

Town of Highland Park

Adopted Budget

Operating and Capital

For the Fiscal Year 2021-2022

This budget will raise more revenue from property taxes than last year's budget by an amount of \$570,333 which is a 3.83 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 \$214,234.

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

FOR: Jimmy Grisham, Council Member
 Marc Myers, Council Member
 Lydia Novakov, Council Member
 Craig Penfold, Council Member

AGAINST:

PRESENT and not voting: Mayor Margo Goodwin

ABSENT: Mayor Pro Tem David Dowler

Tax Rate:	Adopted 2021-22*	Adopted 2020-21
Property Tax Rate:	\$0.230000/100	\$0.230000/100
No-New-Revenue Tax Rate:	\$0.224473/100	\$0.227938/100
No-New-Revenue Maintenance & Operations Tax Rate:	\$0.225701/100	\$0.229433/100
Voter-Approval Tax Rate:	\$0.251387/100	\$0.247787/100
Debt Rate:	\$0.000000/100	\$0.000000/100

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

** Final calculations provided by the Dallas County Tax Assessor and Collectors Office.*

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Town of Highland Park
Texas**

For the Fiscal Year Beginning

October 01, 2020

Christopher P. Morill

Executive Director

TOWN OF HIGHLAND PARK, TEXAS

ADOPTED BUDGET OPERATING AND CAPITAL OCTOBER 1, 2021 THROUGH SEPTEMBER 30, 2022

AS SUBMITTED TO
THE MAYOR AND THE TOWN COUNCIL

MARGO GOODWIN
MAYOR

DAVID DOWLER
MAYOR PRO TEM

JIMMY GRISHAM
MARC MYERS
LYDIA NOVAKOV
CRAIG PENFOLD
COUNCIL MEMBERS

BILL LINDLEY
TOWN ADMINISTRATOR

STEVEN J. ALEXANDER
DIRECTOR OF ADMINISTRATIVE SERVICES & CFO

KAREN KURTIN
DEPUTY CHIEF FINANCIAL OFFICER

TOWN OF HIGHLAND PARK 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.

Town Council Priorities

- Maintain respect for the Town’s rich history and heritage
- Support the Highland Park Independent School District
- 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
- Continue the Town’s financial stability

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

Budgetary Goals for Fiscal Year 2022-23

- Meet citizens' needs.
- Continue providing high quality services and excellence in customer service.
- Retain and attract quality employees.
- Sustain the Town's cash funded Capital Improvement Plan (CIP).

Town of Highland Park
Fiscal Year 2021-22 Adopted Budget
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MAYOR
Margo Goodwin
 —
 MAYOR PRO-TEM
David Dowler
 —
 COUNCIL MEMBERS
Jimmy Grisham
Marc Myers
Lydia Novakov
Craig Penfold
 —
 TOWN ATTORNEY
Matthew C.G. Boyle
 —
 TOWN JUDGE
Albert D. Hammack
 —
 LOCAL HEALTH AUTHORITY
Michael L. McCullough, M.D.



TOWN ADMINISTRATOR
Bill Lindley
 —
 DIRECTOR OF PUBLIC SAFETY
Paul Sandman
 —
 DIRECTOR OF ADMINISTRATIVE SERVICES
 &
 CHIEF FINANCIAL OFFICER
Steven J. Alexander, CPA
 —
 DEVELOPMENT SERVICES DIRECTOR
Hugh Pender
 —
 DIRECTOR OF ENGINEERING
Lori Chapin, P.E.
 —
 TOWN SECRETARY
Joanna Mekeal

September 14, 2021

Mayor Goodwin and Members of the Town Council:

I am pleased to present to the Adopted Budget for FY 2022. The Adopted Budget was carefully developed through a collaborative process with Town Council to balance the identified needs of the community with a sustainable and sound financial plan. 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).

Despite the ongoing pandemic, the Adopted Budget provides a more optimistic outlook than in FY 2021, largely due to the effects of the pandemic not being as severe on the local economy as initially predicted. As a result, the Town is able to maintain a high level of service to the public and continues a robust capital improvement program. The Adopted Budget, as it relates to operational costs, maintains less than the 3.5% growth in operational costs guided by the Town Council’s 10-year financial model.

The Adopted Budget of \$43,418,402 (excluding interfund transfers) represents an increase of \$2,319,694, or 5.6%, compared to the FY 2021 Budget, as follows:

	FY 2021	FY 2022	% Change
General Fund	\$ 21,421,932	\$ 21,712,416	1%
Capital Projects Fund	5,020,160	8,293,846	65%
Solid Waste Fund	1,431,755	1,482,247	4%
Utility Fund	9,700,342	8,774,407	-10%
Storm Water Drainage Fund	1,743,300	1,796,750	3%
Other Funds	1,781,219	1,358,736	-24%
Total	<u>\$ 41,098,708</u>	<u>\$ 43,418,402</u>	6%

The increase between fiscal years is predominately due to an increase in funding for capital projects in the Capital Projects Fund, offset by a reduction in capital project costs in the Utility Fund and the Equipment Replacement Fund. Most notably, funding for capital projects in the Capital Projects Fund for FY 2022 include the reconstruction of Lakeside and the first part of the 30” sewer interceptor located

in that roadway. The Equipment Replacement Fund includes the replacement of a Mobile Intensive Care Unit (MICU) at a budgeted cost of \$347,009. In FY 2021, a fire truck was purchased at a budgeted cost of \$780,000. Increases in the General Fund are primarily attributed to changes in personnel costs. The reduction in project costs within the Utility Fund is primarily connected to the replacement of the Holland elevated water storage tank and results from shifting project costs to future years.

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.

REVENUE SOURCES

Making up approximately 79% of total revenues, key revenue sources for the Town continue to include Property Taxes, Sales Taxes and user fees associated with specific services such as the purchase and distribution of treated water, collection and treatment of wastewater; and the collection and disposal of solid waste.

Property Taxes - Property taxes are the largest and most stable revenue source for the Town, making up 37% of total revenue. Taxable property values are growing at approximately 3.8%, or \$249M for FY 2022 of the originally certified values provided in July of 2020. Most of this increase results from reassessments; however, \$94M (an increase of \$14M from the current fiscal year) is related to new construction. The Adopted Budget recommends keeping the tax rate at 23 cents per \$100 of taxable assessed values.

Maintaining the current tax rate of 23 cents is believed to be a fiscally prudent course of action allowing the Town to generate more property tax revenue (due to higher assessed values) and staying below the 3.5% "Voter Approval Rate" as set out in State law. Any tax rate adjustment higher than 3.5%, over the "No New Revenue Rate", requires an election of voters. The "No New Revenue 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.

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 \$4,754 in taxes for Town services, while the remainder of their tax bill, \$37,037, goes to Dallas County (31.6%) and HPISD (57.0%).

Sales Taxes – Built on sustaining the current mix of retail outlets, sales taxes account for 10.2% of total revenue and are proposed to increase when compared to the prior year-end actual (FY 2020) of \$4.2M. This increase is directly related to increase in sales taxes received during the current year. The Town has been fortunate over the last year during the pandemic as sales taxes were not affected to the extent originally anticipated. As it relates to retail sales, the June *Beige Book for the Eleventh District* reported the "Retail sales grew robustly in April but dipped in May, which contacts attributed to supply chain issues and low inventories" and "Outlooks were positive, buoyed by the reopening of the economy and current pace of vaccinations, though rising costs and inventory shortages remained a concern." The Town's financial model projects this resumption of a more normalized sales tax revenue stream for FY 2022 and beyond with an annual growth of 4% per year.

User Fees –Revenue from building activity in Town 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. 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 robust. Revenues related to building activity in Town are projected to be \$1.3M for FY 2022.

The fees assessed to Town customers for the purchase and distribution of treated water and the collection and treatment of wastewater comprise 24.5% of total revenue at \$10.3M for FY 2022.

The Town's FY 2021 financial model is predicated on a certain level of annual water consumption. With the consistent decline in water sales over the last few years, the five-year rolling average has declined from 950 million gallons per year to a projected 945 million gallons. Consumption patterns in the current fiscal year suggest that the Town will not meet its annual revenue budget for FY 2021.

Staff worked with Newgen Strategies and Solutions to finalize a water/wastewater cost of service and rate design study. Based on the results of this study the proposed rate increase and rate structure was presented to Town Council during the budget process and ultimately incorporated into the Adopted Budget. The Adopted Budget provides for an adjustment to water and sewer rates in FY 2022 of 3.0%. The proposed adjustment to rates will result in an average monthly bill increase of approximately \$7 and an annual increase in revenue to the Town totaling an estimated \$295,000 over the amounts that would have been anticipated under the prior year rates. The Town's CIP has contemplated a utility rate increase for many years. The rate adjustment approved 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 2019.

Rates charged by the Town for the collection and disposal of solid waste make up 3.9% of total revenues. Third-party contracts to provide these services stipulate annual rate increases, based on Consumer Price Indices (CPI), effective in October of each year. Based on current information, rates charged to customers are proposed to grow by 3.9%, adjusting the average resident's monthly billing by \$1.19 for alley service and \$2.14 for pack-out service.

EXPENDITURES

Key expenditures, totaling 85% 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 proposed 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 proposed to increase by \$52,529, or .3%, and addresses compensation adjustments as well as changes in costs related to employee benefits.

The Adopted Budget provide a merit pay adjustment to all employees of up to 3.5%. The adjustment will be based on the average of scores received during prior year on the employees' performance evaluations. On average employees have received 5.4% out of 6% on their quarterly evaluations to this point. Based on that, the merit increase for employees included in next year's budget is 3.2%. In year's past, Town employees were eligible for a merit increase of up to 7% of their annual pay to the extent that they had room within their pay range. This practice was stopped in FY 2019 and annual Across the Board (ATB) increases were provided. The structure of the pay plan was adjusted each year by the amount of the ATB as well. Based on the results of a recently completed comprehensive compensation and benefits study, the Town remains very competitive. However, adjusting pay ranges each year based on ATB increases has resulted in employees maintaining their relative position within their respective pay range and not achieving any pay range penetration. Providing an annual merit and not growing the current pay structure based on the increase allows employees to move forward in their respective pay range based on their performance from the prior year. Future adjustments to the existing pay ranges can be based on market conditions at that time. For employees at the top of their pay range, it is recommended that the merit increase be provided, but not become part of their base salary. The overall impact of the merit increase included in the budget is estimated to be \$434,498, exclusive of the related impacts to benefits. This increase is partly offset by staffing changes that occurred during FY 2021 due primarily to retirements.

The Town's contribution rate for TMRS is going down slightly from 9.33% of payroll to 8.98% resulting in a reduction in budgeted costs of \$43,900. For FY 2020, the Town approved an Updated Service Credit for employees that resulted in an increase in the Town's contribution to TMRS and overall pension liability. In order to address the increased pension liability that resulted from implementing the USC, the Town incorporated an additional contribution in the FY 2021 Adopted Budget of \$183,000 to be contributed to TMRS. If additional contributions are made each year, the Town can reduce any unfunded liability over time. The Adopted Budget for FY 2022 provides for an additional contribution of \$183,000. TMRS projects the Town's liability to be 96.4% funded. This is up from the previous year of 95.5% funded. On average, the Town's comparison cities have a funded ratio of approximately 89.5%. While the Town has enjoyed a funding ratio in prior years above 100%; it has not always been the case. The funding status of the Town's pension liability is impacted 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 2020, TMRS calculated the Town's plan assets to plan liabilities at 96.4%; whereas under GASB 68, this ratio was reflected at 99.71%.

Insurance costs, including health insurance and contributions to employee's Health Savings Accounts, are anticipated to decline by (9.8%) or \$213,045. This is largely driven by the Town receiving competitive bids for health insurance through a recent bid process. Another factor working in the Town's favor is an improved loss ratio of 78.9% compared to prior years which, in some years, exceeded 90%. Lockton-Dunning, the Town's benefits consultant, worked with Town Staff to complete the bid process and is recommending the Town remain with Cigna, representing a 7% reduction in current rates. Based on current projections, approximately 93% of the \$261,450 wellness incentives budgeted will be earned this current fiscal year by 93% of the Town's 130 full-time and part-time eligible employees.

Water, Sewer & Solid Waste Contracts - The Town purchases treated water for resale from the Dallas County Park Cities Municipal Utility District (“District”). The District continues to apply a ten-year rolling average of water sales for computing the rate they will charge the Town in the upcoming fiscal year. For FY 2022, the District is proposing a rate increase of 5.2%, resulting in an anticipated increase in costs of \$108,000 when compared to the current year budget. The cost of water to be purchased for FY 2022 is anticipated to be \$2,589,415. 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 2022 base rate for wastewater charged to the Town is increasing by approximately 2.5%. The City also applies an inflow and infiltration rate which is a multiplier on the Town’s winter average consumption. That multiplier is declining by (5.4%). 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 increased by 11.6% between fiscal years 2021 and 2020, resulting in an approximate increase in wastewater treatment costs of 8.1%. The cost of wastewater treatment is anticipated to be \$1,231,011 in FY 2022. The Town’s 10-year financial model anticipates a 3% average increase in these costs each year.

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. The current CPI reflects an increase of 3.98%, resulting in an increase in the Adopted Budget for this service of \$55,447. The annual cost for FY 2022 related to collection and disposal service is \$1,390,527.

Capital Improvements – Operating on a cash funded basis, the Town’s 10-year financial model proposes allocating 4.2 cents of the proposed 23 cent tax rate towards funding the Town’s Capital Improvement Plan (CIP) in FY 2022. In FY 2020, the 10-year financial model established a minimum of 4.2 cents of the Town’s 23 cents tax rate to be applied each year starting in FY 2021; however, due to the ongoing pandemic, this amount was reduced to 3.3 cents for FY 2021. This adjustment was made in anticipation of lower forecasted revenues, particularly sales tax receipts. Fortunately, the anticipated decline in revenues did not occur, for the most part, and the FY 2022 Adopted Budget resumes the original plan. 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 developed in FY 2020 changed the anticipated increase in personnel costs to reflect a 3.25% growth rate, and other operational costs are held to a 3% growth rate. In years prior to FY 2020 the financial model anticipated a 4.5% annual growth in personnel costs and 3.5% in other operational costs.

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 2022 and the 10-years presented is proposed to cost \$12,476,846 and \$103,483,249, respectively, and provides for the following projects.

	FY 2022-2031 Adopted CIP		FY 2021-2030 CIP ⁽¹⁾
	FY 2022	10-Year	10 -Year
Capital Project Fund:			
Roads & Bridges	\$ 7,831,961	\$ 57,868,759	\$ 55,619,088
Parks & Recreation	461,885	2,701,510	2,910,180
Public Safety	-	-	425,874
Sub-total*	\$ 8,293,846	\$ 60,570,269	\$ 58,955,142
Utility Fund:			
Water & Sewer Improvements	\$ 1,350,000	\$ 17,255,317	\$ 15,893,800
Lakeside & 30" Sewer Interceptor	-	5,748,748	5,230,000
Gillon Pump Station Improvements	573,000	573,000	694,000
Douglas Park Drainage Improvements & Landscaping	-	-	450,000
NE Water Pressure Improvements	-	-	4,275,000
Water Tank Rehabilitation	600,000	6,200,000	2,400,000
Utility Portion of Road Projects	-	6,216,353	6,337,000
Sub-total*	\$ 2,523,000	\$ 35,993,417	\$ 35,279,800
Storm Water Drainage Fund:			
Drainage Facility Improvements & Studies	\$ 910,000	\$ 1,598,500	\$ 1,185,000
Douglas Park Drainage Improvements & Landscaping	-	-	400,000
Storm Water Portion of Road Projects	-	1,171,063	1,159,000
Hackberry Creek	750,000	4,150,000	3,600,000
Sub-total*	\$ 1,660,000	\$ 6,919,563	\$ 6,344,000
Total CIP	\$ 12,476,846	\$ 103,483,249	\$ 100,578,942

*Excludes transfers-out.

⁽¹⁾ Amounts based on CIP approved in the FY 2021 Adopted Budget

The CIP's 10-year financial model anticipates a 3.5% increase each year in Taxable Assessed Values, reflecting the impact of Senate Bill 2 that was effective starting in January 2020. The model anticipates that Town maintaining the proposed tax rate and a 4% increase in sales tax revenue in years following FY 2022. In addition to the adjustment in water and sewer rates included for FY 2022, mentioned earlier, the CIP also anticipates periodic water and sewer rate adjustments as previously discussed with the Town Council, as well as, continued adjustments to storm water drainage rates based on the Consumer Price Index. The water and wastewater rates proposed in future years may change based on various factors to include future water sales, unanticipated changes in operating costs as well as changes in planned projects and related costs. The plan assumes a reduced 2% annual rate of return on investments for years beyond FY 2023. The Proposed CIP incorporates funding anticipated to be received from Dallas Area Rapid Transit (DART), as well as anticipated funding participation from Dallas County and University Park. Other funding sources include the Texas Department of Transportation for related road, bridge and drainage projects, based on identified projects in future years. From a project cost standpoint, 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, Town Staff initiated studies assessing the Town's infrastructure. These studies include an assessment of the Town's storm water system with Phase I currently underway and Phase II scheduled to begin next fiscal year. This work will likely result in additional projects being incorporated into the CIP. 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 Highland Park DPS also 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.

Equipment & Technology Replacement – Next year's budget provides \$778,665 related to the purchase of equipment within the Equipment Replacement Fund. This consists of the replacement of an ambulance, three patrol vehicles, three Criminal Investigation Division (CID) vehicles and the acquisition of a new asphalt trailer for public works. In the Technology Fund, \$109,210 is allocated for the scheduled replacement of computers within specific departments along with funding related to the replacement of the DPS video camera system.

Building Maintenance – The Town continues to maintain a Building Maintenance and Investment Fund not only 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. Fund balance within in this fund is growing by approximately \$78,000 in the FY 2022 Adopted Budget.

AMERICAN RESCUE PLAN ACT FUNDING

The American Rescue Plan Act is anticipated to provide approximately \$2M to the Town of Highland Park that can be applied towards community infrastructure. The Adopted Budget accounts for this funding within the Utility Fund for the purpose of funding water and sewer infrastructure improvements. Funding is expected to be received near the end of FY 2021 and must be spent by FY 2024.

CONCLUSION

Significant time and energy has been committed towards the development of the Adopted Budget and it is believed that through its implementation, the Town Council 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 Steve Alexander (Director of Administrative Services & CFO) and Karen Kurtin (Controller) for the attention, care, and long hours devoted to developing the Adopted Budget for the Town Council's consideration and approval. Through the thoughtful direction of Town Council along with the effective work of the Finance Department and that of each Department, 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.

Bill Lindley

William Lindley
Town Administrator

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.

Fund	Departments					
	Administration	Department of Public Safety	Town Services	Library	Finance & Human Resources	Engineering
General	Operations	Operations	Operations <i>(Street)</i> <i>(Street Lighting)</i> <i>(Parks)</i> <i>(Pool)</i> <i>(Building Insp.)</i>	Operations	Operations <i>(Municipal Court)</i> <i>(Finance)</i> <i>(Info. Tech.)</i>	
Utility			Operations & Capital <i>(Water)</i> <i>(Sewer)</i>		Operations <i>(Utility Admin)</i>	Operations
Solid Waste			Contracts			
Stormwater Drainage			Contracts & Capital			
Building Maintenance & Investment			Contracts & Capital <i>(Service Center)</i> <i>(Town Hall)</i>			
Court Technology					Contracts & Capital <i>(Municipal Court)</i>	
Court Security					Operations <i>(Municipal Court)</i>	
DPS Technology		Capital				
Equipment Replacement	Capital	Capital	Capital	Capital		
Technology Replacement	Capital	Capital	Capital	Capital	Capital	Capital
Capital Projects		Capital <i>(Communication System)</i>	Capital <i>(Parks & Right-of-Way Improvements)</i>			Capital <i>(Governmental Infrastructure)</i>

**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
BEGINNING FUND BALANCE	\$ 5,827,922	\$ 6,886,947	\$ 224,068	\$ 2,255,442	\$ 3,330,917	\$ 3,103,324	\$ 1,125,747	\$ 28,365
REVENUES:								
Property Taxes	\$ 15,495,731	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water Sales	-	7,379,679	-	-	-	-	-	-
Sewer Charges	-	2,909,640	-	-	-	-	-	-
Sales Taxes	4,278,043	-	-	-	-	-	-	-
Sanitation/Recycling Charges	-	-	1,603,552	-	-	-	-	-
Franchise Fees	918,868	-	-	-	-	-	-	-
Building Inspection Fees/Permits	1,273,425	63,294	-	-	-	-	-	-
Municipal Court Fines/Fees	1,140,487	-	-	-	-	-	-	-
Interest Earnings	61,433	44,229	1,702	15,979	15,833	15,435	5,856	139
Storm Water Drainage Fees	-	-	-	441,692	-	-	-	-
All Other	1,674,343	1,110,879	-	-	21,000	-	-	2,500
TOTAL REVENUES	\$ 24,842,330	\$ 11,507,721	\$ 1,605,254	\$ 457,671	\$ 36,833	\$ 15,435	\$ 5,856	\$ 2,639
Transfers from Other Funds	1,280,000	364,300	27,500	300,000	611,540	590,791	483,000	-
TOTAL REVENUES & TRANSFERS	\$ 26,122,330	\$ 11,872,021	\$ 1,632,754	\$ 757,671	\$ 648,373	\$ 606,226	\$ 488,856	\$ 2,639
TOTAL AVAILABLE RESOURCES	\$ 31,950,252	\$ 18,758,968	\$ 1,856,822	\$ 3,013,113	\$ 3,979,290	\$ 3,709,550	\$ 1,614,603	\$ 31,004
EXPENDITURES:								
Personnel Services:								
Payroll	\$ 13,054,179	\$ 1,379,654	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Taxes	942,052	101,852	-	-	-	-	-	-
Retirement (TMRS)	1,171,352	125,306	-	-	-	-	-	-
Insurance	1,761,374	201,596	-	-	-	-	-	-
Total Personnel	\$ 16,928,957	\$ 1,808,408	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies & Equipment	\$ 1,037,374	\$ 2,792,471	\$ 30,000	\$ 7,100	\$ -	\$ -	\$ 37,000	\$ -
Services & Charges	3,746,085	1,650,528	1,452,247	129,650	1,575	-	373,007	1,000
Capital Outlay	-	2,523,000	-	1,660,000	777,090	109,210	-	-
TOTAL EXPENDITURES	\$ 21,712,416	\$ 8,774,407	\$ 1,482,247	\$ 1,796,750	\$ 778,665	\$ 109,210	\$ 410,007	\$ 1,000
Transfers to Other Funds	4,399,953	1,915,687	146,500	104,900	-	-	-	-
TOTAL EXPENDITURES & TRANSFERS	\$ 26,112,369	\$ 10,690,094	\$ 1,628,747	\$ 1,901,650	\$ 778,665	\$ 109,210	\$ 410,007	\$ 1,000
ENDING FUND BALANCE	\$ 5,837,883	\$ 8,068,874	\$ 228,075	\$ 1,111,463	\$ 3,200,625	\$ 3,600,340	\$ 1,204,596	\$ 30,004
FUND BALANCE MINIMUM	\$ 3,959,630	\$ 1,910,028	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCE SURPLUS	\$ 1,878,253	\$ 6,158,846	\$ 228,075	\$ 1,111,463	\$ 3,200,625	\$ 3,600,340	\$ 1,204,596	\$ 30,004

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 increasing by approximately \$1.18M. The capital improvement budget for the Utility fund is approximately \$994,000 lower than in the prior year while utility rates are increasing. Fund balance is building in this fiscal year to facilitate the capital plan.

Storm Water Utility Fund - Fund balance within the Storm Water Utility Fund is decreasing by approximately \$1.14M. The Storm Water Utility fund has \$1.66M in capital expenditures budgeted for FY 2022 utilizing available fund balance as a primary funding source.

Internal Service Funds - The fund balances within the Technology Replacement Fund, Equipment Replacement Fund and the Building Maintenance Fund continue to grow in anticipation of future capital purchases. Between the three funds, the anticipated increase in available fund balance is approximately \$445,000.

Capital Projects Fund - Fund balance within the Capital Projects Fund is decreasing by approximately \$2.05M. The capital improvement budget for the Capital Projects fund is approximately \$3.06M higher than in the prior year, offset by an increase of approximately \$467,000 in Transfers In.

<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>Capital Projects</u>	<u>Adopted FY 2022</u>	<u>Adopted FY 2021</u>
\$ 31,061	\$ 621	\$ 105,890	\$ 20,762	\$ 291,318	\$ 285,459	\$ 4,408,529	\$ 27,926,372	\$ 25,932,283
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	15,495,731	14,922,693
-	-	-	-	-	-	-	7,379,679	7,266,056
-	-	-	-	-	-	-	2,909,640	2,973,969
-	-	-	-	-	-	-	4,278,043	3,600,000
-	-	-	-	-	-	-	1,603,552	1,554,416
-	-	-	-	-	-	-	918,868	916,811
-	-	-	-	-	-	-	1,336,719	1,206,353
24,000	480	36,810	28,629	-	-	-	1,230,406	1,050,060
107	2	452	96	1,340	1,315	44,510	208,428	323,298
-	-	-	-	-	-	-	441,692	433,031
-	-	-	-	39,990	94,330	3,168,020	6,111,062	4,281,059
\$ 24,107	\$ 482	\$ 37,262	\$ 28,725	\$ 41,330	\$ 95,645	\$ 3,212,530	\$ 41,913,820	\$ 38,527,746
-	-	-	-	-	-	3,521,839	7,178,970	6,602,930
\$ 24,107	\$ 482	\$ 37,262	\$ 28,725	\$ 41,330	\$ 95,645	\$ 6,734,369	\$ 49,092,790	\$ 45,130,676
\$ 55,168	\$ 1,103	\$ 143,152	\$ 49,487	\$ 332,648	\$ 381,104	\$ 11,142,898	\$ 77,019,162	\$ 71,062,959
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,433,833	\$ 14,012,807
-	-	-	-	-	-	-	1,043,904	1,030,717
-	-	-	-	-	-	-	1,296,658	1,316,877
-	-	-	-	-	-	-	1,962,970	2,176,015
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,737,365	\$ 18,536,416
\$ -	\$ -	\$ 2,304	\$ -	\$ 31,490	\$ -	\$ -	\$ 3,937,739	\$ 3,834,196
-	-	25,060	-	1,000	-	-	7,380,152	7,214,379
-	-	-	-	-	-	8,293,846	13,363,146	11,513,717
\$ -	\$ -	\$ 27,364	\$ -	\$ 32,490	\$ -	\$ 8,293,846	\$ 43,418,402	\$ 41,098,708
-	-	-	24,600	-	94,330	493,000	7,178,970	6,602,930
\$ -	\$ -	\$ 27,364	\$ 24,600	\$ 32,490	\$ 94,330	\$ 8,786,846	\$ 50,597,372	\$ 47,701,638
\$ 55,168	\$ 1,103	\$ 115,788	\$ 24,887	\$ 300,158	\$ 286,774	\$ 2,356,052	\$ 26,421,790	\$ 23,361,321
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000	\$ 7,869,658	\$ 6,737,092
\$ 55,168	\$ 1,103	\$ 115,788	\$ 24,887	\$ 300,158	\$ 286,774	\$ 356,052	\$ 18,552,132	\$ 16,624,229

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Budget Calendar Fiscal Year 2021 - 2022

March 25	Budget kick-off memo to departments.
April 16	Departments submit initial projection of FY 2020-21 revenues and expenditures to the Finance Department.
April 20	Departments submit base budget requests to the Finance Department. This includes any requests for non-capitalized and capitalized fixed assets.
April 23	Deliver notice for the May 18 Public Hearing in the newspaper. The notice will run on April 30 and May 7. Provide notice to Town Secretary for publishing on website.
April 27	Departments submit any new programs to the Finance Department. Departments submit proposed updates, changes, or revisions to the Town's Capital Improvement Plan.
April 30	Meet and discuss the Town's 10-year Capital Improvement Plan with Department Directors.
May 3 – May 10	Finance Department review of Departmental Budget Requests and updates, changes, or revisions to the Town's Capital Improvement Plan with Department Directors.
May 10	Receive preliminary taxable assessed values from Dallas Central Appraisal District (DCAD).
<u>May 18</u>	Public Hearing for citizen comment on the development of the FY 2021-22 Budget. Review and discuss with the Town Council the progress of the FY 2021-22 budget process and the Council's priorities and expectations of the FY 2021-22 Budget. Departments submit revised projection of FY 2020-21 revenues and expenditures to the Finance Department.
June 1 - 8	Departmental meetings with Town Administrator on Budget Requests.
June 15	Review and discuss with the Town Council the progress of the FY 2021-22 budget process and the Council's priorities and expectations of the FY 2021-22 Budget. Review and discuss with the Town Council any proposed updates, changes, or revisions to the Town's 10-year Capital Improvement Plan.
July 9	Departments submit final projection of FY 2020-21 revenues and expenditures to the Finance Department.

