



THE TOWN OF  
*Highland Park*  
TEXAS



OFFICIAL BUDGET  
FISCAL YEAR 2010–2011



# **TOWN OF HIGHLAND PARK, TEXAS**

## **OPERATING BUDGET OCTOBER 1, 2010 THROUGH SEPTEMBER 30, 2011**

AS SUBMITTED TO  
THE MAYOR AND THE TOWN COUNCIL

**WILLIAM H. SEAY, JR.**  
MAYOR

**GAIL MADDEN**  
MAYOR PRO TEM

**ANDREW BARR**  
**WILL C. BEECHERL**  
**LAURENCE W. NIXON**  
**STEPHEN ROGERS**  
COUNCIL MEMBERS

**BILL LINDLEY**  
TOWN ADMINISTRATOR

**BILL POLLOCK**  
DIRECTOR OF FISCAL & HUMAN RESOURCES



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THE TOWN OF  
*Highland Park*  
TEXAS

**September 10, 2010**

**The Honorable William H. Seay, Jr., Mayor  
Town Council Members  
Highland Park, Texas**

**Honorable Mayor and Town Council:**

**INTRODUCTION**

The development of the proposed operating and capital budgets for the Town's fiscal year beginning October 1, 2010, is based on those qualities that give the Town of Highland Park the unique community status that it enjoys. In budgeting for results, the key goals that are the focus of all Town operations include: the delivery of exceptional services; being a safe community; promoting neighborhood vitality; fostering attractive parks and open spaces; and, protecting the health, safety and environment of our community.

The preparation of this proposed budget was significantly impacted by the current economic recession and the effect that it has, and is having, on property values, housing starts, interest earnings and court revenues. The one bright spot is that sales tax revenues have rebounded and are expected to be at a level that was initially anticipated for the 2008-2009 budget year. The budget proposes to continue the \$0.22 property tax rate.

Additionally, this budget includes the second of three years of rate increases for the purchase of treated water from Dallas County Park Cities Municipal Utility District ("District") in conjunction with the District's estimated \$33,000,000 bond issuance. The purchase rate will increase by 17.2% on October 1, 2010.

Responding to the pressure on key revenue sources in funding the budget, staff was asked to prepare departmental expenditure requests at a level no greater than the approved budget for 2009-2010 with no new programs to be considered. This effort resulted in a slight decrease in operating costs for all departments with the exception of contracted costs for the purchase of treated water and solid waste collection and disposal.

**BUDGET OVERVIEW**

The Town provides a full range of municipal services supported by statute or charter. This budget contains all of the funds that account for these services. The identity and functions of these funds are:

**General Fund** - to account for the resources and expenditures related to the generally recognized governmental services and/or functions provided by the various Town departments, including: Public Safety (Police, Fire and Emergency Medical Services), Public Works (Street, Street Lighting, Building Inspection, Service Center, and Municipal Building), Parks & Recreation and Administration (General Administrative Services, Finance, Library and Municipal Court) - a governmental fund type.

**Utility Fund** - to account for all the activities required for the provision of water and sanitary sewer (through Public Works) and sanitation collection and disposal services to the residents of the Town - a proprietary fund type.

**Capital Projects Fund** - to account for financial resources to be used for the acquisition or construction of major capital projects – a governmental fund type.

**Equipment Replacement Fund** - an internal service fund to account for funding for and acquisition of the Town's vehicles, maintenance equipment and computer equipment – a proprietary fund type.

**Storm Water Drainage Utility Fund** – to account for all the activities required for the management of storm water drainage – a governmental fund type.

**Court Technology Fund** – to account for all activities, in accordance with state statute, related to the collection and use of the Municipal Court Technology Fee imposed on convictions on cases adjudicated in the Court – a governmental fund type.

**Court Security Fund** – to account for all activities, in accordance with state statute, related to the collection and use of the Municipal Court Building Security Fee imposed on convictions on cases adjudicated in the Court – a governmental fund type.

The total proposed operating budget includes the operating funds (General, Utility and Storm Water Drainage Utility Funds), an internal service fund (Equipment Replacement Fund) and two special revenue funds (Court Technology and Court Security Funds). Much of the following discussion will center on the Town's operating funds. The proposed capital budget is the budget for the Capital Projects Fund.

The proposed operating budget totals \$23,613,990, a \$418,565 increase from 2009-2010. Of this increase, the funding of the scheduled replacement of rolling stock, equipment and computer equipment increases \$359,335. The scheduled purchase of a replacement fire truck at \$550,000 is the significant contributor to this increase.

<b>Operating Budget</b>	<b>Adopted 2008-2009</b>	<b>Adopted 2009-2010</b>	<b>Proposed 2010-2011</b>	<b>Change \$</b>	<b>Change %</b>
<b>Operating Funds</b>					
General	\$ 15,380,075	\$ 15,357,310	\$ 15,041,655	\$ (315,655)	-2.06%
Utility	8,595,300	7,066,015	7,260,415	194,400	2.75%
Storm Water Drainage	47,560	98,875	293,930	195,055	197.27%
Subtotal Operating Funds	\$ 24,022,935	\$ 22,522,200	\$ 22,596,000	\$ 73,800	0.33%
<b>Equipment Replacement Fund</b>	309,400	630,705	990,040	359,335	56.97%
<b>Special Revenue Funds</b>					
Court Technology		42,520	27,950	(14,570)	-34.27%
Court Security	-	-	-	-	-
<b>Total Operating Budget</b>	\$ 24,332,335	\$ 23,195,425	\$ 23,613,990	\$ 418,565	1.80%

The capital budget reflects the first full year of funding for the Capital Improvement Plan (“CIP”) of \$10,522,000. Additional detail regarding the specific projects funded is addressed later in this memorandum.

<b>Capital Budget</b>	<b>Adopted 2008-2009</b>	<b>Adopted 2009-2010</b>	<b>Proposed 2010-2011</b>	<b>Change \$</b>
<b>Capital Projects Fund</b>	\$ -	\$ 602,000	\$ 10,835,000	\$ 10,233,000

## **OPERATING BUDGET HIGHLIGHTS**

### **Personnel**

For the first time in over 25 years, a proposed budget does not include compensation increases for employees. The Fiscal Year 2010 Budget provided funding for all employees to receive pay increases that were consistent with the Town’s Pay for Performance plan. Along with this funding, a 1% minimum increase was allotted all employees.

The Town’s peer cities are also experiencing the economical budgetary constraints, particularly those cities which rely more heavily on sales tax revenues. We have seen the freezing of pay, furloughs and staff reduction through attrition across our region. As we move into the new budget year, it will be necessary to use the resources we have at hand to evaluate the positioning of the Town’s competitive pay structure to insure stability of the Town’s most valuable resource and to continue to be able to attract quality employees.

Total personnel costs increased \$133,840. This increase is comprised primarily of \$64,250 in additional funding for Department of Public Safety overtime and \$54,211 for a 5% increase in employee health insurance premiums.

### **Operations & Maintenance (O&M)**

As mentioned previously, staff scoured their respective departmental budgets and reduced General Fund O&M by \$253,755. This effort was in companion to a reduction in O&M for

2009-2010 of \$109,650, after the reallocation of \$112,500 from operating capital to O&M. Similar costs in the Utility Fund increased \$220,035 which includes the increase in purchased water costs of \$329,640, partially offset by a decrease of \$135,095 in the annual cost from Dallas Water Utilities for wastewater treatment.

### **Debt Service**

The legal debt limit for the Town, as is imposed by the Texas Constitution and Town Charter, is \$2.50 per \$100 assessed valuation. The Town is debt free, the result of a “pay-as-you-go” capital program since the early 1980’s.

### **EQUIPMENT REPLACEMENT FUND**

Vehicles and equipment scheduled for replacement in 2010-2011 consist of a fire truck (\$550,000); one pickup each for the Street and Sewer Departments (\$39,000), a flusher truck in the Sewer Department (\$110,000) and a front-end loader (\$105,000). Vehicles taken out of service are publicly auctioned.

### **CAPITAL BUDGET HIGHLIGHTS**

The fiscal year 2010-2011 will be the first full year of funding the Town’s recently adopted CIP. The Fiscal Year 2010 Budget was amended mid—year when the initial funding of the CIP was put into place. Proposed funding for 2010-2011 include \$80,000 for the sidewalk and alley replacement program, the annual utility infrastructure rehabilitation/replacement program (\$1,800,000), the rehabilitation of Beverly Drive (\$2,442,000) and an appropriation of \$6,200,000 toward the DPS Communications/DPS Administration/Town Hall renovation project.

### **FUNDING RESOURCES – GENERAL FUND**

#### **Property Taxes**

The Town relies predominately on property tax revenues for funding General Fund operations. Total General Fund revenues are projected at \$15,867,910. Of this amount, property taxes make up 60.9%. This compares to 62.2% in the 2009-2010 Budget.

The Town realized a 3.69% decrease in the total market value of property within its limits which resulted in a decrease of 2.98% in total taxable value.

The following chart reflects the impact of decreasing values on single family residences:

**Single Family Residence Value Comparison**

	2009	2010	Change \$	Change %
Market value	\$ 5,282,026,170	\$ 5,126,357,780	\$ (155,668,390)	-2.95%
Taxable value	4,261,375,526	4,181,107,587	(80,267,939)	-1.88%
No. of parcels	3,409	3,404	(5)	-0.15%
Avg. Market value	1,549,436	1,505,981	(43,455)	-2.80%
Avg. taxable value	1,250,037	1,228,292	(21,744)	-1.74%
Capped value loss	112,557,582	40,762,147	(71,795,435)	-63.79%
No. of capped parcels	454	143	(311)	-68.50%
New construction value	125,140,000	63,751,628	(61,388,372)	-49.06%
Over-65 exemption	50,000	50,000	-	0.00%
No. of over-65 parcels	916	931	15	1.64%
Total over-65 exemption	45,509,500	46,185,500	676,000	1.49%

The tax rate for the Town has been \$0.22/\$100 valuation for fiscal years ending 2008, 2009 and 2010. Due to the decline in values, the calculated effective tax rate for 2010 is \$0.230794. The revenues that would be generated with the current \$0.22 tax rate would be \$304,125 less revenues than were levied during the Fiscal Year 2010. The ability to retain the same \$0.22 tax rate is possible through expenditure reductions (deferred pay increases and O&M) along with the resurgence in sales tax revenues along with the allocation of existing cash.

**Average Homestead Residence**

Tax Year	2007	2008	2009	2010
Market value	\$ 1,554,264	\$ 1,628,919	\$ 1,617,755	\$ 1,576,407
Taxable value	1,189,226	1,263,280	1,308,687	1,274,436
Tax rate - \$0.22	\$ 2,616.30	\$ 2,779.22	\$ 2,879.11	\$ 2,803.76
Dollar change from prior year	\$ -	\$ 162.92	\$ 99.90	\$ (75.35)
Percentage change from prior year	-	6.23%	3.59%	-2.62%

**Sales Tax Revenues**

Sales tax revenues have rebounded and are projected to attain the level that was budgeted for the 2009 fiscal year (\$2,325,000). This projected level is supported by the current year’s receipt trend.

**Swimming Pool Use Fees**

This proposed budget includes a second year of funding for labor costs associated with extended hours for the pool (\$10,500) and special programs throughout the pool season (\$5,000). These costs were added to the Fiscal Year 2010 Budget mid-year and the programs are being continued. Included in the budget is an overall 20% increase in the seasonal pool use fees to recover these additional costs. The seasonal fee increases from \$50 to \$60 for each of the first four family members and from \$25 to \$30 for each additional family member.

## Operating Surplus

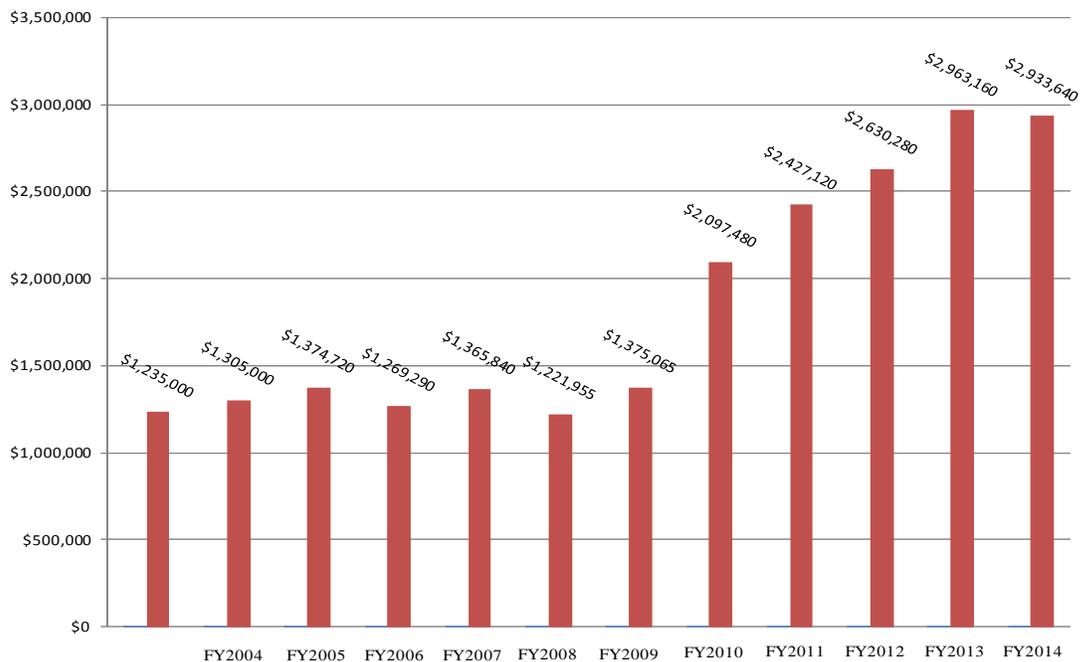
The proposed budget for the General Fund will require the use of \$132,000 of the projected operating surplus from Fiscal Year 2010. Though this decision is contrary to normal budgetary principles and the recommendation of staff, it serves as a one-time option for providing the funding necessary to maintain the desired service levels and the Town's investment in infrastructure. This decision will require staff will be exceptionally diligent in the review and analysis of revenue trends during fiscal year 2011 and their impact on the ability to support desired service levels for fiscal year 2011 and beyond..

## FUNDING SOURCES – UTILITY FUND

### Utility Service Rates

Discussion regarding the Town's retail water rate must include the rate increases that the Town is absorbing from the District. As mentioned earlier, the District's pending bond issuance has materially impacted the Town's cost of water as the debt service rolls into the District's rate base. The following graph depicts the Town's historical budget levels for water purchases with FY2010 reflecting the first year of the District's proposed rate hikes. A 17.2% increase in the rate is effective for FY2011. The values shown for FY2012, FY2013 and FY2014 are based upon projected rate increases by the District.

**Budgeted Annual Treated Water Purchases**



The retail volume rate for water for Fiscal Year 2010 is \$3.45/1,000 gallons. This rate was based upon an estimated resale of 93% of 1,200,000,000 gallons of water purchased. The Town uses a rolling five and ten-year average for estimating the volume of water to be purchased each year for budget and rate setting purposes. For Fiscal Year 2011, the average of the five and ten-year rolling averages dropped from the previous 1,200,000,000 gallons to 1,185,000,000 gallons. Using these factors, and a resale percentage of 93.8%, a retail volume rate of \$3.84/1,000 gallons is necessary to provide funding for the cost of providing water services. The base rate of \$10.00 remains unchanged.

The sanitary sewer rate is currently sufficient to cover the cost of providing sanitary sewer services.

In order to recover the cost of providing garbage collection and disposal costs, the rate structure requires a 2.98% increase (\$39,460). There are three components impacting the need to adjust the customer billing rate, all of which are elementary to the intent of setting garbage collection rates at levels to pay for the high level of services provided. The first component provides for an annual funding of a perpetual replacement program for poly carts (\$27,635). The second component is the recovery of costs incurred in management of the poly cart program (\$11,745). The third component of the rate adjustment provides for the increase in the street rental fee (from 4% to 5%) in support of funding the CIP approved by Council earlier this year.

The proposed rate for residential alley service will increase from \$20.83 to \$21.45 per month. Packout service will increase from \$41.33 to \$42.47. These increases allow for the initiation of the recovery of the costs for the initial purchase of the poly carts in preparation for future replacement. There is no increase for recycling services.

**Utility Rate Changes for Single Family Residence (Monthly)**

	<b>Existing Rate Structure</b>	<b>Proposed Rate Structure</b>	<b>Change \$</b>	<b>Change %</b>
Residential water - 12,000 gallons/month	\$ 51.40	\$ 56.08	\$ 4.68	9.11%
Irrigation - 24,000 gallons/month	99.01	109.07	10.06	10.16%
Sanitary sewer	63.64	63.64	0.00	0.00%
Garbage collection - alley collection	20.83	21.45	0.62	2.98%
Recycling	2.62	2.62	0.00	0.00%
<b>Total</b>	<b>\$ 237.50</b>	<b>\$ 252.86</b>	<b>\$ 15.36</b>	<b>6.47%</b>

**CONCLUSION**

I wish to thank each and every staff member for their conscientious and diligent work in the preparation of this proposed budget for Fiscal Year 2011. Much thought and concern for the safety, health and well-being of the citizens of Highland Park is exemplified by the results of their work.

Subsequent to the review of this proposed Fiscal Year 2011 Budget on August 25, 2010, the pertinent ordinances for its adoption and the setting of the tax rate, revised water volume rates

and garbage collection and disposal rates will be prepared. The Fiscal Year 2011 Budget will be presented for adoption at the Town Council's September 13, 2010 meeting.



Bill Lindley  
Town Administrator



Bill Pollock  
Director of Fiscal & Human Resources

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## BUDGET CALENDAR

March – May.....	Development of Pay Plan & Personnel Costs <ul style="list-style-type: none"> <li>• Conduct market salary survey</li> <li>• Benefits costs: <ul style="list-style-type: none"> <li>TMRS contribution rates</li> <li>Health insurance bid results</li> </ul> </li> </ul>
May - July .....	Review of weekly Estimate of (Property) Values Report (EVR) as prepared by DCAD Determination of revenue assumptions and estimates (e.g. – property tax levy revenue neutral)
May 24 .....	Public Hearing for Citizen Input on Fiscal Year 2011 Budget Needs Review of Estimate of Values Report (Property Tax)
June 1 .....	Submission of Operational Capital Requests Submission of Program Requests
June 14 .....	Submission of Departmental Line-item Operations & Maintenance Budget Requests
July 7.....	Proposed Fiscal Year 2011 General Fund Budget distributed to Town Council
July 12.....	Town Council budget work session
July 21 .....	Receive Certified Tax Roll from Dallas Central Appraisal District
August 5.....	Publication of Effective Tax Rate
August 9 .....	Town Council budget discussion
August 10.....	Town Council budget discussion
August 25 .....	Town Council budget discussion
August 27 .....	Budget Submitted to Town Secretary
September 13 .....	Town Council conducts Public Hearing and considers for approval: <ul style="list-style-type: none"> <li>• Adoption of Fiscal Year 2011 Operating Budget</li> <li>• Adoption of Tax Rate</li> <li>• Adoption of Water Service Rates</li> <li>• Adoption of Sanitation Service Rates</li> </ul>



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Town of Highland Park  
Texas**

For the Fiscal Year Beginning

**October 1, 2009**

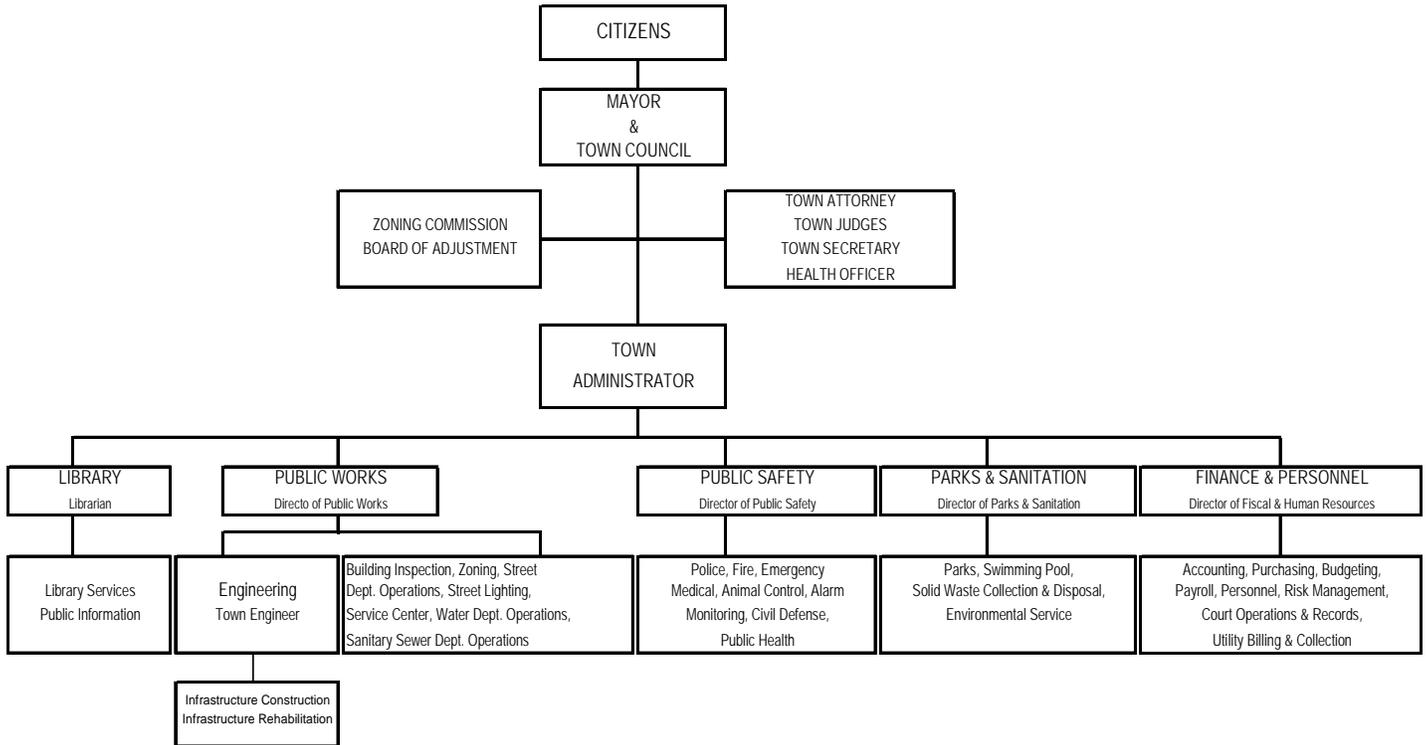
President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to the Town of Highland Park for its annual budget for the fiscal year beginning October 1, 2009. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

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

## TOWN OF HIGHLAND PARK ORGANIZATION CHART BY MANAGEMENT STRUCTURE



### DEPARTMENTAL ORGANIZATION CHART

<u>Function</u>	<u>Department Head</u>	<u>Department</u>
Library	Librarian	Library
Public Works & Engineering	Director of Public Works/ Town Secretary	Street Street Lighting Building Inspection Service Center Water Sanitary Sewer Engineering
Public Safety	Engineer	Public Safety
Finance & Personnel	Director of Public Safety	Public Safety
	Director of Fiscal & Human Resources	Finance Municipal Court Administrative – Utility Fund
Parks & Sanitation	Director of Parks & Sanitation	Parks Swimming Pool Sanitation

**CHARTER OF THE TOWN OF HIGHLAND PARK, TEXAS****9.05 Annual Budget**

**A. Preparation of Budget:** The Department Heads of the Town shall prepare annual departmental budget requests for the ensuing fiscal year as directed by the Town Administrator who shall submit an annual budget not later than thirty (30) days prior to the end of the current fiscal year to the Council for its review, consideration and revision if desired. The Council shall call a public hearing or hearings on the budget. The Council may adopt the budget with or without amendment. In amending the budget, it may add or increase program or amounts and may delete or decrease any program or amounts, except expenditures required by law or for the debt service or for estimated cash deficit, provided that no amendment to the budget shall increase the authorized expenditures to an amount greater than the estimated income plus funds available from prior years.

**B. Adoption:** The budget as adopted must set forth the appropriations for services, functions and activities of the various Town departments and agencies, and shall meet all fund requirements provided by law and required by bond covenants.

**C. Failure to Adopt:** If the Council fails to adopt the budget by the 15<sup>th</sup> day of September, the amounts appropriated for the current fiscal year shall be deemed adopted for the ensuing fiscal year on a month to month basis with all items in it prorated accordingly until such time as the Council adopts a budget for the ensuing fiscal year. The levy of property tax will be set to budget for the ensuing fiscal year budget is approved by September 15<sup>th</sup> of the current year.

**9.06 Public Record:** Copies of the budget as adopted shall be public records and shall be made available to the public upon request.

**9.07 Appropriations:** During the fiscal year, the Council shall have the power to transfer funds allocated by the budget to one activity, function or department, and to re-estimate revenues and expenditures.

**9.08 Emergency Appropriations:** At any time in the fiscal year, the Council may make emergency appropriations to meet a pressing need for public expenditures in order to protect the public health, safety or welfare.

**9.14 Administration of Budget:** Payments and obligations prohibited: No payment shall be made or obligation incurred against any allotment or appropriation except in accordance with appropriations duly made unless the Town Administrator or his designee first certifies that there is a sufficient unencumbered balance in such allotment or appropriations and that sufficient funds there from are or will be available to cover the claim or meet the obligation when it comes due and payable.

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**BUDGET RELATED SECTIONS OF THE TOWN'S FINANCIAL MANAGEMENT POLICY  
AMENDED BY THE TOWN COUNCIL APRIL, 2006**

**III. OPERATING BUDGET**

**A. PREPARATION** - Budgeting is an essential element of the financial planning, control, and evaluation process of municipal government. The Town's annual operating budget, hereinafter called Budget, is the Town's annual financial operating plan. It is comprised of governmental, capital projects, proprietary, and internal service. Budgets for the General Fund and Capital Projects Funds are prepared on the modified accrual basis of accounting. The budgets for the Utility (Proprietary) Fund and Internal Service Funds are prepared on a basis consistent with GAAP, except that capital purchases and depreciation are not considered until year-end when adjustments are made for financial reporting purposes.

1. Proposed Budget - A proposed budget shall be prepared by the Administrator and the Director with the participation of all of the Town's Department Directors, covering the expenditures of the Town in accordance with the provisions of the Town Charter.

The budget shall include four (4) basic segments for review and evaluation. These segments are: 1) personnel costs, 2) operations and maintenance costs, 3) capital and (non-capital) project maintenance costs, and 4) revenues. Other project costs include any project that is defined as maintenance in nature but bears a distinguishable impact on the Town's work program for that year. Many of these projects address identified maintenance needs to the Town's infrastructure.

The budget review process shall include Council participation in the development of each of the four (4) segments of the proposed budget and a called Public Hearing to allow for citizen participation in the budget preparation.

The budget process shall span sufficient time to allow for ample time to address policy and fiscal issues by the Council and shall include a designated time and place for soliciting citizen input.

A copy of the proposed budget shall be filed with the Town Secretary not less than thirty (30) days prior to the end of the fiscal year in accordance with the provisions of the Town Charter.

2. Adoption - Upon the presentation of a proposed budget document acceptable to the Council, the Council shall call and publicize a public hearing and adopt, by Ordinance, said budget as the Town's Official Budget effective for the fiscal year beginning October 1st.
3. Amending the Official Budget - Amendments to the Official Budget shall be made at regularly scheduled Council meetings with a notice of the proposed amendment posted and publicized at least three (3) days prior to the meeting.

The Official Budget shall be submitted to the GFOA annually for evaluation and consideration for the Award for Distinguished Budget Presentation.

- B. **BALANCED BUDGET** - It is desirable that the budget provide sufficient current revenues to fund that year's budgeted non-capital expenditures/expenses. Regardless of this objective, the budget shall be balanced with sources of working capital (revenues, cash surplus) equal to or greater than uses of working capital (expenditures/ expenses, capital outlays).
- C. **BUDGET MANAGEMENT & PERFORMANCE** - The Director shall prepare and distribute monthly financial reports to enable the Department Directors to better manage their department budgets and to enable the Director to monitor and control the budget as authorized by the Administrator. Written summaries of the monthly financial reports shall be presented to the Council in accordance with Section II, Paragraph F, of this policy statement. Such reports shall be in a form which will enable the Council to be fully informed of the overall budget performance of the Town.
- D. **PERFORMANCE MEASURES AND PRODUCTIVITY INDICATORS** Where appropriate, performance measures and productivity indicators shall be included in the annual budget. This information shall also be reported by the Administrator to the Council on a quarterly basis.

#### IV. REVENUE MANAGEMENT

- A. **SIMPLICITY** - The Town, where possible and without sacrificing accuracy, shall strive to keep the Town's revenue system uncomplicated so as to reduce compliance costs for the taxpayer or service recipient and a corresponding decrease in the Town's costs of collection.  
  
The criteria shall always be that the benefits of a revenue collected exceed the cost of producing that revenue.
- B. **CERTAINTY** - An understanding of the revenue source increases the reliability of the Town's revenue system. The Director shall make every effort to determine its revenue sources and enact consistent collection policies in order that the revenues will occur to support the budget.
- C. **EQUITY** - The Town shall make every effort to maintain equity in its revenue system structure; i.e., the Town shall endeavor, wherever possible, to minimize or eliminate all forms of subsidization between entities, funds, services, utilities and the Town's customers.
- D. **REVENUE ADEQUACY** - The Town shall require that there be a balance in the its revenue system; i.e., the revenue base shall be fair as it applies to cost of service and ability to pay.
- E. **DIVERSIFICATION AND STABILITY** - Wherever possible, the Town shall make every effort to maintain a diversified revenue system which provides a stable source of income to the Town which will protect it against fluctuations in the economy and variations in weather (related to the sale of treated water and sanitary sewer services).
- F. **NON-RECURRING REVENUES** - It is desirable that non-recurring revenues not be used to finance the Town's current operations. Non-recurring Town revenues should be used only for one-time Town expenditures such as long-lived capital needs and not for budget balancing purposes.

- G. PROPERTY TAX REVENUES** - All real and business personal property located within the Town shall be valued at 100% of the fair market value for any given year based on the current appraisal supplied to the Town by the Dallas Central Appraisal District. A 99% collection rate shall serve each year as a goal for tax collections. The Town Council shall determine whether the Town collects its levied property taxes or contract with another governmental agency for same. The Town Council shall further decide upon a property tax attorney or firm for the collection of delinquent property taxes in accordance with the Texas Property Tax Code, as amended.
- H. USER-BASED FEE** - As a part of the Town's budget process, the Council shall review and adopt, where possible, service fees sufficient to offset the cost of services rendered by the Town. User charges shall be classified by the Council as "Full Cost Recovery" and "Partial Cost Recovery".
- I. UTILITY RATES** - As a part of the Town's budget process, the Council shall review and adopt utility service rates annually that, where possible, will generate revenues to fully cover the Town's operating expenses and to provide the Town with an adequate level of working capital.

