



THE TOWN OF

*Highland Park*  
TEXAS

*An American Community Making a Difference*



**FY 2023-24**

**Adopted Budget &  
Plan of Municipal  
Services**

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# Town of Highland Park

## Adopted Budget

### Operating and Capital

## For the Fiscal Year 2023-2024

This budget will raise more revenue from property taxes than last year's budget by an amount of \$1,655,156 which is a 9.74 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$267,655.

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

FOR: Mayor Pro Tem Craig Penfold  
 Council Member Lydia Novakov  
 Council Member Don Snell  
 Council Member Leland White

AGAINST:

PRESENT and not voting: Mayor Will C. Beecherl

ABSENT: Council Member Marc Myers

Tax Rate:	Proposed 2023-24	Adopted 2022-23
Property Tax Rate:	\$0.220530/100	\$0.230000/100
No-New-Revenue Tax Rate:	\$0.203305/100	\$0.209555/100
No-New-Revenue Maintenance & Operations Tax Rate:	\$0.203885/100	\$0.210747/100
Voter-Approval Tax Rate:	\$0.220530/100	\$0.239510/100
Debt Rate:	\$0.000000/100	\$0.000000/100

Total debt obligation for Town of Highland Park secured by property taxes: \$0.00



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Town of Highland Park  
Texas**

For the Fiscal Year Beginning

**October 01, 2022**

*Christopher P. Morill*

Executive Director

# **TOWN OF HIGHLAND PARK, TEXAS**

## **ADOPTED BUDGET OPERATING AND CAPITAL OCTOBER 1, 2023 THROUGH SEPTEMBER 30, 2024**

AS SUBMITTED TO  
THE MAYOR AND THE TOWN COUNCIL

**WILL C. BEECHERL**  
MAYOR

**CRAIG PENFOLD**  
MAYOR PRO TEM

**MARC MYERS**  
**LYDIA NOVAKOV**  
**DON SNELL**  
**LELAND WHITE**  
COUNCIL MEMBERS

**TOBIN E. MAPLES, AICP**  
TOWN ADMINISTRATOR

**STEVEN J. ALEXANDER**  
ASSISTANT TOWN ADMINISTRATOR

**KAREN KURTIN**  
DIRECTOR OF FINANCE

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## GUIDING PRINCIPLES

### Town Preamble

*A haven for home and fireside. Undisturbed by conflict of commercial or political interests. The function of government in Highland Park is protection of the home. Citizens who cherish their homes will vigilantly preserve their heritage of self-government.*

### Organizational Mission Statement

Highland Park provides residents quality public services that contribute to a healthy, safe, and prosperous neighborhood of tranquility and natural beauty.

### Organizational Vision Statement

- Sense of Place – Maintain Highland Park’s distinctive neighborhoods with meandering tree-lined roads interspaced with flowering parks;
- Leadership – Continue Highland Park being a premier place to live, supported by high quality and enduring development standards;
- Caring Community – Recognize Highland Park’s small town charm and values of informed residents, while appreciating the community’s legacy;
- Exemplary Governance – Demonstrate respect, stewardship, vision, and transparency in all things said and done; and,
- Service Excellence – Deliver public service that is responsive and professional, while balancing efficiency, effectiveness, and financial stewardship.



## Organizational Values Statement

- Integrity – WE are worthy of the public's trust in all things by dealing honestly and respectfully with the public, and with each other, at all times
- Innovation – WE value progressive thinking, creativity, flexibility, and adaptability in service delivery
- Accountability – WE take personal responsibility for our actions or inaction while putting the interest of the public first ensuring the efficient, cost-effective, and sustainable use of public resources
- Commitment to Excellence – WE behave responsively in the delivery of services to the public with our work characterized by its quality and by the diligence with which it is executed, while proactively seeking to solve problems in advance
- Respect - WE treat others as we would like to be treated
- Teamwork – WE work together toward common goals, through cooperation and partnership
- Communication – WE are purposeful in interacting effectively with our citizens and the community at large focusing on maintaining an environment of open communication that invites the public to participate in decisions concerning Town services and the funding of those services

## Town Council Priorities

**P1** Maintain respect for the Town's rich history and heritage

**P2** Support the Highland Park Independent School District

**P3** Provide quality Town services – and leverage the quality of those services by collaborating with the City of University Park, Southern Methodist University, Highland Park Village, the Dallas Country Club and by accessing the functional expertise of the Town's residents

**P4** Continue the Town's financial stability

## Budgetary Goals for Fiscal Year 2023-24

**G1** Meet citizens' needs.

**G2** Continue providing high quality services and excellence in customer service.

**G3** Retain and attract quality employees.

**G4** Sustain the Town's cash funded Capital Improvement Plan (CIP).



Department/Objective for Fiscal Year 2024	Town Council Priorities	Budgetary Goals
<b>Administration</b>		
Coordinate the implementation of Town Council goals and objectives with all Town departments		G1, G2
Continue the process of duplicating permanent records into electronic document imaging format and coordinate the same with each department	P1	
Implementation of the Town's first open records software system		G1, G2
Continue the implementation of solutions from the Town-wide traffic study to reduce traffic congestion		G1, G2
Enhance and improve customer service levels		G2
Begin advanced strategic planning initiative		G2
Guide and implement the restructuring of the Department of Public Safety Administration		G1
<b>Development Services</b>		
Respond to requests for information from residents in a timely manner	P3	G2
Stay updated on the latest mosquito management program and responses		G1
Communicate and educate our residents and the public on mosquito control best practices	P3	G1
Assess Town Hall 101 Program and make recommendations on how to increase participant engagement	P3	G2
Develop and obtain approval for Social Media Policy and increase the Town's footprint on social media		G2
Continue to assess how to improve resident engagement and update Town website and recreation software	P3	G2
Develop increased community programming and recreational opportunities	P3	G2
<b>Department of Public Safety</b>		
Recruit, hire, and onboard new employees to reach approved staffing level of 82 Full Time Equivalents	P3	G1, G2, G3
Begin the proposed restructuring of the Department of Public Safety Administration		G1
Order, receive and place in service 5 new patrol vehicles		G1
Replace all Life-Pak AED Units in town with new Zoll AED Units		G1
Use Tyler Technology to build a custom interface to be able to GPS track the mobile and portable radios		G1
Work with ESO Logistics Management to allow for better asset management and incident reporting		G1
Implement Prepared 9-1-1 Enhanced into the communication center	P3	G1, G2
Continue to work towards the implementation of the state mandated NextGen 9-1-1 program	P3	G1, G2
Continue to grow Public/Private Outreach Programs: Active Shooter Training, R.A.D. (Rape, Aggression, Defense System), LTC (License to Carry), Stop the Bleed and CPR classes, DPS 101, and Santa Ride-Along program	P2, P3	G2
<b>Street</b>		
Support water, sanitary sewer, and storm functions		G1
Respond to emergencies related to water, sanitary sewer, storm water and streets		G1
Maintain the Town's streets, alleys, easements, sidewalks, bridges, storm sewer inlets, signs and striping	P4	G1
Maintain street lighting including repairs and LED conversions	P4	G1
Inventory established street signage for future repair and replacement programs	P4	

Department/Objective for Fiscal Year 2024	Town Council Priorities	Budgetary Goals
Inventory streetlight system for future repair and replacement program	P4	
<b>Library</b>		
Continue implementing projects from the updated Next Steps document for the Library Master Plan strategy		G2
Develop a system for patrons to request and meet with a Librarian, including policies, procedures, and reservations, for in-person or virtual assistance finding relevant and accurate sources of information	P3	G2
Research creating a vibrant Library logo to reinterpret the Library's traditional persona with a more contemporary appeal	P1, P3	G2
Promote and upgrade/expand patrons access to Texas history digital materials and databases	P3	G2
<b>Parks</b>		
Update and continue to implement a Parks Maintenance & Operations Plan	P4	G1
Implement work order management software for park inspections	P3	G2
Develop Parkway Tree Maintenance Program	P4	
Develop a Parks Capital Improvement Plan	P4	G1
Assess opportunities provided through the Town's recreation program and evaluate potential partners for recreational opportunities	P3	G2
Bid and complete Lakeside Park hardscape, landscape, and irrigation improvements	P3	G1, G2
Bid and complete conversion of Tennis Court #1 into 4 Pickleball courts	P3	G2
<b>Swimming Pool</b>		
Provide a safe and clean facility for the enjoyment of the Town's residents	P3	G1, G2
Implement new system to inventory and track concessions purchases		G2
Maintain the expanded pool season	P3	G2
Facility improvements including a new sundeck, sand filter, and building roofs	P3	G1
Continue to assess water quality protocol by refining data collection activities		G1
Work to develop a Master Plan for Swimming Pool Improvements in future years	P3	G1
<b>Municipal Court</b>		
Maintain accurate records of documents and dispositions filed with the court while providing prompt and courteous responses to promote a positive public perception of the judicial system	P1	G1
Improve defendants access to defensive driving options and administrative payments using enhanced Court software and website	P3	G2
Collect and monitor data associated with the disposition of citations as part of the Town's ongoing effort to ensure fair and consistent adjudication of cases	P3	G2
Evaluate and update the procedures and policies of the warrant collection process	P3	G1
Maintain court calendar, allowing defendants swift access to the court system	P1, P3	G1
<b>Finance</b>		
Provide the Town Council, Town Administrator, departments and citizens with accurate and timely financial records	P4	G1
Manage the Town's investment portfolio in accordance with the Town's Investment Policies that focus on the safety of principal and liquidity of resources and diversification while earning a market-based return	P4	G1, G4
Generate all payrolls and Wellness Program stipends in a timely and accurate manner	P4	G3
Maintain, monitor and safeguard the Town's assets	P4	G1
Provide timely payment of the Town's vendors	P4	G1, G2

Department/Objective for Fiscal Year 2024	Town Council Priorities	Budgetary Goals
Receive the Government Finance Officers Association’s (“GFOA”) Certificate of Achievement for Excellence in Financial Reporting for the ACFR and the Distinguished Budget Presentation Award for the Annual Budget	P1	G1
Publish interactive budget data on-line for increased transparency to Town residents and other parties	P3	G1
Develop performance standards for Town departments, addressing Town Council objectives	P3	
Continue updating the Town’s Personnel Policies for final approval		G3
<b>Building Inspection</b>		
Provide quality redevelopment for the Town	P1	G2
Provide timely and accurate plan review services with new residential and remodel/addition plan reviews averaging two weeks	P3	G2
Continue to provide professional, courteous, and efficient service to the public	P3	G2
Staff will begin conversion to an updated version of our current permit processing software	P3	G2
Increase awareness among contractors and property owners of Town’s measures related to on-street parking and milestone inspections for construction projects	P3	G1, G2
Provide excellence in customer service and proactive response in enforcement activities related to construction site management, occupied property maintenance, and illegal sign placement	P3	G1, G2
<b>Information Technology</b>		
Replace network infrastructure that has reached the end of its useful life		G1
Acquire a new uninterruptible power supply and locate the new unit in the server room freeing up space in the engine bay		G1, G2
Replace video surveillance system		G1, G2
Conduct third party security testing	P3	G1
Complete department network upgrades and computer replacements as scheduled	P4	G3
Minimize operational disruption to users of the Town’s network system and enterprise	P3	G2
<b>Utility Customer Service</b>		
Ensure the continued delivery of quality services to citizens through effective management and efficient administration of Town utility services	P3	G1
Continue monthly consumption analysis, identifying abnormal consumption based on historical consumption using electronic readings to identify the time and date of consumption	P3	G2
Continue promotion of the WaterSmart Customer Portal through one-on-one conversations, group messaging and marketing opportunities in order to increase registration and participation	P3	G2
Continue to utilize the WaterSmart portal to communicate informative messages	P3	G2
Pursue an online method for submission of application for Water and Sanitation Services	P3	G2

Department/Objective for Fiscal Year 2024	Town Council Priorities	Budgetary Goals
<b>Water Department</b>		
Conduct routine maintenance on the Town's water system		G1
Provide funding of infrastructure replacement program through the water rate structure	P4	G4
Continue the Town's meter replacement program		G1
Continue National Fire Protection Association (NFPA) annual flow testing on all hydrants in the Town		G2
<b>Sanitary Sewer</b>		
Decrease Inflow & Infiltration into the wastewater collection system		G1
Complete infrastructure improvements to the Sanitary Sewer System to reduce or eliminate overflows	P4	G1
Replace 10 existing manhole lids and rings with new watertight lids and rings		G1
Continue Town's program of systematically flushing and cleaning sanitary sewer mains	P3	G1, G2
<b>Engineering</b>		
Comply with the annual reporting requirements for state and federal agencies		G1
Continue street rehabilitation program and repair/replace sidewalks, curbs and install ADA ramps	P4	G1
Complete construction of the water and sewer main replacement projects in the amount of \$3.1 million		G1
Complete bid, award, and begin construction of the replacement of the Holland Elevated Storage Tank		G1
Complete Phase II of the Stormwater Master Plan	P4	G1
Complete construction of Mockingbird Lane Reconstruction project from Westside Drive to Eastern Avenue		G1
Complete the design of Phase I for Hackberry Creek project	P3	
Complete bid, award and construction of Potomac/Auburndale Avenue Reconstruction project from Key Street to Hillcrest Avenue		G1
Complete the 2023 Traffic Signal Upgrades		G1
Complete design, bid, award and dredging of Exall Lake		G1

Town of Highland Park  
 Fiscal Year 2023-24 Adopted Budget  
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MAYOR  
*William C. Beecherl*  
MAYOR PRO TEM  
*Craig Penfold*  
TOWN ADMINISTRATOR  
*Tobin E. Maples, AICP*



TOWN COUNCIL  
MEMBERS  
*Marc Myers*  
*Lydia Novakov*  
*Don Snell*  
*Leland White*

September 12, 2023

Mayor Beecherl, Members of the Town Council and Citizens of the Town of Highland Park:

I am pleased to present to you the Adopted Budget and Plan for Municipal Services for FY 2024. The Adopted Budget was carefully developed through discussion and direction of the Town Council, Town Management and the collective efforts of all departments to balance the identified needs of the community with a sustainable and sound financial plan. [Presentations](#) made to the Town Council as well as a [“Budget in Brief”](#) can be found on the Town’s website at [www.hptx.org](http://www.hptx.org). The Adopted Budget is focused on achieving the following broad goals:

- Meeting citizens’ needs,
- Continuing high quality services and excellence in customer service,
- Retaining and attracting quality employees, and
- Sustaining the Town’s cash funded Capital Improvement Plan (CIP).

The Adopted Budget lowers the property tax rate from 23 cents to 22.0530 cents and provides an optimistic outlook for FY 2024 but is developed in a manner that addresses economic issues being faced locally and nationally. So, while property values continue to grow, from both reassessments and new construction, and sales tax revenue remains strong, it is necessary to address ongoing inflation as it impacts compensation, operational costs, and the cost of capital projects. Overall, the Adopted Budget allows the Town to maintain a high level of service to the public and continues a robust capital improvement program. While operational costs are growing by approximately 8.2% within the General Fund, I am particularly pleased the Adopted Budget addresses the effects of the inflationary environment, incorporates funding to care for employees, adds needed staff within the department of public safety, and overall maintains the Town Council’s 10-year financial model.

The Adopted Budget of \$54,511,098 (excluding interfund transfers) represents an increase of \$2,767,075, or 5%, compared to the FY 2023 Adopted Budget, as follows:

	<b>FY 2024</b>	<b>FY 2023</b>	<b>% Change</b>
General Fund	\$ 26,031,365	\$ 24,066,666	8%
Utility Fund	\$ 15,527,620	\$ 12,010,730	29%
Solid Waste Fund	\$ 1,655,692	\$ 1,554,252	7%
Storm Water Drainage Fund	\$ 3,263,985	\$ 2,189,750	49%
Other Funds	\$ 2,442,234	\$ 2,365,674	3%
Capital Projects Fund	\$ 5,590,202	\$ 9,556,951	-42%
<b>Total</b>	<b>\$ 54,511,098</b>	<b>\$ 51,744,023</b>	<b>5%</b>

The increase between fiscal years is predominately due to needed funding to sustain a competitive compensation program for Town employees, addressing staffing needs within the department of public safety, increased capital within the Storm Water Drainage and Utility Funds, and a significant increase in the cost of water paid to the Dallas County Park Cities Municipal Utility District. The majority of these increases are offset by fewer capital improvements funded in the Capital Projects Fund.

Anticipated fund balances at the end of the next fiscal year meet all requirements set out in the Town’s financial policies. Revenues and expenditures are structurally balanced with revenues meeting operating expenditures in a sustainable manner for the foreseeable future.

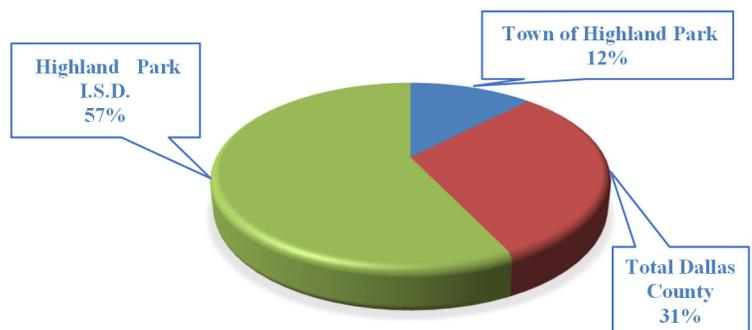
## REVENUE SOURCES

Making up approximately 80.3% of total revenues, key revenue sources for the Town continue to include Property Taxes, Sales Taxes, Building Permit Fees and user fees associated with specific services such as the purchase and distribution of treated water, collection and treatment of wastewater; the collection and disposal of solid waste and fees for the collection of storm water.

**Property Taxes** - Property taxes are the largest and most stable revenue source for the Town, making up 36.7% of total revenue. Taxable property values are growing at approximately 13.3%, or \$991M for FY 2024 of the originally certified values provided in July of 2022. Most of this increase results from reassessments; however, \$121M is related to new construction. The Adopted Budget recommends a tax rate of 22.0530 cents per \$100 of taxable assessed values which is down from the tax rate of 23 cents the Town has maintained over the last several years.

A tax rate of 22.0530 cents allows the Town to generate additional property tax revenue (due to higher assessed values) and stay at the Voter Approval Rate as set out in State law. The Voter Approval Rate (VAR) is equal to the No New Revenue (NNR) Rate plus 3.5% and any unused tax increment over the last three years. The NNR Rate is the tax rate that would generate the same amount of revenue as the prior year tax rate on those properties that existed on the tax rolls in the prior year. New construction is not included in the calculation. Unused increment is the difference between the No New Revenue Rate and the Voter Approval Rate that is not used in the last three years. Any tax rate adjustment higher than the Voter Approval Rate, requires an election of voters.

It cannot be stressed enough that revenue constraints imposed by the State on local jurisdictions make it more and more difficult to fund needed projects (particularly capital) and initiatives. It is interesting to note that the Town has, by far, the lowest tax rate of the other two taxing jurisdictions in the Town. Currently, the average Highland Park homeowner pays approximately \$5,247 (12.2%) in taxes for Town services, while the remainder of their tax bill, \$37,815, goes to Dallas County (30.7%) and HPISD (57.1%). This distinction is afforded in large part by the Town’s robust average taxable home value for single family homes. For example, in 2023, Dallas Central Appraisal District reports the Town’s average taxable value at \$2,591,026, which is \$619,516 more than HPISD and \$2,299,179 more than Dallas County.



**Sales Taxes** – Built on sustaining the current mix of retail outlets, sales taxes account for 12.9% of total revenue and are proposed to decline slightly when compared to the year-end projection for FY 2023. This decline is predominantly related to the repayment of sales tax to the state that was inadvertently paid to the Town. The Town has been fortunate over the last few years experiencing a significant climb in sales tax revenue directly related to increased retail activity throughout the Town, but particularly at the Highland Park Shopping Village. It is anticipated that the Town will continue to see some growth in the future and the Town’s 10-year financial plan applies a fairly conservative outlook for planning purposes projecting sales taxes to grow at 2.5% per year. As it relates to retail sales, the July 2023 *Beige Book for the Eleventh District* reported the “Retail sales dipped modestly in May and June after increasing in April. Auto dealers noted mixed activity, with some reporting strong demand for new vehicles and others noting declines. Pharmacies and building material and garden supply retailers continued to cite higher sales, while clothing, food and beverage, and non-store retailers saw declines. Inventories increased on net. Overall outlooks were little changed but weak, and some contacts said it remained challenging to plan for the next six to 12 months.” This revenue source may grow at a faster pace than currently projected and the Town’s 10-year financial model will be updated for any new trends.

**User Fees** –Revenue from building activity accounts for approximately 3.2% of total revenue. In 2019 the structure of fees, based on State law, changed from an assessment based on construction value to a per square foot fee for residential construction. Town staff continues to closely monitor the results of the revised construction permit fees; however, at this point, permit revenues are relatively constant and construction activity in Town has remained fairly strong. Revenues related to building activity in Town are projected to be \$1.6M for FY 2024. While it is anticipated that activity for next year will be similar to this year, the July 2023 *Beige Book for the Eleventh District* reported that “Housing demand rose during the reporting period. Existing-home sales increased, and builders noted solid demand, particularly of quick move-in or inventory homes, as buyers were hesitant to deal with the uncertainty surrounding mortgage rates. Dallas–Fort Worth and Houston were characterized as the strongest markets. Incentives such as rate buydowns remained in place, and prices were largely stable, though there were reports of increases in selected areas. Construction cycle times have improved, though a shortage of transformers was dampening completions. Builders have reaccumulated their backlogs of build-to-suit homes, and housing starts are expected to increase in the second half of the year. Outlooks remained cautious, and contacts noted tighter lending for construction and development loans.

*Activity in commercial real estate was little changed since the last report. Apartment rents were flat to up, and leasing activity picked up moderately. Office markets continued to face headwinds, while industrial markets generally remained solid. Investment sales activity stayed subdued, and contacts said banks were raising the loan-to-value ratios on loans. Outlooks were mixed.”*

The fees assessed to Town customers for the purchase and distribution of treated water and the collection and treatment of wastewater comprise 22.9% of total revenue at \$11.6M for FY 2024.

The Town’s FY 2024 financial model is predicated on a certain level of annual water consumption. With the increase in water experienced in FY 2022, the five-year rolling average has increased from 925 million gallons per year to a projected 942 million gallons. Consumption patterns in the current fiscal year suggest that the Town will generate more revenue than what was anticipated in the annual revenue budget for FY 2023.

Consistent with the current CIP, the Adopted Budget provides for an adjustment to water and sewer rates in FY 2024. The only change from the FY 2023 CIP is that for FY 2024 a rate adjustment of 7.55% is being implemented rather than the originally anticipated 5.6% for water rates. This is due to the Dallas

County Park Cities Municipal Utility District (“District”) increasing the Town’s cost of water by approximately 27% for FY 2024. The cost of water is only one component of the retail rate. Other components include the cost of capital improvements, salaries, and repair and maintenance costs. Sewer rates are still growing by 3% as presented in the FY 2023 CIP. The adjustment to rates will result in an increase in the monthly bill for a household using 10,000 gallons of approximately \$8.43 and an annual increase in revenue to the Town totaling an estimated \$684,000 when compared to the prior year budget. The annual adjustments are fairly consistent with recommendations made by Newgen Strategies and Solutions who completed a water/sewer cost of service and rate design study in FY 2021. At the time the rate study was completed, the increases in water costs from the District were anticipated to be around 3% per year and not the larger increases currently being experienced. As presented in the CIP, the rate adjustment allows the Town to continue the pay-as-you-go program of funding capital and maintains reserves at a level that funds future planned projects. The last rate adjustment was approved by Town Council in FY 2023. During the FY 2022 budget process, when the last rate study was completed, Town Council requested that, to the extent possible, smaller annual adjustments be projected for planning purposes rather than periodic larger rate adjustments.

Rates charged by the Town for the collection and disposal of solid waste make up 3.5% of total revenues. Contracts outsourced to provide these services stipulate annual rate increases, based on different Consumer Price Indices (CPI). As a result of these contract provisions, rates charged to customers are growing by 6.5%, adjusting the average resident’s monthly billing by \$2.17 for alley service and \$4.08 for pack-out service.

In order to address future capital needs, storm water fees are anticipated to increase by 20%. For a lot size between 10,001 and 21,800 square feet, this equates to an increase of \$2.46/month.

## **EXPENDITURES**

Key expenditures, totaling 86.6% of the overall appropriations consist of compensation and benefits for Town employees, contracts related to purchasing treated water, treatment of wastewater, collection of solid waste, and capital improvements. The following is a summary of the more significant adjustments to these areas for next fiscal year.

***Compensation & Benefits*** – The Adopted Budget maintains the Town Council’s goal of providing a competitive package of employee salary and benefits. Maintaining such a strong framework better positions the Town to retain and recruit high-quality personnel. The DFW labor market continues to be extremely competitive for police officers/firefighters and other skilled positions, and as an impact, drives pay increases for Town positions.

Major components of the Town’s compensation and benefits program include salaries, pension (Texas Municipal Retirement System [TMRS]), and health insurance. Overall, this category of expenses is growing by \$1,800,141 or 8.7%, and addresses compensation adjustments, changes in costs related to employee benefits and additional staffing needs.

During FY 2023, the Mayor appointed a Compensation Committee to take a more comprehensive look at the Town’s compensation program and related benefits. The Committee, consisting of the Mayor and two Council Members, modified the list of comparison cities to include five cities rather than the twenty cities that had been surveyed in prior years. The five survey cities were derived from the original list of cities and include Addison, Frisco, Richardson, Southlake, and University Park. Based on the results of

the compensation survey conducted, the Town remains competitive from a compensation standpoint when compared to the Town's comparator cities.

The Compensation Committee recommended a 'catch up' for employees present on October 1, 2019, to incorporate the adjustments that were lost by the discontinuance of the Town's annual pay increases based on performance of up to 7% beginning in FY 2020. This 'catch up' amount will be added to base pay effective October 1, 2023 and increases annual personnel costs by approximately \$248,000. Additionally, beginning in FY 2024, the Compensation Committee recommended the discontinuance of the quarterly Pay for Performance plan in terms of compensation. The employee evaluation aspect of the plan will be reviewed for continuation going forward. To ensure employees are not penalized financially for discontinuing the quarterly Pay for Performance program, each non-exempt employee's base pay will be increased by the amount of Pay for Performance earned over the last four quarters (September 2022, December 2022, March 2023 and June 2023).

For FY 2024, the Adopted Budget reinstates the annual merit adjustment (formerly known as Pay for Performance) for First Responders (Public Safety Officers and Dispatchers) up to 6%. All other full-time non-exempt employees will be eligible for up to a 3.5% merit adjustment in FY 2024. This adjustment will be based on the average of their score on performance evaluations throughout the year. Exempt employees are eligible for an annual adjustment up to 3.5% based on their annual evaluation. All employees will receive a 3% across the board (ATB) adjustment. However, any pay adjustment for FY 2024 will be limited to the maximum of the pay range for each employee. The overall impact of the approved merit increase and ATB adjustment is approximately \$927,000 which includes the related impacts to benefits. This increase is partly offset by staffing changes that occurred over the prior year due primarily to retirements.

Because the base Pay Plan maximum for each pay range did not formerly include quarterly earnings from the Pay for Performance plan, the new maximum is higher by 6% to reflect the inclusion of the quarterly Pay for Performance within base pay. Additionally, the Pay Plan for both non-exempt and exempt employees has been increased by 3% to reflect the current year ATB adjustment. Employees may not receive base pay above the Maximum of their respective Pay Plan pay ranges. Providing an annual merit along with the ATB while adjusting the Pay Plan still allows employees some movement forward within their respective pay ranges based on their performance from the prior year.

The Town's contribution rate for TMRS is proposed to increase as a direct result of providing a Cost of Living Adjustment (COLA) to retirees and an Updated Service Credit (USC) to existing employees during FY 2023. Texas statutes require that when a COLA is provided to retirees, that a TMRS member city must also provide an USC to existing employees. Fortunately for the Town, since an USC was provided as recently as FY 2020 for existing employees, the USC approved in FY 2023 was by far the smaller of the overall cost of the combined COLA/USC. As TMRS operates on a calendar year basis, new rates are implemented each January. The rate included in the FY 2023 Adopted Budget only funded 9-months of the rate that was adjusted for the COLA/USC approved in FY 2023. The rate reflected in the FY 2024 Adopted Budget funds this benefit adjustment for the entire year.

The Town currently carries a net pension liability of \$8,001,016. The Town's Adopted Budget again includes an additional annual contribution to TMRS of \$250,000. If additional contributions are made each year, the Town can reduce any unfunded liability over time.

Currently TMRS projects the Town's liability to be 91.7% funded. This is down from the previous year of 92.6% funded. On average, the Town's comparison cities have a funded ratio of approximately 91.2%.

While the Town has enjoyed a funding ratio in prior years above 100%; this has not always been the case. The funding status of the Town's pension liability changes from year-to-year by market conditions, actuarial assumptions adopted by TMRS and actual experience of the Town as it relates to compensation and annual retirements.

It is important to note that the Town's annual financial statements present the status of the pension plan in accordance with the Governmental Accounting Standards Board Statement No. 68 (GASB 68). Since GASB 68 measures the plan assets differently than TMRS, the resulting net pension asset or liability differs from the amounts presented by TMRS. Plan measurement occurs at the end of December of each year. For example, at the end of calendar year 2022, TMRS calculated the Town's plan assets to plan liabilities at 91.7%; whereas under GASB 68, this ratio was reflected at 87.3%. Further emphasizing the swings in funded ratios that occur under GASB 68 is the Town's funded ratio under GASB 68 at the end of calendar year 2021 which was 106.16%. These changes are impacted by the performance of TMRS' investment portfolio from year to year compounded by any benefit changes approved by the Town.

Lockton-Dunning, the Town's benefits consultant was able to negotiate with Cigna to reduce current premium rates by 2%. This is largely driven by the Town maintaining a low loss ratio during the current fiscal year. Overall, the budget for health insurance, contributions to employee's Health Savings Accounts, and wellness are anticipated to increase slightly for FY 2024, which is predominately due to the addition of staffing within the Department of Public Safety.

***Water, Sewer & Solid Waste Contracts*** - The Town purchases treated water for resale from the Dallas County Park Cities Municipal Utility District ("District"). As noted earlier, the District has approved an increase of approximately 27% in the rate they charge the Town for water purchases. According to the District, the proposed rate increase is needed to adequately fund future capital purchases. The 27% adjustment results in an anticipated increase in costs of approximately \$821,000 when compared to the FY 2023 Adopted Budget. The cost of water to be purchased for FY 2024 is anticipated to be \$3,820,000. The Town's FY 2023 10-year financial model projected a 10% increase in the cost of water for FY 2024; however, the District has focused on a more aggressive approach to building reserves with a 27% increase. It is uncertain as to what future rate increases will be.

Wastewater is treated by the City of Dallas ("City"). Each year, the City conducts a cost-of-service study related to the wholesale wastewater rate they charge. Based on the results of the study this year, the FY 2024 base rate for wastewater charged to the Town is increasing 4.4%. The City also applies an inflow and infiltration (I&I) rate which is a multiplier on the Town's winter average consumption. That multiplier is decreasing by (6.9%). Each year, the City requests the Town's winter water consumption in calculating the Town's winter average that is used to determine the Town's monthly billing for the upcoming fiscal year. The Town's prior year winter average decreased by (1.5%) between fiscal years 2023 and 2022. As a result of the changes in the base rate, the I&I multiplier and the Town's average winter consumption of water, the wastewater treatment costs to the Town are declining by approximately (4.2%). The cost of wastewater treatment is anticipated to be \$1,071,952 in FY 2024.

In FY 2018, the Town entered into a new solid waste collection agreement with Republic Services that went into effect in January of 2018. As noted previously, the 10-year agreement includes a CPI indexed rate adjustment based on the CPI for All Urban Consumers, Garbage and Trash Collection. This index is currently reflecting an increase of 7.72%, resulting in the Adopted Budget for this service growing by \$97,263. Moreover, the Town's contract for solid waste disposal is indexed to CPI but capped at a 5% increase each year. Overall, the annual cost for FY 2024 related to collection and disposal service is \$1,551,192.

**Capital Improvements** – Operating on a cash funded basis, the Town’s 10-year financial model continues allocating a portion of the Town’s tax rate towards funding the Town’s Capital Improvement Plan (CIP) in FY 2024. In prior years, when the tax rate was held at 23 cents, the Town transferred an equivalent of 4.2 cents of the tax rate to the CIP. As the Town’s property tax rate is being reduced, due to the 3.5% cap on the Voter Approval Rate, the 10-year plan projects transfers to the Capital Projects Fund for fiscal years beyond FY 2024 based on a proportional amount of the tax rate that was transferred in priors plus any excess fund balance projected within the General Fund. For FY 2024, an equivalent of 5.6 cents of the tax rate is being transferred. This amount includes the sustained transfer of an additional \$1.2M that began in FY 2023 made possible by the Town maintaining its tax rate of 23 cents in that year.

Maintaining a fixed portion of the tax rate to be applied toward the CIP each year, requires anticipated operational costs to be constrained in future years. To that end, the financial model anticipates increases in personnel costs at a 3.75% growth rate, and other operational costs are held to a 3% growth rate. The 3.75% growth rate for personnel costs is increased from 3.25% in prior years reflecting the programmatic change to compensation related to pay for performance for non-exempt First Responders.

The CIP is comprised of three major components including the Capital Projects Fund, Utility Fund, and Storm Water Drainage Fund. Overall, the CIP for FY 2024 and the 10-years presented is proposed to cost \$16,610,202 and \$134,975,137, respectively, and provides for the following projects.

	<b>FY 2024-2033 Proposed CIP</b>		<b>FY 2023-2032 CIP <sup>(1)</sup></b>
	<b>FY 2024</b>	<b>10-Year</b>	<b>10-Year</b>
<b>Capital Project Fund:</b>			
Roads & Bridges	\$ 2,908,740	\$ 73,641,790	\$ 65,568,989
Parks & Recreation	2,251,462	4,909,420	3,519,206
Facilities	180,000	180,000	50,000
Public Safety	-	-	50,000
Contingency	250,000	4,050,000	3,425,000
<b>Sub-total*</b>	<b>\$ 5,590,202</b>	<b>\$ 82,781,210</b>	<b>\$ 72,613,195</b>
<b>Utility Fund:</b>			
Water & Sewer Improvements	\$ 350,000	\$ 16,446,914	\$ 15,455,317
Lakeside & 30" Sewer Interceptor	-	3,070,519	4,690,411
Water Tank Rehabilitation	7,600,000	7,850,000	5,950,000
Utility Portion of Road Projects	-	7,693,889	9,540,329
<b>Sub-total*</b>	<b>\$ 7,950,000</b>	<b>\$ 35,061,322</b>	<b>\$ 35,636,057</b>
<b>Storm Water Drainage Fund:</b>			
Drainage Facility Improvements & Studies	\$ 450,000	\$ 450,000	\$ 2,700,000
Storm Water Portion of Road Projects	970,000	9,682,605	1,619,553
Exall Lake Dredging	1,000,000	1,000,000	-
Hackberry Creek	650,000	6,000,000	6,600,000
<b>Sub-total*</b>	<b>\$ 3,070,000</b>	<b>\$ 17,132,605</b>	<b>\$ 10,919,553</b>
<b>Total CIP</b>	<b>\$ 16,610,202</b>	<b>\$ 134,975,137</b>	<b>\$ 119,168,805</b>

\*Excludes transfers-out.

<sup>(1)</sup> Amounts based on CIP approved in the FY 2023 Adopted Budget

A change to the overall financial model includes modifying the anticipated increase in taxable values from 3.5% to 4.5% each year and providing a projected calculation for each year's tax rate based on the 3.5% Voter Approval Rate threshold and revenues anticipated from new construction values. In years past, the 10-year model was built on sustaining the Town's tax rate while limiting the anticipated growth in revenue to 3.5%.

The model anticipates a 2.5% increase in sales tax revenue in years following FY 2024. In years past the anticipated growth in sales tax was 4%, but due to a fairly large growth in sales tax over the last two years, a more conservative outlook was taken when projecting over the next 10 years. In addition to the adjustment in water and sewer rates adopted for FY 2024, mentioned earlier, the CIP also anticipates annual water and sewer rate adjustments as previously discussed with the Town Council, as well as, continued adjustments to storm water drainage rates based on capital needs. The plan assumes a reduced 2.5% annual rate of return on investments for years beyond FY 2025. The Proposed CIP incorporates funding anticipated to be received from Dallas Area Rapid Transit (DART), as well as anticipated funding participation from the North Central Texas Council of Governments (NCTCOG), Dallas County and University Park. From a project cost standpoint, due to the current inflationary environment, the CIP incorporates a 2% inflation adjustment each year in an effort to keep up with increasing costs of construction.

Following the Town Council's direction in prior years, Town Staff initiated studies assessing the Town's infrastructure. These studies include an assessment of the Town's storm water system which is currently under review by Town Staff. As mentioned in prior meetings with the Town Council, this work has revealed additional projects totaling approximately \$45,000,000 that will need to be pursued over time. Many of these projects are not included in the CIP and will need to be incorporated in future years. As other projects are further identified or refined, the prioritization, scope, and estimated cost for each will be updated for consideration by the Town Council.

## **ONGOING INITIATIVES**

***School Security*** - The Adopted Budget continues funding for police officers at Armstrong Elementary School and Bradford Elementary School. The \$200,000 in funding set aside for this program is provided as a reimbursement to the Highland Park Independent School District (HPISD). The Adopted Budget also includes \$50,000 in anticipation of funding participation for police presence at Boone Elementary. The Highland Park DPS continues to provide two patrol units to the program, that would otherwise be replaced through the Town's equipment replacement program, as a way of providing a more pronounced presence at the two campuses. Augmenting campus security, the Adopted Budget continues funding of 25% (\$63,238) towards the cost of a school resource officer program (SRO) with one police officer at McCulloch Intermediate School/Highland Park Middle School and a second police officer at the Highland Park High School. This program is managed by the City of University Park.

***Equipment & Technology Replacement*** – Next year's budget provides \$562,905 related to the purchase of equipment within the Equipment Replacement Fund. This consists of the replacement of five patrol units for DPS and two pick-up trucks for Public Works. In the Technology Fund, \$1,019,827 is allocated for the scheduled replacement of computers within specific departments, replacement of the Town's network, migration to a new phone system and replacement of the Town's video security system.

***Building Maintenance*** – The Town continues to maintain a Building Maintenance and Investment Fund, not only to care for the ongoing maintenance issues with Town facilities, but also for the purpose of

setting aside funds for future repairs of a material nature. This fund includes \$176,278 in capital maintenance items at Town Hall and the Town's swimming pool.

**Staffing** – The Adopted Budget provides for the addition of public safety officers and a reorganization of the Department of Public Safety (DPS). The net increase to the Adopted Budget compared to the FY 2023 Adopted budget is approximately \$903,000. The overall cost of this program is offset by reducing the overtime budget by \$152,000 and eliminating three over-hire positions within the department. Additionally, in the FY 2023 Adopted Budget for DPS, there was funding for two full-time positions for the entire year that were anticipated to replace two employees retiring during the year. Specifically, the reorganization proposed with the Adopted Budget creates three new captain positions, reclassifies an existing captain position to a lieutenant, adds a CID clerk and a communication specialist, eliminates the accreditation manager position, eliminates one police officer position and adds six public safety officer positions.

In anticipation of the workload within municipal court returning to more normalized levels going forward, the Adopted Budget includes funding to reclassify the existing part-time court clerk position to full-time.

## CONCLUSION

Town Council and Town Staff have committed significant time and energy toward the development of the Adopted Budget and believe that through its implementation, the Town will continue to see excellence in meeting the expectations of residents and businesses. The Adopted Budget makes smart investments in many programs needed to keep pace with residents' service expectations. At the same time, it attempts to strike a fair balance between residents who would like to see more services with those who are attentive to rising property valuations and tax payments. Overall, the Adopted Budget is a financial plan, providing residents with a full scope of high-quality municipal services, especially our remarkable Department of Public Safety.

Once again, thank you to the Mayor and Town Council Members for the vision and direction throughout this process, and all the hard work by the Department Heads and staff. Special appreciation goes to the Town's finance staff, for the attention, care, and long hours devoted to developing the Adopted Budget. With the effective work of Town Council and Town Staff the Town is operating with a clear plan of maintaining fiscal strength and stability. The Adopted Budget will enable the Town to continue its quality of life as a thriving and safe community that cherishes its location, unites in its diversity, and evolves to meet the continuous challenges that success brings.



Tobin E. Maples, AICP  
Town Administrator



Steven J. Alexander  
Assistant Town Administrator

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

	General	Utility	Solid Waste	Storm Drainage	Equipment Replacement	Technology Replacement	Building Maintenance & Investment	Forfeited Property
<b>BEGINNING FUND BALANCE</b>	\$ 5,203,309	\$ 10,099,572	\$ 352,313	\$2,409,850	\$ 4,264,238	\$ 3,251,289	\$ 1,416,491	\$ 34,374
<b>REVENUES:</b>								
Property Taxes	\$ 18,515,422	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water Sales	-	8,508,723	-	-	-	-	-	-
Sewer Charges	-	3,064,870	-	-	-	-	-	-
Sales Taxes	6,502,058	-	-	-	-	-	-	-
Sanitation/Recycling Charges	-	-	1,754,793	-	-	-	-	-
Franchise Fees	975,542	-	-	-	-	-	-	-
Building Inspection Fees/Permits	1,562,561	63,006	-	-	-	-	-	-
Municipal Court Fines/Fees	451,666	-	-	-	-	-	-	-
Interest Earnings	711,178	503,713	19,490	112,947	160,615	152,203	71,528	2,746
Storm Water Drainage Fees	-	-	-	543,324	-	-	-	-
All Other	2,033,646	104,352	-	-	10,000	104,976	18,516	2,500
<b>TOTAL REVENUES</b>	<b>\$ 30,752,073</b>	<b>\$ 12,244,664</b>	<b>\$ 1,774,283</b>	<b>\$ 656,271</b>	<b>\$ 170,615</b>	<b>\$ 257,179</b>	<b>\$ 90,044</b>	<b>\$ 5,246</b>
Transfers from Other Funds	1,448,200	474,500	41,600	3,000,000	551,650	321,383	708,500	-
<b>TOTAL REVENUES &amp; TRANSFERS</b>	<b>\$ 32,200,273</b>	<b>\$ 12,719,164</b>	<b>\$ 1,815,883</b>	<b>\$ 3,656,271</b>	<b>\$ 722,265</b>	<b>\$ 578,562</b>	<b>\$ 798,544</b>	<b>\$ 5,246</b>
<b>TOTAL AVAILABLE RESOURCES</b>	<b>\$ 37,403,582</b>	<b>\$ 22,818,736</b>	<b>\$ 2,168,196</b>	<b>\$ 6,066,121</b>	<b>\$ 4,986,503</b>	<b>\$ 3,829,851</b>	<b>\$ 2,215,035</b>	<b>\$ 39,620</b>
<b>EXPENDITURES:</b>								
Personnel Services:								
Payroll	\$ 15,377,815	\$ 1,457,615	\$ -	\$ -	\$ -	\$ -	\$ 91,192	\$ -
Taxes	1,082,594	106,269	-	-	-	-	6,976	-
Retirement (TMRS)	1,976,428	189,672	-	-	-	-	11,866	-
Insurance	1,901,481	206,446	-	-	-	-	11,604	-
Total Personnel	\$ 20,338,318	\$ 1,960,002	\$ -	\$ -	\$ -	\$ -	\$ 121,638	\$ -
Supplies & Equipment	\$ 1,305,984	\$ 4,067,164	\$ 25,000	\$ 7,600	\$ -	\$ -	\$ 42,700	\$ -
Services & Charges	4,387,063	1,550,454	1,630,692	186,385	1,250	33,000	452,213	-
Capital Outlay	-	7,950,000	-	3,070,000	562,905	986,827	176,278	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 26,031,365</b>	<b>\$ 15,527,620</b>	<b>\$ 1,655,692</b>	<b>\$ 3,263,985</b>	<b>\$ 564,155</b>	<b>\$ 1,019,827</b>	<b>\$ 792,829</b>	<b>\$ -</b>
Transfers to Other Funds	6,168,878	2,168,437	145,300	145,500	-	-	-	-
<b>TOTAL EXPENDITURES &amp; TRANSFERS</b>	<b>\$ 32,200,243</b>	<b>\$ 17,696,057</b>	<b>\$ 1,800,992</b>	<b>\$ 3,409,485</b>	<b>\$ 564,155</b>	<b>\$ 1,019,827</b>	<b>\$ 792,829</b>	<b>\$ -</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 5,203,339</b>	<b>\$ 5,122,679</b>	<b>\$ 367,204</b>	<b>\$ 2,656,636</b>	<b>\$ 4,422,348</b>	<b>\$ 2,810,024</b>	<b>\$ 1,422,206</b>	<b>\$ 39,620</b>
<b>FUND BALANCE MINIMUM</b>	<b>\$ 4,672,988</b>	<b>\$ 2,291,889</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>FUND BALANCE SURPLUS</b>	<b>\$ 530,351</b>	<b>\$ 2,830,790</b>	<b>\$ 367,204</b>	<b>\$ 2,656,636</b>	<b>\$ 4,422,348</b>	<b>\$ 2,810,024</b>	<b>\$ 1,422,206</b>	<b>\$ 39,620</b>

All funds listed are present in the Town's Annual Comprehensive Financial Report, except the Solid Waste Fund, which is combined with the Utility Fund.

*Explanation of Significant Changes in Fund Balances*

Utility Fund - Fund balance within the Utility Fund is declining by approximately \$5.0M predominately due to the construction of the elevated water storage tank occurring in FY 2024 rather than FY 2023 as originally anticipated. This project is anticipated to cost \$7.6M.

Storm Water Utility Fund - Fund balance within the Storm Water Utility Fund is increasing by approximately \$246,000. This increase is predominately resulting from a 20% adjustment in storm water rates intended to build reserves over time to fund capital projects.

Internal Service Funds - The fund balances within the Technology Replacement Fund, Equipment Replacement Fund and the Building Maintenance Fund are intended for capital equipment purchases. Between the three funds, the anticipated reduction in available fund balance is approximately \$277,440.

Capital Projects Fund - Fund balance within the Capital Projects Fund is increasing by approximately \$2.5M. This fund accumulates funds for future projects.

<u>Truancy Prevention</u>	<u>Municipal Jury</u>	<u>Court Technology</u>	<u>Court Security</u>	<u>Library Fund</u>	<u>DPS Technology</u>	<u>Reserve</u>	<u>Capital Projects</u>	<u>Adopted FY 2024</u>	<u>Budget FY 2023</u>
\$ 68,585	\$ 1,370	\$ 110,554	\$ 29,382	\$ 366,459	\$ -	\$ 10,023,488	\$ 11,990,593	\$ 49,621,867	\$ 45,200,014
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	18,515,422	17,058,331
-	-	-	-	-	-	-	-	8,508,723	7,824,554
-	-	-	-	-	-	-	-	3,064,870	2,997,300
-	-	-	-	-	-	-	-	6,502,058	6,640,091
-	-	-	-	-	-	-	-	1,754,793	1,688,228
-	-	-	-	-	-	-	-	975,542	932,414
-	-	-	-	-	-	-	-	1,625,567	1,457,044
15,000	300	26,657	26,124	-	-	-	-	519,747	682,313
2,498	50	4,637	1,293	14,630	-	417,013	513,186	2,687,727	486,554
-	-	-	-	-	-	-	-	543,324	453,200
-	-	-	-	56,538	-	-	3,418,906	5,749,434	7,359,145
\$ 17,498	\$ 350	\$ 31,294	\$ 27,417	\$ 71,168	\$ -	\$ 417,013	\$ 3,932,092	\$ 50,447,207	\$ 47,579,174
-	-	-	-	-	-	-	5,374,582	11,920,415	12,549,099
\$ 17,498	\$ 350	\$ 31,294	\$ 27,417	\$ 71,168	\$ -	\$ 417,013	\$ 9,306,674	\$ 62,367,622	\$ 60,128,273
\$ 86,083	\$ 1,720	\$ 141,848	\$ 56,799	\$ 437,627	\$ -	\$ 10,440,501	\$ 21,297,267	\$ 111,989,489	\$ 105,328,287
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	16,926,622	15,571,524
-	-	-	-	-	-	-	-	1,195,839	1,115,728
-	-	-	-	-	-	-	-	2,177,966	1,841,447
-	-	-	-	-	-	-	-	2,119,531	2,091,118
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	22,419,958	20,619,817
\$ -	\$ -	\$ 2,804	\$ -	\$ 41,538	\$ -	\$ -	\$ -	5,492,790	4,612,891
-	-	20,181	-	900	-	-	-	8,262,138	7,949,041
-	-	-	-	-	-	-	5,590,202	18,336,212	18,562,274
\$ -	\$ -	\$ 22,985	\$ -	\$ 42,438	\$ -	\$ -	\$ 5,590,202	\$ 54,511,098	\$ 51,744,023
-	-	-	24,600	-	-	2,000,000	1,267,700	\$ 11,920,415	12,549,099
\$ -	\$ -	\$ 22,985	\$ 24,600	\$ 42,438	\$ -	\$ 2,000,000	\$ 6,857,902	\$ 66,431,513	\$ 64,293,122
\$ 86,083	\$ 1,720	\$ 118,863	\$ 32,199	\$ 395,189	\$ -	\$ 8,440,501	\$ 14,439,365	\$ 45,557,976	\$ 41,035,165
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000	\$ 8,964,877	\$ 6,737,092
\$ 86,083	\$ 1,720	\$ 118,863	\$ 32,199	\$ 395,189	\$ -	\$ 8,440,501	\$ 12,439,365	\$ 36,593,099	\$ 34,298,073

**ORGANIZATIONAL MATRIX – DEPARTMENT ASSIGNMENT BY FUND**

This annual budget is presented by fund. This matrix shows the assignment of departments by fund within the budget. Listed across the top of the matrix are the departments. The operating funds are shown in the left column of the matrix. The divisions are listed within the matrix as they correspond to their respective department and operating fund. The funds are labeled as Governmental (GV), Enterprise (ENT), Capital (CAP), Internal Service (IS), Special Revenue (SR) and Major (M) as applicable.

Fund	Departments					
	Administration	Department of Public Safety	Development Services	Library	Finance & Human Resources	Engineering
General (GV, M)	Operations	Operations	Operations (Parks) (Pool) (Building Insp.)	Operations	Operations (Municipal Court) (Finance) (Info. Tech.)	Operations (Street) (Street Lighting)
Utility (ENT, M)					Operations (Utility Admin)	Operations & Capital (Water) (Sewer)
Solid Waste (ENT)						Contracts
Storm Water Drainage (CAP, M)						Contracts & Capital
Building Maintenance & Investment (IS)			Contracts & Capital (Service Center) (Town Hall)			
Court Technology (SR)					Contracts & Capital (Municipal Court)	
Court Security (SR)					Operations (Municipal Court)	
Equipment Replacement (IS)	Capital	Capital	Capital	Capital		Capital
Technology Replacement (IS)	Capital	Capital	Capital	Capital	Capital	Capital
Capital Projects (CAP, M)			Capital (Parks & Right-of-Way Improvements)			Capital (Governmental Infrastructure)

## *Budget Calendar Fiscal Year 2023 - 2024*

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April 10	Budget kick-off memo to departments.
April 14	Departments submit initial projection of FY 2022-23 revenues and expenditures to the Finance Department.
April 21	Departments submit base budget requests to the Finance Department. This includes any requests for non-capitalized and capitalized fixed assets.  Deliver notice for the May 16 Public Hearing in the newspaper. The notice will run on April 28 and May 5. Provide notice to Town Secretary for publishing on website.
April 26	Departments submit any new programs to the Finance Department.  Departments submit proposed updates, changes, or revisions to the Town's Capital Improvement Plan.
April 28	Meet and discuss the Town's 10-year Capital Improvement Plan with Department Directors.
May 1 - 12	Finance Department review of Departmental Budget Requests and updates, changes, or revisions to the Town's Capital Improvement Plan with Department Directors.
May 8	Receive preliminary taxable assessed values from Dallas Central Appraisal District (DCAD).
June 1	Departments submit updated program descriptions, accomplishments, objectives, and key performance indicators to the Finance Department.
<b><u>June 6</u></b>	Public Hearing for citizen comment on the development of the FY 2023-24 Budget.  Review and discuss with the Town Council the progress of the FY 2023-24 budget process and the Council's priorities and expectations of the FY 2023-24 Budget.  Departments submit revised projection of FY 2022-23 revenues and expenditures to the Finance Department.
June 12 - 16	Departmental meetings with Town Administrator on Budget Requests.
<b>June 20</b>	Review and discuss with the Town Council the progress of the FY 2023-24 budget process and the Council's priorities and expectations of the FY 2023-24 Budget.  Review and discuss with the Town Council any proposed updates, changes, or revisions to the Town's 10-year Capital Improvement Plan.
July 7	Departments submit final projection of FY 2022-23 revenues and expenditures to the Finance Department.