Budget Calendar Fiscal Year 2021 - 2022

- July 22 Finance & Audit Advisory Committee meet to discuss proposed Capital Improvement Plan and Operational Budget for FY 2021-22.
- July 26 Receive Certified Appraisal Roll from DCAD.
- July 30 FY 2021-22 Proposed Budget delivered to the Town Council and the Town Secretary.
- August 3** Council sets date to call Public Hearing on the FY 2021-22 Proposed Budget [Town Charter 9.05(A)].
- August 3** Review and discuss the Proposed Budget and Capital Improvement Plan for FY 2021-22.
- Deliver notice of the August 17 and September 7 Public Hearing on the FY 2021-22 Proposed Budget to the newspaper. Provide notice to Town Secretary for publishing on website.
- August 9 Publication of the notice for the August 17 and September 7 First and Second Public Hearing on the FY 2021-22 Proposed Budget in the newspaper.
- August 16 Publication of notice the August 17 and September 7 First and Second Public Hearing on FY 2021-22 Proposed Budget in the newspaper.
- August 17** First Public Hearing on FY 2021-22 Proposed Budget.
- Review and discuss a proposal to set a preliminary property tax rate for Fiscal Year 2020-21 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 19 Publication of notice for September 7 Public Hearing on Tax Increase in the newspaper.
- August 23 Publication of notice for September 7 Public Hearing on Tax Increase and publication of notice for September 7 Public Hearing on FY 2021-22 Proposed Budget in the newspaper.

Budget Calendar Fiscal Year 2021 - 2022

September 7

Second Public Hearing on FY 2021-22 Proposed Budget.

Public Hearing on Property Tax Revenue Increase (if necessary)

Departments submit updated program descriptions, accomplishments, objectives, and key performance indicators to the Finance Department.

September 14*

Town Council considers approval of:

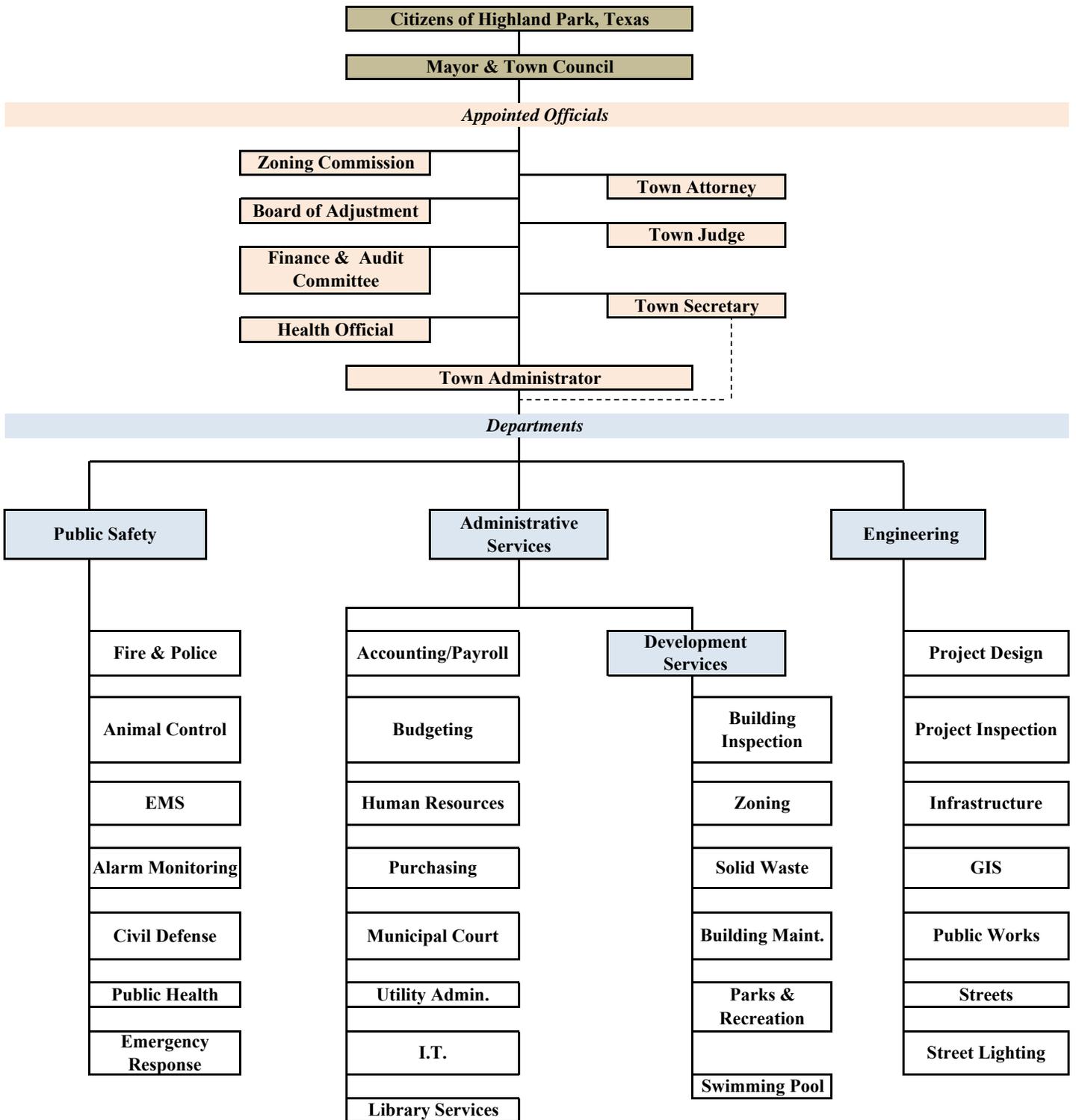
- FY 2021-22 Proposed Budget.
- Adoption of a tax rate.
- Master Fee Schedule.

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.*

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**Town of Highland Park, Texas
Organizational Structure**



ORDINANCE NO. 2085

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS, ADOPTING A BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2021, AND ENDING SEPTEMBER 30, 2022, 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 part of the operative provisions hereof.

That, the Town Administrator, as budget officer, has caused to be prepared a proposed budget totaling \$50,597,372, including \$7,178,970 for inter-fund transfers, of the Town of Highland Park, Texas, for the fiscal year beginning October 1, 2021, and ending September 30, 2022, 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 30, 2021, and more than thirty (30) days prior to the end of the fiscal year 2021, 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, 2021, 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 17, 2021, and September 7, 2021, 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 14, 2021, following the public hearing, and a copy of said official budget is made a part hereof by reference as though copied fully herein.

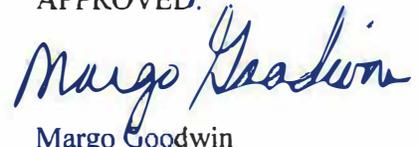
PASSED AND APPROVED this 14th day of September 2021.

APPROVED AS TO FORM:



Matthew C.G. Boyle
Town Attorney

APPROVED:



Margo Goodwin
Mayor

ATTEST:



Joanna Mekeal
Town Secretary

ORDINANCE NO. 2086

AN ORDINANCE OF THE TOWN OF HIGHLAND PARK, TEXAS, LEVYING THE AD VALOREM TAXES FOR THE TAX YEAR 2021 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 2021, there is hereby levied an ad valorem tax of \$0.230000 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 2021, 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 1.90% AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$0.00.

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 2021.

That said tax shall be due and payable October 1, 2021.

That all constitutional provisions and laws of the State of Texas that pertain to delinquencies and collection procedures are applicable to this 2021 levy.

PASSED AND APPROVED this 14th day of September 2021.

APPROVED AS TO FORM:



Matthew C.G. Boyle
Town Attorney

APPROVED:



Margo Goodwin
Mayor

ATTEST:



Joanna Mekeal
Town Secretary

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

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted
BEGINNING FUND BALANCE	\$ 27,706,032	\$ 25,932,283	\$ 30,815,476	\$ 27,926,372
REVENUES/SOURCES OF FUNDS				
Property Taxes	\$ 14,772,729	\$ 14,922,693	\$ 14,936,319	\$ 15,495,731
Water Sales	6,983,139	7,266,056	6,780,546	7,379,679
Sewer Charges	2,760,303	2,973,969	2,803,422	2,909,640
Sales Taxes	4,198,191	3,600,000	4,923,595	4,278,043
Sanitation/Recycling Charges	1,515,618	1,554,416	1,542,230	1,603,552
Franchise Fees	938,957	916,811	905,700	918,868
Building Inspection Fees/Permits	1,457,131	1,311,389	1,624,197	1,336,719
Municipal Court Fines/Fees	780,886	1,074,540	552,733	1,230,406
Interest Earnings	569,156	326,344	200,159	208,762
Storm Water Fees	426,626	433,031	433,031	441,692
Other Revenues	4,607,855	4,148,497	5,367,683	6,110,728
TOTAL REVENUES	\$ 39,010,591	\$ 38,527,746	\$ 40,069,615	\$ 41,913,820
OTHER SOURCES				
Transfers In	\$ 7,493,560	\$ 6,602,930	\$ 6,602,930	\$ 7,178,970
TOTAL OTHER SOURCES	\$ 7,493,560	\$ 6,602,930	\$ 6,602,930	\$ 7,178,970
TOTAL REVENUES/SOURCES	\$ 46,504,151	\$ 45,130,676	\$ 46,672,545	\$ 49,092,790
EXPENDITURES				
Personnel Services				
Payroll	\$ 14,067,783	\$ 14,012,807	\$ 13,852,144	\$ 14,433,833
Payroll Taxes	950,881	1,030,717	984,556	1,043,904
Retirement	1,212,495	1,316,877	1,289,928	1,296,658
Insurance	1,844,491	2,176,015	1,840,071	1,962,970
Total Personnel	\$ 18,075,650	\$ 18,536,416	\$ 17,966,699	\$ 18,737,365
Supplies & Equipment	3,581,462	3,834,196	3,785,485	3,937,739
Services & Charges	6,211,733	7,214,379	7,320,305	7,380,152
Capital Outlay	8,032,302	11,513,717	13,886,230	13,363,146
TOTAL EXPENDITURES	\$ 35,901,147	\$ 41,098,708	\$ 42,958,719	\$ 43,418,402
OTHER USES				
Transfers Out	7,493,560	6,602,930	6,602,930	7,178,970
TOTAL OTHER USES	\$ 7,493,560	\$ 6,602,930	\$ 6,602,930	\$ 7,178,970
TOTAL USES	\$ 43,394,707	\$ 47,701,638	\$ 49,561,649	\$ 50,597,372
ENDING FUND BALANCE	\$ 30,815,476	\$ 23,361,321	\$ 27,926,372	\$ 26,421,790

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 of the Adopted Budget for the General Fund are \$26,122,330 representing an increase of \$1,334,635, or 5.4% over the previous fiscal year Budget. Operational expenditures represent \$21,712,416, or 83% of the General Fund Budget, with the remaining balance of \$4,399,953 representing transfers to other funds. The Transfer to the Capital Projects Fund is \$2,820,426, or 10.8% of the overall 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 26, 2021.

Revenues:

The Adopted Budget includes a property tax rate of \$0.23 per \$100 of taxable assessed value (T.A.V.), which is consistent with the prior year. 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 \$570,333. Of this amount, 62.4% is generated from existing property revaluation and 37.6% 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 4.44%.

Historical Property Tax Information

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

Between FY 2008 and 2010, the Town benefitted from increased property values that resulted in increased revenues to fund operations and capital projects. Property values declined in FY 2011 and 2012, and the Town chose to maintain the existing tax rate, resulting in a decline in property tax revenue. The economy began to rebound in FY 2013, and as a result, the Town experienced an increase in taxable assessed property values each year since then. The increase 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 2022 include:

- Sales tax receipts, the fund's second largest source of revenue, is estimated at \$4,278,043, representing a 1.9% increase over the year-end actual for FY 2020. Projected increases in this revenue source reflect uncertainty regarding the sustainability of current year increases in retail sales. This may subside once retail sales activities normalize post pandemic.
- Franchise fees are generally flat. This revenue source has decreased significantly compared to FY19 primarily due to the approval of SB 1152, effective January 1, 2020, which provides an option to companies providing both cable and telecom services along the same fiber optic lines to cease paying the lower of the gross receipts tax on cable service or access line fees on telecom services. The reduction in revenue resulting from this legislation is approximately \$126,000 per year.
- 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 2022 is projected at \$1,109,984, which is consistent with collections over the last five years after adjusting for significant one-time construction projects.
- Municipal Court revenues are expected to be higher than the amount budgeted in the Budget for FY 2021, primarily due to normalization after the Covid 19 pandemic, which resulted in fewer tickets being written. Revenues for FY 2022 have been conservatively budgeted compared to those projected during FY 2020, reflecting a gradual shift to a historic level of activity.

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 43.2% of the overall budget, excluding transfers, and 78.0% in the General Fund. This represents a decrease from the prior year, primarily due to non-DPS staffing reductions as well as savings in health insurance premiums. 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 we enjoy. To this end, the General Fund budget includes \$392,627 (exclusive of additional taxes, TMRS, etc.) for compensation increases. The compensation program included in the Adopted Budget for FY 2022 is modified from past years, in that both exempt and non-exempt employees will have the opportunity to receive up to a 3.5% merit adjustment in their annual pay. In FY 2021 exempt employees and non-exempt employees received a 2% increase, curbed as compared to prior years, due to an anticipated reduction of revenues during the Covid 19 pandemic. The quarterly performance stipend, applicable only to non-exempt employees, is capped at 6%.

During FY 2021, the Council updated the list of comparable cities and corresponding salary survey information for the Town's compensation program. The system provides a financially sustainable model

that ensures a fair and predictable method of career progression and compensation for employees. Not only was the Council able to confirm its labor market and define market positions, it also confirmed that the current pay structure should be maintained and adjusted as market conditions warrant.

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 for employees increased in FY 2020 to accommodate funding of Updated Service Credits (USC) and Transfer Credits at 75%. Prior to FY 2020, the last time the Town provided this benefit, which was at 100%, was in 2008. Many of the Town's comparison cities provide this benefit on an annual basis, and at 100%. In FY 2022, the Town's contribution will be a blended rate of 9.33% to 8.98% of payroll, with the new rate effective January 1, 2022. The Town will still maintain a high funded ratio projected by TMRS under GASB 68 at 99.71%.

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 2022. Lockton Dunning, the Town's benefits consultant, was able to secure a decrease in premium costs of 7% after receiving competitive bids for health insurance. As in the current year, the Adopted Budget includes a contribution of \$2,800 to employees' Health Savings Accounts. This amount is consistent with the Internal Revenue Service minimum deductible for high deductible health plans.

Capital Improvement Plan- The General Fund's portion of the transfer to the Capital Projects Fund is budgeted at \$2,820,426. This transfer is increasing by \$475,374, a result of the increased projected revenues following the Covid 19 pandemic. 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. Maintaining this funding source for the Town's Capital Projects Fund in the Adopted Budget is in alignment with the Town Council's continued 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 new 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.
- Continued funding to pay down the Town's expected unfunded net pension liability resulting from USC of \$183,000, which includes the Utility Fund portion.

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 \$5,837,883 meeting this policy requirement. This ending balance is set aside to provide funding in the event of an unanticipated economic downturn or other emergencies to protect 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 revenues for FY 2022 are anticipated to be \$11,872,021, inclusive of transfers, which is an increase of 9.3%, or \$1,017,120, when compared to the Adopted Budget for FY 2021. This increase is primarily related to the anticipated receipt of American Rescue Plan funds from the federal government and an adjustment in water and sewer rates.

The Adopted Budget anticipates a water and wastewater rate increase of 3.0% for FY 2022. While the Town's 5-year rolling average of water sales continues to decline due to recent weather patterns and water conservation efforts, the financial model remains sustainable under the current plan of adjusting rates every other year. The next rate adjustment is scheduled for FY 2023 at 3.0%. Town Staff engaged a consulting company to conduct a cost of service and rate design study during the budget process which recommended modifying the current plan by 3% each year in order to sustain the current operating and capital plan.

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 43.5%, or \$3,820,426 of the overall costs projected for FY 2022, excluding transfers. The Adopted Budget also includes \$2,523,000 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 \$41,871 (exclusive of additional taxes, TMRS, etc.), due primarily to merit adjustments included in the Adopted Budget.

The amount charged by the City of Dallas for the treatment of wastewater is being increased by 8.1% due to the Town experiencing a higher winter average of water consumption in FY 2021 as compared to FY 2020. The contract with the City of Dallas represents \$1,231,011 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 5.2%. While the cost of water is increasing, the annual budget for water purchases is increasing by 4.35% due to anticipated lower consumption. Overall water purchases account for \$2,589,415 of the Utility Fund Adopted Budget.

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, \$1,910,028. The ending fund balance in the Utility Fund is projected to be \$6,319,214. 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 \$1,605,254, exclusive of transfers, representing a 3.1% increase over the Adopted Budget for FY 2021. 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 3.9%, and will ultimately increase the monthly solid waste bill for regular service by \$1.19 and pack-out service by \$2.14. 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 \$1,141,742 and \$134,578 respectively for FY 2022. In FY 2019, based on the Town Council's review and approval, the Town began offering residential collection service for household hazardous wastes, as well as annual household hazardous waste events, budgeted at \$46,000. The purchase, maintenance, and handling of solid waste containers is completed by Town staff. The Adopted Budget for FY 2022 includes \$30,000 for the purchase of new containers. The Adopted Budget for the Solid Waste Fund also includes a Transfer-Out of \$80,100 to the Capital Projects Fund, which represents 5% of projected revenues for FY 2022.

Fund Balance:

There is not a fund balance requirement for the Solid Waste Fund, however, the fund balance projected at the end of FY 2022 is \$228,075.

STORM WATER DRAINAGE FUND

The Storm Water 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. Residential properties are currently charged between \$4.68 and \$36.91 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 Utility Fund are projected to be \$457,671. Rates charged for storm water drainage have historically been indexed to the Consumer Price Index for the Dallas-Fort Worth region, which is currently 6.3%. However, the Adopted Budget is recommending adjusting storm water fees by 3.0%. The Adopted Budget includes a transfer from the Capital Projects Fund of \$300,000, to fund future storm water drainage projects within this fund. This transfer has increased in the

Adopted Budget due to increased revenues in the Capital Projects Fund and reflects a similar transfer originally planned for in FY 2020, prior to the pandemic.

Expenditures:

The Storm Water Drainage Fund accounts for expenditures related to street sweeping and other drainage-related items. The overall appropriations for this fund total \$1,901,650 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 \$750,000 set aside for improvements to Hackberry Creek, \$675,000 for drainage easement projects, and \$235,000 for the second phase of the Stormwater Drainage Study, which began in FY2021.

Fund Balance:

There is not a fund balance requirement for the Storm Water Drainage Fund. The fund balance projected at the end of FY 2022 is \$1,111,463. 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 \$6,734,369 for FY 2022 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 \$607,083 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 \$2,820,426 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 \$1,643,020 in FY 2022 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 \$525,000 has also been incorporated into the CIP.

Expenditures:

Expenditures in the Capital Projects fund are budgeted to be \$8,293,846, with \$1,106,961 in appropriations applied toward the Town’s annual street/sidewalk/alley rehabilitation program and \$5,000,000 for Lakeside Drive reconstruction, including the 30” sewer line. Some of the other projects in the Adopted Budget include \$461,885 related to park and parkway renovations, \$1,100,000 for Mockingbird Lane reconstruction, and \$600,000 for Potomac Drive reconstruction. 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 \$300,000 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 completed in the near future. The studies identified recommendations related to the scope and project estimates for several existing projects. It is likely that, once complete, the Storm Water Studies will identify additional projects that will need to be factored into 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 2022 projects the fund balance of the Capital Projects Fund to be at \$2,356,052 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 Department of Public Safety Technology 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 \$648,373 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 \$778,665 to purchase one asphalt trailer for public works and replace six DPS vehicles and one mobile intensive care unit. The fund balance projected within this fund at the end of the next fiscal year is \$3,200,625.

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 from transfers from the General Fund and the Utility Fund and total \$606,226. 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 \$109,210 and are for the purchase of replacement computers, a phone system upgrade, and maintenance and cloud storage for body cameras and in-car camera systems for DPS. The fund balance projected within this fund at the end of the next fiscal year is \$3,600,340.

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 \$488,856 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 \$410,007. 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 \$1,204,596.

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 2022 is projected to be \$30,004.

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 \$24,107. Revenues within the Municipal Jury Fund are projected to be \$482. Revenues within the Court Security Fund are projected to be \$28,725, 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 \$37,262 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 2022, with \$55,168 remaining in the Truancy Prevention Fund, \$1,103 remaining in the Municipal Jury Fund, \$115,788 remaining in the Court Technology Fund and \$24,887 remaining in the Court Security Fund.

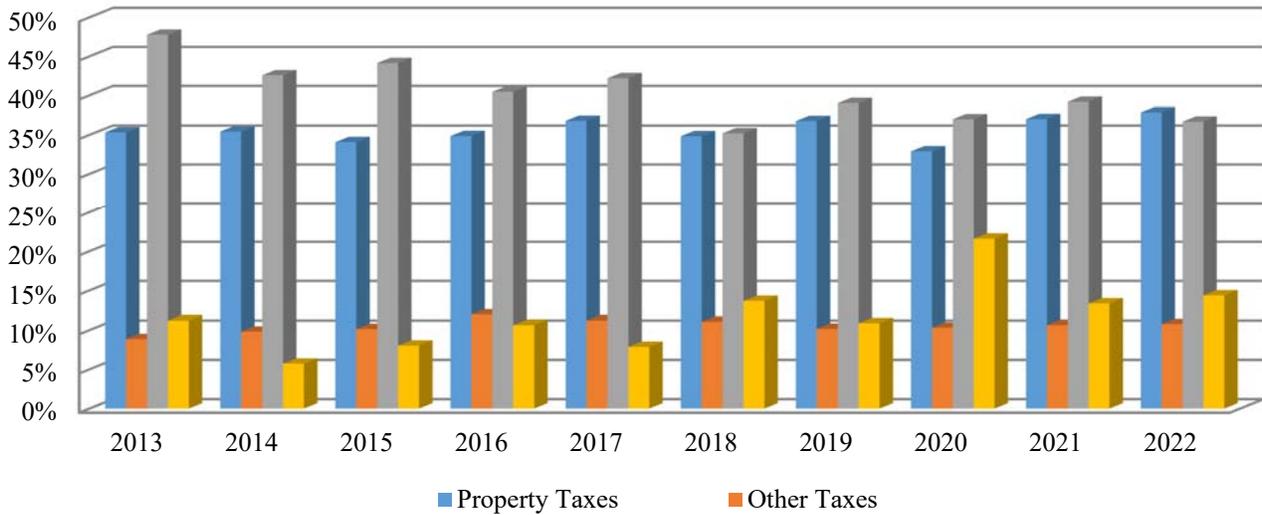
Library Fund:

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 \$41,330. The Adopted Budget for FY 2022 of \$32,490 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 \$300,158.

DPS Technology Fund:

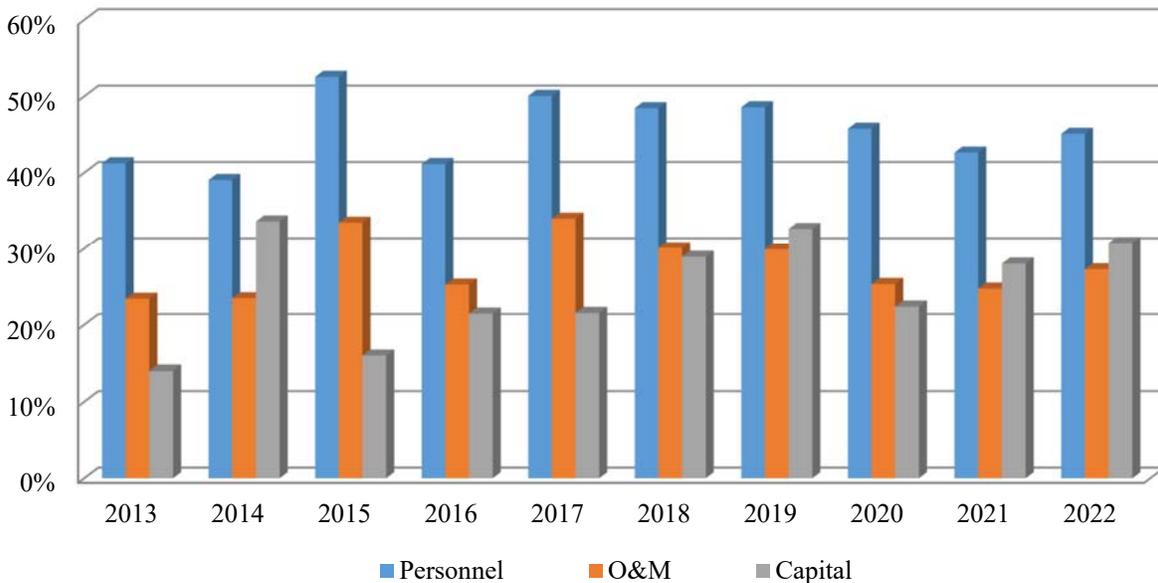
The DPS Technology Fund was established during FY 2014 and is used to account for resources received from the subleasing of telecommunications facilities located on Town property. More specifically, \$94,330 of the revenues in this fund are tied directly to an agreement between the Town and Telecommunication Properties, Inc. and will be used to fund technological improvements related to public safety within the Town. Revenues within this fund for next fiscal year are anticipated to be \$95,645, and fund balance at the end of next fiscal year is projected to be \$286,774. Currently, the fund balance within this fund is anticipated to be used towards reimbursing the Capital Projects Fund for a purchase of the new radio system for DPS, funded through the Capital Projects Fund.

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 32). 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 150.

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 152.

