,000	1,898,950
Transfers	\$			
TOTAL EXPENDITURES	\$ 24,583,934	21,418,984	1,266,000	1,898,950
RESERVED FOR CONTINGENCIES:	\$ 1	3,114,951	1,873,951	1

[1] Major Capital Improvement Plan with Dallas County. Dallas County match equals \$1.0MM. Total project cost - \$2.0MM

[2] Major Capital Improvement Plan with Dallas County. Connecting Farmers Branch DART Station to John Burke Nature Preserve to Campion Trail. Total Dallas County project of \$3MM with City's portion to be \$1.5MM

CITY OF FARMERS BRANCH
 CAPITAL IMPROVEMENT PROGRAM
 FIRE STATION #2 RELOCATION/LANDFILL
 ADOPTED BUDGET 2020-21

REVENUE SOURCES:

Bond Proceeds
 Bond Premium
 Interest

TOTAL REVENUES:

PROJECT BUDGET	PRIOR YEARS	2020-21
\$ 10,515,000	10,515,000	
\$ 665,013	665,013	
\$ 415,568	415,568	
\$ 11,595,581	11,595,581	

PROJECTED EXPENDITURES

Current and Future Projects

Fire Station #2 Relocation
 Landfill
 Bond Issuance Costs

TOTAL PLANNED EXPENDITURES:

Transfers

TOTAL EXPENDITURES

RESERVED FOR CONTINGENCIES:

\$ 5,898,145	5,600,000	298,145
\$ 5,500,000	5,500,000	
\$ 197,433	197,433	
\$ 11,595,578	11,297,433	298,145
\$		
\$ 11,595,578	11,297,433	298,145
3	298,148	3

CITY OF FARMERS BRANCH
CAPITAL IMPROVEMENT PROGRAM
TRAIL IMPROVEMENTS
ADOPTED BUDGET 2020-21

REVENUE SOURCES:

Bond Proceeds	\$ 6,868,571	6,868,571	
Bond Premium	\$ 192,085	192,085	
Transfers	\$ 13,238	13,238	
Interest	\$ 150,013	149,513	500
TOTAL REVENUES:	\$ 7,223,907	7,223,407	500

PROJECTED EXPENDITURES

Current and Future Projects

Trails/Sidewalks Construction	\$ 7,157,656	4,000,000	3,157,656
Trails/Sidewalks Construction - 2020 Bond			
Bond Issuance Costs	\$ 66,251	66,251	
TOTAL PLANNED EXPENDITURES:	\$ 7,223,907	4,066,251	3,157,656
Transfers	\$		
TOTAL EXPENDITURES	\$ 7,223,907	4,066,251	3,157,656
RESERVED FOR CONTINGENCIES:	0	3,157,156	0

CITY OF FARMERS BRANCH
 CAPITAL IMPROVEMENT PROGRAM
 PIKE STREET STATION
 ADOPTED BUDGET 2020-21

REVENUE SOURCES:

Bond Proceeds	\$ 4,000,000	4,000,000		
Bond Premium	\$ 59,000	59,000		
Transfers	\$ -			
Interest	\$ 6,791	3,791	2,000	1,000
TOTAL REVENUES:	\$ 4,065,791	4,062,791	2,000	1,000

PROJECTED EXPENDITURES

Current and Future Projects

Pike Street	\$ 1,500,000		1,500,000	
Station Area Betterments	\$ 2,500,000		2,500,000	
Bond Issuance Costs	\$ 62,791	62,791		
TOTAL PLANNED EXPENDITURES:	\$ 4,062,791	62,791	4,000,000	
Transfers	\$			
TOTAL EXPENDITURES	\$ 4,062,791	62,791	4,000,000	
RESERVED FOR CONTINGENCIES:	3,000	4,000,000	2,000	3,000

COMBINED SUMMARY OF ESTIMATED REVENUES, EXPENDITURES AND FUND BALANCES - SELECT FUNDS

ADOPTED FISCAL YEAR BUDGET 2020-21

		GENERAL FUND	FIXED ASSET FUND	WATER & SEWER FUND	HOTEL/ MOTEL FUND
FUND BALANCE 9/30/2019	[1]	\$ 17,828,977	\$ 1,754,472	\$ 1,829,045	\$ 1,450,778
2019-20 ESTIMATED REVENUES		65,094,900	3,581,900	26,503,200	2,151,300
2019-20 ESTIMATED EXPENDITURES		69,498,500 [2]	4,493,514	22,723,900	2,301,000
ADDITION TO (USE OF) FUND BALANCE SUB-TOTAL		(4,403,600)	(911,614)	3,779,300	(149,700)
SPECIAL EXPENDITURES					
CREDIT OF PRIOR YEAR ASSIGNMENTS ASSIGNED FOR FUTURE PURCHASES			1,392,688 (461,098)		
ADDITION TO (USE OF) FUND BALANCE		(4,403,600)	19,976	3,779,300	(149,700)
ESTIMATED FUND BALANCE 9/30/2020		\$ 13,425,377 [2]	\$ 1,774,448 [3]	\$ 5,608,345	\$ 1,301,078
2020-21 ESTIMATED REVENUES		66,060,500	5,907,800	25,429,700	1,629,000
2020-21 ESTIMATED EXPENDITURES		68,805,400	6,314,900	27,105,700	2,142,300
ADDITION TO FUND BALANCE SUB-TOTAL		(2,744,900)	(407,100)	(1,676,000)	(513,300)
SPECIAL EXPENDITURES					
CREDIT OF PRIOR YEAR ASSIGNMENTS ASSIGNED FOR FUTURE PURCHASES			461,098 46,002		
ADDITION TO FUND BALANCE SUB-TOTAL		(2,744,900)	100,000	(1,676,000)	(513,300)
ESTIMATED FUND BALANCE 9/30/2021		\$ 10,680,477	\$ 1,874,448 [3]	\$ 3,932,345	\$ 787,778
TARGET BALANCES	High	\$ 12,706,520 [4]	\$ 300,000	\$ 2,000,000	\$ 300,000
	Low	\$ 9,529,890 [4]			

This chart illustrates a partial listing of select major operating funds of the City. The chart is used to quickly compare revenues, expenditures, and fund balances for the budget year with the prior year. Special expenditures are one-time uses of fund balance, which were approved by the City Council consistent with fund balance target objectives.

[1] Actual per 9/30/19 Comprehensive Annual Financial Report. Fixed Asset Fund Balance has been adjusted for prior year assignments.

[2] Estimated 2019-20 Expenditures and the Ending Fund Balance for 9/30/2020 reflect a budget amendment of \$1,287,000 for the installation of solar panels at the Library, Fire Station No. 2, and the Recreation Center per Ordinance 3460. Additionally, an adjustment of \$3,000,000 is included in these estimates for Station Area property acquisition [an additional \$600,000 related to the Station Area property acquisition is included in the Economic Development Fund].

[3] The Estimated Ending Fund Balance for 9/30/2020 reflects an adjustment for the assignment of future purchases totaling \$1,392,688 and the Estimated Ending Fund Balance for 9/30/2021 reflects an adjustment for the assignment of future purchases totaling (-\$46,002) due to an advance that is not due to be reimbursed until Fiscal Year 2021-22. (See Fixed Asset Fund for details.)

[4] The General Fund target balance has been adjusted for \$5,272,800 of General Fund fixed asset transfers. A General Fund fund balance target is defined as a target range with a low end of 15% and a high end of 20% of the actual GAAP basis expenditures and other financing sources and uses.

**MOST REALISTIC
COMBINED SUMMARY OF ESTIMATED REVENUES,
EXPENDITURES AND FUND BALANCES - SELECT FUNDS
ADOPTED FISCAL YEAR BUDGET 2020-21**

		GENERAL FUND	FIXED ASSET FUND	WATER & SEWER FUNDS	HOTEL/ MOTEL FUND
FUND BALANCE 9/30/2019	[1]	\$ 17,828,977	\$ 1,754,472	\$ 1,829,045	\$ 1,450,778
2019-20 ESTIMATED REVENUES		65,094,900	3,581,900	26,503,200	2,151,300
2019-20 ESTIMATED EXPENDITURES		69,198,500	4,493,514	22,623,900	2,226,000
ADDITION TO (USE OF) FUND BALANCE SUB-TOTAL		(4,103,600)	(911,614)	3,879,300	(74,700)
SPECIAL EXPENDITURES					
CREDIT OF PRIOR YEAR ASSIGNMENTS ASSIGNED FOR FUTURE PURCHASES			1,392,688 (461,098)		
ADDITION TO (USE OF) FUND BALANCE		(4,103,600)	19,976	3,879,300	(74,700)
ESTIMATED FUND BALANCE 9/30/2020		\$ 13,725,377 [2]	\$ 1,774,448 [3]	\$ 5,708,345	\$ 1,376,078
2020-21 ESTIMATED REVENUES		66,060,500	5,907,800	25,429,700	1,629,000
2020-21 ESTIMATED EXPENDITURES		68,505,400	6,314,900	27,005,700	2,067,300
ADDITION TO FUND BALANCE SUB-TOTAL		(2,444,900)	(407,100)	(1,576,000)	(438,300)
SPECIAL EXPENDITURES					
CREDIT OF PRIOR YEAR ASSIGNMENTS ASSIGNED FOR FUTURE PURCHASES			461,098 46,002		
ADDITION TO FUND BALANCE SUB-TOTAL		(2,444,900)	100,000	(1,576,000)	(438,300)
ESTIMATED FUND BALANCE 9/30/2021		\$ 11,280,477	\$ 1,874,448 [3]	\$ 4,132,345	\$ 937,778
TARGET BALANCES	High	\$ 12,646,520 [4]	\$ 300,000	\$ 2,000,000	\$ 300,000
	Low	\$ 9,484,890 [4]			

This chart illustrates a partial listing of select major operating funds of the City. The chart is used to quickly compare revenues, expenditures, and fund balances for the budget year with the prior year. Special expenditures are one-time uses of fund balance, which were approved by the City Council consistent with fund balance target objectives.

[1] Actual per 9/30/19 Comprehensive Annual Financial Report. Fixed Asset Fund Balance has been adjusted for prior year assignments.

[2] Estimated 2019-20 Expenditures and the Ending Fund Balance for 9/30/2020 reflect a budget amendment of \$1,287,000 for the installation of solar panels at the Library, Fire Station No. 2, and the Recreation Center per Ordinance 3460. Additionally, an adjustment of \$3,000,000 is included in these estimates for Station Area property acquisition [an additional \$600,000 related to the Station Area property acquisition is included in the Economic Development Fund].

[3] The Estimated Ending Fund Balance for 9/30/2020 reflects an adjustment for the assignment of future purchases totaling \$1,392,688 and the Estimated Ending Fund Balance for 9/30/2021 reflects an adjustment for the assignment of future purchases totaling (-\$46,002) due to an advance that is not due to be reimbursed until Fiscal Year 2021-22. (See Fixed Asset Fund for details.)

[4] The General Fund target balance has been adjusted for \$5,272,800 of General Fund fixed asset transfers. A General Fund fund balance target is defined as a target range with a low end of 15% and a high end of 20% of the actual GAAP basis expenditures and other financing sources and uses.

**GENERAL FUND
SIX-YEAR FINANCIAL PLAN
OVERVIEW**

In accordance with the City's financial policies, the 2020-21 budget was developed in the context of long-range financial plans. The plans anticipate funding needs and available revenues and forecast methods for matching future revenues and expenses. A six-year projection plan has been developed for the City's General Fund. The plan presents the fund over eight fiscal years: two previous years and six projected years. There are many benefits to these plans. First, the plans give staff and City Council a valuable perspective when considering budgets within the planned six-year horizon. Second, the plans enable staff and City Council to understand the "compounding" effect of revenue and expenditure decisions made over time.

Major assumptions have been footnoted in the six-year financial plan. Annual increase projections for each revenue or expenditure category are shown in a column entitled "Proj % Yr 2-6". This column refers to projection assumptions for Years 2-6 of the financial plan.

General Fund Six-Year Financial Plan
City of Farmers Branch

	Proj % Yr 2-6	Actual 2018-19	Estimated Actual 2019-20 (1)	Year 1 Projected 2020-21	Year 2 Projected 2021-22	Year 3 Projected 2022-23	Year 4 Projected 2023-24	Year 5 Projected 2024-25	Year 6 Projected 2025-26
Beginning Unassigned Fund Balance		\$ 14,421,939	\$ 18,254,977	\$ 13,725,377	\$ 11,280,477	\$ 11,373,604	\$ 11,539,850	\$ 11,794,342	\$ 12,187,971
Revenues:									
Sales tax	1.0%	\$ 17,410,323	\$ 17,410,000	\$ 16,410,000	\$ 16,574,100	\$ 16,739,841	\$ 16,907,239	\$ 17,076,312	\$ 17,247,075
(2) Property tax	3.0%	27,397,855	31,610,000	32,630,000	33,566,900	34,531,907	35,525,864	36,591,640	37,689,389
Franchise tax	0.5%	4,066,386	4,240,000	4,200,000	4,221,000	4,242,105	4,263,316	4,284,632	4,306,055
Licenses and permits	1.5%	3,712,038	2,705,100	2,863,000	2,905,945	2,949,534	2,993,777	3,038,684	3,084,264
Charges for services	1.5%	7,528,127	6,552,500	7,169,000	7,276,535	7,385,683	7,496,468	7,608,915	7,723,049
Fines and forfeitures	1.5%	1,969,185	1,641,000	1,823,000	1,850,345	1,878,100	1,906,272	1,934,866	1,963,889
Investment income	1.5%	1,084,679	855,000	920,000	933,800	947,807	962,024	976,454	991,101
Miscellaneous	1.5%	122,685	81,300	45,500	46,183	46,875	47,578	48,292	49,016
Total Revenues		\$ 63,291,277	\$ 65,094,900	\$ 66,060,500	\$ 67,374,808	\$ 68,721,853	\$ 70,102,539	\$ 71,559,795	\$ 73,053,839
Expenditures:									
Personal services	2.0%	\$ 35,308,666	\$ 37,010,600	\$ 38,593,800	\$ 39,365,676	\$ 40,152,990	\$ 40,956,049	\$ 41,775,170	\$ 42,610,674
Professional services	2.0%	3,633,509	4,090,400	4,275,500	4,361,010	4,448,230	4,537,195	4,627,939	4,720,497
Supplies	2.0%	1,679,314	2,175,200	2,131,900	2,174,538	2,218,029	2,262,389	2,307,637	2,353,790
Repairs & maintenance	2.0%	6,313,273	7,192,600	7,744,900	7,899,798	8,057,794	8,218,950	8,383,329	8,550,995
Services	2.0%	7,218,044	8,572,400	7,840,100	7,996,902	8,156,840	8,319,977	8,486,376	8,656,104
Production & disposal	2.0%	35,027	47,500	44,500	45,390	46,298	47,224	48,168	49,132
Contracts	Flat Amount	400,000	400,000	305,000	301,500	308,160	308,160	308,160	308,160
Events	1.0%	368,244	305,400	338,200	341,582	344,998	348,448	351,932	355,452
Other objects	1.5%	807,887	5,370,800	1,772,300	1,798,885	1,825,868	1,853,256	1,881,055	1,909,270
Transfers - Fixed Assets	Estimate	2,920,700	2,407,900	5,272,800	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
Transfers - Economic Development	Estimate	1,100,000	1,500,000	1,000,000	500,000	500,000	500,000	500,000	500,000
Transfers - Utility/HM Fund	0.0%	(2,099,600)	(2,524,000)	(3,043,800)	(3,043,800)	(3,043,800)	(3,043,800)	(3,043,800)	(3,043,800)
Transfers - Stormwater	Contract Amount	(74,800)	(74,800)	(84,800)	(84,800)	(84,800)	(84,800)	(84,800)	(84,800)
Transfers - CIP/Creek-Erosion	Flat Amount	790,000	38,000						
Transfers - CIP/Long-Range Plan	Flat Amount	755,000	2,912,500	1,115,000	425,000	425,000	425,000	425,000	425,000
Transfers - CIPStreet Prgm	Flat Amount	510,000	500,000	1,500,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Most-Realistic Projection (3)	Flat Amount	218,976	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)
Total Expenditures		\$ 59,884,240	\$ 69,624,500	\$ 68,505,400	\$ 67,281,681	\$ 68,555,606	\$ 69,848,047	\$ 71,166,166	\$ 72,510,474
Proj Ending Fund Balance (3)		\$ 17,828,977	\$ 13,725,377	\$ 11,280,477	\$ 11,373,604	\$ 11,539,850	\$ 11,794,342	\$ 12,187,971	\$ 12,731,336

		Actual 2018-19	Estimated Actual 2019-20 (1)	Year 1 Projected 2020-21	Year 2 Projected 2021-22	Year 3 Projected 2022-23	Year 4 Projected 2023-24	Year 5 Projected 2024-25	Year 6 Projected 2025-26
Calculation of available funds (most realistic basis)									
Ending Fund Balance		\$ 17,828,977	\$ 13,725,377	\$ 11,280,477	\$ 11,373,604	\$ 11,539,850	\$ 11,794,342	\$ 12,187,971	\$ 12,731,336
90-Day Requirement	25%	\$ 14,240,885	\$ 16,804,150	\$ 15,808,150	\$ 15,945,420	\$ 16,263,901	\$ 16,587,012	\$ 16,916,542	\$ 17,252,618
75-Day Requirement	20%	\$ 11,392,708	\$ 13,443,320	\$ 12,646,520	\$ 12,756,336	\$ 13,011,121	\$ 13,269,609	\$ 13,533,233	\$ 13,802,095
60-Day Requirement	17%	\$ 9,490,126	\$ 11,198,286	\$ 10,534,551	\$ 10,626,028	\$ 10,838,264	\$ 11,053,585	\$ 11,273,183	\$ 11,497,145
54-Day Requirement	15%	\$ 8,544,531	\$ 10,082,490	\$ 9,484,890	\$ 9,567,252	\$ 9,758,341	\$ 9,952,207	\$ 10,149,925	\$ 10,351,571

(1) Beginning Unassigned Fund Balance reflects the current year's estimated unassigned fund balance per the preliminary Comprehensive Annual Financial Report for the period ending 9/30/2019. This amount has also been adjusted to reflect adjustments to restore fund balance for fixed asset projects [Recreation Center & Non-Departmental \$388,000] and an Economic Development Fund project [\$38,000] that were reclassified to CIP.

(2) Property tax revenues include a reduction of \$42,000 in Years 2-4 projections as development declines.

(3) The current year's "Estimated Actual" expenditures and future year's "Projected" expenditures reflect "Most-Realistic" Projected Ending Fund Balances, which assumes actual expenditures will be \$300,000 less than budgeted. The current year's "Actual" expenditures includes an adjustment to reflect actual unassigned fund balance for the reporting year.

This document is presented as of September 30, 2019 (a fiscal year-end) incorporating data from the adopted budget for the year then ended. Current 2020 events such as the COVID-19 pandemic and its anticipated economic impact on property tax, sales tax and Hotel/Motel tax are not reflected in this analysis since the actual effects of the pandemic cannot be reported until the end of fiscal year 2020. Management has closely analyzed the financial impact of COVID-19 on actual financial results for fiscal year 2020 and incorporated such anticipated results into the Annual Operating and Capital Budget for fiscal year 2021.

The City of Farmers Branch strives to be an accessible, accountable and transparent organization. In fulfilling our functions, we are committed to being responsive to the public and those whom we serve. As part of this commitment, we recognize that financial management is one of the most challenging responsibilities facing local governments and cities across the country are more aware than ever that they must achieve a level of fiscal health to be sustainable over the long-term.

With these goals in mind, the following Financial Condition Analysis is designed to help City officials and the public make sense of the many factors that affect fiscal health and develop quantifiable indicators that can be tracked over time. Tracking these variables will allow the City to have a better understanding of its overall financial condition and trends, which will allow the City to better serve the public and plan for the City's future.

The basic questions that all City officials must consider regarding its fiscal health are:

- Can the City continue to pay for what it is now doing?
- Are there reserves or other vehicles for financing emergencies?
- Is there enough financial flexibility to allow adjustments for change?
- Is the City adequately investing in and preparing for its future?

If a government can meet these challenges, it is in a sound financial position. If it cannot this may indicate financial problems.

BACKGROUND

This report was accomplished primarily through the use of the Financial Trends Monitoring System (FTMS) developed by the International City/County Management Association (ICMA). The ICMA system identifies and organizes the factors that affect financial condition so that they can be measured and analyzed by municipalities. It is a management tool that pulls together information from the City's budgetary and financial reports, combines it with economic and demographic data, and creates a series of financial indicators that, when plotted over time, can be used to monitor changes in financial condition and alert the government to future problems.

To further develop the City's monitoring system, staff reviewed numerous other sources of information, including procedures and indicators developed and published by Dr. Kenneth Brown of Southwest Missouri State University; procedures and indicators used throughout other states; and, information from various publications issued by the Governmental Accounting Standards Board. Many of the financial indicators selected have been identified by ICMA, credit rating agencies, and other governmental professional associations as factors most relevant in determining the financial condition of local governments.

The City's assessment is based on the development of financial ratios and environmental trends from City financial documents as well as relevant economic and demographic data from a variety of sources. All of the data used to create this report is available to the public; data sources and where they can be found are indicated throughout the report. The ratio and trend indicators included in this section are grouped into five categories, these include:

- Community Needs and Resources Indicators
- Revenue Indicators
- Expenditure Indicators
- Operating Position Indicators
- Debt Structure Indicators

Multiple indicators are provided for each of these categories in an effort to provide a series of financial measures and demographic indicators which can help highlight issues and trends in the City's operations and provide sufficient information to analyze the City's underlying financial condition. It should be noted that individual indicators may be meaningful only when viewed in conjunction with other indicators. Accordingly, an overall organization-wide perspective is essential in obtaining a

comprehensive representation of the City's financial condition.

It should also be noted that in order for financial information to be comparable over a number of years, the information must be adjusted to reflect constant dollars. More specifically, the distortion created by the effects of inflation must be removed in indicators comparing dollars to non-dollars. The Finance Department chose the base year has to be 2004 with an index of 100. 2004 was selected because it was a more stable year economically as the great recession began shortly after. In other words, the effect of inflation (and deflation) since 2004 has been removed in order that the dollar amounts of any year presented are comparable to 2004 dollars. Inflation adjusted schedules are noted as Constant Dollars.

Although the national economic recession has ended, some financial and psychological hurdles for the community remain. The City continues working towards re-energizing and revitalizing the community through economic incentives for new businesses and residential development.

COMMUNITY NEEDS AND RESOURCE INDICATORS

Community needs and resource indicators encompass various economic and demographic characteristics that determine the resources available to the community (i.e., revenues that can be generated within a community to finance service provision efforts) as well as the service demands that may be required by the community (i.e., demands for public safety, capital improvements, and social services). Community needs and resources are all closely interrelated and affect each other in a continuous cycle of cause and effect and changes in these characteristics tend to be cumulative.

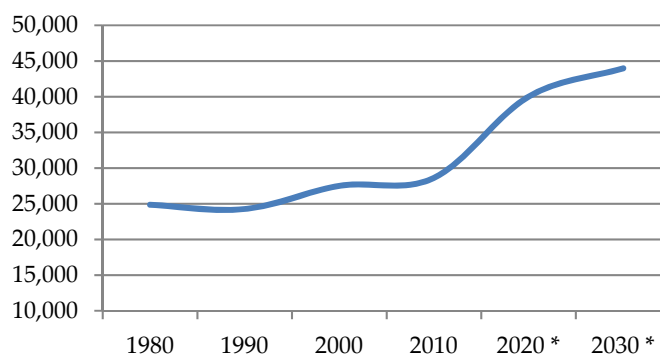
Demographics help to measure a community's needs and resources. As populations grow, shrink or change in composition, the government's role also changes. For example, a community with a growing population of children may need to increase recreation services or a community with a high unemployment rate may need to work on bringing new industry or educational facilities to the community. Additionally, community demographics also determine a community's wealth and its ability to generate revenue. These indicators often provide the best "early warning" of future fiscal stress as fiscal stress is often apparent in these measures long before it is evident in financial data.

Population Change by Decade, 1980-2030

Is Farmers Branch growing? Empirical evidence indicates that changes in population can have a direct effect on a locality's revenue because of the impact upon related issues, such as employment, income, and property value. Sudden increases in population can create immediate pressures for new capital outlays for infrastructure and for higher levels of service, particularly in the areas of Public Safety and Culture & Recreation.

A locality faced with a declining population is rarely able to reduce expenditures in the same proportion as it is losing population. Many expenditures, such as debt service and salaries, are fixed and cannot effectively be reduced in the short run. In addition, because of the interrelationship between population levels and other economic and demographic factors, a decline in population tends to have a cumulative negative effect on revenues - the further the decline, the more adverse the effect on employment, income, housing and business activity. Also, if out-migration is composed of middle-and upper-income households, then those remaining in the community are likely to be the low income and aged, who depend the most on government services.

Population by Decade



* Estimated

Measurement: The official population of the City is determined by the United States Census Bureau for previous years. Future years are estimated from information provided by

	2005	2015	2016	2017	2018	2019
Farmers Branch	27,595	32,718	35,183	37,153	40,209	48,158
Dallas County	2,330,050	2,558,913	2,592,844	2,622,799	2,637,772	2,635,516
Texas	22,897,000	27,486,814	27,937,492	28,322,717	28,701,845	28,995,881
United States	296,460,000	320,742,673	323,071,342	325,147,121	327,167,434	328,239,523

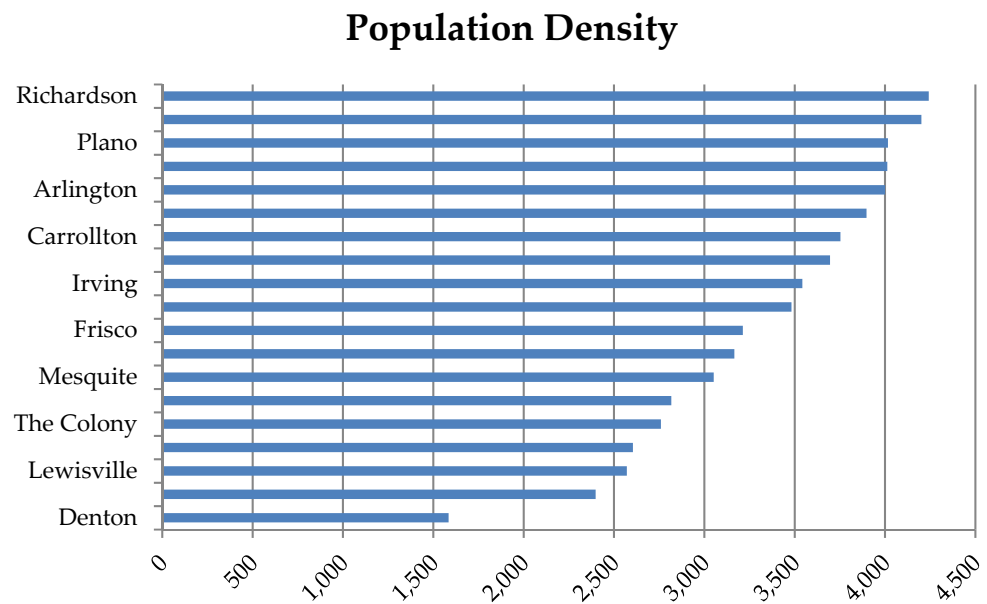
the North Central Texas Council of Governments (NCTCOG) – 2030 Demographic Forecast and is based on current housing inventories for cities in the NCTCOG region with populations of 1,000 or more. (Regional, state and national data is obtained from entity financial reports.) The City also measures its daytime population, which is currently estimated at 60,239 per the American Community Survey 5-Year Estimates (US Census Bureau). Note: Use of the NCTCOG estimate resulted in an unusually high population estimate in 2009 (31,100), which was corrected through the 2010 census. This high estimate, therefore, will distort results of 2009 per capita measures. The population for 2030 are based on major residential development on the City's westside.