The Town's Utility (Proprietary) Fund, as set forth in the Town's budget, shall directly bear the applicable costs of the Town's general administration, municipal building office space and related costs plus the Town's Service Center operation based upon the following formula:

1. General Administrative Costs -
  - a. Personnel Expense (Salary & Benefits) -
    - Town Administrator - fifty percent (50%)
    - Director of Public Works - eighty percent (80%)
    - Town Attorney - forty percent (40%)
    - Administrative Secretary - fifty percent (50%)
  - b. Operational Expense -
    - One-half (1/2) of the annual general operating and capital expenses incurred by the Town as an entity.
2. Municipal Building Occupation
  - A percentage of the annual cost of maintaining Town Hall based upon the space within Town Hall occupied by Administrative, Customer Service and Sanitation personnel.
3. Service Center Operations
  - A percentage of the Town's Service Center operations cost based on annual cost studies as performed by the Finance Department.

All other direct expense associated with the provision of utility services by the Town shall be expensed directly to the appropriate Department reported within the Utility Fund.

In addition to the aforesaid, the Town's Utility Fund shall pay to the Town's General Fund an annual fee equal to four percent (4%) of its gross utility sales to cover indirect costs incurred and accounted for on behalf of the Utility Fund by the Town's General Fund and reimburse the General Fund an amount equal to thirty percent (30%) of incurred costs charges to the Finance Department.

**J. INTEREST INCOME** - The Director shall ensure, at all times, that the interest earned from the investment of Town money shall be distributed to the appropriate fund in accordance to the equity balance of the particular fund from which the money was provided for investment.

**K. REVENUE MONITORING** - All revenues actually received by the Town shall be regularly compared to budgeted revenues by the Director and where variances exist, these shall be audited by the Director. The results of such audits shall be summarized by the Director in the monthly financial report provided to the Council.

**V. EXPENDITURE/EXPENSE CONTROL**

**A. APPROPRIATIONS** - The Town's budget shall be a line-item budget. Overall budgetary control shall be the responsibility of the Administrator with each respective Department Director being responsible for the administration of his or her departmental budget.

**B. AMENDMENTS TO THE BUDGET** - In accordance with Town Charter, all budget amendments shall be approved by the Council.

**C. CENTRAL CONTROL** - No recognized salary or capital budgetary savings in any Department shall be spent by the Department Director without the prior authorization of the Administrator.

**VII. FINANCIAL CONDITION AND RESERVES**

**A. NO OPERATING DEFICITS** - It is desirable that the Town's current expenditures/expenses be paid with current revenues of the Town. Deferrals, short- term loans or use of one-time sources should be avoided as budget balancing techniques. The Town's cash reserves should be used only for emergencies or for the payment of non-recurring expenditures as approved by the

Council, except when balances can be reduced due to their levels exceeding guideline minimums as stated in Section VII, Paragraph B., hereof.

**B. OPERATING RESERVES** -

1. General Fund – Unreserved Undesignated Fund Balance shall be maintained by the Director at a level not less than twenty-two percent (22%) current year's non-capital budget.

At the close of each fiscal year, any operating surplus (revenues less expenditures less encumbrances) shall be transferred, by Council action, from the General Fund to the Capital Projects Fund.

Budgeted transfers of money from the Utility Fund into the General Fund equal to four percent (4%) of gross utility sales (Section IV-I) shall be reserved for use in paving the Town's streets.

2. Utility Fund – Unrestricted Net Assets, shall be maintained by the Director at a level not less than twenty-five percent (25%) of current year's non-capital budget.

**IX. DEBT MANAGEMENT**

- A. LONG-TERM DEBT** - Long-term debt shall not be used for operating purposes and the life of any Town issued debt shall not exceed the useful life of the asset or project financed with same.
- B. FINANCING ALTERNATIVES** - The Director shall be responsible for the evaluation, from time to time, of all financing alternatives permitted by State law in addition to long-term debt including leasing, current revenues and available reserves.

ORDINANCE NO. - 1803

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS, ADOPTING A BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2010, AND ENDING SEPTEMBER 30, 2011, AND AUTHORIZING EXPENDITURES AS SET OUT IN SAID BUDGET.

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS (“TOWN”):

That, the Town Administrator, as budget officer, has caused to be prepared a proposed budget totaling \$26,900,500.00, and covering the expenditures and inter-fund transfers of the Town of Highland Park, Texas, for the fiscal year beginning October 1, 2010, and ending September 30, 2011, in accordance with the provisions of the Town Charter, Section 4.02 (d) and Section 9.05;

That, a copy of said proposed budget was filed in the office of the Town Secretary on August 27, 2010, and more than thirty (30) days prior to the end of the fiscal year 2010, in accordance with the provision of Section 4.02 (d), (4) and Section 9.05 of the Town Charter, and not less than thirty (30) days prior to October 1, 2010, in accordance with Section 102.005 of the Local Government Code, Texas Codes Annotated;

That, notice of a public hearing on the proposed budget on September 13, 2010, was duly advertised by the Town Secretary, in accordance with Section 102.006 of the Local Government Code, Texas Codes Annotated; and

That, the official budget, including amendments, was approved by the Town Council of the Town of Highland Park, Texas, on September 13, 2010, in a public hearing and a copy of said official budget is made a part hereof by reference as though copied fully herein.

PASSED AND APPROVED by the Town Council of the Town of Highland Park, Texas on this 13th day of September, 2010.

APPROVED AS TO FORM:

APPROVED:

Albert D. Hammack  
Town Attorney

William H. Seay, Jr.  
Mayor

ATTEST:

Gayle Kirby  
Town Secretary

## ORDINANCE NO. - 1804

AN ORDINANCE OF THE TOWN OF HIGHLAND PARK, TEXAS, LEVYING THE AD VALOREM TAXES FOR THE TAX YEAR 2010 ON ALL PROPERTY SITUATED IN THE TOWN OF HIGHLAND PARK, TEXAS.

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS:

That for the tax year 2010, there is hereby levied an ad valorem tax of \$0.22 on each \$100.00 of assessed valuation of all taxable property, real, personal or mixed, located in the Town of Highland Park on the 1st day of January 2010, and not exempted from taxation by the constitution and laws of the State of Texas;

That said tax shall be for the purpose of defraying current expense of the municipal government of the Town of Highland Park, Texas, for the fiscal year 2011;

That said tax shall be due and payable October 1, 2010;

That all constitutional provisions and laws of the State of Texas that pertain to delinquencies and collection procedures are applicable to this 2010 levy.

PASSED AND APPROVED by the Town Council of the Town of Highland Park, Texas, on this 13th day of September 2010.

APPROVED AS TO FORM:

APPROVED:

Albert D. Hammack  
Town Attorney

William H. Seay, Jr.  
Mayor

ATTEST:

Gayle Kirby  
Town Secretary



**COMBINED BUDGET SUMMARY  
FOR ALL FUNDS SUBJECT TO APPROPRIATION**

	<b>ACTUAL 2008-2009</b>	<b>BUDGET 2009-2010</b>	<b>PROJECTED 2009-2010</b>	<b>BUDGET 2010-2011</b>
<b>BEGINNING FUND BALANCES</b>	<b>\$ 18,411,405</b>	<b>\$ 22,279,735</b>	<b>\$ 22,279,735</b>	<b>\$ 20,488,440</b>
<b>REVENUES:</b>				
Property Taxes	\$ 9,489,356	\$ 9,973,110	\$ 9,888,485	\$ 9,688,985
Water Sales	4,454,732	4,912,500	4,258,100	5,363,295
Sewer Charges	2,766,697	2,864,160	2,595,800	2,740,475
Sales Taxes	2,329,480	2,069,250	2,315,000	2,325,000
Sanitation/Recycling Charges	1,221,635	1,223,690	1,220,935	1,263,150
Franchise Fees	1,030,631	980,000	960,685	990,000
Building Inspection Fees/Permits	988,221	939,800	934,500	837,800
Municipal Court Fines/Fees	662,570	738,500	683,890	686,500
Interest Earnings	448,322	416,700	266,060	224,800
Other Charges for Service	1,753,214	1,918,175	1,556,575	1,553,590
All Other	1,951,201	673,450	733,525	1,699,625
<b>TOTAL REVENUES</b>	<b>\$ 27,096,059</b>	<b>\$ 26,709,335</b>	<b>\$ 25,413,555</b>	<b>\$ 27,373,220</b>
<b>EXPENDITURES:</b>				
Personnel Services:				
Payroll	\$ 9,789,847	\$ 10,492,185	\$ 10,419,485	\$ 10,566,135
Employee Benefits	3,535,592	3,580,585	3,503,070	3,640,475
Total Personnel	\$ 13,325,439	\$ 14,072,770	\$ 13,922,555	\$ 14,206,610
Supplies & Equipment	\$ 2,413,197	\$ 3,368,675	\$ 2,967,830	\$ 3,608,800
Services & Charges	5,398,309	5,777,505	4,687,435	4,452,740
Capital Outlay	2,090,784	3,432,775	5,627,030	12,180,840
<b>TOTAL EXPENDITURES</b>	<b>\$ 23,227,729</b>	<b>\$ 26,651,725</b>	<b>\$ 27,204,850</b>	<b>\$ 34,448,990</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 22,279,735</b>	<b>\$ 22,337,345</b>	<b>\$ 20,488,440</b>	<b>\$ 13,412,670</b>

**COMBINED SUMMARY OF REVENUES AND EXPENDITURES AND CHANGES IN FUND BALANCE  
ALL FUNDS SUBJECT TO APPROPRIATION**

	General	Utility	Equipment Replacement	Storm Water Drainage	Court Technology	Court Security	Capital Projects	2010-2011	Total 2009-2010
<b>BEGINNING FUND BALANCE</b>	\$ 3,994,970	\$ 4,162,448	\$ 2,531,579	\$ 384,585	\$ 35,763	\$ 144,977	\$ 9,356,501	\$ 20,610,823	\$ 18,385,011
<b>REVENUES:</b>									
Property Taxes	\$ 9,688,985	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,688,985	\$ 9,973,110
Water Sales	-	5,291,695	-	-	-	-	-	5,291,695	4,912,500
Sewer Charges	-	2,740,475	-	-	-	-	-	2,740,475	2,864,160
Sales Taxes	2,325,000	-	-	-	-	-	-	2,325,000	2,069,250
Sanitation/Recycling Charges	-	1,263,150	-	-	-	-	-	1,263,150	1,223,690
Franchise Fees	990,000	-	-	-	-	-	-	990,000	980,000
Building Inspection Fees/Permits	803,800	34,000	-	-	-	-	-	837,800	939,800
Municipal Court Fines/Fees	643,000	-	-	-	-	-	90,000	643,000	694,000
Interest Earnings	60,100	50,000	20,000	3,500	300	1,000	224,900	367,500	
All Other	1,357,025	179,600	606,590	181,500	25,000	18,500	1,000,000	3,368,215	2,278,175
<b>TOTAL REVENUES</b>	\$ 15,867,910	\$ 9,558,920	\$ 626,590	\$ 185,000	\$ 25,300	\$ 19,500	\$ 1,090,000	\$ 27,373,220	\$ 26,302,185
Transfers from Other Funds	31,745	-	-	-	-	-	3,254,765	3,286,510	1,010,000
<b>TOTAL AVAILABLE RESOURCES</b>	\$ 19,894,625	\$ 13,721,368	\$ 3,158,169	\$ 569,585	\$ 61,063	\$ 164,477	\$ 13,701,266	\$ 51,270,553	\$ 45,697,196
<b>EXPENDITURES:</b>									
Personnel Services:									
Payroll	\$ 8,936,005	\$ 1,596,690	\$ -	\$ 33,440	\$ -	\$ -	\$ -	\$ 10,566,135	\$ 10,492,185
Employee Benefits	3,077,130	560,630	-	12,715	-	-	-	3,640,475	3,680,585
Total Personnel	\$ 12,013,135	\$ 2,147,320	\$ -	\$ 46,155	\$ -	\$ -	\$ -	\$ 14,206,610	\$ 14,072,770
Supplies & Equipment	\$ 965,240	\$ 2,630,610	\$ -	\$ 10,000	\$ 2,950	\$ -	\$ -	\$ 3,608,800	\$ 3,368,675
Services & Charges	1,876,440	2,482,485	6,040	62,775	25,000	-	-	4,452,740	4,723,205
Capital Outlay	186,840	-	984,000	175,000	-	-	10,835,000	12,180,840	1,632,775
<b>TOTAL EXPENDITURES</b>	\$ 15,041,655	\$ 7,260,415	\$ 990,040	\$ 293,930	\$ 27,950	\$ -	\$ 10,835,000	\$ 34,448,990	\$ 23,797,425
Transfers to Other Funds	990,000	2,276,510	-	-	-	20,000	-	3,266,510	3,167,150
<b>ENDING FUND BALANCE</b>	\$ 3,862,970	\$ 4,184,443	\$ 2,168,129	\$ 275,655	\$ 33,113	\$ 144,477	\$ 2,866,266	\$ 13,535,053	\$ 18,732,621
<b>FUND BALANCE MINIMUM</b>	\$ 3,268,059	\$ 1,815,104	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000	\$ 7,083,163	\$ 5,148,181
<b>FUND BALANCE SURPLUS</b>	\$ 594,911	\$ 2,369,339	\$ 2,168,129	\$ 275,655	\$ 33,113	\$ 144,477	\$ 866,266	\$ 6,451,890	\$ 13,584,440

**2010 TAX RATE FOR HIGHLAND PARK  
COMPARED TO TAX RATES FOR OTHER AREA CITIES  
(PER \$100)**

Dallas .....	\$0.79700
Garland.....	0.70460
Carrollton .....	0.617875
Mesquite.....	0.64000
Richardson .....	0.63516
Irving.....	0.57610
Addison.....	0.53000
Farmers Branch.....	0.52950
University Park .....	0.27845
<b>Highland Park.....</b>	<b>0.22000</b>

**AD VALOREM TAX ANALYSIS**

**2010 TAX ROLL**

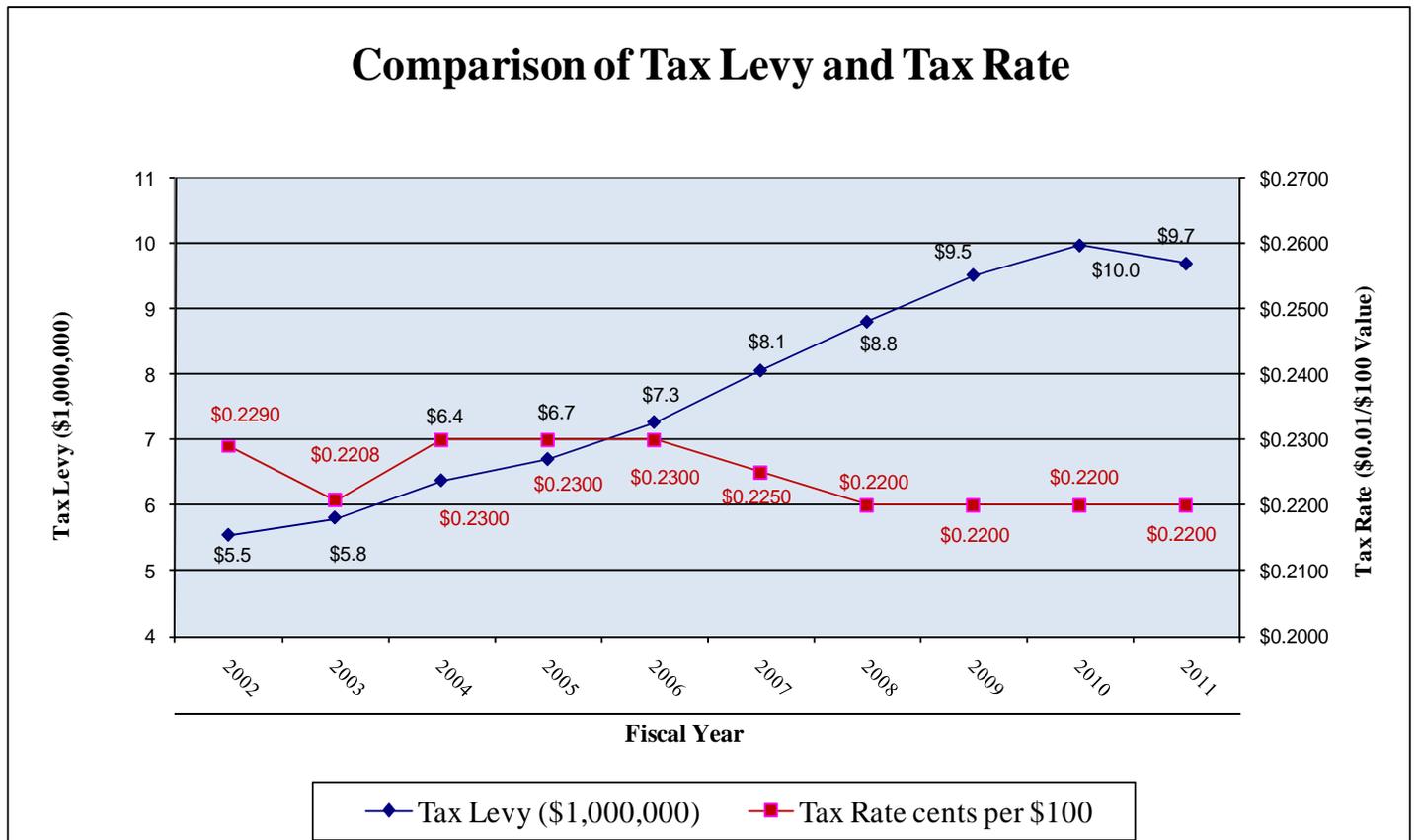
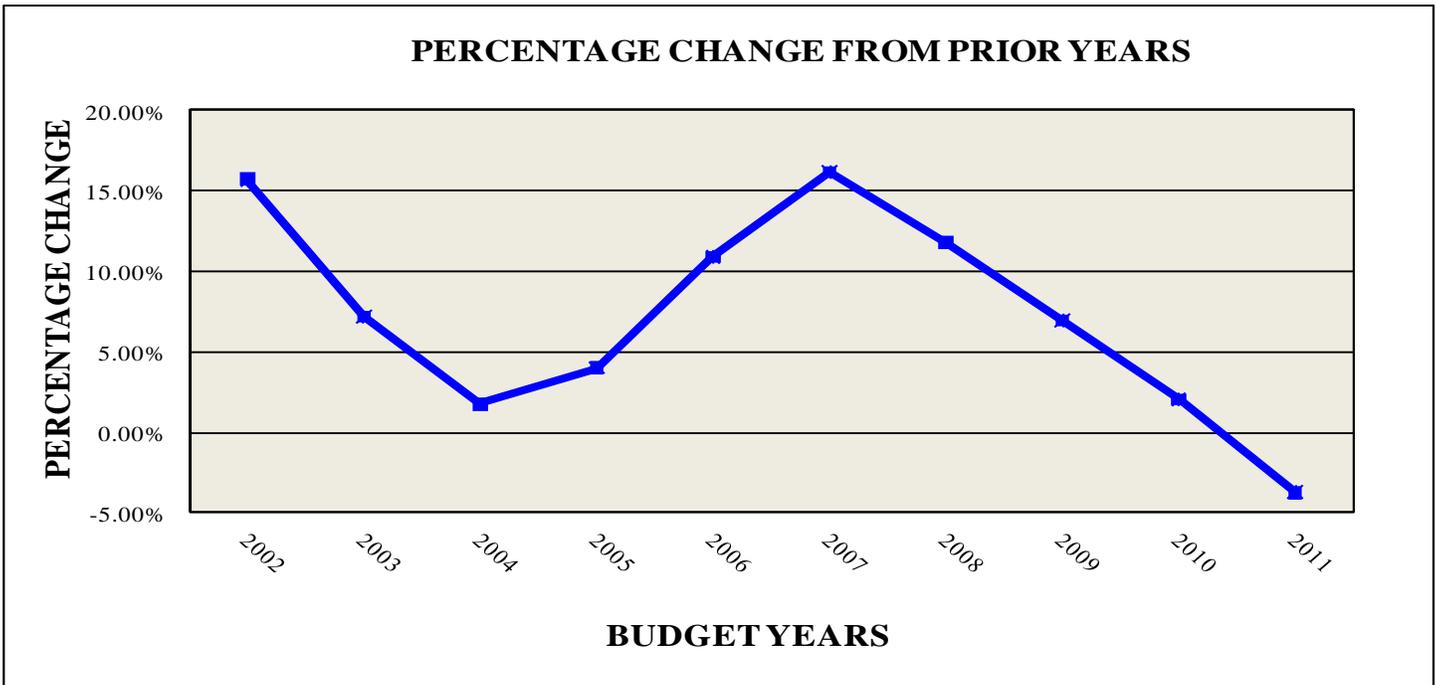
Assessed Valuation (100%)	\$5,519,126,540
Taxable Valuation*	\$4,437,430,774
Rate Per \$100	\$0.2200
Total Tax Levy	\$9,762,348
Percent of Collection	99.0
<b>Estimated Current Tax Collections</b>	<b>\$9,663,985</b>

\*Certified Appraisal Roll Plus Disputed Values

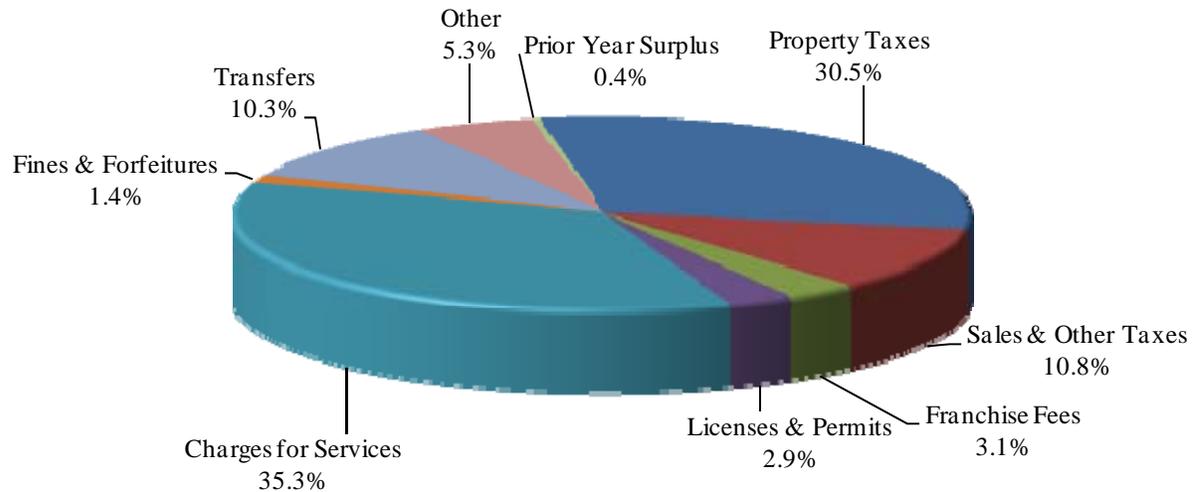
**SUMMARY OF PROJECTED  
2008 TAX COLLECTIONS**

Current Taxes	\$ 9,663,985
Delinquent Taxes	<u>25,000</u>
<b>Total Tax Collections</b>	<b>\$ 9,688,985</b>
Penalty & Interest on Taxes	<u>60,000</u>
<b>Total Tax Related Collections</b>	<b>\$ 9,748,985</b>

## ASSESSED PROPERTY VALUES INCREASED/DECREASE BY BUDGET YEAR



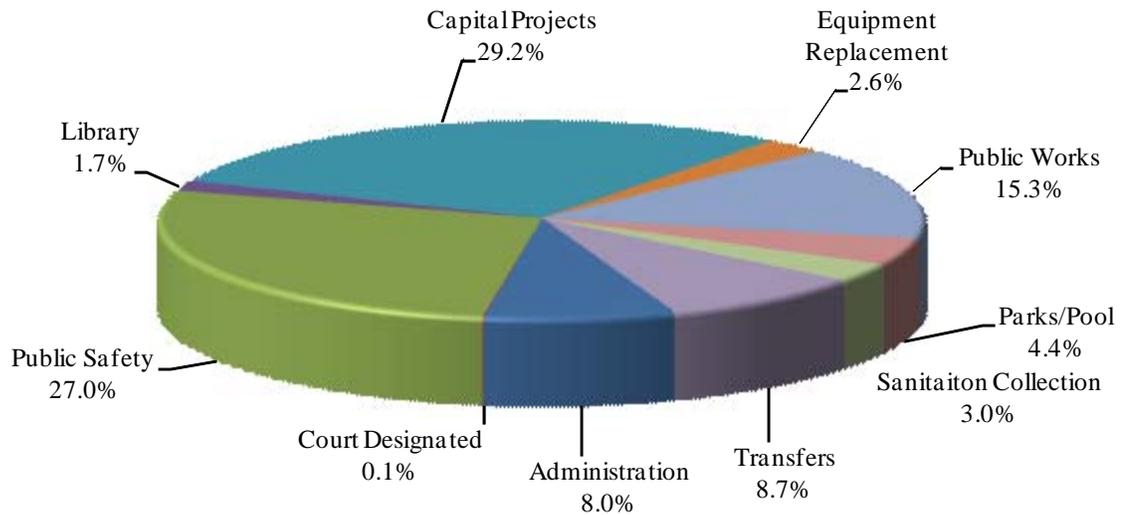
## PROJECTED RESOURCES Fiscal Year 2011



## ALL FUNDS

Property Taxes	\$9,688,985
Sales and Other Taxes	2,425,000
Franchise Fees	990,000
Licenses and Permits	915,325
Charges for Services	11,223,510
Fines and Forfeitures	446,000
Transfers	3,286,510
Other	1,684,400
Prior Year Surplus	132,000
<b>Total</b>	<b>\$30,791,730</b>

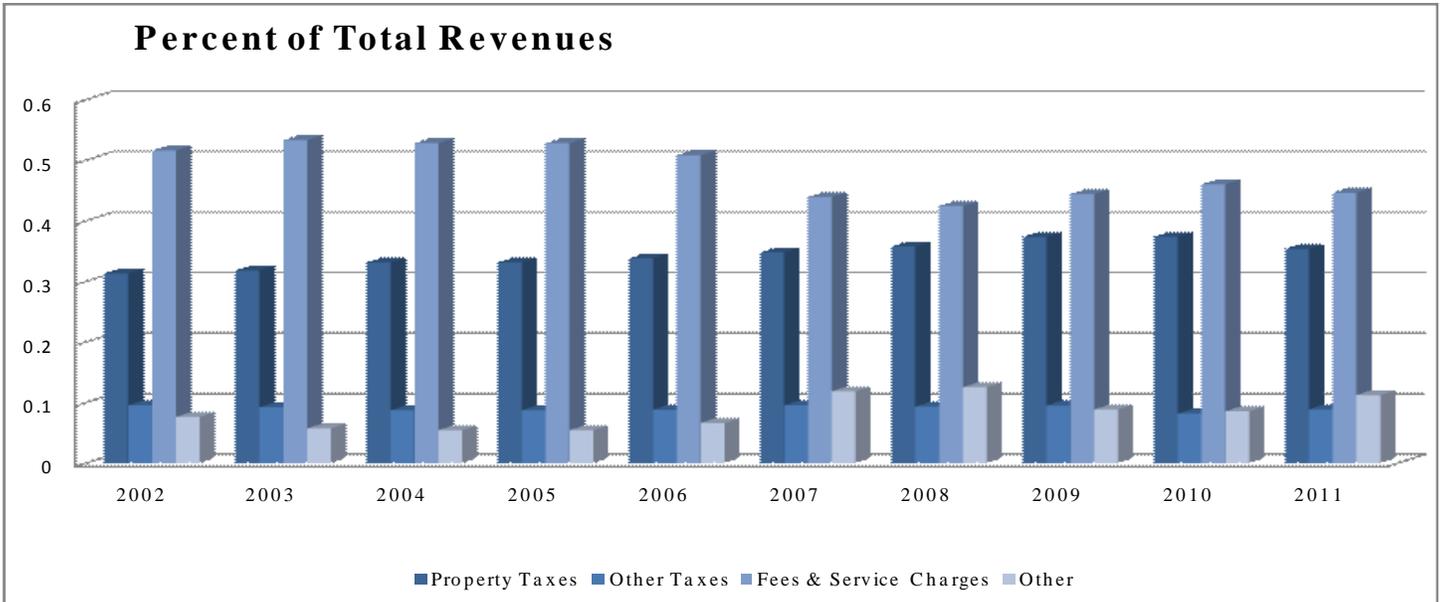
## BUDGETED DISBURSEMENTS Fiscal Year 2011



### BY FUNCTION

Administration	\$3,002,946
Public Safety	10,194,455
Public Works	5,782,105
Parks/Pool	1,658,640
Sanitation Collection	1,141,205
Equipment Replacement	990,040
Library	641,650
Capital Projects	11,010,000
Designated Court Funds	27,950
Transfers	3,286,510
<b>Total</b>	<b>\$37,735,500</b>

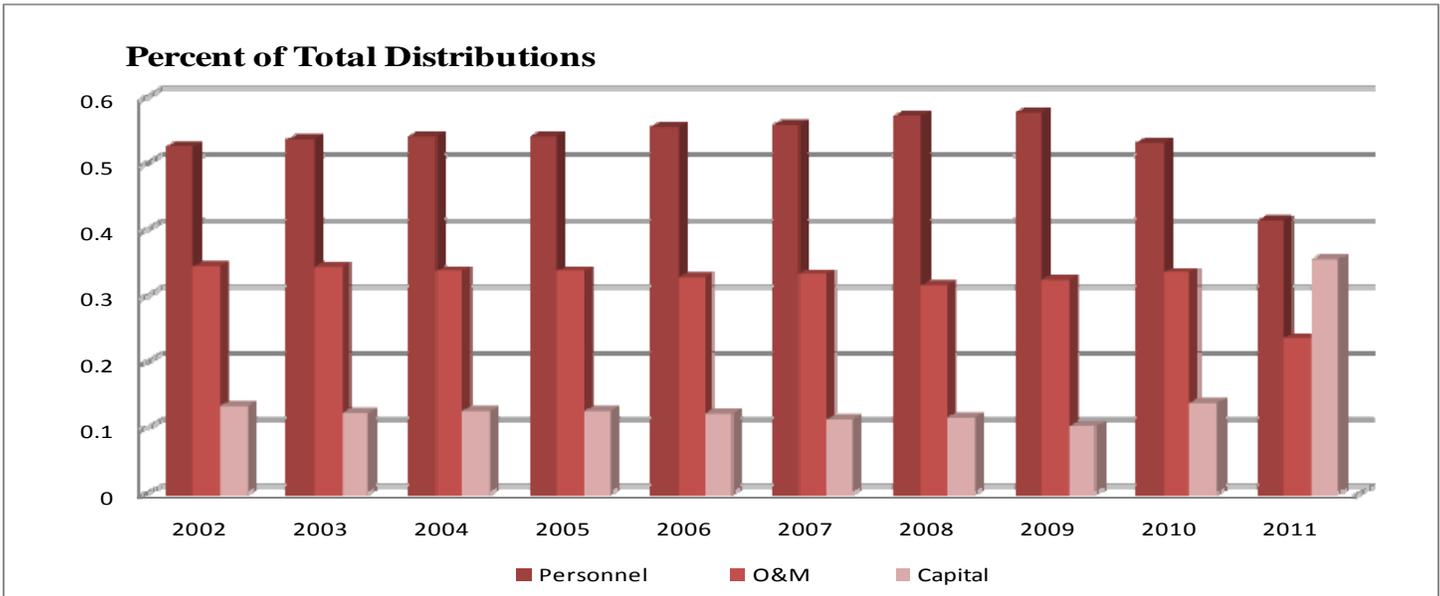
**REVENUES BY TYPE**



**COMPARISON FOR ALL FUNDS**

As indicated above, the Town’s operations are funded primarily through property taxes, service charges and fees. The growth in the both recognized and projected property tax dollars is supported by the Town’s healthy property values and its favorable tax rate (see page 15). Charges for services are generally driven by utility service rates and reflect the growth of this revenue source to address significant infrastructure replacement/repairs. Amounts categorized as “other receipts” include fines and forfeitures and miscellaneous revenues. Additional detail on revenue history/trends is presented on page 101.

