CITY OF FARMERS BRANCH, TEXAS

Annual Operating Budget

Fiscal Year 2018-19

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:

This budget will raise less revenue from property taxes than last year's budget by an amount of $330,997, which is a 1.06% decrease from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is $523,175.

Upon calling for a vote for approval of an ordinance adopting the City of Farmers Branch 2018-19 Fiscal Year Budget, the members of the City Council voted as follows:

City Council	Aye	Nay
Ana Reyes, 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 fiscal year, and each municipal property tax rate that has been adopted or calculated for the current fiscal year, include:

Tax Year	2018	2017
Fiscal Year	2018-19	2017-18
Proposed Rate [MAXIMUM]	$ 0.599507	$ 0.602267
Total Adopted Rate	$ 0.599507	$ 0.602267
Adopted Operating Rate	$ 0.516722	$ 0.517699
Adopted Debt Rate	$ 0.082785	$ 0.084568
Effective Tax Rate	$ 0.599508	$ 0.600386
Effective Maintenance & Operations Rate	$ 0.515307	$ 0.511874
Rollback Maintenance & Operations Rate	$ 0.556531	$ 0.552823
Debt Tax Rate (I&S)	$ 0.082785	$ 0.084568
Rollback Tax Rate	$ 0.639316	$ 0.637391

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	$ 62,815,570.30	$ 4,255,800.00
Self-Supporting	$ 10,724,193.86	$ 1,785,400.00
Total Debt	$ 73,539,764.16	$ 6,041,200.00

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.

CITY OF FARMERS BRANCH, TEXAS
ADOPTED FISCAL YEAR BUDGET 2018-19

City Council

Robert C. Dye	Mayor
John Norwood	Mayor Pro Tem, District 3
Mike Bomgardner	Deputy Mayor Pro Tem, District 5
Ana Reyes	District 1
Bronson Blackson	District 2
Terry Lynne	District 4

First row (from left) Mayor Pro Tem John Norwood, Mayor Robert C. Dye, Councilmember Terry Lynne
Second row (from left) Deputy Mayor Pro Tem Mike Bomgardner, Councilmember Ana Reyes, Councilmember Bronson Blackson

City Manager
Charles S. Cox

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

CITY OF FARMERS BRANCH, TEXAS
ADOPTED BUDGET 2018-19
TABLE OF CONTENTS

	Page
Cover Page	(not numbered)
Title Page	i
Table of Contents	ii-iv
List of Principal Officials	v
Council District Boundaries	vi
Organization Chart	vii
Distinguished Budget Presentation Award	viii
Texas Comptroller Transparency Star Awards	ix-x
ICMA Certificate of Distinction	xi
INTRODUCTION	1 to 64
City Manager's Budget Message	1
Farmers Branch Strategy Map	16
Relationship between City's Strategic Objectives and Departmental Performance Goals	17
Key Performance Measures	18
Farmers Branch Profile	35
Budget Process Overview	39
Strategic Planning Timeline	40
Property Tax Analysis	41
Budget Snapshot	42
Financial Management Policies	44
Accounting System and Budgetary Control	49
Funds Overview	50
Major Revenue Sources	59
Budget Facts	63
GENERAL FUND	65 to 118
Fund Summaries	65
General Government	73
General Government	
General Contracts	
Legal	
Non-Departmental	
General Administration	77
Communications	79
Economic Development & Tourism	81
Human Resources	83
Finance	85
Finance Administration	
Accounting	
Purchasing	
Municipal Court	
Information Services	89
Community Services	91
Community Services Administration	
Building Inspection	
Planning	95

CITY OF FARMERS BRANCH, TEXAS
ADOPTED BUDGET 2018-19
TABLE OF CONTENTS

	Page
Public Works	97
Public Works Administration	
Street Maintenance	
Sustainability & Public Health	101
Sustainability/Solid Waste Collection	
Animal Services	
Environmental Services	
Police Administration	105
Police Administration	
Police Investigations	
Police Patrol	
Police Detention	
Police Communications	
Police Training	
Fire Administration	109
Fire Administration	
Fire Prevention	
Fire Operations	
Parks & Recreation Administration	113
Parks & Recreation Administration	
Building Maintenance (history only, division moved to Internal Service Fund)	
Park Maintenance	
Recreation	
Aquatics Center	
Senior Center	
Park Board	
Senior Advisory Board	
Events	
Library	117
ENTERPRISE FUNDS	119 to 124
Fund Summaries	119
Water & Sewer Fund	121
Public Works	
Water & Sewer Administration	
Water & Sewer Operations	
Stormwater Utility Fund	124
Public Works	
Stormwater Utilities	
INTERNAL SERVICE FUNDS	125 to 132
Fund Summaries	125
Fleet & Facilities Management Fund	127
Fleet & Facilities Management	
Facilities Management	
Fleet Management	

CITY OF FARMERS BRANCH, TEXAS
ADOPTED BUDGET 2018-19
TABLE OF CONTENTS

	Page
Workers' Compensation Fund	131
Health Claims Fund	132
HOTEL/MOTEL FUND	133 to 140
Fund Summaries	133
Parks & Recreation	135
Historical Preservation/Special Events	
Economic Development & Tourism	137
Promotion of Tourism	
Convention Center	
DEBT SERVICE	141 to 158
OTHER FUNDS	159 to 182
Economic Development Fund	159
Special Revenue Funds	160
Fund Summaries	161
Police Forfeiture Fund	163
Donations Fund	164
Youth Scholarship Fund	166
Grants Fund	167
Building Security Fund	168
Court Technology Fund	169
Landfill Closure/Post-Closure Fund	170
Cemetery Fund	171
Photographic Light System Fund	172
PEG Access Channel	173
Joint Fire Training Facility Fund	174
TIRZ District #3 Fund	175
Residential Revitalization Bond Fund	176
Fixed Asset Fund	177
Fund Summary	177
Fixed Assets	178
CAPITAL IMPROVEMENTS	183 to 222
APPENDIX	
Fund Balance Projections	Exhibit I
General Fund Six-Year Financial Plan	Exhibit II
Financial Condition Analysis	Exhibit III
Position Summary	Exhibit IV
Compensation Plan	Exhibit V
City Charter, Article IV. Budget	Exhibit VI
Budget Ordinance	Exhibit VII
Tax Levy Ordinance	Exhibit VIII
Exemptions Ordinance	Exhibit IX
Glossary	Exhibit X

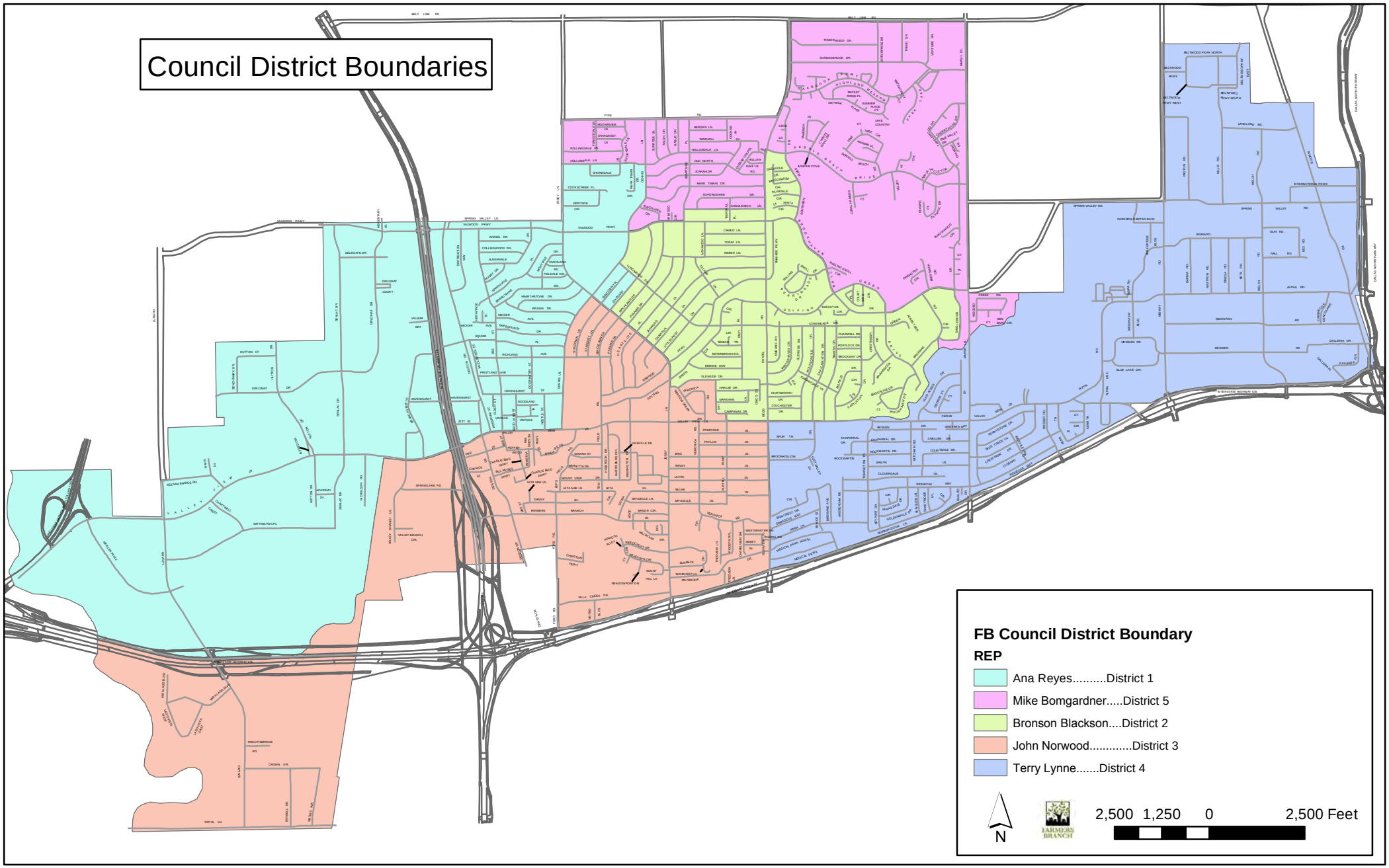
CITY OF FARMERS BRANCH, TEXAS
LIST OF PRINCIPAL OFFICIALS

City Council

Robert C. Dye	Mayor
John Norwood	Mayor Pro Tem, District 3
Mike Bomgardner	Deputy Mayor Pro Tem, District 5
Ana Reyes	District 1
Bronson Blackson	District 2
Terry Lynne	District 4

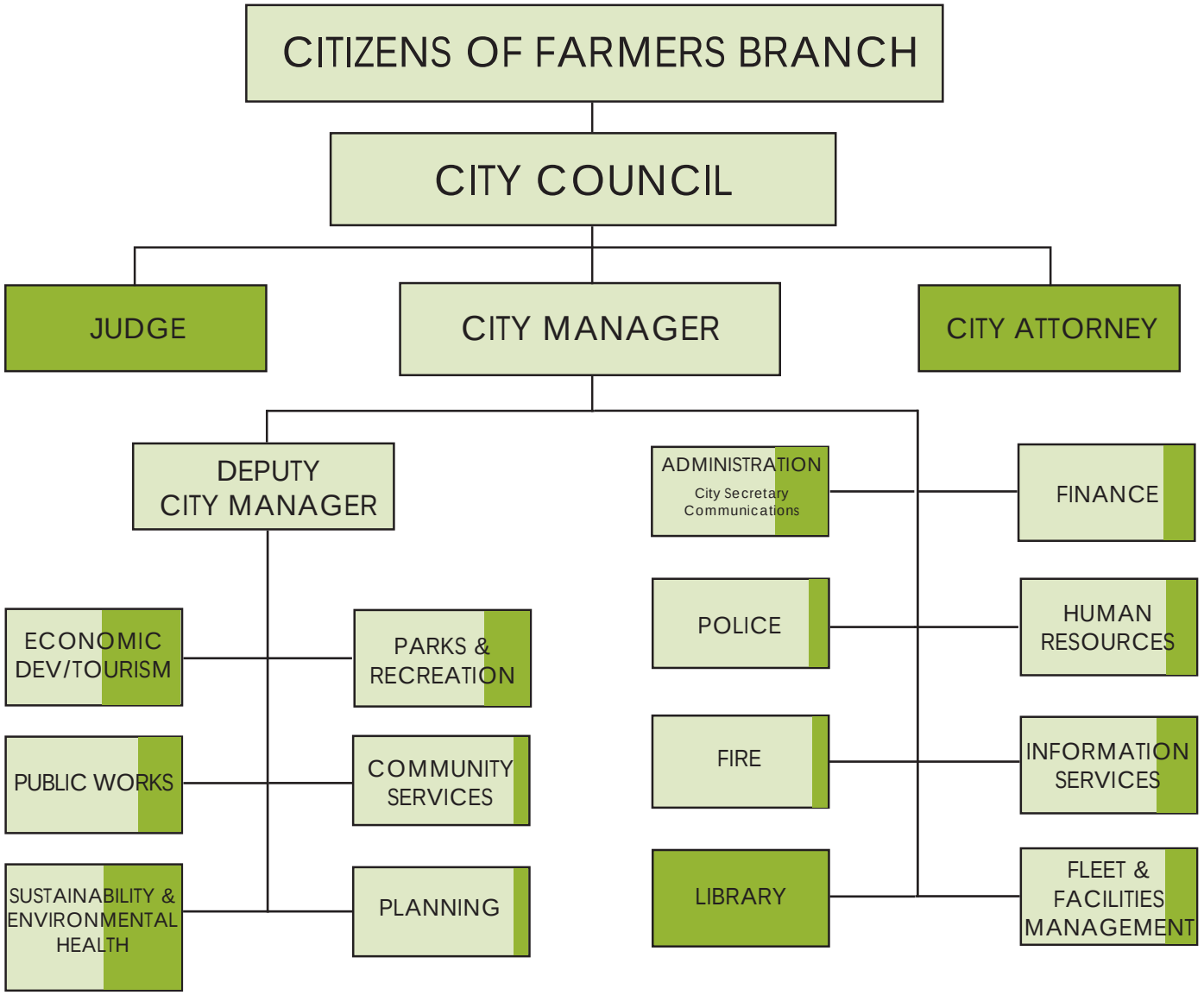
Appointed Officials

Charles S. Cox	City Manager
John Land	Deputy City Manager
Terry Carnes	City Judge
Amy Piukana	City Secretary
Tom Bryson	Communications Director
Hugh Pender	Community Services Director
Allison Cook	Economic Development & Tourism Director
Kevin Muenchow	Fleet & Facilities Management Director
Sherrelle Evans-Jones	Finance Director
Steve Parker	Fire Chief
Brian Beasley	Human Resources Director
Mark Samuels	Information Services Director
Jeff Harting	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
Ana Reyes.....District 1
Mike Bomgardner.....District 5
Bronson Blackson....District 2
John Norwood.....District 3
Terry Lynne.....District 4
N
FARMERS BRANCH
2,500 1,250 0 2,500 Feet

FARMERS BRANCH

CITY OF FARMERS BRANCH
FY 2018-19 ORGANIZATION CHART



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Farmers Branch

Texas

For the Fiscal Year Beginning

October 1, 2017

Christopher P. Morrill

Executive Director

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

ICMA

INTERNATIONAL CITY/COUNTY
MANAGEMENT ASSOCIATION

This

Certificate of Distinction

is presented to

Farmers Branch, TX

for exemplifying the standards established by the International City/County Management Association in the application of performance data to local government management, including training, verification, public reporting, planning and decision making, networking and accountability.

Presented at the 104th ICMA Annual Conference
in Baltimore, Maryland

26 September 2018

Marc A. Ott
ICMA Executive Director

David Johnstone
ICMA President

FARMERS
BRANCH

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

September 11, 2018

The Honorable Mayor Dye and
Members of the City Council

The City of Farmers Branch management team is honored to present the 2018-19 Adopted 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.

A growing economy and a strategic emphasis on reinvesting in the community provides the City of Farmers Branch a unique opportunity, with the 2018-19 budget, to have a significant positive impact on its residents. This budget has been developed in congruence with the strategic plan, which included aligning the guiding principles, strategic goals, and critical business outcomes set by the City Council to the balanced scorecard methodology. It has also been designed to react to various citizen needs as presented in public information gathering activities such as the biennial citizen survey, Farmers Branch Night Out community engagement events, public hearings and other citizen input mechanisms.

Key objectives in the budget include reducing the property tax rate, absorbing a planned 2-cent property tax rate increase for recently issued Quality of Life Bonds and new fire station debt, as well as significant new funding for critical sanitary sewer improvements and city infrastructure protection within Farmers Branch Creek.

The 2018-19 budget emphasizes investment in public safety, infrastructure and equipment needed to continually improve services to citizens. Major projects include:

- Bee Street "Restaurant Park" Development
- Camelot Landfill Scalehouse and Maintenance Facility Construction
- Channel Improvements – Cooks Creek
- Continuation of a 10-Year Street Bond Program – Phase Two, including the Oakbrook neighborhood
- Development of a Dog Park at the Recreation Center
- Farmers Branch Creek Improvements
- Fire Station No. 2 Relocation
- Increased Economic Development Funding
- Library Renovation/Rebuild Study
- Marsh Lane Bridge Sidewalk Expansion
- Multi-Year Construction Initiative to Build New Service Center

- Park, Playground and Trail Improvements
- Rawhide Creek Dredging and Sanitary Sewer Inflow/Infiltration Improvements
- Residential Revitalization Program
- Farmers Branch Creek Well Project
- Webb Chapel Bridge and Channel Improvements

Strategic Planning

In February 2018, City Administration met with the City Council to review the City mission statement and guiding principles and to seek direction in preparing the fiscal year 2018-19 budget. The established mission and vision statements, guiding principles 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."

Guiding Principle – Ethics & Integrity

Doing the right things for the right reasons delivers exceptional results.

- Establish standard operational practices designed to deliver consistent high performance.
- Pursue transparency, accountability, and accessibility wherever possible.
- Pursue opportunities to strengthen relationships across internal departments and with area cities, counties, school districts, chambers of commerce, state and federal agencies, and social services.

Guiding Principle – Financial Stewardship

Stakeholders' investments should be protected through conservative budgeting, spending and resource management.

- Maintain responsible stewardship of taxpayers' investments in the community.

Guiding Principle – Accessibility

Stakeholders deserve to know what is happening in the community and should have the opportunity to participate in its governance.

- Improve internal and external communications efforts.

Guiding Principle – Public Safety

Provide safety and security for citizens, visitors and businesses through progressive public safety programs.

- Provide professional and timely public safety services which meet or exceed industry benchmarks.
- Engage stakeholders to employ best practices in the proactive planning for and prevention of public safety incidents.

Guiding Principle – Sustainable Growth

A strong, diversified economic base provides sustainable growth.

- Promote business expansion, retention and relocation to Farmers Branch.
- Promote visits in and around the City.

Guiding Principle – Thriving Neighborhoods

Effective planning, land use, development, code enforcement, and revitalization activities yield strong, thriving commercial and residential neighborhoods.

- Plan, provide for, and promote the maintenance of vibrant residential and commercial neighborhoods.

Guiding Principle – Culture & Recreation

Beautifully maintained natural environments, parks, trails, rights-of-way, and green spaces paired with a wide variety of quality recreational and entertainment opportunities for all ages enhance quality of life.

- Provide community center spaces in which the public can gather for collaboration, cultural development and individual improvement.
- Maintain and develop infrastructure and beautification of City parks, trails, rights-of-way, and other green spaces.

Guiding Principle – Infrastructure & Assets

Functional, sustainable and well-maintained infrastructure, facilities and equipment are essential elements which allow the City to achieve its potential.

- Plan and prepare for the future infrastructure, facilities and equipment needs of the City.
- Maintain and improve the current infrastructure, facilities and equipment assets of the City.

Guiding Principle – Workforce Investments

A motivated, educated, experienced, diverse workforce is needed to carry out our mission.

- Provide workforce investments to maximize employee expertise, wellness, safety, and effectiveness.

Guiding Principle – Phenomenal Service

Phenomenal customer service sets us apart as a community of choice.

- Employ innovative programs, updated technologies and objective analytics to optimize efficiencies and enhance services.

These guiding principles and the associated departmental strategic initiatives are detailed 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 2017-18 fiscal year, the City Council provided guidance for key initiatives to be accomplished during the 2018-19 fiscal year. These critical business outcomes are reflected and addressed in the 2018-19 Adopted Operating and Capital Improvement Program Budget. The following are the 2018-19 City Council critical business outcomes:

- Implement a vision for the central corridor and encourage redevelopment of the East Side.
- Improve options for quality, senior-centric housing.
- Enhance entryways to the City.
- Identify solutions for homes located in the flood plain.
- Implement data-driven process for making resource allocation decisions.
- Create a dog park.
- Continue to deliver exceptional service to our residents, businesses and other stakeholders.

Fiscal Summary

The total 2018-19 budget is adopted at $131,333,726. This is $23,388,222 or approximately 21.7% greater than was adopted ($107,945,504) for the 2017-18 budget. For 2018-19, the General Fund includes additional funds for economic development, Farmers Branch Creek improvements, and public safety competitive salary adjustments. The Water & Sewer Fund budget includes additional funds for increased sanitary sewer inflow and infiltration projects. The Debt Service Fund includes new debt issuances resulting from the November 2017 election and the issuance of remaining voter-authorized debt from the May 2014 election. The Economic Development Fund includes additional funds for increased initiatives. Finally, the Capital Projects Fund includes significant capital project additions. Following is a summary of the budget for each of the fund groups contained in the budget.

General Fund	$ 61,821,100
Water & Sewer Fund	$ 23,173,900
Stormwater Utility Fund	$ 1,449,000
Hotel/Motel Fund	$ 3,017,700
Debt Service	$ 6,041,200
Economic Development	$ 2,060,000
Special Revenue Funds	$ 3,698,078
Subtotal Operating	$101,260,978
Capital Project Funds	$ 30,072,748
Total Budget	$131,333,726

Assumptions

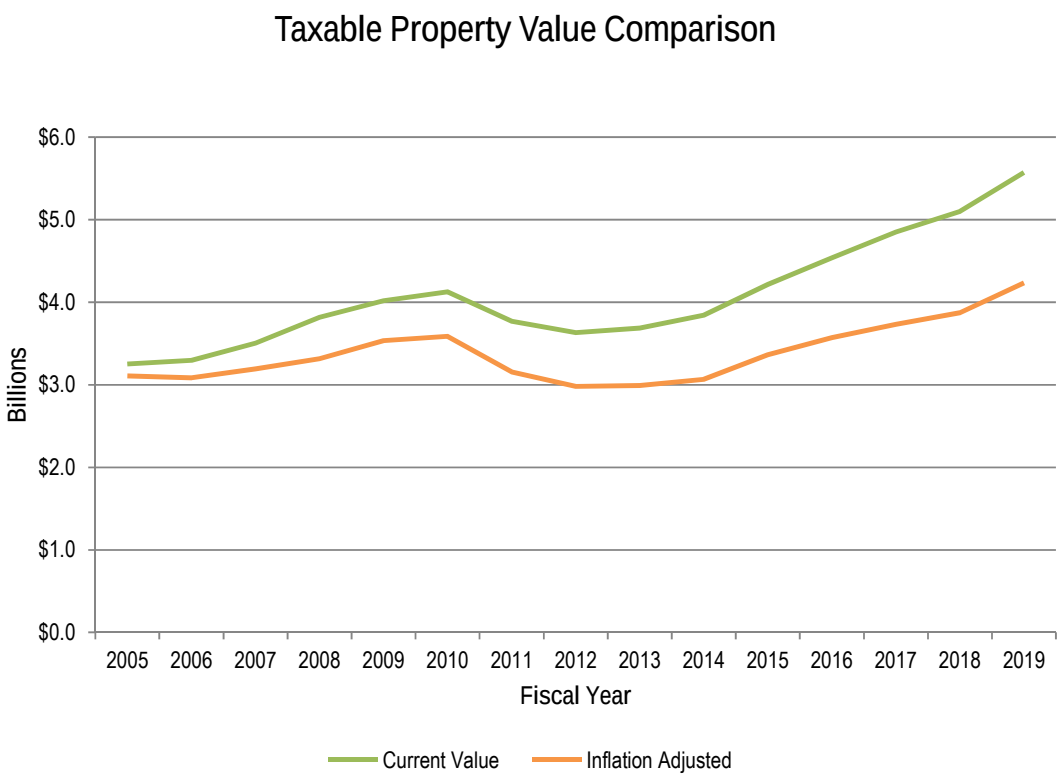
Revenues and expenditures were developed on the basis of certain economic assumptions. As has been clearly exhibited in the past, assumptions are, at best, an estimate as conditions can change significantly. Nevertheless, some assumptions must be used in developing a budget. City Administration attempts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

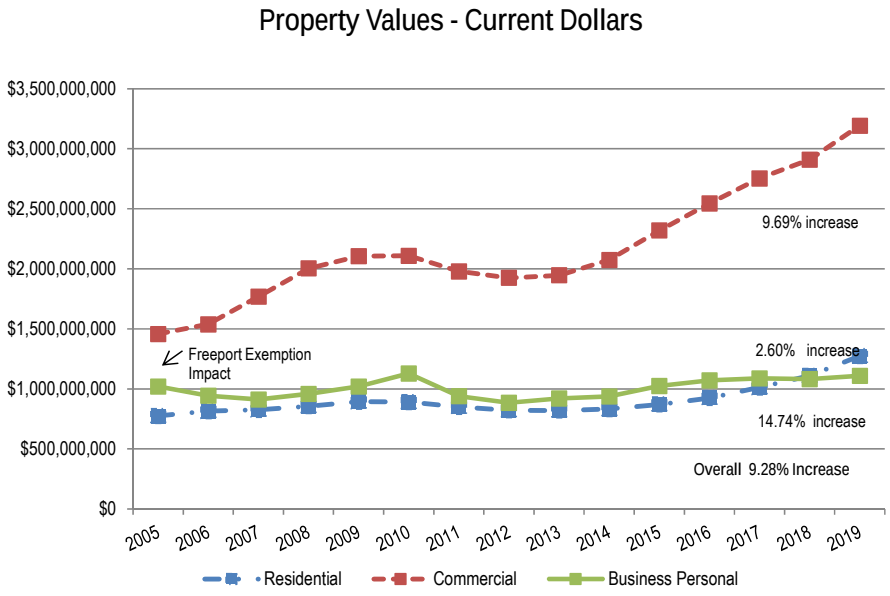
From a macroeconomic perspective, national and state trends are monitored to assess their impact on Farmers Branch. The primary national trend impacting the City has been the change in demographics. The millennial generation, born between 1980 and 2000, is the largest in U.S. history and as they reach 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.

At the state and local levels, the low-tax business-friendly environment has resulted in significant business relocations, expansions, employment, and population increases. This trend is expected to continue at a higher rate than the national average. 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 could significantly impact the ability of Farmers Branch to meet the demands of growth and still maintain high service levels expected by our residents. The City Council has adopted a position strongly against state control of local finances. City staff will continue to monitor legislation which would adversely impact the ability of the City's elected officials to control Farmers Branch finances. The recently announced trade war tariffs on steel, aluminum and lumber are of special concern given that development and building costs are directly impacted. Plans to build new City facilities have built-in contingency funds, but a sustained trade war could result in far greater costs and the need for additional funding or project delay. These tariffs and their impact will be closely monitored.

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 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 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 is planned for build-out within five 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.

Revenues are projected to grow in 2018-19 due to new development and a stronger economy. Property tax (current and prior year) and sales tax revenue represent 68.53% of total General Fund Revenues. In past years, the City has had the fortune of a strong tax base and fund balances. Total taxable values increased 9.28% to $5.575 billion. The commercial tax base, including real and business personal property, represents a strong 77% of the City's total tax base.



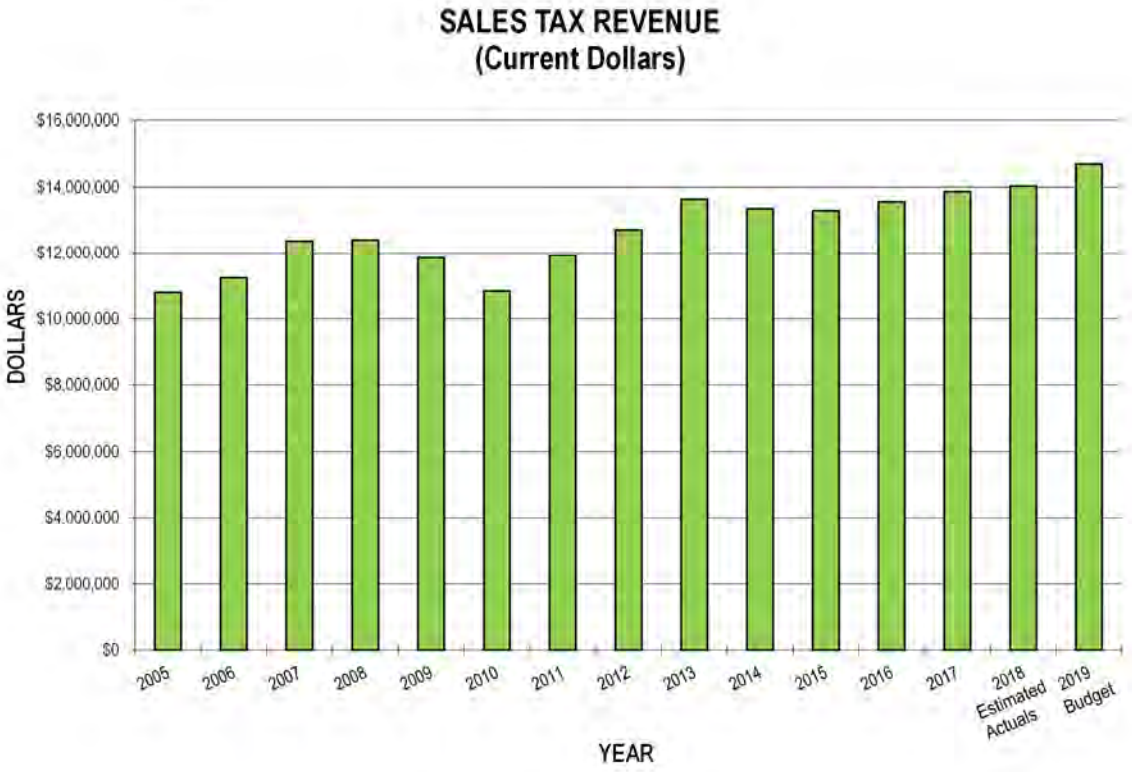


In fiscal year 2017-18, the City issued remaining voter-authorized Street Improvement Bonds totaling $9.0 million, Fire Station No. 2 Relocation Certificates of Obligation of approximately $5.36 million and Landfill Improvement Certificates of Obligation of approximately $5.155 million without a property tax rate increase. In addition, the City issued $5.0 million in voter-authorized Quality of Life Bonds, which were anticipated to result in a property tax rate increase of $0.02 in fiscal year 2018-19. Due to increased revenues associated with property value growth, this budget reflects the City absorbing the anticipated rate increase.

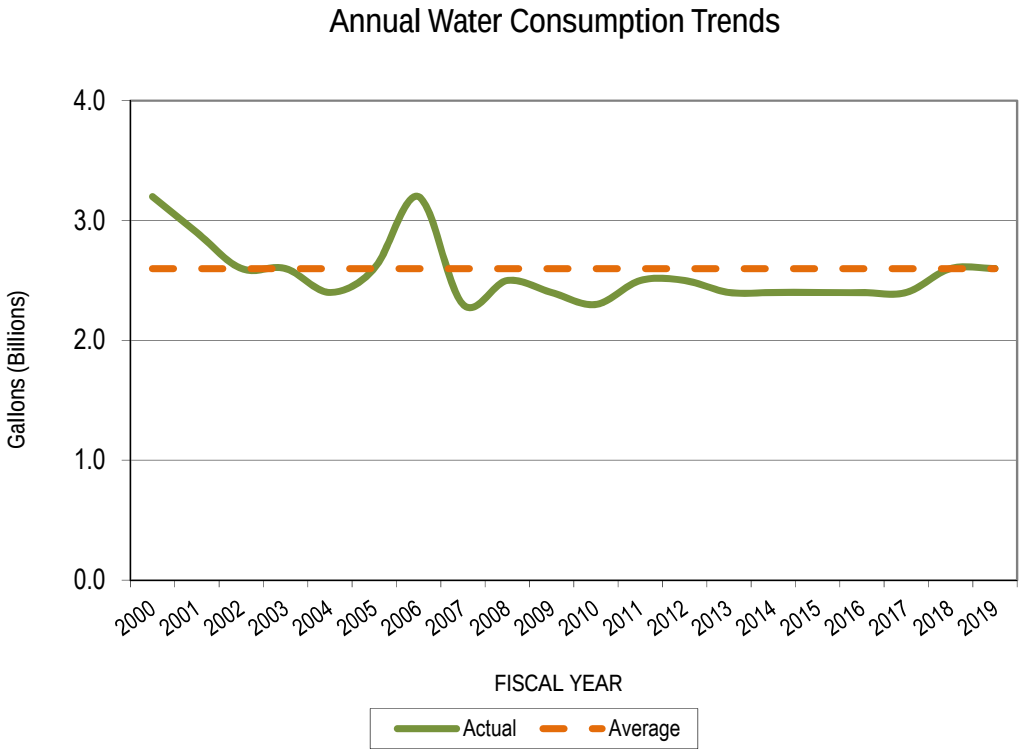
The 2018-19 budget was developed with a reduction in the City's property tax rate to $0.599507 and reflects the City absorbing the planned $0.02 property tax rate increase related to voter-authorized Quality of Life Bonds authorized in the November 2017 election. A property tax rate at this level continues to position Farmers Branch at one of the lowest rates in Dallas County.

Additional City initiatives such as: the Farmers Branch Power Switch program, whereby residents can benefit from volume buying power; and Fire Department efforts which resulted recently in a national fire protection highest rating designation of ISO 1, will provide residents and businesses substantial utility and insurance cost savings.

Sales tax revenues can fluctuate greatly due to national, state and local economic conditions. Overall, sales tax revenues from existing business are anticipated to increase approximately 4.76% from this year's expected actuals.



This budget assumes annual sales of 2.6 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 long-term historic 2.6-billion-gallon average.

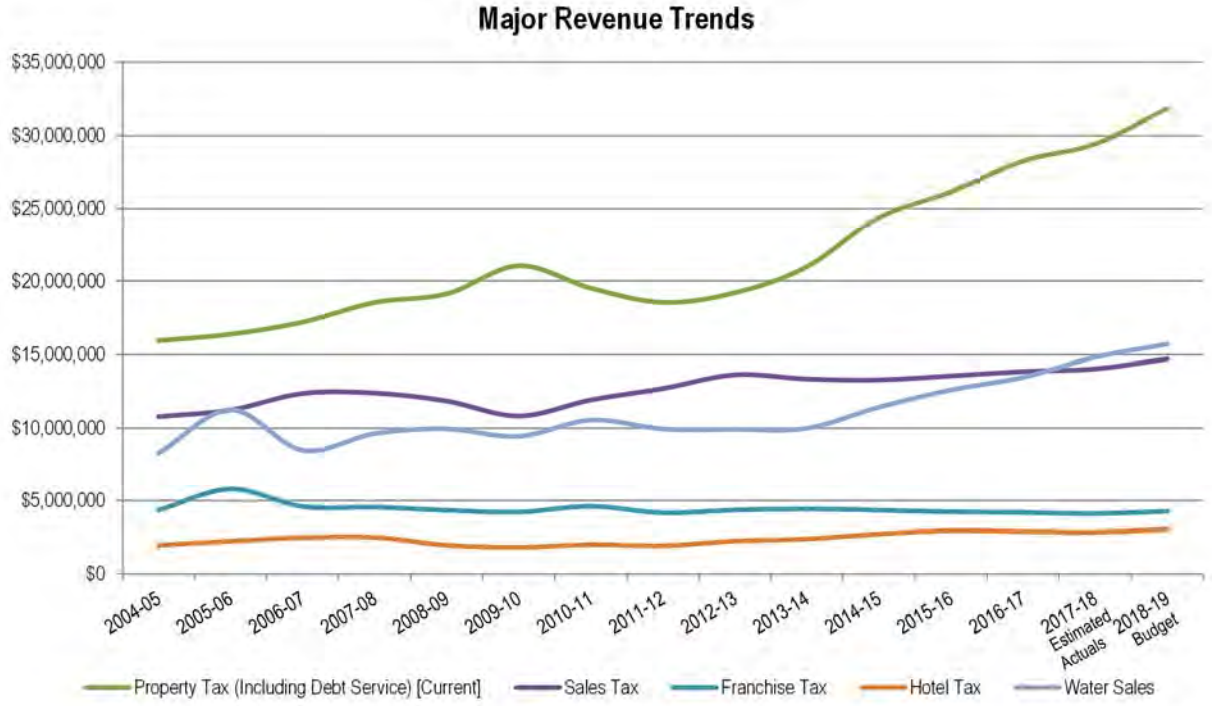


Projected Revenues – Major Operating Funds

This budget details General Fund revenues at $4,768,200 greater than the 2017-18 adopted budget due primarily to increases in property tax revenue ($2,000,000), building permits/construction activity ($1,632,000) and sales tax revenue ($1,100,000). Property tax revenues are increasing due to an overall 9.28% increase in taxable property values. Building permit revenues are increasing due to an anticipated increase in construction activity. This particular increase in revenues is anticipated to be temporary in nature as the growth of development stabilizes in the future. Sales tax revenues are expected to increase based upon an improved economy. The 2018-19 budget includes an increase in ambulance service transport rates as a measure to reduce the subsidy to the cost of providing ambulance service and to maximize Medicare, Medicaid and private insurance revenues while minimizing a patient's out-of-pocket expenses. The non-resident focused increased rates are projected to increase ambulance fee revenues by approximately $45,000 from the 2018 adopted budget and are consistent with fees currently charged by area cities. City Administration is also proposing to establish/amend certain park and event fees in order to recover a portion of the costs related to providing such services.

This budget details Enterprise Fund revenues at $1,657,400 greater than 2017-18 adopted budget due primarily to a 6% water and sewer rate increase and a 5% stormwater rate increase to offset rising costs and to significantly increase funding for much needed sanitary sewer inflow and infiltration projects. The water and sewer rate increases are anticipated to result in a $4.39 monthly increase for a residential consumer averaging 6,000 gallons of water consumption. The stormwater rate increase is anticipated to result in an annual increase of $2.70 for the average home.

Slight growth is anticipated in Hotel/Motel Fund revenues as occupancy levels have remained relatively stable. Construction of several new hotels is underway, which should increase revenues in future years.



Expenditures – Major Operating Funds

The 2018-19 budget details General Fund operating expenditures of $4,880,300 more than the 2017-18 adopted budget. The increases are primarily due to $2,530,000 related to capital and fixed asset costs, which are described in more detail under the Capital Improvement & Fixed Asset Program section of this document. Personnel costs increased by $1,244,000, reflecting non-sworn employee merit increases, sworn police and fire step market adjustments, and sworn step plan increases. Economic development funding has been increased by $700,000 to maintain the City's competitive position and account for awarded incentives. Additionally, $412,000 is included for increased costs related to studies (e.g. I-35 corridor) and volume-based landfill host fees to the City of Lewisville. A special emphasis has been given to directing temporary revenue growth (i.e. building permit revenue) towards investment in infrastructure. Significant attention in the development of this budget was controlling the cost growth of amenities specifically related to the Recreation Center, Aquatic Center and Senior Center. Adjustments to revenues and close attention to controlling expenditures has resulted in a stabilization of net cost for all three facilities in the budget.

The 2018-19 budget details Enterprise Fund operating expenditures of $1,303,500 more than the 2017-18 adopted budget. Water & Sewer Fund operating expenditures are $1,153,500 greater than the 2017-18 adopted budget due primarily to increases in inflow and infiltration (I & I) capital projects and wastewater treatment costs. Revised metering practices and a rate increase from the Trinity River Authority have materially impacted costs in the Water & Sewer operating fund for the 2018-19 fiscal year. These increased fees are expected to continue for the foreseeable future. These are two major factors impacting the rate increase for water and sewer services for the 2018-19 fiscal year. The Stormwater Utility Fund includes expenditures of $1,449,000 for stormwater projects and compliance activities required by the City's stormwater permit.

Hotel/Motel Fund operating expenditures are $341,200 less than the 2017-18 adopted budget due primarily to funding of capital updates to the Church and Gilbert House, which are not continued in 2018-19. This decrease in expenditures is offset by an increase in expenditures related to additional Historical Park building repairs planned for 2018-19. The City has begun initial planning for a possible new "Barn" building in the Historical Park, which will be more fully analyzed during 2018-19.

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 balance will exceed $11.4 million at the end of the 2018-19 fiscal year with a most realistic scenario of approximately $11.7 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 expenditures will end up $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 2018-19 General Fund budget details an addition to fund balance totaling $3,300 with a most realistic projection adding $303,300 to fund balance and is therefore considered a balanced budget. The adjusted General Fund target fund balance range is between $8.8 million and $11.7 million. The most-realistic target fund balance is equivalent to 19.90% of General Fund operating expenditures adjusted for transfers to the Fixed Asset Fund.

The Water & Sewer Fund target balance is $2,000,000. The 2018-19 budget estimates that this fund balance will be $2.0 million at the end of the fiscal year with a most realistic scenario of $2.1 million. The Water & Sewer Fund budget details an addition to fund balance of $465,700 and a most realistic scenario adding $565,700 to fund balance.

The Hotel/Motel Fund target balance is $300,000. The 2018-19 budget estimates that this fund will be $689,866 at the end of the fiscal year with a most realistic scenario of $764,866. 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. 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) will be used to review planned merit-based pay increases for the upcoming fiscal year within the region. A full independent compensation study is anticipated every five years – the next one

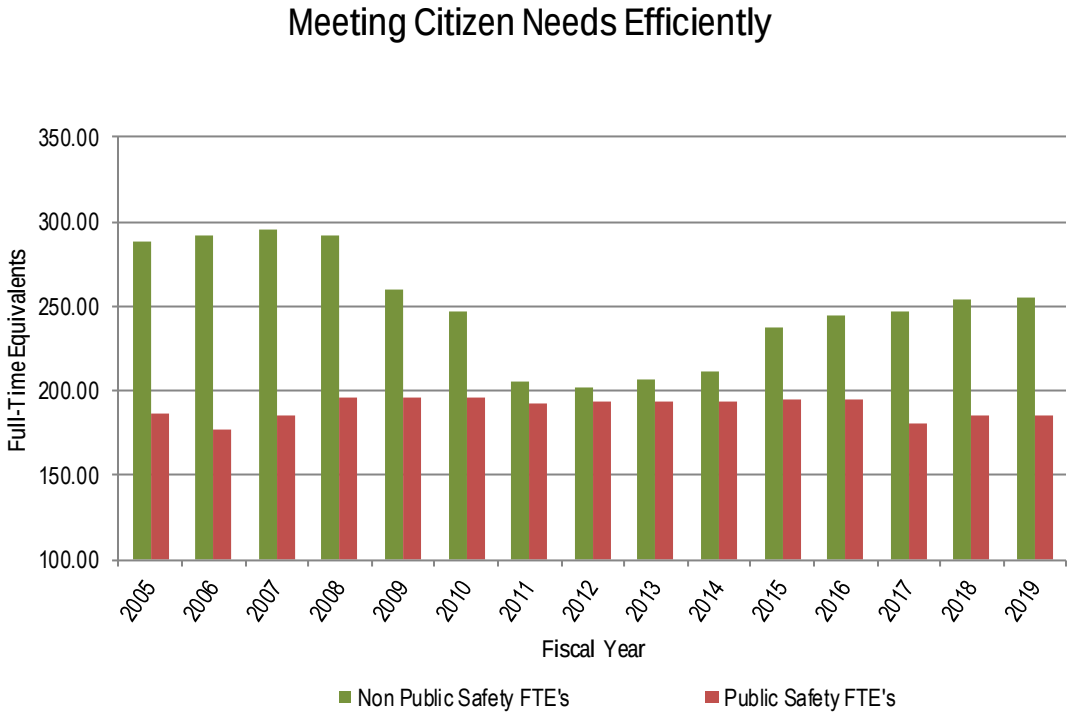
planned for the 2020-21 fiscal year. In 2016, the City Council adopted a 105% of average starting salary philosophy for all employees. This budget maintains that philosophy.

Based on completion of the two surveys noted above, a merit-based pay increase is included for full-time non-sworn employees. Under this plan, employees are eligible for increases ranging from 0-5%. Sworn employees will continue to participate in a step increase pay system. Additionally, a 2% structure adjustment is included for Police sworn positions and a 3.5% structure adjustment is included for Fire sworn positions based on results of this year's mini-compensation survey.

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 87.97% and the unfunded liability decreased to $30.9 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.

This budget includes the addition of 1 part-time employee for the Historical Park and a slight increase in scheduled part-time hours due to implementation of the City's new software system. These adjustments result in an addition of .47 full-time equivalents. General Fund personnel costs now represent 57.67% of General Fund expenditures – down from 79% in fiscal year 2010-11.

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



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. Construction of a new Service Center is also planned for 2018 and will be funded from pay-as-you-go funding through the Non-Bond Utility CIP Fund. This budget includes $30,072,748 for capital improvement projects. Some of the projects included in the multi-year Capital Improvement Program (CIP) Budget are:

- Continuation of a 10-Year Street Bond Program – Phase Two, including Oakbrook
- Marsh Lane Bridge Sidewalk Expansion
- Webb Chapel Bridge and Channel Improvements
- Rawhide Creek Dredging and Sanitary Sewer System Improvements
- Farmers Branch Creek Study and Improvements
- Farmers Branch Creek Well Project
- Channel Improvements to Cooks Creek
- Library Renovation/Rebuild Study
- Camelot Landfill Scalehouse and Maintenance Facility Construction
- Begin the Multi-Year Construction Initiative to Build a New Service Center
- Continued Station Area Development (Bee Street/Restaurant Park)
- Fire Station No. 2 Relocation
- Park, Playground, & Trail Improvements
- Farmers Market Improvements
- Develop a Dog Park at the Recreation Center

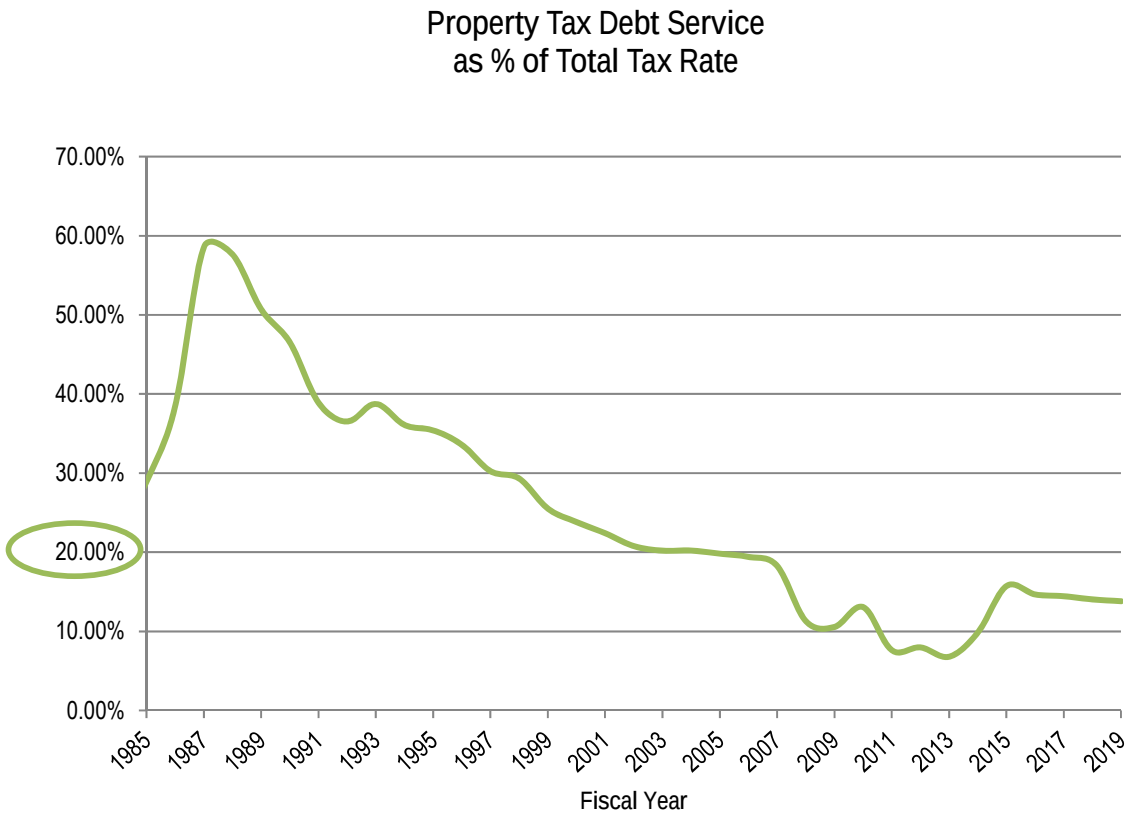
The Fixed Asset Fund includes replacement funding of $2,974,308 in 2018-19 compared with $3,031,571 in the 2017-18 year-end amended budget. Significant new fixed asset purchases for 2018-19 include:

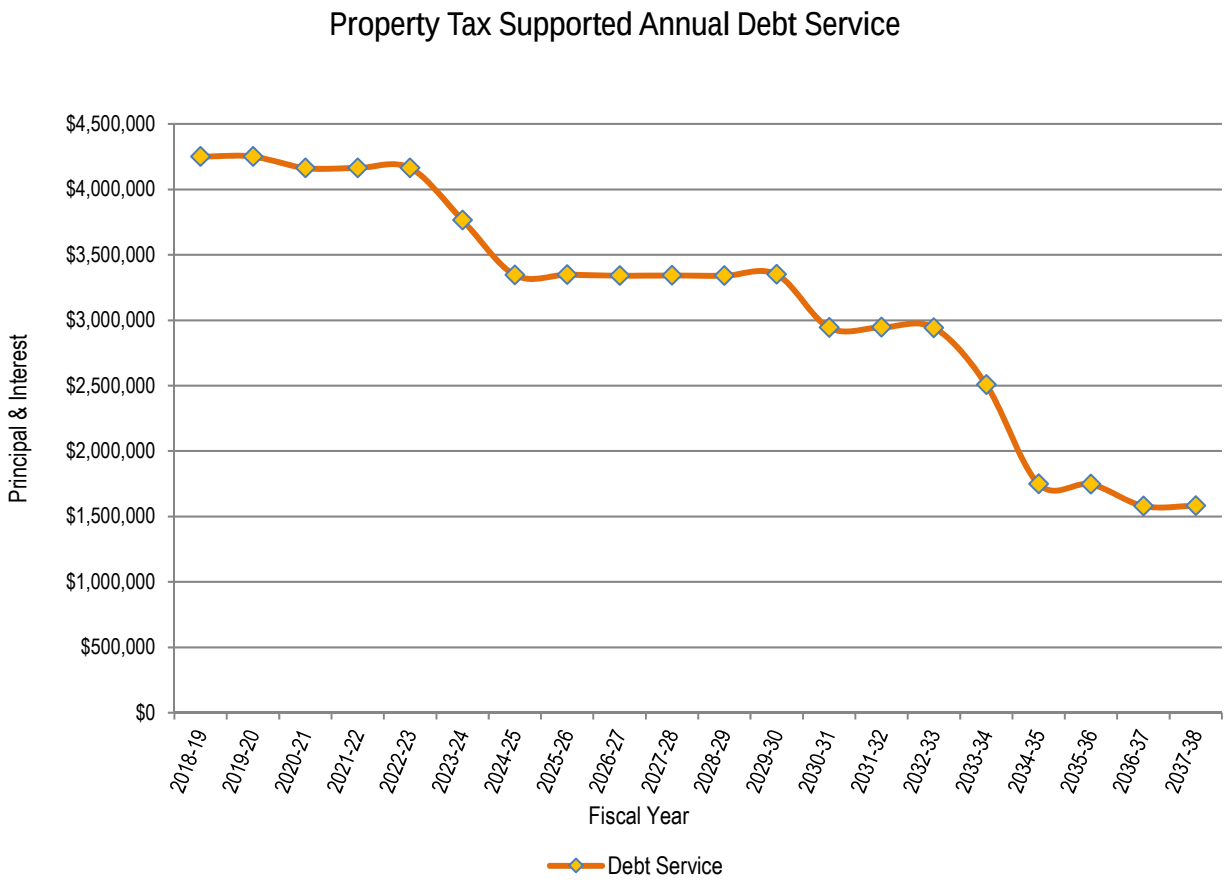
- Facility Repairs & Improvements Reserves - $567,000
- Financial Software (continued funding) - $500,000
- Fire Department Funding for Future Replacements - $360,000
- Information Technology Initiatives - $294,500
- City Entrance Monument Signs - $268,800
- Police Vehicles - $246,000
- Library Materials - $241,500
- Fire Department Ambulance - $230,000
- Park Maintenance Replacement Vehicles & Equipment - $123,000
- Replacement Water Meters - $100,000

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 nine *property tax supported* bond issues outstanding with the longest final maturity in year 2038. In the 2018-19 fiscal year, less than fourteen percent 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 final maturity in fiscal year 2026. 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.





Acknowledgements

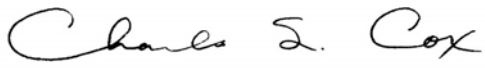
By focusing on the vision, mission, guiding principles, and goals set by the City Council, the City has been able to maintain and/or expand service levels to citizen's year-after-year. The process of building the annual strategic plan has increased efficiency/effectiveness and has provided a strong positive direction for the City of Farmers Branch. With the new era of economic growth that we are experiencing, focus on the strategic plan will continue to improve the community in a comprehensive and sustainable manner. Additionally, our emphasis on improving neighborhoods and basic infrastructure will accelerate the revitalization and redevelopment of the entire city.

The dedication of the 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 - Financial Analyst, 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 to the 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,



Charles S. Cox
City Manager

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.

Critical Business Outcomes 2019

CBO1 – Implement a vision for the central corridor and encourage redevelopment of the East Side.

CBO2 – Improve options for quality, senior-centric housing.

CBO3 – Enhance our entryways.

CBO4 – Identify solutions for homes in the flood plain.

CBO5 – Implement data-driven processes for making resource allocation decisions.

CBO6 – Develop a solution for creating a dog park.

CB07 – Continue to deliver exceptional service to our residents, businesses, and other stakeholders.

Our Focus Areas

Future-leaning Initiatives

Connected Neighborhoods

Community Engagement

High Performance

Sustainability

Branding & Art

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

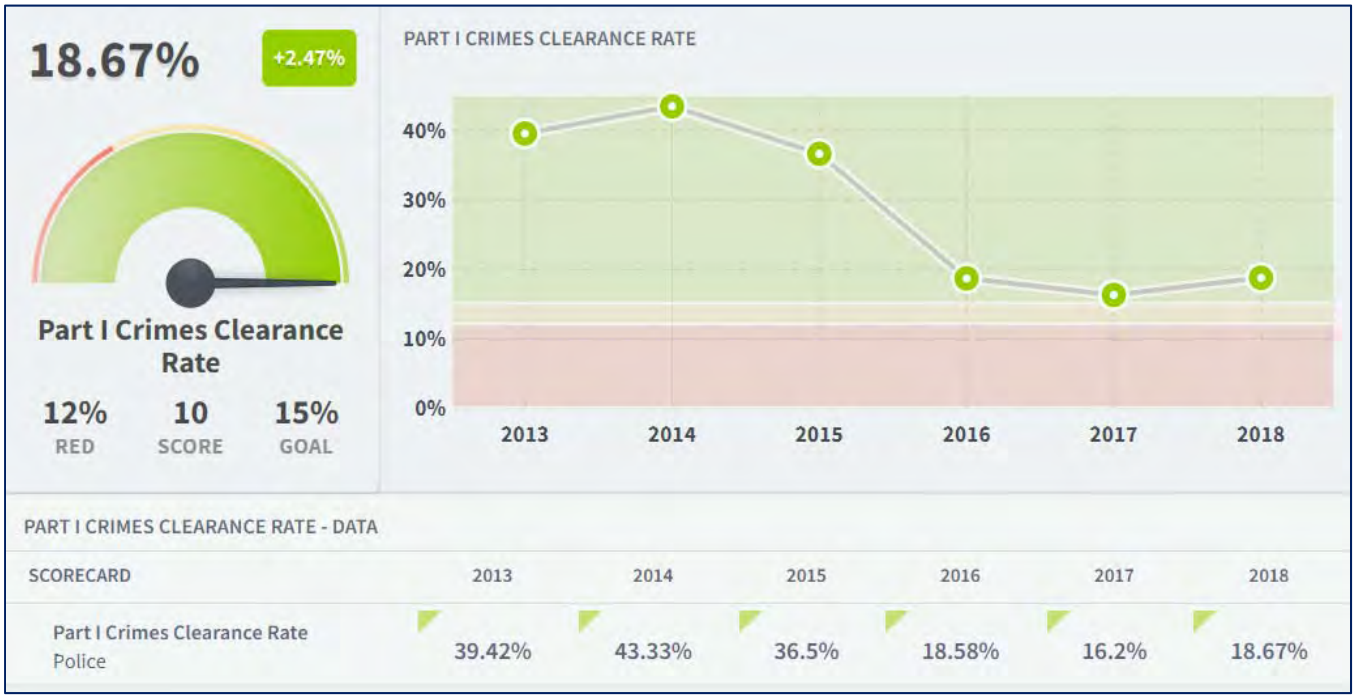
Our vision is to be a city of the future with a vibrant and diverse economy that supports beautiful parks, great amenities, and friendly neighborhoods.