Warning Signs: A stable trend is a positive sign for a municipality. An increasing population is generally considered positive as long as the City is prepared to take on the added service responsibilities. However, rapid increases or decreases could have a pronounced negative effect on a community as timely reaction to extreme and sudden change can be difficult and may require additional services to compensate for the negative social and demographic effects of the rapid change. The City has been actively preparing for the growth that it is currently experiencing.

Analysis: Positive Trend. The City's population has been increasing at a sustainable pace over the past two decades. The City anticipates a continuation of this sustained pace of growth in population over the next couple of decades. Land availability for residential development in the community has been limited, however development on the Westside of the City is a key initiative for the City. Additionally, the City has been taking aggressive steps toward attracting new business and industry, jumpstarting housing development, and creating facilities that make Farmers Branch an attractive choice when choosing a home. The City is also working on branding and marketing initiatives so that more people know about the great things in the City. It is estimated that the City's population will increase slowly through 2030 to a total of approximately 32,509 based on Texas Water Development Board demographic estimates.

Population Density (Population per Square Mile)

How large is the City's coverage area? Population density or population per square mile is one condition that affects the cost of providing public services. A City with compact boundaries and high population density can provide street maintenance and fire and police protection for less cost per household than if that same population is spread out over twice as much land area. Extremely high densities often lead to higher costs as well, a function of the extra burden of social problems in densely populated central cities.



Measurement: Area cities population divided by area cities jurisdiction area in square miles. (Source: US Census Bureau and/or budget documents.)

Warning Signs: Decreasing population density.

Analysis: Information Trend. With approximately 60% of the General Fund budget dedicated to Fire, Police and Public Works, exploiting ways to export costs and import revenues from non-residents is essential for long-term fiscal stability. Compared to peer cities, Farmers Branch has fewer residents to pay for roads and police and fire protection.

Population by Age

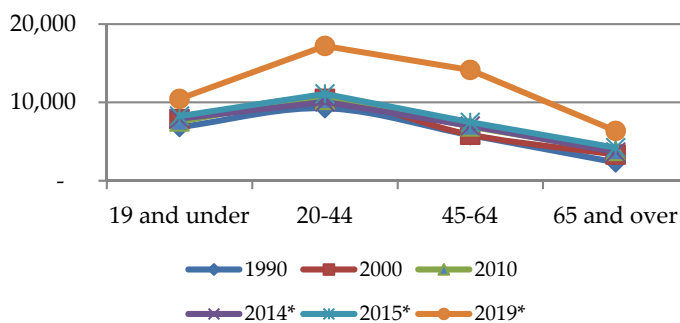
Who is living in Farmers Branch? Taking a closer look at who comprises Farmers Branch's population allows the City to see what areas of the population are growing or shrinking. From a financial standpoint, this indicator helps to measure the level of current and future needs of the community.

Measurement: Population levels divided by population.
(Source: US Census Bureau)

Warning Signs: Increasing percentage of population under 18 or over 64.

Analysis: Positive Trend. From 1990 to 2010, the division of Farmers Branch's population has been fairly stable. The most notable change, when factoring changes in overall population, is the increase in growth in the number of individuals 45 to 64 years of age between 2015 and 2016 along with a decrease of 20-44 from 2015 to 2016.

Population by Age



Changes in population will require different and perhaps additional services. Attracting young families to the area may require updated playground and park facilities or the City may need to add additional recreation, educational, after-school or library programs. As this segment of the population grows, the City will have to grow these amenities, which will cost money.

Total					
Census	Population	19 and under	20-44	45-64	65 and over
1990	24,250	6,846	9,253	5,814	2,337
2000	27,508	7,847	10,446	5,876	3,339
2010	28,616	7,571	10,317	6,929	3,799
2014*	28,681	7,916	10,067	6,998	3,671
2015*	31,052	8,256	11,095	7,471	4,230
2019*	48,158	10,450	17,207	14,144	6,357

Additionally, Farmers Branch has a growing population of people aged 45 to 64 and people aged 65 and over. As these people retire, the City will need to be able to provide services for them as well. This could cost the City in the expense of an expanded senior center, additional public transportation needs, etc. The City should also prepare by making sure adequate housing is available for an aging population. Lastly, Farmers Branch anticipates a 20% expansion of population related to the development of the West side.

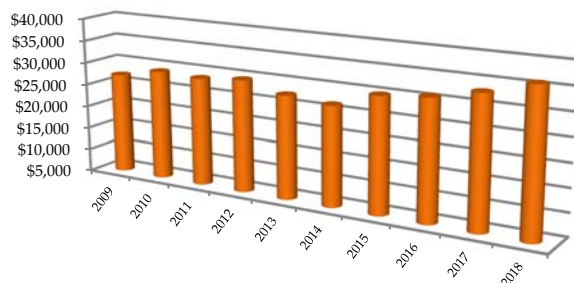
Personal Income Per Capita

How much do families have to spend? Personal income per capita is an important variable to measure because it gives an indication of how much money residents will be able to spend in the community. If income is going down, for example, sales tax is also likely to decline. Generally, the higher the per capita income, the more property taxes and sales taxes the City can generate. If income is distributed evenly, a higher per capita income may mean a lower dependency on governmental services, depending on the mix of services provided. Credit rating firms use per capita income as an important measure of the health of the local economy.

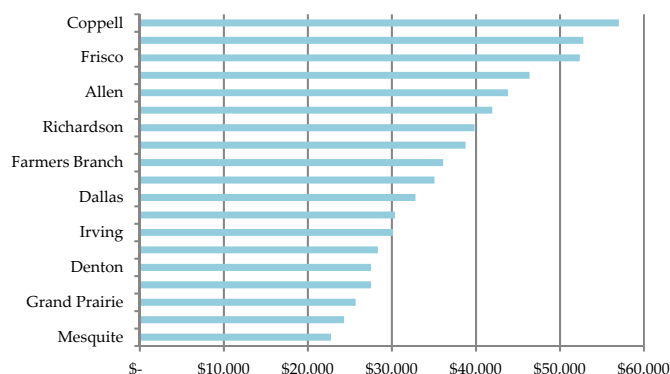
Having a higher income will make Farmers Branch a more competitive location for attracting restaurants and retail businesses, and will come back to the City in higher property taxes (from people building, buying, and improving homes) and higher sales taxes (from people spending more within the City). As the City works to build its local economy and grow employment opportunities, it also needs to work to be a desirable location for families to live so that the City can attract and retain higher-income households. Services and capital infrastructure may need to be evaluated and upgraded and adequate housing stock must be available for middle-to-upper income households.

Measurement: Personal income per capita is provided by the U.S. Census Bureau's American Community Survey – 3 Year Estimates, with the exception of census years, which are based on the actual census.

**Farmers Branch Personal Income Per Capita
(Constant Dollars)**



Area Cities - Personal Income Per Capita 2018



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Farmers Branch	\$ 27,153	\$ 29,073	\$ 28,715	\$ 29,623	\$ 27,545	\$ 26,703	\$ 30,054	\$ 30,993	\$ 33,214	\$ 36,110
Dallas County	26,399	25,680	25,670	25,816	25,878	26,816	27,605	28,552	29,810	31,219
Texas	24,709	24,541	24,671	24,966	25,268	26,019	26,999	27,828	28,985	30,143
United States	27,466	27,100	26,942	27,158	27,385	28,155	28,555	29,829	31,177	32,621

Warning Signs A decline in per capita income results in a loss of consumer purchasing power and can provide advance notice that businesses, especially in the retail sector, will suffer a decline that can ripple through the rest of the local economy.

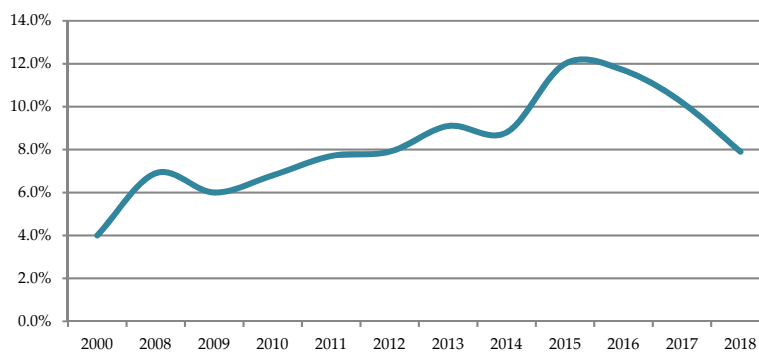
Analysis: Positive Trend. At \$36,110, the City's per capita income is slightly higher than national, state and county. Income indicators are important for the City because of their relationship to sales tax, one of the City's largest single sources of revenue. Current median household income is \$71,032.

Percent of Poverty Families, 2000-2015

Is our proportion of poverty families growing? This indicator measures the percent of families in the community with a total income that falls below the poverty line established by the Federal Government. Communities with a significant percent of poverty families face difficulties due to an inability to generate resources combined with a high demand for municipal and social services.

Measurement: Percent of poverty families is provided by the U.S. Census Bureau's American Community Survey – 5 Year Estimates. Information prior to 2008 is not available, with the exception of the 2000 Census figure.

Percent of Families Below Poverty Level



Warning Signs: The lower this number - the better, both in terms of the ability to generate resources and in terms of the services needed by the community. An increasing trend can signal a future increase in the level and unit cost of some services because poverty exacerbates issues related to public safety and numerous other community dynamics. An increasing trend is a signal that the City may face future additional service demands as more families cope with the problems associated with financial stress combined with fewer resources that can be generated by the community for municipal service provision efforts.

Analysis: Positive Trend. The City has very few families below the poverty line when compared to regional, state and national levels, the effect of the economic downturn is slowly abating. The

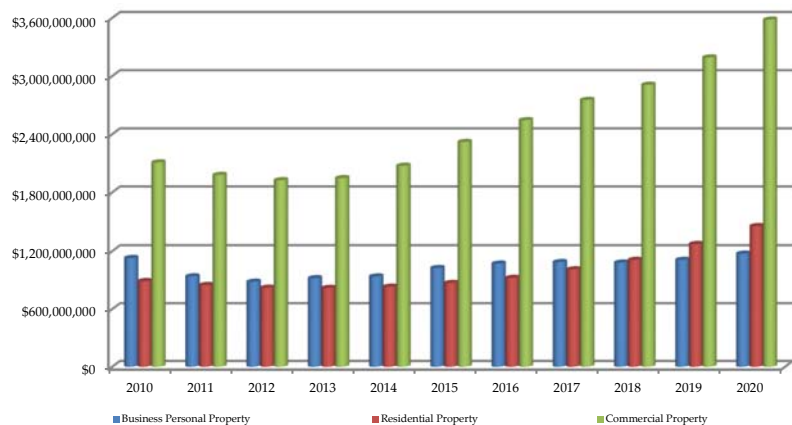
percent of families below poverty in the community peaked in 2015 to 12% but still below national and state levels falling to 7.9% in 2018. As with measures of personal income, if the trend of more families below poverty continues to increase it could signal future increases in the level and demands for municipal services.

Taxable Assessed Valuation Per Capita (Constant Dollars)

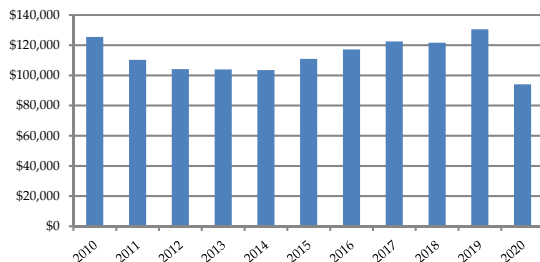
How much is Farmers Branch's property worth? Changes in property value are important to track because local governments depend on property taxes for a substantial portion of revenue. For example in FY 2019, property tax made up 43.23% of the City's General Fund revenues. If property assessments dip, the government feels the effects in the budget. Property value is an important indicator of the health of the local economy and reflects the overall strength of a community's real estate market. This market, in turn, reflects the strength of a city as a whole.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Farmers Branch	6.9%	6.0%	6.8%	7.7%	7.9%	9.1%	8.8%	12.0%	11.7%	10.2%	7.9%
Dallas County	13.6%	13.9%	14.7%	14.8%	15.5%	15.9%	16.4%	17.9%	16.3%	17.7%	14.2%
Texas	13.3%	12.8%	12.9%	13.2%	13.8%	14.1%	13.6%	15.9%	15.6%	16.0%	14.9%
United States	9.8%	9.6%	9.9%	10.5%	11.1%	11.6%	11.6%	13.5%	14.0%	14.6%	11.8%

Real & Business Personal Property Values



Assessed Valuation Per Capita (Constant Dollars)

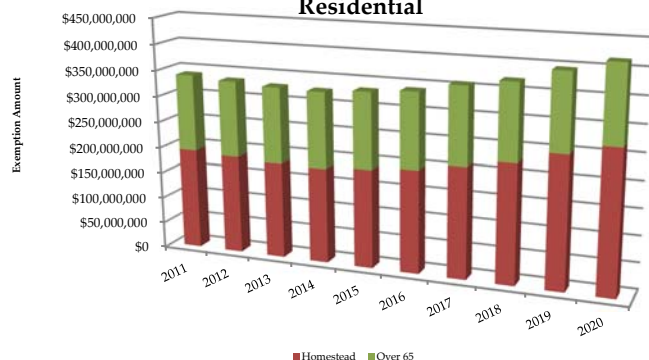


Property values are also an important indicator of a community's ability to generate resources for core municipal services such as police and streets. Positive changes (growth) in the assessed value of a municipality indicate that property values in the community are continuing to increase and is also indicative of a healthy community that is an attractive place to live and do business (population increases and economic growth can increase property values as demand drives prices up). Declining property values are often a symptom, rather than a cause, of other underlying problems. Fluctuations in property values are important because most cities depend on property taxes as a substantial portion of their revenue base. Credit rating agencies review the property tax base to assess the financial health and debt capacity of a city.

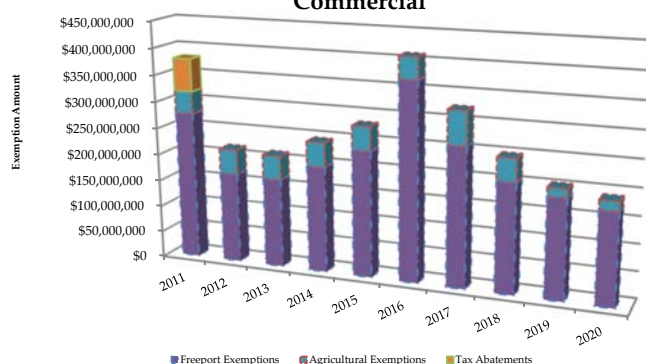
Measurement: The assessed value of the City is adjusted annually by the Dallas Central Appraisal District for properties located in Dallas County. Properties in the City are assessed at 100% of the market value. The City is notified of the assessed value of properties within the City in late July each year and bills residents the following October. This indicator is measured by dividing the City's assessed value, adjusted for inflation, by the population. (Source: City of Farmers Branch Comprehensive Annual Financial Report)

Warning Signs: A plateau or drop in the taxable assessed value tends to indicate a lowering of demand for real estate located in the City. Such a decline in property value is a warning trend, as it is most likely a symptom of other underlying problems. This would be a prime indicator of economic and social challenges in the future for the City.

Property Tax Exemptions Residential



Property Tax Exemptions Commercial



Analysis: Monitor Trend. Assessed valuation per capita, in constant dollars, is slowly beginning to improve. Values began decreasing in fiscal year 2005 due to a Business Personal Property tax exemption added in 2004 for freeport inventory items. (Freeport property includes various types of property that are detained in Texas for a short period of time (175 days or less) to be transported out of Texas.) Values remained relatively stable from 2005 to 2009¹, before rising in 2010 due to a large reduction in tax abatement exemptions, but the trend was quickly reversed in 2011 as a result of the collapse of the real estate market, the slowdown in the economy, and the impact of agricultural exemptions that more than doubled from the prior year (\$18,051,564 in 2010 to \$41,730,053 in 2011). Farmers Branch remains a desirable place to live and operate a business, but the economic headwinds from 2007 to 2010 continue to have an impact on property values in the community. ¹ *Note: Results in 2009 are distorted due to an unusually high population estimate. When comparing the period to the population of 2010, the indicator would actually show slight growth in 2009.*

Farmers Branch's access to the DART rail, two major interstates, and the George Bush, Sam Rayburn and Dallas North Tollways, make it an attractive location for many businesses. Over the past several years, City Staff has been working diligently to spur retail development, increase marketing efforts to attract new residents, and develop housing initiatives to help spur the development of new homes and multi-family housing. The best way to protect

property value is to grow the community's population; by continuing to aggressively pursue economic development, gaining new retail establishments, filling empty building spaces, building new homes, and marketing our community the City is working to continually improve property values in the City.

Top Ten Taxpayers

CITY OF FARMERS BRANCH, TEXAS

TEN LARGEST TAXPAYERS
FISCAL YEAR 2021
UNAUDITED

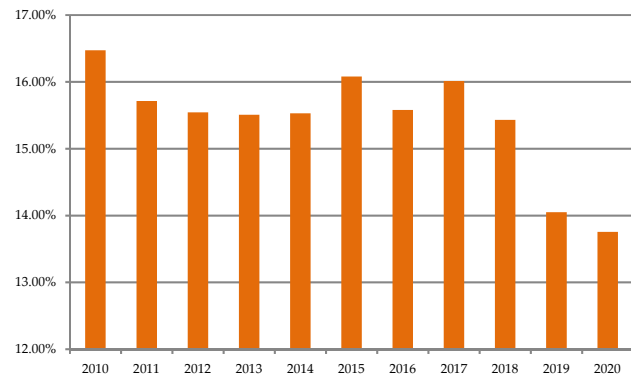
TAXPAYER	NATURE OF PROPERTY	TAXABLE VALUE	PERCENTAGE OF TOTAL CERTIFIED TAXABLE VALUE
Southern Glazers Wine and Spirits	Spirit and Wine Distribution	\$ 123,785,030	1.992%
Dallas International Parkway	Office Tower - Class A	102,150,000	1.644%
Royal Tx Partners LLC	Real Estate - Office/Show room	102,000,000	1.642%
EOS Properties at Providence Towers	Office Tower - Class A	91,595,000	1.474%
Garden Centura LP	Office Tower - Class A	84,900,000	1.366%
Mercer Acquisition LLC	Apartment Complex	79,700,000	1.283%
5005 LBJ Tower LLC	Office Tower - Class A	77,872,530	1.253%
Lakeview at Parkside	Apartment Complex	71,625,000	1.153%
GPIF International Plaza III LLC	Office Tower - Class A	62,450,000	1.005%
Park West Holdco LLC	Real Estate - Office/Show room	58,600,000	0.943%
		\$ 854,677,560	13.755%

Is the City too reliant on a few major taxpayers? This indicator measures the concentration of property values in the community and helps to analyze the vulnerability of the economic base to the fortunes of a few taxpayers. Credit rating agencies use this information to determine the degree of concentration, wherein the leading taxpayers are profiled and assessed for their direct and indirect effects on the economy.

Measurement: Total assessed value for top ten taxpayers divided by total assessed valuation. (Source: Dallas County)

Warning Signs: High percentage or increasing percentage of overall assessed valuation owned by a few taxpayers. It is often cause for concern if the top five taxpayers of a city hold more than 20% of the community's total valuation.

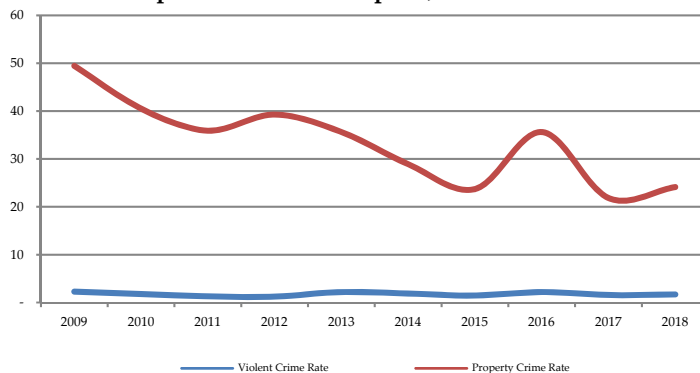
**Top Ten Taxpayers
as a Percentage of Assessed Value**



Analysis: Positive Trend. The City publishes its top ten taxpayers in its annual audited financials. The current top ten taxpayers represent 13.76% of the total certified taxable assessed valuation; the top five taxpayers represent 8.12%. Historically, the City's top ten taxpayers have held less than 20% of the total assessed valuation. The reliance on one company (or only a few companies) is dangerous for cities because it makes a city vulnerable to any changes those taxpayers make. Farmers Branch has a relatively diversified tax base, which will help to give the City stability.

Crime Rate

Reported Crime Rates per 1,000 Residents



Is Farmers Branch a safe place to live? Crime rate captures a negative aspect of a community that can affect its present and future economic development potential. The crime rate in the community represents the number of misdemeanor and felony offenses that occur within the corporate boundaries of the City and is strongly indicative of future demands for police and public services. The crime rate also measures demand on public services in the form of public safety expenditures. A rising crime rate, in extreme circumstances, can jeopardize the long-term health of the community by driving away existing businesses, discouraging new business, and straining the local government's budget with increased expenditures.

Measurement: The crime rate is measured from the City's Uniform Crime Report filed with the State each year and is based on a calendar year to allow for comparison with other entities. Property crimes include burglary, larceny-theft, motor vehicle theft, and arson (note that the FBI does not include arson in its totals for property crimes). The violent crime category includes murder and non-negligent manslaughter, forcible rape, robbery, and aggravated assault. (Source: FBI; two year lag in data availability)

Warning Signs: An increase in the number of misdemeanor or felony offenses.

Analysis: Monitor Trend. In 2018, the City's violent crime rate per 1,000 residents, 1.69, is less than the state rate of 4.11 and national rate of 3.81. However the City's property crime rate of 24.13 is more than the state's at 23.67, and more than national at 21.99, but is comparable to surrounding cities. Violent crime rates are very low, representing approximately one-third the state and national levels. Low crime rates are an indicator of the overall social and economic health of the community.

Unemployment Rate

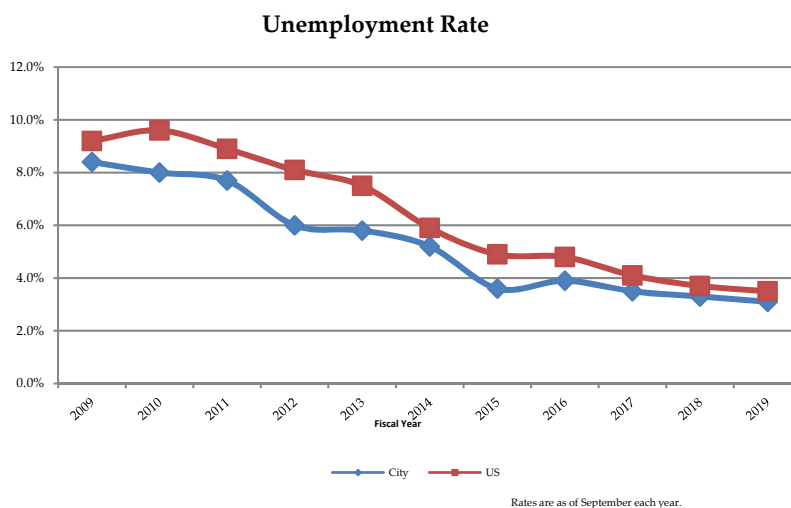
Can Farmers Branch residents find work? The unemployment rate in the community is a traditional indicator of the relative economic health of the community. Changes in unemployment impact personal income, and are consequently a measure of, and an influence on, the community's ability to support its business sector. A high unemployment rate indicates that residents of the community will be facing financial challenges and may not be able to contribute resources towards municipal services. In addition, a high unemployment rate produces social stress in the community and among families as financial challenges for those who are unemployed mount. This social stress can increase the demand for services and may have an impact on a community's crime rate.

A reduced percentage of employed citizens can be an early sign that overall economic activity is declining, which would likely have a negative impact on government revenues. Rising unemployment can lead to a greater need for services and a migration in population. Conversely, lower unemployment rates can bring a population influx, reduce the need for services and bring an increase in revenues. Credit rating agencies consider the employment base the primary measure of a City's ability to attract future economic growth and viability.

Measurement: The unemployment rate is measured by the Texas Workforce Commission. (Values are as of September each year.)

Warning Signs: A sustained increase in the unemployment rate that is not reflective of the trends in the national or regional economy may indicate that residents of the community have lost some competitiveness in comparison to residents of the DFW Metropolitan Area. An unemployment rate that is higher than state or national averages may indicate that residents of the community are facing difficulties in comparison to overall averages. Increasing unemployment is a sign of a weak economy.

Unemployment Rate	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
City	8.4%	8.0%	7.7%	6.0%	5.8%	5.2%	3.6%	3.9%	3.5%	3.3%	3.1%
Dallas County	8.7%	8.4%	8.9%	6.7%	6.6%	5.3%	4.1%	4.2%	3.6%	3.6%	3.3%
State	7.5%	8.2%	7.9%	6.8%	6.5%	5.0%	4.4%	4.9%	4.0%	3.7%	3.5%
US	9.2%	9.6%	8.9%	8.1%	7.5%	5.9%	4.9%	4.8%	4.1%	3.7%	3.5%



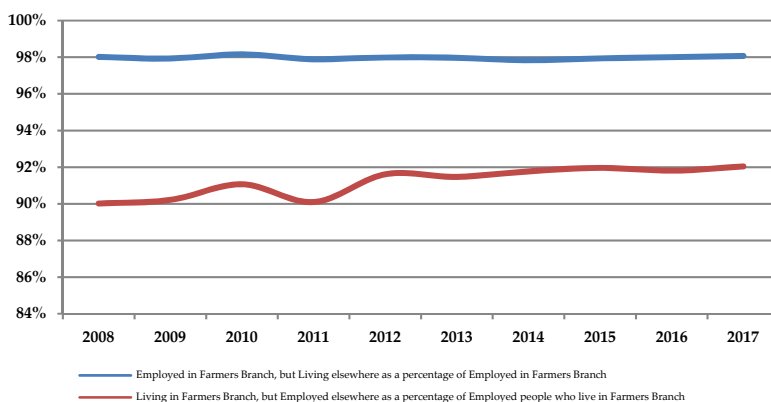
Analysis: Positive Trend. While the unemployment rate in Farmers Branch has been improving over the past few years, the effects of the nationwide recession are clearly seen in the unemployment rate, with unemployment climbing from 2009 to 2010, before beginning to decline again as the community began to recover from the recession and more businesses moved into the area. The City's unemployment rate, in the 10-year period represented, reflects a high of 8.4% in 2008-09 to at or below 3.1% in 2018-2019. The current unemployment rate of 3.1% is lower than regional and national averages (3.3% and 3.5% respectively) and illustrates that economic conditions are improving. However, residents have been affected by the economic turbulence of the last few years. Reducing the unemployment rate will increase the health of the community and the financial condition of the City, because people will be more able to buy homes and will have more expendable income, which will help generate additional property and sales tax revenues for the City.

Employment Inflow and Outflow

How many commuters does Farmers Branch have? Employment inflow and outflow is the measurement of people who commute into Farmers Branch to work and people who live in Farmers Branch, but commute out to another city to work. Farmers Branch's proximity to Dallas and Fort Worth naturally creates a fairly large population of individuals who either commute from or commute to the metroplex.

Measurement: The inflow and outflow of commuters is measured by U.S. Census on the Map (onthemap.ces.census.gov). Data for this measurement has a three-year delay.