**2021 TAX RATE FOR HIGHLAND PARK
 COMPARED TO CURRENT TAX RATES FOR OTHER AREA CITIES
 (PER \$100)**

Dallas	\$0.77330
Garland.....	0.75697
Mesquite.....	0.70862
Richardson	0.61516
Carrollton	0.58250
Farmers Branch.....	0.58900
Irving.....	0.59410
Addison.....	0.61466
University Park	0.26439
Highland Park.....	0.23000

**AD VALOREM TAX ANALYSIS
 2021 TAX ROLL**

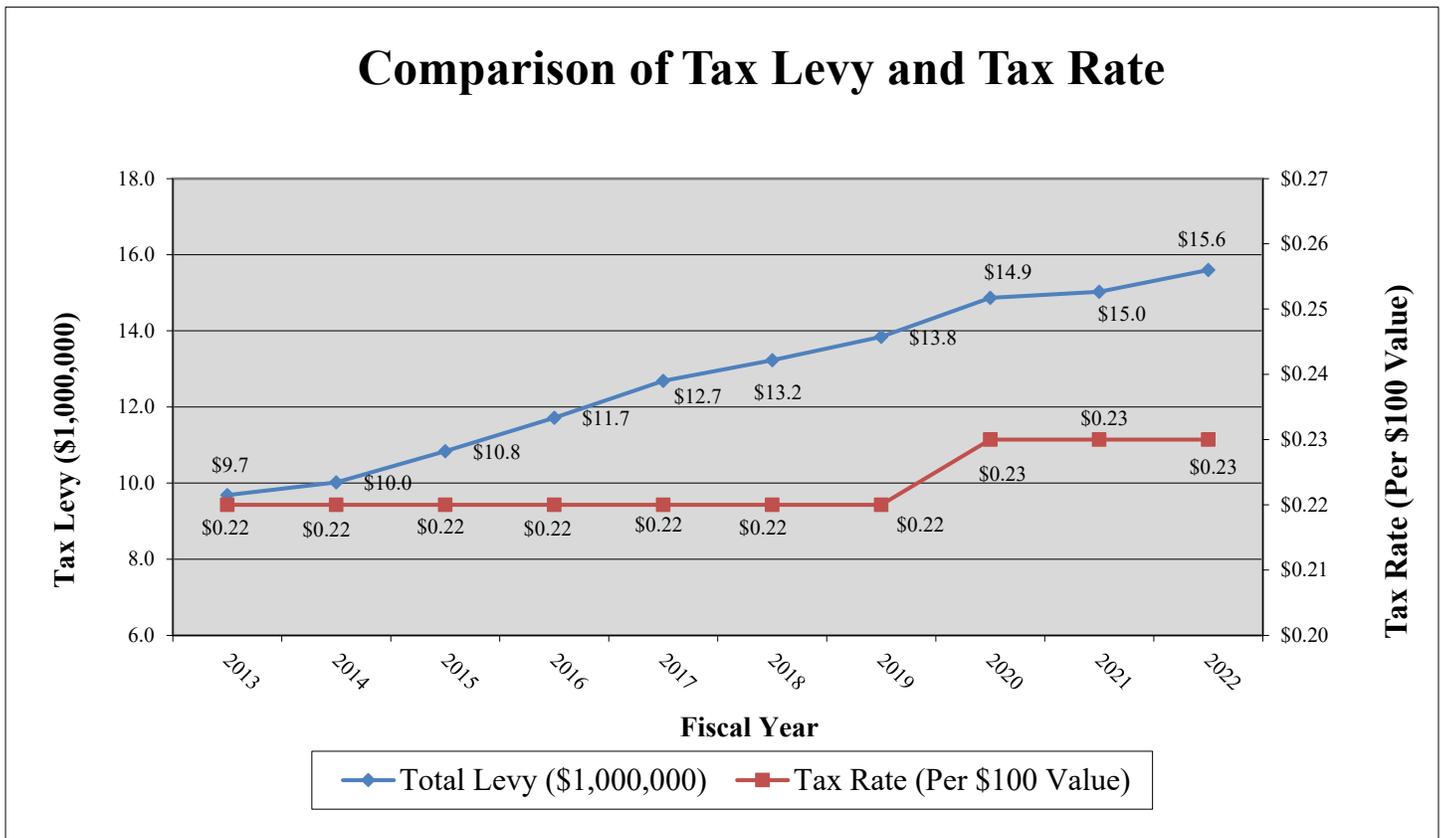
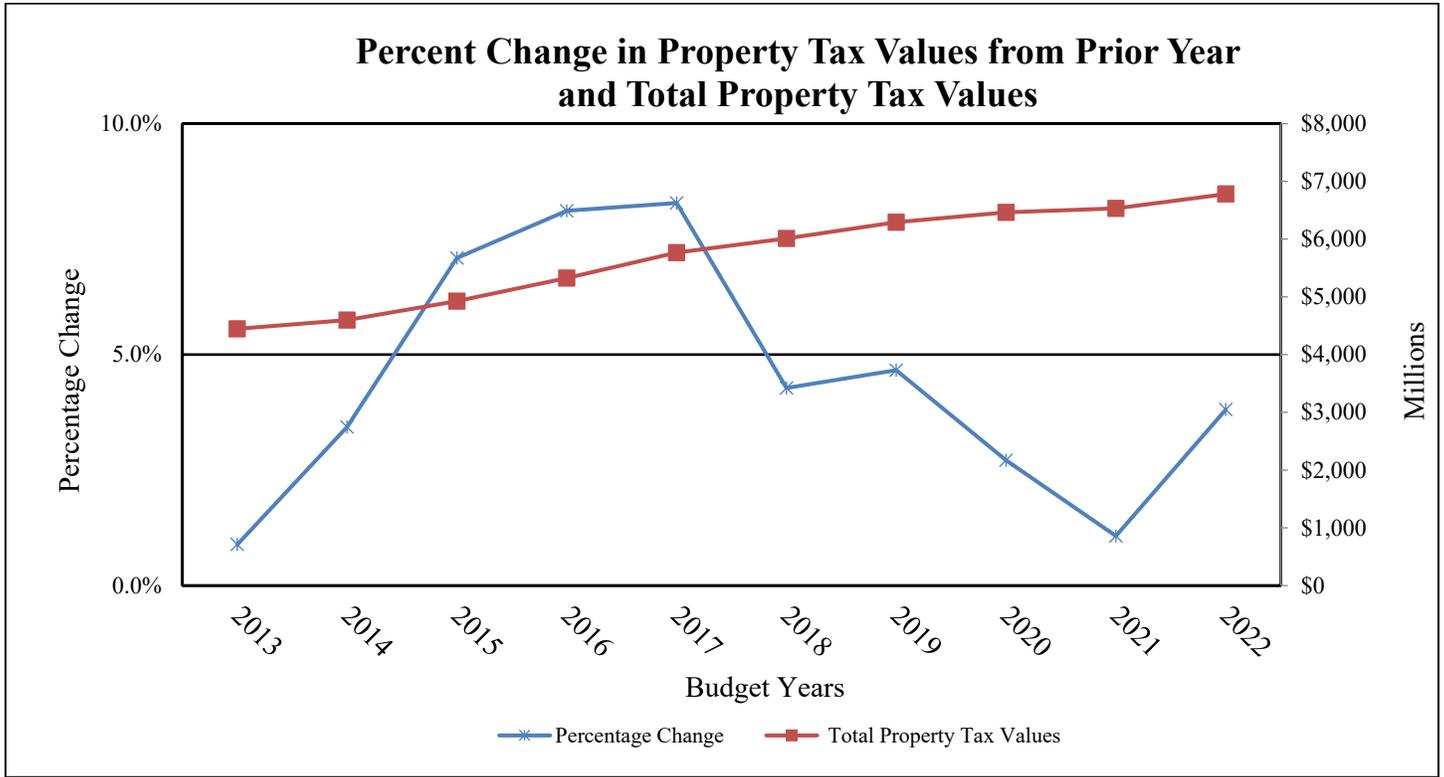
Assessed Valuation (100%)	\$ 8,351,861,050
Taxable Valuation*	\$ 6,783,128,145
Rate per \$100	\$0.2300
Total Tax Levy	\$15,601,195
Percent of Collection	99.0
Estimated Current Tax Collections	\$15,445,183

*Certified Appraisal Roll plus Disputed Values

**SUMMARY OF PROJECTED
 FISCAL YEAR 2021-22 TAX COLLECTIONS**

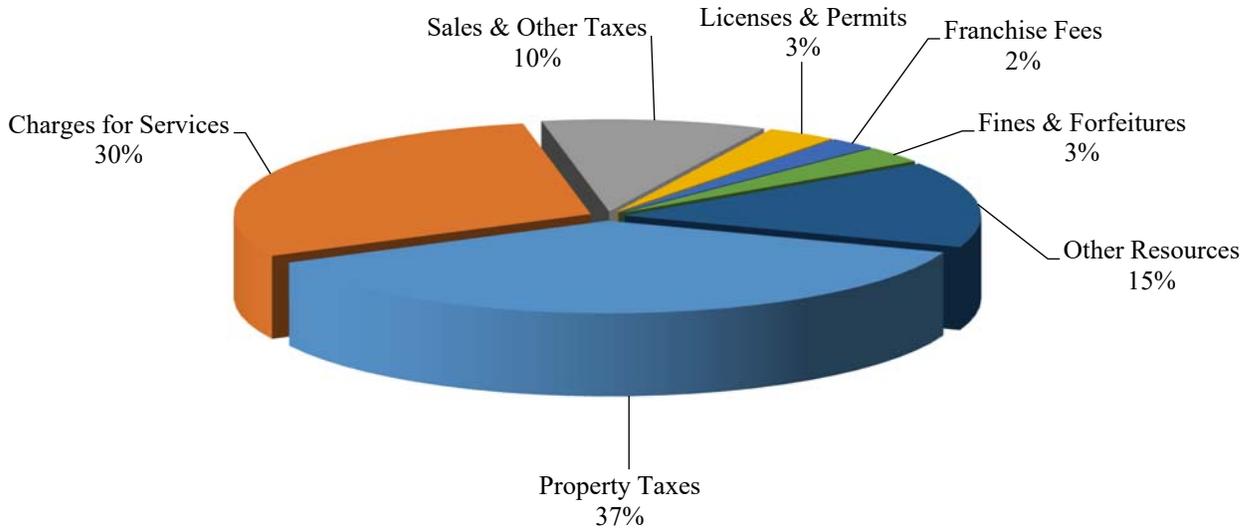
Current Taxes	\$ 15,445,183
Delinquent Taxes	<u>50,548</u>
Total Tax Collections	\$ 15,495,731
Penalty & Interest on Taxes	<u>78,115</u>
Total Tax Related Collections	\$ 15,573,846

ASSESSED PROPERTY VALUES INCREASED/DECREASE BY BUDGET YEAR



PROJECTED RESOURCES

Fiscal Year 2021-2022

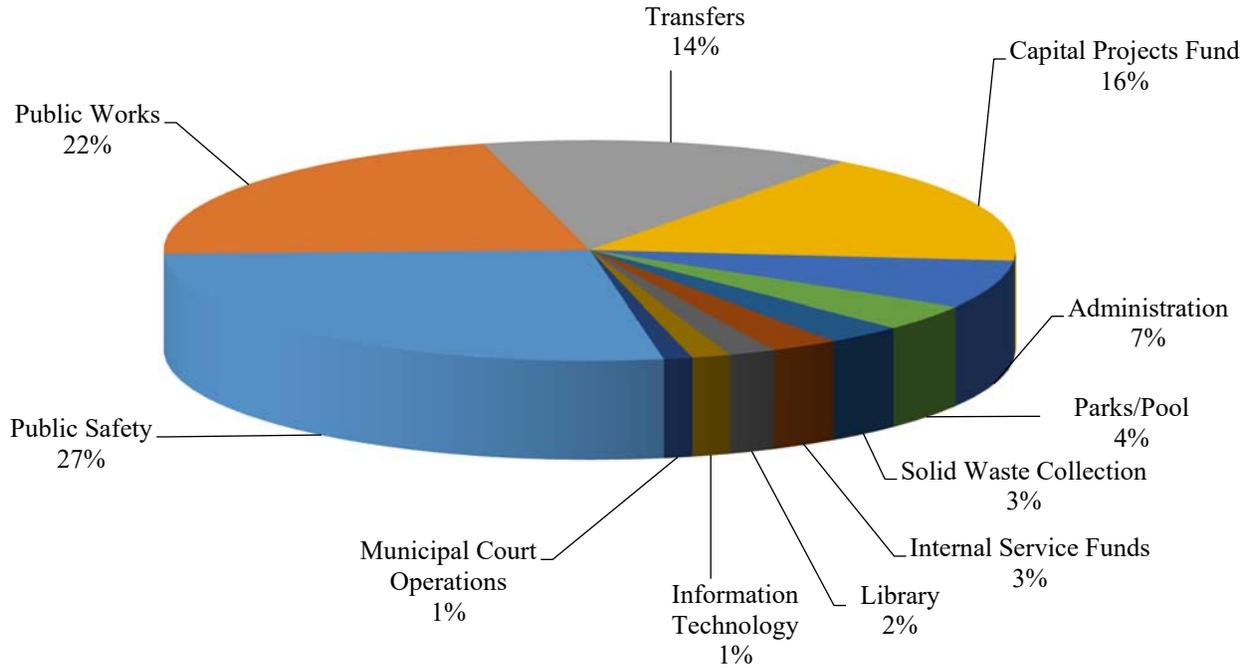


ALL FUNDS

Property Taxes	\$	15,495,731
Charges for Services		12,334,563
Sales & Other Taxes		4,278,043
Licenses & Permits		1,336,719
Franchise Fees		918,868
Fines & Forfeitures		1,230,406
Other Resources		6,319,490
	\$	41,913,820

BUDGETED DISBURSEMENTS

Fiscal Year 2021-2022



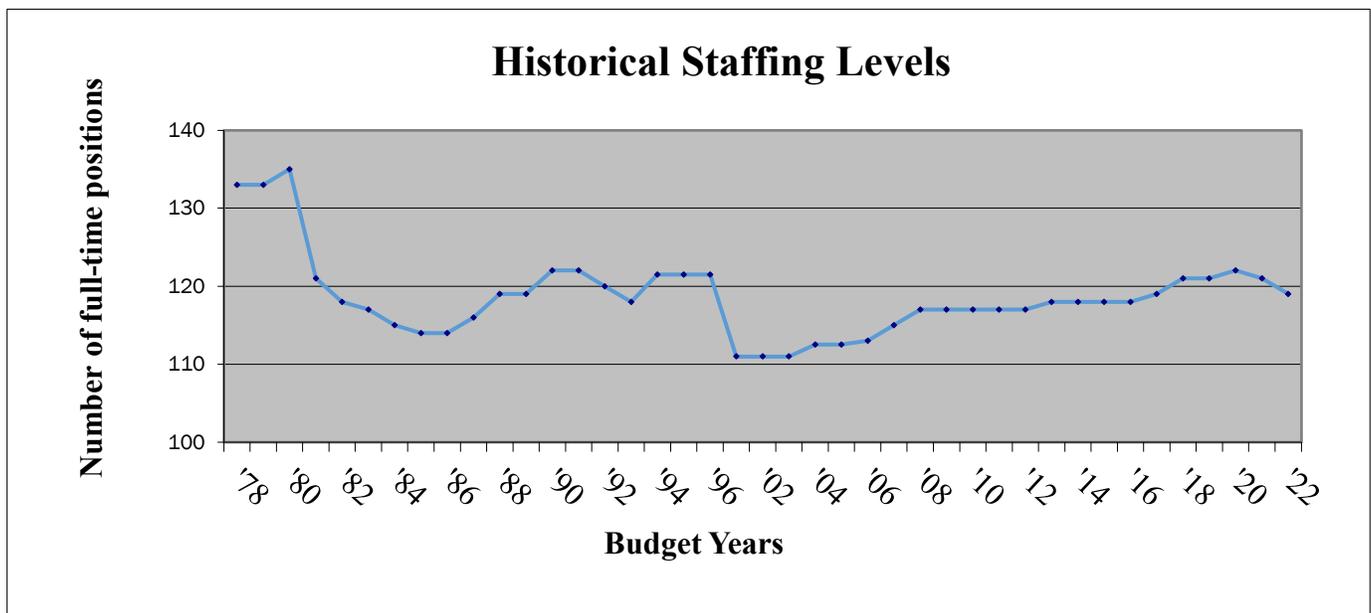
BY FUNCTION

Public Safety	\$ 13,769,407
Public Works	\$ 10,894,299
Transfers	\$ 7,178,970
Capital Projects Fund	\$ 8,293,846
Administration	\$ 3,574,249
Parks/Pool	\$ 1,914,223
Solid Waste Collection	\$ 1,482,247
Internal Service Funds	\$ 1,297,882
Library	\$ 910,204
Information Technology	\$ 735,632
Municipal Court Operations	\$ 546,413
	\$ 50,597,372

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

	Budget FY 2020		Budget FY 2021		Adopted FY 2022	
	Full-Time	Part-Time	Full-Time	Part-Time	Full-Time	Part-Time
General Fund						
Administration	2.0	0.0	2.0	0.0	2.0	0.0
Public Safety	73.0	0.0	73.0	0.0	73.0	0.0
Town Services	3.0	0.0	3.0	0.0	2.0 *	0.0
Street	3.3	0.0	3.0	0.0	3.0	0.0
Street Lighting	1.0	0.0	1.0	0.0	0.0	0.0
Library	5.0	1.5	5.0	1.5	5.0	1.5
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	2.0	2.1
Finance	5.0	0.0	5.0	0.0	5.0	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
Sub-Total General Fund	107.3	7.0	107.0	7.0	105.0	7.0
Utility Fund						
Customer Service	3.0	0.0	3.0	0.0	3.0	0.0
Water	5.4	0.0	5.0	0.0	5.0	0.0
Sewer	2.3	0.0	2.0	0.0	2.0	0.0
Engineering	4.0	0.0	4.0	0.0	4.0	0.0
Sub-Total Utility Fund	14.7	0.0	14.0	0.0	14.0	0.0
Total	122.0	7.0	121.0	7.0	119.0	7.0

* Excludes one position, which is authorized, but unfunded in FY 2022



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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 (Town Services, Street, Street Lighting and Service Center), Parks, Pool, Library, and General Governmental (Administrative Services, Finance, Municipal Court and Building Services). The basis of accounting for the General Fund for both financial reporting and budgeting is the modified accrual basis.

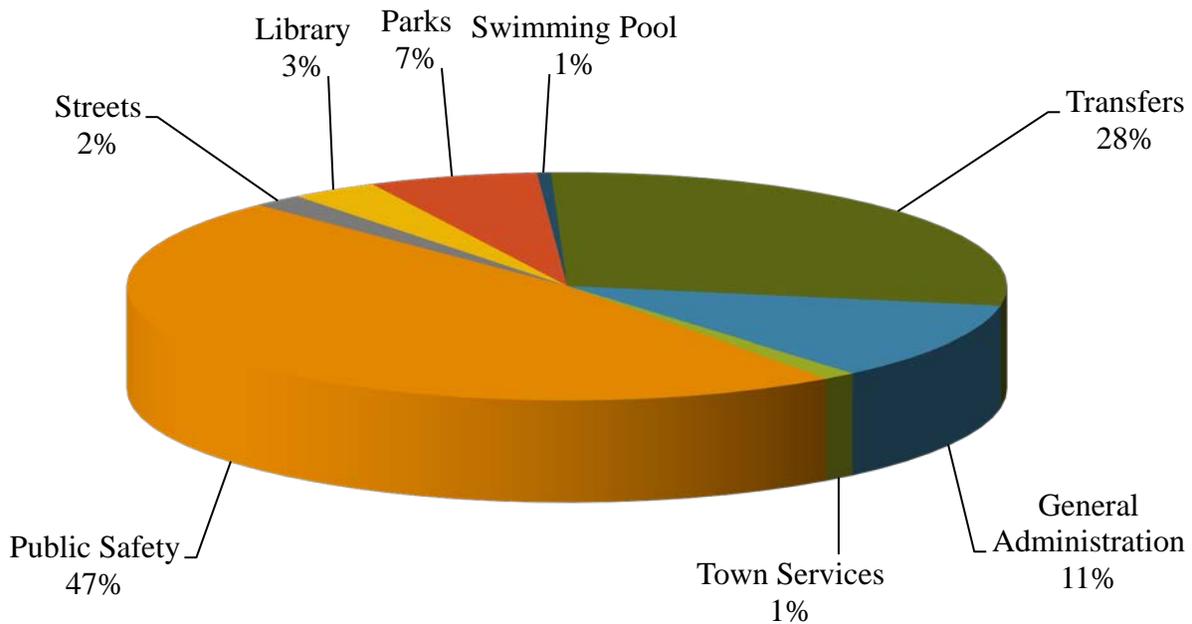
GENERAL FUND OVERVIEW

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 \$15,445,183 or 62.2% of General Fund revenues come from property taxes. This compares to 63.4% and 61.9% for each of the previous two fiscal years, respectively. Since tax year 2013, the total market value of property in the Town has increased 47.5% (\$2,182,917,380) driven in part by \$787,714,557 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 17.2%, 15.3% and 16.9%, respectively, of total revenues for the General Fund.

GENERAL FUND
STATEMENT OF REVENUES & EXPENDITURES BY DEPARTMENT

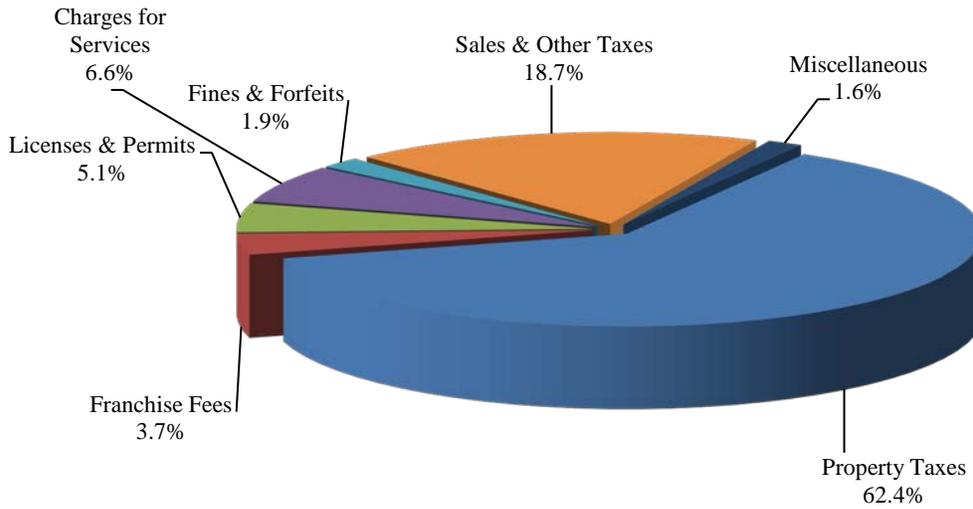
	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted
BEGINNING FUND BALANCE	\$ 4,313,231	\$ 4,745,729	\$ 4,670,765	\$ 5,828,922
REVENUES/SOURCES OF FUNDS				
Taxes	\$ 19,257,224	\$ 18,842,691	\$ 20,234,998	\$ 20,149,762
Franchise Fees	938,957	916,811	905,700	918,868
Licenses & Permits	1,411,594	1,262,194	1,549,373	1,260,715
Charges for Services	1,369,466	1,504,349	1,196,317	1,648,693
Fines & Forfeits	299,002	472,491	221,380	466,200
Miscellaneous	783,358	462,859	747,980	398,092
Total Revenues	\$ 24,059,601	\$ 23,461,395	\$ 24,855,748	\$ 24,842,330
Other Sources:				
Transfers In	\$ 1,257,500	\$ 1,326,300	\$ 1,326,300	\$ 1,280,000
Total Other Sources	\$ 1,257,500	\$ 1,326,300	\$ 1,326,300	\$ 1,280,000
Total Revenues/Sources	\$ 25,317,101	\$ 24,787,695	\$ 26,182,048	\$ 26,122,330
EXPENDITURES/USES OF FUNDS				
Administration Department	\$ 754,779	\$ 787,656	\$ 754,576	\$ 778,325
Development Services	548,694	562,003	411,813	325,527
Department of Public Safety	12,932,647	13,439,034	13,261,071	13,768,407
Street Department	349,711	334,172	320,975	503,315
Street Lighting Department	166,830	185,480	135,800	-
Library Department	797,292	867,909	799,563	877,714
Parks Department	1,567,182	1,662,699	1,827,458	1,702,691
Pool Department	166,750	199,422	208,573	211,532
Municipal Court Department	471,511	522,561	473,335	519,049
Finance Department	921,962	958,024	915,261	960,717
Building Inspection Department	738,080	791,431	853,296	792,414
Information Technology Department	575,575	602,812	601,579	735,632
Non-Departmental	399,522	508,729	547,812	537,093
Total Expenditures	\$ 20,390,535	\$ 21,421,932	\$ 21,111,112	\$ 21,712,416
Other Uses:				
Transfers to Other Funds	\$ 4,569,032	\$ 3,912,779	\$ 3,912,779	\$ 4,399,953
Total Other Uses	\$ 4,569,032	\$ 3,912,779	\$ 3,912,779	\$ 4,399,953
Total Expenditures/Uses	\$ 24,959,567	\$ 25,334,711	\$ 25,023,891	\$ 26,112,369
Excess (Deficiency) of Revenues/Sources over Expenditures/Uses	\$ 357,534	\$ (547,016)	\$ 1,158,157	\$ 9,961
Fund Balance	\$ 4,670,765	\$ 4,198,713	\$ 5,828,922	\$ 5,838,883
Ideal Fund Balance	\$ 3,725,475	\$ 3,908,242	\$ 3,850,450	\$ 3,959,630
Fund Balance in Excess of Minimum	\$ 945,290	\$ 290,471	\$ 1,978,472	\$ 1,879,253

GENERAL FUND
STATEMENT OF REVENUES & EXPENDITURES BY TYPE

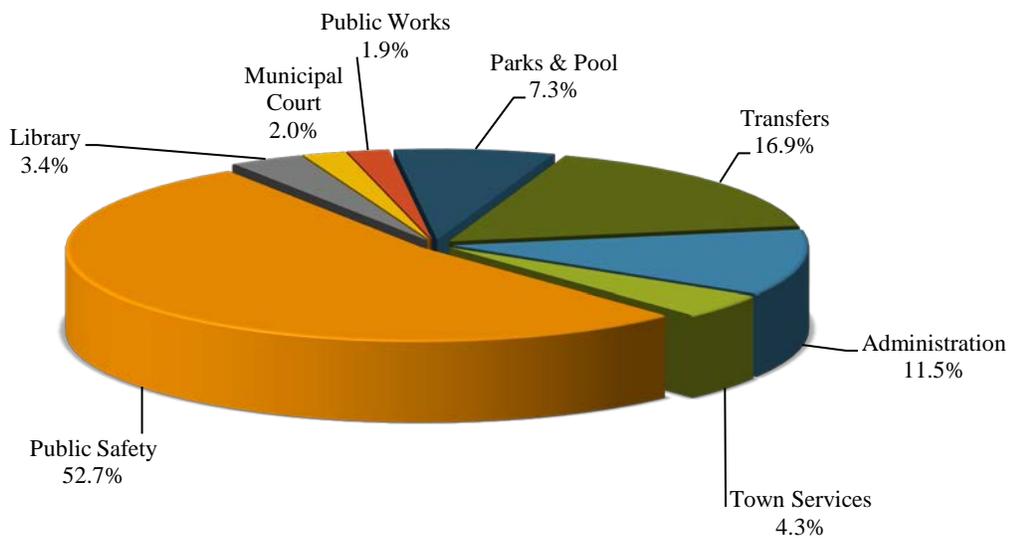
	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted
BEGINNING FUND BALANCE	\$ 4,313,231	\$ 4,745,729	\$ 4,670,765	\$ 5,827,922
REVENUES/SOURCES OF FUNDS				
Taxes	\$ 19,257,224	\$ 18,842,691	\$ 20,234,998	\$ 20,149,762
Franchise Fees	938,957	916,811	905,700	918,868
Licenses & Permits	1,411,594	1,262,194	1,549,373	1,260,715
Charges for Services	1,369,466	1,504,349	1,196,317	1,648,693
Fines & Forfeits	299,002	472,491	221,380	466,200
Miscellaneous	783,358	462,859	747,980	398,092
Total Revenues	\$ 24,059,601	\$ 23,461,395	\$ 24,855,748	\$ 24,842,330
Other Sources:				
Transfers In	\$ 1,257,500	\$ 1,326,300	\$ 1,326,300	\$ 1,280,000
Total Other Sources	\$ 1,257,500	\$ 1,326,300	\$ 1,326,300	\$ 1,280,000
Total Revenues/Sources	\$ 25,317,101	\$ 24,787,695	\$ 26,182,048	\$ 26,122,330
EXPENDITURES/USES OF FUNDS				
Personnel Services				
Payroll	\$ 12,860,752	\$ 12,856,066	\$ 12,551,868	\$ 13,054,179
Payroll Taxes	865,859	931,932	890,386	942,052
Retirement	1,103,980	1,191,507	1,168,456	1,171,352
Insurance	1,684,458	1,957,101	1,657,737	1,761,374
Total Personnel	\$ 16,515,049	\$ 16,936,606	\$ 16,268,447	\$ 16,928,957
Supplies & Equipment	887,615	1,024,011	1,099,228	1,037,374
Services & Charges	2,898,964	3,461,315	3,715,304	3,746,085
Capital Outlay	88,904	-	29,133	-
Total Expenditures	\$ 20,390,532	\$ 21,421,932	\$ 21,112,112	\$ 21,712,416
Other Uses:				
Transfers Out	\$ 4,569,032	\$ 3,912,779	\$ 3,912,779	\$ 4,399,953
Total Other Uses	\$ 4,569,032	\$ 3,912,779	\$ 3,912,779	\$ 4,399,953
Total Expenditures/Uses	\$ 24,959,564	\$ 25,334,711	\$ 25,024,891	\$ 26,112,369
Excess (Deficiency) of Revenues/Sources over Expenditures/Uses	\$ 357,537	\$ (547,016)	\$ 1,157,157	\$ 9,961
Fund Balance	\$ 4,670,765	\$ 4,198,713	\$ 5,827,922	\$ 5,837,883
Ideal Fund Balance	\$ 3,725,475	\$ 3,908,242	\$ 3,850,620	\$ 3,959,630
Fund Balance in Excess of Minimum	\$ 945,290	\$ 290,471	\$ 1,977,302	\$ 1,878,253

GENERAL FUND

CURRENT REVENUES & SOURCES OF FUNDS



BUDGETED EXPENDITURES & USES OF FUNDS



**GENERAL FUND
STATEMENT OF REVENUES**

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted
Taxes				
Ad Valorem Taxes	\$ 14,712,534	\$ 14,874,850	\$ 14,863,367	\$ 15,445,183
Delinquent Ad Valorem Taxes	60,195	47,843	72,952	50,548
City Sales Tax	4,198,191	3,600,000	4,923,595	4,278,043
Mixed Beverage Tax	286,304	319,998	375,084	375,988
<i>Subtotal</i>	\$ 19,257,224	\$ 18,842,691	\$ 20,234,998	\$ 20,149,762
Franchise Fees				
Electric Utility Franchise Fees	\$ 491,788	\$ 513,007	\$ 483,805	\$ 505,331
CATV / PEG Franchise Fees	21,667	-	19,897	20,782
Natural Gas Utility Franchise Fees	186,966	193,432	188,217	194,202
Telecom Franchise Fees	60,695	68,021	55,278	60,663
CATV Franchise Fees	79,061	70,400	49,060	48,000
Solid Waste	58,741	40,821	69,022	55,641
Carriages	40,039	31,130	40,421	34,249
<i>Subtotal</i>	\$ 938,957	\$ 916,811	\$ 905,700	\$ 918,868
Licenses & Permits				
Beverage Licenses	\$ 1,950	\$ 6,886	\$ 3,630	\$ 6,144
Health Permits	9,600	6,675	6,000	6,792
Alarm Permits	97,964	92,427	86,836	73,395
Electrical Licenses	-	-	-	-
Building Permits	1,239,257	1,094,784	1,389,052	1,109,984
Electrical Permits	50,119	48,862	52,500	52,500
Excavation Permits	285	360	180	300
Carriage Licenses	6,925	6,800	5,175	6,100
Animal Licenses	5,494	5,400	6,000	5,500
<i>Subtotal</i>	\$ 1,411,594	\$ 1,262,194	\$ 1,549,373	\$ 1,260,715
Charges For Services				
E911 Users' Fee	\$ 114,556	\$ 130,060	\$ 97,303	\$ 121,078
Alarm Monitoring Fees	487,932	461,546	440,964	456,983
Emergency Medical Fees	138,210	168,403	208,849	170,453
Board Hearing Fee	1,800	2,000	3,857	3,000
Swimming Pool Concessions	-	5,000	2,500	5,000
Swimming Pool Daily Fees	5,614	20,000	13,057	20,000
Swimming Pool Annual Fees	63,150	76,000	26,210	52,545
Tennis Court Use Fees	20,680	13,000	15,840	14,225
Animal Pound Fees	690	700	720	720
Child Safety Fees	10,017	8,627	11,025	9,461
Library Non-resident Fees	3,624	3,750	2,332	3,000
Court Administration Fees	20,237	32,660	8,787	36,169
Warrant Fees	36,094	52,711	16,794	47,711
Court Fees	113,818	139,000	89,708	171,501

**GENERAL FUND
STATEMENT OF REVENUES**

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted
Building Registration Fees	77,625	78,103	84,275	79,833
Plan Review Fees	30,750	26,933	33,375	30,808
Deferred Adjudication Fees	244,666	285,856	140,721	426,206
<i>Subtotal</i>	\$ 1,369,463	\$ 1,504,349	\$ 1,196,317	\$ 1,648,693
Fines & Forfeits				
Municipal Court Fines	\$ 292,512	\$ 464,191	\$ 217,855	\$ 458,900
Library Fines	1,500	2,600	768	2,600
Lost Book Charges	540	700	700	700
Invalid Alarm Fines	4,450	5,000	2,057	4,000
<i>Subtotal</i>	\$ 299,002	\$ 472,491	\$ 221,380	\$ 466,200
Miscellaneous				
Interest	\$ 139,650	\$ 95,776	\$ 58,702	\$ 61,433
Interest-Dallas County	224	225	334	334
Penalty & Interest - Tax Collection	83,786	73,558	92,643	78,115
Sale of Assets	211	1,000	-	1,000
Rental-Town Property	316,662	251,900	298,769	231,835
Library Donations	1,522	2,000	-	-
Contributions	20,000	13,000	200	-
Intergovernmental Revenue	192,086	-	251,924	-
Town Property Damage Refund	-	-	19,545	-
Miscellaneous	29,217	25,400	25,863	25,375
<i>Subtotal</i>	\$ 783,358	\$ 462,859	\$ 747,980	\$ 398,092
Total Revenues	\$ 24,059,598	\$ 23,461,395	\$ 24,855,748	\$ 24,842,330

SUMMARY OF REVENUE ESTIMATES

- **Property Taxes**

Projected collections of levied Ad Valorem Property Taxes:

Current Levy	\$15,445,183
Delinquent Taxes	\$50,548

Taxable property values increased \$249,052,798, or 3.8%. This growth was in part fueled by new construction which added \$94,097,100 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 on page 143 presents the changes in taxable values in the Town for the most recent ten-year period. The fiscal year 2021-22 Adopted Budget reflects an increase in property tax revenues, based on the current tax rate of \$0.23/\$100 valuation, of \$570,333 when compared to the amount anticipated in the fiscal year 2020-21 Adopted Budget.