RESPECT ● EXCELLENCE ● ACCOUNTABILITY ● CARE ● TRUST

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

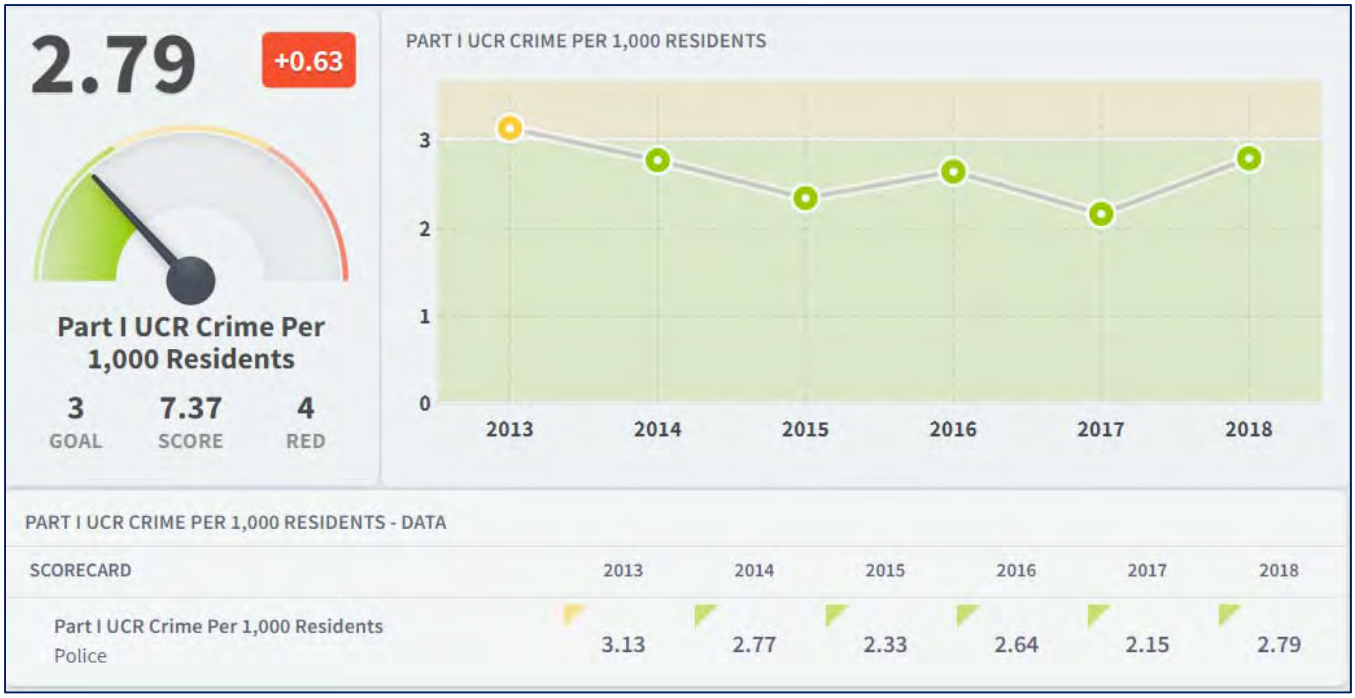
City of Farmers Branch Strategic Objectives **Serve our Customers (C)** **Manage the Business (B)** **Provide Financial Stewardship (F)** **Promote Learning and Growth (L)**	City Manager's Office	City Secretary's Office	Communications & Marketing	Community Services	Economic Development & Tourism	Finance	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
C.2 Provide attractive, unique, and connected spaces for community interaction				X							X	X				X
C.3 Promote opportunities for participation in government		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											
B.1 Achieve best-in-class status in all City disciplines	X															
B.2 Enhance service delivery through continual process improvement	X									X						
B.3 Optimize the use of technology										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	
F.2 Seek out and maintain alternative funding resources						X	X				X			X		X
F.3 Provide services in the most efficient and effective manner possible						X		X			X					
F.4 Adhere to financial management principles and budget	X					X										
F.5 Establish and maintain effective internal controls						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		X
L.3 Attract, develop, and retain employees that embrace our values									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

C.1 Achieve the highest standards of safety and security



PART I CRIMES CLEARANCE RATE - DATA

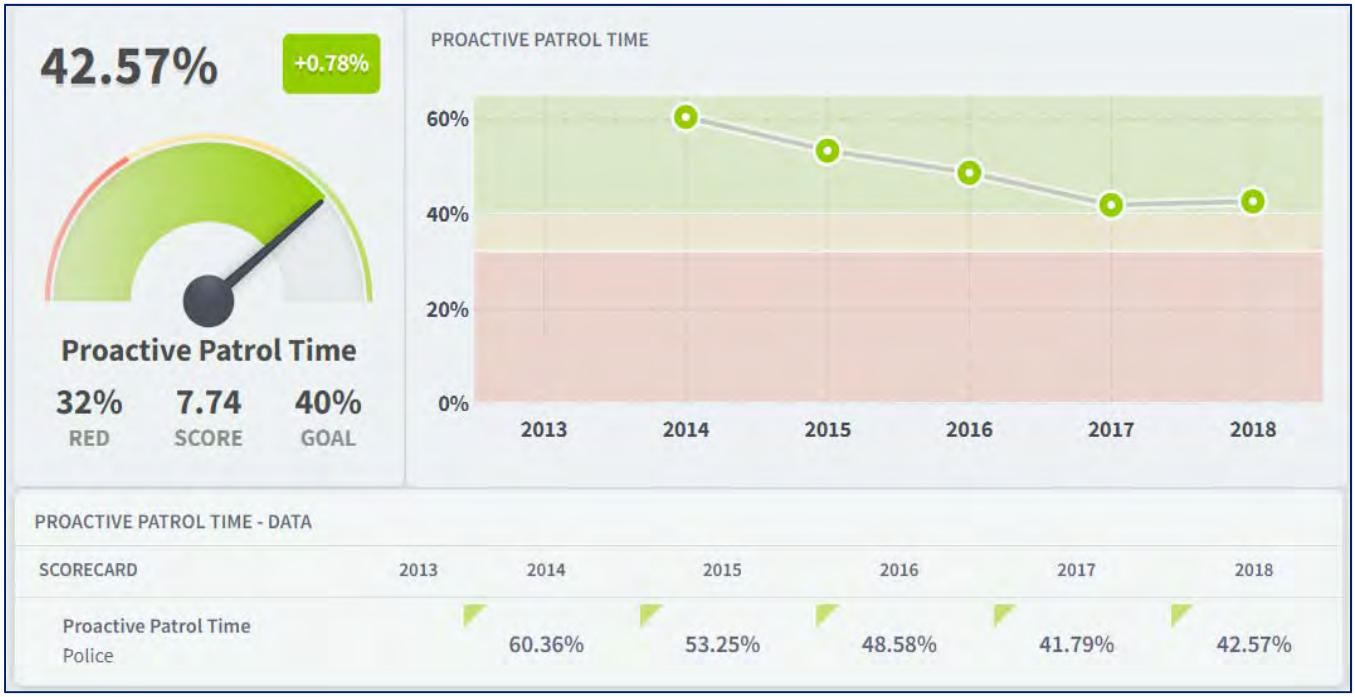
SCORECARD	2013	2014	2015	2016	2017	2018
Part I Crimes Clearance Rate Police	39.42%	43.33%	36.5%	18.58%	16.2%	18.67%



PART I UCR CRIME PER 1,000 RESIDENTS - DATA

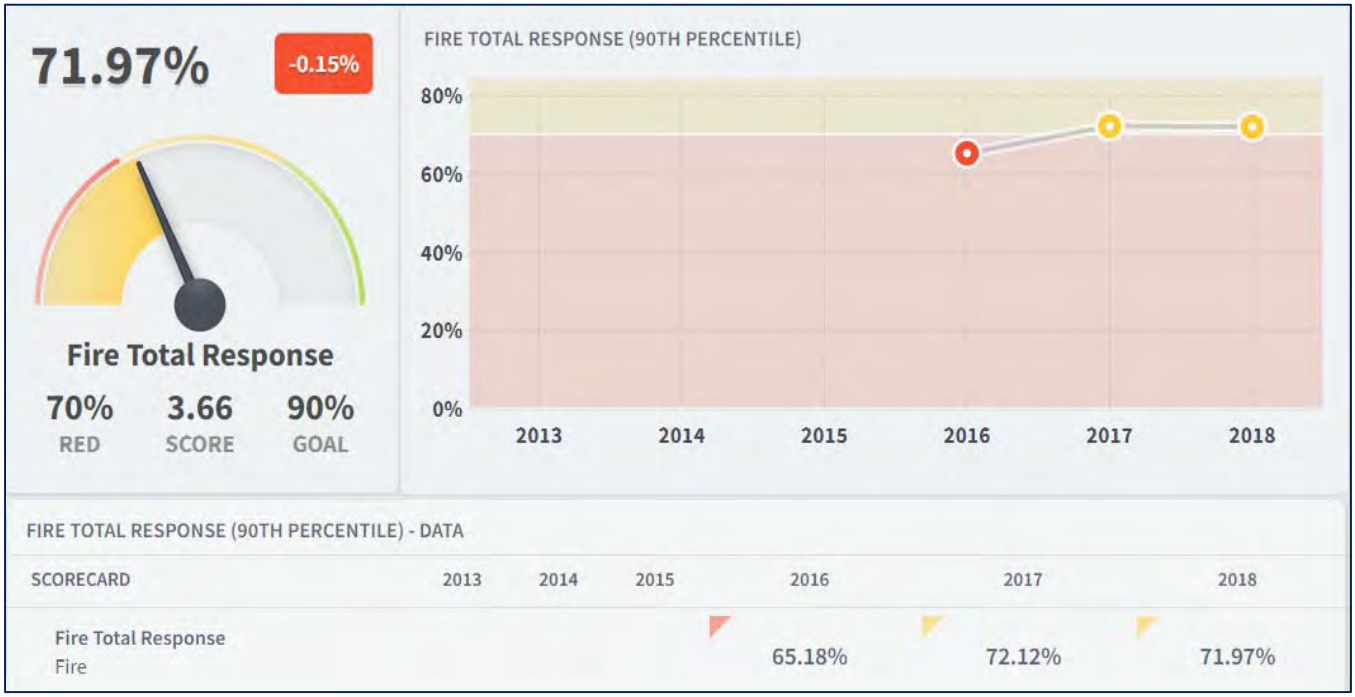
SCORECARD	2013	2014	2015	2016	2017	2018
Part I UCR Crime Per 1,000 Residents Police	3.13	2.77	2.33	2.64	2.15	2.79

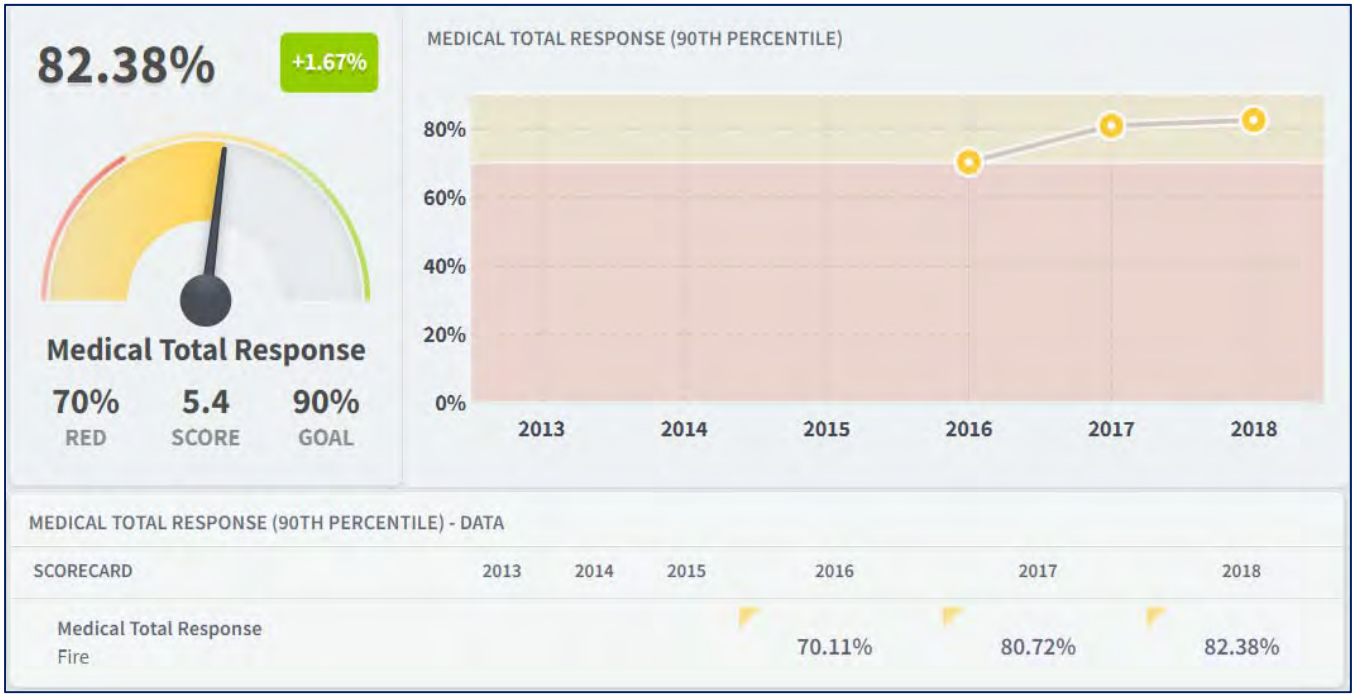
C.1 Achieve the highest standards of safety and security



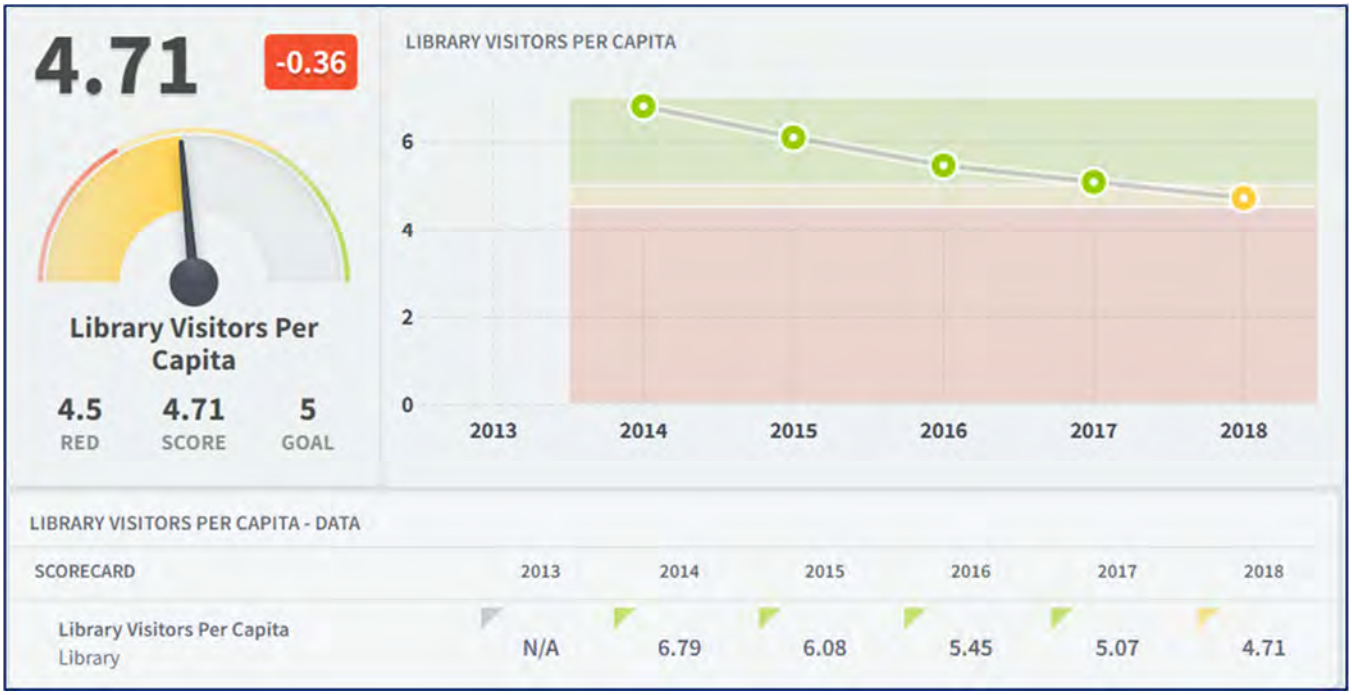
C.1 Achieve the highest standards of safety and security

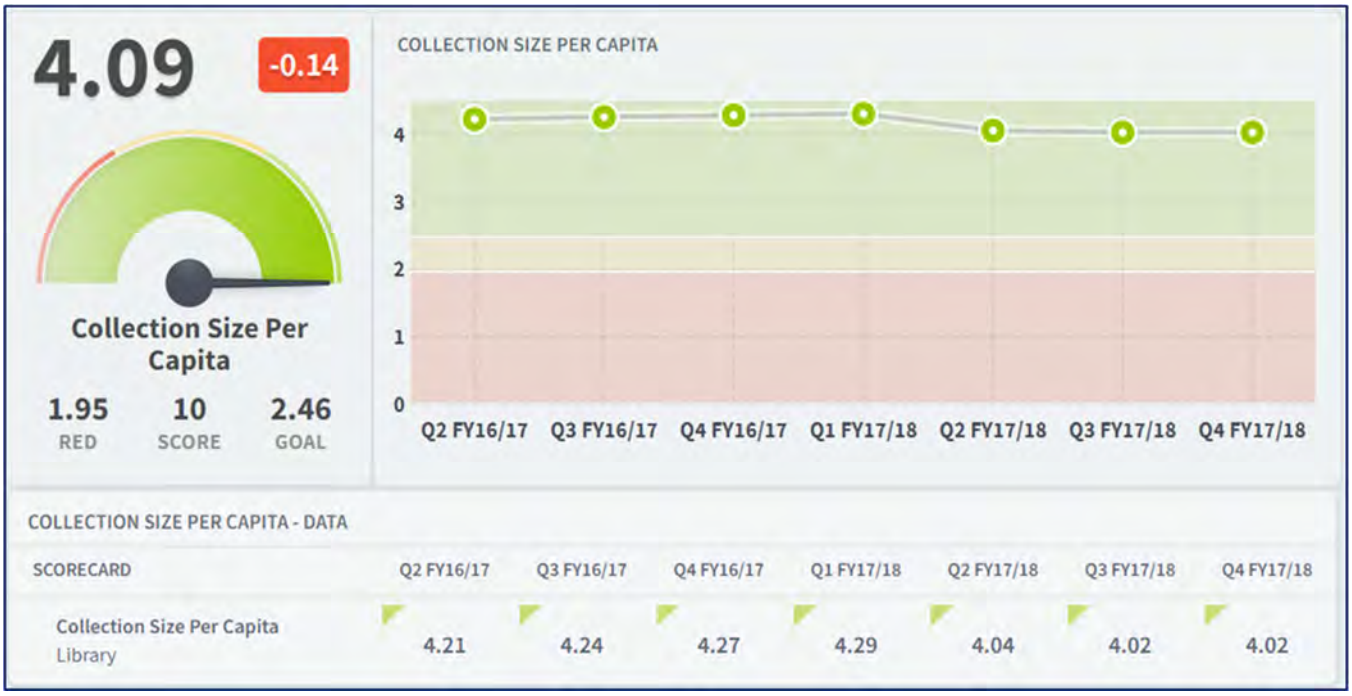
C.1 Achieve the highest standards of safety and security



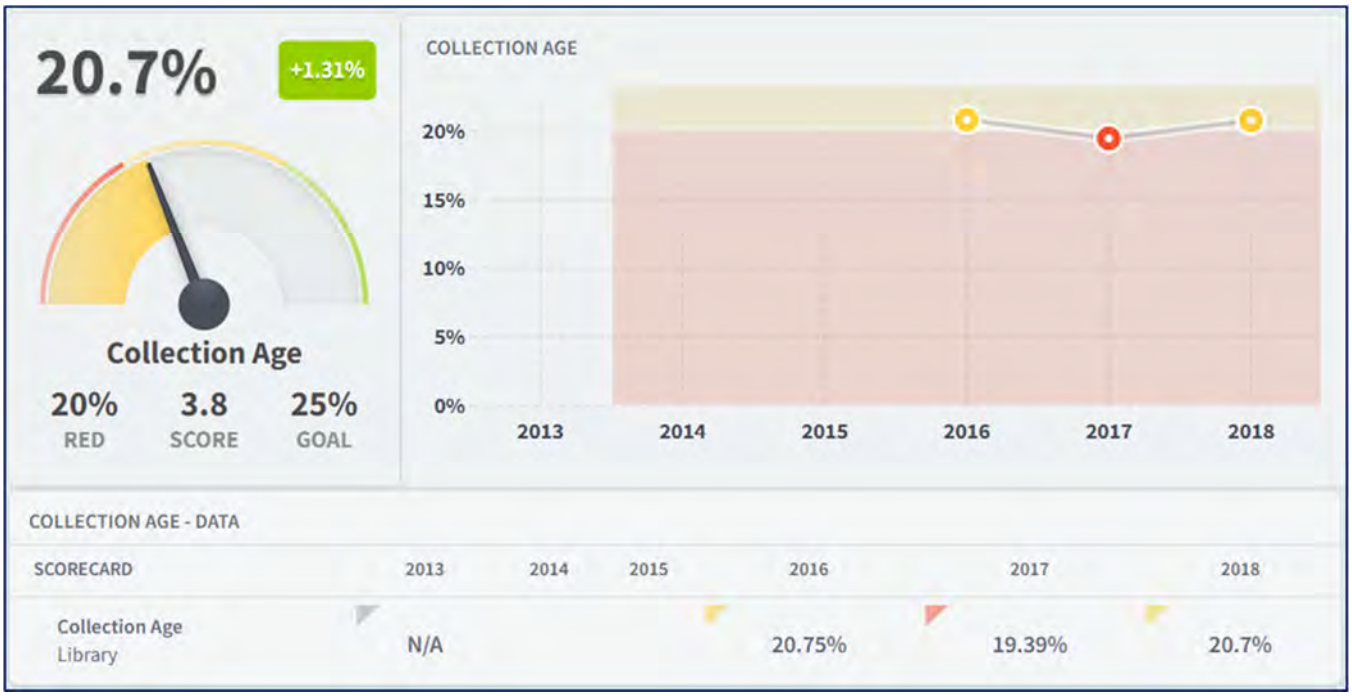


C.2 Provide attractive, unique, and connected spaces for community interaction



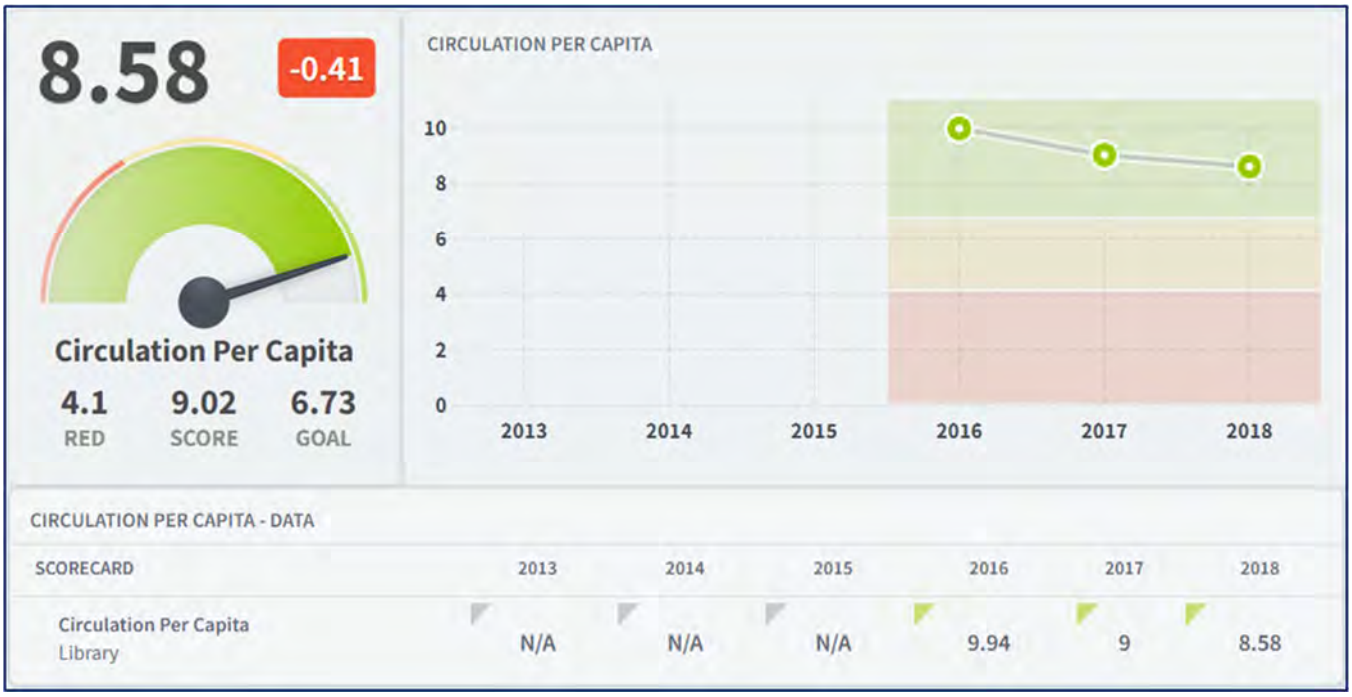


C.2 Provide attractive, unique, and connected spaces for community interaction



COLLECTION AGE - DATA

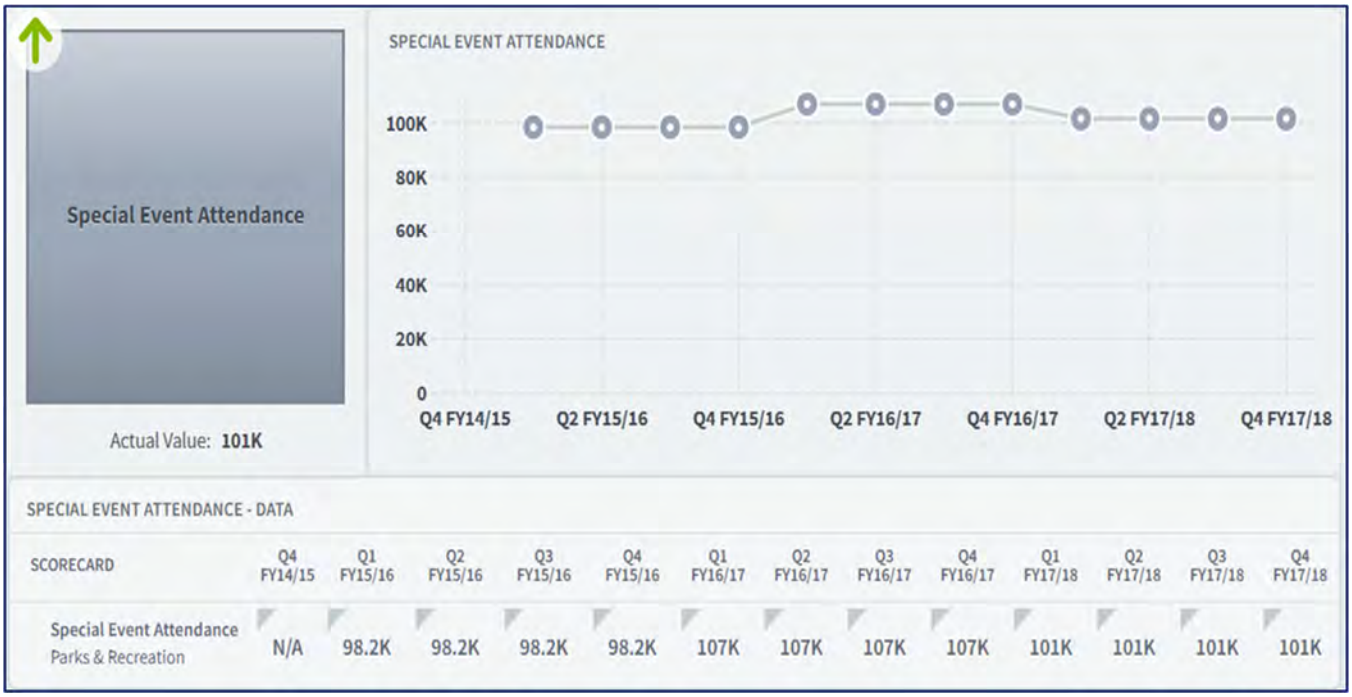
SCORECARD	2013	2014	2015	2016	2017	2018
Collection Age Library	N/A			20.75%	19.39%	20.7%



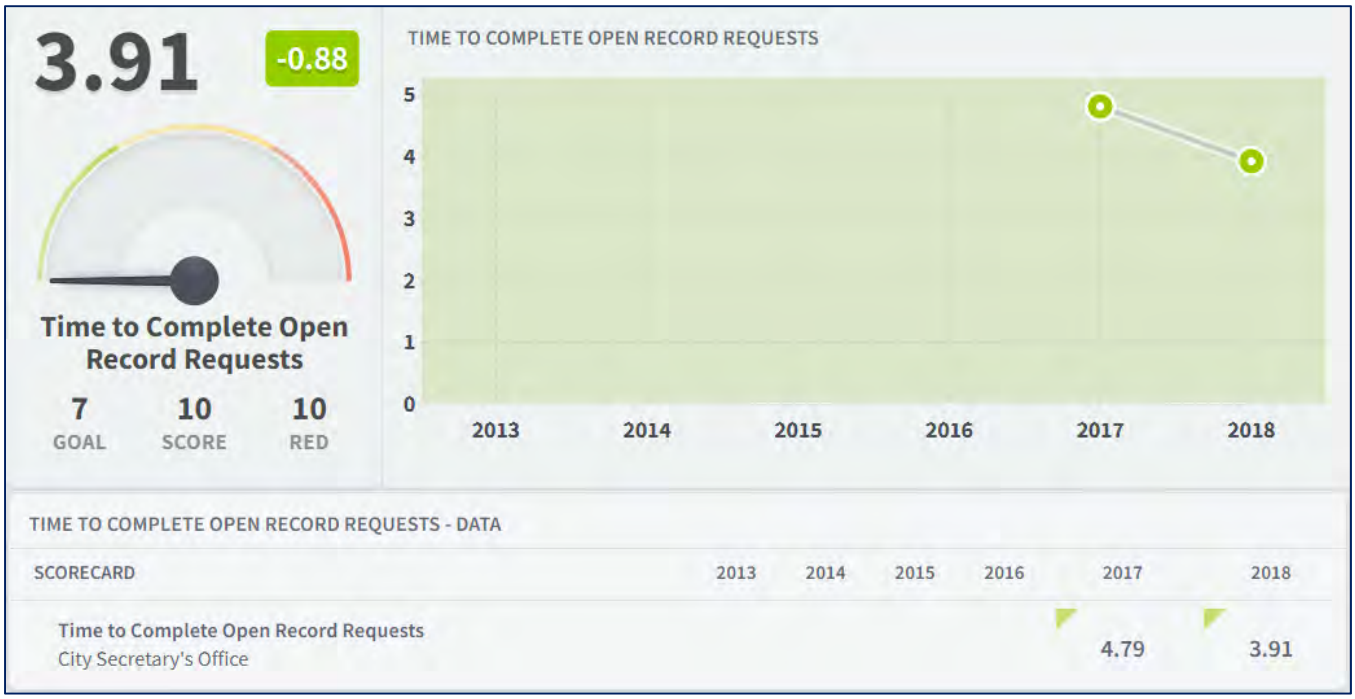
CIRCULATION PER CAPITA - DATA

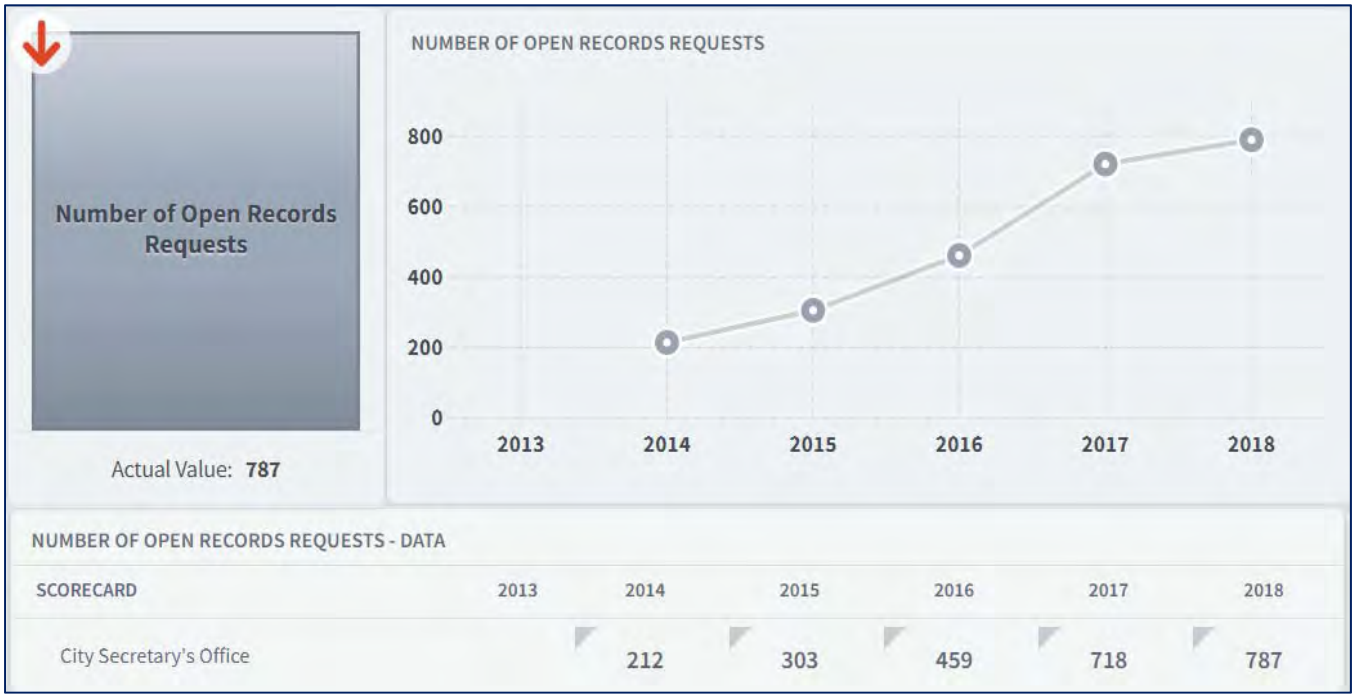
SCORECARD	2013	2014	2015	2016	2017	2018
Circulation Per Capita Library	N/A	N/A	N/A	9.94	9	8.58

C.2 Provide attractive, unique, and connected spaces for community interaction

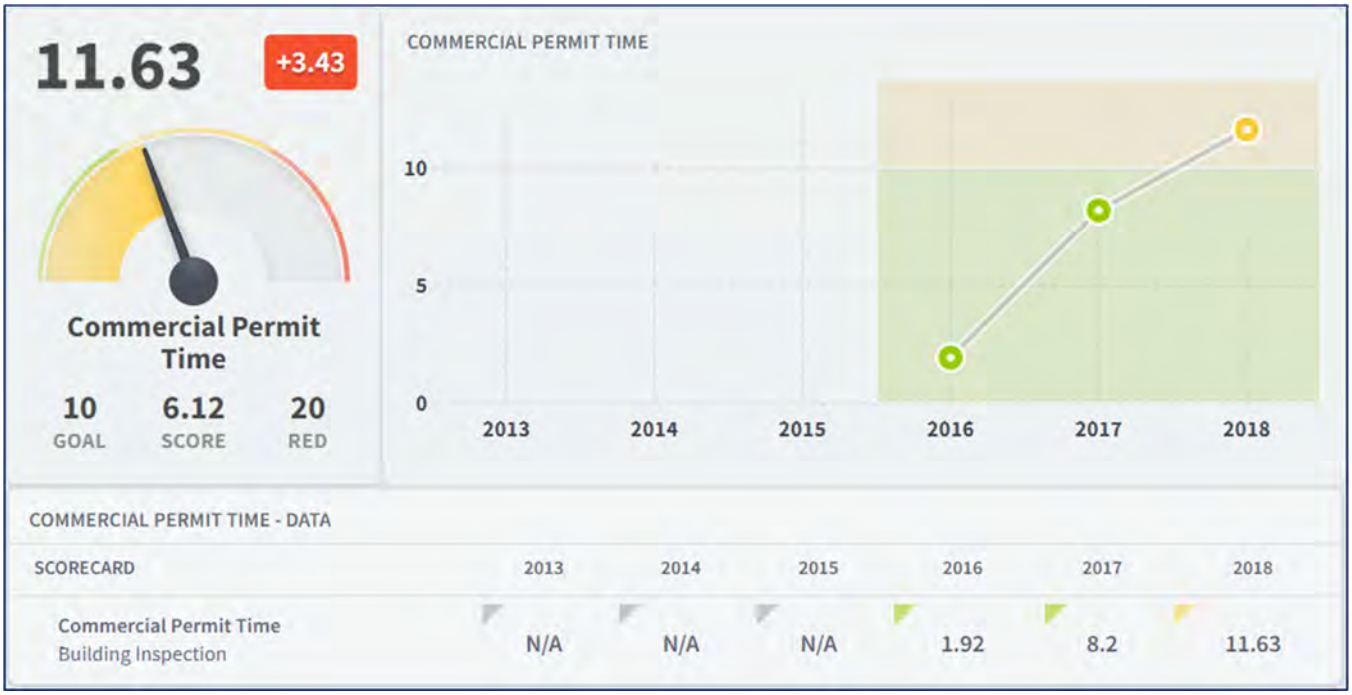


C.4 Be Open, Accessible, and Transparent





C.5 Attract and retain top-tier businesses to drive a unique and sustainable economic environment



COMMERCIAL PERMIT TIME - DATA

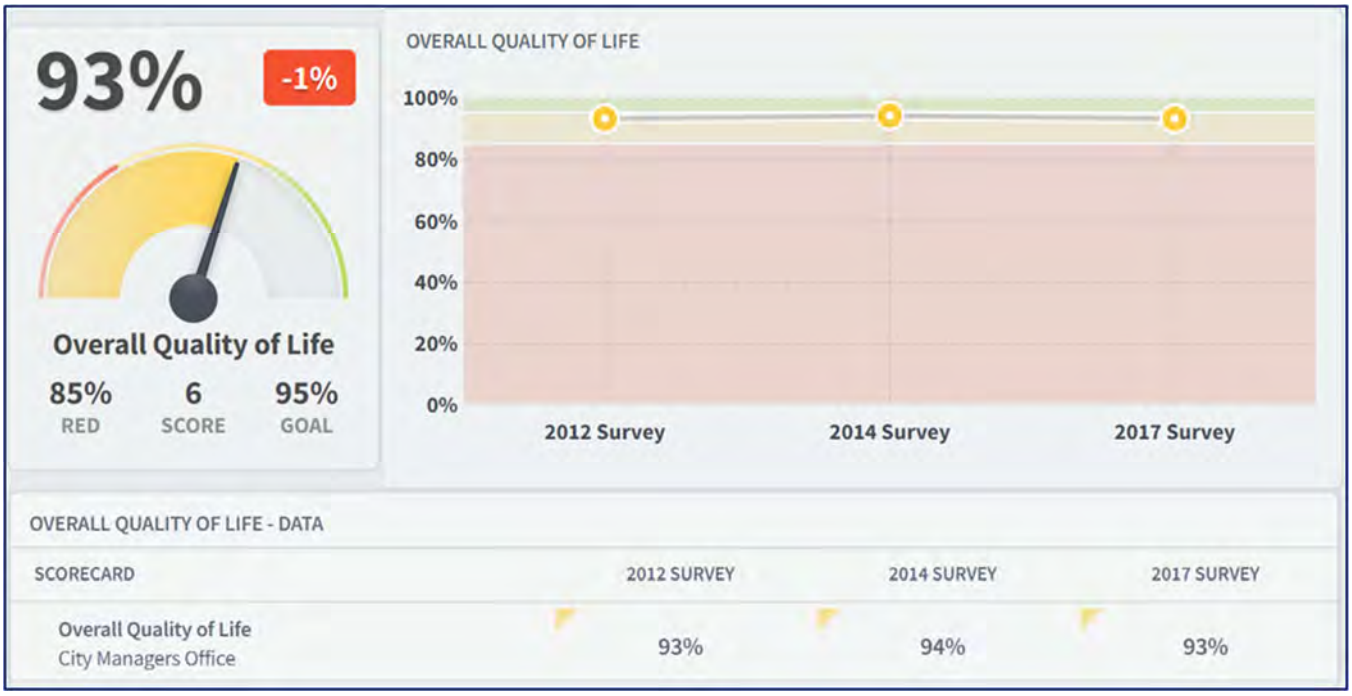
SCORECARD	2013	2014	2015	2016	2017	2018
Commercial Permit Time Building Inspection	N/A	N/A	N/A	1.92	8.2	11.63

TOTAL COMMERCIAL PERMITS - DATA

SCORECARD	2013	2014	2015	2016	2017	2018
Total Commercial Permits Building Inspection	N/A	N/A	N/A	437	642	561

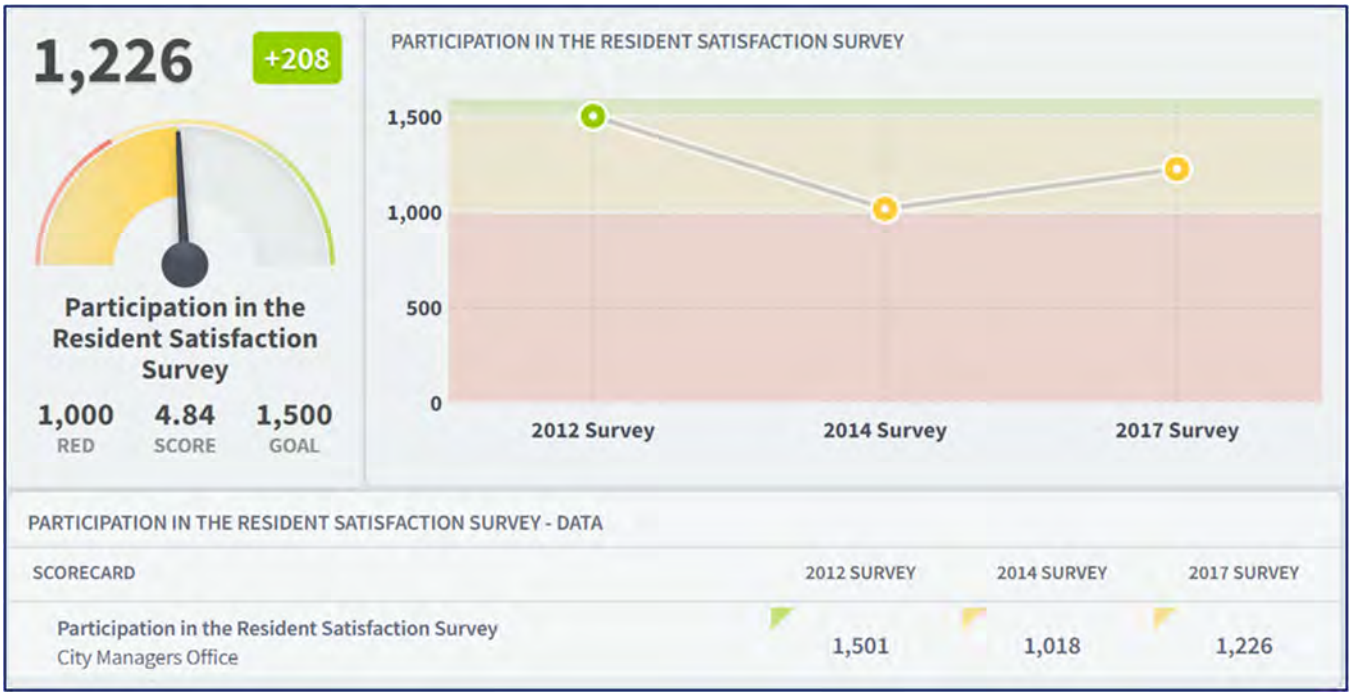
C.5 Attract and retain top-tier businesses to drive a unique and sustainable economic environment

B.1 Achieve best-in-class status in all City disciplines



OVERALL QUALITY OF LIFE - DATA

SCORECARD	2012 SURVEY	2014 SURVEY	2017 SURVEY
Overall Quality of Life City Managers Office	93%	94%	93%



PARTICIPATION IN THE RESIDENT SATISFACTION SURVEY - DATA

SCORECARD	2012 SURVEY	2014 SURVEY	2017 SURVEY
Participation in the Resident Satisfaction Survey City Managers Office	1,501	1,018	1,226

B.3 Optimize the use of technology

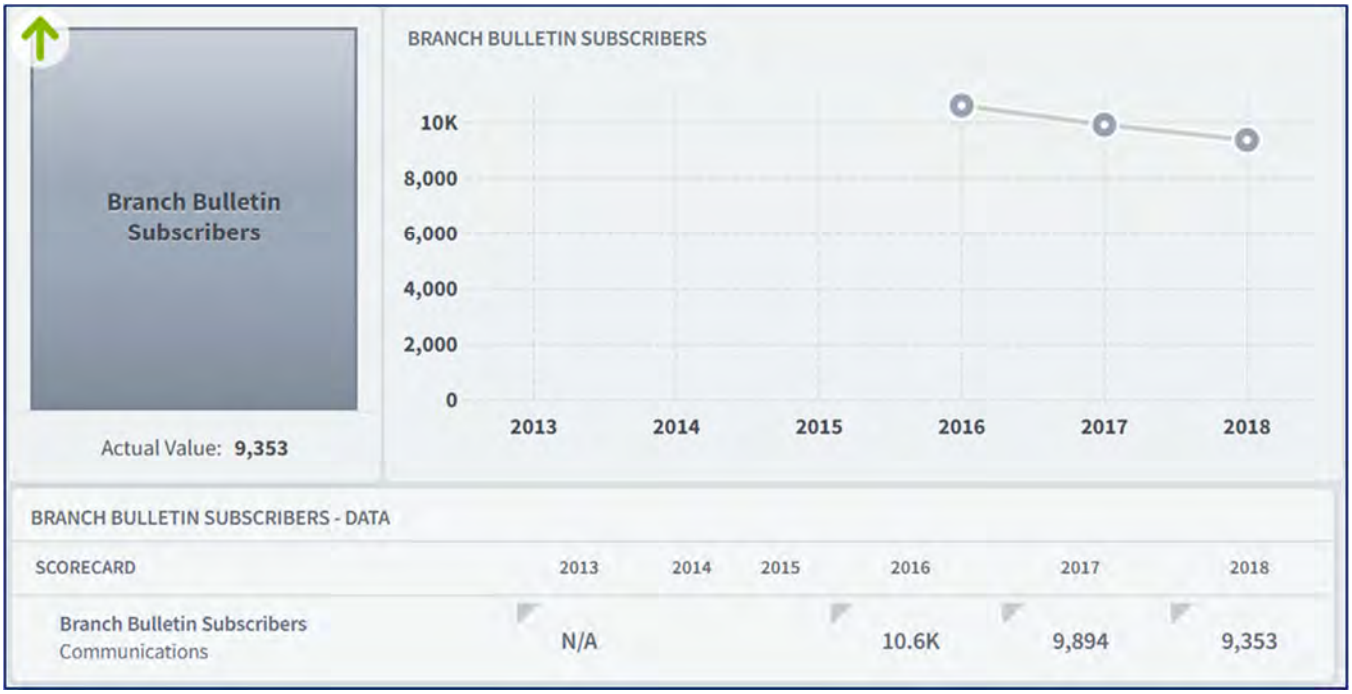
OPENED REQUESTS (ALL) - DATA

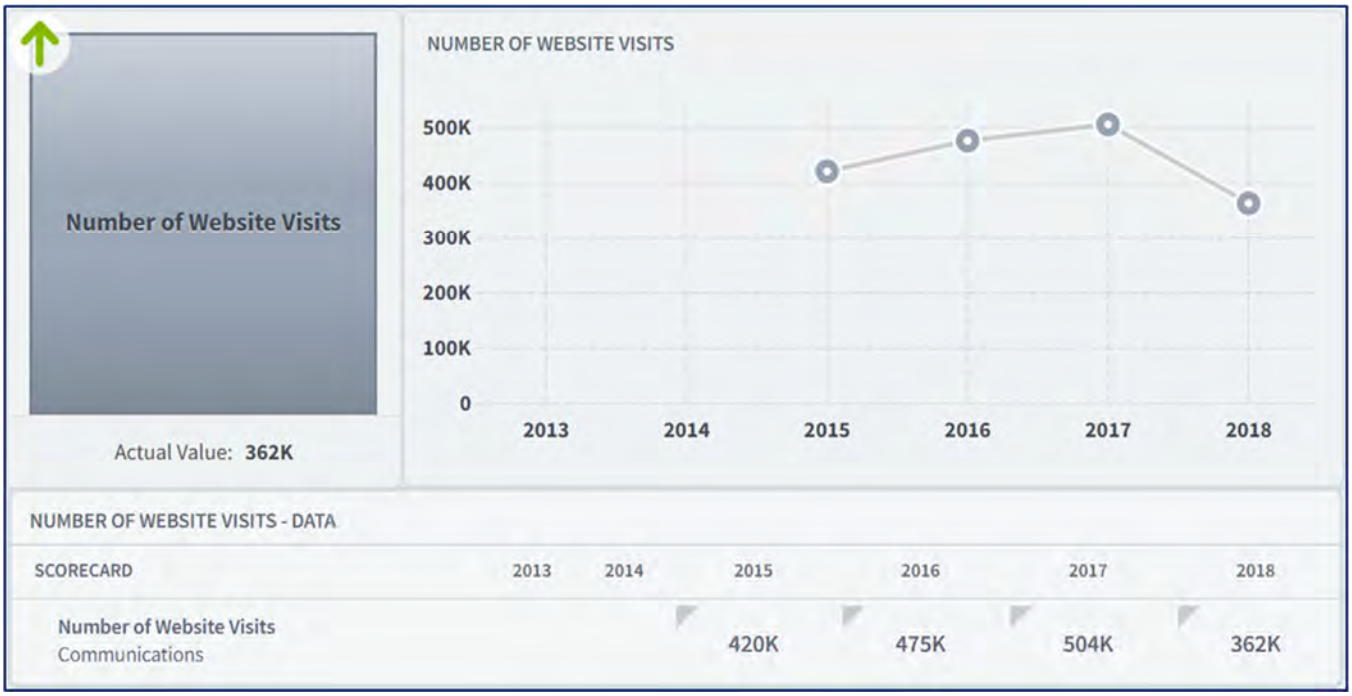
SCORECARD	2013	2014	2015	2016	2017	2018
Opened Requests (All) Information Services		2,304	2,198	1,607	1,657	1,530

CLOSED REQUESTS (ALL) - DATA

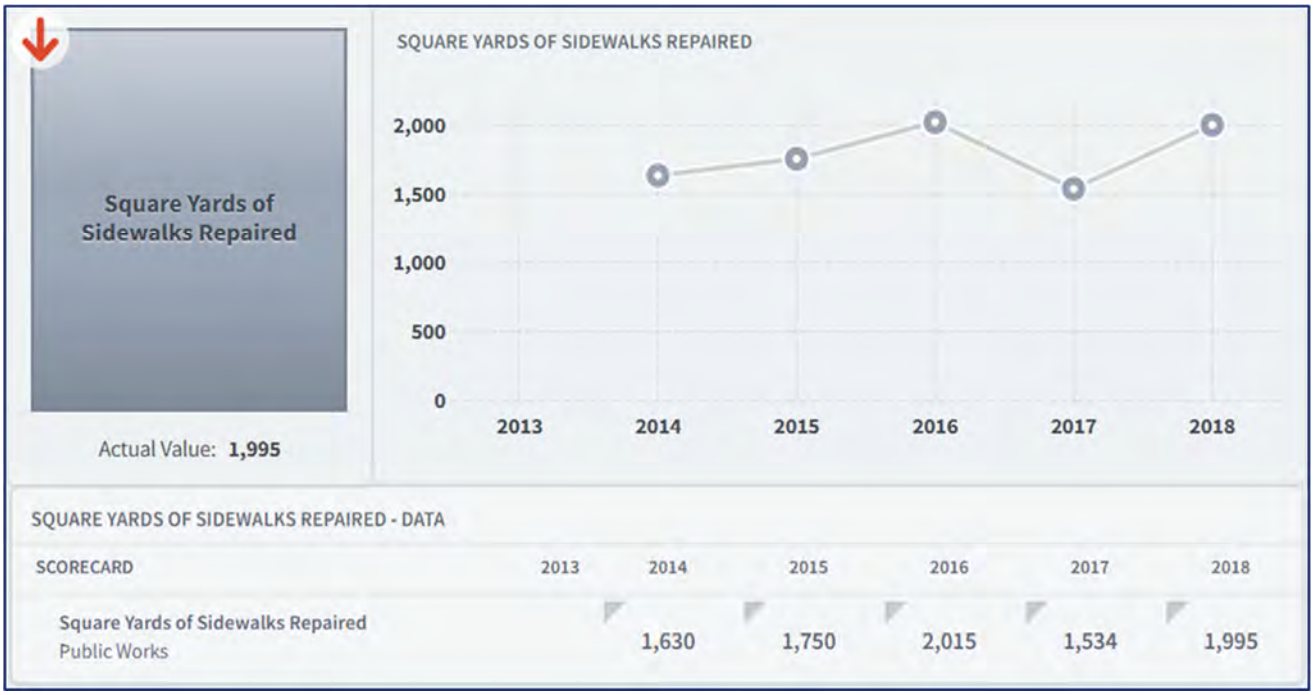
SCORECARD	2013	2014	2015	2016	2017	2018
Closed Requests (All) Information Services		2,131	1,697	1,254	1,435	1,330

B.4 Ensure constant and effective communication both internally and externally

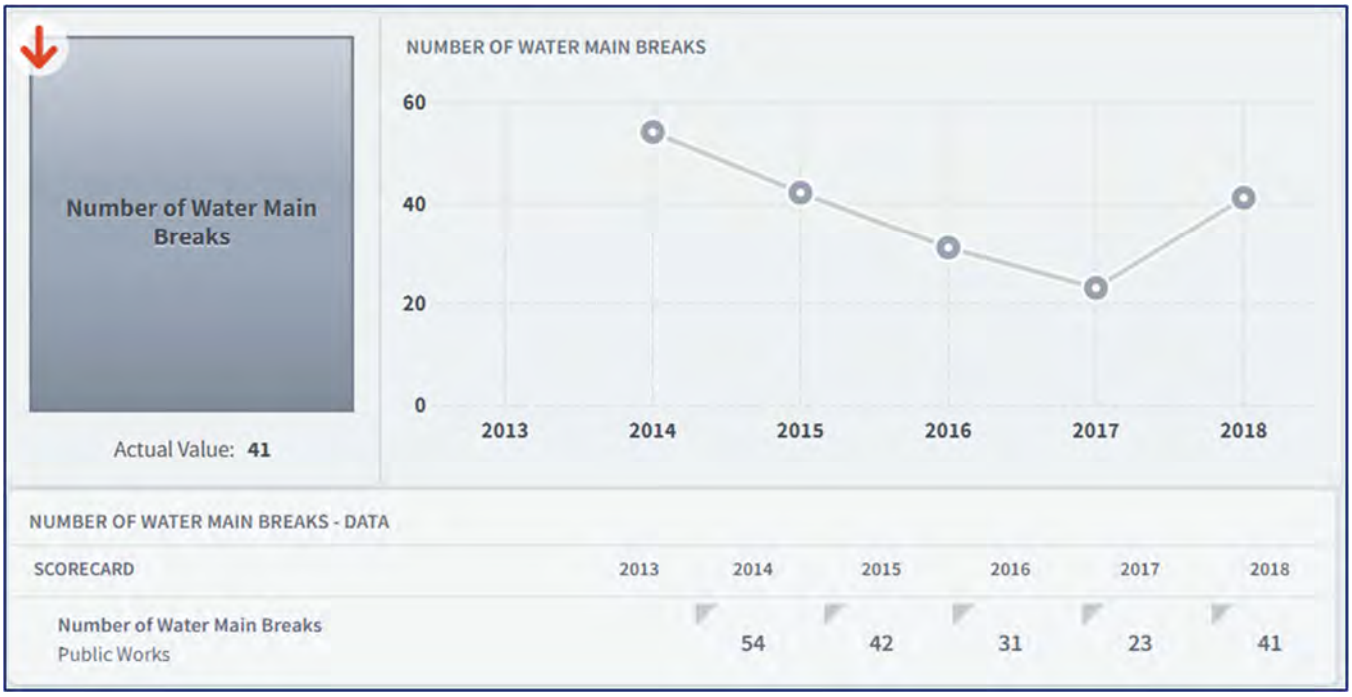


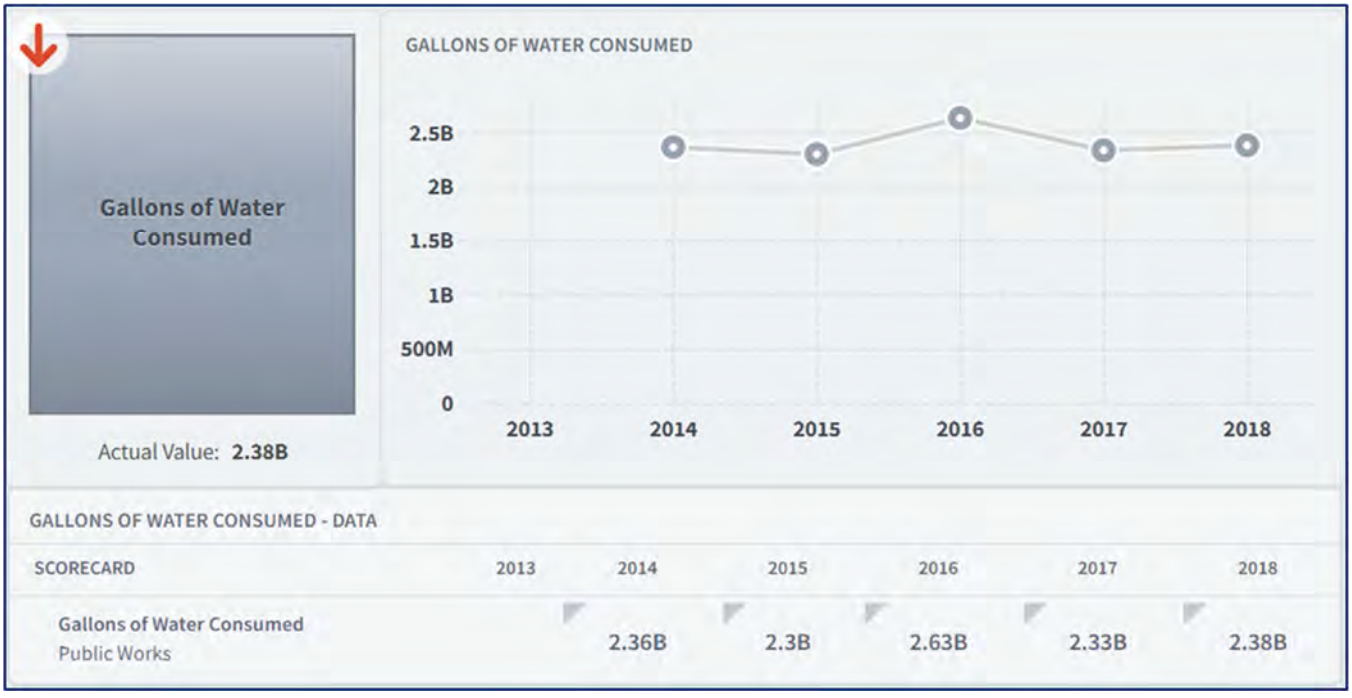


F.1 Invest to maintain and provide high quality public assets

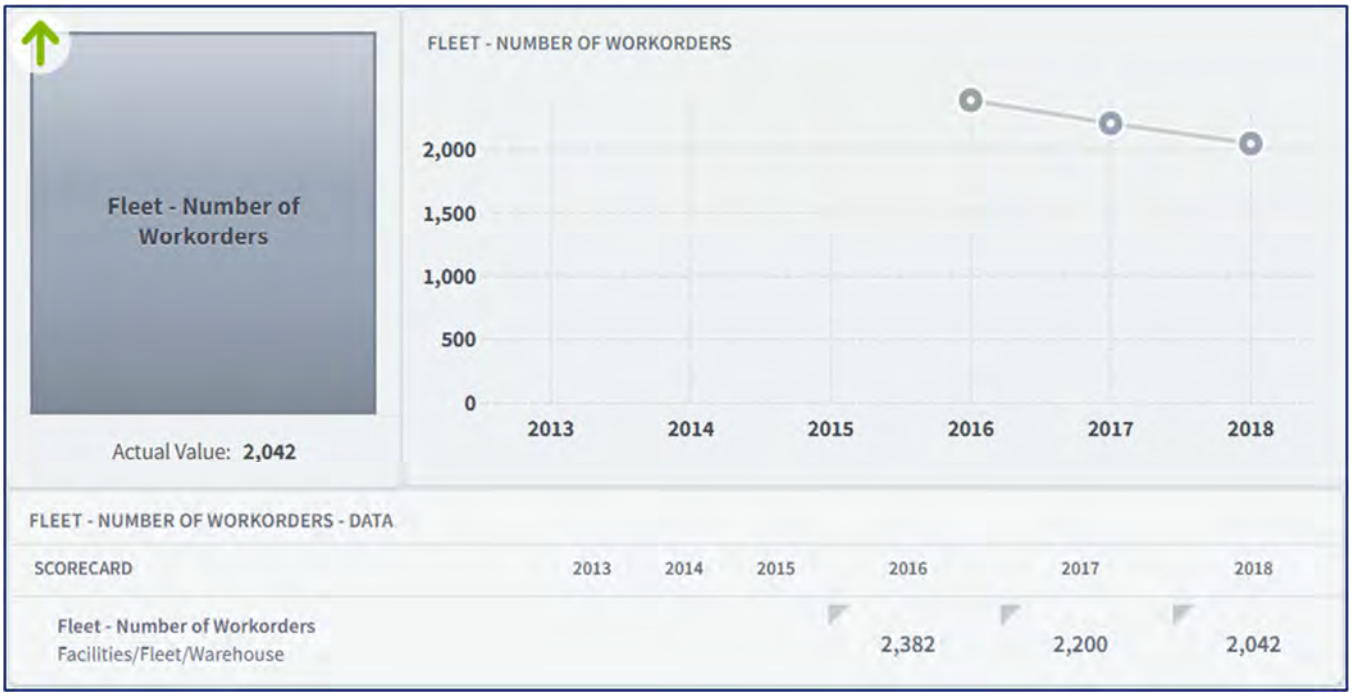


F.1 Invest to maintain and provide high quality public assets



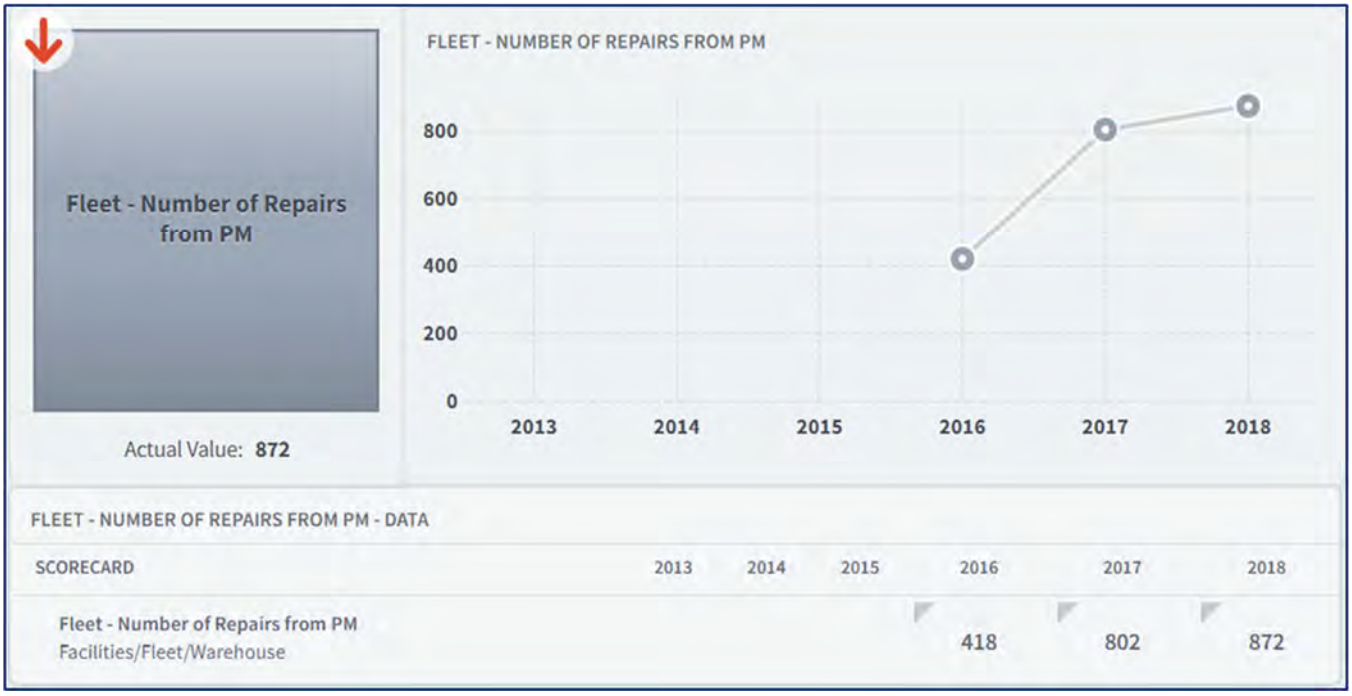


F.1 Invest to maintain and provide high quality public assets



FLEET - NUMBER OF WORKORDERS - DATA

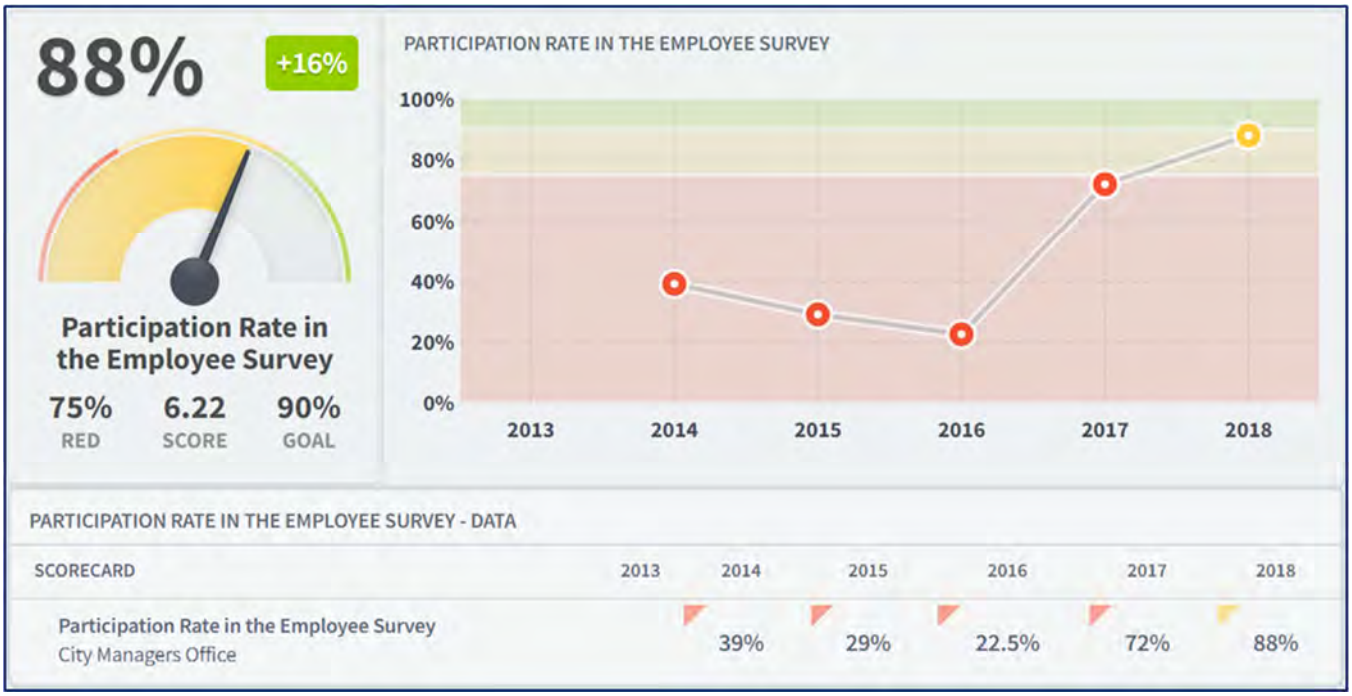
SCORECARD	2013	2014	2015	2016	2017	2018
Fleet - Number of Workorders Facilities/Fleet/Warehouse				2,382	2,200	2,042



FLEET - NUMBER OF REPAIRS FROM PM - DATA

SCORECARD	2013	2014	2015	2016	2017	2018
Fleet - Number of Repairs from PM Facilities/Fleet/Warehouse				418	802	872

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 2018 population is 31,590 and the estimated daytime population is 66,000 (per the United States Census Bureau's American Community Survey – 5 Year Estimates) as the business community commutes to the City's many high-rise office buildings and industrial parks.