Employment Inflow & Outflow



	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Employed in Farmers Branch	71,959	70,415	71,012	67,228	62,612	61,271	56,172	57,970	59,146	62,441	67,396	69,624
Employed in Farmers Branch, but Living elsewhere	70,153	68,994	69,604	65,837	61,459	59,977	55,046	56,790	57,866	61,153	66,051	68,279
Employed in Farmers Branch, but Living elsewhere as a percentage of Employed in Farmers Branch	97.49%	97.98%	98.02%	97.93%	98.16%	97.89%	98.00%	97.96%	97.84%	97.94%	98.00%	98.07%
Employed people who live in Farmers Branch	13,957	13,775	14,103	14,209	12,910	13,064	13,425	13,830	15,562	16,021	16,424	16,896
Living in Farmers Branch, but Employed elsewhere	12,151	12,354	12,695	12,818	11,757	11,770	12,299	12,650	14,282	14,733	15,079	15,551
Living in Farmers Branch, but Employed elsewhere as a percentage of Employed people who live in Farmers Branch	87.06%	89.68%	90.02%	90.21%	91.07%	90.09%	91.61%	91.47%	91.77%	91.96%	91.81%	92.04%
Living and Employed in Farmers Branch	1,806	1,421	1,408	1,391	1,153	1,294	1,126	1,180	1,280	1,288	1,345	1,345

Warning Signs: A growing percentage of the workforce choosing to live in Farmers Branch and work elsewhere and/or a declining percentage of those employed in Farmers Branch who choose to live elsewhere are both positive trends.

Analysis: Monitor Trend. Farmers Branch has a high level of commuters, with many people commuting into Farmers Branch to work, and many commuting out of Farmers Branch to other cities. As the graph indicates, 98% of people who work in Farmers Branch do not live in Farmers Branch. This rate has remained stable since 2002, with the majority of the City's workforce commuting into town. This high percentage is a concern because people who work here are not choosing to live here. However, this also shows that there is a relatively large population the City can market to as new housing subdivisions and/or multi-family housing is developed and new housing opportunities emerge. The percentage of people living in Farmers Branch and commuting out of the community is also high, with 92% of Farmers Branch workers commuting out.

Business Activity

How healthy is our local economy? Business activity in the community provides a measure of the economic health of the community. The level of business activity affects a locality's financial condition in two ways. First, it directly affects revenue yields as sales taxes and gross receipts taxes are products of business activity. In a thriving community, business activity is vibrant as residents spend their disposable income in the community. Second, the effect of these indicators may be indirect to the extent that a change in business activity affects other demographic and economic areas such as employment base, personal income or property values. A decline in business activity may be an indicator of either a poor business environment in the City and/or a decline in the disposable income of residents and will tend to have a negative impact on employment base, personal income and/or commercial property values. This in turn can cause a decline in local revenues generated by businesses.

Measurement: Business activity is measured by the receipt of sales tax by the City. The City receives 1% of the retail sales of goods and services in the City. By dividing the City's sales tax receipts by 1%, the total amount of goods and services sold at retail in the City can be measured. This indicator is measured in both current and constant (adjusted for inflation) dollars. (Source: Texas State Comptroller)

Warning Signs: Drops in the total amount of goods and services sold at retail in the City; this is an especially important indicator if the drops are not reflective of trends in the regional, state or national economies.

Analysis: Positive Trend. Retail sales, in constant dollars, have increased from \$0.990 million in 2010 to \$1.287 million in 2019. The average annual retail sales also increased (after the effect of inflation is removed) of less than 1%. In 2010, retail sales were still feeling the hit by the recession, but sales tax audits also helped to buffer the loss. In 2012, much of the increase can be attributed to the State's Amnesty Program, which allowed businesses to clear up their tax records without penalty or interest. In 2019, there was a 19.10% increase from 2018 in business activity (current dollars) in the City.

Construction Value

Is Farmers Branch growing? Construction value is an important measure of, and leading indicator for, economic activity. If commercial and residential growths are occurring, other revenue sources will grow positively as well.

Measurement: Construction activity is measured by the City's Community Services Department.

Warning Signs: Declining constant dollar construction.

Analysis: Positive Trend. Residential and commercial new construction, in constant dollars, while erratic from year to year, does reveal a steady increase from 2009-10 through 2011-12. The new commercial construction market dramatically rebounded in 2014-15, resulting from a surge in mixed-use and multi-family developments, while residential construction represented a slight decline in activity. The 2017-18 was first full year of a permit fee increase. Decrease in commercial construction in 2018-2019 signaled the completion of Mustang Station. And while 2018-2019 was a decrease the overall average remained positive for both residential and commercial.

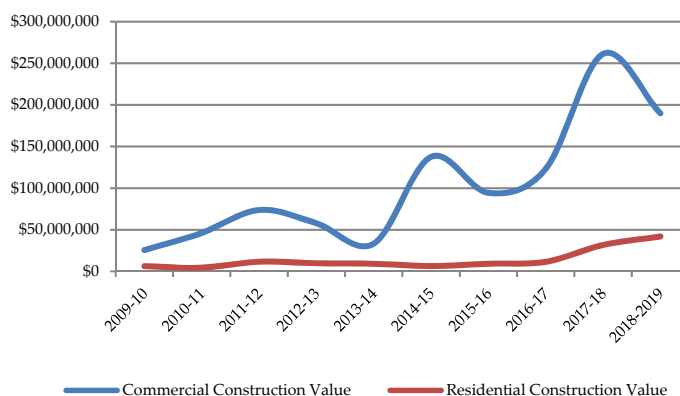
REVENUE INDICATORS

These indicators analyze the capacity of a municipal government to provide services and highlight the growth, flexibility, elasticity, dependability, and diversity of the City's revenue base. Tracking revenues is important so that the City can effectively plan how it will maintain, expand or reduce service levels.

**Business Activity
(Current & Constant Dollars)**



**Construction Value
(Constant Dollars)**



Revenues by Source

Where does the City's money come from? The trend and distribution of revenues can be used to analyze the City's capacity to provide services. Revenues should be free from spending restrictions to allow adjustments to changing conditions. They should be balanced between sources that fluctuate with the economy (elastic) and sources that do not (inelastic) to mitigate the effect of economic growth and decline. Revenue sources should also be diversified so they are not overly dependent on one sector or one tax base, or external funding sources (such as federal grants)

It is desirable to have a balance between elastic and inelastic revenues to limit the impact of sudden fluctuations in the tax base or inflation. But during inflationary periods, it is helpful to have a higher percentage of elastic revenues. As inflationary pressures drive up the cost of doing business, the same pressures will increase the City's revenues, thus offsetting the expenditure increase. These same elastic revenues will work against the City in periods of slow growth or recession; thus, inelastic revenues such as user fees will be more beneficial. The majority of the City's elastic revenues come from sales tax, landfill, and license and permits revenues.

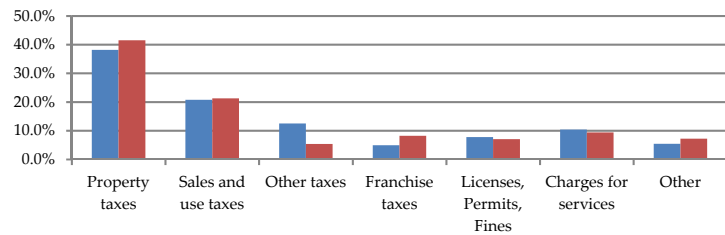
Measurement: Governmental Fund revenues are detailed in the statistical section of the City's Comprehensive Annual Financial Report. Major revenue sources are displayed both in current and constant, inflation adjusted, dollars.

Warning Signs: Imbalance between elastic (e.g. sales tax, licenses & permits) and inelastic (e.g. property tax) revenues.

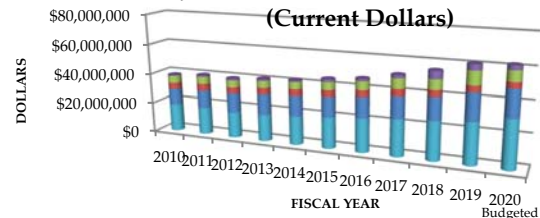
Analysis: Positive Trend. The City strives to maintain a diversification of revenue sources, balancing elastic and inelastic revenue sources, particularly in the General Fund, while recognizing that cyclical, sectorial and population shifts could impact revenue diversification. Although Farmers Branch is a very stable community, macroeconomic trends such as inflation, unemployment, and in particular retail sales, do affect the City's financial condition. Other independent variables such as weather also affect collections of certain revenues.

Property tax and sales and use tax collections continue to be the most important sources of revenues in the City's diversified revenue base. This diversity is a major factor for reliability – revenues are mostly stable, protected from extreme fluctuation, and prior to the recent recession overall growth was generally strong. Property taxes are relatively low, and a majority of other revenues are partially paid by non-residents using City services, easing the overall burden on the City's taxpayers.

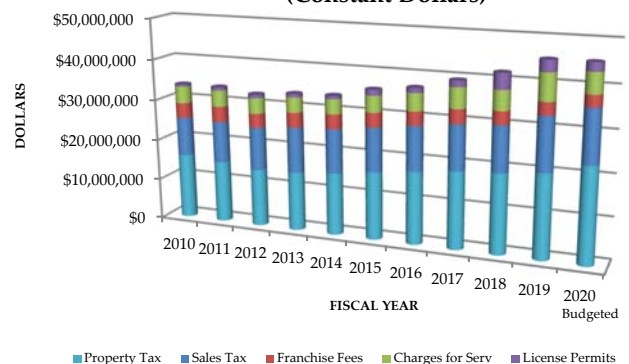
Revenues by Source Governmental Funds



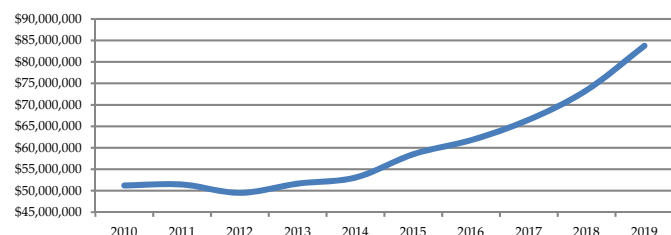
Major Revenue Sources - General Fund (Current Dollars)



Major Revenue Sources - General Fund (Constant Dollars)



Total Revenues Governmental Funds



Revenues Per Capita, Constant Dollars, General Fund (Including & Excluding Tax Supported Debt Service)

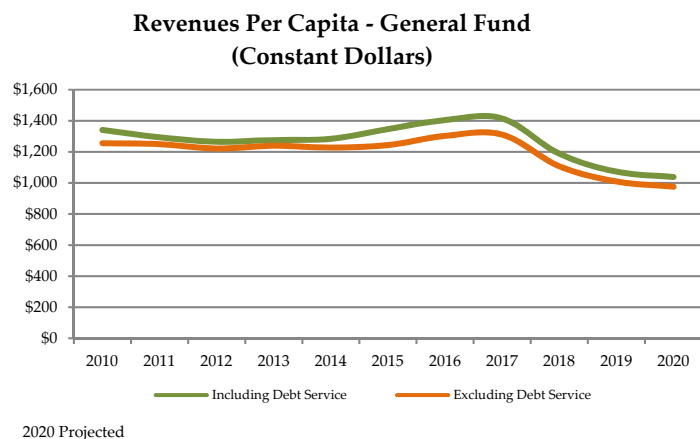
Are revenues changing in accordance with the population? Revenues per capita measures the change in General Fund operating revenues, both including and excluding property tax revenue allocated to fund debt service, relative to changes in population size over time. Theoretically, as the population increases, the total amount of service provided must increase in order to maintain the same amount of service per capita. To allow for this increase in service, revenues must increase as well. A decrease in revenues per capita should signal the need to find new revenue sources, or develop cost-cutting strategies to get more mileage out of the existing revenues.

Revenues should grow enough each year to offset those factors which increase service costs: inflation and population growth. Revenue growth to cover capital improvements is also especially important. Historically, General Fund revenues have been the largest portion of Capital Improvement Program funding resulting in transfers of \$4,300,531 over the review period. Ideally, real per capita revenues should remain constant over time. Declining real per capita revenues indicate a warning trend and may reflect a weak local economy, high tax delinquencies or a reliance on revenues that do not grow with the economy. Real per capita revenues that are increasing may also be a warning trend if the increases reflect non-recurring revenues, increasing tax burdens or expenditure pressures from new development.

Measurement: This ratio is measured by dividing General Fund operating revenues [excluding debt service] and property tax revenue allocated to fund debt service [including debt service], by the City's population. These figures are then adjusted for inflation to reflect constant dollars. (Source: City of Farmers Branch Comprehensive Annual Financial Report)

Warning Signs: A declining trend would indicate that the City's revenue base is declining on a per resident basis and may indicate that the City will not be able to maintain its current level of services due to a decline in the resources available to support those services.

Analysis: Monitor Trend. As demonstrated in the graph, City revenues (excluding debt service) per capita adjusted for inflation (constant dollars) have decreased since 2010, from approximately \$1,256 per resident to approximately \$976 per resident in 2020 (in the 2020 revenue estimate). When including debt service the revenue per capita (constant dollars) decreased from \$1,341 in 2010 to \$1,038.28 in 2020. When measuring current dollars, average overall revenues have been decreased since 2017 when both including and excluding debt service.



Although total City revenues have increased from 2010 to 2020, once the effect of inflation and population increases are factored in, actual City revenues are not keeping pace with the increase in demand for services and the cost for those services. This is indicative of the economic challenges the City has faced since 2010 as the City's receipt of elastic revenues, especially sales tax, has been significantly reduced when compared to the late 1990's and early 2000's. An overall flattening of revenues over the past several years is a trend that requires close monitoring.

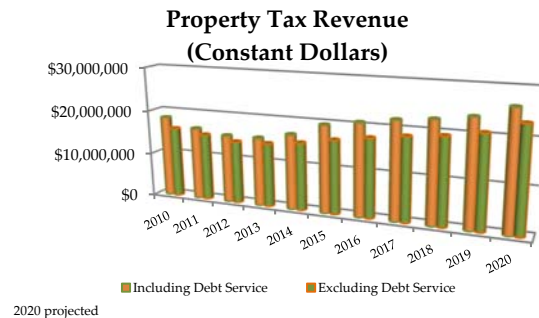
Property Tax Revenues in Constant Dollars, General Fund (Including & Excluding Tax Supported Debt Service)

How healthy is Farmers Branch's local economy? Measuring property tax revenue provides an indicator of the expansion in the City's resource base and its ability to maintain or improve upon the services it provides to residents. In addition, this statistic provides information about the City's ability to maintain and invest in the capital infrastructure in the community (i.e., streets, sidewalks, street lights, sewers, bikeways, etc.). The City relies substantially on property tax revenue for the yearly budget. Frequent or increasing declines in property tax revenue can provide a warning that the City may have to cut programs and services in the future if the trend does not reverse.

Measurement: This ratio is measured by summing General Fund and Debt Service Fund property tax revenue for the past eleven years and adjusting to reflect constant, inflation adjusted, dollars. (Source: City of Farmers Branch Comprehensive Annual Financial Report)

Warning Signs: A decrease in property tax revenues in constant dollars would indicate that the City's ability to maintain governmental services and invest in capital infrastructure in the community is eroding.

Analysis: Monitor Trend. Property tax revenue began to gradually improve through 2010 and expiring tax abatement agreements helped to mitigate a substantial increase in totally exempt parcels. The 2011 year was challenging due to nationwide economic difficulties that impacted the City's revenue base due to declining taxable property values of approximately \$359 million. Property tax revenues are beginning to show a good recovery, with a positive trend seen from 2012 to 2020. As the City continues work on bringing in new housing development, hopefully this upward trend will continue.



Sales Tax Revenue Per Capita, Current and Constant Dollars, General Fund

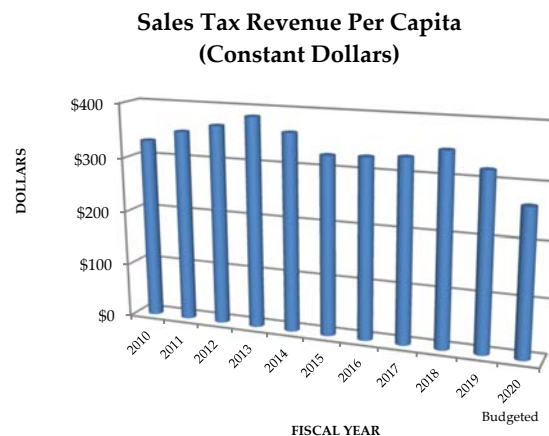
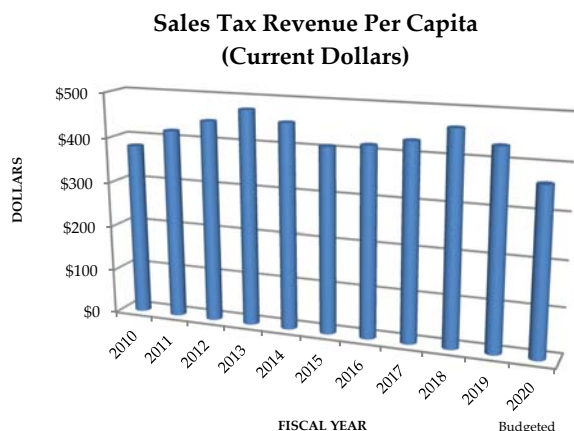
How healthy is Farmers Branch's local economy? Changes in economic conditions are evident in terms of changes in sales tax collections. When consumer confidence is high, people spend more on goods and services, and local governments benefit through increases in sales tax collections. Prior to the recession, consumer spending was also fueled by a stronger real estate market that provided additional wealth to homeowners. The struggling economy and the declining real estate market have reduced consumer confidence, resulting in less consumer spending and declining sales tax revenues nationwide.

Sales tax is also affected by overall labor market conditions. If consumers have uncertainty in their employment they are likely to reduce their spending. Although the City receives a portion of its sales tax from tourists, economic conditions in the areas from which the tourist come can also impact sales taxes received by the City.

Measurement: This ratio is measured by dividing General Fund sales tax revenue by the population. Sales tax revenue is measured in both current dollars and constant, inflation adjusted, dollars. (Source: City of Farmers Branch Comprehensive Annual Financial Report)

Warning Signs: A declining or negative growth in sales & use tax revenue.

Analysis: Positive Trend. Sales tax is a significant General Fund revenue source and makes up the second largest revenue source for the City, representing an average of 30% of net operating revenues. In constant dollars, adjusted to a 2004 basis, sales tax revenue shows only slight changes until the recession. Sales tax revenue has begun rebounding since the recession showing a



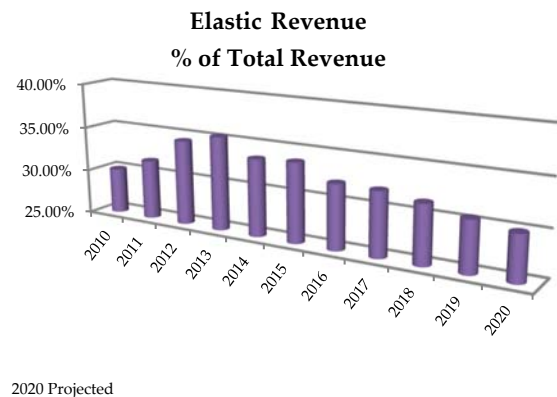
gradual increase in both current and constant dollars from 2011 thru 2013. Although it appears the trend is improving, sales tax revenue per capita is projected to decrease in 2020. The City is expecting flat sales tax revenue as revenue from existing businesses is expected to rise, but will be offset by the beginning of a retention incentive rebate for the City's largest taxpayers and an increasing population base. Sales tax is a key factor to watch moving forward because it is representative of the health of the local economy.

Elastic Revenues as a Percentage of Total Revenues, General Fund

Are the City's revenues diversified? Elastic revenues, such as sales tax, are defined as those revenue sources that are highly responsive to changes in the economic base and inflation. Elastic revenues expand or contract readily in response to national and regional economic trends. Elastic revenue as a percent of total revenue is an important indicator of the City's reliance on volatile revenue sources that may contract rapidly in response to a decline in economic activity. Credit rating agencies believe that diverse revenue sources strengthen financial performance.

Measurement: This ratio is measured by dividing General Fund elastic revenue sources (the major elastic revenue sources include sales tax, a portion of landfill revenue, and permits/fees) by General Fund operating revenues. (*Source: City of Farmers Branch Comprehensive Annual Financial Report*)

Warning Signs: The goal of the City should be to maintain a stable balance between elastic and inelastic revenues to mitigate the effects of economic growth or decline. An increase in the percent of elastic revenue sources as a portion of total revenues means the City is becoming more reliant on volatile revenue sources that may contract suddenly. A decrease in the percent of elastic revenue sources as a portion of total revenues may indicate financial stress if the decrease is in response to economic events. A decrease may also indicate a structural decline in the City's elastic revenue sources and this would mean that the City is becoming more dependent on inelastic revenues. An enhanced reliance on inelastic revenues can be detrimental because they do not expand rapidly in response to economic events and this decreases the City's ability to offset increasing operating costs in times of economic inflation.



Analysis: Positive Trend. Elastic revenues as a percent of total revenues began declining in 2014 due to a receding economy, but began increasing in 2011 as economic conditions began to show signs of improvement. With increasing property tax revenue elastic revenue percentages began to shrink in 2017. Elastic revenues currently (2020) comprise approximately 30% of net operating revenues. An average rating for this ratio is appropriate as the City has maintained a relatively stable range of 36% to 30% from 2010 through 2020 and the fluctuation in elastic revenues has not had a negative impact due to the low inflationary environment that has occurred during this time period. Landfill operations were outsourced in 1998 and reduced the elasticity of landfill revenues. The landfill contract provides for a guaranteed \$1 million payment from 2000 and beyond and these payments are not included in the calculations for elastic revenue.

Hotel (Transient) Occupancy Tax Revenue Per Capita, Governmental Funds – Special Revenue Funds

How healthy is Farmers Branch's local economy? Hotel occupancy tax (or "transient occupancy tax") revenue per capita is an important indicator of the City's Hotel/Motel Fund revenue sources. While State law restricts use of the transient occupancy tax, the funds benefit attracting tourism and quality of life. Transient occupancy tax has a direct correlation to increases in sales tax as visitors come to Farmers Branch, stay in Farmers Branch hotels, shop at Farmers Branch businesses, and dine in Farmers Branch restaurants. Tourism and transient occupancy tax means people outside the area supplement and complement our quality of life by leaving tax dollars in the local economy.

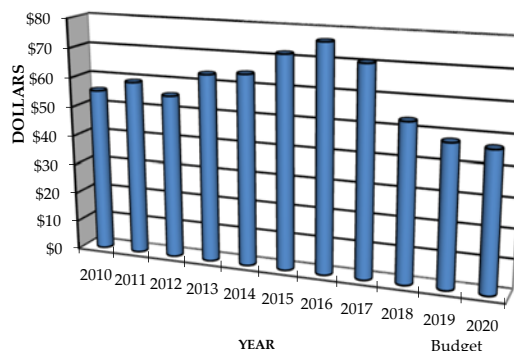
Measurement: This ratio is measured by dividing total transient occupancy tax revenue by the population and adjusting to reflect constant, inflation adjusted, dollars. (Source: City of Farmers Branch Comprehensive Annual Financial Report)

Warning Signs: A decrease in transient occupancy tax revenue per capita may affect the ability to attract regional, state and national events and result in a loss of economic competitiveness, which potentially could undermine the City's ability to meet changing service needs.

Analysis: Monitor Trend. In the years following the recession, both state and local governments saw plummeting tax revenues from almost all sources. Most cities planned for the 2011 fiscal year conservatively, rather than relying on a rebounding local economy. However, in 2011 sales tax revenue was up in Farmers Branch as were transient occupancy tax revenues, reflecting an increase in the number of visitors to local hotels. Part of this increase may have been attributable to Dallas hosting Super Bowl XLV in February 2011 as transient occupancy tax revenue increased approximately \$64,000 compared to the same period in the prior year.

In 2012 transient occupancy tax revenues were reduced to reflect a shutdown for a \$17 million renovation of the Sheraton Hotel between December 2011 and March 2012, adversely affecting what was already a sluggish economy. In 2013, both sales and occupancy tax revenues reflect good news as the City accounted for an increase in these revenues, signaling improvement after the recession. Transient occupancy tax revenue is expected to decrease slightly in 2020¹ after showing a slight decrease for fiscal 2017 and 2018. ¹ Note: While the Hotel/Motel tax budgeted for 2019-2020 year decreased it does not factor in impact from COVID19 pandemic.

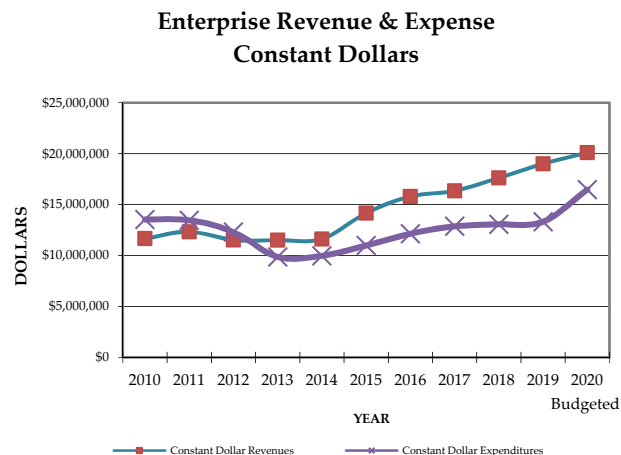
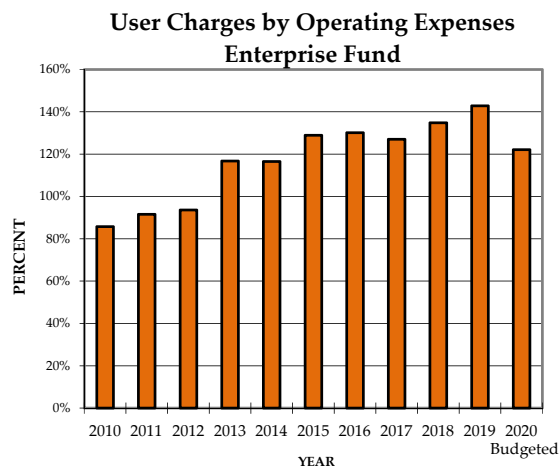
**Transient Occupancy Tax Revenue
Revenues Per Capita
(Constant Dollars)**



User Charges by Operating Expenses, Enterprise Funds

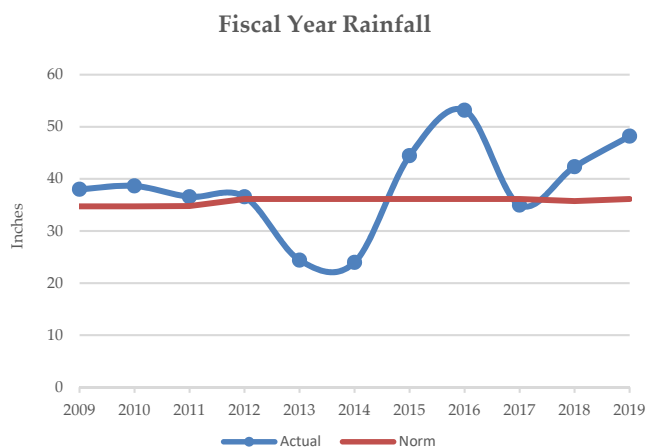
Is the City's Water & Sewer Fund self-sufficient? Enterprise activities generate revenues by providing services to citizens, either directly or through another agency, and are intended to operate more like a business than a public entity supported by taxes. User fees and charges are established in enterprise funds to promote efficiency by shifting payment of costs to specific users of services and to avoid general taxation. Rate increases are generally included as part of the budget to offset increasing operating costs, mandated environmental standard compliance, and pay-as-you-go capital costs attributable to repair and replacement of infrastructure. Charges for the services are set to cover most costs including equipment repair and replacement and debt service. Enterprise activities include sanitary sewer and clean water. This is an indicator of the long-term financial viability of the City's Enterprise Funds and indicates the ability of the City to maintain the infrastructure of the Enterprise Funds.

Measurement: Measure of operating revenues (charges for services only) divided by total operating expenses. In analyzing this indicator, an adjustment is made to normal coverage functions to include General Fund transfers and debt obligations in expenditure figures. (Source: City of Farmers Branch Comprehensive Annual Financial Report)



Warning Signs: A decreasing trend (i.e., user charges are offsetting less and less operating expenses over time) is indicative of future challenges and may indicate the need to generate additional revenue to ensure the future viability of the enterprise operation. Keeping this indicator above 100% is important because investments in capital infrastructure have to be financed by the Enterprise Fund and depreciation expense (which is a measure of the amount the City should be investing in its capital infrastructure each year) is incorporated into operating expenses. As long as the fund is generating revenues that are sufficient to offset total operating expenses including depreciation, the Enterprise Fund should have sufficient cash flow to invest in the capital infrastructure of the system. If coverage is less than 100%, fees and charges are not sufficient to cover operating expenditures, which translates to operating deficits.