## *Budget Calendar Fiscal Year 2023 - 2024*

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- July 20 Finance & Audit Advisory Committee meet to discuss proposed Capital Improvement Plan and Operational Budget for FY 2023-24.
- July 25 Receive Certified Appraisal Roll from DCAD.
- July 31 FY 2023-24 Proposed Budget delivered to the Town Council and the Town Secretary.
- August 1** Review and discuss the Proposed Budget with Town Council.
- Council sets date to call Public Hearing on the FY 2023-24 Proposed Budget [Town Charter 9.05(A)].
- Deliver notice of the August 15 and September 5 Public Hearing on the FY 2023-24 Proposed Budget to the newspaper. Provide notice to Town Secretary for publishing on website.
- August 4 Publication of the notice for the August 15 and September 5 First and Second Public Hearing on the FY 2023-24 Proposed Budget in the newspaper.
- August 14 Publication of notice the First (August 15) and Second (September 5) Public Hearings on FY 2023-24 Proposed Budget in the newspaper.
- August 15** First Public Hearing on FY 2023-24 Proposed Budget.
- Review and discuss a proposal to set a preliminary property tax rate for Fiscal Year 2023-24 and schedule one public hearing on the proposal.
- Town Council sets preliminary ad valorem tax rate.
- NOTE: If a tax rate is proposed that exceeds the 'No-New-Revenue Tax Rate', take a record vote, publish the required notices, and schedule the required public meeting.*
- Call Public Hearing on Tax Increase.
- Deliver notice of Public Hearing on Tax Increase to the newspaper. Provide notice to Town Secretary for publishing on website.
- Announce date and time of Public Hearing to adopt the tax rate.
- August 21 Publication of notice for the September 5 Public Hearing on Tax Increase in the newspaper.
- September 5** Second Public Hearing on FY 2023-24 Proposed Budget.
- Public Hearing on Property Tax Revenue Increase (if necessary)

## *Budget Calendar Fiscal Year 2023 - 2024*

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### **September 12\***

Town Council considers approval of:

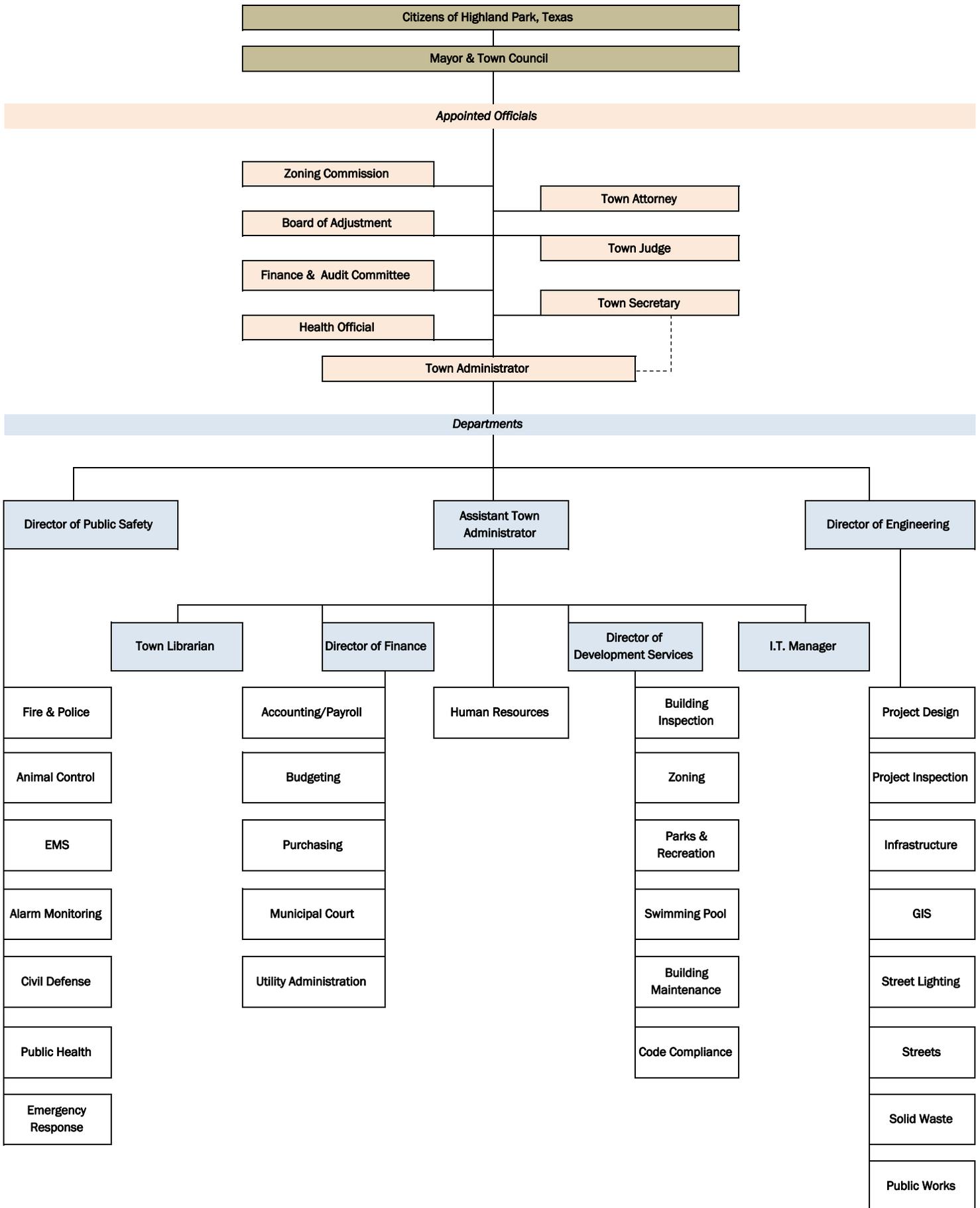
- FY 2023-24 Proposed Budget.
- Adoption of a tax rate.
- [Master Fee Schedule](#).
- FY 2023-24 Pay Plan

[Change Sheets from Proposed to Final](#).

Provide approved property tax ordinance and property tax rate to Dallas County Tax Office and the Dallas Central Appraisal District.

***NOTE: Dates in bold indicate a Town Council study session; Dates in bold and underlined indicate a Town Council meeting; Dates in bold with an asterisk (\*) indicate a special called meeting.***

Town of Highland Park, Texas  
Organizational Structure



ORDINANCE NO. 2120

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS, ADOPTING A BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2023, AND ENDING SEPTEMBER 30, 2024, AND AUTHORIZING EXPENDITURES AS SET OUT IN SAID BUDGET.

WHEREAS, the Town is authorized by law to adopt the provisions contained herein, and has complied with all the prerequisites necessary for the passage of this ordinance; and

WHEREAS, all statutory and constitutional requirements for the passage of this ordinance have been adhered to, including but not limited to the Open Meetings Act; and

WHEREAS, the purpose of this ordinance is to promote the public health, safety, and general welfare of the citizens of the Town of Highland Park.

NOW THEREFORE BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS ("TOWN"):

That, the statements contained in the preamble to this ordinance are hereby adopted as findings of fact and as a part of the operative provisions hereof.

That, the Town Administrator, as budget officer, has caused to be prepared a proposed budget totaling \$66,431,513, including \$11,920,415 for inter-fund transfers, of the Town of Highland Park, Texas, for the fiscal year beginning October 1, 2023, and ending September 30, 2024, in accordance with the provisions of the Town Charter, Section 4.02 (d) and Section 9.05; and

That, a copy of said proposed budget was filed in the office of the Town Secretary on July 31, 2023, and more than thirty (30) days prior to the end of the fiscal year 2023, in accordance with the provisions 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, 2023, in accordance with Section 102.005 of the Local Government Code, Texas Codes Annotated; and

That, notice of public hearings on the proposed budget on August 15, 2023, and September 5, 2023, 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 12, 2023, following the public hearing, and a copy of said official budget is made a part hereof by reference as though copied fully herein.

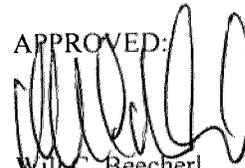
PASSED AND APPROVED this the 12th day of September, 2023.

APPROVED AS TO FORM:



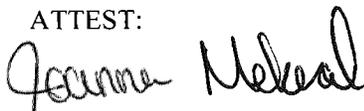
Matthew C.G. Boyle  
Town Attorney

APPROVED:



Will C. Beecher  
Mayor

ATTEST:



Joanna Mekeal  
Town Secretary

ORDINANCE NO. 2121

AN ORDINANCE OF THE TOWN OF HIGHLAND PARK, TEXAS, LEVYING THE AD VALOREM TAXES FOR THE TAX YEAR 2023 ON ALL PROPERTY SITUATED IN THE TOWN OF HIGHLAND PARK, TEXAS.

WHEREAS, the Town is authorized by law to adopt the provisions contained herein, and has complied with all the prerequisites necessary for the passage of this ordinance; and

WHEREAS, all statutory and constitutional requirements for the passage of this ordinance have been adhered to, including but not limited to the Open Meetings Act; and

WHEREAS, the purpose of this ordinance is to promote the public health, safety, and general welfare of the citizens of the Town of Highland Park.

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

That, the statements contained in the preamble to this ordinance are hereby adopted as findings of fact and as a part of the operative provisions hereof.

That, for the tax year 2023, there is hereby levied an ad valorem tax of \$0.220530 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 2023, and not exempted from taxation by the constitution and laws of the State of Texas.

THAT, THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

THAT, THE TAX RATE WILL EFFECTIVELY BE RAISED BY 8.16% AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$-9.47.

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 2023.

That said tax shall be due and payable October 1, 2023.

That all constitutional provisions and laws of the State of Texas that pertain to delinquencies and collection procedures are applicable to this 2023 levy.

PASSED AND APPROVED this 12th day of September 2023.

APPROVED AS TO FORM:



Matthew C.G. Boyle  
Town Attorney

APPROVED:



Will C. Beecher  
Mayor

ATTEST:



Joanna Mekeal  
Town Secretary

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

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted
<b>BEGINNING FUND BALANCE</b>	\$ 37,240,845	\$ 45,200,014	\$ 44,442,659	\$ 49,621,867
<b>REVENUES/SOURCES OF FUNDS</b>				
Property Taxes	\$ 15,493,542	\$ 17,058,331	\$ 17,032,890	\$ 18,515,422
Water Sales	8,107,798	7,824,554	8,440,723	8,508,723
Sewer Charges	2,929,541	2,997,300	2,965,321	3,064,870
Sales Taxes	6,954,907	6,640,091	6,710,273	6,502,058
Sanitation/Recycling Charges	1,592,174	1,688,228	1,670,975	1,754,793
Franchise Fees	997,855	932,414	1,044,137	975,542
Building Inspection Fees/Permits	1,588,098	1,457,044	1,528,524	1,625,567
Municipal Court Fines/Fees	589,294	682,313	420,352	519,747
Interest Earnings	474,564	486,554	2,725,447	2,687,727
Storm Water Fees	439,595	453,200	470,800	543,324
Other Revenues	6,120,199	7,359,145	8,809,729	5,749,434
<b>TOTAL REVENUES</b>	<b>\$ 45,287,567</b>	<b>\$ 47,579,174</b>	<b>\$ 51,819,171</b>	<b>\$ 50,447,207</b>
<b>OTHER SOURCES</b>				
Transfers In	\$ 8,992,896	\$ 12,549,099	\$ 17,199,099	\$ 11,920,415
<b>TOTAL OTHER SOURCES</b>	<b>\$ 8,992,896</b>	<b>\$ 12,549,099</b>	<b>\$ 17,199,099</b>	<b>\$ 11,920,415</b>
<b>TOTAL REVENUES/SOURCES</b>	<b>\$ 54,280,463</b>	<b>\$ 60,128,273</b>	<b>\$ 69,018,270</b>	<b>\$ 62,367,622</b>
<b>EXPENDITURES</b>				
Personnel Services				
Payroll	\$ 14,469,382	\$ 15,571,524	\$ 15,183,056	\$ 16,926,622
Payroll Taxes	1,005,152	1,115,728	1,070,477	1,195,839
Retirement	1,295,115	1,841,447	1,730,464	2,177,966
Insurance	1,850,201	2,091,118	1,911,566	2,119,531
Total Personnel	\$ 18,619,850	\$ 20,619,817	\$ 19,895,563	\$ 22,419,958
Supplies & Equipment	4,184,461	4,612,891	5,440,583	5,492,790
Services & Charges	7,381,419	7,949,041	7,786,073	8,262,138
Capital Outlay	7,900,023	18,562,274	13,517,744	18,336,212
<b>TOTAL EXPENDITURES</b>	<b>\$ 38,085,753</b>	<b>\$ 51,744,023</b>	<b>\$ 46,639,963</b>	<b>\$ 54,511,098</b>
<b>OTHER USES</b>				
Transfers Out	8,992,896	12,549,099	17,199,099	11,920,415
<b>TOTAL OTHER USES</b>	<b>\$ 8,992,896</b>	<b>\$ 12,549,099</b>	<b>\$ 17,199,099</b>	<b>\$ 11,920,415</b>
<b>TOTAL USES</b>	<b>\$ 47,078,649</b>	<b>\$ 64,293,122</b>	<b>\$ 63,839,062</b>	<b>\$ 66,431,513</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 44,442,659</b>	<b>\$ 41,035,165</b>	<b>\$ 49,621,867</b>	<b>\$ 45,557,976</b>

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## Budgeted Funds

### GENERAL FUND

The General Fund is the Town’s principal operating fund supported by property and sales taxes, various fees and other revenues used for a variety of purposes. This fund accounts for core Town functions such as police, fire, parks, building code, finance, administrative operations, etc.

Total revenues and transfers-in for FY 2024 in the General Fund are \$32,200,273 and are decreasing by (\$99,658) or (0.3%) when compared to the previous fiscal year Adopted Budget. Operational expenditures represent \$26,031,365, or 80.8% of the overall General Fund Budget, with the remaining balance of \$6,168,878 being transfers to other funds. The Transfer to the Capital Projects Fund is \$4,712,080, or 14.6% of the General Fund Adopted Budget. The Taxable Assessed Value is based on the final certified taxable assessed value data provided by the Dallas Central Appraisal District as of July 25, 2023.

#### Revenues:

The Adopted Budget includes a property tax rate of 22.0530 cents per \$100 of taxable assessed value (T.A.V.), which is lower than the prior year tax rate of 23 cents. Based on the certified tax rolls provided by the Dallas Central Appraisal District (DCAD), this budget will raise more revenue from property taxes than last year’s budget by \$1,655,156. Of this amount, 83.8% is generated from existing property revaluation and 16.2% is generated by new construction.

Historically, the Town has enjoyed a low property tax rate and positive increases in T.A.V. Over the last 10 years, the Town has experienced an average annual increase in T.A.V. of 6.34%.

### Historical Property Tax Information

Tax Year	Fiscal Year	Tax Rate	Taxable Assessed Value (T.A.V.)	% Change in T.A.V.	Tax Levy
2000	2001	0.2462	\$2,146,638,147	10.66%	\$5,285,023
2001	2002	0.2290	\$2,416,780,567	12.58%	\$5,534,428
2002	2003	0.2208	\$2,628,830,785	8.77%	\$5,804,458
2003	2004	0.2300	\$2,770,409,688	5.39%	\$6,371,942
2004	2005	0.2300	\$2,911,465,259	5.09%	\$6,696,370
2005	2006	0.2300	\$3,175,218,560	9.06%	\$7,303,003
2006	2007	0.2250	\$3,605,667,701	13.56%	\$8,112,752
2007	2008	0.2200	\$4,040,272,597	12.05%	\$8,888,600
2008	2009	0.2200	\$4,364,487,558	8.02%	\$9,601,873
2009	2010	0.2200	\$4,573,579,178	4.79%	\$10,061,874
2010	2011	0.2200	\$4,437,430,774	-2.98%	\$9,762,348
2011	2012	0.2200	\$4,406,947,910	-0.69%	\$9,695,285
2012	2013	0.2200	\$4,446,174,261	0.89%	\$9,781,583
2013	2014	0.2200	\$4,598,788,373	3.43%	\$10,117,334
2014	2015	0.2200	\$4,924,894,226	7.09%	\$10,834,767
2015	2016	0.2200	\$5,324,500,745	8.11%	\$11,713,902
2016	2017	0.2200	\$5,765,524,023	8.28%	\$12,684,153
2017	2018	0.2200	\$6,012,113,607	4.28%	\$13,226,650
2018	2019	0.2200	\$6,292,473,542	4.66%	\$13,843,442
2019	2020	0.2300	\$6,463,192,448	2.71%	\$14,716,689
2020	2021	0.2300	\$6,532,652,955	1.07%	\$14,874,851
2021	2022	0.2300	\$6,783,128,145	3.83%	\$15,445,183
2022	2023	0.2300	\$7,466,203,174	10.07%	\$17,000,545
2023	2024	0.2205	\$8,457,359,481	13.28%	\$18,464,505

The continued growth in property tax revenues has allowed the Town to address increases in operational costs, and increase funding toward the Town's Capital Improvement Program, as well as the Town's equipment, technology, and facilities replacement programs.

Other significant revenue changes for FY 2024 include:

- Sales tax receipts, the fund's second largest source of revenue, is estimated at \$6,502,058, representing a (2.1%) decrease compared to the year-end projection for FY 2023. This reduction is resulting from the Town having to reimburse the state past taxes paid by a retailer not located in the Town limits. Increases in this revenue source have been significant over the last couple of years and cause some caution to be exercised as to the sustainability of this level of growth over the 10-year planning horizon.
- The continued steady rate of construction activity on new residential homes and remodeling projects is reflected by the number of permits issued by the Town. Total building permit revenue in FY 2024 is projected at \$1,408,210, which is consistent with collections over the last five years.
- Municipal Court revenues are expected to be lower than the amount budgeted in the Adopted Budget for FY 2023 due to the number of citations being issued remaining at levels experienced during the pandemic. Revenues for FY 2024 have been conservatively budgeted tracking more consistent with what has been experienced during FY 2023.

### **Expenditures:**

The operations portion of the Budget funds the day-to-day activities of the Town, such as personnel services, commodities, contractual services, and equipment replacement. Entity-wide, personnel costs account for 41.1% of the overall budget, excluding transfers, and 78.1% in the General Fund. Compensation and benefit strategies are tied to the Town's strategic objective of attracting, developing, and retaining a skilled workforce in its goal of continuing to be an employer of choice.

**Compensation-** As a service organization, Town employees are critical in the delivery of quality services to our residents. In order to maintain service level stability, it is important to retain and attract the type of quality employees the Town enjoys.

During FY 2023, the Mayor appointed a compensation committee made up of the Mayor and two Council Members. This committee made a number of recommendations that were ultimately approved by the Town Council. As such, the General Fund budget includes approximately \$840,000 (inclusive of additional employment taxes, TMRS, etc.) for compensation increases. The compensation program approved for FY 2024 is modified from the prior year by reinstating the annual pay for performance annual increase (merit adjustment) of up to 6% for non-exempt first responders. All other employees, both exempt and non-exempt, will have the opportunity to receive up to a 3.5% merit adjustment in their annual pay. Additionally, the Adopted Budget includes an Across the Board (ATB) increase of 3%. All pay adjustments are limited to the top of the pay range for each position.

The Adopted Budget provides for the elimination of the quarterly performance stipend, previously applicable only to non-exempt full-time employees. This is being accomplished by incorporating employees' prior year quarterly payments into their base pay and changing the maximums of pay ranges within the pay plan to include the 6% that employees were previously eligible to receive. This prevents employees from exceeding their pay range maximum as a result of incorporating the amount they previously received through this program into their base pay. Lastly, for full-time employees that were present at the beginning of FY2019, the committee recommended a "catch up" provision to reflect what employees' pay would currently be if the annual adjustment for pay for performance that was discontinued in FY 2020 had remained in place for the last four years. This "catch up" provision is impacting the General Fund Adopted Budget for FY 2024 by approximately \$239,000.

This committee also modified the list of comparable cities to include five of the cities the Town has compared to in the past. In reviewing the pay ranges of the Town's comparison cities this year, the survey results indicated that while the Town remains competitive to the market an adjustment to pay ranges is warranted to retain the Town's relative position to market. The Adopted Budget accommodates adjusting pay ranges by 3%.

**Pension-** The Town is a member of the Texas Municipal Retirement System (TMRS) which provides retirement, disability, and death benefits to employees of participating municipalities. The pension contribution rate paid by the Town is increasing in FY 2024 to accommodate the full impact of funding a Cost of Living Adjustment (COLA) for retirees and the required Updated Service Credit (USC) that was approved in FY 2023. Prior to FY 2023, the last time the Town provided a COLA benefit, which was at 50%, was in 2008. Many of the Town's comparison cities provide this benefit on an annual basis, at 30%-70%. In FY 2024, the Town's contribution rate will be 13.2% of payroll.

**Health Insurance-** Providing a competitive health insurance plan is another significant factor in attracting quality candidates, retaining valuable employees, and continuing to be an employer of choice. Town Council approved remaining with Cigna, the current health insurance provider, for FY 2024. Lockton Dunning, the Town's benefits consultant, was able to secure a rate reduction for next year from Cigna as the Town's loss ratio remains relatively low. The FY 2024 Adopted Budget maintains the annual contribution of \$2,800 to employees' Health Savings Accounts. In accordance with federal regulations, the minimum deductible for high deductible health plans is increasing to \$3,000.

**Capital Improvement Plan-** The General Fund's portion of the transfer to the Capital Projects Fund is budgeted at \$4,712,080. This transfer is increasing by \$400,510 when compared to the originally Adopted Budget for FY 2023. This transfer includes \$1,408,280 that is sustained as a result of funding from enhanced revenue provided by the growth in property values from tax years 2014 - 2016. Moreover, the transfer includes \$1,200,000 of increased funding resulting from the Town keeping its tax rate constant in FY 2023. Maintaining this funding source for the Town's Capital Projects Fund was a major focus in preparing the Adopted Budget as the Council continues its focus on a pay-as-you-go system to fund infrastructure needs.

**Other significant items within the General Fund include:**

- The Adopted Budget includes \$44,350 for continued quarterly reviews of policing and municipal court data as well as a use of force analysis to be performed by Del Carmen Consulting.
- Continued funding to support added security at the Highland Park Independent School District elementary schools in the amount of \$200,000 and additional funding to assist with security at Boone Elementary.
- Continued funding in the amount of \$250,000 to pay down the Town's unfunded net pension liability. This amount includes the Utility Fund portion.
- In an effort to improve managing internal and external requests for service, \$50,000 is included in the Adopted Budget for the implementation of a work order management system. Currently, the Town uses a Customer Response Management (CRM) system to manage work orders.
- The Department of Public Safety Adopted Budget includes an additional \$903,000 when compared to the FY 2023 Adopted Budget in support of adding an additional 9 full-time first responders.
- The Adopted Budget also includes funding to move a part-time court clerk to a full-time position.

## **Fund Balance:**

The Town's financial policies state that the fund balance in the General Fund shall be equal to a minimum of 17% of General Fund operating expenditures. The Adopted Budget reflects an ending fund balance of \$5,203,339 meeting this policy requirement. This ending balance is set aside to provide funding in the event of an unanticipated economic downturn or other emergencies that may impact the Town's budget. Any excess revenue and unallocated appropriation, above the 17% fund balance requirement, is transferred to the Capital Projects Fund.

## **UTILITY FUND**

The Utility Fund is used to account for the acquisition, operation, and maintenance of the Town's municipal water and sewer utility operations. This fund is supported primarily by user charges to utility customers. The fund accounts for operational costs, as well as capital improvement funding for utility system improvements. An operational transfer to the General Fund is provided to properly account for general administration and oversight.

## **Revenues:**

Utility Fund operating revenues for FY 2024 are anticipated to be \$12,244,664, which is an increase of 10.6%, or \$1,173,366, when compared to the Adopted Budget for FY 2023. This increase is primarily related to the adjustment in water and sewer rates, as well as a significant increase in anticipated investment earnings.

The Adopted Budget includes a water and sewer rate increase of 7.55% and 3% respectively for FY 2024. The Town's 5-year rolling average of water sales is increasing due to recent higher consumption patterns over the last couple of years and the financial model remains sustainable under the current plan of adjusting rates each year. The next rate adjustment is scheduled for FY 2025 at 3.0%.

## **Expenditures:**

Unlike the General Fund, which is driven principally by personnel costs, a large portion of expenses for the Utility Fund are contractually related to water purchases and sanitary sewer treatment attributing to 31.5%, or \$4,891,952 of the overall costs adopted for FY 2024, excluding transfers. The Adopted Budget also includes \$7,950,000 for capital outlay and capital improvements related to the Town's utility system. Compensation and benefits within the Utility Fund are increasing this budget by \$89,577 (inclusive of additional employment taxes, TMRS, etc.), due primarily to merit adjustments of up to 3.5% and an across the board (ATB) adjustment of 3.0% provided in the Adopted Budget. This amount is partially offset by personnel changes that occurred in the prior year.

The amount charged by the City of Dallas for the treatment of wastewater is being reduced by 4.2% due to the Town experiencing a lower winter average of water consumption in FY 2023 as compared to FY 2022 and a slight reduction in the rate charged by the City. The contract with the City of Dallas represents \$1,071,952 of the Utility Fund Adopted Budget. The Dallas County Park Cities Municipal Utility District (District) is increasing the rate they charge the Town for the purchase of treated water by approximately 27%. Overall water purchases account for \$3,820,000 of the Utility Fund Adopted Budget. According to the District, the increase is directly related to additional funds they need to fund operational reserves and capital improvements.

## **Fund Balance (Net Working Capital):**

Similar to the General Fund, the Town's fiscal policies require that the fund balance of the Utility Fund be equal to 25% of operating expenditures. Net working capital (current assets minus current liabilities) is used as the measure of fund balance for the Utility Fund. The budget reflects a projected ending fund balance that exceeds 25% of operating expenditures totaling \$5,122,679. The ending fund balance in the Utility Fund is projected to be \$5,122,679. Excess fund balance is used to provide for rate stabilization during years of low water sales and to fund future capital needs.

## **SOLID WASTE FUND**

The Solid Waste Fund was added in FY 2017. This fund is used to account for all revenues and expenses associated with providing solid waste services to Town residents and businesses. In previous years, the Town accounted for this activity within the General Fund; however, to ensure that the rates charged for this activity cover the full cost of providing this service, it is appropriate for this activity to be accounted for within its own fund.

### **Revenues:**

Solid waste revenues are projected to be \$1,774,283 exclusive of transfers, representing a 4.9% increase over the Adopted Budget for FY 2023. Revenues consist of charges for solid waste services and recycling. Rates charged for the provision of solid waste are increasing to accommodate an increase in the cost of service from the Town's service provider. Overall, the increase in monthly rates is 6.5%, and will ultimately increase the monthly solid waste bill for regular service by \$2.17 and pack-out service by \$4.08. The adjustment is generally tied to the Consumer Price Index (CPI) each year.

### **Expenditures:**

Solid waste service is outsourced to the private sector and primarily consists of solid waste collection costs and disposal costs. Contracts for these services are budgeted at \$1,443,651 and \$107,541 respectively for FY 2024. In FY 2019, based on the Town Council's review and approval, the Town began offering residential collection service for household hazardous waste, as well as annual household hazardous waste events, budgeted at \$30,000. The purchase, maintenance, and handling of solid waste containers is completed by Town staff. The Adopted Budget for FY 2024 includes \$25,000 for the purchase of new containers. The Adopted Budget for the Solid Waste Fund also includes a Transfer-Out of \$84,000 to the Capital Projects Fund, which represents 5% of projected revenues for FY 2024.

### **Fund Balance:**

There is not a fund balance requirement for the Solid Waste Fund, however, the fund balance projected at the end of FY 2024 is \$367,204.

## **STORM WATER DRAINAGE UTILITY FUND**

The Storm Water Drainage Utility Fund accounts for sources and uses of resources related to the maintenance, repair, and construction of the public storm water related services and facilities. Storm water drainage fees are assessed each month on the utility bills to provide a funding source for this fund. The monthly storm water fee is based on the size of the lot. For FY 2024 residential properties will be charged between \$6.30 and \$49.73 per month for each dwelling unit that is on the property, based on the size of the lot. Fees for non-residential properties are calculated individually in proportion to each property's storm water runoff potential.

**Revenues:**

Revenues from storm water fees in the Storm Water Drainage Utility Fund are projected to be \$543,324. Rates charged for storm water drainage are being increased by 20% for FY 2024 to generate funds needed for planned capital improvements. The Adopted Budget includes a transfer from the Capital Projects Fund of \$1,000,000 to fund future storm water drainage projects within this fund. Moreover, \$2,000,000 is being transferred from the Town's Reserve Fund to provide funding for the Hackberry Creek project. The funding from the Reserve Fund will be paid back to the Reserve Fund over time once the project is complete.

**Expenditures:**

The Storm Water Drainage Utility Fund accounts for expenditures related to street sweeping and other drainage-related items. The overall appropriations adopted for this fund total \$3,409,485 and include an indirect cost transfer to the Utility Fund for personnel costs attributed to storm water related projects and issues. The most significant items in this budget include \$650,000 for improvements to Tennis Court #1, reconstructing the facility into pickleball courts. This project is a component of the overall Hackberry Creek project. Additional expenditures include \$450,000 for drainage easement projects, \$1,000,000 for dredging Exall Lake and \$970,000 associated with utility improvements in connection with the reconstruction of Potomac and Auburndale.

**Fund Balance:**

There is not a fund balance requirement for the Storm Water Drainage Utility Fund. The fund balance projected at the end of FY 2024 is \$2,656,636. This fund balance is committed to improvements to the Town's storm water drainage system.

**CAPITAL PROJECTS FUND**

One of the highest priorities in this and future budgets will be to continue focusing on the Town's public infrastructure, including roads, utility lines, inlets, parks, traffic signs and signals, and the hardware associated with technology. While components of some of these will receive funding in this budget and will continue to be funded in future budgets, to the extent funds are available, the improvement of streets remains one of the Town's highest long-term priorities.

The ten-year Capital Improvement Plan has been updated for items communicated to the Town Council during the current fiscal year and is incorporated in the Capital Improvements Section of the Adopted Budget. This plan establishes a multi-year funding schedule for the purchase, construction, or replacement of physical assets of the Town. The Capital Improvements Section of the Adopted Budget also includes a 10-year financial forecast developed and updated on a pay-as-you-go basis.

The first year of the Capital Improvement Plan presented has been incorporated into the Adopted Budget within each respective fund including the Capital Projects Fund. Funds for projects are budgeted on an annual basis.

**Revenues:**

Revenues in the Capital Projects Fund are projected to be \$9,306,674 for FY 2024 and are primarily made up of transfers from other funds. The Utility Fund and the Solid Waste Fund transfer 5% of revenues collected from water, sewer, and solid waste rates. These two transfers make up \$662,502 of the total projected revenues in this fund. The General Fund annually transfers funds to the Capital Projects Fund for the purpose of maintaining an active capital improvement program. This funding equates to \$4,712,080 for the next fiscal

year. In FY 2015, the Town Council approved keeping the property tax rate the same, which allowed the Town to commit an additional \$342,651 per year toward the Capital Improvement Plan. This practice continued for the following two fiscal years, and as a result of the increase in taxable assessed values of properties within the Town, the Adopted Budget allocates \$1,408,280 from additional property tax revenue to meet existing and future capital needs. To the extent that the General Fund has excess fund balance above the required fund balance level set out by Town Council, an additional transfer will be made to the Capital Projects Fund.

Funding of \$1,957,906 in FY 2024 anticipated from the Dallas Area Rapid Transit (DART) Transit Related Improvement Program (TRIP) has been included in the Adopted Budget. Additionally, funding participation anticipated from Dallas County in the amount of \$1,000,000 and \$461,000 from the Texas Commission on Environmental Quality (TCEQ) has also been incorporated into the CIP.

### **Expenditures:**

Expenditures in the Capital Projects fund are budgeted to be \$6,857,902, with \$1,533,740 in appropriations applied toward the Town's annual street/sidewalk/alley rehabilitation program and \$1,100,000 for the reconstruction of Potomac and Auburndale. Some of the other projects in the Adopted Budget include \$2,251,462 related to park renovations, \$180,000 for a generator at the Service Center, \$200,000 for traffic signal improvements and \$75,000 for an update to the Town's Pavement Asset Management Plan. The Adopted Budget also includes an indirect cost allocation transfer to the Utility Fund for personnel costs attributed to projects funded in the Capital Projects Fund and a \$1,000,000 transfer to the Storm Water Drainage Fund to meet capital funding needs.

During the course of FY 2020, Town staff began studying the Town's infrastructure related to streets, water, and wastewater. A study of the Town's storm water system will also be finalized in the near future. These studies have resulted in a number of projects being added to the CIP. The Capital Improvements Section of this document provides the planned CIP over the next 10 years reflecting identified projects and associated cost estimates.

### **Fund Balance:**

The Town's fiscal policies promote maintaining a \$2,000,000 fund balance within the Capital Projects Fund. During times when this fund balance falls below the minimum \$2,000,000, the policy states that a plan should be put in place to rebuild the fund balance to \$2,000,000. The Adopted Budget for FY 2024 projects the fund balance of the Capital Projects Fund to be \$14,439,365 at year-end, which meets the required minimum.

### **OTHER FUNDS**

The Town maintains a number of other funds that are necessary for various reasons. Three of these funds, the Equipment Replacement Fund, the Technology Replacement Fund, and the Building Maintenance Fund are internal service funds established for the purpose of accumulating resources over time to replace and maintain physical assets in a manner that does not significantly impact the operating budgets in any given fiscal year. Other funds such as the Forfeited Property Fund, the Truancy Prevention Fund, Municipal Jury Fund, Court Security Fund, the Court Technology Fund, the Library Fund, and the Reserve Fund are considered special revenue funds and have been established to account for sources and uses of funds identified for a specific purpose either by law or local policy. These funds do not have a minimum fund balance requirement.

### **Equipment Replacement Fund:**

This fund accounts for the resources needed to manage the purchase of vehicles and other rolling stock for the Town's fleet. Total revenues within this fund are projected to be \$722,265 and are primarily made up of transfers from the General Fund and the Utility Fund. The transfers from these funds are based on equipment depreciation schedules; the amount of annual depreciation is then adjusted for inflation to ensure that adequate funding is provided at the time of replacement. Total expenditures are budgeted at \$564,155 to replace the five patrol units for DPS and two pick-up trucks for Public Works. The fund balance projected within this fund at the end of the next fiscal year is \$4,422,348.

### **Technology Replacement Fund:**

This fund accounts for the resources needed to manage the replacement and upgrade of software and hardware-related equipment. Revenues within this fund are primarily derived through transfers from the General Fund and the Utility Fund and total \$578,562. The transfers to this fund are based on equipment depreciation schedules; the amount of annual depreciation is then adjusted for inflation to ensure that adequate funding is provided at the time of replacement. Expenditures within this fund are budgeted at \$1,019,827 and cover a variety of technology replacements and upgrades. These include the scheduled replacement of computers within specific departments, replacement of the Town's network, migration to a new phone system and replacement of the Town's video security system. The fund balance projected within this fund at the end of the next fiscal year is \$2,810,024.

### **Building Maintenance & Investment Fund:**

The Building Maintenance & Investment Fund accounts for the resources needed to maintain the Town Hall and the Service Center, as well as plan for significant replacements and upgrades in the future. Town staff developed a replacement schedule for major equipment and capital maintenance of Town Hall. Revenues for this fund are projected to be \$798,544 and are derived from transfers from the General Fund and the Utility Fund. These transfers are based on the annual budget of the Building Maintenance Fund, which is proportionally divided between the General Fund and the Utility Fund, based on the number of employees within each fund who utilize the Service Center and Town Hall. Expenditures within this fund are budgeted to be \$792,829. Through sound planning and a practice to set aside funding for future needs, fund balance in this fund continues to grow in anticipation of major improvements or repairs. The fund balance projected within this fund at the end of the next fiscal year is \$1,422,206.

### **Forfeited Property Fund:**

This special revenue fund is used to account for the receipt of forfeited assets resulting from criminal activities and the funding of crime prevention programs and equipment. The use of these resources is restricted by their enabling statutes. Fund balance at end of FY 2024 is projected to be \$39,620.

### **Truancy Prevention Fund, Municipal Jury Fund, Court Technology Fund & Court Security Fund:**

These four special revenue funds are used to account for revenues provided by a State-approved administrative fee added to citations. The Truancy Prevention Fund and Municipal Jury Fund were added in FY 2020 in response to changes in the Local Consolidated Fee effective January 1, 2020. The use of the resources in these special revenue funds is restricted by their enabling statutes. Revenues within the Truancy Prevention Fund are projected to be \$17,498. Revenues within the Municipal Jury Fund are projected to be \$350. Revenues within the Court Security Fund are projected to be \$27,417, which for the most part, is transferred annually to the General Fund to fund a portion of the bailiff's salary in the Municipal Court. Revenues in the Court

Technology Fund are projected to be \$31,294 and are used to fund technological improvements that work to the benefit of the Municipal Court. All four funds are projected to maintain fund balances at the end of FY 2024, with \$86,083 remaining in the Truancy Prevention Fund, \$1,720 remaining in the Municipal Jury Fund, \$118,863 remaining in the Court Technology Fund and \$32,199 remaining in the Court Security Fund.

**Library Fund:**

The Library Special Revenue Fund was established to account for resources received from royalties that are restricted for the Library. Revenues anticipated for next fiscal year total \$71,168. The Adopted Budget for FY 2024 of \$42,438 is to be used primarily for book purchases. Fund balance in the Library Fund at the end of next fiscal year is projected to be \$395,189.

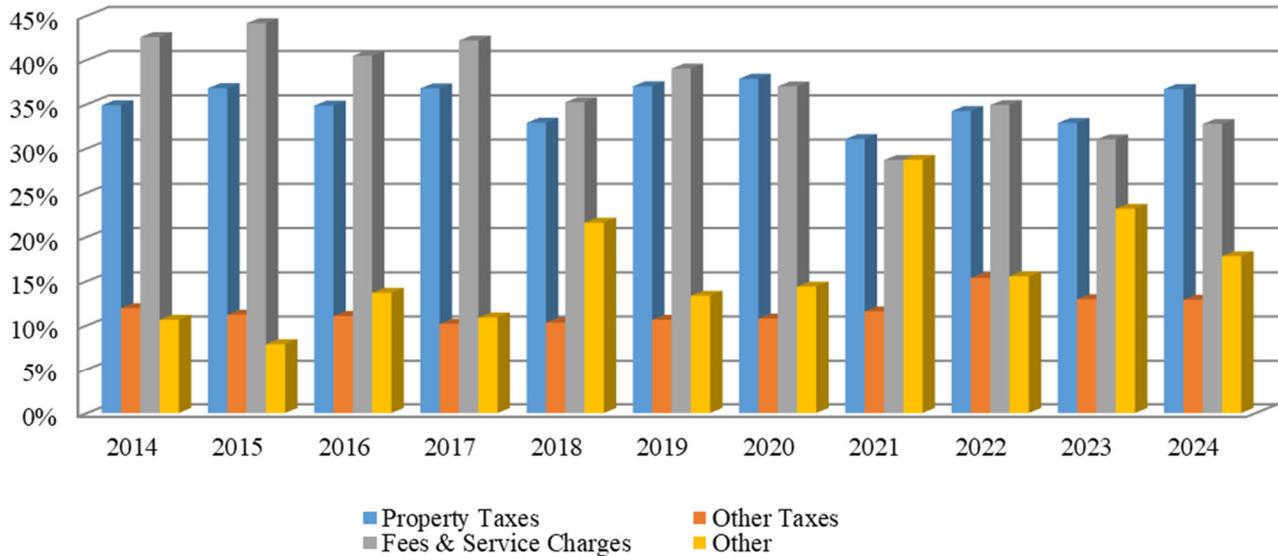
**DPS Technology Fund:**

The DPS Technology Fund was established during FY 2014 and was used to account for resources received from the subleasing of telecommunications facilities located on Town property. This fund was closed in FY 2023 with the revenues being moved to the Technology Replacement Fund. Future revenues from the lease of space on the monopole at Town Hall will be used to fund public safety technological improvements. Fund balance totaling \$291,000 that existed within this fund was transferred to the Capital Projects Fund to reimburse the Capital Projects Fund for a portion of the public safety communication system as was planned in prior years.

**Reserve Fund:**

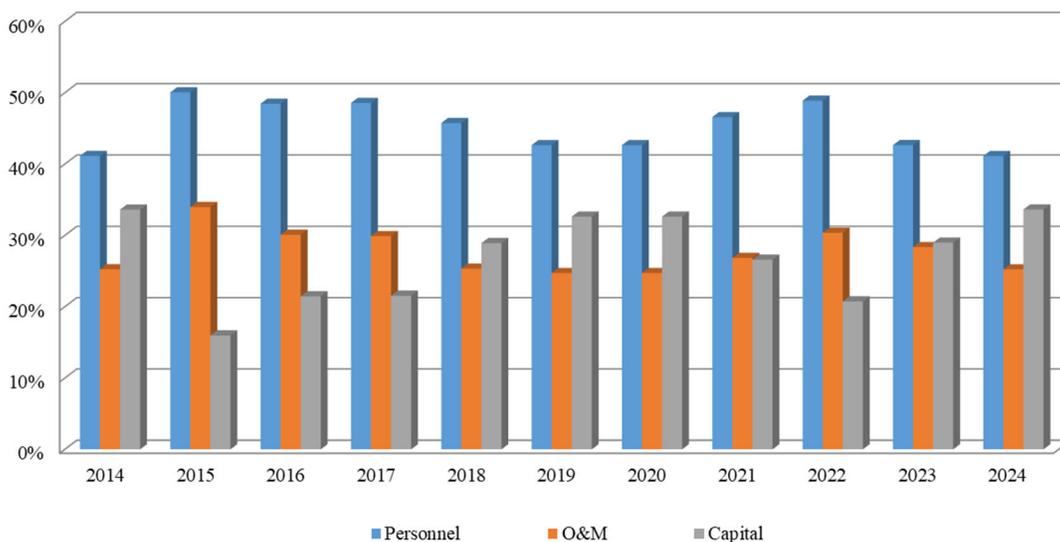
The Reserve Fund was established in FY 2021 to account for resources the Town has received through the sale of surplus property. The Adopted Budget transfers a portion of the funds, in the amount of \$2,000,000, to the Storm Water Drainage Utility Fund to provide resources for the Hackberry Creek project. Once complete, the Storm Water Drainage Utility Fund will reimburse the Reserve Fund over time. At the end of FY 2024 it is anticipated that fund balance within this fund will be \$8,440,501.

## REVENUES BY TYPE FOR ALL FUNDS



As indicated above, the Town’s operations are funded primarily through property taxes, service charges and fees. The growth in both recognized and projected property tax dollars is supported by the Town’s healthy property values and its favorable tax rate (see page 47). 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 court fines and fees and miscellaneous revenues. Additional detail on revenue history/trends is presented on page 168.

## EXPENDITURES/EXPENSES BY TYPE FOR ALL FUNDS



Personnel costs comprise the majority of the Town’s cost of operations. Municipal governments, as any service organization, are labor intensive. However, the graph above reflects the growth in the amount of funding committed to capital improvements resulting in personnel costs representing a lower percentage of overall funds distributed. Additional detail on expenditure history/trends is presented on page 170.

**2023 ESTIMATED TAX RATE FOR HIGHLAND PARK  
 COMPARED TO CURRENT TAX RATES FOR OTHER AREA CITIES  
 (PER \$100)**

Dallas .....	\$0.735700
Garland.....	0.689746
Mesquite.....	0.690000
Carrollton .....	0.553750
Farmers Branch.....	0.569000
Irving.....	0.589100
Southlake*.....	0.319000
Frisco*.....	0.432205
Richardson* .....	0.560950
Addison* .....	0.609822
University Park* .....	0.236226
<b>Highland Park.....</b>	<b>0.220530</b>

*Source: County Tax Office*

*\*One of the Town's comparison cities.*

**AD VALOREM TAX ANALYSIS  
 2023 TAX ROLL**

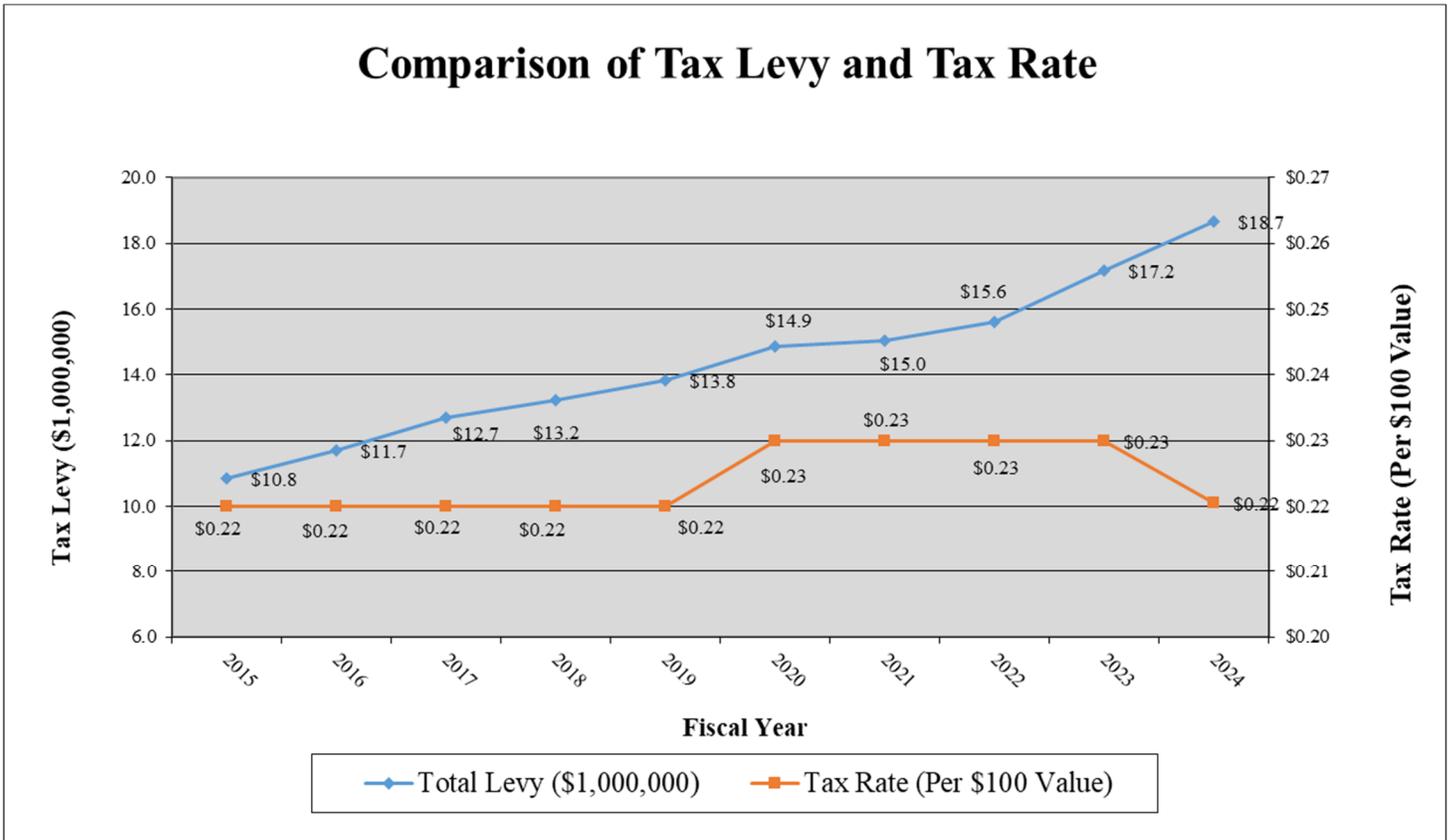
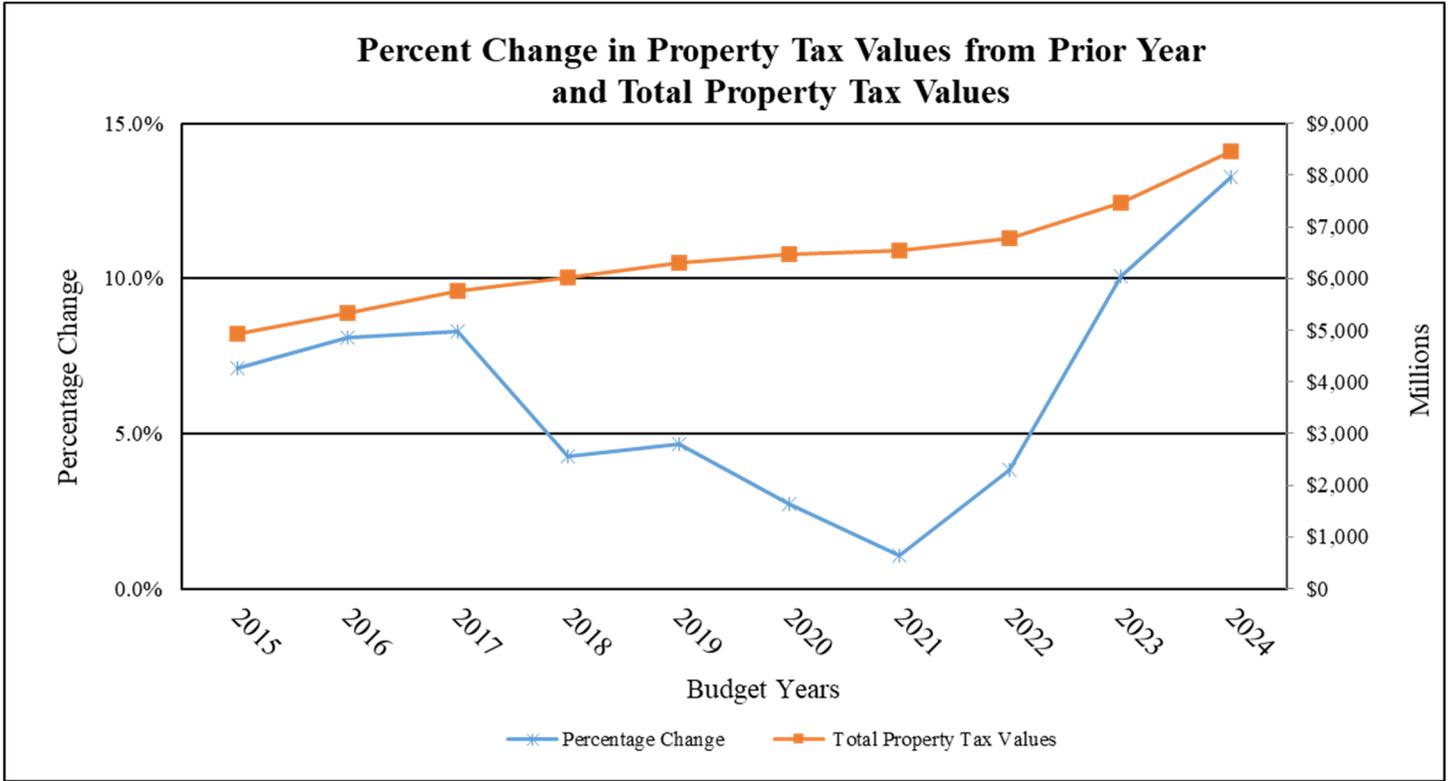
Assessed Valuation (100%)	\$ 11,784,849,100
Taxable Valuation*	\$ 8,457,359,481
Rate per \$100	\$0.22053
Total Tax Levy	\$18,651,014
Percent of Collection	99.0
<b>Estimated Current Tax Collections</b>	<b>\$18,464,505</b>

\*Certified Appraisal Roll plus Disputed Values

**SUMMARY OF PROJECTED  
 FISCAL YEAR 2023-24 TAX COLLECTIONS**

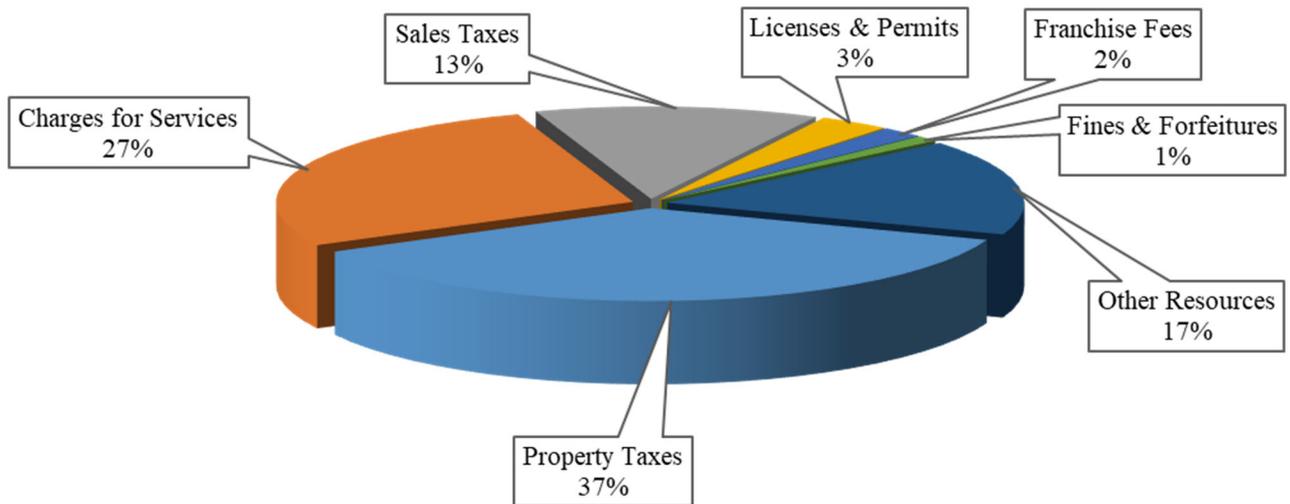
Current Taxes	\$ 18,464,505
Delinquent Taxes	<u>50,917</u>
<b>Total Tax Collections</b>	<b>\$ 18,515,422</b>
Penalty & Interest on Taxes	<u>83,346</u>
<b>Total Tax Related Collections</b>	<b>\$ 18,598,768</b>

## ASSESSED PROPERTY VALUES INCREASED/DECREASE BY BUDGET YEAR



# PROJECTED RESOURCES FOR ALL FUNDS

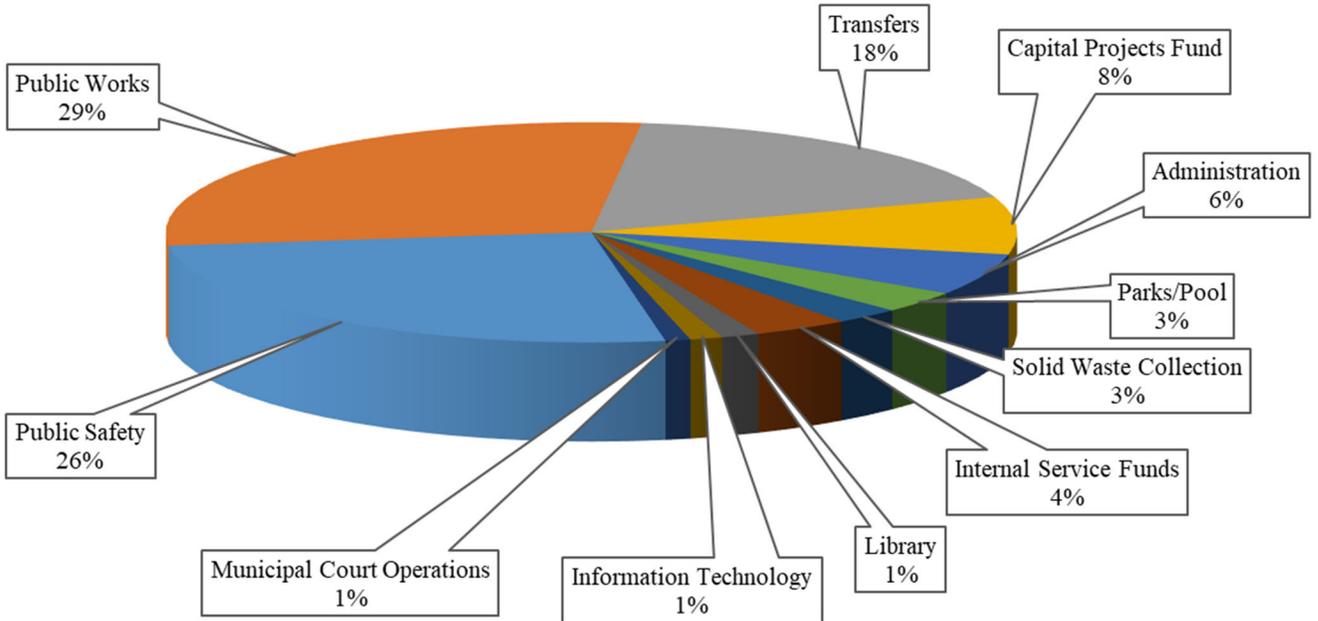
## Fiscal Year 2023-2024



Property Taxes	\$ 18,515,422
Charges for Services	13,871,710
Sales Taxes	6,502,058
Licenses & Permits	1,625,567
Franchise Fees	975,542
Fines & Forfeitures	519,747
Other Resources	8,437,161
	<b>\$ 50,447,207</b>

# BUDGETED DISBURSEMENTS

## Fiscal Year 2023-2024

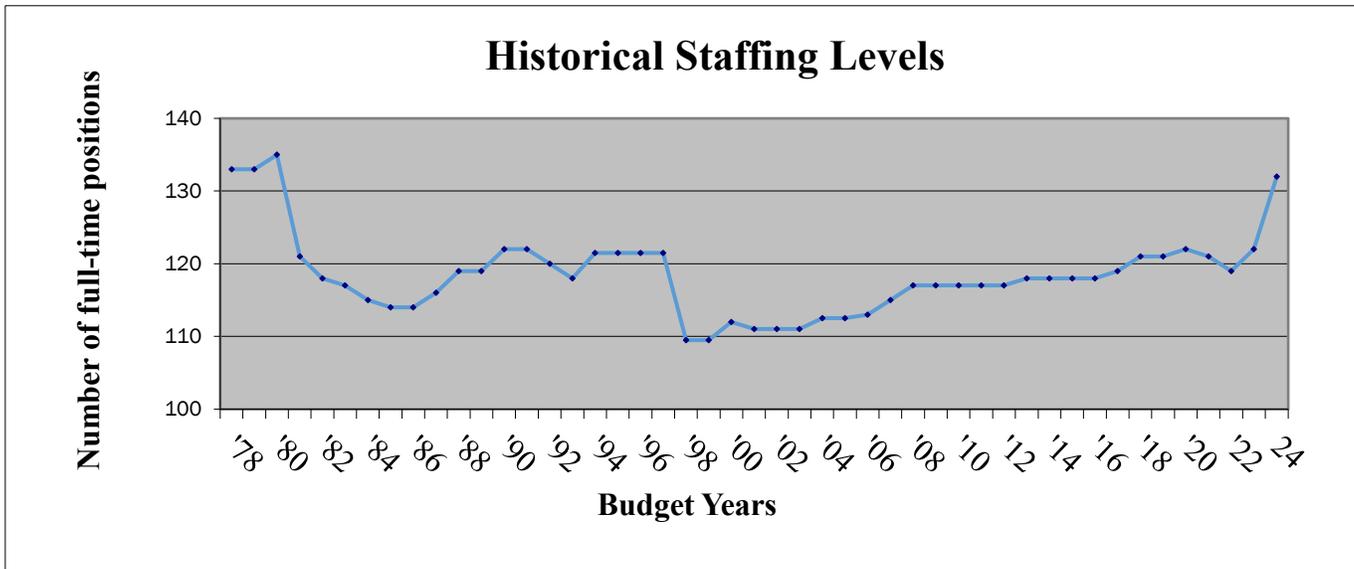


### BY FUNCTION

Public Safety	\$ 17,151,158
Public Works	\$ 19,163,065
Transfers	\$ 11,920,415
Capital Projects Fund	\$ 5,590,202
Administration	\$ 4,061,087
Parks/Pool	\$ 2,110,717
Solid Waste Collection	\$ 1,655,692
Internal Service Funds	\$ 2,376,811
Library	\$ 953,634
Information Technology	\$ 816,763
Municipal Court Operations	\$ 631,969
	\$ 66,431,513

**Town of Highland Park Authorized Personnel  
By Fund and By Department  
(Expressed in Full-Time Equivalent)**

	Budget FY 2022		Budget FY 2023		Adopted FY 2024	
	Full-Time	Part-Time	Full-Time	Part-Time	Full-Time	Part-Time
<b>General Fund</b>						
Administration	2.0	0.0	2.0	0.0	2.0	0.0
Public Safety	73.0	0.0	73.0	0.0	82.0	0.0
Development Services	2.0	0.0	2.0	0.0	2.0	0.0
Street	3.0	0.0	3.0	0.0	3.0	0.0
Library	5.0	1.5	6.0	0.5	6.0	0.5
Parks & Recreation	7.0	0.0	7.0	0.0	7.0	0.0
Swimming Pool	0.0	3.4	0.0	3.4	0.0	3.4
Municipal Court	2.0	2.1	2.0	2.1	3.0	1.3
Finance	5.0	0.0	6.0	0.0	6.0	0.0
Building Inspection	5.0	0.0	5.0	0.0	5.0	0.0
Information Technology	1.0	0.0	1.0	0.0	1.0	0.0
<b>Sub-Total General Fund</b>	<b>105.0</b>	<b>7.0</b>	<b>107.0</b>	<b>6.0</b>	<b>117.0</b>	<b>5.2</b>
<b>Utility Fund</b>						
Customer Service	3.0	0.0	3.0	0.0	3.0	0.0
Water	5.0	0.0	5.0	0.0	5.0	0.0
Sewer	2.0	0.0	2.0	0.0	2.0	0.0
Engineering	4.0	0.0	4.0	0.0	4.0	0.0
<b>Sub-Total Utility Fund</b>	<b>14.0</b>	<b>0.0</b>	<b>14.0</b>	<b>0.0</b>	<b>14.0</b>	<b>0.0</b>
<b>Building Maintenance Fund</b>						
Customer Service	0.0	0.0	1.0	0.0	1.0	0.0
<b>Sub-Total Maintenance Fund</b>	<b>0.0</b>	<b>0.0</b>	<b>1.0</b>	<b>0.0</b>	<b>1.0</b>	<b>0.0</b>
<b>Total</b>	<b>119.0</b>	<b>7.0</b>	<b>122.0</b>	<b>6.0</b>	<b>132.0</b>	<b>5.2</b>



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## **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 (Development Services, Street, Street Lighting and Service Center), Parks, Pool, Library, and General Governmental (Administrative Services, Finance, Municipal Court and Building Services).