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 was 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: the City's 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 which 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 77.16% 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
Southern Glazers Wine and Spirits	Spirit and Wine Distribution	$ 114,065,600	2.05%
Dallas International Parkway	Office Tower - Class A	113,500,000	2.04%
EOS Properties at Providence Towers	Office Tower - Class A	86,000,000	1.54%
Garden Centura LP	Office Tower - Class A	79,650,000	1.43%
5005 LBJ Tower LLC	Office Tower - Class A	78,037,530	1.40%
Mercer Acquisition LLC	Apartment Complex	75,000,000	1.35%
Lakeview at Parkside	Apartment Complex	65,780,000	1.18%
GPIF International Plaza III LLC	Office Tower - Class A	61,551,500	1.10%
EPC BRIC LLC	Real Estate - Office/Showroom	55,000,000	0.99%
Galleria Texas Partners LLC	Real Estate - Office/Showroom	54,000,000	0.97%
		$ 782,584,630	14.05%

Special Services

Some of the special services offered in Farmers Branch include twice-weekly garbage collection with no fee and free pickup of brush and bulky items once a week 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]	9,885	9,885
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. 2017 thru 1st Qtr. 2018	
Business Classification	Taxable Sales
Retail Trade	$ 460,048,889
Construction	189,152,497
Administrative Support and Waste Mgmt. & Remediation Serv.	134,939,673
Wholesale Trade	132,022,127
Professional, Scientific and Technical Services	87,248,234
Accommodation and Food Services	79,378,182
Real Estate and Rental and Leasing	23,877,319
Arts, Entertainment and Recreation	23,474,026
Other Services	23,365,472
Manufacturing	21,737,840
Information	7,662,382
Finance and Insurance	3,207,592
Management of Companies & Enterprises	232,923
Educational Services	179,538

Number of Active Registered Voters (not in suspense)	14,737
Number of Registered Votes in May 2018 Election:	960
Estimated Population per North Central Texas Council of of Governments	31,590
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’s fiscal year begins on October 1 and ends on September 30. The fiscal year that begins on October 1, 2018 is referred to as “Fiscal Year 2019." 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, and budget and tax related ordinances.

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

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. Prior to that date, department heads prepare budgets for their departments. These budgets are then compiled into a budget for the entire City by the Budget Manager. Budget proposals are then reviewed by the City Manager, Deputy City Manager, Director of Finance, Budget Manager, and the department head. The City Manager then submits a recommended budget to the City Council. A budget public hearing, and tax rate hearing(s) as applicable, are conducted prior to adoption of the budget, at which time all interested persons’ comments concerning the budget are heard. 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 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.

Strategic Planning – Ideal Timeline

January - Council Review of Comprehensive Annual Financial Report

February - City Council Strategic Planning Retreat
- Review of the City's Financial Condition
- Review of Citizen Survey Results
- City Council Goal Setting

March - Department Head Planning Retreat
- 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 - Finance to update department Budget *Forms* with March 31 Year-to-Date Actuals
Budget Packets Distributed to Departments

May - City Council Elections
Departments to enter facilities services, gas/oil/diesel, vehicle maintenance, and warehouse services estimates as they become available.
Preliminary Tax Roll Due [Mid-May]
Preliminary Budget Reviews between Deputy City Manager or City Manager and direct [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 Dates and Date for Approval of Proposed Tax Rate and Budget (if required)
Council Budget Retreat
1st Public Hearing on Proposed Budget and Tax Rate (if required)

September - 2nd Public Hearing on Proposed Budget and Tax Rate (if required)
Budget Public Hearing
Adopt Budget and Tax Rate

October - Fiscal Year Begins
Begin Tracking New Performance Measures
National Night Out Neighborhood Gatherings
Conduct Citizen Survey

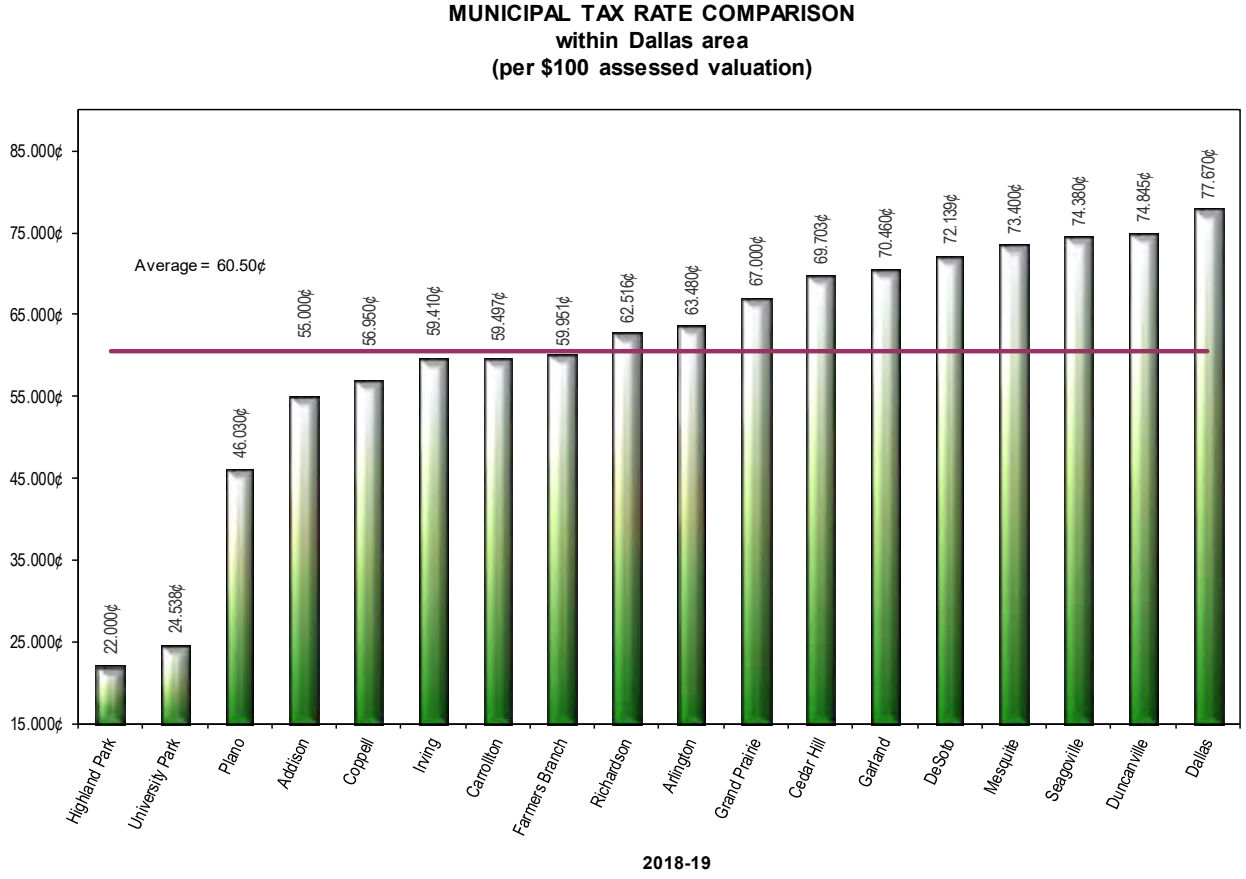
December - City Council Goals Evaluation and Report
Performance Measure Summary Report (from prior fiscal year)

Truth in Taxation

State "truth-in-taxation" laws give taxpayers a voice in decisions that affect their property tax rates. Beginning in early August, the City takes the first step toward adopting a tax rate and complying with these laws by calculating and publishing the effective and rollback tax rates in a local newspaper.

The effective tax rate provides the City with approximately the same amount of revenue it had the year before on properties taxed in both years. For example, if property values go up, the effective tax rate goes down. Comparing the effective tax rate to the City's proposed tax rate tells you whether there will be a tax revenue increase.

The rollback tax 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 eight percent (8%) cushion, and sufficient funds to pay its debts in the coming year. If the City adopts a tax rate that is higher than the rollback rate voters in the City can petition calling for an election to rollback or limit the size of the tax revenue increase.



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

CITY OF FARMERS BRANCH
BUDGET SNAPSHOT FISCAL YEAR 2018-19

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 2017-18 and 2018-19 adopted budgets and may change at the close of the fiscal year.*

What financial resources are available for the City of Farmers Branch?
(in millions of dollars)

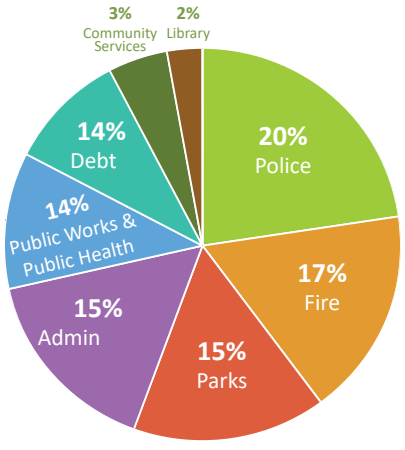
2018 budget	2019 budget		
31%			**Property Taxes** are collected to support City services and also to pay for debt service.
$29.871	$32.071		
31%			**Charges for Service** are collected to support City services.
$30.483	$32.897		
17%			**Sales & Use Taxes** are collected to support City services.
$16.700	$17.835		
21%			The City receives revenue from **Franchise Fees** (4% of total), **Licenses & Permits** (5% of total), **Fines & Forfeits** (3% of total), **Intergovernmental, Interest and Other** (9% of total).
$33.151	$21.816		
$110.205	$104.619	**Total Revenues**	

What are the expenses for running the City of Farmers Branch?
(in millions of dollars)

2018 budget	2019 budget		
5%			The **Hotel/Motel Fund** (2.30% of total) is used to promote tourism and and the **Special Revenue Funds** (2.82% of total) are for proceeds legally restricted for special purposes.
$6.719	$6.716		
23%			The **Capital Budget** is used to acquire, build or rehabilitate major assets, buildings, roads and infrastructure.
$15.266	$30.073		
19%			The **Enterprise Funds** are used to pay for maintenance and repair of the City's water and sewer system and drainage related costs.
$23.319	$24.623		
53%			The **Operating Budget** is used to pay for City services and to pay employees that provide those services. This also includes **Debt Service** (4.60% of total).
$62.642	$69.922		
$107.946	$131.334	**Total Expenditures**	

How Your Property Tax Dollar is Distributed Among City Services

Tax rate of 59.9507¢ per $100 of assessed property value.



Cents on the Tax Rate	
Police	11.9379¢
Fire	9.9975¢
Parks	9.2439¢
Administration	8.8309¢
Debt Service	8.2785¢
Public Works & Public Health	8.1329¢
Community Services	1.9655¢
Library	1.5636¢
TOTAL	59.9507¢

FARMERS BRANCH

Graph reflects $61,821,100 in General Fund expenditures (excludes the Economic Development Fund) and $6,041,200 in property tax supported debt.

CITY OF FARMERS BRANCH FISCAL YEAR 2018-19

What Property Taxpayers Pay for City Services

The Average Value of a Farmers Branch home is $221,094 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	
Police	$211.12	$133.54	$1,180.48
Fire	176.87	111.87	988.97
Parks	163.51	103.42	914.27
Administration	156.09	98.73	872.77
Debt Service	146.44	92.62	818.81
Public Works & Public Health	143.89	91.02	804.58
Community Services	34.78	22.00	194.47
Library	27.68	17.51	154.75
TOTAL	**$1,060.38**	**$670.71**	**$5,929.10**

Distribution of Your Total Tax Bill

C-FB ISD
$1.37000 = 52.17%

CITY OF FARMERS BRANCH
$0.599507 = 22.83%

PARKLAND HOSPITAL
$0.279400 = 10.64%

DALLAS COUNTY
$0.253100 = 9.64%

DCCC
$0.124000 = 4.72%

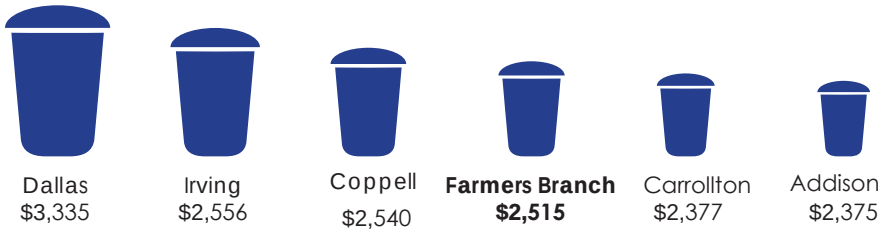
How Do We Compare With Our Neighbors?

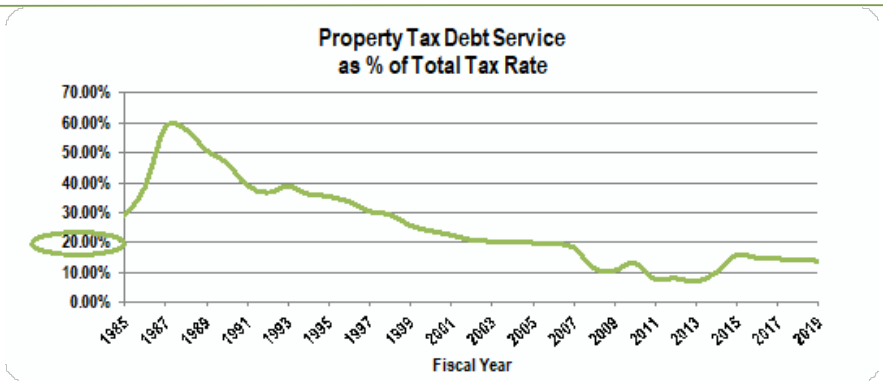
Estimated City Property Tax on a $250,000 Home

Includes 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 $250,000. *Source: Carrollton, TX, Municipal Cost of Service Comparison, adjusted for adopted 2018-19 tax rates and exemptions.*





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 will follow 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 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 insure 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-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 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 2018-19 is approximately $139.4 million. The City's tax rate is currently $0.599507 per $100 of assessed valuation. This current tax rate supports general governmental operations and approximately $4.3 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+	March 29, 2018	AA+	March 29, 2018
2010 General obligation refunding and improvement	Aa2	April 19, 2018	AA+	March 29, 2018	AA+	March 29, 2018
2012 Certificates of obligation (bank issued)	n/a	n/a	n/a	n/a	n/a	n/a
2013 Certificates of obligation	Aa2	April 19, 2018	AA+	March 29, 2018	AA+	March 29, 2018
2014 Certificates of obligation	n/a	n/a	AA+	March 29, 2018	AA+	March 29, 2018
2014 General obligation	n/a	n/a	AA+	March 29, 2018	AA+	March 29, 2018
2016 Certificates of obligation	n/a	n/a	AA+	March 29, 2018	AA+	March 29, 2018
2018 Certificates of obligation	n/a	n/a	AA+	March 29, 2018	AA+	March 29, 2018
2018 General obligation	n/a	n/a	AA+	March 29, 2018	AA+	March 29, 2018
Special revenue bonds						
2011 General obligation refunding bonds, taxable	Aa2	April 19, 2018	AA+	March 29, 2018	AA+	March 29, 2018
2018 Certificates of obligation	n/a	n/a	AA+	March 29, 2018	AA+	March 29, 2018

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 used to account for the current day-to-day operations of the City, which are financed from property taxes and other general revenues. 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. 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 are used by the City to account and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes other than debt service or capital projects. The following is a description of the City's Special Revenue Funds.

Hotel/Motel Fund – Used to account for receipt and allocation of the City's hotel/motel occupancy tax. Use of this tax is limited by law to the promotion of tourism and other restricted uses. 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.

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.

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.

Dangerous Structures Bond Fund – Used to account for the costs related to the acquisition and demolition of dangerous structures (the Project) located within the City and the payment of professional services in connection with the Project. Funded by certificates of obligation bond proceeds. [Note: This fund was closed in 2016-17.]

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 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.

Capital Projects Funds - The Capital Projects Funds account for all resources used for the acquisition and/or construction of major capital facilities by the City. 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.

Radio System Bond Fund – Used to account for the financing of an upgrade of the analog radio system used by fire and police departments to a digital system. The proposed system will be shared with the City of Carrollton, Town of Addison, and City of Coppell. Certificates of obligation were issued for the project in fiscal year 2012-13.

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

Justice Center Security Upgrades Bond Fund – Used to pay for security upgrades, expansion and modernization at the Farmers Branch Justice Center.

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.

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, all of the following Enterprise Funds are consolidated into one summarized Enterprise Fund.

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.

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.

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.

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 responsibilities, strategic initiatives and performance measures, if applicable, as well as 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.

FUND	DEPARTMENT	DIVISION
General	General Government	General Government General Contracts Legal Non-Departmental
	General Administration	General Administration
	Communications	Communications
	Economic Development & Tourism	Economic Development
	Human Resources	Human Resources
	Finance	Finance Administration Accounting Purchasing Municipal Court
	Information Services	Information Services
	Community Services	Planning Community Services Administration Building Inspection
	Public Works	Public Works Administration Street Maintenance
	Sustainability & Public Health	Sustainability & Solid Waste Collection Animal Services Environmental Services
	Police	Police Administration Police Investigations Police Patrol Police Detention Police Communications Police Training
	Fire	Fire Administration Fire Prevention Fire Operations
	Parks and Recreation	Parks and Recreation Administration Park Maintenance Recreation Aquatics Center Senior Center Park Board Senior Advisory Board Events
	Library	Library
Enterprise	Public Works	Water & Sewer Administration Water & Sewer Operations Stormwater Utilities
Internal Service	Fleet & Facilities Management	Facilities Management Fleet Management
	Workers' Compensation Fund	N/A
	Health Claims Fund	N/A
Hotel/Motel	Parks & Recreation	Historical Preservation/Special Events
	Economic Development & Tourism	Promotion of Tourism Convention Center

ADOPTED BUDGET 2018-19
CONSOLIDATED SUMMARY OF REVENUES AND EXPENDITURES
for Operating Funds & Capital Project Funds

	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19 (1)
ESTIMATED BEGINNING BALANCES	$ 39,724,569	$ 21,880,104	$ 37,733,314	$ 46,872,207
REVENUES				
Ad valorem taxes	28,416,585	29,871,300	30,236,300	32,070,800
Non-property taxes	16,828,992	16,700,000	16,918,000	17,835,000
Franchise fees	4,255,212	4,391,000	4,195,500	4,329,500
Licenses & permits	2,024,453	2,962,000	4,686,200	4,955,000
Intergovernmental	218,690	76,150	341,092	100,230
Charges for service	26,761,662	30,483,000	31,267,900	32,896,900
Fines and forfeits	3,156,898	3,268,500	2,544,600	3,047,900
Interest and other	6,313,849	22,452,879	34,840,053	9,383,380
TOTAL REVENUES	87,976,341	110,204,829	125,029,645	104,618,710
TRANSFERS FROM OTHER FUNDS	5,815,207	5,070,000	5,873,800	7,421,000
TOTAL REVENUES AND TRANSFERS	93,791,548	115,274,829	130,903,445	112,039,710
TOTAL AVAILABLE RESOURCES	133,516,117	137,154,933	168,636,759	158,911,917
EXPENDITURES				
General government	11,985,216	13,661,891	13,006,991	15,541,888
Public safety	25,594,867	26,675,250	26,406,730	27,642,730
Public works	9,300,429	10,846,200	10,012,824	10,633,560
Culture and recreation	11,074,038	12,172,700	12,322,500	12,317,700
Economic development	1,139,717	1,000,000	1,444,800	2,760,000
Utilities	13,967,735	16,341,500	16,383,200	16,445,000
Capital projects	9,233,338	15,265,892	27,617,867	30,072,748
Debt service	4,695,656	4,700,800	4,700,800	6,041,200
Tourism/historical preservation	2,016,196	2,211,271	2,105,000	2,457,900
TOTAL EXPENDITURES	89,007,192	102,875,504	114,000,712	123,912,726
TRANSFERS TO OTHER FUNDS	5,815,207	5,070,000	5,873,800	7,421,000
TOTAL EXPENDITURES AND TRANSFERS	94,822,399	107,945,504	119,874,512	131,333,726
ADJUSTMENTS (2)	(960,404)		(1,890,040)	306,510
CHANGE IN FUND BALANCE	(1,991,255)	7,329,325	9,138,893	(18,987,506)
ESTIMATED ENDING FUND BALANCES	$ 37,733,314	$ 29,209,429	$ 46,872,207	$ 27,884,701

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

(1) The Adopted Budget 2018-19, as presented for Capital Projects, inadvertently excluded a $25,000 transfer-in. However, the General Fund Adopted Operating Budget included the transfer. The above summary reflects the transfer-in from the Operating Budget and total Capital Projects will be adjusted at Year-End to account for this change.

(2) Actuals reflect reserves, designations and adjustments for encumbrances. Year-End Amended reflects adjustment for a gain in inventory of land held for resale.

ADOPTED BUDGET 2018-19
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 (2)	
ESTIMATED BEGINNING BALANCES	$ 12,067,096	$ 3,338,394	$ 562,066	$ 516,677	$ 5,043,913	$ 25,344,061	$ 46,872,207
REVENUES							
Ad valorem taxes	27,795,000			4,275,800			32,070,800
Non-property taxes	14,785,000		3,050,000				17,835,000
Franchise fees	4,269,500				60,000		4,329,500
Licenses & permits	4,955,000						4,955,000
Intergovernmental					100,230		100,230
Charges for service	6,620,200	25,058,500	35,000	1,182,000	1,200		32,896,900
Fines and forfeits	2,186,900				861,000		3,047,900
Interest and other	1,212,800	26,100	60,500	600,000	1,045,088	6,438,892	9,383,380
TOTAL REVENUES	61,824,400	25,084,600	3,145,500	6,057,800	2,067,518	6,438,892	104,618,710
TRANSFERS FROM OTHER FUNDS	1,100,000				300,000	6,021,000	7,421,000
TOTAL REVENUES AND TRANSFERS	62,924,400	25,084,600	3,145,500	6,057,800	2,367,518	12,459,892	112,039,710
TOTAL AVAILABLE RESOURCES	74,991,496	28,422,994	3,707,566	6,574,477	7,411,431	37,803,953	158,911,917
EXPENDITURES							
General government	15,306,100				235,788		15,541,888
Public safety	26,243,600				1,399,130		27,642,730
Public works	9,630,300				1,003,260		10,633,560
Culture & recreation	12,259,200				58,500		12,317,700
Economic development	2,060,000				700,000		2,760,000
Utilities		16,445,000					16,445,000
Capital projects						30,072,748	30,072,748
Debt service				6,041,200			6,041,200
Tourism/historical preservation			2,456,500		1,400		2,457,900
TOTAL EXPENDITURES	65,499,200	16,445,000	2,456,500	6,041,200	3,398,078	30,072,748	123,912,726
TRANSFERS TO OTHER FUNDS	(1,618,100)	8,177,900	561,200		300,000		7,421,000
TOTAL EXPENDITURES AND TRANSFERS	63,881,100	24,622,900	3,017,700	6,041,200	3,698,078	30,072,748	131,333,726
CHANGE IN INVENTORY OF LAND HELD FOR SALE	306,510						306,510
CHANGE IN FUND BALANCE	(650,190)	461,700	127,800	16,600	(1,330,560)	(17,612,856)	(18,987,506)
ESTIMATED ENDING FUND BALANCES	$ 11,416,906	$ 3,800,094	$ 689,866	$ 533,277	$ 3,713,353	$ 7,731,205	$ 27,884,701

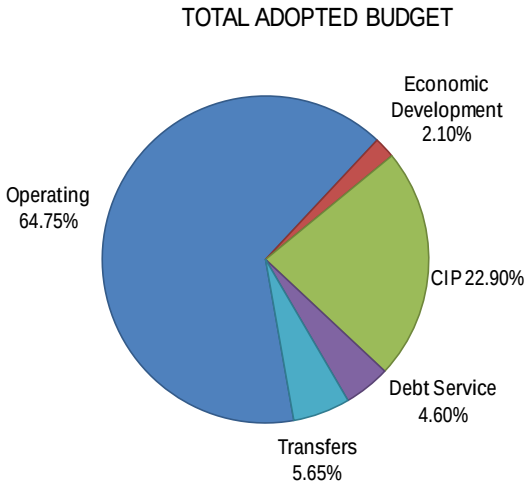
Internal Service and Fixed Asset Funds are not included in this summary as they are funded by the operating funds.

(1) Includes Economic Development Fund.

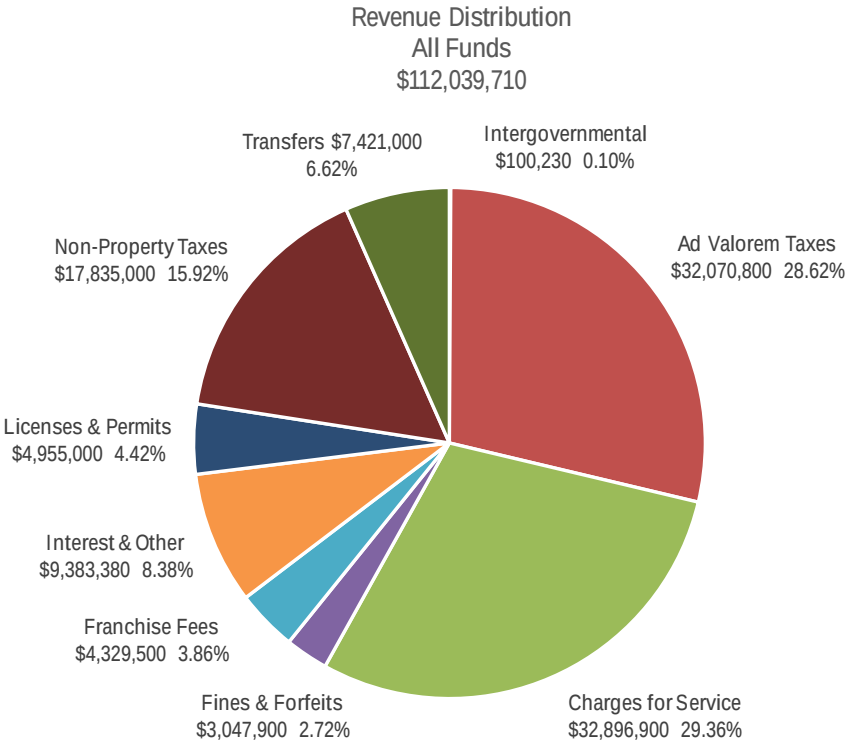
(2) The Adopted Budget, as presented for Capital Projects, inadvertently excluded a $25,000 transfer-in. However, the General Fund Adopted Operating Budget included the transfer. The above summary reflects the transfer-in from the Operating Budget and total Capital Projects will be adjusted at Year-End to account for this change.

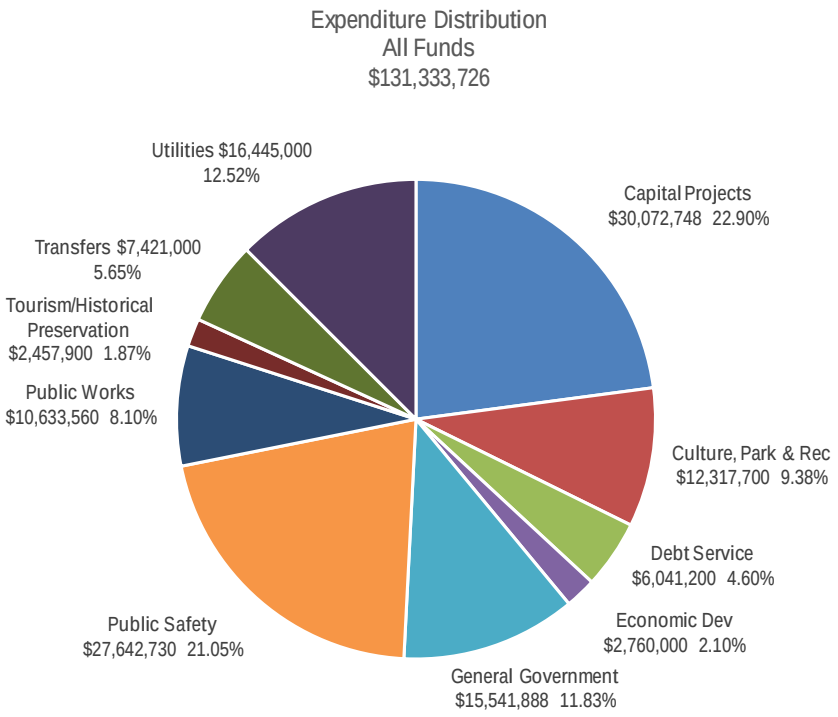
Combined Funds Overview

The total adopted budget for all funds for fiscal year 2018-19 is $131,333,726, which represents a 9.56% increase from the previous year's amended budget and a 21.67% 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 $85,038,778 or 64.75% of the total budget. Economic Development Fund expenditures totaled $2,760,000 or 2.10%, Capital Improvement Program expenditures total $30,072,748 and represent 22.90% of the total budget. Expenditures for Debt Service total $6,041,200 and represent 4.60% of the total budget. Expenditures for Transfers to Other Funds total $7,421,000 and represent 5.65% of the total budget. Overall, expenditures are higher than revenues due to capital funds received in prior years.



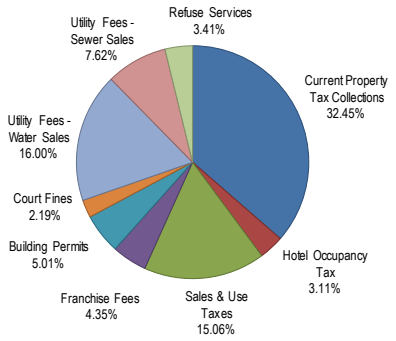
The following graphs illustrate the revenue and expenditure distributions from all funds combined for the total adopted budget.




Expenditure Distribution
All Funds
$131,333,726
Utilities $16,445,000
12.52%
Capital Projects
$30,072,748 22.90%
Transfers $7,421,000
5.65%
Tourism/Historical
Preservation
$2,457,900 1.87%
Public Works
$10,633,560 8.10%
Culture, Park & Rec
$12,317,700 9.38%
Debt Service
$6,041,200 4.60%
Economic Dev
$2,760,000 2.10%
Public Safety
$27,642,730 21.05%
General Government
$15,541,888 11.83%

The revenue sources described in this section account for approximately $87.6 million or 89.20% 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.

The City of Farmers Branch must base its ad valorem tax rate on the certified role 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.

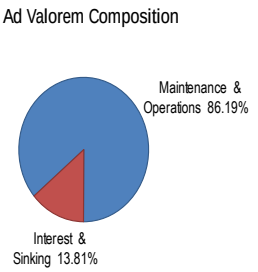
Values: The City of Farmers Branch contracts with the Dallas Central Appraisal District (DCAD) to appraise property values within the City. DCAD is required by State law to repeat the appraisal process for property at least once every three years. DCAD's policy is to appraise approximately one-third 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. Taking into account differences such as age or location, the district uses the typical property values to appraise all properties in the 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 $0.599507 per $100 property value allocates 86.19% ($0.516722) of property tax revenues to the General Fund and 13.81% ($0.082785) 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 assessed taxable value for the tax roll as of January 1, 2018 (upon which the fiscal year 2018-19 levy is based) is $5,575,637,174. This amount is net of $1,215,922,636 (representing 21.81% of taxable value) of agricultural, homestead, over-65, and disabled veteran exemptions. The 2018 tax roll (2018-19 fiscal year) is 9.28% more than the 2017 (2017-18 fiscal year) certified 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, 2019 are estimated to be approximately 99% of levy when including the minimum value for protested accounts and will generate $31,855,800 in total revenues.

The City offers a 20% homestead exemption (but not less than $5,000), a $65,000 exemption for senior citizen homesteads, and a $60,000 exemption for disabled persons' homesteads.

Sales Tax

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, 2019, the City expects to receive $14,785,000 in General Fund sales and use and mixed drink tax revenue. This amount represents a 4.72% increase 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 $4,269,500 for the 2018-19 fiscal year, which represents a 3.24% increase from the previous year's amended budget. Total franchise fees are expected to remain stable over the next few years.

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 $3,350,000 for the General Fund in the 2018-19 fiscal year, which represents a 2.45% increase from the previous year's amended budget. This increase in revenues is based upon a recent state-approved expansion permit that increased contract landfill royalties from 10% to 16%.

Building Permits

Building permit revenue is collected by the Community Services department for services related to construction activity. This revenue includes project permits which 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 $4,915,000 for the General Fund in the 2018-19 fiscal year, which represents a 5.83% increase from the previous year's amended budget.

Building permit revenues are increasing due to a large number of planned apartment projects slated for construction and continued construction of the Mercer Crossing planned development on the City's West Side. The impact of this estimated $1 billion value development will 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 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 is planned for build-out within five 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 $2,146,900 for the 2018-19 fiscal year, which represents a 28.67% 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 $20.94, which includes 2,000 gallons of water. At the other end of the scale, a customer with an 8 inch meter pays $585.23, which also includes 2,000 gallons of water. Water in excess of 2,000 gallons is billed at $5.72 per 1,000 gallons up to 10,000 gallons; $6.41 per 1,000 gallons from 10,001-20,000 gallons; and $6.68 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 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 $77.59.

For the 2018-19 fiscal year, the City's Water & Sewer Fund anticipates receiving $15,712,400 from water sales and $7,478,300 from sewer service fees. These revenues represent a 0.51% increase in water service fees and a 1.11% 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 2018-19 budget assumes annual sales of 2.6 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, 2019, the City expects to receive $3,050,000 in Hotel/Motel Fund occupancy tax receipts. This amount represents an 8.93% increase from the previous year's amended budget. The City has eleven hotels and several new hotels are planned for construction, which should increase revenues in future years.

BUDGET FACTS

(Commonly Asked Questions)

ADOPTED BUDGET 2018-19

		Adopted Fiscal Year Budget 2018-19		Adopted Fiscal Year Budget 2017-18	
Budgeted Expenditures					
Total Budget		$ 131,333,726		$ 107,945,504	
Operating Budget (includes transfers)		$ 101,260,978		$ 92,679,612	
Capital Budget (includes transfers)		$ 30,072,748		$ 15,265,892	
Property Taxes					
Total Residential Taxable Value		$ 1,273,590,712		$ 1,109,968,917	
Total Commercial Real Taxable Value		$ 3,192,108,613		$ 2,910,210,631	
Total Business Personal Property Taxable Value		$ 1,109,937,849		$ 1,081,806,049	
Total Taxable Value	*	$ 5,575,637,174		$ 5,101,985,597	
Total Exemptions Value	*	$ 1,215,922,636		$ 1,178,697,953	
Tax Rate (per $100 assessed value)		$ 0.599507		$ 0.602267	
Average Home Market Value		$ 221,094		$ 195,563	
Property Tax Homestead Exemption		$ 5,000	or 20% whichever is greater	$ 5,000	or 20% whichever is greater
Property Tax Over-65 Exemption		$ 65,000		$ 65,000	
Property Tax Disabled Exemption		$ 60,000		$ 60,000	

Authorized Positions

	Adopted Fiscal Year Budget 2018-19		Amended Budget 2017-18	
	Budget	Full-Time Equivalents (FTE) [1]	Budget	Full-Time Equivalents (FTE) [1]
Full-Time	394.00	394.00	394.00	394.00
Part-Time	177.00		176.00	
Full-Time Equivalent		46.13		45.66
	571.00	440.13	570.00	439.66

* Excludes Values in Protest

[1] 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

	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	PERCENT OF BUDGET
TAXES					
PROPERTY - CURRENT	$ 24,021,631	$ 25,600,000	$ 25,300,000	$ 27,600,000	44.64%
PROPERTY - PRIOR YEAR	57,078	50,000	665,000	65,000	0.11%
SALES & USE	13,853,562	13,600,000	14,032,000	14,700,000	23.78%
MIXED BEVERAGE	82,775	100,000	86,000	85,000	0.14%
FRANCHISE FEES	4,187,078	4,331,000	4,135,500	4,269,500	6.91%
PENALTIES & INTEREST	84,936	100,000	150,000	130,000	0.21%
SUB-TOTAL	42,287,060	43,781,000	44,368,500	46,849,500	75.78%
LICENSES & PERMITS					
HEALTH	49,765	53,000	42,000	40,000	0.06%
BUILDING	1,508,010	2,489,000	3,910,400	4,121,000	6.67%
PLUMBING	131,367	105,000	233,800	259,000	0.42%
ELECTRICAL	129,061	125,000	240,000	250,000	0.40%
HVAC	101,582	90,000	160,000	185,000	0.30%
MULTI-FAMILY INSPECTION	104,668	100,000	100,000	100,000	0.16%
SUB-TOTAL	2,024,453	2,962,000	4,686,200	4,955,000	8.01%
INTERGOVERNMENTAL REVENUE					
OTHER GOVT'L ENTITIES	150,000	0	250,000	0	0.00%
SUB-TOTAL	150,000	0	250,000	0	0.00%
CHARGES FOR SERVICES					
ZONING	24,630	24,000	41,800	37,000	0.06%
PRINTING & DUPLICATING	11,821	12,500	17,000	15,500	0.03%
POLICE SERVICES	203,913	240,000	187,000	203,500	0.33%
EMERGENCY SERVICES	1,449,237	1,530,000	1,325,000	1,505,000	2.43%
FIRE SERVICES	23,027	25,000	38,000	135,000	0.22%
REFUSE SERVICES	2,587,264	3,914,000	3,270,000	3,350,000	5.42%
HEALTH & INSPECTION FEE	30,612	50,000	31,500	30,000	0.05%
ANIMAL CONTROL & SHELTER	25,975	30,000	27,000	35,000	0.06%
AQUATIC CENTER FEES	367,187	325,000	350,000	335,000	0.54%
SENIOR CENTER FEES	29,004	30,000	30,000	42,000	0.07%
PARKS & REC CONCESSIONS	212,498	223,200	200,000	238,200	0.39%
BUILDING USE FEES	486,762	535,000	515,000	624,000	1.01%
EVENTS	35,449	100,500	88,000	70,000	0.11%
SUB-TOTAL	5,487,379	7,039,200	6,120,300	6,620,200	10.71%
FINES, FORFEITS & ASSESSMENTS					
COURT	2,140,085	2,335,000	1,668,500	2,146,900	3.47%
LIBRARY	112,960	110,000	57,000	40,000	0.06%
SUB-TOTAL	2,253,045	2,445,000	1,725,500	2,186,900	3.54%

GENERAL FUND
REVENUE SUMMARY

	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	PERCENT OF BUDGET
INTEREST/RENTS/CONTRIBUTIONS					
INTEREST	207,404	188,000	350,000	500,000	0.81%
RENTS	545,394	530,000	544,400	589,800	0.95%
SUB-TOTAL	752,798	718,000	894,400	1,089,800	1.76%
MISCELLANEOUS					
MISC CUSTOMER SERVICE	245	1,000	200	1,000	0.00%
PAY PHONE COMMISSIONS	1,440	0	800	0	0.00%
RECYCLING	9,066	8,000	6,000	7,000	0.01%
MISCELLANEOUS	80,116	62,000	80,000	75,000	0.12%
SALE OF ASSETS	23,607	20,000	18,600	20,000	0.03%
INSURANCE RECOVERY	59,927	20,000	15,000	20,000	0.03%
DEVELOPER ADVANCE	125,000	0	0	0	0.00%
SUB-TOTAL	299,401	111,000	120,600	123,000	0.20%
GRAND TOTAL	$ 53,254,136	$ 57,056,200	$ 58,165,500	$ 61,824,400	100.00%

GENERAL FUND
EXPENDITURE SUMMARY

	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	PERCENT OF BUDGET
GENERAL GOVERNMENT					
GENERAL GOVERNMENT	$ 181,071	$ 188,200	$ 180,800	$ 201,100	0.33%
GENERAL CONTRACTS	292,000	292,000	292,000	285,000	0.46%
LEGAL	443,147	373,200	462,300	445,400	0.72%
NON-DEPARTMENTAL	(3,607,691)	(1,578,500)	(1,277,600)	1,221,600	1.98%
SUB-TOTAL	(2,691,473)	(725,100)	(342,500)	2,153,100	3.48%
GENERAL ADMINISTRATION					
GENERAL ADMINISTRATION	671,385	722,100	980,900	1,053,600	1.70%
SUB-TOTAL	671,385	722,100	980,900	1,053,600	1.70%
COMMUNICATIONS					
COMMUNICATIONS	614,133	648,800	656,300	720,100	1.16%
SUB-TOTAL	614,133	648,800	656,300	720,100	1.16%
ECONOMIC DEVELOPMENT & TOURISM					
ECONOMIC DEVELOPMENT	607,475	691,900	443,900	441,800	0.71%
SUB-TOTAL	607,475	691,900	443,900	441,800	0.71%
HUMAN RESOURCES					
HUMAN RESOURCES	899,901	1,029,000	1,002,600	1,055,900	1.71%
SUB-TOTAL	899,901	1,029,000	1,002,600	1,055,900	1.71%
FINANCE					
FINANCE ADMINISTRATION	695,219	725,800	755,000	759,600	1.23%
ACCOUNTING	787,702	833,700	887,100	888,400	1.44%
PURCHASING	120,676	123,700	129,100	129,200	0.21%
MUNICIPAL COURT	588,407	627,700	551,000	663,500	1.07%
SUB-TOTAL	2,192,004	2,310,900	2,322,200	2,440,700	3.95%
INFORMATION SERVICES					
INFORMATION SERVICES	2,701,935	2,636,400	2,547,800	2,700,200	4.37%
SUB-TOTAL	2,701,935	2,636,400	2,547,800	2,700,200	4.37%
COMMUNITY SERVICES					
PLANNING	353,658	422,900	445,300	692,400	1.12%
COMMUNITY SERVICES ADMINISTRATION	417,361	426,800	413,200	362,600	0.59%
BUILDING INSPECTION	1,130,637	1,387,900	1,228,900	1,296,600	2.10%
SUB-TOTAL	1,901,656	2,237,600	2,087,400	2,351,600	3.80%
PUBLIC WORKS					
PUBLIC WORKS ADMINISTRATION	663,793	733,300	696,400	723,900	1.17%
STREET MAINTENANCE	3,886,553	4,135,500	4,412,800	4,110,700	6.65%
SUB-TOTAL	4,550,346	4,868,800	5,109,200	4,834,600	7.82%

GENERAL FUND
EXPENDITURE SUMMARY

		ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	PERCENT OF BUDGET
SUSTAINABILITY & PUBLIC HEALTH						
SOLID WASTE COLLECTION	[1]	2,483,063	3,134,600	2,824,200	3,651,500	5.91%
ANIMAL SERVICES	[1]	771,723	743,400	746,800	785,900	1.27%
ENVIRONMENTAL SERVICES	[1]	350,847	428,400	435,000	458,300	0.74%
SUB-TOTAL		3,605,633	4,306,400	4,006,000	4,895,700	7.92%
POLICE						
POLICE ADMINISTRATION		1,436,590	1,653,800	1,721,000	1,675,500	2.71%
POLICE INVESTIGATIONS		1,997,853	2,047,400	1,929,000	2,204,300	3.57%
POLICE PATROL		6,542,508	7,149,000	6,917,400	7,151,500	11.57%
POLICE DETENTION		1,145,241	1,190,100	1,245,200	1,309,100	2.12%
POLICE COMMUNICATIONS		1,665,618	1,888,300	1,844,600	1,783,200	2.88%
POLICE TRAINING		150,272	155,100	159,000	159,000	0.26%
SUB-TOTAL		12,938,082	14,083,700	13,816,200	14,282,600	23.10%
FIRE						
FIRE ADMINISTRATION		1,337,402	1,280,600	1,308,100	1,247,700	2.02%
FIRE PREVENTION		542,216	568,200	574,600	580,800	0.94%
FIRE OPERATIONS		9,883,181	9,641,500	9,651,100	10,132,500	16.39%
SUB-TOTAL		11,762,799	11,490,300	11,533,800	11,961,000	19.35%
PARKS & RECREATION						
PARKS & RECREATION ADMINISTRATION		520,531	544,000	552,400	574,300	0.93%
PARK MAINTENANCE		4,989,440	5,467,900	5,548,500	5,724,900	9.26%
RECREATION		1,747,113	1,852,100	1,879,800	1,903,400	3.08%
AQUATICS CENTER		998,848	1,104,300	1,114,400	1,076,700	1.74%
SENIOR CENTER		721,841	863,600	870,400	788,000	1.27%
PARK BOARD		3,388	9,800	9,800	9,800	0.02%
SENIOR ADVISORY BOARD		3,647	4,800	4,800	4,800	0.01%
EVENTS		920,555	910,500	911,600	977,600	1.58%
SUB-TOTAL		9,905,363	10,757,000	10,891,700	11,059,500	17.89%
LIBRARY						
LIBRARY		1,777,288	1,883,000	1,885,300	1,870,700	3.03%
SUB-TOTAL		1,777,288	1,883,000	1,885,300	1,870,700	3.03%
GRAND TOTAL		$ 51,436,527	$ 56,940,800	$ 56,940,800	$ 61,821,100	100.00%

[1] The Animal Services and Environmental Services divisions were split from the Environmental Health division beginning in 2015-16. Beginning in 2017-18, the Solid Waste, Environmental Health and Animal Services divisions were moved to a new Sustainability and Public Health department.

GENERAL FUND
EXPENDITURE SUMMARY
Summarized by Function

	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	PERCENT OF BUDGET
GENERAL GOVERNMENT					
GENERAL GOVERNMENT	$ 181,071	$ 188,200	$ 180,800	$ 201,100	0.33%
GENERAL CONTRACTS	292,000	292,000	292,000	285,000	0.46%
LEGAL	443,147	373,200	462,300	445,400	0.72%
NON-DEPARTMENTAL	(3,607,691)	(1,578,500)	(1,277,600)	1,221,600	1.98%
GENERAL ADMINISTRATION	671,385	722,100	980,900	1,053,600	1.70%
COMMUNICATIONS	614,133	648,800	656,300	720,100	1.16%
ECONOMIC DEVELOPMENT	607,475	691,900	443,900	441,800	0.71%
HUMAN RESOURCES	899,901	1,029,000	1,002,600	1,055,900	1.71%
FINANCE ADMINISTRATION	695,219	725,800	755,000	759,600	1.23%
ACCOUNTING	787,702	833,700	887,100	888,400	1.44%
PURCHASING	120,676	123,700	129,100	129,200	0.21%
MUNICIPAL COURT	588,407	627,700	551,000	663,500	1.07%
INFORMATION SERVICES	2,701,935	2,636,400	2,547,800	2,700,200	4.37%
PLANNING	353,658	422,900	445,300	692,400	1.12%
COMMUNITY SERVICES ADMIN.	417,361	426,800	413,200	362,600	0.59%
BUILDING INSPECTION	1,130,637	1,387,900	1,228,900	1,296,600	2.10%
TOTAL GENERAL GOV'T	$ 6,897,016	$ 9,551,600	$ 9,698,600	$ 12,917,000	20.89%
PUBLIC WORKS					
PUBLIC WORKS ADMIN.	$ 663,793	$ 733,300	$ 696,400	$ 723,900	1.17%
SOLID WASTE COLLECTION	2,483,063	3,134,600	2,824,200	3,651,500	5.91%
STREET MAINTENANCE	3,886,553	4,135,500	4,412,800	4,110,700	6.65%
ANIMAL SERVICES	771,723	743,400	746,800	785,900	1.27%
ENVIRONMENTAL SERVICES	350,847	428,400	435,000	458,300	0.74%
TOTAL PUBLIC WORKS	$ 8,155,979	$ 9,175,200	$ 9,115,200	$ 9,730,300	15.74%
PUBLIC SAFETY					
POLICE ADMINISTRATION	$ 1,436,590	$ 1,653,800	$ 1,721,000	$ 1,675,500	2.71%
POLICE INVESTIGATIONS	1,997,853	2,047,400	1,929,000	2,204,300	3.57%
POLICE PATROL	6,542,508	7,149,000	6,917,400	7,151,500	11.57%
POLICE DETENTION	1,145,241	1,190,100	1,245,200	1,309,100	2.12%
POLICE COMMUNICATIONS	1,665,618	1,888,300	1,844,600	1,783,200	2.88%
POLICE TRAINING	150,272	155,100	159,000	159,000	0.26%
FIRE ADMINISTRATION	1,337,402	1,280,600	1,308,100	1,247,700	2.02%
FIRE PREVENTION	542,216	568,200	574,600	580,800	0.94%
FIRE OPERATIONS	9,883,181	9,641,500	9,651,100	10,132,500	16.39%
TOTAL PUBLIC SAFETY	$ 24,700,881	$ 25,574,000	$ 25,350,000	$ 26,243,600	42.45%

GENERAL FUND
EXPENDITURE SUMMARY
Summarized by Function

	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	PERCENT OF BUDGET
CULTURE & RECREATION					
PARKS & RECREATION ADMIN.	$ 520,531	$ 544,000	$ 552,400	$ 574,300	0.93%
PARK MAINTENANCE	4,989,440	5,467,900	5,548,500	5,724,900	9.26%
RECREATION	1,747,113	1,852,100	1,879,800	1,903,400	3.08%
AQUATICS CENTER	998,848	1,104,300	1,114,400	1,076,700	1.74%
SENIOR CENTER	721,841	863,600	870,400	788,000	1.27%
PARK BOARD	3,388	9,800	9,800	9,800	0.02%
SENIOR ADVISORY BOARD	3,647	4,800	4,800	4,800	0.01%
EVENTS	920,555	910,500	911,600	977,600	1.58%
LIBRARY	1,777,288	1,883,000	1,885,300	1,870,700	3.03%
TOTAL CULTURE & PARKS	$ 11,682,651	$ 12,640,000	$ 12,777,000	$ 12,930,200	20.92%
GRAND TOTAL	$ 51,436,527	$ 56,940,800	$ 56,940,800	$ 61,821,100	100.00%

GENERAL FUND
EXPENDITURE SUMMARY
Summarized by Type of Expenditure

EXPENDITURES BY TYPE	ACTUAL 2016-17		ADOPTED BUDGET 2017-18		YEAR-END AMENDED BUDGET 2017-18		ADOPTED BUDGET 2018-19	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Personal Services/Benefits								
Full-Time	$ 23,519,497	45.73%	$ 24,879,600	43.69%	$ 24,514,600	43.05%	$ 25,571,900	41.36%
Part-Time	1,098,681	2.14%	1,213,400	2.13%	1,210,800	2.13%	1,257,200	2.03%
Overtime	865,476	1.68%	819,400	1.44%	892,000	1.57%	989,700	1.60%
Life & Health	3,131,598	6.09%	3,344,700	5.87%	3,468,100	6.09%	3,509,400	5.68%
TMRS	4,519,623	8.79%	4,859,300	8.53%	4,901,900	8.61%	5,106,700	8.26%
Medicare	356,107	0.69%	375,300	0.66%	378,600	0.66%	392,000	0.63%
Workers' Compensation	256,500	0.50%	256,500	0.45%	256,500	0.45%	256,500	0.41%
Car Allowance	87,240	0.17%	88,900	0.16%	94,300	0.17%	96,100	0.16%
Transfers (Personnel Related)	(1,412,300)	-2.75%	(1,418,300)	-2.49%	(1,418,300)	-2.49%	(1,528,700)	-2.47%
Sub-total	32,422,422	63.03%	34,418,800	60.45%	34,298,500	60.24%	35,650,800	57.67%
Purchased Prof & Tech Services	3,651,457	7.10%	3,741,200	6.57%	3,687,500	6.48%	3,908,100	6.32%
Supplies	1,720,530	3.34%	2,100,800	3.69%	2,119,800	3.72%	2,121,800	3.43%
Repairs & Maintenance	6,146,879	11.95%	6,582,600	11.56%	6,830,400	12.00%	6,580,700	10.64%
Services	6,040,386	11.74%	7,499,700	13.17%	7,124,500	12.51%	7,744,700	12.53%
Production & Disposal	41,385	0.08%	41,500	0.07%	23,000	0.04%	41,500	0.07%
Contracts	292,000	0.57%	292,000	0.51%	292,000	0.51%	285,000	0.46%
Events	497,855	0.97%	463,300	0.81%	463,300	0.81%	472,300	0.76%
Other Objects	1,085,613	2.11%	1,799,200	3.16%	1,300,100	2.28%	2,427,500	3.93%
Transfers	(462,000)	-0.90%	1,700	0.00%	801,700	1.41%	2,588,700	4.19%
Sub-total	19,014,105	36.97%	22,522,000	39.55%	22,642,300	39.76%	26,170,300	42.33%
Total Appropriations	$ 51,436,527	100.00%	$ 56,940,800	100.00%	$ 56,940,800	100.00%	$ 61,821,100	100.00%

FARMERS
BRANCH

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

Our Guiding Principles:

1. Act with Ethics and Integrity
2. Practice Financial Stewardship
3. Be Open and Accessible
4. Promote Public Safety
5. Pursue Sustainable Economic Growth
6. Provide Thriving Neighborhoods
7. Provide Excellent Quality of Life
8. Offer First-Rate Infrastructure, Facilities and Assets
9. Employ the Highest Quality Workforce
10. Offer Phenomenal Service

Critical Business Outcomes 2018-19 (the big policy items):

- CBO1 – Implement a vision for the central corridor and developing/redeveloping the East Side.
- CBO2 – Improve options for quality, senior-centric housing.
- CBO3 – Enhance our entryways.
- CBO4 – Identify solutions for homes in the flood plain.
- CBO5 – Implement data-driven processes for making resource allocation decisions.
- CBO6 – Develop a solution for creating a dog park.
- CB07 – Continue to deliver exceptional service.

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:

Be Open and Accessible

- Update the Board & Commissions handbook
- Develop new board member orientation training
- Continue to adhere to the Texas State Library Retention of Citywide Records standard.
- Coordinate with Dallas County for a May Election for Council Districts 1 & 4.
- Organize two shredding events

Employ the Highest Quality Workforce

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

Offer Phenomenal Service

- Implement a new Board and Commissions tracking module.
- Continue to train and educate staff on the records retention program.

Amy Piukana, Officer of the City

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.

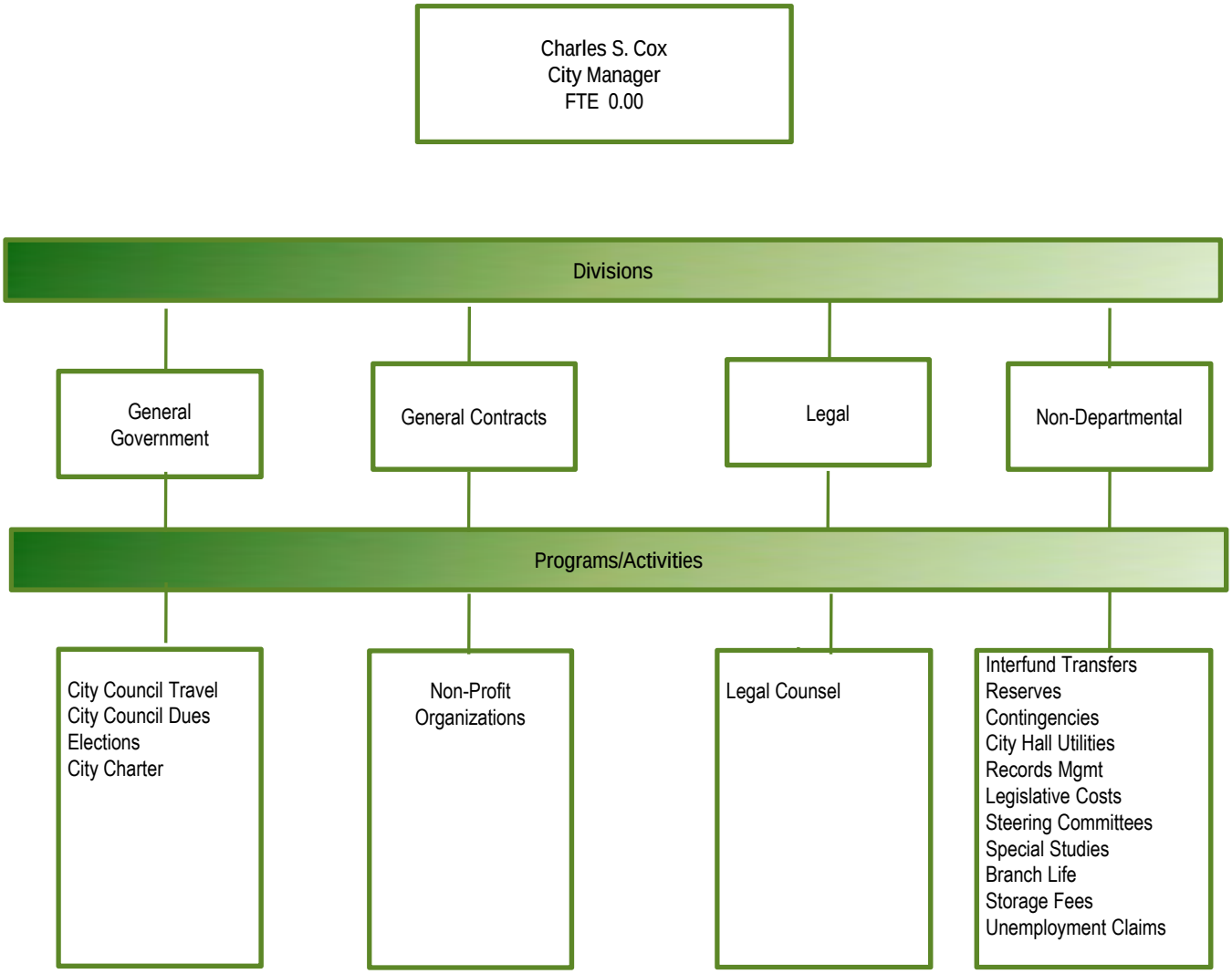
Excellence
Continually striving to be the very best.

Accountability
Taking ownership for what you do.

Care
Displaying kindness and concern.

Trust
Being transparent, honest and truthful.

General Government



GENERAL GOVERNMENT SUMMARY	YEAR-END AMENDED BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	% CHANGE FROM YEAR-END AMENDED
Purchased Prof & Tech Services	$ 453,000	$ 443,147	$ 373,200	$ 462,300	$ 445,400	-3.66%
Supplies	14,000	11,776	14,700	8,500	9,400	10.59%
Repairs & Maintenance	385,200	385,200	437,300	437,300	364,000	-16.76%
Services	422,900	380,691	410,700	409,500	428,900	4.74%
Contracts	292,000	292,000	292,000	292,000	285,000	-2.40%
Other Objects	1,196,500	1,085,613	1,799,200	1,300,100	2,427,500	86.72%
Transfers	(5,289,900)	(5,289,900)	(4,052,200)	(3,252,200)	(1,807,100)	-44.43%
Total Budget	$ (2,526,300)	$ (2,691,473)	$ (725,100)	$ (342,500)	$ 2,153,100	-728.64%

SUMMARY BUDGET CATEGORIES

DIVISION	YEAR-END AMENDED BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19
GENERAL GOVERNMENT					
Supplies	$ 14,000	$ 11,776	$ 14,700	$ 8,500	$ 9,400
Services	175,700	169,295	173,500	172,300	191,700
Total Budget	$ 189,700	$ 181,071	$ 188,200	$ 180,800	$ 201,100
GENERAL CONTRACTS					
Contracts	$ 292,000	$ 292,000	$ 292,000	$ 292,000	$ 285,000
Total Budget	$ 292,000	$ 292,000	$ 292,000	$ 292,000	$ 285,000
LEGAL					
Purchased Prof & Tech Services	$ 453,000	$ 443,147	$ 373,200	$ 462,300	$ 445,400
Total Budget	$ 453,000	$ 443,147	$ 373,200	$ 462,300	$ 445,400

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

NON-DEPARTMENTAL					
Repairs & Maintenance	$ 385,200	$ 385,200	$ 437,300	$ 437,300	$ 364,000
Services	247,200	211,396	237,200	237,200	237,200
Other Objects	1,196,500	1,085,613	1,799,200	1,300,100	2,427,500
Transfers	(5,289,900)	(5,289,900)	(4,052,200)	(3,252,200)	(1,807,100)
Total Budget	$ (3,461,000)	$ (3,607,691)	$ (1,578,500)	$ (1,277,600)	$ 1,221,600

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:

Legal - Legally Required Newspaper Notices	$ 0	$ 0	$ 43,500	$ 82,500	$ 45,600

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:

Be Open and Accessible

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

Employ the Highest Quality Workforce

- Continue to make Farmers Branch the employer of choice by focusing on employee engagement.
- Continue to develop the Assistant to the City Manager position.

Offer Phenomenal Service

- Conduct the 2019 Resident Satisfaction Survey.
- Continue to enhance Performance FBTX.
- Develop and implement the City's strategic plan.

Provide Excellent Quality of Life

- Prepare and install entryway monuments at key locations in the City.

Charles Cox, City Manager

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.

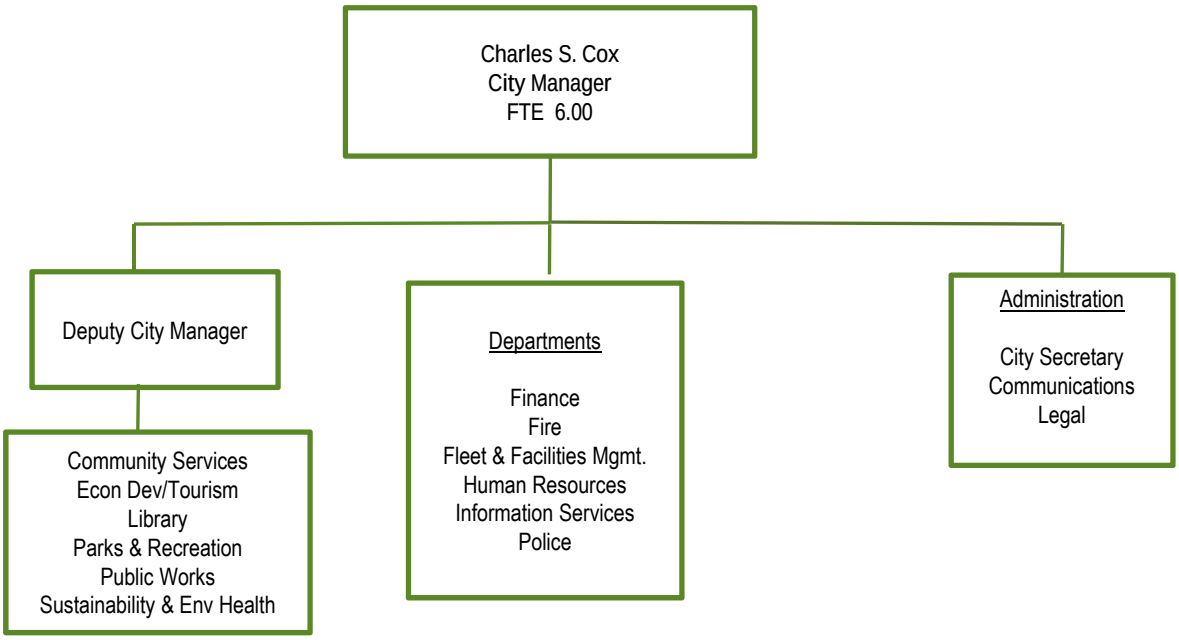
Excellence
Continually striving to be the very best.