**EXPENDITURES/EXPENSES BY TYPE**



**COMPARISON FOR ALL FUNDS**

Personnel costs compromise the majority of the Town’s cost of operations. Municipal governments, as any service organization, are labor intensive. The graphic above depicts growth in total personnel costs reflective of increased compensation and the cost of benefits, rather than increase staffing, and a controlled level of O&M. Additional detail on expenditure history/trends is presented on page 100.

**TOWN OF HIGHLAND PARK AUTHORIZED PERSONNEL**  
**BY FUND BY DEPARTMENT**  
 (EXPRESSED IN FULL-TIME EQUIVALENT)

	FY 2009		FY 2010		FY 2011	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
<b>GENERAL FUND</b>						
Administration	2.0	0.2	2.0	0.2	2.0	0.2
Public Safety	69.0	2.5	69.0	2.5	69.0	2.5
Street	3.3	-	3.3	-	3.3	-
Street Lighting	1.7	-	1.7	-	1.7	-
Library	3.0	2.4	3.0	2.4	3.0	2.4
Park	9.5	-	9.5	-	9.5	-
Swimming Pool	-	2.8	-	2.8	-	2.8
Municipal Court	2.0	0.1	2.0	0.6	2.0	0.6
Finance	5.0	-	5.0	-	5.0	-
Building Inspection	3.0	-	3.0	-	3.0	-
Service Center	0.3	-	0.3	-	0.3	-
<b>SUBTOTAL FUND</b>	98.8	8.0	98.8	8.5	98.8	8.5
<b>UTILITY FUND</b>						
Administration	6.0	0.2	6.0	0.2	6.0	0.2
Water	4.4	-	4.4	-	4.4	-
Sewer	2.3	-	2.3	-	2.3	-
Sanitation	0.5	-	0.5	-	0.5	-
Engineering	4.5	-	4.5	-	4.5	-
<b>SUBTOTAL FUND</b>	16.5	0.2	17.7	0.2	17.7	0.2
<b>STORMWATER DRAINAGE UTILITY FUND</b>						
Engineering	0.5	-	0.5	-	0.5	-
<b>SUBTOTAL</b>	0.5	0.0	0.5	0.0	0.5	0.0
<b>TOTAL EMPLOYEES</b>	117.0	8.2	117.0	8.7	117.0	8.7

The Town's historical staffing levels since 1976 is presented on page 98.

## GENERAL FUND

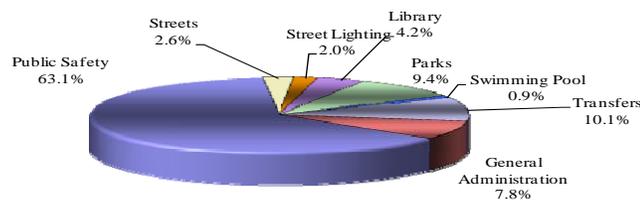
The General Fund is the financial structure used for the accounting of receipt of resources (revenues) and uses of resources (expenditures) for what are generally recognized as governmental services and/or functions. These governmental services and/or functions include Public Safety (Police, Fire and Emergency Medical Services), Public Works (Street, Street Lighting and Service Center), Parks and Swimming Pool, Library and General Governmental (Administrative Services, Finance, Municipal Court and Building Inspection). The basis of accounting for the General Fund for both financial reporting and budgeting is the modified accrual basis.

Resources are comprised of property taxes (ad valorem) levied by the Town, a 1% sales tax levied on taxable commodities and services as defined by state law, fees for right-of-way access, services offered and rendered by the Town, use of Town facilities, fines, interest on the investment of fund cash, permits related to building code requirements and a number of other sources as shown in detail on pages 25-26.

Property tax revenues comprise the majority of the resources for the General Fund. For this Budget, a projected \$9,688,985 or 61.0% of General Fund revenues come from property taxes. This compares to 62.2% and 59.4% for each of the previous two (2) fiscal year budgets, respectively. This concentration of revenues from property taxes is consistent with the fact that over 90% of the Town's property values are in residential properties. The Town has realized a 72% increase in residential property values over the last ten (10) years. However, the widespread impact of declining property values did results in a 4.8% decrease in market value of existing property from the 2009 appraised values. New construction made up \$64,492,518, or 1.1%, of the 2010 appraised values.

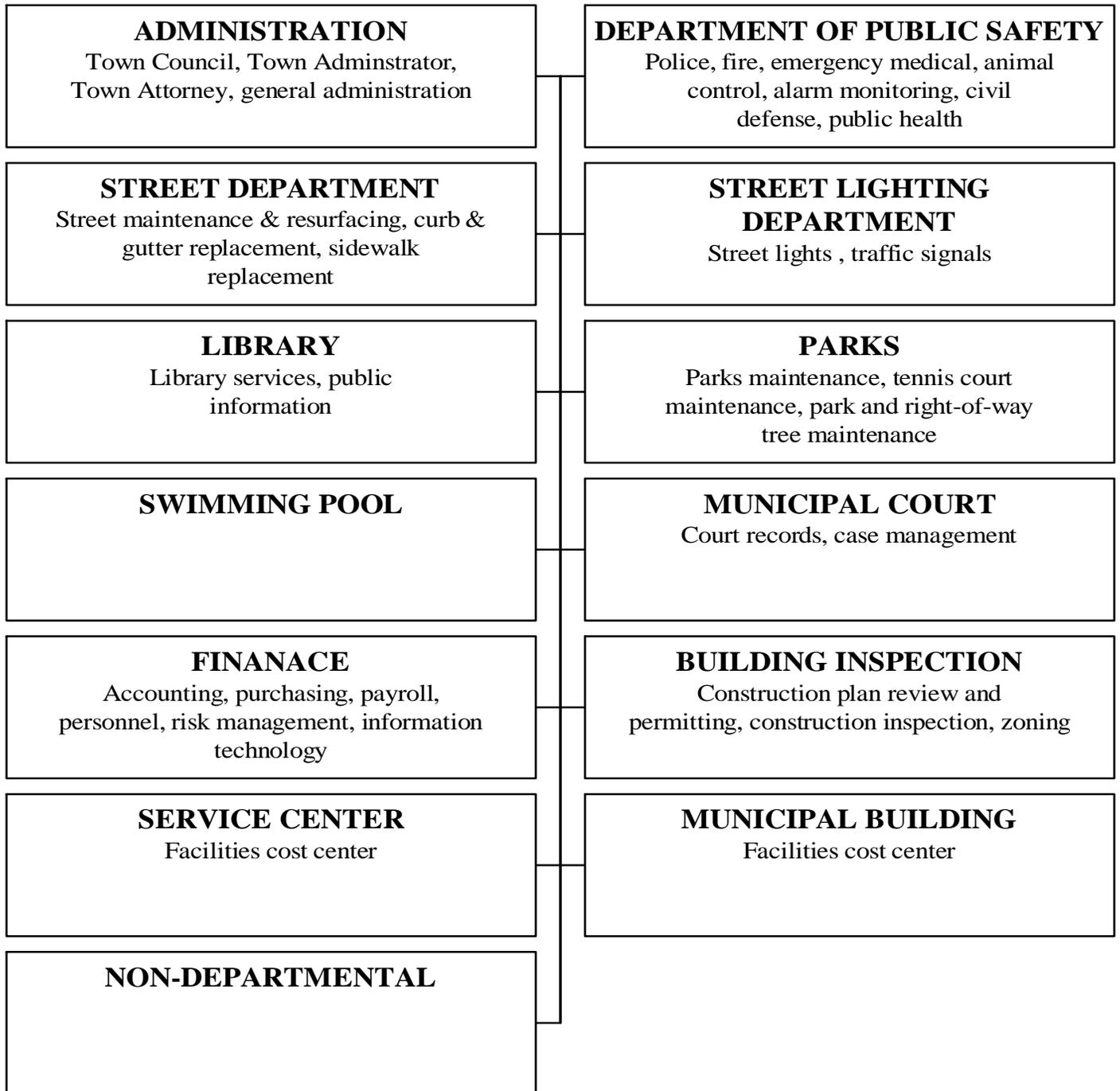
The following graph shows the ratio distribution of total property tax dollars toward general governmental functions after having applied function specific revenues toward the function budget and then having applied other general revenues proportionally.

### Property Tax Dollar Distribution



The stability of the local economy is further exemplified through sales tax receipts. The Highland Park Shopping Village and the two (2) commercial areas along Oak Lawn Avenue and Lomo Alto Drive have provided this strong and reliable revenue stream. For this Budget and the previous two (2) fiscal years, sales tax receipts make up 14.7%, 12.9% and 14.5%, respectively, of total projected actual revenues for the General Fund.

There are no new programs or services funded in the General Fund Budget for Fiscal Year 2011.

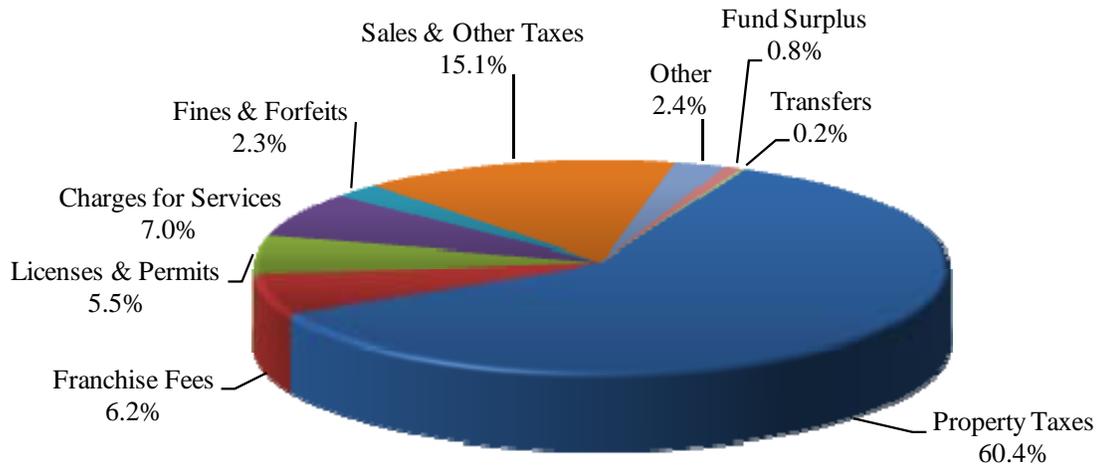


**GENERAL FUND  
STATEMENT OF REVENUES & EXPENDITURES**

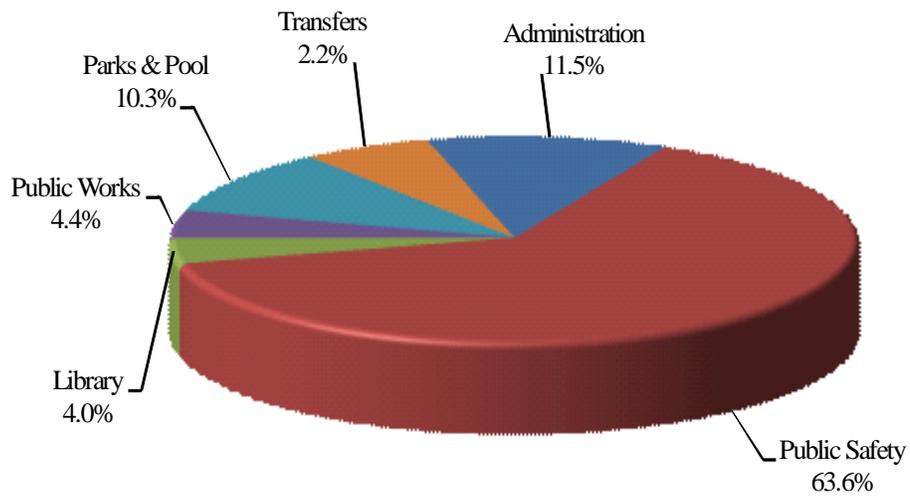
	<b>2008-2009 Actual</b>	<b>2009-2010 Budget</b>	<b>2009-2010 Projected</b>	<b>2010-2011 Budget</b>
<b>REVENUES/SOURCES OF FUNDS</b>				
Taxes	\$ 11,926,302	\$ 12,147,360	\$ 12,300,235	\$ 12,113,985
Franchise Fees	1,030,631	980,000	960,685	990,000
Licenses & Permits	1,016,463	966,750	978,500	881,325
Charges for Services	1,442,578	1,458,150	1,054,550	1,128,000
Fines & Forfeits	346,085	391,200	370,600	371,000
Miscellaneous	707,729	434,300	399,110	383,600
<b>Total Revenues</b>	<b>\$ 16,469,788</b>	<b>\$ 16,377,760</b>	<b>\$ 16,063,680</b>	<b>\$ 15,867,910</b>
<b>Other Sources:</b>				
Transfers In	\$ 21,783	\$ 20,000	\$ 16,500	\$ 31,745
Prior Year's Surplus	-	306,700	306,700	132,000
<b>Total Other Sources</b>	<b>\$ 21,783</b>	<b>\$ 326,700</b>	<b>\$ 323,200</b>	<b>\$ 163,745</b>
<b>Total Revenues/Sources</b>	<b>\$ 16,491,571</b>	<b>\$ 16,704,460</b>	<b>\$ 16,386,880</b>	<b>\$ 16,031,655</b>
<b>EXPENDITURES/USES OF FUNDS</b>				
Personnel Services				
Payroll	\$ 8,207,343	\$ 8,862,970	\$ 8,825,665	\$ 8,936,005
Employee Benefits	2,962,390	3,018,750	2,934,400	3,077,130
<b>Total Personnel</b>	<b>\$ 11,169,733</b>	<b>\$ 11,881,720</b>	<b>\$ 11,760,065</b>	<b>\$ 12,013,135</b>
Supplies & Equipment	781,938	1,029,275	865,580	965,240
Services & Charges	2,418,723	3,068,745	2,145,760	2,179,755
Cost Allocation - Utility Fund	(248,896)	(317,180)	(274,949)	(303,315)
Capital & Maintenance Projects	209,086	391,900	384,400	186,840
<b>Total Expenditures</b>	<b>\$ 14,330,584</b>	<b>\$ 16,054,460</b>	<b>\$ 14,880,856</b>	<b>\$ 15,041,655</b>
<b>Other Uses:</b>				
Transfers Out - Budgeted	\$ 649,845	\$ 650,000	\$ 990,000	\$ 990,000
Transfers Out - Prior Year Surplus	307,306	-	1,770,843	-
<b>Total Other Uses</b>	<b>\$ 957,151</b>	<b>\$ 650,000</b>	<b>\$ 2,760,843</b>	<b>\$ 990,000</b>
<b>Total Expenditures/Uses</b>	<b>\$ 15,287,735</b>	<b>\$ 16,704,460</b>	<b>\$ 17,641,699</b>	<b>\$ 16,031,655</b>
<b>Excess (Deficiency) of Revenues/Sources over Expenditures/Uses</b>	<b>\$ 1,203,836</b>	<b>\$ -</b>	<b>\$ (1,254,819)</b>	<b>\$ -</b>
<b>Fund Balance</b>	<b>\$ 5,556,489</b>	<b>\$ 5,249,789</b>	<b>\$ 3,994,970</b>	<b>\$ 3,862,970</b>
<b>Fund Balance in Excess of Minimum</b>	<b>\$2,449,759</b>	<b>\$1,804,026</b>	<b>\$805,750</b>	<b>\$594,911</b>

# GENERAL FUND

## CURRENT REVENUES & SOURCES OF FUNDS



## BUDGETED EXPENDITURES & USES OF FUNDS



**GENERAL FUND  
STATEMENT OF REVENUES**

	<b>2008-2009</b>	<b>2009-2010</b>	<b>2009-2010</b>	<b>2010-2011</b>
	<b>Actual</b>	<b>Budget</b>	<b>Projected</b>	<b>Budget</b>
<b>Taxes</b>				
3110 Ad Valorem Taxes	\$ 9,476,301	\$ 9,968,110	\$ 9,845,785	\$ 9,663,985
3111 Delinquent Ad Valorem Taxes	13,055	5,000	42,700	25,000
3113 City Sales Tax	2,329,480	2,069,250	2,315,000	2,325,000
3114 Mixed Beverage Tax	107,466	105,000	96,750	100,000
<i>Subtotal</i>	<u>\$ 11,926,302</u>	<u>\$ 12,147,360</u>	<u>\$ 12,300,235</u>	<u>\$ 12,113,985</u>
<b>Franchise Fees</b>				
3261 Electric Utility Franchise Fees	\$ 520,724	\$ 520,000	\$ 520,000	\$ 520,000
3262 Natural Gas Utility Franchise Fees	268,450	220,000	191,435	220,000
3263 Telecom Franchise Fees	116,590	117,000	110,500	110,000
3264 CATV Franchise Fees	124,867	123,000	138,750	140,000
<i>Subtotal</i>	<u>\$ 1,030,631</u>	<u>\$ 980,000</u>	<u>\$ 960,685</u>	<u>\$ 990,000</u>
<b>Licenses &amp; Permits</b>				
3301 Beverage Licenses	\$ 3,270	\$ 4,000	\$ 10,500	\$ 10,500
3302 Health Permits	3,525	3,600	3,150	3,675
3303 Alarm Permits	64,620	63,000	63,000	63,000
3306 Electrical Licenses	9,675	11,000	12,000	11,000
3310 Building Permits	901,305	850,000	850,000	755,000
3312 Electrical Permits	24,001	24,000	30,000	27,000
3313 Excavation Permits	540	800	500	800
3350 Carriage Licenses	0	2,850	2,850	2,850
3370 Animal Licenses	6,677	7,500	7,000	7,500
<i>Subtotal</i>	<u>\$ 1,013,613</u>	<u>\$ 966,750</u>	<u>\$ 979,000</u>	<u>\$ 881,325</u>
<b>Charges For Services</b>				
3407 E911 Users' Fee	\$ 149,238	\$ 139,000	\$ 157,250	\$ 156,500
3408 Alarm Monitoring Fees	383,991	380,000	385,000	410,000
3425 Ambulance Fees	133,900	125,000	100,000	135,000
3450 Street Rental Fee	335,778	357,150	-	-
3470 Board Hearing Fee	4,300	2,000	2,000	2,000
3471 Swimming Pool Daily Fees	16,072	11,000	11,000	11,000
3472 Swimming Pool Annual Fees	78,112	80,000	80,000	90,500
3473 Tennis Court Use Fees	12,680	10,000	11,000	10,000
3474 Animal Pound Fees	1,984	1,500	400	1,500
3476 Library Non-resident Fees	8,948	8,500	8,900	8,500
3477 Court Administration Fees	45,151	36,000	40,000	40,000
3478 Warrant Fees	38,530	30,000	43,000	43,000
3479 Court Fees	97,981	108,000	102,000	105,000
3480 Building Resgistration Fees	20,250	20,000	9,000	10,000
3485 Special Expense Fee	115,663	150,000	105,000	105,000
<i>Subtotal</i>	<u>\$ 1,442,578</u>	<u>\$ 1,458,150</u>	<u>\$ 1,054,550</u>	<u>\$ 1,128,000</u>

## STATEMENT OF REVENUES

	2008-2009 Actual	2009-2010 Budget	2009-2010 Projected	2010-2011 Budget
<b>Fines &amp; Forfeits</b>				
3511 Municipal Court Fines	\$ 321,189	\$ 370,000	\$ 350,000	\$ 350,000
3513 Library Fines	8,899	7,700	7,500	7,500
3515 Lost Book Charges	772	1,000	600	1,000
3516 Invalid Alarm Fines	15,225	12,500	12,500	12,500
<i>Subtotal</i>	\$ 346,085	\$ 391,200	\$ 370,600	\$ 371,000
<b>Miscellaneous</b>				
3610 Interest	\$ 126,338	\$ 120,800	\$ 80,610	\$ 60,100
3680 Penalty & Interest - Tax Collection	65,671	60,000	60,000	60,000
3746 Sale of Assets	973	2,500	2,500	2,500
3747 Sale of Impounded Property	-	1,000	1,000	1,000
3820 Rental-Town Property	154,675	154,500	154,500	154,500
3850 Library Donations	32,392	20,000	31,000	30,000
3860 Contributions	76,229	5,000	2,000	5,000
3880 Town Property Damage Refund	22,983	20,000	25,000	20,000
3890 Miscellaneous	117,731	46,000	38,000	46,000
3950 Intergovernmental Revenue	110,738	4,500	4,500	4,500
<i>Subtotal</i>	\$ 707,730	\$ 434,300	\$ 399,110	\$ 383,600
<b>Total Revenues</b>	<b>\$ 16,466,939</b>	<b>\$ 16,377,760</b>	<b>\$ 16,064,180</b>	<b>\$ 15,867,910</b>

## SUMMARY OF REVENUE ESTIMATES

- **Property Taxes**

Projected collections of levied Ad Valorem Property Taxes:

Current Levy .....	\$9,663,985
Delinquent Taxes .....	25,000

Overall, taxable property values decreased \$136,148,404, or 2.98%. Although new construction added \$64,492,518 to the Town's taxable values, the net decrease reflects the impact of the current regional, state, and national economic challenges. The schedule on page 96 presents the changes in taxable values in the Town for the most recent ten (10) year period. The Fiscal Year 2011 Operating Budget reflects a decline in property tax revenues due to these lower values coupled with the decision to retain a tax rate of \$0.22/\$100 valuation. The resulting decrease in property tax revenues of \$304,125, or 3.05%, is partially offset by increased building activity related revenues. The graphics on page 14 reflect the changes in property values, the tax levy and tax rate.

- **Sales Tax/Other Taxes**

Sales tax revenues in Fiscal Year 2009 started strong but trended toward an annualized level of 11% less than projected level as the year wore on. As a result, sales tax revenues for Fiscal Year 2010 were projected at a level of \$2,069,250, an 11% decrease from the prior year. During Fiscal Year 2010, sales tax revenues rebounded and are expected to approach the amount budgeted for Fiscal Year 2009 of \$2,325,000. Accordingly, projected sales tax revenues for Fiscal Year 2011 amount to \$2,325,000. The Town's sales tax revenues come from a local option 1% sales tax that is collected by the State Comptroller's Office and remitted monthly, net of a 2% processing charge. These revenues are generated in the three (3) limited, but upscale commercial areas. The Town conducts an audit of the State Comptroller's tax payer database no less than once per year to insure that the Town receives its rightful allocation. A ten (10) year comparison of Sales Tax revenues is included in the table presented on page 103.

- **Franchise Fees**

Receipts for franchised services for Fiscal Year 2011 are projected based upon historical trends. Over the past few years, the basis for these fees has changed through state legislation. The electric franchise is now based upon KWH sold versus the prior method of gross receipts, (a result of electric power deregulation). Fees from the telephone providers are based upon the number and type of connections, rather than gross receipts. The enabling State legislation for this change also provides for the annual indexing of the franchise fee schedule. In accordance with the existing natural gas franchise agreement, franchise fees are set at 4% of gross receipts on a calendar year basis and remitted each February.

The annual natural gas franchise fee is impacted by the market price fluctuations of natural gas and climate conditions. Although the Town realized revenues \$28,565 less than projected for Fiscal Year 2011, the projection for Fiscal Year 2011 is \$220,000, the same the previous year.

The removal of exclusive cable TV franchising in the state has resulted in an increase in the number of local providers and thus an increase in projected revenues of \$17,000 for Fiscal Year 2011.

- **Licenses & Permits**

The Town has seen a decline in building activity for new homes in the \$1,000,000-\$4,000,000 price range over the last two years. However, a number of new homes in excess of \$5,000,000 price range have been permitted. Additionally, Fiscal Years 2009 & 2010 experienced several one-time commercial construction projects that provided some \$478,000 in building permit fees. A schedule comparing construction activity for the most recent ten (10) fiscal years is presented on page 99 as well as a ten (10) year listing of revenues generated over this same period on page 103.

- **Charges for Services**

The total revenues received for services decline from Fiscal Year 2010 as the accounting for the street rental fees (\$357,150 for 2010) will be transferred from the Utility Fund (generating fund) to the Capital Projects Fund rather than the General Fund. Municipal Court related fees (Administration Fees-\$40,000, Warrant Fees-\$43,000, Court Fees-\$105,000 and Special Expense Fees-\$105,000) are based upon anticipated volume and disposition rates.

- **Fines & Forfeits**

Municipal Court fines (\$350,000) are estimated based on estimated citation volumes and average collection amounts per disposed case. For Fiscal Year 2011, this estimate is based on 11,000 cases being adjudicated with an average fine per adjudicated case calculated at \$31.80. This average amount compares to an average of \$27.39 for 2010. The imposition of an additional offense of Violate Promise to Appear on misdemeanor capias cases is expected to provide this increase.

- **Miscellaneous**

Projected interest earnings (\$60,100) are based on an average monthly investable balance of \$7,500,000 and an interest rate of 0.80%. The rental of Town property (cell phone antennae sites and street rental) is projected at \$154,500 and is based on existing contracts.





## Administrative Department

### DEPARTMENT DESCRIPTION

The Administrative Department is responsible for the day-to-day general governmental administration of the Town including coordinating, directing and reviewing departmental operations in the implementation of policy directive provided by the Mayor and Town Council. The Town Secretary function in this department, along with support staff, is responsible for documenting and maintaining agendas and minutes of Town Council and Board of Adjustment meetings. The preparation, indexing and codification of Town ordinances and the preparation and indexing of resolutions performed by assigned staff.

### OBJECTIVES MET-FISCAL YEAR 2009-2010

- Prepared, published and posted meeting agendas in accordance with state requirements.
- Provided timely, complete and accurate minutes of all public meetings.
- Responded timely to citizen requests for information.

- Automated Service Requests – data base maintained on a current basis.
- Applications for animal licenses and tennis court and swimming pool use permits processed timely.
- Completed the process of duplicating permanent records into an electronic document imaging format.

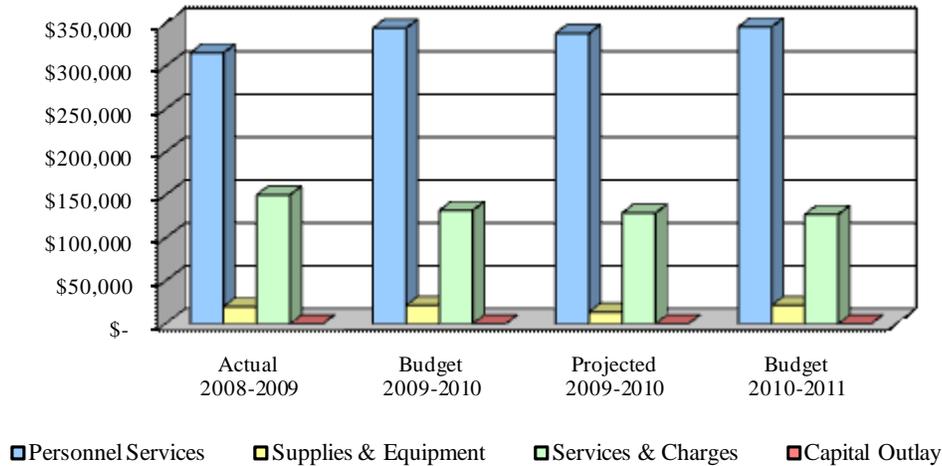
### OBJECTIVES FOR FISCAL YEAR 2010-2011

- Coordinate the implementation of Town Council goal and objectives with all Town departments.
- Respond to requests for information from citizens and assist citizens in a timely manner.
- Generate, publish and post meeting agendas in accordance with state requirements.
- Provide timely, complete and accurate minutes of all public meetings.
- Maintain Automated Service Requests on a current basis.
- Process applications of animal licenses and tennis court and swimming pool use permits in a timely manner.

Classification	EMPLOYEE CLASSIFICATION & PAY GRADE			
	Grade	2008-2009 Budget	2009-2010 Budget	2010-2011 Budget
Town Administrator	-	0.5	0.5	0.5
Director of Public Works	E-3	0.2	0.2	0.2
Administrative Secretary	5	0.5	0.8	0.8
Secretary II	4	0.5	0.5	0.5
Attorney (Part Time)	-	0.2	0.2	0.2
<b>Total Allocable Employees</b>		<b>2.2</b>	<b>2.2</b>	<b>2.2</b>

**EXPENDITURE SUMMARY**

	<b>2008-2009</b>	<b>2009-2010</b>	<b>2009-2010</b>	<b>2010-2011</b>
	<b>Actual</b>	<b>Budget</b>	<b>Projected</b>	<b>Budget</b>
Personnel Services	\$ 315,489	\$ 344,445	\$ 338,350	\$345,865
Supplies & Equipment	20,066	21,570	13,770	21,570
Services & Charges	150,208	132,075	129,000	127,460
Capital Outlay	-	-	-	-
<b>Total Department</b>	<b>\$ 485,763</b>	<b>\$ 498,090</b>	<b>\$ 481,120</b>	<b>\$494,895</b>



<b>ACTIVITY MEASURES</b>	<b>2008-2009</b>	<b>2009-2010</b>	<b>2009-2010</b>	<b>2010-2011</b>
	<b>Actual</b>	<b>Budget</b>	<b>Projected</b>	<b>Budget</b>
Automated Service Requests (ASR)	6,935	7,000	7,800	7,000
Permits/Licenses				
Issued	2,599	2,700	2,600	2,600
Revenues Generated	\$97,469	\$97,500	\$98,000	\$108,000
ASR's Processed Data Accuracy %	99.0	98.0	99.3	98.0
Switchboard Phone Calls Answered	12,620	16,000	13,000	13,000



## *Department of Public Safety*

### **DEPARTMENT DESCRIPTION**

The Department of Public Safety is responsible for enforcement of state statutes and Town Ordinances, maintenance of public order, enforcement of traffic codes, maintenance of safe traffic flow, fire suppression and prevention, control of animals, and rapid response to medical emergencies. Supervised by the Director of Public Safety, these responsibilities are met through uniformed personnel, trained, skilled, and certified in both police and fire disciplines and in many instances, emergency medical capabilities.