### **Basis of Accounting**

The basis of accounting for the General Fund for both financial reporting and budgeting is the modified accrual basis.

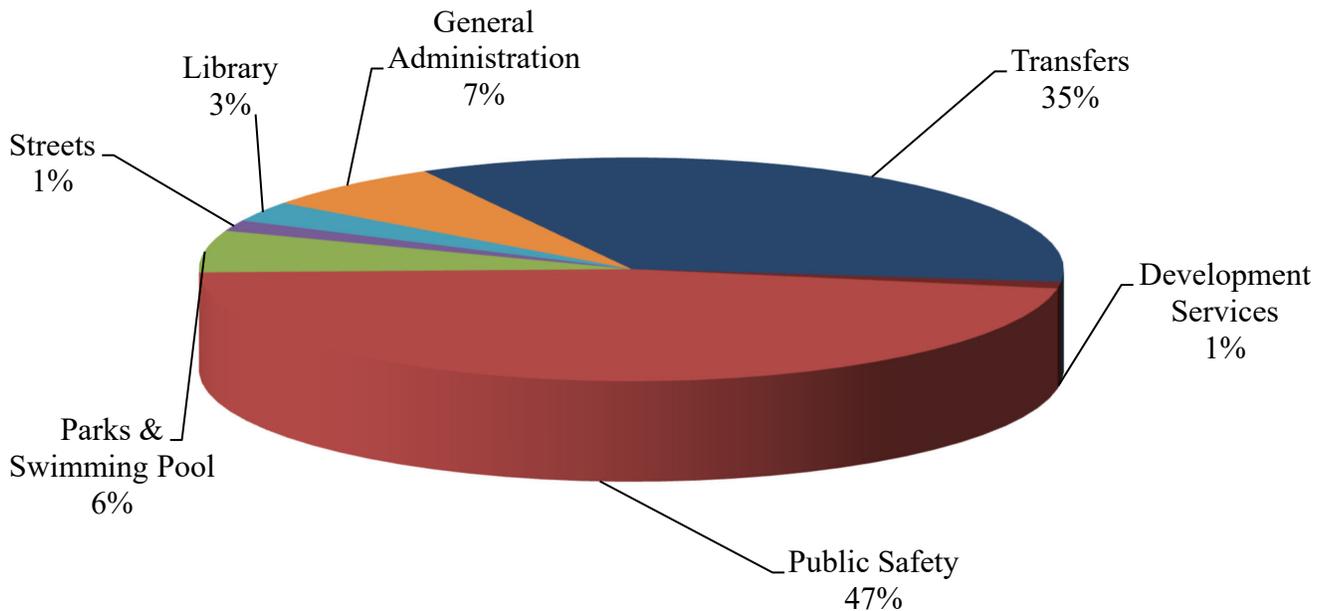
## GENERAL FUND OVERVIEW

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 44-45.

Property tax revenues generate the majority of the resources for the General Fund. For this Budget, a projected \$17,000,545 or 54.9% of General Fund revenues, excluding transfers-in, come from property taxes. This compares to 62.2% and 63.4% for each of the previous two fiscal years, respectively. Since tax year 2014, the total market value of property in the Town has increased 51.6% (\$2,541,308) driven in part by \$846,052,366 from new construction. It is important to note that since the Town is fully built-out, new construction replaces older structures. The strong redevelopment activity within the Town remains a very positive indicator of sustainable property values and tax rate.

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 21.5%, 17.2% and 15.3%, respectively, of total revenues for the General Fund.

**GENERAL FUND**  
**STATEMENT OF REVENUES & EXPENDITURES BY DEPARTMENT**

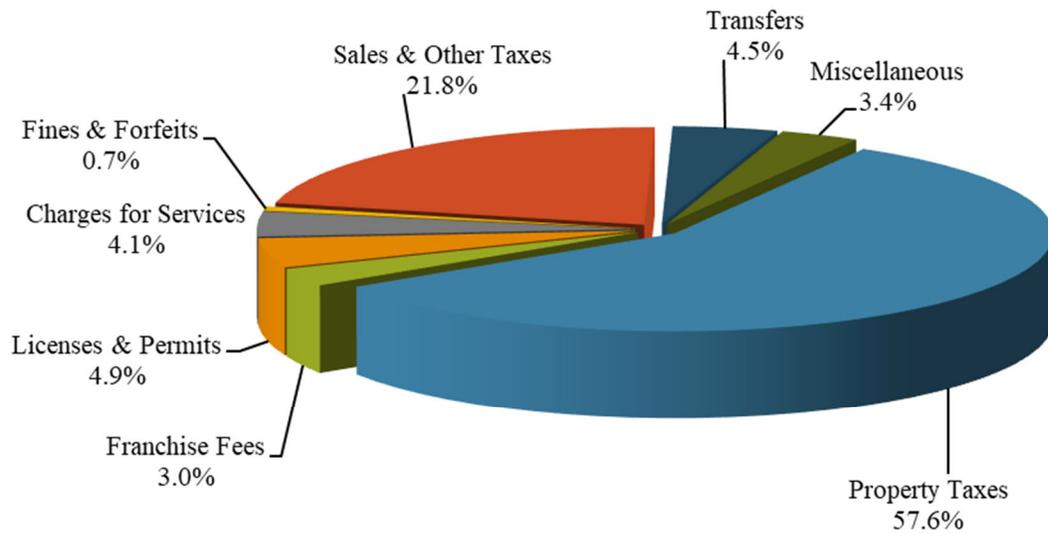
	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted
<b>BEGINNING FUND BALANCE</b>	\$ 7,688,557	\$ 8,647,039	\$ 8,759,561	\$ 5,203,309
<b>REVENUES/SOURCES OF FUNDS</b>				
Taxes	\$ 22,921,052	\$ 24,176,201	\$ 24,249,584	\$ 25,549,222
Franchise Fees	997,855	932,414	1,044,137	975,542
Licenses & Permits	1,543,714	1,406,708	1,491,011	1,581,300
Charges for Services	1,309,801	1,368,405	1,337,814	1,323,912
Fines & Forfeits	255,207	292,299	195,918	232,054
Miscellaneous	868,161	2,764,604	3,442,239	1,090,043
<b>Total Revenues</b>	<b>\$ 27,895,790</b>	<b>\$ 30,940,631</b>	<b>\$ 31,760,703</b>	<b>\$ 30,752,073</b>
<b>Other Sources:</b>				
Transfers In	\$ 1,280,000	\$ 1,359,300	\$ 1,359,300	\$ 1,448,200
<b>Total Other Sources</b>	<b>\$ 1,280,000</b>	<b>\$ 1,359,300</b>	<b>\$ 1,359,300</b>	<b>\$ 1,448,200</b>
<b>Total Revenues/Sources</b>	<b>\$ 29,175,790</b>	<b>\$ 32,299,931</b>	<b>\$ 33,120,003</b>	<b>\$ 32,200,273</b>
<b>EXPENDITURES/USES OF FUNDS</b>				
Administration Department	\$ 735,692	\$ 841,924	\$ 829,264	\$ 806,977
Development Services	355,565	300,702	305,254	333,225
Department of Public Safety	14,257,345	15,425,913	14,964,353	17,151,158
Street Department	410,261	490,260	448,639	499,970
Library Department	815,105	917,005	884,626	911,196
Parks Department	1,719,298	1,768,615	1,714,010	1,833,533
Pool Department	232,394	250,976	230,567	277,184
Municipal Court Department	477,008	547,571	513,255	608,984
Finance Department	958,906	1,118,895	1,058,003	1,195,999
Building Inspection Department	728,947	874,477	839,418	917,500
Information Technology Department	709,909	758,936	747,829	816,763
Non-Departmental	504,403	771,392	733,501	678,876
<b>Total Expenditures</b>	<b>\$ 21,904,833</b>	<b>\$ 24,066,666</b>	<b>\$ 23,268,719</b>	<b>\$ 26,031,365</b>
<b>Other Uses:</b>				
Transfers to Other Funds	\$ 6,199,953	\$ 8,157,536	\$ 13,407,536	\$ 6,168,878
<b>Total Other Uses</b>	<b>\$ 6,199,953</b>	<b>\$ 8,157,536</b>	<b>\$ 13,407,536</b>	<b>\$ 6,168,878</b>
<b>Total Expenditures/Uses</b>	<b>\$ 28,104,786</b>	<b>\$ 32,224,202</b>	<b>\$ 36,676,255</b>	<b>\$ 32,200,243</b>
<b>Excess (Deficiency) of Revenues/Sources over Expenditures/Uses</b>	<b>\$ 1,071,004</b>	<b>\$ 75,729</b>	<b>\$ (3,556,252)</b>	<b>\$ 30</b>
<b>Fund Balance</b>	<b>\$ 8,759,561</b>	<b>\$ 8,722,768</b>	<b>\$ 5,203,309</b>	<b>\$ 5,203,339</b>
<b>Ideal Fund Balance</b>	<b>\$ 3,990,641</b>	<b>\$ 4,745,147</b>	<b>\$ 4,609,496</b>	<b>\$ 4,672,988</b>
<b>Fund Balance in Excess of Minimum</b>	<b>\$ 4,768,920</b>	<b>\$ 3,977,621</b>	<b>\$ 593,813</b>	<b>\$ 530,351</b>

**GENERAL FUND**  
**STATEMENT OF REVENUES & EXPENDITURES BY TYPE**

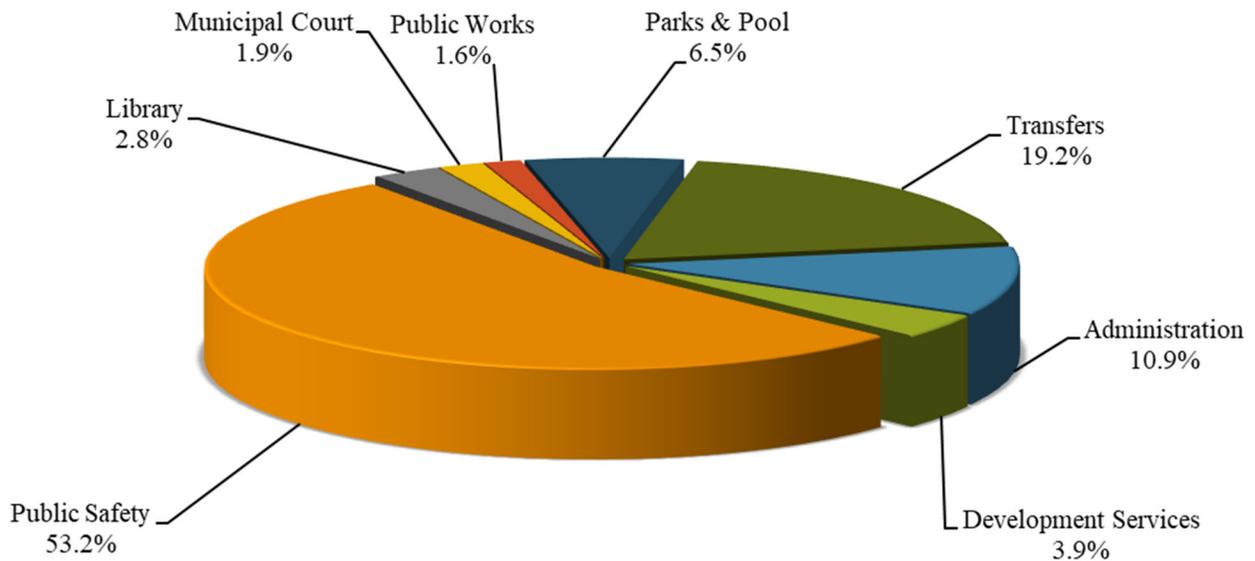
	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted
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Charges for Services	1,309,801	1,368,405	1,337,814	1,323,912
Fines & Forfeits	255,207	292,299	195,918	232,054
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<b>Other Sources:</b>				
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<b>Total Other Sources</b>	<b>\$ 1,280,000</b>	<b>\$ 1,359,300</b>	<b>\$ 1,359,300</b>	<b>\$ 1,448,200</b>
<b>Total Revenues/Sources</b>	<b>\$ 29,175,790</b>	<b>\$ 32,299,931</b>	<b>\$ 33,120,003</b>	<b>\$ 32,200,273</b>
<b>EXPENDITURES/USES OF FUNDS</b>				
Personnel Services				
Payroll	\$ 13,309,914	\$ 14,060,300	\$ 13,769,274	\$ 15,377,815
Payroll Taxes	924,341	1,004,553	973,010	1,082,594
Retirement	1,190,461	1,661,082	1,571,844	1,976,428
Insurance	1,675,170	1,884,784	1,710,392	1,901,481
Total Personnel	\$ 17,099,886	\$ 18,610,719	\$ 18,024,520	\$ 20,338,318
Supplies & Equipment	1,066,107	1,226,448	1,157,928	1,305,984
Services & Charges	3,728,840	4,229,499	4,086,271	4,387,063
Capital Outlay	10,000	-	-	-
<b>Total Expenditures</b>	<b>\$ 21,904,833</b>	<b>\$ 24,066,666</b>	<b>\$ 23,268,719</b>	<b>\$ 26,031,365</b>
<b>Other Uses:</b>				
Transfers Out	\$ 6,199,953	\$ 8,157,536	\$ 13,407,536	\$ 6,168,878
<b>Total Other Uses</b>	<b>\$ 6,199,953</b>	<b>\$ 8,157,536</b>	<b>\$ 13,407,536</b>	<b>\$ 6,168,878</b>
<b>Total Expenditures/Uses</b>	<b>\$ 28,104,786</b>	<b>\$ 32,224,202</b>	<b>\$ 36,676,255</b>	<b>\$ 32,200,243</b>
<b>Excess (Deficiency) of Revenues/Sources over Expenditures/Uses</b>	<b>\$ 1,071,004</b>	<b>\$ 75,729</b>	<b>\$ (3,556,252)</b>	<b>\$ 30</b>
<b>Fund Balance</b>	<b>\$ 8,759,561</b>	<b>\$ 8,722,768</b>	<b>\$ 5,203,309</b>	<b>\$ 5,203,339</b>
<b>Ideal Fund Balance</b>	<b>\$ 3,990,641</b>	<b>\$ 4,745,147</b>	<b>\$ 4,609,496</b>	<b>\$ 4,672,988</b>
<b>Fund Balance in Excess of Minimum</b>	<b>\$ 4,768,920</b>	<b>\$ 3,977,621</b>	<b>\$ 593,813</b>	<b>\$ 530,351</b>

# GENERAL FUND

## CURRENT REVENUES & SOURCES OF FUNDS



## BUDGETED EXPENDITURES & USES OF FUNDS



**GENERAL FUND  
STATEMENT OF REVENUES**

	<b>FY 2022 Actual</b>	<b>FY 2023 Budget</b>	<b>FY 2023 Projected</b>	<b>FY 2024 Adopted</b>
<b>Taxes</b>				
Ad Valorem Taxes	\$ 15,454,976	\$ 17,000,545	\$ 17,009,954	\$ 18,464,505
Delinquent Ad Valorem Taxes	38,566	57,786	22,936	50,917
City Sales Tax	6,954,907	6,640,091	6,710,273	6,502,058
Mixed Beverage Tax	472,603	477,779	506,421	531,742
<i>Subtotal</i>	<b>\$ 22,921,052</b>	<b>\$ 24,176,201</b>	<b>\$ 24,249,584</b>	<b>\$ 25,549,222</b>
<b>Franchise Fees</b>				
Electric Utility Franchise Fees	\$ 490,653	\$ 471,538	\$ 485,015	\$ 479,552
CATV / PEG Franchise Fees	17,461	19,618	16,165	17,705
Natural Gas Utility Franchise Fees	262,209	212,464	333,645	261,357
Telecom Franchise Fees	42,190	49,182	43,989	43,261
CATV Franchise Fees	49,564	49,292	51,031	48,217
Solid Waste	88,673	86,557	74,931	83,155
Carriages	47,105	43,763	39,361	42,295
<i>Subtotal</i>	<b>\$ 997,855</b>	<b>\$ 932,414</b>	<b>\$ 1,044,137</b>	<b>\$ 975,542</b>
<b>Licenses &amp; Permits</b>				
Beverage Licenses	\$ 2,750	\$ 7,732	\$ 5,560	\$ 6,140
Health Permits	5,250	7,002	8,800	6,825
Alarm Permits	95,411	93,214	97,326	96,420
Electrical Licenses	-	-	-	-
Building Permits	1,376,312	1,234,967	1,315,363	1,408,210
Electrical Permits	54,466	52,703	55,672	53,585
Excavation Permits	300	300	180	245
Carriage Licenses	5,015	5,015	5,400	5,163
Animal Licenses	4,210	5,775	2,710	4,712
<i>Subtotal</i>	<b>\$ 1,543,714</b>	<b>\$ 1,406,708</b>	<b>\$ 1,491,011</b>	<b>\$ 1,581,300</b>
<b>Charges For Services</b>				
E911 Users' Fee	\$ 109,188	\$ 109,621	\$ 111,017	\$ 109,611
Alarm Monitoring Fees	517,650	529,932	529,395	539,982
Emergency Medical Fees	159,517	160,375	242,820	171,880
Board Hearing Fee	3,450	3,266	2,850	3,450
Swimming Pool Concessions	17,737	16,409	15,343	15,507
Swimming Pool Daily Fees	28,142	26,693	44,815	41,238
Swimming Pool Annual Fees	82,710	76,673	81,361	79,441
Tennis Court Use Fees	22,200	20,973	27,880	23,693
Animal Pound Fees	630	720	720	690
Child Safety Fees	10,638	10,358	7,509	9,626
Library Non-resident Fees	3,573	4,421	4,025	3,912
Court Administration Fees	11,598	14,648	6,229	9,812
Warrant Fees	30,352	33,995	22,804	25,649
Court Fees	75,769	97,527	47,211	71,066

**GENERAL FUND  
STATEMENT OF REVENUES**

	<b>FY 2022 Actual</b>	<b>FY 2023 Budget</b>	<b>FY 2023 Projected</b>	<b>FY 2024 Adopted</b>
Building Registration Fees	72,250	78,951	77,063	75,104
Plan Review Fees	23,750	24,917	21,750	25,417
Deferred Adjudication Fees	140,647	158,926	95,022	117,834
<i>Subtotal</i>	<b>\$ 1,309,801</b>	<b>\$ 1,368,405</b>	<b>\$ 1,337,814</b>	<b>\$ 1,323,912</b>
<b>Fines &amp; Forfeits</b>				
Municipal Court Fines	\$ 249,285	\$ 286,749	\$ 192,249	\$ 227,305
Library Fines	1,504	1,600	1,569	1,356
Lost Book Charges	918	950	1,050	1,026
Invalid Alarm Fines	3,500	3,000	1,050	2,367
<i>Subtotal</i>	<b>\$ 255,207</b>	<b>\$ 292,299</b>	<b>\$ 195,918</b>	<b>\$ 232,054</b>
<b>Miscellaneous</b>				
Interest	\$ 109,024	\$ 150,166	\$ 695,217	\$ 710,178
Interest-Dallas County	284	290	3,943	1,000
Penalty & Interest - Tax Collection	78,478	84,851	77,719	83,346
Sale of Assets	8,191	1,000	-	1,000
Rental-Town Property	347,335	219,208	321,325	224,406
Library Donations	4,183	3,000	5,719	4,000
Contributions	210,777	15,200	32,133	17,200
Intergovernmental Revenue	-	2,250,639	2,250,639	-
Town Property Damage Refund	56,228	15,000	17,766	15,000
Miscellaneous	53,661	25,250	37,778	33,913
<i>Subtotal</i>	<b>\$ 868,161</b>	<b>\$ 2,764,604</b>	<b>\$ 3,442,239</b>	<b>\$ 1,090,043</b>
<b>Total Revenues</b>	<b>\$ 27,895,790</b>	<b>\$ 30,940,631</b>	<b>\$ 31,760,703</b>	<b>\$ 30,752,073</b>

**SUMMARY OF REVENUE ESTIMATES**

- **Property Taxes**

Projected collections of levied Ad Valorem Property Taxes:

Current Levy .....	\$18,464,505
Delinquent Taxes .....	\$50,917

Taxable property values increased approximately \$991 million, or 13.3%. This growth was in part fueled by new construction which added approximately \$121 million to the Town’s taxable values. The Town continues to see redevelopment contributing to value increases with newer, larger homes replacing older homes. The schedule in the Appendix/Community Information presents the changes in taxable values in the Town for the most recent ten-year period. The fiscal year 2023-24 Adopted Budget reflects an increase in property tax revenues, based on a tax rate of \$0.220530/\$100 valuation, of \$1,463,960 when compared to the amount the fiscal year 2022-23 Adopted Budget.

- **Sales Tax/Other Taxes**

Since FY 2014, sales tax revenues have increased over 189%. This amount is fairly consistent with the prior fiscal year. 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 primarily generated in the three limited, but upscale commercial areas. A ten-year comparison of Sales Tax revenues is included in the Appendix/Historical Revenue and Expenditure Trend Data.

- **Franchise Fees**

Receipts for franchised services for fiscal year 2023-24 are projected based upon historical trends. The electric franchise is based upon kWh sold as opposed to 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 fee 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 5% of gross receipts on a calendar year basis and remitted each February. Pursuant to HB 1152, which was effective in January of 2020, companies that offer both telecommunications and cable TV services are exempt from paying the lesser of a) telecommunications right-of-way fees (fixed rate per access line) or b) cable TV franchise fees. As a result of this State legislation approved in the 86<sup>th</sup> legislative session, revenues have declined and remain lower compared to FY 2018-19 by approximately \$110,000.

The annual natural gas franchise fee is impacted by the market price fluctuations of natural gas and climate conditions. For fiscal year 2023-24, this revenue source is projected to increase by approximately \$48,800 as compared to the amount budgeted during the fiscal year 2022-23.

- **Licenses & Permits**

Although new home construction is expected to be maintained at a steady rate, there are no large commercial projects anticipated in fiscal year 2023-24. Therefore, building permit revenues are projected to be comparable to the prior year. A schedule of revenues generated over the last ten fiscal years is in the Appendix/Historical Revenue and Expenditure Trend Data. Pursuant to HB 852, which was passed in 2019 by the Texas Legislature, cities may not base building permit or inspection fees on the value of a residential dwelling or on the cost of constructing or improving the building. A schedule of construction activity prior to fiscal year 2023-24 is the Appendix/Community Information.

- **Charges for Services**

The total revenues received for services are projected to be comparable to fiscal year 2022-23.

- **Fines & Forfeits**

Municipal Court fines have been projected conservatively and reflect amounts similar to actual amounts received in fiscal year 2022-23.

- **Miscellaneous**

Projected interest earnings of \$710,178 are up significantly compared to the prior year due to the increasing federal funds rate set by the Federal Reserve in dealing with post pandemic inflation. The rental of Town property (cell phone antennae sites) is projected at \$224,406 and is based on existing contracts. The merger of Sprint and T-Mobile is anticipated to reduce this revenue stream.

# Administration Department




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## DEPARTMENT DESCRIPTION

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The Administration 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 directives provided by the Mayor and Town Council. The Town Secretary function in this department is responsible for documenting and maintaining agendas and minutes of the Town Council meetings, the preparation, indexing, and codification of Town ordinances, and the preparation and indexing of Town resolutions as well as scheduling and organizing Town elections.

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## ACCOMPLISHMENTS FOR FISCAL YEAR 2023

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- ❖ Coordinated the implementation of Town Council goals and objectives with all Town departments
- ❖ Prepared, published, and posted meeting agendas in accordance with state requirements
- ❖ Provided complete and accurate minutes of all public meetings
- ❖ Responded to requests for information from the public in a timely manner
- ❖ Continued the process of duplicating permanent records into an electronic document imaging format
- ❖ Supervised and directed the Town's Capital Improvement Plan

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## OBJECTIVES FOR FISCAL YEAR 2024

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- ❖ Coordinate the implementation of Town Council goals and objectives with all Town departments
- ❖ Continue the process of duplicating permanent records into electronic document imaging format and coordinate the same with each department
- ❖ Implementation of the Town's first open records software system
- ❖ Continue the implementation of solutions from the Town-wide traffic study to reduce traffic congestion
- ❖ Enhance and improve customer service levels
- ❖ Begin advanced strategic plans initiative
- ❖ Guide and implement the restructuring of the Department of Public Safety Administration

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## PERFORMANCE INDICATORS

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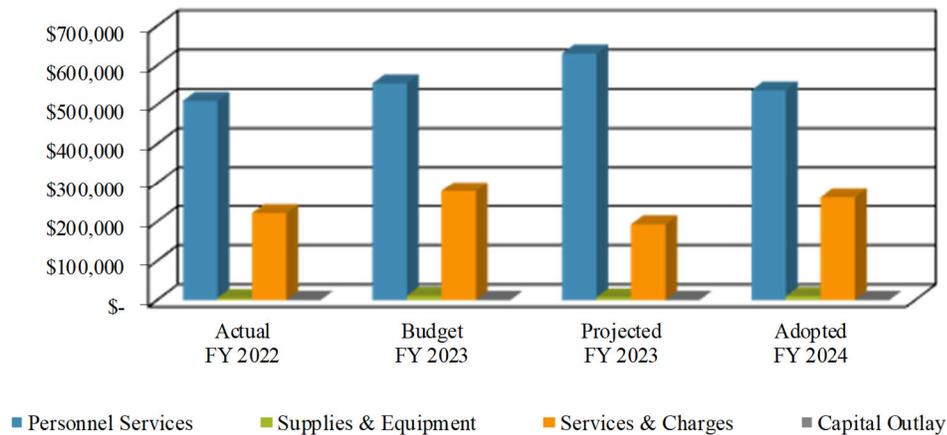
	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Projected</b>
Town Council Agenda Packets Distributed At Least 72 Hours Prior to Meeting	100%	100%	100%	100%
Average Working Days to Respond to Public Information Requests	4.3	7.1	4.8	5.4
Town Council Meeting Minutes Approved at the Following Meeting	100%	100%	100%	100%

# Administration Department



## EXPENDITURE SUMMARY

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted	% Change 2023 to 2024
Personnel Services	\$ 509,446	\$ 553,590	\$ 629,915	\$ 536,047	-3.17%
Supplies & Equipment	4,878	10,544	6,709	9,644	-8.54%
Services & Charges	221,368	277,790	192,640	261,286	-5.94%
Capital Outlay	-	-	-	-	0.00%
<b>Total Department</b>	<b>\$ 735,692</b>	<b>\$ 841,924</b>	<b>\$ 829,264</b>	<b>\$ 806,977</b>	<b>-4.15%</b>



## EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2022 Budget	FY2023 Budget	FY2024 Budget
Town Administrator	Not Classified	1.0	1.0	1.0
Town Secretary	8	1.0	1.0	1.0
<b>Total Employees</b>		<b>2.0</b>	<b>2.0</b>	<b>2.0</b>

# Development Services




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## DEPARTMENT DESCRIPTION

The Development Services Department is responsible for the day-to-day general administration of Development Services, Parks, and Facilities for the Town. This includes coordinating, directing and reviewing departmental operations in the implementation of programs and directives provided by the Town Administrator, Mayor and Town Council. Major events/initiatives include the annual Tree Lighting event held in Armstrong Parkway, Park Cities 4<sup>th</sup> of July event, recreational events and programs, seasonal decoration of interior and exterior grounds of Town Hall, annual events at the swimming pool and the design and implementation of floral plantings and landscaping in Town parkways, bridges, and parks.

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## ACCOMPLISHMENTS FOR FISCAL YEAR 2023

- ❖ Responded to requests for information from citizens and assisted citizens in a timely manner
- ❖ Stayed updated and informed on the latest mosquito management program and responses
- ❖ Completed Town Hall 101 Program
- ❖ Completed messaging and forwarding of updated information to Town residents
- ❖ Held recreational events and programming
- ❖ Continued publication of the Monarch Herald Newsletter

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## OBJECTIVES FOR FISCAL YEAR 2024

- ❖ Respond to requests for information from residents in a timely manner
- ❖ Stay updated on the latest mosquito management program and responses
- ❖ Communicate and educate our residents and the public on mosquito control best practices
- ❖ Assess Town Hall 101 Program and make recommendations on how to increase participant engagement
- ❖ Develop and obtain approval for Social Media Policy and increase the Town's footprint on social media
- ❖ Continue to assess how to improve resident engagement and update Town website and recreation software
- ❖ Develop increased community programming and recreational opportunities

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## PERFORMANCE INDICATORS

	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Projected</b>
Tai Chi Classes Held	12	54	41	48
Meditation Classes Held	12	60	43	48
Percent Response to Resident Inquiries within 24-hours	98	100	100	100
Monarch Herald Resident Newsletter (issues per year)	9*	12	12	12
HP Office Voice Employee Newsletter (issues per year)	7**	12	12	12

\* Partial Year Beginning March 2021

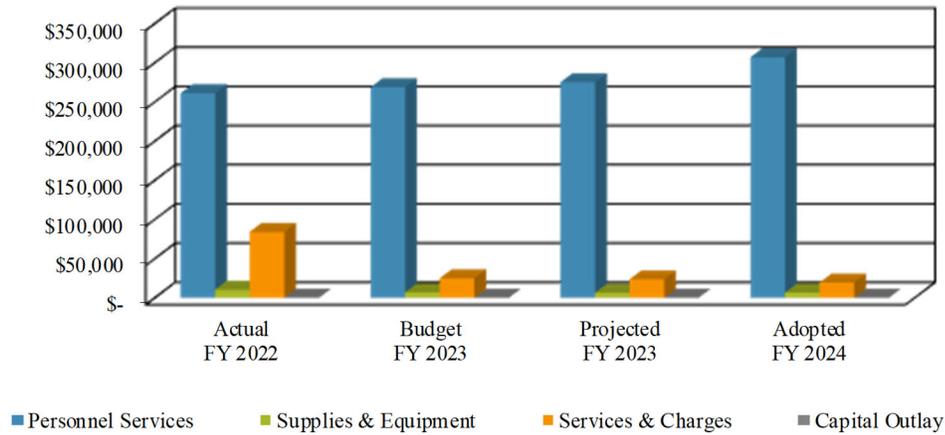
\*\* Partial Year Beginning January 2021

# Development Services



## EXPENDITURE SUMMARY

	<b>FY 2022 Actual</b>	<b>FY 2023 Budget</b>	<b>FY 2023 Projected</b>	<b>FY 2024 Adopted</b>	<b>% Change 2023 to 2024</b>
Personnel Services	\$ 261,110	\$ 268,780	\$ 275,205	\$ 307,009	14.22%
Supplies & Equipment	10,415	6,970	6,420	6,670	-4.30%
Services & Charges	84,040	24,952	23,629	19,546	-21.67%
Capital Outlay	-	-	-	-	0.00%
<b>Total Department</b>	<b>\$ 355,565</b>	<b>\$ 300,702</b>	<b>\$ 305,254</b>	<b>\$ 333,225</b>	<b>10.82%</b>



## EMPLOYEE CLASSIFICATION & PAY GRADE

<b>Classification</b>	<b>Grade</b>	<b>FY2022 Budget</b>	<b>FY2023 Budget</b>	<b>FY2024 Budget</b>
Assistant Development Services Director	E	1.0	1.0	1.0
Management Assistant	5	1.0	1.0	1.0
<b>Total Employees</b>		<b>2.0</b>	<b>2.0</b>	<b>2.0</b>



## 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.

## ACCOMPLISHMENTS FOR FISCAL YEAR 2023

- ❖ Purchased and placed in service a new Mobile Intensive Care Unit
- ❖ Upgraded the physical security and functionality of the jail door lock/intercom system
- ❖ Completed staffing study and began implementing the results that were approved by council
- ❖ Began the implementation of mobile computers in all front-line apparatus
- ❖ Contracted with New In Blue and began the implementation process of Tickets-On-The-Go
- ❖ Contracted with Tyler Technology to Upgrade the Law Enforcement Records Management System
- ❖ Continued to grow Public/Private Outreach Programs, such as Active Shooter Training, R.A.D training (Rape, Aggression, Defense System), LTC (License to Carry), Stop the Bleed and CPR classes

## OBJECTIVES FOR FISCAL YEAR 2024

- ❖ Recruit, hire, and onboard new employees to reach approved staffing level of 82 Full Time Equivalent
- ❖ Begin the proposed restructuring of the Department of Public Safety Administration
- ❖ Use Tyler Technology to build a custom interface to be able to GPS track the mobile and portable radios
- ❖ Order, receive and place in service 5 new patrol vehicles
- ❖ Replace all Life-Pak AED Units in town with new Zoll AED Units
- ❖ Work with ESO Logistics Management to allow for better asset management and incident reporting
- ❖ Implement Prepared 9-1-1 Enhanced into the communication center
- ❖ Continue to work towards the implementation of the state mandated NextGen 9-1-1 program
- ❖ Continue to grow Public/Private Outreach Programs

## PERFORMANCE INDICATORS

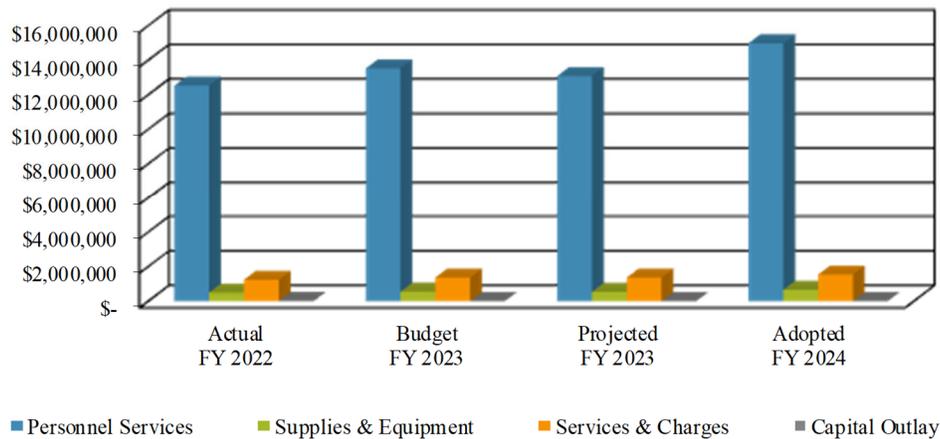
	FY2021 Actual	FY2022 Actual	FY2023 Projected	FY2024 Projected
<b>Call Responses</b>				
Police	9,086	10,001	8,250	9,195
Fire	958	894	867	911
Emergency Medical	431	438	540	454
<b>Other Activity</b>				
Fire Inspections	863	698	819	789
Major Crimes Reported	215	184	194	197
<b>Response Time (minutes)</b>				
Police	2.7	3.2	2.9	2.9
Fire	2.2	2.1	2.1	2.1
Emergency Medical	2.5	3.1	3.0	2.9

# Department of Public Safety



## EXPENDITURE SUMMARY

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted	% Change 2023 to 2024
Personnel Services	\$12,524,347	\$13,520,431	\$13,076,120	\$14,972,049	10.74%
Supplies & Equipment	493,336	546,409	533,770	645,832	18.20%
Services & Charges	1,229,662	1,359,073	1,354,463	1,533,277	12.82%
Capital Outlay	10,000	-	-	-	0.00%
<b>Total Department</b>	<b>\$14,257,345</b>	<b>\$15,425,913</b>	<b>\$14,964,353</b>	<b>\$17,151,158</b>	<b>11.18%</b>



## EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2022 Budget	FY2023 Budget	FY2024 Budget
Director	E-4	1.0	1.0	1.0
Assistant Director	E-2	1.0	2.0	2.0
Captain	G	5.0	4.0	6.0
Lieutenant	F	5.0	5.0	6.0
Sergeant	E	5.0	5.0	5.0
Investigator	C	3.0	3.0	3.0
Public Safety Officer	C	37.0	37.0	43.0
Police Officer	B	2.0	2.0	1.0
Communications Manager	8	1.0	1.0	1.0
Communications Supervisor	6	1.0	1.0	1.0
CID Clerk	4	0.0	0.0	1.0
Accreditation Manager	6	1.0	1.0	0.0
Communications Specialist	4	8.0	8.0	9.0
Alarm Specialist	5	1.0	1.0	1.0
Administrative Secretary	4	2.0	2.0	2.0
<b>Total Employees</b>		<b>73.0</b>	<b>73.0</b>	<b>82.0</b>

# Street Department



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## DEPARTMENT DESCRIPTION

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The Street Department is responsible for the repair and maintenance of the Town's streets, alleys, sidewalks, bridges, stormwater system, streetlights, traffic signal systems, signs, and striping. Beginning in fiscal year 2021-22, the work performed by the Street Lighting Department was combined into the Street Department. Electric power to operate these systems is purchased from GEXA Energy under contract through the Texas Coalition for Affordable Power (TCAP).

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## ACCOMPLISHMENTS FOR FISCAL YEAR 2023

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- ❖ Maintained the Town's street surfaces with recycling and replacement of asphalt as needed for repairs
- ❖ Inventoried the Town's streetlights and electrical appurtenances and evaluated condition for repair and replacement program throughout the Town
- ❖ Inventoried and cleaned storm inlets monthly
- ❖ Responded to emergency calls for all Town infrastructure

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## OBJECTIVES FOR FISCAL YEAR 2024

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- ❖ Support water and sanitary sewer functions
- ❖ Respond to emergencies related to streets, water, sanitary sewer, and stormwater
- ❖ Maintain the Town's streets, alleys, easements, sidewalks, bridges, stormwater inlets, signs and striping
- ❖ Maintain street lighting including painting, repairs and LED conversions
- ❖ Inventory established street signage for future repair and replacement program
- ❖ Inventory streetlight system for future repair and replacement program

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## MAJOR BUDGET ITEMS

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- ❖ \$36,750 Repair materials
- ❖ \$10,500 Street signage
- ❖ \$27,500 Traffic signal consultants
- ❖ \$38,900 Electrical service for street lights and traffic signals

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## PERFORMANCE INDICATORS

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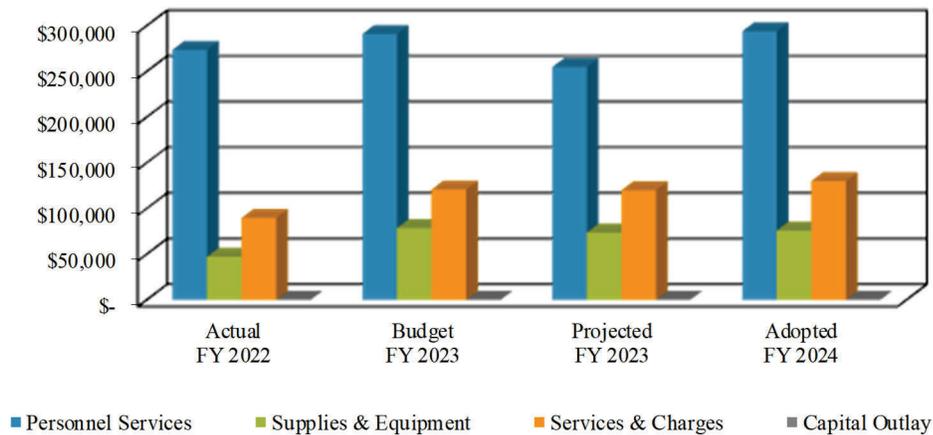
	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Projected</b>
Asphalt Repairs (Tons)	283	38	34	40
Average Annual Cleanings per Inlet	2.9	2.8	2.7	2.5
Storm Inlets Checked Monthly	100%	100%	100%	100%

# Street Department



## EXPENDITURE SUMMARY

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted	% Change 2023 to 2024
Personnel Services	\$ 273,600	\$ 291,077	\$ 255,018	\$ 294,056	1.02%
Supplies & Equipment	47,066	78,543	73,670	75,829	-3.46%
Services & Charges	89,595	120,640	119,951	130,085	7.83%
Capital Outlay	-	-	-	-	0.00%
<b>Total Department</b>	<b>\$ 410,261</b>	<b>\$ 490,260</b>	<b>\$ 448,639</b>	<b>\$ 499,970</b>	<b>1.98%</b>



## EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2022 Budget	FY2023 Budget	FY2024 Budget
Public Works Maint. Worker II	3	2.0	2.0	2.0
Public Works Maint. Worker I	2	1.0	1.0	1.0
<b>Total Employees</b>		<b>3.0</b>	<b>3.0</b>	<b>3.0</b>



## DEPARTMENT DESCRIPTION

The Library powers imagination through creativity and discovery while providing quality public library access which fulfills the informational, educational, recreational and research needs of the community.

## ACCOMPLISHMENTS FOR FISCAL YEAR 2023

- ❖ Created and executed the Library's first Summer Reading program for adults with events and incentives.
- ❖ Added genealogy resources to the digital collections, as well as pursued systematically migrating from print to electronic reference resources. New online resource subscriptions implemented in FY 2023 included: (1) HeritageHub, (2) America's News, and (3) Data Axle Reference Solutions
- ❖ Began the process for designing a Library specific application for use on Android/Apple mobile devices.
- ❖ Expanded the Library of Things collection to enhance nontraditional offerings. New items included: (1) yard game sets, (2) Mah Jongg kit, and (3) Toniebox audio equipment for youth
- ❖ Redesigned the volunteer opportunities at the Library to increase the ease of applying for opportunities through the use of online applications for teenagers and adults
- ❖ Grew partnerships with community organizations, such as Canine Companions, the Meadows Museum, and the Moody Family YMCA, through innovative programs and new services

## OBJECTIVES FOR FISCAL YEAR 2024

- ❖ Continue implementing projects from the updated *Next Steps* document for the Library Master Plan
- ❖ Develop a system for patrons to request and meet with a Librarian, including policies, procedures, and reservations, for in-person or virtual assistance finding relevant and accurate sources of information
- ❖ Research creating a vibrant Library logo to reinterpret the Library's traditional persona with a more contemporary appeal
- ❖ Promote and upgrade/expand patrons access to Texas history digital materials and databases

## MAJOR BUDGET ITEMS

- ❖ Acquisition of new materials - books (\$43,169), audio/visual materials (\$16,181), e-books (\$18,051), e-audio books (\$16,860), and children's books (\$17,636). An additional \$10,000 in funding for new digital materials is in the Library Fund.
- ❖ Continued funding for e-Services including downloadable e-materials and web-based resources.

## PERFORMANCE INDICATORS

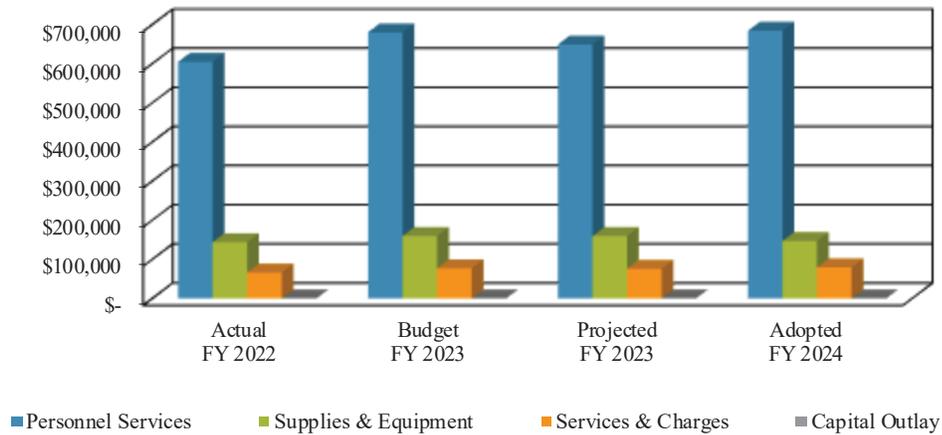
	FY2021	FY2022	FY2023	FY2024
	Actual	Actual	Projected	Projected
<b>Collection/Circulation</b>				
Total Circulation (Physical & Digital)	57,654	67,005	69,823	71,219
eBooks and eAudiobooks Circulation	11,688	11,828	13,475	13,744
<b>User Cards Issued/Outstanding</b>				
Resident (excludes renewals)	572	473	499	509
Non-Resident	30	25	18	18
Total Valid Cards	602	498	517	527
<b>Program Participation</b>				
Total Program Participants	4,674	4,437	4,486	4,611

# Library Department



## EXPENDITURE SUMMARY

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted	% Change 2023 to 2024
Personnel Services	\$ 604,823	\$ 680,368	\$ 649,001	\$ 684,400	0.59%
Supplies & Equipment	143,854	159,743	159,543	147,235	-7.83%
Services & Charges	66,428	76,894	76,082	79,561	3.47%
Capital Outlay	-	-	-	-	0.00%
<b>Total Department</b>	<b>\$ 815,105</b>	<b>\$ 917,005</b>	<b>\$ 884,626</b>	<b>\$ 911,196</b>	<b>-0.63%</b>



## EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2022 Budget	FY2023 Budget	FY2024 Budget
Town Librarian	E	1.0	1.0	1.0
Librarian	5	2.0	2.0	2.0
Library Administrative Assistant	3	1.0	1.0	1.0
Library Associate (Full-Time)	2	1.0	2.0	2.0
Library Associate (Part-Time)	2	1.5	0.5	0.5
<b>Total Employees</b>		<b>6.5</b>	<b>6.5</b>	<b>6.5</b>



## DEPARTMENT DESCRIPTION

Parks and Recreation is responsible for the management and maintenance of the Town's 22 park locations, 12 traffic islands, 7 tennis courts, 2 pickleball courts, swimming pool and Town Hall landscape. This department also manages the Town's recreation program. These activities promote the "quality of life" in Highland Park by providing a high standard of customer service and safe, well-maintained facilities.