Accountability
Taking ownership for what you do.

Care
Displaying kindness and concern.

Trust
Being transparent, honest and truthful.

Administration



GENERAL ADMINISTRATION SUMMARY	YEAR-END AMENDED BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	% CHANGE FROM YEAR-END AMENDED
Personal Services/Benefits	$ 609,000	$ 613,406	$ 638,400	$ 902,300	$ 935,400	3.67%
Supplies	19,000	16,785	18,500	18,300	20,400	11.48%
Repairs & Maintenance	17,000	16,993	26,100	26,100	26,300	0.77%
Services	26,500	24,201	39,100	34,200	71,500	109.06%
Total Budget	$ 671,500	$ 671,385	$ 722,100	$ 980,900	$ 1,053,600	7.41%

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:

Be Open and Accessible

- Continue to improve the City's website.
- Ensure constant external communication through multiple mediums.
- Support CFBISD by sharing success stories from the school district on the website and in the Mayor's report.
- Design and install permanent information signs at neighborhood entrances
- Expand the City's digital marketing program
- Continue to manage the Discover FB marketing program and improve website SEO

Offer Phenomenal Service

- Utilize third-party validation for City communication programs.
- Create and plan roll out of a West Side Welcome packet for new residents

Employ the Highest Quality Workforce

- Continue to make Farmers Branch the employer of choice by focusing on employee engagement.
- Improve the content of the employee intranet.
- Ensure constant internal communication to all City employees through multiple media.

Tom Bryson, 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.

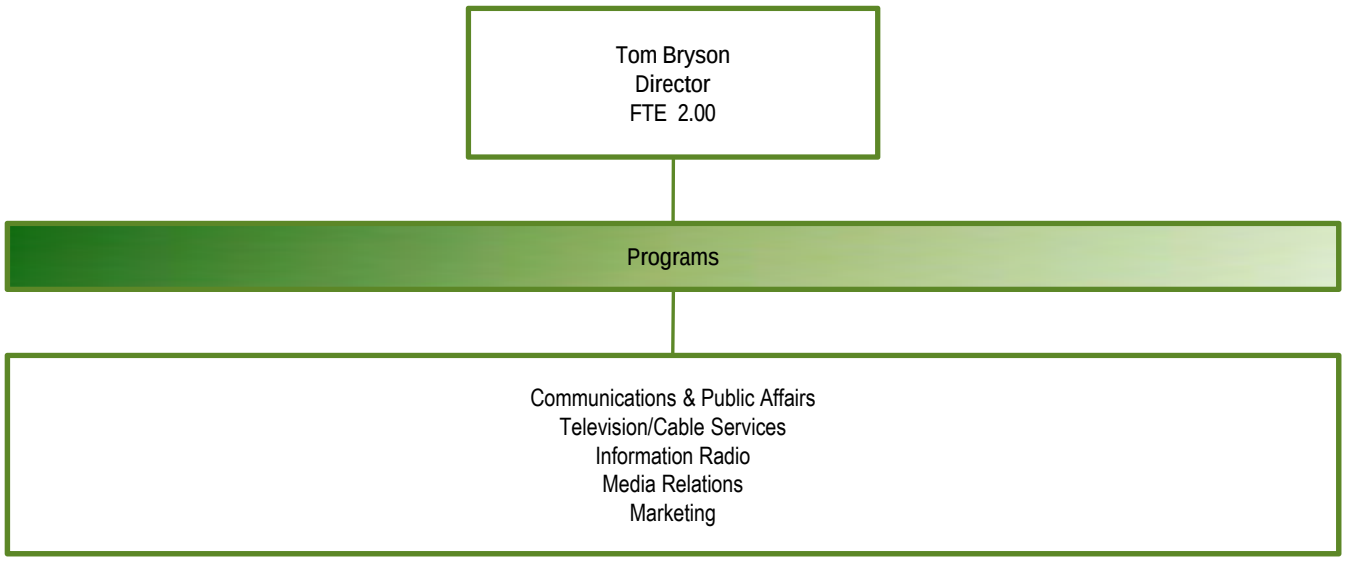
Excellence
Continually striving to be the very best.

Accountability
Taking ownership for what you do.

Care
Displaying kindness and concern.

Trust
Being transparent, honest and truthful.

Communications



COMMUNICATIONS SUMMARY	YEAR-END AMENDED BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	% CHANGE FROM YEAR-END AMENDED
Personal Services/Benefits	$ 217,600	$ 214,492	$ 216,200	$ 221,600	$ 225,300	1.67%
Purchased Prof & Tech Services	146,500	130,036	147,500	147,500	189,000	28.14%
Supplies	11,100	10,192	11,100	11,100	12,500	12.61%
Repairs & Maintenance	35,300	32,525	36,800	38,600	29,900	-22.54%
Services	233,100	226,888	237,200	237,500	263,400	10.91%
Total Budget	$ 643,600	$ 614,133	$ 648,800	$ 656,300	$ 720,100	9.72%

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, plan for the City of Farmers Branch. They do this by attracting the businesses the City wants and needs and industry both nationally and internationally, retention and expansion of existing business and industry, and promotion of local convention and tourism business.

What we do (Key Processes):

- Recruit and Retain Businesses
- Build partnerships with businesses
- Promote tourism

Our Strategic Initiatives:

Be Open and Accessible

- Increase digital presence for demo rebuild, events and general Tourism through social media, website and blog.

Pursue Sustainable Economic Growth

- Improve the marketing for the updated Demo Rebuild Program & Neighborhood Renaissance program.
- Improve the marketing for Façade Grant Program to improve participation.
- Focus on building and reinforcing relationships with our businesses.
- Host events to build relationships and support programs.

Employ the Highest Quality Workforce

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

Provide Thriving Neighborhoods

- Market and continue to implement the Neighborhood Partnership Program.
- Implement a program for quality, senior-centric housing options.

Allison Cook, 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.

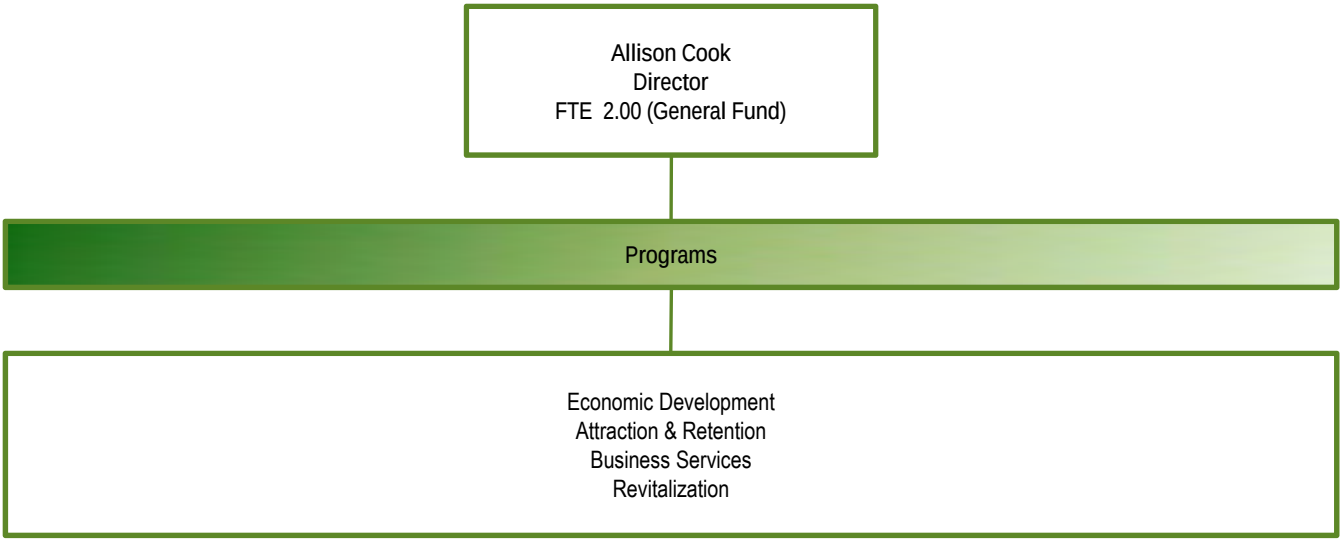
Care

Displaying kindness and concern.

Trust

Being transparent, honest and truthful.

Economic Development & Tourism



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 BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	% CHANGE FROM YEAR-END AMENDED
Personal Services/Benefits	$ 453,300	$ 450,088	$ 459,600	$ 211,500	$ 207,700	-1.80%
Purchased Prof & Tech Services	11,900	11,597	56,900	56,900	61,900	8.79%
Supplies	14,300	11,319	14,300	14,300	9,300	-34.97%
Services	148,200	134,471	161,100	161,200	162,900	1.05%
Total Budget	$ 627,700	$ 607,475	$ 691,900	$ 443,900	$ 441,800	-0.47%

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. It is important that customers see HR as a reliable partner where they, departments and employees, can come to receive competent and sound guidance and assistance in meeting their human resources needs.

What we do (Key Processes):

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

Our Strategic Initiatives:

Employ the Highest Quality Workforce

- Continue to make Farmers Branch the employer of choice by focusing on employee engagement.
- Continue to market and develop the City clinic.
- Compare overall utilization for both Clinic and Rehab quarterly.
- Implement the new HRIS/payroll system.
- Conduct a salary survey for Fire and Police.

Brian Beasley, 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.

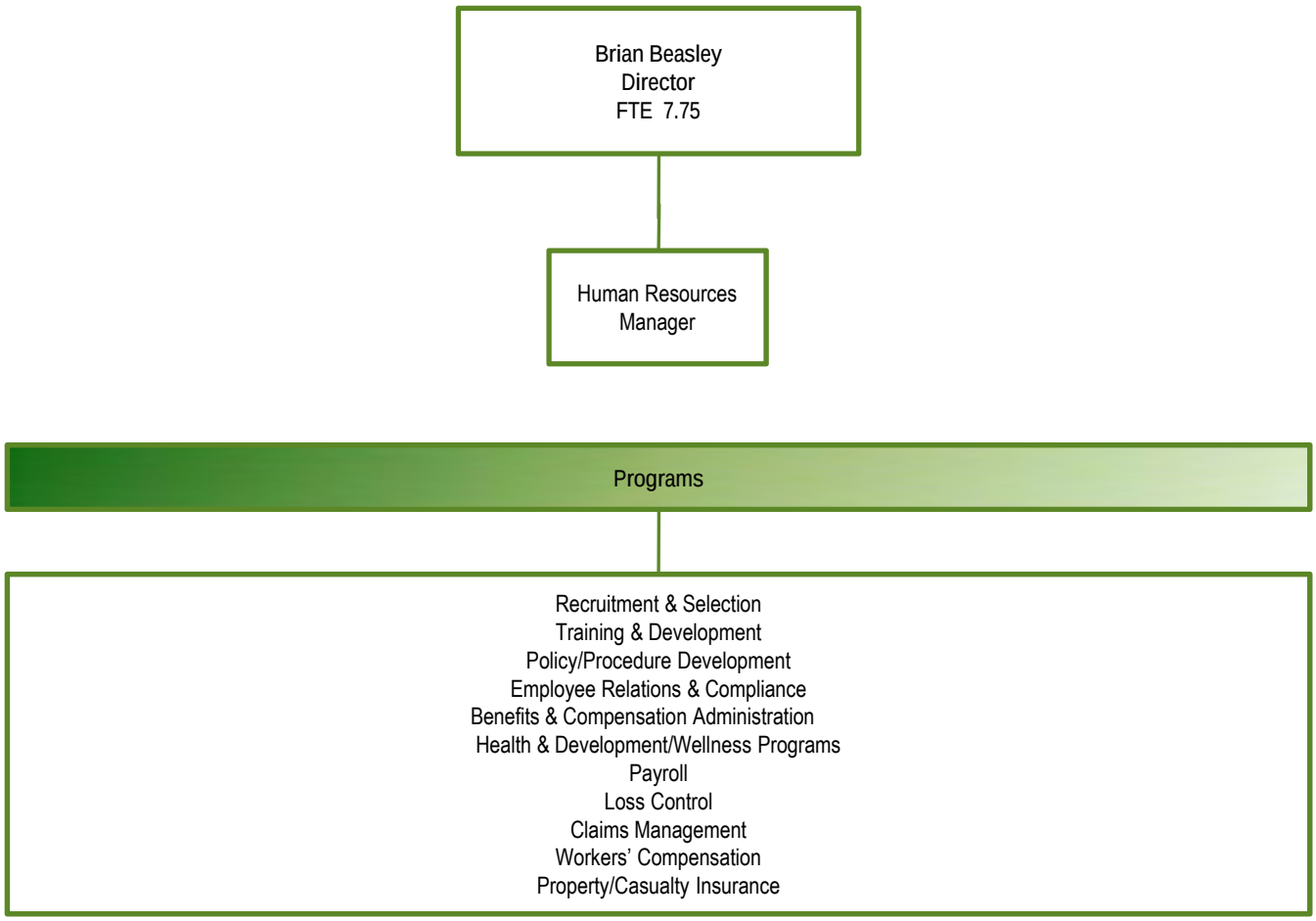
Excellence
Continually striving to be the very best.

Accountability
Taking ownership for what you do.

Care
Displaying kindness and concern.

Trust
Being transparent, honest and truthful.

Human Resources



HUMAN RESOURCES SUMMARY	YEAR-END AMENDED BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	% CHANGE FROM YEAR-END AMENDED
Personal Services/Benefits	$ 700,700	$ 685,665	$ 687,000	$ 719,000	$ 749,600	4.26%
Purchased Prof & Tech Services	12,100	692	25,000	23,200	20,000	-13.79%
Supplies	26,100	18,367	26,100	25,100	26,100	3.98%
Repairs & Maintenance	33,200	23,435	26,200	11,200	6,200	-44.64%
Services	241,200	164,742	264,700	224,100	254,000	13.34%
Transfers	7,000	7,000	0	0	0	0.00%
Total Budget	$ 1,020,300	$ 899,901	$ 1,029,000	$ 1,002,600	$ 1,055,900	5.32%

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
- Mange all facets of the budget
- Municipal Court
- Utility billing and collections

Our Strategic Initiatives:

Practice Financial Stewardship

- Manage the 2018-19 budget.
- Conduct the annual audit.
- Complete phase I of the Project Promise transition.
- Continue to monitor the Marshal's Program and other initiatives to ensure revenue and other metrics are met.
- Ensure sound financial policies are maintained

Employ the Highest Quality Workforce

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

Sherrelle Evans-Jones, 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.

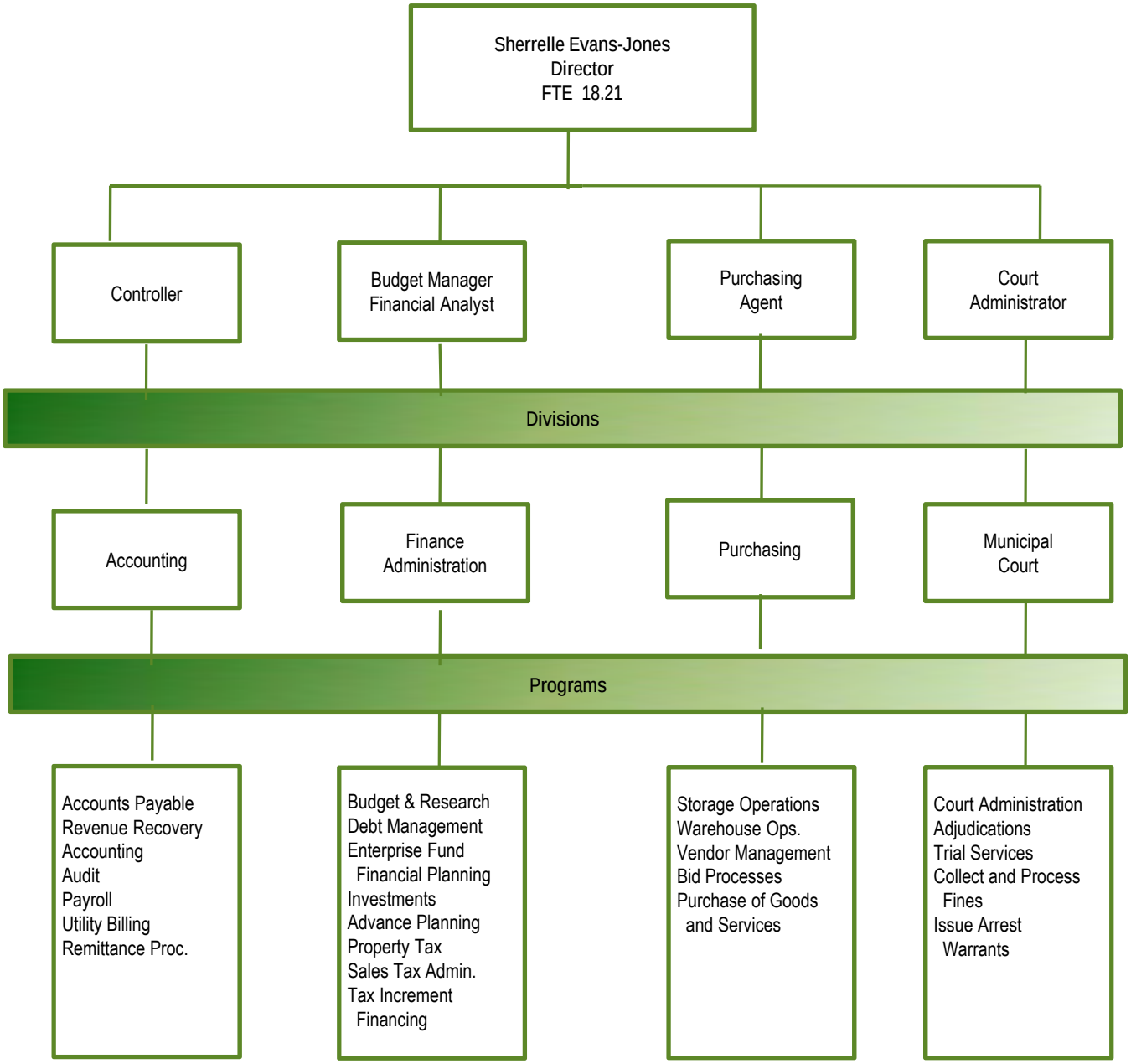
Excellence
Continually striving to be the very best.

Accountability
Taking ownership for what you do.

Care
Displaying kindness and concern.

Trust
Being transparent, honest and truthful.

Finance



FINANCE SUMMARY	YEAR-END AMENDED BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	% CHANGE FROM YEAR-END AMENDED
Personal Services/Benefits	$ 1,601,600	$ 1,583,261	$ 1,630,500	$ 1,563,900	$ 1,691,300	8.15%
Purchased Prof & Tech Services	304,000	302,185	305,600	322,000	317,700	-1.34%
Supplies	53,100	34,657	59,200	57,200	55,900	-2.27%
Repairs & Maintenance	3,800	3,419	4,100	4,100	22,600	451.22%
Services	114,300	106,582	111,500	175,000	153,200	-12.46%
Transfers	161,900	161,900	200,000	200,000	200,000	0.00%
Total Budget	$ 2,238,700	$ 2,192,004	$ 2,310,900	$ 2,322,200	$ 2,440,700	5.10%

DIVISION	YEAR-END AMENDED BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19
FINANCE ADMINISTRATION					
Personal Services/Benefits	$ 379,100	$ 370,875	$ 381,000	$ 391,800	$ 401,200
Purchased Prof & Tech Services	299,500	297,782	301,600	319,000	313,700
Supplies	13,800	7,537	17,100	17,100	17,100
Services	24,300	19,025	26,100	27,100	27,600
Total Budget	$ 716,700	$ 695,219	$ 725,800	$ 755,000	$ 759,600
ACCOUNTING					
Personal Services/Benefits	$ 538,900	$ 538,684	$ 547,600	$ 539,000	$ 566,100
Supplies	20,000	11,496	15,000	15,000	15,000
Repairs & Maintenance	1,200	819	1,200	1,200	1,200
Services	70,000	74,803	69,900	131,900	106,100
Transfers	161,900	161,900	200,000	200,000	200,000
Total Budget	$ 792,000	$ 787,702	$ 833,700	$ 887,100	$ 888,400
PURCHASING					
Personal Services/Benefits	$ 116,300	$ 116,084	$ 116,300	$ 121,600	$ 121,700
Supplies	3,400	1,517	2,600	2,600	2,600
Services	9,800	3,075	4,800	4,900	4,900
Total Budget	$ 129,500	$ 120,676	$ 123,700	$ 129,100	$ 129,200
MUNICIPAL COURT					
Personal Services/Benefits	$ 567,300	$ 557,618	$ 585,600	$ 511,500	$ 602,300
Purchased Prof & Tech Services	4,500	4,403	4,000	3,000	4,000
Supplies	15,900	14,107	24,500	22,500	21,200
Repairs & Maintenance	2,600	2,600	2,900	2,900	21,400
Services	10,200	9,679	10,700	11,100	14,600
Total Budget	$ 600,500	$ 588,407	$ 627,700	$ 551,000	$ 663,500

FARMERS
BRANCH

Information Services

Who we are:

The Information Services Department manages and maintains all technology for the City of Farmers Branch. Information Services mission 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. Information Services 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:

Offer First-Rate Infrastructure, Facilities, and Assets

- Continue to improve and develop the City Manager's Quarterly Report.
- Replacement of 3 virtual server hosts as part of our normal server refresh cycle and process.
- Expand the Veeam data back-up and recovery solution to more servers.
- Replacement of the 18 existing Police MDC's (16 vehicles and 2 spares).
- Reconfigure the data center at PD.
- Replace the existing IBM iSeries hardware and reallocate the existing unit to the PD data center as a back-up.
- Replace existing video storage server with a more robust product that can handle the growing video storage needs of the city.

Employ the Highest Quality Workforce

- Continue to make Farmers Branch the employer of choice by focusing on employee engagement.
- Target at least 4 departments as we continue the roll out of the SharePoint Information Portal.

Mark Samuels, 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.

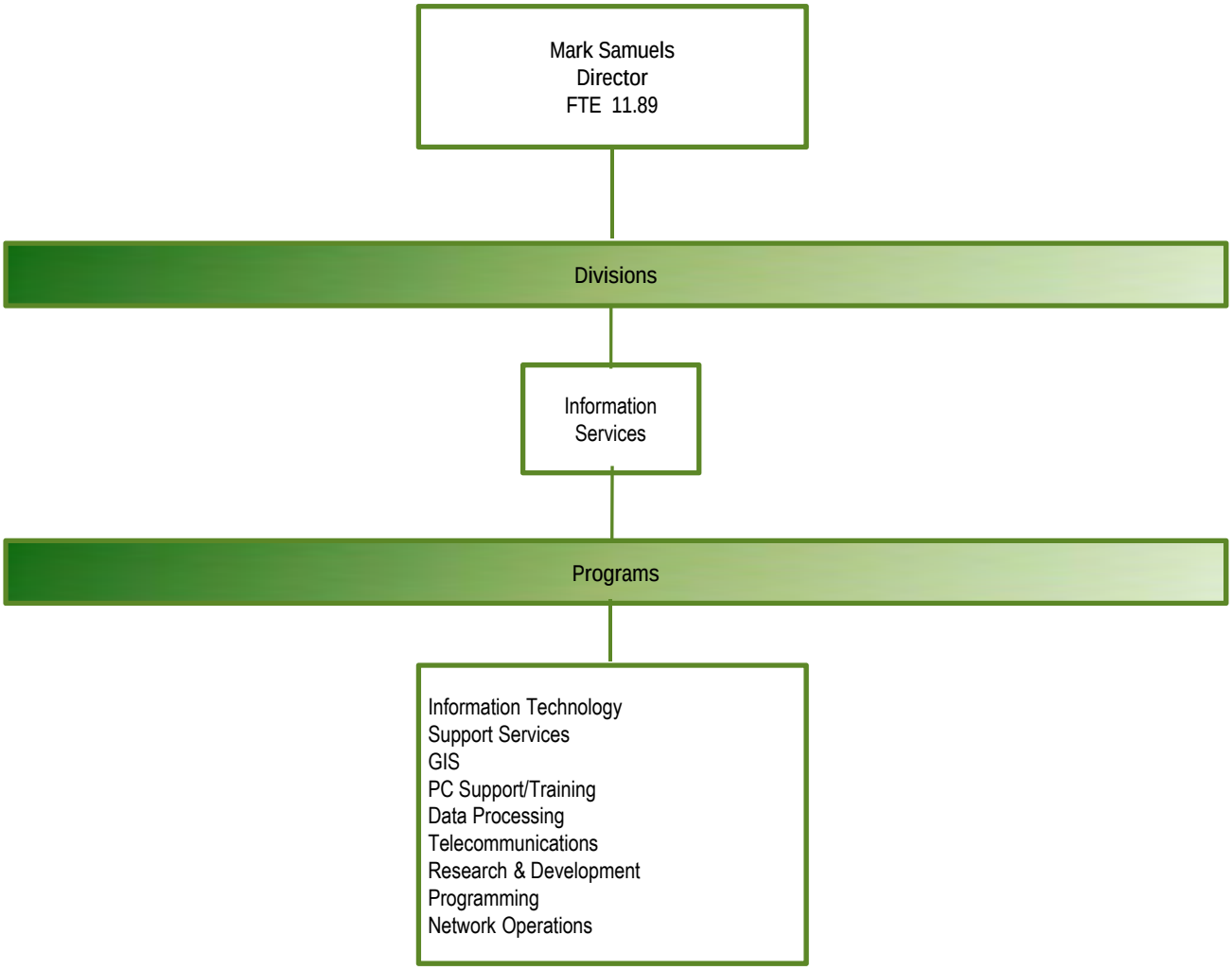
Excellence
Continually striving to be the very best.

Accountability
Taking ownership for what you do.

Care
Displaying kindness and concern.

Trust
Being transparent, honest and truthful.

Information Services



INFORMATION SERVICES	YEAR-END AMENDED BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	% CHANGE FROM YEAR-END AMENDED
Personal Services/Benefits	$ 1,060,700	$ 1,049,017	$ 1,165,700	$ 1,188,700	$ 1,197,100	0.71%
Purchased Prof & Tech Services	333,000	330,383	234,900	128,900	202,700	57.25%
Supplies	179,100	175,483	173,500	161,500	197,600	22.35%
Repairs & Maintenance	539,500	517,799	586,500	592,500	700,000	18.14%
Services	140,400	136,253	130,800	131,200	148,300	13.03%
Transfers	493,000	493,000	345,000	345,000	254,500	-26.23%
Total Budget	$ 2,745,700	$ 2,701,935	$ 2,636,400	$ 2,547,800	$ 2,700,200	5.98%

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:

Practice Financial Stewardship

- Review and update the fee structure for ZBA and BCBA.

Be Open and Accessible

- Establish a social media presence for Code Enforcement

Offer First-Rate Infrastructure, Facilities and Assets

- Adopt the 2018 International Construction Codes

Employ the Highest Quality Workforce

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

Offer Phenomenal Service

- Partner with community groups to initiate a community assistance project.
- Identify best practices in providing Code Enforcement services.

Hugh Pender, 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.

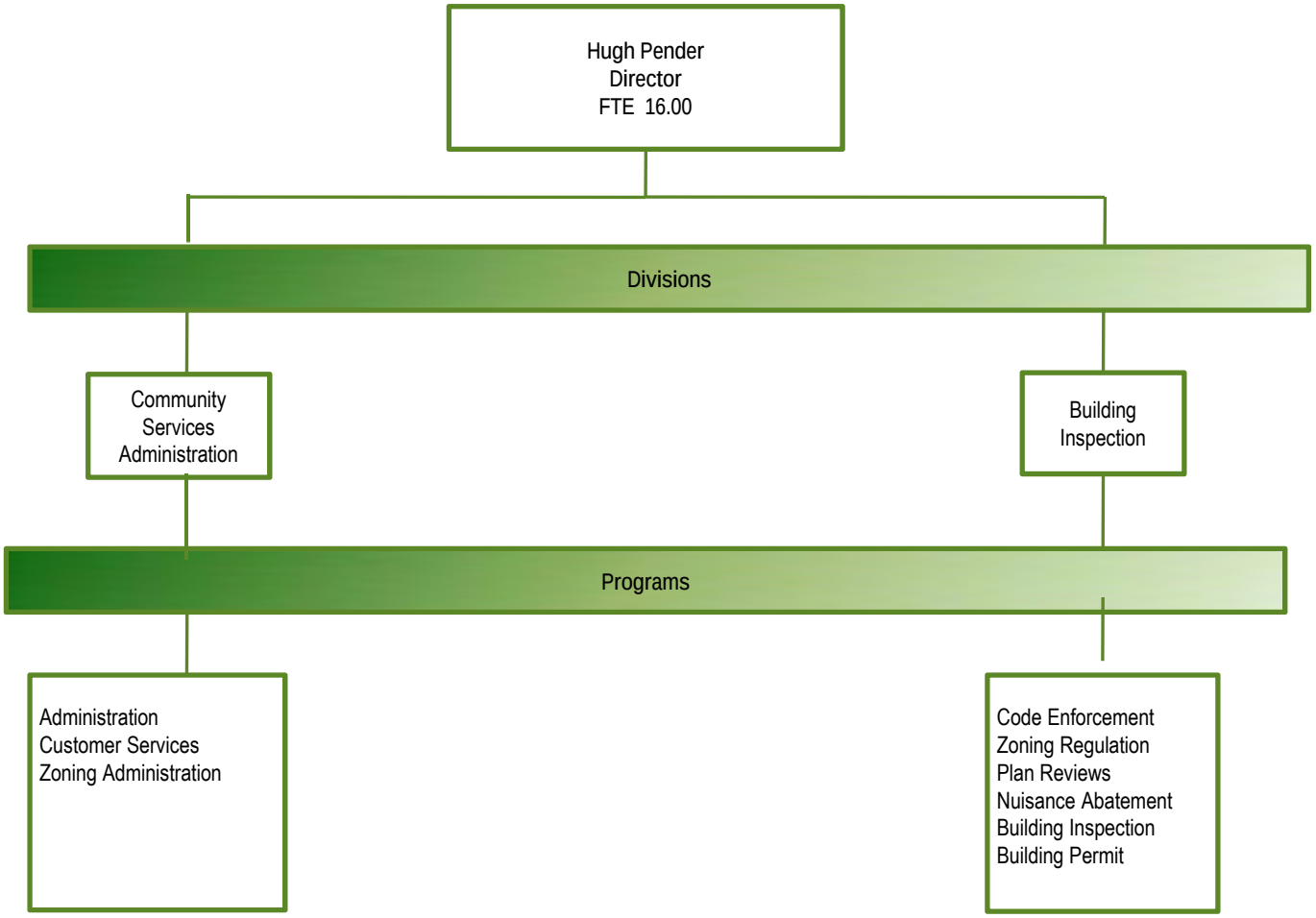
Care

Displaying kindness and concern.

Trust

Being transparent, honest and truthful.

Community Services



COMMUNITY SERVICES SUMMARY	YEAR-END AMENDED BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	% CHANGE FROM YEAR-END AMENDED
Personal Services/Benefits	$ 1,352,600	$ 1,312,501	$ 1,513,900	$ 1,400,300	$ 1,422,600	1.59%
Supplies	51,000	44,257	62,100	56,900	63,100	10.90%
Repairs & Maintenance	25,100	24,412	25,800	25,800	28,100	8.91%
Services	179,500	166,828	175,900	122,100	145,400	19.08%
Transfers	0	0	37,000	37,000	0	N/A
Total Budget	$ 1,608,200	$ 1,547,998	$ 1,814,700	$ 1,642,100	$ 1,659,200	1.04%

DIVISION	YEAR-END AMENDED BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19
COMMUNITY SERVICES ADMIN.					
Personal Services/Benefits	$ 349,800	$ 345,782	$ 346,500	$ 341,500	$ 308,600
Supplies	19,600	14,809	28,100	21,600	22,200
Repairs & Maintenance	1,500	812	1,900	1,900	3,300
Services	60,900	55,958	40,300	38,200	28,500
Transfers	0	0	10,000	10,000	0
Total Budget	$ 431,800	$ 417,361	$ 426,800	$ 413,200	$ 362,600
BUILDING INSPECTION					
Personal Services/Benefits	$ 1,002,800	$ 966,719	$ 1,167,400	$ 1,058,800	$ 1,114,000
Supplies	31,400	29,448	34,000	35,300	40,900
Repairs & Maintenance	23,600	23,600	23,900	23,900	24,800
Services	118,600	110,870	135,600	83,900	116,900
Transfers	0	0	27,000	27,000	0
Total Budget	$ 1,176,400	$ 1,130,637	$ 1,387,900	$ 1,228,900	$ 1,296,600

FARMERS
BRANCH

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:

Provide Thriving Neighborhoods

- Update Landscaping Regulations within the Comprehensive Zoning Ordinance.
- Update Parking Regulations within the Comprehensive Zoning Ordinance.
- Evaluate Non-conforming Properties Regulations within the Comprehensive Zoning Ordinance.

Employ the Highest Quality Workforce

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

Pursue Sustainable Economic Growth

- Conduct an IH-35 corridor vision study.
- Review IH-35 zonings.

Practice Financial Stewardship

- Evaluate Zoning and Site Plan Fees

Tina Firgens, 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.

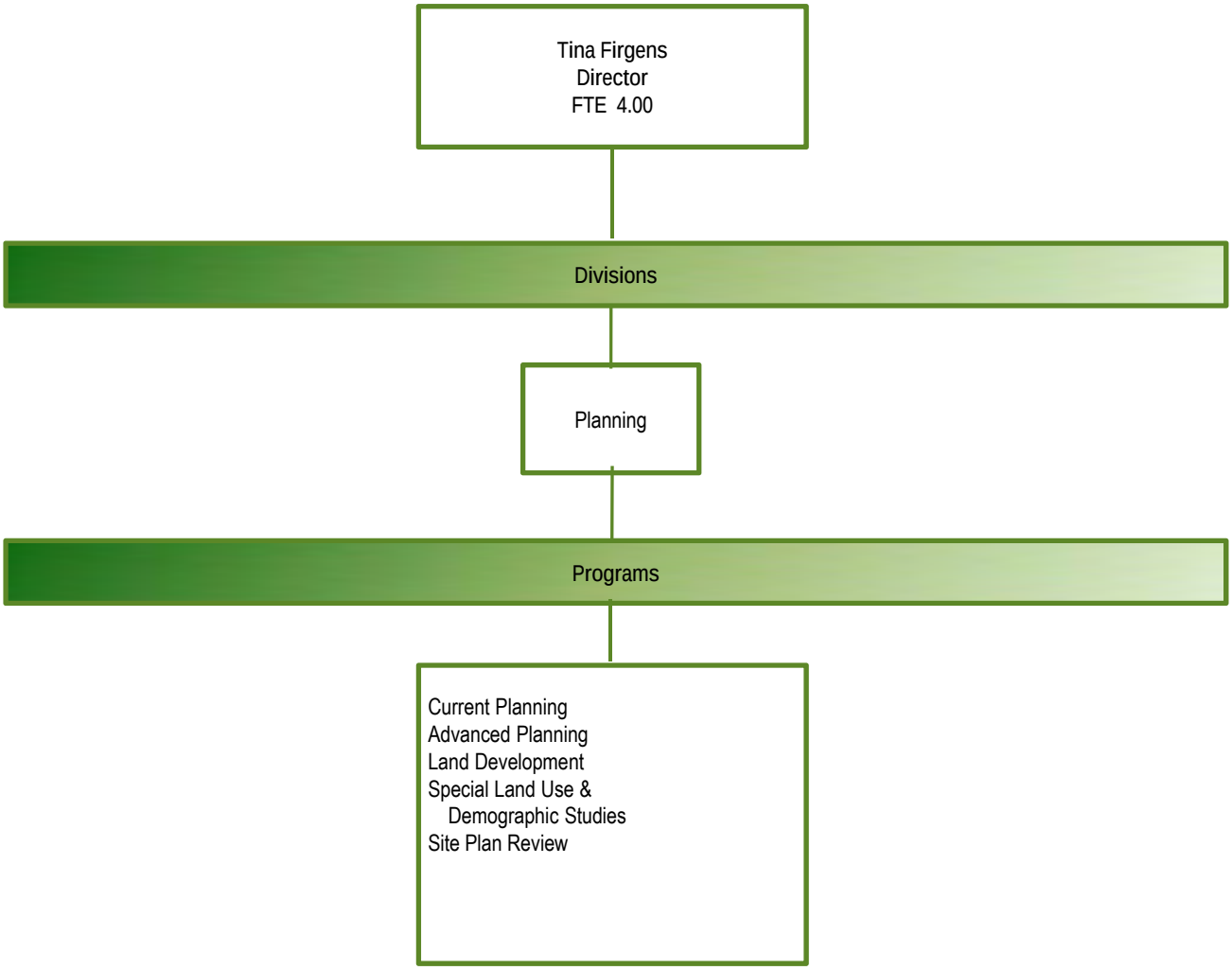
Excellence
Continually striving to be the very best.

Accountability
Taking ownership for what you do.

Care
Displaying kindness and concern.

Trust
Being transparent, honest and truthful.

Planning



PLANNING SUMMARY	YEAR-END AMENDED BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	% CHANGE FROM YEAR-END AMENDED
Personal Services/Benefits	$ 252,300	$ 240,006	$ 264,800	$ 328,800	$ 421,300	28.13%
Supplies	16,000	13,259	12,500	13,400	14,400	7.46%
Repairs & Maintenance	800	0	800	800	800	0.00%
Services	105,600	100,393	144,800	102,300	255,900	150.15%
Total Budget	$ 374,700	$ 353,658	$ 422,900	$ 445,300	$ 692,400	55.49%

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:

Offer First-Rate Infrastructure and Assets

- Build a wider sidewalk along the North Bound Marsh Ln. Bridge for trail connectivity.
- Make improvements to the Webb Chapel Bridge and the surrounding channel.
- Resurfacing of Alpha Rd. from Inwood to Midway.
- Reconstruct signal infrastructure at Webb Chapel and Valley View.
- Continue to expand automated meter reading program by approximately 500 endpoints
- Video & inspection to determine possible need for cleaning and new lining projects in the Sanitary Sewer Trunk Mains

Employ the Highest Quality Workforce

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

Practice Financial Stewardship

- Develop a proposed Infrastructure CIP Program for inclusion in the FY2019 budget process
- Execute a contract and treat approximately 25,000 linear feet of sanitary sewer.

Provide Excellent Quality of Life

- Implement a 3-year plan for Cooks Creek channel improvements
- Dredge and make sanitary sewer improvements to Rawhide Creek.
- Make improvements to Farmers Branch Creek; conduct a study to identify future improvements.

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.

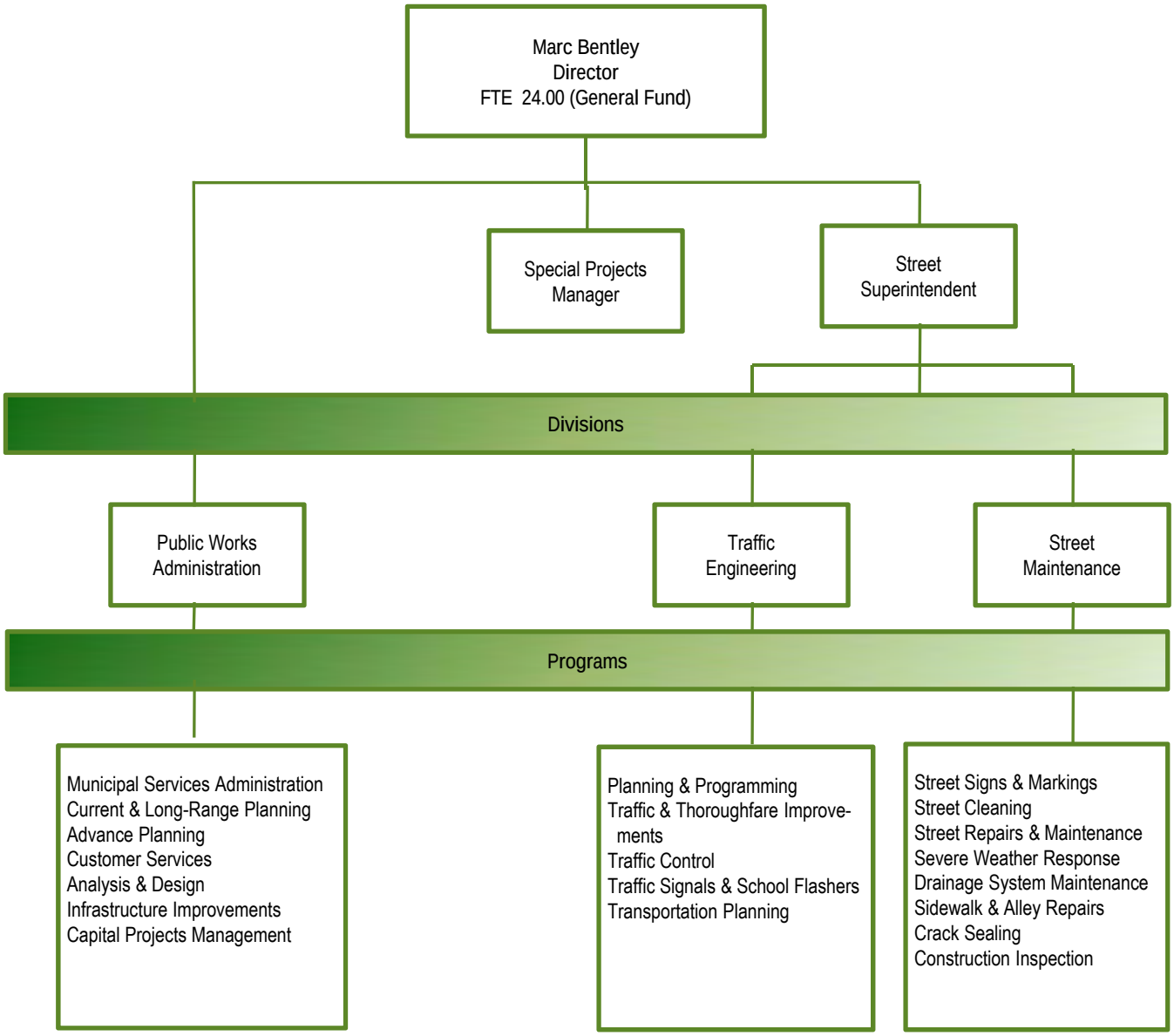
Excellence
Continually striving to be the very best.

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 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 AMENDED BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	% CHANGE FROM YEAR-END AMENDED
Personal Services/Benefits	$ 2,061,400	$ 1,969,713	$ 2,138,900	$ 2,116,100	$ 2,175,400	2.80%
Purchased Prof & Tech Services	0	0	0	13,200	0	N/A
Supplies	92,100	75,847	98,500	98,500	109,300	10.96%
Repairs & Maintenance	1,935,000	1,915,826	1,880,700	2,136,200	1,975,300	-7.53%
Services	474,200	389,960	485,700	480,200	489,600	1.96%
Transfers	199,000	199,000	265,000	265,000	85,000	-67.92%
Total Budget	$ 4,761,700	$ 4,550,346	$ 4,868,800	$ 5,109,200	$ 4,834,600	-5.37%

DIVISION	YEAR-END AMENDED BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19
PUBLIC WORKS ADMINISTRATION					
Personal Services/Benefits	$ 659,500	$ 625,920	$ 673,900	$ 635,800	$ 662,600
Supplies	17,300	14,967	17,300	17,300	17,300
Repairs & Maintenance	3,100	1,636	4,100	4,100	4,100
Services	30,500	21,270	38,000	39,200	39,900
Total Budget	$ 710,400	$ 663,793	$ 733,300	$ 696,400	$ 723,900
STREET MAINTENANCE					
Personal Services/Benefits	$ 1,401,900	$ 1,343,793	$ 1,465,000	$ 1,480,300	$ 1,512,800
Purchased Prof & Tech Services	0	0	0	13,200	0
Supplies	74,800	60,880	81,200	81,200	92,000
Repairs & Maintenance	1,931,900	1,914,190	1,876,600	2,132,100	1,971,200
Services	443,700	368,690	447,700	441,000	449,700
Transfers	199,000	199,000	265,000	265,000	85,000
Total Budget	$ 4,051,300	$ 3,886,553	$ 4,135,500	$ 4,412,800	$ 4,110,700

FARMERS
BRANCH

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:

Provide Excellent Quality of Life

- Conduct a feasibility study for a Midway Road pedestrian crossing feasibility study.
- Commence bond funded trails construction

Employ the Highest Quality Workforce

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

Offer First-Rate Infrastructure and Assets

- Construct a new scalehouse and maintenance facility at the Camelot Landfill.
- Install an additional landfill gas collection system.
- Update and renew the City's stormwater permit.

Shane Davis, 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.

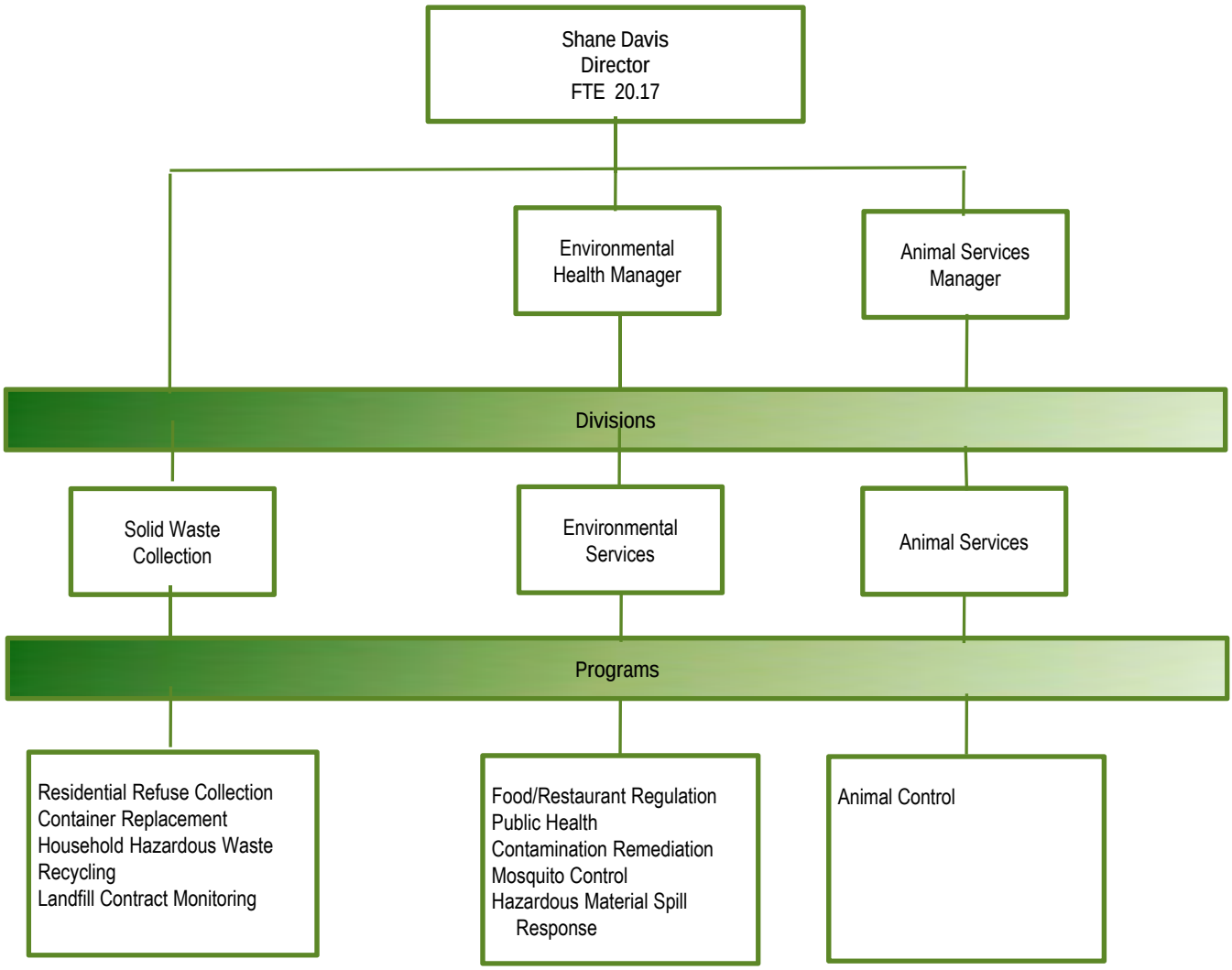
Care

Displaying kindness and concern.

Trust

Being transparent, honest and truthful.

Sustainability & Public Health



SUSTAINABILITY & PUBLIC HEALTH SUMMARY	YEAR-END AMENDED BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	% CHANGE FROM YEAR-END AMENDED
Personal Services/Benefits	$ 1,315,100	$ 1,283,429	$ 1,414,200	$ 1,489,300	$ 1,570,500	5.45%
Purchased Prof & Tech Services	1,200,000	1,161,686	1,294,600	1,200,000	1,340,200	11.68%
Supplies	144,600	104,908	172,300	166,400	176,000	5.77%
Repairs & Maintenance	273,000	270,033	248,400	253,900	274,400	8.07%
Services	759,400	677,492	1,135,400	873,400	1,357,100	55.38%
Production & Disposal	41,500	41,385	41,500	23,000	41,500	80.43%
Transfers	66,700	66,700	0	0	136,000	N/A
Total Budget	$ 3,800,300	$ 3,605,633	$ 4,306,400	$ 4,006,000	$ 4,895,700	22.21%

DIVISION	YEAR-END AMENDED BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19
SUSTAINABILITY/SOLID WASTE COLLECTION					
Personal Services/Benefits	$ 582,500	$ 561,151	$ 640,500	$ 706,100	$ 770,800
Purchased Prof & Tech Services	1,200,000	1,161,686	1,294,600	1,200,000	1,340,200
Supplies	72,400	51,657	92,900	87,000	99,100
Repairs & Maintenance	197,400	196,791	195,600	201,100	212,700
Services	498,400	470,393	869,500	607,000	1,087,200
Production & Disposal	41,500	41,385	41,500	23,000	41,500
Transfers	0	0	0	0	100,000
Total Budget	$ 2,592,200	$ 2,483,063	$ 3,134,600	$ 2,824,200	$ 3,651,500
ANIMAL SERVICES					
Personal Services/Benefits	$ 467,600	$ 463,913	$ 504,200	$ 507,300	$ 524,000
Supplies	44,900	38,294	46,900	46,900	47,300
Repairs & Maintenance	72,000	71,542	42,800	42,800	48,600
Services	142,700	131,274	149,500	149,800	157,000
Transfers	66,700	66,700	0	0	9,000
Total Budget	$ 793,900	$ 771,723	$ 743,400	$ 746,800	$ 785,900
ENVIRONMENTAL SERVICES					
Personal Services/Benefits	$ 265,000	$ 258,365	$ 269,500	$ 275,900	$ 275,700
Supplies	27,300	14,957	32,500	32,500	29,600
Repairs & Maintenance	3,600	1,700	10,000	10,000	13,100
Services	118,300	75,825	116,400	116,600	112,900
Transfers	0	0	0	0	27,000
Total Budget	$ 414,200	$ 350,847	$ 428,400	$ 435,000	$ 458,300

FARMERS
BRANCH

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:

Promote Public Safety

- Increase patrols of city parks during dusk/dark hours.
- Maintain the level of UCR violent crimes below the 5-year average.
- Install six license plate readers.

Employ the Highest Quality Workforce

- Continue to make Farmers Branch the employer of choice by focusing on employee engagement.
- Provide 2000 hours of TCOLE approved training to include 5 reality based training courses.
- Identify and implement a mental health and resiliency program for officers.

Offer Phenomenal Service

- Conduct community events including 2 Citizen Police Academies, Teen Police Academy, and the Police Department Open House

Provide Thriving Neighborhoods

- Implement a revised Mandatory Crime Reduction Program for Apartments ordinance.

Offer First-Rate Infrastructure and Assets

- Utilize technology to enhance professional policing standards by streamlining coaching, counselling and discipline documentation.
- Procure and utilize two drones.

Practice Financial Stewardship

- Apply for the Bullet Proof Vest Reimbursement program.

David Hale, Police Chief

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.

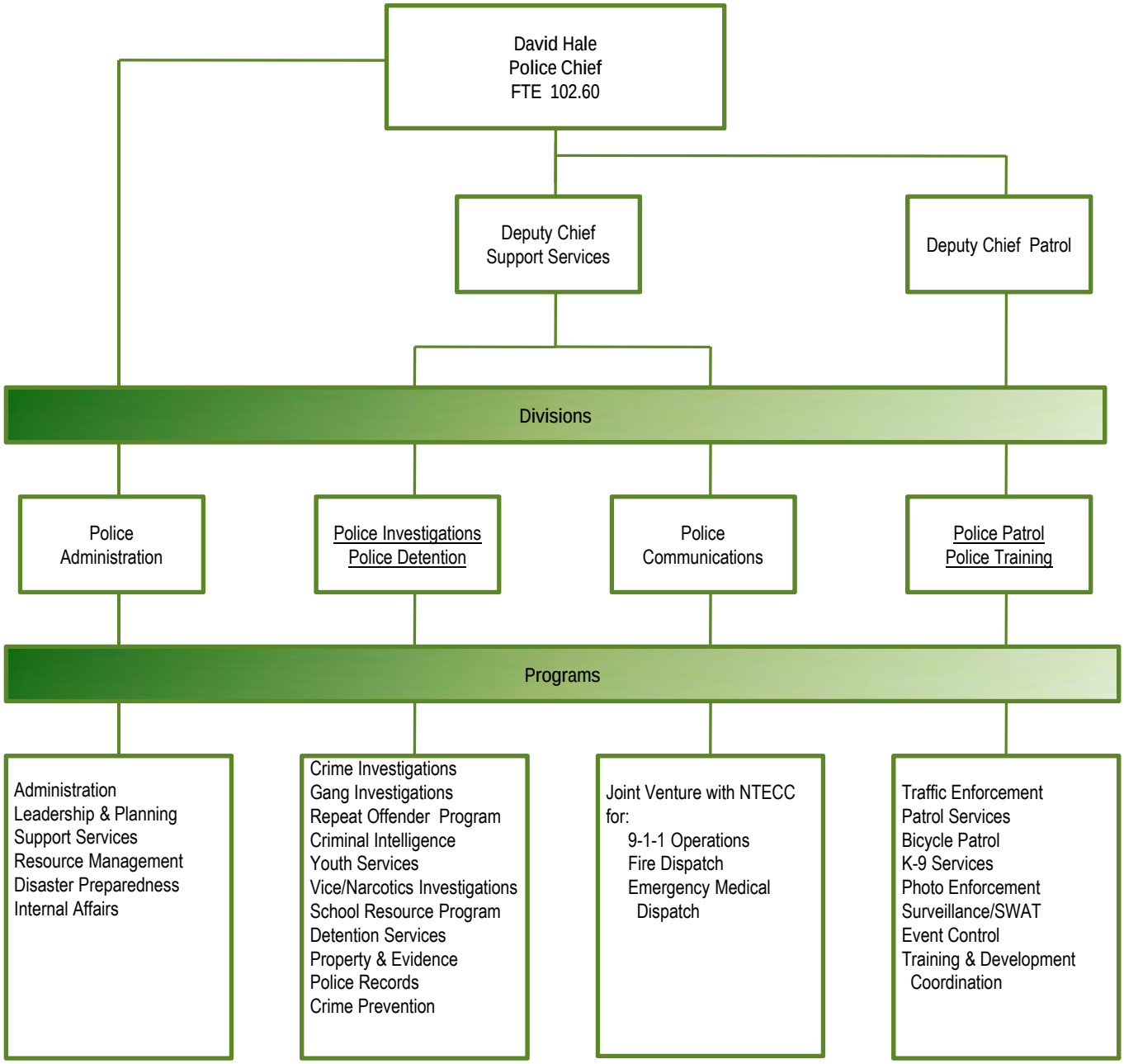
Excellence
Continually striving to be the very best.

Accountability
Taking ownership for what you do.

Care
Displaying kindness and concern.

Trust
Being transparent, honest and truthful.

Police



POLICE SUMMARY	YEAR-END AMENDED BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	% CHANGE FROM YEAR-END AMENDED
Personal Services/Benefits	$ 9,824,100	$ 9,679,626	$ 10,324,700	$ 10,078,600	$ 10,624,400	5.42%
Supplies	350,600	307,064	393,400	403,000	394,800	-2.03%
Repairs & Maintenance	697,900	693,579	793,800	793,800	755,600	-4.81%
Services	1,990,200	1,969,313	2,238,800	2,207,800	2,103,700	-4.72%
Transfers	288,500	288,500	333,000	333,000	404,100	21.35%
Total Budget	$ 13,151,300	$ 12,938,082	$ 14,083,700	$ 13,816,200	$ 14,282,600	3.38%

DIVISION	YEAR-END AMENDED BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19
POLICE ADMINISTRATION					
Personal Services/Benefits	$ 905,300	$ 896,661	$ 1,004,100	$ 1,053,400	$ 1,069,500
Supplies	43,000	43,187	43,100	48,300	51,300
Repairs & Maintenance	231,900	227,573	284,900	284,900	229,600
Services	281,900	269,169	321,700	334,400	302,000
Transfers	0	0	0	0	23,100
Total Budget	$ 1,462,100	$ 1,436,590	$ 1,653,800	$ 1,721,000	$ 1,675,500
POLICE INVESTIGATIONS					
Personal Services/Benefits	$ 1,964,500	$ 1,906,179	$ 1,898,200	$ 1,779,800	$ 1,963,400
Supplies	34,100	25,765	34,200	34,200	36,100
Repairs & Maintenance	46,900	46,500	46,700	46,700	48,300
Services	20,000	19,409	40,300	40,300	31,500
Transfers	0	0	28,000	28,000	125,000
Total Budget	$ 2,065,500	$ 1,997,853	$ 2,047,400	$ 1,929,000	$ 2,204,300
POLICE PATROL					
Personal Services/Benefits	$ 5,665,100	$ 5,612,278	$ 6,109,100	$ 5,877,500	$ 6,163,900
Supplies	254,500	219,436	298,300	298,300	282,800
Repairs & Maintenance	377,200	376,771	364,400	364,400	386,900
Services	50,900	45,523	72,200	72,200	61,900
Transfers	288,500	288,500	305,000	305,000	256,000
Total Budget	$ 6,636,200	$ 6,542,508	$ 7,149,000	$ 6,917,400	$ 7,151,500
POLICE DETENTION					
Personal Services/Benefits	$ 1,143,000	$ 1,122,097	$ 1,167,100	$ 1,217,800	$ 1,277,600
Supplies	15,500	15,186	14,300	18,700	21,100
Repairs & Maintenance	5,300	5,100	5,300	5,300	5,300
Services	3,100	2,858	3,400	3,400	5,100
Total Budget	$ 1,166,900	$ 1,145,241	$ 1,190,100	$ 1,245,200	$ 1,309,100
POLICE COMMUNICATIONS					
Repairs & Maintenance	36,600	37,635	92,500	92,500	85,500
Services	1,629,900	1,627,983	1,795,800	1,752,100	1,697,700
Total Budget	$ 1,666,500	$ 1,665,618	$ 1,888,300	$ 1,844,600	$ 1,783,200
POLICE TRAINING					
Personal Services/Benefits	$ 146,200	$ 142,411	$ 146,200	$ 150,100	$ 150,000
Supplies	3,500	3,490	3,500	3,500	3,500
Services	4,400	4,371	5,400	5,400	5,500
Total Budget	$ 154,100	$ 150,272	$ 155,100	$ 159,000	$ 159,000

FARMERS
BRANCH

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:

Be Open and Accessible

- Develop and present Citizens Fire Academy Class #14 to educate citizens on the structure and function of the Fire department.

Promote Public Safety

- Perform at or above National Fire Response benchmark standards.
- Perform at or above National Emergency Medical Service (EMS) Response benchmark standards.
- Strive to achieve a return of circulation (ROC) rate in a minimum of 20% of patients in cardiac arrest.
- Ensure compliance with the adopted International Fire Code and City Ordinances as they relate to fire & life safety.
- Improve EMS service levels through the staffing of three new firefighters/paramedics.
- Modernize the Department's Thermal Imaging cameras.

Offer First-Rate Infrastructure, Facilities and Assets

- Begin the process for building Fire Station #2.

Employ the Highest Quality Workforce

- Provide live-fire training to firefighters
- Continue to make Farmers Branch the employer of choice by focusing on employee engagement.
- Ensure that all Fire Department members are medically cleared and physically fit to perform their job functions.

Practice Financial Stewardship

- Implement a fee schedule and billing program for commercial fire inspections.
- Amend the Fire Department's EMS billing schedule to be competitive with the DFW market.

Steve Parker, Fire Chief

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.

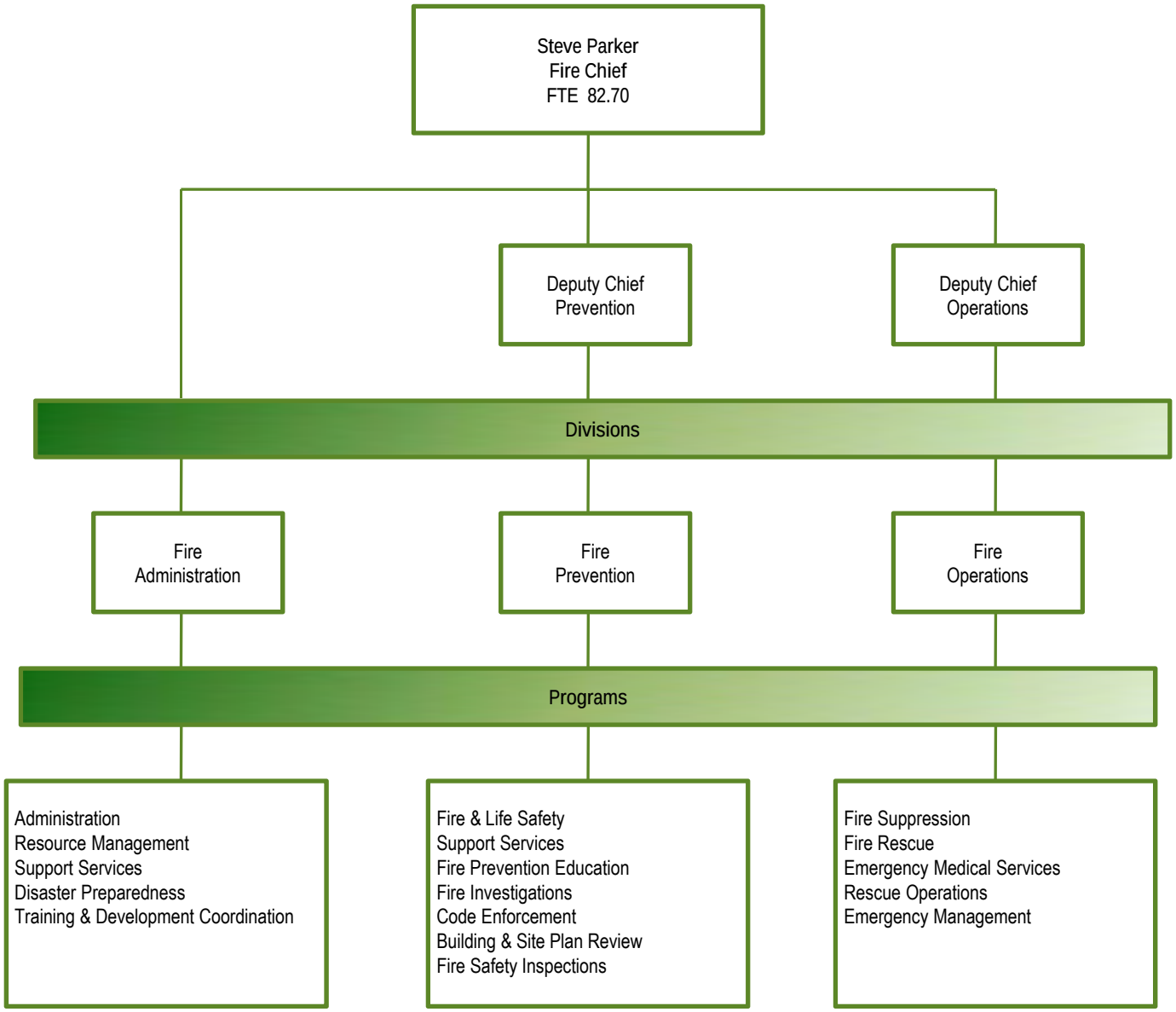
Excellence
Continually striving to be the very best.