Analysis: Monitor Trend. Both revenue and expenses are directly impacted by weather patterns. With the exception of General Fund transfers and capital replacement funding, the City has little or no influence in the short-term in controlling costs such as purchasing water, treating sewage, and electrical costs. The City, like most other cities, pays for water on a two-pronged system in which they are billed for a “demand charge” in addition to the actual water used, the “volume charge”. In 2010, the City negotiated a new 30-year contract with the City of Dallas, which significantly decreased the demand cost component of purchasing treated water. However, the City is required to pay the demand charge regardless of how little water is used.



In 1973, the City entered into a 50-year contract with the Trinity River Authority whereby the Authority provides and operates a regional wastewater treatment plant and wastewater conveyance facility. The City pays for treatment services based on a usage formula that provides reimbursement for operations, maintenance and debt service payments to the Authority. The City’s proportionate share of costs is determined annually according to its contributing flow to the system.

The user charge ratio has improved since 2010 and exceeded 100% in both 2013 and 2014 due to drier than usual conditions. In 2015, 2016 and 2019 the City increased water and sewer rates by 12%, 15% and 6% respectively to offset increasing costs. However, the City spent slightly more than it generated in operating revenues in three of the ten years represented Fiscal years 2010, 2011 and 2012 saw higher than average rainfall reducing revenue. Fiscal year 2020 is projected to be over 100% coverage (factoring in a 5% rate increase effective 10/01/2019). The City operates this fund on a pay-as-you-go philosophy for maintenance and support expenses. This is achieved without issuance of debt through annual transfers from the General Fund. Fiscal year 2019 revenue increased approximately 9% to offset costs from water & sewer operating expenditures expected to increase due to the increased

costs for purchased water due to legal proceedings with Sabine River Authority. Sabine River Authority's contract is in dispute and under appeal with the Public Utilities Commission. Until the dispute is resolved, higher costs have been implemented and must be passed on to customers as moderate and wet weather conditions over the past two years have sharply reduced revenues and eliminated fund balance reserves. During 2016-17, the City's waste water treatment through Trinity River Authority increased from 2.25 million gallons per month to approximately 5.0 million gallons per month due to increased meter accuracy.

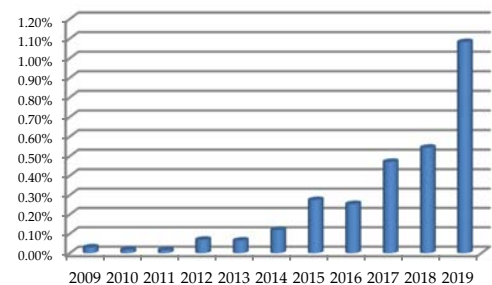
Uncollected Property Taxes as a Percentage of Adjusted Tax Levy

Are residents able to pay their taxes? Every year, a percentage of property owners are unable to pay property taxes. If this percentage increases over time, it may indicate an overall decline in the local government's economic health. Additionally, as uncollected property taxes rise, liquidity is decreased, and there is less cash on hand to pay bills or to invest.

Credit rating firms assume that a local government normally will be unable to collect from 2% to 3% of its property taxes within the year that taxes are due. If uncollected property taxes rise to more than 5% to 8%, rating firms consider this a negative factor because it signals potential instability in the property tax base. An increase in the rate of delinquency for two consecutive years is also considered a negative factor.

Measurement: This indicator is measured by subtracting total tax collections from the adjusted property tax levy and then dividing by the adjusted property tax levy. The City's original tax levy is based on certified taxable values as of July each year. The original tax levy is then subsequently adjusted throughout the years by the Dallas County Tax Office as disputes and/or protests are resolved. Subsequent adjustments are continual and often result in a change to data reported in prior years. (Note: Information reported for the current year is always based on the original tax levy as subsequent adjustments are not reported until the following year.) (Source: City of Farmers Branch Comprehensive Annual Financial Report)

**Total Uncollected Property Taxes
as % of Adjusted Tax Levy**



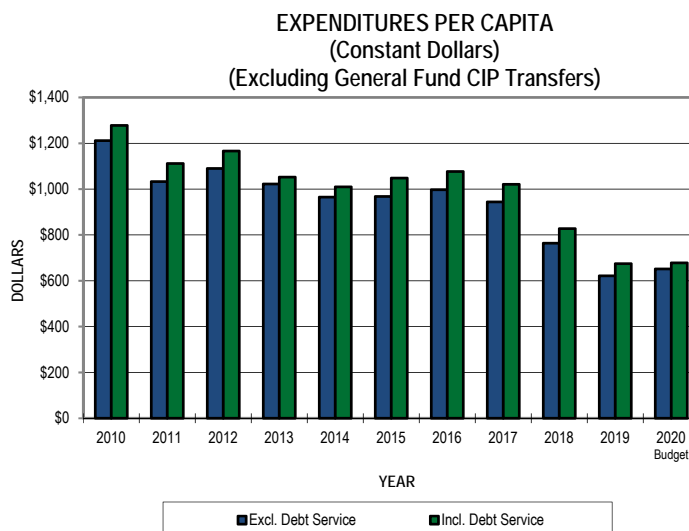
Warning Signs: Increasing amount of uncollected property tax as a percentage of taxes levied.

Analysis: Positive Trend. Uncollected property tax, as a percentage of the adjusted tax levy, remained relatively consistent throughout the review period at an average of 1%. The current year percentage is based on the original tax levy due to a one-year delay in reporting subsequent adjustments. The collection rate for the period 2010 through 2019 has averaged 99%, which is an excellent record. The City's ability to collect delinquent taxes is well within credit rating industry standards.

EXPENDITURE INDICATORS

Expenditures are a rough measure of a City's service provision efforts and are an important indicator of financial condition. Generally, the more a government spends in constant dollars, the more services it provides. This reasoning does not take into account how effective the services are or how efficiently they are delivered. Revenue status should be reviewed in conjunction with expenditure growth to evaluate appropriate expenditure levels.

The following section is a profile of the City's expenditures. Taking a closer look at the expenditures will allow the City to recognize potential problems before they arise. Since the goal is to provide quality services while spending responsibly, it is important to examine the City's expenditure profile so that excessive or unexpected expenditure growth, undesirable increases in fixed costs or declines in personal productivity can be identified early.



Operating Expenditures Per Capita

Are expenditures changing in accordance with the population? Examining per capita expenditures shows changes in expenditures relative to changes in population. Increasing per capita expenditures can indicate that the cost of providing services is outstripping the community's ability to pay. Likewise, decreasing expenditures can indicate that the City is not investing adequately in the community. This provides information that can be used to compare current and projected expenditure patterns to previous years and to provide a basis for analyzing increases or decreases in expenditures.

Measurement: General Fund operating expenditures (less transfers for CIP), including and excluding expenditures for debt service and adjusted for inflation, are divided by the City's estimated population for each year. (Source: City of Farmers Branch Comprehensive Annual Financial Report)

Warning Signs: Substantial increases or decreases in any one year or a sustained trend of increases or decreases (unless the decreases do not correspond to a decrease in service levels). If an increase in spending is greater than that which can be accounted for by inflation, population or new programs, it may indicate that the City is spending more funds to support the same level of services or the methods of providing the services are inefficient. Likewise, decreasing expenditures may indicate that the City is experiencing challenges in maintaining service levels and/or is not investing adequately in the community.

Analysis: Positive Trend. Operating expenditures per capita, both including and excluding debt service and adjusted for inflation have, on average, declined from 2010 through 2019. Expenditures, excluding debt service, peaked in 2009 due to a substantial increase in road resurfacing and repair projects. Since 2010, expenditures (excluding debt service) have been decreasing as the City has actively implemented cost containment measures to reduce its expenditures in response to the decrease in revenue experienced during the recession. As a result, the City is significantly more efficient as the decline in operating expenditures has not corresponded to a decrease in service levels. When excluding debt service expenditures, the City has been able to reduce and maintain expenditures per capita without significantly impacting services provided to the community. Fluctuations in expenditures, including debt service, are related to the issuance of new debt each year from 2010 to 2019.

The City should continue to monitor expenditures per capita in the coming years. If this indicator begins to show growth (even gradually), this may evolve into a warning trend and steps to reverse the trend may have to be taken. Additionally, as the City's population ages, expenditures per capita may naturally increase, because older populations have a greater need for many City services. The City should start planning for how it will make up for this potential increase in expenditures now, so that it does not lead to unexpected financial strains in the future.

Operating Expenditures by Function

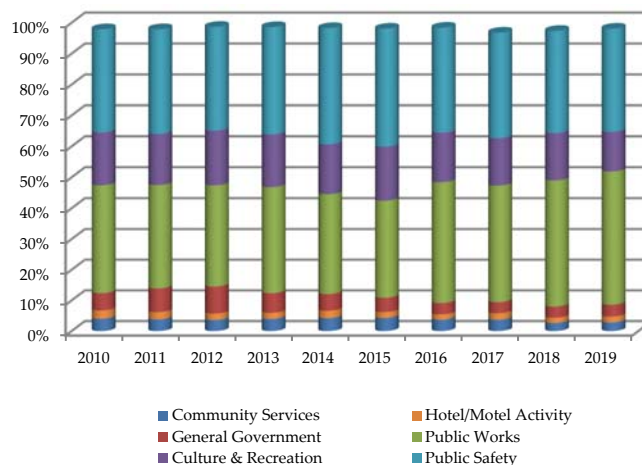
How does the City spend its resources? Operating expenditures by function shows a breakdown of what the City's expenditures are going towards and allows the government to identify where increases in expenditures are coming from. This ratio measures how the City is allocating its resources in its service provision efforts. A change may be indicative of a change in the way the City is choosing to provide services.

Measurement: This is measured by comparing budget basis actual expenditures for all of the City's expenditure classifications. (Source: Annual City budget documents.)

Warning Signs: Substantial increases or decreases in any one year or a sustained trend of increases or decreases in any function. Shifts in expenditures from one function to another, especially if expenditures shift towards general government, may indicate that the City is having a difficult time meeting all of its obligations and is shifting resources to more high priority areas.

Analysis: Positive Trend. As clearly demonstrated in this chart, the City continuously expends the majority of its resources on public safety and public works (including Water & Sewer). This is an important indicator of the City's commitment to providing a high level of service to residents. General government expenditures (those associated with administration) have traditionally been approximately 11% to 16% of total expenditures in the City. As the City moves forward, it wants to provide first-rate service while maintaining the budget responsibly.

Expenditures by Function

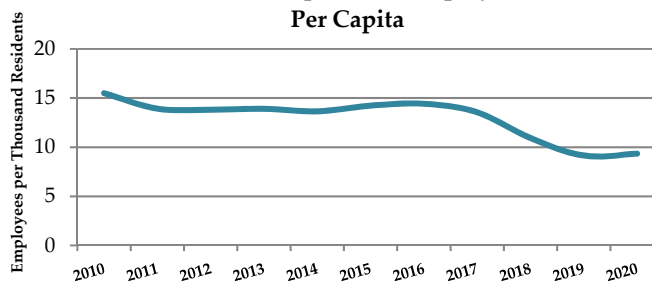


This means the City needs to maintain a productive staff, keep up with technology that will help to improve productivity, and evaluate the benefit of programs to make sure they are still serving the public effectively. This is a positive trend for the City because it highlights that none of the City's departments have had sudden changes or significant expenditure growth.

Employees Per Capita

Is the City labor intensive? The employee's per capita statistic ratio is an important indicator of operating expenditures as personnel costs are generally the largest portion of a local government's operating budget. If employees per capita increase, this may indicate difficulty in balancing revenues and expenditures in the future unless new revenue sources are obtained to finance the additional employees. An increase in employees per capita is not negative if a direct correlation can be made to increased services. Decreases in employees per capita may indicate that the City will have a difficult time sustaining current levels of service.

Full-Time Equivalent Employees
Per Capita



Measurement: This ratio is calculated by dividing the City's total full-time equivalents per year by the estimated population (per 1,000) for each year. Population estimates are provided by the North Central Texas Council of Governments (NCTCOG) with the exception of census years. (Source: City of Farmers Branch Comprehensive Annual Financial Report)

Warning Signs: Substantial increases or decreases in a year or a sustained trend of increases or decreases per 1,000 population.

Analysis: Positive Trend. Farmers Branch has demonstrated a relatively stable ratio of employees per 1,000 population. This ratio remained relatively constant from 2004 to 2008 despite adding 15 positions to staff a new fire station between 2007 and 2008 and adding three positions in the police department in 2008. These additional positions were offset by an overall reduction in non-public safety positions as part of a city-wide initiative to right-size staffing levels. The significant drop in 2009 is attributable to an unusually high population estimate in 2009, which had the effect of distorting per capita staffing levels. Had the population been more conservatively estimated, actual staffing reductions would have been only slightly reduced in 2009. Likewise, in 2010, staffing levels appear to have increased when the population estimate was corrected via the 2010 census. The decrease in 2011 was attributable to outsourcing the City's library and residential sanitation services. The decreases in staffing are a result of improved efficiency efforts and have not resulted in a decrease in services provided to the community. Overall, the City shows a stable trend working within a range of 9.34 to 16.9 employees per 1,000 population for the entire period.

Employee Costs Per Capita – General Fund

Are personnel costs changing in accordance with the population? This indicator

measures personnel costs (salaries + benefits) per capita. Personnel costs are a major portion of the City's operating budget. An increase in employee costs per capita may indicate that the government is becoming more labor intensive, personnel productivity is declining or the population is changing in a way that requires more services out of the local government.

Considering this indicator, the City cannot simply view increasing employee costs as an inherently negative trend. An investment in employees can also indicate a commitment by the government to target problems. For example, if crime is an ongoing problem and the City increases its number of police officers, employee costs per capita may rise, but this is a positive sign because the City has stepped up in order to solve a problem.

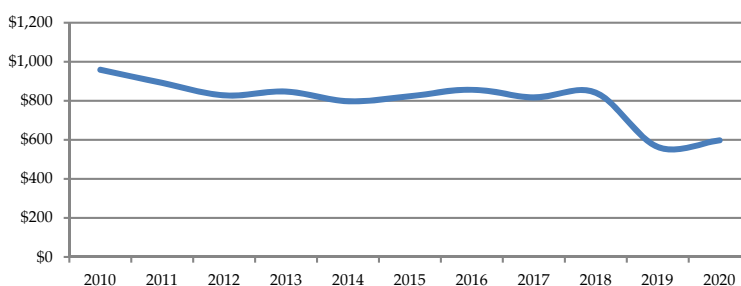
Measurement: This ratio is calculated by dividing the City's General Fund annual personnel services costs (budget basis actual costs adjusted for internal transfers related to staff support to other funds) by the estimated population for each year. Population estimates are provided by the North Central Texas Council of Governments (NCTCOG) with the exception of census years. (Source: *City of Farmers Branch Comprehensive Annual Financial Report*)

Warning Signs: Substantial increases or decreases in a year or a sustained trend of increases or decreases per 1,000 population.

Analysis: Positive Trend. During the review period, the City implemented a multi-phased staff reduction program to provide for a more efficient government operation that could be sustainable long-term. As part of this program, employees were offered retirement/buyout incentives, vacant positions were eliminated, library and sanitation services were outsourced, departments were restructured and/or reorganized to increase efficiency, and an outside review of personnel pay and benefits was completed. The impact of these changes is expected to benefit future fiscal years by reducing overall expenses.

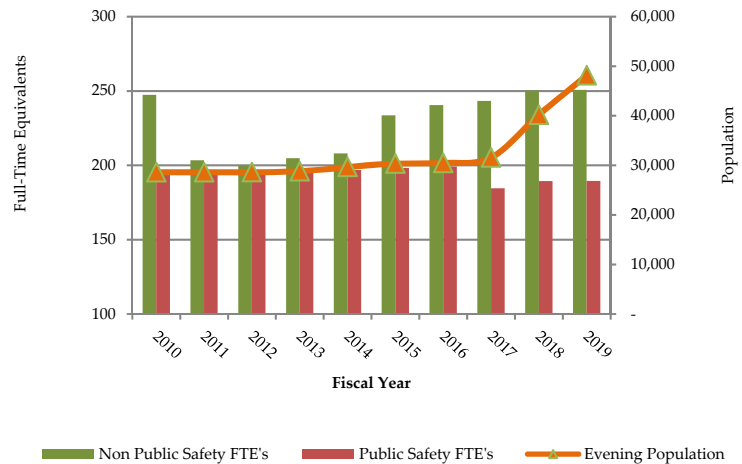
Fiscal Year Ending	FTE's	Population	Full-Time Equivalents Per 1,000 Population
2008	487.79	28,750	16.97
2009	455.63	31,100	14.65
2010	443.42	28,616	15.50
2011	398.13	28,600	13.92
2012	395.34	28,620	13.81
2013	400.49	28,800	13.91
2014	404.84	29,660	13.65
2015	431.78	30,350	14.23
2016	439.56	30,480	14.42
2017	427.73	31,560	13.55
2018	439.66	40,209	10.93
2019	440.13	48,158	9.14
2020	449.81	48,158	9.34

Employee Costs Per Capita - General Fund
Constant Dollars



During the period of 2008 to 2012, the City eliminated almost 100 full-time equivalent positions thru the multi-phased staff reduction program, representing a 20% decrease for all positions or a 33% decrease when not including public safety positions. However, the City did not begin realizing expense savings until 2011 due to the initial costs involved in implementing the program. Ultimately, the cost cutting efforts positioned the City well to capitalize on an improving state and local economy. Increases in 2013 thru 2018 were due primarily to a pay structure adjustment for sworn personnel (recommended in a compensation study performed in 2015-16); reinstatement of merit-based pay increases, the addition of two full-time employees, and higher than expected health claims costs. This indicator should continue to be monitored so that growth in employee costs does not begin to greatly out-pace population growth. 2019 and 2020 indicators decreased due to the higher estimated population estimate generated by the U.S. Census Bureau.

Meeting Citizen Needs with Fewer Employees



OPERATING POSITION INDICATORS

This section is an analysis of the City's operating position trends. The term "operating position" refers to a local government's ability to (1) balance its budget on a current basis, (2) maintain reserves for emergencies, and (3) maintain sufficient cash (liquidity) to pay its obligations on time.

An analysis of operating position can help to identify the following situations:

- A pattern of continuous operating deficits
- A decline in reserves
- A decline in liquidity
- Ineffective revenue forecasting techniques
- Ineffective budgetary controls

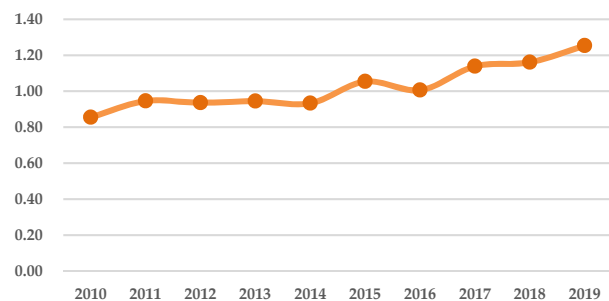
Operating Ratio – Primary Government

Is the City estimating its budget correctly? During a typical year, a government generates either an operating surplus or an operating deficit. An operating surplus develops when current revenues exceed current expenditures. An operating deficit develops when the reverse occurs. An operating surplus or deficit may be created intentionally, by a policy decision, or unintentionally, because of the difficulty of precisely predicting revenues and expenditures or trends in the underlying local and national economies. Deficits are usually funded from unreserved fund balances; surpluses are usually used to increase fund balances. The accumulation of operating surpluses builds reserves, which provide a financial cushion against the loss of a revenue source; an economic downturn; unanticipated expenditures required by natural disasters and the like; unexpected capital expenditures; uneven cash flows; and similar items.

An operating deficit in any one year may not be cause for concern, but frequent and increasing deficits can indicate that current revenues are not supporting current expenditures and that serious problems may lie ahead or it could simply represent changes in policy decisions.

Measurement: Total primary government revenues divided by total primary government expenses. (Source: Statement of Activities – Primary Government, City of Farmers Branch Comprehensive Annual Financial Report)

Operating Ratio- Primary Government



Warning Signs: Credit rating agencies consider the following occurrences to be warning trends: two consecutive years of operating deficits, a current deficit greater than the previous year, deficits in two or more of the last five years, or an abnormally large deficit (greater than 10% of revenues) in any one year.

Analysis: Monitor Trend. By industry standards, the City's operating ratio is considered a negative trend as the City has incurred operating deficits in six of the last ten years. However, these deficits were a result of policy change decisions during the review period to reduce General Fund fund balance target levels, to reduce staffing levels by implementing a buy-out plan, and to replace capital assets that had previously been deferred, all of which resulted in planned increases in expenditures during the review period. As the City planned for use of fund balance, this indicator is not considered negative.

Fund Balance as a Percentage of Net Operating Revenue, Governmental Funds

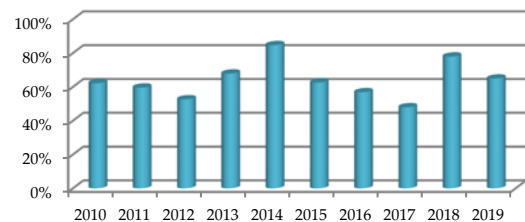
How does our budgetary carryover position look? This statistic measures the amount of resources available to meet City obligations in the Governmental Funds in comparison to annual revenues in these funds.

Measurement: Total Governmental Fund ending fund balances divided by total Governmental Fund revenues. (Source: *Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds, City of Farmers Branch Comprehensive Annual Financial Report*)

Warning Signs: A substantial decrease in any one year or a trend of decreases could indicate the City's ability to meet its obligations was being eroded.

Analysis: Monitor Trend. Fund balance as a percentage of net operating revenue has remained relatively stable, but a trend of decreases began in 2003-14 as the impact of a sluggish economy proved greater than expected. However, the City has a very healthy level of Governmental Fund- fund balance, which provides sufficient resources to respond to emergencies or the loss of a major revenue source. Decline in 2015, 2016 and 2017 fund balances was primarily due to use of bond proceeds from debt issued in previous years for construction projects including street improvements and an aquatics facility.

**Governmental Fund Balance
as a Percent of Revenues**

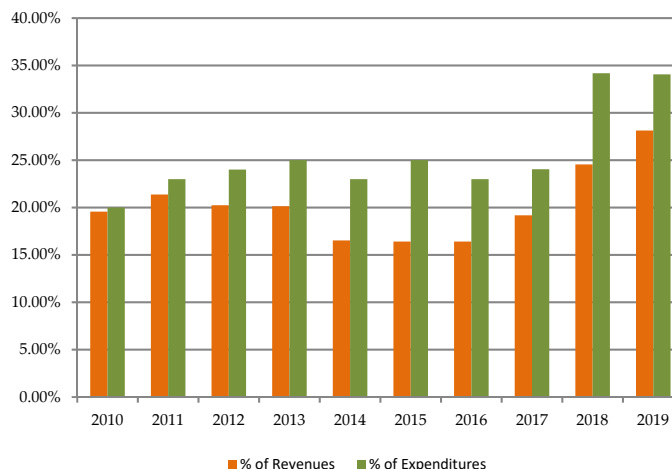


Unassigned Fund Balance as a Percentage of Revenues & Expenditures, General Fund

How much money does the City have available for appropriation in the General Fund? The financial health of the City is partly determined by the level of fund balances available to cushion revenue shortfalls caused by economic downturns, emergencies, or uneven cash flows. To determine the appropriate level of reserves, a government should analyze the elasticity of the revenue base, the level of insurance it maintains, the likelihood and magnitude of natural disasters, and the government's liquidity and ability to borrow.

In October 2012, the City Council passed an ordinance defining a General Fund fund balance target as a target range with a low end of 15% and a high end of 20% of actual GAAP (generally accepted accounting principles) basis expenditures and other financing sources and uses. [From 2004 through 2006, the City's financial policy was to maintain an unallocated fund balance for unanticipated emergencies of 25% of the operating budget of the General Fund; from 2007 through 2012, this amount was reduced to 20%.]

**Unassigned Fund Balance
as a Percentage of Revenues & Expenditures -
General Fund**



Measurement: Total General Fund unassigned fund balance divided by General Fund revenues and General Fund expenditures plus other financing sources (uses). (Source: *Governmental Funds Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances, City of Farmers Branch Comprehensive Annual Financial Report*)

Warning Signs: A declining fund balance or insufficient level of fund balance or sustained trend of decreases. The ICMA considers an unassigned fund balance at or below 5% of net revenues to signal that a City is in financial distress. The ICMA considers a strong fund reserve balance to be at or above 15% of net revenues.

Analysis: Positive Trend. The General Fund unassigned fund balance dropped below policy level in 2009 as part of the City's approved financial plan to partially offset significant declines in revenues and soften the impact of an economic downturn on City programs and services. From 2008 to 2010, cost containment efforts (mainly personnel) were implemented in order to offset declining revenues. The City's General Fund unassigned fund balance over the last ten years has consistently been within recommended standards.

Liquidity – Primary Government

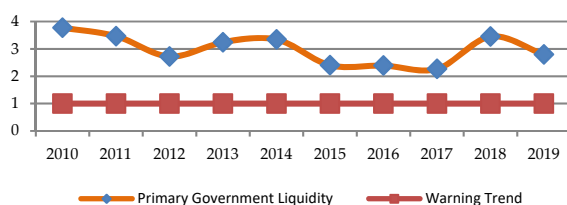
What is the City's cash position? A good measure of a local government's short-run financial condition is its cash position. Cash position, which includes cash on hand and in the bank, as well as other assets that can be easily converted to cash, determines a government's ability to pay its short term obligations. This is also known as liquidity, and the immediate effect of insufficient liquidity is insolvency — the inability to pay bills. Liquidity ratios, therefore, are concerned with a government's ability to pay for its most immediate obligations. The ratios can help determine if, over the next year (or less), a government will have enough cash (or assets that can be quickly converted to cash) on hand to pay the bills that come due. A larger value in the ratios indicates a larger amount of assets are available to cover liabilities, thus a higher level of cash solvency or liquidity. The "cash ratio" and "current ratio" are two common measures of liquidity. The "cash ratio" measures the ratio of cash, cash equivalents and investments to current liabilities and the "current ratio" measures the ratio of current assets to current liabilities to determine net position. Credit agencies review the liquidity of a local government as one of the focuses of their balance sheet examination. This indicator helps to assess the City's ability to sustain a strong financial position.

Measurement: This indicator is measured using the “cash ratio” [cash, cash equivalents and investments ÷ current liabilities] (includes all liabilities except those listed as noncurrent liabilities) and the “current ratio” [current assets ÷ current liabilities] for the City’s primary government. (Source: *Statement of Net Position – Primary Government, City of Farmers Branch Comprehensive Annual Financial Report*)

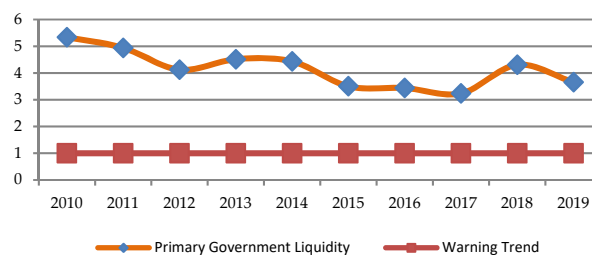
Warning Signs: A substantial decrease in one year or a trend of low or declining liquidity may indicate that the City has overextended itself in the long run and will have trouble meeting obligations in the future. A 1:1 ratio of cash and short-term investments to current liabilities means the City has enough cash on hand to cover accounts payable and other liabilities due within one year. If this ratio is less than 1:1 (or less than 100%), the entity is considered to be facing liquidity problems.