## ACCOMPLISHMENTS FOR FISCAL YEAR 2023

- ❖ Rebid and negotiated chemical application contract and mowing contract
- ❖ Effectively managed the Town's contracts for labor, turf maintenance, park maintenance, chemical application, tree trimming, and landscape lighting
- ❖ Maintained parks, parkway trees, swimming pool and tennis courts
- ❖ Developed landscape design and oversaw landscape installation for Teddy Bear Garden Improvements
- ❖ Developed a landscape design for Lakeside Park Rehabilitation Project
- ❖ Developed a concept design for the conversion of Tennis Court # 1 into 4 Pickleball courts

## OBJECTIVES FOR FISCAL YEAR 2024

- ❖ Update and continue to implement a Parks Maintenance & Operations Plan
- ❖ Implement work order management software for park inspections
- ❖ Develop Parkway Tree Maintenance Program
- ❖ Develop a Parks Capital Improvement Plan
- ❖ Assess opportunities provided through the Town's recreation program and evaluate potential partners for recreational opportunities
- ❖ Bid and complete Lakeside Park hardscape, landscape, and irrigation improvements
- ❖ Bid and complete conversion of Tennis Court #1 into 4 Pickleball courts

## MAJOR BUDGET ITEMS

- ❖ Plant and Vegetation Material (\$121,750); Planting Material (\$35,900)
- ❖ Town-wide maintenance contracts for Turf Maintenance (\$157,549) Tree Trimming and Maintenance (\$80,520); Landscape Lighting (\$16,000); Recreation Program (\$20,000)

## PERFORMANCE INDICATORS

	FY2021 Actual	FY2022 Actual	FY2023 Projected	FY2024 Projected
Number of Bulbs	20,000	23,350	24,850	25,000
Number of Quadrant Based Mosquito Sprays	11	7	9	10
Number of Annual Color Change Outs	3	3	3	3
Tennis Court Reservations	11,100	11,220	13,800	14,000
Pickleball Court Reservations*	-	-	9,300	10,000

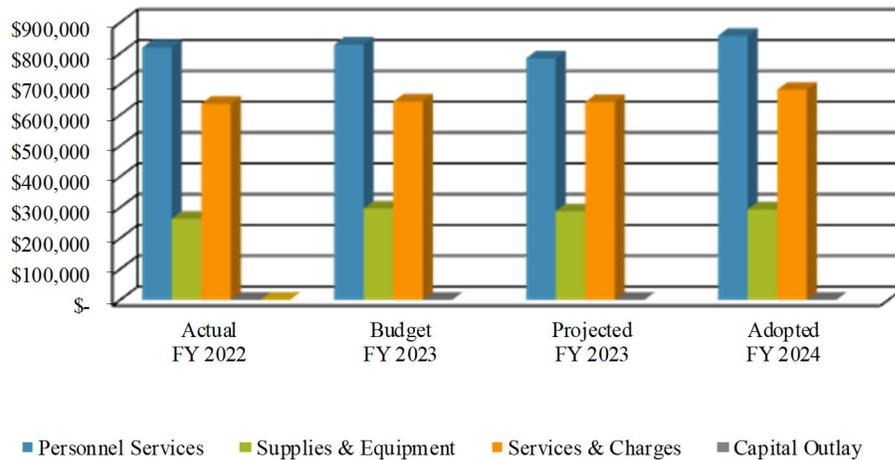
*\*Tracking starting in FY 2023.*

# Parks & Recreation



## EXPENDITURE SUMMARY

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted	% Change 2023 to 2024
Personnel Services	\$ 819,208	\$ 828,534	\$ 784,009	\$ 857,374	3.48%
Supplies & Equipment	263,347	296,348	287,778	293,878	-0.83%
Services & Charges	636,743	643,733	642,223	682,281	5.99%
Capital Outlay	-	-	-	-	0.00%
<b>Total Department</b>	<b>\$1,719,298</b>	<b>\$1,768,615</b>	<b>\$1,714,010</b>	<b>\$1,833,533</b>	<b>3.67%</b>



## EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2022 Budget	FY2023 Budget	FY2024 Budget
Superintendent	8	0.0	1.0	1.0
Foreman	8	1.0	0.0	0.0
Parks Maintenance Specialist	4	1.0	1.0	1.0
Irrigation/Mosquito Inspector	4	1.0	1.0	1.0
Parks Maintenance Worker II	3	3.0	3.0	3.0
Parks Maintenance Worker I	1	1.0	1.0	1.0
<b>Total Employees</b>		<b>7.0</b>	<b>7.0</b>	<b>7.0</b>

# Pool Department



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## DEPARTMENT DESCRIPTION

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The Town's swimming pool facility is maintained by the Parks Department. The early swimming season begins in April and the regular season coincides with the school district's summer vacation. The Pool Department provides for an extended season which concludes at the end of October.

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## ACCOMPLISHMENTS FOR FISCAL YEAR 2023

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- ❖ Provided a safe and clean facility for use of Town residents
- ❖ Maintained the expanded pool season
- ❖ Installed a new pool liner for the main pool and wading pool and a new heater
- ❖ Repaired a major leak at the wading pool
- ❖ Procured a new sand filter for main pool
- ❖ Expanded swim programming including extended water aerobics classes, swim lessons, and swim conditioning program
- ❖ Implemented new sign in system to better serve residents and collect pool attendance data
- ❖ Continued to assess water quality protocol by refining data collection activities

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## OBJECTIVES FOR FISCAL YEAR 2024

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- ❖ Provide a safe and clean facility for the enjoyment of the Town's residents
- ❖ Implement new system to inventory and track concessions purchases
- ❖ Maintain the expanded pool season
- ❖ Facility improvements including a new sundeck, sand filter, and building roofs
- ❖ Continue to assess water quality protocol by refining data collection activities
- ❖ Work to develop a Master Plan for Swimming Pool Improvements in future years

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## MAJOR BUDGET ITEMS

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- ❖ Provision of staffing to accommodate the extended pool season and introduction of in house swim instructors.
- ❖ Building improvements and sundeck renovations funded within the Facilities budget.

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## PERFORMANCE INDICATORS

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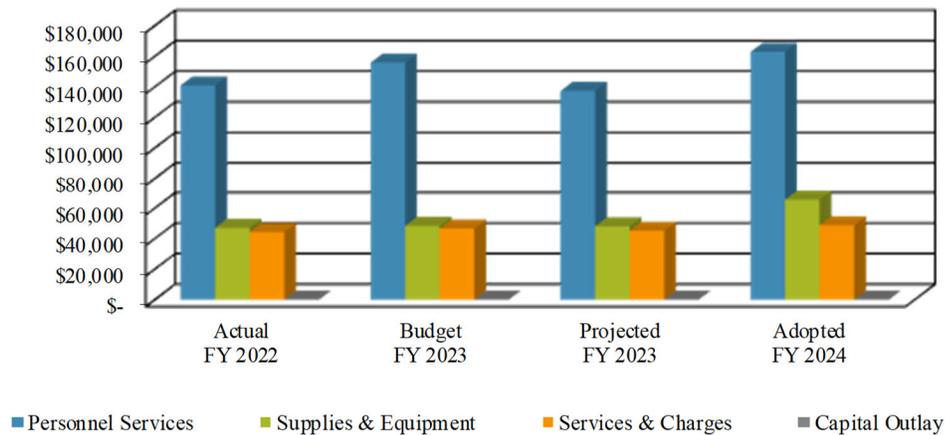
	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Projected</b>
Annual Pool Passes Sold	1,481	1,433	1,443	1,450
Daily Pool Passes Sold	1,897	2,676	2,630	2,653
Water Aerobics Classes Held	14	22	32	36
Lap Swim Average Daily Attendance	28.6	30.9	26.0	28.0
Open Swim Average Daily Attendance	142.5	175.8	100.0	110.0

# Pool Department



## EXPENDITURE SUMMARY

	<b>FY 2022 Actual</b>	<b>FY 2023 Budget</b>	<b>FY 2023 Projected</b>	<b>FY 2024 Adopted</b>	<b>% Change 2023 to 2024</b>
Personnel Services	\$ 140,940	\$ 155,852	\$ 137,390	\$ 162,926	4.54%
Supplies & Equipment	47,056	48,415	48,089	65,515	35.32%
Services & Charges	44,398	46,709	45,088	48,743	4.35%
Capital Outlay	-	-	-	-	0.00%
<b>Total Department</b>	<b>\$ 232,394</b>	<b>\$ 250,976</b>	<b>\$ 230,567</b>	<b>\$ 277,184</b>	<b>10.44%</b>



## EMPLOYEE CLASSIFICATION & PAY GRADE

<b>Classification</b>	<b>Grade</b>	<b>FY2022 Budget</b>	<b>FY2023 Budget</b>	<b>FY2024 Budget</b>
Manager/Assistant Manager/Lifeguards	NA	3.4	3.4	3.4
<b>Total Full Time Equivalent Employees*</b>		<b>3.4</b>	<b>3.4</b>	<b>3.4</b>

\* All positions within the pool department are part-time seasonal resulting in a relatively low full-time equivalent count.

# Municipal Court Department



## 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.

## ACCOMPLISHMENTS FOR FISCAL YEAR 2023

- ❖ Maintained accurate records of documents and dispositions filed with the court while providing prompt and courteous responses to inquiries at the court office
- ❖ Improved daily operations in the court by participating in training sessions and webinars
- ❖ Scheduled and conducted virtual hearings, trial and set hearings for defendants
- ❖ Evaluated new laws passed during the 2023 State Legislative session
- ❖ Enhanced and updated court policies & procedures manual and implemented necessary changes with the re-structure of Municipal Court
- ❖ Collected and monitored data associated with the disposition of citations as part of the Town’s ongoing effort to ensure fair and consistent adjudication of cases
- ❖ Maintained Court calendar, allowing all defendants swift access to the Court system

## OBJECTIVES FOR FISCAL YEAR 2024

- ❖ Maintain accurate records of documents and dispositions filed with the court while providing prompt and courteous responses to promote a positive public perception of the judicial system
- ❖ Improve defendants access to defensive driving options and administrative payments using enhanced Court software and website
- ❖ Collect and monitor data associated with the disposition of citations as part of the Town’s ongoing effort to ensure fair and consistent adjudication of cases
- ❖ Evaluate and update the procedures and policies of the warrant collection process
- ❖ Maintain court calendar, allowing defendants swift access to the court system

## MAJOR BUDGET ITEMS

- ❖ Municipal Court Prosecution Services (\$27,000)

## PERFORMANCE INDICATORS

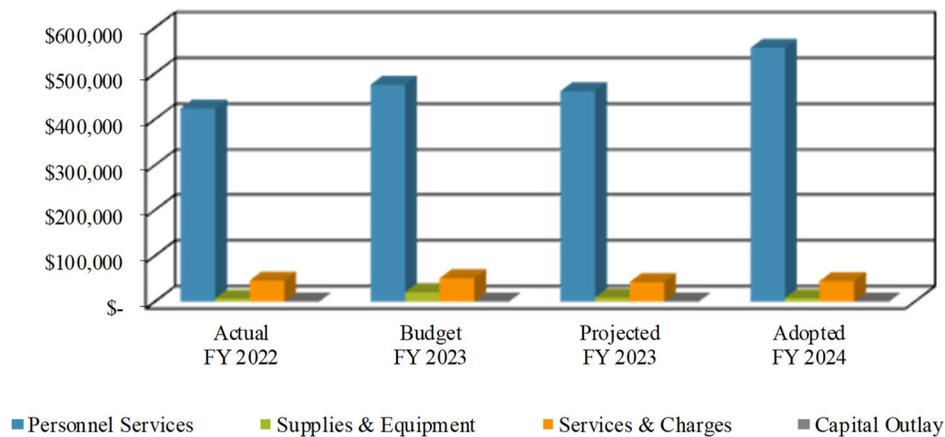
	FY2021 Actual	FY2022 Actual	FY2023 Projected	FY2024 Projected
<b>Cases Filed</b>				
Traffic	4,210	3,692	2,960	3,621
Parking	616	1,150	841	869
State Law	117	104	105	109
Town Ordinance	84	55	62	67
Total	5,027	5,001	3,968	4,666
<b>Cases Disposed</b>				
Prior to Trial	1,653	1,704	1,544	1,634
At Trial	112	283	502	299
Compliance Dismissals	1,860	1,749	980	1,530
Total	3,625	3,736	3,026	3,463
<b>Percent Disposed to Filed</b>	72.1%	74.7%	76.3%	74.2%

# Municipal Court Department



## EXPENDITURE SUMMARY

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted	% Change 2023 to 2024
Personnel Services	\$ 423,931	\$ 475,562	\$ 461,717	\$ 556,007	16.92%
Supplies & Equipment	6,989	20,785	9,015	8,040	-61.32%
Services & Charges	46,088	51,224	42,523	44,937	-12.27%
Capital Outlay	-	-	-	-	0.00%
<b>Total Department</b>	<b>\$ 477,008</b>	<b>\$ 547,571</b>	<b>\$ 513,255</b>	<b>\$ 608,984</b>	<b>11.22%</b>



## EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2022 Budget	FY2023 Budget	FY2024 Budget
Municipal Judge (Part-time)	NA	0.5	0.5	0.5
Court Administrator	6	0.0	0.0	1.0
Senior Court Clerk II	5	1.0	1.0	0.0
Senior Court Clerk	3	0.0	0.0	1.0
Deputy Court Clerk	3	1.0	1.0	0.0
Court Clerk	2	0.0	0.0	1.0
Court Clerk (Part-time)	3	0.8	0.8	0.0
Marshall/Bailiff (Part-time)	NA	0.5	0.5	0.5
Court Security (Part-time)	NA	0.3	0.3	0.3
<b>Total Employees</b>		<b>4.1</b>	<b>4.1</b>	<b>4.3</b>



## 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 Annual Comprehensive Financial Report (“ACFR”), preparation of monthly financial and investment report for management, payment of all Town obligations, payroll processing, personnel administration, preparation of the Annual Budget, employee benefits administration, risk management and liability, and property insurance management.

## ACCOMPLISHMENTS FOR FISCAL YEAR 2023

- ❖ Received the Government Finance Officers Association’s (“GFOA”) Certificate of Achievement for Excellence in Financial Reporting for the Fiscal Year 2021 ACFR and the GFOA Distinguished Budget Presentation Award for the Fiscal Year 2022
- ❖ Managed 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
- ❖ Prepared and presented to Town Council for adoption the Town’s multi-year Capital Improvement Plan
- ❖ Received the Certification of Investment Policy for the two years ending July 31, 2025 from the GTOT

## OBJECTIVES FOR FISCAL YEAR 2024

- ❖ Provide the Town Council, Town Administrator, departments and citizens with accurate and timely financial records
- ❖ Manage the Town’s investment portfolio in accordance with 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 and Wellness Program stipends 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 ACFR and the Distinguished Budget Presentation Award for the Annual Budget
- ❖ Publish interactive budget data on-line for increased transparency to Town residents and other parties
- ❖ Develop performance standards for Town departments, addressing Town Council objectives
- ❖ Continue updating the Town’s Personnel Policies for final approval

## PERFORMANCE INDICATORS

	FY2021	FY2022	FY2023	FY2024
	Actual	Actual	Projected	Projected
Awards Achieved from GFOA	2	2	2	2
Awards Achieved from GTOT*	1	**	1	**
Working days from fiscal year end to ACFR issuance	93	87	87	87
Employee Turn Over Ratio (regular and retirees)	9.9%	17.8%	9.3%	12.0%
Employee Turn Over Ratio (regular only)	4.1%	9.9%	5.1%	6.0%

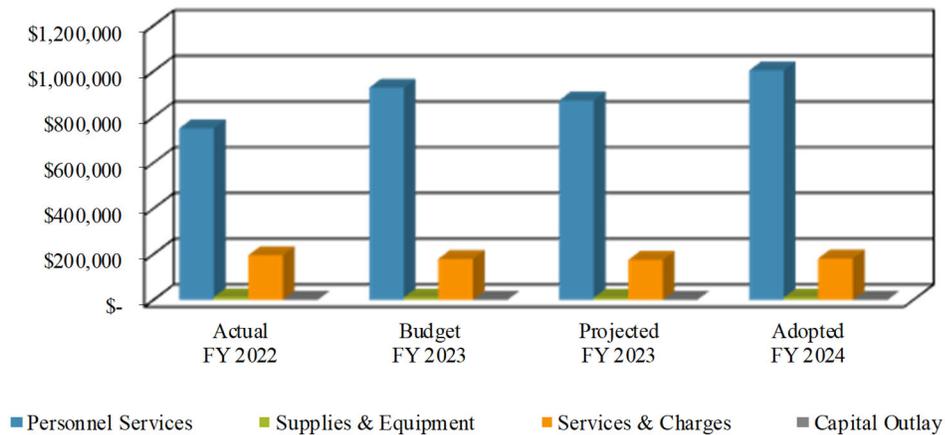
\*Award applies to two fiscal years

\*\*Application not made



## EXPENDITURE SUMMARY

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted	% Change 2023 to 2024
Personnel Services	\$ 751,160	\$ 928,651	\$ 873,048	\$1,004,141	8.13%
Supplies & Equipment	11,893	10,622	9,606	10,422	-1.88%
Services & Charges	195,853	179,622	175,349	181,436	1.01%
Capital Outlay	-	-	-	-	0.00%
<b>Total Department</b>	<b>\$ 958,906</b>	<b>\$1,118,895</b>	<b>\$1,058,003</b>	<b>\$1,195,999</b>	<b>6.89%</b>



## EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2022 Budget	FY2023 Budget	FY2024 Budget
Assistant Town Administrator	E-4	0.0	0.0	1.0
Director of Admin Services & CFO	E-4	1.0	1.0	0.0
Director of Finance	E-2	0.0	0.0	1.0
Deputy Chief Financial Officer	E	1.0	1.0	0.0
Accounting Supervisor	6	0.0	1.0	1.0
Senior Accounting Technician	4	2.0	1.0	1.0
Human Resources Coordinator	4	1.0	1.0	1.0
Administrative Assistant	3	0.0	1.0	1.0
<b>Total Employees</b>		<b>5.0</b>	<b>6.0</b>	<b>6.0</b>

# Building Inspection Department



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## DEPARTMENT DESCRIPTION

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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 State Health Services.

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## ACCOMPLISHMENTS OF FISCAL YEAR 2023

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- ❖ Processed approximately 932 building, 221 mechanical, 250 electrical, and 329 plumbing permits generating approximately \$1,479,000 in permit revenues
- ❖ Processed approximately 552 contractor registrations
- ❖ Processed approximately 98 residential plan reviews related to both remodel and new construction projects
- ❖ Performed approximately 7700 building inspections related the previously mentioned projects
- ❖ Updated process to accurately calculate and measure height of residential structures in both new construction and additions/remodels
- ❖ Increased public awareness of Code Enforcement activities with illegal sign enforcement and property maintenance on both occupied properties and construction sites

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## OBJECTIVES FOR FISCAL YEAR 2024

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- ❖ Provide quality redevelopment for the Town
- ❖ Provide timely and accurate plan review services with new residential and remodel/addition plan reviews averaging two weeks
- ❖ Continue to provide professional, courteous, and efficient service to the public
- ❖ Staff will begin conversion to an updated version of our current permit processing software
- ❖ Increase awareness among contractors (and property owners) of Town's measures related to on-street parking and milestone progress inspections for construction projects
- ❖ Provide excellence in customer service and proactive response in enforcement activities related to construction site management, occupied property maintenance, and illegal sign placement

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## PERFORMANCE INDICATORS

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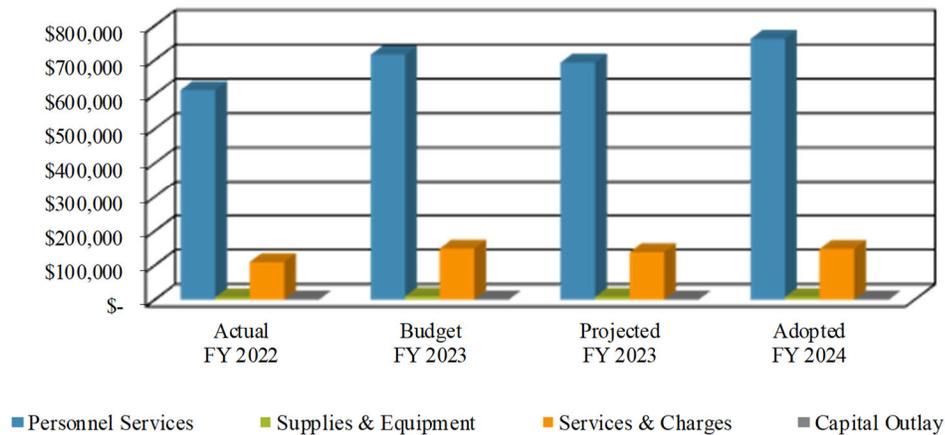
	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Projected</b>
Number of Inspections Performed	4,439	5,922	5,900	7,500
Total Permits Issued	1,917	1,700	1,700	1,700
Total Permit Fees & Licenses (in thousands)	\$ 1,661	\$ 1,595	\$ 1,533	\$ 1,626

# Building Inspection Department



## EXPENDITURE SUMMARY

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted	% Change 2023 to 2024
Personnel Services	\$ 612,916	\$ 715,916	\$ 692,875	\$ 761,939	6.43%
Supplies & Equipment	6,518	9,856	7,993	7,806	-20.80%
Services & Charges	109,513	148,705	138,550	147,755	-0.64%
Capital Outlay	-	-	-	-	0.00%
<b>Total Department</b>	<b>\$ 728,947</b>	<b>\$ 874,477</b>	<b>\$ 839,418</b>	<b>\$ 917,500</b>	<b>4.92%</b>



## EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2022 Budget	FY2023 Budget	FY2024 Budget
Assistant Director of Town Services	E-1	1.0	0.0	0.0
Director of Development Services	E-1	0.0	1.0	1.0
Senior Building Inspector	7	1.0	0.0	0.0
Building Inspector	6	1.0	2.0	2.0
Development Services Coordinator	6	0.0	1.0	0.0
Plans Examiner	4	1.0	0.0	1.0
Building Permit Technician	3	1.0	1.0	1.0
<b>Total Employees</b>		<b>5.0</b>	<b>5.0</b>	<b>5.0</b>

# Information Technology Department



## DEPARTMENT DESCRIPTION

The Information Technology (IT) Department facilitates the organization of Information Technology throughout the Town; leverages emerging technologies to reduce cost, limits growth in the workforce, improves services to citizens and employees; provides the most innovative and cost-effective technology services; continually endeavors to identify and mitigate cybersecurity risks. The IT budget includes the personnel cost associated with the IT Manager position, necessary supplies and system-wide associated costs for network connectivity and network user support.

## ACCOMPLISHMENTS FOR FISCAL YEAR 2023

- ❖ Migrated Town's information systems to new data center server core
- ❖ Upgraded Town's identity management platform.
- ❖ Deployed Open Records Public Website
- ❖ Completed annual replacement of departmental computers as scheduled

## OBJECTIVES FOR FISCAL YEAR 2024

- ❖ Replace network infrastructure that has reached the end of its useful life
- ❖ Acquire a new uninterruptible power supply and locate the new unit in the server room freeing up space in the engine bay
- ❖ Replace video surveillance system
- ❖ Conduct third party security testing
- ❖ Complete department network upgrades and computer replacements as scheduled
- ❖ Minimize operational disruption to users of the Town's network system and enterprise

## MAJOR BUDGET ITEMS

- ❖ Managed service agreement (\$220,856)
- ❖ Microsoft enterprise agreement (\$74,800)

## PERFORMANCE INDICATORS

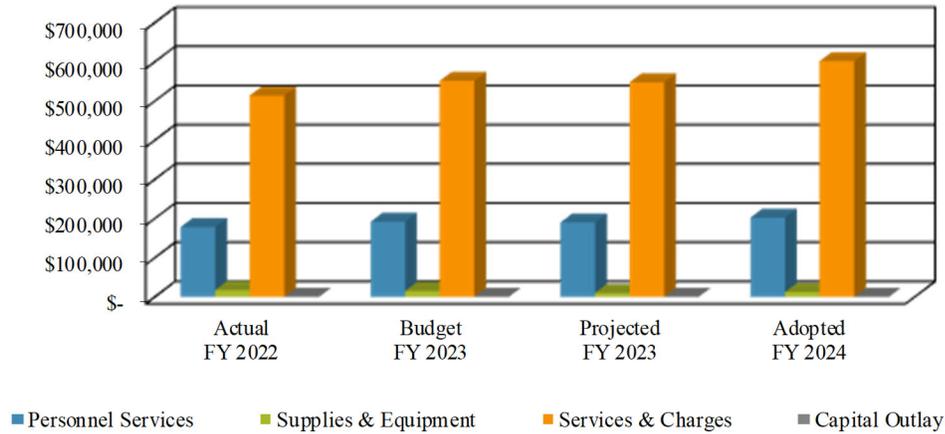
	<b>FY2021 Actual</b>	<b>FY2022 Actual</b>	<b>FY2023 Projected</b>	<b>FY2024 Projected</b>
<b>Help Desk Support</b>				
Support Requests	1,314	1,428	1,422	1,259
Service Hours	1,551	1,391	1,378	1,266
<b>Network Uptime</b>	99%	99%	99%	99%
<b>Application Uptime</b>	99%	99%	99%	99%

# Information Technology Department



## EXPENDITURE SUMMARY

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted	% Change 2023 to 2024
Personnel Services	\$ 178,405	\$ 191,958	\$ 190,222	\$ 202,370	5.42%
Supplies & Equipment	17,605	15,500	9,953	12,650	-18.39%
Services & Charges	513,899	551,478	547,654	601,743	9.11%
Capital Outlay	-	-	-	-	0.00%
<b>Total Department</b>	<b>\$ 709,909</b>	<b>\$ 758,936</b>	<b>\$ 747,829</b>	<b>\$ 816,763</b>	<b>7.62%</b>



## EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2022 Budget	FY2023 Budget	FY2024 Budget
Information Technology Manager	E	1.0	1.0	1.0
<b>Total Employees</b>		<b>1.0</b>	<b>1.0</b>	<b>1.0</b>

# Non-Departmental



## DEPARTMENT DESCRIPTION

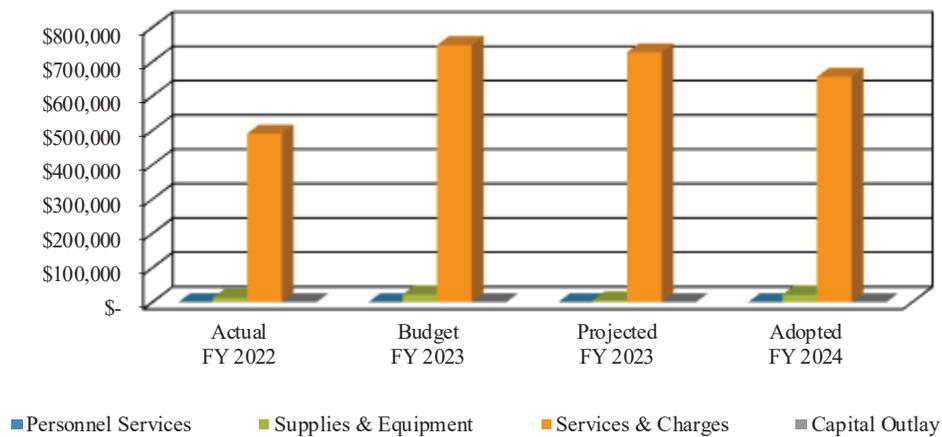
As a means of setting aside funds for expenditures that are not associated with a unique departmental budget, a Non-Departmental cost center is created in the General Fund. Expenditures that can be considered Town-wide or that may have an inherent public policy nature have been included in this cost center.

## MAJOR BUDGET ITEMS

- ❖ Texas Municipal Retirement System supplemental contributions (\$205,000)
- ❖ Work Order System (\$50,000)
- ❖ Dallas Central Appraisal District (\$67,645)
- ❖ Website Consulting and Maintenance (\$30,600)
- ❖ Racial profiling reporting and Court data monitoring (\$42,350)
- ❖ Health Insurance Consulting (\$30,000)

## EXPENDITURE SUMMARY

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted	% Change 2023 to 2024
Personnel Services	\$ -	\$ -	\$ -	\$ -	0.00%
Supplies & Equipment	13,150	22,713	5,382	22,463	-1.10%
Services & Charges	491,253	748,679	728,119	656,413	-12.32%
Capital Outlay	-	-	-	-	0.00%
<b>Total Department</b>	<b>\$ 504,403</b>	<b>\$ 771,392</b>	<b>\$ 733,501</b>	<b>\$ 678,876</b>	<b>-11.99%</b>



# Transfer to Other Funds



## DEPARTMENT DESCRIPTION

This Budget provides for a transfer of \$4,712,080 in current revenues to the Capital Projects Fund as part of the Town’s pay-as-you-go philosophy towards funding the capital improvement plan. This transfer is made possible through increases in taxable assessed values coupled with the Town approving a tax rate at the Voter Approval Rate.

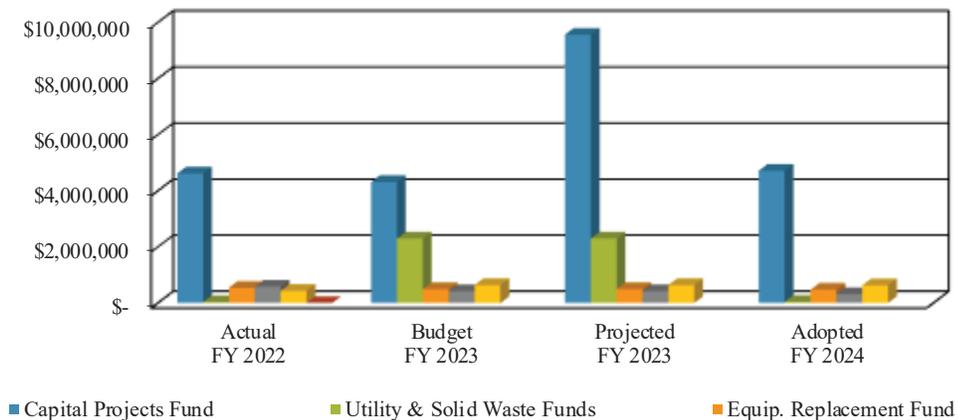
Other transfers include:

- ❖ Transfers to the Equipment Replacement Fund for future asset acquisition (\$472,000)
- ❖ Transfers to the Technology Replacement Fund for future asset acquisition and upgrades (\$315,598)
- ❖ Transfer to the Building Maintenance & Investment Fund representing the General Fund’s share of Building Maintenance costs (\$627,600)
- ❖ Transfer to the Solid Waste Fund to assist with funding the Household Hazardous Waste program (\$41,600)

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.

## TRANSFER SUMMARY

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted	% Change 2023 to 2024
Capital Projects Fund	\$4,620,426	\$4,311,570	\$ 9,561,570	\$4,712,080	9.29%
Utility & Solid Waste Funds	27,500	2,293,939	2,293,939	41,600	-98.19%
Equip. Replacement Fund	540,000	497,000	497,000	472,000	-5.03%
Tech. Replacement Fund	579,927	418,781	418,781	315,598	-24.64%
Bldg. Maintenance Fund	432,100	636,246	636,246	627,600	-1.36%
<b>Total Department</b>	<b>\$6,199,953</b>	<b>\$8,157,536</b>	<b>\$13,407,536</b>	<b>\$6,168,878</b>	<b>-24.38%</b>



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## **UTILITY FUND**

The Utility Fund is the financial structure used for the accounting of providing water and sanitary sewer service to the residents of the Town and the billing and collection of charges to customers to pay for said services.

### **Basis of Accounting**

The basis of accounting for the Utility Fund is the accrual basis with the budgetary basis being modified accrual. As part of the budgetary basis, capital purchases are reported as expenditures and depreciation and bad debt expenses are not included in budgeted expenditures.

## UTILITY FUND OVERVIEW

The determination of the revenues necessary to fund the various services for FY 2023-24 begins with the calculation of total costs associated with services provided, as well as, anticipated capital improvements to be funded through water and wastewater rates. Program revenue, not generated through water and wastewater rates, are netted against anticipated costs for the upcoming fiscal year leaving the amount of costs to be recovered through water and wastewater rates (the “revenue requirement”). The Town maintains a rate structure that is tiered based on the amount of water consumed. Projected water consumption for the upcoming fiscal year is determined based on historical averages. By applying the projected consumption for the upcoming fiscal year to the Town’s rate structure, rates necessary to generate the annual revenue requirement can be determined. For FY 2023-24, an adjustment of 7.55 was made to the rate structure for water and a 3.0 % adjustment was made for wastewater. The last time the Town increased its rate structure occurred in FY 2022-23 when an adjustment of 7% was made for water and 3% for wastewater.

- **Licenses and Permits**

By ordinance, the Town requires 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 \$8,397,746 a \$694,566 or 9.0% increase from the FY 2022-23 Adopted Budget. The Town anticipates selling 942,145,000 gallons of water during fiscal year 2023-24.

The schedule in the Appendix/Historical Revenue and Expenditure Data reflects water sales (per 1,000 gallons) by category of use for the past ten (10) fiscal years.

### *Wastewater*

The projected revenues from wastewater charges amount to \$3,064,870 or about a 2.3% increase from the FY 2022-23 Adopted Budget.

- **Miscellaneous**

Charges for meter replacements/installations are projected to be \$31,856, which is comparable to the amount generated during FY 2022-23.

Interest earnings are projected to be higher for FY 2023-24 due to higher yields brought on by post pandemic federal funds rate increases by the Federal Reserve. Interest earnings within the Utility Fund are projected to be \$503,713 in FY 2023-24.

The total cost for Utility Fund services for FY 2023-24 is \$15,527,620 (excluding transfers out) which is \$3,516,890 more than the budget adopted for FY 2022-23. This increase is being primarily driven by the initiation of the Holland Elevated Storage Tank Replacement project within the Utility Fund this fiscal year.

Approximately 31.5% of the overall Utility Fund Budget is related to contractual costs associated with 1) the purchase of treated water for resale and Town use from the Dallas County Park Cities Municipal Utility District (contract expires April 2032); and Sanitary Sewer Treatment from Dallas Water Utilities (contract expires February 2044).

Another significant portion of both the budget for FY 2023-24, as well as the work program associated with it, relates to the maintenance and/or replacement of the Town's water and wastewater system infrastructure. Since 1990, the Town has chosen to fund water and wastewater system infrastructure maintenance/replacement with current revenues. This Adopted Budget provides \$2,973,107 from utility service revenues to fund the projects selected for FY 2023-24. The remainder of the \$7,950,000 allocated for capital projects during FY 2023-24 is derived from accumulated resources in fund balance.

The Utility Fund will also contribute \$1,423,600 to the General Fund for reimbursement of general & administrative costs for FY 2023-24. Additionally, the Utility Fund will provide \$578,502 in funding of the Town's annual right-of-way maintenance/rehabilitation program. This amount represents 5% of water and wastewater sales, a right-of-way use fee, and is reported as an inter-fund transfer to the Capital Projects Fund.

For more information concerning the Town's infrastructure maintenance and replacement program, please refer to the Capital Improvement Program on page 131.

**UTILITY FUND**  
**STATEMENT OF REVENUES & EXPENSES BY DEPARTMENT**

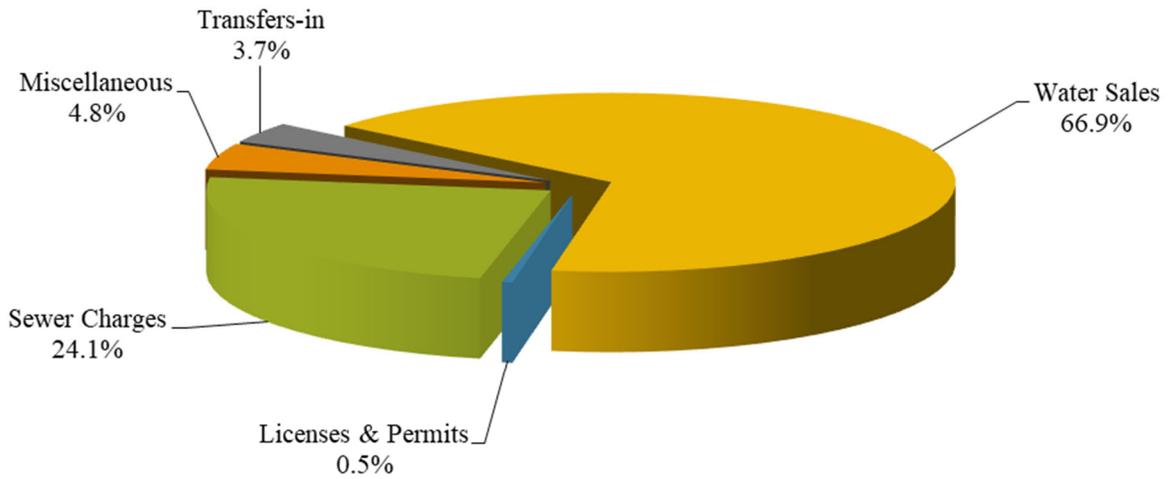
	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted
<b>BEGINNING FUND BALANCE</b>	\$ 6,317,461	\$ 6,510,485	\$ 7,754,239	\$ 10,099,572
<b>REVENUES/SOURCES OF FUNDS</b>				
Licenses & Permits	\$ 61,020	\$ 65,206	\$ 58,496	\$ 63,006
Charges for Services	11,082,285	10,864,834	11,435,429	11,611,453
Fines & Forfeits	67,986	61,577	62,597	63,482
Miscellaneous	731,051	79,681	523,039	506,723
<b>Total Revenues</b>	<b>\$ 11,942,342</b>	<b>\$ 11,071,298</b>	<b>\$ 12,079,561</b>	<b>\$ 12,244,664</b>
<b>Other Sources:</b>				
Transfers In	\$ 364,300	\$ 2,624,472	\$ 2,624,472	\$ 474,500
<b>Total Other Sources</b>	<b>\$ 364,300</b>	<b>\$ 2,624,472</b>	<b>\$ 2,624,472</b>	<b>\$ 474,500</b>
<b>Total Revenues/Sources</b>	<b>\$ 12,306,642</b>	<b>\$ 13,695,770</b>	<b>\$ 14,704,033</b>	<b>\$ 12,719,164</b>
<b>EXPENSES - BY DEPARTMENT</b>				
Utility Customer Service Department	\$ 477,590	\$ 497,101	\$ 426,575	\$ 461,735
Water Department	5,589,134	7,705,470	5,994,765	12,624,338
Sanitary Sewer Department	2,271,291	3,010,257	3,118,785	1,576,598
Engineering Department	602,236	797,902	800,445	864,949
<b>Total Expenses</b>	<b>\$ 8,940,251</b>	<b>\$ 12,010,730</b>	<b>\$ 10,340,570</b>	<b>\$ 15,527,620</b>
<b>Other Uses:</b>				
Transfers Out	\$ 1,929,613	\$ 2,018,130	\$ 2,018,130	\$ 2,168,437
<b>Total Other Uses</b>	<b>\$ 1,929,613</b>	<b>\$ 2,018,130</b>	<b>\$ 2,018,130</b>	<b>\$ 2,168,437</b>
<b>Total Expenses/Uses</b>	<b>\$ 10,869,864</b>	<b>\$ 14,028,860</b>	<b>\$ 12,358,700</b>	<b>\$ 17,696,057</b>
<b>Excess (Deficiency) of Revenues/Sources over Expenses/Uses</b>	<b>\$ 1,436,778</b>	<b>\$ (333,090)</b>	<b>\$ 2,345,333</b>	<b>\$ (4,976,893)</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 7,754,239</b>	<b>\$ 7,421,149</b>	<b>\$ 10,099,572</b>	<b>\$ 5,122,679</b>
<b>Ideal Fund Balance</b>	<b>\$ 1,912,729</b>	<b>\$ 2,054,002</b>	<b>\$ 2,084,599</b>	<b>\$ 2,291,889</b>
<b>Fund Balance in Excess of Minimum</b>	<b>\$ 5,841,510</b>	<b>\$ 5,367,148</b>	<b>\$ 8,014,973</b>	<b>\$ 2,830,790</b>

**UTILITY FUND  
STATEMENT OF REVENUES & EXPENSES BY TYPE**

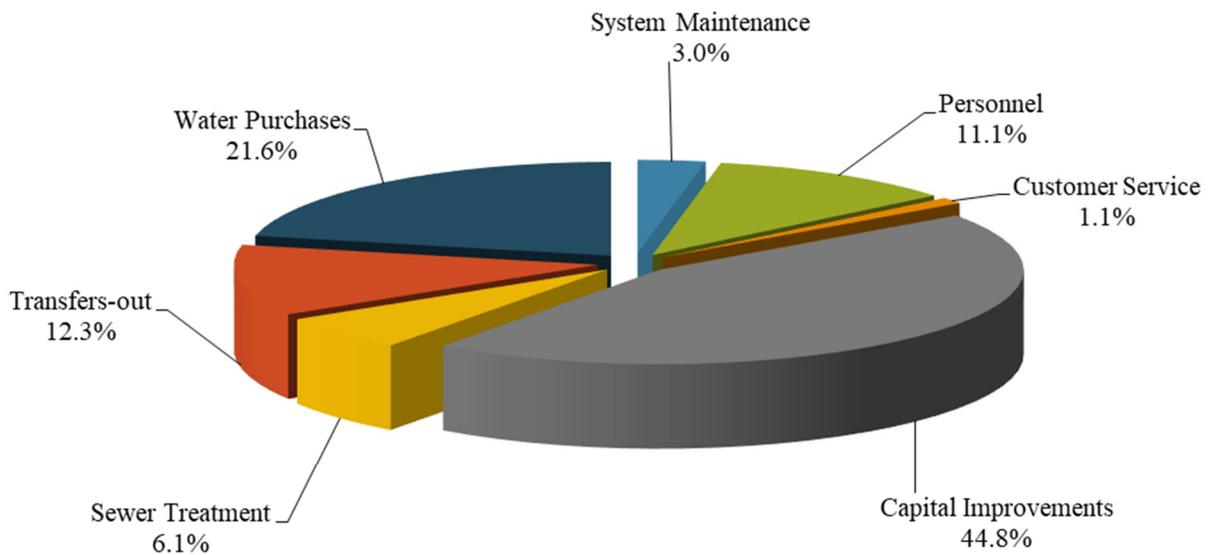
	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted
<b>BEGINNING FUND BALANCE</b>	\$ 6,317,461	\$ 6,510,485	\$ 7,754,239	\$ 10,099,572
<b>REVENUES/SOURCES OF FUNDS</b>				
Licenses & Permits	\$ 61,020	\$ 65,206	\$ 58,496	\$ 63,006
Charges for Services	11,082,285	10,864,834	11,435,429	11,611,453
Fines & Forfeits	67,986	61,577	62,597	63,482
Miscellaneous	731,051	79,681	523,039	506,723
<b>Total Revenues</b>	<b>\$ 11,942,342</b>	<b>\$ 11,071,298</b>	<b>\$ 12,079,561</b>	<b>\$ 12,244,664</b>
<b>Other Sources:</b>				
Transfers In	\$ 364,300	\$ 2,624,472	\$ 2,624,472	\$ 474,500
<b>Total Other Sources</b>	<b>\$ 364,300</b>	<b>\$ 2,624,472</b>	<b>\$ 2,624,472</b>	<b>\$ 474,500</b>
<b>Total Revenues/Sources</b>	<b>\$ 12,306,642</b>	<b>\$ 13,695,770</b>	<b>\$ 14,704,033</b>	<b>\$ 12,719,164</b>
<b>EXPENSES - BY TYPE</b>				
Personnel Services				
Payroll	\$ 1,159,468	\$ 1,436,014	\$ 1,353,725	\$ 1,457,615
Payroll Taxes	80,812	105,421	92,903	106,269
Retirement	104,654	171,389	151,191	189,672
Insurance	175,031	194,690	191,738	206,446
<b>Total Personnel</b>	<b>\$ 1,519,965</b>	<b>\$ 1,907,514</b>	<b>\$ 1,789,557</b>	<b>\$ 1,960,002</b>
Supplies & Equipment	3,056,663	3,253,222	3,550,629	4,067,164
Services & Charges	1,671,658	1,570,794	1,550,384	1,550,454
Capital Outlay	2,691,966	5,279,200	3,450,000	7,950,000
<b>Total Expenses</b>	<b>\$ 8,940,252</b>	<b>\$ 12,010,730</b>	<b>\$ 10,340,570</b>	<b>\$ 15,527,620</b>
<b>Other Uses:</b>				
Transfers Out	\$ 1,929,613	\$ 2,018,130	\$ 2,018,130	\$ 2,168,437
<b>Total Other Uses</b>	<b>\$ 1,929,613</b>	<b>\$ 2,018,130</b>	<b>\$ 2,018,130</b>	<b>\$ 2,168,437</b>
<b>Total Expenses/Uses</b>	<b>\$ 10,869,865</b>	<b>\$ 14,028,860</b>	<b>\$ 12,358,700</b>	<b>\$ 17,696,057</b>
<b>Excess (Deficiency) of Revenues/Sources over Expenses/Uses</b>	<b>\$ 1,436,777</b>	<b>\$ (333,090)</b>	<b>\$ 2,345,333</b>	<b>\$ (4,976,893)</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 7,754,239</b>	<b>\$ 7,421,149</b>	<b>\$ 10,099,572</b>	<b>\$ 5,122,679</b>
<b>Ideal Fund Balance</b>	<b>\$ 1,912,729</b>	<b>\$ 2,054,002</b>	<b>\$ 2,084,599</b>	<b>\$ 2,291,889</b>
<b>Fund Balance in Excess of Minimum</b>	<b>\$ 5,841,510</b>	<b>\$ 5,367,148</b>	<b>\$ 8,014,973</b>	<b>\$ 2,830,790</b>

# UTILITY FUND

## BUDGETED REVENUES & SOURCES BY TYPE



## BUDGETED EXPENSES AND USES BY TYPE



**UTILITY FUND  
STATEMENT OF REVENUES**

	<b>FY 2022 Actual</b>	<b>FY 2023 Budget</b>	<b>FY 2023 Projected</b>	<b>FY 2024 Adopted</b>
<b>Licenses &amp; Permits</b>				
Plumbing Permits	\$ 61,020	\$ 65,206	\$ 58,496	\$ 63,006
<i>Subtotal</i>	<b>\$ 61,020</b>	<b>\$ 65,206</b>	<b>\$ 58,496</b>	<b>\$ 63,006</b>
<b>Charges For Services</b>				
Water Sales	\$ 7,944,859	\$ 7,703,180	\$ 8,256,258	\$ 8,397,746
Inter-Dept Water Sales	162,939	121,374	184,465	110,977
Sewer Charges	2,929,541	2,997,300	2,965,321	3,064,870
Meter Installation	37,700	37,718	23,025	31,856
Other Charges	7,246	5,262	6,360	6,004
<i>Subtotal</i>	<b>\$ 11,082,285</b>	<b>\$ 10,864,834</b>	<b>\$ 11,435,429</b>	<b>\$ 11,611,453</b>
<b>Fines &amp; Forfeits</b>				
Late Payment Penalties	\$ 67,986	\$ 61,577	\$ 62,597	\$ 63,482
<i>Subtotal</i>	<b>\$ 67,986</b>	<b>\$ 61,577</b>	<b>\$ 62,597</b>	<b>\$ 63,482</b>
<b>Miscellaneous</b>				
Interest	\$ 77,570	\$ 77,481	\$ 513,782	\$ 503,713
Sale of Assets	-	-	-	-
Contributions	639,000	-	-	-
Miscellaneous	14,481	2,200	9,257	3,010
<i>Subtotal</i>	<b>\$ 731,051</b>	<b>\$ 79,681</b>	<b>\$ 523,039</b>	<b>\$ 506,723</b>
<b>Total Revenues</b>	<b>\$ 11,942,342</b>	<b>\$ 11,071,298</b>	<b>\$ 12,079,561</b>	<b>\$ 12,244,664</b>

# Utility Customer Service Department



## DEPARTMENT DESCRIPTION

The Utility Customer Service Department is responsible for the administration of the billing and collection of payment for water, sanitary sewer, and sanitation services in accordance with rates set by the Town Council. Other services managed by the department include annual animal licensing, tennis and swim permit sales. This department serves as the Town's main telephone operator, providing prompt and courteous service by addressing questions and concerns of citizens and visitors.

## ACCOMPLISHMENTS FOR FISCAL YEAR 2023

- ❖ Maintained the delivery of quality services to citizens through effective management and efficient administration of Town utility services
- ❖ Continued monthly consumption analysis, identifying abnormal consumption based on historical data, using electronic readings to identify the time and date of consumption
- ❖ Managed online sales of tennis and annual/daily swim permits in CivicRec
- ❖ Continued promotion of the WaterSmart Customer Portal to consumers, emphasizing the availability of personal consumption data and monitoring options through one-on-one conversations
- ❖ Provided an online method for the submission of Annual Animal Registration
- ❖ Provided a simplified method for residents to register for the Watersmart Portal
- ❖ Added monthly event messaging to E-bills

## OBJECTIVES FOR FISCAL YEAR 2024

- ❖ Ensure the continued delivery of quality services to citizens through effective management and efficient administration of Town utility services
- ❖ Continue monthly consumption analysis, identifying abnormal consumption based on historical consumption using electronic readings to identify the time and date of consumption
- ❖ Continue promotion of the WaterSmart Customer Portal through one-on-one conversations, group messaging and marketing opportunities in order to increase registration and participation
- ❖ Continue to utilize the WaterSmart portal to communicate informative messages
- ❖ Pursue an online method for submission of application for Water and Sanitation Services

## PERFORMANCE INDICATORS

	FY2021 Actual	FY2022 Actual	FY2023 Projected	FY2024 Projected
<b>Utility Service</b>				
WaterSmart Participation	57.2%	59.0%	58.0%	61.0%
WaterSmart Leak Alerts	14,145*	6,532	7,702	7,117
New Deposits (#)	359	247	237	242
Service Requests Processed	4,130	3,337	3,879	3,608
Percent of Survey Responses with a Superior Rating for Employee Knowledge and Timely Request Processing	94.9%	92.5%	95.2%	93.9%
<b>Billing &amp; Payment Options</b>				
Bills Prepared	36,689	35,495	35,093	34,801
E-Bills Prepared	4,117	5,227	5,846	6,138
Bank Draft Customers (recurring)	1,470	1,502	1,499	1,574
Credit Card Draft Customers (recurring)	343	423	505	530

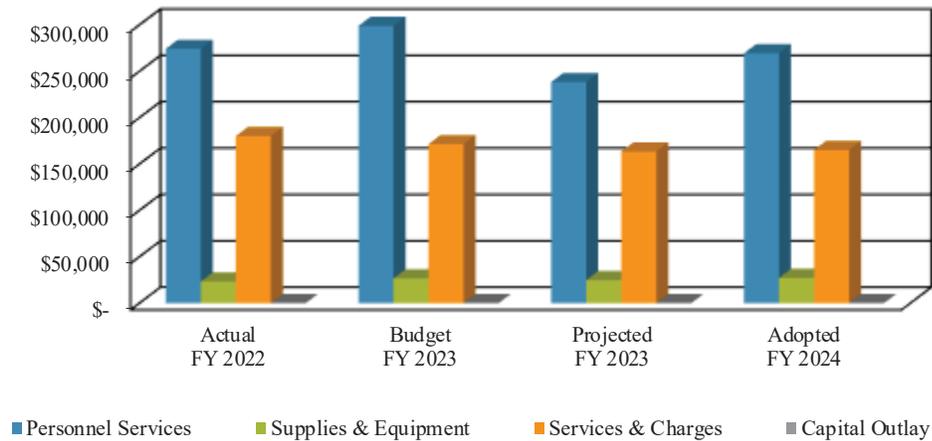
\* Impacted by Winter Storm Uri

# Utility Customer Service Department



## EXPENDITURE SUMMARY

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted	% Change 2023 to 2024
Personnel Services	\$ 274,155	\$ 299,020	\$ 238,319	\$ 269,466	-9.88%
Supplies & Equipment	\$ 23,232	\$ 26,652	\$ 24,720	\$ 27,184	2.00%
Services & Charges	\$ 180,203	\$ 171,429	\$ 163,536	\$ 165,085	-3.70%
Capital Outlay	\$ -	\$ -	\$ -	\$ -	-
<b>Total Department</b>	<b>\$ 477,590</b>	<b>\$ 497,101</b>	<b>\$ 426,575</b>	<b>\$ 461,735</b>	<b>-7.11%</b>



## EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2022 Budget	FY2023 Budget	FY2024 Budget
Customer Service Supervisor	6	1.0	1.0	1.0
Customer Service Specialist II	3	2.0	2.0	2.0
<b>Total Employees</b>		<b>3.0</b>	<b>3.0</b>	<b>3.0</b>




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## DEPARTMENT DESCRIPTION

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The Water Department is responsible for providing the Town with a reliable supply of potable water. The maintenance of the water distribution system includes over 40 miles of water mains, 262 fire hydrants, one 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.