Accountability
Taking ownership for what you do.

Care
Displaying kindness and concern.

Trust
Being transparent, honest and truthful.

Fire



FIRE SUMMARY	YEAR-END AMENDED BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	% CHANGE FROM YEAR-END AMENDED
Personal Services/Benefits	$ 9,329,600	$ 9,281,484	$ 9,611,000	$ 9,628,800	$ 9,939,200	3.22%
Supplies	359,200	331,046	400,400	433,900	380,800	-12.24%
Repairs & Maintenance	687,800	636,758	700,400	690,400	618,700	-10.39%
Services	273,200	264,411	322,000	324,200	296,300	-8.61%
Transfers	1,249,100	1,249,100	456,500	456,500	726,000	59.04%
Total Budget	$ 11,898,900	$ 11,762,799	$ 11,490,300	$ 11,533,800	$ 11,961,000	3.70%

DIVISION	YEAR-END AMENDED BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19
FIRE ADMINISTRATION					
Personal Services/Benefits	$ 741,300	$ 737,415	$ 782,200	$ 806,600	$ 814,900
Supplies	62,800	61,733	62,400	62,400	65,100
Repairs & Maintenance	349,500	345,320	282,100	282,100	265,400
Services	80,600	77,834	132,900	136,000	102,300
Transfers	115,100	115,100	21,000	21,000	0
Total Budget	$ 1,349,300	$ 1,337,402	$ 1,280,600	$ 1,308,100	$ 1,247,700
FIRE PREVENTION					
Personal Services/Benefits	$ 511,300	$ 510,915	$ 535,900	$ 542,300	$ 549,100
Supplies	22,000	21,501	21,200	21,200	20,900
Services	10,200	9,800	11,100	11,100	10,800
Total Budget	$ 543,500	$ 542,216	$ 568,200	$ 574,600	$ 580,800
FIRE OPERATIONS					
Personal Services/Benefits	$ 8,077,000	$ 8,033,154	$ 8,292,900	$ 8,279,900	$ 8,575,200
Supplies	274,400	247,812	316,800	350,300	294,800
Repairs & Maintenance	338,300	291,438	418,300	408,300	353,300
Services	182,400	176,777	178,000	177,100	183,200
Transfers	1,134,000	1,134,000	435,500	435,500	726,000
Total Budget	$ 10,006,100	$ 9,883,181	$ 9,641,500	$ 9,651,100	$ 10,132,500

FARMERS
BRANCH

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:

Practice Financial Stewardship

- Introduce fee based membership and programming at the Senior Center.
- Secure at least $50,000 in sponsorship dollars to help offset the cost of running special events.
- Focus on opening up rental availability of athletic fields and gymnasiums.
- Grow aquatic programming revenue by 10% over proposed revenue for FY 2017/18.
- Become a lifeguard training and certification HUB for surrounding cities.

Employ the Highest Quality Workforce

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

Offer Phenomenal Service

- Develop the relationship with Keep Farmers Branch Beautiful to foster support for park operations.
- Implement a "Stewards Program" at the Historical Park.

Provide Excellent Quality of Life

- Partner with Go Ape! to install zip line and outdoor adventure attractions at John F. Burke Nature Preserve
- Identify playground equipment at Oran Good Park that has become rundown or unusable, and replace with new pieces.
- Reconfigure the winter holiday special event(s).
- Plan and develop a dog park.

Be Open and Accessible

- Enhance online exposure of Farmers Branch Community Recreation Center.

Offer First-Rate Infrastructure and Assets

- Begin architectural planning for "Barn" event/museum project.

Jeff Harting, 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.

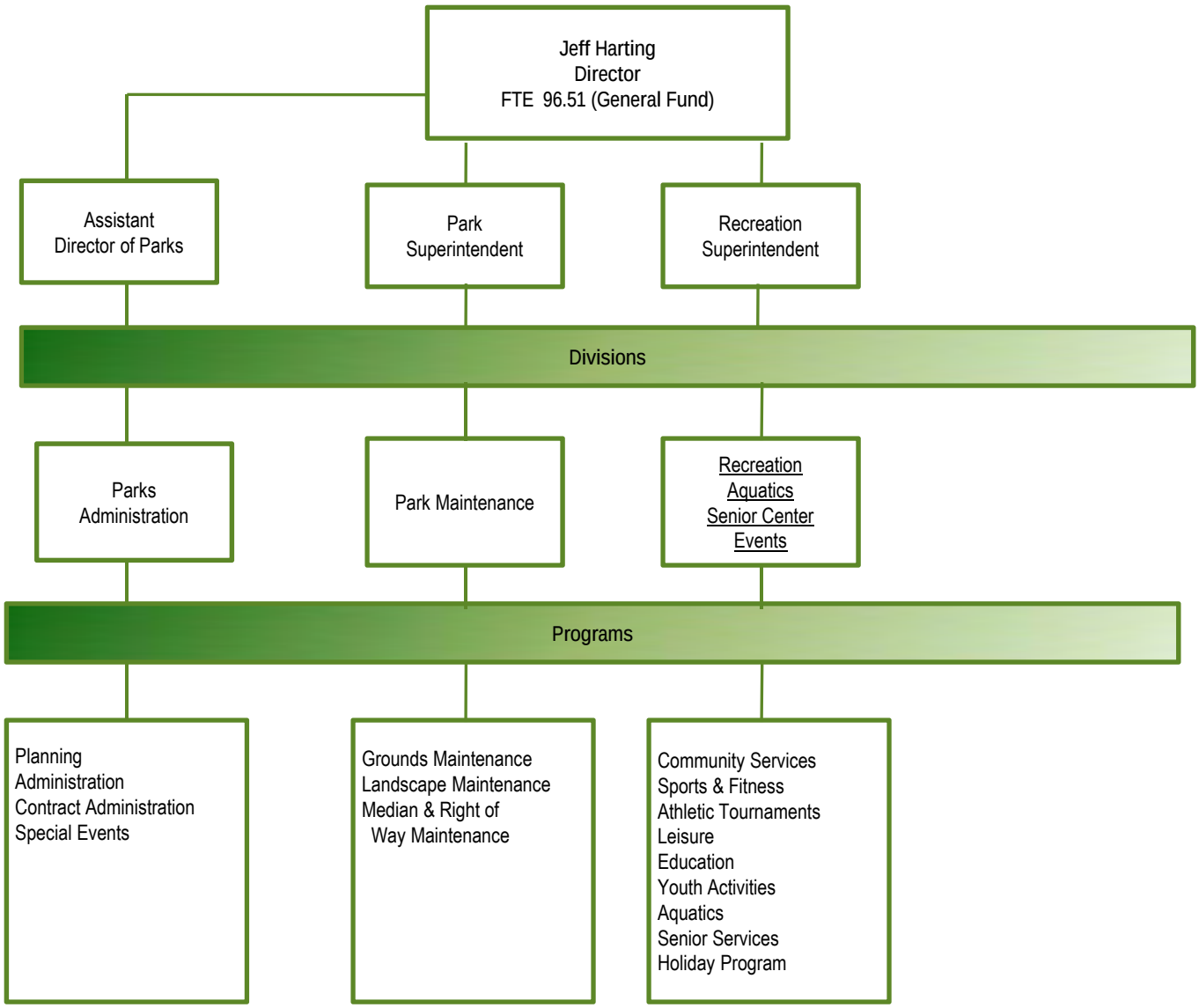
Excellence
Continually striving to be the very best.

Accountability
Taking ownership for what you do.

Care
Displaying kindness and concern.

Trust
Being transparent, honest and truthful.

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 BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	% CHANGE FROM YEAR-END AMENDED
Personal Services/Benefits	$ 5,629,300	$ 5,472,034	$ 5,772,200	$ 5,867,900	$ 6,019,700	2.59%
Purchased Prof & Tech Services	41,500	39,723	43,400	73,400	43,400	-40.87%
Supplies	599,000	537,493	609,700	612,000	617,200	0.85%
Repairs & Maintenance	1,435,500	1,408,300	1,574,700	1,578,700	1,557,600	-1.34%
Services	1,346,800	1,223,558	1,550,100	1,552,800	1,529,300	-1.51%
Events	498,200	497,855	463,300	463,300	472,300	1.94%
Transfers	726,400	726,400	743,600	743,600	820,000	10.27%
Total Budget	$ 10,276,700	$ 9,905,363	$ 10,757,000	$ 10,891,700	$ 11,059,500	1.54%

DIVISION	YEAR-END AMENDED BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19
PARKS & RECREATION ADMIN.					
Personal Services/Benefits	$ 473,100	$ 474,253	$ 479,100	$ 477,500	$ 510,700
Supplies	15,200	13,203	15,200	23,300	16,700
Repairs & Maintenance	3,500	3,497	3,500	3,500	3,500
Services	45,900	29,578	46,200	48,100	43,400
Total Budget	$ 537,700	$ 520,531	$ 544,000	$ 552,400	$ 574,300
PARK MAINTENANCE					
Personal Services/Benefits	$ 2,999,500	$ 2,918,105	$ 2,994,300	$ 3,041,900	$ 3,109,300
Purchased Prof & Tech Services	41,500	39,723	43,400	73,400	43,400
Supplies	324,600	276,467	334,000	334,800	339,800
Repairs & Maintenance	725,400	703,563	799,800	799,800	808,400
Services	624,200	575,182	712,800	715,000	715,000
Transfers	476,400	476,400	583,600	583,600	709,000
Total Budget	$ 5,191,600	$ 4,989,440	$ 5,467,900	$ 5,548,500	$ 5,724,900
RECREATION					
Personal Services/Benefits	$ 946,300	$ 896,856	$ 973,200	$ 985,700	$ 994,700
Supplies	119,900	117,487	120,100	120,100	119,500
Repairs & Maintenance	394,100	391,667	400,600	400,600	392,100
Services	349,400	341,103	358,200	373,400	371,100
Transfers	0	0	0	0	26,000
Total Budget	$ 1,809,700	$ 1,747,113	$ 1,852,100	$ 1,879,800	$ 1,903,400
AQUATICS CENTER					
Personal Services/Benefits	$ 597,200	$ 575,587	$ 618,000	$ 645,000	$ 648,100
Supplies	54,300	54,203	55,100	55,100	56,600
Repairs & Maintenance	135,400	134,787	171,200	171,200	131,400
Services	204,000	174,271	260,000	243,100	240,600
Transfers	60,000	60,000	0	0	0
Total Budget	$ 1,050,900	$ 998,848	$ 1,104,300	$ 1,114,400	$ 1,076,700
SENIOR CENTER					
Personal Services/Benefits	$ 401,700	$ 390,950	$ 410,700	$ 419,800	$ 412,800
Supplies	85,000	76,133	85,200	78,600	84,500
Repairs & Maintenance	164,100	161,786	182,900	186,900	200,600
Services	105,200	92,972	109,800	110,100	90,100
Transfers	0	0	75,000	75,000	0
Total Budget	$ 756,000	$ 721,841	$ 863,600	$ 870,400	$ 788,000
PARK BOARD					
Services	$ 9,800	$ 3,388	$ 9,800	$ 9,800	$ 9,800
Total Budget	$ 9,800	$ 3,388	$ 9,800	$ 9,800	$ 9,800
SENIOR ADVISORY BOARD					
Services	$ 4,800	$ 3,647	$ 4,800	$ 4,800	$ 4,800
Total Budget	$ 4,800	$ 3,647	$ 4,800	$ 4,800	$ 4,800
EVENTS					
Personal Services/Benefits	$ 211,500	$ 216,283	$ 296,900	$ 298,000	$ 344,100
Supplies	0	0	100	100	100
Repairs & Maintenance	13,000	13,000	16,700	16,700	21,600
Services	3,500	3,417	48,500	48,500	54,500
Events	498,200	497,855	463,300	463,300	472,300
Transfers	190,000	190,000	85,000	85,000	85,000
Total Budget	$ 916,200	$ 920,555	$ 910,500	$ 911,600	$ 977,600

FARMERS
BRANCH

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:

Be Open and Accessible

- Continue to develop the Library Board in their role as an advisory board to the City Council.

Provide Excellent Quality of Life

- Continue outreach efforts and programming partnerships through City events, schools and area businesses to benefit residents.

Offer First-Rate Infrastructure, Facilities and Assets

- Work with the whole community top prepare a plan for the future of the Library: new Library or renovation.

Employ the Highest Quality Workforce

- Identify and implement recommendations from the employee survey to improve employee engagement.

Offer Phenomenal Service

- Continue to improve the Library's collection by analyzing the collection, adding new/relevant materials, and removing underutilized collection materials.
- Evaluate the quality and effectiveness of current library programs and events.
- Continue to explore options to increase public awareness initiatives of the library and its resources
- Identify new services the Library can provide to meet the changing needs of the community.

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 AMENDED BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	% CHANGE FROM YEAR-END AMENDED
Purchased Prof & Tech Services	$ 1,232,600	$ 1,232,008	$ 1,260,100	$ 1,260,100	$ 1,287,800	2.20%
Supplies	34,500	28,077	34,500	39,700	35,000	-11.84%
Repairs & Maintenance	218,600	218,600	241,000	241,000	221,200	-8.22%
Services	87,900	74,603	91,900	89,000	85,200	-4.27%
Transfers	224,000	224,000	255,500	255,500	241,500	-5.48%
Total Budget	$ 1,797,600	$ 1,777,288	$ 1,883,000	$ 1,885,300	$ 1,870,700	-0.77%

ENTERPRISE FUNDS
REVENUE SUMMARY

	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	PERCENT OF BUDGET
WATER & SEWER FUND					
INTEREST/RENTS/CONTRIBUTIONS					
INTEREST	$ (6,660)	$ 0	$ 0	$ (9,000)	-0.04%
SUB-TOTAL	(6,660)	0	0	(9,000)	-0.04%
MISCELLANEOUS					
MISCELLANEOUS	3,839	3,600	7,300	4,100	0.02%
SALE OF ASSETS	644	1,000	0	1,000	0.00%
INSURANCE RECOVERY	0	0	600	0	0.00%
SUB-TOTAL	4,483	4,600	7,900	5,100	0.02%
CHARGES FOR SERVICES					
WATER SERVICE	13,460,167	14,929,200	15,632,000	15,712,400	62.64%
SEWER SERVICE	6,203,535	6,914,000	7,396,000	7,478,300	29.81%
ADDISON SEWER	20,969	19,400	22,000	24,400	0.10%
TAPPING FEES	2,300	4,000	2,800	3,400	0.01%
RECONNECTS/SERVICE CHARGE	43,075	43,000	38,000	40,000	0.16%
LATE FEES	177,895	169,000	235,000	225,000	0.90%
INSPECTIONS	0	0	407,000	125,000	0.50%
BACKFLOW PROGRAM	35,165	30,000	38,000	35,000	0.14%
SUB-TOTAL	19,943,106	22,108,600	23,770,800	23,643,500	94.26%
TOTAL WATER & SEWER FUND	$ 19,940,929	$ 22,113,200	$ 23,778,700	$ 23,639,600	94.24%
STORMWATER UTILITY FUND					
CHARGES FOR SERVICES					
STORMWATER	$ 1,322,296	$ 1,314,000	$ 1,368,600	$ 1,445,000	5.76%
TOTAL STORMWATER UTILITY FUND	$ 1,322,296	$ 1,314,000	$ 1,368,600	$ 1,445,000	5.76%
GRAND TOTAL	$ 21,263,225	$ 23,427,200	$ 25,147,300	$ 25,084,600	100.00%

ENTERPRISE FUNDS
EXPENDITURE SUMMARY

	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	PERCENT OF BUDGET
WATER & SEWER FUND					
PUBLIC WORKS					
WATER & SEWER ADMINISTRATION	$ 4,597,366	$ 4,673,300	$ 4,596,100	$ 4,629,400	18.80%
WATER & SEWER OPERATIONS	15,386,315	17,347,100	17,506,000	18,544,500	75.31%
TOTAL WATER & SEWER FUND	$ 19,983,681	$ 22,020,400	$ 22,102,100	$ 23,173,900	94.12%
STORMWATER UTILITY FUND					
PUBLIC WORKS					
STORMWATER UTILITIES	$ 261,954	$ 1,299,000	$ 1,259,000	$ 1,449,000	5.88%
TOTAL STORMWATER UTILITY FUND	$ 261,954	$ 1,299,000	$ 1,259,000	$ 1,449,000	5.88%
GRAND TOTAL	$ 20,245,635	$ 23,319,400	$ 23,361,100	$ 24,622,900	100.00%

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:

Offer First-Rate Infrastructure and Assets

- Build a wider sidewalk along the North Bound Marsh Ln. Bridge for trail connectivity.
- Make improvements to the Webb Chapel Bridge and the surrounding channel.
- Resurfacing of Alpha Rd. from Inwood to Midway.
- Reconstruct signal infrastructure at Webb Chapel and Valley View.
- Continue to expand automated meter reading program by approximately 500 endpoints
- Video & inspection to determine possible need for cleaning and new lining projects in the Sanitary Sewer Trunk Mains

Employ the Highest Quality Workforce

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

Practice Financial Stewardship

- Develop a proposed Infrastructure CIP Program for inclusion in the FY2019 budget process
- Execute a contract and treat approximately 25,000 linear feet of sanitary sewer.

Provide Excellent Quality of Life

- Implement a 3-year plan for Cooks Creek channel improvements
- Dredge and make sanitary sewer improvements to Rawhide Creek.
- Make improvements to Farmers Branch Creek; conduct a study to identify future improvements.

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.

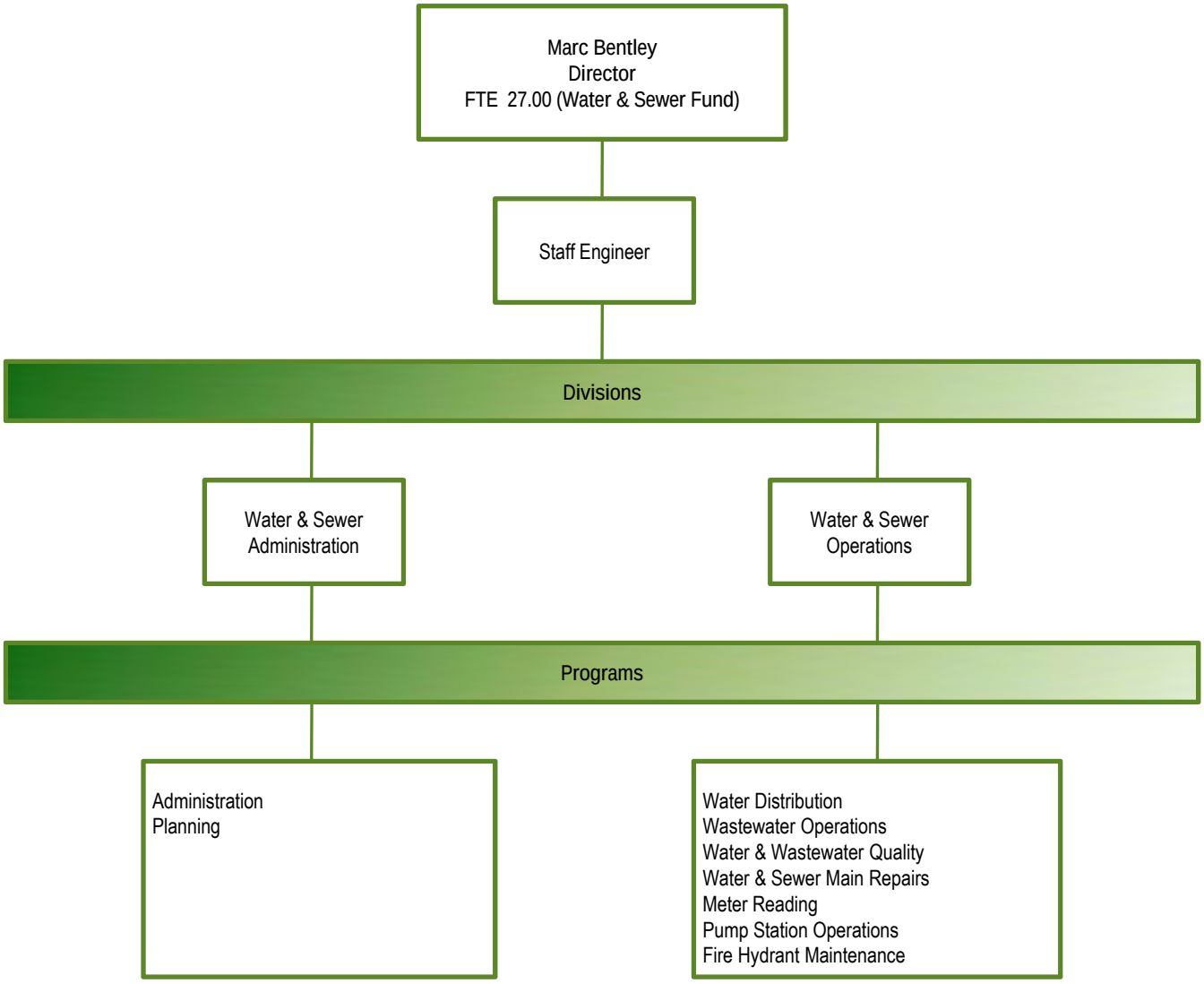
Excellence
Continually striving to be the very best.

Accountability
Taking ownership for what you do.

Care
Displaying kindness and concern.

Trust
Being transparent, honest and truthful.

Public Works

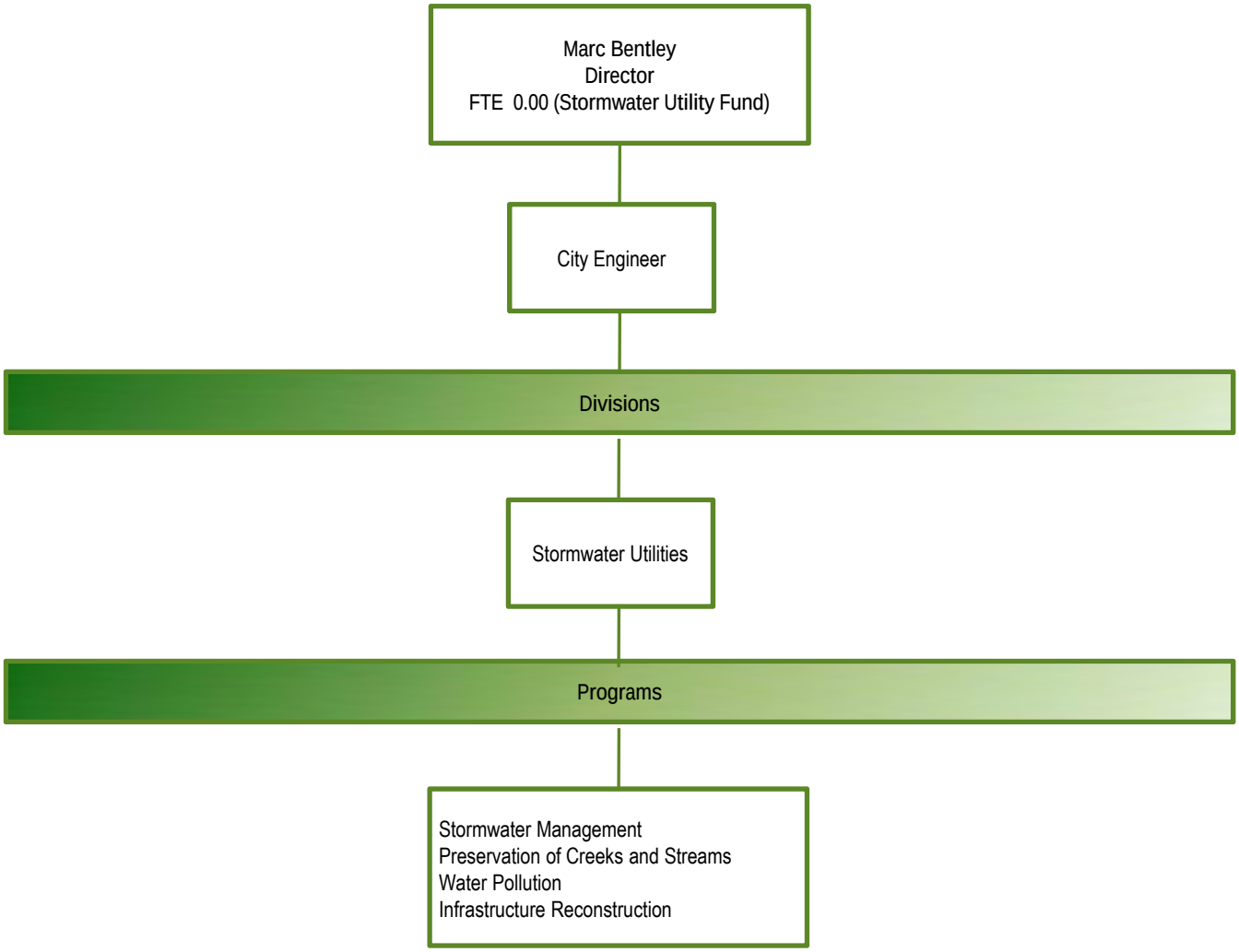


The Public Works department also includes Public Works Administration and Street Maintenance operations, which are detailed in the General Fund section of this document.

WATER & SEWER SUMMARY	YEAR-END AMENDED BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	% CHANGE FROM YEAR-END AMENDED
Personal Services/Benefits	$ 2,203,000	$ 2,074,673	$ 2,209,100	$ 2,079,900	$ 2,180,700	4.85%
Purchased Prof & Tech Services	83,900	77,052	91,900	91,900	91,900	0.00%
Supplies	282,300	242,881	300,600	300,600	322,300	7.22%
Repairs & Maintenance	709,200	684,377	727,200	727,300	722,000	-0.73%
Services	460,900	390,278	472,600	474,800	479,400	0.97%
Production & Disposal	10,049,300	9,937,247	10,767,400	10,976,000	10,830,700	-1.32%
Other Objects	60,000	24,073	60,000	60,000	60,000	0.00%
Transfers	6,553,100	6,553,100	7,391,600	7,391,600	8,486,900	14.82%
Total Budget	$ 20,401,700	$ 19,983,681	$ 22,020,400	$ 22,102,100	$ 23,173,900	4.85%

DIVISION	YEAR-END AMENDED BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19
WATER & SEWER ADMINISTRATION					
Personal Services/Benefits	$ 137,300	$ 114,644	$ 158,900	$ 81,300	$ 97,100
Purchased Prof & Tech Services	83,900	77,052	91,900	91,900	91,900
Supplies	65,700	59,294	75,700	75,700	85,400
Repairs & Maintenance	49,000	47,938	52,600	52,700	52,700
Services	56,400	47,173	64,400	64,600	69,600
Production & Disposal	53,300	48,165	66,700	66,800	69,600
Other Objects	10,000	0	10,000	10,000	10,000
Transfers	4,203,100	4,203,100	4,153,100	4,153,100	4,153,100
Total Budget	$ 4,658,700	$ 4,597,366	$ 4,673,300	$ 4,596,100	$ 4,629,400
WATER & SEWER OPERATIONS					
Personal Services/Benefits	$ 2,065,700	$ 1,960,029	$ 2,050,200	$ 1,998,600	$ 2,083,600
Supplies	216,600	183,587	224,900	224,900	236,900
Repairs & Maintenance	660,200	636,439	674,600	674,600	669,300
Services	404,500	343,105	408,200	410,200	409,800
Production & Disposal	9,996,000	9,889,082	10,700,700	10,909,200	10,761,100
Other Objects	50,000	24,073	50,000	50,000	50,000
Transfers	2,350,000	2,350,000	3,238,500	3,238,500	4,333,800
Total Budget	$ 15,743,000	$ 15,386,315	$ 17,347,100	$ 17,506,000	$ 18,544,500

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 BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	% CHANGE FROM YEAR-END AMENDED
Purchased Prof & Tech Services	$ 274,200	$ 185,886	$ 274,200	$ 274,200	$ 274,200	0.00%
Repairs & Maintenance	950,000	0	950,000	910,000	1,100,000	20.88%
Other Objects	0	1,268	0	0	0	0.00%
Transfers	74,800	74,800	74,800	74,800	74,800	0.00%
Total Budget	$ 1,299,000	$ 261,954	$ 1,299,000	$ 1,259,000	$ 1,449,000	15.09%

INTERNAL SERVICE FUNDS
REVENUE SUMMARY

	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	PERCENT OF BUDGET
FLEET & FACILITIES MANAGEMENT FUND					
CHARGES FOR SERVICES					
FLEET SERVICES	$ 2,432,815	$ 2,582,800	$ 2,582,800	$ 2,692,200	30.80%
FACILITIES SERVICES	1,798,500	1,911,400	1,911,400	1,713,300	19.60%
TOTAL FLEET & FACILITIES MGMT FUND	$ 4,231,315	$ 4,494,200	$ 4,494,200	$ 4,405,500	50.40%
WORKERS' COMPENSATION FUND					
MISCELLANEOUS					
MISCELLANEOUS	$ 12,283	$ 60,000	$ 60,000	$ 60,000	0.69%
INTERFUND TRANSFERS	324,500	340,000	340,000	340,000	3.89%
TOTAL WORKERS' COMPENSATION FUND	$ 336,783	$ 400,000	$ 400,000	$ 400,000	4.58%
HEALTH CLAIMS FUND					
INTEREST/RENTS/CONTRIBUTIONS					
MEDICAL CONTRIBUTIONS	$ 3,912,507	$ 3,935,600	$ 3,935,600	$ 3,935,600	45.02%
TOTAL HEALTH CLAIMS FUND	$ 3,912,507	$ 3,935,600	$ 3,935,600	$ 3,935,600	45.02%
GRAND TOTAL	$ 8,480,605	$ 8,829,800	$ 8,829,800	$ 8,741,100	100.00%

INTERNAL SERVICE FUNDS
EXPENDITURE SUMMARY

	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	PERCENT OF BUDGET
FLEET & FACILITIES MANAGEMENT FUND					
FLEET & FACILITIES MANAGEMENT					
FACILITIES MANAGEMENT	$ 1,683,237	$ 1,911,400	$ 1,911,400	$ 1,713,300	19.78%
FLEET MANAGEMENT	2,483,265	2,582,800	2,582,800	2,692,200	31.08%
TOTAL FLEET & FACILITIES MGMT FUND	$ 4,166,502	$ 4,494,200	$ 4,494,200	$ 4,405,500	50.86%
WORKERS' COMPENSATION FUND					
INTERNAL SERVICE					
WORKERS' COMPENSATION	$ 337,147	$ 400,000	$ 400,000	$ 400,000	4.62%
TOTAL WORKERS' COMPENSATION FUND	$ 337,147	$ 400,000	$ 400,000	$ 400,000	4.62%
HEALTH CLAIMS FUND					
INTERNAL SERVICE					
HEALTH CLAIMS	$ 3,754,628	$ 4,425,800	$ 4,525,800	$ 3,855,800	44.52%
TOTAL HEALTH CLAIMS FUND	$ 3,754,628	$ 4,425,800	$ 4,525,800	$ 3,855,800	44.52%
GRAND TOTAL	$ 8,258,277	$ 9,320,000	$ 9,420,000	$ 8,661,300	100.00%

FLEET & FACILITIES MANAGEMENT

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 we will work together 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:

Offer First-Rate Infrastructure, Facilities and Assets

- Continue implementation of both short and long-range facilities capital maintenance program projects/replacement to provide sustainability of City facilities and assets.
- Continue the annual replacement program of the City's fleet vehicles and equipment based on life-cycle costing.
- Continue plans for the construction of a new Service Center facility.

Employ the Highest Quality Workforce

- 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.

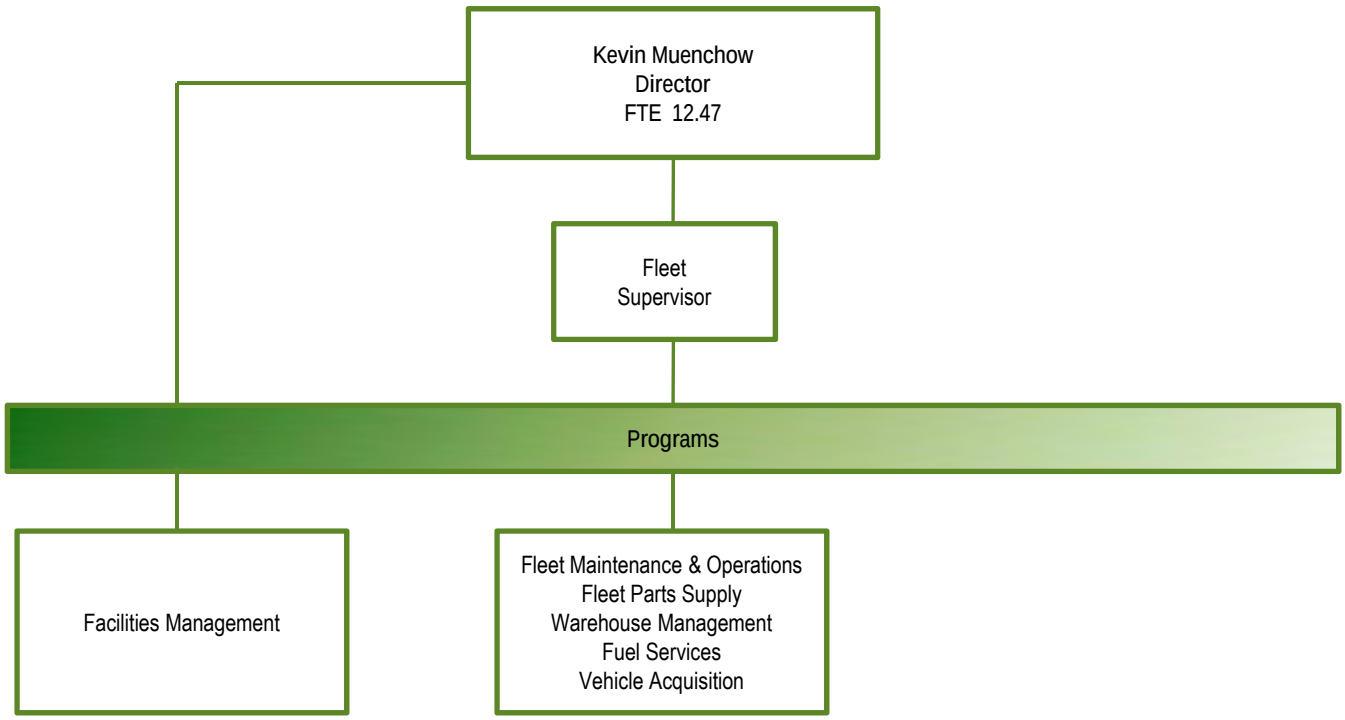
Excellence
Continually striving to be the very best.

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 BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	% CHANGE FROM YEAR-END AMENDED
Personal Services/Benefits	$ 993,700	$ 972,599	$ 1,043,300	$ 1,028,000	$ 1,102,200	7.22%
Purchased Prof & Tech Services	10,000	8,941	0	0	0	0.00%
Supplies	54,000	38,844	41,400	43,200	41,800	-3.24%
Repairs & Maintenance	763,900	621,389	770,400	793,100	479,900	-39.49%
Services	892,300	892,889	959,100	968,500	1,049,000	8.31%
Inventory Usage	1,392,200	1,549,840	1,654,000	1,635,400	1,726,100	5.55%
Transfers	82,000	82,000	26,000	26,000	6,500	-75.00%
Total Budget	$ 4,188,100	$ 4,166,502	$ 4,494,200	$ 4,494,200	$ 4,405,500	-1.97%

DIVISION	YEAR-END AMENDED BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19
FACILITIES MANAGEMENT					
Personal Services/Benefits	$ 477,700	$ 484,008	$ 514,500	$ 491,800	$ 533,500
Purchased Prof & Tech Services	10,000	8,941	0	0	0
Supplies	15,600	13,506	13,900	13,700	13,700
Repairs & Maintenance	644,500	513,755	661,600	684,300	379,600
Services	632,700	645,027	695,400	695,600	786,500
Transfers	18,000	18,000	26,000	26,000	0
Total Budget	$ 1,798,500	$ 1,683,237	$ 1,911,400	$ 1,911,400	$ 1,713,300
FLEET MANAGEMENT					
Personal Services/Benefits	$ 516,000	$ 488,591	$ 528,800	$ 536,200	$ 568,700
Supplies	38,400	25,338	27,500	29,500	28,100
Repairs & Maintenance	119,400	107,634	108,800	108,800	100,300
Services	259,600	247,862	263,700	272,900	262,500
Inventory Usage	1,392,200	1,549,840	1,654,000	1,635,400	1,726,100
Transfers	64,000	64,000	0	0	6,500
Total Budget	$ 2,389,600	$ 2,483,265	$ 2,582,800	$ 2,582,800	$ 2,692,200

FARMERS
BRANCH

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 2017. 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 AMENDED BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	% CHANGE FROM YEAR-END AMENDED
Purchased Prof & Tech Services	$ 5,000	$ 0	$ 5,000	$ 5,000	$ 5,000	0.00%
Workers' Compensation	395,000	134,047	395,000	395,000	395,000	0.00%
Total Budget	$ 400,000	$ 134,047	$ 400,000	$ 400,000	$ 400,000	0.00%

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 bimonthly payroll 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 AMENDED BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	% CHANGE FROM YEAR-END AMENDED
Claims Incurred	$ 3,086,300	$ 2,935,011	$ 3,086,300	$ 3,086,300	$ 3,086,300	0.00%
Insurance Premiums	330,100	331,251	330,100	330,100	330,100	0.00%
Fees	239,400	238,366	239,400	239,400	239,400	0.00%
Other Objects	300,000	0	300,000	400,000	200,000	-50.00%
Transfers	250,000	250,000	470,000	470,000	0	N/A
Total Budget	$ 4,205,800	$ 3,754,628	$ 4,425,800	$ 4,525,800	$ 3,855,800	-14.80%

HOTEL/MOTEL FUND
REVENUE SUMMARY

	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	PERCENT OF BUDGET
TAXES					
HOTEL/MOTEL TAX	$ 2,892,656	$ 3,000,000	$ 2,800,000	$ 3,050,000	96.96%
SUB-TOTAL	2,892,656	3,000,000	2,800,000	3,050,000	96.96%
CHARGES FOR SERVICES					
EVENTS	21,735	25,000	41,000	35,000	1.11%
SUB-TOTAL	21,735	25,000	41,000	35,000	1.11%
INTEREST/RENTS/CONTRIBUTIONS					
INTEREST	29,075	25,000	30,000	35,000	1.11%
SUB-TOTAL	29,075	25,000	30,000	35,000	1.11%
MISCELLANEOUS					
MISCELLANEOUS	1,133	2,000	2,000	2,000	0.06%
HISTORICAL PARK RENTALS	15,761	15,000	7,500	16,000	0.51%
HISTORICAL PARK TEAS	5,650	5,700	5,300	7,500	0.24%
SUB-TOTAL	22,544	22,700	14,800	25,500	0.81%
GRAND TOTAL	$ 2,966,010	$ 3,072,700	$ 2,885,800	$ 3,145,500	100.00%

HOTEL/MOTEL FUND
EXPENDITURE SUMMARY

		ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	PERCENT OF BUDGET
PARKS & RECREATION						
HISTORICAL PRESERVATION		$ 2,305,788	$ 1,963,700	$ 2,049,700	$ 1,566,800	51.92%
SUB-TOTAL	(1)	2,305,788	1,963,700	2,049,700	1,566,800	51.92%
ECONOMIC DEVELOPMENT & TOURISM						
PROMOTION OF TOURISM		1,135,789	1,376,200	1,336,200	1,431,900	47.45%
CONVENTION CENTER		393,558	19,000	19,000	19,000	0.63%
SUB-TOTAL		1,529,347	1,395,200	1,355,200	1,450,900	48.08%
GRAND TOTAL		$ 3,835,135	$ 3,358,900	$ 3,404,900	$ 3,017,700	100.00%

(1) When excluding capital expenditures, the Parks & Recreation - Historical Preservation division percent of budget totals 48.54% for 2018-19.

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:

Practice Financial Stewardship

- Introduce fee based membership and programming at the Senior Center.
- Secure at least $50,000 in sponsorship dollars to help offset the cost of running special events.
- Focus on opening up rental availability of athletic fields and gymnasiums.
- Grow aquatic programming revenue by 10% over proposed revenue for FY 2017/18.
- Become a lifeguard training and certification HUB for surrounding cities.

Employ the Highest Quality Workforce

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

Offer Phenomenal Service

- Develop the relationship with Keep Farmers Branch Beautiful to foster support for park operations.
- Implement a "Stewards Program" at the Historical Park.

Provide Excellent Quality of Life

- Partner with Go Ape! to install zip line and outdoor adventure attractions at John F. Burke Nature Preserve
- Identify playground equipment at Oran Good Park that has become rundown or unusable, and replace with new pieces.
- Reconfigure the winter holiday special event(s).
- Plan and develop a dog park.

Be Open and Accessible

- Enhance online exposure of Farmers Branch Community Recreation Center.

Offer First-Rate Infrastructure and Assets

- Begin architectural planning for "Barn" event/museum project.

Jeff Harting, 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.

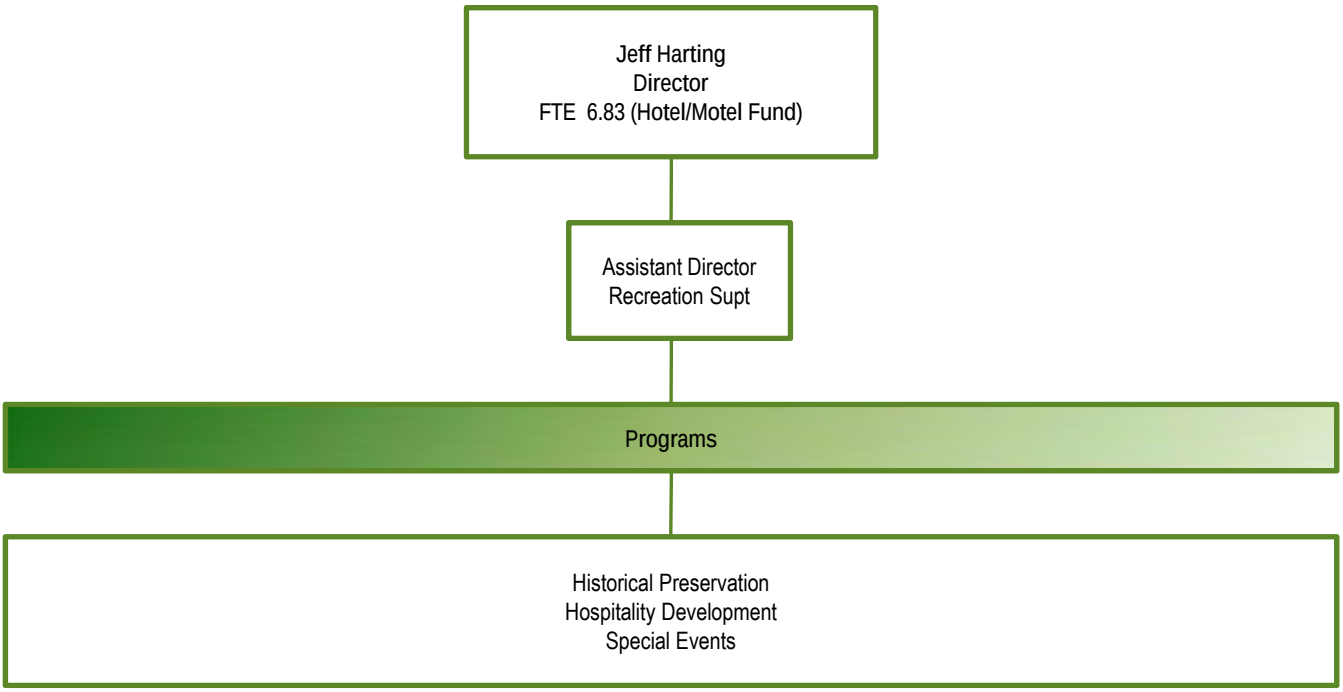
Excellence
Continually striving to be the very best.

Accountability
Taking ownership for what you do.

Care
Displaying kindness and concern.

Trust
Being transparent, honest and truthful.

Parks & Recreation



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 BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	% CHANGE FROM YEAR-END AMENDED
Personal Services/Benefits	$ 590,100	$ 590,701	$ 538,000	$ 392,400	$ 461,000	17.48%
Purchased Prof & Tech Services	2,500	2,500	5,000	66,300	146,500	120.97%
Supplies	47,500	42,756	47,600	47,600	52,700	10.71%
Repairs & Maintenance	247,400	233,541	235,200	235,200	313,600	33.33%
Services	92,200	83,803	121,200	147,500	187,300	26.98%
Other Fixed Assets	21,500	20,470	13,700	11,700	11,700	0.00%
Special Events	275,000	274,017	303,000	303,000	307,000	1.32%
Transfers	1,058,000	1,058,000	700,000	846,000	87,000	-89.72%
Total Budget	$ 2,334,200	$ 2,305,788	$ 1,963,700	$ 2,049,700	$ 1,566,800	-23.56%

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, plan for the City of Farmers Branch. They do this by attracting the businesses the City wants and needs and industry both nationally and internationally, retention and expansion of existing business and industry, and promotion of local convention and tourism business.

What we do (Key Processes):

- Recruit and Retain Businesses
- Build partnerships with businesses
- Promote tourism

Our Strategic Initiatives:

Be Open and Accessible

- Increase digital presence for demo rebuild, events and general Tourism through social media, website and blog.

Pursue Sustainable Economic Growth

- Improve the marketing for the updated Demo Rebuild Program & Neighborhood Renaissance program.
- Improve the marketing for Façade Grant Program to improve participation.
- Focus on building and reinforcing relationships with our businesses.
- Host events to build relationships and support programs.

Employ the Highest Quality Workforce

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

Provide Thriving Neighborhoods

- Market and continue to implement the Neighborhood Partnership Program.
- Implement a program for quality, senior-centric housing options.

Allison Cook, 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.

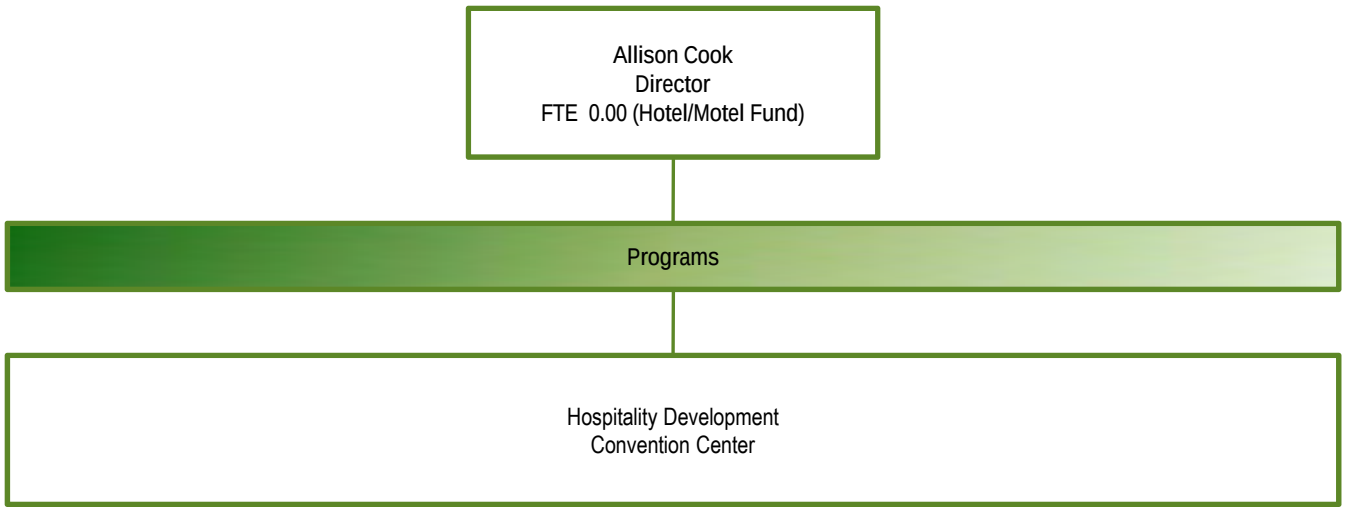
Excellence
Continually striving to be the very best.

Accountability
Taking ownership for what you do.

Care
Displaying kindness and concern.

Trust
Being transparent, honest and truthful.

Economic Development & Tourism



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 BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	% CHANGE FROM YEAR-END AMENDED
Purchased Prof & Tech Services	$ 17,600	$ 15,639	$ 17,600	$ 17,600	$ 25,600	45.45%
Supplies	7,000	1,835	7,000	7,000	9,000	28.57%
Repairs & Maintenance	2,000	185	2,000	2,000	2,000	0.00%
Services	15,800	14,967	24,800	24,800	24,800	0.00%
Marketing	773,600	641,821	838,500	798,500	828,300	3.73%
Transfers	854,900	854,900	505,300	505,300	561,200	11.06%
Total Budget	$ 1,670,900	$ 1,529,347	$ 1,395,200	$ 1,355,200	$ 1,450,900	7.06%

DIVISION	YEAR-END AMENDED BUDGET 2016-17	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19
PROMOTION OF TOURISM					
Purchased Prof & Tech Services	$ 17,600	$ 15,639	$ 17,600	$ 17,600	$ 25,600
Supplies	6,000	1,835	6,000	6,000	8,000
Services	8,300	7,594	8,800	8,800	8,800
Marketing	773,600	641,821	838,500	798,500	828,300
Transfers	468,900	468,900	505,300	505,300	561,200
Total Budget	$ 1,274,400	$ 1,135,789	$ 1,376,200	$ 1,336,200	$ 1,431,900
CONVENTION CENTER					
Supplies	$ 1,000	$ 0	$ 1,000	$ 1,000	$ 1,000
Repairs & Maintenance	2,000	185	2,000	2,000	2,000
Services	7,500	7,373	16,000	16,000	16,000
Transfers	386,000	386,000	0	0	0
Total Budget	$ 396,500	$ 393,558	$ 19,000	$ 19,000	$ 19,000

FARMERS
BRANCH

DEBT SERVICE FUND**S**

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 $4,745,000 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.

$5,470,000 General Obligation Refunding & Improvement Bonds – Series 2010

Used to pay contractual obligations to be incurred for the land acquisition, design and construction related to the relocation of Fire Station No. 1 to a more central location. The citizens of Farmers Branch authorized the bonds through a bond election held in May 2009.

There are currently $3,810,000 bonds outstanding. These bonds are issued as serial bonds maturing on February 15 in the years 2011 through 2030.

$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 $4,175,000 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 $1,575,000 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 $5,290,000 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, are anticipated to be issued in four to five years and the combined maturity is expected to be 20 years.

There are currently $9,285,000 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 $1,190,000 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 $2,335,000 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 are anticipated to be issued in four to five years.

There are currently $13,540,000 bonds outstanding. These bonds will be fully matured and paid on August 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 $5,360,000 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 designing, developing, constructing, improving, extending, and expanding landfill facilities for the City's Camelot Landfill, including streets and roads.

There are currently $5,155,000 bonds outstanding. These bonds will be fully matured and paid on February 15, 2023.

DEBT SERVICE FUND
SUMMARY OF REVENUES AND EXPENDITURES

PROPERTY TAX SUPPORTED DEBT				
FUND BALANCE 9/30/2017				$ 290,067
2017-18	ESTIMATED PROPERTY TAX REVENUES		$ 4,101,300	
2017-18	ESTIMATED PRIOR YEAR TAX, PENALTY AND INTEREST		20,000	
2017-18	TRANSFER FROM AQUATICS CENTER BOND FUND TO CLOSE FUND		7,800	
2017-18	DEBT SERVICE REQUIREMENTS	[1]	(4,101,300)	
INCREASE (DECREASE) IN FUND BALANCE				27,800
ESTIMATED FUND BALANCE 9/30/2018				$ 317,867
2018-19	ESTIMATED PROPERTY TAX REVENUES		$ 4,255,800	
2018-19	ESTIMATED PRIOR YEAR TAX, PENALTY AND INTEREST		20,000	
2018-19	DEBT SERVICE REQUIREMENTS	[1]	(4,255,800)	
INCREASE (DECREASE) IN FUND BALANCE				20,000
ESTIMATED FUND BALANCE 9/30/2019				$ 337,867
SELF-SUPPORTING DEBT				
FUND BALANCE 9/30/2017				$ 198,310
2017-18	COMMERCIAL RENT		$ 600,000	
2017-18	DEBT SERVICE REQUIREMENTS	[2]	(599,500)	
INCREASE (DECREASE) IN FUND BALANCE				500
ESTIMATED FUND BALANCE 9/30/2018				$ 198,810
2018-19	LANDFILL REVENUE		$ 1,182,000	
2018-19	COMMERCIAL RENT		600,000	
2018-19	DEBT SERVICE REQUIREMENTS	[3]	(1,785,400)	
INCREASE (DECREASE) IN FUND BALANCE				(3,400)
ESTIMATED FUND BALANCE 9/30/2019				$ 195,410

[1] Includes approximately $5,100 for paying agent fees and arbitrage calculation services.
[2] Includes approximately $1,500 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
2018-19	$ 2,345,000.00	$ 1,905,649.01	$ 4,250,649.01
2019-20	2,650,000.00	1,601,039.02	4,251,039.02
2020-21	2,670,000.00	1,492,425.52	4,162,425.52
2021-22	2,785,000.00	1,378,882.02	4,163,882.02
2022-23	2,905,000.00	1,258,228.02	4,163,228.02
2023-24	2,625,000.00	1,140,266.02	3,765,266.02
2024-25	2,300,000.00	1,045,856.52	3,345,856.52
2025-26	2,385,000.00	962,206.52	3,347,206.52
2026-27	2,465,000.00	875,556.52	3,340,556.52
2027-28	2,555,000.00	786,841.02	3,341,841.02
2028-29	2,645,000.00	694,950.02	3,339,950.02
2029-30	2,750,000.00	599,262.77	3,349,262.77
2030-31	2,435,000.00	508,209.39	2,943,209.39
2031-32	2,525,000.00	420,413.01	2,945,413.01
2032-33	2,610,000.00	332,375.51	2,942,375.51
2033-34	2,255,000.00	251,706.26	2,506,706.26
2034-35	1,560,000.00	188,362.51	1,748,362.51
2035-36	1,610,000.00	135,700.01	1,745,700.01
2036-37	1,500,000.00	80,428.13	1,580,428.13
2037-38	1,555,000.00	27,212.50	1,582,212.50
Total	$ 47,130,000.00	$ 15,685,570.30	$ 62,815,570.30

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
2018-19	$ 695,000.00	$ 224,690.00	$ 919,690.00
2019-20	730,000.00	189,869.50	919,869.50
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	$ 4,745,000.00	$ 770,793.00	$ 5,515,793.00

Interest Rates:

2018-19	-	4.800%
2020-24	-	4.970%

GENERAL OBLIGATION
REFUNDING & IMPROVEMENT BONDS
SERIES 2010
AMOUNT OF ISSUE: $5,470,000 (1)
PRINCIPAL & INTEREST REQUIREMENTS

Property Tax Supported Debt

YEAR	PRINCIPAL	INTEREST	TOTAL
2018-19	$ 250,000.00	$ 143,125.00	$ 393,125.00
2019-20	265,000.00	132,825.00	397,825.00
2020-21	275,000.00	122,712.50	397,712.50
2021-22	285,000.00	112,912.50	397,912.50
2022-23	295,000.00	102,762.50	397,762.50
2023-24	310,000.00	91,400.00	401,400.00
2024-25	320,000.00	78,800.00	398,800.00
2025-26	335,000.00	65,700.00	400,700.00
2026-27	345,000.00	52,100.00	397,100.00
2027-28	360,000.00	38,000.00	398,000.00
2028-29	375,000.00	23,300.00	398,300.00
2029-30	395,000.00	7,900.00	402,900.00
Total	$ 3,810,000.00	$ 971,537.50	$ 4,781,537.50

Interest Rates:

2018-19	-	4.000%
2019-20	-	4.000%
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.

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
2018-19	$ 305,000.00	$ 26,617.50	$ 331,617.50
2019-20	310,000.00	21,463.00	331,463.00
2020-21	315,000.00	16,224.00	331,224.00
2021-22	320,000.00	10,900.50	330,900.50
2022-23	325,000.00	5,492.50	330,492.50
Total	$ 1,575,000.00	$ 80,697.50	$ 1,655,697.50

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
2018-19	$ 275,000.00	$ 164,637.50	$ 439,637.50
2019-20	285,000.00	152,037.50	437,037.50
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	$ 5,290,000.00	$ 1,271,862.50	$ 6,561,862.50

GENERAL OBLIGATION BONDS
SERIES 2014
AMOUNT OF ISSUE: $13,920,000
PRINCIPAL & INTEREST REQUIREMENTS

Property Tax Supported Debt

YEAR	PRINCIPAL	INTEREST	TOTAL
2018-19	$ 420,000.00	$ 333,519.00	$ 753,519.00
2019-20	440,000.00	312,019.00	752,019.00
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	$ 9,285,000.00	$ 2,811,157.00	$ 12,096,157.00

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
2018-19	$ 185,000.00	$ 40,750.00	$ 225,750.00
2019-20	185,000.00	37,050.00	222,050.00
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	$ 1,190,000.00	$ 157,400.00	$ 1,347,400.00

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
2018-19	$ 105,000.00	$ 61,500.00	$ 166,500.00
2019-20	110,000.00	59,400.00	169,400.00
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	$ 2,335,000.00	$ 673,175.00	$ 3,008,175.00

GENERAL OBLIGATION BONDS
SERIES 2018
AMOUNT OF ISSUE: $13,540,000
PRINCIPAL & INTEREST REQUIREMENTS

Property Tax Supported Debt

YEAR	PRINCIPAL	INTEREST	TOTAL
2018-19	$ 70,000.00	$ 646,935.28	$ 716,935.28
2019-20	155,000.00	497,118.76	652,118.76
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	$ 13,540,000.00	$ 6,556,519.82	$ 20,096,519.82

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%

The par amount for this issuance is $13,540,000. Bonds being issued and remaining authorized but unissued amounts are as follows:

PURPOSE	DATE AUTHORIZED	AMOUNT AUTHORIZED	AMOUNT PREVIOUSLY ISSUED	AMOUNT BEING ISSUED	UNISSUED BALANCE
Streets & Drainage	05/10/2014	$ 23,500,000	$ 14,500,000	$ 9,000,000	$ -
Infrastructure	11/07/2017	4,000,000	-	-	4,000,000
Parks & Open Space	11/07/2017	7,000,000	-	4,000,000	3,000,000
Neighborhood Dev	11/07/2017	4,000,000	-	1,000,000	3,000,000
		$ 38,500,000	$ 14,500,000	$ 14,000,000	$ 10,000,000

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
2018-19	$ 40,000.00	$ 263,874.73	$ 303,874.73
2019-20	170,000.00	199,256.26	369,256.26
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	$ 5,360,000.00	$ 2,392,427.98	$ 7,752,427.98

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.

SUMMARY
SELF-SUPPORTING DEBT
PRINCIPAL & INTEREST REQUIREMENTS

YEAR	PRINCIPAL	INTEREST	TOTAL
2018-19	$ 1,335,000.00	$ 447,293.61	$ 1,782,293.61
2019-20	1,470,000.00	313,516.50	1,783,516.50
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	$ 9,330,000.00	$ 1,394,193.86	$ 10,724,193.86

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

YEAR	PRINCIPAL	INTEREST	TOTAL
2018-19	$ 465,000.00	$ 136,832.50	$ 601,832.50
2019-20	480,000.00	124,016.50	604,016.50
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	$ 4,175,000.00	$ 641,607.75	$ 4,816,607.75

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
2018-19	$ 870,000.00	$ 310,461.11	$ 1,180,461.11
2019-20	990,000.00	189,500.00	1,179,500.00
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	1,155,000.00	28,875.00	1,183,875.00
Total	$ 5,155,000.00	$ 752,586.11	$ 5,907,586.11

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 2018-19

PROJECTED BEGINNING FUND BALANCE - INVENTORY OF LAND HELD FOR RESALE		$ 2,356,510
Economic Development - Land Purchases (Market Value)	$ 0	
Economic Development - Land Sales	(306,510)	
TOTAL CHANGE IN INVENTORY OF LAND HELD FOR RESALE	$ (306,510)	2,050,000
PROJECTED ENDING FUND BALANCE - INVENTORY OF LAND HELD FOR RESALE		$ 4,406,510
PROJECTED BEGINNING FUND BALANCE - ASSIGNED TO ECONOMIC DEVELOPMENT		$ 658,497
Change in Inventory of Land Held for Resale (Above)		306,510
BUDGETED REVENUES		
Transfer from General Fund	$ 1,100,000	
TOTAL BUDGETED REVENUES	$ 1,100,000	1,100,000
BUDGETED EXPENDITURES		
Economic Development - Inventory Gain/Loss	$ 310,000	
Economic Development - Corporate / Residential Relocation	500,000	
Economic Development - Economic Development Agreements	750,000	
Economic Development - Redevelopment Operations - Commercial Façade Grant Program	500,000	
TOTAL BUDGETED EXPENDITURES	$ 2,060,000	(2,060,000)
PROJECTED ENDING FUND BALANCE - ASSIGNED TO ECONOMIC DEVELOPMENT		$ 5,007

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.

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.

Landfill Closure/Post-Closure – used to account for future landfill costs.

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.

Dangerous Structures - to account for the costs related to the acquisition and demolition of dangerous structures (the Project) located within the City and the payment of professional services in connection with the Project. Funded by certificate of obligation proceeds. [Fund was closed in 2016-17.]