- **Sales Tax/Other Taxes**

Since FY 2013, sales tax revenues have increased over 145%. This amount has increased significantly compared to the prior fiscal year due to the general economic recovery post pandemic and the change in the retail mix at the Highland Park Shopping Village, the Town’s largest commercial center. 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 table presented on page 151.

- **Franchise Fees**

Receipts for franchised services for fiscal year 2021-22 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 86th legislative session, revenues have declined by \$169,000 from fiscal year 2018-19 to fiscal year 2020 -21.

The annual natural gas franchise fee is impacted by the market price fluctuations of natural gas and climate conditions. For fiscal year 2021-22, this revenue source is projected to be comparable to the amount budgeted during the fiscal year 2020-21.

- **Licenses & Permits**

Although new home construction is expected to be maintained at a steady rate, a significant commercial project at the Dallas Country Club will not repeat in fiscal year 2021-22. Therefore, building permit revenues are projected to decrease compared to the amounts received in fiscal year 2020-21. A schedule of revenues generated over the last ten fiscal years is on page 151. 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 2021-22 is on page 145.

- **Charges for Services**

The total revenues received for services are projected to increase when compared to fiscal year 2020-21 due to increased Municipal Court activity post pandemic.

- **Fines & Forfeits**

Municipal Court fines have been projected conservatively and reflect amounts similar to budgeted amounts in fiscal year 2020-21.

- **Miscellaneous**

Projected interest earnings of \$61,443 are down compared to prior years due the low federal funds rate set by the Federal Reserve in dealing with the economic fallout resulting from the pandemic. The rental of Town property (cell phone antennae sites) is projected at \$231,835 and is based on existing contracts.

Administration Department



DEPARTMENT DESCRIPTION

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, along with support staff, is responsible for documenting and maintaining agendas and minutes of the Town Council meetings, as well as the preparation, indexing, and codification of Town ordinances and the preparation and indexing of Town resolutions.

ACCOMPLISHMENTS FOR FISCAL YEAR 2021

- ❖ 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 citizens and 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

OBJECTIVES FOR FISCAL YEAR 2022

- ❖ Coordinate the implementation of Town Council goals and objectives with all Town departments
- ❖ Generate, publish, and post meeting agendas in accordance with state requirements
- ❖ Provide timely, complete, and accurate minutes of all public meetings
- ❖ Continue the process of duplicating permanent records into electronic document imaging format and coordinate same with each department
- ❖ Continue the implementation of solutions from the Town-wide traffic study to reduce traffic congestion
- ❖ Coordinate annual racial profiling training for all departments
- ❖ Enhance and improve customer service levels
- ❖ Develop and implement a Professional Development Program for Town staff

PERFORMANCE INDICATORS

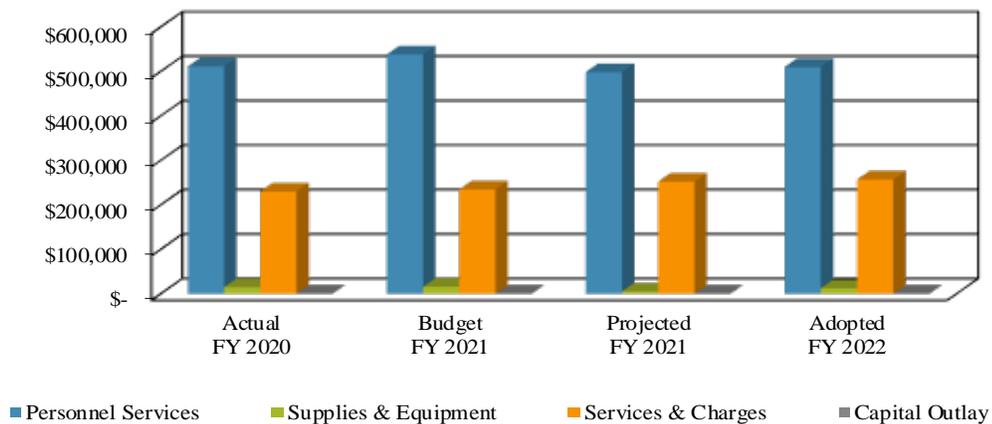
	FY2019	FY2020	FY2021	FY2022
	Actual	Actual	Actual	Projected
Timely Distribution of (%):				
Town Council Agenda Packets:	100	100	100	100
Responses to Public Information Act Requests:	100	100	100	100

Administration Department



EXPENDITURE SUMMARY

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted	% Change 2021 to 2022
Personnel Services	\$ 510,879	\$ 537,936	\$ 498,181	\$ 509,526	-5.28%
Supplies & Equipment	14,175	15,370	4,745	12,219	-20.50%
Services & Charges	229,725	234,350	251,650	256,580	9.49%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 754,779	\$ 787,656	\$ 754,576	\$ 778,325	-1.18%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2020 Budget	FY2021 Budget	FY2022 Budget
Town Administrator	Not Classified	1.0	1.0	1.0
Town Secretary	8	1.0	1.0	1.0
Total Employees		2.0	2.0	2.0



DEPARTMENT DESCRIPTION

The Development Services Department is responsible for the day-to-day general administration of Development Services, Parks, and the contracted Sanitation Services 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, Fall Festival, Household Hazardous Waste event, 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.

ACCOMPLISHMENTS FOR FISCAL YEAR 2021

- ❖ 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
- ❖ Restarted and completed Town Hall 101 Program that was suspended in 2020 due to COVID-19 pandemic
- ❖ Completed messaging and forwarding of updated information to Town residents during the Winter Storm Uri in February 2021
- ❖ Launched the Town Newsletter in March 2021
- ❖ Continued IMPACT-HP, the Town's local government youth program
- ❖ Implemented the Mayor's Internship Program in Summer 2021

OBJECTIVES FOR FISCAL YEAR 2022

- ❖ 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
- ❖ Expand upon the Healthy Homes concept, identifying partners to assist in developing programming that improves the Town's quality of life
- ❖ Continue to assess how to improve resident engagement and provide recommendations

PERFORMANCE INDICATORS

	FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Projected
Water University Classes Held	4	*	**	**
Water University Classes Attendance	123	*	**	**
Composting Classes Held ***	--	--	--	2
Composting Classes Attendance ***	--	--	--	20
Percent Response to Resident Inquiries within 24-hours	93	95	98	98

* Not held due to COVID-19.

** Program was coordinated through Texas A&M Agrilife Extension but canceled in 2021.

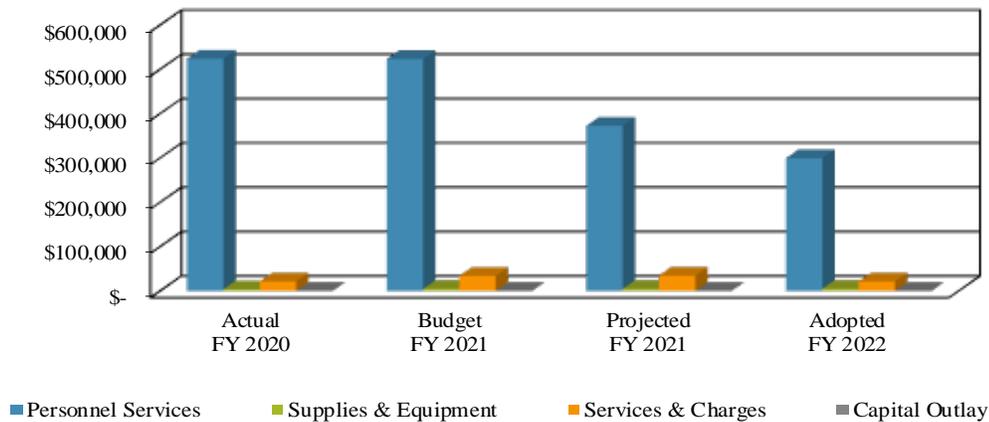
*** Initiative for Healthy Homes Program for FY 2022, partnering with Republic Services.

Development Services



EXPENDITURE SUMMARY

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted	% Change 2021 to 2022
Personnel Services	\$ 523,869	\$ 523,349	\$ 372,695	\$ 299,526	-42.77%
Supplies & Equipment	3,513	4,600	4,408	4,720	2.61%
Services & Charges	21,312	34,054	34,710	21,281	-37.51%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 548,694	\$ 562,003	\$ 411,813	\$ 325,527	-42.08%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2020 Budget	FY2021 Budget	FY2022 Budget *
Director of Town Services	E-3	1.0	1.0	0.0
Town Services Manager	E	1.0	1.0	0.0
Assistant Development Services Director	E	0.0	0.0	1.0
Town Services Coordinator	6	1.0	1.0	0.0
Management Assistant	5	0.0	0.0	1.0
Total Employees		3.0	3.0	2.0

* Excludes one position, which is authorized, but unfunded in FY2022



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 2021

- ❖ Purchased and implemented WatchGuard Video system
- ❖ Completed the implementation of the multi-agency radio project
- ❖ Purchased two Administration vehicles
- ❖ Implemented new TASER weapon platform
- ❖ Purchased new fire engine

OBJECTIVES FOR FISCAL YEAR 2022

- ❖ Specify and purchase three police vehicles
- ❖ Specify and purchase three criminal investigation vehicles
- ❖ Research and buildout new Mobile Intensive Care Unit
- ❖ Conduct manpower and staffing study
- ❖ Purchase two new defibrillators Mobile Intensive Care Units
- ❖ Continue to grow Public/Private Outreach Programs, to include:
 - Active Shooter Training to include integration with new video system
 - R.A.D. (Rape, Aggression, Defense System)
 - LTC (License to Carry)
 - Stop-the Bleed and CPR classes with High School

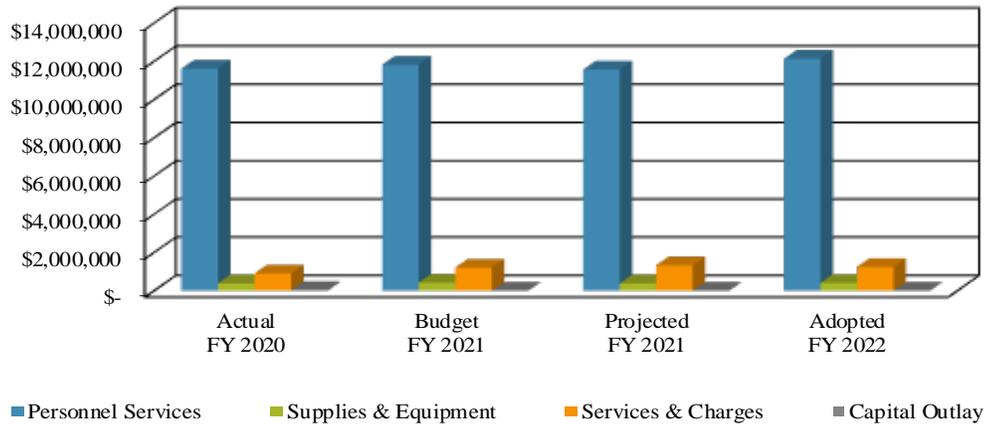
PERFORMANCE INDICATORS

	FY2019	FY2020	FY2021	FY2022
	Actual	Actual	Actual	Projected
Call Responses				
Police	9,281	9,229	9,086	9,225
Fire	824	824	958	975
Emergency Medical	379	352	431	450
Other Activity				
Fire Inspections	394	363	863	650
Major Crimes Reported	187	184	215	200
Response Time (minutes)				
Police	2.7	2.8	2.7	2.7
Fire	2.1	1.8	2.2	2.0
Emergency Medical	2.7	2.7	2.5	2.6



EXPENDITURE SUMMARY

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted	% Change 2021 to 2022
Personnel Services	\$11,619,447	\$11,822,545	\$11,565,793	\$12,130,835	2.61%
Supplies & Equipment	381,429	414,556	374,563	405,027	-2.30%
Services & Charges	893,035	1,201,933	1,320,715	1,232,545	2.55%
Capital Outlay	38,736	-	-	-	0.00%
Total Department	\$12,932,647	\$13,439,034	\$13,261,071	\$13,768,407	2.45%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2020 Budget	FY2021 Budget	FY2022 Budget
Director	E-4	1.0	1.0	1.0
Assistant Director	E-2	1.0	1.0	1.0
Captain	G	5.0	5.0	5.0
Lieutenant	F	5.0	5.0	5.0
Sergeant	E	5.0	5.0	5.0
Investigator	C	3.0	3.0	3.0
Public Safety Officer	C	36.0	37.0	37.0
Police Officer	B	2.0	2.0	2.0
Communications Supervisor	8	1.0	1.0	1.0
Communications Manager	6	1.0	1.0	1.0
Accreditation Manager	6	1.0	1.0	1.0
Support Services Officer	4	1.0	0.0	0.0
Communications Specialist	4	8.0	8.0	8.0
Alarm Specialist	5	1.0	1.0	1.0
Administrative Secretary	4	2.0	2.0	2.0
Total Employees		73.0	73.0	73.0



DEPARTMENT DESCRIPTION

The Street Department is responsible for the maintenance of the Town's 41.79 miles of paved streets, all alleys, sidewalks, bridges, storm sewer inlets and street name and traffic signs. Beginning in fiscal year 2021-22, the work performed by the Street Lighting Department will be supervised by the Street Department. This includes the repair and maintenance of Town owned and operated street lighting and traffic signal systems. Electric power to operate these systems is purchased from Gexa Energy under contract through the Texas Coalition for Affordable Power (TCAP).

ACCOMPLISHMENTS FOR FISCAL YEAR 2021

- ❖ Maintained the Town's street surfaces through the placement of asphalt as needed for repairs
- ❖ Inventoried street signage throughout the Town
- ❖ Inventoried and cleaned storm inlets
- ❖ Responded to emergency calls for all Town infrastructure

OBJECTIVES FOR FISCAL YEAR 2022

- ❖ Support water, sanitary sewer and storm functions
- ❖ Respond to emergencies related to water, sanitary sewer, storm water and streets
- ❖ Maintain the Town's streets, alleys, easements, sidewalks, bridges, storm sewer inlets and signage
- ❖ Maintain street lighting including repairs and LED conversions
- ❖ Continue streetlight pole painting contract

MAJOR BUDGET ITEMS

- ❖ \$35,000 Repair materials
- ❖ \$7,000 for Street signage
- ❖ \$27,000 for Electrical service for street lights and traffic signals

PERFORMANCE INDICATORS

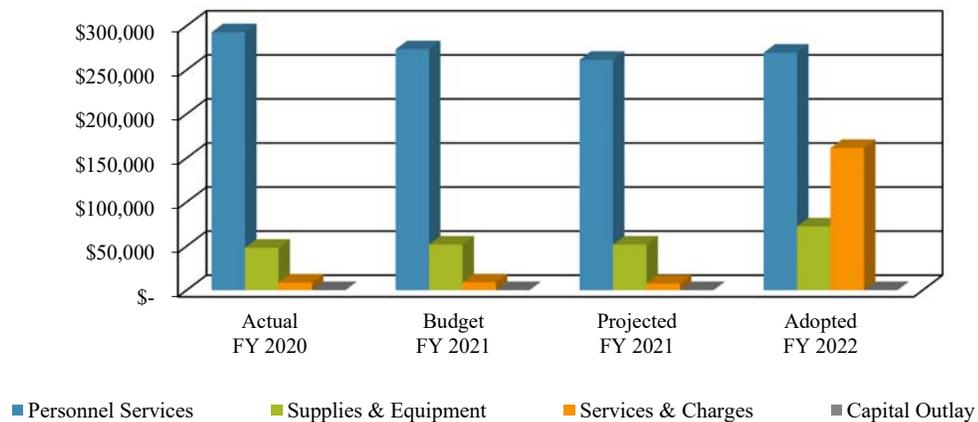
	FY2019	FY2020	FY2021	FY2022
	Actual	Actual	Actual	Projected
Asphalt Repairs (Tons)	250	250	283	290
Storm Inlets Cleaned	1,425	1,431	1,490	1,600

Street Department



EXPENDITURE SUMMARY

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted	% Change 2021 to 2022
Personnel Services	\$ 292,761	\$ 273,378	\$ 261,481	\$ 269,560	-1.40%
Supplies & Equipment	48,176	51,833	51,833	72,355	39.59%
Services & Charges	8,774	8,961	7,661	161,400	1701.14%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 349,711	\$ 334,172	\$ 320,975	\$ 503,315	50.62%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2020 Budget	FY2021 Budget	FY2022 Budget
Foreman	8	0.3	0.0	0.0
Public Works Maint. Worker II	3	2.0	2.0	2.0
Public Works Maint. Worker I	2	1.0	1.0	1.0
Total Employees		3.3	3.0	3.0

Street Lighting Department



DEPARTMENT DESCRIPTION

The Street Lighting Department is responsible for the repair and maintenance of Town owned and operated street lighting and traffic signal systems. Electric power to operate these systems is purchased from Gexa Energy under contract through the Texas Coalition for Affordable Power (TCAP). Beginning in fiscal year 2021-22, this department will be reported with the Street Department.

ACCOMPLISHMENTS FOR FISCAL YEAR 2021

- ❖ Performed routine and emergency maintenance of Town's traffic and street light systems ensuring safe and reliable operation
- ❖ Continued painting of the streetlights by quadrant.

OBJECTIVES FOR FISCAL YEAR 2022

- ❖ Beginning in fiscal year 2021-22, this department will be reported with the Street Department. Please see combined Objectives on the Street Department page.

PERFORMANCE INDICATORS

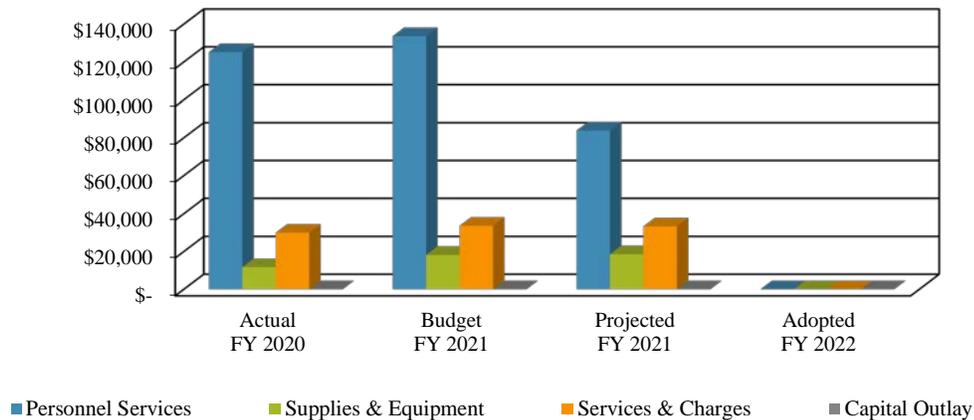
- ❖ Staff is working to identify 75% of the defects through proactive weekly inspections, prior to processing calls.
- ❖ Average days to repair is 2.5 days.

Street Lighting Department



EXPENDITURE SUMMARY

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted	% Change 2021 to 2022
Personnel Services	\$ 125,158	\$ 133,658	\$ 83,867	\$ -	-100.00%
Supplies & Equipment	11,720	18,189	18,600	-	-100.00%
Services & Charges	29,952	33,633	33,333	-	-100.00%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 166,830	\$ 185,480	\$ 135,800	\$ -	-100.00%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2020 Budget	FY2021 Budget	FY2022 Budget
Electrical/Mechanical Tech	5	1.0	1.0	0.0
Total Employees		1.0	1.0	0.0



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 2021

- ❖ Added a new streaming service, ArtistWorks, to provide world-class instruction for the most popular string and band instruments through self-paced video lessons from professional musicians.
- ❖ Expanded the Library's collection of non-traditional items. Additions to the collection included, Merge Cubes, which utilize augmented reality technology, and ukuleles.
- ❖ Reinstated in-person programming for Library patrons through a weekly all ages story time in Prather Park and limited, advance registration indoor programming for adults and youth.
- ❖ Consolidated eAudiobook materials from RBDigital and OverDrive into one online application from OverDrive, which increased the ease of use and discovery of materials for patrons.
- ❖ Implemented a Self-Checkout Station, utilizing new software on an existing computer kiosk.
- ❖ Partnered with the University Park Public Library on weekly special virtual events, featuring performers and experts, for families during the summer of 2021, as well as a Teen Summer Reading Program.
- ❖ Substantially increased the amount of online business, technology, and creative skills learning courses available to library cardholders by upgrading from Lynda.com to LinkedIn Learning, which provides access to over 16,000 courses, in multiple languages.

OBJECTIVES FOR FISCAL YEAR 2022

- ❖ Continue the implementation of the Library Master Plan.
- ❖ Update the Library Master Plan for future fiscal years.
- ❖ Concentrate on community outreach and engagement – be visible and offer unique solutions to help patrons achieve their goals and improve their quality of life.
- ❖ Shift the focus of the reference collection from print to electronic reference.

MAJOR BUDGET ITEMS

- ❖ Acquisition of new materials - books (\$50,679), audio/visual materials (\$17,181), e-books (\$19,251), e-audio books (\$17,606), and children's books (\$15,636).
- ❖ Continued funding for e-Services including downloadable e-materials and web-based resources.

PERFORMANCE INDICATORS

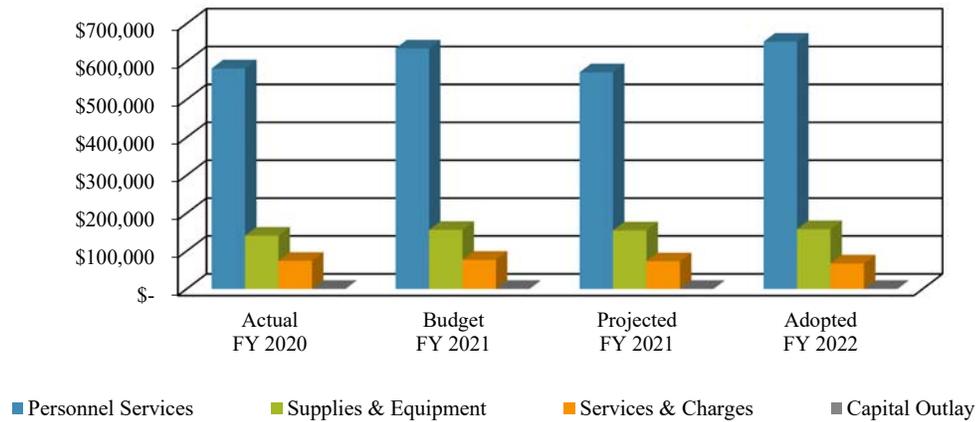
	FY2019	FY2020	FY2021	FY2022
	Actual	Actual	Actual	Projected
Collection/Circulation				
Total Circulation (Physical & Digital)	48,148	48,403	57,654	58,807
eBooks and eAudiobooks Circulation	8,505	12,280	11,688	12,272
User Cards Issued/Outstanding				
Resident (excludes renewals)	457	444	572	583
Non-Resident	22	25	30	31
Total Valid Cards	479	469	602	614

Library Department



EXPENDITURE SUMMARY

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted	% Change 2021 to 2022
Personnel Services	\$ 582,040	\$ 634,998	\$ 571,959	\$ 652,640	2.78%
Supplies & Equipment	140,775	155,948	154,506	157,701	1.12%
Services & Charges	74,477	76,963	73,098	67,373	-12.46%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 797,292	\$ 867,909	\$ 799,563	\$ 877,714	1.13%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2020 Budget	FY2021 Budget	FY2022 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 Assistant	2	0.5	0.0	0.0
Library Associate (Full-Time)	2	1.0	1.0	1.0
Library Associate (Part-Time)	2	1.0	1.5	1.5
Total Employees		6.5	6.5	6.5



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 2021

- ❖ Effectively managed the Town’s contracts for turf maintenance, park maintenance, chemical application, tree trimming, and landscape lighting
- ❖ Maintained parks, parkway trees, swimming pool and tennis courts
- ❖ Completed the Fairfax Park tennis court, hardscape, landscape, and irrigation improvements
- ❖ Completed the Douglas Park hardscape, landscape, and irrigation improvements

OBJECTIVES FOR FISCAL YEAR 2022

- ❖ Update and continue to implement a Parks Maintenance & Operations Plan
- ❖ Rebid the chemical, mowing and landscape maintenance contracts
- ❖ Educate residents and provide inspection for residents on irrigation and mosquito control program
- ❖ Develop a landscape design and irrigation plan for Armstrong Parkway
- ❖ Assess opportunities provided through the Town’s recreation program and evaluate potential partners for recreational opportunities.
- ❖ Assess opportunities for pickleball and provide recommendations

MAJOR BUDGET ITEMS

- ❖ Plant and Vegetation Material (\$115,000); Planting Material (\$34,000)
- ❖ Town-wide maintenance contracts for Turf Maintenance (\$125,653); Tree Trimming and Maintenance (\$60,000); Landscape Lighting (\$25,000); Recreation Program (\$20,000)

PERFORMANCE INDICATORS

	FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Projected
Number of Bulbs	15,000	19,460	20,000	21,000
Mosquito Back Yard Inspections	72	*	90	93
Irrigation Inspection	40	*	45	55
Nuisance Spraying for Mosquitoes	260	250	280	288

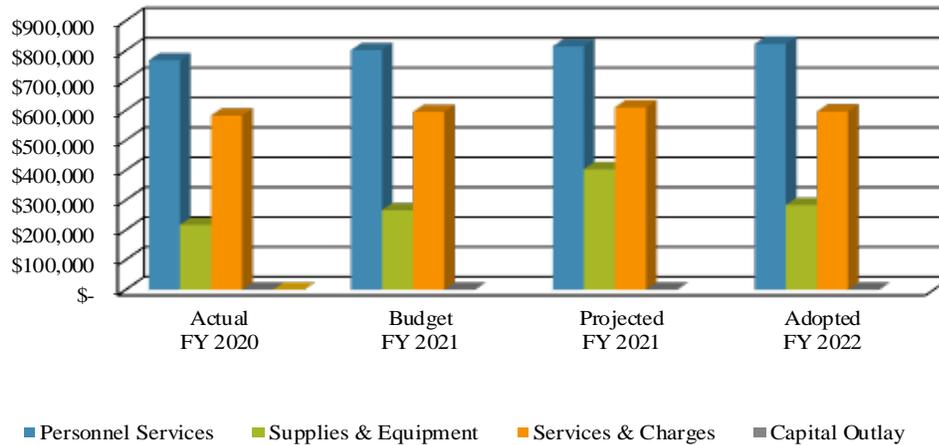
*Not provided due to Covid-19.