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## ACCOMPLISHMENTS FOR FISCAL YEAR 2023

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- ❖ Conducted routine maintenance on the Town’s water system
- ❖ Conducted National Fire Protection Association (NFPA) flow testing on all hydrants in the Town
- ❖ Continued the replacement of aging water lines through the Town’s CIP program
- ❖ Continued replacement of water meters

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## OBJECTIVES FOR FISCAL YEAR 2024

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- ❖ Conduct routine maintenance on the Town’s water system
- ❖ Provide funding for infrastructure replacement program through the water rate structure
- ❖ Continue the Town’s meter replacement program
- ❖ Continue NFPA annual flow testing on all hydrants in the Town

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## MAJOR BUDGET ITEMS

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- ❖ Purchase of treated water from the Dallas County Park Cities Municipal Utility District at an anticipated cost of \$3,820,000
- ❖ Holland Elevated Storage Tank replacement (\$7,600,000)
- ❖ Annual funding for the design of water and sanitary sewer infrastructure replacement and maintenance (\$175,000)

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## PERFORMANCE INDICATORS

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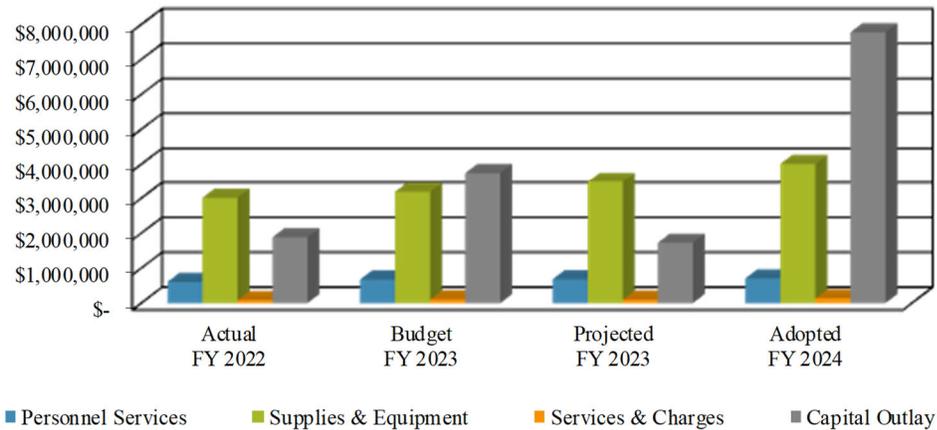
	<b>FY2021 Actual</b>	<b>FY2022 Actual</b>	<b>FY2023 Projected</b>	<b>FY2024 Projected</b>
Water Meters Installed/Replaced	334	326	276	300
Percent of Survey Responses with a Superior Rating for Employee Knowledge and Timely Request Processing	88.2%	88.7%	89.9%	89.0%

# Water Department



## EXPENDITURE SUMMARY

	<b>FY 2022 Actual</b>	<b>FY 2023 Budget</b>	<b>FY 2023 Projected</b>	<b>FY 2024 Adopted</b>	<b>% Change 2023 to 2024</b>
Personnel Services	\$ 605,257	\$ 672,986	\$ 682,100	\$ 703,925	4.60%
Supplies & Equipment	3,012,102	3,187,151	3,488,190	4,008,083	25.76%
Services & Charges	85,936	103,233	99,475	137,330	33.03%
Capital Outlay	1,885,839	3,742,100	1,725,000	7,775,000	107.77%
<b>Total Department</b>	<b>\$5,589,134</b>	<b>\$7,705,470</b>	<b>\$5,994,765</b>	<b>\$12,624,338</b>	<b>63.84%</b>



## EMPLOYEE CLASSIFICATION & PAY GRADE

<b>Classification</b>	<b>Grade</b>	<b>FY2022 Budget</b>	<b>FY2023 Budget</b>	<b>FY2024 Budget</b>
Superintendent	8	0.0	1.0	1.0
Foreman	8	1.0	0.0	0.0
Public Works Coordinator	5	1.0	1.0	1.0
Public Works Maintenance Worker III	4	3.0	3.0	3.0
<b>Total Employees</b>		<b>5.0</b>	<b>5.0</b>	<b>5.0</b>

# Sanitary Sewer Department




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## 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 approximately 37 miles sewer mains serving 3,200 customers and approximately 500 manholes. The Town contracts with Dallas Water Utilities for the treatment of wastewater.

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## ACCOMPLISHMENTS FOR FISCAL YEAR 2023

- ❖ Sanitary sewer collection system maintained, keeping service interruptions to a minimum
- ❖ Continued Town's program of systematically flushing sanitary sewer lines twice annually
- ❖ Continued to address inflow and infiltration (I&I) through infrastructure maintenance and replacement
- ❖ Approved new watertight manholes to mitigate I&I and overflow

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## OBJECTIVES FOR FISCAL YEAR 2024

- ❖ Decrease I&I into the wastewater collection system
- ❖ Complete infrastructure improvements to the Sanitary Sewer System to reduce or eliminate overflows
- ❖ Replace 10 existing manhole lids and rings with new watertight lids and rings
- ❖ Continue Town's program of systematically flushing and cleaning sanitary sewer mains

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## MAJOR BUDGET ITEMS

- ❖ Annual wastewater treatment expense (\$1,118,772)
- ❖ Annual funding for the design of water and wastewater infrastructure replacement and maintenance (\$175,000)

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## PERFORMANCE INDICATORS

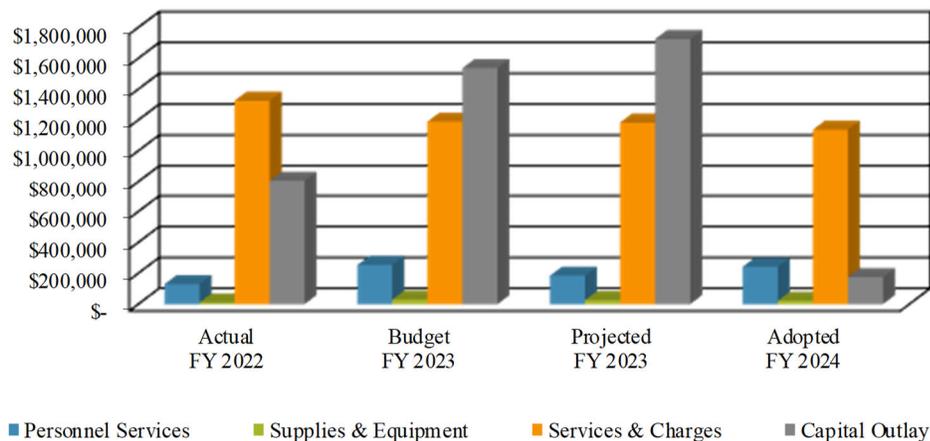
	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Projected</b>
Service Calls	30	49	20	40
Sewer Mains Cleaned (Flushed)	383	486	600	600
Percent of Survey Responses with a Superior Rating for Employee Knowledge and Timely Request Processing	88.9%	80.0%	89.6%	89.0%

# Sanitary Sewer Department



## EXPENDITURE SUMMARY

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted	% Change 2023 to 2024
Personnel Services	\$ 129,574	\$ 254,518	\$ 184,985	\$ 242,574	-4.69%
Supplies & Equipment	10,763	29,107	26,007	21,685	-25.50%
Services & Charges	1,324,827	1,189,532	1,182,793	1,137,339	-4.39%
Capital Outlay	806,127	1,537,100	1,725,000	175,000	-88.61%
<b>Total Department</b>	<b>\$2,271,291</b>	<b>\$3,010,257</b>	<b>\$3,118,785</b>	<b>\$1,576,598</b>	<b>-47.63%</b>



## EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2022 Budget	FY2023 Budget	FY2024 Budget
Public Works Maintenance Worker III	4	2.0	2.0	2.0
<b>Total Employees</b>		<b>2.0</b>	<b>2.0</b>	<b>2.0</b>



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## DEPARTMENT DESCRIPTION

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The Engineering department is responsible for the planning, design, construction and inspection of capital improvement projects for the Town. Projects include roadway reconstruction and rehabilitation, waterline and wastewater line replacement, and drainage improvements. The department is also responsible for floodplain management, traffic control, and Geographic Information System Mapping.

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## ACCOMPLISHMENTS FOR FISCAL YEAR 2023

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- ❖ Met annual objectives and reporting requirements to state and federal agencies
- ❖ Awarded water and sewer projects in the amount of \$3.1 million
- ❖ Completed 21,750 linear feet of smoke testing in connection with the Sanitary Sewer Overflow Initiative
- ❖ Completed the construction of Abbott Avenue and Sewanee Avenue Rehabilitation project
- ❖ Completed the construction of Phase II Drainage Easement Improvements project
- ❖ Completed the design of Potomac Avenue from Key Street to Hillcrest Avenue Reconstruction project
- ❖ Completed the construction of Lakeside Drive Reconstruction project
- ❖ Completed approximately 478,000 SF of pavement preservation
- ❖ Completed approximately 14,000 SY of asphalt resurfacing
- ❖ Completed the 2022 Traffic Signal Upgrades

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## OBJECTIVES FOR FISCAL YEAR 2024

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- ❖ Comply with the annual reporting requirements for state and federal agencies
- ❖ Continue street rehabilitation program and repair/replace sidewalks, curbs and install ADA ramps
- ❖ Complete construction of the water and sewer main replacement projects in the amount of \$3.1 million
- ❖ Complete bid, award, and begin construction of the replacement of the Holland Elevated Storage Tank
- ❖ Complete Phase II of the Stormwater Master Plan
- ❖ Complete construction of Mockingbird Lane Reconstruction project from Westside Drive to Eastern Avenue
- ❖ Complete the design of Phase I for Hackberry Creek project
- ❖ Complete bid, award and construction of Potomac/Auburndale Avenue Reconstruction project from Key Street to Hillcrest Avenue
- ❖ Complete the 2023 Traffic Signal Upgrades
- ❖ Complete design, bid, award and dredging of Exall Lake

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## PERFORMANCE INDICATORS

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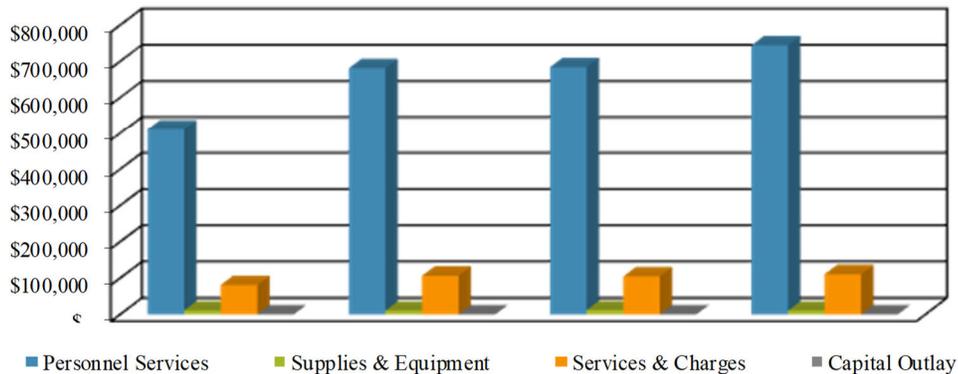
	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Projected</b>
Sanitary Sewer Overflows	0	2	0	0
Street Resurfacing (Linear Feet)	8,100	6,400	3,300	8,000
Water Main Replacement (Linear Feet)	1,000	5,234	2,200	2,500
Sanitary Sewer Main Replacement (Linear Feet)	3,400	5,044	3,300	2,500

# Engineering Department



## EXPENDITURE SUMMARY

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted	% Change 2023 to 2024
Personnel Services	\$ 510,979	\$ 680,990	\$ 684,153	\$ 744,037	9.26%
Supplies & Equipment	10,566	10,312	11,712	10,212	-0.97%
Services & Charges	80,691	106,600	104,580	110,700	3.85%
Capital Outlay	-	-	-	-	-
<b>Total Department</b>	<b>\$ 602,236</b>	<b>\$ 797,902</b>	<b>\$ 800,445</b>	<b>\$ 864,949</b>	<b>8.40%</b>



## EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2022 Budget	FY2023 Budget	FY2024 Budget
Director of Engineering	E-3	1.0	1.0	1.0
Asst. Dir. of Engineering & PW	E	0.0	1.0	1.0
Project Coordinator	5	1.0	0.0	0.0
Construction Inspector	5	1.0	1.0	1.0
Engineering Tech	5	1.0	0.0	0.0
Project Manager	5	0.0	1.0	1.0
<b>Total Employees</b>		<b>4.0</b>	<b>4.0</b>	<b>4.0</b>

# Transfer to Other Funds

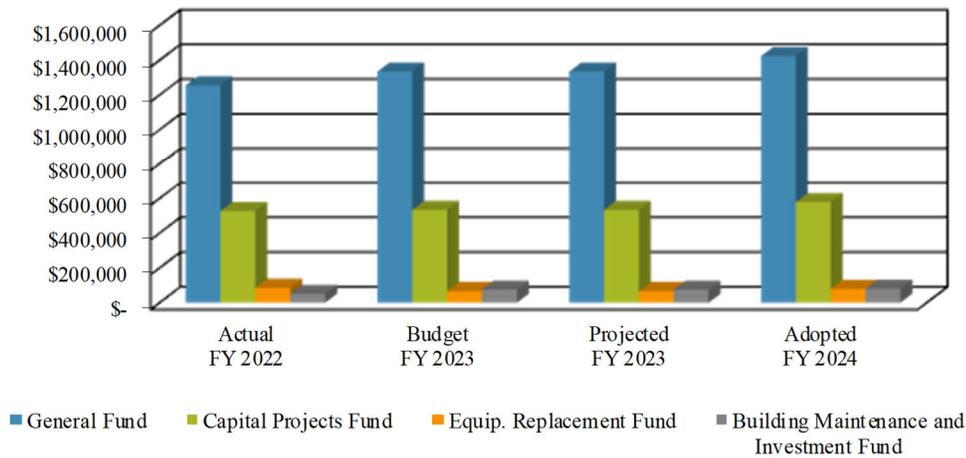


## DEPARTMENT DESCRIPTION

This Budget provides for the transfer of \$2,168,437 from the Utility Fund to other funds. Included is a transfer of \$1,423,600 to the General Fund for G&A cost reimbursement, \$578,502 to the Capital Projects Fund, representing the right-of-way use fee, which is 5% on water and sanitary sewer sales, and funding for the Fund's share of Equipment Replacement, Technology Replacement and Building Maintenance & Investment Funds.

## TRANSFER SUMMARY

	<b>FY 2022 Actual</b>	<b>FY 2023 Budget</b>	<b>FY 2023 Projected</b>	<b>FY 2024 Adopted</b>	<b>% Change 2023 to 2024</b>
General Fund	\$1,255,400	\$1,334,700	\$1,334,700	\$1,423,600	6.66%
Capital Projects Fund	526,983	533,654	533,654	578,502	8.40%
Equip. Replacement Fund	85,466	66,900	66,900	79,650	19.06%
Tech. Replacement Fund	10,864	7,676	7,676	5,785	-24.64%
Building Maintenance and Investment Fund	50,900	75,200	75,200	80,900	7.58%
<b>Total Department</b>	<b>\$1,929,613</b>	<b>\$2,018,130</b>	<b>\$2,018,130</b>	<b>\$2,168,437</b>	<b>7.45%</b>



## **SOLID WASTE FUND**

The Solid Waste Fund is the financial structure used for the accounting of providing sanitation collection service to the residents of the Town and the billing and collection of charges to customers to pay for said services.

### **Basis of Accounting**

The basis of accounting for the Solid Waste Fund is the accrual basis with the budgetary basis being modified accrual. As part of the budgetary basis, capital purchases are reported as expenditures and depreciation and bad debt expenses are not included in budgeted expenditures.

**SOLID WASTE FUND**  
**STATEMENT OF REVENUES & EXPENSES BY DEPARTMENT**

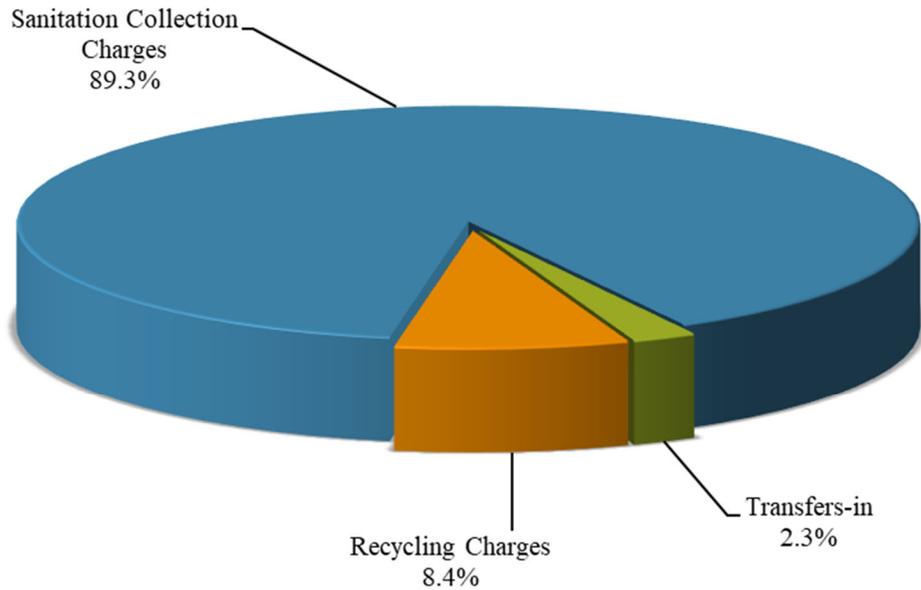
	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted
<b>BEGINNING FUND BALANCE</b>	\$ -	\$ 130,932	\$ 317,370	\$ 352,313
<b>REVENUES/SOURCES OF FUNDS</b>				
Charges for Services	1,592,654	1,688,228	1,670,975	1,754,793
Miscellaneous	3,486	3,737	22,174	19,490
<b>Total Revenues</b>	<b>\$ 1,596,140</b>	<b>\$ 1,691,965</b>	<b>\$ 1,693,149</b>	<b>\$ 1,774,283</b>
<b>Other Sources:</b>				
Transfers In	\$ 27,500	\$ 43,300	\$ 43,300	\$ 41,600
<b>Total Other Sources</b>	<b>\$ 27,500</b>	<b>\$ 43,300</b>	<b>\$ 43,300</b>	<b>\$ 41,600</b>
<b>Total Revenues/Sources</b>	<b>\$ 1,623,640</b>	<b>\$ 1,735,265</b>	<b>\$ 1,736,449</b>	<b>\$ 1,815,883</b>
<b>EXPENSES - BY DEPARTMENT</b>				
Sanitation Department	\$ 1,421,897	\$ 1,554,252	\$ 1,548,706	\$ 1,655,692
<b>Total Expenses</b>	<b>\$ 1,421,897</b>	<b>\$ 1,554,252</b>	<b>\$ 1,548,706</b>	<b>\$ 1,655,692</b>
<b>Other Uses:</b>				
Transfers Out	\$ 146,500	\$ 152,800	\$ 152,800	\$ 145,300
<b>Total Other Uses</b>	<b>\$ 146,500</b>	<b>\$ 152,800</b>	<b>\$ 152,800</b>	<b>\$ 145,300</b>
<b>Total Expenses/Uses</b>	<b>\$ 1,568,397</b>	<b>\$ 1,707,052</b>	<b>\$ 1,701,506</b>	<b>\$ 1,800,992</b>
<b>Excess (Deficiency) of Revenues/Sources over Expenses/Uses</b>	<b>\$ 55,243</b>	<b>\$ 28,213</b>	<b>\$ 34,943</b>	<b>\$ 14,891</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 317,370</b>	<b>\$ 159,145</b>	<b>\$ 352,313</b>	<b>\$ 367,204</b>
<b>Ideal Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Fund Balance in Excess of Minimum</b>	<b>\$ 317,370</b>	<b>\$ 159,145</b>	<b>\$ 352,313</b>	<b>\$ 367,204</b>

**SOLID WASTE FUND  
STATEMENT OF REVENUES & EXPENSES BY TYPE**

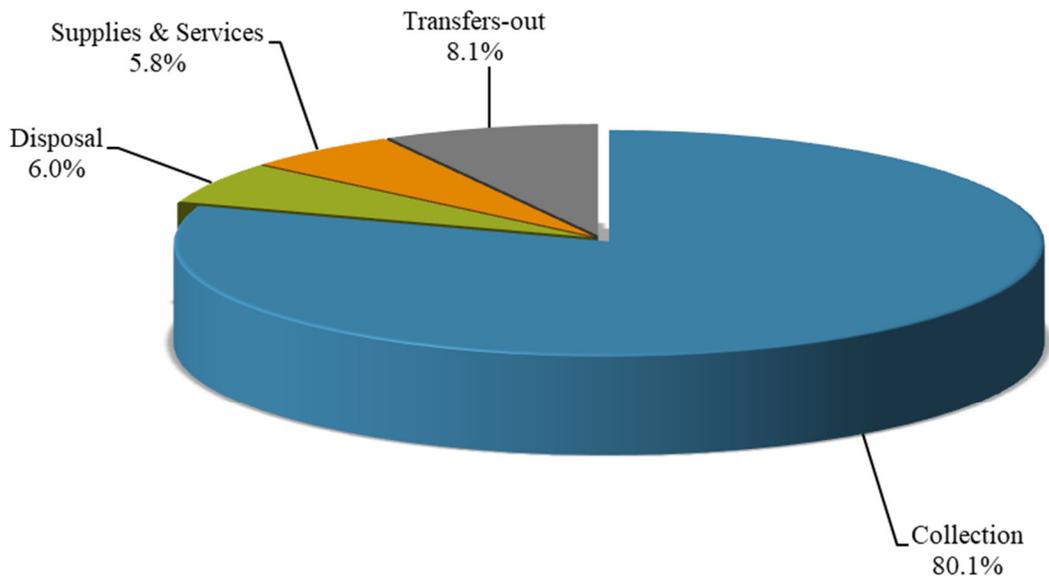
	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted
<b>BEGINNING FUND BALANCE</b>	\$ -	\$ 130,932	\$ 317,370	\$ 352,313
<b>REVENUES/SOURCES OF FUNDS</b>				
Charges for Services	1,592,654	1,688,228	1,670,975	1,754,793
Miscellaneous	3,486	3,737	22,174	19,490
<b>Total Revenues</b>	<b>\$ 1,596,140</b>	<b>\$ 1,691,965</b>	<b>\$ 1,693,149</b>	<b>\$ 1,774,283</b>
<b>Other Sources:</b>				
Transfers In	\$ 27,500	\$ 43,300	\$ 43,300	\$ 41,600
<b>Total Other Sources</b>	<b>\$ 27,500</b>	<b>\$ 43,300</b>	<b>\$ 43,300</b>	<b>\$ 41,600</b>
<b>Total Revenues/Sources</b>	<b>\$ 1,623,640</b>	<b>\$ 1,735,265</b>	<b>\$ 1,736,449</b>	<b>\$ 1,815,883</b>
<b>EXPENSES - BY TYPE</b>				
Supplies & Equipment	\$ 252	\$ 25,000	\$ 23,335	\$ 25,000
Services & Charges	1,421,645	1,529,252	1,525,371	1,630,692
Capital Outlay	-	-	-	-
<b>Total Expenses</b>	<b>\$ 1,421,897</b>	<b>\$ 1,554,252</b>	<b>\$ 1,548,706</b>	<b>\$ 1,655,692</b>
<b>Other Uses:</b>				
Transfers Out	\$ 146,500	\$ 152,800	\$ 152,800	\$ 145,300
<b>Total Other Uses</b>	<b>\$ 146,500</b>	<b>\$ 152,800</b>	<b>\$ 152,800</b>	<b>\$ 145,300</b>
<b>Total Expenses/Uses</b>	<b>\$ 1,568,397</b>	<b>\$ 1,707,052</b>	<b>\$ 1,701,506</b>	<b>\$ 1,800,992</b>
<b>Excess (Deficiency) of Revenues/Sources over Expenses/Uses</b>	<b>\$ 55,243</b>	<b>\$ 28,213</b>	<b>\$ 34,943</b>	<b>\$ 14,891</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 317,370</b>	<b>\$ 159,145</b>	<b>\$ 352,313</b>	<b>\$ 367,204</b>

# SOLID WASTE FUND

## BUDGETED REVENUES AND SOURCES BY TYPE



## BUDGETED EXPENSES AND USES BY TYPE



**SOLID WASTE FUND  
STATEMENT OF REVENUES**

	<b>FY 2022 Actual</b>	<b>FY 2023 Budget</b>	<b>FY 2023 Projected</b>	<b>FY 2024 Adopted</b>
<b>Charges For Services</b>				
Sanitation Collection Charges	\$ 1,457,271	\$ 1,544,711	\$ 1,527,932	\$ 1,604,727
Recycling Charges	135,383	143,517	143,043	150,066
Other Charges	-	-	-	-
<i>Subtotal</i>	<b>\$ 1,592,654</b>	<b>\$ 1,688,228</b>	<b>\$ 1,670,975</b>	<b>\$ 1,754,793</b>
<b>Miscellaneous</b>				
Interest	\$ 3,486	\$ 3,737	\$ 22,174	\$ 19,490
Miscellaneous	-	-	-	-
<i>Subtotal</i>	<b>\$ 3,486</b>	<b>\$ 3,737</b>	<b>\$ 22,174</b>	<b>\$ 19,490</b>
<b>Total Revenues</b>	<b>\$ 1,596,140</b>	<b>\$ 1,691,965</b>	<b>\$ 1,693,149</b>	<b>\$ 1,774,283</b>

# Sanitation Department



## DEPARTMENT DESCRIPTION

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

## ACCOMPLISHMENTS OF FISCAL YEAR 2023

- ❖ Provided a quick response to complaints
- ❖ Created a new pick-up route for Commercial Services
- ❖ Updated route and times for park trash pick up to keep up with demand
- ❖ Completed contract administration and coordination with vendors for related services
- ❖ Partnered with University Park to provide two recycling events for both communities
- ❖ Held two Household Hazardous Waste collection events for residents

## OBJECTIVES FOR FISCAL YEAR 2024

- ❖ Provide a quick response to complaints
- ❖ Contract administration and vendor coordination for related services
- ❖ Explore minimizing the Town's waste stream by increasing utilization of the existing recycling program
- ❖ Replace 500 trash and recycling poly carts, potentially moving delivery, and removal to Republic Services
- ❖ Continue to participate in the Park Cities Recycling event with the City of University Park
- ❖ Continue the Household Hazardous Waste (HHW) program for residents

## MAJOR BUDGET ITEMS

- ❖ Replacement Poly Carts (\$25,000)
- ❖ Service Contracts
  - Solid Waste Collection \$ 1,290,593
  - Recyclables Collection \$ 153,058
  - Tree Trimming \$ 30,000
  - Household Hazardous Waste \$ 30,000
  - Solid Waste Disposal \$ 107,541
- ❖ Parks Cities Recycling Event \$ 12,000

## PERFORMANCE INDICATORS

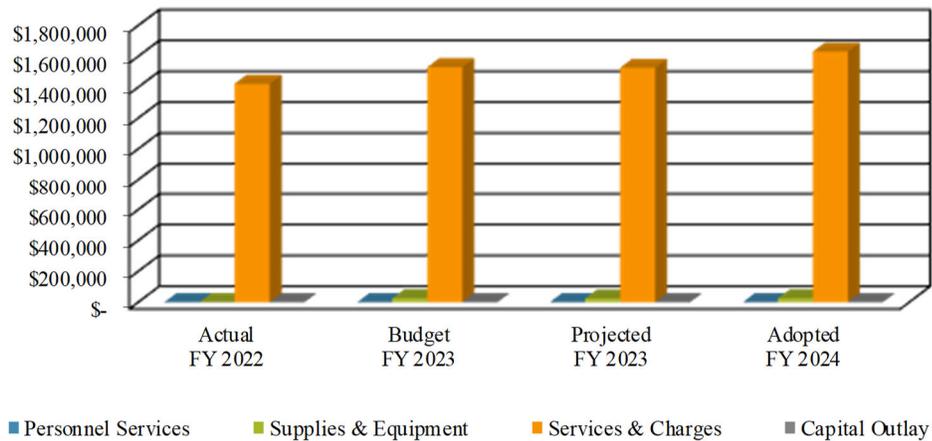
	FY2021 Actual	FY2022 Actual	FY2023 Projected	FY2024 Projected
<b>Collection (Tonnage)</b>				
Compacted Waste	6,597	4,488	4,974	5,000
Loose Waste (Brush)	1,318	938	1,161	1,200
Recycling	1,185	1,433	939	1,100
<b>Contract Expenses</b>				
Collection	\$ 1,095,465	\$ 1,135,211	\$ 1,203,642	\$ 1,290,593
Disposal	105,824	101,506	109,364	10,754
Recycling	129,474	134,762	142,746	153,058
<b>Cost per Ton</b>				
Collection	\$ 138.40	\$ 209.22	\$ 211.00	\$ 215.00
Disposal	13.37	18.71	19.00	19.00
Recycling	109.26	94.04	119.00	100.00

# Sanitation Department



## EXPENDITURE SUMMARY

	<b>FY 2022 Actual</b>	<b>FY 2023 Budget</b>	<b>FY 2023 Projected</b>	<b>FY 2024 Adopted</b>	<b>% Change 2023 to 2024</b>
Personnel Services	\$ -	\$ -	\$ -	\$ -	
Supplies & Equipment	\$ 252	\$ 25,000	\$ 23,335	\$ 25,000	0.00%
Services & Charges	\$1,421,645	\$1,529,252	\$1,525,371	\$1,630,692	6.63%
Capital Outlay	\$ -	\$ -	\$ -	\$ -	
<b>Total Department</b>	<b>\$1,421,897</b>	<b>\$1,554,252</b>	<b>\$1,548,706</b>	<b>\$1,655,692</b>	<b>6.53%</b>



# Transfer to Other Funds

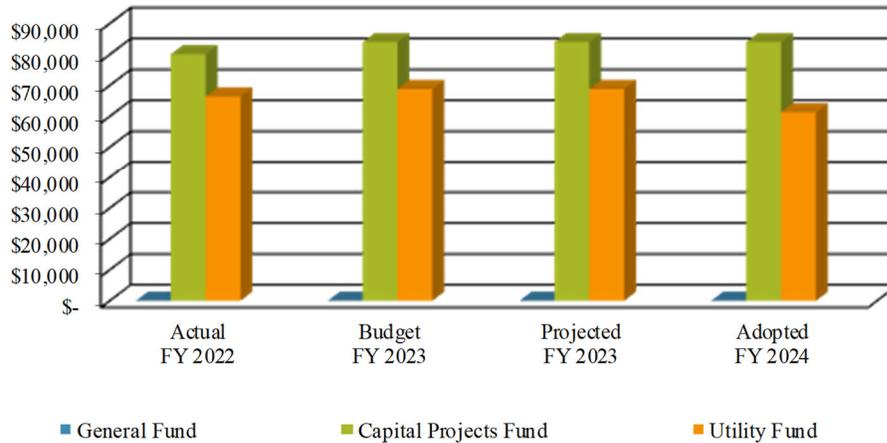


## DEPARTMENT DESCRIPTION

This Budget provides for the transfer of \$145,300 from the Solid Waste Fund to other funds. Included is a transfer of \$84,000 to the Capital Projects Fund, representing the franchise fee, which is 5% on solid waste collection and recycling charges, and \$61,300 to the Utility Fund representing administrative costs for billing and collection of operations.

## TRANSFER SUMMARY

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted	% Change 2023 to 2024
General Fund	\$ -	\$ -	\$ -	\$ -	
Capital Projects Fund	80,100	84,000	84,000	84,000	0.00%
Utility Fund	66,400	68,800	68,800	61,300	-10.90%
<b>Total Department</b>	<b>\$ 146,500</b>	<b>\$ 152,800</b>	<b>\$ 152,800</b>	<b>\$ 145,300</b>	<b>-4.91%</b>



## OTHER FUNDS

**Storm Water Drainage Fund** – This special revenue fund accounts for the collection of fees 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.

**Equipment Replacement Fund** – This internal service fund is used to account for the accumulation of resources for the future replacement of equipment owned and operated by the Town.

**Technology Replacement Fund** – The purpose of this internal service fund is to account for accumulated resources ultimately used for the future replacement of the Town’s computer information systems hardware and software.

**Building Maintenance & Investment Fund** – As an internal service fund, this fund accounts for resources provided by other operational funds for the maintenance and future improvements to Town facilities.

**Forfeited Property Fund** – This special revenue fund accounts for the forfeited assets as a result of criminal activities and the funding of crime prevention programs and equipment.

**Truancy Prevention Fund** – This special revenue fund accounts for the Local Consolidated Fee charged to defendants as specified by state law as related to juvenile case managers.

**Municipal Jury Fund** – This special revenue fund accounts for the Local Consolidated Fee charged to defendants as specified by state law as related to juror reimbursements.

**Court Technology Fund** – This special revenue fund accounts for the Local Consolidated Fee charged to defendants as specified by state law as related to technological enhancements for Municipal Court.

**Court Security Fund** – This special revenue fund accounts for the Local Consolidated Fee charged to defendants as specified by state law as related to security for Municipal Court.

**Library Fund** – Accounts for the receipt of royalty revenues restricted to the Library.

**DPS Technology Fund** – This fund accounts for the receipt and expenditure of resources allocated to technology acquisitions and upgrades for the Department of Public Safety. The fund balance has been transferred to the Capital Projects Fund in FY2022-23. Lease receipts, the fund’s primary revenue source, are now reported in the Technology Replacement Fund.

**Reserve Fund** – Accounts for the receipt of revenues from the sale of Town property.

**Debt Service Fund** – The purpose of a debt service fund is to account for and report resources that are restricted, committed, or assigned to expenditure for principal and interest (GASB Statement No. 54).

The Town of Highland Park, as of September 30, 2023, does not have any outstanding debt. The Town funds capital projects on a pay-as-you-go basis and does not maintain a debt service fund.

## **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 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.

As it relates to operations, this fund provides the Town's supplies of pet mitts maintained throughout the Town's parks and educational materials totaling \$7,600, \$80,000 for street sweeping, \$40,000 for incidental repair/maintenance projects, \$15,000 for creek cleaning and \$50,750 is provided for professional services and other fees. This budget also provides capital funding including \$650,000 to fund the first part of the Hackberry Creek corridor improvement project which consists of the reconstruction of Tennis Court #1 into a pickleball court facility. Other capital funding within the Adopted Budget for the Storm Water Drainage Fund includes \$450,000 for drainage easement projects and \$1,000,000 for the dredging of Exall Lake. Another \$970,000 is appropriated for storm water improvements in connection with the reconstruction of Potomac and Auburndale.

The budgetary and accounting basis for the Storm Water Drainage Fund is the modified accrual basis.

For more information concerning the Town's infrastructure maintenance and replacement program, please refer to the Capital Improvement Program on page 131.

**STORM WATER DRAINAGE UTILITY FUND  
STATEMENT OF REVENUES & EXPENDITURES**

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted
<b>BEGINNING FUND BALANCE</b>	\$ 1,960,981	\$ 2,569,297	\$ 1,847,722	\$ 2,409,850
<b>REVENUES/SOURCES OF FUNDS</b>				
Charges for Services	\$ 439,595	\$ 453,200	\$ 470,800	\$ 543,324
Interest	25,776	26,487	128,892	112,947
<b>Total Revenues</b>	<b>\$ 465,371</b>	<b>\$ 479,687</b>	<b>\$ 599,692</b>	<b>\$ 656,271</b>
<b>Other Sources:</b>				
Transfers In	\$ 300,000	\$ 1,600,000	\$ 1,600,000	\$ 3,000,000
<b>Total Other Sources:</b>	<b>300,000</b>	<b>1,600,000</b>	<b>1,600,000</b>	<b>3,000,000</b>
<b>Total Revenues/Sources:</b>	<b>\$ 765,371</b>	<b>\$ 2,079,687</b>	<b>\$ 2,199,692</b>	<b>\$ 3,656,271</b>
<b>EXPENSES/USES OF FUNDS</b>				
Supplies & Equipment	6,342	7,100	7,100	7,600
Services & Charges	102,095	179,850	173,256	186,385
Capital Outlay	665,293	2,002,800	1,350,000	3,070,000
<b>Total Expenditures</b>	<b>\$ 773,730</b>	<b>\$ 2,189,750</b>	<b>\$ 1,530,356</b>	<b>\$ 3,263,985</b>
Transfers	104,900	107,208	107,208	145,500
<b>Total Expenditures/Uses of Funds</b>	<b>\$ 878,630</b>	<b>\$ 2,296,958</b>	<b>\$ 1,637,564</b>	<b>\$ 3,409,485</b>
<b>Excess of Revenues/Sources Over Expenses/Uses</b>	<b>\$ (113,259)</b>	<b>\$ (217,271)</b>	<b>\$ 562,128</b>	<b>\$ 246,786</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 1,847,722</b>	<b>\$ 1,630,451</b>	<b>\$ 2,409,850</b>	<b>\$ 2,656,636</b>

## 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 primarily for the acquisition of the Town's rolling stock. Each operational department within the General and Utility Funds is 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 adjusted for inflation to insure adequate funding is provided at the time of replacement. The incurred costs are recorded as expenditures/expenses within the respective funds and as revenues in the Equipment Replacement Fund on the accrual basis of accounting. The basis of accounting for the Equipment Replacement Fund is the accrual basis with the budgetary basis being modified accrual. As part of the budgetary basis, capital purchases are reported as expenditures and depreciation expense is not included in budgeted expenditures.

All rolling stock is 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 replacement of vehicles and equipment including the replacement the five patrol units for DPS and two pick-up trucks for Public Works.

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted
<b>BEGINNING FUND BALANCE</b>	\$ 3,346,052	\$ 2,986,408	\$ 3,720,507	\$ 4,264,238
<b>REVENUES/SOURCES OF FUNDS</b>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Interest	36,585	32,518	164,898	160,615
Sale of Assets	204,716	27,500	17,900	10,000
Contributions	15,087	-	-	-
<b>Total Revenues</b>	<b>\$ 256,388</b>	<b>\$ 60,018</b>	<b>\$ 182,798</b>	<b>\$ 170,615</b>
Transfers	625,466	563,900	563,900	551,650
<b>Total Revenues/Sources</b>	<b>\$ 881,854</b>	<b>\$ 623,918</b>	<b>\$ 746,698</b>	<b>\$ 722,265</b>
<b>EXPENDITURES/USES OF FUNDS</b>				
Supplies & Equipment	\$ -	\$ -	\$ -	\$ -
Vehicle Disposal	16,294	2,063	1,343	1,250
Rolling Stock Acquisition	435,925	287,546	201,624	493,002
Equipment Acquisition	55,180	-	-	69,903
<b>Total Expenditures</b>	<b>\$ 507,399</b>	<b>\$ 289,609</b>	<b>\$ 202,967</b>	<b>\$ 564,155</b>
Transfers	-	-	-	-
<b>Total Expenditures/Uses</b>	<b>\$ 507,399</b>	<b>\$ 289,609</b>	<b>\$ 202,967</b>	<b>\$ 564,155</b>
<b>Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses</b>	<b>\$ 374,455</b>	<b>\$ 334,309</b>	<b>\$ 543,731</b>	<b>\$ 158,110</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 3,720,507</b>	<b>\$ 3,320,717</b>	<b>\$ 4,264,238</b>	<b>\$ 4,422,348</b>

**EQUIPMENT INVENTORY AND REPLACEMENT SCHEDULE**

<b>Department/ Equipment Type</b>	<b>VIN (Last 4)</b>	<b>Equipment Make</b>	<b>Equipment Model</b>	<b>Year Purchased</b>	<b>Scheduled Replacement</b>
<b>PUBLIC SAFETY</b>					
Administration	4941	Chevrolet Tahoe	2015	2015	2025
Administration	6495	Chevrolet Tahoe	2021	2021	2026
Administration	4483	Chevrolet Tahoe	2021	2021	2026
CID	5037	Chevrolet Tahoe	2022	2022	2027
CID	7716	Chevrolet Tahoe	2022	2022	2027
CID	9448	Chevrolet Tahoe	2022	2022	2027
Fire Apparatus	2082	Pierce	2011	2011	2031
Fire Apparatus	8465	Pierce	2017	2017	2037
Fire Apparatus	3538	Pierce	2021	2021	2041
MICU	6639	International	2010	2010	2025
MICU	2794	International	2018	2017	2032
MICU	7129	International	2022	2022	2037
Animal Services	1769	Dodge	2013	2013	2025
Police	7888	Chevrolet Tahoe	2019	2019	2024
Police	8694	Chevrolet Tahoe	2019	2019	2024
Police	8004	Chevrolet Tahoe	2019	2019	2024
Police	9427	Chevrolet Tahoe	2019	2019	2024
Police	8074	Chevrolet Tahoe	2019	2019	2024
Police	2825	Chevrolet Tahoe	2022	2022	2027
Police	2815	Chevrolet Tahoe	2022	2022	2027
Police	2820	Chevrolet Tahoe	2022	2022	2027
Motorcycle Unit	0029	Honda	2016	2018	2025
<b>STREET</b>					
Dump Truck	4906	Ford	2019	2019	2029
Pickup	3663	Chevrolet	2018	2018	2025
Pickup	9414	Chevrolet	2018	2018	2025
Asphalt Roller	1008	Bomag	2015	2015	2025
Snow Plow	5953	Ford	2010	2010	2025
Truck w/ Arial lift	7821	Ford	2019	2020	2027
Pickup	1837	Chevrolet	2012	2012	2024
<b>PARKS</b>					
Truck w/ Arial lift	8247	Chevrolet	2008	2008	2025
Pickup	1319	Chevrolet	2018	2018	2025
Truck w/ Landscape body	3818	Chevrolet	2018	2018	2025
Pickup	5690	Chevrolet	2018	2018	2025
Pickup	9275	Chevrolet	2021	2021	2026
Pickup	5664	Chevrolet	2022	2023	2028
<b>SERVICE CENTER</b>					
Front-End Loader	758	Case	2011	2011	2025
Pickup	9970	Chevrolet	2013	2013	2026
<b>WATER</b>					
Pickup	9427	Chevrolet	2022	2021	2027
Pickup	9155	Chevrolet	2013	2013	2024
Pickup	6902	Chevrolet	2018	2018	2025
Pickup	6245	Chevrolet	2018	2018	2025
Mini Excavator	3927	Case	2023	2023	2033
Backhoe	5019	Case	2023	2023	2033
<b>SEWER</b>					
Truck-4 ½ Ton w/ Flusher	8644	Ford	2019	2019	2026
Dump Truck	1795	Ford	2019	2020	2029
Loader/Backhoe	0257	John Deere	2012	2012	2025
Pickup	0486	Chevrolet	2018	2018	2025

## TECHNOLOGY REPLACEMENT FUND

The Technology Replacement Fund accounts for the Town’s investment in technology equipment. This type of equipment includes computers, servers, radios, telephones, and networking assets. All assets are scheduled for replacement based upon estimated useful life that covers the respective warranty periods of the assets. Annual revenues budgeted in the DPS Technology Fund are now budgeted in this fund. The DPS Technology Fund was closed in FY 2023.

This budget provides funding for the purchase and/or upgrade of the following technology related assets:

- Phone system migration (\$38,980)
- Video surveillance system replacement (\$175,000)
- Network replacement (\$650,000)
- Computer replacements (\$82,242)

The purchase of Body Cameras, including body worn cameras for individual officers, in-car and motorcycle mounted cameras, cameras for the DPS interview room, and related hardware and software to integrate, transfer, and redact images was completed in FY 2021. Ongoing software maintenance and cloud storage will be required during FY 2022 – 2026. This is year four of five.

The basis of accounting for the Technology Replacement Fund is the accrual basis with the budgetary basis being modified accrual. As part of the budgetary basis, capital purchases are reported as expenditures, and depreciation expense is not included in budgeted expenditures.

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted
<b>BEGINNING FUND BALANCE</b>	\$ 3,103,962	\$ 2,359,493	\$ 3,673,075	\$ 3,251,289
<b>REVENUES/SOURCES OF FUNDS</b>				
Interest	\$ 36,225	\$ 34,915	\$ 158,679	\$ 152,203
Sale of Assets	155	-	-	-
Contributions	-	100,076	100,855	104,976
<b>Total Revenues</b>	<b>\$ 36,380</b>	<b>\$ 134,991</b>	<b>\$ 259,534</b>	<b>\$ 257,179</b>
Transfers	590,791	426,457	426,457	321,383
<b>Total Revenues/Sources</b>	<b>\$ 627,171</b>	<b>\$ 561,448</b>	<b>\$ 685,991</b>	<b>\$ 578,562</b>
<b>EXPENDITURES/USES OF FUNDS</b>				
Services & Charges	\$ 12	\$ -	\$ -	\$ 33,000
Technology Equipment Acquisition	58,046	1,357,777	1,107,777	986,827
<b>Total Expenditures</b>	<b>\$ 58,058</b>	<b>\$ 1,357,777</b>	<b>\$ 1,107,777</b>	<b>\$ 1,019,827</b>
Transfers	-	-	-	-
<b>Total Expenditures/Uses</b>	<b>\$ 58,058</b>	<b>\$ 1,357,777</b>	<b>\$ 1,107,777</b>	<b>\$ 1,019,827</b>
<b>Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses</b>	<b>\$ 569,113</b>	<b>\$ (796,329)</b>	<b>\$ (421,786)</b>	<b>\$ (441,265)</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 3,673,075</b>	<b>\$ 1,563,164</b>	<b>\$ 3,251,289</b>	<b>\$ 2,810,024</b>

## BUILDING MAINTENANCE & INVESTMENT FUND

The Building Maintenance and Investment Fund was established to insure adequate funding for the maintenance and operation of the Town's newly renovated Town Hall as well as the Town's Service Center, which houses Parks and Public Works operations. A major objective for FY 2023-24 will be the continued development of a replacement schedule of major equipment and materials of the Town Hall building while strengthening the fund balance.

Revenues to support the budget of this fund are derived from transfers from the General and Utility Fund based on the number of employees within each fund that utilize the Town Hall and Service Center buildings. With completion of a maintenance and replacement schedule, future funding will be computed accordingly. The budgetary and accounting basis for the Building Maintenance & Investment Fund is the modified accrual basis.

This budget continues the effort to build a reserve for future major capital outlays.

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted
<b>BEGINNING FUND BALANCE</b>	<b>\$ 1,168,965</b>	<b>\$ 974,990</b>	<b>\$ 1,241,009</b>	<b>\$ 1,416,491</b>
<b>REVENUES/SOURCES OF FUNDS</b>				
Interest	\$ 11,874	\$ 12,511	\$ 74,023	\$ 71,528
Miscellaneous	19,209	18,516	17,804	18,516
<b>Total Revenues</b>	<b>\$ 31,083</b>	<b>\$ 31,027</b>	<b>\$ 91,827</b>	<b>\$ 90,044</b>
Transfers	483,000	711,446	711,446	708,500
<b>Total Revenues/Sources</b>	<b>\$ 514,083</b>	<b>\$ 742,473</b>	<b>\$ 803,273</b>	<b>\$ 798,544</b>
<b>EXPENDITURES/USES OF FUNDS</b>				
Personnel Services	\$ -	\$ 101,584	\$ 81,486	\$ 121,638
Supplies & Equipment	25,225	54,587	55,057	42,700
Services & Charges	416,814	399,211	413,248	452,213
Capital Outlay	-	78,000	78,000	176,278
<b>Total Expenditures</b>	<b>\$ 442,039</b>	<b>\$ 633,382</b>	<b>\$ 627,791</b>	<b>\$ 792,829</b>
Transfers	-	-	-	-
<b>Total Expenditures/Uses</b>	<b>\$ 442,039</b>	<b>\$ 633,382</b>	<b>\$ 627,791</b>	<b>\$ 792,829</b>
<b>Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses</b>	<b>\$ 72,044</b>	<b>\$ 109,091</b>	<b>\$ 175,482</b>	<b>\$ 5,715</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 1,241,009</b>	<b>\$ 1,084,081</b>	<b>\$ 1,416,491</b>	<b>\$ 1,422,206</b>

## FORFEITED PROPERTY FUND

The Forfeited Property Fund was established as set forth by Title 1, Chapter 59 of the Texas Code of Criminal Procedures and accounts for all forfeitures of seized contraband awarded to the Town's Department of Public Safety (DPS) by the State of Texas.

Proceeds from the sale of forfeited property are allocated, after the deduction of court costs, with forty percent of the proceeds going to the DPS. The proceeds may not be used to offset or decrease total salaries, expenses, and allowances that the Department of Public Safety receives as part of their operating budget and must be used solely for law enforcement purposes only.

The budgetary and accounting basis for the Forfeited Property Fund is the modified accrual basis.

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted
<b>BEGINNING FUND BALANCE</b>	\$ 28,353	\$ 26,619	\$ 31,214	\$ 34,374
<b>REVENUES/SOURCES OF FUNDS</b>				
Forfeitures	\$ 4,316	\$ 2,500	\$ -	\$ 2,500
Interest	185	312	3,160	2,746
<b>Total Revenues</b>	<b>\$ 4,501</b>	<b>\$ 2,812</b>	<b>\$ 3,160</b>	<b>\$ 5,246</b>
Transfers	-	-	-	-
<b>Total Revenues/Sources</b>	<b>\$ 4,501</b>	<b>\$ 2,812</b>	<b>\$ 3,160</b>	<b>\$ 5,246</b>
<b>EXPENDITURES/USES OF FUNDS</b>				
Supplies & Equipment	\$ -	\$ -	\$ -	\$ -
Service & Charges	1,640	-	-	-
Capital Outlay	-	-	-	-
<b>Total Expenditures/Uses</b>	<b>\$ 1,640</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses</b>	<b>\$ 2,861</b>	<b>\$ 2,812</b>	<b>\$ 3,160</b>	<b>\$ 5,246</b>
<b>Fund Balance</b>	<b>\$ 31,214</b>	<b>\$ 29,431</b>	<b>\$ 34,374</b>	<b>\$ 39,620</b>

## TRUANCY PREVENTION FUND

In 2019, the Texas Legislature approved SB 346 that repealed all of the statutes that set forth the municipal court costs and reorganized the allocation of those costs into one statute. Local Government Code Section 134.103 “Local Consolidated Fee on Conviction of Non-jailable Misdemeanor” now sets out statutory requirements for the collection, accounting and expenditure of the \$14 consolidated court cost assessed and retained locally on these convictions. Texas statutes require the establishment of a separate fund to account for 35.7143% of this fee to be dedicated towards local truancy prevention and diversion.

These funds may only be used to finance the salary, benefits, training, travel expenses, office supplies, and other necessary expenses relating to the position of juvenile case manager. Money may not be used to supplement the income of an employee whose primary role is not juvenile case management.

The budgetary and accounting basis for the Truancy Prevention Fund is the modified accrual basis.

### TRUANCY PREVENTION STATEMENT OF REVENUES & EXPENDITURES

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted
<b>BEGINNING FUND BALANCE</b>	\$ 33,186	\$ -	\$ 52,591	\$ 68,585
<b>REVENUES/SOURCES OF FUNDS</b>				
Court Fees	\$ 19,042	\$ 21,000	\$ 13,230	\$ 15,000
Interest	363	390	2,764	2,498
<b>Total Revenues</b>	<b>\$ 19,405</b>	<b>\$ 21,390</b>	<b>\$ 15,994</b>	<b>\$ 17,498</b>
Transfers	-	-	-	-
<b>Total Revenues/Sources</b>	<b>\$ 19,405</b>	<b>\$ 21,390</b>	<b>\$ 15,994</b>	<b>\$ 17,498</b>
<b>EXPENDITURES/USES OF FUNDS</b>				
Supplies & Equipment	\$ -	\$ -	\$ -	\$ -
Service & Charges	-	-	-	-
Capital Outlay	-	-	-	-
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Transfers	-	-	-	-
<b>Total Expenditures/Uses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses</b>	<b>\$ 19,405</b>	<b>\$ 21,390</b>	<b>\$ 15,994</b>	<b>\$ 17,498</b>
<b>Fund Balance</b>	<b>\$ 52,591</b>	<b>\$ 21,390</b>	<b>\$ 68,585</b>	<b>\$ 86,083</b>

## MUNICIPAL JURY FUND

In 2019, the Texas Legislature approved SB 346 that repealed all of the statutes that set forth the municipal court costs and reorganized the allocation of those costs into one statute. Local Government Code Section 134.103 “Local Consolidated Fee on Conviction of Non-jailable Misdemeanor” now sets out statutory requirements for the collection, accounting and expenditure of the \$14 consolidated court cost assessed and retained locally on these convictions. Texas statutes require the establishment of a separate fund to account for .7143% of this fee to be accounted for within a Municipal Jury Fund.

These funds may only be used by the municipality to fund juror reimbursements and otherwise finance jury services.

The budgetary and accounting basis for the Municipal Jury Fund is the modified accrual basis.

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted
<b>BEGINNING FUND BALANCE</b>	\$ 663	\$ -	\$ 1,051	\$ 1,370
<b>REVENUES/SOURCES OF FUNDS</b>				
Court Fees	\$ 381	\$ 420	\$ 264	\$ 300
Interest	7	8	55	50
<b>Total Revenues</b>	<b>\$ 388</b>	<b>\$ 428</b>	<b>\$ 319</b>	<b>\$ 350</b>
Transfers	-	-	-	-
<b>Total Revenues/Sources</b>	<b>\$ 388</b>	<b>\$ 428</b>	<b>\$ 319</b>	<b>\$ 350</b>
<b>EXPENDITURES/USES OF FUNDS</b>				
Supplies & Equipment	\$ -	\$ -	\$ -	\$ -
Service & Charges	-	-	-	-
Capital Outlay	-	-	-	-
<b>Total Expenditures/Uses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses</b>	<b>\$ 388</b>	<b>\$ 428</b>	<b>\$ 319</b>	<b>\$ 350</b>
<b>Fund Balance</b>	<b>\$ 1,051</b>	<b>\$ 428</b>	<b>\$ 1,370</b>	<b>\$ 1,720</b>

## COURT TECHNOLOGY FUND

In 2019, the Texas Legislature approved SB 346 that repealed all of the statutes that set forth the municipal court costs and reorganized the allocation of those costs into one statute. Local Government Code Section 134.103 “Local Consolidated Fee on Conviction of Non-jailable Misdemeanor” now sets out statutory requirements for the collection, accounting and expenditure of the \$14 consolidated court cost assessed and retained locally on these convictions. Texas statutes require the establishment of a separate fund to account for 28.5714% of this fee to be accounted for within a Court Technology Fund.

These funds may only be used to finance the purchase, or to maintain, technological enhancements for the municipal court.

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, and other Court technology related expenditures (\$22,985).