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

	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	PERCENT OF BUDGET
POLICE FORFEITURE FUND	$ 21,910	$ 57,000	$ 67,400	$ 55,000	2.32%
DONATIONS FUND	145,391	46,200	311,646	32,000	1.35%
YOUTH SCHOLARSHIP FUND	222	3,000	700	700	0.03%
GRANTS FUND	42,612	32,150	47,092	56,230	2.38%
BUILDING SECURITY FUND	33,911	33,000	24,800	32,800	1.39%
COURT TECHNOLOGY FUND	45,404	40,000	36,000	40,000	1.69%
LANDFILL CLOSURE/POST-CLOSURE FUND	48,194	30,000	262,000	1,162,000	49.08%
CEMETERY FUND	1,246	1,400	1,400	1,400	0.06%
PHOTOGRAPHIC LIGHT SYSTEM FUND	825,856	752,500	760,100	790,000	33.37%
DANGEROUS STRUCTURES FUND	226,737	0	0	0	0.00%
PEG ACCESS CHANNEL FUND	69,545	60,000	62,000	62,000	2.62%
JOINT FIRE TRAINING FACILITY FUND	26,138	44,000	44,400	44,400	1.88%
TIRZ DISTRICT #3 FUND	80,344	80,000	84,953	88,988	3.76%
RESIDENTIAL REVITALIZATION BOND FUND	0	0	1,001,800	2,000	0.08%
SUB-TOTAL	1,567,510	1,179,250	2,704,291	2,367,518	100.00%
GRAND TOTAL	$ 1,567,510	$ 1,179,250	$ 2,704,291	$ 2,367,518	100.00%

SPECIAL REVENUE FUNDS
EXPENDITURE SUMMARY

	ACTUAL 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19	PERCENT OF BUDGET
POLICE FORFEITURE FUND	$ 43,312	$ 161,000	$ 90,000	$ 201,000	5.44%
DONATIONS FUND	133,066	65,762	220,200	93,460	2.53%
YOUTH SCHOLARSHIP FUND	(880)	6,000	6,000	6,000	0.16%
GRANTS FUND	42,612	32,150	47,092	56,230	1.52%
BUILDING SECURITY FUND	36,655	44,600	39,000	44,900	1.21%
COURT TECHNOLOGY FUND	62,921	75,000	76,300	55,600	1.50%
LANDFILL CLOSURE/POST-CLOSURE FUND	1,144,450	1,655,000	838,500	1,228,000	33.21%
PHOTOGRAPHIC LIGHT SYSTEM FUND	700,433	861,200	876,400	1,135,200	30.70%
DANGEROUS STRUCTURES FUND	1,404,207	250,000	0	0	0.00%
PEG ACCESS CHANNEL FUND	43,537	85,000	77,300	50,000	1.35%
JOINT FIRE TRAINING FACILITY FUND	26,078	44,000	44,300	44,300	1.20%
TIRZ DISTRICT #3 FUND	0	80,000	81,353	83,388	2.25%
RESIDENTIAL REVITALIZATION BOND FUND	0	0	300,000	700,000	18.93%
GRAND TOTAL	$ 3,636,391	$ 3,359,712	$ 2,696,445	$ 3,698,078	100.00%

SPECIAL REVENUE FUND

Adopted Budget 2018-19

Police Forfeiture Fund

PROJECTED BEGINNING FUND BALANCE			$ 151,586
BUDGETED REVENUES			
Court Ordered Forfeitures		$ 55,000	
TOTAL BUDGETED REVENUES		$ 55,000	55,000
BUDGETED EXPENDITURES			
Operating		$ 40,000	
Fixed Assets - Vehicle Purchases from Other Agencies		10,000	
Other Expenditures		133,000	
Community-Based Programs	18,000		
Firearms & Weapons	18,000		
Other	8,000		
Services - State	35,000		
Services - Federal	10,000		
Credit Card	1,000		
Communications & Computer	15,000		
Body Armor & Protective Gear	10,000		
Vehicle Maintenance	18,000		
Training		18,000	
TOTAL BUDGETED EXPENDITURES		$ 201,000	(201,000)
PROJECTED ENDING FUND BALANCE			$ 5,586

SPECIAL REVENUE FUND

Adopted Budget 2018-19

Donations Fund

PROJECTED BEGINNING FUND BALANCE		$ 283,258
BUDGETED REVENUES		
Interest	$ 5,000	
Donations Received for Animal Care & Adoption Center	11,500	
Donations Received for Fire	1,000	
Donations Received for Historical Park	100	
Donations Received from Jurors for Animal Adoptions	1,000	
Donations Received for Library	400	
Donations Received for Parks	2,000	
Donations Received for Police	6,000	
Donations Received for Senior Center	5,000	
TOTAL BUDGETED REVENUES	$ 32,000	32,000
BUDGETED EXPENDITURES		
Animal Adoption - Juror Donations	$ 1,000	
Animal Care - Spay and Neuter	5,260	
Animal Care - General	40,000	
Fire Prevention	1,000	
Historical Park	1,400	
Human Resources - Wellness Program	900	
Library Materials	5,000	
Park Maintenance	2,000	
Police Training Aids & Equipment	6,400	
Senior Center	30,500	
TOTAL BUDGETED EXPENDITURES	$ 93,460	(93,460)
PROJECTED ENDING FUND BALANCE (1)		$ 221,798

NOTE:

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

Animal Care/Spay Neuter	$	46,068
Animal Care - Glenda Sue Moore Endowment		102,006
Citizen Survey		0
Farmers Branch Community Foundation		11,828
Fire		400
Fishin' Fun		2,722
Flexible Spending Refunds - Medical Reimbursement		2,444
Historical Park		258
Historical Park - Victorian House		0
Interest Allocation		10,000
Library		10,304
Park Improvements		12,363
Police/Safety		21,526
Senior Center		1,880
Spay/Neuter		0
	$	221,798

SPECIAL REVENUE FUND

Adopted Budget 2018-19

Youth Scholarship Fund

PROJECTED BEGINNING FUND BALANCE		$ 12,403
BUDGETED REVENUES		
Youth Scholarship	$ 700	
TOTAL BUDGETED REVENUES	$ 700	700
BUDGETED EXPENDITURES		
Parks & Recreation	$ 6,000	
TOTAL BUDGETED EXPENDITURES	$ 6,000	(6,000)
PROJECTED ENDING FUND BALANCE		$ 7,103

SPECIAL REVENUE FUND

Adopted Budget 2018-19

Grants Fund

PROJECTED BEGINNING FUND BALANCE		$ 0
BUDGETED REVENUES		
Fire NCTRAC Medical Grant	$ 3,230	
Library - NEA Big Read Grant	15,000	
Police - State Criminal Justice Program Grant	8,000	
Regional Transportation Grant	30,000	
TOTAL BUDGETED REVENUES	$ 56,230	56,230
BUDGETED EXPENDITURES		
Fire NCTRAC Medical Grant	$ 3,230	
Library - NEA Big Read Grant	15,000	
Police - State Criminal Justice Program Grant	8,000	
Regional Transportation Grant - NCTCOG	30,000	
TOTAL BUDGETED EXPENDITURES	$ 56,230	(56,230)
PROJECTED ENDING FUND BALANCE		$ 0

Note: 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.

SPECIAL REVENUE FUND

Adopted Budget 2018-19

Building Security Fund

PROJECTED BEGINNING FUND BALANCE		$ 24,937
BUDGETED REVENUES		
Building Security	$ 32,000	
Interest	800	
TOTAL BUDGETED REVENUES	$ 32,800	32,800
BUDGETED EXPENDITURES		
Supplies	$ 8,100	
Court Security	24,400	
Equipment Repairs and Maintenance	12,400	
TOTAL BUDGETED EXPENDITURES	$ 44,900	(44,900)
PROJECTED ENDING FUND BALANCE		$ 12,837

SPECIAL REVENUE FUND

Adopted Budget 2018-19

Court Technology Fund

PROJECTED BEGINNING FUND BALANCE		$ 17,348
BUDGETED REVENUES		
Court Fines	$ 39,000	
	1,000	
TOTAL BUDGETED REVENUES	$ 40,000	40,000
BUDGETED EXPENDITURES		
Court Technology	$ 11,500	
Equipment - Office	44,100	
TOTAL BUDGETED EXPENDITURES	$ 55,600	(55,600)
PROJECTED ENDING FUND BALANCE		$ 1,748

SPECIAL REVENUE FUND

Adopted Budget 2018-19

Landfill Closure/Post-Closure Fund

PROJECTED BEGINNING FUND BALANCE			$ 3,073,466
Landfill Closure/Post-Closure Fund	2,358,318		
Huffines Extension Fund	715,148		
BUDGETED REVENUES			
Landfill Closure/Post-Closure Fund		$ 850,000	
Interest	50,000		
Sale of Asset	500,000		
Transfer from Huffines Extension Fund	300,000		
Huffines Extension Fund		$ 312,000	
Developer's Contributions	300,000		
Interest	12,000		
TOTAL BUDGETED REVENUES		$ 1,162,000	1,162,000
BUDGETED EXPENDITURES			
Landfill Closure/Post-Closure Fund		$ 928,000	
Landfill Gas Collection System Expansion	928,000		
Huffines Extension Fund		$ 300,000	
Transfer to Landfill Closure/Post-Closure Fund	300,000		
TOTAL BUDGETED EXPENDITURES		$ 1,228,000	(1,228,000)
PROJECTED ENDING FUND BALANCE			$ 3,007,466
Landfill Closure/Post-Closure Fund	2,280,318		
Huffines Extension Fund	727,148		

SPECIAL REVENUE FUND

Adopted Budget 2018-19

Cemetery Fund

PROJECTED BEGINNING FUND BALANCE		$ 5,639
BUDGETED REVENUES		
Interest	$ 200	
Johnston Family Perpetual Trust for Maintenance Fees	1,200	
TOTAL BUDGETED REVENUES	$ 1,400	1,400
BUDGETED EXPENDITURES		
	$ 0	
TOTAL BUDGETED EXPENDITURES	$ 0	0
PROJECTED ENDING FUND BALANCE		$ 7,039

SPECIAL REVENUE FUND

Adopted Budget 2018-19

Photographic Light System Fund

PROJECTED BEGINNING FUND BALANCE		$ 545,980
BUDGETED REVENUES		
Red Light Enforcement	$ 1,009,800	
Less State Revenue Sharing Costs	(219,800)	
TOTAL BUDGETED REVENUES	$ 790,000	790,000
BUDGETED EXPENDITURES		
Personal Services/Benefits	$ 60,200	
Supplies & Services	510,000	
Operating *	565,000	
TOTAL BUDGETED EXPENDITURES	$ 1,135,200	(1,135,200)
PROJECTED ENDING FUND BALANCE		$ 200,780

* Operating represents amount of funds available to spend that have already been adjusted for State Revenue Sharing Costs.

SPECIAL REVENUE FUND

Adopted Budget 2018-19

PEG Access Channel Fund

PROJECTED BEGINNING FUND BALANCE		$ 143,537
BUDGETED REVENUES		
Cable Franchise - Access Channel Fee	$ 62,000	
TOTAL BUDGETED REVENUES	$ 62,000	62,000
BUDGETED EXPENDITURES		
Contingency for Equipment Failures, Upgrades and Additional Costs	$ 50,000	
TOTAL BUDGETED EXPENDITURES	$ 50,000	(50,000)
PROJECTED ENDING FUND BALANCE		$ 155,537

SPECIAL REVENUE FUND

Adopted Budget 2018-19

Joint Fire Training Facility Fund

PROJECTED BEGINNING FUND BALANCE		$ 139
BUDGETED REVENUES		
Local Shared Revenue	$ 44,400	
TOTAL BUDGETED REVENUES	$ 44,400	44,400
BUDGETED EXPENDITURES		
Fire Training - All Cities	$ 44,300	
TOTAL BUDGETED EXPENDITURES	$ 44,300	(44,300)
PROJECTED ENDING FUND BALANCE		$ 239

SPECIAL REVENUE FUND

Adopted Budget 2018-19

TIRZ District #3 Fund

PROJECTED BEGINNING FUND BALANCE		$ 83,820
BUDGETED REVENUES		
Interest	$ 4,000	
TIRZ - Administrative Contribution	81,600	
Tax Increment Financing	3,388	
TOTAL BUDGETED REVENUES	$ 88,988	88,988
BUDGETED EXPENDITURES		
Special Administrative Services	$ 80,000	
Property Owner Assessment Rebate	3,388	
TOTAL BUDGETED EXPENDITURES	$ 83,388	(83,388)
PROJECTED ENDING FUND BALANCE		$ 89,420

SPECIAL REVENUE FUND

Adopted Budget 2018-19

Residential Revitalization Bond Fund

PROJECTED BEGINNING FUND BALANCE		$ 701,800
BUDGETED REVENUES		
Interest	$ 2,000	
TOTAL BUDGETED REVENUES	$ 2,000	2,000
BUDGETED EXPENDITURES		
Special Services	$ 700,000	
TOTAL BUDGETED EXPENDITURES	$ 700,000	(700,000)
PROJECTED ENDING FUND BALANCE		$ 3,800

FIXED ASSET FUND
SUMMARY

	FUND BALANCE 9/30/2016	YEAR-END AMENDED BUDGET 2016-17	ADOPTED BUDGET 2017-18	YEAR-END AMENDED BUDGET 2017-18	ADOPTED BUDGET 2018-19
BEGINNING FUND BALANCE	$ 649,136	$ 815,098	$ 1,415,403	$ 1,415,403	$ 1,364,432
ESTIMATED TRANSFER FROM OPERATING FUNDS	2,501,100	3,390,600	2,931,100	2,930,200	3,155,400
CREDIT OF PRIOR YEAR ASSIGNMENTS		111,264	472,467	504,796	514,796
ESTIMATED FIXED ASSET PURCHASES	(2,342,909)	(2,708,399)	(2,860,000)	(3,030,671)	(2,974,308)
ASSIGNED FOR FUTURE PURCHASES	(111,264)	(472,467)	(504,796)	(514,796)	(994,780)
PRIOR YEAR PURCHASE ORDER(S) CLOSED		5,474			
INSURANCE RECOVERY		96,151		33,300	
PROCEEDS FROM AUCTIONS	119,034	177,682	25,000	26,200	25,000
ESTIMATED ENDING ASSIGNED FUND BALANCE	$ 815,098	$ 1,415,403	$ 1,479,174	$ 1,364,432	$ 1,090,540

ASSIGNED FOR FUTURE PURCHASES, PROVIDED (USED):	PRIOR YEAR ASSIGNMENTS	YEAR-END AMENDED BUDGET 2016-17 ASSIGNMENTS	2017-18 ADOPTED BUDGET ASSIGNMENTS	YEAR-END AMENDED BUDGET 2017-18 ASSIGNMENTS	ADOPTED BUDGET 2018-19 ASSIGNMENTS
FIRE EQUIPMENT	$ 45,578	$ 48,567	$ 22,467	$ 22,467	$ 22,467
FIRE EQUIPMENT - SOLAR PANELS & PRINTER/COPIER/SCANNER		(26,100)			
FIRE - FUNDING RESERVES			340,000	340,000	700,000
HISTORICAL PRESERVATION - SOFTWARE		50,000	19,233	19,233	33,231
WATER & SEWER OPERATIONS - SOFTWARE		250,000	96,164	96,164	166,156
ACCOUNTING - SOFTWARE		150,000	26,932	26,932	82,926
FIRE CREDIT FOR RETURNED FERNO COT	30,686	30,686			
FIRE EQUIPMENT - USE OF CREDIT FOR NEW COT PURCHASE		(30,686)			
COMMUNITY SERVICES - COPIER PURCHASE DEFERRAL				10,000	(10,000)
COMMUNICATIONS - MARQUEE SIGNS	35,000				
TOTAL ASSIGNMENTS	$ 111,264	$ 472,467	$ 504,796	$ 514,796	$ 994,780

Note: The Year-End 2016-17 Amended Budget columns have been adjusted to reflect 9/30/2017 actuals. Beginning *Fund Balances* have also been adjusted to reflect the impact of the prior year actuals.

FIXED ASSETS

DIVISION	DESCRIPTION		YEAR-END AMENDED BUDGET TRANSFERS 2016-17	YEAR-END AMENDED BUDGET PLANNED PURCHASES 2016-17	ADOPTED BUDGET TRANSFERS 2017-18	ADOPTED BUDGET PLANNED PURCHASES 2017-18	YEAR-END AMENDED BUDGET TRANSFERS 2017-18	YEAR-END AMENDED BUDGET PLANNED PURCHASES 2017-18	ADOPTED BUDGET TRANSFERS 2018-19	ADOPTED BUDGET PLANNED PURCHASES 2018-19
Non-Departmental	City Hall Restroom Improvement		$	$	$ 8,000	$ 8,000	$ 8,000	$ 8,000	$	$
	Environmental Lab Renovation								15,000	15,000
	Facility Repairs & Improvements Reserve								567,000	567,000
	Firehouse Theatre ADA Compliance Project		100,000			100,000		100,000		
	Firehouse Theatre Roof Replacement				69,000	69,000	69,000	69,000		
	Generator				100,000	100,000	100,000	100,000		
	HUB Area Renovation				64,000	64,000	64,000	64,000		
	Information Technology Testing Room									40,000
	Sub-Total		100,000		241,000	341,000	241,000	341,000	582,000	622,000
Communications	Digital Marquee Signs			27,684						
	Sub-Total			27,684						
Human Resources	Copier/Printer		7,000							
	Sub-Total		7,000							
Accounting	Postage Meter		11,900	11,819						
	Software (Finance/HR ERP)	[1]	150,000	0	200,000	200,000	200,000	323,068	200,000	144,006
	Sub-Total		161,900	11,819	200,000	200,000	200,000	323,068	200,000	144,006
Information Services	Access Control System Upgrade/Expansion		11,000	11,000	30,000	30,000	30,000	30,000		
	Audio/Visual Upgrades	[2]	205,000	56,011	77,000	77,000	77,000	77,000		
	Backup & Recovery Software								24,500	24,500
	Climate Controlled Rack for Davis Tank				10,000	10,000	10,000	10,000		
	Data Center UPS Replacement		110,000	108,570						
	Data Center Upgrade Project at Police Station								55,000	55,000
	Emergency Operations Center Data Link		22,500	22,500						
	Emergency Operations Center UPS		25,000	45,000						
	Firewall Security/Disaster Recovery				6,500	6,500	6,500	6,500	9,500	9,500
	HVAC Replacement for Data Center				55,100	55,100	55,100	55,100		
	Microsoft Server License Additions								7,500	7,500
	Network Replacement/Upgrade Prog.				20,000	20,000	20,000	20,000		
	Redundant S2 Controller				8,000	8,000	8,000	8,000		
	Security - Video Surveillance		44,500	40,544	13,400	13,400	12,500	12,500		
	Server Environment & Storage/Hosts		50,000	48,500	93,000	93,000	93,000	93,000		
	Spectracom Time Server and Clocks (2)				10,000	10,000	10,000	10,000		
	SQL Management Software & SQL Upgrades				22,000	22,000	22,000	22,000		
	Video Server								20,000	20,000
	Virtual Server Host Refresh								138,000	138,000
	Wireless Data Solutions		25,000	25,000						
	Sub-Total		493,000	357,125	345,000	345,000	344,100	344,100	254,500	254,500

FIXED ASSETS

DIVISION	DESCRIPTION		YEAR-END AMENDED BUDGET TRANSFERS 2016-17	YEAR-END AMENDED BUDGET PLANNED PURCHASES 2016-17	ADOPTED BUDGET TRANSFERS 2017-18	ADOPTED BUDGET PLANNED PURCHASES 2017-18	YEAR-END AMENDED BUDGET TRANSFERS 2017-18	YEAR-END AMENDED BUDGET PLANNED PURCHASES 2017-18	ADOPTED BUDGET TRANSFERS 2018-19	ADOPTED BUDGET PLANNED PURCHASES 2018-19
Community Services	Copier				10,000	10,000	10,000			10,000
	Sub-Total				10,000	10,000	10,000			10,000
Building Inspections	Vehicle(s)				27,000	27,000	27,000	27,000		
	Sub-Total				27,000	27,000	27,000	27,000		
Street Maintenance	Monument Signs			71,030		168,900		15,100		268,800
	Paver		116,000	113,530						
	Replacement Utility Truck with Aerial Lift				130,000	130,000	130,000	119,600		
	Replacement Truck with Flatbed				48,000	48,000	48,000	48,000		
	Traffic Signal Cabinets		65,000	63,750	26,000	26,000	26,000	26,000	78,000	78,000
	Trailer - Replacement								7,000	7,000
	UPS Battery Backup Systems		18,000	15,000	6,000	6,000	6,000	6,000		
	Vehicle(s)				55,000	55,000	55,000	55,000		
	Sub-Total		199,000	263,310	265,000	433,900	265,000	269,700	85,000	353,800
Animal Services	Facility Improvement - Parking/Driveway								9,000	9,000
	Safety - Animal Box		37,700	37,693						
	Vehicle		29,000	28,923						
	Sub-Total		66,700	66,616					9,000	9,000
Environmental Services	Vehicle Replacement								27,000	27,000
	Sub-Total								27,000	27,000
Police Administration	HVAC Replacements								6,500	6,500
	Internal Affairs Software								16,600	16,600
	Sub-Total								23,100	23,100
Police Investigations	License Plate Reader Cameras								95,000	95,000
	Vehicle				28,000	28,000	28,000	28,000	30,000	30,000
	Sub-Total				28,000	28,000	28,000	28,000	125,000	125,000
Police Patrol	Drones								40,000	40,000
	Vehicle(s)	[3]	288,500	289,617	305,000	305,000	305,000	343,100	216,000	216,000
	Sub-Total		288,500	289,617	305,000	305,000	305,000	343,100	256,000	256,000

FIXED ASSETS

DIVISION	DESCRIPTION		YEAR-END AMENDED BUDGET TRANSFERS 2016-17	YEAR-END AMENDED BUDGET PLANNED PURCHASES 2016-17	ADOPTED BUDGET TRANSFERS 2017-18	ADOPTED BUDGET PLANNED PURCHASES 2017-18	YEAR-END AMENDED BUDGET TRANSFERS 2017-18	YEAR-END AMENDED BUDGET PLANNED PURCHASES 2017-18	ADOPTED BUDGET TRANSFERS 2018-19	ADOPTED BUDGET PLANNED PURCHASES 2018-19
Fire Administration	Area Warning Sirens Control System		115,100							
	Doors for Sleeping Quarter per Code Enforcement				21,000	21,000	21,000	21,000		
	Printer/Copier/Scanner			8,480						
	Solar Panels			17,592						
	Sub-Total		115,100	26,072	21,000	21,000	21,000	21,000		
Fire Operations	Ambulance								230,000	230,000
	Bunker Gear Drying System		9,000	8,324						
	Emergency Air Supply Packs		11,100	10,550						
	Future Funding Reserves	[3]			340,000		340,000		360,000	
	Gear Dryer [Qty 2]				11,500	11,500	11,500	11,500		
	Hose Management System								9,000	9,000
	Hurst Electric Rescue Equipment		33,900	33,006						
	Ladder Truck		962,000	961,159						
	Patient Transport/Loading Systems		118,000	131,870						
	Thermal Imaging Cameras								36,000	36,000
	Trailer (Enclosed)								8,000	8,000
	Vehicles				84,000	84,000	84,000	84,000	83,000	83,000
	Sub-Total		1,134,000	1,144,909	435,500	95,500	435,500	95,500	726,000	366,000
Park Maintenance	Replacement Mower(s)		29,400	25,687	32,000	32,000	32,000	32,000		
	Replacement Storage Container [Qty 1]				5,600	5,600	5,600	5,600		
	Replacement Vehicles			45,511	109,500	109,500	109,500	109,500	73,000	73,000
	Tractor Replacement (Medium Utility)								30,000	30,000
	Trailer Replacement								20,000	20,000
	Turf Renovator				11,500	11,500	11,500	11,500		
	Utility Cart with Dump Bed		22,000	13,497						
	Sub-Total		51,400	84,695	158,600	158,600	158,600	158,600	123,000	123,000
Recreation	Vehicle (5-7 Passenger Minivan)								26,000	26,000
	Sub-Total								26,000	26,000
Aquatics Center	Outdoor UV Panels		60,000	50,318						
	Sub-Total		60,000	50,318						

FIXED ASSETS

DIVISION	DESCRIPTION		YEAR-END AMENDED BUDGET TRANSFERS 2016-17	YEAR-END AMENDED BUDGET PLANNED PURCHASES 2016-17	ADOPTED BUDGET TRANSFERS 2017-18	ADOPTED BUDGET PLANNED PURCHASES 2017-18	YEAR-END AMENDED BUDGET TRANSFERS 2017-18	YEAR-END AMENDED BUDGET PLANNED PURCHASES 2017-18	ADOPTED BUDGET TRANSFERS 2018-19	ADOPTED BUDGET PLANNED PURCHASES 2018-19
Senior Center	Floor Replacement				75,000	75,000	75,000	75,000		
	Sub-Total				75,000	75,000	75,000	75,000		
Historical Preservation	Copier/Printer		8,000	3,937						
	Security Camera								5,000	5,000
	Software (Finance/HR ERP)	[1]	50,000		50,000	50,000	50,000	80,767	50,000	36,002
	Smoke Detection System								32,000	32,000
	Sub-Total		58,000	3,937	50,000	50,000	50,000	80,767	87,000	73,002
Library	ADA Compliance (Restroom Entry Doors)				14,000	14,000	14,000	14,000		
	Coin Operated Copier		6,000							
	Library Materials		210,000	209,165	241,500	241,500	241,500	241,500	241,500	241,500
	Scanning Wand		8,000	4,041						
	Sub-Total		224,000	213,206	255,500	255,500	255,500	255,500	241,500	241,500
Water & Sewer Operations	AMR Repeater with Solar Power								6,800	6,800
	Large Water Meters		100,000	96,581	100,000	100,000	100,000	100,000	100,000	100,000
	Software (Finance/HR ERP)	[1]	250,000		250,000	250,000	250,000	403,836	250,000	180,100
	Tandem Trailer				11,000	11,000	11,000	11,000		
	Vehicles				82,500	82,500	82,500	82,500	27,000	27,000
	Wonderware Software (SCADA System)				45,000	45,000	45,000	45,000		
	Sub-Total		350,000	96,581	488,500	488,500	488,500	642,336	383,800	313,900
Facilities Mgmt	Interior Lift and Trailer		18,000	14,678						
	Workbench and Storage Cabinets				26,000	26,000	26,000	26,000		
	Sub-Total		18,000	14,678	26,000	26,000	26,000	26,000		
Fleet Management	A/C Unit								6,500	6,500
	Fuel Site Mgmt Equipment and Software		48,000	42,504						
	Vehicle Lifts		16,000	15,328						
	Sub-Total		64,000	57,832					6,500	6,500
GRAND TOTAL			$ 3,390,600	$ 2,708,399	$ 2,931,100	$ 2,860,000	$ 2,930,200	$ 3,030,671	$ 3,155,400	$ 2,974,308

FIXED ASSETS

DIVISION	DESCRIPTION	YEAR-END AMENDED BUDGET TRANSFERS 2016-17	YEAR-END AMENDED BUDGET PLANNED PURCHASES 2016-17	ADOPTED BUDGET TRANSFERS 2017-18	ADOPTED BUDGET PLANNED PURCHASES 2017-18	YEAR-END AMENDED BUDGET TRANSFERS 2017-18	YEAR-END AMENDED BUDGET PLANNED PURCHASES 2017-18	ADOPTED BUDGET TRANSFERS 2018-19	ADOPTED BUDGET PLANNED PURCHASES 2018-19
Totals by Fund:									
	General Fund	$ 2,900,600	$ 2,535,371	$ 2,366,600	$ 2,295,500	$ 2,365,700	$ 2,281,568	$ 2,678,100	$ 2,580,906
	Enterprise Funds	350,000	96,581	488,500	488,500	488,500	642,336	383,800	313,900
	Internal Service Funds	82,000	72,510	26,000	26,000	26,000	26,000	6,500	6,500
	Hotel/Motel Fund	58,000	3,937	50,000	50,000	50,000	80,767	87,000	73,002
		$ 3,390,600	$ 2,708,399	$ 2,931,100	$ 2,860,000	$ 2,930,200	$ 3,030,671	$ 3,155,400	$ 2,974,308

Footnotes for Transfers and Purchases:

[1] Funding for Finance/HR ERP software.

[2] Funding for Council Chamber audio/visual project split between 2015-16 ($25,000) & 2016-17 ($125,000). Additional funding provided in the PEG Fund.

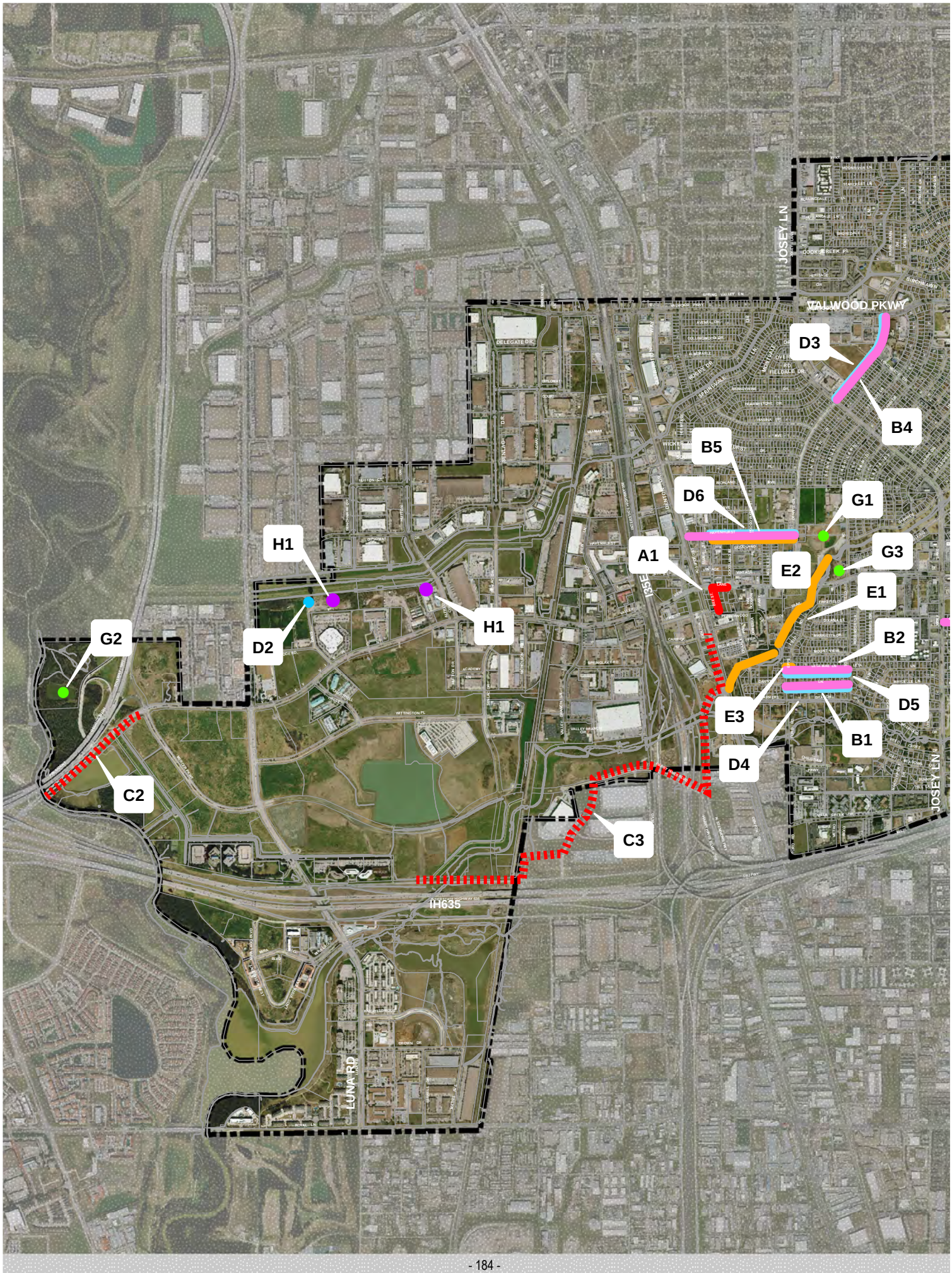
[3] Ongoing annual replacement funding. Transfers cover purchases on a multi-year basis.

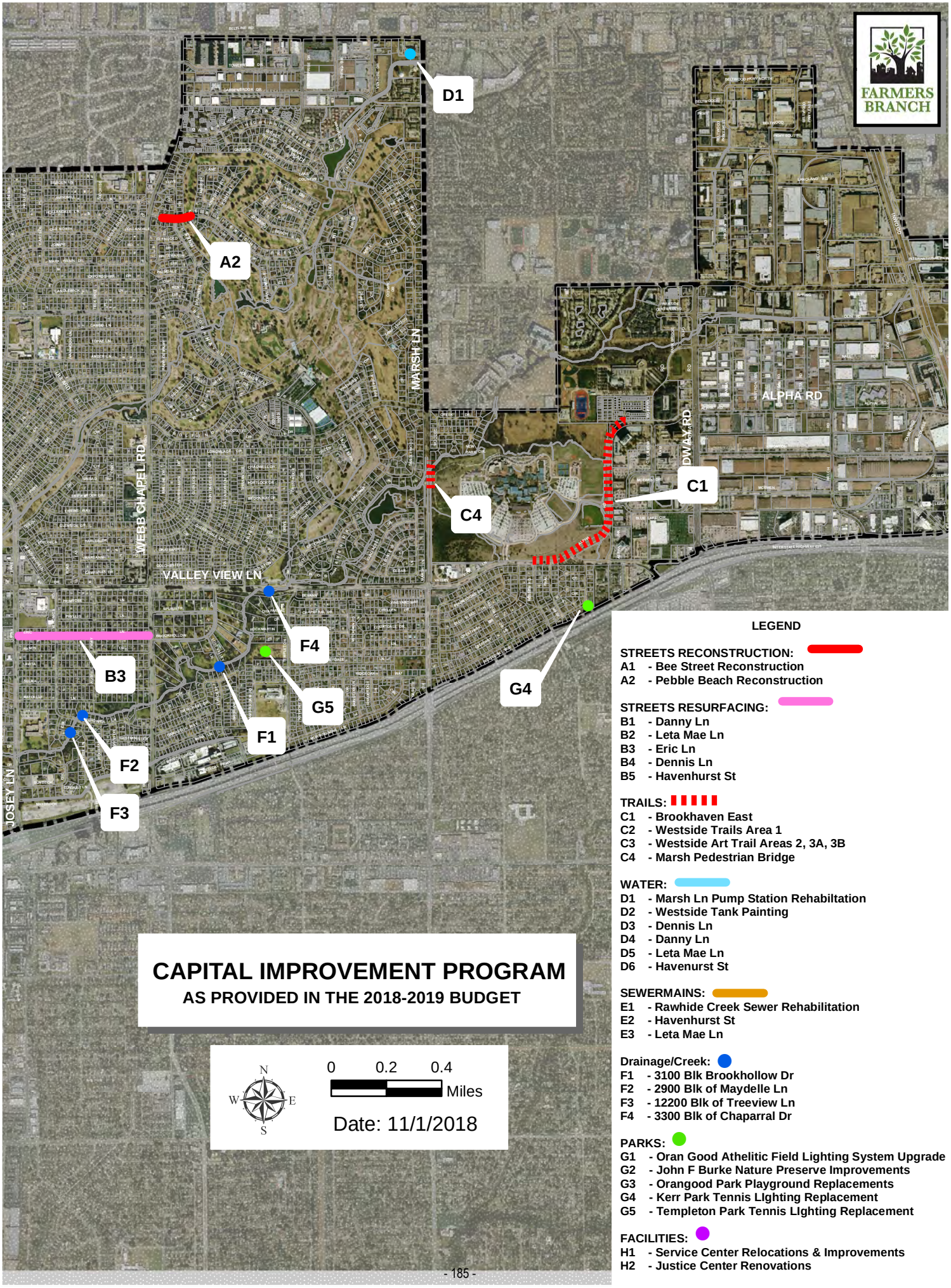
THE CIP PROCESS AND ITS RELATIONSHIP TO OPERATION BUDGETS

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.


D3
B4
B5
D6
G1
H1
A1
G3
E2
E1
H1
B2
G2
D2
D5
E3
B1
D4
C2
C3
IH635
VALWOOD PKWY
JOSEY LN
LUNA RD



CAPITAL IMPROVEMENT PROGRAM

AS PROVIDED IN THE 2018-2019 BUDGET

N W E S

0 0.2 0.4 Miles

Date: 11/1/2018

LEGEND

STREETS RECONSTRUCTION:
- A1 - Bee Street Reconstruction
- A2 - Pebble Beach Reconstruction

STREETS RESURFACING:
- B1 - Danny Ln
- B2 - Leta Mae Ln
- B3 - Eric Ln
- B4 - Dennis Ln
- B5 - Havenhurst St

TRAILS:
- C1 - Brookhaven East
- C2 - Westside Trails Area 1
- C3 - Westside Art Trail Areas 2, 3A, 3B
- C4 - Marsh Pedestrian Bridge

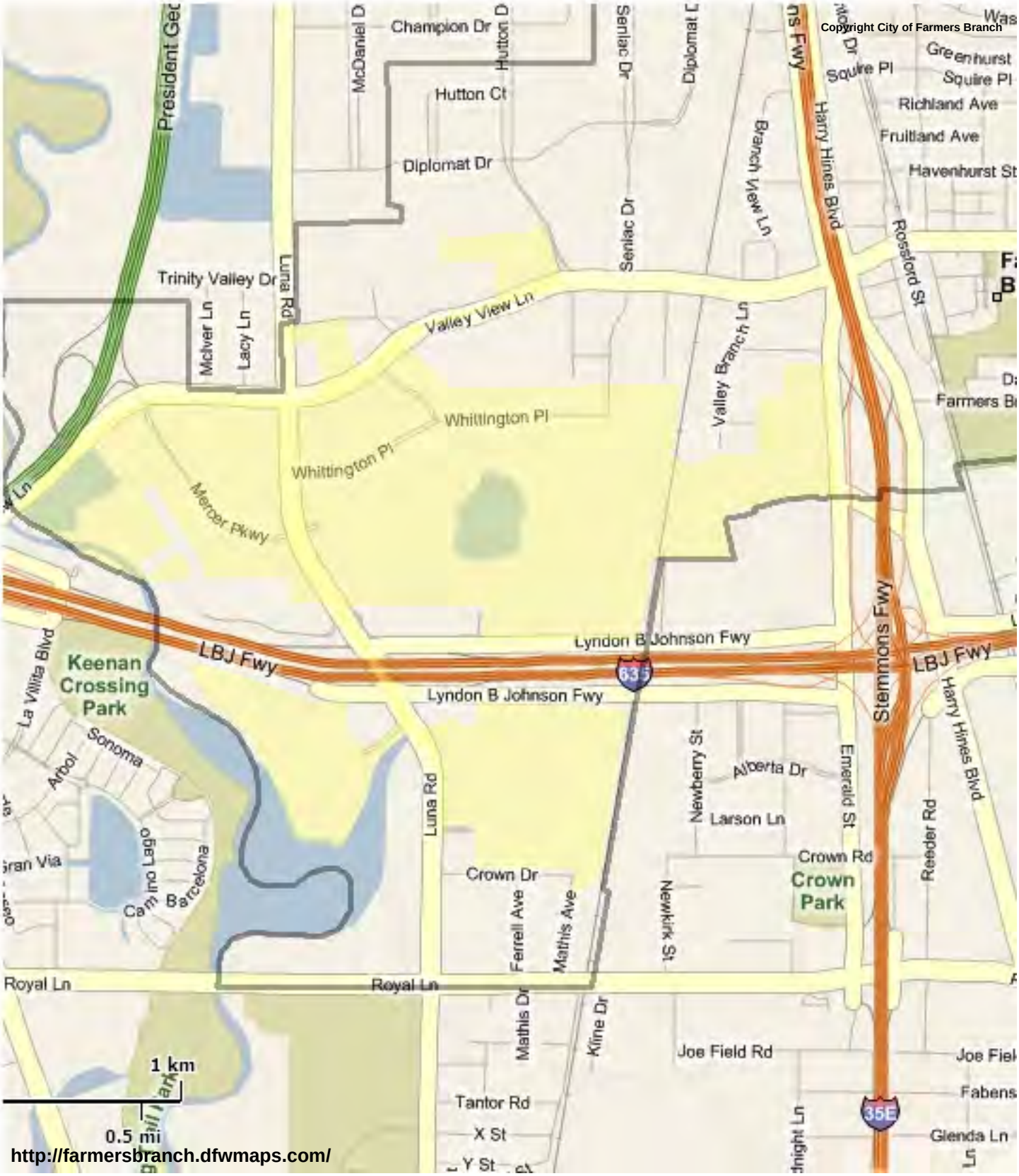
WATER:
- D1 - Marsh Ln Pump Station Rehabiltation
- D2 - Westside Tank Painting
- D3 - Dennis Ln
- D4 - Danny Ln
- D5 - Leta Mae Ln
- D6 - Havenurst St

SEWERMAINS:
- E1 - Rawhide Creek Sewer Rehabilitation
- E2 - Havenhurst St
- E3 - Leta Mae Ln

Drainage/Creek:
- F1 - 3100 Blk Brookhollow Dr
- F2 - 2900 Blk of Maydelle Ln
- F3 - 12200 Blk of Treeview Ln
- F4 - 3300 Blk of Chaparral Dr

PARKS:
- G1 - Oran Good Athelitic Field Lighting System Upgrade
- G2 - John F Burke Nature Preserve Improvements
- G3 - Orangood Park Playground Replacements
- G4 - Kerr Park Tennis LIghting Replacement
- G5 - Templeton Park Tennis LIghting Replacement

FACILITIES:
- H1 - Service Center Relocations & Improvements
- H2 - Justice Center Renovations

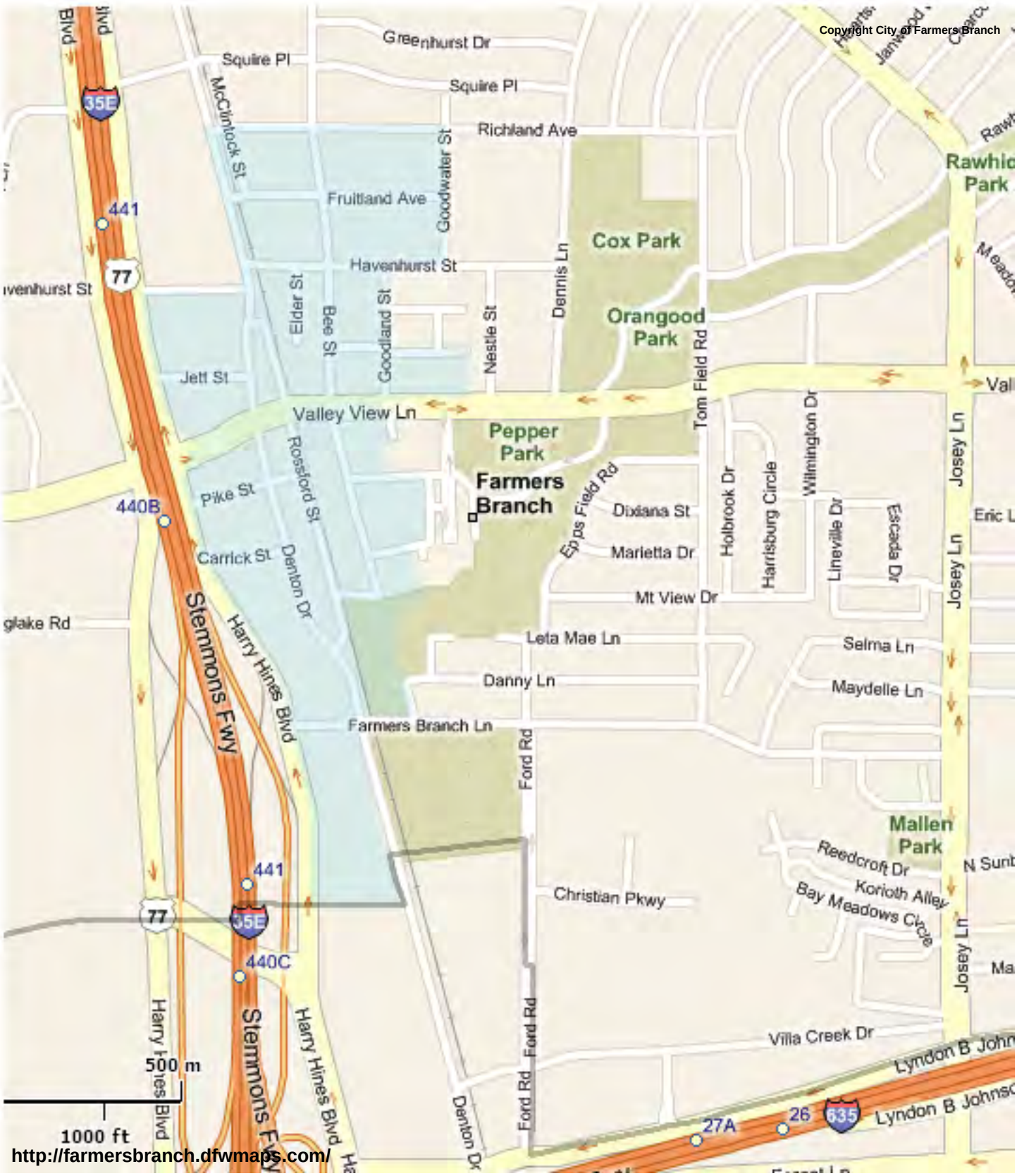


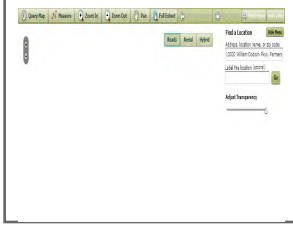
TIF No 1

http://farmersbranch.dfwmaps.com/

DISCLAIMER

This data has been compiled for City of Farmers Branch. Various official 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.





TIF NO 2

http://farmersbranch.dfwmaps.com/

DISCLAIMER

This data has been compiled for City of Farmers Branch. Various official 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.

CAPITAL IMPROVEMENT PROGRAM BUDGET
ADOPTED FISCAL YEAR BUDGET 2018-19

The Capital Improvement Program (CIP) consists of budgets for ten capital improvement funds that represent the capital spending plan for the City. The first three 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.

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.

Radio System Bond Fund: The revenues consist primarily of bond proceeds. Expenditures are for development, design, and implementation of a police/fire radio system.

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.

Justice Center Security Upgrades Bond Fund: General Obligation bonds issued for $2.6 million (plus premium) in 2016. These funds are to be used for security upgrades, expansion and modernization. Includes shielding for Police and Court. Upgrades to locker rooms, evidence and patrol rooms for Police. Upgrades to jury deliberations and Marshal's office for Court.

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.

City of Farmers Branch, Texas
Capital Improvement Program

Project: Street Revitalization — **Responsible Dept:** Public Works

Projected Financial Plan	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ 2,500,000	$ 400,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 5,900,000

Description:

Residential Street Overlay Program

Estimated Project Cost:

Design	$ 500,000
Construction	$ 5,100,000
Total	$ 5,600,000

Project Schedule:
Design:
Bid Award:
Construction:

Funding Source(s):
General Fund

Project Listing:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ 2,500,000	$ 400,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 5,900,000
Total:	$ 2,500,000	$ 400,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 5,900,000

Operating Budget Impact:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ -	$ (23,347)	$ (23,347)	$ (23,347)	$ (23,347)	$ (23,347)	$ (23,347)	$ (23,347)	$ (233,470)

City of Farmers Branch, Texas
Capital Improvement Program

Project: Dog Park — **Responsible Dept:** Parks And Recreation

Projected Financial Plan	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ -	$ 236,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 236,000

Description:

Conversion of park bordering Farmers Branch Recreation Center to a Dog Park

Estimated Project Cost:

Design	$ 25,000
Construction	$ 211,000
Total	$ 236,000

Project Schedule:
Design:
Bid Award:
Construction:

Funding Source(s):
General Fund

Project Listing:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
Design	$ -	$ 25,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 25,000
Construction	$ -	$ 211,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 211,000
Total:	$ -	$ 236,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 236,000

Operating Budget Impact:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	Negligible impact. Low maintenance								$ -

City of Farmers Branch, Texas
Capital Improvement Program

Project: Park Field Light Replacement — **Responsible Dept:** Parks And Recreation

Projected Financial Plan	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ 900,000	$ 300,000	$ 225,000	$ 225,000	$ 225,000	$ 225,000	$ 225,000	$ 225,000	$ 2,550,000

Description:

Athletic field lighting structure upgrade and replacement.

Estimated Project Cost:

Design	$ 200,000
Construction	$ 2,350,000
Total	$ 2,550,000

Project Schedule:
Design:
Bid Award:
Construction:

Funding Source(s):
General Fund

Project Listing:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
1	$ 900,000	$ 300,000	$ 225,000	$ 225,000	$ 225,000	$ 225,000	$ 225,000	$ 225,000	$ 2,550,000
Total:	$ 900,000	$ 300,000	$ 225,000	$ 225,000	$ 225,000	$ 225,000	$ 225,000	$ 225,000	$ 2,550,000

Operating Budget Impact:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	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	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ 200,000	$ -	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 500,000

Description:

Ongoing improvements to John F. Burke Nature Preserve.

Estimated Project Cost:

Design	$ 50,000
Construction	$ 450,000
Total	$ 500,000

Project Schedule:

Design:
Bid Award:
Construction:

Funding Source(s):

General Fund

Project Listing:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
1	$ 200,000	$ -	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 500,000
Total:	$ 200,000	$ -	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 500,000

Operating Budget Impact:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ (10,000)	$ -	$ (10,000)	$ (10,000)	$ (10,000)	$ (10,000)	$ (10,000)	$ (10,000)	$ (80,000)

City of Farmers Branch, Texas
Capital Improvement Program

Project: Playground Equipment Replacement — **Responsible Dept:** Parks And Recreation

Projected Financial Plan	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ 200,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 550,000

Description:
Playground renovations and enhancements.

Estimated Project Cost:

Design	$ 50,000
Construction	$ 500,000
Total	$ 550,000

Project Schedule:
Design:
Bid Award:
Construction:

Funding Source(s):
General Fund

Project Listing:

	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	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	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
			Negligible impact. New equipment requires same maintenance.						$ -

City of Farmers Branch, Texas
Capital Improvement Program

Project: Farmers Market — **Responsible Dept:** Parks And Recreation

Projected Financial Plan	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ 350,000	$ 85,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 435,000

Description:
Development of Farmers Market at the Grove at Mustang Crossing.

Estimated Project Cost:

Design	$ -
Construction	$ 435,000
Total	$ 435,000

Project Schedule:
Design:
Bid Award:
Construction:

Funding Source(s):
General Fund

Project Listing:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
1	$ 350,000	$ 85,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 435,000
Total:	$ 350,000	$ 85,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 435,000

Operating Budget Impact:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ (10,000)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (10,000)

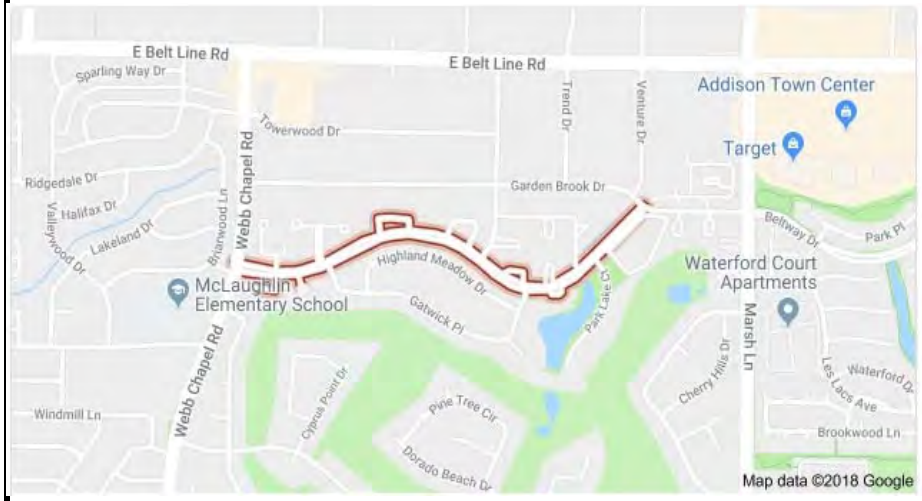
City of Farmers Branch, Texas
Capital Improvement Program

Project: Oakbrook Street Revitalization — **Responsible Dept:** Public Works

Projected Financial Plan	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ -	$ 1,150,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,150,000

Description:

Combined effort by City of Farmers Branch and HOA to revitalize Oakbrook street



Estimated Project Cost:

Design	$ 50,000
Construction	$ 1,100,000
Total	$ 1,150,000

Project Schedule:

Design:
Bid Award:
Construction:

Funding Source(s):

General Fund & HOA Funding

Project Listing:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
Design	$ -	$ 50,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 50,000
Construction	$ -	$ 1,100,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,100,000
Total:	$ -	$ 1,150,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,150,000

Operating Budget Impact:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ -	Potential reduction in maintenance costs and improved efficiency							$ -

City of Farmers Branch, Texas
Capital Improvement Program

Project: Farmers Branch Creek Well — **Responsible Dept:** Sustainability and Solid Waste

Projected Financial Plan	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ -	$ 800,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 800,000

Description: Construct a groundwater well into the Trinity Aquifer as part of a settlement agreement with the Town of Addison. The well serves as make up water for evaporative losses attributed to the Vitruvian Park development in Addison.

Estimated Project Cost:

Well Drilling/Lateral Line Construction/Pump Testing	$ 473,000
Wireless Data Link	$ 40,000
Consultant: Design & CQA	$ 140,000
Contingency	$ 147,000
Total	$ 800,000

Funding Source(s):
General Fund

Project Listing:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
Drilling/Lateral Line Const/Pump Testing	$ -	$ 473,000	$ -	$ -	$ -	$ -	$ -		$ 473,000
Wireless Data Link		$ 40,000							$ 40,000
Consultant: Design & CQA		$ 140,000							$ 140,000
Contingency		$147,000							$ 147,000
Total:	$ -	$ 800,000	$ -	$ -	$ -	$ -	$ -		$ 800,000

Operating Budget Impact:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	Prevention of soil erosion that would require future treatment.								$ -

City of Farmers Branch, Texas
Capital Improvement Program

Project: Trail Improvements — **Responsible Dept:** Parks And Recreation

Projected Financial Plan	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ 1,950,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 2,650,000

Description:

Trail improvements based on recommendations and priorities in adopted Trail Master Plan.

Estimated Project Cost:

Design	$ 50,000
Construction	$ 2,600,000
Total	$ 2,650,000

Project Schedule:

Design:
Bid Award:
Construction:

Funding Source(s):

General Fund & Hotel Motel Fund

Project Listing:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
1	$ 1,950,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 2,650,000
Total:	$ 1,950,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 2,650,000

Operating Budget Impact:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	Potential for future cost savings due to reduction of maintenance needed on older trails.								$ -

City of Farmers Branch, Texas
Capital Improvement Program

Project: Library Renovations — **Responsible Dept:** Library

Projected Financial Plan	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ -	$ 100,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 100,000

Description:
Professional services costs for visualizing a Library renovation.

Estimated Project Cost:

Design	$ 100,000
Construction	$ -
Total	$ 100,000

Project Schedule:
Design:
Bid Award:
Construction:

Funding Source(s):
General Fund

Project Listing:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
Renovations to Manske Library	$ -	$ 100,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 100,000
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total:	$ -	$ 100,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 100,000

Operating Budget Impact:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	Negligible impact. Upgrades to require approximately same maintenance.								$ -

City of Farmers Branch, Texas
Capital Improvement Program

Project: Creek Projects — **Responsible Dept:** Public Works

Projected Financial Plan	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ -	$ 1,240,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,240,000

Description:
Dredging and clearing of creeks

Estimated Project Cost:

Design	$ -
Construction	$ 1,240,000
Total	$ 1,240,000

Project Schedule:
Design:
Bid Award:
Construction:

Funding Source(s):
General Fund

Project Listing:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
Design	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Construction	$ -	$ 1,240,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,240,000
Total:	$ -	$ 1,240,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,240,000

Operating Budget Impact:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	Negligible impact. No future costs or benefits								$ -

City of Farmers Branch, Texas
Capital Improvement Program

Project: Utility Replacement & Improvement — **Responsible Dept:** Public Works

Projected Financial Plan	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ 17,442,390	$ 515,000	$ 2,035,000	$ 2,100,000	$ 2,400,000	$ 2,500,000	$ 2,500,000	$ 2,500,000	$ 31,992,390

Description: This project funds the rehabilitation and replacement of water and sanitary sewer lines throughout the city.

Estimated Project Cost:

Design	$ -
Construction	$ 31,992,390
ROW/Easements/Land	$ -
Other	$ -
Total	$ 31,992,390

Funding Source(s):
Water and Sewer Fund

Project Listing:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
Water and sewer line improvements	$ 17,442,390	$ 515,000	$ 2,035,000	$ 2,100,000	$ 2,400,000	$ 2,500,000	$ 2,500,000	$ 2,500,000	$ 31,992,390
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total:	$ 17,442,390	$ 515,000	$ 2,035,000	$ 2,100,000	$ 2,400,000	$ 2,500,000	$ 2,500,000	$ 2,500,000	$ 31,992,390

Operating Budget Impact:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	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	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ 1,978,187	$ 1,150,000	$ 1,150,000	$ 1,150,000	$ 1,150,000	$ 1,150,000	$ 1,150,000	$ 1,150,000	$ 10,028,187

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	$ 10,028,187
ROW/Easements/Land	$ -
Other	$ -
Total	$ 10,028,187

Funding Source(s):

Water and Sewer Fund

Project Listing:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
1. Completed Projects	$ 1,978,187	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,978,187
2. Future year projects		$ 1,150,000	$ 1,150,000	$ 1,150,000	$ 1,150,000	$ 1,150,000	$ 1,150,000	$ 150,000	$ 7,050,000
Total:	$ 1,978,187	$ 1,150,000	$ 1,150,000	$ 1,150,000	$ 1,150,000	$ 1,150,000	$ 1,150,000	$ 150,000	$ 9,028,187

Operating Budget Impact:	Prior Yr	18/19	19/20	20/21	21/22	22/23	23/24	24/25	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	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ 1,880,500	$ 6,060,000	$ 650,000	$ 700,000	$ 550,000	$ 600,000	$ 500,000	$ 350,000	$ 11,290,500

Description:

This budget provides for the acquisition of land and master planning costs associated with relocating the Service Center.

Estimated Project Cost:

Design	$ 780,500
Construction	$ 10,410,000
ROW/Easements/Land	$ 100,000
Other	$ -
Total	$ 11,290,500

Funding Source(s):

Water and Sewer Fund

Project Listing:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
Design	$ 791,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 791,000
ROW/Easements/Land	$ 89,500	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 89,500
Construction	$ 1,000,000	$ 6,060,000	$ 650,000	$ 700,000	$ 550,000	$ 600,000	$ 500,000	$ 350,000	$ 10,410,000
Total:	$ 1,880,500	$ 6,060,000	$ 650,000	$ 700,000	$ 550,000	$ 600,000	$ 500,000	$ 350,000	$ 11,290,500

For the first two years both centers will need utilities and maintenance.

Operating Budget Impact:	Prior Yr	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ -	$ 18,950	$ 18,950	$ 18,950	$ 18,950	$ 18,950	$ 18,950	$ 18,950	$ 151,600

City of Farmers Branch, Texas
Capital Improvement Program

Project: Motor/Tank/Pump Improvements — **Responsible Dept:** Public Works

Projected Financial Plan	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ 2,322,402	$ 70,000	$ 70,000	$ 70,000	$ 70,000	$ 70,000	$ 70,000	$ 70,000	$ 2,812,402

Description:

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.

Estimated Project Cost:

Design	$ -
Construction	$ 2,812,402
ROW/Easements/Land	$ -
Other	$ -
Total	$ 2,812,402

Funding Source(s):
Water and Sewer Fund

Project Listing:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
1. Prior Years	$ 734,166	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 734,166
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:	$ 2,322,402	$ 70,000	$ 70,000	$ 70,000	$ 70,000	$ 70,000	$ 70,000	$ 70,000	$ 2,812,402

Operating Budget Impact:	Prior Yr	18/19	19/20	20/21	21/22	22/23	23/24	24/25	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	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ 1,280,003	$ 504,025	$ 152,303	$ 203,169	$ -	$ -			$ 2,139,500

Description:

Developer incentive reimbursements for public improvements (Mustang Station).

Estimated Project Cost:

Design	$ -
Construction	$ -
ROW/Easements/Land	$ -
Other	$ 2,139,500
Total	$ 2,139,500

Funding Source(s):
TIF No. 2 Funds

Project Listing:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
Developer's Reimbursement	$ 1,280,003	$ 504,025	$ 152,303	$ 203,169	$ -	$ -	$ -	$ -	$ 2,139,500
Total:	$ 1,280,003	$ 504,025	$ 152,303	$ 203,169	$ -	$ -	$ -	$ -	$ 2,139,500

Operating Budget Impact:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	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	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ 15,881,353	$ 3,800,000	$ 3,800,000	$ 1,266,000	$ -	$ -	$ -	$ -	$ 24,747,353

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	$ 22,558,721
Marsh Lane Bridge (south bound)	$ 1,397,500
Bond Issuance costs	$ 291,132
Other	$ 500,000
Total	$ 24,747,353

Project Schedule:

Design:

Bid Award:

Construction:

Funding Source(s):

Bond proceeds

Project Listing:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
Street Improvements	$ 13,692,721	$ 3,800,000	$ 3,800,000	$ 1,266,000	$ -	$ -	$ -	$ -	$ 22,558,721
Marsh Lane Bridge	$ 1,397,500	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,397,500
Public Way Improvements	$ 500,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 500,000
Bond Issuance Cost	$ 291,132	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 291,132
Total:	$ 15,881,353	$ 3,800,000	$ 3,800,000	$ 1,266,000	$ -	$ -	$ -	$ -	$ 24,747,353

Operating Budget Impact:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	Potential reduction in maintenance costs and improved efficiency.								$ -

City of Farmers Branch, Texas
Capital Improvement Program

Project: Justice Center Security Updates — **Responsible Dept:** Police

Projected Financial Plan	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ 2,707,028	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 5,087,511

Description:

Security and expansion of Justice Center. Upgrade in security for both court and police departments. Expansion to include locker room, booking area, evidence, storage, and garage areas in the police department. Expansion of jury deliberation room and Marshal's office in court.

Estimated Project Cost:

Design	$ 50,000
Construction	$ 2,560,400
Bond Issuance Costs	$ 96,628
Total	$ 2,707,028

Funding Source(s):

Bond Proceeds	$ 2,545,000
Bond Premium	$ 149,083
Est. Interest	$ 17,925
	$ 2,712,008

Project Listing:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
Design	$ 50,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 50,000
Construction	$ 2,560,400	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,560,400
Bond Issuance Costs	$ 96,628	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 96,628
Total:	$ 2,707,028	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,707,028

Operating Budget Impact:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	Negligible impact. Upgrades to require approximately same maintenance.								$ -

City of Farmers Branch, Texas
Capital Improvement Program

Project: Fire Station #2 Relocation Bond Fund — **Responsible Dept:** Fire

Projected Financial Plan	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ 164,350	$ 5,122,000	$ 378,000	$ -	$ -	$ -	$ -	$ -	$ 5,664,350

Description:

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.