Parks & Recreation



EXPENDITURE SUMMARY

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted	% Change 2021 to 2022
Personnel Services	\$ 767,821	\$ 801,850	\$ 814,531	\$ 822,890	2.62%
Supplies & Equipment	216,987	265,738	403,219	283,549	6.70%
Services & Charges	582,374	595,111	609,708	596,252	0.19%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$1,567,182	\$1,662,699	\$1,827,458	\$1,702,691	2.41%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2020 Budget	FY2021 Budget	FY2022 Budget
Superintendent	8	0.0	0.0	1.0
Foreman	8	1.0	1.0	0.0
Parks Project Specialist	4	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	2.0	3.0	3.0
Parks Maintenance Worker I	1	1.0	1.0	1.0
Total Employees		7.0	7.0	7.0

Pool Department



DEPARTMENT DESCRIPTION

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.

ACCOMPLISHMENTS FOR FISCAL YEAR 2021

- ❖ Provided a safe and clean facility for use of Town residents
- ❖ Expanded the pool season through the end of October
- ❖ Re-started the operation of the Concession Stand that was suspended in 2020 due to the COVID-19 pandemic
- ❖ Re-started swim programming that was suspended in 2020 due to the COVID-19 pandemic
- ❖ Completed Phase 1 of Swimming Pool assessment

OBJECTIVES FOR FISCAL YEAR 2022

- ❖ Provide a safe and clean facility for the enjoyment of the Town's residents
- ❖ Maintain the newly expanded pool season
- ❖ Continue to assess overall pool attendance by refining data collection activities
- ❖ Continue to assess water quality protocol by refining data collection activities

MAJOR BUDGET ITEMS

- ❖ Provision of staffing to accommodate the extended pool season from April to the end of October.
- ❖ Pool facilities assessment funded within the Capital Projects Fund.

PERFORMANCE INDICATORS

	FY2019	FY2020	FY2021	FY2022
	Actual	Actual	Actual	Projected
Annual Pool Passes Sold	1,223	1,086	1,481	1,550
Daily Pool Passes Sold	2,487	*	1,897	1,953

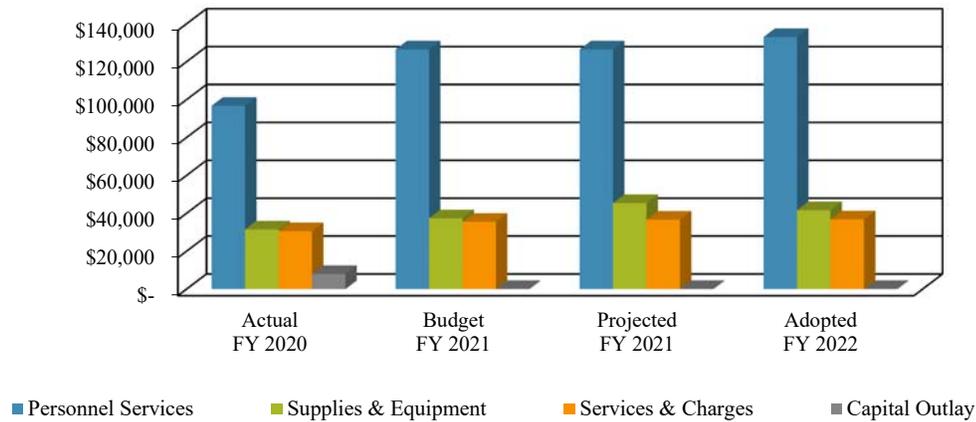
*Not offered due to Covid-19.

Pool Department



EXPENDITURE SUMMARY

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted	% Change 2021 to 2022
Personnel Services	\$ 96,758	\$ 126,511	\$ 126,503	\$ 133,071	5.19%
Supplies & Equipment	31,486	37,400	45,411	41,650	11.36%
Services & Charges	30,557	35,511	36,659	36,811	3.66%
Capital Outlay	7,949	-	-	-	0.00%
Total Department	\$ 166,750	\$ 199,422	\$ 208,573	\$ 211,532	6.07%



EMPLOYEE CLASSIFICATION & PAY GRADE

(All Part Time Seasonal Employees)

Classification	Grade	FY2020 Budget	FY2021 Budget	FY2022 Budget
Manager/Assistant Manager/Lifeguards	NA	3.4	3.4	3.4
Total Full Time Equivalent Employees		3.4	3.4	3.4

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 2021

- ❖ Maintained accurate records of documents and dispositions filed with the court while providing prompt and courteous responses to inquires at the court office.
- ❖ Improved daily operations in the court by participating in more training sessions and webinars.
- ❖ Evaluated new laws passed during the 2021 State Legislative session to determine their impact on court procedures and implement necessary changes.
- ❖ Scheduled and conducted virtual hearings, trial and set hearings for defendants.
- ❖ 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 2022

- ❖ Maintain accurate records of documents and dispositions filed with the court while providing prompt and courteous responses to inquiries at the court office.
- ❖ Improve daily operations in the court by participating in more training sessions and webinars.
- ❖ Enhance and update court policies & procedures manual and implement necessary changes.
- ❖ 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.
- ❖ Maintain court calendar, allowing defendants swift access to the court system.

MAJOR BUDGET ITEMS

- ❖ Municipal Court Prosecution Services (\$32,000)
- ❖ Part-time court security personnel (\$37,670)

PERFORMANCE INDICATORS

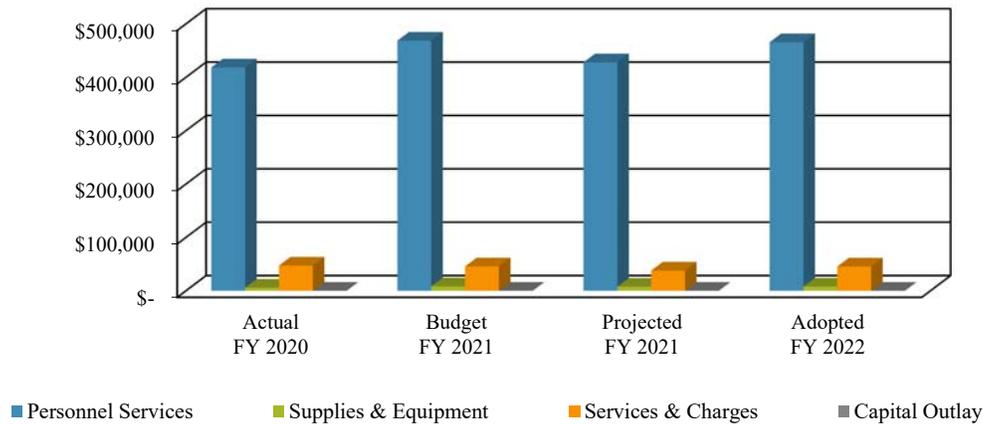
	FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Projected
Cases Filed				
Traffic	12,294	6,409	4,210	5,309
Parking	427	576	616	590
State Law	89	76	117	93
Town Ordinance	117	97	84	90
Total	12,927	7,158	5,027	6,082
Cases Disposed				
Prior to Trial	3,754	2,204	1,653	1,930
At Trial	163	131	112	120
Compliance Dismissals	7,391	3,631	1,860	2,745
Total	11,308	5,966	3,625	4,795
Percent Disposed to Filed	87.5%	83.3%	72.1%	78.8%

Municipal Court Department



EXPENDITURE SUMMARY

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted	% Change 2021 to 2022
Personnel Services	\$ 418,441	\$ 468,611	\$ 428,035	\$ 465,664	-0.63%
Supplies & Equipment	5,851	8,250	7,511	7,875	-4.55%
Services & Charges	47,219	45,700	37,789	45,510	-0.42%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 471,511	\$ 522,561	\$ 473,335	\$ 519,049	-0.67%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2020 Budget	FY2021 Budget	FY2022 Budget
Municipal Judge (Part-time)	NA	0.5	0.5	0.5
Senior Court Clerk	5	1.0	1.0	1.0
Court Clerk	3	1.0	1.0	1.0
Court Clerk (Part-time)	3	0.8	0.8	0.8
Marshall/Bailiff (Part-time)	NA	0.5	0.5	0.5
Court Security (Part-time)	NA	0.3	0.3	0.3
Total Employees		4.1	4.1	4.1



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 2021

- ❖ Received the Government Finance Officers Association’s (“GFOA”) Certificate of Achievement for Excellence in Financial Reporting for the Fiscal Year 2020 ACFR and the GFOA Distinguished Budget Presentation Award for the Fiscal Year 2021
- ❖ 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 year period ending July 31, 2023 from the Government Treasurers’ Organization of Texas

OBJECTIVES FOR FISCAL YEAR 2022

- ❖ 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, Pay for Performance and Wellness Program in a timely and accurate manner
- ❖ Maintain, monitor and safeguard the Town’s assets
- ❖ Provide timely payment of the Town’s vendors
- ❖ Receive the Government Finance Officers Association’s (“GFOA”) Certificate of Achievement for Excellence in Financial Reporting for the 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 interested parties
- ❖ Develop performance standards for Town departments, addressing Town Council objectives
- ❖ Continue updating the Town’s Personnel Policies for final approval

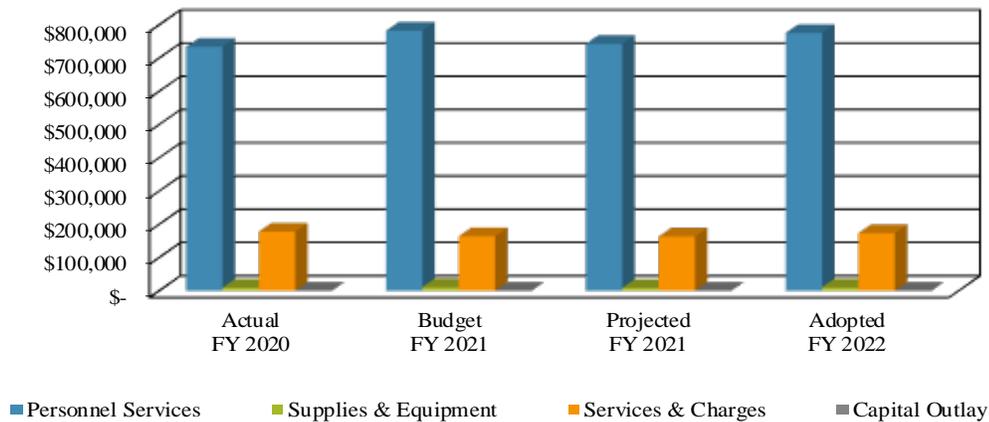
PERFORMANCE INDICATORS

	FY2019	FY2020	FY2021	FY2022
	Actual	Actual	Actual	Projected
Accounts Payable Checks Disbursed	2,953	3,149	3,387	3,624
Payroll/ACH Checks Disbursed	4,366	4,177	4,214	4,251



EXPENDITURE SUMMARY

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted	% Change 2021 to 2022
Personnel Services	\$ 734,122	\$ 782,732	\$ 743,081	\$ 776,126	-0.84%
Supplies & Equipment	9,794	11,137	8,740	10,822	-2.83%
Services & Charges	178,046	164,155	163,440	173,769	5.86%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 921,962	\$ 958,024	\$ 915,261	\$ 960,717	0.28%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2020 Budget	FY2021 Budget	FY2022 Budget
Director of Admin Services & CFO	E-4	1.0	1.0	1.0
Deputy Chief Financial Officer	E	0.0	0.0	1.0
Controller	E	1.0	1.0	0.0
Senior Accounting Technician	4	1.0	2.0	2.0
Human Resources Coordinator	4	1.0	1.0	1.0
Accounting Technician	3	1.0	0.0	0.0
Total Employees		5.0	5.0	5.0

Building Inspection Department



DEPARTMENT DESCRIPTION

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

ACCOMPLISHMENTS OF FISCAL YEAR 2021

- ❖ Processed approximately 1,141 building, 200 mechanical, 246 electrical, 313 plumbing permits, and 17 excavation permits, generating approximately \$1,661,690 in permit revenues
- ❖ Processed approximately 628 contractor registrations
- ❖ Processed approximately 167 residential plan reviews related to both remodel and new construction projects
- ❖ Building Inspection Department was evaluated by ISO's Building Code Effectiveness Grading Schedule
- ❖ Increased public awareness of Code Enforcement activities with illegal sign enforcement and property maintenance on both occupied properties and construction sites

OBJECTIVES FOR FISCAL YEAR 2022

- ❖ Provide quality redevelopment for the Town
- ❖ Provide timely and accurate plan review services with new residential plan reviews averaging two weeks
- ❖ Continue to provide professional, courteous and efficient service to the public
- ❖ Continue efforts on water conservation measures in plumbing and irrigation systems in conjunction with the Town's efforts to promote water conservation
- ❖ Increase awareness among contractors of Town's measures related to Construction Site Management of residential construction sites
- ❖ Provide excellence in customer service response and proactive involvement in code enforcement activities related to construction site and occupied property maintenance, and illegal posting of signs

PERFORMANCE INDICATORS

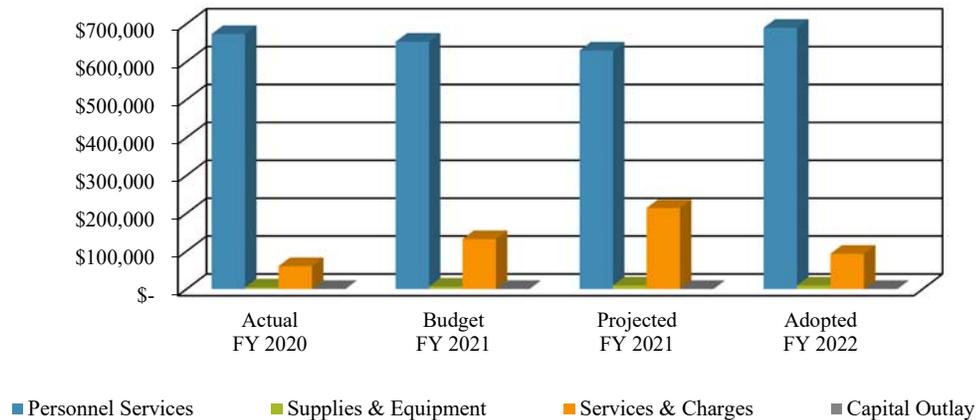
	FY2019	FY2020	FY2021	FY2022
	Actual	Actual	Actual	Projected
Number of Inspections Performed	4,611	3,896	3,516	3,600
Total Permits Issued	1,640	1,724	1,917	1,800
Total Permit Fees & Licenses (in thousands)	\$ 1,408	\$ 1,440	\$ 1,661	\$ 1,500

Building Inspection Department



EXPENDITURE SUMMARY

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted	% Change 2021 to 2022
Personnel Services	\$ 673,196	\$ 652,756	\$ 629,689	\$ 689,478	5.63%
Supplies & Equipment	4,378	6,640	9,722	9,606	44.67%
Services & Charges	60,506	132,035	213,885	93,330	-29.31%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 738,080	\$ 791,431	\$ 853,296	\$ 792,414	0.12%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2020 Budget	FY2021 Budget	FY2022 Budget
Assistant Director of Town Services	E-1	1.0	1.0	0.0
Director of Development Services	E-1	0.0	0.0	1.0
Senior Building Inspector	7	1.0	1.0	0.0
Building Inspector	6	1.0	1.0	2.0
Development Services Coordinator	6	0.0	0.0	1.0
Plans Examiner	4	1.0	1.0	0.0
Building Permit Technician	3	1.0	1.0	1.0
Total Employees		5.0	5.0	5.0

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 2021

- ❖ Deployed Microsoft Teams to departments
- ❖ Migrated departments to cloud storage
- ❖ Deployed/Supported telework technologies
- ❖ Updated the Town's financial software
- ❖ Implemented cyber awareness training for all Town officials as required by State law
- ❖ Implemented technology for telecommuting and virtual meetings in response to the pandemic

OBJECTIVES FOR FISCAL YEAR 2022

- ❖ Implement physical security improvement
- ❖ Renew Microsoft Enterprise Agreement
- ❖ Update Public Safety Software
- ❖ Complete department network upgrades and computer replacements

MAJOR BUDGET ITEMS

- ❖ Technology managed services contract (\$216,076)
- ❖ Enterprise agreement (\$74,000)
- ❖ Other technology maintenance contracts (\$167,701)
- ❖ Internet service and T1 circuits (\$45,540)

PERFORMANCE INDICATORS

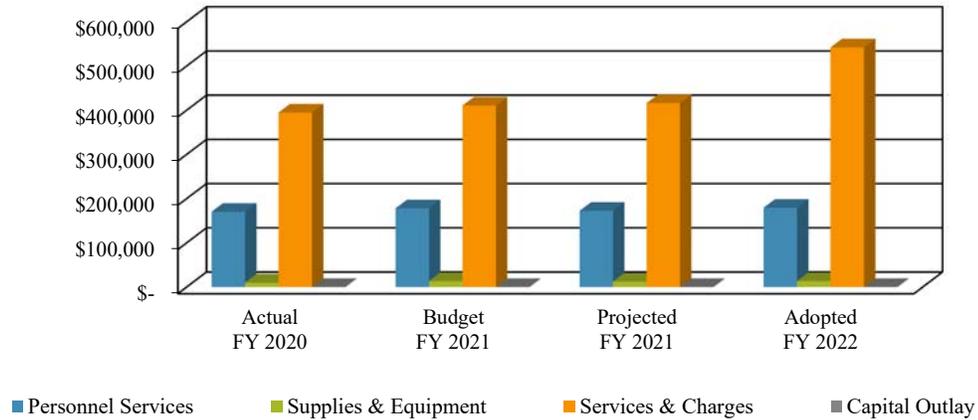
	FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Projected
Help Desk Support				
Support Requests	1,171	1,638	1,314	1,327
Service Hours	1,326	2,003	1,551	1,567
Network Uptime	99%	99%	99%	99%
Application Uptime	99%	99%	99%	99%

Information Technology Department



EXPENDITURE SUMMARY

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted	% Change 2021 to 2022
Personnel Services	\$ 170,558	\$ 178,282	\$ 172,632	\$ 179,641	0.76%
Supplies & Equipment	10,057	13,750	12,720	13,750	0.00%
Services & Charges	394,960	410,780	416,227	542,241	32.00%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 575,575	\$ 602,812	\$ 601,579	\$ 735,632	22.03%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2020 Budget	FY2021 Budget	FY2022 Budget
Information Technology Manager	E	1.0	1.0	1.0
Total Employees		1.0	1.0	1.0

Non-Departmental



DEPARTMENT DESCRIPTION

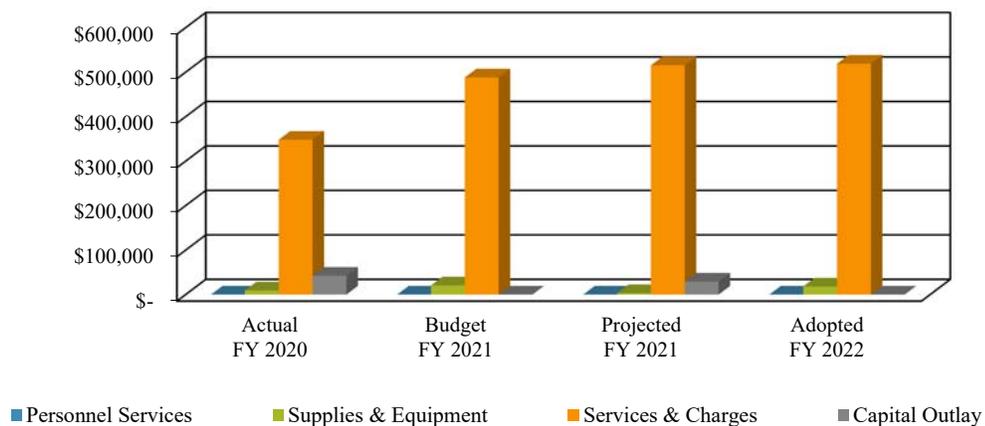
As a means of setting aside funds for expenditures that are not associated with a unique departmental budget, a Non-Departmental cost center is created in the General Fund. Expenditures that can be considered Town-wide or that may have an inherent public policy nature have been included in this cost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

MAJOR BUDGET ITEMS

- ❖ Texas Municipal Retirement System supplemental contributions (\$150,000)
- ❖ Professional Services – Human Resource Consulting (\$42,000)
- ❖ Professional Services – Website Consulting and Maintenance (\$30,240)
- ❖ Budgetary Contingency for Fuel Costs (\$12,500)
- ❖ Professional Services – Health Insurance Consulting (\$30,000)

EXPENDITURE SUMMARY

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted	% Change 2021 to 2022
Personnel Services	\$ -	\$ -	\$ -	\$ -	0.00%
Supplies & Equipment	9,276	20,600	3,250	18,100	-12.14%
Services & Charges	348,026	488,129	515,429	518,993	6.32%
Capital Outlay	42,220	-	29,133	-	0.00%
Total Department	\$ 399,522	\$ 508,729	\$ 547,812	\$ 537,093	5.58%



Transfer to Other Funds



DEPARTMENT DESCRIPTION

This Budget provides for a transfer of \$2,820,426 in current revenues to the Capital Projects Fund which is comprised of: 1) basic CIP funding (\$771,100); 2) annual miscellaneous concrete project (\$310,700); 3) sidewalk and alley repair (\$95,600); 4) street resurfacing needs (\$716,986); and 5) an additional capital improvement transfer of \$920,040 from current (fiscal year 2021-22) revenues.

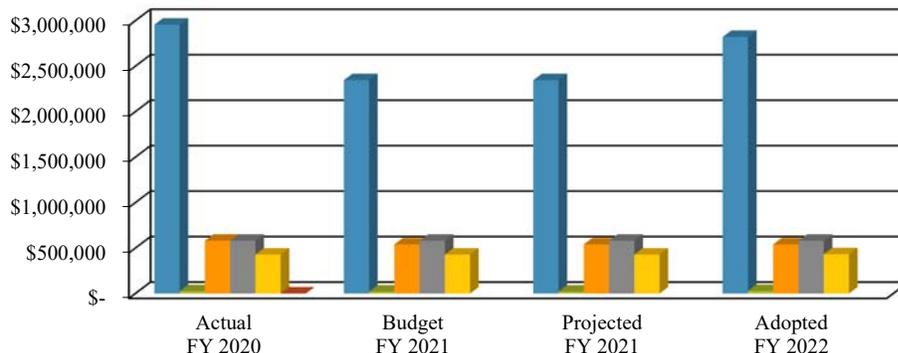
Other transfers include:

- ❖ Transfers to the Equipment Replacement Fund for future asset acquisition (\$540,000)
- ❖ Transfers to the Technology Replacement Fund for future asset acquisition and upgrades (\$579,927)
- ❖ Transfer to the Building Maintenance & Investment Fund representing the General Fund's share of Building Maintenance costs (\$432,100)
- ❖ Transfer to the Solid Waste Fund to assist with funding the Household Hazardous Waste program (\$27,500)

The Town's Statement of Financial Policies provides for the transfer of excess of General Fund revenues over expenditures and encumbrances at the close of each fiscal year to the Capital Projects Fund to supplement any annual budget amount included in the Adopted Budget.

TRANSFER SUMMARY

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted	% Change 2021 to 2022
Capital Projects Fund	\$ 2,956,105	\$ 2,345,052	\$ 2,345,052	\$ 2,820,426	20.27%
Utility & Solid Waste Funds	25,000	20,000	20,000	27,500	0.00%
Equip. Replacement Fund	580,000	540,000	540,000	540,000	0.00%
Tech. Replacement Fund	579,927	579,927	579,927	579,927	0.00%
Bldg. Maintenance Fund	428,000	427,800	427,800	432,100	1.01%
Total Department	\$ 4,569,032	\$ 3,912,779	\$ 3,912,779	\$ 4,399,953	12.45%



■ Capital Projects Fund ■ Utility & Solid Waste Funds ■ Equip. Replacement Fund ■ Tech. Replacement Fund ■ Bldg. Maintenance Fund

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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. 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 2021-22 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 2021-22, an adjustment of 3.0% was made to the rate structure for water and wastewater. The last time the Town increased its rate structure occurred in FY 2018-19.

- **Licenses and Permits**

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

- **Charges for Services**

Water

Revenues from the retail sale of water are projected to be \$7,379,679, a \$113,623 or 1.6% increase from the FY 2020-21 Adopted Budget. The Town anticipates selling 945,000,000 gallons of water during fiscal year 2021-22.

The schedule on page 157 reflects the historical 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 \$2,909,640 or about a (2.2%) decrease from the FY 2020-21 Adopted Budget.

- **Miscellaneous**

Charges for meter replacements/installations is projected to be \$41,686, which is comparable to the amount generated during FY 2020-21.

Projected interest earnings are projected to be lower for FY 2021-22 due to lower yields brought on by economic issues resulting from the ongoing pandemic. Interest earnings within the Utility Fund are projected to be \$44,229 in FY 2021-22.

The total cost for Utility Fund services for FY 2021-22 is \$8,774,407 (excluding transfers out) which is \$925,935 less than the budget adopted for FY 2020-21. This decrease is being primarily driven by the completion of capital improvement projects within the Utility Fund during the prior fiscal year.

Approximately 43.5% 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 2024); and Sanitary Sewer Treatment from Dallas Water Utilities (contract expires February 2044).

Another significant portion of both the budget for FY 2021-22, 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 \$1,350,000 from utility service revenues to fund the projects selected for FY 2021-22.

The Utility Fund will also contribute \$1,255,400 to the General Fund for reimbursement of general & administrative costs for FY 2021-22. Additionally, the Utility Fund will provide \$526,983 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 119.