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

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted
<b>BEGINNING FUND BALANCE</b>	\$ 113,037	\$ 110,787	\$ 120,804	\$ 110,554
<b>REVENUES/SOURCES OF FUNDS</b>				
Court Fees	\$ 31,418	\$ 34,836	\$ 21,895	\$ 26,657
Interest	987	958	5,188	4,637
<b>Total Revenues</b>	<b>\$ 32,405</b>	<b>\$ 35,794</b>	<b>\$ 27,083</b>	<b>\$ 31,294</b>
Transfers	-	-	-	-
<b>Total Revenues/Sources</b>	<b>\$ 32,405</b>	<b>\$ 35,794</b>	<b>\$ 27,083</b>	<b>\$ 31,294</b>
<b>EXPENDITURES/USES OF FUNDS</b>				
Supplies & Equipment	\$ 2,304	\$ 2,304	\$ 2,304	\$ 2,804
Service & Charges	22,334	37,402	35,029	20,181
Capital Outlay	-	-	-	-
<b>Total Expenditures/Uses</b>	<b>\$ 24,638</b>	<b>\$ 39,706</b>	<b>\$ 37,333</b>	<b>\$ 22,985</b>
<b>Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses</b>	<b>\$ 7,767</b>	<b>\$ (3,912)</b>	<b>\$ (10,250)</b>	<b>\$ 8,309</b>
<b>Fund Balance</b>	<b>\$ 120,804</b>	<b>\$ 106,875</b>	<b>\$ 110,554</b>	<b>\$ 118,863</b>

## COURT SECURITY FUND

In 2019, the Texas Legislature approved SB 346 that repealed all of the statutes that set forth the municipal court costs and reorganized the allocation of those costs into one statute. Local Government Code Section 134.103 “Local Consolidated Fee on Conviction of Non-jailable Misdemeanor” now sets out statutory requirements for the collection, accounting and expenditure of the \$14 consolidated court cost assessed and retained locally on these convictions. Texas statutes require the establishment of a separate fund to account for 35% of this fee to be accounted for within a Court Security Fund.

Funds may only be used for security personnel, services, and items related to buildings that house the operation of the municipal court.

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 \$24,600 to the General Fund for the services of the part-time position of Town Marshall/Bailiff.

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

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted
<b>BEGINNING FUND BALANCE</b>	\$ 24,574	\$ 13,137	\$ 31,012	\$ 29,382
<b>REVENUES/SOURCES OF FUNDS</b>				
Court Fees	\$ 30,800	\$ 34,212	\$ 21,448	\$ 26,124
Interest	238	274	1,522	1,293
<b>Total Revenues</b>	<b>\$ 31,038</b>	<b>\$ 34,486</b>	<b>\$ 22,970</b>	<b>\$ 27,417</b>
Transfers	-	-	-	-
<b>Total Revenues/Sources</b>	<b>\$ 31,038</b>	<b>\$ 34,486</b>	<b>\$ 22,970</b>	<b>\$ 27,417</b>
<b>EXPENDITURES/USES OF FUNDS</b>				
Services & Charges	\$ -	\$ -	\$ -	\$ -
Capital Outlay	-	-	-	-
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Transfers	24,600	24,600	24,600	24,600
<b>Total Expenditures/Uses</b>	<b>\$ 24,600</b>	<b>\$ 24,600</b>	<b>\$ 24,600</b>	<b>\$ 24,600</b>
<b>Excess Revenues/Sources Over Expenditures/Uses</b>	<b>\$ 6,438</b>	<b>\$ 9,886</b>	<b>\$ (1,630)</b>	<b>\$ 2,817</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 31,012</b>	<b>\$ 23,023</b>	<b>\$ 29,382</b>	<b>\$ 32,199</b>

## LIBRARY FUND

The Library Fund was created in 2012 to account for proceeds bequeathed to the Highland Park Library by Addison P. Moore. Before Mr. Moore’s passing, he showed a keen interest in technology and had discussions with the Librarian regarding technology used by the Library. In the spirit of Mr. Moore’s interests, this fund is used primarily to improve technology in the Town’s Library.

Annual Library Donations received in this fund include revenue producing assets received from the Addison P. Moore estate.

The FY 2023-24 Adopted Budget includes funding for the purpose of acquiring digital and physical library materials.

The budgetary and accounting basis for the Library Fund is the modified accrual basis.

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted
<b>BEGINNING FUND BALANCE</b>	\$ 306,213	\$ 250,169	\$ 332,804	\$ 366,459
<b>REVENUES/SOURCES OF FUNDS</b>				
Interest	\$ 2,799	\$ 2,765	\$ 16,390	\$ 14,630
Library Donations	51,447	58,230	62,666	56,538
<b>Total Revenues</b>	<b>\$ 54,246</b>	<b>\$ 60,995</b>	<b>\$ 79,056</b>	<b>\$ 71,168</b>
Transfers	-	-	-	-
<b>Total Revenues/Sources</b>	<b>\$ 54,246</b>	<b>\$ 60,995</b>	<b>\$ 79,056</b>	<b>\$ 71,168</b>
<b>EXPENDITURES/USES OF FUNDS</b>				
Supplies & Equipment	\$ 27,568	\$ 44,230	\$ 44,230	\$ 41,538
Services & Charges	87	970	1,171	900
<b>Total Expenditures</b>	<b>\$ 27,655</b>	<b>\$ 45,200</b>	<b>\$ 45,401</b>	<b>\$ 42,438</b>
Transfers	-	-	-	-
<b>Total Expenditures/Uses</b>	<b>\$ 27,655</b>	<b>\$ 45,200</b>	<b>\$ 45,401</b>	<b>\$ 42,438</b>
<b>Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses</b>	<b>\$ 26,591</b>	<b>\$ 15,795</b>	<b>\$ 33,655</b>	<b>\$ 28,730</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 332,804</b>	<b>\$ 265,964</b>	<b>\$ 366,459</b>	<b>\$ 395,189</b>

## DPS TECHNOLOGY FUND

The Department of Public Safety Technology Fund was established during FY 2014 to account for receipt and expenditure of resources allocated to technology acquisitions and upgrades for the Department of Public Safety, specifically resources received from the subleasing of telecommunications facilities located on Town property. Resources within this fund have been transferred into the Capital Projects Fund to reimburse the fund for a portion of the cost of the public safety communication system. Going forward, annual revenues that have historically been accounted for within in this fund, will be budgeted for within the Technology Replacement Fund. This fund is now closed.

The budgetary and accounting basis for the DPS Technology Fund is the modified accrual basis.

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted
<b>BEGINNING FUND BALANCE</b>	\$ 285,480	\$ 278,958	\$ 291,000	\$ -
<b>REVENUES/SOURCES OF FUNDS</b>				
Interest	\$ 2,513	\$ -	\$ -	\$ -
Fiber Line Lease Receipts	97,337	-	-	-
<b>Total Revenues</b>	<b>\$ 99,850</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Transfers	-	-	-	-
<b>Total Revenues/Sources</b>	<b>\$ 99,850</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>EXPENDITURES/USES OF FUNDS</b>				
Services & Charges	\$ -	\$ -	\$ -	\$ -
Technology Equipment Acquisition	-	-	-	-
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Transfers	94,330	291,000	291,000	-
<b>Total Expenditures/Uses</b>	<b>\$ 94,330</b>	<b>\$ 291,000</b>	<b>\$ 291,000</b>	<b>\$ -</b>
<b>Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses</b>	<b>\$ 5,520</b>	<b>\$ (291,000)</b>	<b>\$ (291,000)</b>	<b>\$ -</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 291,000</b>	<b>\$ (12,042)</b>	<b>\$ -</b>	<b>\$ -</b>

## RESERVE FUND

Created in FY 2021-22, this fund was established to account for revenues the Town receives from the sale of real property. Approximately two years ago, the Town sold right-of-way located between the Shops of Highland Park and property used as a parking area for the Shops of Highland Park. During Fiscal Year 2021-22, the Town sold property it owned in the City of Dallas. The property was previously used by the Town as a landfill and has been closed for many years. Transfers presented are loans to the Storm Water Drainage Fund for the purpose of funding the Hackberry Creek Project. Once the project is complete, the Storm Water Drainage Fund will begin repaying the funds back into the Reserve Fund.

The budgetary and accounting basis for the Reserve Fund is the modified accrual basis.

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted
<b>BEGINNING FUND BALANCE</b>	<b>\$ 10,139,151</b>	<b>\$ 278,958</b>	<b>\$ 10,219,404</b>	<b>\$ 10,023,488</b>
<b>REVENUES/SOURCES OF FUNDS</b>				
Interest	\$ 80,253	\$ 87,540	\$ 404,084	\$ 417,013
<b>Total Revenues</b>	<b>\$ 80,253</b>	<b>\$ 87,540</b>	<b>\$ 404,084</b>	<b>\$ 417,013</b>
Transfers	-	-	-	-
<b>Total Revenues/Sources</b>	<b>\$ 80,253</b>	<b>\$ 87,540</b>	<b>\$ 404,084</b>	<b>\$ 417,013</b>
<b>EXPENDITURES/USES OF FUNDS</b>				
Transfers	-	\$ 600,000	\$ 600,000	\$ 2,000,000
<b>Total Expenditures/Uses</b>	<b>\$ -</b>	<b>\$ 600,000</b>	<b>\$ 600,000</b>	<b>\$ 2,000,000</b>
<b>Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses</b>	<b>\$ 80,253</b>	<b>\$ (512,460)</b>	<b>\$ (195,916)</b>	<b>\$ (1,582,987)</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 10,219,404</b>	<b>\$ (233,502)</b>	<b>\$ 10,023,488</b>	<b>\$ 8,440,501</b>

## **DEBT**

### **Legal Debt Margin Information And Debt Service Status**

As a home rule city, the Town of Highland Park is not limited by the law in the amount of debt it may issue. The Town's charter (Section 9.10) states:

The Town shall have the power to borrow money on the credit of the Town and to issue general obligation bonds and other evidence of indebtedness for permanent public improvements or for any other public purpose not prohibited by the Constitution and laws of the State of Texas, and to issue refunding bonds to refund outstanding bonds and other evidences of indebtedness of the Town previously issued. All such bonds shall be issued in conformity with the laws of the State of Texas.

The Town of Highland Park, as of September 30, 2023, does not have any outstanding debt. The FY 2023-24 Adopted Budget does not include any issuance of debt to fund short-term or long-range capital projects. The Town funds capital projects on a pay-as-you-go basis.

The Town is permitted by Article XI, Section 5, of the *State of Texas Constitution* to levy taxes up to \$2.50 per \$100 of assessed valuation for general governmental services including the payment of principal and interest on general obligation long-term debt. The current ratio of tax-supported debt to assessed value of all taxable property is 0.0%.

## **Capital Projects Fund**

The purpose of the Capital Projects Fund is to account for large dollar capital projects and infrastructure maintenance projects that have a governmental purpose (e.g., roads, bridges, sidewalks, parks, etc.).

## **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 that are typically in excess of \$100,000. 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 managed to fund its capital program without incurring debt and intends to continue operating on a pay-as-you-go basis.

The FY 2023-24 Adopted Budget includes transfers to the Capital Projects Fund from the General, Utility, and Solid Waste Funds. The transfers from the General Fund include growth in property values over several years (see page 131) and are earmarked specifically for capital projects. This, in conjunction with the ten-year financial model, (see pages 147-151) are used to plan capital needs while not impacting the General Fund's operating budget or reducing Town services offered to the community. The detail regarding these transfers is presented on pages 85, 102, and 110. In addition to these transfers, the Town's Financial Management Policies also provide for the transfer of any annual operating surplus realized by the General Fund for each preceding fiscal year.

Town Council continues to focus its attention to the maintenance and preservation of the Town's public infrastructure, including road and bridges, utility lines, inlets, parks, traffic signs and signals, and other major technology projects.

The budget for the Capital Projects Fund includes funding of \$1,733,740 for the 2024 right-of-way rehabilitation program which includes streetlights, sidewalks, street resurfacing, traffic signal upgrades, miscellaneous concrete and an update to the Town's Pavement Asset Management Plan. Funding for improvements to Potomac and Auburndale in the amount of \$1,100,000 is also included. Park improvement funding totaling \$2,251,462 has been appropriated for the annual park renovation program and improvements to Lakeside Park. Funding to install a backup generator at the Service Center is funded at an estimated cost of \$180,000.

Lastly, this budget includes reimbursement of \$267,700 in personnel costs to the Utility Fund, representing that portion of Engineering Department personnel costs associated with Capital Projects Fund funded projects, and a transfer of \$1,000,000 to the Storm Water Utility Fund to assist in funding improvements to the Town's storm water drainage system.

For more information concerning the Town's infrastructure maintenance and replacement program, please refer to the Capital Improvement Program on page 131.

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

	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Adopted
<b>BEGINNING FUND BALANCE</b>	\$ 2,460,815	\$ 6,219,231	\$ 6,049,296	\$ 11,990,593
<b>REVENUES/SOURCES OF FUNDS</b>				
Interest	\$ 86,397	\$ 59,569	\$ 530,676	\$ 513,186
Contributions	2,656,857	2,866,543	3,468,565	3,418,906
<b>Total Revenues</b>	<b>\$ 2,743,254</b>	<b>\$ 2,926,112</b>	<b>\$ 3,999,241</b>	<b>\$ 3,932,092</b>
Transfers	5,321,839	5,220,224	10,470,224	5,374,582
<b>Total Revenues/Sources</b>	<b>\$ 8,065,093</b>	<b>\$ 8,146,336</b>	<b>\$ 14,469,465</b>	<b>\$ 9,306,674</b>
<b>EXPENDITURES/USES OF FUNDS</b>				
Capital Projects	\$ 3,983,612	\$ 9,556,951	\$ 7,330,343	\$ 5,590,202
<b>Total Expenditures</b>	<b>\$ 3,983,612</b>	<b>\$ 9,556,951</b>	<b>\$ 7,330,343</b>	<b>\$ 5,590,202</b>
Transfers	493,000	1,197,825	1,197,825	1,267,700
<b>Total Expenditures/Uses</b>	<b>\$ 4,476,612</b>	<b>\$ 10,754,776</b>	<b>\$ 8,528,168</b>	<b>\$ 6,857,902</b>
<b>Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses</b>	<b>\$ 3,588,481</b>	<b>\$ (2,608,440)</b>	<b>\$ 5,941,297</b>	<b>\$ 2,448,772</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 6,049,296</b>	<b>\$ 3,610,791</b>	<b>\$ 11,990,593</b>	<b>\$ 14,439,365</b>

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**TEN YEAR CAPITAL IMPROVEMENT PLAN**

TOWN OF HIGHLAND PARK, TEXAS

CAPITAL PROJECTS FUND

FISCAL YEARS 2024-2033

Project/Funding Source	2022-23	2023-24	2024-25	2025-26	2026-27
<b>Beginning Balance</b>	\$ 6,049,296	\$ 11,990,593	\$ 14,439,365	\$ 13,665,348	\$ 13,285,171
<b>Annual Project Funding</b>					
General Fund CIP Transfer	\$ 1,241,779	\$ 1,267,856	\$ 1,294,481	\$ 1,321,665	\$ 1,349,420
Solid Waste Fund 5% Transfer	84,000	84,000	84,840	85,688	86,545
Utility Fund 5% W&S Transfer	533,654	578,502	584,287	590,130	596,031
Supplemental General Fund Transfer	6,911,511	2,035,944	2,033,419	1,722,205	1,718,209
Increased CIP Revenue from Growth in Property Values - 2014	342,651	342,651	342,651	342,651	342,651
Increased CIP Revenue from Growth in Property Values - 2015	705,188	705,188	705,188	705,188	705,188
Increased CIP Revenue from Growth in Property Values - 2016	360,441	360,441	360,441	360,441	360,441
Contributions - DART	2,059,908	1,957,906	2,026,414	1,372,000	-
Intergovernmental Revenue					
TCEQ	-	461,000	-	-	-
University Park	1,133,657	-	-	-	-
NCTCOG	-	-	8,000,000	-	-
City of Dallas	-	-	400,000	-	-
Dallas County MCIP	-	1,000,000	1,500,000	500,000	1,000,000
Dallas County Road and Bridge	275,000	-	-	-	-
Transfer from DPS Technology Fund	291,000	-	-	-	-
Interest Revenue	530,676	513,186	360,984	341,634	332,129
<b>Total Annual Project Funding</b>	\$ 14,469,465	\$ 9,306,674	\$ 17,692,705	\$ 7,341,601	\$ 6,490,614
<b>Expenditures</b>					
Armstrong Parkway - Landscape, Lighting, and Irrigation Impr.	-	-	-	-	-
Park Renovation/Rehabilitation Program	243,665	251,462	259,509	267,813	276,383
Lakeside Park Phase I Improvements	-	1,500,000	-	-	-
Lakeside Park Phase II Improvements	-	500,000	-	-	-
DPS Needs Assessment	50,000	-	-	-	-
Street Light Painting	-	-	-	-	-
Street Light Program	150,000	154,800	159,754	164,866	170,142
Sidewalk Rehabilitation Program	250,000	200,000	206,400	213,005	219,821
Street Resurfacing & Miscellaneous Concrete	1,142,384	1,178,940	1,216,666	1,255,599	1,295,778
Traffic Signal Upgrades	-	200,000	150,000	-	-
Pavement Asset Management Plan Update (5-year)	-	75,000	-	-	-
Bridge Rehabilitation (Mockingbird and Beverly)	-	-	-	500,000	-
Transportation Improvement Program	1,800,000	-	12,500,000	-	-
Lakeside Drive Reconstruction & 30" Sewer Line	409,294	-	-	-	-
Airline Drive Rehabilitation	-	-	-	-	-
Mockingbird Lane (East) Rehabilitation	-	-	-	-	-
Abbott Avenue Rehabilitation - Harvard to Mockingbird	100,000	-	-	-	-
Mockingbird Lane (West) Reconstruction	1,865,000	-	-	-	-
Potomac Reconstruction	-	1,100,000	-	-	-
Swimming Pool Improvements	200,000	-	-	-	-
Service Center Generator	-	180,000	-	-	-
Teddy Bear Garden Pedestrian Access & Landscaping	600,000	-	-	-	-
Beverly Drive/Miramar Avenue HB Creek Roadway Crossings	170,000	-	1,500,000	-	-
Westside Drive Reconstruction - Lemmon to Mockingbird Ln	-	-	-	-	1,325,979
Hillcrest Avenue Reconstruction - Princeton to Drexel	-	-	-	-	1,466,696
Preston Road/Armstrong/Lakeside Drive Intersection Reconstruction	-	-	-	-	811,824
Douglas Avenue Reconstruction - Bordeaux to Beverly	-	-	-	-	-
Abbott Avenue Reconstruction - Armstrong to Harvard	-	-	-	-	-
Eastern Avenue Reconstruction - Westside Dr to Mockingbird Ln	-	-	-	2,292,209	-
Roland Avenue Reconstruction - Mockingbird Ln to Bordeaux Av	-	-	-	-	-
Douglas Avenue Reconstruction - South Town Limits to Arcady	-	-	-	1,847,033	-
Holland Avenue - Town limits to Westside	-	-	600,000	-	-
Lomo Alto Drive Reconstruction - Lemmon to Westway	-	-	-	-	-
Douglas Avenue Reconstruction - Beverly to North Town Limits	-	-	-	-	-
Mockingbird Lane Rehabilitation - DNT to Hillcrest	-	-	-	-	-
Westside Drive Reconstruction - Bordeaux to Beverly	-	-	-	-	-
Hillcrest Avenue Reconstruction - Abbott to Princeton	-	-	-	-	-
Westside Drive Reconstruction - Beverly to Mockingbird	-	-	-	-	-
Armstrong Parkway Reconstruction - Arcady to Beverly	-	-	-	-	-
Lomo Alto Drive Reconstruction - Westway to Arcady	-	-	-	-	-
Lomo Alto Drive Reconstruction - Arcady to Beverly	-	-	-	-	-
Lomo Alto Drive Reconstruction - Beverly to Mockingbird	-	-	-	-	-
Armstrong Parkway Reconstruction - Douglas to Arcady	-	-	-	-	-
Contingency	350,000	250,000	900,000	300,000	650,000
<b>Total Expenditures</b>	\$ 7,330,343	\$ 5,590,202	\$ 17,492,329	\$ 6,840,525	\$ 6,216,623
<b>Transfers-Out</b>					
Storm Water Fund	\$ 1,000,000	\$ 1,000,000	\$ 700,000	\$ 600,000	\$ 400,000
Utility Fund	197,825	267,700	274,393	281,253	288,284
<b>Total Transfers-Out</b>	\$ 1,197,825	\$ 1,267,700	\$ 974,393	\$ 881,253	\$ 688,284
<b>Total Expenditures &amp; Transfers Out</b>	\$ 8,528,168	\$ 6,857,902	\$ 18,466,722	\$ 7,721,778	\$ 6,904,907
<b>Ending Balance*</b>	\$ 11,990,593	\$ 14,439,365	\$ 13,665,348	\$ 13,285,171	\$ 12,870,878
<b>Construction Contingency</b>	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
<b>Over(Under) Contingency</b>	\$ 9,990,593	\$ 12,439,365	\$ 11,665,348	\$ 11,285,171	\$ 10,870,878

\*\*Excludes FY 2022-23.

2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	Total**
\$ 12,870,878	\$ 9,367,484	\$ 9,715,873	\$ 7,768,290	\$ 8,672,314	\$ 9,931,104	\$ 11,990,593
\$ 1,377,758	\$ 1,406,691	\$ 1,436,232	\$ 1,466,393	\$ 1,497,187	\$ 1,528,628	\$ 13,946,311
87,410	88,284	89,167	90,059	90,960	91,870	878,823
601,991	608,011	614,091	620,232	626,434	632,698	6,052,407
2,471,821	2,633,378	2,803,287	2,981,957	3,169,816	3,367,314	24,937,349
342,651	342,651	342,651	342,651	342,651	342,651	3,426,510
705,188	705,188	705,188	705,188	705,188	705,188	7,051,880
360,441	360,441	360,441	360,441	360,441	360,441	3,604,410
-	-	-	-	-	-	5,356,320
-	-	-	-	-	-	-
-	-	-	-	-	-	461,000
-	-	-	-	-	-	-
-	-	-	-	-	-	8,000,000
-	-	-	-	-	-	400,000
3,400,000	1,000,000	-	500,000	1,000,000	500,000	10,400,000
-	-	250,000	-	-	-	250,000
-	-	-	-	-	-	-
321,772	234,187	242,897	194,207	216,808	248,278	3,006,082
\$ 9,669,032	\$ 7,378,831	\$ 6,843,954	\$ 7,261,128	\$ 8,009,485	\$ 7,777,068	\$ 87,771,092
-	-	-	-	-	-	\$ -
285,227	294,354	303,773	313,494	323,526	333,879	2,909,420
-	-	-	-	-	-	1,500,000
-	-	-	-	-	-	500,000
-	-	-	-	-	-	-
175,587	181,206	187,005	192,989	199,165	205,538	1,791,052
226,855	234,114	241,606	249,337	257,316	265,550	2,314,004
1,337,243	1,380,035	1,424,196	1,469,770	1,516,803	1,565,341	13,640,371
-	-	-	-	-	-	350,000
-	-	-	-	-	-	75,000
-	-	-	-	-	-	500,000
-	-	-	-	-	-	12,500,000
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	1,100,000
-	-	-	-	-	-	-
-	-	-	-	-	-	180,000
-	-	-	-	-	-	-
-	-	-	-	-	-	1,500,000
-	-	-	-	-	-	1,325,979
-	-	-	-	-	-	1,466,696
5,962,036	-	-	-	-	-	6,773,860
-	-	-	-	-	-	-
2,666,355	-	-	-	-	-	2,666,355
-	-	-	-	-	-	2,292,209
1,523,632	-	-	-	-	-	1,523,632
-	-	-	-	-	-	1,847,033
-	-	-	-	-	-	600,000
-	1,846,906	-	-	-	-	1,846,906
-	2,190,949	-	-	-	-	2,190,949
-	-	2,504,135	-	-	-	2,504,135
-	-	2,251,424	-	-	-	2,251,424
-	-	918,948	-	-	-	918,948
-	-	-	1,464,574	-	-	1,464,574
-	-	-	1,598,729	-	-	1,598,729
-	-	-	-	1,685,080	-	1,685,080
-	-	-	-	1,792,639	-	1,792,639
-	-	-	-	-	1,596,883	1,596,883
-	-	-	-	-	3,525,332	3,525,332
350,000	250,000	300,000	400,000	300,000	350,000	4,050,000
\$ 12,526,935	\$ 6,377,564	\$ 8,131,087	\$ 5,688,893	\$ 6,074,529	\$ 7,842,523	\$ 82,781,210
\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 4,800,000
295,491	302,878	310,450	318,211	326,166	334,320	2,999,146
\$ 645,491	\$ 652,878	\$ 660,450	\$ 668,211	\$ 676,166	\$ 684,320	\$ 7,799,146
\$ 13,172,426	\$ 7,030,442	\$ 8,791,537	\$ 6,357,104	\$ 6,750,695	\$ 8,526,843	\$ 90,580,356
\$ 9,367,484	\$ 9,715,873	\$ 7,768,290	\$ 8,672,314	\$ 9,931,104	\$ 9,181,329	\$ 9,181,329
\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
\$ 7,367,484	\$ 7,715,873	\$ 5,768,290	\$ 6,672,314	\$ 7,931,104	\$ 7,181,329	\$ 7,181,329

TOWN OF HIGHLAND PARK, TEXAS

STORM WATER FUND

FISCAL YEARS 2024-2033

Project/Funding Source	2022-23	2023-24	2024-25	2025-26	2026-27
<b>Beginning Balance</b>	\$ 1,847,722	\$ 2,409,850	\$ 2,656,636	\$ 221,788	\$ 2,511,974
<b>Revenues</b>					
Storm Water Charges	\$ 470,800	\$ 543,324	\$ 635,689	\$ 743,756	\$ 870,195
Interest Earnings	\$ 128,892	\$ 112,947	66,416	5,545	62,799
<b>Total Revenues</b>	\$ 599,692	\$ 656,271	\$ 702,105	\$ 749,301	\$ 932,994
Transfer-In as Advance from Reserve Fund	\$ 600,000	\$ 2,000,000	2,000,000	2,000,000	-
Transfer-In from Capital Projects Fund	1,000,000	1,000,000	700,000	600,000	400,000
<b>Total Transfers-In</b>	<b>1,600,000</b>	<b>3,000,000</b>	<b>2,700,000</b>	<b>2,600,000</b>	<b>400,000</b>
<b>Total Revenues &amp; Transfers - In</b>	<b>\$ 2,199,692</b>	<b>\$ 3,656,271</b>	<b>\$ 3,402,105</b>	<b>\$ 3,349,301</b>	<b>\$ 1,332,994</b>
<b>Expenditures</b>					
Supplies & Equipment	\$ 7,100	\$ 7,600	\$ 7,767	\$ 7,938	\$ 8,113
Services & Charges	173,256	186,385	190,485	194,676	198,959
<b>Total Operating Expenditures</b>	<b>\$ 180,356</b>	<b>\$ 193,985</b>	<b>\$ 198,252</b>	<b>\$ 202,614</b>	<b>\$ 207,072</b>
Capital Outlay:					
Drainage Studies (TCEQ, EAP)	\$ 120,000	\$ -	\$ -	\$ -	\$ -
Master Plan & Improvements for Hackberry Creek	600,000	650,000	5,350,000	-	-
Drainage Easement Projects	630,000	450,000	-	-	-
Exall Dam Analysis	-	-	-	-	-
Exall Dredging	-	1,000,000	-	-	-
Stormwater Drainage Study Phase II	-	-	-	-	-
Holland Ave - Town limits to Westside	-	-	140,000	-	-
Potomac & Auburndale Reconstruction	-	970,000	-	-	-
Westside Drive Reconstruction - Lemmon to Bordeaux	-	-	-	-	757,703
Hillcrest Avenue Reconstruction - Princeton to Drexel	-	-	-	-	37,885
Abbott Avenue Reconstruction - Armstrong to Harvard	-	-	-	-	-
Eastern Avenue Reconstruction - Westside Dr to Mockingbird Ln	-	-	-	47,754	-
Douglas Avenue Reconstruction - South Town Limits to Arcady	-	-	-	56,775	-
Lomo Alto Drive Reconstruction - Lemmon to Westway	-	-	-	-	-
Douglas Avenue Reconstruction - Beverly to North Town Limits	-	-	-	-	-
Westside Drive Reconstruction - Bordeaux to Beverly	-	-	-	-	-
Hillcrest Avenue Reconstruction - Abbott to Princeton	-	-	-	-	-
Armstrong Parkway Reconstruction - Arcady to Beverly	-	-	-	-	-
Westside Drive Reconstruction - Beverly to Mockingbird	-	-	-	-	-
Lomo Alto Drive Reconstruction - Westway to Arcady	-	-	-	-	-
Lomo Alto Drive Reconstruction - Arcady to Beverly	-	-	-	-	-
Lomo Alto Drive Reconstruction - Beverly to Mockingbird	-	-	-	-	-
Armstrong Parkway Reconstruction - Douglas to Arcady	-	-	-	-	-
Armstrong Parkway Reconstruction - Beverly to Mockingbird	-	-	-	-	-
<b>Total Capital Outlay</b>	<b>\$ 1,350,000</b>	<b>\$ 3,070,000</b>	<b>\$ 5,490,000</b>	<b>\$ 104,529</b>	<b>\$ 795,588</b>
<b>Total Expenditures</b>	<b>\$ 1,530,356</b>	<b>\$ 3,263,985</b>	<b>\$ 5,688,252</b>	<b>\$ 307,143</b>	<b>\$ 1,002,660</b>
Transfer to Reserve Fund for Repayment of Advance	-	-	-	600,000	600,000
Transfers Out to Utility Fund	107,208	145,500	148,701	151,972	155,315
<b>Total Transfers-In</b>	<b>107,208</b>	<b>145,500</b>	<b>148,701</b>	<b>751,972</b>	<b>755,315</b>
<b>Total Expenditures &amp; Transfers-Out</b>	<b>\$ 1,637,564</b>	<b>\$ 3,409,485</b>	<b>\$ 5,836,953</b>	<b>\$ 1,059,115</b>	<b>\$ 1,757,975</b>
<b>Ending Balance</b>	<b>\$ 2,409,850</b>	<b>\$ 2,656,636</b>	<b>\$ 221,788</b>	<b>\$ 2,511,974</b>	<b>\$ 2,086,993</b>

Note: FY 2023-24 includes a 20% adjustment to storm water rates. Subsequent years reflect a 17% increase in rates in each year.

\* \*Excludes FY 2022-23.



2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	Total**
\$ 2,086,993	\$ 2,492,774	\$ 448,792	\$ 401,327	\$ 658,520	\$ (766,134)	\$ 2,409,850
\$ 1,018,128	\$ 1,191,210	\$ 1,393,715	\$ 1,630,647	\$ 1,907,857	\$ 2,232,193	\$ 12,166,713
52,175	62,319	11,220	10,033	16,463	-	399,917
\$ 1,070,303	\$ 1,253,529	\$ 1,404,935	\$ 1,640,680	\$ 1,924,320	\$ 2,232,193	\$ 12,566,630
-	-	-	-	-	-	6,000,000
350,000	350,000	350,000	350,000	350,000	350,000	\$ 4,800,000
350,000	350,000	350,000	350,000	350,000	350,000	10,800,000
\$ 1,420,303	\$ 1,603,529	\$ 1,754,935	\$ 1,990,680	\$ 2,274,320	\$ 2,582,193	\$ 23,366,630
\$ 8,291	\$ 8,473	\$ 8,659	\$ 8,849	\$ 9,044	\$ 9,243	\$ 83,977
203,336	207,809	212,381	217,053	221,828	226,708	2,059,620
\$ 211,627	\$ 216,282	\$ 221,040	\$ 225,902	\$ 230,872	\$ 235,951	\$ 2,143,597
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	6,000,000
-	-	-	-	-	-	450,000
-	-	-	-	-	-	-
-	-	-	-	-	-	1,000,000
-	-	-	-	-	-	-
-	-	-	-	-	-	140,000
-	-	-	-	-	-	970,000
-	-	-	-	-	-	757,703
-	-	-	-	-	-	37,885
44,163	-	-	-	-	-	44,163
-	-	-	-	-	-	47,754
-	-	-	-	-	-	56,775
-	1,830,014	-	-	-	-	1,830,014
-	838,991	-	-	-	-	838,991
-	-	769,619	-	-	-	769,619
-	-	45,948	-	-	-	45,948
-	-	-	456,947	-	-	456,947
-	-	-	281,198	-	-	281,198
-	-	-	-	1,589,473	-	1,589,473
-	-	-	-	1,105,461	-	1,105,461
-	-	-	-	-	609,497	609,497
-	-	-	-	-	101,177	101,177
-	-	-	-	-	-	-
\$ 44,163	\$ 2,669,005	\$ 815,567	\$ 738,145	\$ 2,694,934	\$ 710,674	\$ 17,132,605
\$ 255,790	\$ 2,885,287	\$ 1,036,607	\$ 964,047	\$ 2,925,806	\$ 946,625	\$ 19,276,202
600,000	600,000	600,000	600,000	600,000	600,000	4,800,000
158,732	162,224	165,793	169,440	173,168	176,978	1,607,823
758,732	762,224	765,793	769,440	773,168	776,978	6,407,823
\$ 1,014,522	\$ 3,647,511	\$ 1,802,400	\$ 1,733,487	\$ 3,698,974	\$ 1,723,603	\$ 25,684,025
\$ 2,492,774	\$ 448,792	\$ 401,327	\$ 658,520	\$ (766,134)	\$ 92,455	\$ 92,455

TOWN OF HIGHLAND PARK, TEXAS

UTILITY FUND

FISCAL YEARS 2024-2033

Project/Funding Source	*	*	*	*	*
	2022-23	2023-24	2024-25	2025-26	2026-27
<b>Beginning Balance</b>	\$ 7,754,239	\$ 10,099,572	\$ 5,122,679	\$ 4,109,578	\$ 5,668,996
<b>Revenues</b>					
Water Sales	\$ 8,440,723	\$ 8,508,723	\$ 8,763,985	\$ 9,032,975	\$ 9,303,964
Sewer Charges	2,965,321	3,064,870	3,145,909	3,240,286	3,337,495
Permit Revenue	58,496	63,006	64,000	64,000	64,000
Interest Earnings	513,782	503,713	128,067	102,739	141,725
Contributions	-	-	-	-	-
Intergovernmental Revenue	-	-	468,180	-	865,946
Other Revenues	101,239	104,352	107,000	107,000	107,000
<b>Total Revenues</b>	\$ 12,079,561	\$ 12,244,664	\$ 12,677,141	\$ 12,547,000	\$ 13,820,129
Transfers-In	2,624,472	474,500	484,939	495,608	506,511
<b>Total Revenues &amp; Transfers-In</b>	\$ 14,704,033	\$ 12,719,164	\$ 13,162,080	\$ 13,042,608	\$ 14,326,640
<b>Expenditures</b>					
Personnel Services	\$ 1,789,557	\$ 1,960,002	\$ 2,033,502	\$ 2,109,758	\$ 2,188,874
Supplies & Equipment	3,550,629	4,067,164	4,189,179	4,314,854	4,444,300
Services & Charges	1,550,384	1,550,454	1,596,968	1,644,877	1,694,223
<b>Total Operating Expenditures</b>	\$ 6,890,570	\$ 7,577,620	\$ 7,819,649	\$ 8,069,489	\$ 8,327,397
Capital Outlay:					
Water & Sanitary Sewer Infrastructure Replace./Rehab.	\$ 3,450,000	\$ 350,000	\$ 2,573,166	\$ 350,000	\$ 2,740,483
30" Interceptor - Transportation Project	-	-	936,360	-	-
30" Interceptor - Wycliffe to Armstrong	-	-	-	-	1,731,891
30" Interceptor - Beverly to Mockingbird	-	-	-	-	-
Gillon Pump Station Improvements	-	-	-	-	-
Holland Elevated Storage Tank Replacement	-	7,600,000	-	-	-
Decommission Holland EST	-	-	250,000	-	-
Holland Ave - Town limits to Westside	-	-	450,000	-	-
Westside Drive Reconstruction - Lemmon to Bordeaux	-	-	-	-	405,912
Hillcrest Avenue Reconstruction - Princeton to Drexel	-	-	-	-	411,324
Abbott Avenue Reconstruction - Armstrong to Harvard	-	-	-	-	-
Eastern Avenue Reconstruction - Westside Dr to Mockingbird Ln	-	-	-	578,358	-
Roland Avenue Reconstruction - Mockingbird Ln to Bordeaux Av	-	-	-	-	-
Douglas Avenue Reconstruction - South Town Limits to Arcady	-	-	-	287,057	-
Lomo Alto Drive Reconstruction - Lemmon to Westway	-	-	-	-	-
Douglas Avenue Reconstruction - Beverly to North Town Limits	-	-	-	-	-
Westside Drive Reconstruction - Bordeaux to Beverly	-	-	-	-	-
Hillcrest Avenue Reconstruction - Abbott to Princeton	-	-	-	-	-
Lomo Alto Drive Reconstruction - Westway to Arcady	-	-	-	-	-
Lomo Alto Drive Reconstruction - Arcady to Beverly	-	-	-	-	-
Armstrong Parkway Rehabilitation - Arcady to Beverly	-	-	-	-	-
Armstrong Parkway Reconstruction - Douglas to Arcady	-	-	-	-	-
<b>Total Capital Expenditures</b>	\$ 3,450,000	\$ 7,950,000	\$ 4,209,526	\$ 1,215,415	\$ 5,289,610
<b>Total Expenditures</b>	\$ 10,340,570	\$ 15,527,620	\$ 12,029,175	\$ 9,284,904	\$ 13,617,007
Transfers-Out	\$ 2,018,130	\$ 2,168,437	2,146,006	2,198,286	2,251,557
<b>Total Expenditures &amp; Transfer-Out</b>	\$ 12,358,700	\$ 17,696,057	\$ 14,175,181	\$ 11,483,190	\$ 15,868,564
Operating Reserve	\$ 2,084,600	\$ 2,340,639	\$ 2,342,540	\$ 2,413,528	\$ 2,486,720
Rate Stabilization Reserve	8,014,972	2,782,040	1,767,038	3,255,468	1,640,352
<b>Ending Balance</b>	<b>10,099,572</b>	<b>5,122,679</b>	<b>4,109,578</b>	<b>5,668,996</b>	<b>4,127,072</b>
Ideal Fund Balance ( 25% of Operating Expenses)	\$ 2,084,600	\$ 2,340,639	\$ 2,342,540	\$ 2,413,528	\$ 2,486,720
<b>Over(Under) Ideal Fund Balance</b>	<b>\$ 8,014,972</b>	<b>\$ 2,782,040</b>	<b>\$ 1,767,038</b>	<b>\$ 3,255,468</b>	<b>\$ 1,640,352</b>

\* Includes 7.55% rate adjustment for Water Sales and 3% for Sewer Charges in FY 2024 and a 3% for Water Sales and Sewer Charges each year thereafter through FY 2031.

\*\*Excludes FY 2022-23

	*	*	*	*			
	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	Total**
\$	4,127,072	\$ 4,829,446	\$ 3,708,633	\$ 5,865,467	\$ 4,724,350	\$ 6,381,389	\$ 10,099,572
\$	9,583,083	\$ 9,866,635	\$ 10,158,694	\$ 10,459,514	\$ 10,459,514	\$ 10,459,514	\$ 96,596,601
	3,437,620	3,437,620	3,437,620	3,437,620	3,437,620	3,437,620	33,414,280
	64,000	64,000	64,000	64,000	64,000	64,000	639,006
	103,177	120,736	92,716	146,637	118,109	159,535	1,617,153
	-	-	-	-	-	-	-
	-	-	-	-	-	201,134	1,535,260
	107,000	107,000	107,000	107,000	107,000	107,000	1,067,352
\$	13,294,880	\$ 13,595,991	\$ 13,860,030	\$ 14,214,771	\$ 14,186,243	\$ 14,428,803	\$ 134,869,652
	517,654	529,042	540,681	552,576	564,733	577,157	5,243,401
\$	13,812,534	\$ 14,125,033	\$ 14,400,711	\$ 14,767,347	\$ 14,750,976	\$ 15,005,960	\$ 140,113,053
\$	2,270,957	\$ 2,356,118	\$ 2,444,472	\$ 2,536,140	\$ 2,631,245	\$ 2,729,917	\$ 23,260,985
	4,577,629	4,714,958	4,856,407	5,002,099	5,152,162	5,306,727	46,625,479
	1,745,050	1,797,402	1,851,324	1,906,864	1,964,070	2,022,992	17,774,224
\$	8,593,636	\$ 8,868,478	\$ 9,152,203	\$ 9,445,103	\$ 9,747,477	\$ 10,059,636	\$ 87,660,688
\$	350,000	\$ 2,918,680	\$ 350,000	\$ 3,122,988	\$ 350,000	\$ 3,341,597	\$ 16,446,914
	-	-	-	-	-	-	936,360
	-	-	-	-	-	-	1,731,891
	-	-	0	-	-	402,268	402,268
	-	-	-	-	-	-	-
	-	-	-	-	-	-	7,600,000
	-	-	-	-	-	-	250,000
	-	-	-	-	-	-	450,000
	-	-	-	-	-	-	405,912
	-	-	-	-	-	-	411,324
	1,120,642	-	-	-	-	-	1,120,642
	-	-	-	-	-	-	578,358
	739,734	-	-	-	-	-	739,734
	-	-	-	-	-	-	287,057
	-	681,328	-	-	-	-	681,328
	-	420,622	-	-	-	-	420,622
	-	-	114,869	-	-	-	114,869
	-	-	218,250	-	-	-	218,250
	-	-	-	-	406,331	-	406,331
	-	-	-	-	89,632	-	89,632
	-	-	-	878,745	-	-	878,745
	-	-	-	-	-	891,085	891,085
\$	2,210,376	\$ 4,020,630	\$ 683,119	\$ 4,001,733	\$ 845,963	\$ 4,634,950	\$ 35,061,322
\$	10,804,012	\$ 12,889,108	\$ 9,835,322	\$ 13,446,836	\$ 10,593,440	\$ 14,694,586	\$ 122,722,010
	2,306,148	2,356,738	2,408,555	2,461,628	2,500,497	2,540,221	23,338,074
\$	13,110,160	\$ 15,245,846	\$ 12,243,877	\$ 15,908,464	\$ 13,093,937	\$ 17,234,807	\$ 146,060,083
\$	2,562,187	\$ 2,640,002	\$ 2,720,236	\$ 2,802,969	\$ 2,888,279	\$ 2,976,250	\$ 2,976,250
	2,267,259	1,068,631	3,145,231	1,921,381	3,493,110	1,176,291	1,176,291
	4,829,446	3,708,633	5,865,467	4,724,350	6,381,389	4,152,541	4,152,541
\$	2,562,187	\$ 2,640,002	\$ 2,720,236	\$ 2,802,969	\$ 2,888,279	\$ 2,976,250	\$ 2,976,250
\$	2,267,259	\$ 1,068,631	\$ 3,145,231	\$ 1,921,381	\$ 3,493,110	\$ 1,176,291	\$ 1,176,291

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**CAPITAL PROJECTS FUND**

***Park Renovation/Rehabilitation Program***

- Estimated Project Cost - \$2,909,420
- FY 2023-24 Funding - \$251,462
- Project Year(s) - Annually
- Improve the safety and the beauty of Town Parks by systematically updating the irrigation, lighting, playgrounds, site amenities, walkways, turf and groundcover areas to enhance the overall park experience.
- ***The ultimate impact on the operating budget related to this program will be known once the design work for each year's project is complete.***

***Lakeside Park Improvements***

- Estimated Project Cost - \$2,000,000
- Project Year - FY 2023-24
- To restore landscape in areas where tree coverage, pedestrian traffic, and wildlife have compromised existing sod and/or ground cover, improve grading and drainage, enhance landscape lighting, replace various sidewalk locations in poor condition, upgrade existing bench pad locations, as well as construct a new ADA accessibility ramp east of the Exall pedestrian bridge.
- ***Project provides enhancements throughout the park with improved accessibility for pedestrians, addressing needed maintenance and overall beautification.***

***Street Light Program***

- Estimated Project Cost - \$1,791,052
- FY 2023-24 Funding - \$154,800
- Project Year(s) - Annually
- Includes painting and/or replacing streetlights.
- ***Project works to maintain streetlights through painting and extending the life until replacement is needed.***

***Sidewalk Rehabilitation Program***

- Estimated Project Cost - \$2,314,004
- FY 2023-24 Funding - \$200,000
- Project Year(s) - Annually
- Includes repairing or replacing sidewalks that have either reached the end of their useful life or have become unsafe for people using sidewalks.
- ***Project works to maintain sidewalks and improve accessibility for pedestrian traffic.***

***Street Resurfacing & Miscellaneous Concrete***

- Estimated Project Cost - \$13,640,371
- FY 2023-24 Funding - \$1,178,940
- Project Year(s) – Annually
- An annual program of rehabilitating & restoring asphalt road surfaces, and constructing concrete repairs to curb and gutters, streets, alleys and sidewalks.
- ***The program is intended to, among other things, provide funding for continued right of way maintenance in an effort to extend the life of the roadways. This allows more current resources to be devoted to those roadway projects that need to be reconstructed.***

**Traffic Signal Upgrades**

- Estimated Project Cost - \$350,000
- FY 2023-24 Funding - \$200,000
- Project Year(s) – FY 2023-24 and FY 2024-25
- Upgrades include conflict monitors, controller cabinets and controllers, backup batteries, upgraded emergency pre-emption, vehicle detection and other operational upgrades.
- ***The program is intended to provide funding to update degraded and antiquated traffic signals and improve operations, reliability and efficiency.***

**Mockingbird Bridge Rehabilitation**

- Estimated Project Cost - \$500,000
- Project Year(s) – FY 2025-26
- Includes structural evaluation of the existing bridge railing, removal of deteriorated paint, concrete repairs as needed and new paint. Project may include additional sidewalk improvements to enhance pedestrian safety.
- ***Project works to maintain the integrity of the bridge railing, including aesthetics and functionality allowing for pedestrian safety.***

**Transportation Improvement Program**

- Estimated Project Cost - \$14,300,000 (Design funding of \$1,800,000 was provided in FY 2022-23)
- FY 2024-25 Funding - \$12,500,000
- Project Year(s) – FY 2022-23 & FY 2024-25
- Limits – East Town limits to Oaklawn Avenue
- Additional Funding Sources – Dallas County MCIP \$1,000,000; NCTCOG/TXDOT \$8,000,000; TCEQ \$461,000; City of Dallas \$400,000
- Includes a complete reconstruction of Wycliffe Avenue crossing over Turtle Creek, elevating the roadway via a bridge structure, reconstructing the dam and improving the conveyance of storm water within Turtle Creek.
- ***Project will mitigate future flooding occurring over Wycliffe Avenue while enhancing the public’s safety in this area.***

**Beverly Drive/Miramar Avenue HB Creek Roadway Crossings**

- Estimated Project Cost – \$1,500,000
- Project Year(s) – FY 2024-25
- Limits – Drexel Drive to St. Johns Drive
- Project includes road reconstruction in connection with improvements to the Hackberry Creek corridor.
- ***Project is a complete reconstruction of the roadway and culvert improvements, which will allow current maintenance dollars that may otherwise be spent maintaining this roadway to be allocated towards other transportation related maintenance.***

**Preston Road/Armstrong/Lakeside Drive Intersection Reconstruction**

- Estimated Project Cost – \$6,773,860
- Project Year(s) – FY 2026-27 and FY 2027-28
- Limits - Preston Road at Armstrong Parkway Intersection
- Additional Funding Sources –Dallas County MCIP \$2,400,000
- Road reconstruction and signal improvements.
- ***Project is a complete reconstruction of the roadway, which will allow current maintenance dollars that may otherwise be spent maintaining this roadway and traffic signals to be allocated towards other transportation related maintenance.***

## *Ten Year Capital Improvement Plan Project Detail – By Fund*

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### ***Mockingbird Lane Rehabilitation***

- Estimated Project Cost – \$2,504,135
- Project Year(s) – FY 2029-30
- Limits – Dallas North Tollway to Hillcrest Road
- Additional Funding Source – Dallas County Road and Bridge - \$250,000
- Project includes concrete repairs and street resurfacing as well as curb and gutters, sidewalks, and ADA ramps, as needed.
- ***Roadway is currently maintained on an as needed basis. Project rehabilitates the roadway allowing the refocus of any maintenance dollars that would otherwise be used on this road to other areas.***

## **STORM WATER FUND**

### ***Improvements for Hackberry Creek***

- Estimated Project Cost –\$6,600,000 (\$600,000 funded in FY 2022-23)
- FY 2023-24 Funding - \$650,000
- Project Year(s) – FY 2022-23 through 2024-25
- The project encompasses the area generally from Byron Avenue to Armstrong Avenue and between St. Johns Drive and Drexel Drive.
- Phase I includes the area from Byron Avenue to Miramar Avenue. Key design elements include erosion mitigation, creek wall replacement/repairs, replacement/repair of stormwater outfalls, sidewalk/stair/handrail replacement, roadway crossings and culvert improvements and aesthetics including landscaping and irrigation. Project also includes reconstructing Tennis Court #1 into multiple pickleball courts.
- ***Project impact on the operating budget will not be known until design work is complete.***

### ***Drainage Easement Projects***

- Estimated Project Cost –\$450,000
- Project Year(s) – FY 2023-24
- Improvements may include grading, adjustments to existing inlets, installing new inlets and associated storm drain-pipe and construction of a concrete flume.
- ***Project is anticipated to address local drainage issues within the easements and is expected to have minimal impact on the operating budget.***

### ***Exall Dredging***

- Estimated Project Cost –\$1,000,000
- Project Year(s) – FY 2023-24
- Improvements consist of removing silt from Exall Lake to restore water depth and improve the aquatic ecosystem and water quality.
- ***Project is anticipated to address water quality and is not expected to impact the operating budget.***

## **UTILITY FUND**

### ***Water & Sanitary Sewer Infrastructure Replacement/Rehabilitation:***

- Estimated Project Cost - \$16,446,914
- FY 2023-24 Funding - \$350,000
- Project Year(s) – Annually
- An annual program to replace aging water and sewer mains.
- ***Program is intended to replace aging infrastructure and is expected to reduce utility line maintenance efforts in the areas where lines are replaced. This will allow maintenance dollars to be applied to other areas.***

## *Ten Year Capital Improvement Plan Project Detail – By Fund*

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### **30" Sewer Interceptor**

- Estimated Project Cost – \$3,070,519
  - Limits:
    - Design and Construction (\$936,360) – South Town limits to Wycliffe Avenue
    - Design and Construction (\$1,731,891) - Wycliffe Avenue to Armstrong Avenue
    - Design and Construction (\$402,268) - Beverly Drive to Mockingbird Lane
- Project Year(s) – FY 2024-25, FY 2026-27 and FY 2032-33
- Additional Funding Source – University Park \$1,535,260
- The project will consist of rehabilitating the 30-inch sanitary sewer interceptor.
- ***This project will allow maintenance dollars to be applied to other areas.***

### **PROJECTS PRESENT IN MULTIPLE FUNDS**

### **Holland Elevated Storage Tank Replacement**

- Estimated Project Cost – \$9,890,000 (\$670,000 for design was funded FY 2021-22)
  - Capital Projects Fund \$780,000 (Includes \$180,000 for generator)
  - Storm Water Fund \$140,000
  - Utility Fund \$8,970,000 (Includes \$250,000 for removal of existing tank)
- Project Year(s) – FY 2021-22 through FY 2024-25
- Improvements consist of replacing the existing elevated storage tank (EST) with a new EST at the Town’s Service Center on Holland Avenue. In addition to the new EST, improvements include relocating the department of public safety radio system, roadway reconstruction, water, sewer, and drainage improvements and decommissioning the existing EST.
- ***Project will replace the existing end of life elevated storage tank with a new elevated storage tank. The new EST will provide improved water pressures throughout the community. It is anticipated that with the new EST, maintenance dollars can be devoted to other areas of the utility system.***

### **Westside Drive Reconstruction**

- Estimated Project Cost – \$7,371,278
  - Capital Projects Fund \$5,041,977
    - Limits
      - Phase I includes Lemmon Avenue to Bordeaux Avenue (\$1,325,979)
      - Phase II includes Bordeaux Avenue to Beverly Drive (\$2,251,424)
      - Phase III includes Beverly Drive to Mockingbird Lane (\$1,464,574)
  - Storm Water Drainage Fund \$1,808,520
    - Limits
      - Phase I includes Lemmon Avenue to Bordeaux Avenue (\$757,703)
      - Phase II includes Bordeaux Avenue to Beverly Drive (\$769,619)
      - Phase III includes Beverly Drive to Mockingbird Lane (\$281,198)
  - Utility Fund \$520,781
    - Limits
      - Phase I includes Lemmon Avenue to Bordeaux Avenue (\$405,912)
      - Phase II includes Bordeaux Avenue to Beverly Drive (\$114,869)
- Project Year(s) – FY 2026-27, FY 2029-30 & FY 2030-31
- Additional Funding Source – Dallas County MCIP - \$500,000 in the Capital Projects Fund.
- Project includes the total reconstruction of the road, including water, sewer and drainage improvements.
- ***Project is a complete reconstruction, which will allow current maintenance dollars that may otherwise be spent maintaining this roadway and existing utility infrastructure to be allocated towards other infrastructure related maintenance.***

## *Ten Year Capital Improvement Plan Project Detail – By Fund*

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### ***Hillcrest Avenue Reconstruction***

- Estimated Project Cost – \$3,099,051
  - Capital Projects Fund \$2,385,644
    - Limits
      - Phase I includes Princeton Avenue to Drexel Drive (\$1,466,696)
      - Phase II includes Abbott Avenue to Princeton Avenue (\$918,948)
  - Storm Water Drainage Fund \$83,833
    - Limits
      - Phase I includes Princeton Avenue to Drexel Drive (\$37,885)
      - Phase II includes Abbott Avenue to Princeton Avenue (\$45,948)
  - Utility Fund \$629,574
    - Limits
      - Phase I includes Princeton Avenue to Drexel Drive (\$411,324)
      - Phase II includes Abbott Avenue to Princeton Avenue (\$218,250)
- Project Year(s) – FY 2026-27 & FY 2029-30
- Additional Funding Source – Dallas County MCIP - \$500,000 in the Capital Projects Fund
- Project includes the total reconstruction of the road, including water, sewer, and drainage improvements.
- ***Project is a complete reconstruction, which will allow current maintenance dollars that may otherwise be spent maintaining this roadway and existing utility infrastructure to be allocated towards other infrastructure related maintenance.***

### ***Potomac & Auburndale Reconstruction***

- Estimated Project Cost – \$2,070,000
  - Capital Projects Fund \$1,100,000
  - Storm Water Drainage Fund \$970,000
- Project Year(s) – FY 2023-24
- Limits – Key Street to Hillcrest Avenue
- Project includes the total reconstruction of the road including drainage improvements.
- ***Project is a complete reconstruction, which will allow current maintenance dollars that may otherwise be spent maintaining this roadway to be committed to other roadways.***

### ***Abbott Avenue Reconstruction***

- Estimated Project Cost – \$3,831,160
  - Capital Projects Fund \$2,666,355
  - Storm Water Drainage Fund \$44,163
  - Utility Fund \$1,120,642
- Project Year(s) – FY 2027-28
- Limits - Armstrong Avenue to Harvard Avenue
- Additional Funding Source – Dallas County MCIP - \$500,000 in the Capital Projects Fund
- Project includes the total reconstruction of the road, including water, sewer, and drainage improvements.
- ***Project is a complete reconstruction, which will allow current maintenance dollars that may otherwise be spent maintaining this roadway and existing utility infrastructure to be allocated towards other infrastructure related maintenance.***

## *Ten Year Capital Improvement Plan Project Detail – By Fund*

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### ***Eastern Avenue Reconstruction***

- Estimated Project Cost – \$2,918,321
  - Capital Projects Fund \$2,292,209
  - Storm Water Drainage Fund \$47,754
  - Utility Fund \$578,358
- Project Year(s) – FY 2025-26
- Limits – Westside Drive to Mockingbird Lane
- Additional Funding Source – Dallas County MCIP - \$500,000 in the Capital Projects Fund
- Project includes the total reconstruction of the road, including water, sewer, and drainage improvements.
- ***Project is a complete reconstruction, which will allow current maintenance dollars that may otherwise be spent maintaining this roadway and existing utility infrastructure to be allocated towards other infrastructure related maintenance.***

### ***Roland Avenue Reconstruction***

- Estimated Project Cost – \$2,263,366
  - Capital Projects Fund \$1,523,632
  - Utility Fund \$739,734
- Project Year(s) – FY 2027-28
- Limits – Mockingbird Lane to Bordeaux Avenue
- Additional Funding Source – Dallas County MCIP - \$500,000 in the Capital Projects Fund
- Project includes the total reconstruction of the road, including water, sewer, and drainage improvements.
- ***Project is a complete reconstruction, which will allow current maintenance dollars that may otherwise be spent maintaining this roadway and existing utility infrastructure to be allocated towards other infrastructure related maintenance.***

### ***Douglas Avenue Reconstruction***

- Estimated Project Cost – \$5,641,427
  - Capital Projects Fund \$4,037,982
    - Limits
      - Phase I includes South Town limits to Arcady Avenue (\$1,847,033)
      - Phase II includes Beverly Drive to North Town limits (\$2,190,949)
  - Storm Water Drainage Fund \$895,766
    - Limits
      - Phase I includes South Town limits to Arcady Avenue (\$56,775)
      - Phase II includes Beverly Drive to North Town limits (\$838,991)
  - Utility Fund \$707,679
    - Limits
      - Phase I includes South Town limits to Beverly Drive (\$287,057)
      - Phase II includes Beverly Drive to North Town limits (\$420,622)
- Project Year(s) – FY 2025-26 & FY 2028-29
- Additional Funding Source – anticipated Dallas County MCIP - \$500,000 in the Capital Projects Fund
- Project includes the total reconstruction of the road, including water, sewer, and drainage improvements.
- ***Project is a complete reconstruction, which will allow current maintenance dollars that may otherwise be spent maintaining this roadway and existing utility infrastructure to be allocated towards other infrastructure related maintenance.***

## *Ten Year Capital Improvement Plan Project Detail – By Fund*

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### ***Lomo Alto Drive Reconstruction***

- Estimated Project Cost – \$13,233,244
  - Capital Projects Fund \$6,921,508
    - Limits
      - Phase I includes Lemmon Avenue to Westway Avenue (\$1,846,906)
      - Phase II includes Westway Avenue to Arcady Avenue (\$1,685,080)
      - Phase III includes Arcady Avenue to Beverly Drive (\$1,792,639)
      - Phase IV includes Beverly Drive to Mockingbird Lane (\$1,596,883)
  - Storm Water Drainage Fund – \$5,134,445
    - Limits
      - Phase I includes Lemmon Avenue to Westway (\$1,830,014)
      - Phase II includes Westway to Arcady (\$1,589,473)
      - Phase III includes Arcady to Beverly (\$1,105,461)
      - Phase IV includes Beverly to Mockingbird Lane (\$609,497)
  - Utility Fund \$1,177,291
    - Limits
      - Phase I includes Lemmon Avenue to Westway Avenue (\$681,328)
      - Phase II includes Westway Avenue to Arcady Avenue (\$406,331)
      - Phase III includes Arcady Avenue to Beverly Drive (\$89,632)
- Project Year(s) – FY 2028-29, FY 2031-32 & FY 2032-33
- Additional Funding Source – anticipated Dallas County MCIP \$1,500,000 in the Capital Projects Fund
- Project includes the total reconstruction of the road, including water, sewer, and drainage improvements.
- ***Project is a complete reconstruction which will allow current maintenance dollars that may otherwise be spent maintaining this roadway and existing utility infrastructure to be allocated towards other infrastructure related maintenance.***

### ***Armstrong Parkway Reconstruction & Rehabilitation***

- Estimated Project Cost – \$7,452,015
  - Capital Projects Fund \$5,124,061
    - Limits
      - Phase I includes Arcady Avenue to Beverly Drive (\$1,598,729)
      - Phase II includes Douglas Avenue to Arcady Avenue (\$3,525,332)
  - Storm Water Drainage Fund \$558,124
    - Limits
      - Phase I includes Arcady Avenue to Beverly Drive (\$456,947)
      - Phase II includes Douglas Avenue to Arcady Avenue (\$101,177)
  - Utility Fund \$1,769,830
    - Limits
      - Phase I includes Arcady Avenue to Beverly Drive (\$878,745)
      - Phase II includes Douglas Avenue to Arcady Avenue (\$891,085)
- Project Year(s) – FY 2030-31 & FY 2032-33
- Additional Funding Source – anticipated Dallas County MCIP - \$1,000,000 in the Capital Projects Fund
- Project includes the total reconstruction of the road, including water, sewer, and drainage improvements.
- ***Project is a complete reconstruction, which will allow current maintenance dollars that may otherwise be spent maintaining this roadway and existing utility infrastructure to be allocated towards other infrastructure related maintenance.***

MCIP – Major Capital Improvement Program.