Estimated Project Cost:

Design	$ 100,000
Construction	$ 5,500,000
Bond Issuance Costs	$ 64,350
Total	$ 5,664,350

Funding Source(s):

Bond Proceeds	$ 5,500,000
Bond Premium	$ 55,000
Est. Interest	$ 30,000
Total	$ 5,585,000

Project Listing:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
Design	$ 100,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 100,000
Construction	$ -	$ 5,122,000	$ 378,000	$ -	$ -	$ -	$ -	$ -	$ 5,500,000
Bond Issuance Costs	$ 64,350	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 64,350
Total:	$ 164,350	$ 5,122,000	$ 378,000	$ -	$ -	$ -	$ -	$ -	$ 5,664,350

Operating Budget Impact:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	Benefits offset costs. Larger facility, but more energy efficient then previous. No additional staff planned.								$ -

City of Farmers Branch, Texas
Capital Improvement Program

Project: Landfill — **Responsible Dept:** Sustainability and Solid Waste

Projected Financial Plan	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ 4,125,000	$ 875,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 5,000,000

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	$ 1,629,000
Construction	$ 3,263,800
Permitting	$ 97,500
Other (Bond issuance costs)	$ 9,700
Total	$ 5,000,000

Funding Source(s):	
Bond Proceeds	$ 5,000,000
Bond Premium	$ 55,000
Est. Interest	$ 30,000
Total	$ 5,085,000

Project Listing:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
Design	$ 1,629,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,629,000
Construction	$ 2,388,800	$ 875,000	$ -		$ -	$ -	$ -	$ -	$ 3,263,800
Permitting	$ 97,500	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 97,500
Other (Bond issuance costs)	$ 9,700	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,700
Total:	$ 4,125,000	$ 875,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 5,000,000

Operating Budget Impact:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ 204,000	$ 984,000	$ 1,032,000	$ 1,082,000	$ 1,135,000	$ 1,190,000	$ 1,248,000	$ 1,309,000	$ 8,184,000

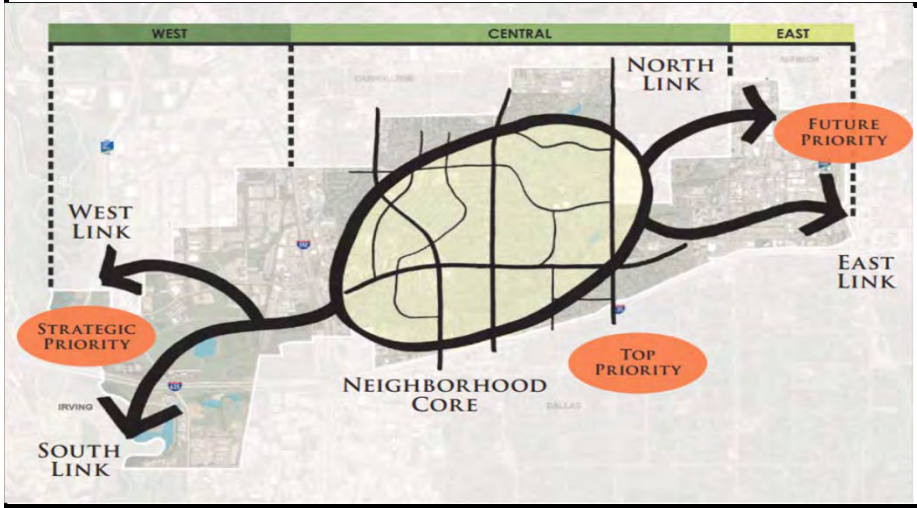
City of Farmers Branch, Texas
Capital Improvement Program

Project: Trail Improvements — **Responsible Dept:** Parks And Recreation

Projected Financial Plan	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	$ 450,000	$ 3,083,500	$ 441,500	$ -	$ -	$ -	$ -	$ -	$ 3,975,000

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	$ 50,000
Construction	$ 3,925,000
Total	$ 3,975,000

Project Schedule:

Design:
Bid Award:
Construction:

Funding Source(s):

Bond Proceeds

Project Listing:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
Design	$ 50,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 50,000
Construction	$ 400,000	$ 3,083,500	$ 441,500	$ -	$ -	$ -	$ -	$ -	$ 3,925,000
Total:	$ 450,000	$ 3,083,500	$ 441,500	$ -	$ -	$ -	$ -	$ -	$ 3,975,000

Operating Budget Impact:	Prior Yrs	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Total
	Potential for future cost savings due to reduction of maintenance needed on older trails.								$ -

CITY OF FARMERS BRANCH
CAPITAL IMPROVEMENT PROGRAM
SUMMARY
ADOPTED FISCAL YEAR BUDGET 2018-19

		PRIOR YEARS	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
REVENUES									
Non-Bond CIP	$ 92,848,122	84,267,710	3,026,812	925,600	925,600	925,600	925,600	925,600	925,600
Hotel/Motel CIP	$ 6,151,890	6,151,890							
Non-Bond Utility	$ 72,164,626	43,150,580	3,972,741	3,972,969	3,973,199	4,273,431	4,273,665	4,273,901	4,274,140
DART LAP	$ 25,483,587	25,483,587							
Tax Increment Finance District #1	$ 40,237,574	34,439,185	4,162,901	1,635,489					
Tax Increment Finance District #2	$ 6,796,942	4,230,015	1,210,438	430,309	451,805	474,376			
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	$ 3,036,983	3,036,983							
Aquatics Center Bond	$ 8,907,703	8,907,703							
Consolidated Dispatch Bond	$ 2,063,362	2,063,362							
Street Improvement Bond	$ 24,786,533	24,636,533	75,000	50,000	25,000				
Justice Center Security Upgrades Bond	$ 2,723,325	2,723,325							
Fire Station # 2 Relocation	$ 11,137,000	11,125,000	10,000	2,000					
Trail Improvements	$ 4,057,500	4,055,000	2,000	500					
TOTAL REVENUES	$ 314,199,027	268,074,752	12,459,892	7,016,867	5,375,604	5,673,406	5,199,265	5,199,501	5,199,740
EXPENDITURES									
Non-Bond CIP	$ 92,840,923	82,899,711	4,391,212	925,000	925,000	925,000	925,000	925,000	925,000
Hotel/Motel CIP	$ 6,141,232	6,141,232							
Non-Bond Utility	$ 71,826,933	39,326,933	7,795,000	3,905,000	4,020,000	4,170,000	4,320,000	4,220,000	4,070,000
DART LAP	$ 25,474,256	25,474,256							
Tax Increment Finance District #1	$ 40,237,574	34,439,185	4,162,901	1,635,488					
Tax Increment Finance District #2	$ 4,444,081	3,344,403	744,205	152,303	203,169				
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	$ 3,036,983	2,938,053	98,930						
Aquatics Center Bond	$ 8,905,887	8,905,887							
Consolidated Dispatch Bond	$ 2,044,796	2,044,796							
Street Improvement Bond	$ 24,747,353	15,881,353	3,800,000	3,800,000	1,266,000				
Justice Center Security Upgrades Bond	$ 2,707,028	2,707,028							
Fire Station #2 Relocation	$ 10,674,050	4,299,050	5,997,000	378,000					
Trail Improvements	$ 4,046,800	521,800	3,083,500	441,500					
TOTAL EXPENDITURES	$ 310,934,898	242,730,691	30,072,748	11,237,291	6,414,169	5,095,000	5,245,000	5,145,000	4,995,000

CITY OF FARMERS BRANCH
CAPITAL IMPROVEMENT PROGRAM
NON-BOND CIP FUND
ADOPTED FISCAL YEAR YEAR BUDGET 2018-19

	PROJECT BUDGET	PRIOR YEARS	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
REVENUE SOURCES:									
Miscellaneous Revenues									
Prior Year Revenue	$ 4,240,303	4,240,303							
North Texas Toll way Authority	$ 150,000	150,000							
Interest	$ 8,469,227	8,465,027	600	600	600	600	600	600	600
Developer Contributions	$ 2,049,919	1,299,919	750,000						
Dallas County	$ 480,111	480,111							
Public Improvement District [1]	$ 3,568,918	3,568,918							
Las Campanas Wall Assessment	$ 110,295	110,295							
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)	$ 270,645	270,645							
CDBG Funds	$ 1,388,637	1,158,425	230,212						
Subtotal Revenues Excluding Transfers	$ 23,266,292	22,281,880	980,812	600	600	600	600	600	600
Transfer of General Fund Balance									
Prior Year Revenue	$ 19,441,000	19,441,000							
Subtotal Transfer of General Fund Balance	$ 19,441,000	19,441,000							
General Fund Transfers									
Prior Year Revenue	$ 8,388,000	8,388,000							
Street Revitalization	$ 6,000,000	2,500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Fire Station #2 Relocation	$ 400,000	400,000							
Street Program Transfer	$ 15,018,000	15,008,000	10,000						
Farmers Branch Creek Well Transfer	$ 800,000	800,000							
Creek Improvements	$ 790,000		790,000						
Trails Program Transfer	$ 550,000	550,000							
Farmers Market Grove at Mustang Crossing	$ 435,000	350,000	85,000						
Subtotal General Fund Transfers	$ 32,381,000	27,996,000	1,385,000	500,000	500,000	500,000	500,000	500,000	500,000
Departmental Transfers									
Prior Year Revenue	$ 11,555,500	11,555,500							
Playground/Park Renovations ('13-'14 Lighting Study)	$ 425,000	425,000							
Park Maintenance	$ 4,675,000	1,700,000	425,000	425,000	425,000	425,000	425,000	425,000	425,000
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	$ 9,331	9,331							
Subtotal Departmental Transfers	$ 17,759,831	$ 14,548,831	661,000	425,000	425,000	425,000	425,000	425,000	425,000
TOTAL REVENUES:	$ 92,848,122	84,267,710	3,026,812	925,600	925,600	925,600	925,600	925,600	925,600

CITY OF FARMERS BRANCH
CAPITAL IMPROVEMENT PROGRAM
NON-BOND CIP FUND
ADOPTED FISCAL YEAR YEAR BUDGET 2018-19

PROJECTED EXPENDITURES

Completed Projects

	PROJECT BUDGET	PRIOR YEARS	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Prior Years [2]	$ 57,415,839	57,415,839							
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	$ 2,550,000	900,000	300,000	225,000	225,000	225,000	225,000	225,000	225,000
Burke Nature Preserve Improvements	$ 500,000	200,000		50,000	50,000	50,000	50,000	50,000	50,000
Playground Equipment Replacement	$ 550,000	200,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Trail Improvements [4]	$ 2,650,000	1,950,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Farmers Market - Grove at Mustang Crossing	$ 435,000	350,000	85,000						
Oakbrook Street Revitilization	$ 1,150,000		1,150,000						
Farmers Branch Creek Well	$ 800,000		800,000						
Redevelopment Program	$ 2,816,584	2,816,584							
Railroad Crossing Improvements	$ 588,841	588,841							
Library Renovations	$ 100,000		100,000						
Streetscape Enhancements	$ 292,114	292,114							
Street Resurfacing	$ 7,490,278	7,490,278							
-Monument Signs (LBJ/Josey, Webb Chapel)	$ 50,000	50,000							
CDBG Project 2015-16 Shoredale Lane Water/Sewer Replacement	$ 219,773	219,773							
CDBG Project 2018-19 Havenhurst Water & Sewer Improvements	$ 230,212		230,212						
Traffic Signals Rehabilitation	$ 120,385	120,385							
Fire Station #2 Relocation	$ 400,781	400,781							
Creek Projects	$ 1,240,000		1,240,000						
Street Revitalization [3]	$ 5,600,000	2,500,000	100,000	500,000	500,000	500,000	500,000	500,000	500,000
Traffic Counts	$ 26,283	26,283							
Farmers Branch Station Streets/Transit Center	$ 267,336	267,336							
TOTAL PLANNED EXPENDITURES:	$ 87,359,734	77,418,522	4,391,212	925,000	925,000	925,000	925,000	925,000	925,000
Transfers	$ 5,481,189	5,481,189							
TOTAL EXPENDITURES:	$ 92,840,923	82,899,711	4,391,212	925,000	925,000	925,000	925,000	925,000	925,000
RESERVED FOR CONTINGENCIES AND FUTURE PROJECTS:	$ 7,200	1,368,000	3,600	4,200	4,800	5,400	6,000	6,600	7,200

[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 FISCAL YEAR YEAR BUDGET 2018-19

	PROJECT BUDGET	PRIOR YEARS	2018-19
REVENUE SOURCES:			
Appropriated Fund Balance	$ 200,199	200,199	
Interest	$ 300,291	300,291	
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:	$ 6,151,890	6,151,890	
PROJECTED EXPENDITURES			
Completed Projects			
Prior Years [1]	$ 4,051,632	4,051,632	
Stars Center Upgrades	$ 986,000	986,000	
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:	$ 6,141,232	6,141,232	
RESERVED FOR CONTINGENCIES AND FUTURE PROJECTS:	$ 10,659	10,659	10,659

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

CITY OF FARMERS BRANCH
CAPITAL IMPROVEMENT PROGRAM
NON-BOND UTILITY FUND
ADOPTED FISCAL YEAR YEAR BUDGET 2018-19

		PROJECT BUDGET	PRIOR YEARS	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
REVENUE SOURCES:										
Transfer from Water & Sewer Fund Operations [1]	$	60,049,346	31,199,346	3,950,000	3,950,000	3,950,000	4,250,000	4,250,000	4,250,000	4,250,000
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	$	5,500	5,500							
Interest	$	3,503,376	3,339,330	22,741	22,969	23,199	23,431	23,665	23,901	24,140
TML Reimbursements	$	415,864	415,864							
CDBG	$	282,305	282,305							
TOTAL REVENUES:	$	72,164,626	43,150,580	3,972,741	3,972,969	3,973,199	4,273,431	4,273,665	4,273,901	4,274,140
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	$	31,992,390	17,442,390	515,000	2,035,000	2,100,000	2,400,000	2,500,000	2,500,000	2,500,000
I & I Repairs	$	10,028,187	1,978,187	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000
Service Center Improvements	$	11,290,500	1,880,500	6,060,000	650,000	700,000	550,000	600,000	500,000	350,000
Motor/Pump/Tank Improvements	$	2,812,402	2,322,402	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	$	833,070	833,070							
TOTAL PLANNED EXPENDITURES:	$	68,662,826	36,162,826	7,795,000	3,905,000	4,020,000	4,170,000	4,320,000	4,220,000	4,070,000
Transfers	$	3,164,107	3,164,107							
TOTAL EXPENDITURES:	$	71,826,933	39,326,933	7,795,000	3,905,000	4,020,000	4,170,000	4,320,000	4,220,000	4,070,000
RESERVED FOR CONTINGENCIES AND FUTURE PROJECTS:	$	337,692	3,823,646	1,388	69,357	22,555	125,986	79,650	133,552	337,692

[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
TAX INCREMENT FINANCE DISTRICT #1 FUND
ADOPTED FISCAL YEAR YEAR BUDGET 2018-19

		PROJECT BUDGET	PRIOR YEARS	2018-19	2019-20
REVENUE SOURCES:					
CFBISD (100%)	$	20,037,926	17,066,388	2,971,538	
City of Farmers Branch (35%)	$	3,732,789	2,362,363	572,299	798,128
Dallas County Hospital District (34%)	$	1,823,315	1,205,720	257,912	359,683
Dallas County (34%)	$	1,496,714	928,776	237,175	330,764
Dallas County Community College District (35%)	$	204,912	204,912		
Valwood Improvement Authority (50% - M&O Rate)	$	364,152	229,068	56,412	78,672
Dallas Independent School District (35%)	$	259,975	126,652	66,330	66,993
Developer Advance [1]	$	11,601,824	11,601,824		
Interest	$	715,967	713,482	1,236	1,249
TOTAL REVENUES:	$	40,237,574	34,439,185	4,162,901	1,635,489
PROJECTED EXPENDITURES					
Completed Projects					
Prior Years [2]	$	3,245,649	3,245,649		
Current and Future Projects					
City and School Administrative Fees	$	247,602	247,602		
Developer Reimbursement [3]	$	13,098,474	9,215,019	2,247,966	1,635,488
Zone School Project Costs (CFBISD) [4]	$	13,006,617	11,091,682	1,914,934	
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:	$	39,912,030	34,113,641	4,162,901	1,635,488
Transfers	$	325,544	325,544		
TOTAL EXPENDITURES	$	40,237,574	34,439,185	4,162,901	1,635,488
RESERVED FOR CONTINGENCIES AND FUTURE PROJECTS:	$	0	0	0	0

[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.

Terms and Limits for Participation

Dallas County (Term-12/31/2019)	34% up to $4.5MM
Carrollton Farmers Branch ISD (Term-12/20/2018)	100% up to $129,805,190
Valwood Authority (Term-12/31/2019)	50% of O&M rate only
Dallas ISD (Term 12/20/2018)	35% up to $4,145,043
DCCCD (Term-15 years from zone creation date of 12/21/1998)	35%
Parkland (Term 12/31/2019)	34% up to $4.5MM
Farmers Branch	35%

CITY OF FARMERS BRANCH
CAPITAL IMPROVEMENT PROGRAM
TAX INCREMENT FINANCE DISTRICT #2 FUND
ADOPTED FISCAL YEAR YEAR BUDGET 2018-19

		PROJECT BUDGET	PRIOR YEARS	2018-19	2019-20	2020-21	2021-22
REVENUE SOURCES:							
CFBISD (100%)	$	3,223,856	2,423,255	800,601			
City of Farmers Branch (100%)	$	2,218,524	1,031,775	275,340	289,107	303,562	318,740
Dallas County Hospital District (55%)	$	580,451	269,106	72,236	75,847	79,640	83,622
Dallas County (55%)	$	492,377	226,759	61,627	64,708	67,943	71,341
Dallas County Community College District (100%)	$	53,256	53,256				
Non-Bond CIP Fund Advance	$	200,000	200,000				
Interest [1]	$	28,478	25,864	634	647	660	673
TOTAL REVENUES:	$	6,796,942	4,230,015	1,210,438	430,309	451,805	474,376
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]	$	951,688	711,507	240,180			
City and School Administrative Fees	$	67,950	67,950				
Bee Street Development	$	550,000	550,000				
Farmers Branch Station Streets	$	225,000	225,000				
K. Hovnanian	$	150,000	150,000				
Western Securities [4]	$	2,139,500	1,280,003	504,025	152,303	203,169	
TOTAL PLANNED EXPENDITURES:	$	4,244,081	3,144,403	744,205	152,303	203,169	
Transfers	$	200,000	200,000				
TOTAL EXPENDITURES	$	4,444,081	3,344,403	744,205	152,303	203,169	
RESERVED FOR CONTINGENCIES AND FUTURE PROJECTS:	$	2,352,862	885,611	1,351,844	1,629,850	1,878,486	2,352,862

[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

Terms and Limits for Participation

Dallas County (Term-12/31/2020)	55% up to $1.7MM
Carrollton Farmers Branch ISD (Term-07/20/2019)	100% up to $23,895,858
DCCCD (Term-15 years from zone creation date of 7/21/1999)	100%
Parkland (Term 12/31/2020)	55% up to $1.7MM
Farmers Branch	100%

CITY OF FARMERS BRANCH
CAPITAL IMPROVEMENT PROGRAM
RADIO SYSTEM BOND FUND
ADOPTED FISCAL YEAR YEAR BUDGET 2018-19

	PROJECT BUDGET	PRIOR YEARS	2018-2019
REVENUE SOURCES:			
Bond Proceeds	$ 3,000,000	3,000,000	
Interest	$ 36,983	36,983	
TOTAL REVENUES:	$ 3,036,983	3,036,983	
PROJECTED EXPENDITURES			
Current and Future Projects			
Radio Upgrade Project/Radio System Improvements	$ 2,843,983	2,745,053	98,930
TRITECH Records Management System	$ 81,512	81,512	
Justice Center Upgrades	$ 57,988	57,988	
Bond Issuance Costs	$ 53,500	53,500	
TOTAL PLANNED EXPENDITURES:	$ 3,036,983	2,938,053	98,930
Transfers	$ -		
TOTAL EXPENDITURES	$ 3,036,983	2,938,053	98,930
RESERVED FOR CONTINGENCIES:	$ 0	98,930	0

CITY OF FARMERS BRANCH
CAPITAL IMPROVEMENT PROGRAM
STREET IMPROVEMENT BOND FUND
ADOPTED FISCAL YEAR YEAR BUDGET 2018-19

		PROJECT BUDGET	PRIOR YEARS	2018-19	2019-20	2020-21
REVENUE SOURCES:						
Bond Proceeds	$	24,080,000	24,080,000			
Bond Premium	$	287,138	287,138			
Interest	$	419,395	269,395	75,000	50,000	25,000
TOTAL REVENUES:	$	24,786,533	24,636,533	75,000	50,000	25,000
PROJECTED EXPENDITURES						
Current and Future Projects						
Street Improvements	$	22,558,721	13,692,721	3,800,000	3,800,000	1,266,000
Marsh Lane Bridge (south bound) [1]	$	1,397,500	1,397,500			
Public Way Improvements [2]	$	500,000	500,000			
Bond Issuance Costs	$	291,132	291,132			
TOTAL PLANNED EXPENDITURES:	$	24,747,353	15,881,353	3,800,000	3,800,000	1,266,000
Transfers	$					
TOTAL EXPENDITURES	$	24,747,353	15,881,353	3,800,000	3,800,000	1,266,000
RESERVED FOR CONTINGENCIES:	$	39,180	8,755,180	5,030,180	1,280,180	39,180

[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
JUSTICE CENTER SECURITY UPGRADES BOND FUND
ADOPTED FISCAL YEAR YEAR BUDGET 2018-19

	PROJECT BUDGET	PRIOR YEARS	2018-19
REVENUE SOURCES:			
Bond Proceeds	$ 2,545,000	2,545,000	
Bond Premium	$ 149,083	149,083	
Interest	$ 29,242	29,242	
TOTAL REVENUES:	$ 2,723,325	2,723,325	
PROJECTED EXPENDITURES			
Current and Future Projects			
Justice Center Security Upgrades	$ 2,610,400	2,610,400	
Bond Issuance Costs	$ 96,628	96,628	
TOTAL PLANNED EXPENDITURES:	$ 2,707,028	2,707,028	
Transfers	$		
TOTAL EXPENDITURES	$ 2,707,028	2,707,028	
RESERVED FOR CONTINGENCIES:	16,297	16,297	16,297

CITY OF FARMERS BRANCH
CAPITAL IMPROVEMENT PROGRAM
FIRE STATION #2 RELOCATION/LANDFILL
ADOPTED FISCAL YEAR YEAR BUDGET 2018-19

	PROJECT BUDGET	PRIOR YEARS	2018-19	2019-20	2020-21
REVENUE SOURCES:					
Bond Proceeds	$ 11,000,000	11,000,000			
Bond Premium	$ 110,000	110,000			
Interest	$ 27,000	15,000	10,000	2,000	
TOTAL REVENUES:	$ 11,137,000	11,125,000	10,000	2,000	
PROJECTED EXPENDITURES					
Current and Future Projects					
Fire Station #2 Relocation	$ 5,600,000	100,000	5,122,000	378,000	
Landfill	$ 5,000,000	4,125,000	875,000		
Bond Issuance Costs	$ 74,050	74,050			
TOTAL PLANNED EXPENDITURES:	$ 10,674,050	4,299,050	5,997,000	378,000	
Transfers	$				
TOTAL EXPENDITURES	$ 10,674,050	4,299,050	5,997,000	378,000	
RESERVED FOR CONTINGENCIES:	462,950	6,825,950	838,950	462,950	462,950

CITY OF FARMERS BRANCH
CAPITAL IMPROVEMENT PROGRAM
TRAIL IMPROVEMENTS
ADOPTED FISCAL YEAR YEAR BUDGET 2018-19

	PROJECT BUDGET	PRIOR YEARS	2018-19	2019-20	2020-21
REVENUE SOURCES:					
Bond Proceeds	$ 4,000,000	4,000,000			
Bond Premium	$ 40,000	40,000			
Transfers	$ -				
Interest	$ 17,500	15,000	2,000	500	
TOTAL REVENUES:	$ 4,057,500	4,055,000	2,000	500	
PROJECTED EXPENDITURES					
Current and Future Projects					
Trails	$ 4,000,000	475,000	3,083,500	441,500	
Bond Issuance Costs	$ 46,800	46,800			
TOTAL PLANNED EXPENDITURES:	$ 4,046,800	521,800	3,083,500	441,500	
Transfers	$				
TOTAL EXPENDITURES	$ 4,046,800	521,800	3,083,500	441,500	
RESERVED FOR CONTINGENCIES:	10,700	3,533,200	451,700	10,700	10,700

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

ADOPTED FISCAL YEAR BUDGET 2018-19

		GENERAL FUND	FIXED ASSET FUND	WATER & SEWER FUND	HOTEL/ MOTEL FUND
FUND BALANCE 9/30/2017	[1]	$ 10,183,899	$ 1,415,403	$ (108,088)	$ 1,081,166
2017-18 ESTIMATED REVENUES		58,165,500	3,494,496	23,778,700	2,885,800
2017-18 ESTIMATED EXPENDITURES		56,940,800	3,030,671	22,102,100	3,404,900
ADDITION TO (USE OF) FUND BALANCE SUB-TOTAL		1,224,700	463,825	1,676,600	(519,100)
SPECIAL EXPENDITURES					
ASSIGNED FOR FUTURE PURCHASES			(514,796)		
ADDITION TO (USE OF) FUND BALANCE		1,224,700	(50,971)	1,676,600	(519,100)
ESTIMATED FUND BALANCE 9/30/2018		$ 11,408,599	$ 1,364,432 [2]	$ 1,568,512	$ 562,066
2018-19 ESTIMATED REVENUES		61,824,400	3,695,196	23,639,600	3,145,500
2018-19 ESTIMATED EXPENDITURES		61,821,100	2,974,308	23,173,900	3,017,700
ADDITION TO FUND BALANCE SUB-TOTAL		3,300	720,888	465,700	127,800
SPECIAL EXPENDITURES					
ASSIGNED FOR FUTURE PURCHASES			(994,780)		
ADDITION TO FUND BALANCE SUB-TOTAL		3,300	(273,892)	465,700	127,800
ESTIMATED FUND BALANCE 9/30/2019		$ 11,411,899	$ 1,090,540 [2]	$ 2,034,212	$ 689,866
TARGET BALANCES	High	$ 11,828,600 [3]	$ 300,000	$ 2,000,000	$ 300,000
	Low	$ 8,871,450 [3]			

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 9/30/17 Comprehensive Annual Financial Report. Fixed Asset Fund Balance has been adjusted for prior year assignments.

[2] The Estimated Ending Fund Balance for 9/30/2018 reflects an adjustment for the assignment of future purchases totaling $514,796 and the Estimated Ending Fund Balance for 9/30/2019 reflects an adjustment for the assignment of future purchases totaling $994,780. (See Fixed Asset Fund for details.)

[3] The General Fund target balance has been adjusted for $2,678,100 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 2018-19

		GENERAL FUND	FIXED ASSET FUND	WATER & SEWER FUNDS	HOTEL/ MOTEL FUND
FUND BALANCE 9/30/2017	[1]	$ 10,183,899	$ 1,415,403	$ (108,088)	$ 1,081,166
2017-18 ESTIMATED REVENUES		58,165,500	3,494,496	23,778,700	2,885,800
2017-18 ESTIMATED EXPENDITURES		56,940,800	3,030,671	22,102,100	3,404,900
ADDITION TO (USE OF) FUND BALANCE SUB-TOTAL		1,224,700	463,825	1,676,600	(519,100)
SPECIAL EXPENDITURES					
ASSIGNED FOR FUTURE PURCHASES			(514,796)		
ADDITION TO (USE OF) FUND BALANCE		1,224,700	(50,971)	1,676,600	(519,100)
ESTIMATED FUND BALANCE 9/30/2018		$ 11,408,599	$ 1,364,432 [2]	$ 1,568,512	$ 562,066
2018-19 ESTIMATED REVENUES		61,824,400	3,695,196	23,639,600	3,145,500
2018-19 ESTIMATED EXPENDITURES		61,521,100	2,974,308	23,073,900	2,942,700
ADDITION TO FUND BALANCE SUB-TOTAL		303,300	720,888	565,700	202,800
SPECIAL EXPENDITURES					
ASSIGNED FOR FUTURE PURCHASES			(994,780)		
ADDITION TO FUND BALANCE SUB-TOTAL		303,300	(273,892)	565,700	202,800
ESTIMATED FUND BALANCE 9/30/2019		$ 11,711,899	$ 1,090,540 [2]	$ 2,134,212	$ 764,866
TARGET BALANCES	High	$ 11,768,600 [3]	$ 300,000	$ 2,000,000	$ 300,000
	Low	$ 8,826,450 [3]			

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 9/30/17 Comprehensive Annual Financial Report. Fixed Asset Fund Balance has been adjusted for prior year assignments.

[2] The Estimated Ending Fund Balance for 9/30/2018 reflects an adjustment for the assignment of future purchases totaling $514,796 and the Estimated Ending Fund Balance for 9/30/2019 reflects an adjustment for the assignment of future purchases totaling $994,780. (See Fixed Asset Fund for details.)

[3] The General Fund target balance has been adjusted for $2,678,100 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 2018-19 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 plan gives staff and City Council a valuable perspective when considering budgets within the planned six-year horizon. Second, the plan enables staff and City Council to understand the "compounding" effect of revenue and expenditure decisions made over time.

Major assumptions have been footnoted on 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 2016-2017	Estimated 2017-2018	Year 1 Projected 2018-19 (1)	Year 2 Projected 2019-20	Year 3 Projected 2020-21	Year 4 Projected 2021-22	Year 5 Projected 2022-23	Year 6 Projected 2023-24
Beginning Unassigned Fund Balance		$ 8,257,163	$ 10,183,899	$ 14,871,683	$ 15,174,983	$ 15,585,486	$ 16,378,718	$ 17,271,107	$ 18,228,719
Revenues:									
Sales tax	1.0%	$ 13,936,336	$ 14,118,000	$ 14,785,000	$ 14,932,850	$ 15,082,179	$ 15,233,000	$ 15,385,330	$ 15,539,184
(2) Property tax	3.0%	24,163,645	26,115,000	27,795,000	28,828,850	29,993,716	30,893,527	31,778,333	32,689,683
Franchise tax	1.0%	4,187,078	4,135,500	4,269,500	4,312,195	4,355,317	4,398,870	4,442,859	4,487,287
(3) Licenses and permits	2.0%	2,024,453	4,686,200	4,955,000	2,954,100	3,013,182	3,073,446	3,134,915	3,197,613
Charges for services	1.5%	5,487,379	6,120,300	6,620,200	6,719,503	6,820,296	6,922,600	7,026,439	7,131,836
Fines and forfeitures	1.5%	2,253,045	1,725,500	2,186,900	2,219,704	2,252,999	2,286,794	2,321,096	2,355,912
Investment income	1.5%	752,798	894,400	1,089,800	1,106,147	1,122,739	1,139,580	1,156,674	1,174,024
Miscellaneous	1.5%	449,401	370,600	123,000	124,845	126,718	128,618	130,548	132,506
Total Revenues		$ 53,254,135	$ 58,165,500	$ 61,824,400	$ 61,198,194	$ 62,767,144	$ 64,076,436	$ 65,376,193	$ 66,708,045
Expenditures:									
Personal services	2.0%	$ 32,422,422	$ 34,298,500	$ 35,650,800	$ 36,363,816	$ 37,091,092	$ 37,832,914	$ 38,589,572	$ 39,361,364
Professional services	2.0%	3,651,457	3,687,500	3,908,100	3,986,262	4,065,987	4,147,307	4,230,253	4,314,858
Supplies	2.0%	1,720,530	2,119,800	2,121,800	2,164,236	2,207,521	2,251,671	2,296,705	2,342,639
Repairs & maintenance	2.0%	6,146,879	6,830,400	6,580,700	6,712,314	6,846,560	6,983,491	7,123,161	7,265,625
Services	2.0%	6,040,386	7,124,500	7,744,700	7,899,594	8,057,586	8,218,738	8,383,112	8,550,775
Production & disposal	2.0%	41,385	23,000	41,500	42,330	43,177	44,040	44,921	45,819
Contracts	0.0%	292,000	292,000	285,000	285,000	285,000	285,000	285,000	285,000
Events	1.0%	497,855	463,300	472,300	477,023	481,793	486,611	491,477	496,392
Other objects	1.5%	1,085,613	1,300,100	2,427,500	2,463,913	2,500,871	2,538,384	2,576,460	2,615,107
Transfers - Fixed Assets	3.0%	2,900,600	2,366,600	2,678,100	2,758,443	2,841,196	2,926,432	3,014,225	3,104,652
Transfers - Economic Development	0.0%	300,000	400,000	1,100,000	400,000	400,000	400,000	400,000	400,000
Transfers - Utility/HM Fund	2.5%	(3,259,700)	(3,240,100)	(3,185,600)	(3,265,240)	(3,346,871)	(3,430,543)	(3,516,306)	(3,604,214)
Transfers - Other	0.0%	(1,527,900)	(544,800)	(74,800)	-	-	-	-	-
Transfers - CIP/Long-Range Plan & Street Prgm	0.0%	510,000	1,310,000	1,300,000	500,000	500,000	500,000	500,000	500,000
Transfers - CIP/Other	0.0%	615,000	510,000	771,000	-	-	-	-	-
Total Expenditures		$ 51,436,527	$ 56,940,800	$ 61,821,100	$ 60,787,691	$ 61,973,913	$ 63,184,046	$ 64,418,581	$ 65,678,016
Proj Ending Fund Balance (4)		$ 10,074,771	$ 11,708,599	$ 15,174,983	$ 15,585,486	$ 16,378,718	$ 17,271,107	$ 18,228,719	$ 19,258,748

(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 9/30/2018.

(2) Property tax revenues include an adjustment of $200,000 in 2019-2020 and $300,000 in 2020-21 in anticipation of growth on the City's West Side.

(3) Licenses and permits revenues include an adjustment of -$2,100,000 in 2019-20 as building permit revenue is anticipated to return to normal levels as construction activity on the City's West Side declines.

(4) Estimated 2017-18 and Year 1 Projected Ending Fund Balances reflect "Most-Realistic" estimated ending fund balance, which assumes actual expenditures will be $300,000 less than budgeted.

		Actual 2016-2017	Estimated Actual 2017-2018	Year 1 Projected 2018-19	Year 2 Projected 2019-20	Year 3 Projected 2020-21	Year 4 Projected 2021-22	Year 5 Projected 2022-23	Year 6 Projected 2023-24
Calculation of available funds (most realistic basis)									
Ending Fund Balance		$ 10,074,771	$ 11,708,599	$ 15,174,983	$ 15,585,486	$ 16,378,718	$ 17,271,107	$ 18,228,719	$ 19,258,748
90-Day Requirement	25%	$ 12,133,982	$ 13,568,550	$ 14,710,750	$ 14,432,312	$ 14,708,179	$ 14,989,404	$ 15,276,089	$ 15,568,341
75-Day Requirement	20%	$ 9,707,185	$ 10,854,840	$ 11,768,600	$ 11,545,850	$ 11,766,543	$ 11,991,523	$ 12,220,871	$ 12,454,673
60-Day Requirement	17%	$ 8,086,085	$ 9,042,082	$ 9,803,244	$ 9,617,693	$ 9,801,531	$ 9,988,939	$ 10,179,986	$ 10,374,742
54-Day Requirement	15%	$ 7,280,389	$ 8,141,130	$ 8,826,450	$ 8,659,387	$ 8,824,907	$ 8,993,642	$ 9,165,653	$ 9,341,005

Financial Condition Analysis

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

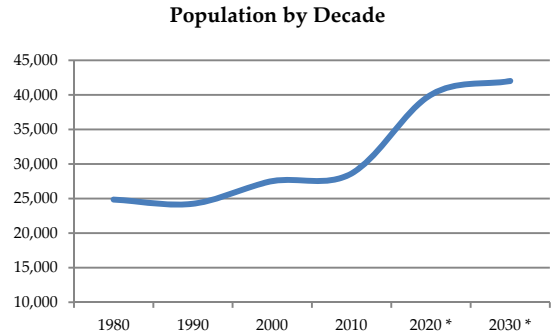
Community needs and resource indicators encompass various economic and demographic characteristics that determine the resources available to the community (i.e., revenues that can be generated within a community to finance service provision efforts) as well as the service demands that may be required 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.



* 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 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 64,955 per the American Community Survey 5-Year Estimates (US Census Bureau). Note: Use of the NCTCOG

	2005	2012	2013	2014	2015	2016	2017
Farmers Branch	27,595	28,620	28,800	29,660	30,350	30,480	31,560
Dallas County	2,330,050	2,385,990	2,453,843	2,435,330	2,454,880	2,478,740	2,502,270
Texas	22,897,000	26,094,422	26,505,637	26,956,958	27,469,114	27,862,596	28,304,596
United States	296,460,000	314,112,078	316,497,531	318,857,056	321,418,820	323,127,513	326,971,209

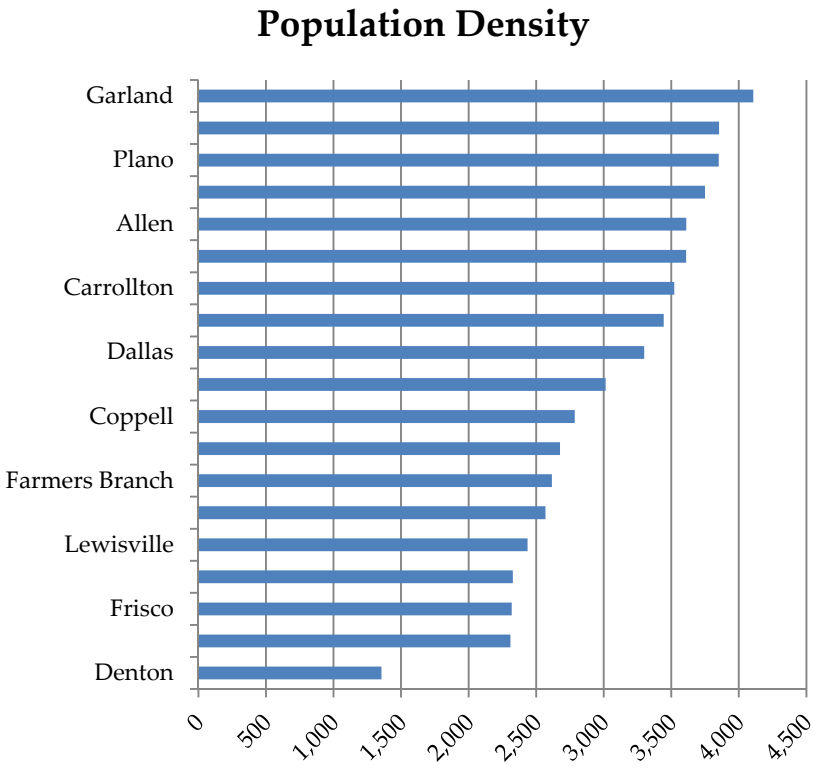
estimate resulted in an unusually high population estimate in 2009 (31,100), which was corrected through the 2010 census. This high estimate, therefore, will distort results of 2009 per capita measures. The population for 2020 and 2030 are based on major residential development on the City's westside.

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: NCTCOG and/or budget documents.)*

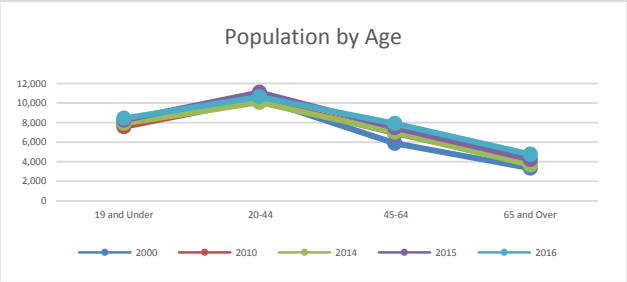
Warning Signs: Decreasing population density.

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.

Financial Condition Analysis



Census	Total Population	19 and under	20-44	45-64	65 and Over
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
2016 *	31,728	8,440	10,629	7,900	4,759

Measurement: Population levels divided by population. *(Source: American FactFinder - 2012-2016 American Community Survey 5-Year Estimates)*

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.

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.

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.

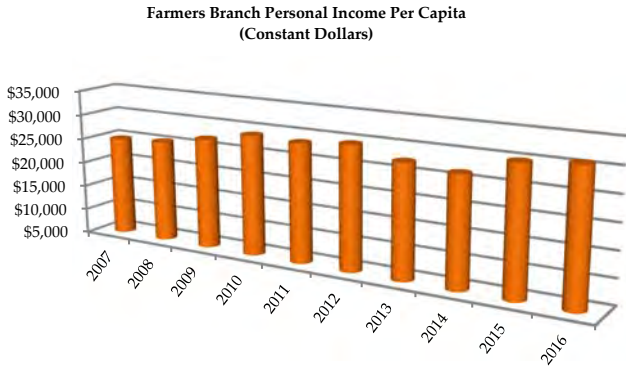
Personal Income Per Capita

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.

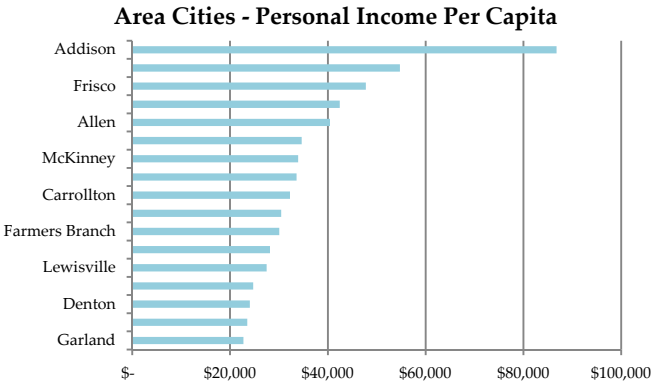
Having a higher income will make Farmers Branch a more competitive location for attracting restaurants and retail businesses, and will come back to the City in higher property taxes (from people building, buying, and improving homes) and higher sales taxes (from people spending more within the City). 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.

Financial Condition Analysis



Fiscal year data has a one year lag (e.g., 2016's information is based on the American Community Survey - 5 Year Estimate for 2015).



Source: Area City Comprehensive Annual Financial Reports, Ending 9/30/16
The cities of Arlington and Mesquite did not report this activity.

	2009	2010	2011	2012	2013	2014	2015	2016
Farmers Branch	$ 27,153	$ 29,073	$ 28,715	$ 29,623	$ 27,545	$ 26,703	$ 30,054	$ 30,993
Dallas County	26,399	25,680	25,670	25,816	25,878	26,816	27,605	28,552
Texas	24,709	24,541	24,671	24,966	25,268	26,019	26,999	27,828
United States	27,466	27,100	26,942	27,158	27,385	28,155	28,555	29,829

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.

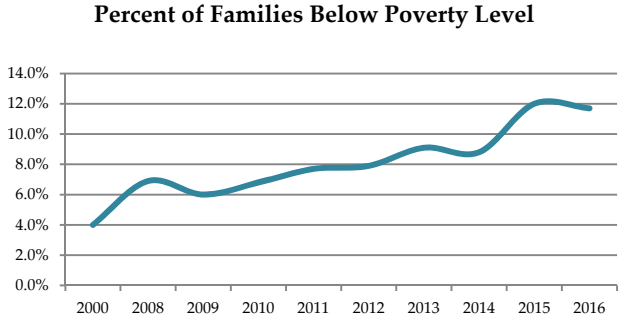
Analysis: **Positive Trend.** At $30,993, the City's per capita income is slightly higher than national, state and county. Income indicators are important for the City because of their relationship to sales tax, one of the City's largest single sources of revenue. Current median household income is $61,255.

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 – 3 Year Estimates. Information prior to 2008 is not available, with the exception of the 2000 Census figure. *Note: Fiscal year data has a one year lag (e.g. 2015's information is based on American Community Survey – 5-year estimate for 2014)*

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.

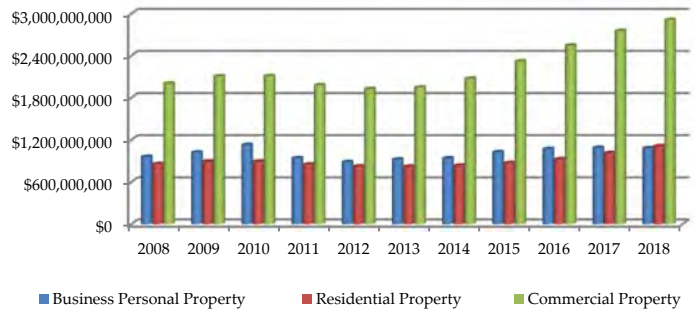


Analysis: **Monitor Trend.** Although the City has very few families below the poverty line when compared to regional, state and national levels, the effect of the economic downturn is apparent. The percent of families below poverty in the community peaked in 2015 to 12% but still below

	2008	2009	2010	2011	2012	2013	2014	2015	2016
Farmers Branch	6.9%	6.0%	6.8%	7.7%	7.9%	9.1%	8.8%	12.0%	11.7%
Dallas County	13.6%	13.9%	14.7%	14.8%	15.5%	15.9%	16.4%	17.9%	16.3%
Texas	13.3%	12.8%	12.9%	13.2%	13.8%	14.1%	13.6%	15.9%	15.6%
United States	9.8%	9.6%	9.9%	10.5%	11.1%	11.6%	11.6%	13.5%	14.0%

national and state levels falling to 11.7% in 2016. 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.

Real & Business Personal Property Values

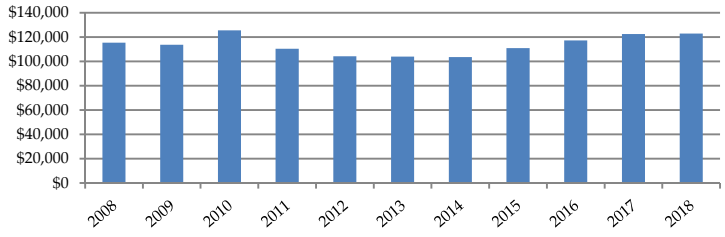


Taxable Assessed Valuation Per Capita (Constant Dollars) *How much is Farmers Branch's property worth?* Changes in property value are important to track because local governments depend on property taxes for a substantial portion of revenue. For example in FY 2017, property tax made up 42.71% of the 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.

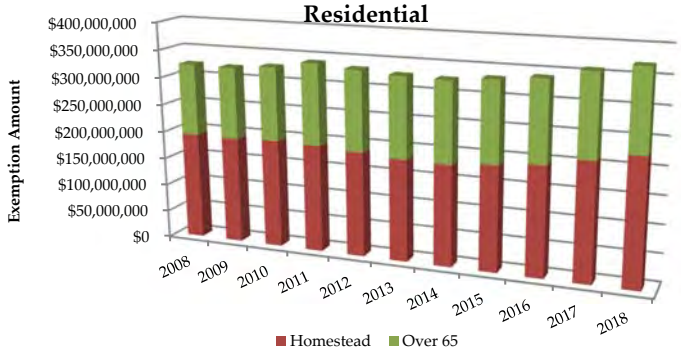
Property values are also an important indicator of a community's ability to generate resources for core municipal services such as police and streets. Positive changes (growth) in the assessed value of a municipality indicate that property values in the community are continuing to increase and is also 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)*

Assessed Valuation Per Capita (Constant Dollars)



Property Tax Exemptions Residential



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.

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 2009[1], 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.*

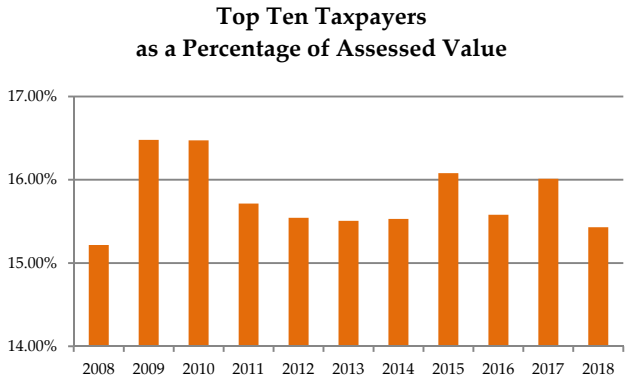
Farmers Branch's access to the DART rail, two major interstates, and the George Bush, Sam Rayburn and Dallas North Tollways, make it an attractive location for many businesses. Over the past several years, City Staff has been working diligently to spur retail development, increase marketing efforts to 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

TEN LARGEST TAXPAYERS
FISCAL YEAR 2018
UNAUDITED

TAXPAYER	NATURE OF PROPERTY	TAXABLE VALUE	PERCENTAGE OF TOTAL CERTIFIED TAXABLE VALUE
70 Washington Street LP	Office Tower - Class A	$ 138,560,000	2.72%
Southern Glazers Wine and Spirits	Spirit and Wine Distribution Warehouse	116,008,338	2.27%
EOS Properties at Providence Towers	Office Tower - Class A	81,500,000	1.60%
5005 LBJ Tower LLC	Office Tower - Class A	80,633,200	1.58%
Garden Centura LP	Office Tower - Class A	76,100,000	1.49%
Mercer Acquisition LLC	Apartment Complex	63,216,030	1.24%
Lakeview at Parkside	Apartment Complex	62,500,000	1.23%
CH Realty VI HC MF Dallas	Real Estate - Office/Showroom	58,138,870	1.14%
GPIF International Plaza III LLC	Office Tower - Class A	57,015,000	1.12%
AT&T Mobility LLC	Telecommunications Company	53,068,170	1.04%
		$ 786,739,608	15.43%

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.



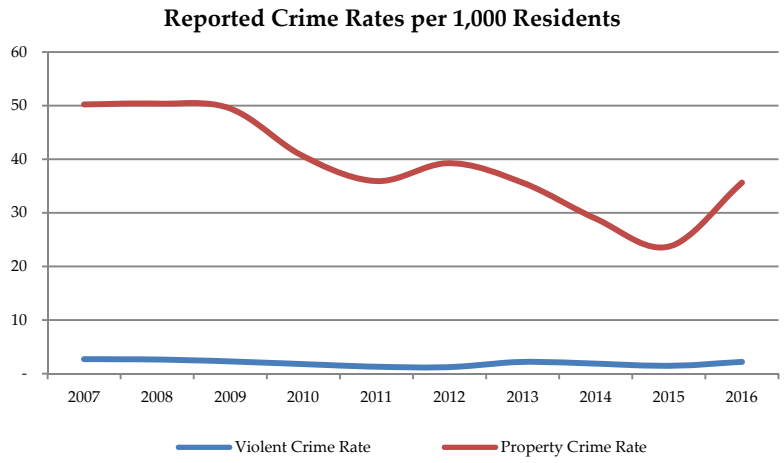
Measurement: Total assessed value for top ten taxpayers divided by total assessed valuation. *(Source: Dallas County)*

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.

Analysis: **Positive Trend.** The City publishes its top ten taxpayers in its annual audited financials. The current top ten taxpayers represent 15.43% of the total certified taxable assessed valuation; the top five taxpayers represent 9.66%. 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.

Financial Condition Analysis

Crime Rate



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 2016, the City's violent crime rate per 1,000 residents, 2.20, is less than the state rate of 4.12 and national rate of 3.83. The City's property crime rate of 35.63 is less than the state's at 28.31, higher than national at 24.87, 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

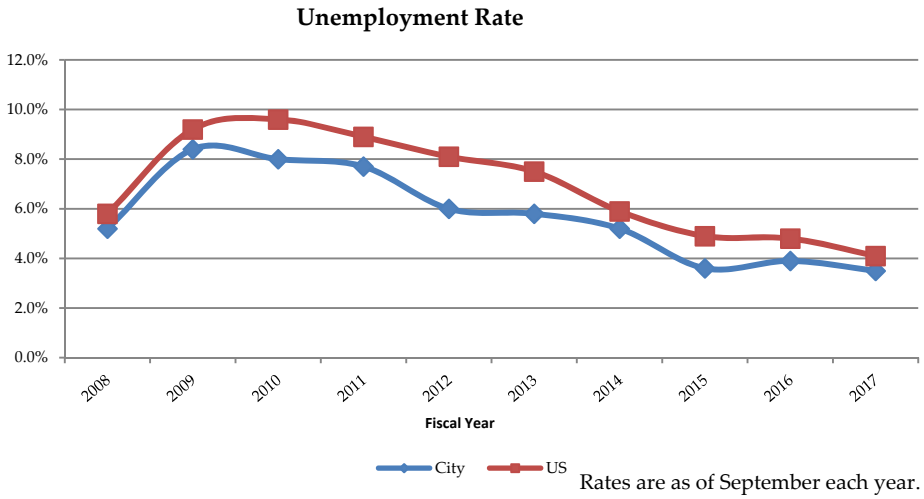
Can Farmers Branch residents find work? The unemployment rate in the community is a traditional indicator of the relative economic health of the community. Changes in unemployment impact personal income, and are consequently a measure of, and an influence on, the community's ability to support its business 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.

Unemployment Rate	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
City	5.2%	8.4%	8.0%	7.7%	6.0%	5.8%	5.2%	3.6%	3.9%	3.5%
Dallas County	5.3%	8.7%	8.4%	8.9%	6.7%	6.6%	5.3%	4.1%	4.2%	3.6%
State	4.9%	7.5%	8.2%	7.9%	6.8%	6.5%	5.0%	4.4%	4.9%	4.0%
US	5.8%	9.2%	9.6%	8.9%	8.1%	7.5%	5.9%	4.9%	4.8%	4.1%

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.)

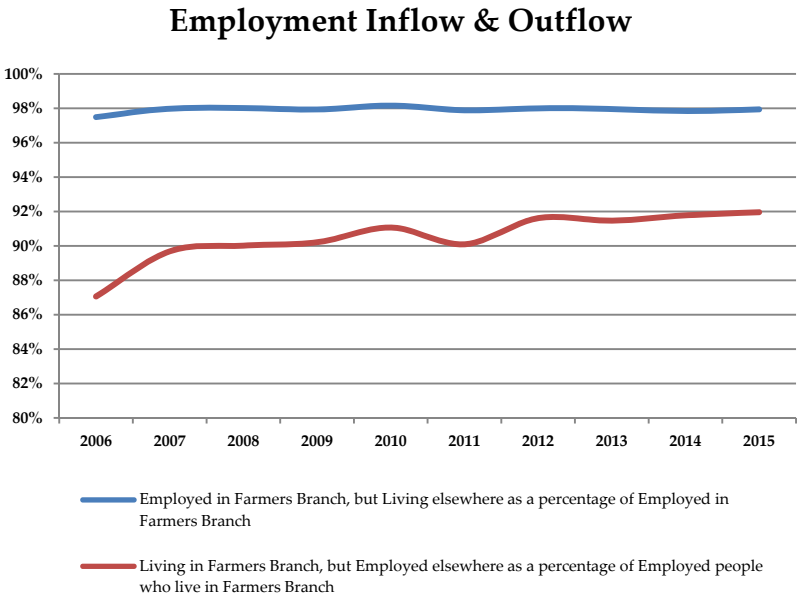
Warning Signs: A sustained increase in the unemployment rate that is not reflective of the trends in the national or regional economy may indicate that residents of the community have lost some competitiveness in comparison to residents of the DFW Metropolitan Area. An unemployment rate that is higher 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.



Rates are as of September each year.

Analysis: **Monitor 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 2008 through 2009, 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 3.5% in 2016-2017. The current unemployment rate of 3.5% is lower than regional and national averages (3.6% and 4.1% 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.

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, almost 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,

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Employed in Farmers Branch	71,959	70,415	71,012	67,228	62,612	61,271	56,172	57,970	59,146	62,441
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
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%
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
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
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%
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

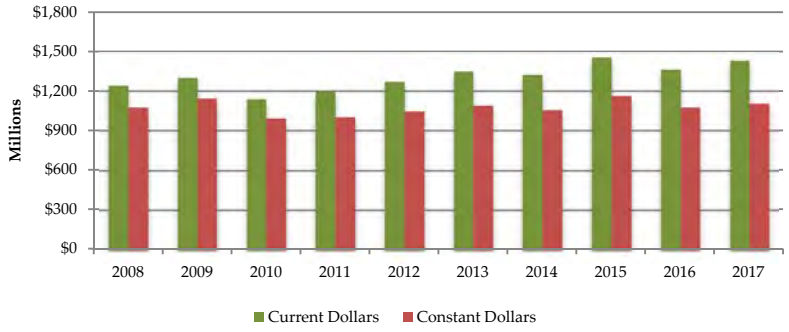
this also shows that there is a relatively large population the City can market to as new housing subdivisions and/or multi-family housing is developed and new housing opportunities emerge. The percentage of people living in Farmers Branch and commuting out of the community is also high, with nearly 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*)

Business Activity
(Current & Constant Dollars)



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 $1.075 million in 2008 to $1.102 million in 2017. However the average annual retail sales increased (after the effect of inflation is removed) of less than 1%. In 2008, business activity increased significantly due to the result of sales tax audits. In 2008 and 2009, retail sales were hard 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 2017, there was a 5.01% increase from 2016 in business activity (current dollars) in the City.

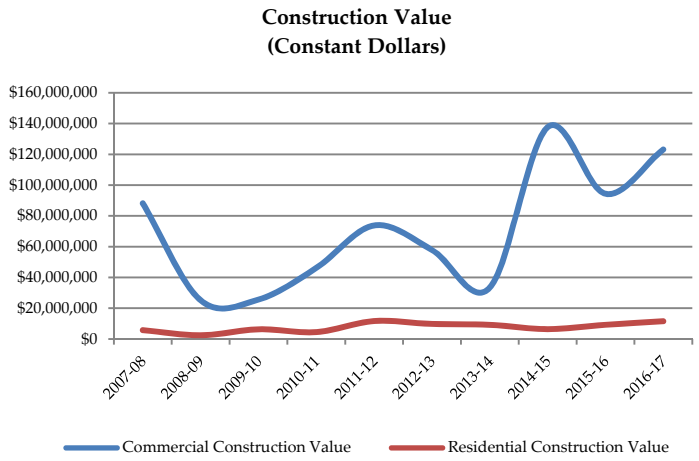
Construction Value

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.

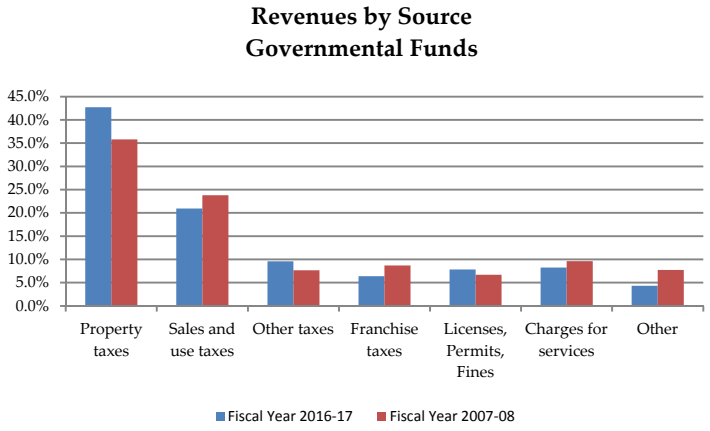
Warning Signs: Declining constant dollar construction.

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. A slowdown in new construction growth occurred in 2008-09 and 2009-10, the victim of retreating economic markets representing a 34% decline in total new construction from 2007-08 to 2009-10. 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. 2016-17 construction shows an increase in both commercial and residential construction.



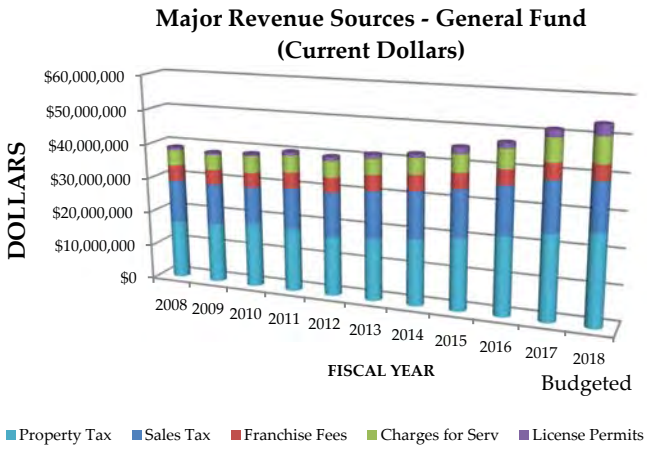
REVENUE INDICATORS

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.



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)



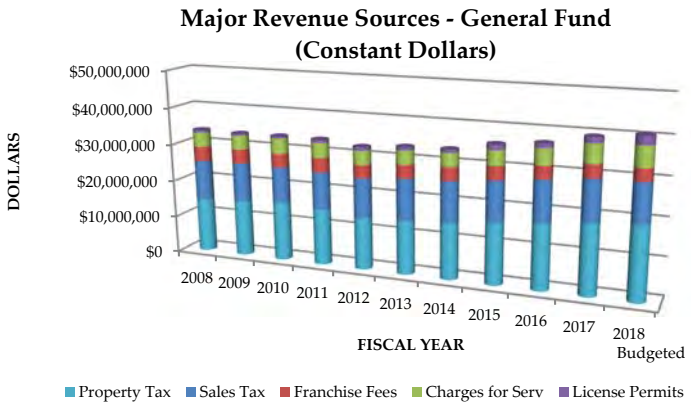
It is desirable to have a balance between elastic and inelastic revenues to limit the impact of sudden fluctuations in the tax base or inflation. But during inflationary periods, it is helpful to have a higher percentage of elastic revenues. As inflationary pressures drive up the cost of doing business, the same pressures will increase the City's revenues, thus offsetting the expenditure increase. These same elastic

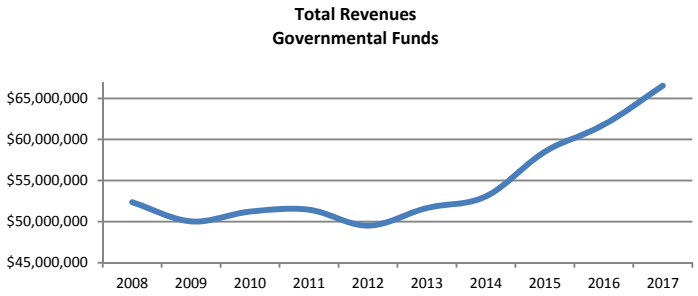
revenues will work against the City in periods of slow growth or recession; thus, inelastic revenues such as user fees will be more beneficial. The majority of the City's elastic revenues come from sales tax, landfill, and license and permits revenues.

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 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.