UTILITY FUND
STATEMENT OF REVENUES & EXPENSES BY DEPARTMENT

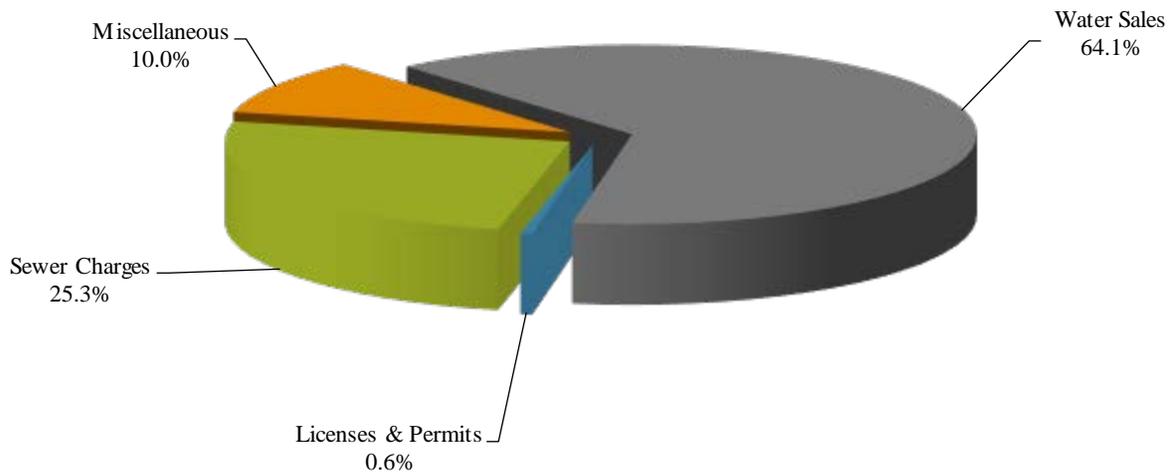
	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted
BEGINNING FUND BALANCE	\$ 7,311,065	\$ 6,063,881	\$ 7,556,062	\$ 6,886,947
REVENUES/SOURCES OF FUNDS				
Licenses & Permits	\$ 59,095	\$ 62,347	\$ 64,815	\$ 63,294
Charges for Services	9,779,202	10,285,318	9,625,918	10,335,575
Fines & Forfeits	64,619	68,666	63,470	62,623
Miscellaneous	151,008	88,713	1,054,654	1,046,229
Total Revenues	\$ 10,053,924	\$ 10,505,044	\$ 10,808,857	\$ 11,507,721
Other Sources:				
Transfers In	\$ 501,374	\$ 349,857	\$ 349,857	\$ 364,300
Total Other Sources	\$ 501,374	\$ 349,857	\$ 349,857	\$ 364,300
Total Revenues/Sources	\$ 10,555,298	\$ 10,854,901	\$ 11,158,714	\$ 11,872,021
EXPENSES - BY DEPARTMENT				
Utility Customer Service Department	\$ 411,199	\$ 547,695	\$ 505,868	\$ 505,700
Water Department	4,905,328	5,830,091	5,555,861	5,330,791
Sanitary Sewer Department	2,445,273	2,637,446	3,109,933	2,245,079
Engineering Department	662,927	685,110	683,701	692,837
Total Expenses	\$ 8,424,727	\$ 9,700,342	\$ 9,855,363	\$ 8,774,407
Other Uses:				
Transfers Out	\$ 1,885,574	\$ 1,972,466	\$ 1,972,466	\$ 1,915,687
Total Other Uses	\$ 1,885,574	\$ 1,972,466	\$ 1,972,466	\$ 1,915,687
Total Expenses/Uses	\$ 10,310,301	\$ 11,672,808	\$ 11,827,829	\$ 10,690,094
Excess (Deficiency) of Revenues/Sources over Expenses/Uses	\$ 244,997	\$ (817,907)	\$ (669,115)	\$ 1,181,927
ENDING FUND BALANCE	\$ 7,556,062	\$ 6,738,155	\$ 6,886,947	\$ 8,068,874
Ideal Fund Balance	\$ 1,766,663	\$ 1,900,223	\$ 1,861,903	\$ 1,913,157
Fund Balance in Excess of Minimum	\$ 5,789,399	\$ 4,837,932	\$ 5,025,044	\$ 6,155,717

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

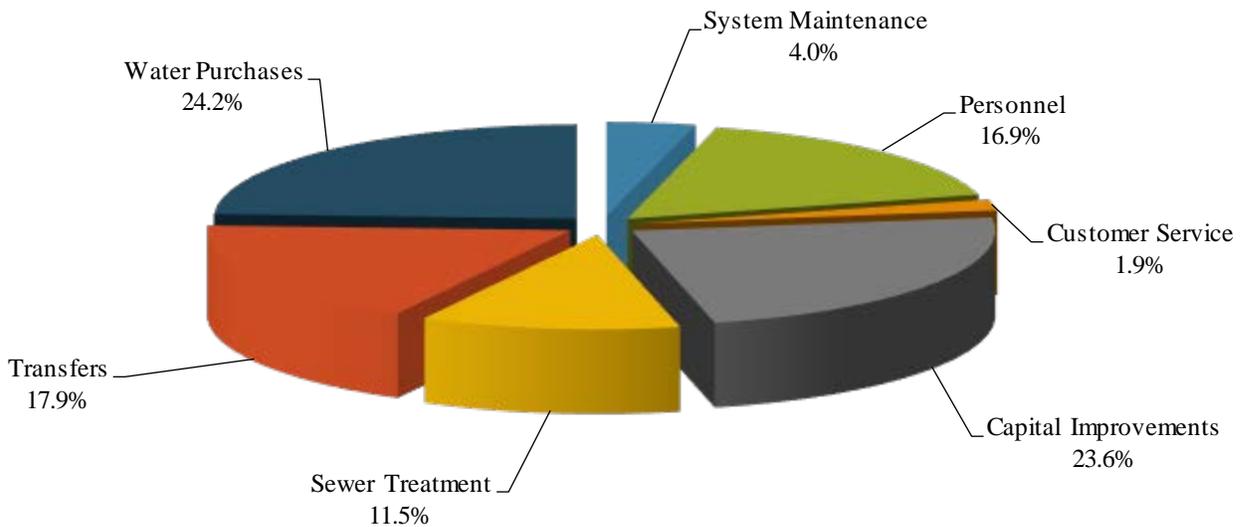
	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted
BEGINNING FUND BALANCE	\$ 7,311,065	\$ 6,063,881	\$ 7,556,062	\$ 6,886,947
REVENUES/SOURCES OF FUNDS				
Licenses & Permits	\$ 59,095	\$ 62,347	\$ 64,815	\$ 63,294
Charges for Services	9,779,202	10,285,318	9,625,918	10,335,575
Fines & Forfeits	64,619	68,666	63,470	62,623
Miscellaneous	151,008	88,713	1,054,654	1,046,229
Total Revenues	\$ 10,053,924	\$ 10,505,044	\$ 10,808,857	\$ 11,507,721
Other Sources:				
Transfers In	\$ 501,374	\$ 349,857	\$ 349,857	\$ 364,300
Total Other Sources	\$ 501,374	\$ 349,857	\$ 349,857	\$ 364,300
Total Revenues/Sources	\$ 10,555,298	\$ 10,854,901	\$ 11,158,714	\$ 11,872,021
EXPENSES - BY TYPE				
Personnel Services				
Payroll	\$ 1,207,030	\$ 1,276,741	\$ 1,300,276	\$ 1,379,654
Payroll Taxes	85,021	98,785	94,170	101,852
Retirement	108,514	125,370	121,472	125,306
Insurance	160,033	218,914	182,334	201,596
Total Personnel	\$ 1,560,598	\$ 1,719,810	\$ 1,698,252	\$ 1,808,408
Supplies & Equipment	2,606,431	2,698,987	2,579,453	2,792,471
Services & Charges	1,536,942	1,750,266	1,676,638	1,650,528
Capital Outlay	2,720,756	3,531,279	3,901,020	2,523,000
Total Expenses	\$ 8,424,727	\$ 9,700,342	\$ 9,855,363	\$ 8,774,407
Other Uses:				
Transfers Out	\$ 1,885,574	\$ 1,972,466	\$ 1,972,466	\$ 1,915,687
Total Other Uses	\$ 1,885,574	\$ 1,972,466	\$ 1,972,466	\$ 1,915,687
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Excess (Deficiency) of Revenues/Sources over Expenses/Uses	\$ 244,997	\$ (817,907)	\$ (669,115)	\$ 1,181,927
ENDING FUND BALANCE	\$ 7,556,062	\$ 6,738,155	\$ 6,886,947	\$ 8,068,874
Ideal Fund Balance	\$ 1,766,663	\$ 1,900,223	\$ 1,861,903	\$ 1,913,157
Fund Balance in Excess of Minimum	\$ 5,789,399	\$ 4,837,932	\$ 5,025,044	\$ 6,155,717

UTILITY FUND

BUDGETED REVENUES & SOURCES BY TYPE



BUDGETED DISBURSEMENTS BY TYPE



**UTILITY FUND
STATEMENT OF REVENUES**

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted
Licenses & Permits				
Plumbing Permits	\$ 59,095	\$ 62,347	\$ 64,815	\$ 63,294
<i>Subtotal</i>	\$ 59,095	\$ 62,347	\$ 64,815	\$ 63,294
Charges For Services				
Water Sales	\$ 6,844,576	\$ 7,155,729	\$ 6,662,643	\$ 7,252,554
Inter-Dept Water Sales	138,563	110,327	117,903	127,125
Sewer Charges	2,760,303	2,973,969	2,803,422	2,909,640
Meter Installation	31,050	41,293	37,050	41,686
Other Charges	4,710	4,000	4,900	4,570
<i>Subtotal</i>	\$ 9,779,202	\$ 10,285,318	\$ 9,625,918	\$ 10,335,575
Fines & Forfeits				
Late Payment Penalties	\$ 64,619	\$ 68,666	\$ 63,470	\$ 62,623
<i>Subtotal</i>	\$ 64,619	\$ 68,666	\$ 63,470	\$ 62,623
Miscellaneous				
Interest	\$ 145,141	\$ 86,713	\$ 52,868	\$ 44,229
Sale of Assets	-	-	-	-
Contributions	-	-	-	-
Miscellaneous	5,867	2,000	1,001,786	1,002,000
<i>Subtotal</i>	\$ 151,008	\$ 88,713	\$ 1,054,654	\$ 1,046,229
Total Revenues	\$ 10,053,924	\$ 10,505,044	\$ 10,808,857	\$ 11,507,721

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 2021

- ❖ Maintained the delivery of quality services to citizens through effective management and efficient administration of Town utility services. This was exemplified during Winter Storm Uri when staff responded to and assisted many residents with concerns about their water service.
- ❖ Continued monthly consumption analysis, identifying abnormal consumption based on historical data, implementing use of electronic readings to identify the time and date of consumption.
- ❖ Managed online sales of tennis and annual/daily swim permits in CivicRec.
- ❖ Implemented WaterSmart print leak alert delivery to accounts without email; 290 alerts were sent.

OBJECTIVES FOR FISCAL YEAR 2022

- ❖ 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.
- ❖ Pursue additional uses for the CivicRec registration and reservation system.

PERFORMANCE INDICATORS

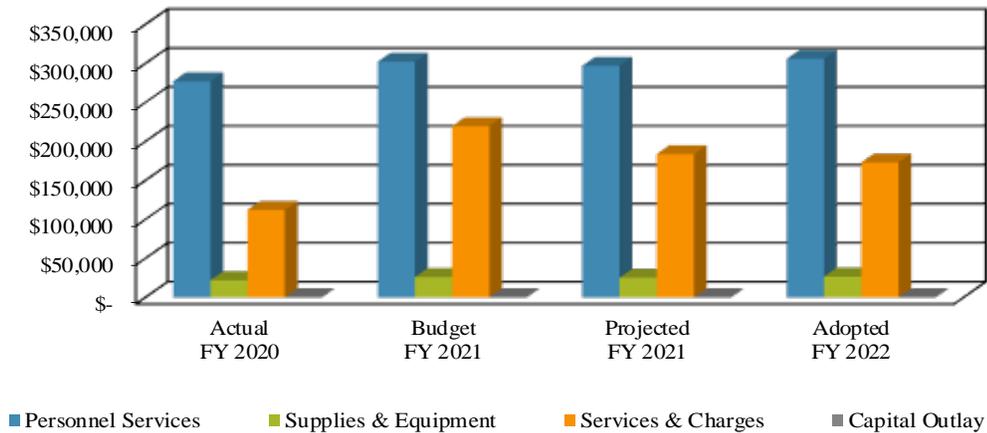
	FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Projected
Utility Service				
WaterSmart Participation	39.8%	48.2%	57.2%	60.0%
WaterSmart Leak Alerts	5,310	5,518	14,145*	5,600
Door Hangers	301	914	797	700
Billing Adjustments	2	7	6	5
Leak Adjustment Requests	28	52	85*	65
Leak Adjustments Made	15	36	75*	40
Service Requests Processed	4,389	4,034	4,130	4,200
Billing & Payment Options				
Bills Prepared	38,257	37,986	36,689	35,900
E-Bills Prepared	2,036	2,853	4,117	5,000
Bank Draft Customers (recurring)	1,404	1,399	1,470	1,550
Credit Card Draft Customers (recurring)	187	254	343	400
Internet Payments via HP Portal (one-time)	320	750	440	650
Payments via Customer Bank Bill Pay System	502	488	470	480
Phone Payment	-	16	6	10

Utility Customer Service Department



EXPENDITURE SUMMARY

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted	% Change 2021 to 2022
Personnel Services	\$ 277,080	\$ 302,214	\$ 296,978	\$ 306,001	1.25%
Supplies & Equipment	\$ 21,918	\$ 25,980	\$ 25,205	\$ 26,652	2.59%
Services & Charges	\$ 112,201	\$ 219,501	\$ 183,685	\$ 173,047	-21.16%
Capital Outlay	\$ -	\$ -	\$ -	\$ -	-
Total Department	\$ 411,199	\$ 547,695	\$ 505,868	\$ 505,700	-7.67%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2020 Budget	FY2021 Budget	FY2022 Budget
Customer Service Supervisor	6	1.0	1.0	1.0
Customer Service Specialist II	3	1.0	2.0	2.0
Customer Service Specialist I	2	1.0	0.0	0.0
Total Employees		3.0	3.0	3.0



DEPARTMENT DESCRIPTION

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

ACCOMPLISHMENTS FOR FISCAL YEAR 2021

- ❖ Conducted routine maintenance on the Town's water system
- ❖ Continued the replacement of aging water lines through the Town's CIP program
- ❖ Continued replacement of water meters

OBJECTIVES FOR FISCAL YEAR 2022

- ❖ Conduct routine maintenance on the Town's water system
- ❖ Provide funding of infrastructure replacement program through the water rate structure
- ❖ Continue the Town's meter replacement program

MAJOR BUDGET ITEMS

- ❖ Purchase of treated water from the Dallas County Park Cities Municipal Utility District at an anticipated cost of \$2,589,415
- ❖ Replace the Holland Elevated Storage Tank (\$600,000 Design)
- ❖ Gillon Pump Station improvements (\$573,000)
- ❖ Annual funding for wastewater infrastructure replacement and maintenance (\$675,000)

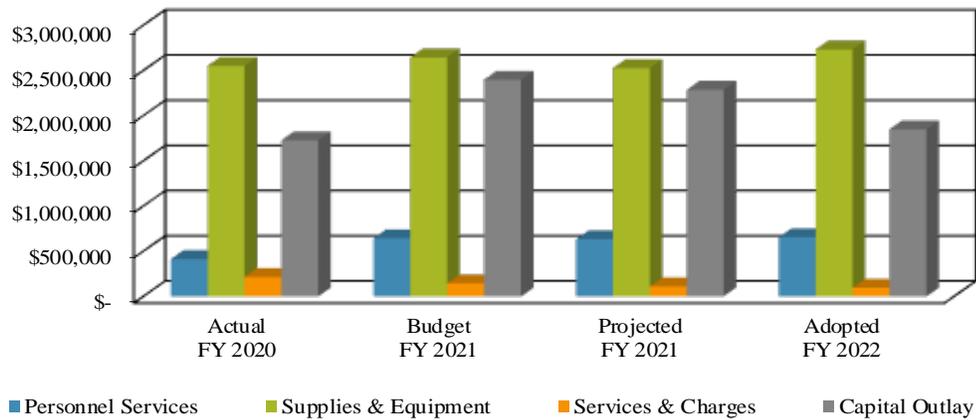
PERFORMANCE INDICATORS

	FY2019	FY2020	FY2021	FY2022
	Actual	Actual	Actual	Projected
Water Meters Read	66,451	66,521	66,750	66,750
Water Meters Installed/Replaced	577	582	334	450



EXPENDITURE SUMMARY

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted	% Change 2021 to 2022
Personnel Services	\$ 413,047	\$ 643,987	\$ 633,205	\$ 654,544	1.64%
Supplies & Equipment	2,550,922	2,644,727	2,526,768	2,732,347	3.31%
Services & Charges	214,888	144,274	110,200	95,900	-33.53%
Capital Outlay	1,726,471	2,397,103	2,285,688	1,848,000	-22.91%
Total Department	\$4,905,328	\$5,830,091	\$5,555,861	\$5,330,791	-8.56%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2020 Budget	FY2021 Budget	FY2022 Budget
Superintendent	8	0.0	0.0	1.0
Foreman	8	0.4	1.0	0.0
Assistant Foreman	6	1.0	0.0	0.0
Public Works Coordinator	5	0.0	1.0	1.0
Public Works Maintenance Worker III	4	4.0	3.0	3.0
Total Employees		5.4	5.0	5.0

Sanitary Sewer Department



DEPARTMENT DESCRIPTION

The Sanitary Sewer Department is responsible for providing the Town with a reliable and sound system of wastewater collection. The operation of the wastewater collection system includes 37 miles of lines serving 3,200 customers and approximately 600 manholes. The Town contracts with Dallas Water Utilities for the treatment of wastewater.

ACCOMPLISHMENTS FOR FISCAL YEAR 2021

- ❖ Sanitary sewer collection system maintained, keeping service interruptions to a minimum
- ❖ Continued Town's program of systematically flushing sanitary sewer lines by flushing approximately 60 miles, or the entire system two times
- ❖ Continued to address inflow and infiltration (I&I) through infrastructure maintenance and replacement

OBJECTIVES FOR FISCAL YEAR 2022

- ❖ Decrease I&I into the wastewater collection system
- ❖ Complete infrastructure improvements to the Sanitary Sewer System to reduce or eliminate overflows
- ❖ Continue Town's program of systematically flushing sanitary sewer lines throughout the Town

MAJOR BUDGET ITEMS

- ❖ Annual wastewater treatment expense (\$1,231,011)
- ❖ Annual funding for wastewater infrastructure replacement and maintenance (\$675,000)

PERFORMANCE INDICATORS

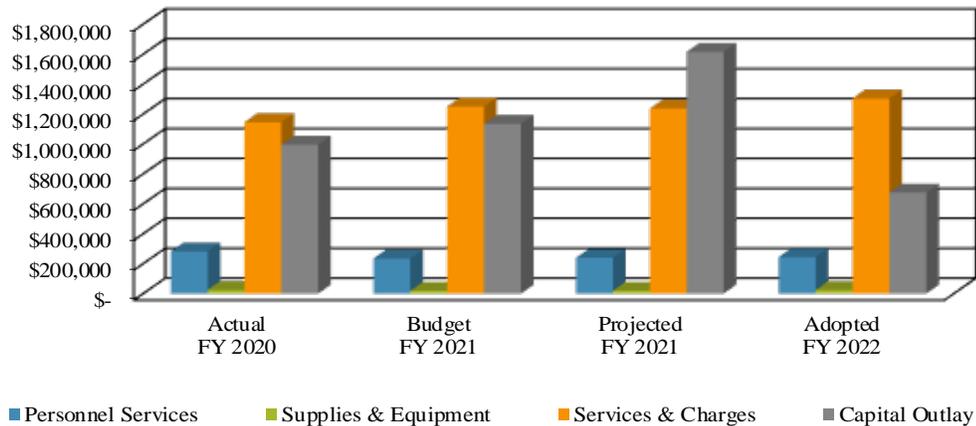
	FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Projected
Service Calls	22	27	30	35
Sewer Mains Cleaned (Flushed)	464	462	383	450

Sanitary Sewer Department



EXPENDITURE SUMMARY

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted	% Change 2021 to 2022
Personnel Services	\$ 281,302	\$ 234,178	\$ 239,718	\$ 243,638	4.04%
Supplies & Equipment	24,112	18,480	18,580	22,860	23.70%
Services & Charges	1,145,574	1,250,612	1,236,303	1,303,581	4.24%
Capital Outlay	994,285	1,134,176	1,615,332	675,000	-40.49%
Total Department	\$2,445,273	\$2,637,446	\$3,109,933	\$2,245,079	-14.88%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2020 Budget	FY2021 Budget	FY2022 Budget
Foreman	8	0.3	0.0	0.0
Public Works Maintenance Worker III	4	2.0	2.0	2.0
Total Employees		2.3	2.0	2.0



DEPARTMENT DESCRIPTION

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.

ACCOMPLISHMENTS FOR FISCAL YEAR 2021

- ❖ Met annual objectives and reporting requirement to state and federal agencies
- ❖ Awarded water and sewer projects in the amount of \$2 million
- ❖ Completed 25,000 linear feet of smoke testing in connection with the Sanitary Sewer Overflow Initiative
- ❖ Completed the construction of Overhill Drive Reconstruction project
- ❖ Completed the design of Mockingbird Lane from Hillcrest Avenue to Airline Drive
- ❖ Completed the design of Airline Drive from south Town limits to Mockingbird Lane
- ❖ Awarded Phase I and II design of the Lakeside Drive and Turtle Creek Sanitary Sewer Interceptor
- ❖ Completed approximately 386,000 SF of pavement preservation
- ❖ Completed the reconstruction of Douglas Park Drainage Improvements project
- ❖ Completed the construction of Drainage Easement Improvements project
- ❖ Completed the reconstruction of Fairfax Park Improvements
- ❖ Completed the rehabilitation of Armstrong Avenue from Lakeside Drive to Katy Trail

OBJECTIVES FOR FISCAL YEAR 2022

- ❖ Comply with the annual reporting requirements for state and federal agencies
- ❖ Continue street rehabilitation program and repair/replace sidewalks, curbs and install ADA ramps
- ❖ Design, award, and construct water and sewer main replacement projects in the amount of \$2 million
- ❖ Complete construction of Airline Drive and Mockingbird Lane including water and sewer improvements
- ❖ Design and construct Phase II Drainage Easement Improvements project
- ❖ Design the replacement of the Holland Elevated Storage Tank
- ❖ Complete design of Phase II improvements: Lakeside Drive and Turtle Creek Sanitary Sewer Interceptor
- ❖ Begin construction for Lakeside Drive Reconstruction
- ❖ Complete Phase II of the Stormwater Master Plan
- ❖ Construct Abbott Avenue Rehabilitation from Harvard Avenue to Mockingbird Lane
- ❖ Design Phase I for Hackberry Creek project

PERFORMANCE INDICATORS

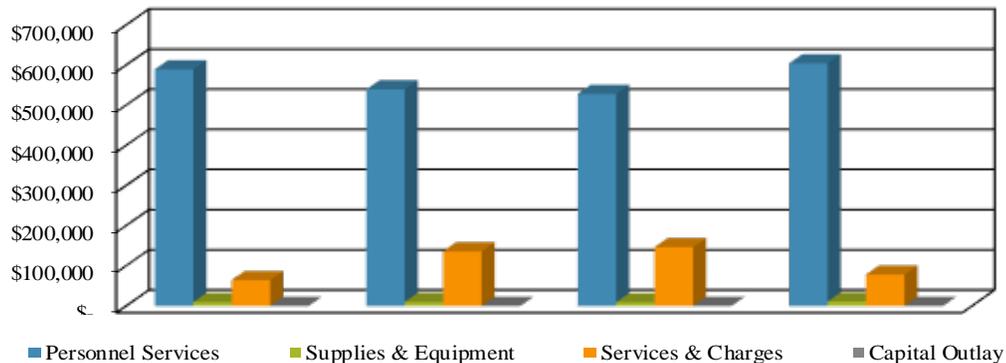
	FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Projected
Sanitary Sewer Overflows	8	7	0	0
Street Resurfacing (Linear Feet)	7,700	7,000	8,100	7,500
Water Main Replacement (Linear Feet)	2,500	1,000	1,000	2,525
Sanitary Sewer Main Replacement (Linear Feet)	2,000	925	3,400	2,525

Engineering Department



EXPENDITURE SUMMARY

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted	% Change 2021 to 2022
Personnel Services	\$ 589,170	\$ 539,431	\$ 528,351	\$ 604,225	12.01%
Supplies & Equipment	9,478	9,800	8,900	10,612	8.29%
Services & Charges	64,279	135,879	146,450	78,000	-42.60%
Capital Outlay	-	-	-	-	-
Total Department	\$ 662,927	\$ 685,110	\$ 683,701	\$ 692,837	1.13%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2020 Budget	FY2021 Budget	FY2022 Budget
Director of Engineering	E-3	1.0	1.0	1.0
Construction Inspector	5	1.0	1.0	1.0
Project Coordinator	5	1.0	1.0	1.0
Engineering Tech	5	1.0	1.0	1.0
Total Employees		4.0	4.0	4.0

Transfer to Other Funds

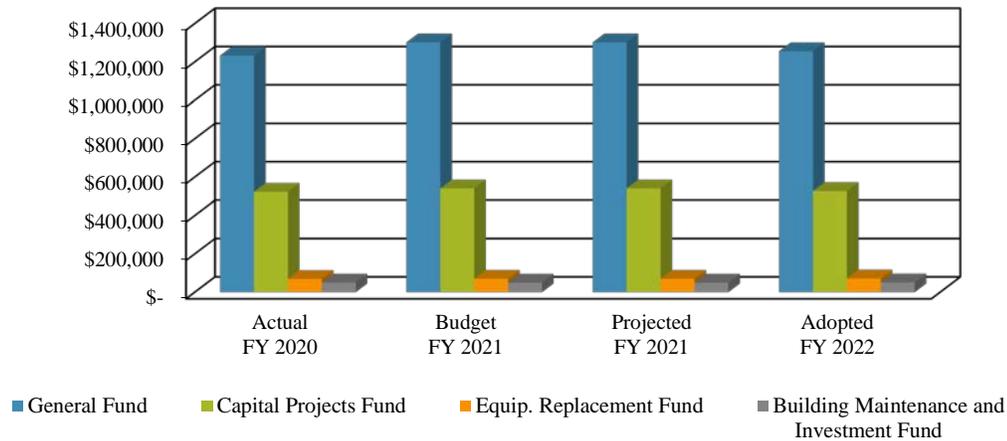


DEPARTMENT DESCRIPTION

This Budget provides for the transfer of \$1,915,687 from the Utility Fund to other funds. Included is a transfer of \$1,255,400 to the General Fund for G&A cost reimbursement, \$526,983 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

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted	% Change 2021 to 2022
General Fund	\$ 1,232,900	\$ 1,301,700	\$1,301,700	\$ 1,255,400	-3.56%
Capital Projects Fund	522,893	540,636	540,636	526,983	-2.53%
Equip. Replacement Fund	69,151	70,000	70,000	71,540	2.20%
Tech. Replacement Fund	10,630	10,630	10,630	10,864	2.20%
Building Maintenance and	50,000	49,500	49,500	50,900	2.83%
Total Department	\$ 1,885,574	\$ 1,972,466	\$1,972,466	\$ 1,915,687	-2.88%



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. 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

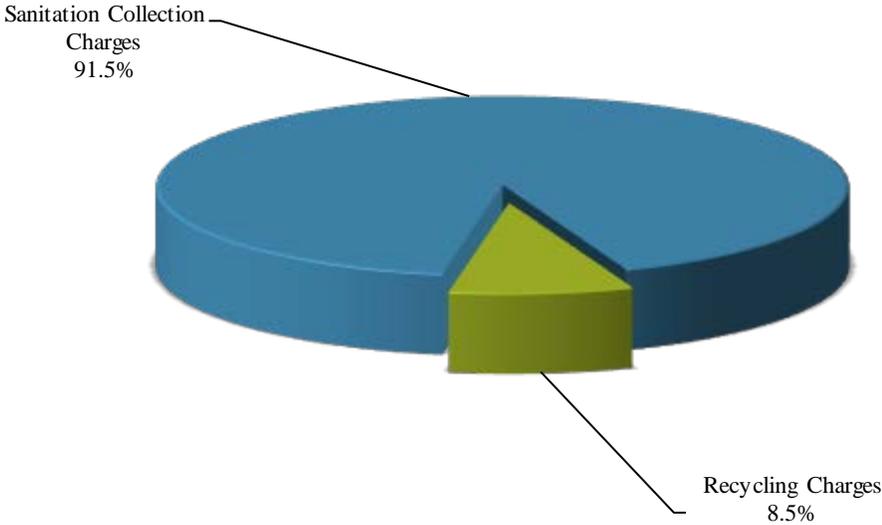
	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted
BEGINNING FUND BALANCE	\$ -	\$ 130,932	\$ 220,868	\$ 224,068
REVENUES/SOURCES OF FUNDS				
Charges for Services	1,516,258	1,555,269	1,542,230	1,603,552
Miscellaneous	3,727	3,159	1,304	1,702
Total Revenues	\$ 1,519,985	\$ 1,558,428	\$ 1,543,534	\$ 1,605,254
Other Sources:				
Transfers In	\$ 25,000	\$ 20,000	\$ 20,000	\$ 27,500
Total Other Sources	\$ 25,000	\$ 20,000	\$ 20,000	\$ 27,500
Total Revenues/Sources	\$ 1,544,985	\$ 1,578,428	\$ 1,563,534	\$ 1,632,754
EXPENSES - BY DEPARTMENT				
Sanitation Department	\$ 1,360,576	\$ 1,431,755	\$ 1,415,734	\$ 1,482,247
Total Expenses	\$ 1,360,576	\$ 1,431,755	\$ 1,415,734	\$ 1,482,247
Other Uses:				
Transfers Out	\$ 135,800	\$ 144,600	\$ 144,600	\$ 146,500
Total Other Uses	\$ 135,800	\$ 144,600	\$ 144,600	\$ 146,500
Total Expenses/Uses	\$ 1,496,376	\$ 1,576,355	\$ 1,560,334	\$ 1,628,747
Excess (Deficiency) of Revenues/Sources over Expenses/Uses	\$ 48,609	\$ 2,073	\$ 3,200	\$ 4,007
ENDING FUND BALANCE	\$ 220,868	\$ 133,005	\$ 224,068	\$ 228,075
Ideal Fund Balance	\$ -	\$ -	\$ -	\$ -
Fund Balance in Excess of Minimum	\$ 220,868	\$ 133,005	\$ 224,068	\$ 228,075