### **OBJECTIVES MET-FISCAL YEAR 2009-2010**

- Responded to all Police, Fire and Emergency Medical calls for service in a timely manner.
- Improved response times for police, fire and EMS calls through changes in call dispatch protocol.
- Purchased two (2) patrol SUV's and utilized an interlocal purchasing agreement to order a replacement MICU per the Town's vehicle replacement schedule. These vehicles were funded through the Equipment Replacement Fund.
- Purchased assorted pieces of equipment as needed from the Department's operational capital appropriation.
- Secured and completed a study on the Department's communications and space requirements leading to the undertaking of a DPS Communications and Town Hall Renovation Project. This project is a significant portion of the Town's initial full year of its Capital Improvement Plan ("CIP") as presented in the adopted CIP document and the Capital Projects Fund beginning on page 75.

### **OBJECTIVES FOR FISCAL YEAR 2010-2011**

- Respond to all Police, Fire and Emergency Medical calls for service in a timely manner that meets or exceeds performance measures.
- Prevent the increase in the number of criminal offenses occurring in Highland Park through crime analysis and proactive patrol.
- Prevent the increase in the number of fires, injuries and property loss due to fire by providing prompt response time and through voluntary inspections.
- Monitor 1,125 residential alarm systems and provide a dispatched response in one minute or less.

### **MAJOR BUDGET ITEMS**

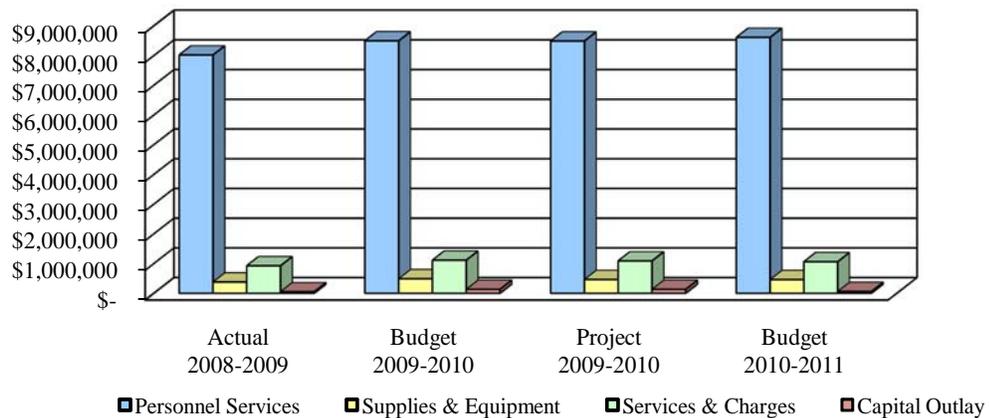
- Funding for existing levels of police, fire and emergency medical services.
- Purchase equipment and services identified as the Department's operational capital needs and detailed on page 104.
- Purchase of a replacement fire apparatus (funded through the Equipment Replacement Fund).

**EMPLOYEE CLASSIFICATION & PAY GRADE**

Classification	Grade	2008-2009	2009-2010	2010-2011
		Budget	Budget	Budget
Director	E-4	1.0	1.0	1.0
Assistant Director	E-1	1.0	1.0	1.0
Captain	G	4.0	4.8	4.0
Lieutenant	F	4.0	4.0	4.0
Sergeant	E	4.0	4.0	4.0
Investigator	D	3.0	3.0	3.0
Public Safety Officer	C	37.0	37.0	37.0
Communications Supervisor	8	1.0	1.0	1.0
Accreditation Manager	6	1.0	1.0	1.0
Support Services Supervisor	6	1.0	1.0	1.0
Communications Specialist	4	9.0	9.0	9.0
Secretary	4	2.0	2.0	2.0
Support Services Officer	4	1.0	1.0	1.0
<b>Total Employees</b>		<b>69.0</b>	<b>69.0</b>	<b>69.0</b>

**EXPENDITURE SUMMARY**

	2008-2009	2009-2010	2009-2010	2010-2011
	Actual	Budget	Project	Budget
Personnel Services	\$ 8,019,123	\$ 8,495,370	\$ 8,488,485	\$ 8,612,545
Supplies & Equipment	378,382	487,400	462,980	460,130
Services & Charges	924,201	1,113,290	1,088,160	1,061,040
Capital Outlay	53,294	132,400	132,400	60,740
<b>Total Department</b>	<b>\$ 9,375,000</b>	<b>\$ 10,228,460</b>	<b>\$ 10,172,025</b>	<b>\$ 10,194,455</b>



<b>ACTIVITY MEASURES</b>	<b>2008-2009 Actual</b>	<b>2009-2010 Budget</b>	<b>2009-2010 Projected</b>	<b>2010-2011 Budget</b>
<b>Call Responses</b>				
Police	10,331	11,000	10,350	11,000
Fire	885	900	900	900
Emergency Medical	481	500	445	500
<b>Arrest</b>				
Felony	60	30	65	30
Misdemeanor	684	900	710	900
<b>Other Activity</b>				
Patrol Miles Driven	267,623	275,000	270,250	275,000
Fire Inspections	920	1,000	1,400	1,000
Major Crimes Reported	283	325	225	325
Property Recovery (%)	26	40	15	40
<b>Response Times (minutes)</b>				
Police	2.4	2.5	2.4	2.5
Fire	2.3	3.7	2.3	3.7
Emergency Medical	3.6	4.0	2.6	3.0
<b>Public Safety Training Hours</b>	25,269	21,000	17,300	21,000
<b>Citation Activity</b>				
Traffic Code Violations	10,168	10,650	10,200	10,650
State Law Violations	104	100	110	100
Town Ordinance Violations	620	125	120	125
Parking Violations	153	125	145	125
Total	11,045	11,000	10,575	11,000
<b>Traffic Accidents Activity (per incident)</b>				
Non-Injury	103	200	135	200
Injuries	33	40	25	40
Fatalities	1	0	0	0
Total	137	240	160	240
<b>Residential/Commercial Alarm Systems</b>				
Systems Permitted	2,126	2,050	2,125	2,050
Systems Monitored by Dept.	1,183	1,125	1,200	1,125
<b>Alarm Response Activity</b>				
Intrusion	3,118	2,100	2,800	2,100
Fire	402	400	450	400
Medical	4	10	20	10
Total	3,524	2,510	3,270	2,510





## Street Department

### DEPARTMENT DESCRIPTION

The Street Department, under the supervision of the Director of Public Works/Town Secretary and the Foreman of the Town's Street Departments, is responsible for the maintenance of the Town's 41.79 miles of paved streets, all alleys, sidewalks, bridges, storm sewer inlets and street name and traffic signs.

### OBJECTIVES MET-FISCAL YEAR 2009-2010

- Maintenance of the Town's street surfaces through the placement of some 150 tons of asphalt as needed for repairs.

### OBJECTIVES FOR FISCAL YEAR 2010-2011

- Perform preparation work for Town's 2011 street resurfacing program.
- Support water and sanitary sewer functions, as necessary.
- Respond to emergencies related to street, water and sanitary sewer, as necessary.
- Maintain the Town's infrastructure of paved streets, alleys, sidewalks, bridges, storm sewer inlets and signage.

### MAJOR BUDGET ITEMS

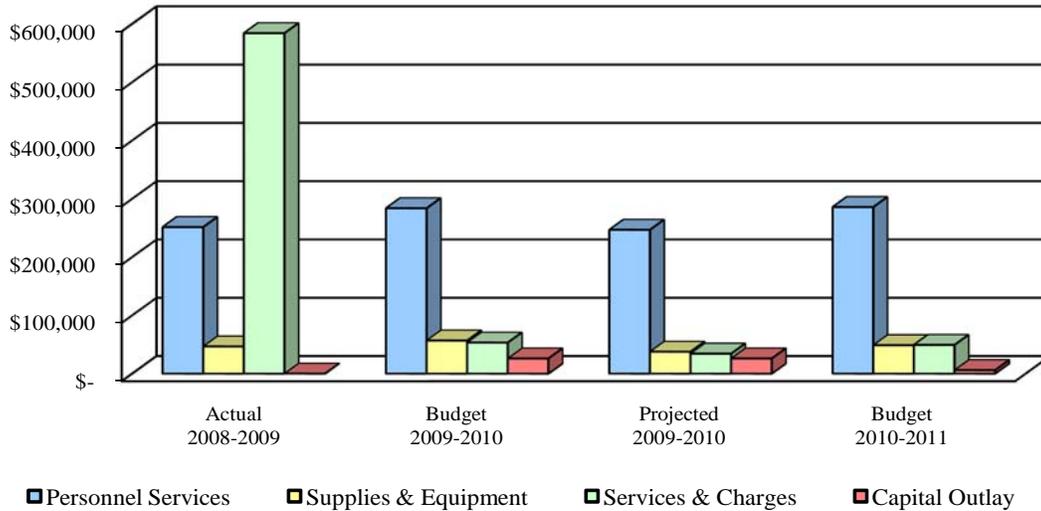
- \$80,000 is budgeted for sidewalk & alley concrete work, as needed.

### EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	2008-2009 Budget	2009-2010 Budget	2010-2011 Budget
Foreman	8	0.3	0.3	0.3
Public Works Maint. Worker II	4	1.0	2.0	2.0
Public Works Maint. Worker I	2	2.0	1.0	1.0
<b>Total Allocable Employees</b>		<b>3.3</b>	<b>3.3</b>	<b>3.3</b>

**EXPENDITURE SUMMARY**

	<b>2008-2009 Actual</b>	<b>2009-2010 Budget</b>	<b>2009-2010 Projected</b>	<b>2010-2011 Budget</b>
Personnel Services	\$ 251,407	\$ 283,705	\$ 246,755	\$ 285,770
Supplies & Equipment	46,600	56,795	37,595	48,750
Services & Charges	584,016	53,270	34,280	49,265
Capital Outlay	-	26,000	26,000	6,000
<b>Total Department</b>	<b>\$ 882,023</b>	<b>\$ 419,770</b>	<b>\$ 344,630</b>	<b>\$ 389,785</b>

**ACTIVITY MEASURES**

	<b>2008-2009 Actual</b>	<b>2009-2010 Budget</b>	<b>2009-2010 Projected</b>	<b>2010-2011 Budget</b>
<b>Asphalt Repairs</b>				
Materials (tons)	154	350	170	350
Worker Days	130	300	150	300
<b>Concrete Repairs</b>				
Number of Responses	48	100	60	100
Worker Days	120	65	80	65
<b>Water &amp; Sanitary Sewer Support</b>	34	105	40	105
Worker Days				
<b>Traffic/Street Name Signs</b>				
Repaired/Replaced	144	130	100	130
Worker Days	61	30	30	30
<b>Storm Sewer</b>				
Inlets Cleaned	1,908	850	2,500	850
Worker Days	79	70	105	70



## Street Lighting Department

### DEPARTMENT DESCRIPTION

The Street Lighting Department is responsible for repairs and maintenance of the Town owned and operated street lighting and traffic signal systems. Electric power to operate these systems is purchased from Direct Energy under contract through Cities Aggregation Power Project (CAPP).

### OBJECTIVES MET-FISCAL YEAR 2009-2010

- Performed routine and emergency maintenance of Town's traffic and street light systems.

### OBJECTIVES FOR FISCAL YEAR 2010-2011

- Protect the Town's investment in its street lighting and traffic signal systems.
- Respond to calls for emergency and routine maintenance repairs in a timely manner.

### MAJOR BUDGET ITEMS

- Funding for normal operating costs.
- Contract for the painting of the Town's street light poles.

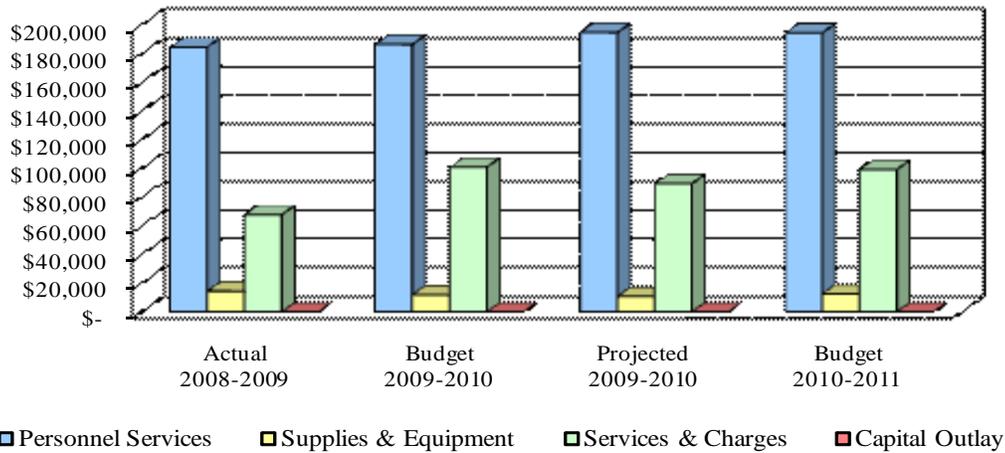
### **EMPLOYEE CLASSIFICATION & PAY GRADE**

		<b>2008-2009</b>	<b>2009-2010</b>	<b>2010-2011</b>
<b>Classification</b>	<b>Grade</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
Electrical/Mechanical Tech	5	1.65	1.65	1.74
<b>Total Allocable Employees</b>		<b>1.65</b>	<b>1.65</b>	<b>1.74</b>

Positions in this department split between Street Lighting Department and Service Center on an 87/13 basis.

**EXPENDITURE SUMMARY**

	<b>2008-2009 Actual</b>	<b>2009-2010 Budget</b>	<b>2009-2010 Projected</b>	<b>2010-2011 Budget</b>
Personnel Services	\$ 184,439	\$ 186,230	\$ 194,545	\$ 194,335
Supplies & Equipment	14,380	11,835	10,685	12,550
Services & Charges	67,683	100,815	89,295	99,225
Capital Outlay	-	-	-	-
<b>Total Department</b>	<b>\$ 266,502</b>	<b>\$ 298,880</b>	<b>\$ 294,525</b>	<b>\$ 306,110</b>



<b>ACTIVITY MEASURES</b>	<b>2008-2009 Actual</b>	<b>2009-2010 Budget</b>	<b>2009-2010 Projected</b>	<b>2010-2011 Budget</b>
<b>Traffic Signal Maintenance</b>				
Bulbs Replaced	28	30	30	30
Repair Responses	61	50	35	50
Worker Days	140	90	80	90
<b>Street Light Maintenance</b>				
Bulbs Replaced	27	50	40	50
Repair Responses	130	125	100	125
Worker Days	183	175	190	175
<b>Town Facilities (WD)</b>	22	25	25	25
<b>School Zone Flashers (WD)</b>	22	10	15	10



## Library

### **DEPARTMENT DESCRIPTION**

The Library, under the supervision of the Town's Librarian, provides quality public library access which fulfills the informational, educational, recreational and basic research needs of the community and strives to increase public awareness of these services through technical and public services.

### **OBJECTIVES MET-FISCAL YEAR 2008-2009**

- Management of Library collection through acquisition of new materials.
- Provided public & technical services to Library patrons.

### **OBJECTIVES FOR FISCAL YEAR 2009-2010**

- Provide technical services which include acquiring titles in all formats (books, audiocassettes, videocassettes, etc.), and related activities in maintaining and preparing the selections for patron use.
- Provide public services which include: children and adult services, circulation desk activities necessary for checking library materials out and in, handling reserves, re-shelving returned items, issuance of library cards, and reference services in person and by phone.

### **MAJOR BUDGET ITEMS**

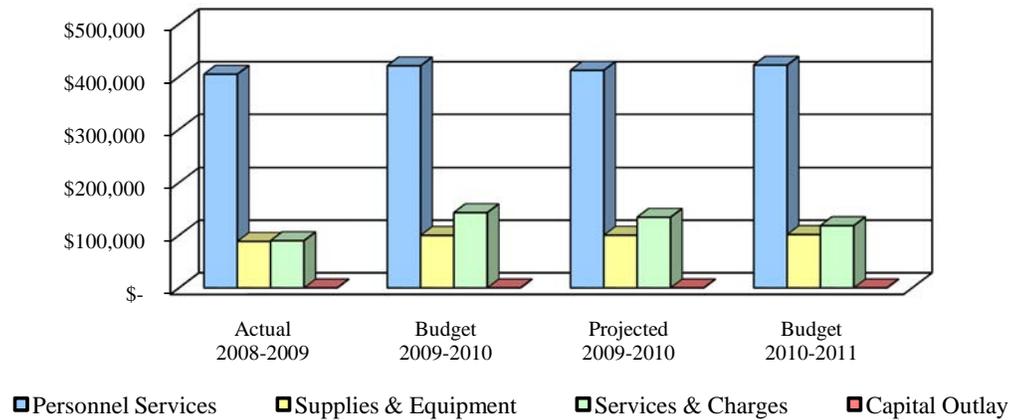
- Acquisition of new materials – books (\$69,000) and audio-visual materials (\$11,000).
- Explore options to enhance access to Library databases and service through the Internet by interfacing the Library Information System and other public resources.

#### **EMPLOYEE CLASSIFICATION & PAY GRADE**

<b>Classification</b>	<b>Grade</b>	<b>2008-2009 Budget</b>	<b>2009-2010 Budget</b>	<b>2010-201 Budget</b>
Librarian	E-1	1.0	1.0	1.0
Library Assistant	4	1.0	1.0	1.0
Library Associate	2	1.0	1.0	1.0
Library Support Staff (Part-Time)		2.4	2.4	2.4
<b>Total Allocable Employees</b>		<b>5.4</b>	<b>5.4</b>	<b>5.4</b>

**EXPENDITURE SUMMARY**

	<b>2008-2009 Actual</b>	<b>2009-2010 Budget</b>	<b>2009-2010 Projected</b>	<b>2010-2011 Budget</b>
Personnel Services	\$ 404,732	\$ 420,720	\$ 412,170	\$ 422,085
Supplies & Equipment	88,341	99,700	100,090	101,340
Services & Charges	89,646	142,970	134,170	118,225
Capital Outlay	-	-	-	-
<b>Total Department</b>	<b>\$ 582,719</b>	<b>\$ 663,390</b>	<b>\$ 646,430</b>	<b>\$ 641,650</b>

**ACTIVITY MEASURES**

	<b>2008-2009 Actual</b>	<b>2009-2010 Budget</b>	<b>2009-2010 Projected</b>	<b>2010-2011 Budget</b>
<b>Collection/Circulation</b>				
Collection	36,969	37,500	35,150	37,500
Circulation	63,729	62,000	60,400	62,000
Collection Turnover Rate (Times)	1.7	1.7	1.6	1.7
Circulation per Worker Hour	5.3	5.4	5.0	5.4
Avg. Items Loaned Per Card Holder	22.8	22.1	21.8	22.1
<b>User Cards Issued/Outstanding</b>				
Residents (3 Year)	2,617	2,625	2,625	2,625
Non-Resident (1-Year)	174	175	145	175
Total Valid Cards	2,791	2,800	2,770	2,800



## Parks Department

### DEPARTMENT DESCRIPTION

Provide skilled maintenance and management of the Town's 22 park locations, 12 traffic islands, 8 tennis courts, one swimming pool and Town Hall landscape. Within this Department is the Management of the Towns contract for the mechanical sweeping of the 88 miles of curb and gutter fifteen (15) times per year, its 13.76 miles of paved alleys seven (7) times per year and vacuuming 100 catch basin inlets per year. These activities promote the "quality of life" in Highland Park by providing a high standard of customer service and safe, well-maintained facilities.

### OBJECTIVES MET FOR FISCAL YEAR 2009-2010

- Installed Christmas lights in specific parkway trees at Christmas.
- Managed Town's contracts for turf maintenance, chemical application, tree trimming, landscape lighting and street and alley sweeping.
- Maintained Azalea and flower beds with seasonal color.
- The Department was met with the challenge of cleanup from a major winter storm in mid-February, 2010. The Department was able to absorb/redistribute a total unbudgeted cost of \$118,888 with an effectiveness that minimized

the disruption of other Town services and general public inconvenience.

### OBJECTIVES FOR FISCAL YEAR 2010-2011

- Effectively manage the Town's contracts for turf maintenance, chemical application, tree trimming, landscape lighting and street and alley sweeping.
- Continue the program of lighting of specific parkway trees for Christmas.
- Maintain Azalea and flower beds through park areas with seasonal color.
- Maintenance of parks, parkway trees, swimming pool tennis courts and Town rights-of-way, as needed.

### MAJOR BUDGET ITEMS

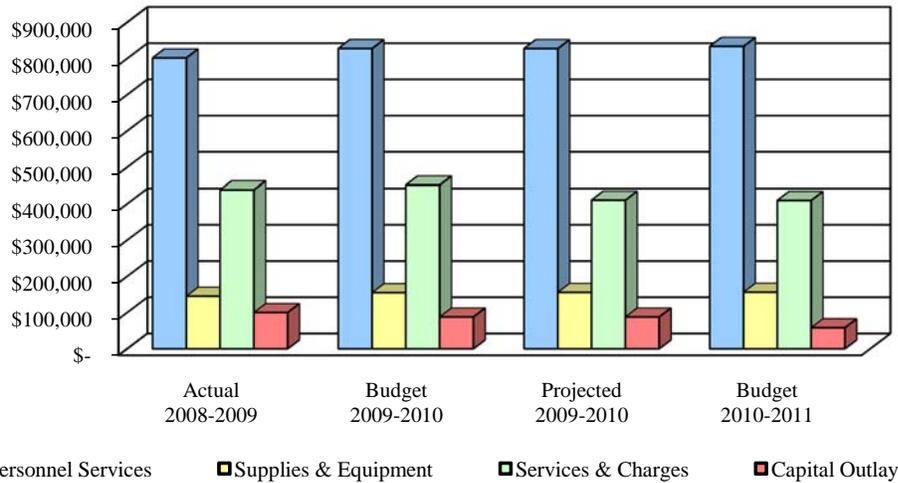
- Management of service contracts: turf maintenance (\$83,400); chemical applications (\$40,500); tree trimming (\$42,500); landscape lighting maintenance (\$25,500); and street and alley sweeping (\$42,650 – budgeted in Storm Water Drainage Utility Fund).
- Contract for replacement playground equipment in Davis Park (\$48,000) and resurface tennis courts #1 & 2 (\$10,000).

### **EMPLOYEE CLASSIFICATION & PAY GRADE**

<b>Classification</b>	<b>Grade</b>	<b>2008-2009 Budget</b>	<b>2009-2010 Budget</b>	<b>2010-2011 Budget</b>
Director of Parks & Sanitation	E-2	0.5	0.5	0.5
Foreman	8	1.0	1.0	1.0
Parks Maintenance Specialist	4	2.0	2.0	2.0
Parks Maintenance Worker I	3	3.0	3.0	3.0
Parks Maintenance Worker II	1	3.0	3.0	3.0
<b>Total Allocable Employees</b>		<b>9.5</b>	<b>9.5</b>	<b>9.5</b>

**EXPENDITURE SUMMARY**

	<b>2008-2009 Actual</b>	<b>2009-2010 Budget</b>	<b>2009-2010 Projected</b>	<b>2010-2011 Budget</b>
Personnel Services	\$ 801,447	\$ 827,475	\$ 827,290	\$ 833,475
Supplies & Equipment	145,125	154,825	155,600	156,100
Services & Charges	438,077	450,985	410,205	409,360
Capital Outlay	99,964	87,800	87,800	58,000
Interdept Cost Allocation	(21,302)	(35,176)	(43,755)	(35,430)
<b>Total Department</b>	<b>\$ 1,463,311</b>	<b>\$ 1,485,909</b>	<b>\$ 1,437,140</b>	<b>\$1,421,505</b>



<b>ACTIVITY MEASURES</b>	<b>2008-2009 Actual</b>	<b>2009-2010 Budget</b>	<b>2009-2010 Projected</b>	<b>2010-2011 Budget</b>
<b>Maintenance – Worker Days</b>				
Grounds Maintenance	54	75	0	75
Landscape	522	450	360	450
<b>Installation/Maintenance</b>				
Azalea Renovation	24	100	18	100
Facilities Maintenance	822	750	310	750
Right-of-Way Clearance	48	30	50	30
Park Trees	43	100	70	100
Parkway Trees *	30	75	60	75
<b>Number of Plants</b>	51,220	68,000	50,000	50,000
<b>Street &amp; Alley Sweeping</b>				
Streets – Curb Miles	1,360	1,320	1370	1,320
Times per year	15	15	15	15
Alleys – Miles	110	96	125	96
Times per year	8	7	9	7



## Swimming Pool

replacement lifeguard stands (\$6,170); replace light fixtures (\$9,000); replace pool furniture (\$4,112); and, other items totaling \$6,160.

### OBJECTIVES FOR FISCAL YEAR 2010-2011

- Provide a safe and clean facility for the enjoyment of the Town's residents.
- Promote utilization of the pool by means of updating the facility and mechanically and esthetically.
- Secure an engineering report on the pool's circulation system and physical design as it relates to state health code standards for public pools. Upon review, determine course of action for either repair or replacement.
- Secure a contract for the removal of fencing and the expansion of the pool deck (\$42,100).

### DEPARTMENT DESCRIPTION

The Town's swimming pool facility is maintained by the Parks Department. The effect of this work has been to reduce maintenance and make ready costs in subsequent years. Swimming season coincides with the school district's summer vacation.

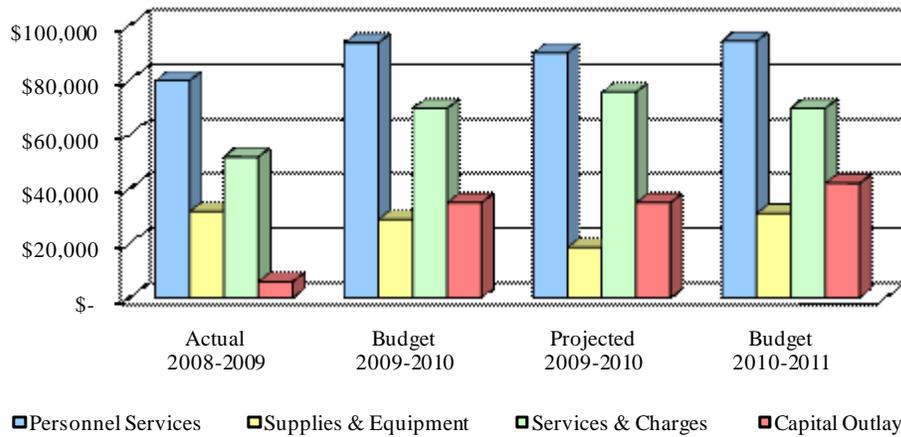
### OBJECTIVES MET-FISCAL YEAR 2009-2010

- Provided a safe and clean facility for use of Town residents.
- Acquired approved operational capital items including: replacement of pump room electric controls (\$8,500); purchase and install new

<b>EMPLOYEE CLASSIFICATION &amp; SALARIES</b> (All Seasonal Employees)			
<b>Classification</b>	<b>2008-2009 Budget</b>	<b>2009-2010 Budget</b>	<b>2010-2011 Budget</b>
Manager	1.0	1.0	1.0
Assistant Manager	1.0	1.0	1.0
Lifeguard	9.0	9.0	9.0
<b>Total Employees</b>	<b>11.0</b>	<b>11.0</b>	<b>11.0</b>

**EXPENDITURE SUMMARY**

	<b>2008-2009</b>	<b>2009-2010</b>	<b>2009-2010</b>	<b>2010-2011</b>
	<b>Actual</b>	<b>Budget</b>	<b>Projected</b>	<b>Budget</b>
Personnel Services	\$ 79,862	\$ 93,770	\$ 90,065	\$ 94,380
Supplies & Equipment	31,724	28,850	18,565	30,975
Services & Charges	51,793	69,665	75,705	69,680
Capital Outlay	5,940	35,000	35,000	42,100
<b>Total Department</b>	<b>\$ 169,319</b>	<b>\$ 227,285</b>	<b>\$ 219,335</b>	<b>\$ 237,135</b>



<b>ACTIVITY MEASURES</b>	<b>2008-2009</b>	<b>2009-2010</b>	<b>2009-2010</b>	<b>2010-2011</b>
	<b>Actual</b>	<b>Budget</b>	<b>Projected</b>	<b>Budget</b>
<b>Pool Usage</b>				
Annual Passes Sold	1,676	1,750	1,680	1,750
Daily Passes Sold	2,678	1,830	2,325	2,300
<b>Revenues Generated</b>	<b>\$94,184</b>	<b>\$91,000</b>	<b>\$91,000</b>	<b>\$101,500</b>



## Municipal Court

### DEPARTMENT DESCRIPTION

The Municipal Court is the Court of Original Jurisdiction for all Class "C" Misdemeanors that occur within the Town limits. Duties include the efficient and effective delivery of customer service regarding traffic, criminal, Town ordinance and other miscellaneous violations of Code offenses within the Town's jurisdiction.

### OBJECTIVES MET-FISCAL YEAR 2009-2010

- Maintenance of court records in an efficient and accurate manner.
- Effectively managed approximately 11,000 cases filed.

### OBJECTIVES FOR FISCAL YEAR 2010-2011

- Provide prompt, accurate, and courteous responses to inquiries of and appearances at the Town's Municipal Court office.
- Maintain accurate records of filings, documentation and dispositions of all cases filed with the Court.
- Maintain the current Court calendar, allowing all defendants swift access to the court system.
- Expand case processing via the Town's internet Web-site providing downloadable forms for deferred disposition pleas.