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**TEN YEAR FINANCIAL FORECAST**

## **10-YEAR FINANCIAL FORECAST BASIC ASSUMPTIONS**

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### **General Fund**

#### ***Revenues:***

- Property tax revenue is based on estimated taxable assessed values (T.A.V.) and the tax rate projected for each fiscal year. The Town's taxable assessed value is projected to grow at a rate of 4.5% per year. The tax rate is projected at the voter approval rate each year and anticipates 1.012% of annual growth in T.A.V. related to new construction.
- Building and permits revenue is indexed at 3.0% per year.
- Sales tax is indexed at 2.5% which is more conservative than historical trends.
- Interest revenue is based on 2.5% of fund balance for years after FY 2026.
- Transfers-in is indexed at 2.2% per year.
- Other operational revenues are indexed based on five-year trends ranging from 1.0% to 4.0% based on the revenue category.

#### ***Expenditures:***

- Payroll expense is indexed at 3.75% each year. This amount is up from prior years reflecting the return to annual merit increases of up to 6% for first responders in the Department of Public Safety.
- Payroll taxes (FICA) and retirement contributions are projected at a factor of payroll expense based on the percentage of payroll budgeted for each category in the Adopted Budget. Health Insurance is projected to increase at a rate of 5% per year.
- "Supplies & Equipment" and "Services and Charges" are projected to grow at 3.0% per year.
- Most capital/equipment is funded from the Capital Projects Fund, Equipment Replacement Fund and Technology Replacement Fund; however, \$10,000 per year has been allocated in fiscal year 2024-25 and thereafter to address unanticipated capital needs in the General Fund.
- "Transfers to Other Funds" represents the General Fund's portion of funding for future replacement of equipment, technology and building maintenance. This expense is indexed at 2.2% per year.
- Transfers to the Capital Projects Fund is a function of the difference between operating revenues and expenses, while maintaining ideal fund balance (17% of operating expenses) within the General Fund.
- Project costs have been updated to reflect current costs and are adjusted for future inflation at 2% per year. A construction contingency was added beginning in fiscal year 2022 – 2023.

### **Storm Water Drainage Utility Fund**

#### ***Revenues:***

- The financial forecast reflects storm water revenues being indexed each year by 17%; however, for FY 2024, revenues are adjusted by 20%. This change from the prior strategy of adjusting each year by the rate of inflation is to address future capital needs within this fund.
- A transfer from the Capital Improvement Fund of \$1,000,000 for fiscal year 2023-24 and transfers ranging between \$350,000 and \$700,000 per year for the remaining nine years is anticipated.
- The Storm Water Drainage Utility Fund also anticipates an internal loan from the Reserve Fund to facilitate improvements to Hackberry Creek over the next four years. The internal loan will be repaid over 10 years from the year the that all the funds are provided.

#### ***Expenditures:***

- "Supplies & Equipment" and "Services & Charges" are indexed at 2.2% each year.
- Transfers-out is indexed at 2.2% per year.

## **Utility Fund**

Utility rates are set to meet the annual revenue requirement within the Utility Fund. This fund includes the cost of capital expenditures, and the Utility Fund uses a Pay-as-You-Go funding strategy. It should be noted, however, that it is not uncommon for cities to use debt to fund relatively large capital improvements to utility systems. The ten-year financial model includes an annual water and sewer rate adjustment of 3.0%. For fiscal year 2024, an additional increase to the Town's retail water rate of 4.55% is proposed to fund an increase in the wholesale water rate charged by the Dallas County Park Cities Municipal Utility District (DCPCMUD). The 3% increase in sewer rates and overall 7.55% increase in water rates is expected to increase the utility bill for a consumer using 10,000 gallons per month on average by approximately \$8.43 per month. The DCPCMUD is increasing their rate by 27% for wholesale water to address capital needs and other increasing operating costs.

**TOWN OF HIGHLAND PARK, TEXAS**  
**10- YEAR FINANCIAL MODEL - PAY AS YOU GO**  
**GENERAL FUND & CAPITAL PROJECTS FUND**

**GENERAL FUND**

Estimated Tax Rate Per \$100 T.A.V.

	2022-23	2023-24	2024-25	2025-26	2026-27
<b>BEGINNING FUND BALANCE</b>	\$ 8,759,561	\$ 5,203,309	\$ 5,203,339	\$ 5,072,173	\$ 5,101,151
<b>REVENUES:</b>					
Property Taxes	\$ 17,032,890	\$ 18,515,422	\$ 19,364,793	\$ 20,273,676	\$ 21,225,215
Sales Taxes	6,710,273	6,502,058	6,664,609	6,831,224	7,002,005
Franchise Fees	1,044,137	975,542	985,297	995,150	1,005,102
Building Inspection Fees/Permits	1,472,878	1,566,011	1,612,991	1,661,381	1,711,222
Municipal Court Fines/Fees	371,024	461,292	465,905	470,564	475,270
Interest Earnings	699,160	711,178	500,000	350,000	341,779
All Other	4,430,341	2,020,570	2,101,393	2,185,449	2,272,867
<b>TOTAL REVENUES</b>	<b>\$ 31,760,703</b>	<b>\$ 30,752,073</b>	<b>\$ 31,694,988</b>	<b>\$ 32,767,444</b>	<b>\$ 34,033,460</b>
Transfers from Other Funds	1,359,300	1,448,200	1,480,060	1,512,621	1,545,899
<b>TOTAL REVENUES &amp; TRANSFERS-IN</b>	<b>\$ 33,120,003</b>	<b>\$ 32,200,273</b>	<b>\$ 33,175,048</b>	<b>\$ 34,280,065</b>	<b>\$ 35,579,359</b>
<b>EXPENDITURES:</b>					
Personnel Services:					
Payroll	13,769,274	15,377,815	\$ 15,954,483	\$ 16,552,776	\$ 17,173,505
Taxes	973,010	1,082,594	1,150,318	1,193,455	1,238,210
Retirement (TMRS)	1,571,844	1,976,428	2,105,992	2,184,966	2,266,903
Insurance	1,710,392	1,901,481	1,996,555	2,096,383	2,201,202
Total Personnel	\$ 18,024,520	\$ 20,338,318	\$ 21,207,348	\$ 22,027,580	\$ 22,879,819
Supplies & Equipment	1,157,928	1,305,984	\$ 1,345,164	\$ 1,385,519	\$ 1,427,085
Services & Charges	4,086,271	4,387,063	4,518,675	4,854,235	4,999,862
Capital Outlay:					
Equipment	-	-	10,000	10,000	10,000
CIP	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 23,268,719</b>	<b>\$ 26,031,365</b>	<b>\$ 27,081,187</b>	<b>\$ 28,277,334</b>	<b>\$ 29,316,766</b>
Transfers to Capital Projects Fund	9,561,570	4,712,080	4,736,180	4,452,150	4,475,909
Transfers to Other Funds	3,845,966	1,456,798	1,488,848	1,521,602	1,555,077
<b>TOTAL EXPENDITURES &amp; TRANSFERS-OUT</b>	<b>\$ 36,676,255</b>	<b>\$ 32,200,243</b>	<b>\$ 33,306,214</b>	<b>\$ 34,251,086</b>	<b>\$ 35,347,753</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 5,203,309</b>	<b>\$ 5,203,339</b>	<b>\$ 5,072,173</b>	<b>\$ 5,101,151</b>	<b>\$ 5,332,758</b>
<b>FUND BALANCE MINIMUM</b>	<b>\$ 4,609,496</b>	<b>\$ 4,672,988</b>	<b>\$ 4,855,206</b>	<b>\$ 5,064,119</b>	<b>\$ 5,246,513</b>
<b>FUND BALANCE SURPLUS</b>	<b>\$ 593,813</b>	<b>\$ 530,351</b>	<b>\$ 216,967</b>	<b>\$ 37,032</b>	<b>\$ 86,245</b>

**CAPITAL PROJECTS FUND**

<b>Beginning Balance</b>	<b>\$ 6,049,296</b>	<b>\$ 11,990,593</b>	<b>\$ 14,439,365</b>	<b>\$ 13,665,348</b>	<b>\$ 13,285,171</b>
Total Annual Project Funding (1)	14,469,465	9,306,674	17,692,705	7,341,601	6,490,614
Total Expenditures	8,528,168	6,857,902	18,466,722	7,721,778	6,904,907
<b>Ending Balance*</b>	<b>\$ 11,990,593</b>	<b>\$ 14,439,365</b>	<b>\$ 13,665,348</b>	<b>\$ 13,285,171</b>	<b>\$ 12,870,878</b>
Construction Contingency	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
<b>Over(Under) Contingency</b>	<b>\$ 9,990,593</b>	<b>\$ 12,439,365</b>	<b>\$ 11,665,348</b>	<b>\$ 11,285,171</b>	<b>\$ 10,870,878</b>

**PROPERTY TAX ASSUMPTIONS**

<b>Property Tax Revenue</b>	<b>\$ 17,032,890</b>	<b>\$ 18,515,422</b>	<b>\$ 19,364,793</b>	<b>\$ 20,273,676</b>	<b>\$ 21,225,215</b>
<b>Property Values (2)</b>	<b>\$ 7,404,105,217</b>	<b>\$ 8,457,359,481</b>	<b>\$ 8,837,940,658</b>	<b>\$ 9,235,647,987</b>	<b>\$ 9,651,252,147</b>
<b>Tax Rate</b>	<b>0.230000</b>	<b>0.220530</b>	<b>0.220923</b>	<b>0.221350</b>	<b>0.221777</b>

(1) Includes funding from other funds and external sources.

(2) Growth in taxable assessed value (T.A.V.) projected at 4.5% per year after FY 2023-24.

2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
\$ 5,332,758	\$ 5,496,307	\$ 5,758,032	\$ 6,129,154	\$ 6,621,824	\$ 7,249,153
\$ 22,221,609	\$ 23,264,768	\$ 24,356,993	\$ 25,500,592	\$ 26,697,981	\$ 27,951,693
7,177,055	7,356,481	7,540,393	7,728,903	7,922,126	8,120,179
1,015,153	1,025,305	1,035,558	1,045,914	1,056,373	1,066,937
1,762,559	1,815,436	1,869,899	1,925,996	1,983,776	2,043,289
480,023	484,823	489,671	494,568	499,514	504,509
355,690	368,381	383,877	402,499	424,570	450,436
2,363,782	2,458,333	2,556,666	2,658,933	2,765,290	2,875,902
\$ 35,375,871	\$ 36,773,527	\$ 38,233,057	\$ 39,757,405	\$ 41,349,630	\$ 43,012,945
1,579,909	1,614,667	1,650,190	1,686,494	1,723,597	1,761,516
\$ 36,955,780	\$ 38,388,194	\$ 39,883,247	\$ 41,443,899	\$ 43,073,227	\$ 44,774,461
\$ 17,817,511	\$ 18,485,668	\$ 19,178,881	\$ 19,898,089	\$ 20,644,267	\$ 21,418,427
1,284,643	1,332,817	1,382,797	1,434,652	1,488,452	1,544,269
2,351,911	2,440,108	2,531,612	2,626,548	2,725,043	2,827,232
2,311,262	2,426,825	2,548,166	2,675,575	2,809,353	2,949,821
\$ 23,765,327	\$ 24,685,418	\$ 25,641,457	\$ 26,634,864	\$ 27,667,115	\$ 28,739,749
\$ 1,469,898	\$ 1,513,995	\$ 1,559,415	\$ 1,606,197	\$ 1,654,383	\$ 1,704,014
5,149,858	5,304,354	5,463,485	5,627,390	5,796,212	5,970,098
10,000	10,000	10,000	10,000	10,000	10,000
-	-	-	-	-	-
\$ 30,395,083	\$ 31,513,767	\$ 32,674,357	\$ 33,878,451	\$ 35,127,710	\$ 36,423,861
5,257,859	5,448,349	5,647,799	5,856,630	6,075,283	6,304,222
1,139,289	1,164,354	1,189,969	1,216,149	1,242,904	1,270,248
\$ 36,792,231	\$ 38,126,469	\$ 39,512,125	\$ 40,951,229	\$ 42,445,898	\$ 43,998,331
\$ 5,496,307	\$ 5,758,032	\$ 6,129,154	\$ 6,621,824	\$ 7,249,153	\$ 8,025,283
\$ 5,359,143	\$ 5,553,580	\$ 5,755,235	\$ 5,964,382	\$ 6,181,304	\$ 6,406,299
\$ 137,164	\$ 204,452	\$ 373,919	\$ 657,442	\$ 1,067,849	\$ 1,618,984
\$ 12,870,878	\$ 9,367,484	\$ 9,715,873	\$ 7,768,290	\$ 8,672,314	\$ 9,931,104
9,669,032	7,378,831	6,843,954	7,261,128	8,009,485	7,777,068
13,172,426	7,030,442	8,791,537	6,357,104	6,750,695	8,526,843
\$ 9,367,484	\$ 9,715,873	\$ 7,768,290	\$ 8,672,314	\$ 9,931,104	\$ 9,181,329
\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
\$ 7,367,484	\$ 7,715,873	\$ 5,768,290	\$ 6,672,314	\$ 7,931,104	\$ 7,181,329
\$ 22,221,609	\$ 23,264,768	\$ 24,356,993	\$ 25,500,592	\$ 26,697,981	\$ 27,951,693
\$ 10,085,558,493	\$ 10,539,408,625	\$ 11,013,682,014	\$ 11,509,297,704	\$ 12,027,216,101	\$ 12,568,440,825
0.222206	0.222635	0.223065	0.223496	0.223928	0.224361

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## **COMMUNITY INFORMATION**

# 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 8,864 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 Home Rule Charter Date.....August 1975  
 Adoption of Revised Town Charter.....March, 2004

## Town Characteristics

Area.....1,445 Acres (2.26 Square Miles)  
 Population (2010 Census)..... 8,564  
 Population (2020 Census)..... 8,864  
 Population (2022 Estimate) ..... 8,719

## Proportion of Taxable Property Values

Residential ..... 94.0%  
 Commercial ..... 4.7%  
 Business Personal Property..... 1.1%  
 Utilities ..... 0.2%

## Public Safety Personnel

Cross-trained (Police/Fire/Paramedic)..... 66  
 Police Officer .....1  
 Part time Court Bailiffs.....3

## Water and Sewer Utility System

### Water Connections at August 31, 2023

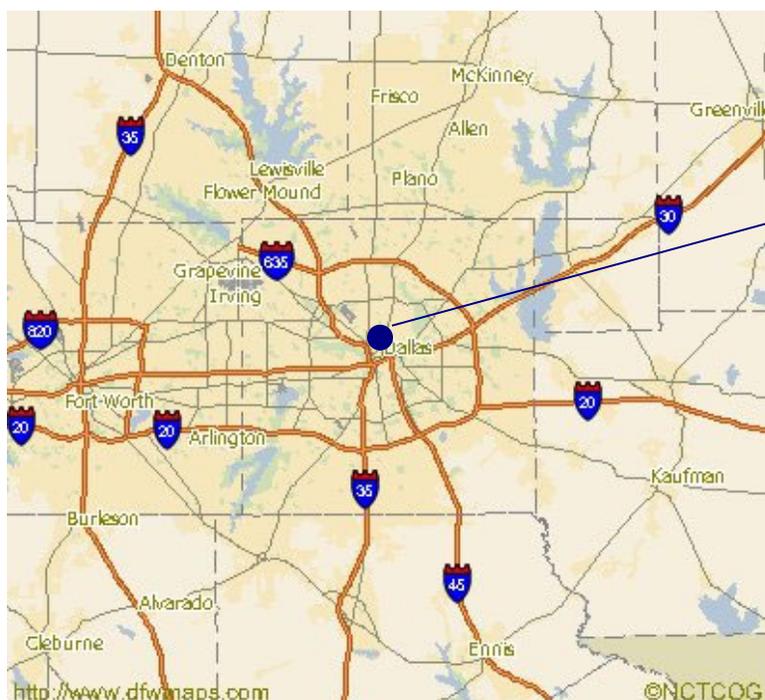
Residential ..... 3,061  
 Residential Multifamily ..... 36  
 Commercial ..... 90  
 Irrigation ..... 2,337  
 Municipal..... 77  
 Total ..... 5,601

### Sewer Connections

Residential ..... 3,004  
 Residential Multifamily .....36  
 Commercial .....87  
 Municipal.....3  
 Total ..... 3,130

## Infrastructure

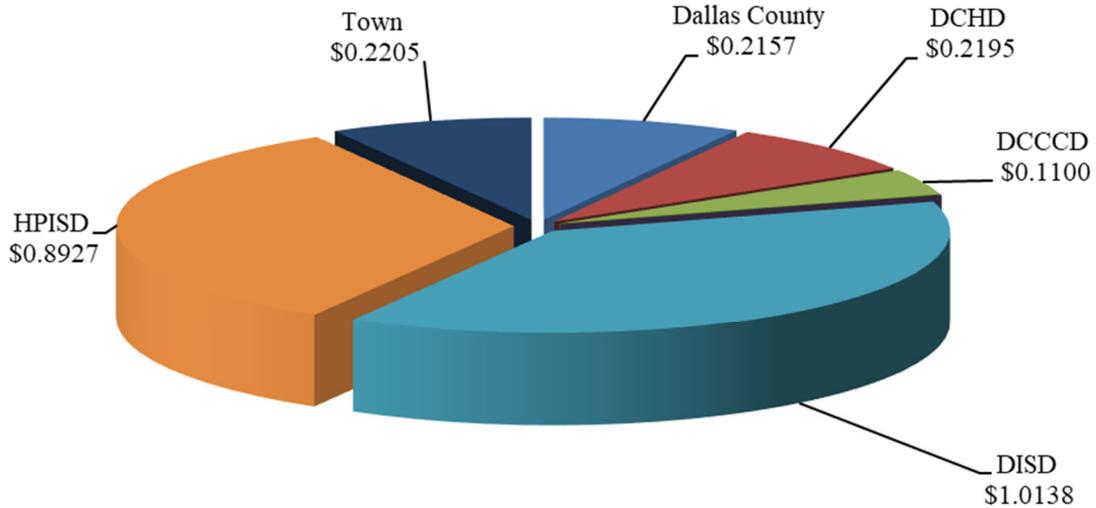
Sanitary Sewers.....37.18 Miles  
 Storm Sewers..... 12.22 Miles  
 Parks..... 22 with 59.3 Acres  
 Paved Streets ..... 41.79 Miles



Highland Park

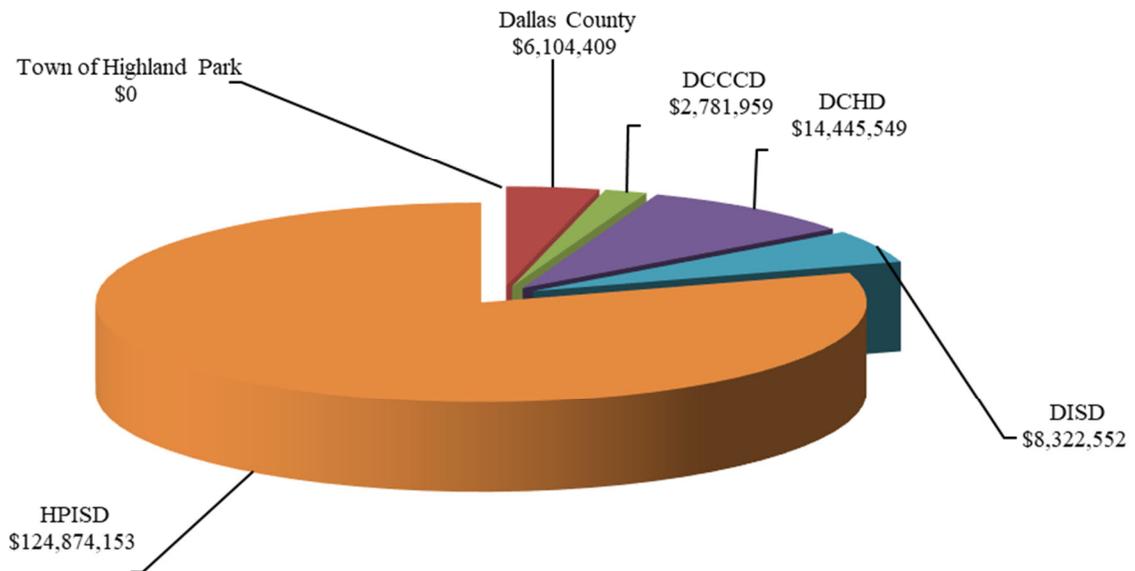
# TOWN OF HIGHLAND PARK

## Direct and Overlapping Property Tax Rates – 2023



Per \$100 Taxable Valuation

## Direct and Overlapping Debt - 2022



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

**TOWN OF HIGHLAND PARK**  
**Appraised and Taxable Property Values**  
**Current and Last Nine Tax Years**

Tax Year	Appraised Property Value				Taxable Value
	Real Property	Business Personal Property	Total		
2014	\$ 6,040,379,500	\$ 79,298,850	\$ 6,119,678,350	\$ 4,924,894,226	
2015	\$ 6,588,993,380	\$ 78,087,300	\$ 6,667,080,680	\$ 5,324,500,745	
2016	\$ 7,125,427,370	\$ 91,050,750	\$ 7,216,478,120	\$ 5,765,524,023	
2017	\$ 7,136,257,020	\$ 88,973,310	\$ 7,225,230,330	\$ 6,012,113,607	
2018	\$ 7,622,177,870	\$ 99,755,280	\$ 7,721,933,150	\$ 6,292,473,542	
2019	\$ 7,853,250,380	\$ 106,359,070	\$ 7,959,609,450	\$ 6,463,192,448	
2020*	\$ 8,041,214,480	\$ 108,081,240	\$ 8,149,295,720	\$ 6,616,458,934	
2021	\$ 8,269,469,480	\$ 99,364,670	\$ 8,368,834,150	\$ 6,783,128,145	
2022	\$ 9,382,277,690	\$ 104,583,140	\$ 9,486,860,830	\$ 7,466,203,174	
2023	\$ 11,674,856,260	\$ 109,992,840	\$ 11,784,849,100	\$ 8,457,359,481	

The difference between the appraised value and the taxable value represents the 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 provide under the Texas Property Tax Code.

\* Due to the ongoing pandemic, the initial certification by the Dallas Central Appraisal District was low due to a significant number of protests pending at time of certification. The data provided herein is current at the time of writing this document and was not available at the time of budget adoption.

**PRINCIPAL TAXPAYERS - 2023 TAX ROLL**

<u>Taxpayer</u>	<u>Type of Property</u>	<u>Taxable Valuation</u>	<u>% of Taxable Valuation</u>
HP Village Partners LP	Commercial	\$ 215,000,000	2.55%
4101 Trust	Residential	47,851,640	0.57%
Crow, Harlen	Residential	39,762,992	0.47%
Dallas Country Club	Commercial	37,496,740	0.44%
Ware, Leslie	Residential	33,145,200	0.39%
Muse, John R	Residential	30,470,000	0.36%
L & B Depp UCEPP 5500	Commercial	29,411,300	0.35%
Intercity Investment	Commercial	25,192,200	0.30%
Jones, Jerral W. & Gene C.	Residential	22,448,224	0.27%
3525 Normandy PO, LLC	Residential	20,265,000	0.24%

## EMPLOYMENT DATA BY INDUSTRY

<b>Employer Industry</b>	<b>Number of establishments</b>	<b>Annual Payroll (\$1,000's)</b>	<b>Employees</b>
Wholesale trade	D	\$ 1,386	20 to 99
Retail trade	60	\$ 26,886	622
Information	D	D	20 to 99
Finance and insurance	D	D	250 to 499
Real estate and rental and leasing	D	D	20 to 99
Professional, scientific, and technical services	61	\$ 12,428	142
Administrative and support and waste management and remediation services	18	\$ 6,211	78
Educational services	3	\$ 196	10
Health care and social assistance	30	\$ 4,320	106
Arts, entertainment, and recreation	9	\$ 16,908	335
Accommodation and food services	16	\$ 11,729	495
Other services (except public administration)	12	\$ 5,098	204

"D" = Individual company data withheld according to the U.S. Census Bureau website.

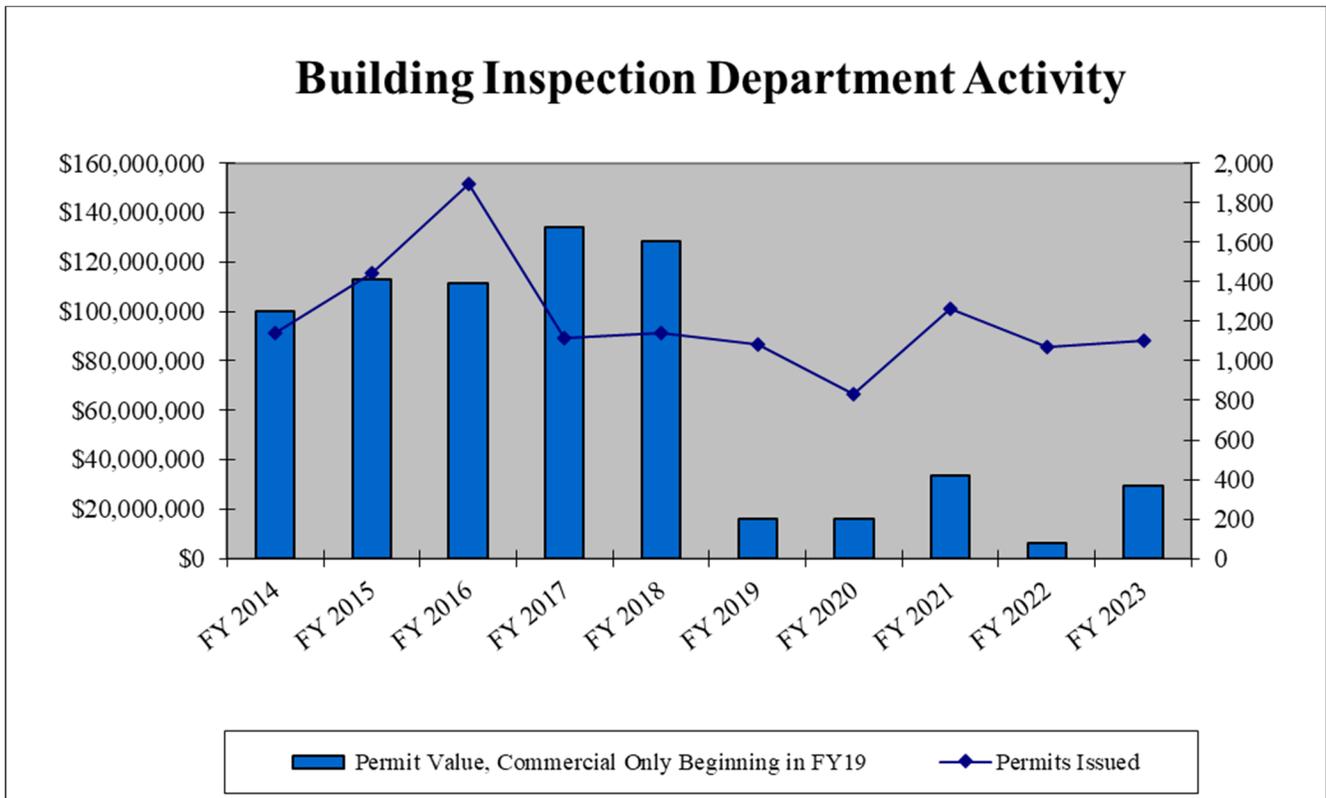
The Town of Highland Park is a relatively small municipality with a radius of about 2.26 square miles. The Town's most recent estimated population is approximately 8,719. Since there is no chamber of commerce in Highland Park, the only available information on employers is the Economic Census from the U. S. Census Bureau. This Census does not include information on individual businesses; rather, it contains only aggregate information by business sector. The information presented is from the most recent applicable Economic Census: The data above was obtained from the 2017 Economic Census.

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

Commercial Construction			Residential Construction		Property Market Value**	
Fiscal Year	Number of Permits	Value	Number of Permits	Value	Real Property	Personal Property
2014	34	\$ 8,632,850	1,110	\$ 91,191,908	\$ 5,580,077,680	\$ 72,506,290
2015	48	\$ 12,690,806	1,162	\$ 100,306,992	\$ 6,040,379,500	\$ 79,298,850
2016	29	\$ 8,623,479	1,865	\$ 102,641,000	\$ 6,588,993,380	\$ 78,087,300
2017	30	\$ 23,812,724	1,083	\$ 110,263,580	\$ 7,125,427,370	\$ 91,050,750
2018	22	\$ 45,226,370	1,117	\$ 83,254,000	\$ 7,136,257,020	\$ 88,973,310
2019	19	\$ 15,979,770	1,062	*	\$ 7,622,177,870	\$ 99,755,280
2020	26	\$ 16,227,820	808	*	\$ 7,853,250,380	\$ 106,359,070
2021	23	\$ 33,720,046	1,239	*	\$ 8,041,214,480	\$ 108,081,240
2022	16	\$ 6,286,811	1,052	*	\$ 8,269,469,480	\$ 99,364,670
2023	24	\$ 29,259,939	1,079	*	\$ 11,674,856,260	\$ 109,992,840

\* Pursuant to HB 852, which was passed May 21 by the 2019 Texas Legislature, cities may not base building permit revenue or inspection fees on the value of a residential dwelling or on the cost of constructing or improving the building.

\*\* Source: Dallas Central Appraisal District (DCAD).



*Regarding the drop in permit values, please refer to the note above regarding H.B. 852.*

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## PAY PLAN

Beginning in FY 2020, annual salary adjustments were modified to eliminate merit adjustments for non-exempt employees (exempt employees are not eligible for this program). The Pay for Performance program had formerly provided base pay adjustments up to 7% of their annual pay and was based on the average of their prior four quarterly evaluations. Additionally, quarterly Pay for Performance (one-time payments made quarterly) was reduced from a maximum of 7% of an employee's quarterly salary to a maximum of 6%. These payments were based on the score an employee received on their quarterly evaluation.

The Town's newly formed Compensation Committee ("Committee") made several recommendations to the pay structure which are incorporated into the Proposed Budget. These changes have in turn resulted in changes to the Pay Plan. The Committee recommended a 'catch up' for employees present on October 1, 2019 to incorporate the adjustments that were lost by the discontinuance of the annual adjustment described above. This 'catch up' amount will be added to base pay effective October 1, 2023. Additionally, beginning in FY 2024, the Committee recommended the discontinuance of the quarterly Pay for Performance plan in terms of compensation. The employee evaluation aspect of the plan will be reviewed for continuation going forward. To ensure employees are not penalized financially for discontinuing the quarterly Pay for Performance program, each non-exempt employee's base pay will be increased by the amount of Pay for Performance earned over the last four quarters (September 2022, December 2022, March 2023 and June 2023).

For FY 2024, the Proposed Budget reinstates the annual merit adjustment (formerly known as Pay for Performance) for First Responders (Public Safety Officers and Dispatchers) up to 6%. All other full time non-exempt employees will be eligible for up to a 3.5% merit adjustment in FY 2024. This adjustment will be based on the average of their score on performance evaluations throughout the year. Exempt employees are eligible for an annual adjustment up to 3.5% based on their annual evaluation. All employees will receive a 3% across the board adjustment. Any pay adjustment for FY 2024 will be limited by the maximum of the pay range for each employee.

Because the base Pay Plan Maximum did not formerly include quarterly earnings from the Pay for Performance plan, the new Maximum is higher by 6% to reflect the inclusion of the quarterly Pay for Performance within base pay. Additionally, the Pay Plan for both non-exempt and exempt employees has been increased by 3% to reflect the current year across the board adjustment. Employees may not receive base pay above the Maximum of the Pay Plan.

In FY 2023 a compensation survey was completed. The Pay Plans incorporated in the Town's FY 2024 Proposed Budget are designed to maintain equity in the Town's designated public-sector market.

The pay grades for Public Safety positions (all non-exempt) 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 target midpoint of the pay range for the PSO position is set at 20% above the 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.

Full-time employees (exempt and non-exempt) may earn up to \$2,100 per year for participation in the Town's Wellness Program, designed to promote a healthy lifestyle. This program appears to be effective in that the Town received health insurance rate pass in FY 2023 and a 2% reduction in FY 2024.

**TOWN OF HIGHLAND PARK GRADED PAY PLAN  
NON-EXEMPT EMPLOYEES  
FISCAL YEAR 2024**

Grade	Position	Hourly Base Pay Range	
		Minimum	Maximum
8	Communications Manager Superintendent Town Secretary	\$46.21	\$71.07
7	-	\$40.17	\$61.80
6	Accounting Supervisor Accreditation Manager Building Inspector Communications Supervisor Court Administrator Customer Service Supervisor Development Services Coordinator Facilities Maintenance Manager Town Services Coordinator	\$34.93	\$53.73
5	Alarm Specialist Construction Inspector Librarian Management Assistant Project Coordinator	\$30.36	\$46.73
4	Communications Specialist DPS Administrative Secretary Human Resources Coordinator Irrigation/Mosquito Inspector Parks Maintenance Worker III Plans Examiner Public Works Maintenance Worker III Secretary to the Director Senior Accounting Technician	\$26.41	\$40.62
3	Building Permit Technician Customer Service Specialist II Senior Court Clerk Finance & HR Administrative Assistant Library Administrative Assistant Parks Maintenance Worker II Public Works Maintenance Worker II	\$22.97	\$35.33
2	Court Clerk Library Associate/Assistant Public Works Maintenance Worker I	\$19.97	\$30.72
1	Parks Maintenance Worker I	\$17.37	\$26.71

**Court Security Guards start at \$50.00/hour with 4 hours per week.**

**Base Minimum and Base Maximum reflect the range within each grade. These amounts do not reflect pay related to incentives or assignment pay.**

**TOWN OF HIGHLAND PARK GRADED PAY PLAN  
PUBLIC SAFETY PERSONNEL  
FISCAL YEAR 2024**

Grade	Position	Hourly Base Pay Range Shift Duty*			Hourly Base Pay Range Administration**	
		Minimum	Maximum		Minimum	Maximum
G	Captain	\$47.64	\$58.31		\$74.43	\$91.11
F	Lieutenant	\$41.42	\$50.72		\$64.71	\$79.25
E	Sergeant	\$36.01	\$44.09		\$56.26	\$68.90
D	Unassigned	-	-		-	-
C	Public Safety Officer	\$27.95	\$37.34		\$43.68	\$58.34
B	Fire Fighter or Police Officer	\$23.30	\$28.51		\$36.40	\$44.55
A	Public Safety Apprentice	\$22.24	\$24.75		\$34.75	\$38.67

**Base Minimum and Base Maximum reflect the range within each grade. These amounts do not reflect pay related to incentives or assignment pay.**

**\*Shift Duty is based on 3,250 hours in one year.**

**\*\*Administration is based on 2,080 hours in one year.**

**TOWN OF HIGHLAND PARK GRADED PAY PLAN  
EXEMPT POSITION  
FISCAL YEAR 2024**

<b>Grade</b>	<b>Position</b>	<b>Minimum</b>	<b>Maximum</b>
E-4	Assistant Town Administrator Director of Public Safety	\$176,677	\$256,092
E-3	Director of Engineering	\$160,615	\$232,809
E-2	Assistant Director of Public Safety Director of Finance	\$152,602	\$221,198
E-1	Development Services Director	\$141,041	\$204,035
E-0	Assistant Development Services Director Assistant Director of Engineering IT Manager Town Librarian	\$122,645	\$177,424

**Exempt positions are not eligible for incentives.**

**INCENTIVE & ASSIGNMENT PAY**

Additional training and responsibilities are required of numerous Town job positions. The Pay Plan includes the following incentives and assignments that the Town recognizes through additional pay. These pay types are not included in the pay ranges show above, but rather are additions to base pay.

Incentive pay is provided in connection with a particular certification attained by the employee in connection with their specific job function. Assignment pay is provided in connection with a specific duty required by the Town.

Incentives are not cumulative. The Town will pay the incentive in connection with the highest certification attained. Multiple incentives will only be paid to an employee at the expressed approval of the Town Administrator.

Incentive and/or assignment pay must be approved by the department director and must be job appropriate for the position receiving the pay type.

***Incentive Pay***

Emergency Medical Technician	+2%
Paramedic	+8%
Crew Chief/Section Supervisor/Utility System Certification	+5%
Licensed Irrigator	+5%
Court Certification Level I	+2%
Court Certification Level II	+5%

***Assignment Pay***

Public Safety Investigator Assignment	+7.5%
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**HISTORICAL REVENUE & EXPENDITURE TREND DATA**

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

	Actual FY 2015	Actual FY 2016	Actual FY 2017	Actual FY 2018
Property Taxes	\$ 10,763,525	\$ 11,573,644	\$ 12,593,539	\$ 13,266,804
Water Sales	5,996,115	6,699,336	6,688,572	7,291,607
Sanitary Sewer Charges	2,551,417	2,788,561	2,787,880	2,808,651
Sales Tax	3,514,625	3,606,074	3,480,389	4,071,324
Sanitation & Recycling Charges	1,236,438	1,235,509	1,236,532	1,390,789
Franchise Fees	1,051,657	1,021,288	1,037,497	1,036,561
Building Activity Fees	1,396,333	1,031,156	1,464,379	1,232,128
Court Fines/Fees	774,048	1,019,914	1,181,779	1,075,200
Interest on Investments	57,242	106,120	244,823	546,103
Other Charges for Service	-	-	-	-
Storm Water Drainage Fees	381,883	386,838	390,126	399,396
All Other	2,352,540	1,873,641	1,965,698	2,137,470
Sub-Total	30,075,823	31,342,081	33,071,214	35,256,033
Proceeds from Land Sale	-	-	-	-
Capital Contributions for External Entities	875,028	1,437,483	1,170,770	1,661,370
Total	\$ 30,950,851	\$ 32,779,564	\$ 34,241,984	\$ 36,917,403

Source: Actual Column of Prior Year Budget Documents.

Actual FY 2019	Actual FY 2020	Actual FY 2021	Actual FY 2022	Projected FY 2023	Adopted FY 2024
\$ 13,771,615	\$ 14,772,729	\$ 15,201,900	\$ 15,493,542	\$ 17,032,890	\$ 18,515,422
6,557,798	6,983,139	6,553,152	8,107,798	8,440,723	8,508,723
2,744,988	2,760,303	2,783,879	2,929,541	2,965,321	3,064,870
4,312,342	4,198,191	5,663,645	6,954,907	6,710,273	6,502,058
1,466,140	1,515,618	1,537,234	1,592,174	1,670,975	1,754,793
1,085,951	938,957	884,641	997,855	1,044,137	975,542
1,405,605	1,348,756	1,661,691	1,588,098	1,528,524	1,625,567
1,368,822	780,886	622,861	589,294	420,352	519,747
988,493	569,156	209,257	474,564	2,725,447	2,687,727
-	-	-	-	-	-
413,844	426,626	427,247	439,595	470,800	543,324
<u>2,427,565</u>	<u>2,390,537</u>	<u>2,489,160</u>	<u>2,824,342</u>	<u>3,090,525</u>	<u>2,330,528</u>
<u>36,543,163</u>	<u>36,684,898</u>	<u>38,034,667</u>	<u>41,991,710</u>	<u>46,099,967</u>	<u>47,028,301</u>
-	-	9,161,467	-	-	-
<u>5,323,455</u>	<u>2,325,693</u>	<u>1,762,952</u>	<u>3,295,857</u>	<u>5,719,204</u>	<u>3,418,906</u>
<u>\$ 41,866,618</u>	<u>\$ 39,010,591</u>	<u>\$ 48,959,086</u>	<u>\$ 45,287,567</u>	<u>\$ 51,819,171</u>	<u>\$ 50,447,207</u>

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

	Actual FY 2015	Actual FY 2016	Actual FY 2017	Actual FY 2018
Personnel				
Payroll	\$ 11,681,953	\$ 12,138,107	\$ 12,397,961	\$ 12,910,890
Benefits	2,674,221	2,728,154	2,943,700	3,366,911
Subtotal	<u>\$ 14,356,174</u>	<u>\$ 14,866,261</u>	<u>\$ 15,341,661</u>	<u>\$ 16,277,801</u>
Supplies & Equipment	3,680,111	3,522,677	3,541,913	3,871,652
Services & Charges	<u>6,148,502</u>	<u>5,421,227</u>	<u>5,903,472</u>	<u>6,094,929</u>
Total Operating Costs	<u>24,184,787</u>	<u>23,810,165</u>	<u>24,787,046</u>	<u>26,244,382</u>
Capital Outlay	<u>2,608,751</u>	<u>5,062,747</u>	<u>6,803,123</u>	<u>5,382,027</u>
Total	<u><u>\$ 26,793,538</u></u>	<u><u>\$ 28,872,912</u></u>	<u><u>\$ 31,590,169</u></u>	<u><u>\$ 31,626,409</u></u>

Source: Actual Column of Prior Year Budget Documents.

<u>Actual FY 2019</u>	<u>Actual FY 2020</u>	<u>Actual FY 2021</u>	<u>Actual FY 2022</u>	<u>Projected FY 2023</u>	<u>Adopted FY 2024</u>
\$ 13,616,196	\$ 14,067,783	\$ 13,923,547	\$ 14,469,382	\$ 15,183,056	\$ 16,926,622
3,452,656	4,007,867	4,194,021	4,150,468	4,712,507	5,493,336
<u>\$ 17,068,852</u>	<u>\$ 18,075,650</u>	<u>\$ 18,117,568</u>	<u>\$ 18,619,850</u>	<u>\$ 19,895,563</u>	<u>\$ 22,419,958</u>
3,439,159	3,581,462	3,638,331	4,184,461	5,440,583	5,492,790
<u>6,011,249</u>	<u>6,211,733</u>	<u>6,922,558</u>	<u>7,381,419</u>	<u>7,786,073</u>	<u>8,262,138</u>
<u>26,519,260</u>	<u>27,868,845</u>	<u>28,678,457</u>	<u>30,185,730</u>	<u>33,122,219</u>	<u>36,174,886</u>
<u>10,786,728</u>	<u>8,032,302</u>	<u>11,029,044</u>	<u>7,900,023</u>	<u>13,517,744</u>	<u>18,336,212</u>
<u><u>\$ 37,305,988</u></u>	<u><u>\$ 35,901,147</u></u>	<u><u>\$ 39,707,501</u></u>	<u><u>\$ 38,085,753</u></u>	<u><u>\$ 46,639,963</u></u>	<u><u>\$ 54,511,098</u></u>

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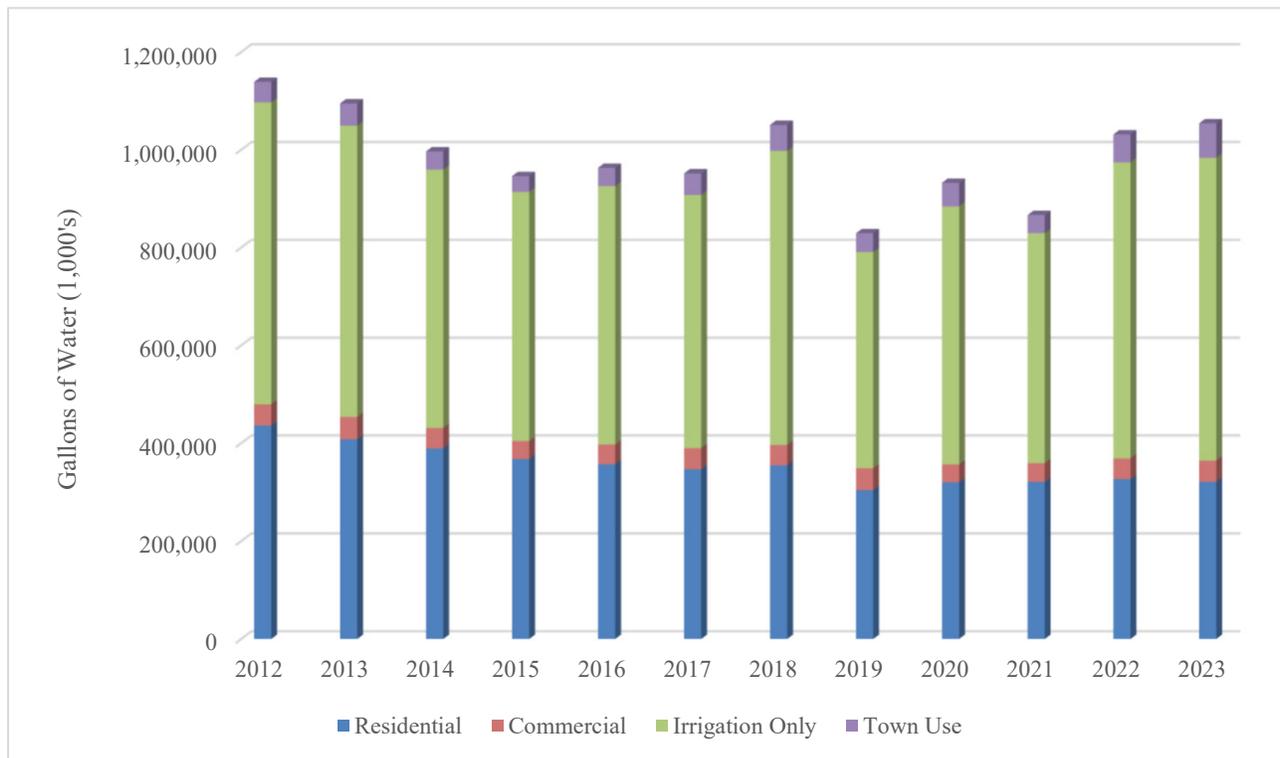
**HISTORICAL WATER SALES DATA**

# TOWN OF HIGHLAND PARK

## HISTORICAL WATER SALES BY SERVICE TYPE

### 1,000 GALLONS

Fiscal Year	Residential	Commercial	Irrigation Only	Town Use	Total	# Service Meters
2012	436,204	43,522	617,168	42,031	1,138,925	5,389
2013	408,100	45,500	595,900	45,400	1,094,900	5,416
2014	389,617	41,485	528,557	37,066	996,725	5,416
2015	367,780	36,758	509,248	32,472	946,258	5,474
2016	356,903	40,327	528,651	37,284	963,165	5,520
2017	346,993	43,020	517,801	43,944	951,758	5,516
2018	354,791	41,954	600,904	53,275	1,050,924	5,535
2019	304,193	44,922	441,619	38,581	829,315	5,546
2020	320,032	36,689	527,453	48,361	932,535	5,553
2021	321,139	38,127	470,153	37,263	866,682	5,574
2022	326,654	42,526	605,225	57,108	1,031,513	5,577
2023	321,035	43,700	619,037	70,351	1,054,123	5,602



# CHARTER OF THE TOWN OF HIGHLAND PARK, TEXAS

## Chapter 9 Financial Administration

9.01 Director of Finance; Appointment. There shall be a Department of Finance, the director of which shall be appointed by the Town Administrator. The Director of Finance can be ex-officio Town Treasurer. The Director of Finance shall provide a bond with such surety and in such amount as the Council may require and the premiums on such bond shall be paid by the Town.

9.02 Director of Finance; Qualifications. The Director of Finance shall have knowledge of municipal accounting and taxation and shall have experience in budgeting and financial control.

9.03 Jurisdiction. The Director of Finance shall have custody of all public monies, funds, notes and bonds and other securities belonging to the Town. The Director of Finance shall make payments out of Town funds upon orders signed by the Town officers as herein provided. The Director of Finance shall render a full and accurate statement to the Town Administrator and the Council of receipts and payments at such times as the Town Administrator or Council may require, such statements to be made in such form as the Town Administrator may prescribe. The Director of Finance shall perform such other acts and duties as the Council may prescribe.