SOLID WASTE FUND
STATEMENT OF REVENUES & EXPENSES BY TYPE

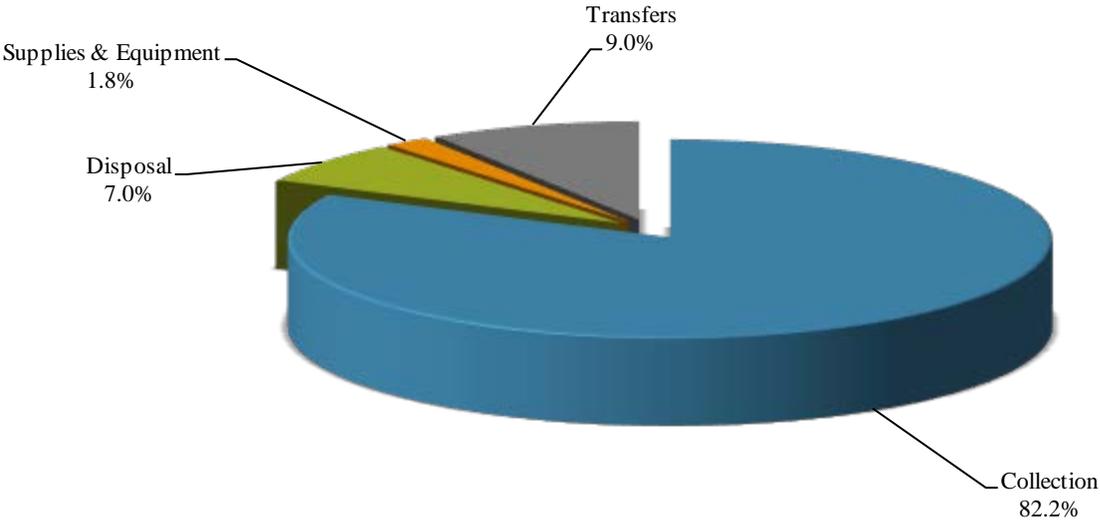
	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted
BEGINNING FUND BALANCE	\$ -	\$ 130,932	\$ 220,868	\$ 224,068
REVENUES/SOURCES OF FUNDS				
Charges for Services	1,516,258	1,555,269	1,542,230	1,603,552
Miscellaneous	3,727	3,159	1,304	1,702
Total Revenues	\$ 1,519,985	\$ 1,558,428	\$ 1,543,534	\$ 1,605,254
Other Sources:				
Transfers In	\$ 25,000	\$ 20,000	\$ 20,000	\$ 27,500
Total Other Sources	\$ 25,000	\$ 20,000	\$ 20,000	\$ 27,500
Total Revenues/Sources	\$ 1,544,985	\$ 1,578,428	\$ 1,563,534	\$ 1,632,754
EXPENSES - BY TYPE				
Supplies & Equipment	\$ 24,406	\$ 35,000	\$ 27,000	\$ 30,000
Services & Charges	1,336,170	1,396,755	1,388,734	1,452,247
Capital Outlay	-	-	-	-
Total Expenses	\$ 1,360,576	\$ 1,431,755	\$ 1,415,734	\$ 1,482,247
Other Uses:				
Transfers Out	\$ 135,800	\$ 144,600	\$ 144,600	\$ 146,500
Total Other Uses	\$ 135,800	\$ 144,600	\$ 144,600	\$ 146,500
Total Expenses/Uses	\$ 1,496,376	\$ 1,576,355	\$ 1,560,334	\$ 1,628,747
Excess (Deficiency) of Revenues/Sources over Expenses/Uses	\$ 48,609	\$ 2,073	\$ 3,200	\$ 4,007
ENDING FUND BALANCE	\$ 220,868	\$ 133,005	\$ 224,068	\$ 228,075

SOLID WASTE FUND

BUDGETED REVENUES BY TYPE



BUDGETED DISBURSEMENTS BY TYPE



**SOLID WASTE FUND
STATEMENT OF REVENUES**

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted
Charges For Services				
Sanitation Collection Charges	\$ 1,389,395	\$ 1,424,709	\$ 1,410,465	\$ 1,466,602
Recycling Charges	126,863	130,560	131,765	136,950
Other Charges	-	-	-	-
<i>Subtotal</i>	\$ 1,516,258	\$ 1,555,269	\$ 1,542,230	\$ 1,603,552
Miscellaneous				
Interest	\$ 3,727	\$ 3,159	\$ 1,304	\$ 1,702
Miscellaneous	-	-	-	-
<i>Subtotal</i>	\$ 3,727	\$ 3,159	\$ 1,304	\$ 1,702
Total Revenues	\$ 1,519,985	\$ 1,558,428	\$ 1,543,534	\$ 1,605,254

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 2021

- ❖ Provided a quick response on complaints
- ❖ 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 2022

- ❖ Provide a quick response on 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
- ❖ 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 (\$30,000)
- ❖ Service Contracts
 - Solid Waste Collection \$ 1,141,742
 - Recyclables Collection \$ 134,578
 - Household Hazardous Waste \$ 40,000
 - Solid Waste Disposal \$ 114,207
- ❖ Parks Cities Recycling Event \$ 6,000

PERFORMANCE INDICATORS

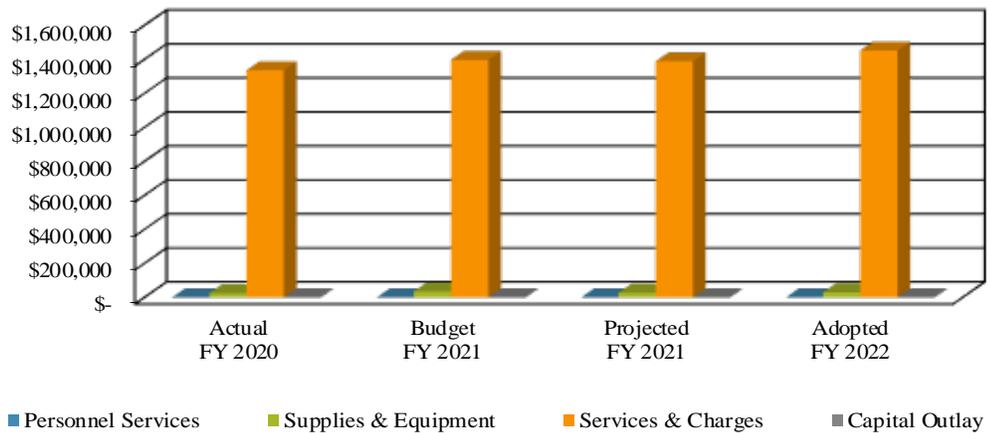
	FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Projected
Collection (Tonnage)				
Compacted Waste	6,207	6,405	6,597	6,795
Loose Waste (Brush)	1,482	1,280	1,318	1,358
Recycling	1,132	1,150	1,185	1,221
Contract Expenses				
Collection	\$ 1,035,844	\$ 1,067,321	\$ 1,095,465	\$ 1,141,742
Disposal	99,808	109,554	105,824	114,207
Recycling	120,286	123,667	129,474	134,578
Cost per Ton				
Collection	\$ 134.72	\$ 138.88	\$ 138.40	\$ 140.04
Disposal	12.98	14.26	13.37	14.01
Recycling	106.26	107.54	109.26	110.22

Sanitation Department



EXPENDITURE SUMMARY

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted	% Change 2021 to 2022
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Supplies & Equipment	\$ 24,406	\$ 35,000	\$ 27,000	\$ 30,000	-14.29%
Services & Charges	\$1,336,170	\$1,396,755	\$1,388,734	\$1,452,247	3.97%
Capital Outlay	\$ -	\$ -	\$ -	\$ -	N/A
Total Department	\$1,360,576	\$1,431,755	\$1,415,734	\$1,482,247	3.53%



Transfer to Other Funds

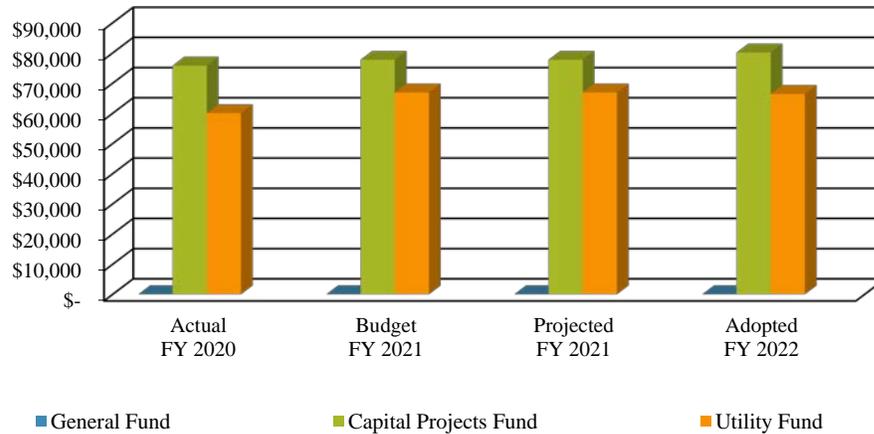


DEPARTMENT DESCRIPTION

This Budget provides for the transfer of \$146,500 from the Solid Waste Fund to other funds. Included is a transfer of \$80,100 to the Capital Projects Fund, representing the franchise fee, which is 5% on solid waste collection and recycling charges, and \$66,400 to the Utility Fund representing administrative costs for billing and collection of operations.

TRANSFER SUMMARY

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted	% Change 2021 to 2022
General Fund	\$ -	\$ -	\$ -	\$ -	N/A
Capital Projects Fund	75,800	77,700	77,700	80,100	3.09%
Utility Fund	60,000	66,900	66,900	66,400	-0.75%
Total Department	\$ 135,800	\$ 144,600	\$ 144,600	\$ 146,500	1.31%



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.

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, 2021, 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.

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.).

STORM WATER UTILITY FUND

In December 2003, the Town established a Storm Water 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 Utility Fund is the financial structure used for the accounting of the receipt of resources (revenues) and uses of resources (expenditures) to fund the following:

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

In addition to funding the Town's supplies of pet mits, \$5,100, maintained throughout the Town's parks, \$40,000 for incidental repair and maintenance projects, and an additional \$12,000 is provided for creek cleaning. This budget also provides \$750,000 to fund improvements to Hackberry Creek, \$675,000 for drainage easement projects and \$235,000 for system-wide studies.

The budgetary and accounting basis for the Storm Water Utility 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 120.

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

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted
BEGINNING FUND BALANCE	\$ 2,593,542	\$ 2,569,297	\$ 3,007,444	\$ 2,255,442
REVENUES/SOURCES OF FUNDS				
Charges for Services	\$ 426,626	\$ 433,031	\$ 433,031	\$ 441,692
Interest	53,720	35,705	16,778	15,979
Miscellaneous	-	-	-	-
Total Revenues	\$ 480,346	\$ 468,736	\$ 449,809	\$ 457,671
Other Sources:				
Transfers In	\$ 350,000	\$ 175,000	\$ 175,000	\$ 300,000
Total Other Sources:	350,000	175,000	175,000	300,000
Total Revenues/Sources:	\$ 830,346	\$ 643,736	\$ 624,809	\$ 757,671
EXPENSES/USES OF FUNDS				
Supplies & Equipment	4,942	7,100	7,100	7,100
Services & Charges	94,890	136,200	136,200	129,650
Capital Outlay	200,513	1,600,000	1,130,211	1,660,000
Total Expenditures	\$ 300,345	\$ 1,743,300	\$ 1,273,511	\$ 1,796,750
Transfers	116,099	103,300	103,300	104,900
Total Expenditures/Uses of Funds	\$ 416,444	\$ 1,846,600	\$ 1,376,811	\$ 1,901,650
Excess of Revenues/Sources Over Expenses/Uses	\$ 413,902	\$ (1,202,864)	\$ (752,002)	\$ (1,143,979)
ENDING FUND BALANCE	\$ 3,007,444	\$ 1,804,580	\$ 2,255,442	\$ 1,111,463

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 purchase of an ambulance, three patrol vehicles for the Department of Public Safety, three Criminal Investigation Division (CID) vehicles and the acquisition of a new asphalt trailer for Public Works.

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted
BEGINNING FUND BALANCE	\$ 3,170,205	\$ 2,986,408	\$ 3,632,707	\$ 3,330,917
REVENUES/SOURCES OF FUNDS				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Interest	54,810	36,794	13,598	15,833
Sale of Assets	57,871	20,500	7,700	21,000
Contributions	-	-	-	-
Total Revenues	\$ 112,681	\$ 57,294	\$ 21,298	\$ 36,833
Transfers	649,151	610,000	610,000	611,540
Total Revenues/Sources	\$ 761,832	\$ 667,294	\$ 631,298	\$ 648,373
EXPENDITURES/USES OF FUNDS				
Vehicle Disposal	\$ 2,115	\$ 1,538	\$ 580	\$ 1,575
Rolling Stock Acquisition	113,757	932,508	932,508	703,453
Equipment Acquisition	183,458	-	-	73,637
Total Expenditures	\$ 299,330	\$ 934,046	\$ 933,088	\$ 778,665
Transfers	-	-	-	-
Total Expenditures/Uses	\$ 299,330	\$ 934,046	\$ 933,088	\$ 778,665
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ 462,502	\$ (266,752)	\$ (301,790)	\$ (130,292)
ENDING FUND BALANCE	\$ 3,632,707	\$ 2,719,656	\$ 3,330,917	\$ 3,200,625

EQUIPMENT INVENTORY AND REPLACEMENT SCHEDULE

Department/ Equipment Type	VIN (Last 4)	Equipment Make	Equipment Model	Year Purchased	Scheduled Replacement
PUBLIC SAFETY					
Administration	7995	Chevrolet Tahoe	2013	2013	2021 - on order
Administration	4941	Chevrolet Tahoe	2015	2015	2023
Administration	5084	Ford SUV	2016	2016	2021 - on order
CID	6193	Chevrolet Tahoe	2015	2014	2022
CID	6569	Chevrolet Tahoe	2015	2014	2022
CID	4620	Chevrolet Tahoe	2015	2015	2022
Fire Apparatus	2259	Spartan	2000	2000	2021 - on order
Fire Apparatus	2082	Pierce	2011	2011	2032
Fire Apparatus	8465	Pierce	2017	2017	2038
MICU	3067	International	2006	2006	2022
MICU	6639	International	2010	2010	2025
MICU	2794	International	2018	2017	2032
Animal Services	1769	Dodge	2013	2013	2023
Police	1769	Chevrolet Tahoe	2017	2017	2022
Police	1857	Chevrolet Tahoe	2017	2017	2022
Police	713	Chevrolet Tahoe	2017	2017	2022
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
Motorcycle Unit	0035	Honda	2015	2016	2023
Motorcycle Unit	0029	Honda	2016	2018	2023
STREET					
Dump Truck	4906	Ford	2019	2019	2029
Pickup	3663	Chevrolet	2018	2018	2023
Pickup	9414	Chevrolet	2018	2018	2023
Asphalt Roller	1008	Bomag	2015	2015	2025
Snow Plow	5953	Ford	2010	2010	2025
STREET LIGHTING					
Truck w/ Aerial lift	7821	Ford	2019	2020	2030
Pickup	1837	Chevrolet	2012	2012	2023
PARKS					
Truck w/ Aerial lift	8247	Chevrolet	2008	2008	2023
Pickup	1319	Chevrolet	2018	2018	2023
Truck w/ Landscape body	3818	Chevrolet	2018	2018	2025
Pickup	5690	Chevrolet	2018	2018	2025
Pickup	9970	Chevrolet	2013	2013	2023
SERVICE CENTER					
Front-End Loader	758	Case	2011	2011	2022
WATER					
Pickup	0678	Chevrolet	2013	2013	2021 - on order
Pickup	9155	Chevrolet	2013	2013	2023
Pickup	6902	Chevrolet	2018	2018	2025
Pickup	6245	Chevrolet	2018	2018	2025
SEWER					
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	2023
Pickup	0486	Chevrolet	2018	2018	2025
Backhoe	5634	Case	2014	2014	2024

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.

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

- Replacement of computers and deployment services (\$42,200)
- Body camera maintenance (\$59,630) for the Department of Public Safety
- Phone system upgrade (\$7,380)

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 two 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 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted
BEGINNING FUND BALANCE	\$ 2,734,726	\$ 2,359,493	\$ 2,881,371	\$ 3,103,324
REVENUES/SOURCES OF FUNDS				
Interest	\$ 49,652	\$ 28,535	\$ 13,460	\$ 15,435
Sale of Assets	-	-	-	-
Contributions	28,375	-	4,800	-
Total Revenues	\$ 78,027	\$ 28,535	\$ 18,260	\$ 15,435
Transfers	590,557	590,557	590,557	590,791
Total Revenues/Sources	\$ 668,584	\$ 619,092	\$ 608,817	\$ 606,226
EXPENDITURES/USES OF FUNDS				
Services & Charges	\$ -	\$ -	\$ -	\$ -
Technology Equipment Acquisition	521,939	382,245	386,864	109,210
Total Expenditures	\$ 521,939	\$ 382,245	\$ 386,864	\$ 109,210
Transfers	-	-	-	-
Total Expenditures/Uses	\$ 521,939	\$ 382,245	\$ 386,864	\$ 109,210
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ 146,645	\$ 236,847	\$ 221,953	\$ 497,016
ENDING FUND BALANCE	\$ 2,881,371	\$ 2,596,340	\$ 3,103,324	\$ 3,600,340

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 2021-22 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 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted
BEGINNING FUND BALANCE	\$ 901,950	\$ 974,990	\$ 1,050,021	\$ 1,125,747
REVENUES/SOURCES OF FUNDS				
Interest	\$ 14,415	\$ 10,709	\$ 4,179	\$ 5,856
Miscellaneous	44,910	18,516	19,161	-
Total Revenues	\$ 59,325	\$ 29,225	\$ 23,340	\$ 5,856
Transfers	478,000	477,300	477,300	483,000
Total Revenues/Sources	\$ 537,325	\$ 506,525	\$ 500,640	\$ 488,856
EXPENDITURES/USES OF FUNDS				
Supplies & Equipment	\$ 47,506	\$ 38,274	\$ 36,224	\$ 37,000
Services & Charges	317,750	316,580	376,800	373,007
Capital Outlay	23,998	47,525	11,890	-
Total Expenditures	\$ 389,254	\$ 402,379	\$ 424,914	\$ 410,007
Transfers	-	-	-	-
Total Expenditures/Uses	\$ 389,254	\$ 402,379	\$ 424,914	\$ 410,007
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ 148,071	\$ 104,146	\$ 75,726	\$ 78,849
ENDING FUND BALANCE	\$ 1,050,021	\$ 1,079,136	\$ 1,125,747	\$ 1,204,596

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 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted
BEGINNING FUND BALANCE	\$ 26,637	\$ 26,619	\$ 27,337	\$ 28,365
REVENUES/SOURCES OF FUNDS				
Forfeitures	\$ 1,333	\$ 2,500	\$ 927	\$ 2,500
Interest	367	241	101	139
Total Revenues	\$ 1,700	\$ 2,741	\$ 1,028	\$ 2,639
Transfers	-	-	-	-
Total Revenues/Sources	\$ 1,700	\$ 2,741	\$ 1,028	\$ 2,639
EXPENDITURES/USES OF FUNDS				
Supplies & Equipment	\$ -	\$ -	\$ -	\$ -
Service & Charges	1,000	1,000	-	1,000
Capital Outlay	-	-	-	-
Total Expenditures/Uses	\$ 1,000	\$ 1,000	\$ -	\$ 1,000
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ 700	\$ 1,741	\$ 1,028	\$ 1,639
Fund Balance	\$ 27,337	\$ 28,360	\$ 28,365	\$ 30,004

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 Nonjailable 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.

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted
BEGINNING FUND BALANCE	\$ -	\$ -	\$ 12,653	\$ 31,061
REVENUES/SOURCES OF FUNDS				
Court Fees	\$ 12,629	\$ 24,000	\$ 18,339	\$ 24,000
Interest	24	96	69	107
Total Revenues	\$ 12,653	\$ 24,096	\$ 18,408	\$ 24,107
Transfers	-	-	-	-
Total Revenues/Sources	\$ 12,653	\$ 24,096	\$ 18,408	\$ 24,107
EXPENDITURES/USES OF FUNDS				
Supplies & Equipment	\$ -	\$ -	\$ -	\$ -
Service & Charges	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures/Uses	\$ -	\$ -	\$ -	\$ -
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ 12,653	\$ 24,096	\$ 18,408	\$ 24,107
Fund Balance	\$ 12,653	\$ 24,096	\$ 31,061	\$ 55,168

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 Nonjailable 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 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted
BEGINNING FUND BALANCE	\$ -	\$ -	\$ 253	\$ 621
REVENUES/SOURCES OF FUNDS				
Court Fees	\$ 253	\$ 480	\$ 367	\$ 480
Interest	-	6	1	2
Total Revenues	\$ 253	\$ 486	\$ 368	\$ 482
Transfers	-	-	-	-
Total Revenues/Sources	\$ 253	\$ 486	\$ 368	\$ 482
EXPENDITURES/USES OF FUNDS				
Supplies & Equipment	\$ -	\$ -	\$ -	\$ -
Service & Charges	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures/Uses	\$ -	\$ -	\$ -	\$ -
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ 253	\$ 486	\$ 368	\$ 482
Fund Balance	\$ 253	\$ 486	\$ 621	\$ 1,103

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 Nonjailable 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 (\$27,364).

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

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted
BEGINNING FUND BALANCE	\$ 109,840	\$ 110,787	\$ 104,015	\$ 105,890
REVENUES/SOURCES OF FUNDS				
Court Fees	\$ 33,318	\$ 35,977	\$ 30,675	\$ 36,810
Interest	1,288	1,014	360	452
Total Revenues	\$ 34,606	\$ 36,991	\$ 31,035	\$ 37,262
Transfers	-	-	-	-
Total Revenues/Sources	\$ 34,606	\$ 36,991	\$ 31,035	\$ 37,262
EXPENDITURES/USES OF FUNDS				
Supplies & Equipment	\$ 3,969	\$ 4,044	\$ 4,000	\$ 2,304
Service & Charges	22,902	24,025	25,160	25,060
Capital Outlay	13,560	-	-	-
Total Expenditures/Uses	\$ 40,431	\$ 28,069	\$ 29,160	\$ 27,364
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ (5,825)	\$ 8,922	\$ 1,875	\$ 9,898
Fund Balance	\$ 104,015	\$ 119,709	\$ 105,890	\$ 115,788

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 Nonjailable 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 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted
BEGINNING FUND BALANCE	\$ 12,834	\$ 13,137	\$ 15,802	\$ 20,762
REVENUES/SOURCES OF FUNDS				
Court Fees	\$ 27,359	\$ 39,665	\$ 29,487	\$ 28,629
Interest	209	127	73	96
Total Revenues	\$ 27,568	\$ 39,792	\$ 29,560	\$ 28,725
Transfers	-	-	-	-
Total Revenues/Sources	\$ 27,568	\$ 39,792	\$ 29,560	\$ 28,725
EXPENDITURES/USES OF FUNDS				
Services & Charges	\$ -	\$ -	\$ -	\$ -
Capital Outlay	-	-	-	-
Total Expenditures	\$ -	\$ -	\$ -	\$ -
Transfers	24,600	24,600	24,600	24,600
Total Expenditures/Uses	\$ 24,600	\$ 24,600	\$ 24,600	\$ 24,600
Excess Revenues/Sources Over Expenditures/Uses	\$ 2,968	\$ 15,192	\$ 4,960	\$ 4,125
ENDING FUND BALANCE	\$ 15,802	\$ 28,329	\$ 20,762	\$ 24,887

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 2021-22 Adopted Budget includes funding for the purpose of obtaining on-line access to the New York Times, Wall Street Journal and Consumer Reports, as well as additional resources, programs and services.

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

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted
BEGINNING FUND BALANCE	\$ 252,767	\$ 250,169	\$ 282,760	\$ 291,318
REVENUES/SOURCES OF FUNDS				
Interest	\$ 3,035	\$ 2,580	\$ 1,026	\$ 1,340
Library Donations	34,551	39,980	40,901	39,990
Total Revenues	\$ 37,586	\$ 42,560	\$ 41,927	\$ 41,330
Transfers	-	-	-	-
Total Revenues/Sources	\$ 37,586	\$ 42,560	\$ 41,927	\$ 41,330
EXPENDITURES/USES OF FUNDS				
Supplies & Equipment	\$ 6,592	\$ 32,480	\$ 32,480	\$ 31,490
Services & Charges	1,001	1,000	889	1,000
Total Expenditures	\$ 7,593	\$ 33,480	\$ 33,369	\$ 32,490
Transfers	-	-	-	-
Total Expenditures/Uses	\$ 7,593	\$ 33,480	\$ 33,369	\$ 32,490
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ 29,993	\$ 9,080	\$ 8,558	\$ 8,840
ENDING FUND BALANCE	\$ 282,760	\$ 259,249	\$ 291,318	\$ 300,158

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. These resources will be used to fund technological improvements related to public safety within the Town. Revenues for FY 2021-22 are anticipated to be \$95,645 with an accumulated fund balance projected to be \$286,774.

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

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted
BEGINNING FUND BALANCE	\$ 276,129	\$ 278,958	\$ 283,055	\$ 285,459
REVENUES/SOURCES OF FUNDS				
Interest	\$ 3,362	\$ 2,868	\$ 1,026	\$ 1,315
Fiber Line Lease Receipts	90,744	90,528	91,906	94,330
Total Revenues	\$ 94,106	\$ 93,396	\$ 92,932	\$ 95,645
Transfers	-	-	-	-
Total Revenues/Sources	\$ 94,106	\$ 93,396	\$ 92,932	\$ 95,645
EXPENDITURES/USES OF FUNDS				
Services & Charges	\$ -	\$ -	\$ -	\$ -
Technology Equipment Acquisition	-	-	-	-
Total Expenditures	\$ -	\$ -	\$ -	\$ -
Transfers	87,180	90,528	90,528	94,330
Total Expenditures/Uses	\$ 87,180	\$ 90,528	\$ 90,528	\$ 94,330
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ 6,926	\$ 2,868	\$ 2,404	\$ 1,315
ENDING FUND BALANCE	\$ 283,055	\$ 281,826	\$ 285,459	\$ 286,774

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, 2021, does not have any outstanding debt. The FY 2021-22 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%.

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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 of \$100,000 and greater. The basis of accounting for the Capital Projects Fund is the modified accrual basis.

Since 1980, the Town has been aggressive in funding all capital outlay and large dollar maintenance needs through current revenues and reserves. The Town has been managed to fund its capital program without incurring debt and intends to continue operating on a pay-as-you-go basis.

The FY 2021-22 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 119) and are earmarked specifically for capital projects. This, in conjunction with the ten-year financial model, (see pages 136 - 137) 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 73, 90, and 98. 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.

With the completion of the major renovation of Town Hall in fiscal year 2013-14, one of the most extensive projects undertaken by the Town, the Town Council has returned 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 \$1,106,961 for the 2022 right-of-way rehabilitation program, \$5,000,000 for the Lakeside Drive reconstruction and 30" sewer line project, \$1,100,000 for Mockingbird Lane reconstruction, \$600,000 for Potomac reconstruction, \$250,000 for Armstrong Parkway improvements and \$211,885 in park facilities improvements

Lastly, this budget includes reimbursement of \$193,000 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 \$300,000 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 119.

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

	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	FY 2022 Adopted
BEGINNING FUND BALANCE	\$ 5,827,356	\$ 6,219,231	\$ 7,070,363	\$ 4,408,529
REVENUES/SOURCES OF FUNDS				
Interest	\$ 116,028	\$ 21,796	\$ 36,280	\$ 44,510
Contributions	2,325,693	2,157,231	2,097,231	3,168,020
Total Revenues	\$ 2,441,721	\$ 2,179,027	\$ 2,133,511	\$ 3,212,530
Transfers	3,641,978	3,053,916	3,053,916	3,521,839
Total Revenues/Sources	\$ 6,083,699	\$ 5,232,943	\$ 5,187,427	\$ 6,734,369
EXPENDITURES/USES OF FUNDS				
Capital Projects	\$ 4,165,417	\$ 5,020,160	\$ 7,494,604	\$ 8,293,846
Total Expenditures	\$ 4,165,417	\$ 5,020,160	\$ 7,494,604	\$ 8,293,846
Transfers	675,275	354,657	354,657	493,000
Total Expenditures/Uses	\$ 4,840,692	\$ 5,374,817	\$ 7,849,261	\$ 8,786,846
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ 1,243,007	\$ (141,874)	\$ (2,661,834)	\$ (2,052,477)
ENDING FUND BALANCE ¹	\$ 7,070,363	\$ 6,077,357	\$ 4,408,529	\$ 2,356,052

¹ The DPS Technology Fund Balance is not included in the Fund Balance on this schedule but has been incorporated into the Fund Balance detailed on the Capital Projects Fund Ten Year Forecast schedule

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TEN YEAR CAPITAL IMPROVEMENT PLAN

TOWN OF HIGHLAND PARK, TEXAS

CAPITAL PROJECTS FUND

FISCAL YEARS 2022-2031

Project/Funding Source	2020-21	2021-22	2022-23	2023-24
Beginning Balance	\$ 7,353,529	\$ 4,691,695	\$ 2,639,218	\$ 4,097,742
Annual Project Funding				
General Fund CIP Transfer	\$ 1,191,222	\$ 1,216,238	\$ 1,241,779	\$ 1,267,856
Solid Waste Fund 5% Transfer	77,700	80,100	80,901	81,710
Utility Fund 5% W&S Transfer	540,636	526,983	532,253	537,576
Supplemental General Fund Transfer	(254,450)	195,908	268,468	344,540
Increased CIP Revenue from Growth in Property Values - 2014	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
Increased CIP Revenue from Growth in Property Values - 2016	360,441	360,441	360,441	360,441
Contributions - DART	1,607,231	1,643,020	1,891,543	1,957,906
Intergovernmental Revenue	-	-	-	-
TCEQ	104,000	-	461,000	-
University Park	136,000	1,000,000	-	-
NTxCOG	-	-	-	-
Dallas County MCIP	-	525,000	500,000	1,500,000
Dallas County Road and Bridge	250,000	-	-	-
Transfer from DPS Technology Fund	90,528	94,330	97,160	100,075
Interest Revenue	36,280	44,510	58,614	102,444
Total Annual Project Funding	\$ 5,187,427	\$ 6,734,369	\$ 6,539,998	\$ 7,300,386
Expenditures				
Project 25 Public Safety Radio System	\$ 634,876	\$ -	\$ -	\$ -
Street Light Painting	25,000	25,000	25,800	26,626
Armstrong Parkway - Landscape, Lighting, and Irrigation Impr.	-	250,000	-	-
Park Renovation/Rehabilitation Program	1,009,788	211,885	218,665	225,662
Street Resurfacing & Miscellaneous Concrete	1,123,286	1,106,961	1,142,384	1,178,940
Overhill Drive Reconstruction - St. John to St. John	743,906	-	-	-
Transportation Improvement Project	160,000	-	-	1,248,480
Lakeside Drive Reconstruction & 30" Sewer Line	911,300	5,000,000	-	-
Airline Drive Rehabilitation	753,352	-	-	-
Mockingbird Lane (East) Rehabilitation	533,087	-	-	-
Abbott Avenue Rehabilitation - Harvard to Mockingbird	1,017,600	-	-	-
Armstrong Avenue Rehabilitation - Lakeside Drive to Katy Trail	582,409	-	-	-
Mockingbird Lane (West) Reconstruction	-	1,100,000	-	-
Potomac Reconstruction	-	600,000	-	-
Westside Drive Reconstruction - Lemmon to Mockingbird Ln	-	-	2,896,800	-
Hillcrest Avenue Reconstruction - Abbott to Mockingbird Ln	-	-	-	2,121,567
Preston Road/Armstrong/Lakeside Drive Intersection Reconstruction	-	-	-	416,160
Armstrong Parkway Rehabilitation - Douglas to Mockingbird	-	-	-	-
Abbott Avenue Reconstruction - Armstrong to Harvard	-	-	-	-
Eastern Avenue Reconstruction - Westside Dr to Mockingbird Ln	-	-	-	-
Roland Avenue Reconstruction - Mockingbird Ln to Bordeaux Av	-	-	-	-
Douglas Avenue Reconstruction - South Town Limits to Beverly	-	-	-	-
Douglas Avenue Reconstruction - Beverly to North Town Limits	-	-	-	-
Lomo Alto Drive Reconstruction - Lorraine Ave. to Mockingbird Ln.	-	-	-	-
Mockingbird Lane Rehabilitation - DNT to Hillcrest	-	-	-	-
Lomo Alto Drive Reconstruction - Lemmon to Lorraine	-	-	-	-
Total Expenditures	\$ 7,494,604	\$ 8,293,846	\$ 4,283,649	\$ 5,217,435
Transfers-Out				
Storm Water Fund and Utility Fund	\$ 175,000	\$ 300,000	\$ 600,000	\$ 600,000
Project Personnel Costs	179,657	193,000	197,825	202,771
Total Transfers-Out	\$ 354,657	\$ 493,000	\$ 797,825	\$ 802,771
Total Expenditures & Transfers Out	\$ 7,849,261	\$ 8,786,846	\$ 5,081,474	\$ 6,020,206
Ending Balance*	\$ 4,691,695	\$ 2,639,218	\$ 4,097,742	\$ 5,377,922
Construction Contingency	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Over(Under) Contingency	\$ 2,691,695	\$ 639,218	\$ 2,097,742	\$ 3,377,922

* Includes DPS Technology Fund Balance. **Excludes FY 2020-21.