Analysis: Monitor Trend. There was a steady decline in liquidity from 2010 to 2012. However, despite this decline, the City has a high level of liquidity and this is reflected by the City’s ability to meet current operating expenditures without having to resort to short-term borrowing. The City’s liquidity ratio has remained well above the warning ratios for the entire review period and is considered a healthy level. Utilizing the cash ratio, which is a narrower measure that compares only the most liquid assets of the government, primary government activities current assets for the year ending 2019 are two times greater than current liabilities – meaning the City has \$2 in assets that can be converted rapidly to cash for every \$1 of liabilities. Utilizing the current ratio, primary government activities current assets for the year ending 2019 are four times greater than current liabilities – meaning the City has \$4 in assets for every \$1 of current liabilities.

**Liquidity - Primary Government
(Cash Ratio)**



**Liquidity - Primary Government
(Current Ratio)**



Solvency – Primary Government

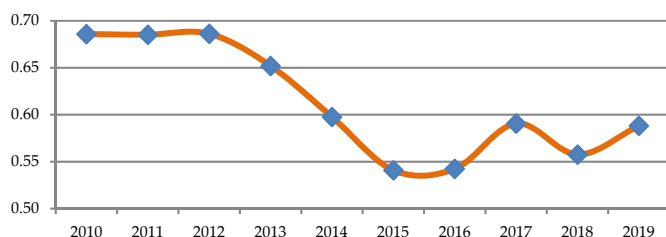
What is our future spending ability? Solvency and liquidity are both terms that refer to a state of financial health, but with some notable differences. Solvency refers to the capacity to meet long-term financial commitments. Liquidity refers to the ability to meet short-term obligations and refers to the capability to sell assets quickly to raise cash. A solvent government is one that owns more than it owes; in other words, it has a positive net worth and a manageable debt load. On the other hand, a government with adequate liquidity may have enough available to pay its bills, but it may be heading for financial disaster down the road. Solvency and liquidity are equally important, and healthy governments are both solvent and possess adequate liquidity.

Long-run solvency is measured using the “net assets ratio” and “long-term liability ratio.” The “net assets ratio” measures the portion of net assets compared to total assets and determines what percentage of total assets are paid for and what percentage of total assets is classified as a liability. The “net assets ratio” is designed to provide a clear picture of a government’s future spending and ability, as well as the ability to overcome emergencies and down cycles in the economy. A larger “net assets ratio” indicates a higher level of long-run solvency. The “long-term liability ratio” measures a government’s ability to pay long-term debt by comparing long-term liabilities to total assets. A higher ratio for the “long-term liability ratio” indicates a lower level of ability to pay off long-term debt or a strain on future resources as well as increasing levels of long-term obligation.

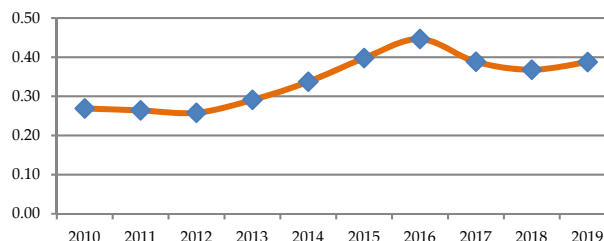
Measurement: This indicator is measured using the “net assets ratio” [net assets ÷ total assets] and “long-term liability ratio” [long-term liabilities ÷ total assets] for the City’s primary government. (Source: *Statement of Net Position – Primary Government, City of Farmers Branch Comprehensive Annual Financial Report*)

Warning Signs: A low “net assets ratio” indicates a low level of long-run solvency; whereas, a high “long-term liability ratio” indicates a lower level of ability to pay off long-term debt or a strain on future resources. [It should be noted that the net assets and long-term liability ratios should maintain a negative relationship to each other. When combined, the total ratio should be near “1” with current liabilities making up the difference.]

**Solvency - Primary Government
(Net Assets Ratio)**



**Solvency - Primary Government
(Long-Term Liability Ratio)**



Analysis: Monitor Trend. This ratio has declined from a high of 69 to 59 for the “net assets ratio” and has increased from a low of 22 to 39 for the “long-term liability ratio.” Although the City still maintains satisfactory levels of long-run solvency and the ability to payoff long-term debt, the current trends are gradually increasing debt levels. Net assets ratio for 2019 increased slightly. However net assets increased by \$28.6 million. This was offset by an increase of net position of \$25.2 million. The City held a quality of life bond election in November of 2017 issuing \$15MM in additional general obligation debt. This will be in addition to the second phase of street improvement debt authorized by voters in 2014 issued in 2018.

Operating Income in Constant Dollars, Water & Sewer Fund

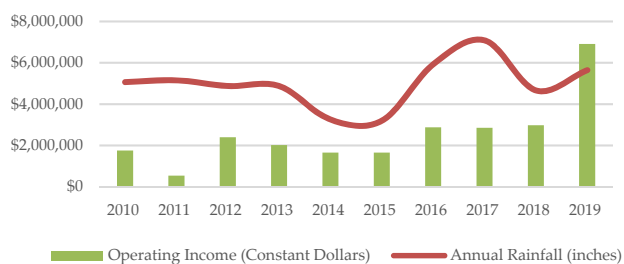
What is the operating position of the Water & Sewer Fund? This indicator provides information about the ability of the Water & Sewer Fund to generate sufficient operating revenues to offset operating expenses. Measuring the Water & Sewer Fund operating income is important because unlike other City government funds, a local government cannot raise taxes to increase support for an Enterprise Fund – enterprises are subject to the laws of supply and demand.

One of the many challenges in managing a Water & Sewer Fund is that water demand, and thus revenues, vary with weather patterns. Customer water use patterns and conservation efforts also have a very strong influence on revenues and, by extension, on financial performance. Managing the price-usage nexus is critical when navigating between conservation goals and revenue requirements. When sales fall, revenues typically fall with them. But a decrease in water sales, however, does not lead to a commensurate reduction in utility expenses. Without constant attention to pricing levels and structures, consistent decreases in water use from year-to-year can lead to significant revenue shortfalls. While many local governments have an expressed goal of reducing water usage, excessive declines in water use over recent years have caught many cities off-guard, as revenues have fallen below predicted levels.

Measurement: Operating revenues less operating expenses in constant dollars. (Source: *Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds, City of Farmers Branch Comprehensive Annual Financial Report*)

Warning Signs: A substantial decrease in operating income in one year or a trend of decreasing operating income over several years. Either of these situations would indicate that the ability of the Water & Sewer Fund to continue operations is being eroded.

**Water and Sewer Operating Income
(Constant Dollars)**



Analysis: Monitor Trend. The City’s water and sewer operating income stream has fluctuated considerably over the past ten years and steeply decreased in 2008 due primarily to high levels of rainfall. Income declined in 2010 due to slightly higher rainfall levels and conservation efforts; however, the decline would have been even more pronounced had the City not renegotiated its treated water contract that provided for a one-time opportunity to reduce annual expenditures by approximately \$432,000 (without this adjustment operating income would have been at approximately the same level as in 2004). Increased revenue in 2015, 2016, 2017, 2018 and 2019 is the result of a rate increases to offset increased charges. As can be seen in the graph, higher levels of rainfall generally result in lower operating income, while lower levels of rainfall usually result in higher operating income. Despite the declines, the Water & Sewer Fund

has continued to run on a surplus, with operating revenues exceeding operating expenditures. However, if the declining income trend continues a more thorough evaluation of the fund may be necessary. (See *User Charges by Operating Expenses, Enterprise Fund* for notation on Sabine River Authority dispute)

DEBT STRUCTURE INDICATORS

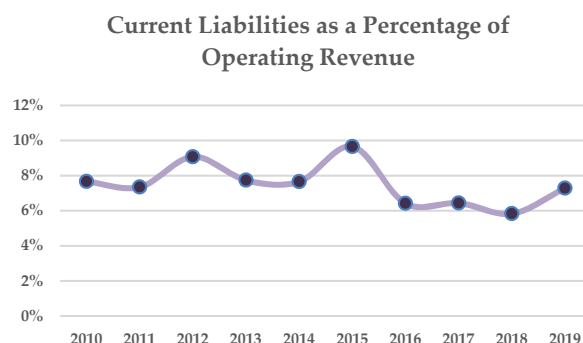
Debt is an effective way to finance capital improvements, and may even be used to stabilize short-term revenue fluctuations. Its misuse, however, can cause serious financial problems. Even a temporary inability to repay can result in loss of credit rating and increased cost of future borrowing. The most common forms of long-term debts are general obligations, special obligations and revenue bonds. Even when these types of debt are used exclusively for capital projects, the outstanding debt cannot exceed the ability to repay as measured by the wealth of the community in the form of property value or personal income. Another method to evaluate ability to repay is to consider the amount of principal and interest or “debt service” that is obligated to be repaid each year. Also to be considered is “overlapping debt”, which is the debt of another jurisdiction that is issued against a tax base within part or all of the boundaries of the community.

Current Liabilities as a Percentage of Net Operating Revenues

Can the City afford to pay its bills? This ratio indicates the ability of the City to meet its future liabilities with operating revenues. Current liabilities are those that the City has an obligation to pay within one fiscal year.

Measurement: Current liabilities divided by net operating revenues. [Net operating revenues are defined as the total revenues to the General, Special Revenue and Debt Service funds before any interfund transfer and less those revenues legally restricted to capital improvements or other special purposes.] (Source: City of Farmers Branch Comprehensive Annual Financial Report)

Warning Signs: A trend of increases in current liabilities as a percent of revenues may indicate that the City will not be able to meet its future liabilities due to the lack of sufficient revenues. Credit industry benchmarks consider short-term debt exceeding 5% of operating revenues and a two-year trend of increasing short-term debt outstanding at the end of the fiscal year to be negative factors.



Analysis: Monitor Trend. This ratio decreased from 7.6% in 2010 to 7.29% in 2019. The current ratio 7.29% is more from the prior year. The City’s current liabilities as percentage of net operating revenues has remained below 10% during the review period and has averaged 7.5% over the past ten years, which means that City revenues were always at or more than ten times the amount of its current liabilities. Although this ratio would be considered strong by many cities, credit industry benchmarks consider a ratio above 5% to be a negative factor.

Long-Term Debt as a Percentage of Assessed Valuation

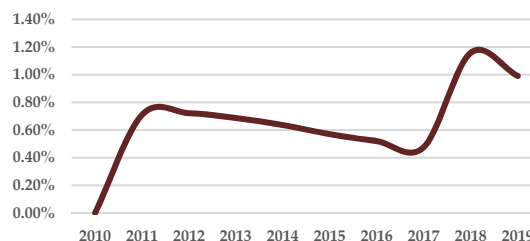
How much does the City owe? This statistic compares the City’s assessed valuation to long-term debt and provides an analytical measure of the City’s ability to service its current debt obligations as well as its ability to incur further debt if necessary. Daily operating expenditures generally produce benefits in the current period and are funded by current operating revenues. Conversely, capital expenditures produce long-term benefits and are funded over the long-term by issuing debt. Direct long-term debt is bonded debt for which the local government has pledged its full faith and credit. For this analysis long-term debt is General Obligation bonds which are tax supported and have no sinking fund adjustment. An increase in direct debt as a percentage of assessed valuation can indicate that the government’s ability to repay is diminishing—because the government depends on property tax to pay its debts. Increasing debt as a percentage of assessed valuation is a warning sign. However, in analyzing this indicator, it is more complicated than just “the lower, the better” because a low debt profile may indicate underinvestment in public infrastructure and capital facilities. Investment in the community enhances growth prospects for the community both in attracting residents and in attracting new businesses.

Measurement: Net direct debt divided by the City's assessed value.
(Source: City of Farmers Branch Comprehensive Annual Financial Report)

Warning Signs: A trend of increases in bonded debt as a percent of assessed value may indicate that the City will have trouble meeting its future debt obligations and will not be able to incur further debt; however, the overall debt outstanding and the purposes served by that debt must also be taken into account when rating this indicator.

Analysis: Positive Trend. This indicator puts into perspective the City's outstanding long-term debt in relationship to taxable assessed valuation, thus allowing the City to determine if there is sufficient power to afford current and future debt. Debt issued between fiscal year 2014, 2018 and 2019, has caused an increase in this trend; however, the trend remains considerably below the 10% industry benchmark.

Long-Term Debt
as a Percentage of Assessed Valuation



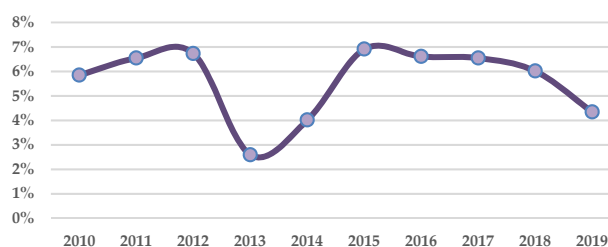
Debt Service

What are the fixed debt service costs? Debt service, in this indicator, is the amount of principal and interest that the City must pay each year on net direct bonded long-term debt plus the interest it must pay on direct short-term debt. Increasing debt service reduces expenditure flexibility by adding to the government's obligations. Increasing debt service costs may also indicate excessive debt and fiscal strain. [Net direct debt is direct debt minus self-supporting debt and is funded by a percentage of property tax exclusively.]

Measurement: Net direct debt service (annual principal and interest payments on debt) divided by net operating revenues. [Net operating revenues are defined as the total revenues to the General, Special Revenue and Debt Service funds before any interfund transfer and less those revenues legally restricted to capital improvements or other special purposes.] (Source: City of Farmers Branch Comprehensive Annual Financial Report and annual budget documents)

Warning Signs: Increasing net direct debt as a percentage of net operating revenues. Credit industry benchmarks consider debt exceeding 20% of operating revenues a potential problem; 10% is considered acceptable.

Debt Service as a Percentage of
Operating Revenue



Analysis: Positive Trend. The City's assessed value is able to sustain significant debt; however, the impact of debt service on operating revenues is important. Since 1992, debt service as a percentage of operating revenues, has consistently been below the credit rating benchmark of 20% and has decreased from 25% in 1990 to 4.34% in 2019. This is a positive trend for the City because it indicates that the City has been borrowing responsibly; too little debt service may indicate that a City is not investing in its future, while too much debt service may indicate financial irresponsibility.

Overlapping & Overall Net Debt

How much do we owe if overlapping jurisdictions default on their debt? Overlapping debt is the net direct bonded debt of another jurisdiction that is issued against a tax base within part or all of the boundaries of the community. The level of overlapping debt is only that debt applicable to the property shared by both jurisdictions. The overlapping debt indicator measures the ability of the community's tax base to repay the debt obligations issued by all of its governmental and quasi-governmental jurisdictions. If other jurisdictions default, a community may have a contingent, moral or political obligation to assume the debt, provide the services, or both.

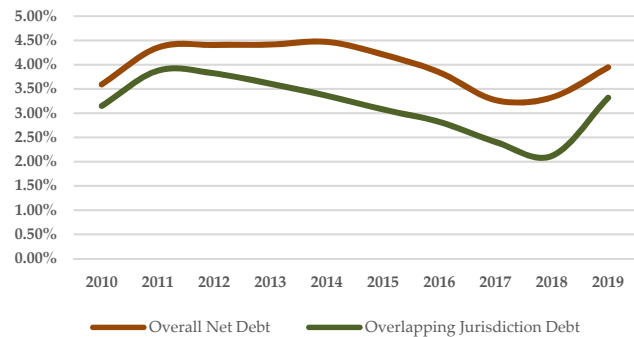
Credit industry benchmarks for assessing long-term debt often include the net direct bonded debt of the local government, as well as the bonded debt of geographically overlapping jurisdictions that are applicable to the local government. This is referred to as overall net debt.

Measurement: Long-term overlapping bonded debt and overall net debt (City net debt + long-term overlapping bonded debt) divided by total assessed valuation. (Source: City of Farmers Branch Comprehensive Annual Financial Report)

Warning Signs: Increasing long-term overlapping bonded debt as a percentage of assessed valuation; overall net debt exceeding 10% of assessed valuation or that reflects an increase of 20% over the previous year. Continuing increases in this trend may signal a need for the various local governments to coordinate their efforts in terms of long-term financing initiatives.

Analysis: Positive Trend. Overlapping jurisdiction debt has averaged 3.98%, while overall net debt of the City has averaged 3.16% for the ten year review period, both of which are below credit industry benchmarks.

Overlapping & Overall Net Debt
as a Percentage of Assessed Valuation



Other Long-Term Liabilities, Pensions

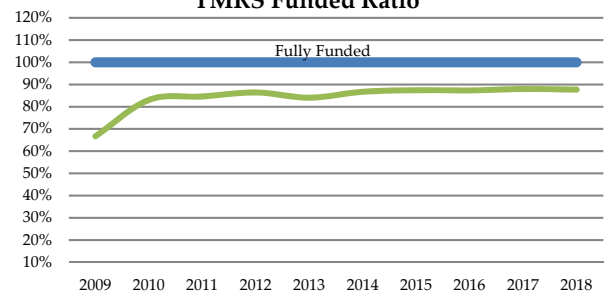
What are some of the other long-term debts the City is obligated to pay? The City provides pension benefits for all eligible employees through a nontraditional, joint contributory, hybrid defined plan in the state-wide Texas Municipal Retirement System (TMRS). The City does not participate in the Social Security system benefits or 7% contributions. The City closely monitors its pension funding and cost levels to ensure both a financially sustainable employee benefit as well as a wise use of taxpayer dollars.

Measurement: All long-term liabilities associated with the City's pension include contributions to pension plan based on actuarial estimates. Funding ratio is the assets divided by the liabilities. Basically the dollar amount that is required to meet future benefits of current participants. This ratio should increase over time until fully funded. A public pension system is considered healthy at a ratio of 80% or greater. Pension payments can be a major component of costs. Measured as a percentage of net operating expenses. A rising percentage is an indication of fiscal strain. The City's goal is to maintain this percentage at 12% or less.

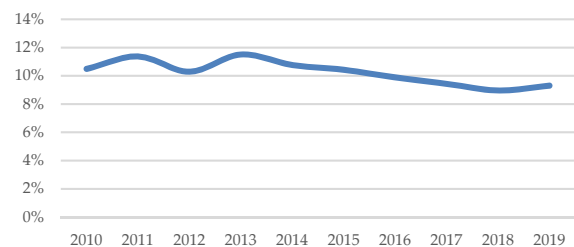
Warning Signs: Underfunded pension plan adds to obligations the City must already meet and reduces its ability to fund current operations.

Analysis: Positive Trend. The trends for pension, on average, remain stable. Since 2010 the funding ratio has been on a steady increase as the percentage of payments to net operating expenses has remained relatively stable.

TMRS Funded Ratio



Pension Payments as % of
Net Operating Expense



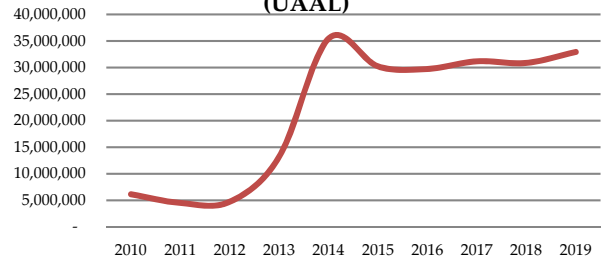
Other Long-Term Liabilities, Other Postemployment Benefits

The City also has liabilities with postemployment benefits other than pension (OPEB). These benefits are primarily made up of healthcare benefits for retirees.

Measurement: Liabilities associated with other postemployment benefits other than pension divided by net operating expenses.

Analysis: Monitor Trend. GASB requirements for recording OPEB started in 2009 and were gradually phased in to 2011. Significant plan design changes in 2015 accounting requirements sharply reduced this liability

Unfunded Actuarial Accrued Liability (UAAL)



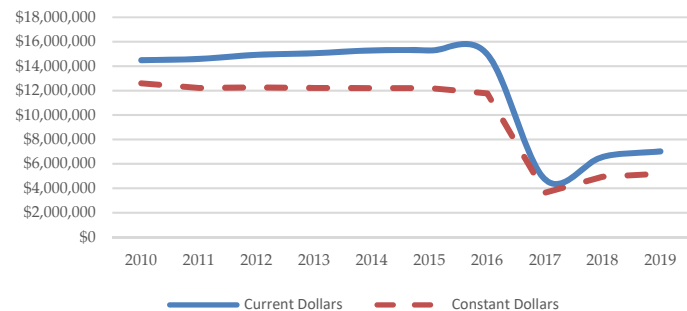
Other Long-Term Liabilities, Landfill

Long-term liabilities that are anticipated for the closure of the City owned Camelot landfill. Increase reduces resources available to other City projects. The amount recognized as a liability is based on the landfill capacity used as of the balance sheet date. In 2017 the Texas Commission on Environmental Quality (TCEQ) approved a major improvement amendment application which increased the site capacity from 24.5 million cubic yards to 53.2 million cubic yards and reducing the City's liability.

Measurement: Liabilities associated with anticipated closure and post closure care costs of the City owned Camelot landfill.

Analysis: Monitor Trend. From 2010 to 2016 trend shows increase in current dollars however when adjusted for inflation the liabilities associated with the Camelot landfill were flat. With the TCEQ more than doubling the landfills capacity, therefore reducing the liability, the trend is expected to stabilize from 2017 forward.

Long-Term Liabilities Landfill



City of Farmers Branch - Position Summary (by Department)

	Amended 2016-17	Amended 2017-18	Amended 2018-19	Amended 2019-20	Adopted 2020-21
General Administration					
Full-Time	5.00	6.00	6.00	6.00	6.00
Part-Time	0.00	0.00	0.00	0.00	0.00
Communications					
Full-Time	2.00	2.00	2.00	2.00	2.00
Part-Time	0.00	0.00	0.00	0.00	0.00
Economic Development & Tourism					
Full-Time	3.00	2.00	2.00	2.00	2.00
Part-Time	0.00	0.00	0.00	0.00	0.00
Human Resources					
Full-Time	6.00	6.00	6.00	6.00	6.00
Part-Time	2.00	2.00	2.00	1.00	1.00
Finance					
Full-Time	17.00	17.00	17.00	18.00	18.00
Part-Time	5.00	5.00	5.00	4.00	4.00
Innovation & Technology					
Full-Time	11.00	11.00	11.00	12.00	12.00
Part-Time	2.00	2.00	2.00	2.00	1.00
Community Services					
Full-Time	17.00	16.00	16.00	16.00	16.00
Part-Time	0.00	0.00	0.00	0.00	0.00
Planning					
Full-Time	3.00	4.00	4.00	4.00	4.00
Part-Time	0.00	0.00	0.00	0.00	0.00
Public Works					
Full-Time	51.00	51.00	51.00	51.00	51.00
Part-Time	0.00	0.00	0.00	0.00	0.00
Sustainability & Public Health					
Full-Time	18.00	20.00	20.00	20.00	19.00
Part-Time	1.00	1.00	1.00	1.00	0.00
Police					
Full-Time	98.00	100.00	100.00	102.00	102.00
Part-Time	9.00	9.00	9.00	9.00	9.00
Fire					
Full-Time	79.00	82.00	82.00	88.00	88.00
Part-Time	1.00	2.00	2.00	2.00	0.00
Parks & Recreation					
Full-Time	65.00	65.00	63.00	65.00	65.00
Part-Time	153.00	154.00	135.00	135.00	135.00
Fleet & Facilities Management					
Full-Time	12.00	12.00	12.00	12.00	12.00
Part-Time	1.00	1.00	1.00	1.00	1.00
<i>Total Full-Time Positions</i>	387.00	394.00	392.00	404.00	403.00
<i>Total Part-Time Positions</i>	174.00	176.00	157.00	155.00	151.00
<i>Total Full-Time Equivalents</i>	427.53	439.66	434.24	450.33	444.75

City of Farmers Branch - Position Summary

Dept./ Division	Position	Grade	Amended 2016-17	Amended 2017-18	Amended 2018-19	Amended 2019-20	Adopted 2020-21
1002	GENERAL ADMINISTRATION						
	Administrative Assistant I	310	0.00	1.00	1.00	0.00	0.00
	Administrative Assistant II	313	0.00	0.00	0.00	1.00	1.00
	Administrative Assistant III	316	1.00	0.00	0.00	0.00	0.00
	Assistant City Manager	329	0.00	0.00	1.00	1.00	1.00
	Assistant to City Manager	320	1.00	1.00	0.00	0.00	0.00
	City Manager	337	1.00	1.00	1.00	1.00	1.00
	City Secretary	322	1.00	1.00	1.00	1.00	1.00
	Deputy City Manager	336	0.00	1.00	1.00	1.00	1.00
	Records Management Coordinator [Asst to City Secretary]	317	1.00	1.00	1.00	1.00	1.00
	Full-Time Total		5.00	6.00	6.00	6.00	6.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00
1104	COMMUNICATIONS						
	Administrative Assistant II	313	1.00	1.00	1.00	1.00	1.00
	Communications Director	328	1.00	1.00	1.00	1.00	1.00
	Full-Time Total		2.00	2.00	2.00	2.00	2.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00
1205	ECONOMIC DEVELOPMENT & TOURISM						
	Administrative Assistant II	313	1.00	1.00	1.00	1.00	1.00
	Deputy City Manager	336	1.00	0.00	0.00	0.00	0.00
	Economic Development Director	330	1.00	1.00	1.00	1.00	1.00
	Full-Time Total		3.00	2.00	2.00	2.00	2.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00
1509	HUMAN RESOURCES						
	Administrative Assistant I	310	0.00	0.00	0.00	1.00	1.00
	HR Analyst/Risk Manager	321	1.00	1.00	1.00	0.00	0.00
	Director of Human Resources	333	1.00	1.00	1.00	1.00	1.00
	Human Resources Manager	326	1.00	1.00	1.00	1.00	1.00
	Human Resources Program Coordinator	314	2.00	0.00	1.00	1.00	1.00
	Human Resources Program Coordinator, Senior	318	1.00	2.00	2.00	2.00	2.00
	Human Resources Specialist	314	0.00	1.00	0.00	0.00	0.00
	City Receptionist P/T **	304	2.00	1.00	1.00	1.00	1.00
	City Receptionist P/T [Temporarily Year-Round]**	304	0.00	1.00	1.00	0.00	0.00
	Full-Time Total		6.00	6.00	6.00	6.00	6.00
	Part-Time Total **		2.00	2.00	2.00	1.00	1.00
	FINANCE						
	Budget Manager	322	1.00	1.00	1.00	1.00	1.00
	Director of Finance	331	1.00	1.00	1.00	1.00	1.00
	Financial Analyst / Treasury Manager	321	1.00	1.00	1.00	1.00	1.00
	Full-Time Total		3.00	3.00	3.00	3.00	3.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00
2014	Accounting						
	Accounts Payable/Finance Specialist	313	1.00	1.00	1.00	1.00	1.00
	Controller	326	1.00	1.00	1.00	1.00	1.00
	Customer Service Representative	310	2.00	2.00	2.00	2.00	2.00
	Customer Service Supervisor	320	1.00	1.00	1.00	1.00	1.00
	Senior Accountant	320	1.00	1.00	1.00	1.00	1.00
	Full-Time Total		6.00	6.00	6.00	6.00	6.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00
2011	Purchasing						
	Purchasing Agent	323	1.00	1.00	1.00	1.00	1.00
	Full-Time Total		1.00	1.00	1.00	1.00	1.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00