### MAJOR BUDGET ITEMS

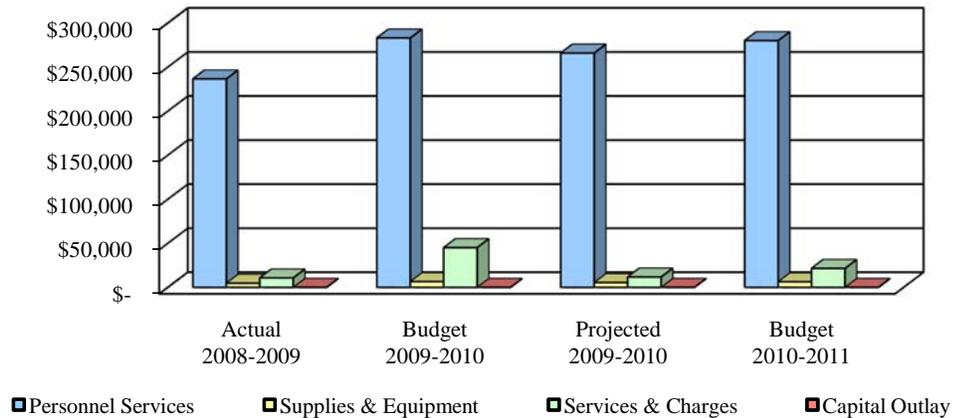
Funding for normal operations.

#### EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	2008-2009 Budget	2009-2010 Budget	2010-2011 Budget
Judge (Part Time)	-	0.1	0.1	0.1
Attorney (Part Time)	-	0.1	0.1	0.1
Senior Court Clerk	5	1.0	1.0	1.0
Court Clerk	3	1.0	1.0	1.0
Marshall/Bailiff (Part Time)	-	-	0.5	0.5
<b>Total Allocable Employees</b>		<b>2.2</b>	<b>2.7</b>	<b>2.7</b>

**EXPENDITURE SUMMARY**

	<b>2008-2009</b>	<b>2009-2010</b>	<b>2009-2010</b>	<b>2010-2011</b>
	<b>Actual</b>	<b>Budget</b>	<b>Projected</b>	<b>Budget</b>
Personnel Services	\$ 236,593	\$ 283,060	\$ 265,895	\$ 280,065
Supplies & Equipment	4,698	6,550	5,450	6,350
Services & Charges	10,707	45,095	11,735	21,535
Capital Outlay	-	-	-	-
<b>Total Department</b>	<b>\$ 251,998</b>	<b>\$ 334,705</b>	<b>\$ 283,080</b>	<b>\$ 307,950</b>

**ACTIVITY MEASURES**

	<b>2008-2009</b>	<b>2009-2010</b>	<b>2009-2010</b>	<b>2010-2011</b>
	<b>Actual</b>	<b>Budget</b>	<b>Projected</b>	<b>Budget</b>
Process Cases Filed	11,045	11,000	10,550	11,000
Process Disposal of Cases	11,726	11,000	11,050	11,000
Disposal/Filed Percentage	106.2%	100.0%	104.7%	100.0%



## Finance Department

disbursements resulting in a ratio of cash invested to total cash of 91.5%.

### DEPARTMENT DESCRIPTION

The Finance Department is responsible for the accurate maintenance of all fiscal, human resources and budget records pertaining to the operations of the Town. Areas of responsibility include general accounting, treasury functions, the annual audit, the preparation of the Comprehensive Annual Financial Report (“CAFR”), preparation of monthly financial report for management, payment of all Town obligations, payroll processing, personnel administration, budget preparation, preparation of the Annual Budget document, employee benefits administration, stores account management, risk management and liability and property insurance management.

### OBJECTIVES MET FOR FISCAL YEAR 2009-2010

- Received the Government Finance Officers Association’s (“GFOA”) Certificate of Achievement for Excellence in Financial Reporting for the Fiscal Year 2009 CAFR and the Distinguished Budget Award for the Fiscal Year 2010 Annual Budget.
- Developed and had adopted the Town’s first Five-Year Capital Improvement Plan (“CIP”).
- Invested Town funds at an average rate of return of 1.03%, or 84 basis points less than average return for Tex Pool.
- Managed the Town’s cash flow through the timely processing of vendor payments and payroll related

### OBJECTIVES FOR FISCAL YEAR 2010-2011

- Provide the Town Council, Town Administrator, departments and citizens with accurate and timely financial records.
- Manage the Town’s investment portfolio in accordance to the Town’s Investment Policies that focus on the safety of principal and liquidity of resources and diversification while earning a market-based return.
- Generate all payrolls, Pay for Performance and Wellness Program in a timely and accurate manner.
- Maintain, monitor and safeguard the Town’s assets.
- Provide timely payment of the Town’s vendors.
- Receive the Government Finance Officers Association’s (“GFOA”) Certificate of Achievement for Excellence in Financial Reporting for the CAFR and the Distinguished Budget Award for the Annual Budget.
- Secure Customer Relationship Management (“CRM”) software.
- Develop performance standards for Town departments, addressing Town Council objectives.
- Conclude the re-engineering of the Town’s Pay for Performance Program.

### MAJOR BUDGET ITEMS

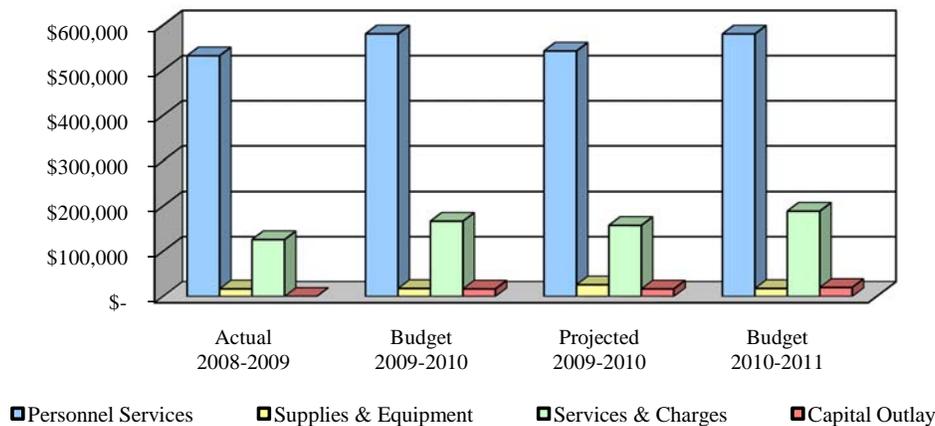
Funding for routine operations plus \$20,000 for acquisition of CRM software package.

### **EMPLOYEE CLASSIFICATION & PAY GRADE**

<b>Classification</b>	<b>Grade</b>	<b>2008-2009 Budget</b>	<b>2009-2010 Budget</b>	<b>2010-2011 Budget</b>
Director of Fiscal & Human Resources	E-3	1.0	1.0	1.0
Controller/Systems Administrator	8	1.0	1.0	1.0
Senior Accounting Technician	4	1.0	1.0	1.0
Secretary II	4	1.0	1.0	1.0
Accounting Technician	3	1.0	1.0	1.0
<b>Total Employees</b>		<b>5.0</b>	<b>5.0</b>	<b>5.0</b>

**EXPENDITURE SUMMARY**

	<b>2008-2009</b>	<b>2009-2010</b>	<b>2009-2010</b>	<b>2010-2011</b>
	<b>Actual</b>	<b>Budget</b>	<b>Projected</b>	<b>Budget</b>
Personnel Services	\$ 532,225	\$ 580,790	\$ 542,785	\$ 580,635
Supplies & Equipment	16,774	17,700	25,880	17,700
Services & Charges	125,999	166,850	157,555	189,150
Capital Outlay	-	16,700	16,700	20,000
Inderdept Cost Allocation	(204,622)	(258,740)	(222,873)	(266,470)
<b>Total Department</b>	<b>\$ 470,376</b>	<b>\$ 523,300</b>	<b>\$ 520,047</b>	<b>\$ 541,015</b>



<b>ACTIVITY MEASURES</b>	<b>2008-2009</b>	<b>2009-2010</b>	<b>2009-2010</b>	<b>2010-2011</b>
	<b>Actual</b>	<b>Budget</b>	<b>Projected</b>	<b>Budget</b>
<b>Investment Activity</b>				
Ratio of Cash Invested to Total Cash	96.4%	98.0%	91.5%	98.0%
Avg. Portfolio Yield vs. TexPool (Basis Points)	103	10	84	10
<b>Accounts Payable/Purchase Orders</b>				
Vendor Payments Processed	3,298	4,000	3,578	3,500
Number of Voided/Reissued Vendor Checks	3	20	2	10
Percentage Voids to Issued	<0.1	0.5	<0.1	0.1
<b>Payroll Processing</b>				
Payroll Checks Issued	41	20	40	35
Payroll ACH Items Processed	4,307	3,800	4,372	4,300
Number Voided /Reissued Payroll Items	5	10	0	5
Percentage Voids to Issued	0.2	0.3	0.0	0.2
<b>Accts Receivable Collection Rate (EMS)</b>	80.8	70.0	93.2	75.0
(Based on a Two-Year Rolling Average)				
No. Days Required to Prepare Mo. Fin. Rep.	17	15	17	15



## *Building Inspection*

### **DEPARTMENT DESCRIPTION**

The Building Inspection Department provides for the health, safety and general welfare of the Town by development, implementation and enforcement of building, plumbing, electrical and mechanical codes, zoning ordinances and code of ordinances. The Department also interprets and enforces specific provisions of certain State Statutes such as The Texas Plumbing License Law, The Texas Engineering Practice Act, The Texas Architectural Barriers Act, The Texas Department of Licensing and Regulation, the Texas Commission on Environmental Quality and the Texas Department of Health.

### **OBJECTIVES MET-FISCAL YEAR 2009-2010**

- Processed approximately 930 building, 220 electrical and 665 plumbing permits, generating \$651,000 in revenues.
- Extensively worked with and assisted consultant on significant revisions to the Town's Zoning Code.
- Contracted for third-party plan review and construction inspections on large commercial projects, particularly the building of a new club house at the Dallas Country Club.

### **OBJECTIVES FOR FISCAL YEAR 2010-2011**

- Provide quality redevelopment for the Town.
- Provide timely and accurate plan review and permit processing.
- Continue to provide professional, courteous and efficient service to the public.

### **MAJOR BUDGET ITEMS**

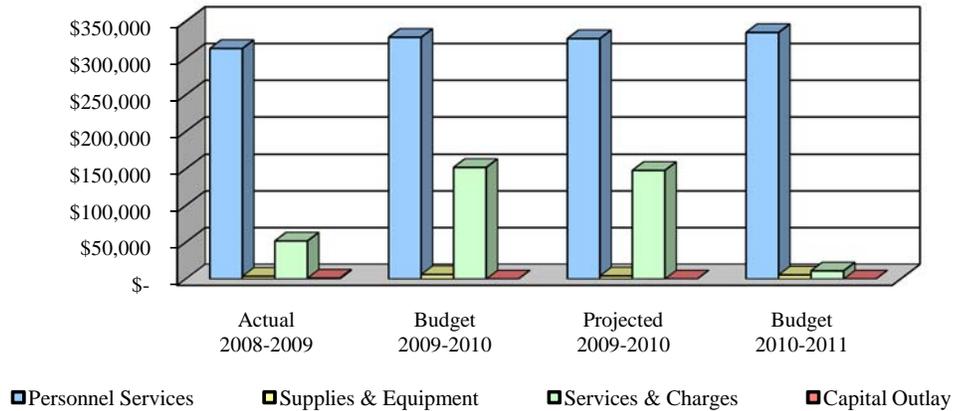
Funding for normal operations.

### **EMPLOYEE CLASSIFICATION & PAY GRADE**

<b>Classification</b>	<b>Grade</b>	<b>2008-2009 Budget</b>	<b>2009-2010 Budget</b>	<b>2010-2011 Budget</b>
Chief Building Inspector	8	1.0	1.0	1.0
Development Services Manager	8	0.0	0.0	1.0
Building Inspector	6	1.0	1.0	0.0
Permit Technician	2	1.0	1.0	1.0
<b>Total Positions</b>		<b>3.0</b>	<b>3.0</b>	<b>3.0</b>

**EXPENDITURE SUMMARY**

	<b>2008-2009</b>	<b>2009-2010</b>	<b>2009-2010</b>	<b>2010-2011</b>
	<b>Actual</b>	<b>Budget</b>	<b>Projected</b>	<b>Budget</b>
Personnel Services	\$ 313,241	\$ 328,480	\$ 326,715	\$ 335,060
Supplies & Equipment	3,781	6,150	4,225	5,650
Services & Charges	51,872	152,070	147,985	11,110
Capital Outlay	1,250	-	-	-
<b>Total Department</b>	<b>\$ 370,144</b>	<b>\$ 486,700</b>	<b>\$ 478,925</b>	<b>\$ 351,820</b>



<b>ACTIVITY MEASURES</b>	<b>2008-2009</b>	<b>2009-2010</b>	<b>2009-2010</b>	<b>2010-2011</b>
	<b>Actual</b>	<b>Budget</b>	<b>Projected</b>	<b>Budget</b>
<b>Inspection Activity</b>				
Building	1,610	1,700	1,500	1,500
Electrical	510	500	500	500
Plumbing	633	600	665	600
Other	84	50	60	50
<b>Permits Activity</b>				
Building	926	900	1060	950
Electrical	218	200	250	250
Plumbing	366	350	340	350
<b>Total Value of Permits (\$1,000)</b>	<b>\$94,923</b>	<b>\$94,000</b>	<b>\$92,000</b>	<b>\$83,000</b>
<b>Total Permit Fees &amp; Licenses (\$1,000)</b>	<b>\$988</b>	<b>\$939</b>	<b>\$928</b>	<b>\$830</b>
<b>Ratio of Revenues to Dept Costs</b>	<b>2.6/1</b>	<b>1.9/1</b>	<b>2.6/1</b>	<b>1.7/1</b>



*Service Center*

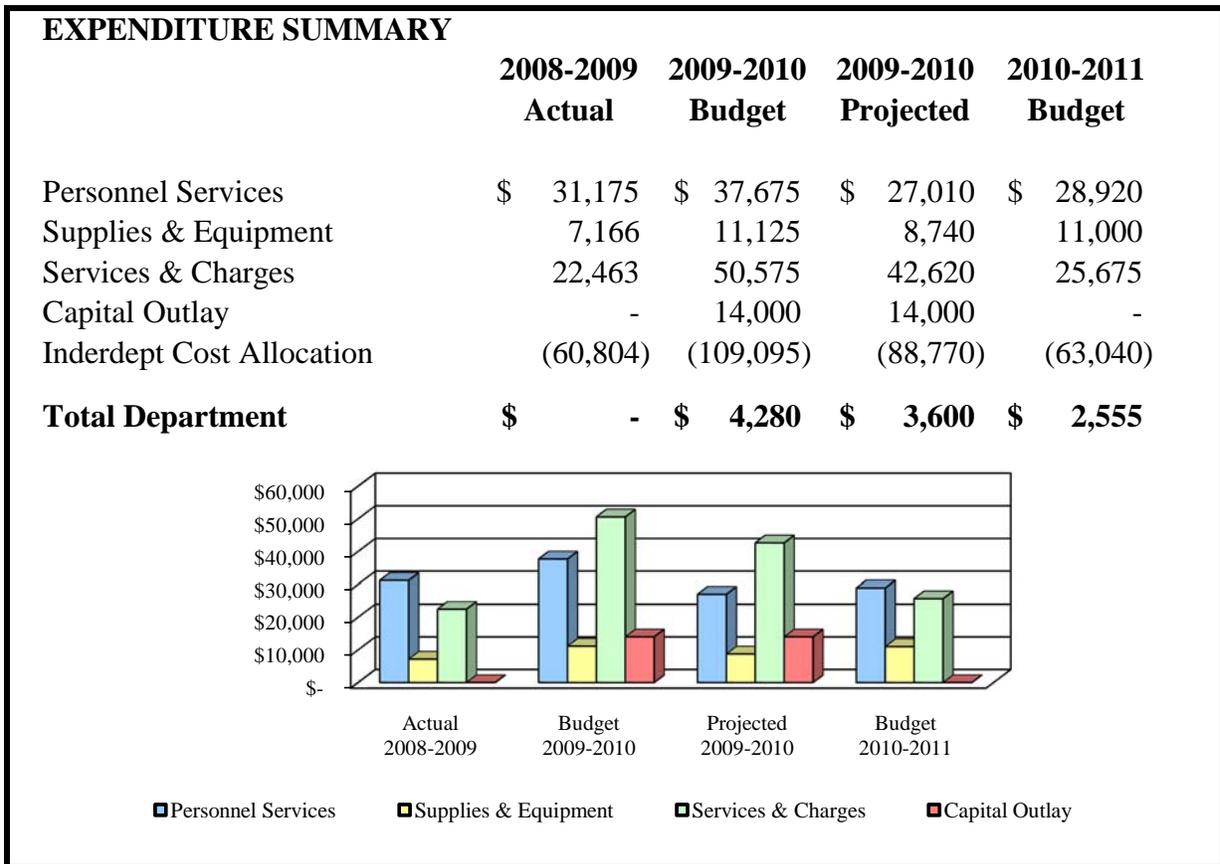
Town’s street lighting and traffic signal system, also provides limited routine maintenance of the Town’s vehicles and equipment as staffing and time allows. Costs are distributed to user/resident departments based upon time allotment and occupancy.

**DEPARTMENT DESCRIPTION**

The Service Center serves as a cost center for machinery, equipment and facilities that is common to Public Works and Parks Departments. The Service Center personnel, whose primary duties and responsibilities are allocated to maintenance of the

<b>EMPLOYEE CLASSIFICATION &amp; PAY GRADE</b>				
<b>Classification</b>	<b>Grade</b>	<b>2008-2009 Budget</b>	<b>2009-2010 Budget</b>	<b>2010-2011 Budget</b>
Electrical/Mechanical Tech	5	0.35	0.35	0.26
<b>Total Allocable Employees</b>		<b>0.35</b>	<b>0.35</b>	<b>0.26</b>

Forman and two (2) technicians split time between Street Lighting Dept. and Service Center.





## Municipal Building

The allocation of common operational expenses is made based upon assigned square footage. Common areas are apportioned based upon occupied space.

### DEPARTMENT DESCRIPTION

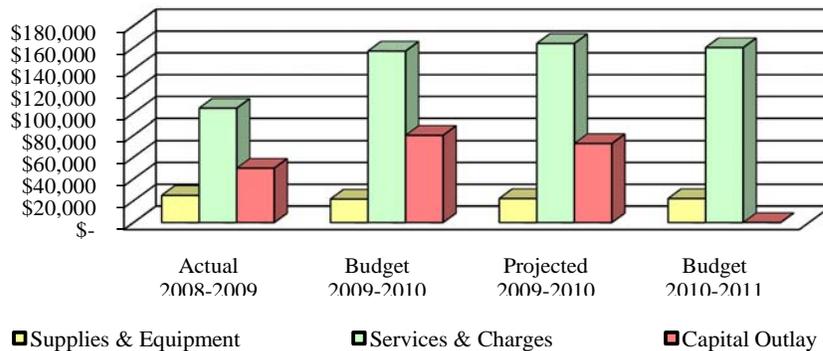
The Municipal Building serves as a cost center for Town Departments that occupy space in Town Hall.

#### DEPARTMENT ALLOCATION OF COSTS

	General Fund	Utility Fund
Administrative	5.75%	5.83%
Public Safety	41.90	-
Library	33.25	-
Parks	0.44	-
Municipal Court	2.02	-
Finance	5.46	-
Building Inspection	1.78	-
Sanitation	-	0.44
Engineering	-	3.13

#### EXPENDITURE SUMMARY

	2008-2009 Actual	2009-2010 Budget	2009-2010 Projected	2010-2011 Budget
Supplies & Equipment	\$ 24,901	\$ 21,500	\$ 22,000	\$ 22,000
Services & Charges	104,329	156,700	163,700	159,935
Capital Outlay	49,888	80,000	72,500	-
Inderdept Cost Allocation	(179,118)	(258,200)	(258,200)	(181,935)
<b>Total Department</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

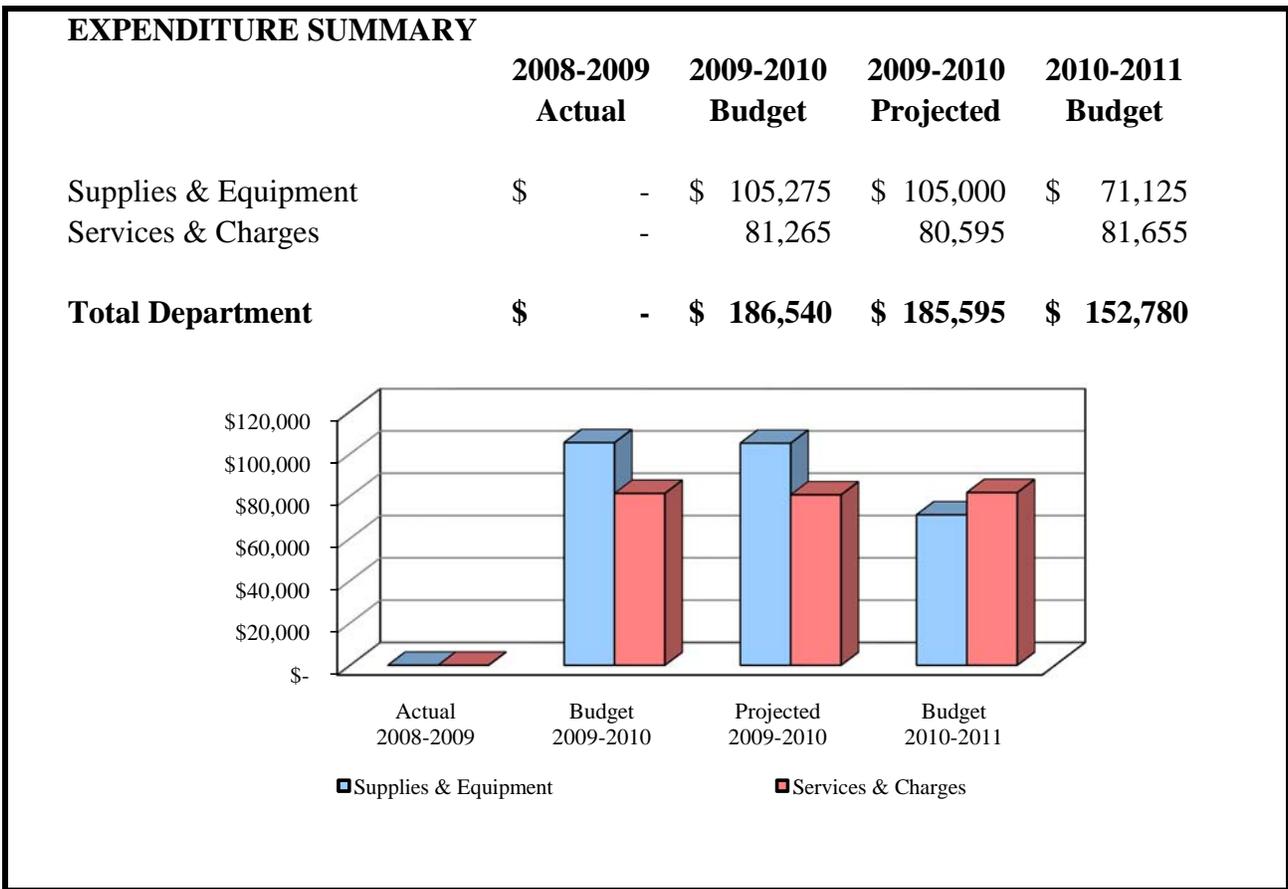




## Non-Departmental

### DEPARTMENT DESCRIPTION

As a means of setting aside funds for discretionary expenditure spending that is not associated with a unique departmental budget, a Non-Departmental cost center is created in the General Fund. Expenditures that can be considered Town-wide or that may have an inherit public policy nature have been included in this cost center. These costs include participation in the D.A.R.E program and the School Resource Officer (“SRO”) program with Highland Park ISD and the City of University Park. As a budgetary hedge on fuel costs, the Town budgeted for \$4.00 per gallon gasoline, with \$3.00 per gallon included in the respective department’s budget and the remaining \$1.00 per gallon in the Non-Departmental cost center.





## *Transfer to Other Funds*

This Budget provides for a transfer of \$990,000 in current revenues to the Capital Projects Fund and provides funding for basic CIP funding (\$650,000), annual miscellaneous concrete project (\$260,000), miscellaneous sidewalk repair/replacement needs (\$40,000), and miscellaneous alley repair/replacement needs (\$40,000). The Town's Statement of Financial Policies provides for the transfer of excess of General Fund revenues over expenditures and encumbrances at the close of each fiscal year to the Capital Projects Fund to supplement any annual budget amount. (Historical

information on the amounts of such transfers is shown below.)

The significant increase in transfers from the General Fund to the Capital Projects Fund reflects the funding adjustments made to condense available Town resources in conjunction with the development of the multi-year CIP.

<b>EXPENDITURE SUMMARY</b>				
	<b>2008-2009 Actual</b>	<b>2009-2010 Budget</b>	<b>2009-2010 Projected</b>	<b>2010-2011 Budget</b>
Capital Projects Fund	\$ 1,120,330	\$ 650,000	\$ 2,760,843	\$ 990,000
<b>Total Interfund Transfers</b>	<b>\$ 1,120,330</b>	<b>\$ 650,000</b>	<b>\$ 2,760,843</b>	<b>\$ 990,000</b>

### **TRANSFER OF EXCESS GENERAL FUND REVENUES OVER EXPENDITURES**

#### **Past Fiscal Years**

2000-2001	3,915,029 *
2001-2002	453,193
2002-2003	561,790
2003-2004	396,185
2004-2005	1,181,340
2005-2006	0
2006-2007	976,048
2007-2008	307,306
2008-2009	464,609
2009-2010 Projected	300,000

\* Includes \$2,907,059 from sale of surplus real property.



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## UTILITY FUND

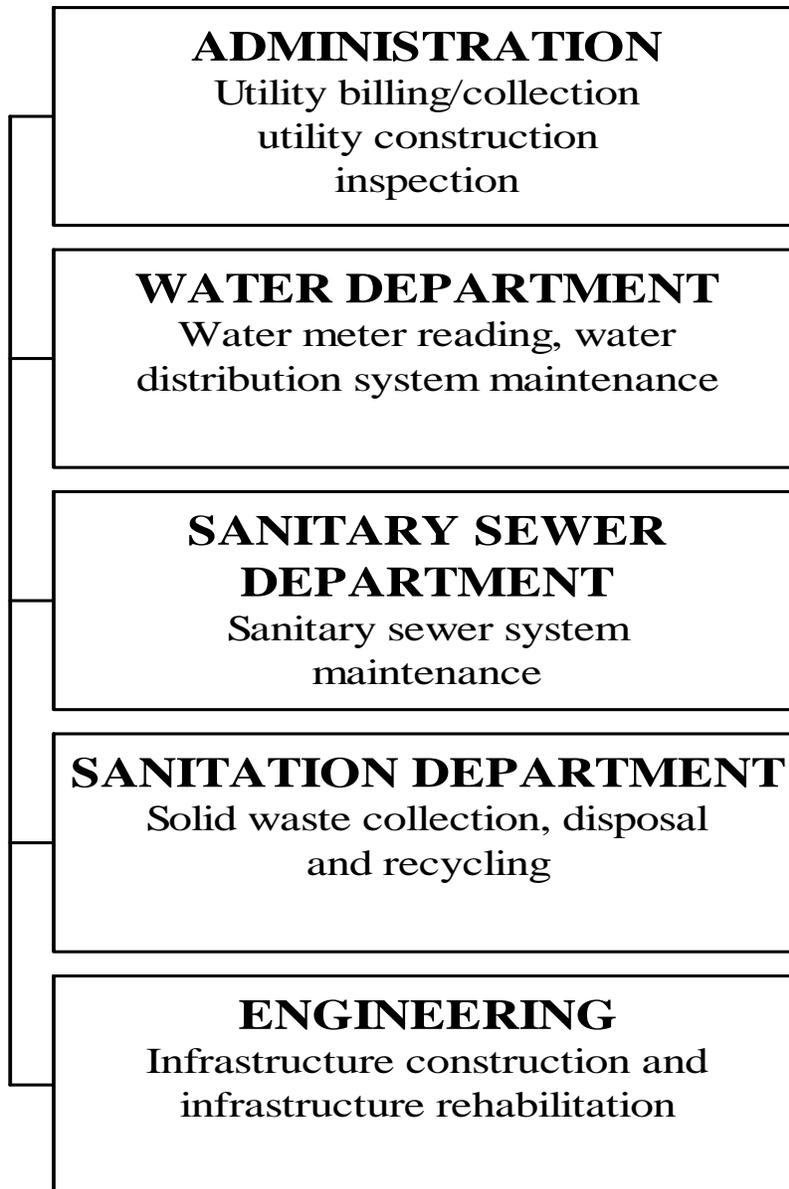
The Utility Fund is the financial structure used for the accounting of providing water, sanitary sewer, solid waste collection and disposal and recycling service to the residents of the Town and the billing and collection of charges to customers to pay for said services. The basis of accounting used for budget development and presentation for the Utility Fund is the accrual basis with the exceptions that capital purchases are reported as expenditures and depreciation and bad debt expenses are not included in budgeted expenditures.

The determination of the revenues necessary to fund the various services for Fiscal Year 2011 begins with the calculation of total costs associated with each service. As stipulated in the Town's Statement of Financial Policies, the adopted utility rate structure is to be sufficient to cover cost of providing the respective service. The total costs for Utility Fund services for Fiscal Year 2011 is \$9,536,925. Of this amount, 45.8% are contractual costs and include contracts for 1) The purchase of treated water for resale and Town use from the Dallas County Park Cities Municipal Utility District (expires April, 2024); 2) Sanitary Sewer Treatment from Dallas Water Utilities (expires February 2014); 3) Solid Waste Collection and Recycling Collection (expires April, 2017); and, 4) Solid Waste Disposal (expires 2033).

Another significant portion of both the budget for Fiscal Year 2011, as well as the work program associated with it, relates to the maintenance and/or replacement of the Town's water and sanitary sewer system infrastructure. Since 1990, the Town has chosen to fund water and sanitary sewer system infrastructure maintenance/replacement with current revenues. Over this time, the Town has allocated over \$24,000,000 in upgrading its water and sanitary sewer system infrastructure without incurring debt, saving an estimated \$8,000,000 in interest costs associated with financing over time.

This Budget provides \$900,000 from water service revenues and \$900,000 from sanitary sewer service revenues to fund the projects selected for Fiscal Year 2011 (page 74). The rate structure necessary to support the current spending level of \$1,800,000 is such that the average monthly cost of a Highland Park utility customer is at or near the average dollar amount for comparable customers in thirteen (13) Dallas County cities. The projects in the west side of the Town have become the core of the Town's commitment to maintain its aging water and sanitary infrastructure originally constructed in the late 1910's and 1920's. These lines are located in easements in much of the west side and as these lines are replaced or rehabilitated, the easements are cleared of obstructions. The impact that the water and sanitary sewer capital improvements program is having on Town operations multi-faceted. The clearing of easements along with infrastructure replacement/rehabilitation affords improved meter reading time and easier access to lines and service taps, I&I is being eliminated, the lines are being increased in size to accommodate increased volume as needs warrant, water service taps are put in place for the installation of meters for irrigation-only use at a cost savings to homeowners and maintenance demands are being reduced.