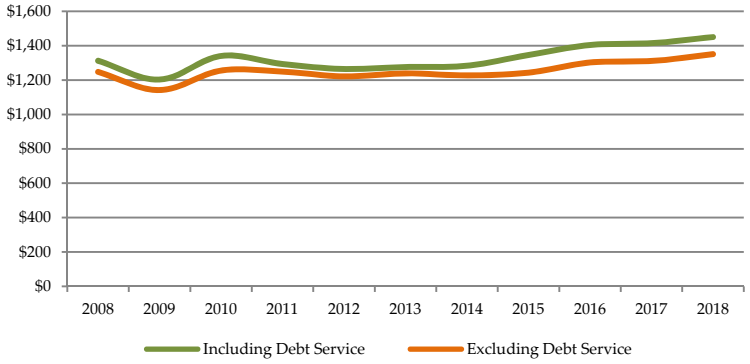
Measurement: This ratio is measured by dividing General Fund operating revenues [excluding debt service] and property tax revenue allocated to fund debt service [including debt service], by the City's population. These figures are then adjusted for inflation to reflect constant dollars. *(Source: City 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 increased since 2008, from approximately $1,248 per resident to approximately $1,351 per resident in 2018 (in the 2018 revenue estimate). When including debt service the revenue per capita (constant dollars) increased from $1,313 in 2008 to $1,451 in 2018. When measuring current dollars, average overall revenues have increased since 2008 when both including and excluding debt service.

Revenues Per Capita - General Fund (Constant Dollars)



2018 Proiected

Although total City revenues, with the exception of the year ending 2009[1], have increased from 2008 to 2018, 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 2008 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.

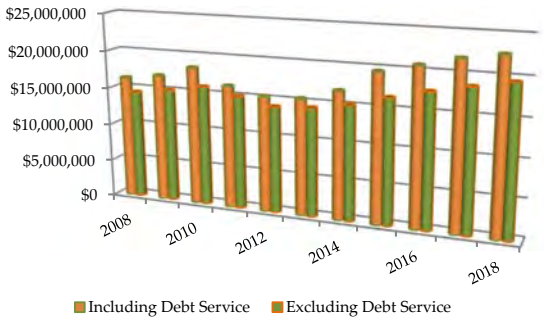
[1] In 2009, the decline in revenue per capita resulted from an unusually high population estimate that skewed results. A more conservative estimate of 2009 population reflects a level trend in both current and constant dollars as property tax revenues increased approximately 2.4% - offsetting small declines in other revenue streams.

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.

Property Tax Revenue (Constant Dollars)



2018 projected

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 2018. 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

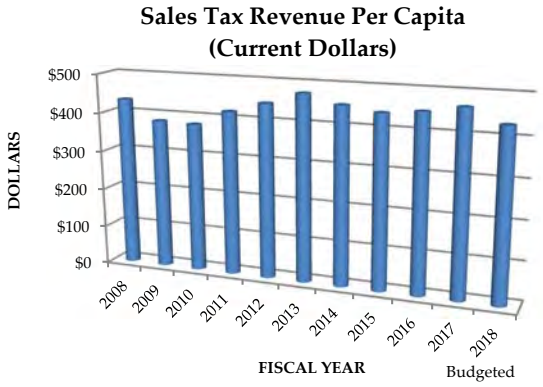
How healthy is Farmers Branch's local economy? Changes in economic conditions are evident in terms of changes in sales tax collections. When consumer confidence is high, people spend more on goods and services, and local governments benefit through increases in sales tax collections. Prior to the recession, 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.

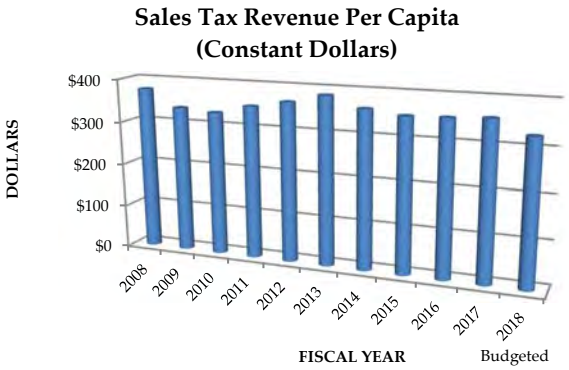
Sales tax is also affected by overall labor market conditions. If consumers have uncertainty in their employment they are likely to reduce their spending. Although the City receives a portion of its sales tax from tourists, economic conditions in the areas from which the tourist come can also impact 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 current dollars, sales tax revenue per capita shows an increasing trend until the recession, which began in December 2007 and ended in June 2009[1]. 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 slightly in 2018. 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 a increasing population base. Sales tax is a key factor to watch moving forward because it is representative of the health of the local economy. [1] *Note: Results in 2009 constant dollars are distorted due to an unusually high population estimate. When comparing 2009 using the census population of 2010, the indicator would actually show a slight decline from 2008 to 2009 ($376 to $366 per capita)*





Elastic Revenues as a Percentage of Total Revenues, General Fund

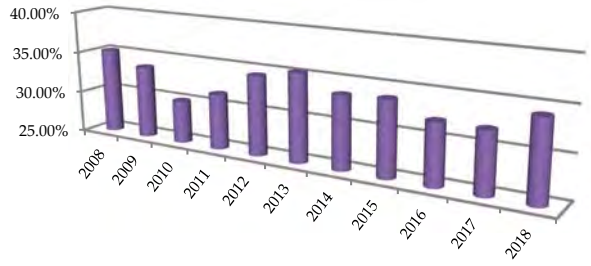
Are the City's revenues diversified? Elastic revenues, such as sales tax, are defined as those revenue sources that are highly responsive to changes in the economic base and inflation. Elastic revenues expand or contract readily in response to national and regional economic trends. Elastic revenue as 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)*

Financial Condition Analysis

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.

Elastic Revenue
% of Total Revenue



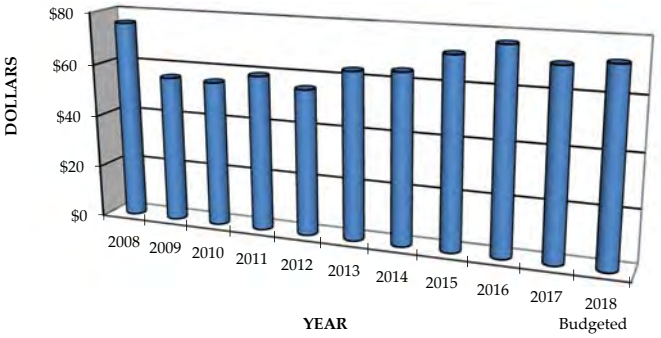
2018 Projected

Analysis: **Positive Trend.** Elastic revenues as a percent of total revenues began declining in 2009 due to a receding economy, but began increasing in 2011 as economic conditions began to show signs of improvement. Elastic revenues currently (2017) comprise approximately 32.1% of net operating revenues. An average rating for this ratio is appropriate as the City has maintained a relatively stable range of 30% to 38% from 2008 through 2018 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.

Transient Occupancy Tax Revenue
Revenues Per Capita
(Constant Dollars)



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.

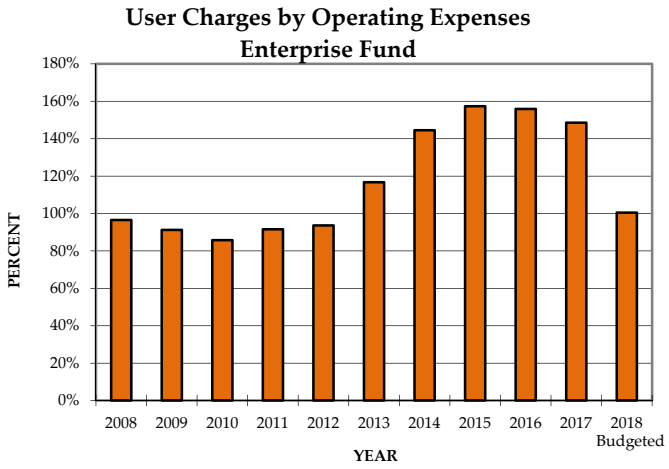
Analysis: **Monitor Trend**. In the years following the recession, both state and local governments saw plummeting tax revenues from almost all sources. Most cities planned for the 2011 fiscal year conservatively, rather than relying on a rebounding local economy. However, in 2011 sales tax revenue was 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.

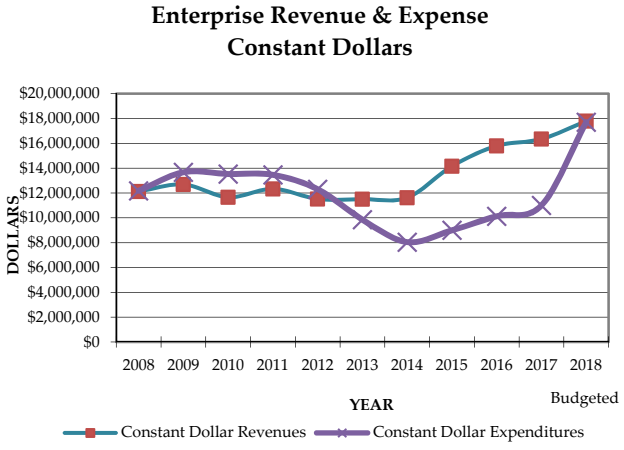
In 2012 transient occupancy tax revenues were reduced to reflect a shutdown for a $17 million renovation of the Sheraton Hotel between December 2011 and March 2012, adversely affecting what was already a sluggish economy. In 2013, both sales and occupancy tax revenues reflect good news as the City accounted for an increase in these revenues, signaling improvement after the recession. Transient occupancy tax revenue is expected to increase slightly in 2018 after showing a slight decrease for fiscal 2017.[1] *Note: Results in 2009 constant dollars are distorted due to an unusually high population estimate. When comparing 2009 using the census population of 2010, the indicator would actually show a decline from 2008 to 2009 of $76 to $61 per capita.*

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)*



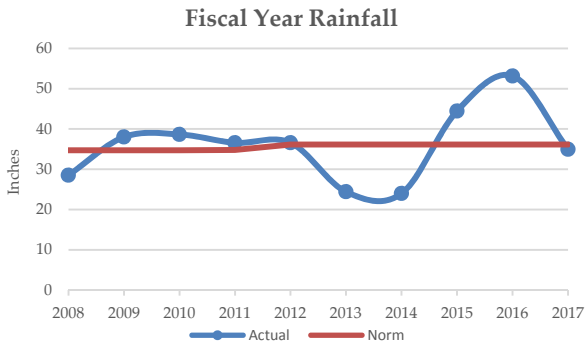


Warning Signs: A decreasing trend (i.e., user charges are offsetting less and less operating expenses over time) is indicative of future challenges and may indicate the need to generate additional revenue to ensure the future viability of the enterprise operation. Keeping this indicator above 100% is 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.

Financial Condition Analysis

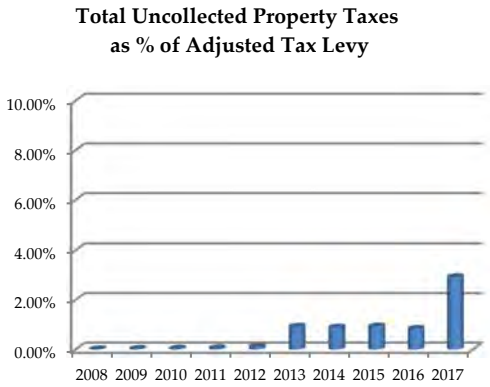
In 1973, the City entered into a 50-year contract with the Trinity River Authority whereby the Authority provides and operates a regional wastewater treatment plant and wastewater conveyance facility. The City pays for treatment services based on a usage formula that provides reimbursement for operations, 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 the City increased water and sewer rates by 12% and 15% respectively to offset increasing costs. However, the City spent slightly more than it generated in operating revenues in six of the ten years represented and spent significantly more than it generated in one year (2007) dropping below 80%, which was a negative trend. Fiscal year 2006 represents coverage at 120% attributable to a drought in North Texas that ended in 2007 with high rainfall. Fiscal year 2018 is projected to be slightly above 100% coverage. 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 2018 projected 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 year 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)*

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 less than 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 2008 through 2017 has averaged over 99%,

which is an excellent record. The City's ability to collect delinquent taxes is well within credit rating industry standards.

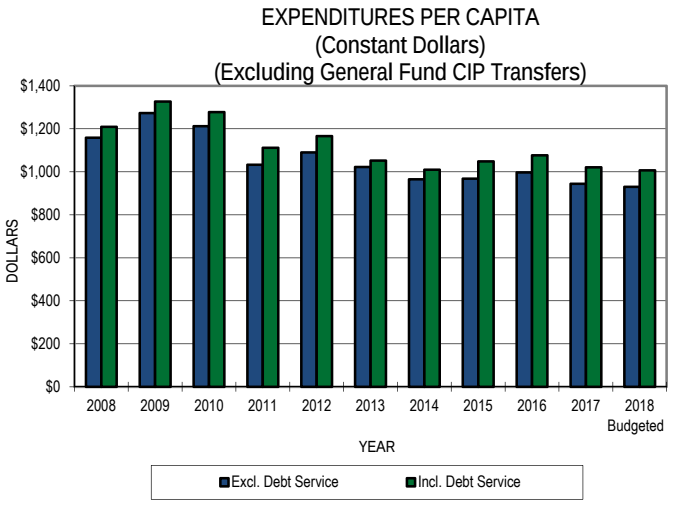
EXPENDITURE INDICATORS

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 2008 through 2017. In 2008, expenditures increased due to an employee buyout program and reduction-in-force payouts. Expenditures, excluding debt service, peaked in 2009 due to a substantial increase in road resurfacing and repair projects. Since 2009, 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 2009 to 2017. [1] *Note: Results in 2009 constant dollars are distorted due to an unusually high population estimate. When measuring 2009 using the census population of 2010, the indicator would actually reflect $420 per capita excluding debt service and $436 including debt service.*

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

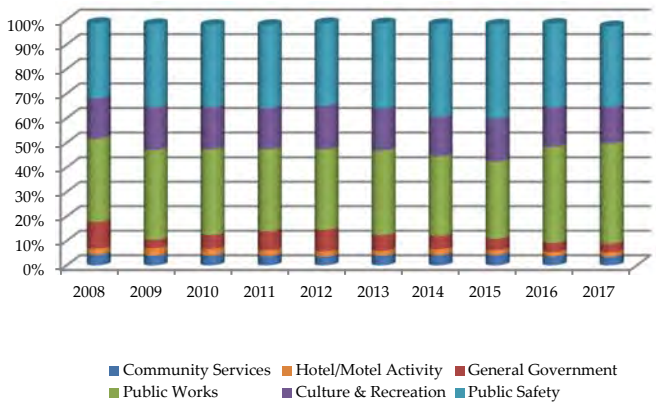
How does the City spend its resources? Operating expenditures by function shows a breakdown of what the City's expenditures are going towards and allows the government to identify where increases in expenditures are coming from. This ratio measures how the City is allocating its resources in its service 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. 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.

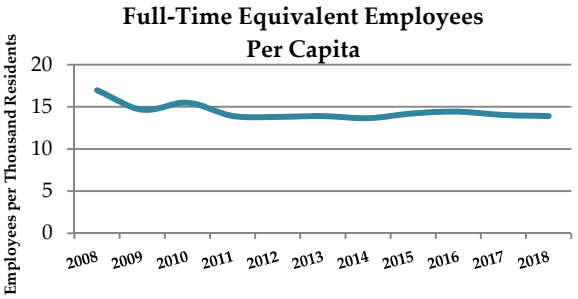
Expenditures by Function



Financial Condition Analysis

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.



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 13.6 to 16.9 employees per 1,000 population for the entire period.

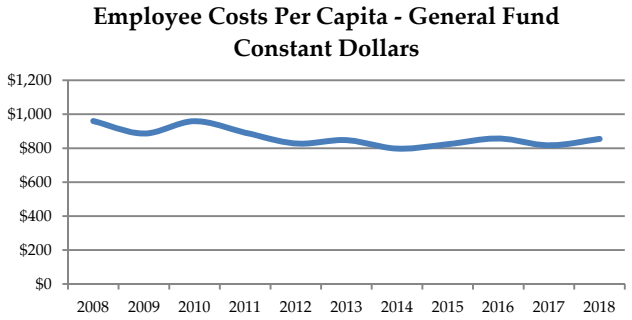
Fiscal Year Ending	FTE's	Population	Full-Time Equivalents Per 1,000 Population
2008	487.79	28,750	16.97
2009	455.63	31,100	14.65
2010	443.42	28,616	15.50
2011	398.13	28,600	13.92
2012	395.34	28,620	13.81
2013	400.49	28,800	13.91
2014	404.84	29,660	13.65
2015	431.78	30,350	14.23
2016	439.56	30,480	14.42
2017	427.73	30,480	14.03
2018	438.91	31,560	13.91

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.

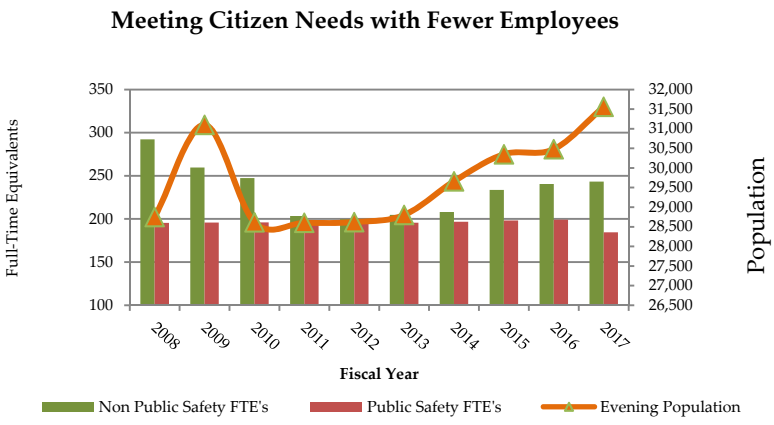
Considering this indicator, the City cannot simply view increasing employee costs as an inherently negative trend. An investment in employees can also indicate a commitment by the government to target problems. For example, if crime is an ongoing problem and the City increases its number of police officers, 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.



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. (Note: The primary reason for the sharp decline in 2009, and corresponding sharp rise in 2010, is due to an unusually high population estimate in 2009 that was corrected in 2010 when census results were published. Employee costs per capita would have remained level between 2008 and 2010 without the unusually high estimate.) Increases in 2013 thru 2017 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.

OPERATING POSITION INDICATORS

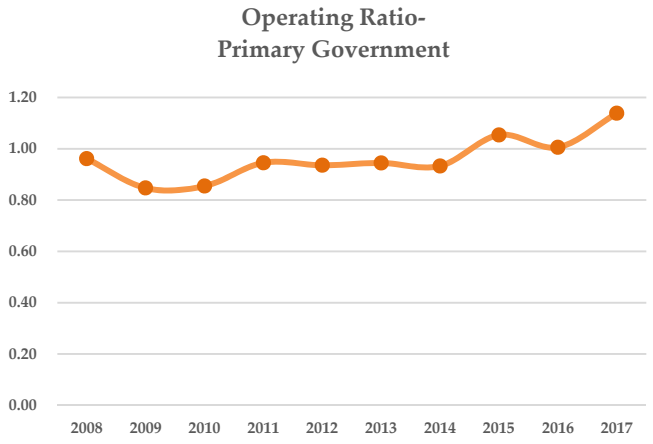
This section is an analysis of the City's operating position trends. The term "operating position" refers to a local government's ability to (1) balance its budget on a current basis, (2) maintain reserves for emergencies, and (3) maintain sufficient cash (liquidity) to pay its obligations on time.

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*)

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.

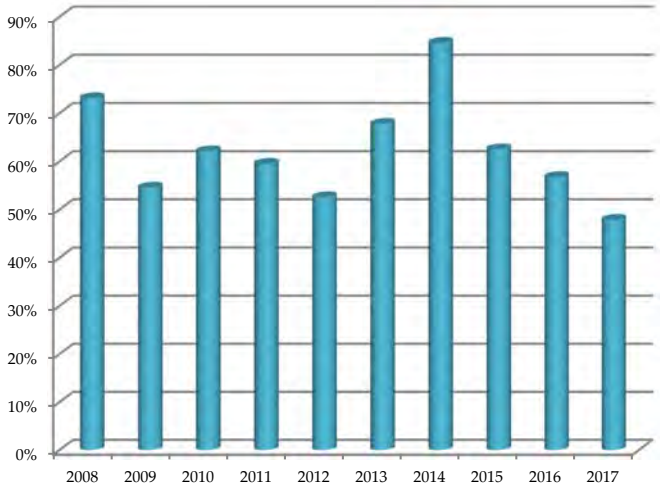
Financial Condition Analysis

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 2008-09 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

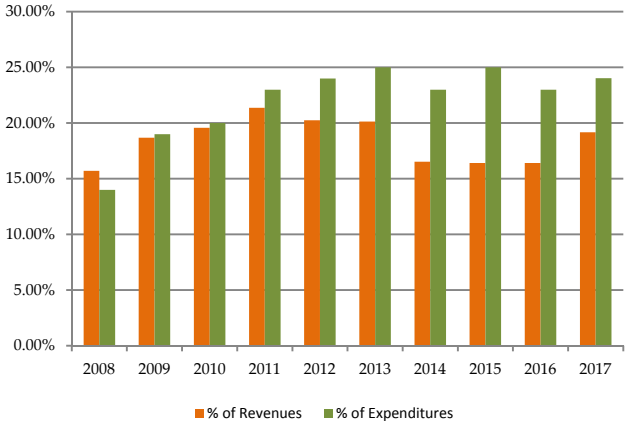


Unassigned Fund Balance as a Percentage of Revenues & Expenditures, General Fund

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 2008 and 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

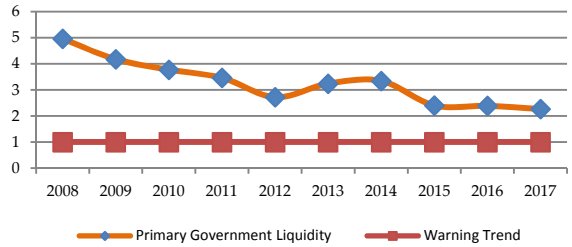
What is the City's cash position? A good measure of a local government's short-run financial condition is its cash position. Cash position, which includes cash on hand and in the bank, as well as other assets that can be easily converted to cash, determines a government's ability to pay its short term 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)*

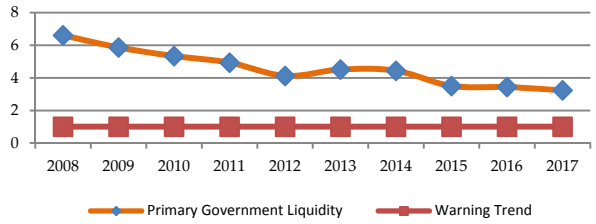
Warning Signs: A substantial decrease in one year or a trend of low or declining liquidity may indicate that the City has overextended itself in the long run and will have trouble meeting obligations in the future. A 1:1 ratio of cash and short-term investments to current liabilities means the City has 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 2008 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 2017 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 2017 are three times greater than current liabilities – meaning the City has $3 in assets for every $1 of current liabilities.

Liquidity - Primary Government (Cash Ratio)



Liquidity - Primary Government (Current Ratio)



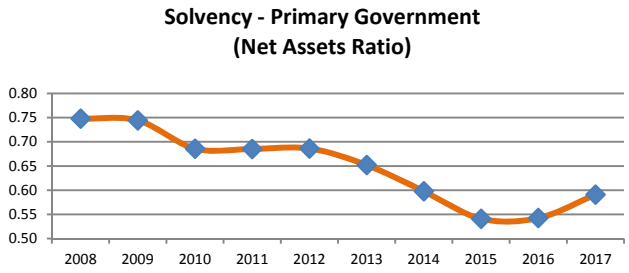
Solvency – Primary Government

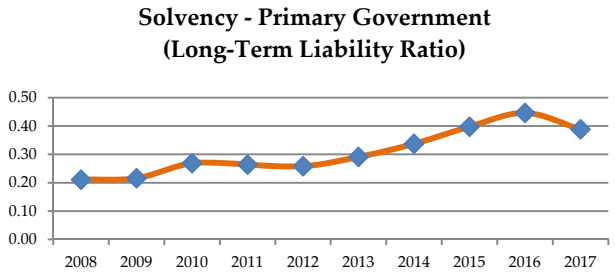
What is our future spending ability? Solvency and liquidity are both terms that refer to a state of financial health, but with some notable differences. Solvency refers to the capacity to meet long-term financial commitments. Liquidity refers to the ability to meet short-term obligations and refers to 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.]

Analysis: **Monitor Trend.** This ratio has declined from a high of 77 to 54 for the "net assets ratio" and has increased from a low of 19 to 45 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 2017 increased slightly by $0.68 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 that is anticipated to be issued in 2018.

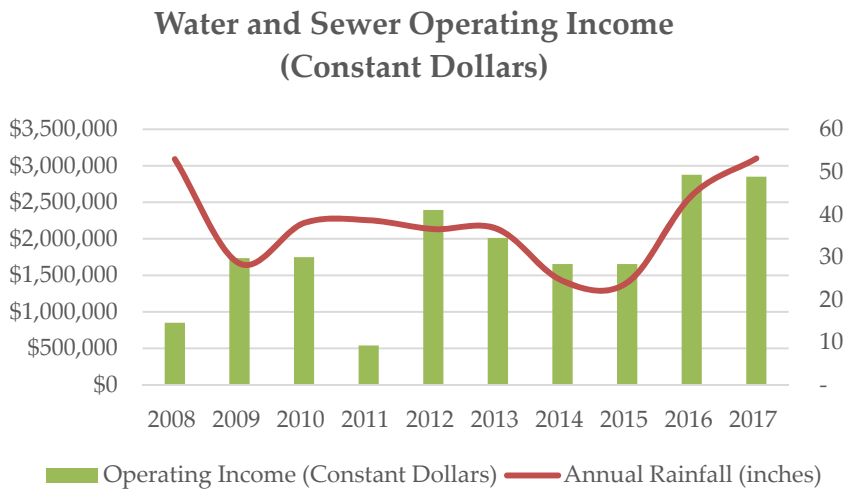
Operating Income in Constant Dollars, Water & Sewer Fund

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.



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 and 2017 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

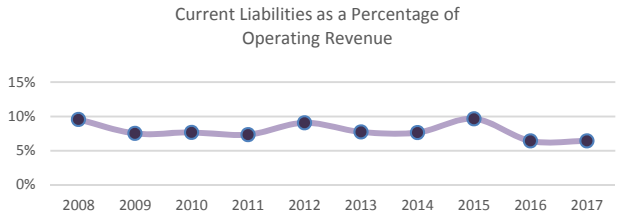
Debt is an effective way to finance capital improvements, and may even be used to stabilize short-term revenue fluctuations. Its misuse, however, can cause serious financial problems. Even a temporary inability to repay can result in loss of credit rating and increased cost of future borrowing. The most 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.



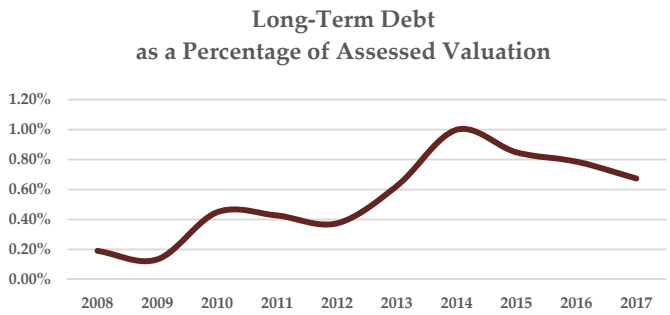
Analysis: **Monitor Trend.** This ratio decreased from 9.6% in 2008 to 7.5% in 2009. The current ratio is 6.4%, which is the same from the prior year. The City's current liabilities as percentage of net operating revenues has remained below 10% during the review period and has averaged 7.9% over the 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.

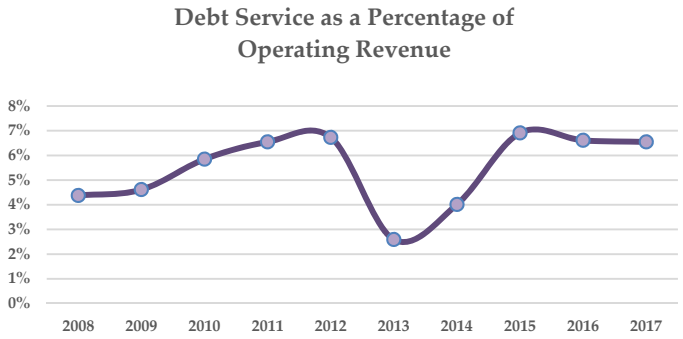


Analysis: **Positive Trend.** This indicator puts into perspective the City's outstanding long-term debt in relationship to taxable assessed valuation, thus allowing the City to determine if there is sufficient power to afford current and future debt. Debt issued between fiscal year 2009 and 2014, has caused an increase in this trend; however, the trend remains considerably below the 10% industry benchmark.

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)*



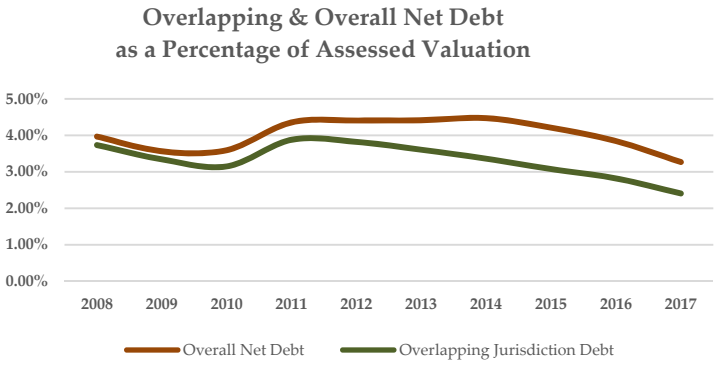
Warning Signs: Increasing net direct debt as a percentage of net operating revenues. Credit industry benchmarks consider debt exceeding 20% of operating revenues a potential problem; 10% is considered acceptable.

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 6.54% in 2017. 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)*

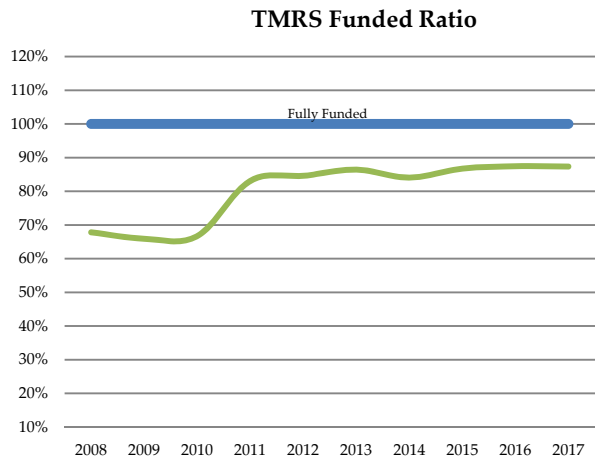
Warning Signs: Increasing long-term overlapping bonded debt as a percentage of assessed valuation; overall net debt exceeding 10% of assessed valuation or that reflects an increase of 20% over the previous year. Continuing increases in this trend may signal a need for the various local governments to coordinate their efforts in terms of long-term financing initiatives.

Analysis: **Positive Trend.** Overlapping jurisdiction debt has averaged 3.32%, while overall net debt of the City has averaged 4.01% for the ten year review period, both of which are below credit industry benchmarks.

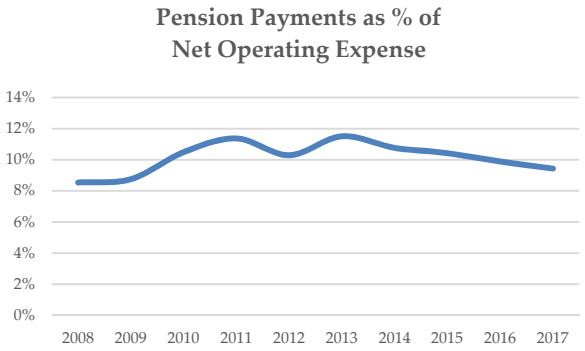
Financial Condition Analysis

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.

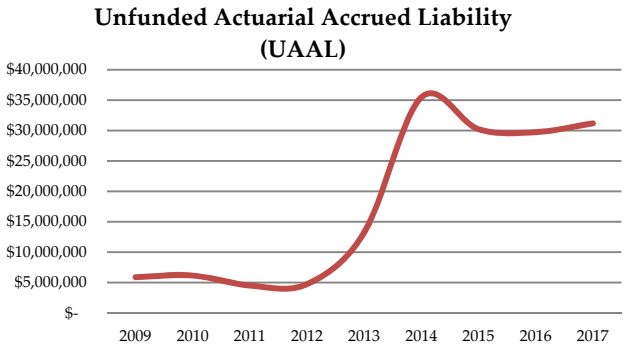


Warning Signs: Underfunded pension plan adds to obligations the City must already meet and reduces its ability to fund current operations.

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.

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

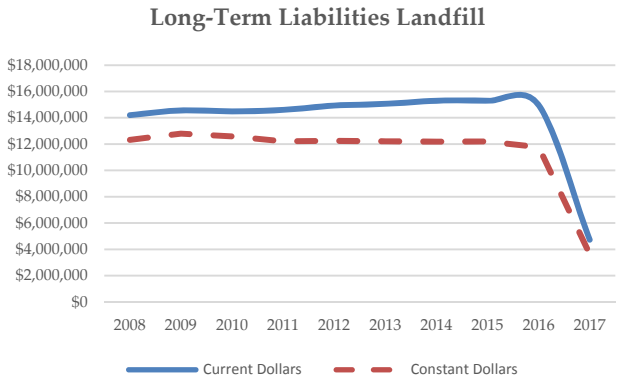
Other Long-Term Liabilities, Landfill

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.

Financial Condition Analysis

Analysis: **Monitor Trend.** From 2008 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.



City of Farmers Branch - Position Summary (by Department)

	Amended 2014-15	Amended 2015-16	Amended 2016-17	Amended 2017-18	Adopted 2018-19
General Administration					
Full-Time	5.00	5.00	5.00	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	3.00	3.00	2.00	2.00
Part-Time	0.00	0.00	0.00	0.00	0.00
Human Resources					
Full-Time	7.00	7.00	6.00	6.00	6.00
Part-Time	0.00	2.00	2.00	2.00	2.00
Finance					
Full-Time	15.00	17.00	17.00	17.00	17.00
Part-Time	4.00	5.00	5.00	5.00	5.00
Information Services					
Full-Time	9.00	10.00	11.00	11.00	11.00
Part-Time	1.00	1.00	2.00	2.00	2.00
Community Services					
Full-Time	18.00	19.00	20.00	20.00	20.00
Part-Time	1.00	1.00	0.00	0.00	0.00
Public Works					
Full-Time	50.00	51.00	51.00	51.00	51.00
Part-Time	1.00	0.00	0.00	0.00	0.00
Sustainability & Public Health					
Full-Time	17.00	17.00	18.00	20.00	20.00
Part-Time	2.00	1.00	1.00	1.00	1.00
Police					
Full-Time	113.00	113.00	98.00	100.00	100.00
Part-Time	10.00	9.00	9.00	9.00	9.00
Fire					
Full-Time	78.00	79.00	79.00	82.00	82.00
Part-Time	1.00	2.00	1.00	2.00	2.00
Parks & Recreation					
Full-Time	65.00	64.00	65.00	65.00	65.00
Part-Time	150.00	153.00	153.00	154.00	155.00
Fleet & Facilities Management					
Full-Time	11.00	12.00	12.00	12.00	12.00
Part-Time	1.00	1.00	1.00	1.00	1.00
Total Full-Time Positions	393.00	399.00	387.00	394.00	394.00
Total Part-Time Positions	171.00	175.00	174.00	176.00	177.00
Total Full-Time Equivalents	431.78	439.56	427.53	439.66	440.13

City of Farmers Branch - Position Summary

Dept./ Division	Position	Grade	Amended 2014-15	Amended 2015-16	Amended 2016-17	Amended 2017-18	Adopted 2018-19
1002	GENERAL ADMINISTRATION						
	Administrative Assistant I	310	0.00	0.00	0.00	1.00	1.00
	Administrative Assistant III	316	1.00	1.00	1.00	0.00	0.00
	Assistant to City Manager	320	0.00	1.00	1.00	1.00	1.00
	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	0.00	0.00	1.00	1.00
	Management Analyst	N/A	1.00	0.00	0.00	0.00	0.00
	Records Management Coordinator	317	1.00	1.00	1.00	1.00	1.00
	Full-Time Total		5.00	5.00	5.00	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	0.00	0.00	1.00	0.00	0.00
	Economic Development Director	330	0.00	0.00	1.00	1.00	1.00
	Economic Development Manager	328	1.00	1.00	0.00	0.00	0.00
	Managing Director - Operations	336	1.00	1.00	0.00	0.00	0.00
	Full-Time Total		3.00	3.00	3.00	2.00	2.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00
1509	HUMAN RESOURCES						
	Administrative Assistant I	310	1.00	1.00	0.00	0.00	0.00
	HR Analyst/Risk Manager	321	1.00	1.00	1.00	1.00	1.00
	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	316	2.00	2.00	2.00	0.00	0.00
	Human Resources Program Coordinator, Senior	318	1.00	1.00	1.00	2.00	2.00
	Human Resources Specialist	314	0.00	0.00	0.00	1.00	1.00
	Receptionist P/T **	304	0.00	2.00	2.00	1.00	1.00
	Receptionist P/T [Temporarily Year-Round]**	304	0.00	0.00	0.00	1.00	1.00
	Full-Time Total		7.00	7.00	6.00	6.00	6.00
	Part-Time Total **		0.00	2.00	2.00	2.00	2.00
	FINANCE						
2010	Finance Administration						
	Budget Manager	322	1.00	1.00	1.00	1.00	1.00
	Director of Finance	331	0.00	0.00	1.00	1.00	1.00
	Financial Analyst	321	1.00	1.00	1.00	1.00	1.00
	Managing Director - Finance & Administration	336	1.00	1.00	0.00	0.00	0.00
	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
	Chief Accountant	325	1.00	0.00	0.00	0.00	0.00
	Controller	326	0.00	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

City of Farmers Branch - Position Summary

Dept./ Division	Position	Grade	Amended 2014-15	Amended 2015-16	Amended 2016-17	Amended 2017-18	Adopted 2018-19
2511	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
2333	Municipal Court						
	Chief Court Marshal	319	0.00	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	0.00	1.00	1.00	1.00	1.00
	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 Marshall - PT ** (Spec Rev Fund)	315	0.00	1.00	1.00	1.00	1.00
	Police Court Hearing Officer P/T ** (Special Revenue Fund)	305	1.00	1.00	1.00	1.00	1.00
	Full-Time Total		5.00	7.00	7.00	7.00	7.00
	Part-Time Total **		4.00	5.00	5.00	5.00	5.00
	Finance Full-Time		15.00	17.00	17.00	17.00	17.00
	Finance Part-Time		4.00	5.00	5.00	5.00	5.00
2112	Information Services						
	Administrative Assistant II	313	1.00	0.00	0.00	0.00	0.00
	Administrative Coordinator	310	0.00	0.00	1.00	1.00	1.00
	Business Analyst/Project Coordinator	321	1.00	1.00	1.00	1.00	1.00
	Director of Information Services	333	1.00	1.00	1.00	1.00	1.00
	GIS Administrator	324	0.00	1.00	1.00	0.00	0.00
	GIS Analyst	319	1.00	0.00	0.00	1.00	1.00
	Help Desk Coordinator	313	0.00	1.00	1.00	1.00	1.00
	Network Administrator, Senior	N/A	1.00	0.00	0.00	0.00	0.00
	Public Safety Tech Specialist	321	1.00	1.00	1.00	1.00	1.00
	Senior Systems Administrator	324	0.00	1.00	1.00	1.00	1.00
	Systems Analyst/Database Administrator	323	1.00	1.00	1.00	1.00	1.00
	Systems Support Specialist	317	1.00	2.00	2.00	1.00	1.00
	Systems Support Supervisor	320	0.00	0.00	0.00	1.00	1.00
	Technical Operations Manager	327	1.00	1.00	1.00	1.00	1.00
	Information Tech Intern P/T **	307	1.00	1.00	2.00	2.00	2.00
	Full-Time Total		9.00	10.00	11.00	11.00	11.00
	Part-Time Total **		1.00	1.00	2.00	2.00	2.00
	COMMUNITY SERVICES						
3015	Planning						
	Administrative Assistant I	310	1.00	1.00	1.00	0.00	0.00
	Director of Planning	331	0.00	0.00	0.00	1.00	1.00
	Planning Technician	310	1.00	1.00	1.00	1.00	1.00
	Planning Manager	325	1.00	1.00	1.00	1.00	1.00
	Senior Planner	321	0.00	0.00	0.00	1.00	1.00
	Full-Time Total		3.00	3.00	3.00	4.00	4.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00
3016	Community Services Administration						
	Administrative Assistant I	310	1.00	0.00	0.00	0.00	0.00
	Administrative Assistant III	316	1.00	1.00	1.00	1.00	1.00
	Community Services Coordinator	315	0.00	1.00	1.00	1.00	1.00
	Director of Community Services	331	1.00	1.00	1.00	1.00	1.00
	Administrative Assistant - PT **	N/A	0.00	1.00	0.00	0.00	0.00
	Intern P/T **	N/A	1.00	0.00	0.00	0.00	0.00
	Full-Time Total		3.00	3.00	3.00	3.00	3.00
	Part-Time Total **		1.00	1.00	0.00	0.00	0.00

City of Farmers Branch - Position Summary

Dept./ Division	Position	Grade	Amended 2014-15	Amended 2015-16	Amended 2016-17	Amended 2017-18	Adopted 2018-19
3017	Building Inspection						
	Administrative Assistant I	310	0.00	0.00	1.00	1.00	1.00
	Building Inspector	317	2.00	2.00	2.00	2.00	2.00
	Building Official	328	1.00	1.00	1.00	0.00	0.00
	Code Enforcement Manager	321	0.00	0.00	0.00	1.00	1.00
	Code Enforcement Officer	315	4.00	6.00	6.00	6.00	6.00
	Code Enforcement Supervisor	319	1.00	1.00	1.00	0.00	0.00
	Community Services Coordinator	N/A	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		12.00	13.00	14.00	13.00	13.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00
	Community Services Full-Time		18.00	19.00	20.00	20.00	20.00
	Community Services Part-Time **		1.00	1.00	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	0.00	1.00	1.00	1.00	1.00
	Administrative Assistant III	316	1.00	0.00	0.00	0.00	0.00
	Director of Public Works	334	1.00	1.00	1.00	1.00	1.00
	Engineering Specialist	N/A	1.00	0.00	0.00	0.00	0.00
	Public Works Coordinator	318	1.00	1.00	1.00	1.00	1.00
	Senior Engineering Specialist	322	0.00	1.00	1.00	1.00	1.00
	Special Projects Manager	321	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
4027	Street Maintenance						
	Construction Inspector	316	1.00	1.00	2.00	2.00	2.00
	Construction Inspector - Senior	N/A	1.00	1.00	0.00	0.00	0.00
	Crew Leader	315	3.00	3.00	3.00	3.00	3.00
	Equipment Operator II	312	0.00	0.00	1.00	1.00	1.00
	Equipment Operator III	313	3.00	3.00	3.00	3.00	3.00
	Maintenance Worker	308	4.00	4.00	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
	Public Works Full-Time		24.00	24.00	24.00	24.00	24.00
	Public Works Part-Time **		0.00	0.00	0.00	0.00	0.00
	SUSTAINABILITY & PUBLIC HEALTH						
4024	Solid Waste Collection						
	Director of Sustainability & Public Health	329	0.00	0.00	0.00	1.00	1.00
	Equipment Operator I	310	5.00	5.00	5.00	5.00	5.00
	Env Serv & Solid Waste Admin	329	1.00	1.00	1.00	0.00	0.00
	Program Manager	325	0.00	0.00	0.00	1.00	1.00
	Solid Waste Supervisor	319	1.00	1.00	1.00	1.00	1.00
	Special Projects Manager	321	0.00	0.00	1.00	1.00	1.00
	Full-Time Total		7.00	7.00	8.00	9.00	9.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00

City of Farmers Branch - Position Summary

Dept./ Division	Position	Grade	Amended 2014-15	Amended 2015-16	Amended 2016-17	Amended 2017-18	Adopted 2018-19
4028	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	2.00	2.00	3.00	3.00
	Environmental Health Technician	N/A	1.00	0.00	0.00	0.00	0.00
	Intern P/T **	N/A	1.00	0.00	0.00	0.00	0.00
	Full-Time Total		10.00	7.00	7.00	8.00	8.00
	Part-Time Total **		1.00	0.00	0.00	0.00	0.00
4029	Environmental Services (previously Environmental Health)						
	Environmental Health Specialist	318	0.00	1.00	1.00	1.00	1.00
	Environmental Health Manager	323	0.00	1.00	1.00	0.00	0.00
	Environmental Health Technician	314	0.00	1.00	1.00	1.00	1.00
	Sustainability Manager	324	0.00	0.00	0.00	1.00	1.00
	Env Health Intern P/T **	307	1.00	1.00	1.00	1.00	1.00
	Full-Time Total		0.00	3.00	3.00	3.00	3.00
	Part-Time Total **		1.00	1.00	1.00	1.00	1.00
	Sustainability & Environmental Health Full-Time		17.00	17.00	18.00	20.00	20.00
	Sustainability & Environmental Health Part-Time **		2.00	1.00	1.00	1.00	1.00
	POLICE						
4530	Police Administration						
	Administrative Assistant I	310	1.00	0.00	0.00	0.00	0.00
	Administrative Assistant II	313	0.00	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	0.00	0.00	1.00	1.00
	Police Records Clerk	308	3.00	3.00	3.00	3.00	3.00
	Full-Time Total		8.00	8.00	8.00	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	2.00	2.00	1.00	1.00
	Police Officer	P1	11.00	10.00	11.00	11.00	11.00
	Police Sergeant	P3	3.00	3.00	3.00	3.00	3.00
	Public Service Officer	306	1.00	1.00	1.00	1.00	1.00
	Youth Officer		0.00	0.00	0.00	0.00	0.00
	Full-Time Total		18.00	17.00	18.00	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	39.00	41.00	40.00	42.00	42.00
	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		52.00	54.00	53.00	55.00	55.00
	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

City of Farmers Branch - Position Summary

Dept./ Division	Position	Grade	Amended 2014-15	Amended 2015-16	Amended 2016-17	Amended 2017-18	Adopted 2018-19
4535	Police Communications						
	Communications Technician	N/A	11.00	11.00	0.00	0.00	0.00
	Communications Technician Supervisor	N/A	4.00	4.00	0.00	0.00	0.00
	Police Lieutenant	P4	0.00	0.00	0.00	0.00	0.00
	Full-Time Total		15.00	15.00	0.00	0.00	0.00
	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
	Police Officer - Warrant Officer	P1	1.00	0.00	0.00	0.00	0.00
	Court Bailiff P/T ** (Special Revenue Fund)	N/A	1.00	0.00	0.00	0.00	0.00
	Full-Time Total		2.00	1.00	1.00	1.00	1.00
	Part-Time Total **		1.00	0.00	0.00	0.00	0.00
	Police Full-Time		113.00	113.00	98.00	100.00	100.00
	Police Part-Time **		10.00	9.00	9.00	9.00	9.00
	FIRE						
5540	Administration						
	Administrative Assistant II	313	1.00	2.00	2.00	1.00	1.00
	Administrative Assistant III	316	0.00	0.00	0.00	1.00	1.00
	Emergency Management Specialist	F1A	1.00	1.00	1.00	1.00	1.00
	Fire Battalion Chief EMS	F6A	0.00	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
	Fire EMS Coordinator/Chief of Training	N/A	1.00	0.00	0.00	0.00	0.00
	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
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
	Administrative Assistant I P/T **	N/A	1.00	1.00	0.00	0.00	0.00
	Fire Prevention Inspector P/T **	F1A	0.00	1.00	1.00	2.00	2.00
	Full-Time Total		4.00	4.00	4.00	4.00	4.00
	Part-Time Total **		1.00	2.00	1.00	2.00	2.00
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	39.00	39.00	42.00	42.00
	Full-Time Total		69.00	69.00	69.00	72.00	72.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00
	Fire Full-Time		78.00	79.00	79.00	82.00	82.00
	Fire Part-Time		1.00	2.00	1.00	2.00	2.00
	PARKS AND RECREATION						
6050	Parks and Recreation Administration						
	Administrative Assistant I	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
	Assistant Director PARD	329	0.00	0.00	0.00	1.00	1.00
	Director of PARD	333	1.00	1.00	1.00	1.00	1.00
	Program Manager	325	1.00	1.00	1.00	0.00	0.00
	Full-Time Total		4.00	4.00	4.00	4.00	4.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00

City of Farmers Branch - Position Summary

Dept./ Division	Position	Grade	Amended 2014-15	Amended 2015-16	Amended 2016-17	Amended 2017-18	Adopted 2018-19
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	10.00	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	14.00	15.00	15.00	15.00
	Maintenance Worker (temporary overfill)	308	1.00	0.00	0.00	0.00	0.00
	Maintenance Worker	308	1.00	1.00	1.00	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
	Farmers Market Coordinator P/T **	308	0.00	1.00	1.00	0.00	0.00
	Laborer P/T **	303	12.00	12.00	12.00	14.00	14.00
	Full-Time Total		40.00	39.00	39.00	39.00	39.00
	Part-Time Total **		12.00	13.00	13.00	14.00	14.00
6052	Recreation						
	Recreation Center Manager	321	1.00	1.00	1.00	1.00	1.00
	Recreation Programs Specialist	316	1.00	1.00	1.00	1.00	1.00
	Recreation Specialist	307	2.00	2.00	2.00	2.00	2.00
	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	7.00	7.00	7.00
	Park Program Assistant P/T **	304	1.00	1.00	1.00	1.00	1.00
	Recreation Leader P/T **	304	8.00	8.00	8.00	8.00	8.00
	Youth Program Bus Driver P/T **	TBD	0.00	1.00	1.00	1.00	1.00
	Youth Program Leader P/T **	304	22.00	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	6.60	6.60	6.60
	Part-Time Total (Pooled Funds) **		45.00	45.00	45.00	45.00	45.00
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	0.00	5.00	5.00	5.00	5.00
	Aquatics Specialist P/T **	307	0.00	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	0.00	1.00	1.00	0.00	0.00
	Park Attendant P/T **	301	10.00	10.00	10.00	10.00	10.00
	Party Assistant P/T **	301	2.00	2.00	2.00	2.00	2.00
	Recreation Leader P/T **	N/A	5.00	0.00	0.00	0.00	0.00
	Full-Time Total		2.00	2.00	2.00	2.00	2.00
	Part-Time Total (Pooled Funds) **		89.00	91.00	91.00	90.00	90.00
6054	Senior Center						
	Recreation Programs Coordinator	316	3.00	3.00	3.00	3.00	3.00
	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

City of Farmers Branch - Position Summary

Dept./ Division	Position	Grade	Amended 2014-15	Amended 2015-16	Amended 2016-17	Amended 2017-18	Adopted 2018-19
6057	Events						
	Events Manager	323	0.00	0.00	0.00	1.00	1.00
	Market Coordinator	313	0.00	0.00	0.00	1.00	1.00
	Marketing Coordinator	315	0.00	0.00	1.00	1.00	1.00
	Recreation Programmer Assistant	313	1.00	1.00	1.00	1.00	1.00
	Special Projects Manager	321	1.00	1.00	1.00	0.00	0.00
	Full-Time Total		2.00	2.00	3.00	4.00	4.00
	Part-Time Total **		0.00	0.00	0.00	0.00	0.00
	Parks Full-Time		58.60	57.60	58.60	59.60	59.60
	Parks Part-Time **		149.00	152.00	152.00	152.00	152.00
	PUBLIC WORKS - UTILITIES						
8085	Water & Sewer Administration						
	City Engineer	331	1.00	1.00	1.00	0.00	0.00
	Staff Engineer	323	0.00	0.00	0.00	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
8086	Water & Sewer Operations						
	Crew Leader	315	5.00	5.00	5.00	5.00	5.00
	Camera Technician	312	0.00	0.00	0.00	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	0.00	1.00	1.00	1.00	1.00
	Maintenance Worker	308	10.00	10.00	10.00	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	0.00	0.00	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
	GIS Technician P/T **	N/A	1.00	0.00	0.00	0.00	0.00
	Full-Time Total		25.00	26.00	26.00	26.00	26.00
	Part-Time Total **		1.00	0.00	0.00	0.00	0.00
	Public Works - Utilities Full-Time		26.00	27.00	27.00	27.00	27.00
	Public Works - Utilities Part-Time		1.00	0.00	0.00	0.00	0.00
	FLEET & FACILITIES MANAGEMENT						
7018	Facilities Management (moved from Building Maintenance Division in 2013-14)						
	Building Maintenance Technician I	312	1.00	0.00	0.00	0.00	0.00
	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	2.00	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	0.00	1.00	1.00	1.00	1.00
	Fleet & Facilities Program Coordinator	316	0.00	1.00	1.00	1.00	1.00
	Fleet Operations Manager	326	0.00	0.00	0.00	1.00	1.00
	Fleet Technician	315	4.00	3.00	3.00	3.00	3.00
	Fleet Supervisor	321	1.00	1.00	1.00	0.00	0.00
	Fleet Support Assistant P/T **	305	1.00	1.00	1.00	1.00	1.00
	Full-Time Total		5.50	6.50	6.50	6.50	6.50
	Part-Time Total **		1.00	1.00	1.00	1.00	1.00
	Fleet & Facilities Management Full-Time		11.00	12.00	12.00	12.00	12.00
	Fleet & Facilities Management Part-Time		1.00	1.00	1.00	1.00	1.00

City of Farmers Branch - Position Summary

Dept./ Division	Position	Grade	Amended 2014-15	Amended 2015-16	Amended 2016-17	Amended 2017-18	Adopted 2018-19
	PARKS AND RECREATION						
9092	Historical Preservation						
	Administrative Assistant II	313	1.00	1.00	1.00	0.00	0.00
	Historical Museum Educator	317	1.00	1.00	1.00	1.00	1.00
	Historical Park Coordinator	317	0.00	0.00	0.00	1.00	1.00
	Historical Park Cultural Specialist	317	0.00	0.00	0.00	1.00	1.00
	Historical Park Curator	320	1.00	1.00	1.00	0.00	0.00
	Historical Park Superintendent	324	1.00	1.00	1.00	0.00	0.00
	Historical Park Maintenance Technician	313	2.00	2.00	2.00	2.00	2.00
	Recreation Supervisor - Fitness/Athletics	317	0.40	0.40	0.40	0.40	0.40
	Park Attendant P/T **	308	1.00	1.00	1.00	2.00	3.00
	Full-Time Total		6.40	6.40	6.40	5.40	5.40
	Part-Time Total **		1.00	1.00	1.00	2.00	3.00
	General Fund Full-Time Total		349.10	353.10	341.60	349.60	349.60
	General Fund Part-Time Total **		166.00	173.00	173.00	171.00	171.00
	Water & Sewer Fund Full-Time Total		26.00	27.00	27.00	27.00	27.00
	Water & Sewer Fund Part-Time Total **		1.00	0.00	0.00	0.00	0.00
	Internal Service Fund Full-Time Total		11.00	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	6.40	6.40	5.40	5.40
	Hotel/Motel Fund Part-Time Total **		1.00	1.00	1.00	2.00	3.00
	Special Revenue Funds Full-Time Total		0.50	0.50	0.00	0.00	0.00
	Special Revenue Funds Part-Time Total **		2.00	1.00	1.00	2.00	2.00
	ALL FUNDS FULL-TIME TOTAL		393.00	399.00	387.00	394.00	394.00
	ALL FUNDS PART-TIME TOTAL **		171.00	176.00	175.00	176.00	177.00
	ALL FUNDS FULL-TIME EQUIVALENT (FTE)		431.78	439.56	427.53	439.66	440.13

** Denotes Part-Time Positions

COMPENSATION PLAN

Class	Level	Base Salary	Top Salary
General (G)	301	$ 22,058.40	$ 33,087.60
	302	23,160.90	34,741.35
	303	24,319.05	36,479.10
	304	25,534.95	38,302.95
	305	26,811.75	40,218.15
	306	28,152.60	42,228.90
	307	29,560.65	44,341.50
	308	31,039.05	46,559.10
	309	32,590.95	48,886.95
	310	34,220.55	51,331.35
	311	35,932.05	53,898.60
	312	37,728.60	56,592.90
	313	39,615.45	59,423.70
	314	41,595.75	62,394.15
	315	43,675.80	65,513.70
	316	45,859.80	68,789.70
	317	48,153.00	72,229.50
	318	50,560.65	75,841.50
	319	53,089.05	79,634.10
	320	55,743.45	83,615.70
	321	58,530.15	93,648.45
	322	61,456.50	98,330.40
	323	64,529.85	103,247.55
	324	67,756.50	108,410.40
	325	71,144.85	113,831.55
	326	74,702.25	119,523.60
	327	78,437.10	125,499.15
	328	82,358.85	131,773.95
	329	86,476.95	138,362.70
	330	90,800.85	145,281.15
	331	96,249.30	153,999.30
	332	102,024.30	163,239.30
	333	108,145.80	173,033.70
	334	114,634.80	183,416.10
	335	121,513.35	194,421.15
	336	128,804.55	206,087.70
	337	136,532.55	227,552.00

Class	Level	Base Salary	Top Salary
Police (P)	P1	$ 62,750.35	$ 81,717.24
	P2	81,352.33	91,562.95
	P3	91,800.78	99,368.11
	P4	107,829.26	116,717.91
Fire (F)	F1	$ 62,484.62	$ 75,950.44
	F1A	63,039.15	76,624.49
	F2	79,941.77	86,531.54
	F3	89,892.93	97,302.29
	F4/F4A	100,564.71	104,648.03
	F6/F6A	113,731.69	123,106.83
Judge(s)	220	64,292.80	93,204.80

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)

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)

FARMERS BRANCH

ORDINANCE NO. 3525

AN ORDINANCE OF THE CITY OF FARMERS BRANCH, TEXAS, APPROVING AND ADOPTING A BUDGET AND STRATEGIC PLAN FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2018 AND ENDING SEPTEMBER 30, 2019; 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 2017-18 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, 2018 and ending September 30, 2019; 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 $ $131,333,726.00 providing a complete financial plan for the ensuing fiscal year beginning October 1, 2018 and ending September 30, 2019, 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, 2018 and ending September 30, 2019.

SECTION 2. The sum of $131,333,726.00 is hereby appropriated for the payment of the expenditures established in the approved budget for the fiscal year beginning October 1, 2018 and ending September 30, 2019.

SECTION 3. The expenditures during the fiscal year beginning October 1, 2018 and ending September 30, 2019 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, 2018 and ending September 30, 2019, 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, 2018 and ending September 30, 2019.

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 2017-18 are hereby ratified, and the budget Ordinance for fiscal year 2017-18, 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 2017-18.

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
Ana Reyes, Councilmember - District 1	✓	
Bronson Blackson, Councilmember-District 2	✓	
John Norwood, Councilmember – District 3	✓	
Terry Lynne, Councilmember – District 4	✓	
Mike Bomgardner, Councilmember –District 5	✓	

WITH 5 VOTING "AYE" AND 0 VOTING "NAY," THIS ORDINANCE NO. ____ WAS DULY PASSED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, ON THE 11TH DAY OF SEPTEMBER 2018.

ATTEST:

Amy Piukana, City Secretary

APPROVED:

Robert C. Dye, Mayor

APPROVED AS TO FORM:

Peter G. Smith, City Attorney
(09-04-2018:TM102360)

FARMERS BRANCH

ORDINANCE NO. 3526

AN ORDINANCE OF THE CITY OF FARMERS BRANCH LEVYING THE AD VALOREM TAXES FOR THE YEAR 2018 (FISCAL YEAR 2018-19) AT A RATE OF $0.599507 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, 2018, 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. There be and is hereby levied for the tax year 2018 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 $0.599507 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 $0.516722 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 $0.082785 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 2. All ad valorem taxes shall become due and payable on October 1, 2018, and all ad valorem taxes for the year shall become delinquent if not paid prior to February 1, 2019. There shall be no discount for payment of taxes prior to February 1, 2019. 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, 2019, 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 2018 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 2018 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 2018 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 3. 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 4. 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 5. 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 6. 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:

	Aye	Nay
Ana Reyes, Councilmember - District 1	✓	
Bronson Blackson, Councilmember-District 2	✓	
John Norwood, Councilmember – District 3	✓	
Terry Lynne, Councilmember – District 4	✓	
Mike Bomgardner, Councilmember –District 5	✓	

WITH 5 VOTING "AYE" AND 0 VOTING "NAY", THIS ORDINANCE NO. 3526 IS DULY PASSED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, ON THE 11TH DAY OF SEPTEMBER, 2018.

ATTEST:

Amy Piukana, City Secretary

APPROVED:

Robert C. Dye, Mayor

APPROVED AS TO FORM:

Peter G. Smith, City Attorney
( )

FARMERS BRANCH

ORDINANCE NO. 3058

AN ORDINANCE OF THE CITY OF FARMERS BRANCH, TEXAS, GRANTING A RESIDENCE HOMESTEAD EXEMPTION FROM AD VALOREM TAXATION OF TWENTY PERCENT (20%) OF THE APPRAISED VALUE OF A RESIDENCE HOMESTEAD, BUT NOT LESS THAN FIVE THOUSAND DOLLARS ($5,000); GRANTING AN EXEMPTION OF $60,000 OF THE APPRAISED VALUE OF THE RESIDENCE HOMESTEAD OF PERSONS WHO ARE DISABLED; GRANTING AN EXEMPTION OF $65,000 OF THE APPRAISED VALUE OF THE RESIDENCE HOMESTEAD OF PERSONS WHO ARE SIXTY-FIVE (65) YEARS OF AGE OR OLDER; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City Council desires to increase the amount of the residence homestead exemption for persons who are 65 years of age or older;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS:

SECTION 1. That pursuant to the Texas Constitution and Section 11.13 of the Texas Property Tax Code the City Council of Farmers Branch, Texas, does hereby exempt from ad valorem taxation twenty percent (20%), but not less than five thousand dollars ($5,000) of the appraised value of the residence homestead for 1994 tax year and future years.

SECTION 2. That pursuant to the Texas Constitution and Section 11.13 (d) of the Texas Property Tax Code, Sixty-Five Thousand Dollars ($65,000.00) of the appraised value of the residence homestead of an individual who is sixty-five (65) years of age, or older, shall be exempt from ad valorem taxes beginning tax year 2010 and continuing thereafter, provided such person qualifies and makes application for the exemption in accordance with the Texas Property Tax Code.

SECTION 3. That pursuant to the Texas Constitution and Section 11.13 (d) of the Texas Property Tax Code, Sixty Thousand Dollars ($60,000.00) of the appraised value of the residence homestead of an individual who is disabled shall be exempt from ad valorem taxation beginning tax year 1994 and continuing thereafter, provided such person qualifies for and makes application for the exemption in accordance with the Texas Property Tax Code.

SECTION 4. 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, and shall not affect the validity of the Ordinance as a whole.

SECTION 5. 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 6. This Ordinance shall take effect 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 THE 6TH OF OCTOBER, 2009

ATTEST:

Cindee Peters, City Secretary

APPROVED:

Tim O'Hare, Mayor

APPROVED AS TO FORM:

Peter G. Smith, City Attorney

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 insure 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.

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, social security, 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

Funds 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.