City of Farmers Branch - Position Summary

Dept./ Division	Position	Grade	Amended 2016-17	Amended 2017-18	Amended 2018-19	Amended 2019-20	Adopted 2020-21
2033	Municipal Court						
	Chief Court Marshal	319	1.00	1.00	1.00	1.00	1.00
	Court Administrator	325	1.00	1.00	1.00	1.00	1.00
	Court Assistant Administrator	318	1.00	1.00	1.00	1.00	1.00
	Court Clerk I	309	3.00	3.00	3.00	3.00	3.00
	Deputy Court Marshal	315	1.00	1.00	1.00	2.00	2.00
	Alternate City Judge P/T** (unfunded)	220	3.00	3.00	3.00	3.00	3.00
	City Judge P/T **	220	1.00	1.00	1.00	1.00	1.00
	Deputy Court Marshal - PT ** (Spec Rev Fund)	315	1.00	1.00	1.00	0.00	0.00
	Police Court Hearing Officer P/T ** (Special Revenue Fund)	305	1.00	1.00	1.00	1.00	1.00
	Full-Time Total		7.00	7.00	7.00	8.00	8.00
	Part-Time Total **		5.00	5.00	5.00	4.00	4.00
	<i>Finance Full-Time</i>		17.00	17.00	17.00	18.00	18.00
	<i>Finance Part-Time</i>		5.00	5.00	5.00	4.00	4.00
	INNOVATION & TECHNOLOGY						
2112	Innovation & Technology						
	Administrative Coordinator	313	1.00	1.00	1.00	1.00	1.00
	Business Analyst/Project Coordinator	321	1.00	1.00	1.00	1.00	1.00
	Director of Innovation & Technology	333	1.00	1.00	1.00	1.00	1.00
	GIS Administrator	324	1.00	0.00	1.00	1.00	1.00
	GIS Analyst	319	0.00	1.00	0.00	0.00	0.00
	Help Desk Coordinator	313	1.00	1.00	1.00	1.00	1.00
	Public Safety Technology Specialist	321	1.00	1.00	1.00	1.00	1.00
	Senior Systems Administrator	324	1.00	1.00	1.00	1.00	1.00
	Systems Analyst/Database Administrator	323	1.00	1.00	1.00	2.00	2.00
	Systems Support Specialist	317	2.00	1.00	1.00	1.00	1.00
	Systems Support Supervisor	320	0.00	1.00	1.00	1.00	1.00
	Technical Operations Manager	327	1.00	1.00	1.00	1.00	1.00
	Information Tech Intern P/T **	307	2.00	2.00	2.00	2.00	1.00
	Full-Time Total		11.00	11.00	11.00	12.00	12.00
	Part-Time Total **		2.00	2.00	2.00	2.00	1.00
	COMMUNITY SERVICES						
3016	Community Services Administration						
	Administrative Assistant III	316	1.00	1.00	1.00	1.00	1.00
	Community Services Coordinator	315	1.00	1.00	1.00	1.00	1.00
	Director of Community Services	331	1.00	1.00	1.00	1.00	1.00
	Full-Time Total		3.00	3.00	3.00	3.00	3.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00
3017	Building Inspection						
	Administrative Assistant I	310	1.00	1.00	1.00	1.00	1.00
	Building Inspector	317	2.00	2.00	2.00	2.00	2.00
	Building Official	328	1.00	0.00	0.00	0.00	0.00
	Code Enforcement Manager	321	0.00	1.00	1.00	1.00	1.00
	Code Enforcement Officer	315	6.00	6.00	6.00	6.00	6.00
	Code Enforcement Supervisor	319	1.00	0.00	0.00	0.00	0.00
	Deputy Building Official	323	1.00	1.00	1.00	1.00	1.00
	Permit Technician	311	1.00	1.00	1.00	1.00	1.00
	Plans Examiner	317	1.00	1.00	1.00	1.00	1.00
	Full-Time Total		14.00	13.00	13.00	13.00	13.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00
	<i>Community Services Full-Time</i>		17.00	16.00	16.00	16.00	16.00
	<i>Community Services Part-Time **</i>		0.00	0.00	0.00	0.00	0.00

City of Farmers Branch - Position Summary

Dept./ Division	Position	Grade	Amended 2016-17	Amended 2017-18	Amended 2018-19	Amended 2019-20	Adopted 2020-21
PLANNING							
3115	Planning						
	Administrative Assistant I	310	1.00	0.00	0.00	0.00	0.00
	Director of Planning	331	0.00	1.00	1.00	1.00	1.00
	Lead Planner	322	0.00	0.00	1.00	1.00	1.00
	Planning Technician	310	1.00	1.00	1.00	1.00	1.00
	Planning Manager	325	1.00	1.00	0.00	0.00	0.00
	Senior Planner	321	0.00	1.00	1.00	1.00	1.00
	Full-Time Total		3.00	4.00	4.00	4.00	4.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00
PUBLIC WORKS							
4020	Public Works Administration						
	Administrative Assistant I	310	1.00	1.00	1.00	1.00	1.00
	Administrative Assistant II	313	1.00	1.00	1.00	1.00	1.00
	Director of Public Works	334	1.00	1.00	1.00	1.00	1.00
	Public Works Coordinator	318	1.00	1.00	1.00	0.00	0.00
	Senior Engineering Specialist	322	1.00	1.00	1.00	1.00	1.00
	Special Projects Manager	321	1.00	1.00	1.00	1.00	1.00
	Utility Compliance & Contract Coordinator	318	0.00	0.00	0.00	1.00	1.00
	Full-Time Total		6.00	6.00	6.00	6.00	6.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00
4027	Street Maintenance						
	Construction Inspector	316	2.00	2.00	2.00	2.00	2.00
	Crew Leader	315	3.00	3.00	3.00	3.00	3.00
	Equipment Operator II	312	1.00	1.00	1.00	1.00	1.00
	Equipment Operator III	313	3.00	3.00	3.00	3.00	3.00
	Maintenance Worker	308	3.00	3.00	3.00	3.00	3.00
	Maintenance Worker, Sr.	312	2.00	2.00	2.00	2.00	2.00
	Operations Manager	324	1.00	1.00	1.00	1.00	1.00
	Senior Traffic Signal Technician	319	1.00	1.00	1.00	1.00	1.00
	Street Superintendent	327	1.00	1.00	1.00	1.00	1.00
	Traffic Signal Technician	315	1.00	1.00	1.00	1.00	1.00
	Full-Time Total		18.00	18.00	18.00	18.00	18.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00
	<i>Public Works Full-Time</i>		24.00	24.00	24.00	24.00	24.00
	<i>Public Works Part-Time **</i>		0.00	0.00	0.00	0.00	0.00
SUSTAINABILITY & PUBLIC HEALTH							
4124	Sustainability & Public Health						
	Director of Sustainability & Public Health	329	0.00	1.00	0.00	0.00	1.00
	Equipment Operator I	310	5.00	5.00	5.00	5.00	5.00
	Env Serv & Solid Waste Admin	329	1.00	0.00	0.00	0.00	0.00
	Program Manager	325	0.00	1.00	1.00	1.00	1.00
	Solid Waste Supervisor	319	1.00	1.00	1.00	1.00	1.00
	Special Projects Manager	321	1.00	1.00	1.00	1.00	1.00
	Sustainability Manager	324	0.00	0.00	1.00	1.00	1.00
	Full-Time Total		8.00	9.00	9.00	9.00	10.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00
4128	Animal Services (previously Environmental Health)						
	Animal Services Assistant	308	4.00	4.00	4.00	4.00	4.00
	Animal Services Manager	320	1.00	1.00	1.00	1.00	1.00
	Animal Services Officer	312	2.00	3.00	3.00	3.00	3.00
	Full-Time Total		7.00	8.00	8.00	8.00	8.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00

City of Farmers Branch - Position Summary

Dept./ Division	Position	Grade	Amended 2016-17	Amended 2017-18	Amended 2018-19	Amended 2019-20	Adopted 2020-21
4129	Environmental Services (previously Environmental Health)						
	Director of Sustainability & Public Health	329	0.00	0.00	1.00	1.00	0.00
	Environmental Health Specialist	318	1.00	1.00	1.00	1.00	0.00
	Environmental Health Manager	323	1.00	0.00	0.00	0.00	1.00
	Environmental Health Technician	314	1.00	1.00	1.00	1.00	0.00
	Sustainability Manager	324	0.00	1.00	0.00	0.00	0.00
	Env Health Intern P/T **	307	1.00	1.00	1.00	1.00	0.00
	Full-Time Total		3.00	3.00	3.00	3.00	1.00
	Part-Time Total **		1.00	1.00	1.00	1.00	0.00
	<i>Sustainability & Environmental Health Full-Time</i>		18.00	20.00	20.00	20.00	19.00
	<i>Sustainability & Environmental Health Part-Time **</i>		1.00	1.00	1.00	1.00	0.00
	POLICE						
4530	Police Administration						
	Administrative Assistant II	313	1.00	1.00	1.00	1.00	1.00
	Administrative Assistant III	316	1.00	1.00	1.00	1.00	1.00
	Police Chief	335	1.00	1.00	1.00	1.00	1.00
	Police Deputy Chief	331	2.00	2.00	2.00	2.00	2.00
	Police Lieutenant	P4	0.00	1.00	1.00	1.00	1.00
	Police Records Clerk	308	3.00	3.00	3.00	3.00	3.00
	Full-Time Total		8.00	9.00	9.00	9.00	9.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00
4531	Police Investigations						
	Crime Prevention Officer	P1	1.00	1.00	1.00	1.00	1.00
	Police Lieutenant	P4	2.00	1.00	1.00	1.00	1.00
	Police Officer	P1	11.00	11.00	11.00	11.00	11.00
	Police Sergeant	P3	3.00	3.00	3.00	3.00	3.00
	Public Service Officer	308	1.00	1.00	1.00	1.00	1.00
	Full-Time Total		18.00	17.00	17.00	17.00	17.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00
4532	Police Patrol						
	Police Corporal	P2	4.00	4.00	4.00	4.00	4.00
	Police Lieutenant	P4	4.00	4.00	4.00	4.00	4.00
	Police Officer	P1	40.00	42.00	42.00	44.00	44.00
	Police Sergeant	P3	4.00	4.00	4.00	4.00	4.00
	Public Service Officer	308	1.00	1.00	1.00	1.00	1.00
	School Crossing Guard P/T **	305	9.00	9.00	9.00	9.00	9.00
	Full-Time Total		53.00	55.00	55.00	57.00	57.00
	Part-Time Total **		9.00	9.00	9.00	9.00	9.00
4534	Police Detention						
	Police Detention Officer	311	12.00	12.00	12.00	12.00	12.00
	Police Detention Officer Supervisor	313	4.00	4.00	4.00	4.00	4.00
	Police Lieutenant	P4	1.00	1.00	1.00	1.00	1.00
	Property Technician	308	1.00	1.00	1.00	1.00	1.00
	Full-Time Total		18.00	18.00	18.00	18.00	18.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00
4536	Police Training						
	Police Sergeant	P3	1.00	1.00	1.00	1.00	1.00
	Full-Time Total		1.00	1.00	1.00	1.00	1.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00
	<i>Police Full-Time</i>		98.00	100.00	100.00	102.00	102.00
	<i>Police Part-Time **</i>		9.00	9.00	9.00	9.00	9.00

City of Farmers Branch - Position Summary

Dept./ Division	Position	Grade	Amended 2016-17	Amended 2017-18	Amended 2018-19	Amended 2019-20	Adopted 2020-21
FIRE							
5540	Administration						
	Administrative Assistant II	313	2.00	1.00	1.00	1.00	1.00
	Administrative Assistant III	316	0.00	1.00	1.00	1.00	1.00
	Emergency Management Specialist	F1A	1.00	1.00	1.00	1.00	1.00
	Fire Battalion Chief EMS	F6A	1.00	1.00	1.00	1.00	1.00
	Fire Chief	335	1.00	1.00	1.00	1.00	1.00
	Fire Deputy Chief Operations	331	1.00	1.00	1.00	1.00	1.00
	Full-Time Total		6.00	6.00	6.00	6.00	6.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00
5541	Prevention						
	Fire Captain/Prevention Specialist	F4A	1.00	1.00	1.00	1.00	1.00
	Fire Deputy Chief Prevention	331	1.00	1.00	1.00	1.00	1.00
	Fire Inspector	F1A	1.00	1.00	1.00	1.00	1.00
	Fire Prev. Training Coordinator	F1A	1.00	1.00	1.00	1.00	1.00
	Fire Prevention Inspector P/T **	F1A	1.00	2.00	2.00	2.00	0.00
	Full-Time Total		4.00	4.00	4.00	4.00	4.00
	Part-Time Total **		1.00	2.00	2.00	2.00	0.00
5542	Fire Operations						
	Driver	F2	12.00	12.00	12.00	12.00	12.00
	Fire Battalion Chief	F6	3.00	3.00	3.00	3.00	3.00
	Fire Captain	F4	9.00	9.00	9.00	9.00	9.00
	Fire Lieutenant/Operations	F3	6.00	6.00	6.00	6.00	6.00
	Firefighter	F1	39.00	42.00	42.00	42.00	42.00
	Firefighter (75% Grant Funded)	F1	0.00	0.00	0.00	6.00	6.00
	Full-Time Total		69.00	72.00	72.00	78.00	78.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00
	Fire Full-Time		79.00	82.00	82.00	88.00	88.00
	Fire Part-Time		1.00	2.00	2.00	2.00	0.00
PARKS AND RECREATION							
6050	Parks and Recreation Administration						
	Administrative Assistant I	310	1.00	1.00	0.00	0.00	0.00
	Administrative Assistant III	316	1.00	1.00	1.00	1.00	1.00
	Assistant Director PARD	329	0.00	1.00	0.00	0.00	0.00
	Development Manager	321	0.00	0.00	1.00	1.00	1.00
	Director of PARD	333	1.00	1.00	1.00	1.00	1.00
	Program Manager	325	1.00	0.00	0.00	0.00	0.00
	Administrative Assistant I PT **	310	0.00	0.00	2.00	2.00	2.00
	Full-Time Total		4.00	4.00	3.00	3.00	3.00
	Part-Time Total **		0.00	0.00	2.00	2.00	2.00
6051	Park Maintenance						
	Athletic Fields Specialist I	313	1.00	1.00	1.00	1.00	1.00
	Athletic Fields Specialist II	315	1.00	1.00	1.00	1.00	1.00
	Chemical Specialist I	313	1.00	1.00	1.00	1.00	1.00
	Chemical Specialist II	316	1.00	1.00	1.00	1.00	1.00
	Crew Leader	315	10.00	11.00	11.00	11.00	11.00
	Equipment Operator I, Parks	310	1.00	1.00	1.00	1.00	1.00
	Equipment Operator II, Parks	312	1.00	1.00	1.00	1.00	1.00
	Irrigation Specialist	315	2.00	2.00	2.00	2.00	2.00
	Maintenance Worker	308	15.00	15.00	15.00	15.00	15.00
	Maintenance Worker	308	1.00	0.00	0.00	0.00	0.00
	Park Landscape Manager	324	1.00	1.00	1.00	1.00	1.00
	Park Maintenance Supervisor	324	3.00	3.00	3.00	3.00	3.00
	Park Superintendent	327	1.00	1.00	1.00	1.00	1.00
	Projects Specialist	313	0.00	0.00	0.00	1.00	2.00
	Farmers Market Coordinator P/T **	308	1.00	0.00	0.00	0.00	0.00
	Park Laborer P/T **	303	12.00	14.00	14.00	14.00	14.00
	Full-Time Total		39.00	39.00	39.00	40.00	41.00
	Part-Time Total **		13.00	14.00	14.00	14.00	14.00

City of Farmers Branch - Position Summary

Dept./ Division	Position	Grade	Amended 2016-17	Amended 2017-18	Amended 2018-19	Amended 2019-20	Adopted 2020-21
6052	Recreation						
	Recreation Center Manager	321	1.00	1.00	1.00	1.00	1.00
	Recreation Programs Coordinator/Specialist	316	1.00	1.00	1.00	1.00	1.00
	Recreation Specialist	307	2.00	2.00	0.00	0.00	0.00
	Recreation Superintendent	325	1.00	1.00	1.00	1.00	1.00
	Recreation Supervisor	317	1.00	1.00	1.00	1.00	1.00
	Recreation Supervisor - Fitness/Athletics	317	0.60	0.60	0.60	0.60	0.60
	Fitness Attendant P/T**	304	7.00	7.00	0.00	0.00	0.00
	Park Program Assistant P/T **	304	1.00	1.00	0.00	0.00	0.00
	Recreation Leader P/T **	304	8.00	8.00	8.00	8.00	8.00
	Youth Program Bus Driver P/T **	307	1.00	1.00	1.00	1.00	1.00
	Youth Program Leader P/T **	304	21.00	21.00	21.00	21.00	21.00
	Youth Program Supervisor P/T **	306	7.00	7.00	7.00	7.00	7.00
	Full-Time Total		6.60	6.60	4.60	4.60	4.60
	Part-Time Total (Pooled Funds) **		45.00	45.00	37.00	37.00	37.00
6053	Aquatics Center						
	Aquatics Manager	321	1.00	1.00	1.00	1.00	1.00
	Aquatics Supervisor	317	1.00	1.00	1.00	1.00	1.00
	Aquatics Leader P/T **	304	5.00	5.00	5.00	5.00	5.00
	Aquatics Specialist P/T **	307	1.00	1.00	1.00	1.00	1.00
	Cashier P/T **	301	8.00	8.00	8.00	8.00	8.00
	Head Lifeguard P/T **	307	7.00	7.00	7.00	7.00	7.00
	Lifeguard P/T **	302	57.00	57.00	57.00	57.00	57.00
	Lifeguard Specialist P/T **	307	1.00	0.00	0.00	0.00	0.00
	Park Attendant P/T **	308	10.00	10.00	0.00	0.00	0.00
	Party Assistant P/T **	301	2.00	2.00	0.00	0.00	0.00
	Full-Time Total		2.00	2.00	2.00	2.00	2.00
	Part-Time Total (Pooled Funds) **		91.00	90.00	78.00	78.00	78.00
6054	Senior Center						
	Recreation Programs Coordinator	316	3.00	3.00	2.00	2.00	2.00
	Recreation Supervisor	317	0.00	0.00	1.00	1.00	1.00
	Senior Center Manager	321	1.00	1.00	1.00	1.00	1.00
	Recreation Attendant P/T **	304	2.00	2.00	2.00	2.00	2.00
	Recreation Leader P/T **	304	1.00	1.00	1.00	1.00	1.00
	Full-Time Total		4.00	4.00	4.00	4.00	4.00
	Part-Time Total **		3.00	3.00	3.00	3.00	3.00
6057	Events						
	Events Manager	323	0.00	1.00	1.00	1.00	1.00
	Market/Events Coordinator	313	0.00	1.00	1.00	1.00	1.00
	Marketing Coordinator	315	1.00	1.00	0.00	1.00	1.00
	Recreation Programmer Assistant	313	1.00	1.00	0.00	0.00	0.00
	Senior Market/Sponsorship Coordinator	317	0.00	0.00	1.00	1.00	1.00
	Senior Marketing Coordinator	317	0.00	0.00	1.00	1.00	1.00
	Special Projects Manager	321	1.00	0.00	0.00	0.00	0.00
	Full-Time Total		3.00	4.00	4.00	5.00	5.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00
	<i>Parks Full-Time</i>		58.60	59.60	56.60	58.60	59.60
	<i>Parks Part-Time **</i>		152.00	152.00	132.00	132.00	132.00
	PUBLIC WORKS - UTILITIES						
8085	Water & Sewer Administration						
	City Engineer	331	1.00	0.00	0.00	0.00	0.00
	Staff Engineer	323	0.00	1.00	1.00	1.00	1.00
	Full-Time Total		1.00	1.00	1.00	1.00	1.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00

City of Farmers Branch - Position Summary

Dept./ Division	Position	Grade	Amended 2016-17	Amended 2017-18	Amended 2018-19	Amended 2019-20	Adopted 2020-21
8086	Water & Sewer Operations						
	Crew Leader	315	5.00	5.00	5.00	5.00	5.00
	Camera Technician	312	0.00	1.00	1.00	1.00	1.00
	Engineering Specialist	314	1.00	1.00	1.00	1.00	1.00
	Equipment Operator III	313	2.00	2.00	2.00	2.00	2.00
	GIS Technician	316	1.00	1.00	1.00	1.00	1.00
	Maintenance Worker	308	10.00	8.00	8.00	8.00	8.00
	Meter Reader	308	3.00	3.00	3.00	3.00	3.00
	Meter Reader Supervisor	315	1.00	1.00	1.00	1.00	1.00
	Operations Manager	324	1.00	1.00	1.00	1.00	1.00
	Pump Station Operator	312	0.00	1.00	1.00	1.00	1.00
	Pump Station Supervisor	319	1.00	1.00	1.00	1.00	1.00
	Utilities Superintendent	327	1.00	1.00	1.00	1.00	1.00
	Full-Time Total		26.00	26.00	26.00	26.00	26.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00
	<i>Public Works - Utilities Full-Time</i>		27.00	27.00	27.00	27.00	27.00
	<i>Public Works - Utilities Part-Time</i>		0.00	0.00	0.00	0.00	0.00
	FLEET & FACILITIES MANAGEMENT						
7018	Facilities Management						
	Director of Fleet & Facilities Management	331	0.50	0.50	0.50	0.50	0.50
	Facilities Crew Leader	318	1.00	1.00	1.00	1.00	1.00
	Facilities Supervisor	320	1.00	1.00	1.00	1.00	1.00
	Facilities Technician	314	3.00	3.00	3.00	3.00	3.00
	Full-Time Total		5.50	5.50	5.50	5.50	5.50
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00
7080	Fleet Management						
	Director of Fleet & Facilities Management	331	0.50	0.50	0.50	0.50	0.50
	Fleet Crew Leader	318	1.00	1.00	1.00	1.00	1.00
	Fleet & Facilities Contract/Systems Manager	316/317	1.00	1.00	1.00	1.00	1.00
	Fleet Operations Manager	326	0.00	1.00	1.00	1.00	1.00
	Fleet Technician	315	3.00	3.00	3.00	3.00	3.00
	Fleet Supervisor	321	1.00	0.00	0.00	0.00	0.00
	Fleet Support Assistant P/T **	305	1.00	1.00	1.00	1.00	1.00
	Full-Time Total		6.50	6.50	6.50	6.50	6.50
	Part-Time Total **		1.00	1.00	1.00	1.00	1.00
	<i>Fleet & Facilities Management Full-Time</i>		12.00	12.00	12.00	12.00	12.00
	<i>Fleet & Facilities Management Part-Time</i>		1.00	1.00	1.00	1.00	1.00
	PARKS AND RECREATION						
9092	Historical Preservation						
	Administrative Assistant II	313	1.00	0.00	0.00	0.00	0.00
	Historical Museum Educator	317	1.00	1.00	1.00	1.00	1.00
	Historical Park Coordinator	317	0.00	1.00	1.00	1.00	1.00
	Historical Park Cultural Specialist	317	0.00	1.00	1.00	1.00	1.00
	Historical Park Curator	320	1.00	0.00	0.00	0.00	0.00
	Historical Park Manager	321	0.00	0.00	1.00	1.00	1.00
	Historical Park Superintendent	324	1.00	0.00	0.00	0.00	0.00
	Historical Park Maintenance Technician	313	2.00	2.00	2.00	2.00	1.00
	Recreation Supervisor - Fitness/Athletics	317	0.40	0.40	0.40	0.40	0.40
	Park Attendant P/T **	308	1.00	2.00	3.00	3.00	3.00
	Full-Time Total		6.40	5.40	6.40	6.40	5.40
	Part-Time Total **		1.00	2.00	3.00	3.00	3.00

City of Farmers Branch - Position Summary

Dept./ Division	Position	Grade	Amended 2016-17	Amended 2017-18	Amended 2018-19	Amended 2019-20	Adopted 2020-21
	General Fund Full-Time Total		341.60	349.60	346.60	358.60	358.60
	General Fund Part-Time Total **		171.00	171.00	151.00	150.00	146.00
	Water & Sewer Fund Full-Time Total		27.00	27.00	27.00	27.00	27.00
	Water & Sewer Fund Part-Time Total **		0.00	0.00	0.00	0.00	0.00
	Internal Service Fund Full-Time Total		12.00	12.00	12.00	12.00	12.00
	Internal Service Fund Part-Time Total **		1.00	1.00	1.00	1.00	1.00
	Hotel/Motel Fund Full-Time Total		6.40	5.40	6.40	6.40	5.40
	Hotel/Motel Fund Part-Time Total **		1.00	2.00	3.00	3.00	3.00
	Special Revenue Funds Full-Time Total		0.00	0.00	0.00	0.00	0.00
	Special Revenue Funds Part-Time Total **		1.00	2.00	2.00	1.00	1.00
	ALL FUNDS FULL-TIME TOTAL		387.00	394.00	392.00	404.00	403.00
	ALL FUNDS PART-TIME TOTAL **		174.00	176.00	157.00	155.00	151.00
	ALL FUNDS FULL-TIME EQUIVALENT (FTE)		427.53	439.66	434.24	450.33	444.75

** Denotes Part-Time Positions

COMPENSATION PLAN

Class	Level	Base Salary	Top Salary	Class	Level	Base Salary	Top Salary
General (G)	301	\$ 22,389.28	\$ 33,583.91	Police (P)	P1	\$ 65,574.12	\$ 85,394.52
	302	23,508.31	35,262.47		P2	85,013.18	95,683.28
	303	24,683.84	37,026.29		P3	95,931.82	103,839.67
	304	25,917.97	38,877.49		P4	112,381.58	121,970.22
	305	27,213.93	40,821.42	Fire (F)	F1	\$ 64,984.00	\$ 78,988.46
	306	28,574.89	42,862.33		F1A	65,560.72	79,689.47
	307	30,004.06	45,006.62		F2	83,139.44	89,992.80
	308	31,504.64	47,257.49		F3	93,488.65	101,195.11
	309	33,079.81	49,620.25		F4/F4A	104,587.30	108,833.95
	310	34,733.86	52,101.32		F6/F6A	118,280.96	128,031.10
	311	36,471.03	54,707.08	Judge(s)	220	64,292.80	93,204.80
	312	38,294.53	57,441.79				
	313	40,209.68	60,315.06				
	314	42,219.69	63,330.06				
	315	44,330.94	66,496.41				
	316	46,547.70	69,821.55				
	317	48,875.30	73,312.94				
	318	51,319.06	76,979.12				
	319	53,885.39	80,828.61				
	320	56,579.60	84,869.94				
	321	59,408.10	95,053.18				
	322	62,378.35	99,805.36				
	323	65,497.80	104,796.26				
	324	68,772.85	110,036.56				
	325	72,212.02	115,539.02				
	326	75,822.78	121,316.45				
	327	79,613.66	127,381.64				
	328	83,594.23	133,750.56				
	329	87,774.10	140,438.14				
	330	92,162.86	147,460.37				
	331	97,693.04	156,309.29				
	332	103,554.66	165,687.89				
	333	109,767.99	175,629.21				
	334	116,354.32	186,167.34				
	335	123,336.05	197,337.47				
	336	130,736.62	209,179.02				
	337	138,580.54	No Maximum				

CITY CHARTER

§ 4-1

§ 4-5

ARTICLE IV. Budget

Sec. 4.01. Fiscal Year: Budget Year; Accounting Year.

The fiscal year of the City government shall begin on the first day of October and shall end on the last day of September of each calendar year. The fiscal year shall constitute the budget and the accounting year.

Sec. 4.02. Preparation and Submission of Budget.

Prior to the 1st day of August in each year, the City Manager shall prepare, file with the City Secretary, and furnish to each member of the Council a carefully itemized budget outlining anticipated receipts and proposed expenditures of the City, showing as definitely as possible appropriations desired for each project and the operation for the next succeeding fiscal year, comparing the same with the budget of the then current fiscal year, and stating the estimated receipts and expenditures of the current year. Concurrently with the submission of an operating budget, the City Manager shall prepare and present a capital projects budget outlining all proposed capital projects and sources of funding for a period of at least three years. The City Manager shall also outline all debt service payments and sources of funding. Each employee, officer, board and department shall furnish the City Manager such information as may be required by the City Manager for the proper preparation of each budget. The proposed budget shall contain an estimate of the rate of tax required for the then current calendar year.

(Amd. no. 10, 1-15-1983; amd. nos. 11, 12, 28, 1-21-1989; amd. no. 8, 5-1-1999; Ord. No. 3240, Exh. A, 8-20-2013; Ord. No. 3252, Exh. A, 11-19-2013)

Sec. 4.03. Budget Form.

At the head of the budget there shall appear a summary of the budget in such a manner as to present to taxpayers a simple and clear summary of the detailed estimates of the budget. The City Manager shall at the same time submit a budget message explaining the need of the requested appropriations and stating what pending capital projects, if any, will likely require the issuance of bonds or warrants. (Amd. no. 14, 5-9-2009)

Sec. 4.04. Budget a Public Record.