The development of the multi-year CIP required changes in the budgeting and accounting for funding sources and expenditures for capital projects. The combined \$1,800,000 in current revenues for utility infrastructure is now treated as a transfer from the Utility fund to the Capital Projects Fund. The 5% street rental fee collected through water, sanitary sewer and solid waste collection fees are also treated as a transfer. Please see pages 28 and 36 for additional detail.

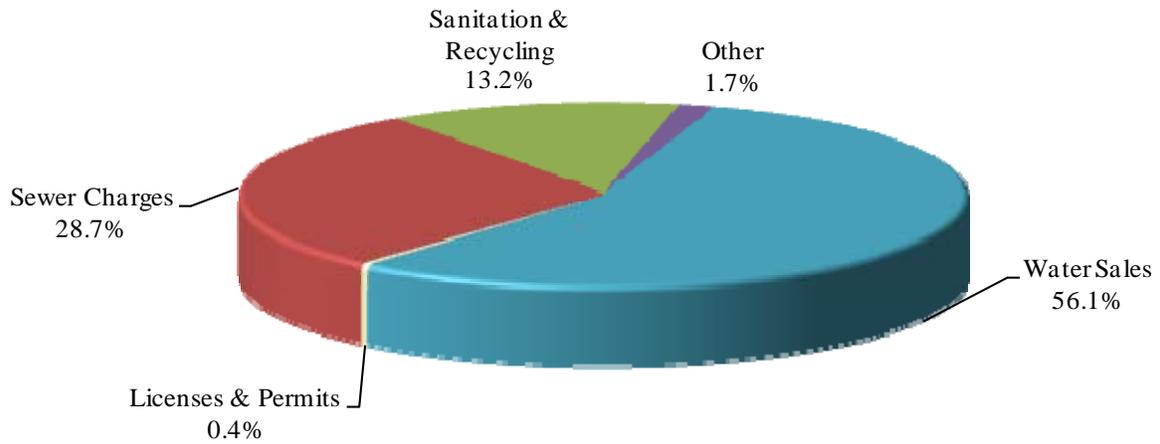


**UTILITY FUND  
STATEMENT OF REVENUES & EXPENSES**

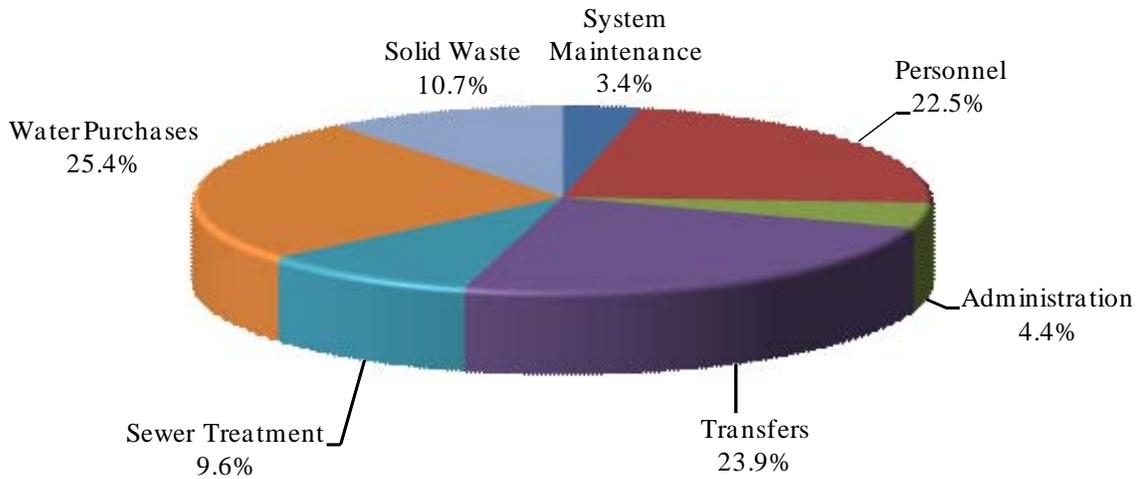
	<b>2008-2009 Actual</b>	<b>2009-2010 Budget</b>	<b>2009-2010 Projected</b>	<b>2010-2011 Budget</b>
<b>REVENUES/SOURCES OF FUNDS</b>				
Licenses & Permits	\$ 32,450	\$ 34,000	\$ 33,000	\$ 34,000
Charges for Services	8,461,586	9,016,350	8,087,835	9,382,920
Fines & Forfeits	76,101	55,000	76,500	75,000
Miscellaneous	175,541	172,000	86,825	67,000
<b>Total Revenues</b>	<b>\$ 8,745,678</b>	<b>\$ 9,277,350</b>	<b>\$ 8,284,160</b>	<b>\$ 9,558,920</b>
<b>EXPENSES/USES OF FUNDS</b>				
Personnel Services				
Payroll	\$ 1,559,761	\$ 1,595,800	\$ 1,562,280	\$ 1,596,690
Employee Benefits	565,487	549,150	556,720	550,630
Total Personnel	\$ 2,125,248	\$ 2,144,950	\$ 2,119,000	\$ 2,147,320
Supplies & Equipment	1,627,689	2,326,450	1,989,600	2,630,610
Services & Charges	3,185,381	2,951,765	2,669,100	2,482,485
Capital Outlay	1,372,449	1,800,000	0	0
<b>Total Expenses/Uses</b>	<b>\$ 8,310,767</b>	<b>\$ 9,223,165</b>	<b>\$ 6,777,700</b>	<b>\$ 7,260,415</b>
Transfers Out	-	-	5,200,160	2,276,510
<b>Total Expenses/Uses</b>	<b>\$ 8,310,767</b>	<b>\$ 9,223,165</b>	<b>\$ 11,977,860</b>	<b>\$ 9,536,925</b>
<b>Excess (Deficiency) of Revenues/Sources over Expenses/Uses</b>	<b>\$ 434,911</b>	<b>\$ 54,185</b>	<b>\$ (3,693,700)</b>	<b>\$ 21,995</b>
<b>Fund Balance</b>	<b>\$ 7,856,148</b>	<b>\$ 7,910,333</b>	<b>\$ 4,162,448</b>	<b>\$ 4,184,443</b>
<b>Fund Balance in Excess of 25% Minimum</b>	<b>\$ 6,121,569</b>	<b>\$ 6,054,542</b>	<b>\$ 2,468,023</b>	<b>\$ 2,369,339</b>

# UTILITY FUND

## BUDGETED REVENUES & SOURCES BY TYPE



## BUDGETED DISBURSEMENTS BY TYPE



**UTILITY FUND  
STATEMENT OF REVENUES**

	<b>2008-2009 Actual</b>	<b>2009-2010 Budget</b>	<b>2009-2010 Projected</b>	<b>2010-2011 Budget</b>
<b>Licenses &amp; Permits</b>				
3315 Plumbing Permits	\$ 32,450	\$ 34,000	\$ 33,000	\$ 34,000
<i>Subtotal</i>	\$ 32,450	\$ 34,000	\$ 33,000	\$ 34,000
<b>Charges For Services</b>				
3401 Water Sales	\$ 4,407,109	\$ 4,840,900	\$ 4,186,500	\$ 5,291,695
3402 Inter-dept Water Sales	47,623	71,600	71,600	71,600
3403 Sewer Charges	2,766,697	2,864,160	2,595,800	2,740,475
3404 Sanitation Charges	1,122,631	1,124,790	1,122,535	1,164,250
3406 Recycling Charges	99,003	98,900	98,400	98,900
3460 Meter Installation	13,150	14,000	9,000	14,000
3465 Other Charges	5,372	2,000	4,000	2,000
<i>Subtotal</i>	\$ 8,461,585	\$ 9,016,350	\$ 8,087,835	\$ 9,382,920
<b>Fines &amp; Forfeits</b>				
3520 Late Payment Penalties	\$ 76,101	\$ 55,000	\$ 76,500	\$ 75,000
<i>Subtotal</i>	\$ 76,101	\$ 55,000	\$ 76,500	\$ 75,000
<b>Miscellaneous</b>				
3610 Interest	\$ 156,295	\$ 155,000	\$ 81,825	\$ 50,000
3746 Sale of Assets	-	-	-	-
3820 Rental of Town Property	-	-	-	-
3880 Refund-Property Damage	-	1,000	-	1,000
3890 Miscellaneous	19,246	16,000	5,000	16,000
<i>Subtotal</i>	\$ 175,541	\$ 172,000	\$ 86,825	\$ 67,000
<b>Total Revenues</b>	<b>\$ 8,745,677</b>	<b>\$ 9,277,350</b>	<b>\$ 8,284,160</b>	<b>\$ 9,558,920</b>

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## SUMMARY OF REVENUE ESTIMATES/TRENDS

- **Licenses and Permits**

By ordinance, the Town requires the purchase of a license by a master plumber and the purchase of a permit for plumbing services performed within the Town.

- **Charges for Services**

### *Water*

Revenues from the retail sale of water are projected to be \$5,291,695, a 9.3% increase over the Fiscal Year 2010 Budget projection. This increase in water sales revenues is due to rate increase sufficient to offset a 17.2% increase in the cost of the purchase of water for resale. The Town's sole water supplier is undertaking a \$33,000,000 project to comply with Environmental Protection Agency ("EPA") mandated water quality standards. The cost increase for 2009-2010 will be the first of three consecutive annual rate increases that will ultimately result in a 100% increase in the Town's water supply costs. The other component impacting water sales revenues is the projected volume of water to be sold. The Town anticipates selling 1,111,940,000 gallons of water, or 93.8% of the 1,185,000,000 gallons of water projected purchases.

The projected revenues are based on water rates that include an 11.3% increase in the volume rate, or an increase of 9.1% in the average residential bill for 12,000 gallons. The projected revenues are sufficient to fund 100.04% of the cost of providing water services at the projected sales volume.

The schedule on page 101 reflects the historical water sales (per 1,000 gallons) by category of use for the past ten (10) fiscal years.

### *Sanitary Sewer*

The projected revenues from sanitary sewer charges amount to \$2,740,475 or 4.3% less than for the Fiscal Year 2010 Budget year.

The projected revenues are based on retention of the existing volume rate and adjusting for a slight decrease in the volume of water sold subject to sanitary sewer charges. The projected revenues are sufficient to fund 100.15% of the cost of providing sanitary sewer services at the projected sales volume.

### *Sanitation Services*

The contractual increases for solid waste collection and disposal are tied to changes in CPI and diesel fuel indices. For Fiscal Year 2011, the cost for collection and disposal services will increase 3.0% to provide funding for the establishment of a poly-cart replacement program.

- **Miscellaneous**

Projected interest earnings are based on an average monthly investable balance of \$6,250,000 are reflective of anticipated investable balances at a 0.80% earnings rate.





## Administrative Department

### DEPARTMENT DESCRIPTION

The Administrative Department is responsible for the day-to-day general governmental administration of the Town including coordinating, directing and reviewing departmental operations in the implementation of policy directive provided by the Mayor and Town Council. The Town Secretary function in this department, along with support staff, is responsible for documenting and maintaining agendas and minutes of Town Council and Board of Adjustment meetings. The preparation, indexing and codification of Town ordinances and the preparation and indexing of resolutions performed by assigned staff.

### OBJECTIVES MET FOR FISCAL YEAR 2009-2010

- Maintained quality customer service as evidenced by only sixteen (16) bills requiring adjustment due to error out of almost 41,000 bills prepared.

- Continued education of customers regarding bank draft and on-line payment options through information flyers and direct contact.
- Continued the process of updating automated customer data for historical information from archived manual card system.
- Evaluated options for maintaining information regarding the tracking of customer contacts on water conservation under the Town's Drought Contingency Plan. Implemented tracking system and maintained same.

### OBJECTIVES FOR FISCAL YEAR 2010-2011

- Coordinate the implementation of Town Council goals and objectives with all Town departments, including utility services.
- Ensure the delivery of quality services to the citizens through effective management and efficient administration of Town utility services.
- Promote on-line bill paying through utility bill 'stuffers' and web-site.

### MAJOR BUDGET ITEMS

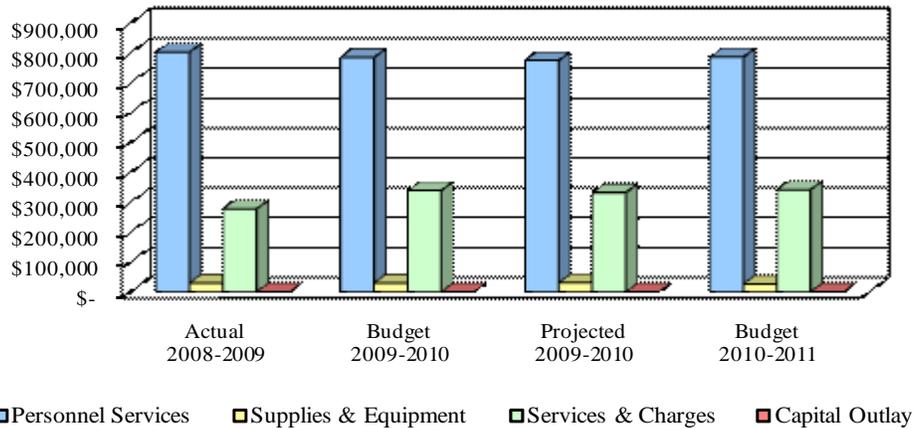
Funding for normal operations

### **EMPLOYEE CLASSIFICATION & PAY GRADE**

<b>Classification</b>	<b>Grade</b>	<b>2008-2009 Budget</b>	<b>2009-2010 Budget</b>	<b>2010-2011 Budget</b>
Town Administrator	-	0.5	0.5	0.5
Director of Public Works	E-3	0.8	0.8	0.8
Construction Coordinator	6	1.0	1.0	1.0
Customer Service Supervisor	6	1.0	1.0	1.0
Administrative Secretary	5	0.2	0.2	0.2
Secretary II	4	0.5	0.5	0.5
Customer Service Specialist II	3	1.0	1.0	1.0
Customer Service Specialist I	2	1.0	1.0	1.0
Attorney (Part Time)	-	0.2	0.2	0.2
<b>Total Allocable Employees</b>		<b>6.2</b>	<b>6.2</b>	<b>6.2</b>

**EXPENDITURE SUMMARY**

	<b>2008-2009</b>	<b>2009-2010</b>	<b>2009-2010</b>	<b>2010-2011</b>
	<b>Actual</b>	<b>Budget</b>	<b>Projected</b>	<b>Budget</b>
Personnel Services	\$ 802,398	\$ 784,850	\$ 774,535	\$ 786,165
Supplies & Equipment	29,504	29,950	30,420	26,405
Services & Charges	277,734	339,300	332,570	341,915
Capital Outlay	-	-	-	-
<b>Total Department</b>	<b>\$1,109,636</b>	<b>\$1,154,100</b>	<b>\$1,137,525</b>	<b>\$1,154,485</b>



<b>ACTIVITY MEASURES</b>	<b>2008-2009</b>	<b>2009-2010</b>	<b>2009-2010</b>	<b>2010-2011</b>
	<b>Actual</b>	<b>Budget</b>	<b>Projected</b>	<b>Budget</b>
<b>Utility Inspections</b>				
Sewer taps	119	150	110	150
Excavations	82	150	80	150
<b>Other Inspections</b>				
Building *	164	200	140	200
Electrical *	29	30	30	30
Plumbing *	31	50	95	50
Vacant Properties	13	20	15	20
Alleys	24	35	25	35
Job-site Conditions	101	100	80	100
Public Utilities	100	200	160	200
Other	200	200	225	200
<b>Utilities Service</b>				
Bills Prepared	40,564	41,000	40,700	41,000
New Deposits (#)	360	400	380	400
Bank Draft Customers	593	600	640	650
Internet Payment	564	500	650	650
<b>Billing Adjustment Requests</b>				
Billing Errors	16	10	10	10
Leaks	42	50	40	50

\* This data is also included in the corresponding activity description in Building Inspection in order to present a more accurate account of building related activities in the Town.



## Water Department

### DEPARTMENT DESCRIPTION

The Water Department is responsible for providing the Town with a reliable supply of potable water. The maintenance of the water distribution system includes 40 miles of water mains, 252 fire hydrants, one (1) elevated storage tank (750,000 gallons) and one ground storage tank (1,500,000 gallons). Treated water is purchased from the Dallas County Park Cities Municipal Utility District.

### OBJECTIVES MET FOR FISCAL YEAR 2009-2010

- Routine maintenance of system, minimizing service interruptions.
- Over 200 water meters replaced in the Town's meter change-out program.

### OBJECTIVES FOR FISCAL YEAR 2010-2011

- Maintain the quality of service by minimizing the number of customers affected during water service interruptions and maintain the distribution system to minimize service interruptions.
- Provide funding of infrastructure replacement program through the water rate structure.
- Maintain program of changing service meters on a fourteen-year replacement schedule or as needed.

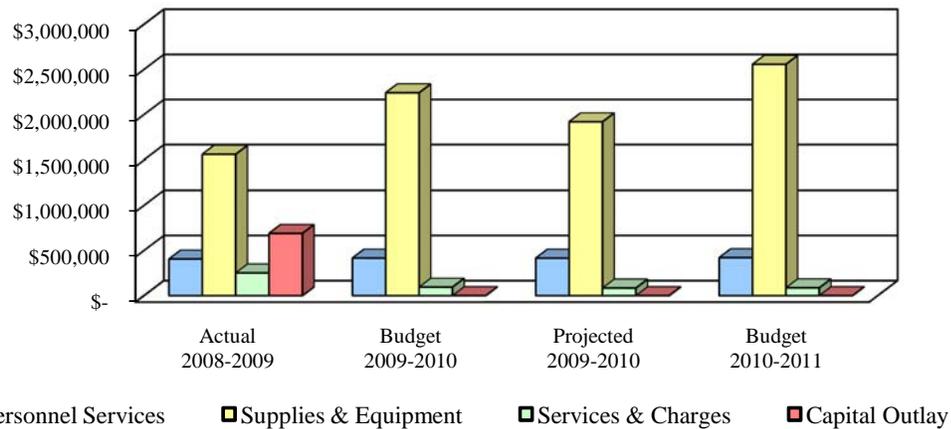
### MAJOR BUDGET ITEMS

- Funding for infrastructure replacement/maintenance - \$900,000.
- Repair materials for making necessary system repairs in conjunction with infrastructure replacement/maintenance program - \$75,000.
- Replacement water meters - \$30,000.

<b>EMPLOYEE CLASSIFICATION &amp; PAY GRADE</b>				
<b>Classification</b>	<b>Grade</b>	<b>2008-2009 Budget</b>	<b>2009-2010 Budget</b>	<b>2010-2011 Budget</b>
Foreman	8	0.4	0.4	0.4
Public Works Maintenance Worker III	4	4.0	4.0	4.0
<b>Total Allocable Employees</b>		<b>4.4</b>	<b>4.4</b>	<b>4.4</b>

**EXPENDITURE SUMMARY**

	<b>2008-2009 Actual</b>	<b>2009-2010 Budget</b>	<b>2009-2010 Projected</b>	<b>2010-2011 Budget</b>
Personnel Services	\$ 405,769	\$ 416,165	\$ 415,790	\$ 420,980
Supplies & Equipment	1,560,137	2,241,430	1,919,790	2,556,770
Services & Charges	251,487	94,585	84,015	86,775
Capital Outlay	689,876	-	-	-
<b>Total Department</b>	<b>\$ 2,907,269</b>	<b>\$ 2,752,180</b>	<b>\$ 2,419,595</b>	<b>\$ 3,064,525</b>

**ACTIVITY MEASURES**

	<b>2008-2009 Actual</b>	<b>2009-2010 Budget</b>	<b>2009-2010 Projected</b>	<b>2010-2011 Budget</b>
<b>Water Meter Activity</b>				
Change –out Program	172	175	330	418
New Services	53	75	45	75
Worker Days	96	180	100	180
<b>Meter Reading</b>				
Meters Read	64,368	64,200	64,750	64,750
Worker Days	77	90	80	90
Number Read/Hour (Average)	104	90	101	90
Reading Cost Per Meter Read	\$0.39	\$0.48	\$0.43	\$0.50
Meters Reread	1,728	1,600	1,950	1,600
Worker Days	35	30	30	30
Number Read/Hour (Average)	6	7	8	7
Reading Cost Per Meter Reread	\$6.78	\$6.23	\$5.45	\$6.50
<b>Other Repairs/Activity/Worker Days</b>				
Main Repairs	116	100	150	100
Service Lines	19	15	15	10
Fire Hydrants	40	100	80	100
Valves	193	130	85	130



## Sanitary Sewer Department

### DEPARTMENT DESCRIPTION

The Sanitary Sewer Department is responsible for providing the Town with a reliable and sound system of wastewater collection. The operation of the wastewater collection system includes 37 miles of lines serving 3,250 customers and some 600 manholes. The Town contracts with Dallas Water Utilities for the treatment of wastewater.

### OBJECTIVES MET-FISCAL YEAR 2008-2009

- Sanitary sewer collection system maintained, keeping service interruptions to a minimum.
- Significant system infrastructure maintenance/replacement projects were deferred due to the amount of disruption within the Town in conjunction with the reconstruction of Mockingbird Lane.

- Continued Town's program of systematically flushing sanitary sewer lines by flushing 50.0 miles, or the entire system 1.3 times.
- Continued to address inflow and infiltration (I&I) through infrastructure maintenance/replacement.
- 

### OBJECTIVES FOR FISCAL YEAR 2009-2010

- Decrease I & I into the system.
- Maintain the collection and transmission system to minimize service interruptions.
- Through the sanitary sewer rate structure, provide funding of infrastructure replacement program.
- Continue Town's program of systematically flushing sanitary sewer lines through out the Town.

### MAJOR BUDGET ITEMS

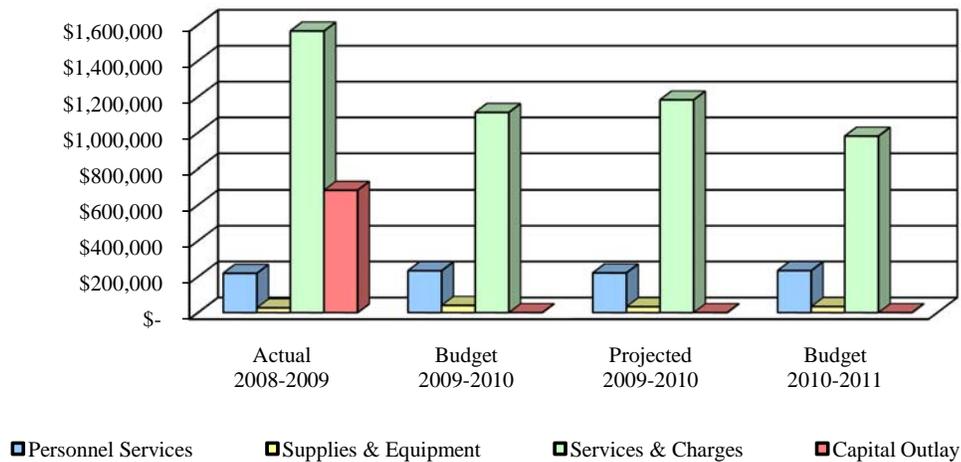
- Infrastructure replacement/maintenance - \$900,000.

### **EMPLOYEE CLASSIFICATION & PAY GRADE**

<b>Classification</b>	<b>Grade</b>	<b>2008-2009 Budget</b>	<b>2009-2010 Budget</b>	<b>2010-2011 Budget</b>
Foreman	8	0.3	0.3	0.3
Public Works Maintenance Worker III	4	2.0	2.0	2.0
<b>Total Allocable Employees</b>		<b>2.3</b>	<b>2.3</b>	<b>2.3</b>

**EXPENDITURE SUMMARY**

	<b>2008-2009 Actual</b>	<b>2009-2010 Budget</b>	<b>2009-2010 Projected</b>	<b>2010-2011 Budget</b>
Personnel Services	\$ 219,095	\$ 233,370	\$ 221,430	\$ 234,170
Supplies & Equipment	26,700	40,250	32,880	33,735
Services & Charges	1,566,389	1,112,670	1,182,445	980,300
Capital Outlay	682,255	-	-	-
<b>Total Department</b>	<b>\$ 2,494,439</b>	<b>\$ 1,386,290</b>	<b>\$ 1,436,755</b>	<b>\$1,248,205</b>

**ACTIVITY MEASURES**

	<b>2008-2009 Actual</b>	<b>2009-2010 Budget</b>	<b>2009-2010 Projected</b>	<b>2010-2011 Budget</b>
<b>Service Calls</b>				
City Lines	9	20	7	20
Private Lines	33	50	25	50
Worker Days	9	25	10	25
<b>System Maintenance</b>				
Mains Flushed (Approx. Miles)	85.5	60.0	80.0	60.0
Broken Mains	50	100	25	100
Worker Days	262	300	260	300
<b>Installation of Customer Services</b>				
New Taps	36	40	30	40
Worker Days	30	30	20	30



*Sanitation Collection  
Department*

**DEPARTMENT DESCRIPTION**

The collection and disposal of the Town's solid waste, brush and recyclable materials is performed under contract by Trinity Waste Services. The Town also contracts for sanitary landfill access with Skyline Landfill. This Department serves as the cost center for these services.

**OBJECTIVES MET-FISCAL YEAR 2009-2010**

- Provided a quick response on complaints.
- Managed the contracts for related services.

**OBJECTIVES FOR FISCAL YEAR 2010-2011**

- Provide a quick response on complaints
- Manage the contracts for related services
- Explore ways of minimizing the Town's waste stream by increase utilization of the existing recycling program.
- Explore alternatives to the disposal of household hazardous waste, currently under contract with Dallas County

**MAJOR BUDGET ITEMS**

- Service contracts
 

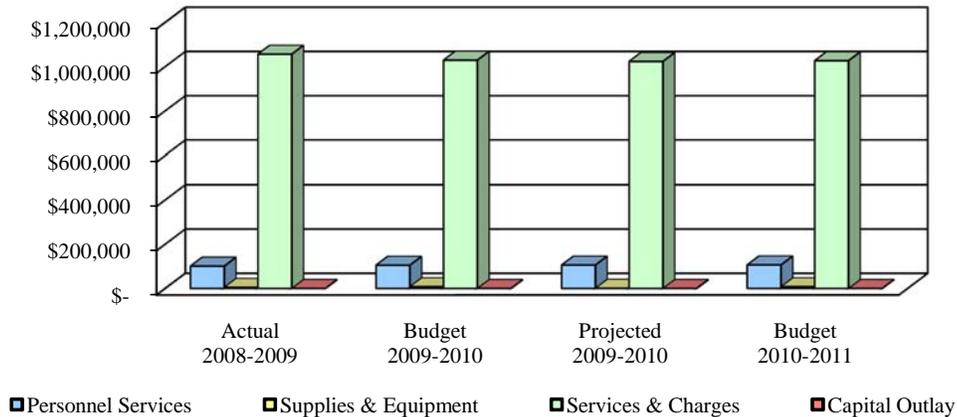
Collection and disposal	\$808,040
Landfill	109,000
Recycling	90,700
Household Hazardous Waste	12,500

**EMPLOYEE CLASSIFICATION & PAY GRADE**

<b>Classification</b>	<b>Grade</b>	<b>2008-2009 Budget</b>	<b>2009-2010 Budget</b>	<b>2010-2011 Budget</b>
Director of Parks & Sanitation	E-2	0.5	0.5	0.5
<b>Total Allocable Employees</b>		<b>0.5</b>	<b>0.5</b>	<b>0.5</b>

**EXPENDITURE SUMMARY**

	<b>2008-2009 Actual</b>	<b>2009-2010 Budget</b>	<b>2009-2010 Projected</b>	<b>2010-2011 Budget</b>
Personnel Services	\$ 100,968	\$ 105,090	\$ 105,795	\$ 106,470
Supplies & Equipment	4,962	8,000	1,015	8,000
Services & Charges	1,056,269	1,029,220	1,023,335	1,026,735
Capital Outlay	-	-	-	-
<b>Total Department</b>	<b>\$ 1,162,199</b>	<b>\$ 1,142,310</b>	<b>\$ 1,130,145</b>	<b>\$ 1,141,205</b>



<b>ACTIVITY MEASURES</b>	<b>2008-2009 Actual</b>	<b>2009-2010 Budget</b>	<b>2009-2010 Projected</b>	<b>2010-2011 Budget</b>
<b>Collection (tonnage)</b>				
Solid Waste Collection	6,152	7,500	6,300	6,500
Brush Collection	2,526	2,500	2,275	2,300
Recycling	937	1,000	1,050	1,000
<b>Contract Expenses</b>				
Collection	\$808,755	\$807,200	\$806,400	\$808,040
Disposal	101,743	109,000	105,85	109,000
Recycling	90,773	91,545	90,625	90,700
<b>Cost Per Ton</b>				
Collection	\$93.20	\$80.72	\$94.04	\$91.82
Disposal	11.73	10.90	12.35	12.39
Recycling	96.86	91.55	86.31	90.70



## Engineering Department

### DEPARTMENT DESCRIPTION

This department is responsible for the planning, design, construction and inspection of capital projects and capital improvements projects for the Town by performing such functions directly or by contract.

### OBJECTIVES MET FOR FISCAL YEAR 2009-2010 & PROJECTS COMPLETED

- Contracted for the replacement of 3,550 linear feet of water lines, replacement of 3,300 linear feet of sanitary sewer lines, replacement /rehabilitation of 1,320 linear feet of storm

drain, replacement of 9,600 square yards of sidewalk, 2,740 linear feet of curb & gutter, and 7,400 square yards of curb and gutter/drive approaches.

### OBJECTIVES FOR FISCAL YEAR 2010-2011

- Manage construction projects for:
  - Rehabilitation of Beverly Drive (CIP)
  - Drainage improvements – Dartmouth Avenue (CIP)
  - Utility infrastructure program (CIP)
  - Repairs to the retaining wall at Town Hall (CIP)
- Respond to engineering needs of the Town as necessary.