9.04 Fiscal Year. The fiscal year of the Town shall begin on the first day of October and end on the following September 30th, but the fiscal year may be changed by the Council by ordinance provided that no change shall be effective until six (6) months after final passage of such ordinance.

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 and submit said requests to the Town Administrator for review. It shall be the duty of the Town Administrator to 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 programs or amounts and may delete or decrease any programs or amounts, except expenditures required by law or for 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 total of 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 15th 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 equal the total current fiscal year tax receipts, unless the ensuing fiscal year budget is approved by September 15th of the current fiscal 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, to another 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.

9.09 Borrowing. The Council shall have the power, except as prohibited by law, to borrow money by whatever method it may deem to be in the public interest.

9.10 General Obligation Bonds and Other Evidence of Indebtednesses. The Town shall have the power to borrow money on the credit of the Town and to issue general obligation bonds and other evidence of indebtednesses for permanent public improvements or for any other public purpose not prohibited by the Constitution and laws of the State of Texas, and to issue refunding bonds to refund outstanding bonds and other evidences of indebtedness of the Town previously issued. All such bonds shall be issued in conformity with the laws of the State of Texas.

9.11 Revenue Bonds. The Town shall have the power to borrow money for the purpose of constructing, acquiring, improving, extending or repairing of public utilities, recreational facilities or any other self-liquidating municipal function not prohibited by the Constitution and laws of the State of Texas, and to issue revenue bonds to evidence the obligation created thereby. Such bonds shall be a charge upon and payable from the properties, or interest therein pledged, or the income therefrom, or both. The holders of the revenue bonds shall never have the right to demand payment thereof out of monies raised or to be raised by taxation. All such bonds shall be issued in conformity with the laws of the State of Texas.

9.12 Bonds Incontestable. All bonds and evidences of indebtedness of the Town having been issued and sold and having been delivered to the purchaser thereof or delivered to the claimant thereof shall thereafter be incontestable and all bonds issued to refund outstanding bonds or other evidence of indebtednesses previously issued shall and after said issuance be incontestable.

9.13 Lapse of Appropriations. Every appropriation, except an appropriation for a capital expenditure, shall lapse at the close of the fiscal year to the extent that it has not been expended or encumbered. An appropriation for a capital expenditure shall continue in force until the purpose for which it was made has been accomplished or abandoned; the purpose of any such appropriation shall be deemed abandoned if three years pass without any disbursement from or encumbrance of the appropriation.

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 and unless the Town Administrator or the Town Administrator's designee first certifies that there is a sufficient unencumbered balance in such allotment or appropriations and that sufficient funds therefrom are or will be available to cover the claim or meet the obligation when it becomes due and payable.

9.15 Financial Reports. The Town Administrator shall submit to the Council each month the financial condition of the Town by budget item, budget estimate versus accruals for the preceding month and for the fiscal year to date. The financial records of the Town will be maintained on an accrual basis to support this type of financial management.

9.16 Independent Audit. At the close of each fiscal year, and at such times as it may be deemed necessary, the Council shall cause an independent audit to be made of all accounts of the Town by a certified public accountant. The certified public accountant so selected shall have no personal interest, directly or indirectly, in the financial affairs of the Town or any of its officers. Upon completion of the audit, the results thereof in a summary form shall be placed on file in the Town Secretary's office as a public record for the public's information.

9.17 Purchasing. All purchases made and contracts executed by the Town shall be made in accordance with the requirements of the Constitution and Statutes of the State of Texas.

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## **FINANCIAL MANAGEMENT POLICIES**

### **I. PURPOSE STATEMENT**

The purpose of this Statement of Financial Management Policies is to provide guidelines, in accordance with the applicable Texas Statutes and the Town of Highland Park Charter, Ordinances and Resolutions, for the Director of Fiscal & Human Resources, hereinafter called Director, in planning and directing the Town of Highland Park, hereinafter called Town, in its day-to-day financial affairs and in developing recommendations to the Town Administrator and Town Council, hereinafter called Administrator and Council, respectively.

The scope of these policies generally spans accounting, auditing, financial reporting, internal controls, operating and capital budgeting, revenue management, cash and investment management, expenditure control and debt management, all to make it possible both: (a) to present fairly and with full disclosure the financial position and results of financial operations of the Town in conformity to generally accepted accounting principles (GAAP), and (b) to determine and demonstrate compliance with finance-related legal and contractual provisions.

It is the goal of the Statement of Financial Management Policies to enable the Town to adhere to the principles of sound municipal finance and to continue its long-term stable and positive financial condition. The watchwords of the management of the Town's financial affairs shall, at all times, include integrity, prudent stewardship, planning, accountability, and full disclosure.

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

- A. ACCOUNTING** - The Director shall be responsible for establishing and maintaining a chart of accounts and for the proper recording of financial transactions in accordance with GAAP. Additionally, the Town is solely responsible for its reporting of its financial affairs, both internally and externally.
  
- B. AUDITING** - The Town's Charter, in accordance with Chapter 103 of the Local Government Code of Texas, as amended, requires that its financial affairs be audited annually by outside independent accountants (auditors), selected and appointed by the Council under contract. The auditor selected shall be a CPA firm, registered as a partnership or corporation of certified public accountants, holding a license under Article 41a-1, Section 9, of the Civil Statutes of Texas, capable of demonstrating that it has sufficient staff which will enable it to conduct the Town's audit in accordance with generally accepted auditing standards as required by Town Charter and applicable state and federal laws. The auditor's written report of the Town's financial affairs shall be completed by no later than January 15th following the Town's fiscal year-end. The auditor's report, together with its management letter shall be presented to the Administrator, the Director and Council within the aforesaid 120 day period. Thereafter, the Administrator, the Director and auditor shall jointly review the auditor's report and management letter with the Council's Administrative Committee within 30 calendar days after their receipt by the Town.

Within fifteen (15) days of this joint review, the Director shall respond in writing to the Administrator and Administrative Committee regarding the auditor's management letter, addressing the issues contained therein. The Council shall schedule its formal acceptance of the auditor's report upon the resolution of any issues resulting from the joint review.

- C. AUDITORS RESPONSIBLE TO THE COUNCIL** -Auditors for the Town shall be responsible to the Council and shall have access to direct communication with the Mayor and Council at such times as the auditors consider such communication necessary to fulfill their legal and professional responsibilities.
- D. SELECTION/AUDITOR ROTATION** - The Council shall select the auditors for the Town each fiscal year. The selection may be by means of approving an engagement proposal from the incumbent firm or the Council may direct the Administrator and Director to obtain proposals from qualified CPA firms. As a benchmark, the Council may award a three (3) year engagement to the selected firm with two (2) one (1) year extensions. The Council shall however retain authority to review audit performance annually and act accordingly in regards to replacement and extensions.
- E. EXTERNAL FINANCIAL REPORTING** - Upon the completion and acceptance of the annual audit by the Town's auditors, the Town shall prepare a written comprehensive annual financial report (CAFR) which shall be presented to the Council within 180 calendar days after the Town's fiscal year end. The CAFR shall be prepared in accordance with generally accepted accounting principles (GAAP) and shall be presented annually to the Government Finance Officers Association (GFOA) for evaluation and consideration for the Certificate of Achievement for Excellence in Financial Reporting. If this time requirement cannot be met, the Director shall report to the Administrator and the Council of the delay and the reasons for same.
- F. INTERNAL FINANCIAL REPORTING** - The Director shall prepare monthly, a written summary of the Town's financial affairs and submit same to the Administrator and Council within thirty (30) calendar days following the end of each calendar month. Each such report shall accurately reflect the Town's current cash position, revenue and expenditure/expense performance as well as any additional information that reflects the Town's fiscal position.

### **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, internal service and special revenue funds. Budgets for the General Fund, Capital Projects Funds and Special Revenue 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/Heads, covering the operational and capital 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. Capital project costs shall reflect the approved Capital Improvement Plan (“CIP”) which shall be updated and approved in conjunction with the adoption of the annual budget.

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 both a proposed operating budget and a CIP 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.

The Town's Utility (Proprietary) Fund, as set forth in the Town's budget, shall bear the applicable personnel and operating costs of the Town's general administration, information technology services, non-departmental specific expenditures, municipal building office space and other related costs plus the Town's Service Center operation based upon annual reviews of actual staff time allocation and facility use.

In addition to the aforesaid, the service rates for the sale of water, sanitary sewer services, solid waste collection/disposal services and recycling services shall include an amount equal to 5% of revenues for each respective service as street rental fees. These collected funds shall be transferred to the Capital Projects Fund toward funding of the Town's annual street resurfacing program.

All other direct expenses associated with the provision of utility services by the Town shall be expensed directly to the appropriate Department.

- 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 best 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. END OF YEAR APPROPRIATIONS** – For all Town funds for which a budget is required and/or prepared, excluding the Capital Projects Fund, unencumbered appropriations expire at the close of each fiscal year. Budgets for operating funds are prepared on a fiscal year basis. Capital projects, on the other hand, may span two or more years. Accordingly, individual projects are budgeted in the Capital Projects Fund and appropriations expire at project closure.
- E. 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.
- 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.
- D. PURCHASING** - All Town purchases and contracts over \$3,000 shall conform to Chapter 252, Subchapter B of the Local Government Code of Texas, as amended. Purchases of goods or services subject to the competitive bid process and purchases of goods or services by contract shall be submitted to the Council by the Administrator for Council approval. The adoption of the annual budget gives the Administrator the authority to approve all other purchases for goods or services in accordance with each department's approved budget.

The purchase of goods or services at a total cost of \$1,000 or more must be made through the Town's purchase order system. Written purchase orders shall also be used for vendors requiring formal Town authorization regardless of the dollar amount.

Any payment for the purchase of goods or services by the Town at a total cost of less than \$1,000 may be made via a written Accounts Payable Voucher, signed and submitted by the applicable Department Director to the Town's Finance Department.

All documentation for the disbursement of funds by the Town's Finance Department shall require the signature of the Director in addition to the respective Department Director prior to processing.

**E. PROMPT PAYMENT** - All invoices approved for payment by the proper Town authorities shall be paid by the Finance Department within thirty (30) calendar days of receipt in accordance with the provisions of Article 601f, Section 2 of the State of Texas Civil Statutes.

The Director shall establish and maintain proper procedures which will enable the Town to take advantage of all purchase discounts, when possible, except in the instance where payments can be reasonably and legally delayed in order to maximize the amount of cash available for investing.

**F. EQUIPMENT FINANCING** - The applicable Town Department Director, the Administrator and the Director, when possible, shall evaluate the Town's option of equipment leasing in instances of Town equipment acquisitions of \$10,000 or more or in instances when the equipment has a useful life of five (5) or more years as an alternative for Council consideration in the acquisition of assets.

## **VI. ASSET MANAGEMENT**

**A. INVESTMENTS** - The Director shall promptly invest all Town funds in accordance with the Town's Statement of Investment Policies as adopted by the Town Council.

**B. CASH MANAGEMENT** - The Town's cash flow shall be managed by the Director to maximize the cash available for investment. The Finance Department shall, as authorized by Council, affix, via mechanical or electronic means, a facsimile, bearing the joint signatures of the Town's Administrator and the Director, for the disbursement of Town issued checks for:

1. Payroll;
2. Federal income tax and social security tax transfers;
3. Texas Municipal Retirement System deposits;
4. Unemployment compensation claim reimbursements;
5. Payments of money held in trust where the Town acts as a collecting agent;
6. Utility services;
7. Employee benefits programs;
8. Installment payments approved by Council on contracts or projects;
9. Payments for expenditures/expenses for which the Council has specifically authorized payment;
10. Disbursements less than \$1,000

All other Town issued checks not meeting the above criteria shall be signed, in original, by two (2) authorized signatories. Payment authorization shall be in accordance with the pay authorization criteria as defined in the current Bank Depository Agreement, approved by Council, stipulating the conditions and control procedures on such activity.

The Director may transfer funds, via electronic transfer, through verbal instructions to the Town's Depository only for payment of any obligation of the Town under the conditions applicable to the use of the facsimile machine under Paragraph B, this Section.

**C. FIXED ASSETS ACCOUNTING AND INVENTORY** - The Town's fixed assets shall be reasonably safeguarded and properly accounted for and sufficiently insured. Responsibility for the safeguarding of the Town's fixed assets lies with the Department Director in whose department the

fixed asset is assigned. The Finance Department shall supervise the marking of fixed assets with numbered Town property tags and shall maintain the permanent records of the Town's fixed assets including description, cost, department of responsibility, date of acquisition, depreciation, and expected useful life.

The recording of the cost or value of capitalized fixed assets into the Town's financial records and fixed asset database shall be consistent with the definition of capitalized fixed assets with two (2) exceptions: 1) accessioned Library materials shall be capitalized annually on a lump-sum basis rather than on a per-item basis and 2) an asset accounted for in the Town's Equipment Replacement Fund (Internal Service Fund) shall be recorded regardless of cost or value and marked with numbered Town property tags to allow for inventory tracking.

Non-capitalized fixed assets shall be recorded in the Town's fixed asset data base at a financial reporting cost or value of \$0.

The Finance Department shall also perform an annual inventory of assets using random sampling at the department level. Such inventory shall be performed by the Director or his or her designated agent in the presence of designated department personnel from the department of responsibility.

**D. COMPUTER SYSTEM/DATA SECURITY** - The Town shall provide security of its computer system and data files through:

Physical security - computer systems infrastructure shall be in a location inaccessible to unauthorized personnel. Only authorized external access to the system via telephone, microwave or radio frequency shall be installed.

Password security - All users of the Town's financial management system shall be assigned his/her personal password for access into the system. Each user shall be given access permissions to only those data files and functions necessary to perform assigned duties. The Town Administrator shall designate the Information Technology Manager as the Master Security Officer on the Town's computer networks. The Master Security Officer may appoint other Town employees to serve as Security Officers. The Town shall take all precautions necessary to protect the integrity and safety of its information technology.

## **VII. FINANCIAL CONDITION**

**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. FUND BALANCE - GOVERNMENTAL FUNDS**

1. *Committed Fund Balance* - The Town Council is the Town's highest level of decision-making authority and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is by Council action. The Council action must either be approved or rescinded, as applicable, prior to the last day of the fiscal year for which the

commitment is made. The amount subject to the constraint may be determined in the subsequent period. The Council action may take the form of the Annual Budget or a separate ordinance or resolution. Examples of Committed Fund Balance include the Storm Water Drainage Utility Fund and the Employees' Christmas Fund (contributions committed for employee distribution).

The Town shall maintain a committed fund balance in the Capital Projects Fund of \$2,000,000.00 as conditions warrant. The Town Council shall have sole authority for the use of any portion, or all of, the committed fund balance in the Capital Projects Funds. Such decision to use the Capital Projects Fund's committed fund balance should include a plan for replenishing the committed fund balance of the Capital Projects Fund to its desired level.

2. *Assigned Fund Balance* - The Town Council has authorized the Town's Director of Fiscal and Human Resources to assign fund balance to a specific purpose in accordance to Generally Accepted Accounting Principles and in the normal conduct of business. An example is resources to be used to liquidate encumbrances related to purchase orders payable from assigned resources and any fund balance to be used in a subsequent fiscal year to "balance" the budget.

### 3. *Minimum Unassigned Fund Balance*

The Town shall maintain an unassigned fund balance in the General Fund equal to 17% of non-capital expenditures as approved by the Town Council in current Annual Budget.

If Unassigned Fund Balance exceeds the target set by policy, the Town may use surpluses for onetime expenditures. If unassigned fund balance falls below the target, the Town will reduce recurring expenditures to eliminate any structural deficit for such period as necessary until the unassigned fund balance meets the minimum balance as required by this policy.

### 4. *Order of Expenditure of Funds*

When multiple categories of fund balance are available for expenditure (for example, a construction project is being funded partly by a grant, funds set aside by the Town Council, and Unassigned Fund Balance), the Town will start with the most restricted category and spend those funds first before moving down to the next category with available funds.

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.

**C. NET WORKING CAPITAL - UTILITY FUND** - The Town shall maintain Net Working Capital at an amount equal to not less than twenty-five percent (25%) of non-capital expenditures as approved by the Town Council in the Annual Budget.

**D. RISK MANAGEMENT** - The Town shall provide, where possible, for the safety of the public and the Town's employees in order to minimize the Town's risk of loss of resources through liability claims.

**E. RISK FINANCING** - All reasonable options shall be investigated by the Director to finance risks. Such options may include risk transfer, insurance and risk retention.

## **VIII. INTERNAL CONTROLS**

- A. WRITTEN PROCEDURES** - Wherever possible, written procedures shall be established and maintained by the Director for all activities involving cash handling and/or accounting throughout the Town. These procedures shall embrace the general concepts of fiscal responsibility outlined in this statement.
- B. DEPARTMENT DIRECTORS RESPONSIBLE** - Each Department Director shall be responsible to ensure that good internal controls are followed at all times throughout his or her department, that all approved, written Finance Department directives on internal controls are implemented and that all independent auditor internal control recommendations, as embraced by the Council and furnished by the Finance Department, are met.

## **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.
- C. RATINGS** - The Director shall make full disclosure of the Town's operations to both nationally recognized rating agencies, Standard & Poors and Moody's.

## **X. ANNUAL REVIEW OF POLICIES**

The Town's Financial Management Policies shall be reviewed by the Director and Administrator at least annually and any proposed revisions shall be presented to the Council for approval.

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## **GLOSSARY**

## GLOSSARY

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**ADA** Americans with Disabilities Act

**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.

**Bank Depository Agreement** The Council approved current contract, pursuant to the provisions of Section 105 of the Local Government Code of Texas providing for banking

**Balanced Budget** A budget that is resources (revenues, fund balance) that equals, or is greater than, uses (expenditures/expenses, capital outlay).

**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** A plan, approved by the Council, of financial operation embodying an estimate of proposed expenditures/expenses for the fiscal year and the proposed means of financing them (revenue estimates).

**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 acquired prior to October 1, 2000, having an acquisition cost or value of \$1,000 or more or resources acquired after September 30, 2000 having an acquisition cost or value of \$5,000 or more and a useful life of more than one year. Capital assets are also called fixed assets.

**Capital/Major Project Expenditure/Expense** An expenditure/expense which results in the acquisition or addition of a fixed asset or the improvement to an existing fixed asset.

## GLOSSARY

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**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.

**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).

**Capitalized Fixed Asset** A fixed asset acquired prior to October 1, 2000, having an acquisition cost or value of \$1,000 or more or a fixed asset acquired after September 30, 2000, having an acquisition cost or value of \$5,000 or more.

**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.

**Capital Program Plan (CIP)** 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.

**Chart of Accounts** A chart detailing the system of numbering or otherwise designating general ledger accounts.

**CIP** Capital Improvement Plan

**Combined Budget** The combination and presentation of the Operating Budget and the Capital Projects Fund budget.

**Competitive Bidding Process** The process following State law requiring that on purchases of \$25,000 and more, the Town must advertise, solicit, and publicly open sealed bids from prospective vendors. After a review period the Council then awards the bid to the successful bidder.

**CPI** The Consumer Price Index published by the Bureau of Labor Statistics for the Dallas/Ft. Worth metropolitan area.

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

**Current Expense** An obligation of the Town as a result of an incurred expenditure/expense that is due for payment within a twelve (12) month period.

**Current Liabilities** Obligations of the Town that will require satisfaction within a twelve (12) month period.

**Current Revenue** Town revenues or resources convertible to cash within a twelve (12) months.

**DCC** – Dallas Country Club.

**DCPCMUD** Dallas County Park Cities Municipal Utility District.

## GLOSSARY

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**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.

**Depreciation** A non-cash expense that reduces the value of an asset over a predetermined period based on the useful life of the asset.

**Director of Administrative Services & Chief Financial Officer-** That person appointed by the Town Administrator who is responsible for the recording and reporting of the financial activities of the Town.

**DWU** Dallas Water Utilities.

**Electronic signature** Electronically imprinted signature facsimiles generated through the Town's computer equipment upon Town issued checks, rendering them as negotiable instruments.

**Emergency** An unexpected occurrence, i.e. damaging weather conditions, that requires the unplanned use of Town funds.

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

**Equity** See Fund Balance and Retained Earnings.

**ERF** Equipment Replacement Fund.

**Expenditure/Expense** Decreases in net financial resources for the purpose of acquiring goods or services. The General Fund recognizes expenditures and the Utility (Proprietary) Fund recognizes expenses.

**Facsimile Signature Machine** A mechanical device used to imprint signature facsimiles upon Town vouchers rendering them as negotiable instruments.

**FASB** – Financial Accounting Standards Board.

**Fiscal Year (FY)** The period of October 1st through the following September 30th. (e.g. – FY 2019 refers to the fiscal year from October 1, 2018 through September 30, 2019)

**Fixed Assets** Purchased or otherwise acquired piece of equipment, vehicle, furniture, fixture, capital improvement, addition to existing capital investments, land, buildings or accessioned Library materials with a useful life greater than one (1) year.

**Full-Time Equivalent (FTE)** The ratio of total hours paid during a period by the total hours in that pay period.

**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** An accounting distinction is made between the portions of fund equity that spendable and non-spendable. These are broken up into five categories:

## GLOSSARY

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1. **Non-spendable fund balance** – includes amounts that are not in a spendable form or are required to be maintained intact. Examples are resources in the form of inventory or permanent funds.
2. **Restricted fund balance** – includes amounts that can be spent only for the specific purposes stipulated by external resource providers either constitutionally or through enabling legislation. Examples include resources from grants and child safety fees.
3. **Committed fund balance** – includes amounts that can be used only for the specific purposes determined by a formal action of the Town Council. Commitments may be changed or lifted only by the Town Council taking the same formal action that imposed the constraint originally.
4. **Assigned fund balance** – comprises amounts *intended* to be used by the Town for specific purposes. Intent can be expressed by Town Council or by an official or body to which the Town Council has delegated the authority. In governmental funds other than the General Fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund. Examples include resources to be used to liquidate encumbrances related to purchase orders payable from assigned resources and any fund balance to be used in a subsequent fiscal year to “balance” the budget.
5. **Unassigned fund balance** – is the residual classification of the General Fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose.

**Fund Equity** The excess of fund assets over liabilities in a governmental fund.

**GAAP** - see Generally Accepted Accounting Principles

**G&A** An abbreviation used to describe costs for general governmental operations.

**GASB** Governmental Accounting Standards Board.

**General Administrative Costs** - Costs associated with the administration of Town services; costs incurred by the Town that relate to the Town's general operations rather than to the providing of specific services.

**General Fund** - The Town fund used to account for all financial resources and expenditures of the Town except those required to be accounted for in another fund.

**General Ledger** - The collection of accounts reflecting the financial position and results of operations for the Town.

**Generally Accepted Accounting Principles (GAAP)** Uniform minimum standards of and guidelines to financial accounting and reporting as set forth by the Governmental Accounting Standards Board (GASB).

**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.

## GLOSSARY

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**GFOA** Government Finance Officers Association of the United States and Canada

**Governmental Accounting Standards Board** The authoritative accounting and financial reporting standard-setting body for government agencies.

**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.

**GTOT** Government Treasurers' Organization of Texas.

**HPDPS** Highland Park Department of Public Safety.

**HPISD** Highland Park Independent School District.

**HPSV** Highland Park Shopping Village.

**HSA** Health Savings Account.

**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.

**Inter-fund Transfer** See **Transfer**

**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, Technology Replacement and Building Maintenance & Investment Funds are internal service funds.

**Investments** Securities held for the production of revenues in the form of interest.

**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.

**Line-Item Budget** The presentation of the Town's adopted Budget in a format presenting each Department's approved expenditure/expense by specific account.

**Long-Term Debt** Obligations of the Town with a maturity of more than one (1) year.

**Major Fund** The General, Utility and Capital Projects Funds.

**Management Letter** A written report from the independent auditors to the Council reflecting observations and suggestions as a result of the audit process.

**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.

## GLOSSARY

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**Non-Capitalized Fixed Asset** A fixed asset acquired prior to October 1, 2000, having an acquisition cost or value of \$1,000 or less or a fixed asset acquired after September 30, 2000, having an acquisition cost or value of \$1,000 or more but less than \$5,000.

**Non-Recurring Revenues** Resources recognized by the Town that are unique and occur one time.

**Official Budget** The budget as adopted by the Council.

**One-Time Revenues** See Non-Recurring Revenues.

**OPEB** – Other Post-Employment Benefits.

**Operating Budget** A plan, approved by the Council, of financial operation embodying an estimate of proposed expenditures/expenses for the fiscal year and the proposed means of financing them (revenue estimates) for all funds excluding the Capital Projects Fund.

**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.

**Purchase Order System** The Town's system of using documents authorizing the delivery of specified merchandise or services and making a charge for them.

**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.

**Risk** The liability, either realized or potential, related to the Town's daily operations.

**SSO** Sanitary Sewer Overflow.

**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.

## GLOSSARY

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**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. These include the Court Technology and Court Security Funds.

**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 on taxable property, as determined by the Dallas Central Appraisal District, within the Town's corporate limits.

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

**TCEQ** Texas Commission on Environmental Quality.

**Town Council** The current elected officials of the Town as set forth in the Town's Charter.

**Town Administrator** That individual appointed by the Town Council who is responsible for the administration of the affairs of the Town.

**TMRS** The Texas Municipal Retirement System

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

**TWDB** Texas Water Development Board.

**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.

**User Based Fee/Charge** A monetary fee or charge placed upon the user of services by the Town.

**Utility Fund** The fund used to account for operations and improvements related to the Town's water and sanitary sewer system.

**Utility Sales** -Sales of treated water and sanitary sewer service.

**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

**2023 TAX RATE CALCULATION WORKSHEET**

# 2023 Tax Rate Calculation Worksheet

## Taxing Units Other Than School Districts or Water Districts

AR 0101/23

Form 50-856

Town of Highland Park	214.559.9360
Taxing Unit Name	Phone (area code and number)
4700 Drexel Dr, Highland Park, TX 75205	www.hptx.org
Taxing Unit's Address, City, State, ZIP Code	Taxing Unit's Website Address

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

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

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

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

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

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

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

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

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
1.	<b>2022 total taxable value.</b> Enter the amount of 2022 taxable value on the 2022 tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (adjustment is made by deducting TIF taxes, as reflected in Line 17). <sup>1</sup>	\$ 7,332,004,349
2.	<b>2022 tax ceilings.</b> Counties, cities and junior college districts. Enter 2022 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2022 or a prior year for homeowners age 65 or older or disabled, use this step. <sup>2</sup>	\$ 0
3.	<b>Preliminary 2022 adjusted taxable value.</b> Subtract Line 2 from Line 1.	\$ 7,332,004,349
4.	<b>2022 total adopted tax rate.</b>	\$ 0.230000 /\$100
5.	<b>2022 taxable value lost because court appeals of ARB decisions reduced 2022 appraised value.</b>	
	A. <b>Original 2022 ARB values:</b> ..... \$ 117,414,840	
	B. <b>2022 values resulting from final court decisions:</b> ..... - \$ 106,000,250	
	C. <b>2022 value loss.</b> Subtract B from A. <sup>3</sup>	\$ 11,414,590
6.	<b>2022 taxable value subject to an appeal under Chapter 42, as of July 25.</b>	
	A. <b>2022 ARB certified value:</b> ..... \$ 101,789,650	
	B. <b>2022 disputed value:</b> ..... - \$ 67,859,774	
	C. <b>2022 undisputed value.</b> Subtract B from A. <sup>4</sup>	\$ 33,929,876
7.	<b>2022 Chapter 42 related adjusted values.</b> Add Line 5C and Line 6C.	\$ 45,344,466

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

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
8.	<b>2022 taxable value, adjusted for actual and potential court-ordered adjustments.</b> Add Line 3 and Line 7.	\$ 7,377,348,815
9.	<b>2022 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2022.</b> Enter the 2022 value of property in deannexed territory. <sup>5</sup>	\$ 0
10.	<p><b>2022 taxable value lost because property first qualified for an exemption in 2023.</b> If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in 2023 does not create a new exemption or reduce taxable value.</p> <p><b>A. Absolute exemptions.</b> Use 2022 market value: ..... \$ 35,510</p> <p><b>B. Partial exemptions.</b> 2023 exemption amount or 2023 percentage exemption times 2022 value:..... + \$ 20,962,241</p> <p><b>C. Value loss.</b> Add A and B.<sup>6</sup></p>	\$ 20,997,751
11.	<p><b>2022 taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in 2023.</b> Use only properties that qualified in 2023 for the first time; do not use properties that qualified in 2022.</p> <p><b>A. 2022 market value:</b> ..... \$ 0</p> <p><b>B. 2023 productivity or special appraised value:</b> ..... - \$ 0</p> <p><b>C. Value loss.</b> Subtract B from A.<sup>7</sup></p>	\$ 0
12.	<b>Total adjustments for lost value.</b> Add Lines 9, 10C and 11C.	\$ 20,997,751
13.	<b>2022 captured value of property in a TIF.</b> Enter the total value of 2022 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which 2022 taxes were deposited into the tax increment fund. <sup>8</sup> If the taxing unit has no captured appraised value in line 18D, enter 0.	\$ 0
14.	<b>2022 total value.</b> Subtract Line 12 and Line 13 from Line 8.	\$ 7,356,351,064
15.	<b>Adjusted 2022 total levy.</b> Multiply Line 4 by Line 14 and divide by \$100.	\$ 16,919,607
16.	<b>Taxes refunded for years preceding tax year 2022.</b> Enter the amount of taxes refunded by the taxing unit for tax years preceding tax year 2022. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2022. This line applies only to tax years preceding tax year 2022. <sup>9</sup>	\$ 27,957
17.	<b>Adjusted 2022 levy with refunds and TIF adjustment.</b> Add Lines 15 and 16. <sup>10</sup>	\$ 16,947,564
18.	<p><b>Total 2023 taxable value on the 2023 certified appraisal roll today.</b> This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled.<sup>11</sup></p> <p><b>A. Certified values:</b> ..... \$ 8,431,327,180</p> <p><b>B. Counties:</b> Include railroad rolling stock values certified by the Comptroller's office: ..... + \$ _____</p> <p><b>C. Pollution control and energy storage system exemption:</b> Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property:..... - \$ 0</p> <p><b>D. Tax increment financing:</b> Deduct the 2023 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2023 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 23 below.<sup>12</sup> ..... - \$ 0</p> <p><b>E. Total 2023 value.</b> Add A and B, then subtract C and D.</p>	\$ 8,431,327,180

<sup>5</sup> Tex. Tax Code §26.012(15)  
<sup>6</sup> Tex. Tax Code §26.012(15)  
<sup>7</sup> Tex. Tax Code §26.012(15)  
<sup>8</sup> Tex. Tax Code §26.03(c)  
<sup>9</sup> Tex. Tax Code §26.012(13)  
<sup>10</sup> Tex. Tax Code §26.012(13)  
<sup>11</sup> Tex. Tax Code §26.012, 26.04(c-2)  
<sup>12</sup> Tex. Tax Code §26.03(c)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
19.	<p><b>Total value of properties under protest or not included on certified appraisal roll.</b> <sup>13</sup></p> <p><b>A. 2023 taxable value of properties under protest.</b> The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. <sup>14</sup> ..... \$ <u>26,032,301</u></p> <p><b>B. 2023 value of properties not under protest or included on certified appraisal roll.</b> The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll. <sup>15</sup> ..... + \$ <u>0</u></p> <p><b>C. Total value under protest or not certified.</b> Add A and B. \$ <u>26,032,301</u></p>	
20.	<b>2023 tax ceilings.</b> Counties, cities and junior colleges enter 2023 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2022 or a prior year for homeowners age 65 or older or disabled, use this step. <sup>16</sup>	\$ <u>0</u>
21.	<b>2023 total taxable value.</b> Add Lines 18E and 19C. Subtract Line 20. <sup>17</sup>	\$ <u>8,457,359,481</u>
22.	<b>Total 2023 taxable value of properties in territory annexed after Jan. 1, 2022.</b> Include both real and personal property. Enter the 2023 value of property in territory annexed. <sup>18</sup>	\$ <u>0</u>
23.	<b>Total 2023 taxable value of new improvements and new personal property located in new improvements.</b> New means the item was not on the appraisal roll in 2022. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, 2022 and be located in a new improvement. New improvements <b>do</b> include property on which a tax abatement agreement has expired for 2023. <sup>19</sup>	\$ <u>121,368,874</u>
24.	<b>Total adjustments to the 2023 taxable value.</b> Add Lines 22 and 23.	\$ <u>121,368,874</u>
25.	<b>Adjusted 2023 taxable value.</b> Subtract Line 24 from Line 21.	\$ <u>8,335,990,607</u>
26.	<b>2023 NNR tax rate.</b> Divide Line 17 by Line 25 and multiply by \$100. <sup>20</sup>	\$ <u>0.203305</u> /\$100 ✓
27.	<b>COUNTIES ONLY.</b> Add together the NNR tax rates for each type of tax the county levies. The total is the 2023 county NNR tax rate. <sup>21</sup>	\$ _____ /\$100

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

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

- Maintenance and Operations (M&O) Tax Rate:** The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.
- Debt Rate:** The debt rate includes the debt service necessary to pay the taxing unit's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

The voter-approval tax rate for a county is the sum of the voter-approval tax rates calculated for each type of tax the county levies. In most cases the voter-approval tax rate exceeds the no-new-revenue tax rate, but occasionally decreases in a taxing unit's debt service will cause the NNR tax rate to be higher than the voter-approval tax rate.

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
28.	<b>2022 M&amp;O tax rate.</b> Enter the 2022 M&O tax rate.	\$ <u>0.230000</u> /\$100
29.	<b>2022 taxable value, adjusted for actual and potential court-ordered adjustments.</b> Enter the amount in Line 8 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ <u>7,377,348,815</u>

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

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
30.	<b>Total 2022 M&amp;O levy.</b> Multiply Line 28 by Line 29 and divide by \$100	\$ 16,967,902
31.	<p><b>Adjusted 2022 levy for calculating NNR M&amp;O rate.</b></p> <p><b>A. M&amp;O taxes refunded for years preceding tax year 2022.</b> Enter the amount of M&amp;O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2022. This line applies only to tax years preceding tax year 2022. .... + \$ 27,957</p> <p><b>B. 2022 taxes in TIF.</b> Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2023 captured appraised value in Line 18D, enter 0. .... - \$ 0</p> <p><b>C. 2022 transferred function.</b> If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0. .... +/- \$ 0</p> <p><b>D. 2022 M&amp;O levy adjustments.</b> Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function. .... \$ 27,957</p> <p><b>E. Add Line 30 to 31D.</b></p>	\$ 16,995,859
32.	<b>Adjusted 2023 taxable value.</b> Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 8,335,990,607
33.	<b>2023 NNR M&amp;O rate (unadjusted).</b> Divide Line 31E by Line 32 and multiply by \$100.	\$ 0.203885 /\$100
34.	<p><b>Rate adjustment for state criminal justice mandate.</b> <sup>23</sup> If not applicable or less than zero, enter 0.</p> <p><b>A. 2023 state criminal justice mandate.</b> Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. .... \$ 0</p> <p><b>B. 2022 state criminal justice mandate.</b> Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies. .... - \$ 0</p> <p><b>C. Subtract B from A and divide by Line 32 and multiply by \$100.</b> .... \$ 0 /\$100</p> <p><b>D. Enter the rate calculated in C. If not applicable, enter 0.</b></p>	\$ 0 /\$100
35.	<p><b>Rate adjustment for indigent health care expenditures.</b> <sup>24</sup> If not applicable or less than zero, enter 0.</p> <p><b>A. 2023 indigent health care expenditures.</b> Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2022 and ending on June 30, 2023, less any state assistance received for the same purpose. .... \$ 0</p> <p><b>B. 2022 indigent health care expenditures.</b> Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2021 and ending on June 30, 2022, less any state assistance received for the same purpose. .... - \$ 0</p> <p><b>C. Subtract B from A and divide by Line 32 and multiply by \$100.</b> .... \$ 0 /\$100</p> <p><b>D. Enter the rate calculated in C. If not applicable, enter 0.</b></p>	\$ 0 /\$100

<sup>22</sup> [Reserved for expansion]

<sup>23</sup> Tex. Tax Code §26.044

<sup>24</sup> Tex. Tax Code §26.0441

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
36.	<p><b>Rate adjustment for county indigent defense compensation.</b> <sup>25</sup> If not applicable or less than zero, enter 0.</p> <p><b>A. 2023 indigent defense compensation expenditures.</b> Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2022 and ending on June 30, 2023, less any state grants received by the county for the same purpose..... \$ <u>0</u></p> <p><b>B. 2022 indigent defense compensation expenditures.</b> Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2021 and ending on June 30, 2022, less any state grants received by the county for the same purpose..... \$ <u>0</u></p> <p><b>C.</b> Subtract B from A and divide by Line 32 and multiply by \$100..... \$ <u>0</u> /\$100</p> <p><b>D.</b> Multiply B by 0.05 and divide by Line 32 and multiply by \$100..... \$ <u>0</u> /\$100</p> <p><b>E.</b> Enter the lesser of C and D. If not applicable, enter 0.</p>	\$ <u>0</u> /\$100
37.	<p><b>Rate adjustment for county hospital expenditures.</b> <sup>26</sup> If not applicable or less than zero, enter 0.</p> <p><b>A. 2023 eligible county hospital expenditures.</b> Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2022 and ending on June 30, 2023. .... \$ <u>0</u></p> <p><b>B. 2022 eligible county hospital expenditures.</b> Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2021 and ending on June 30, 2022. .... \$ <u>0</u></p> <p><b>C.</b> Subtract B from A and divide by Line 32 and multiply by \$100..... \$ <u>0</u> /\$100</p> <p><b>D.</b> Multiply B by 0.08 and divide by Line 32 and multiply by \$100..... \$ <u>0</u> /\$100</p> <p><b>E.</b> Enter the lesser of C and D, if applicable. If not applicable, enter 0.</p>	\$ <u>0</u> /\$100
38.	<p><b>Rate adjustment for defunding municipality.</b> This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code Section 26.0444 for more information.</p> <p><b>A. Amount appropriated for public safety in 2022.</b> Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year ..... \$ <u>0</u></p> <p><b>B. Expenditures for public safety in 2022.</b> Enter the amount of money spent by the municipality for public safety during the preceding fiscal year ..... \$ <u>0</u></p> <p><b>C.</b> Subtract B from A and divide by Line 32 and multiply by \$100 ..... \$ <u>0</u> /\$100</p> <p><b>D.</b> Enter the rate calculated in C. If not applicable, enter 0.</p>	\$ <u>0</u> /\$100
39.	<p><b>Adjusted 2023 NNR M&amp;O rate.</b> Add Lines 33, 34D, 35D, 36E, and 37E. Subtract Line 38D.</p>	\$ <u>0.203885</u> /\$100 ✓
40.	<p><b>Adjustment for 2022 sales tax specifically to reduce property taxes.</b> Cities, counties and hospital districts that collected and spent additional sales tax on M&amp;O expenses in 2022 should complete this line. These entities will deduct the sales tax gain rate for 2023 in Section 3. Other taxing units, enter zero.</p> <p><b>A.</b> Enter the amount of additional sales tax collected and spent on M&amp;O expenses in 2022, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent ..... \$ <u>0</u></p> <p><b>B.</b> Divide Line 40A by Line 32 and multiply by \$100 ..... \$ <u>0</u> /\$100</p> <p><b>C.</b> Add Line 40B to Line 39.</p>	\$ <u>0.203885</u> /\$100
41.	<p><b>2023 voter-approval M&amp;O rate.</b> Enter the rate as calculated by the appropriate scenario below.</p> <p><b>Special Taxing Unit.</b> If the taxing unit qualifies as a special taxing unit, multiply Line 40C by 1.08.</p> <p>- or -</p> <p><b>Other Taxing Unit.</b> If the taxing unit does not qualify as a special taxing unit, multiply Line 40C by 1.035.</p>	\$ <u>0.211020</u> /\$100 ✓

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

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
D41.	<p><b>Disaster Line 41 (D41): 2023 voter-approval M&amp;O rate for taxing unit affected by disaster declaration.</b> If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of</p> <p>1) the first year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred, or</p> <p>2) the third tax year after the tax year in which the disaster occurred</p> <p>If the taxing unit qualifies under this scenario, multiply Line 40C by 1.08. <sup>27</sup> If the taxing unit does not qualify, do not complete Disaster Line 41 (Line D41).</p>	<p>\$ <u>0</u> /\$100</p>
42.	<p><b>Total 2023 debt to be paid with property taxes and additional sales tax revenue.</b> Debt means the interest and principal that will be paid on debts that:</p> <p>(1) are paid by property taxes,</p> <p>(2) are secured by property taxes,</p> <p>(3) are scheduled for payment over a period longer than one year, and</p> <p>(4) are not classified in the taxing unit’s budget as M&amp;O expenses.</p> <p><b>A. Debt</b> also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here. <sup>28</sup></p> <p>Enter debt amount ..... \$ <u>0</u></p> <p><b>B. Subtract unencumbered fund amount</b> used to reduce total debt. .... - \$ <u>0</u></p> <p><b>C. Subtract certified amount spent from sales tax to reduce debt</b> (enter zero if none) ..... - \$ <u>0</u></p> <p><b>D. Subtract amount paid</b> from other resources ..... - \$ <u>0</u></p> <p><b>E. Adjusted debt.</b> Subtract B, C and D from A.</p>	<p>\$ <u>0</u></p>
43.	<b>Certified 2022 excess debt collections.</b> Enter the amount certified by the collector. <sup>29</sup>	<p>\$ <u>0</u></p>
44.	<b>Adjusted 2023 debt.</b> Subtract Line 43 from Line 42E.	<p>\$ <u>0</u></p>
45.	<p><b>2023 anticipated collection rate.</b></p> <p><b>A.</b> Enter the 2023 anticipated collection rate certified by the collector. <sup>30</sup> ..... <u>100.00</u> %</p> <p><b>B.</b> Enter the 2022 actual collection rate. .... <u>100.08</u> %</p> <p><b>C.</b> Enter the 2021 actual collection rate. .... <u>99.46</u> %</p> <p><b>D.</b> Enter the 2020 actual collection rate. .... <u>105.68</u> %</p> <p><b>E.</b> If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%. <sup>31</sup></p>	<p><u>100.00</u> %</p>
46.	<b>2023 debt adjusted for collections.</b> Divide Line 44 by Line 45E.	<p>\$ <u>0</u></p>
47.	<b>2023 total taxable value.</b> Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	<p>\$ <u>8,457,359,481</u></p>
48.	<b>2023 debt rate.</b> Divide Line 46 by Line 47 and multiply by \$100.	<p>\$ <u>0</u> /\$100 ✓</p>
49.	<b>2023 voter-approval tax rate.</b> Add Lines 41 and 48.	<p>\$ <u>0.211020</u> /\$100 ✓</p>
D49.	<p><b>Disaster Line 49 (D49): 2023 voter-approval tax rate for taxing unit affected by disaster declaration.</b> Complete this line if the taxing unit calculated the voter-approval tax rate in the manner provided for a special taxing unit on Line D41. Add Line D41 and 48.</p>	<p>\$ _____ /\$100</p>

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

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
50.	<b>COUNTIES ONLY.</b> Add together the voter-approval tax rates for each type of tax the county levies. The total is the 2023 county voter-approval tax rate.	\$ 0 /\$100

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

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

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

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
51.	<b>Taxable Sales.</b> For taxing units that adopted the sales tax in November 2022 or May 2023, enter the Comptroller's estimate of taxable sales for the previous four quarters. <sup>32</sup> Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November 2022, enter 0.	\$ 0
52.	<b>Estimated sales tax revenue.</b> Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. <sup>33</sup> <b>Taxing units that adopted the sales tax in November 2022 or in May 2023.</b> Multiply the amount on Line 51 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. <sup>34</sup> <b>- or -</b> <b>Taxing units that adopted the sales tax before November 2022.</b> Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	\$ 0
53.	<b>2023 total taxable value.</b> Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 8,457,359,481
54.	<b>Sales tax adjustment rate.</b> Divide Line 52 by Line 53 and multiply by \$100.	\$ 0 /\$100
55.	<b>2023 NNR tax rate, unadjusted for sales tax.</b> <sup>35</sup> Enter the rate from Line 26 or 27, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 0.203305 /\$100
56.	<b>2023 NNR tax rate, adjusted for sales tax.</b> <b>Taxing units that adopted the sales tax in November 2022 or in May 2023.</b> Subtract Line 54 from Line 55. Skip to Line 57 if you adopted the additional sales tax before November 2022.	\$ 0.203305 /\$100
57.	<b>2023 voter-approval tax rate, unadjusted for sales tax.</b> <sup>36</sup> Enter the rate from Line 49, Line D49 (disaster) or Line 50 (counties) as applicable, of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.211020 /\$100
58.	<b>2023 voter-approval tax rate, adjusted for sales tax.</b> Subtract Line 54 from Line 57.	\$ 0.211020 /\$100

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

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

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

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
59.	<b>Certified expenses from the Texas Commission on Environmental Quality (TCEQ).</b> Enter the amount certified in the determination letter from TCEQ. <sup>37</sup> The taxing unit shall provide its tax assessor-collector with a copy of the letter. <sup>38</sup>	\$ 0
60.	<b>2023 total taxable value.</b> Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 8,457,359,481
61.	<b>Additional rate for pollution control.</b> Divide Line 59 by Line 60 and multiply by \$100.	\$ 0 /\$100
62.	<b>2023 voter-approval tax rate, adjusted for pollution control.</b> Add Line 61 to one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties) or Line 58 (taxing units with the additional sales tax).	\$ 0.211020 /\$100

<sup>32</sup> Tex. Tax Code §26.041(d)

<sup>33</sup> Tex. Tax Code §26.041(i)

<sup>34</sup> Tex. Tax Code §26.041(d)

<sup>35</sup> Tex. Tax Code §26.04(c)

<sup>36</sup> Tex. Tax Code §26.04(c)

<sup>37</sup> Tex. Tax Code §26.045(d)

<sup>38</sup> Tex. Tax Code §26.045(i)

**SECTION 5: Voter-Approval Tax Rate Adjustment for Unused Increment Rate**

The unused increment rate is the rate equal to the difference between the adopted tax rate and voter-approval tax rate adjusted to remove the unused increment rate for the prior three years.<sup>39</sup> In a year where a taxing unit adopts a rate by applying any portion of the unused increment rate, the portion of the unused increment rate must be backed out of the calculation for that year.

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

- a tax year before 2020;<sup>40</sup>
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a);<sup>41</sup> or
- after Jan. 1, 2022, a tax year in which the comptroller determines that the county implemented a budget reduction or reallocation described by Local Government Code Section 120.002(a) without the required voter approval.<sup>42</sup>

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

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

Line	Unused Increment Rate Worksheet	Amount/Rate
<b>63.</b>	<b>Year 3 component.</b> Subtract the 2022 actual tax rate and the 2022 unused increment rate from the 2022 voter-approval tax rate.	
A.	Voter-approval tax rate (Line 67).....	\$ 0.239510 /\$100
B.	Unused increment rate (Line 66).....	\$ 0.021387 /\$100
C.	Subtract B from A.....	\$ 0.218123 /\$100
D.	Adopted Tax Rate.....	\$ 0.230000 /\$100
E.	Subtract D from C.....	\$ -0.011877 /\$100
<b>64.</b>	<b>Year 2 component.</b> Subtract the 2021 actual tax rate and the 2021 unused increment rate from the 2021 voter-approval tax rate.	
A.	Voter-approval tax rate (Line 67).....	\$ 0.251387 /\$100
B.	Unused increment rate (Line 66).....	\$ 0.017787 /\$100
C.	Subtract B from A.....	\$ 0.233600 /\$100
D.	Adopted Tax Rate.....	\$ 0.230000 /\$100
E.	Subtract D from C.....	\$ 0.003600 /\$100
<b>65.</b>	<b>Year 1 component.</b> Subtract the 2020 actual tax rate and the 2020 unused increment rate from the 2020 voter-approval tax rate.	
A.	Voter-approval tax rate (Line 65).....	\$ 0.247787 /\$100
B.	Unused increment rate (Line 64).....	\$ 0 /\$100
C.	Subtract B from A.....	\$ 0.247787 /\$100
D.	Adopted Tax Rate.....	\$ 0.230000 /\$100
E.	Subtract D from C.....	\$ 0.017787 /\$100
<b>66.</b>	<b>2023 unused increment rate.</b> Add Lines 63E, 64E and 65E.	\$ 0.009510 /\$100
<b>67.</b>	<b>Total 2023 voter-approval tax rate, including the unused increment rate.</b> Add Line 66 to one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax) or Line 62 (taxing units with pollution control).	\$ 0.220530 /\$100

<sup>39</sup> Tex. Tax Code §26.013(a)  
<sup>40</sup> Tex. Tax Code §26.013(c)  
<sup>41</sup> Tex. Tax Code §26.0501(a) and (c)  
<sup>42</sup> Tex. Local Gov't Code §120.007(d), effective Jan. 1, 2022  
<sup>43</sup> Tex. Tax Code §26.063(a)(1)  
<sup>44</sup> Tex. Tax Code §26.012(8-a)  
<sup>45</sup> Tex. Tax Code §26.063(a)(1)

**SECTION 6: De Minimis Rate**

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate, the rate that will raise \$500,000, and the current debt rate for a taxing unit.<sup>44</sup> This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit.<sup>45</sup>

Line	De Minimis Rate Worksheet	Amount/Rate
68.	<b>Adjusted 2023 NNR M&amp;O tax rate.</b> Enter the rate from Line 39 of the <i>Voter-Approval Tax Rate Worksheet</i>	\$ 0.203885 /\$100
69.	<b>2023 total taxable value.</b> Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 8,457,359,481
70.	<b>Rate necessary to impose \$500,000 in taxes.</b> Divide \$500,000 by Line 69 and multiply by \$100.	\$ 0.005912 /\$100
71.	<b>2023 debt rate.</b> Enter the rate from Line 48 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0 /\$100
72.	<b>De minimis rate.</b> Add Lines 68, 70 and 71.	\$ 0.209797 /\$100

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

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

Similarly, if a taxing unit adopted a tax rate that exceeded its voter-approval tax rate, calculated normally, without holding an election to respond to a disaster, as allowed by Tax Code Section 26.042(d), in the prior year, it must also reduce its voter-approval tax rate for the current tax year.<sup>47</sup>

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

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

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

Line	Emergency Revenue Rate Worksheet	Amount/Rate
73.	<b>2022 adopted tax rate.</b> Enter the rate in Line 4 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 0.230000 /\$100
74.	<b>Adjusted 2022 voter-approval tax rate.</b> Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line.  If a disaster occurred in 2022 and the taxing unit calculated its 2022 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2022 worksheet due to a disaster, complete the applicable sections or lines of Form 50-856-a, Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet. - or - If a disaster occurred prior to 2022 for which the taxing unit continued to calculate its voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) in 2022, complete the separate <i>Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> to recalculate the voter-approval tax rate the taxing unit would have calculated in 2022 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the year(s) following the disaster. <sup>48</sup> Enter the final adjusted 2022 voter-approval tax rate from the worksheet. - or - If the taxing unit adopted a tax rate above the 2022 voter-approval tax rate without calculating a disaster tax rate or holding an election due to a disaster, no recalculation is necessary. Enter the voter-approval tax rate from the prior year's worksheet.	\$ 0 /\$100
75.	<b>Increase in 2022 tax rate due to disaster.</b> Subtract Line 74 from Line 73.	\$ 0 /\$100
76.	<b>Adjusted 2022 taxable value.</b> Enter the amount in Line 14 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 7,356,351,064
77.	<b>Emergency revenue.</b> Multiply Line 75 by Line 76 and divide by \$100.	\$ 0
78.	<b>Adjusted 2023 taxable value.</b> Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 8,335,990,607
79.	<b>Emergency revenue rate.</b> Divide Line 77 by Line 78 and multiply by \$100. <sup>49</sup>	\$ 0 /\$100

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

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

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

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

Line	Emergency Revenue Rate Worksheet	Amount/Rate
80.	<b>2023 voter-approval tax rate, adjusted for emergency revenue.</b> Subtract Line 79 from one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax), Line 62 (taxing units with pollution control) or Line 67 (taxing units with the unused increment rate).	\$ <u>0.220530</u> /\$100



**SECTION 8: Total Tax Rate**

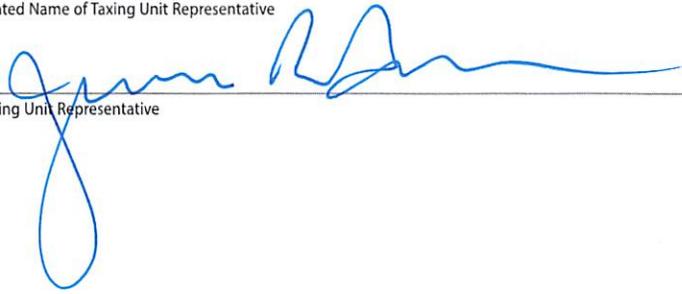
Indicate the applicable total tax rates as calculated above.

- No-new-revenue tax rate.** ..... \$ 0.203305 /\$100  
 As applicable, enter the 2023 NNR tax rate from: Line 26, Line 27 (counties), or Line 56 (adjusted for sales tax).  
 Indicate the line number used: 26
- Voter-approval tax rate.** ..... \$ 0.220530 /\$100  
 As applicable, enter the 2023 voter-approval tax rate from: Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (adjusted for sales tax), Line 62 (adjusted for pollution control), Line 67 (adjusted for unused increment), or Line 80 (adjusted for emergency revenue).  
 Indicate the line number used: 67
- De minimis rate.** ..... \$ 0.209797 /\$100  
 If applicable, enter the 2023 de minimis rate from Line 72.

**SECTION 9: Taxing Unit Representative Name and Signature**

Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit's certified appraisal roll or certified estimate of taxable value, in accordance with requirements in the Tax Code.<sup>50</sup>

**print here** ▶ John R. Ames, PCC, CTA  
 Printed Name of Taxing Unit Representative

**sign here** ▶   
 Taxing Unit Representative

8/1/23  
 Date

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

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