The budget and budget message and all supporting schedules shall be a public record in the office of the City Secretary open to public inspection by anyone.

Sec. 4.05. Publication and Notice of Public Hearing.

The budget shall be filed with the City Secretary before the 30th day before the City establishes and sets its tax rate. The City Council shall call and hold a public hearing on the budget after the 25th day after the budget is filed with the City Secretary. Notice of the public hearing shall be published at least one time in a newspaper of general circulation not earlier than thirty (30) days nor later than ten (10) days before the date of the public hearing. (Amd. no. 5, 4-20-1968; amd. no. 2, 5-1-1999)

CITY CHARTER

§ 4-6

§ 4-11

ARTICLE IV. Budget

Sec. 4.06. Hearing and Adoption of Budget.

At the time advertised or at any time to which public hearing shall be adjourned, the Council shall hold a public hearing on the budget as submitted, at which all interested persons shall be given an opportunity to be heard for or against the estimates or any item therein. After the conclusion of such public hearing, the Council may make such changes, if any, in the budget as in their judgment the law warrants and the best interests of the taxpayers of the City demand. The budget, as amended, if there be changes, shall then be adopted by Ordinance which shall also fix the tax rate per \$100.00 assessed value which shall apply to the current tax year. The City Manager shall file a copy of the budget with the County Clerk of Dallas County and with the Comptroller of the State of Texas.

Sec. 4.07. Budget Establishes Appropriations and Amount to be Raised by Ad Valorem Taxation.

The budget shall state the amount of money to be raised by ad valorem taxation. (Amd. nos. 13, 14, 1-21-1989)

Sec. 4.08. Unallocated Reserve Fund.

When recommended by the City Manager and in the discretion of the Council, the budget may contain a reasonable sum set aside as an unallocated reserve fund to meet unexpected and unforeseen contingencies in current operating costs of any budget project.

Sec. 4.09. Amendment and Supplemental Budgets.

In case of grave public necessity, emergency expenditures to meet unusual and unforeseen conditions which could not, by reasonable diligent thought and attention, have been included in the original budget may from time to time be authorized, upon the affirmative vote of a majority of a quorum of the Council, as amendments or supplements to the original budget. Such supplements and amendments shall be approved in an Ordinance and shall be filed with the original budget. (Amd. no. 10, 1-15-1983)

Sec. 4.10. Defect Shall not Invalidate Tax Levy.

Defects in the form or preparation of the budget or the failure to perform any procedural requirement shall not invalidate any tax levy or the tax roll.

Sec. 4.11. Budget Establishes Appropriations; Transfer of Unencumbered Appropriations.

Amounts set forth in the budget as approved expenditures shall be appropriated to the objects and purposes identified therein. The City Council may authorize the City Manager to transfer unencumbered appropriations within a department to an extent identified by the Council in its grant of such authorization. The Council, by ordinance, may amend the budget by transferring any unencumbered amounts within any fund of the City. (Amd. no. 14, 1-21-1989)

**ORDINANCE NO. 3653**

AN ORDINANCE OF THE CITY OF FARMERS BRANCH, TEXAS, APPROVING AND ADOPTING A BUDGET AND STRATEGIC PLAN FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2020 AND ENDING SEPTEMBER 30, 2021; PROVIDING THAT EXPENDITURES FOR SAID FISCAL YEAR SHALL BE MADE IN ACCORDANCE WITH SAID BUDGET; APPROPRIATING AND SETTING ASIDE THE NECESSARY FUNDS OUT OF THE GENERAL AND OTHER REVENUES OF THE CITY OF FARMERS BRANCH FOR SAID FISCAL YEAR FOR THE MAINTENANCE AND OPERATION OF VARIOUS DEPARTMENTS AND FOR VARIOUS ACTIVITIES AND IMPROVEMENTS OF THE CITY; APPROPRIATING THE VARIOUS AMOUNTS REQUIRED FOR SUCH BUDGET; AMENDING THE 2019-20 ADOPTED BUDGET; PROVIDING FOR A REPEALING CLAUSE; PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, as required by Section 4.02 of the City Charter, the City Manager has prepared and submitted to the City Council a proposed budget of the revenues and expenditures of conducting the affairs of the City for the fiscal year beginning October 1, 2020 and ending September 30, 2021; and

WHEREAS, as required by Section 3.02(7) of the City Charter, the City Manager has prepared and submitted to the City Council a proposed budget that includes a listing of the offices, departments, or agencies recommended for inclusion in the budget; and

WHEREAS, the City Council has received presentations and recommendations from staff as to the guiding principles of the City in developing a strategic plan; and

WHEREAS, the City Council has received the City Manager's proposed budget and strategic plan, a copy of which, with all supporting schedules, has been filed with the City Secretary of the City of Farmers Branch, Texas, as required by law; and

WHEREAS, the City Council has conducted the necessary public hearings with prior notice thereof as required by law;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, THAT:

SECTION 1. The proposed budget of the revenue and expenditures necessary for conducting the affairs of the City of Farmers Branch, Texas, said budget being in the amount of \$141,255,868 providing a complete financial plan for the ensuing fiscal year beginning October 1, 2020 and ending September 30, 2021, as submitted to the City Council by the City Manager, a copy of which is on file in the City Secretary's Office and incorporated herein by reference, be and the same is hereby adopted and approved as the budget of the City of Farmers Branch, Texas, for the fiscal year beginning October 1, 2020 and ending September 30, 2021.

SECTION 2. The sum of \$141,255,868 is hereby appropriated for the payment of the expenditures established in the approved budget for the fiscal year beginning October 1, 2020 and ending September 30, 2021.

SECTION 3. The expenditures during the fiscal year beginning October 1, 2020 and ending September 30, 2021, shall be made in accordance with the budget approved by this Ordinance unless otherwise authorized by a duly enacted ordinance of the City of Farmers Branch, Texas.

SECTION 4. For the purpose of providing guiding principles for the fiscal year beginning October 1, 2020 and ending September 30, 2021, the strategic plan, as submitted to the City Council by the City Manager, a copy of which is on file in the City Secretary's Office and incorporated herein by reference, be and the same is hereby adopted and approved as the strategic plan of the City of Farmers Branch, Texas, for the fiscal year beginning October 1, 2020 and ending September 30, 2021.

SECTION 5. All budget amendments and transfers of appropriations budgeted from one account or activity to another within any individual activity for the fiscal year 2019-20 are hereby ratified, and the budget Ordinance for fiscal year 2019-20, heretofore enacted by the City Council, be and the same is hereby, amended to the extent of such transfer and amendments for all purposes.

SECTION 6. That specific authority is given to the City Manager to make the following adjustments:

1. Transfer of appropriations budgeted from one account classification to another account classification within the same department.
2. Transfer of appropriations from designated appropriations from one department or activity to another department or activity within the same fund.
3. Transfer of unencumbered appropriations within a department.
4. Transfers from the General Fund and all other Funds of unexpended appropriations and excess revenues for the fiscal year 2019-20.

SECTION 7. All notices and public hearings required by law have been duly completed.

SECTION 8. Should any word, sentence, paragraph, subdivision, clause, phrase or section of this Ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this Ordinance as a whole, or any part or provision thereof other than the part so decided to be unconstitutional, illegal or invalid.

SECTION 9. All provisions of the Ordinances of the City of Farmers Branch, Texas, in conflict with the provisions of this Ordinance be, and the same are hereby, repealed, and all other provisions of the Ordinances of the City of Farmers Branch, Texas, not in conflict with the provisions of this Ordinance shall remain in full force and effect.

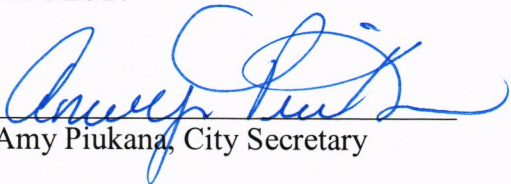
SECTION 10. This Ordinance shall take effect immediately from and after its passage and the publication of the caption, as the law and charter in such case provide.

UPON CALLING FOR A VOTE FOR APPROVAL OF THIS ORDINANCE, THE MEMBERS OF THE CITY COUNCIL VOTED AS FOLLOWS:

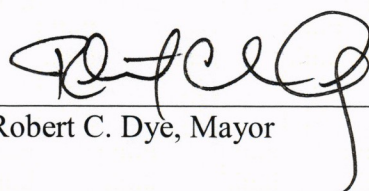
	Aye	Nay
Cristal Retana, Councilmember - District 1	X	
Bronson Blackson, Councilmember-District 2	X	
John Norwood, Councilmember – District 3	X	
Terry Lynne, Councilmember – District 4		X
Mike Bomgardner, Councilmember –District 5	X	

WITH 4 VOTING “AYE” AND 1 VOTING “NAY,” THIS ORDINANCE NO. WAS DULY PASSED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, ON THE 21ST DAY OF SEPTEMBER 2020.

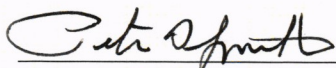
ATTEST:


Amy Piukana, City Secretary

APPROVED:


Robert C. Dye, Mayor

APPROVED AS TO FORM:


Peter G. Smith, City Attorney
(PGS:9-16-19:TM 117983)

**ORDINANCE NO. 3654**

AN ORDINANCE OF THE CITY OF FARMERS BRANCH LEVYING THE AD VALOREM TAXES FOR THE YEAR 2020 (FISCAL YEAR 2020-2021) AT A RATE OF \$0.589000 PER ONE HUNDRED DOLLARS (\$100) ASSESSED VALUATION ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY OF FARMERS BRANCH AS OF JANUARY 1, 2020, TO PROVIDE REVENUE FOR THE PAYMENT OF CURRENT EXPENSES; PROVIDING FOR AN INTEREST AND SINKING FUND FOR ALL OUTSTANDING DEBT OF THE CITY OF FARMERS BRANCH; PROVIDING FOR DUE AND DELINQUENT DATES TOGETHER WITH PENALTIES AND INTEREST; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Farmers Branch, Texas, upon full consideration of the matter, is of the opinion that the tax rate hereinafter set forth is proper and should be approved and adopted.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, THAT:

SECTION 1. That the tax roll as presented to the City Council, together with any supplements thereto, be and the same are hereby approved.

SECTION 2. There be and is hereby levied for the tax year 2020 on all taxable property, real, personal and mixed, situated within the corporate limits of the City of Farmers Branch, Texas, and not exempt by the Constitution of the State and valid State laws, a tax of \$0.589000 on each one hundred dollars (\$100) assessed valuation of taxable property, which shall be apportioned and distributed as follows:

- (a) For the purpose of defraying the current expenditures of the municipal government of the City of Farmers Branch, a tax of \$0.506203 on each one hundred dollars (\$100) assessed value on all taxable property.
- (b) For the purpose of creating a sinking fund to pay the interest and principal maturities of all outstanding debt of the City of Farmers Branch, not otherwise provided for, a tax of \$0.082797 on each one hundred dollars (\$100) assessed value of taxable property within the City of Farmers Branch, and shall be applied to the payment of interest and maturities of all such outstanding debt.

SECTION 3. All ad valorem taxes shall become due and payable on October 1, 2020, and all ad valorem taxes for the year shall become delinquent if not paid prior to February 1, 2021. There

shall be no discount for payment of taxes prior to February 1, 2021. A delinquent tax shall incur all penalty and interest authorized by law, to wit:

- (a) A penalty of six percent on the amount of the tax for the first calendar month it is delinquent, plus one percent for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent.
- (b) Provided, however, a tax delinquent on July 1, 2021, incurs a total penalty of twelve percent of the amount of delinquent tax without regard to the number of months the tax has been delinquent. A delinquent tax shall also accrue interest at the rate of one percent for each month or portion of a month the tax remains unpaid. Taxes for the year 2020 and taxes for all future years that become delinquent on or after February 1 but not later than May 1, that remain delinquent on July 1 of the year in which they become delinquent, incur an additional penalty in the amount of twenty percent (20%) of taxes, penalty and interest due, pursuant to Texas Property Tax Code Section 6.30 and 33.07, as amended. Taxes assessed against tangible personal property for the year 2020 and for all future years that become delinquent on or after February 1 of a year incur an additional penalty on the later of the date the personal property taxes become subject to the delinquent tax attorney's contract, or 60 days after the date the taxes become delinquent, such penalty to be in the amount of twenty percent (20%) of taxes, penalty and interest due, pursuant to Texas Property Tax Code Section 33.11. Taxes for the year 2020 and taxes for all future years that remain delinquent on or after June 1 under Texas Property Tax Code Sections 26.07(f), 26.15(e), 31.03, 31.031, 31.032 or 31.04 incur an additional penalty in the amount of twenty percent (20%) of taxes, penalty and interest due, pursuant to Texas Property Tax Code Section 6.30 and Section 33.08, as amended.

SECTION 4. The City shall have available all the rights and remedies provided by law for the enforcement of the collection of taxes levied under this ordinance.

SECTION 5. All Ordinances of the City of Farmers Branch in conflict with the provisions of this Ordinance be, and the same are hereby, repealed and all other provisions of the Ordinances of the City of Farmers Branch not in conflict with the provisions of this Ordinance shall remain in full force and effect.

SECTION 6. Should any sentence, paragraph, subdivision, clause, phrase or section of this Ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this Ordinance as a whole or any part or provision thereof other than the part thereof decided to be unconstitutional, illegal or invalid.

SECTION 7. This Ordinance shall take effect immediately from and after its passage, as the law and City Charter in such cases provide.

UPON CALLING FOR A VOTE FOR APPROVAL OF THIS ORDINANCE, THE MEMBERS OF THE CITY COUNCIL VOTED AS FOLLOWS:

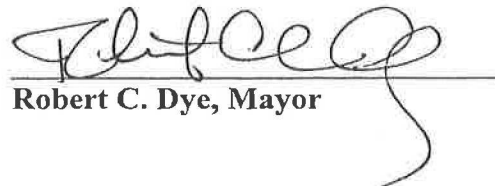
	Absent (Not Voting)	Aye	Nay
Cristal Retana, Councilmember - District 1		X	
Bronson Blackson, Councilmember-District 2		X	
John Norwood, Councilmember – District 3		X	
Terry Lynne, Councilmember – District 4			X
Mike Bomgardner, Councilmember –District 5		X	
Robert C. Dye, Mayor [in case of a tie vote]			

WITH 4 VOTING “AYE” AND 1 VOTING “NAY”, AND AT LEAST 60% OF THE MEMBERS OF THE GOVERNING BODY VOTING IN FAVOR OF THE ORDINANCE, THIS ORDINANCE NO. 3654 IS DULY PASSED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, ON THE 21ST DAY OF SEPTEMBER, 2020.

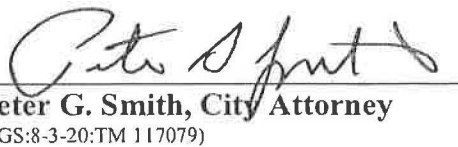
ATTEST:


Amy Piukana, City Secretary

APPROVED:


Robert C. Dye, Mayor

APPROVED AS TO FORM:


Peter G. Smith, City Attorney
(PGS:8-3-20:TM 117079)

ORDINANCE NO. 3621

AN ORDINANCE OF THE CITY OF FARMERS BRANCH, TEXAS, AMENDING THE CODE OF ORDINANCES OF THE CITY OF FARMERS BRANCH, TEXAS, BY AMENDING CHAPTER 78, SECTION 78-57, TO ADOPT AN INCREASE IN THE AMOUNT OF THE RESIDENCE HOMESTEAD EXEMPTION FOR INDIVIDUALS SIXTY-FIVE (65) YEARS OF AGE OR OLDER TO EIGHTY THOUSAND DOLLARS (\$80,000.00); PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Texas Constitution and Section 11.13 (d) of the Texas Property Tax Code authorizes the City Council of the City of Farmers Branch, Texas, to provide for an exemption from taxation by the City of a portion of the appraised value of a residence homestead of individuals who are sixty-five (65) years of age, or older, and for individuals who are disabled; and

WHEREAS, the City Council of the City of Farmers Branch, Texas, desires to increase the amount of the residence homestead exemption for individuals who are sixty-five (65) years of age, or older, and for individuals who are disabled;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, THAT:

SECTION 1. That the Code of Ordinances of the City of Farmers Branch, Texas, be, and the same is hereby amended by amending Chapter 78, Section 78-57 to read as follows:

“Sec. 78-57. - Exemption for individuals sixty-five or older.

Pursuant to the Texas Constitution and V.T.C.A., Property Tax Code § 11.13(d), \$80,000.00 of the appraised value of the residence homestead of an individual who is 65 years of age, or older, shall be exempt from ad valorem taxes beginning tax year 2020 and continuing thereafter, provided such person qualifies and makes application for the exemption in accordance with the Texas Property Tax Code.”

SECTION 2. That all provisions of the ordinances of the City of Farmers Branch in conflict with the provisions of this Ordinance be, and the same are hereby, repealed, and all other provisions of the ordinances of the City of Farmers Branch not in conflict with the provisions of this Ordinance shall remain in full force and effect.

SECTION 3. That should any sentence, paragraph, subdivision, clause, phrase or section of this Ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this Ordinance as a whole, or any part or provision thereof other than the part so decided to be invalid, illegal or unconstitutional.

SECTION 4. This Ordinance shall take effect immediately from and after its passage as the law and charter in such cases provide.

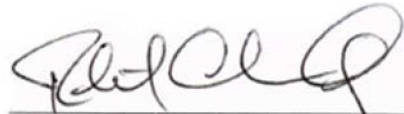
**DULY PASSED BY THE CITY COUNCIL OF THE CITY OF FARMERS
BRANCH, TEXAS, ON THIS THE 7TH DAY OF JANUARY, 2020.**

ATTEST:



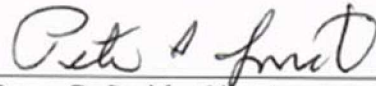
Amy Piukana, City Secretary

APPROVED:



Robert C. Dye, Mayor

APPROVED AS TO FORM:



Peter G. Smith, City Attorney
(PGS:12-12-19:TM 112671)

Notice About 2020 Tax Rates

(current year)

Property Tax Rates in _____ the City of Farmers Branch
(taxing unit's name)

This notice concerns the 2020 property tax rates for _____ the City of Farmers Branch
(current year) (taxing unit's name)

This notice provides information about two tax rates used in adopting the current tax year's tax rate. The no-new-revenue tax rate would impose the same amount of taxes as last year if you compare properties taxed in both years. In most cases, the voter-approval tax rate is the highest tax rate a taxing unit can adopt without holding an election. In each case, these rates are calculated by dividing the total amount of taxes by the current taxable value with adjustments as required by state law. The rates are given per \$100 of property value.

Taxing units preferring to list the rates can expand this section to include an explanation of how these tax rates were calculated.

This year's no-new-revenue tax rate \$ 0.649066/\$100

This year's voter-approval tax rate \$ 0.705433/\$100

To see the full calculations, please visit www.dallascounty.org for a copy of the Tax Rate Calculation Worksheet.
(website address)

Unencumbered Fund Balances

The following estimated balances will be left in the taxing unit's accounts at the end of the fiscal year. These balances are not encumbered by corresponding debt obligation.

Type of Fund	Balance
General Fund	\$ 13,440,377.00
Debt Service Fund	787,244.00

Current Year Debt Service

The following amounts are for long-term debts that are secured by property taxes. These amounts will be paid from upcoming property tax revenues (or additional sales tax revenues, if applicable).

Description of Debt	Principal or Contract Payment to be Paid From Property Taxes	Interest to be Paid From Property Taxes	Other Amounts to be Paid	Total Payment
Series 2009 Combination Tax & Revenue CO's	\$ 765,000.00	\$ 152,200.00	\$	\$ 917,200.00
Series 2012 Combination Tax & Revenue CO's	315,000.00	16,300.00		331,300.00
Series 2013 Combination Tax & Revenue CO's	300,000.00	138,900.00		438,900.00
Series 2014 General Obligation Bonds	465,000.00	289,400.00		754,400.00
Series 2014 Combination Tax & Revenue CO's	190,000.00	32,400.00		222,400.00
Series 2016 Combination Tax & Revenue CO's	110,000.00	57,200.00		167,200.00
Series 2018 General Obligation Bonds	150,000.00	491,100.00		641,100.00
Series 2018 Combination Tax & Revenue CO's	100,000.00	192,600.00		292,600.00
Series 2020 General Obligation Bonds	235,000.00	111,100.00		346,100.00
Series 2020 GO Improvement Bonds	130,000.00	281,300.00		411,300.00
Series 2020 Anticipated Debt		314,100.00	19,700.00	333,800.00

Notice of Tax Rates

Form 50-212

Total required for <u>2020</u> debt service.	\$ <u>4,856,300.00</u>
(current year)	
– Amount (if any) paid from funds listed in unencumbered funds	\$ <u>0.00</u>
– Amount (if any) paid from other resources	\$ <u>0.00</u>
– Excess collections last year	\$ <u>0.00</u>
 = Total to be paid from taxes in <u>2020</u>	\$ <u>4,856,300.00</u>
(current year)	
+ Amount added in anticipation that the taxing unit will collect	
only <u>100</u> % of its taxes in <u>2020</u>	\$ <u>0.00</u>
(collection rate) (current year)	
= Total Debt Levy	\$ <u>4,856,300.00</u>

This notice contains a summary of the no-new-revenue and voter-approval calculations as

certified by John R. Ames, Tax Assessor Collector on August 1, 2020

NOTICE OF MEETING TO VOTE ON TAX RATE

A tax rate of **\$0.589000 per \$100** valuation has been proposed by the governing body of **the City of Farmers Branch**.

PROPOSED TAX RATE	<u>\$0.589000 per \$100</u>
NO-NEW-REVENUE TAX RATE	<u>\$0.649066 per \$100</u>
VOTER-APPROVAL TAX RATE	<u>\$0.705433 per \$100</u>

The no-new-revenue tax rate is the tax rate for the **2020** tax year that will raise the same amount of property tax revenue for **the City of Farmers Branch** from the same properties in both the **2019** tax year and the **2020** tax year.

The voter-approval tax rate is the highest tax rate that **the City of Farmers Branch** may adopt without holding an election to seek voter approval of the rate.

The proposed tax rate is not greater than the no-new-revenue tax rate. This means that **the City of Farmers Branch** is not proposing to increase property taxes for the **2020** tax year.

A public meeting to vote on the proposed tax rate will be held on **September 21, 2020** at **6:00 pm** at **City of Farmers Branch, City Hall, 13000 William Dodson Pkwy, Farmers Branch, TX 75234**.

The proposed tax rate is also not greater than the voter-approval tax rate. As a result, **the City of Farmers Branch** is not required to hold an election to seek voter approval of the rate. However, you may express your support for or opposition to the proposed tax rate by contacting the **members of the City Council** of **the City of Farmers Branch** at their offices or by attending the public meeting mentioned above.

YOUR TAXES OWED UNDER ANY OF THE TAX RATES MENTIONED ABOVE CAN BE CALCULATED AS FOLLOWS:

$$\text{Property tax amount} = (\text{tax rate}) \times (\text{taxable value of your property}) / 100$$

The members of the governing body voted on the proposed tax rate as follows:

FOR THE PROPOSAL: Cristal Retana – Councilmember District 1; Bronson Blackson – Councilmember District 2; John Norwood – Councilmember District 3; Terry Lynne – Councilmember District 4; Mike Bomgardner – Councilmember District 5

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state.

The following table compares the taxes imposed on the average residence homestead by **the City of Farmers Branch** last year to the taxes proposed to be imposed on the average residence homestead by **the City of Farmers Branch** this year:

	2019	2020	Change
Total tax rate (per \$100 of value)	\$0.599507	\$0.589000	Decrease of -\$0.010507 or 1.7526%
Average homestead taxable value	\$181,508	\$200,117	Increase of 10.25%
Tax on average homestead	\$1,088.15	\$1,178.69	Increase of \$90.54 or 8.32%
Total tax levy on all properties	\$36,513,970	\$34,546,366	Decrease of -\$1,967,604 or -5.39%

For assistance with tax calculations, please contact the tax assessor for **the City of Farmers Branch** at **214.653.7811** or **TNTHelp@dallascounty.org**, or visit **www.dallascounty.org/tax** for more information.

2020 Tax Rate Calculation Worksheet**Taxing Units Other Than School Districts or Water Districts****2020 City of Farmers Branch****972.919.2521****Taxing Unit Name****Phone (area code and number)****13000 William Dodson Pkwy, Farmers Branch, TX, 75234****www.farmersbranchtx.gov****Taxing Unit Address, City, State, ZIP Code****Taxing Unit's Website Address**

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

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

Water districts as defined under Water Code Section 49.001(1) do use this form but instead use Comptroller Form 50-858 *Water District Voter-Approval Tax Rate Worksheet for Low Tax Rate and Developing Districts* or Comptroller Form 50-860 *Developed water District Voter-Approval Tax Rate Worksheet*.