### MAJOR BUDGET ITEMS

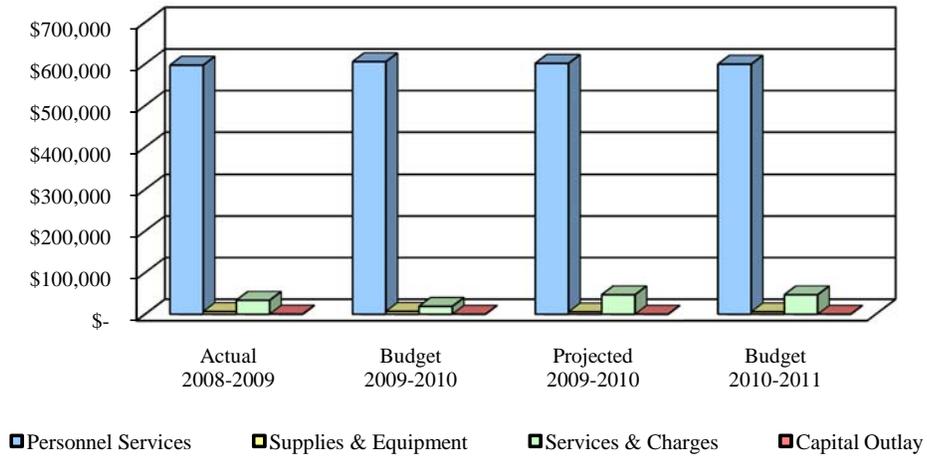
- Funding for normal operations.

### **EMPLOYEE CLASSIFICATION & PAY GRADE**

<b>Classification</b>	<b>Grade</b>	<b>2008-2009 Budget</b>	<b>2009-2010 Budget</b>	<b>2010-2011 Budget</b>
Town Engineer	E-3	1.0	1.0	1.0
Project Engineer	7	1.0	1.0	1.0
Construction Coordinator	6	0.0	1.0	1.0
Engineer Assistant	5	0.5	0.5	0.5
Project Coordinator	5	1.0	1.0	1.0
<b>Total Allocable Employees</b>		<b>3.5</b>	<b>4.5</b>	<b>4.5</b>

**EXPENDITURE SUMMARY**

	<b>2008-2009</b>	<b>2009-2010</b>	<b>2009-2010</b>	<b>2010-2011</b>
	<b>Actual</b>	<b>Budget</b>	<b>Projected</b>	<b>Budget</b>
Personnel Services	\$ 597,018	\$ 605,475	\$ 601,450	\$ 599,535
Supplies & Equipment	6,387	6,820	5,495	5,700
Services & Charges	33,502	18,840	46,735	46,760
Capital Outlay	318	-	-	-
<b>Total Department</b>	<b>\$ 637,225</b>	<b>\$ 631,135</b>	<b>\$ 653,680</b>	<b>\$ 651,995</b>





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## CAPITAL PROJECTS FUND

The Capital Projects Fund is the financial structure used for the accounting of the receipt of resources (revenues and transfers) and the use of resources for capital expenditures of \$100,000 and greater. The basis of accounting for the Capital Projects Fund is the modified accrual basis.

Since 1980, the Town has been aggressive in funding all capital outlay and large dollar maintenance needs through current revenues and reserves. The Town has been able to fund over \$37,000,000 in its capital program without incurring additional debt.

In 2010, the Town adopted its first multi-year Capital Improvement Plan ("CIP"). In conjunction with the adoption of the Fiscal Year 2011 Operating Budget, a Fiscal Year 2011 Capital Budget was also adopted based upon the adopted and revised Fiscal Year 2011 CIP. A total of \$11,010,000 in capital spending is budgeted with \$10,835,000 appropriated here in the Capital Projects Fund and \$175,000 appropriated in the Storm Water Drainage Utility Fund (page 82).

A summary of the Fiscal Year 2011 CIP is presented on page 77. The adopted Fiscal Year 2011 Capital Improvement Plan and Capital Budget represents the full scope of the Town's multi-year capital spending plan and this section of the Town's Operating Budget summarizes the financial information contained in it.

**CAPITAL PROJECTS FUND  
STATEMENT OF REVENUES & EXPENDITURES**

	2008-2009 Actual	2009-2010 Budget	2009-2010 Projected	2010-2011 Budget
<b>REVENUES/SOURCES OF FUNDS</b>				
Interest	\$ 115,765	\$ 90,000	\$ 112,800	\$ 90,000
Miscellaneous	1,022,070	-	-	1,000,000
<b>Total Revenues</b>	<b>\$ 1,137,835</b>	<b>\$ 90,000</b>	<b>\$ 112,800</b>	<b>\$ 1,090,000</b>
Transfers In	\$ 957,151	\$ 650,000	\$ 7,961,003	\$ 3,254,765
<b>Total Other Resources</b>	<b>\$ 957,151</b>	<b>\$ 650,000</b>	<b>\$ 7,961,003</b>	<b>\$ 3,254,765</b>
<b>Total Revenues/Sources</b>	<b>\$ 2,094,986</b>	<b>\$ 740,000</b>	<b>\$ 8,073,803</b>	<b>\$ 4,344,765</b>
<b>EXPENDITURES/USES OF FUNDS</b>				
Capital Projects	\$ 189,132	\$ 602,000	\$ 4,155,771	\$ 10,835,000
<b>Total Expenditures/Uses</b>	<b>\$ 189,132</b>	<b>\$ 602,000</b>	<b>\$ 4,155,771</b>	<b>\$ 10,835,000</b>
<b>Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses</b>	<b>\$ 1,905,854</b>	<b>\$ 138,000</b>	<b>\$ 3,918,032</b>	<b>\$ (6,490,235)</b>
<b>Fund Balance</b>	<b>\$ 5,438,469</b>	<b>\$ 5,576,469</b>	<b>\$ 9,356,501</b>	<b>\$ 2,866,266</b>

**CAPITAL PROJECTS  
AS ADOPTED IN THE 2010-2011 CIP**



**Town of Highland Park**

Capital Improvement Plan - Budget

EXPENSE	Project Cost	2009-2010 Allocation	2010-2011 Allocation	2011-2012 Allocation	2012-2013 Allocation	2013-2014 Allocation	2014-2015 Allocation	TOTAL ALLOCATION
<b>Current Programs -</b>								
Street Resurfacing	N/A	\$ 466,543	\$ 80,000	\$ 838,003	\$ 862,403	\$ 872,403	\$ 872,403	\$ 3,991,756
Infrastructure Update	N/A	\$ 1,581,504	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	\$ 10,581,504
<b>Proposed Projects -</b>								
DPS/Town Hall	\$ 7,602,880	\$ 1,592,880	\$ 6,010,000					\$ 7,602,880
Beverly Drive								
Culvert Modifications	\$ 540,000			\$ 540,000				\$ 540,000
Rehabilitation	\$ 2,507,000	\$ 65,000	\$ 2,442,000					\$ 2,507,000
Drainage Improvements *	\$ 175,000		\$ 175,000					\$ 175,000
Hackberry Creek Restoration	\$ 3,180,000			\$ 150,000	\$ 230,000			\$ 380,000
Connor Park Stabilization	\$ 2,506,000				\$ 80,000	\$ 100,000		\$ 180,000
Miramar Culvert Modifications	\$ 456,000							\$ -
Traffic Signal Upgrade	\$ 300,000							\$ -
Preston Road Rehabilitation	\$ 1,446,000							\$ -
Retaining Wall @ Town Hall	\$ 513,000	\$ 10,000	\$ 503,000					\$ 513,000
Bridge Inspection & Repairs	\$ 60,000							\$ -
Exall Lake dredging	\$ 900,000							\$ -
Service Center wall	\$ 55,000							\$ -
Tennis Court reconstruction	\$ 605,000							\$ -
Town Hall parking	\$ 144,000							\$ -
Street signage update	\$ 270,000							\$ -
Willow Wood Alley Paving	\$ 63,000							\$ -
<b>Total Project Costs:</b>	<b>N/A</b>	<b>\$ 3,715,927</b>	<b>\$11,010,000</b>	<b>\$ 3,328,003</b>	<b>\$ 2,972,403</b>	<b>\$ 2,772,403</b>	<b>\$ 2,672,403</b>	<b>\$ 26,471,140</b>

\* Funded through Storm Water Drainage Utility Fund

## **EQUIPMENT REPLACEMENT FUND**

The Equipment Replacement Fund is the financial structure used for the accounting of the receipt of resources (revenues and transfers) and the use of resources for the acquisition of the Town's rolling stock. Each operational department within the General and Utility Funds are charged for the cost of use of their respectively assigned vehicles and equipment at a rate equal to the straight-line depreciation of original cost less projected salvage value. The incurred costs are recorded as expenditures/expenses within the respective funds and as revenues (Charges for Service) in the Equipment Replacement Fund. The basis of accounting used for budget development and presentation for the Equipment Replacement Fund is the accrual basis with the exceptions that capital purchases are reported as expenditures and depreciation is not included in budgeted expenditures.

All rolling stock us scheduled for replacement and each vehicle and piece of equipment is evaluated annually for mileage, condition and maintenance costs before a final decision for replacement is made.

This budget provides funding for the purchase of two (2) police SUV's; five (5) pickups, one (1) 1-ton truck with dump body; one (1) dump truck and two (2) 3/4-ton pickup trucks and includes vehicles whose replacements were deferred from 2008-2009 along with other capital purchases.

**EQUIPMENT REPLACEMENT FUND  
STATEMENT OF REVENUES & EXPENSES**

	<b>2008-2009</b>	<b>2009-2010</b>	<b>2009-2010</b>	<b>2010-2011</b>
	<b>Actual</b>	<b>Budget</b>	<b>Projected</b>	<b>Budget</b>
<b>REVENUES/SOURCES OF FUNDS</b>				
Charges for Services	\$ 430,669	\$ 608,525	\$ 608,525	\$ 531,090
Interest	42,289	42,000	22,115	20,000
Sale of Assets	38,100	80,000	47,000	75,500
<b>Total Revenues</b>	<b>\$ 511,058</b>	<b>\$ 730,525</b>	<b>\$ 677,640</b>	<b>\$ 626,590</b>
Transfers	-	-	-	-
<b>Total Revenues/Sources</b>	<b>\$ 511,058</b>	<b>\$ 730,525</b>	<b>\$ 677,640</b>	<b>\$ 626,590</b>
<b>EXPENSES/USES OF FUNDS</b>				
Services & Charges	\$ 3,021	\$ 6,400	\$ 3,760	\$ 6,040
Capital Outlay	263,912	624,305	778,810	984,000
<b>Total Expenses</b>	<b>\$ 266,933</b>	<b>\$ 630,705</b>	<b>\$ 782,570</b>	<b>\$ 990,040</b>
Transfers	-	-	-	-
<b>Total Expenses/Uses</b>	<b>\$ 266,933</b>	<b>\$ 630,705</b>	<b>\$ 782,570</b>	<b>\$ 990,040</b>
<b>Excess (Deficiency) of Revenues/Sources Over Expenses/Uses</b>	<b>\$ 244,125</b>	<b>\$ 99,820</b>	<b>\$ (104,930)</b>	<b>\$ (363,450)</b>
<b>Fund Balance</b>	<b>\$ 2,636,509</b>	<b>\$ 2,736,329</b>	<b>\$ 2,531,579</b>	<b>\$ 2,168,129</b>

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**EQUIPMENT INVENTORY AND REPLACEMENT SCHEDULE**

<b>Department/ Equipment Type</b>	<b>Equipment Make</b>	<b>Equipment Model</b>	<b>Year Purchased</b>	<b>Schedule Replacement</b>
<b>PUBLIC SAFETY</b>				
Administration/CID .....	Toyota Highlander Hybrid	2009	2009	2014
Administration/CID .....	Toyota Highlander Hybrid	2009	2009	2014
Administration/CID .....	Toyota Highlander Hybrid	2010	2010	2015
Administration/CID .....	Toyota Highlander Hybrid	2010	2010	2015
Command Vehicle .....	Chevrolet Tahoe	2010	2010	2014
Fire Apparatus .....	Grumman	1992	1992	2012
Fire Apparatus .....	Quality	2000	2000	2020
Fire Apparatus .....	Pierce-Dash	2007	2007	2027
MICU .....	Navistar	2006	2005	2016
MICU .....	Freightliner-Horton	2002	2002	2012
MICU .....	International-Southern	1992	1992	2011
Pickup (Animal Control).....	Chevrolet	2005	2005	2012
Van .....	Dodge	2007	2007	2012
Police SUV .....	Chevrolet Tahoe	2010	2010	2014
Police SUV .....	Chevrolet Tahoe	2010	2010	2014
Police SUV .....	Chevrolet Tahoe	2010	2010	2014
Police SUV .....	Chevrolet Tahoe	2010	2010	2014
Police SUV .....	Chevrolet Tahoe	2009	2009	2012
Police SUV .....	Chevrolet Tahoe	2009	2009	2012
Police SUV .....	Chevrolet Tahoe	2009	2009	2012
<b>STREET</b>				
Dump Truck .....	Ford	2010	2010	2017
Pickup .....	Chevrolet	2004	2004	2011
Truck 1-ton.....	Chevrolet	2010	2010	2017
<b>STREET LIGHTING</b>				
Truck w/Ariel lift .....	Ford	2008	2008	2018
Pickup .....	Chevrolet	2002	2002	2011
<b>PARKS</b>				
Truck w/ Ariel lift .....	Chevrolet	2008	2008	2018
Pickup .....	Chevrolet	2006	2006	2013
Van .....	Chevrolet	2006	2006	2013
Truck w/ Dump body .....	Chevrolet	2004	2004	2012
Pickup .....	Ford	2010	2010	2017
Pickup .....	Ford	2010	2010	2017
Pickup 1-ton w/ Dump body .....	Ford	2010	2010	2017
Pickup .....	Ford	2010	2010	2017
Skid Steer Loader.....	Bobcat	----	2005	Unscheduled

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**EQUIPMENT INVENTORY AND REPLACEMENT SCHEDULE**

<b>Department/ Equipment Type</b>	<b>Equipment Make</b>	<b>Equipment Model</b>	<b>Year Purchased</b>	<b>Schedule Replacement</b>
<b>SERVICE CENTER</b>				
Pickup .....	Chevrolet.....	2002.....	2002.....	2010
Front-End Loader.....	Case.....	1984.....	1984 .....	2011
<b>WATER</b>				
Pickup .....	Chevrolet.....	2006.....	2006.....	2013
Pickup .....	Chevrolet.....	2006.....	2006.....	2013
Pickup .....	Chevrolet.....	2004.....	2004.....	2011
Pickup .....	Ford.....	2010.....	2010.....	2017
<b>SEWER</b>				
Truck-4 ½ Ton w/ Flusher .....	GMC .....	2002.....	2002.....	2011
Dump Truck.....	Freightliner.....	2008.....	2008.....	2018
Truck 1-ton.....	Ford.....	2010.....	2010.....	2017
Loader/Backhoe .....	John Deere .....	2004.....	2004.....	2012
Backhoe.....	Ford.....	2004.....	2004.....	2014

## **STORM WATER DRAINAGE UTILITY FUND**

In December, 2003, the Town established a Storm Water Drainage Utility in accordance with Subchapter C of Chapter 402 of the Texas Local Government Code. The Storm Water Drainage Utility was established as a mechanism to protect the public health and safety from loss of life and property caused by surface water overflows, surface water stagnation and pollution arising from non-point source runoff within the Town. The enabling ordinance also provides the assessment, levy and collection of an equitable fee structure for funding the system. The Storm Water Drainage Utility Fund is the financial structure used for the accounting of the receipt of resources (revenues) and uses of resources (expenditures) to fund the following:

- Infrastructure maintenance/reconstruction;
- Educational materials/school storm water programs,
- Requirements for control of erosion, sediment, and other pollutants on construction sites;
- Site-plan approval processes requiring post-construction storm water controls;
- Procedures for inspecting and monitoring structural best management practices;
- Street sweeping and catch basin cleaning; and
- Recycling, pollution prevention programs.

The basis of accounting for the Storm Water Drainage Utility Fund is the modified accrual basis.

This Budget provides funding in the Storm Water Drainage Utility Fund for one-half of the Engineering Assistant position to reflect the expense of creating and maintaining the necessary GIS Data for records management purposes and funding of the Town's contract for street sweeping and catch basin cleaning (\$42,650) and supplies of pet mitts (\$6,000) maintained throughout the Town's parks.

Within the Fund is the appropriation of \$175,000 for drainage improvements in connection with the Town's Capital Improvement Plan funding of improvements in the Beverly Drive right-of-way.

**STORMWATER DRAINAGE UTILITY FUND  
STATEMENT OF REVENUES & EXPENDITURES**

	<b>2008-2009 Actual</b>	<b>2009-2010 Budget</b>	<b>2009-2010 Projected</b>	<b>2010-2011 Budget</b>
<b>REVENUES/SOURCES OF FUNDS</b>				
Charges for Services	\$ 179,019	\$ 179,500	\$ 179,500	\$ 181,500
Interest	\$ 6,615	\$ 7,500	\$ 3,425	\$ 3,500
Miscellaneous	285	-	135	-
<b>Total Revenues/Sources of Funds</b>	<b>\$ 185,919</b>	<b>\$ 187,000</b>	<b>\$ 183,060</b>	<b>\$ 185,000</b>
<b>EXPENSES/USES OF FUNDS</b>				
Personnel Services				
Payroll	\$ 22,743	\$ 33,415	\$ 31,540	\$ 33,440
Employee Benefits	7,715	12,685	11,950	12,715
Total Personnel	\$ 30,458	\$ 46,100	\$ 43,490	\$ 46,155
Supplies & Equipment	\$ 653	\$ 200	\$ 4,700	\$ 10,000
Services & Charges	\$ 25,137	\$ -	\$ 42,790	\$ 62,775
Capital Outlay	56,205	-	302,650	175,000
<b>Total Expenses/Uses of Funds</b>	<b>\$ 112,453</b>	<b>\$ 46,300</b>	<b>\$ 393,630</b>	<b>\$ 293,930</b>
<b>Excess of Revenues/Sources Over Expenses/Uses</b>	<b>\$ 73,466</b>	<b>\$ 140,700</b>	<b>\$ (210,570)</b>	<b>\$ (108,930)</b>

## **COURT TECHNOLOGY FUND**

In 1999, the Texas Legislature authorized the local option for cities to impose a \$4.00 fee on municipal court convictions for funding technological improvements and enhancements in the local courts. The enabling legislation limits the use of these collected funds "... to finance the purchase of or to maintain technological enhancements for a court" (Article 102.0173, Chapter 102, Texas Code of Criminal Procedure). The Town adopted the necessary ordinance and began collecting this fee in accordance with this statute.

The Town has used these funds to acquire replacement computers, imaging software for case archiving, maintenance and upgrades to the case management system and website administration costs to enable online fine payment.

This Budget includes appropriations for software, hardware, website maintenance contracts (\$25,000).

The basis of accounting for the Court Technology Fund is the modified accrual basis.

**COURT TECHNOLOGY FUND  
STATEMENT OF REVENUES & EXPENSES**

	<b>2008-2009 Actual</b>	<b>2009-2010 Budget</b>	<b>2009-2010 Projected</b>	<b>2010-2011 Budget</b>
<b>REVENUES/SOURCES OF FUNDS</b>				
Court Fees	\$ 25,167	\$ 25,000	\$ 25,075	\$ 25,000
Interest	311	400	80	300
<b>Total Revenues</b>	<b>\$ 25,478</b>	<b>\$ 25,400</b>	<b>\$ 25,155</b>	<b>\$ 25,300</b>
Transfers	-	-	-	-
<b>Total Revenues/Sources</b>	<b>\$ 25,478</b>	<b>\$ 25,400</b>	<b>\$ 25,155</b>	<b>\$ 25,300</b>
<b>EXPENSES/USES OF FUNDS</b>				
Supplies & Equipment	\$ 2,917	\$ 2,950	\$ 2,950	\$ 2,950
Service & Charges	15,683	25,000	20,380	25,000
Capital Outlay	-	14,570	5,393	-
<b>Total Expenses/Uses</b>	<b>\$ 18,600</b>	<b>\$ 42,520</b>	<b>\$ 28,723</b>	<b>\$ 27,950</b>
<b>Excess (Deficiency) of Revenues/Sources Over Expenses/Uses</b>	<b>\$ 6,878</b>	<b>\$ (17,120)</b>	<b>\$ (3,568)</b>	<b>\$ (2,650)</b>
<b>Fund Balance</b>	<b>\$ 39,331</b>	<b>\$ 22,211</b>	<b>\$ 35,763</b>	<b>\$ 33,113</b>

## **COURT SECURITY FUND**

In 1993, the Texas Legislature authorized the local option for cities to impose a \$3.00 fee on municipal court convictions for funding security related costs in the local courts. The Town adopted the necessary ordinance and began collecting this fee in accordance with this statute.

The Town has used these funds to acquire security glass at the court clerks work area, “bullet proofing” the judges desk, court room/building burglar and fire alarm services and bailiff services during court proceedings.

This Budget provides for a transfer of \$20,000 to the General Fund for support the services of the part-time position of Town Marshall/Bailiff added in the 2009-2010 Budget (General Fund – Municipal Court operations).

The basis of accounting for the Court Security Fund is the modified accrual basis.

**COURT SECURITY FUND  
STATEMENT OF REVENUES & EXPENSES**

	2008-2009 Actual	2009-2010 Budget	2009-2010 Projected	2010-2011 Budget
<b>REVENUES/SOURCES OF FUNDS</b>				
Court Fees	\$ 18,888	\$ 19,500	\$ 18,815	\$ 18,500
Interest	1,414	1,800	205	1,000
<b>Total Revenues</b>	<b>\$ 20,302</b>	<b>\$ 21,300</b>	<b>\$ 19,020</b>	<b>\$ 19,500</b>
Transfers	-	-	-	-
<b>Total Revenues/Sources</b>	<b>\$ 20,302</b>	<b>\$ 21,300</b>	<b>\$ 19,020</b>	<b>\$ 19,500</b>
<b>EXPENSES/USES OF FUNDS</b>				
Services & Charges	\$ 13,937	\$ -	\$ -	\$ -
Capital Outlay	-	-	-	-
<b>Total Expenses</b>	<b>\$ 13,937</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Transfers Out</b>	<b>-</b>	<b>20,000</b>	<b>17,000</b>	<b>20,000</b>
<b>Total Expenditures/Uses</b>	<b>\$ 13,937</b>	<b>\$ 20,000</b>	<b>\$ 17,000</b>	<b>\$ 20,000</b>
<b>Excess Revenues/Sources Over Expenses/Uses</b>	<b>\$ 6,365</b>	<b>\$ 1,300</b>	<b>\$ 2,020</b>	<b>\$ (500)</b>
<b>Fund Balance</b>	<b>\$ 142,957</b>	<b>\$ 144,257</b>	<b>\$ 144,977</b>	<b>\$ 144,477</b>



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## PAY PLAN

The Pay Plans incorporated in the Town's 2009-2010 Budget are designed to maintain equity in the Town's designated public sector market.

The pay grades for Public Safety positions are structured based on market data for relative duties and responsibilities of the blended police and fire functions. The Public Safety Officer ("PSO") position is the anchor of the pay plan on which all other public safety positions and grades are determined. The midpoint of the new pay range for the PSO position was set at 20% above the weighted average of the police officer position in our target market. The differential of 20% is to recognize the dual discipline duties of police and fire required by the PSO position and public safety supervisors.

The pay plans are designed to incorporate the Town's Pay for Performance ("P4P"), a program that has been very beneficial to the Town and its employees for over twenty (20) years. All employees are evaluated on a quarterly basis for performance and personal goals and job duties. Immediate compensation for performance is tied to the evaluation on a scale of 0-7% of each employee's grading period base pay. The average performance rating over the preceding twelve (12) months determines the level within each pay grade that an employee will achieve from one budget year to the next.

Under the Town's Wellness Program employees may earn up to an additional 2% of base pay for participation in and satisfactory completion of a battery of physical fitness tests, designed to promote a physically sound and healthy lifestyle.

**TOWN OF HIGHLAND PARK GRADED PAY PLAN  
NON-EXEMPT EMPLOYEES  
2010-2011**

<b>Grade</b>	<b>Position</b>	<b>Minimum</b>	<b>Maximum</b>
8	Chief Building Inspector Controller/Systems Administrator Communications Supervisor Development Services Manager Foreman	\$73,912	\$105,768
7	Project Engineer Town Secretary/Administrative Secretary	\$64,271	\$91,972
6	Accreditation Manager Building Inspector Construction Coordinator Customer Service Supervisor Support Services Supervisor	\$55,888	\$79,975
5	Accountant Construction Inspector Court Clerk Electrical/Mechanical Tech Engineering Tech Project Coordinator Support Services Officer	\$48,598	\$69,544
4	Communications Specialist Library Assistant Parks Maintenance Specialist Secretary II Senior Accounting Tech Public Works Maintenance Worker III	\$42,259	\$60,473
3	Accounting Technician Building Permit Tech Deputy Court Clerk Customer Service Specialist II Parks Maintenance Worker II Public Works Maintenance Worker II	\$36,747	\$60,473
2	Customer Service Specialist I Library Associate Public Works Maintenance Worker I Secretary I	\$31,954	\$45,726
1	Parks Maintenance Worker I	\$27,786	\$39,762

**Base Minimum and Base Maximum reflect the range within each grade, including Pay for Performance ("P4P"), but is net of any incentives.**

**TOWN OF HIGHLAND PARK GRADED PAY PLAN  
PUBLIC SAFETY PERSONNEL  
2010-2011**

<b>Grade</b>	<b>Position</b>	<b>Minimum</b>	<b>Maximum</b>
G	Captain	\$108,394	\$126,387
F	Lieutenant	\$94,255	\$109,902
E	Sergeant	\$81,961	\$95,567
D	Investigator	\$76,616	\$89,334
C	Public Safety Officer	\$65,009	\$82,692
B	Fire Fighter Police Officer	\$54,175	\$63,168
A	Public Safety Apprentice	\$49,250	\$52,205

**Base Minimum and Base Maximum reflect the range within each grade, including Pay for Performance (“P4P”), but is net of any incentives.**

**TOWN OF HIGHLAND PARK GRADED PAY PLAN  
EXEMPT POSITION  
2010-20111**

<b>Grade</b>	<b>Position</b>	<b>Minimum</b>	<b>Maximum</b>
E-4	Director of Public Safety	\$133,360	\$173,365
E-3	Director of Public Works Director of Fiscal & Human Resources Town Engineer	\$121,235	\$157,605
E-2	Director of Parks & Sanitation Assistant Director of Public Safety	\$115,170	\$149,725
E-1	Librarian	\$86,380	\$112,295

**PAY INCENTIVES AND ENHANCEMENTS**

Additional training and responsibilities are required of numerous Town job positions. Pay incentives have been incorporated in the 2009-2010 graded pay plan for these factors. The following schedule shows how incentives are calculated into the respective employee pay level.

Emergency Medical Technician	+2%
Crew Chief/Section Supervisor/Utility System Certification	+5%
Paramedic	+8%
Foreman of More Than One Department	+10%/Dept

All employees under the Town's graded pay plan are eligible for the Town's Pay for Performance program under which each employee can achieve additional compensation, up to 7% of base pay, based on a performance evaluation as it relates to the accomplishments of the goals and objectives of each respective department and the department's annual work plan.

Employees may also earn an additional 2% of base pay by meeting minimum physical fitness standards in the Town's Wellness Program.

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## HIGHLAND PARK, TEXAS

### HISTORY

In 1837, after a savage Indian battle, the remnants of a Texas Ranger scouting expedition camped in a lovely spot along "the creek with all the turtles". These survivors were the first recorded Anglo-Americans in the area that is now known as Highland Park.

A year later, an old Caddo Indian trace was surveyed by the Republic of Texas to become part of a National Central Road to run north from Austin to the Red River. This road was also used as a segment of the old Shawnee Trail for cattle drives to Missouri. Today that road is known as Preston Road, the first paved street in Highland Park and one of the first major highways in this area.

In 1843, Dr. John Cole, of Virginia, acquired 420 acres as a headright from the Republic of Texas. This acreage includes the area of what was to become both Highland Park and University Park. In 1851, this land was inherited by Dr. Cole's son, Joseph Larkin Cole.

Between 1886 and 1889, Colonel Henry Exall, of Kentucky and Virginia, along with other investors, acquired the Cole property. Colonel Exall constructed a dam on Turtle Creek in 1890, creating Exall Lake, and began laying out the graveled streets. After a financial setback, Colonel Exall farmed and raised trotting horses in this area he called Lomo Alto (high land).

In 1907, John S. Armstrong purchased the land and along with his two sons-in-law, Edgar L. Flippen and Hugh E. Prather, Sr. began development of a residential community to be called Highland Park, so named because of its higher elevation as compared to the surrounding area and because of a plan to reserve 20% of the developed land for parks. The plans for the development of the area were laid out by Wilbur David Clark who had laid out Beverly Hills, California, and the first lots were sold in 1909, in an area bounded by Armstrong, Abbott and Gillon Avenues and Hackberry Creek.

In 1913, the Town was incorporated by a vote of its residents and the evolvement of present day Highland Park began.

### LOCATION

Highland Park is located approximately three miles north of the center of Dallas, two miles from Love Field and thirty minutes from the Dallas/Fort Worth International Airport. The Township encompasses 2.26 square miles and has an estimated 8,900 residents.

Highland Park is traversed by Turtle Creek and Hackberry Creek, the natural beauty of which has been enhanced by the Town and private property owners through landscaping and lakes.