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

STEP 1: No-New-Revenue Tax Rate

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

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

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

Line	No-New-Revenue Rate Activity	Amount/Rate
1.	2019 total taxable value. Enter the amount of 2019 taxable value on the 2019 tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (will deduct taxes in Line 17).	\$5,796,300,989
2.	2019 tax ceilings. Counties, cities and junior college districts. Enter 2019 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2019 or a prior year for homeowners age 65 or older or disabled, use this step	\$0
3.	Preliminary 2019 adjusted taxable value. Subtract Line 2 from Line 1.	\$5,796,300,989
4.	2019 total adopted tax rate	\$.599507
5.	2019 taxable value lost because court appeals of ARB decisions reduced 2019 appraised value:	
	A. Original 2019 ARB values:	\$958,976,510
	B. 2019 values resulting from final court decisions:	\$880,954,400
	C. 2019 value loss. Subtract B from A.[3]	\$78,022,110

Line	No-New-Revenue Rate Activity	Amount/Rate
6.	2019 taxable value subject to appear under Chapter 42, as of July 25.	
	A. 2019 ARB certified value	394,290,330
	B. 2019 disputed value:	234,679,627
	C. 2019 undisputed value Subtract B from A	159,610,703
7.	2019 Chapter 42-related adjusted values. Add Line 5 and 6	237,632,813
8.	2019 taxable value, adjusted for court-ordered reductions. Add Line 3 and Line 7	\$6,033,933,802
9.	2019 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2019. Enter the 2019 value of property in deannexed territory.[4]	\$0
10.	2019 taxable value lost because property first qualified for an exemption in 2020. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in 2020 does not create a new exemption or reduce taxable value.	
	A. Absolute exemptions. Use 2019 market value:	\$754,463
	B. Partial exemptions. 2020 exemption amount or 2020 percentage exemption times 2019 value:	\$56,218,553
	C. Value loss. Add A and B.	\$56,973,016
11.	2019 taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1),timber appraisal, recreational/scenic appraisal or public access airport special appraisal in 2020. Use only properties that qualified in 2020 for the first time; do not use properties that qualified in 2019.	
	A. Use 2019 market value:	\$0
	B. 2020 productivity or special appraised value:	\$0
	C. Value loss. Subtract B from A.	\$0
12.	Total adjustments for lost value. Add Lines 9, 10C and 11C.	\$56,973,016
13.	Adjusted 2019 taxable value. Subtract Line 12 from Line 8	\$5,976,960,786
14.	Adjusted 2019 taxes. Multiply Line 4 by Line 13 and divide by \$100	\$35,832,298
15.	Taxes refunded for years preceding tax year 2019. Enter the amount of taxes refunded by the district for tax years preceding tax year 2019. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2019. This line applies only to tax years preceding tax year 2019. [8]	\$340,115
16.	Taxes in tax increment financing (TIF) for tax year 2019 Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2020 captured appraised value in Line 18D, enter 0.	\$1,892,901
17.	Adjusted 2019 levy with refunds and TIF adjustment. Add Lines 14, and 15, subtract Line 16.	\$34,279,512
18.	Total 2020 taxable value on the 2020 certified appraisal roll today. This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled.	
	A.Certified values	\$4,941,716,126
	B. Counties Include railroad rolling stock values certified by the Comptroller s office	\$0
	C. Pollution control and energy storage system exemption Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property	\$0
	D. Tax increment financing Deduct the 2020 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2020 taxes	\$198,494,322

Line	No-New-Revenue Rate Activity	Amount/Rate
	will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 23 below.	
	E. Total 2020 value Add A and B, then subtract C and D	\$4,743,221,804
19.	Total value of properties under protest or not included on certified appraisal roll.	
	A. 2020 taxable value of properties under protest The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest.	\$1,122,035,694
	B. 2020 value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll.	\$0
	C. Total value under protest or not certified. Add A and B.	\$1,122,035,694
20.	2020 tax ceilings. Counties, cities and junior colleges enter 2020 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2019 or a prior year for homeowners age 65 or older or disabled, use this step.	\$0
21.	2020 total taxable value. Add Lines 18E and 19C. Subtract Line 20C.	\$5,865,257,498
22.	Total 2020 taxable value of properties in territory annexed after Jan. 1, 2019. Include both real and personal property. Enter the 2020 value of property in territory annexed.	\$0
23.	Total 2020 taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in 2019. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, 2019 and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for 2020.	\$583,902,254
24.	Total adjustments to the 2020 taxable value. Add Lines 22 and 23.	\$583,902,254
25.	Adjusted 2020 taxable value. Subtract Line 24 from Line 21.	\$5,281,355,244
26.	2020 NNR tax rate. Divide Line 17 by Line 25 and multiply by \$100.	\$.649066 /\$100
27.	COUNTIES ONLY. Add together the NNR tax rates for each type of tax the county levies. The total is the 2020 county NNR tax rate	

[1]Tex. Tax Code Section

[2]Tex. Tax Code Section

[21]Tex. Tax Code Section

[3]Tex. Tax Code Section

[4]Tex. Tax Code Section

[5]Tex. Tax Code Section

[6]Tex. Tax Code Section

[7]Tex. Tax Code Section

[8]Tex. Tax Code Section

[9]Tex. Tax Code Section

[10]Tex. Tax Code Section

[11]Tex. Tax Code Section

[12]Tex. Tax Code Section

[13]Tex. Tax Code Section

[14]Tex. Tax Code Section

[15]Tex. Tax Code Section

[16]Tex. Tax Code Section

[17]Tex. Tax Code Section

[18]Tex. Tax Code Section

[19]Tex. Tax Code Section

[20]Tex. Tax Code Section

STEP 2: Voter-Approval Tax Rate

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

1. Maintenance and Operations (M&O) Tax Rate: The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.

2. Debt Rate: The debt rate includes the debt service necessary to pay the taxing unit's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

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

Line	Voter Approval Tax Rate Activity	Amount/Rate
28.	2019 M&O tax rate. Enter the 2019 M&O tax rate.	\$.527348
29.	2019 taxable value, adjusted for actual and potential court-ordered adjustments. Enter the amount in Line 8 of the No-New-Revenue Tax Rate Worksheet.	6,033,933,802
30.	Total 2019 M&O levy. Multiply Line 28 by Line 29 and divide by \$100	31,819,829
31.	Adjusted 2019 levy for calculating NNR M&O rate. Add Line 31E to Line 30.	30,447,854
	A. 2019 sales tax specifically to reduce property taxes. For cities, counties and hospital districts, enter the amount of additional sales tax collected and spent on M&O expenses in 2019, if any. Other taxing units, enter 0. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent	0
	B. M&O taxes refunded for years preceding tax year 2019. Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2019. This line applies only to tax years preceding tax year 2019	293,090
	C. 2019 taxes in TIF: Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2020 captured appraised value in Line 18D, enter 0	1,665,065
	D. 2019 transferred function: If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in E below. The taxing unit receiving the function will add this amount in E below. Other taxing units enter 0.	0
	E. 2019 M&O levy adjustments. Add A and B, then subtract C. For taxing unit with D, subtract if discontinuing function and add if receiving function	-1,371,975
32.	Adjusted 2020 taxable value. Enter the amount in Line 25 of the No-New-Revenue Tax Rate Worksheet.	5,281,355,244
33.	2020 NNR M&O rate (unadjusted) Divide Line 31 by Line 32 and multiply by \$100.	0.576515
34.	Rate adjustment for state criminal justice mandate. Enter the rate calculated in C. If not applicable, enter 0.	0.000000
	A. 2020 state criminal justice mandate. Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose.	0
	B. 2019 state criminal justice mandate Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies	0

Line	Voter Approval Tax Rate Activity	Amount/Rate
	C. Subtract B from A and divide by Line 32 and multiply by \$100	0.000000
35.	Rate adjustment for indigent health care expenditures Enter the rate calculated in C. If not applicable, enter 0	0.000000
	A. 2020 indigent health care expenditures Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2019 and ending on June 30, 2020, less any state assistance received for the same purpose	0
	B. 2019 indigent health care expenditures Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2018 and ending on June 30, 2019, less any state assistance received for the same purpose	0
	C. Subtract B from A and divide by Line 32 and multiply by \$100	0.000000
36.	Rate adjustment for county indigent defense compensation Enter the lessor of C and D. If not applicable, enter 0	0.000000
	A. 2020 indigent defense compensation expenditures Enter the amount paid by a county to provide appointed counsel for indigent individuals for the period beginning on July 1, 2019 and ending on June 30, 2020, less any state grants received by the county for the same purpose	0
	B. 2019 indigent defense compensation expenditures Enter the amount paid by a county to provide appointed counsel for indigent individuals for the period beginning on July 1, 2018 and ending on June 30, 2019, less any state grants received by the county for the same purpose	0
	C. Subtract B from A and divide by Line 32 and multiply by \$100	0.000000
	D. Multiply B by 0.05 and divide by Line 32 and multiply by \$100	0.000000
37.	Rate adjustment for county hospital expenditures. Enter the lessor of C and D, if applicable. If not applicable, enter 0.	0
	A. 2020 eligible county hospital expenditures Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2019 and ending on June 30, 2020	0
	B. 2019 eligible county hospital expenditures Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2018 and ending on June 30, 2019	0
	C. Subtract B from A and divide by Line 32 and multiply by \$100	0.000000
	D. Multiply B by 0.08 and divide by Line 32 and multiply by \$100	0.000000
38.	Adjusted 2020 NNR M&O rate. Add Lines 33, 34, 35, 36, and 37	0.576515
39.	2020 voter-approval M&O rate. Enter the rate as calculated by the appropriate scenario below. Special Taxing Unit If the taxing unit qualifies as a special taxing unit, multiply Line 38 by 1.08 -or- Other Taxing Unit If the taxing unit does not qualify as a special taxing unit, multiply Line 38 by 1.035. -or- Taxing unit affected by disaster declaration If the taxing unit is located in an area declared as disaster area, the governing body may direct the person calculating the voter-approval rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval rate in this manner until the earlier of 1) the second year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred, and 2) the third tax year after the tax year in which the disaster occurred. If the taxing unit qualifies under this scenario, multiply Line 38 by 1.08. [27]	0.622636
40.	Total 2020 debt to be paid with property taxes and additional sales tax revenue. Debt means the interest and principal that will be paid on debts that: (1) are paid by property taxes, (2) are secured by property taxes, (3) are scheduled for payment over a period longer than one year, and (4) are not classified in the taxing unit's budget as M&O expenses.	

Line	Voter Approval Tax Rate Activity	Amount/Rate
	A. Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. Enter debt amount	4,856,300
	B. Subtract unencumbered fund amount used to reduce total debt.	0
	C. Subtract certified amount spent from sales tax to reduce debt (enter zero if none)	0
	D. Subtract amount paid from other resource	0
	E. Adjusted debt Subtract B, C and D from A	4,856,300
41.	Certified 2019 excess debt collections Enter the amount certified by the collector.	0
42.	Adjusted 2020 debt Subtract Line 41 from Line 40E	4,856,300
43.	2020 anticipated collection rate. . If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%	100.00
	A. Enter the 2020 anticipated collection rate certified by the collector	100.00
	B. Enter the 2019 actual collection rate	99.50
	C. Enter the 2018 actual collection rate	98.73
	D. Enter the 2017 actual collection rate	98.63
44.	2020 debt adjusted for collections. Divide Line 42 by Line 43.	4,856,300
45.	2020 total taxable value. Enter the amount on Line 21 of the No-New-Revenue Tax Rate Worksheet.	5,865,257,498
46.	2020 debt rate Divide Line 44 by Line 45 and multiply by \$100.	0.082797
47.	2020 voter-approval tax rate	0.705433
48.	COUNTIES ONLY	
STEP 3 NNR Tax Rate and Voter-Approval Tax Rate Adjustments for Additional Sales tAx to Reduce Property Taxes		

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

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

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
49.	Taxable sales. For taxing units that adopted the sales tax in November 2019 or May 2020, enter the Comptroller's estimate of taxable sales for the previous four quarters. Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November 2019, skip this line.	0
50.	Estimated sales tax revenue. Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. Taxing units that adopted the sales tax in November 2019 or in May 2020. Multiply the amount on Line 49 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95[3] -or- Taxing units that adopted the sales tax before November 2019. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	0
51.	2020 total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> ..	5,865,257,498
52.	Sales tax adjustment rate. Divide Line 50 by Line 51 and multiply by \$100.	0.000000
53.	2020 NNR tax rate, unadjusted for sales tax. [35] Enter the rate from Line 26 or 27, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$.649066
54.	2020 NNR tax rate, adjusted for sales tax. Subtract Line 52 from Line 53.	\$.649066
55.	2020 voter-approval tax rate, unadjusted for sales tax. [36] Enter the rate from	0.705433

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
	Line 47 or Line 48 as applicable, of the <i>Voter-Approval Tax Rate Worksheet</i>	
56.	2020 voter-approval tax rate, adjusted for sales tax. Subtract Line 52 from Line 55.	0.705433

[37]Tex. Tax Code Section [38]Tex. Tax Code Section

STEP 4: Additional Rollback Protection for Pollution Control

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

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

Line	Activity	Amount/Rate
57.	Certified expenses from the Texas Commission on Environmental Quality (TCEQ). [6] Enter the amount certified in the determination letter from TCEQ. The taxing unit shall provide its tax assessor collector with a copy of the letter.[7]	\$0
58.	2020 total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i>	\$5,865,257,498
59.	Additional rate for pollution control. Divide Line 57 by Line 58 and multiply by \$100.	0.000000
60.	2020 voter-approval tax rate, adjusted for pollution control. Add Line 59 to one of the following lines (as applicable): Line 47, Line 48 (counties) or Line 56 (taxing units with the additional sales tax).	0.705433

[37]Tex. Tax Code Section

[38]Tex. Tax Code Section

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

The unused increment rate is the rate equal to the difference between the adopted tax rate and voter-approval tax rate before the unused increment rate for the prior three years.[39] In a year where a special taxing unit adopts a rate above the voter-approval tax rate by applying any portion of the unused increment rate, the unused increment rate for that year would be zero. Consult with legal counsel to ensure appropriate calculation of the unused increment rate.

For each tax year before 2020, the difference between the adopted tax rate and voter-approval rate is considered zero, therefore the unused increment rate for 2020 is zero.[40]

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit. [41]

Line	Activity	Amount/Rate
61.	2019 unused increment rate. Subtract the 2019 actual tax rate and the 2019 unused increment rate from the 2019 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	0.000000
62.	2018 unused increment rate. Subtract the 2018 actual tax rate and the 2018 unused increment rate from the 2018 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	0.000000
63.	2017 unused increment rate. Subtract the 2017 actual tax rate and the 2017 unused increment rate from the 2017 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	0.000000
64.	2020 unused increment rate. Add Lines 61, 62 and 63.	0.000000
65.	2020 voter-approval tax rate, adjusted for unused increment rate. Add Line 64 to one of the following lines (as applicable): Line 47, Line 48 (counties), Line 56 (taxing units with the additional sales tax) or Line 60 (taxing units with pollution control).	0.000000

STEP 6: De Minimis Rate

The de minimis rate is the rate equal to the sum of the no=new-revenue maintenance and operations rate, the rate that will raise \$500,000, and the current debt rate for a taxing unit.[42]

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit. [41]

Line	Activity	Amount/Rate
66.	Adjusted 2020 NNR M&O tax rate. Enter the rate from Line 38 of the <i>Voter-Approval Tax Rate Worksheet</i>	0.576515
67.	2020 total taxable value Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i>	5,865,257,498
68.	Rate necessary to impose \$500,000 in taxes. Divide \$500,000 by Line 67 and multiply by \$100.	0.008524
69.	2020 debt rate Enter the rate from Line 46 of the <i>Voter- Approval Tax Rate Worksheet</i>	0.082797
70.	De minimis rate Add Lines 66, 68 and 69.	0.667836

STEP 7: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate	0.649066
Voter-Approval Tax Rate	0.705433
De minimis rate	0.667836

GLOSSARY

Accounts Payable

A liability account reflecting amounts on open account owing to private persons or organizations for goods and services received by a government (but not including amounts due to other funds of the same government or to other governments).

Accounts Receivable

An asset account reflecting amounts owing to open accounts from private persons or organizations for goods and services furnished by a government.

Accrual Accounting

Basis of accounting under which revenues are recognized when earned and expenses are recognized when the related liabilities are incurred.

Actual

Actual, as used in the fund summaries and department and division summaries within the budget document, represents the actual costs results of operations. This category is presented on a GAAP basis, with the exception that depreciation and amortization are not budgeted and principal payments on debt in the enterprise funds are budgeted as expenses.

Ad Valorem Tax

A tax computed from the assessed valuation of land and improvements.

Adopted

Adopted, as used in the fund summaries and department and division summaries within the budget document, represents the budget as approved by the City Council.

Appropriation

An authorization made by the legislative body of a government that permits officials to incur obligations against and to make expenditures of governmental resources. Specific appropriations are usually made at the fund level and are granted for a one-year period.

Appropriation Ordinance

The official enactment by the legislative body establishing the legal authority for officials to obligate and expend resources.

Assessed Valuation

A government sets a valuation upon real estate or other property as a basis for levying taxes. An assessed valuation represents the appraised valuation less any exemptions.

Assets

Resources owned or held by the City, which have monetary value.

Assigned Fund Balance

Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Balanced Budget

An operating budget where revenues equal or exceed expenditures and no use of fund balance is required.

Beginning Balance

The beginning balance is the residual non–restricted funds brought forward from the previous fiscal year (ending balance).

Bond

A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are General Obligation and Revenue Bonds. These are most frequently used for construction of large capital projects, such as buildings, streets, and bridges.

Bond Proceeds

Funds received from the sale of any bond issue.

Budget

The City's financial plan for a specific fiscal year that contains both the estimated revenues to be received during the year and the proposed expenditures to be incurred to achieve stated objectives.

Budget Calendar

The schedule of key dates or milestones that City departments follow in the preparation, adoption, and administration of the budget.

Budget Message

The opening section of the budget that provides the City Council and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, as well as the views and recommendation of the City Manager.

Budgetary Basis

Budgets are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP), with the exception that (1) encumbrances are considered to be an expenditure chargeable to appropriations; (2) no depreciation is budgeted for proprietary funds; and (3) bond principal in the enterprise funds is subject to appropriation.

Capital Outlay

Includes the purchase of land, the purchase or construction of buildings, structures, and facilities of all types, plus machinery and equipment. It includes expenditures that result in the acquisition or addition of a fixed asset or increase the capacity, efficiency, span of life, or economy of operating an existing fixed asset. For an item to qualify as a capital outlay expenditure it must meet all of the following requirements: 1) have an estimated useful life of more than one year; 2) typically have a unit cost of \$5,000 or more; and 3) be a betterment or improvement. Replacement of a capital item is classified as a capital outlay under the same code as the original purchase. Replacement or repair parts are classified under commodities.

Capital Improvement Plan (CIP)

A capital improvements plan is a comprehensive plan which projects the capital needs of the community. Generally, it is a cyclical process that projects the needs for a set number of years. Capital improvements plans are essential to sound infrastructure and financial planning. The annual capital budget is derived from the long–term CIP.

Capital Project

Any project having assets of significant value and having a useful life of five years or more. Capital projects include the purchase of land, design, engineering and construction of buildings, and infrastructure items such as streets, bridges, drainage, street lighting, and water systems.

Capital Projects Funds

Funds used to account for all resources used for the acquisition and/or construction of major capital facilities by the City, except those financed by the Enterprise Fund.

CDBG

Acronym for Community Development Block Grant.

Certificates of Obligation

Similar to general obligation bonds except the certificates require no voter approval.

CIP

Acronym for Capital Improvement Program, a multi-year schedule of capital improvement projects. This is a flexible budget document that is used as a planning tool for needed improvements. Amounts approved in the CIP are considered guidelines and are not officially adopted as budgeted amounts until they are incorporated in the operating budget of one of the City's funds.

Committed Fund Balance

Amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority. To be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

Commodities

Commodities are expendable items purchased through the City-approved centralized purchasing process. This classification includes supplies, repair and replacement parts, small tools, and maintenance and repair materials that are not of a capital nature.

Consumer Price Index (CPI)

A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

Contingency

A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Contractual Services

Includes expenditures for services performed by firms, individuals, or other City departments. Supplies are not included in the contractual services accounts.

Cost

The amount of money or other consideration exchanged for property or services. Costs may be incurred even before money is paid; that is, as soon as a liability is incurred.

CPI

An acronym for Consumer Price Index.

Current Taxes

Taxes that are levied and due within one year.

DART

Acronym for Dallas Area Rapid Transit, a mass transit authority serving the Dallas metroplex, which is funded through a 1% sales tax levied in participating cities.

DCAD

Acronym for Dallas Central Appraisal District.

Debt Service

The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

Delinquent Taxes

Taxes remaining unpaid on and after the date for which a penalty for non-payment is attached.

Department

The combination of divisions of the City headed by a department head with a specific and unique set of goals/objectives (e.g., Police, Fire, Finance, Public Works, etc.).

Depreciation

The process of estimating and recording the lost usefulness, expired useful life or diminution of service from a fixed asset that cannot or will not be restored by repair and will be replaced. The cost of the fixed asset's lost usefulness is the depreciation or the cost to reserve in order to replace the item at the end of its useful life.

Division

A functional unit within a department consisting of one or more cost centers engaged in activities supporting the unit's mission and objectives.

Elastic Revenues

Revenues that are highly responsive to changes in the economy or inflation, such as sales tax, permits, and fees.

EMS

An acronym for emergency medical services.

Encumbrance

Includes obligations in the form of purchase orders, contracts or other commitments. They cease to be encumbrances when paid, canceled, or when the actual liability is established.

Ending Balance

The residual non–restricted funds that are spendable or available for appropriation at the end of the fiscal year.

Enterprise Fund

A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedules for these services are established to ensure that revenues are adequate to meet all necessary expenditures. Enterprise Funds in Farmers Branch are established for water and sewer service.

Estimated

Represents the original adopted budget plus any approved changes and anticipated year–end savings.

Expenditures

This term refers to the outflow of funds paid or to be paid for an asset obtained or goods and services obtained regardless of when the expense is actually incurred. This term applies to all funds.

Expenses

Charges incurred (whether paid immediately or unpaid) for operation, maintenance, interest, and other charges.

Fees

Charges for specific services.

Financial Policy

A government's directive with respect to revenues, spending, reserves, and debt management as these relate to government services, programs and capital investment. Financial policy provides an agreed upon set of principles for the planning and programming of government budgets and its funding.

Fiscal Year

A twelve–month period designated as the operating year for accounting and budgeting purposes in an organization. The City of Farmers Branch's fiscal year is October 1 through September 30.

Fixed Asset

Asset of a long-term character that is intended to continue to be held or used, such as land, buildings, improvements other than buildings, machinery, and equipment.

Fixed Asset Fund

Account group used to record the purchase of a fixed asset.

Forecast

A prediction of a future outcome based on known and unknown factors.

Franchise

A special privilege granted by a government permitting the continuing use of public property, such as city streets, and usually involving the elements of monopoly and regulation.

Franchise Fee

Reimbursement for a utility's use of City streets and rights-of-way.

Fringe Benefits

Contributions made by a government to meet commitments or obligations for employee-related expenses. Included are the government's share of costs for Social Security and the various pension, medical, and life insurance plans.

Full-Time Equivalent (FTE)

A calculation used to convert part-time hours to equivalent full-time positions. Full-time employee salaries are based on 2,080 hours per year. The full-time equivalent of a part-time employee is calculated by dividing number of hours budgeted by 2,080.

Fund

A fiscal and accounting entity with a self-balancing set of accounts. Records cash and other financial resources together with all related liabilities and residual equities or balances and changes therein. These are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Fund Balance

The balance of net financial resources that are spendable or available for appropriation.

Fund Summary

A combined statement of revenues, expenditures, and changes in fund balance for the prior year's actual, adopted, and estimated budgets, and the current year's adopted budgets.

GAAFR

Acronym for Governmental Accounting and Auditing Financial Review.

GAAP

Acronym for Generally Accepted Accounting Practices.

GAAP Adjustments

Differences arising from the use of a basis of accounting for budgetary purposes that differs from the basis of accounting applicable when reporting on operations in conformity with Generally Accepted Accounting Principles (GAAP). For example, depreciation and amortization in Enterprise Funds are not considered expenses on the budget basis of accounting, but are considered expenses on the GAAP basis.

GASB

Acronym for Government Accounting Standards Board, an independent, non-profit agency responsible for the promulgation of accounting and financial reporting procedures for governmental entities.

General Fund

The General Fund accounts for many of the financial resources of the government. General Fund revenues include property taxes, licenses and permits, local taxes, service charges, and other types of revenue. This fund usually includes most of the basic operating services, such as fire and police protection, finance administration, park and recreation, libraries, streets, buildings, and land.

General Long-Term Debt

Represents any unmatured debt not considered to be a fund liability.

General Obligation Bonds

Bonds that finance a variety of public projects such as streets, buildings, and improvements. The repayment of these bonds is usually made from the General Fund and these bonds are backed by the full faith and credit of the issuing government.

Generally Accepted Accounting Principles (GAAP)

The uniform minimum standards and guidelines to financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. GAAP encompass the conventions, rules, and procedures necessary to define the accepted accounting practices at a particular time. They include both broad guidelines of general application and detailed practices and procedures. GAAP provides standards by which to measure financial presentations.

GFOA

An acronym for Government Finance Officers Association of the United States and Canada.

Goal

A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless.

Governmental Funds

Those funds through which most governmental functions are typically financed. The acquisition, use, and financial resources and the related current liabilities are accounted for through governmental funds (General, Debt Service, Special Revenue, Capital Projects).

Grant

A contribution by one government unit or funding source to another. The contribution is usually made to aid in the support of a specified function (e.g., education or drug enforcement), but it is sometimes for general purposes.

ICMA

Acronym for International City Management Association.

Indirect Cost Allocation

Funding transferred to the general fund from enterprise funds for specific central administrative functions which benefit those funds (e.g., City Manager, Financial Services Department, Human Resources, Legal, etc.).

Infrastructure

The basic facilities on which a city, state, etc. depends, such as roads and bridges.

Internal Service Fund

A fund used to account for the financing of goods or services provided by one City department or cost center to another department, on a cost-reimbursement basis.

LAP

Acronym for Local Assistance Program, a grant program funded by DART for local transportation capital improvements.

Liabilities

Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed or refunded at some future date.

Line Item Budget

A budget format that summarizes the object codes of expenditures for goods and services that the City intends to purchase during the fiscal year.

Long-Term Debt

Debt with a maturity of more than one year after the date of issuance.

Modified Accrual Accounting

Basis of accounting whereby revenues are recorded when susceptible to accrual (i.e. both measurable and available). Available, in this sense, means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, if measurable.

Nonspendable Fund Balance

Amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.

Objective

Something to be accomplished in specific, well defined, and measurable terms and that is achievable within a specific time frame.

Operating Budget

The portion of the budget that pertains to daily operations that provide basic governmental services. The operating budget contains appropriations for such expenditures as personnel, supplies, utilities, materials, travel, and fuel.

Operating Fund

The City classifies General Fund and Enterprise Funds as operating funds.

Operating Revenue

Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

Ordinance

A formal legislative enactment by the governing body of a municipality. If it is not in conflict with any higher form of law, such as a state statute or a constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies.

Outstanding Debt

The balance due at any given time resulting from the borrowing of money or from the purchase of goods and services.

Pay-as-you-go Capital Improvement Projects

Capital projects whose funding source is derived from City revenue sources other than through the sale of voter-approved bonds.

PC Replacement Program

Established to centralize the responsibility for personal computer service and maintenance of computer and printer inventories. Departments are assessed an annual fee based upon their inventory of PCs and printers in use. The charge is accumulated in the PC Replacement Fund and used to replace printers and desktop/laptop computers on a standard replacement schedule.

Performance Measures

Specific quantitative and qualitative measures of work performed as an objective of the department.

Personal Services

Include the salaries and wages paid to employees plus the City's contribution for fringe benefits such as retirement, health and Workers' Compensation insurance.

PID

An acronym for Public Improvement District. The PID was established on the City's east side to provide a funding mechanism for the construction of a sewer interceptor tunnel.

PILOT

Acronym for Payment-in-Lieu-of-Tax representing a transfer of funds from the Water & Sewer Fund to the General Fund, calculated as an estimate of what the Water & Sewer Fund would pay to the City in ad valorem and franchise taxes if it were a separate entity.

Property Tax

Property taxes are levied on both real and personal property according to the property's valuation and the tax rate.

Proprietary Funds

Funds that account for government operations that are financed and operated in a manner similar to a private business.

Refunding

A procedure whereby an issuer refinances an outstanding bond issue by issuing new bonds. There are generally two major reasons for refunding: (1) to reduce the issuer's interest costs or (2) to remove a burdensome or restrictive covenant imposed by the terms of the bonds being refinanced. The proceeds of the new bonds are either deposited into escrow to pay the debt service on the outstanding obligations when due, or they are used to immediately retire the outstanding obligations. The new obligations are referred to as the refunding bonds and the outstanding obligations being refinanced are referred to as the refunded bonds or the prior issue.

Reserve

An account which records a portion of the fund balance which must be segregated for some future use and which is, therefore, not available for further appropriation or expenditure.

Resolution

A legislative enactment by the governing board of a municipality, which requires less legal formality and has a lower legal status than that of an ordinance.

Restricted Fund Balance

Amounts constrained to specific purposes by their providers (such as grantors, bondholders and higher levels of government), through constitutional provisions or enabling legislation.

Retained Earnings

The difference between proprietary fund assets and liabilities. The term fund balance or fund equity is used in governmental fund types.

Revenue

Funds that the government receives as income. Revenue includes such items as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, and interest income.

Revenue Bonds

Bonds usually sold for constructing a project that will produce revenue for the government. All or part of the revenue is used to pay the principal and interest of the bond.

Self-Insurance

The retention by an entity of a risk of loss arising out of the ownership of property or from some other cause instead of transferring that risk through the purchase of an insurance policy.

Sinking Fund

An account into which a debt issuer makes periodic deposits to ensure the timely availability of sufficient monies for the payment of debt service requirements. The revenues to be deposited into the sinking fund and payments therefrom are determined by the terms of the bond contract.

Special Assessment

A compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

Special Revenue Fund

Fund used to account for the accumulation and disbursement of restricted sources.

Supplies

A cost category for minor items (individually priced at less than \$5,000) required by departments to conduct their operations, which are not generally permanent in nature.

Tax Rate

A percentage applied to all taxable property to raise general revenue. It is derived by dividing the total tax levy by the taxable net property valuation.

Taxes

Compulsory charges levied by a government for the purpose of financing services performed for the common benefit.

TIF

Acronym for Tax Increment Financing, which is funded from bonds, developers' contributions and advances, and/or property tax payments to account for infrastructure construction in special districts within the City.

Transfers

Money transferred between funds (operating transfers in to one fund and operating transfers out to another fund).

TXDOT

Acronym for Texas Department of Transportation, a state government agency.

Unassigned Fund Balance

Amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

User Fee

The fee charged for services to the party or parties who directly benefits.