## MISCELLANEOUS STATISTICAL DATA

Form of Government.....Council - Manager  
 Incorporation Date..... December 1913  
 Adoption Of City Charter Date.....August 1975

**Town Characteristics**

Area.....1,445 Acres                      Population (2000 Census)..... 8,842  
 (2.26 Square Miles)

**Proportion of Property Values**

Residential .....91.99%                      Commercial ..... 4.40%  
 Business Personal Property..... 1.07%                      School/Municipal (Exempt) ..... 2.56%

**Public Safety**

Cross-trained..... 53                      Emergency Medical Technicians .....5  
 Paramedics..... 39

**Water And Sewer Utility System**

**Water Connections**

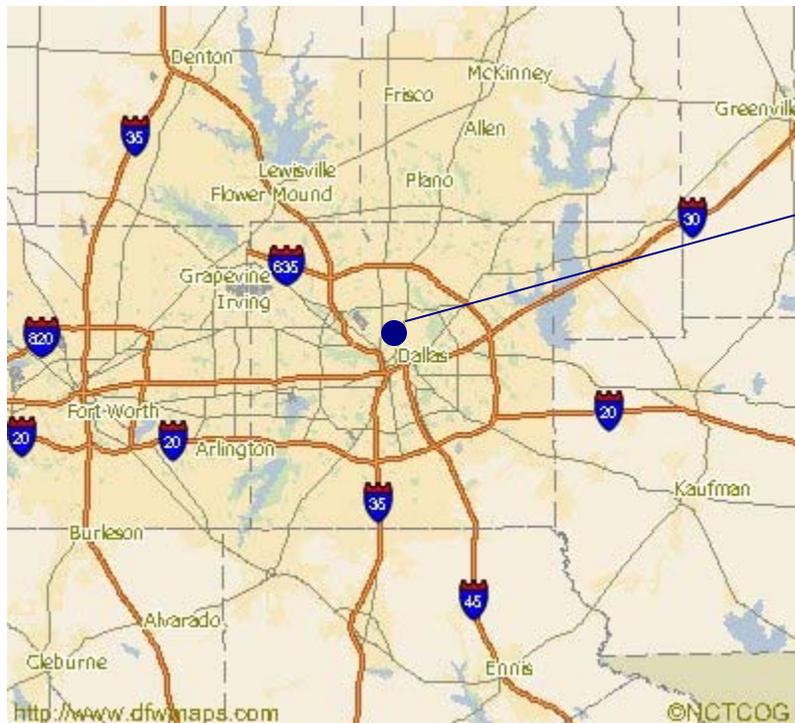
Residential ..... 3,088  
 Commercial ..... 79  
 Irrigation ..... 2,055  
 Municipal..... 71  
 Total ..... 5,293

**Sewer Connections**

Residential ..... 3,056  
 Commercial .....79  
 Municipal.....4  
 Total ..... 3,139

**Infrastructure**

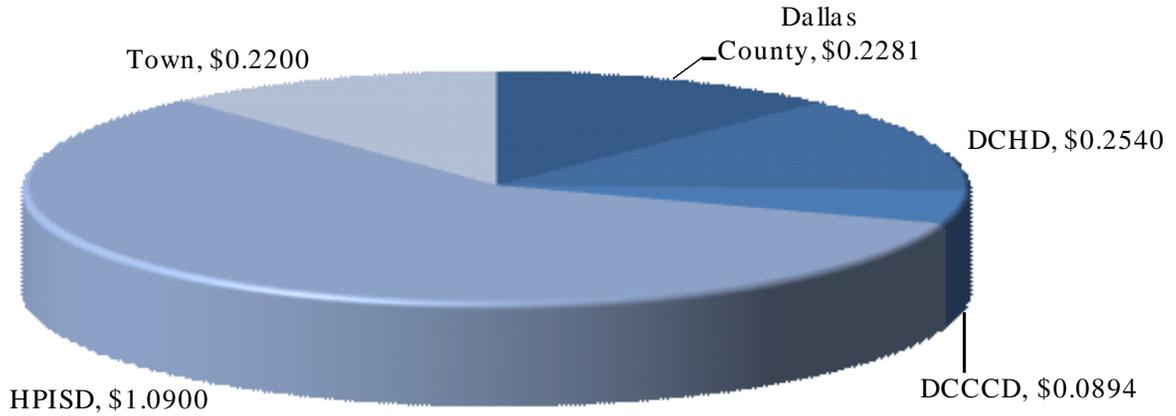
Sanitary Sewers ..... 37.18 Miles                      Storm Sewers..... 12.22 Miles  
 Parks..... 22 With 59.3 Acres                      Paved Streets ..... 41.79 Miles



Highland Park

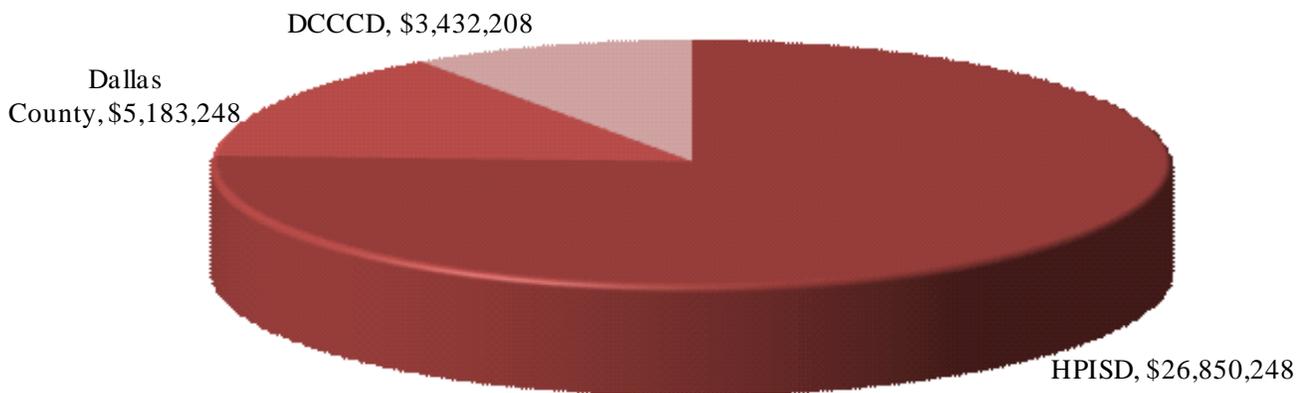
**TOWN OF HIGHLAND PARK**

**Direct and Overlapping Property Tax Rates**



Per \$100 Taxable Valuation

**Direct and Overlapping Debt**



Per Capita Debt -\$4,011.05

The Town and DCHD have no outstanding debt

DCHD – Dallas County Hospital District  
 DCCCD – Dallas County Community College District  
 HPISD – Highland Park Independent School District

**TOWN OF HIGHLAND PARK**  
**Appraised and Taxable Property Values**  
**Last Ten (10) Tax Years**

Tax Year	Appraised Property Value			Taxable Value
	Real Property	Business Personal Property	Total	
2000	\$ 2,427,532,860	\$ 44,418,040	\$ 2,471,950,900	\$ 1,939,739,816
2001	2,730,045,030	48,307,090	2,778,352,120	2,150,119,931
2002	3,165,278,270	49,548,300	3,214,826,570	2,417,415,947
2003	3,396,737,050	49,385,140	3,446,122,190	2,626,957,671
2004	3,453,708,577	52,941,730	3,506,650,307	2,770,175,015
2005	3,593,336,820	53,796,690	3,647,133,510	2,911,465,259
2006	3,986,604,910	53,801,060	4,040,405,970	2,911,465,259
2007	4,642,666,780	46,477,560	4,689,144,340	3,587,268,531
2008	5,200,150,870	53,984,270	5,254,135,140	4,040,272,594
2009	5,670,130,390	60,667,890	5,730,798,280	4,573,579,178

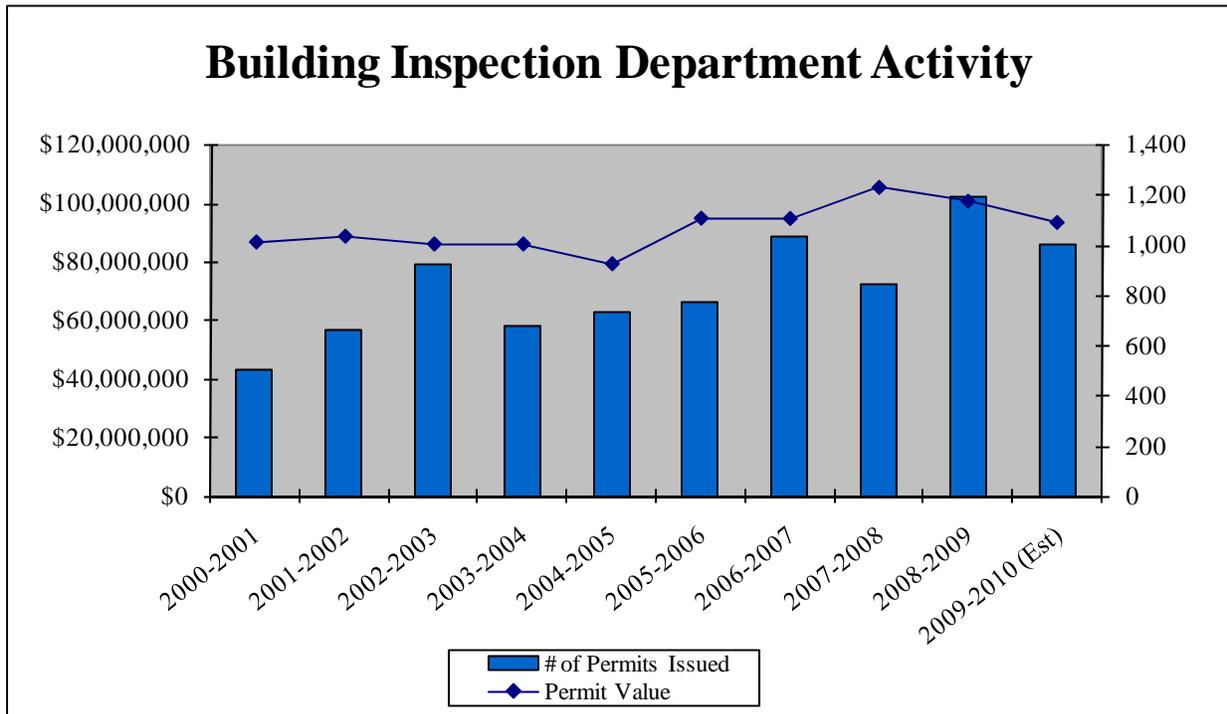
The difference between the appraised value and the taxable value represents that value that is exempted from taxation due to 1) an optional 20% Homestead exemption; 2) a \$50,000 over 65 exemption; 3) reappraisal value that exceeds the 10% per year cap; and 4) other exemptions provided under the Texas Property Tax Code.

**PRINCIPAL TAXPAYERS - 2010 TAX ROLL**

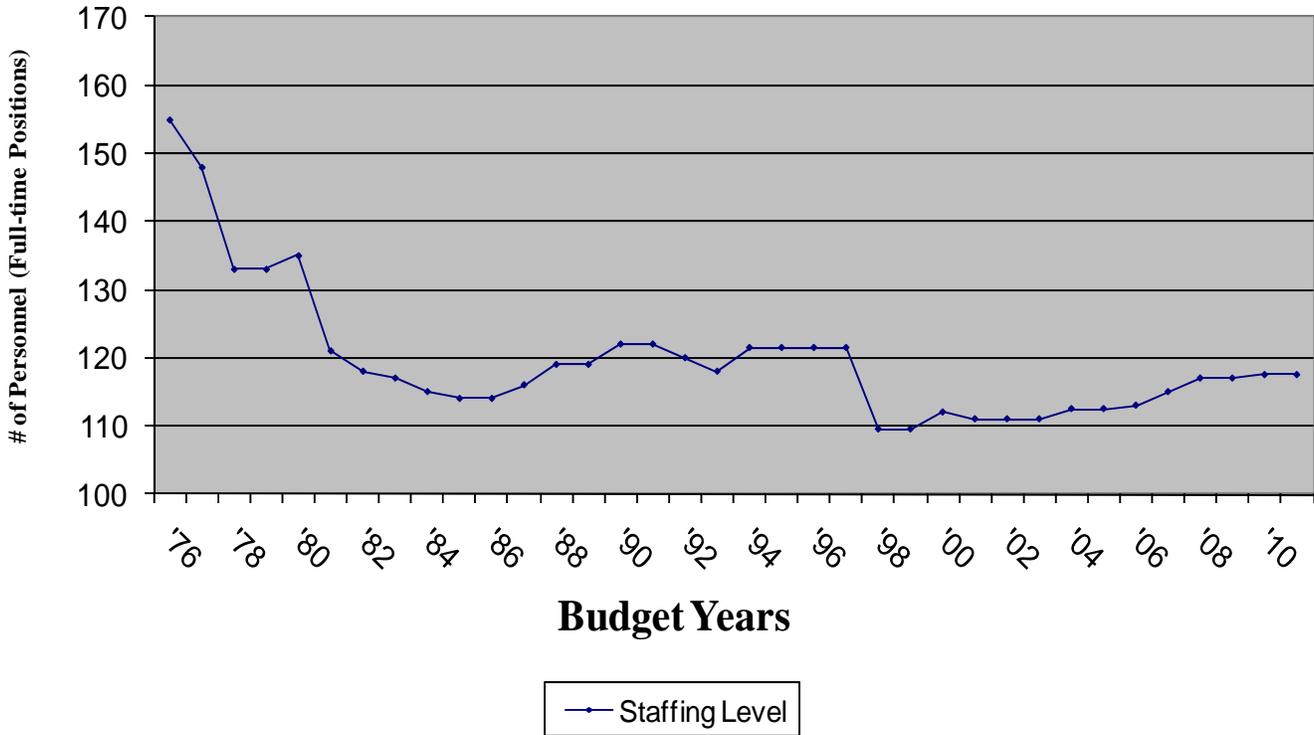
Name Of Taxpayer	Type Of Property	Taxable Valuation	% Of Total Taxable Valuation
Highland Park Shopping Village	Commercial	\$ 105,008,030	2.37
Muse, John R. & Lyn	Residential	24,166,776	0.54
Crow, Harlan R.	Residential	19,269,952	0.43
L & B Depp	Commercial	17,875,000	0.40
Cox, Edwin L. (Trust)	Residential	17,416,000	0.39
Jones, Jerral W. & Gene C.	Residential	13,736,536	0.31
Corrigan Properties, Inc.	Commercial	13,600,000	0.31
Crow, Margaret Life Estate	Residential	12,670,000	0.29
Highland Gates @ Katy Trail	Residential (MF)	12,494,560	0.28
Mitchell, Amy	Residential	11,772,430	0.27

**TOWN OF HIGHLAND PARK  
Property Value and Construction  
Last Ten Fiscal Years**

Fiscal Year	Commercial Construction		Residential Construction		Total	
	Number of Permits	Value	Number of Permits	Value	Number of Permits	Value
2001	31	20,393,466	970	59,250,496	1,001	79,643,962
2002	24	9,313,856	977	49,117,152	1,001	58,431,008
2003	17	8,179,448	905	55,200,021	922	63,379,469
2004	31	8,756,934	1,073	57,369,788	1,104	66,126,722
2005	16	1,771,229	1,087	86,778,949	1,103	88,530,178
2006	30	3,261,500	1,197	69,202,864	1,227	72,464,364
2007	19	3,147,626	1,153	99,523,538	1,172	102,671,164
2008	22	8,626,739	1,065	77,757,710	1,087	86,384,449
2009	21	41,335,048	870	53,601,984	891	94,937,032
2010	32	20,097,733	1,029	71,899,298	1,061	91,997,031



## Historical Staffing Levels



In 1975, the Town created its Department of Public Safety with cross-trained police and fire personnel. The decline in the staffing level from 1975 to 1984 reflects this migration from separate police and fire departments to the public safety concept.

In 1997, the Town privatized solid waste collection services, resulting in a decrease of 11 full-time positions.

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**TOWN OF HIGHLAND PARK**  
**HISTORICAL WATER SALES BY SERVICE TYPE**  
**1,000 GALLONS**

<u>Fiscal Year</u>	<u>Residential</u>	<u>Commercial</u>	<u>Irrigation Only</u>	<u>Town Use</u>	<u>Total</u>	<u># Service Accounts</u>
2001	573,771	46,737	427,636	40,432	1,088,576	5,007
2002	568,409	51,166	452,951	46,933	1,119,459	5,030
2003	549,772	52,435	467,414	37,588	1,107,209	5,064
2004	529,874	53,746	455,388	41,897	1,080,905	5,124
2005	528,344	51,894	490,518	45,293	1,116,049	5,168
2006	570,390	58,423	678,935	56,129	1,363,877	5,184
2007	456,690	53,938	410,182	24,698	945,508	5,258
2008	480,575	57,300	528,802	42,439	1,109,116	5,290
2009	467,293	52,707	572,186	38,416	1,130,602	5,333
2010 Projected	422,000	45,000	479,000	34,000	980,000	5,360

**TOWN OF HIGHLAND PARK  
EXPENDITURE HISTORY/TREND DATA  
BY TYPE FOR ALL FUNDS SUBJECT TO APPROPRIATION**

	Actual FY2002	Actual FY2003	Actual FY2004	Actual FY2005	Actual FY2006	Actual FY2007	Actual FY2008	Actual FY2009	Budget FY2010	Budget FY2011
Personnel										
Payroll	\$ 6,663,299	\$ 6,966,485	\$ 7,519,834	\$ 7,862,345	\$ 8,287,210	\$ 8,856,330	\$ 9,671,900	\$ 9,789,847	\$ 10,522,165	\$ 10,566,135
Benefits	1,965,401	2,094,172	2,371,083	2,595,185	3,041,560	3,193,235	3,402,958	3,535,592	3,621,515	3,640,475
Subtotal	\$ 8,628,700	\$ 9,060,657	\$ 9,890,917	\$ 10,457,530	\$ 11,328,770	\$ 12,049,565	\$ 13,074,858	\$ 13,325,439	\$ 14,143,680	\$ 14,206,610
Supplies & Equipment	1,950,440	1,982,287	1,987,389	2,201,640	2,142,670	2,360,835	2,550,896	2,413,197	2,862,830	3,608,800
Services & Charges	5,024,759	5,402,655	4,559,125	4,467,740	4,522,275	4,815,700	4,907,384	5,398,309	6,212,440	4,452,740
Capital Outlay	7,390,391	2,155,056	2,487,321	2,218,800	2,443,725	2,422,875	4,273,856	2,090,784	3,432,775	12,180,840
Debt Service	-	-	-	-	-	-	-	-	-	-
Total	\$ 22,994,290	\$ 18,600,655	\$ 18,924,752	\$ 19,345,710	\$ 20,437,440	\$ 21,648,975	\$ 24,806,994	\$ 23,227,729	\$ 26,651,725	\$ 34,448,990

**TOWN OF HIGHLAND PARK  
REVENUE HISTORY/TREND DATA  
BY MAJOR SOURCE**

	Actual FY2002	Actual FY2003	Actual FY2004	Actual FY2005	Actual FY2006	Actual FY2007	Actual FY2008	Actual FY2009	Budget FY2010	Budget FY2011
Property Taxes	\$ 5,487,136	\$ 5,749,724	\$ 6,335,090	\$ 6,659,405	\$ 7,282,255	\$ 8,067,760	\$ 8,067,760	\$ 8,809,700	\$ 9,489,356	\$ 9,688,985
Water Sales	3,013,379	3,137,578	3,160,639	3,750,535	3,717,785	3,847,650	3,847,650	3,819,410	4,454,732	5,363,295
Sanitary Sewer Charges	2,003,015	2,181,804	2,236,980	2,422,110	2,547,775	2,447,170	2,447,170	2,592,630	2,766,697	2,740,475
Sales Tax	1,603,019	1,635,389	1,711,196	1,680,000	1,800,000	2,100,000	2,100,000	2,190,000	2,329,480	2,325,000
Sanitation & Recycling Charges	931,001	953,845	976,380	987,675	996,585	996,585	996,585	1,137,130	1,221,634	1,263,150
Franchise Fees	926,371	841,024	871,693	885,000	879,000	912,000	912,000	916,000	963,000	990,000
Building Activity Fees	680,020	678,668	790,023	681,500	759,000	870,000	870,000	882,000	987,681	793,800
Court Fines/Fees	569,128	575,318	534,110	505,000	700,680	703,500	703,500	703,000	618,514	643,000
Interest on Investments	814,625	387,469	244,665	392,000	486,200	933,700	933,700	1,047,300	576,500	274,900
Other Charges for Service	1,286,112	1,377,936	1,353,762	1,430,385	1,458,875	1,482,935	1,482,935	1,475,465	1,589,072	1,372,090
Storm Water Drainage Fees	-	-	143,930	181,500	181,500	181,500	181,500	180,000	332,962	181,500
All Other	602,984	707,153	573,935	407,000	463,000	668,600	668,600	871,700	628,597	657,025
<b>Total</b>	<b>\$17,916,790</b>	<b>\$18,225,908</b>	<b>\$18,932,403</b>	<b>\$19,982,110</b>	<b>\$21,272,655</b>	<b>\$23,211,400</b>	<b>\$23,211,400</b>	<b>\$24,624,335</b>	<b>\$25,958,225</b>	<b>\$26,293,220</b>

**TOWN OF HIGHLAND PARK  
OPERATIONAL CAPITAL REQUESTS**

	Request	Funded 2010-2011	Deferred
<b>Administration</b>			
Appraisal of art collection	\$ 13,500		\$ 13,500
<b>Subtotal:</b>	<b>\$ 13,500</b>	<b>\$ -</b>	<b>\$ 13,500</b>
<b>Public Safety</b>			
Toughbook laptop for Med332	\$ 4,525	\$ 4,525	
Fitness equipment	10,000		10,000
Re-pipe and re-plumd Engine 331	50,000	50,000	
Live Scan finger print system replacement	23,350		23,350
Portable traffic analyzer	3,390		3,390
Replacement of all duty weapons (57)	6,215	6,215	
Stryker Power Pro ambulance cot	12,170		12,170
Individually issued Scott face-pieces (45)	11,750		11,750
Replace duty rifles (6)	6,000		6,000
Laser TruCam speed detection equipment	6,640		6,640
Rubber flooring for workout area	20,000		20,000
Upgrade to fully utilize Public Access cable TV	22,000		22,000
Bicycles and equipment for patrol (2)	2,500		2,500
NEOGOV on-demand HR software	7,950		7,950
RAD-57 Signal Extraction	5,000		5,000
Laptop computer	1,600		1,600
Mobil Digital Video (2)	12,000		12,000
CAD/RMS software upgrade	15,000		15,000
Computer for networked EMS	5,200		5,200
Computer docking stations (10)	10,000		10,000
Thermal imaging camera	13,200		13,200
Rope equipment package	2,500		2,500
FIT-5 Fire Suppresion Device	7,800		7,800
Lockers and shelving	10,000		10,000
Airshore pneumatic rescue tools	20,000		20,000
Misc. managemenyt software	4,000		4,000
Defensive tactics traing aids	6,000		6,000
CAD.RMS interface with EMS records	12,000		12,000
Mobile drying rack	1,400		1,400
King Cobra 1200 dual surface cleaner	5,405		5,405
<b>Subtotal:</b>	<b>\$ 317,595</b>	<b>\$ 60,740</b>	<b>\$ 256,855</b>
<b>Street</b>			
Spray painting equipment (replacement)	\$ 6,000	\$ 6,000	
<b>Subtotal:</b>	<b>\$ 6,000</b>	<b>\$ 6,000</b>	<b>\$ -</b>
<b>Street Lighting</b>			
None	\$ -	\$ -	\$ -
<b>Subtotal:</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Library</b>			
None	\$ -	\$ -	\$ -
<b>Subtotal:</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**TOWN OF HIGHLAND PARK  
OPERATIONAL CAPITAL REQUESTS**

**Park**

Davis Park playground equipment	\$ 48,000	\$ 48,000	
Resurface tennis courts #1 & 2	10,000	10,000	
Resurface tennis courts #7 & 8	9,000		\$ 9,000
Miscellaneous park improvements	50,000		50,000
Replace gravel @ Fairfax Park playground area	8,105		8,105
Landscape lighting (Lakeside Drive)	25,000		25,000
Stone wall point repairs	23,000		23,000
Town centennial plan	20,000		20,000
Landscape lighting (Preston Road)	70,000		70,000
Landscape lighting (Connor Park)	45,000		45,000
Sidewalk and retaining wall (Davis)	38,050		38,050
Sidewalk (Connor Park - west side)	27,000		27,000
Retaining wall (Davis)	73,500		73,500
<b>Subtotal:</b>	<b>\$ 446,655</b>	<b>\$ 58,000</b>	<b>\$ 388,655</b>

**Swimming Pool**

Removal of fencing a & expansion of deck	\$ 42,100	\$ 42,100	
Dining tables w/umbrellas & 50 chairs	8,500		\$ 8,500
Resurface concrete area @ concession stand	2,500		2,500
Replace sunshelter	10,500		10,500
<b>Subtotal:</b>	<b>\$ 63,600</b>	<b>\$ 42,100</b>	<b>\$ 21,500</b>

**Finance**

Purchase and installation of CRM software	20,000	20,000	\$ -
<b>Subtotal:</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>	<b>\$ -</b>

**Service Center**

None	\$ -	\$ -	\$ -
<b>Subtotal:</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Municipal Building**

None	\$ -	\$ -	\$ -
<b>Subtotal:</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Engineering**

None	\$ -	\$ -	\$ -
<b>Subtotal:</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

<b>\$ 867,350</b>	<b>\$ 186,840</b>	<b>\$ 680,510</b>
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**Accrual Basis of Accounting** The basis of accounting whereby revenue projections are developed recognizing revenues expected to be earned in the period, and expenditure estimates are developed for all expenses anticipated to be incurred during the last fiscal year.

**Appropriation** A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in the amount and as to the time when it may be expended.

**Assessed Valuation** A valuation set upon real estate and certain personal property by the appraisal district as a basis for levying property taxes.

**Assets** Resources owned or held by a government which has monetary value.

**Automated Service Request (ASR)** The electronic capturing of requests for service, both externally and internally generated, as a means of quantifying department/employee activity and response to service requests.

**Basis of Accounting** The timing method used in the recognition of revenues and expenditures for financial reporting purposes.

**Bond** A written promise to pay a specified sum of money at a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specified rate.

**Bonded Debt** The amount of debt of a government, represented by outstanding bonds.

**Budget Document** The official written statement prepared by the Town's staff and approved by the Town Council to serve as a financial and operation guide for the fiscal year end in which it was adopted.

**Budget Message** A general discussion of the proposed budget presented in writing as a part of or supplement to the budget document. The budget message explains principal budget issues against the background of financial experience in recent years and presents recommendations made by the chief

executive and budget officer (if not the chief executive)

**Budgetary Control** The control or management of government or enterprise in accordance with an approved budget to keep expenditures within the limitations of available appropriations and available revenues.

**Capital Assets** Resources having a value of \$1,000 or more and a useful life of more than one year. Capital assets are also called fixed assets.

**Capital/Major Project Program** A schedule of current and future capital replacement and major project expenditures identifying the expected beginning and ending date for each project, the amount to be expended in each year, and the method of financing those expenditures.

**Capital Outlays** Expenditures which result in the acquisition of or addition of fixed assets.

**CIP Capital Program** A plan for capital expenditures to be incurred each year over a fixed period of years to meet capital need arising from the long-term work program or otherwise. It sets forth each project or other contemplated expenditure in which the government is to have a part and specifies the full resources estimated to be available to finance the projected expenditures.

**Capital Projects Funds** Funds created to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

**Cash** Includes currency on hand and demand deposits with banks or other financial institutions.

**Cash Basis of Accounting** The method of accounting under which revenues are recorded when received and expenditures are recorded when paid.

**Current Assets** Cash and other assets or reserves which are reasonably expected to be realized in cash or consumed within one (1) year.

**Current Liabilities** Liabilities that must be paid within one (1) year.

**Debt Service** Payment of interest and repayment of principle to holders of a government's debt instruments.

**Debt Service Fund** A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The Town has no debt; therefore, no debt service fund budget is presented.

**Demand Deposit** Accounts with financial institutions or cash management pools where cash may be deposited or withdrawn at any time without prior notice or penalty.

**Encumbrances** Commitments related to unperformed (executory) contracts for goods and services.

**Fixed Assets** Resources of a long-term character which are intended to continue to be held or used, such as land, buildings, improvements other than buildings, machinery and equipment.

**Fund** An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

**Fund Balance (Equity)** The difference between fund assets and fund liabilities reported in the Town's governmental funds. For Budget presentation purposes, Fund Balance shall be defined as Undesignated Unrestricted Fund Balance for governmental funds and as Unrestricted Net Assets for proprietary funds.

**General Fund** General Operating Fund of the Town, accounting for the resources and expenditures related to the generally recognized governmental services provided.

**General Obligation Bonds** Account grouping for the payment of which the full faith and credit of the issuing government are pledged.

**General Obligation Bonds Debt and Interest Account Group** Account grouping for general obligation bonds issued by the Town and outstanding.

**Generally Accepted Accounting Principles (GAAP)** Uniform standards and guidelines for financial accounting and reporting. GAAP provide a standard by which to measure financial presentations.

**Governmental Funds** Funds generally used to account for tax-supported activities. There are five (5) types of governmental funds; the general fund, special revenue funds, debt services funds, capital projects funds and permanent funds.

**Infrastructure** Public domain fixed assets such as roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, lighting systems and similar assets that are immovable and of value only to the government unit.

**Internal Service Fund** A fund used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost-reimbursement basis. The Town's Equipment Replacement Fund is an internal service fund.

**Liabilities** Probable future sacrifices of economic benefits, arising from present obligations of a particular entity to transfer assets or provide services to other entities in the future as a result of past transactions or events.

**Long-Term Debt** Any unmatured debt that is not a fund liability.

**Modified Accrual Basis of Accounting** Under the basis of accounting, revenues are estimated for the fiscal year if they are susceptible to accrual, e.g. amounts can be determined and will be collected within the current period.

**Net Assets** The difference between fund assets and fund liabilities reported in the Town's proprietary funds.

**Net Working Capital** The excess of current assets over current liabilities.

**Operational Capital** Capital outlays of less than \$100,000 included in the operating budget.

**Operational Surplus** The excess of revenues over expenditures, less encumbered funds (encumbrances).

**Operating Budget** A plan of financial operation embodying an estimate of proposed expenditures for the calendar year and the proposed means of financing them (revenue estimates).

**Ordinance** A formal legislative enactment by the governing body of municipality.

**Pay for Performance** A component of the Town's pay plan that recognizes and financially rewards employees in the performance of assigned job duties and departmental goals and objectives.

**Performance Indicator** Departmental units of measurement in performance, measurable functions, i.e. worker days, number of call answered, flower planted, etc.

**Proprietary Fund** See Utility Fund and Internal Service Fund.

**Retained Earnings** An equity account reflecting the accumulated earnings of the Town's Utility Fund (proprietary).

**Revenues** The term designates an increase to a fund's assets which:

- DOES NOT increase a liability (e.g. proceeds from a loan);
- DOES NOT represent a repayment of an expenditure already made;
- DOES NOT represent a cancellation of certain liabilities; and
- DOES NOT represent an increase in contributed capital.

**Special Assessment** A compulsory levy made against certain properties to defray part of all the cost of a specific improvement of service deemed to primarily benefit those properties.

**Special Revenue Fund** A fund used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specific purposes. GAAP only require the use of special revenue funds when legally mandated.

**Street Revenue Fund** A fund used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes. GAAP only require the use of special revenue funds when legally mandated.

**Street Rental Fees** A fee paid to the General Fund by the Utility Fund equal to 4% of gross sales (water sales, sanitary sewer services, garbage collection services and recycling charges) for use and access to Town rights-of-way.

**Surplus** When used in this document refers to the Net Working Capital of any Fund.

**Tax Levy** The total amount of taxes imposed by the Town of taxable property within in its boundaries.

**Tax Rate** The dollar rate for taxes levied for each \$100 of assessed valuation.

**Transfer** The movement of monies from one fund, activity, department, or account to another. This includes budgetary funds and/or movement of assets.

**Undesignated Unreserved Fund Balance** Available expendable financial resources in the Town's governmental funds.

**Unrestricted Net Assets** That portion of net assets that is neither restricted nor invested in capital assets as recorded in the Town's proprietary funds.

**Utility Fund** The fund used to account for operations of the Town's water, sanitary sewer and solid waste collection and disposal activities and recycling collection.

**Worker Days** A unit of measure of work for evaluating performance/activity. Equal to one (1) employee times eight (8) hours per day.

Working Capital See Net Working Capital