2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	Total**
\$ 5,377,922	\$ 3,338,447	\$ 3,160,214	\$ 2,578,544	\$ 3,771,852	\$ 3,543,471	\$ 4,061,687	\$ 4,691,695
\$ 1,294,481	\$ 1,321,665	\$ 1,349,420	\$ 1,377,758	\$ 1,406,691	\$ 1,436,232	\$ 1,466,393	\$ 13,378,513
82,527	83,352	84,186	85,028	85,878	86,737	87,604	838,023
542,952	548,382	553,866	559,405	564,999	570,649	576,355	5,513,420
423,639	505,879	591,377	680,257	772,644	868,670	968,470	5,619,853
342,651	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	705,188	7,051,880
360,441	360,441	360,441	360,441	360,441	360,441	360,441	3,604,410
2,026,414							7,518,883
-	-	-	-	-	-	-	461,000
-	-	-	-	-	-	-	1,000,000
2,500,000	2,500,000						5,000,000
3,400,000	645,000	876,000	716,500	1,150,000	1,300,000	-	10,612,500
-		250,000	-	-	-	250,000	500,000
103,077	106,169	109,354	112,635	116,014	119,494	123,079	1,081,388
134,448	83,461	79,005	64,464	94,296	88,587	101,542	851,371
\$ 11,915,818	\$ 7,202,188	\$ 5,301,489	\$ 5,004,327	\$ 5,598,803	\$ 5,878,649	\$ 4,981,724	\$ 66,457,750
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
27,478	28,357	29,264	30,200	31,166	32,163	33,192	289,246
-	-	-	-	-	-	-	250,000
232,883	240,335	248,026	255,963	264,154	272,607	281,330	2,451,510
1,216,666	1,255,599	1,295,778	1,337,243	1,380,035	1,424,196	1,469,770	12,807,572
-	-	-	-	-	-	-	-
3,820,349	3,896,756	-	-	-	-	-	8,965,585
-	-	-	-	-	-	-	5,000,000
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	1,100,000
-	-	-	-	-	-	-	600,000
-	-	-	-	-	-	-	2,896,800
-	-	-	-	-	-	-	2,121,567
4,244,832	-	-	-	-	-	-	4,660,992
-	-	1,807,380	-	-	-	-	1,807,380
2,175,476	-	-	-	-	-	-	2,175,476
1,729,769	-	-	-	-	-	-	1,729,769
-	1,396,337	-	-	-	-	-	1,396,337
-	-	1,934,350	-	-	-	-	1,934,350
-	-	-	1,613,791	-	-	-	1,613,791
-	-	-	-	-	3,046,314	-	3,046,314
-	-	-	-	-	-	2,151,167	2,151,167
-	-	-	-	3,572,412	-	-	3,572,412
\$ 13,447,453	\$ 6,817,384	\$ 5,314,798	\$ 3,237,197	\$ 5,247,767	\$ 4,775,280	\$ 3,935,459	\$ 60,570,269
\$ 300,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 3,900,000
207,840	213,036	218,362	223,821	229,417	235,152	241,031	2,162,255
\$ 507,840	\$ 563,036	\$ 568,362	\$ 573,821	\$ 579,417	\$ 585,152	\$ 591,031	\$ 6,062,255
\$ 13,955,293	\$ 7,380,420	\$ 5,883,160	\$ 3,811,018	\$ 5,827,184	\$ 5,360,432	\$ 4,526,490	\$ 66,632,524
\$ 3,338,447	\$ 3,160,214	\$ 2,578,544	\$ 3,771,852	\$ 3,543,471	\$ 4,061,687	\$ 4,516,922	\$ 4,516,922
\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
\$ 1,338,447	\$ 1,160,214	\$ 578,544	\$ 1,771,852	\$ 1,543,471	\$ 2,061,687	\$ 2,516,922	\$ 2,516,922

TOWN OF HIGHLAND PARK, TEXAS

STORM WATER FUND

FISCAL YEARS 2022-2031

Project/Funding Source	2020-21	2021-22	2022-23	2023-24
Beginning Balance	\$ 3,007,444	\$ 2,255,442	\$ 1,111,463	\$ 226,994
Revenues				
Storm Water Charges	\$ 433,031	\$ 441,692	\$ 450,968	\$ 460,438
Interest Earnings	16,778	15,979	22,229	4,540
Total Revenues	\$ 449,809	\$ 457,671	\$ 473,197	\$ 464,978
Transfers - In	175,000	300,000	600,000	600,000
Total Revenues & Transfers - In	\$ 624,809	\$ 757,671	\$ 1,073,197	\$ 1,064,978
Expenditures				
Supplies & Equipment	\$ 7,100	\$ 7,100	\$ 7,256	\$ 7,416
Services & Charges	136,200	129,650	132,502	135,417
Total Operating Expenditures	\$ 143,300	\$ 136,750	\$ 139,758	\$ 142,833
Capital Outlay:				
Drainage Studies	\$ 100,000	\$ -	\$ -	\$ -
Stormwater Drainage Study Phase I	219,600	-	-	-
Master Plan & Improvements for Hackberry Creek	300,000	750,000	400,000	300,000
Douglas Park Drainage Improvement & Landscaping	60,611	-	-	-
Drainage Easement Projects	400,000	675,000	688,500	-
Stormwater Drainage Study Phase II	-	235,000	-	-
Mockingbird Bridge Rehabilitation	-	-	-	-
Abbott Avenue Rehabilitation - Harvard to Mockingbird	50,000	-	-	-
Westside Drive Reconstruction - Lemmon to Mockingbird Ln	-	-	561,000	-
Hillcrest Avenue Reconstruction - Abbott to Mockingbird Ln	-	-	61,200	-
Abbott Avenue Reconstruction - Armstrong to Harvard	-	-	-	-
Eastern Avenue Reconstruction - Westside Dr to Mockingbird Ln	-	-	-	-
Douglas Avenue Reconstruction - South Town Limits to Beverly	-	-	-	-
Douglas Avenue Reconstruction - Beverly to North Town Limits	-	-	-	-
Total Capital Outlay	\$ 1,130,211	\$ 1,660,000	\$ 1,710,700	\$ 300,000
Total Expenditures	\$ 1,273,511	\$ 1,796,750	\$ 1,850,458	\$ 442,833
Transfers-Out	103,300	104,900	107,208	109,567
Total Expenditures & Transfers-Out	\$ 1,376,811	\$ 1,901,650	\$ 1,957,666	\$ 552,400
Ending Balance	\$ 2,255,442	\$ 1,111,463	\$ 226,994	\$ 739,572

* *Excludes FY 2020-21.

2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	Total**
\$ 739,572	\$ 864,889	\$ 1,148,539	\$ 1,404,603	\$ 1,397,996	\$ 1,005,401	\$ 1,310,001	\$ 2,255,442
\$ 470,107 14,791	\$ 479,979 17,298	\$ 490,059 22,971	\$ 500,350 28,092	\$ 510,857 27,960	\$ 522,096 20,108	\$ 533,582 26,200	\$ 4,860,128 200,168
\$ 484,898	\$ 497,277	\$ 513,030	\$ 528,442	\$ 538,817	\$ 542,204	\$ 559,782	\$ 5,060,296
300,000	350,000	350,000	350,000	350,000	350,000	350,000	\$ 3,900,000
\$ 784,898	\$ 847,277	\$ 863,030	\$ 878,442	\$ 888,817	\$ 892,204	\$ 909,782	\$ 8,960,296
\$ 7,579 138,396	\$ 7,746 141,441	\$ 7,916 144,553	\$ 8,090 147,733	\$ 8,268 150,983	\$ 8,450 154,305	\$ 8,636 157,700	\$ 78,457 1,432,680
\$ 145,975	\$ 149,187	\$ 152,469	\$ 155,823	\$ 159,251	\$ 162,755	\$ 166,336	\$ 1,511,137
\$ - - 200,000 - - - - - 31,836 169,793 -	\$ - - 300,000 - - - - - - - - -	\$ - - 300,000 - - - - - - - 37,539 -	\$ - - 300,000 - - - - - - - 309,695 -	\$ - - 1,000,000 - - - - - - - -	\$ - - 300,000 - - - - - - -	\$ - - 300,000 - - - - - - -	\$ - - 4,150,000 - 1,363,500 235,000 - 561,000 61,200 31,836 169,793 37,539 309,695
\$ 401,630	\$ 300,000	\$ 337,539	\$ 609,695	\$ 1,000,000	\$ 300,000	\$ 300,000	\$ 6,919,563
\$ 547,605	\$ 449,187	\$ 490,008	\$ 765,518	\$ 1,159,251	\$ 462,755	\$ 466,336	\$ 8,430,700
111,977	114,440	116,958	119,531	122,161	124,849	127,596	1,159,187
\$ 659,582	\$ 563,627	\$ 606,966	\$ 885,049	\$ 1,281,412	\$ 587,604	\$ 593,932	\$ 9,589,887
\$ 864,889	\$ 1,148,539	\$ 1,404,603	\$ 1,397,996	\$ 1,005,401	\$ 1,310,001	\$ 1,625,851	\$ 1,625,851

TOWN OF HIGHLAND PARK, TEXAS

UTILITY FUND

FISCAL YEARS 2022-2031

Project/Funding Source				
	2020-21	2021-22	2022-23	2023-24
<i>Beginning Balance</i>	\$ 7,556,062	\$ 6,886,947	\$ 8,068,874	\$ 5,792,768
Revenues				
Water Sales	\$ 6,780,546	\$ 7,379,679	\$ 7,583,431	\$ 7,810,934
Sewer Charges	2,803,422	2,909,640	2,996,929	3,086,837
Permit Revenue	64,815	63,294	64,000	64,000
Interest Earnings	52,868	44,229	126,384	115,855
Contributions-DART	-	-	-	-
Intergovernmental Revenue	1,000,000	1,000,000	-	936,360
Other Revenues	107,206	110,879	107,000	107,000
Total Revenues	\$ 10,808,857	\$ 11,507,721	\$ 10,877,744	\$ 12,120,986
Additional Transfer-In from the Capital Projects Fund	\$ -	\$ -	\$ -	\$ -
Transfers-In	349,857	364,300	372,315	380,506
Total Revenues & Transfers-In	\$ 11,158,714	\$ 11,872,021	\$ 11,250,059	\$ 12,501,492
Expenditures				
Personnel Services	\$ 1,698,253	\$ 1,808,408	\$ 1,867,181	\$ 1,927,864
Supplies & Equipment	2,579,453	2,792,471	2,876,245	2,962,532
Services & Charges	1,676,638	1,650,528	1,700,044	1,751,045
Operating Capital	-	-	-	-
Total Operating Expenditures	\$ 5,954,344	\$ 6,251,407	\$ 6,443,470	\$ 6,641,441
Capital Outlay:				
Smart Water Meter Program	\$ -	\$ -	\$ -	\$ -
Wastewater Master Plan	\$ -	\$ -	\$ -	\$ -
Water & Sanitary Sewer Infrastructure Replace./Rehab.	\$ 1,127,482	\$ 1,350,000	\$ 2,350,000	\$ -
Lakeside Drive Reconstruction & 30" Sewer Line	-	-	-	1,872,720
Gillon Pump Station Improvements	221,353	573,000	-	-
NE Water Pressure Capital Improvements	75,000	-	-	-
Douglas Park Drainage Improvement & Landscaping	374,003	-	-	-
Holland Elevated Storage Tank Rehabilitation	-	600,000	2,100,000	3,500,000
In-line Booster Pump Study	-	-	-	-
New Pump Station & Discharge Line at Gillon Pump Station	-	-	-	-
Armstrong Parkway Rehabilitation - Preston Road to Town Limits	-	-	-	-
Overhill Drive Reconstruction - St. John to St. John	499,663	-	-	-
Airline Drive Rehabilitation	387,368	-	-	-
Abbott Avenue Rehabilitation - Harvard to Mockingbird	588,629	-	-	-
Sewanee Avenue Water and Sewer Improvements	627,521	-	-	-
Westside Drive Reconstruction - Lemmon to Mockingbird Ln	-	-	142,800	-
Hillcrest Avenue Reconstruction - Abbott to Mockingbird Ln	-	-	540,600	-
Abbott Avenue Reconstruction - Armstrong to Harvard	-	-	-	-
Eastern Avenue Reconstruction - Westside Dr to Mockingbird Ln	-	-	-	-
Roland Avenue Reconstruction - Mockingbird Ln to Bordeaux Av	-	-	-	-
Douglas Avenue Reconstruction - South Town Limits to Beverly	-	-	-	-
Douglas Avenue Reconstruction - Beverly to North Town Limits	-	-	-	-
Lomo Alto Drive Reconstruction - Lorraine Ave. to Mockingbird Ln.	-	-	-	-
Lomo Alto Drive Reconstruction - Lemmon to Lorraine	-	-	-	-
Wycliffe/Oaklawn & Herschel/Oaklawn Signal Improvements	-	-	-	-
Holland Drive Reconstruction - Town Limits to Westside	-	-	-	-
Total Capital Expenditures	\$ 3,901,019	\$ 2,523,000	\$ 5,133,400	\$ 5,372,720
Total Expenditures	\$ 9,855,363	\$ 8,774,407	\$ 11,576,870	\$ 12,014,161
Transfers-Out	1,972,466	1,915,687	1,949,295	1,996,412
Total Expenditures & Transfer-Out	\$ 11,827,829	\$ 10,690,094	\$ 13,526,165	\$ 14,010,573
Operating Reserve	\$ 1,861,903	\$ 1,913,157	\$ 1,965,937	\$ 2,023,241
Rate Stabilization Reserve	5,025,044	6,155,717	3,826,831	2,260,446
Ending Balance	6,886,947	8,068,874	5,792,768	4,283,687
Ideal Fund Balance (25% of Operating Expenses)	\$ 1,861,903	\$ 1,913,157	\$ 1,965,937	\$ 2,023,241
Over(Under) Ideal Fund Balance	\$ 5,025,044	\$ 6,155,717	\$ 3,826,831	\$ 2,260,446

* Includes 3% rate adjustment for Water Sales and Sewer Charges in FY 2022 and each year thereafter through FY 2028.

*Excludes FY 2020-21.

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*	*	*	*				
2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	Total**
\$ 4,283,687	\$ 2,960,810	\$ 4,092,731	\$ 4,069,247	\$ 4,860,429	\$ 3,505,728	\$ 4,341,199	\$ 6,886,947
\$ 8,045,262	\$ 8,286,620	\$ 8,535,218	\$ 8,791,275	\$ 8,791,275	\$ 8,791,275	\$ 8,791,275	\$ 82,806,244
3,179,442	3,274,825	3,373,070	3,474,262	3,474,262	3,474,262	3,474,262	32,717,791
64,000	64,000	64,000	64,000	64,000	64,000	64,000	639,294
85,674	59,216	81,855	81,385	97,209	70,115	86,824	848,745
-	-	-	-	-	-	-	-
-	865,946	-	-	-	915,000	-	3,717,306
107,000	107,000	107,000	107,000	107,000	107,000	107,000	1,073,879
\$ 11,481,378	\$ 12,657,607	\$ 12,161,143	\$ 12,517,922	\$ 12,533,746	\$ 13,421,652	\$ 12,523,361	\$ 121,803,259
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
388,877	397,432	406,176	415,112	424,244	433,577	443,116	4,025,655
\$ 11,870,255	\$ 13,055,039	\$ 12,567,319	\$ 12,933,034	\$ 12,957,990	\$ 13,855,229	\$ 12,966,477	\$ 125,828,914
\$ 1,990,520	\$ 2,055,212	\$ 2,122,006	\$ 2,190,971	\$ 2,262,178	\$ 2,335,699	\$ 2,411,609	\$ 20,971,648
3,051,408	3,142,950	3,237,239	3,334,356	3,434,387	3,537,419	3,643,542	32,012,549
1,803,576	1,857,683	1,913,413	1,970,815	2,029,939	2,090,837	2,153,562	18,921,442
-	-	-	-	-	-	-	-
\$ 6,845,504	\$ 7,055,845	\$ 7,272,658	\$ 7,496,142	\$ 7,726,504	\$ 7,963,955	\$ 8,208,713	\$ 71,905,639
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 2,573,166	\$ 500,000	\$ 2,740,483	\$ 1,700,000	\$ 2,918,680	\$ -	\$ 3,122,988	\$ 17,255,317
-	1,731,891	-	-	-	2,144,137	-	5,748,748
-	-	-	-	-	-	-	573,000
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	6,200,000
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	142,800
-	-	-	-	-	-	-	540,600
1,050,596	-	-	-	-	-	-	1,050,596
679,173	-	-	-	-	-	-	679,173
-	541,216	-	-	-	-	-	541,216
-	-	432,800	-	-	-	-	432,800
-	-	-	748,898	-	-	-	748,898
-	-	-	-	-	644,413	-	644,413
-	-	-	-	1,435,857	-	-	1,435,857
-	-	-	-	-	-	-	-
\$ 4,302,935	\$ 2,773,108	\$ 3,173,283	\$ 2,448,898	\$ 4,354,537	\$ 2,788,549	\$ 3,122,988	\$ 35,993,417
\$ 11,148,439	\$ 9,828,953	\$ 10,445,941	\$ 9,945,040	\$ 12,081,041	\$ 10,752,504	\$ 11,331,701	\$ 107,899,056
2,044,692	2,094,165	2,144,862	2,196,812	2,231,650	2,267,254	2,303,641	21,144,471
\$ 13,193,131	\$ 11,923,118	\$ 12,590,802	\$ 12,141,852	\$ 14,312,691	\$ 13,019,758	\$ 13,635,342	\$ 129,043,527
\$ 2,082,240	\$ 2,142,984	\$ 2,205,527	\$ 2,269,920	\$ 2,336,219	\$ 2,404,483	\$ 2,474,769	\$ 2,474,769
878,570	1,949,747	1,863,720	2,590,509	1,169,509	1,936,716	1,197,565	1,197,565
2,960,810	4,092,731	4,069,247	4,860,429	3,505,728	4,341,199	3,672,334	3,672,334
\$ 2,082,240	\$ 2,142,984	\$ 2,205,527	\$ 2,269,920	\$ 2,336,219	\$ 2,404,483	\$ 2,474,769	\$ 2,474,769
\$ 878,570	\$ 1,949,747	\$ 1,863,720	\$ 2,590,509	\$ 1,169,509	\$ 1,936,716	\$ 1,197,565	\$ 1,197,565

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CAPITAL PROJECTS FUND

Streetlight Painting

- Estimated Project Cost - \$289,246
- Project Year(s) - Annual (\$25,000 per year plus an inflationary factor)
- Includes painting cobra head lights and, traffic signal poles and mast arms on Oak lawn at Wycliffe, Oak Lawn at Herschel, and Armstrong at Preston Lakeside.
- Anticipates painting and priming one quarter of the 450 streetlights each year.
- **Project works to prevent the deterioration of streetlights thereby extending the life of the lights. The cost to replace streetlights can be as much as \$4,000 per light pole, significantly higher than continuing this program.**

Armstrong Parkway Landscape Improvements

- Estimated Project Cost - \$250,000
- Project Year(s) - FY 2021-22
- Funding includes engaging a landscape architect to develop plans for this beautification project.
- Project scope will include complete irrigation assessment and improvements for water conservation and efficiency, upgrades to landscape lighting, and renovation of azaleas beds.
- **Project is expected to incorporate water conservation improvements which should reduce the amount of water consumed in this area. The expected amount of water conservation will not be known until the project is designed.**

Park Renovation/Rehabilitation Program

- Estimated Project Cost - \$2,451,510
- FY 2021-22 Funding - \$211,885
- 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 know once the design work for each year's project is complete.**

Street Resurfacing & Miscellaneous Concrete

- Estimated Project Cost - \$12,807,572
- FY 2021-22 Funding - \$1,106,961
- Project Year(s) – Annually
- An annual program of rehabilitating & restoring asphalt road surfaces, including concrete repairs to curb and gutters, streets, alleys and sidewalks.
- **The program is intended to, among other things, provide funding for continued road maintenance in an effort to extend the lives of the Town's roadways. This allows more current resources to be devoted to those roadway projects that need to be reconstructed.**

Transportation Improvement Project

- Estimated Project Cost – \$8,965,585
- Project Year(s) – FY 2020-21 through FY 2025-26
- Additional Funding Sources – Dallas County -\$1,000,000; North Central Texas Council of Governments - \$5,000,000, Texas Commission on Environmental Quality \$104,000.

Mockingbird Lane (West) Reconstruction

- Estimated Project Cost – \$1,100,000
- Project Year(s) – FY 2021-22
- FY 2021-22 Funding - \$1,100,000
- Limits: Westside Drive to Eastern Avenue
- Additional Funding Source – Dallas County -MCIP- \$525,000

Ten Year Capital Improvement Plan Project Detail – By Fund

- Project includes the total reconstruction of the road.
- ***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 within the Town.***

Potomac Reconstruction

- Estimated Project Cost – \$600,000
- Project Year(s) – FY 2021-22
- FY 2021-22 Funding - \$600,000
- Limits – Key Street to Hillcrest Avenue
- Project includes the total reconstruction of the road.
- ***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 within the Town.***

Preston Road Reconstruction (Phase C)

- Estimated Project Cost – \$4,660,992
- Project Year(s) – FY 2023-24 and FY 2024-25
- Limits - Preston Road @ Armstrong Parkway Intersection
- Additional Funding Sources –Dallas County – MCIP - \$2,400,000
- Road reconstruction and signal improvements.
- ***Project is a complete reconstruction which will allow current maintenance dollars that may otherwise be spent maintaining this roadway and signal lights to be allocated towards other transportation related maintenance within the Town.***

Armstrong Parkway Rehabilitation

- Estimated Project Cost – \$1,807,380
- Project Year(s) – FY 2026-27
- Limits - Douglas Avenue to Mockingbird Lane
- Additional Funding Source – Dallas County Road and Bridge - \$250,000
- Project includes concrete repairs, street resurfacing, curb and gutters, sidewalks, and ADA ramps, as needed.
- ***Roadway is currently maintained on an as needed basis. Project rehabilitates that roadway allowing the Town to refocus any maintenance dollars that would otherwise be used on this road to other areas.***

Mockingbird Lane Rehabilitation

- Estimated Project Cost – \$2,151,167
- Project Year(s) – FY 2030-31
- Limits – Dallas North Tollway to Hillcrest
- Additional Funding Source – Dallas County Road and Bridge - \$250,000
- Project includes concrete repairs, street resurfacing, curb and gutters, sidewalks, and ADA ramps, as needed.
- ***Roadway is currently maintained on an as needed basis. Project rehabilitates that roadway allowing the Town to refocus any maintenance dollars that would otherwise be used on this road to other areas.***

STORM WATER FUND

Improvements for Hackberry Creek

- Estimated Project Cost –\$4,150,000
- FY 2020-21 Funding - \$750,000
- Project Year(s) – FY 2021-22 through FY 2029-30
- The project encompasses the area generally from Byron Avenue to Armstrong Avenue and Between St. Johns Drive and Drexel Drive.
- The project addresses erosion, infrastructure, and aesthetics including landscaping and irrigation.
- ***Project impact on the operating budget will not be known until design work is complete.***

Ten Year Capital Improvement Plan Project Detail – By Fund

Drainage Easement Projects

- Estimated Project Cost –\$1,363,500
- Project Year(s) – FY 2021-22 through FY 2022-23
- 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 drainage issues within the Town and is not expected to impact the operating budget.***

Storm Water Master Drainage Plan –Phase II

- Estimated Project Cost –\$235,000
- FY 2021-22 Funding - \$235,000
- Project Year(s) – FY 2021-22
- The project will consist of modeling the Town’s storm water drainage system and identifying capital improvements.
- ***The project is the final part of a two-phase project. Once complete, it is anticipated that additional projects will need to be added to the Town’s capital improvement program.***

UTILITY FUND

Water & Sanitary Sewer Infrastructure Replacement/Rehabilitation:

- Estimated Project Cost - \$17,255,317
- FY 2021-22 Funding - \$1,350,000
- Project Year(s) – Varies
- An annual program to replace aging water and sanitary sewer mains throughout the Town.
- ***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 existing maintenance dollars to be applied to other areas of the Town.***

Gillon Pump Station Improvement

- Estimated Project Cost – \$794,353
- FY 2021-22 Funding - \$573,000
- Project Year(s) – FY 2020-21 through FY 2021-22
- Improvements include new automatic load rated power transfer switch and electrical relocation.
- This project was initially funded by the Dallas County Park Cities Municipal Utility District (DCPCMUD). Funding within the CIP will be used to reimburse the DCPCMUD.
- ***Program is intended to replace aging infrastructure, create redundancy in the Town’s pumping system and address electrical safety issues. It is not anticipated that the project will have any impact on the Town’s operating budget.***

Holland Avenue Elevated Storage Tank Replacement

- Estimated Project Cost – \$6,200,000
- FY 2021-22 Funding - \$600,000
- Project Year(s) – FY 2021-22 and FY 2023-24
- The elevated storage tank located at the Town’s Service Center on Holland Avenue is scheduled to be replaced, which will include the construction of a new elevated storage tank and removal of the current 750,000 gallon tank.
- ***Project will replace the existing end of life elevated water tank and with a planned higher elevation, provide improved water pressures throughout the community. It is anticipated that with the new tank existing maintenance dollars can be devoted to other areas of the utility system.***

PROJECTS PRESENT IN MULTIPLE FUNDS

Lakeside Drive Reconstruction & 30” Sewer Line

- Estimated Project Cost – \$11,660,048
 - Capital Projects Fund \$5,911,300
 - FY 2021-22 Funding - \$5,000,000
 - Project Years(s) – FY 2020-21 through FY 2021-22
 - Limits – Armstrong Avenue to Beverly Drive
 - Design (\$911,300)
 - Construction (\$5,000,000)
 - Utility Fund \$5,748,748
 - Project Years(s) – FY 2023-24, FY 2025-26 and FY 2029-30
 - Limits – Wycliffe Avenue to Armstrong Avenue/Beverly Drive to North Town Limits
 - Design and Construction (\$1,872,720)
 - Design and Construction (\$1,731,891)
 - Design and Construction (\$2,144,137)
- Additional Funding Source – University Park – \$1,136,000 in the Capital Projects Fund and \$2,717,306 in the Utility Fund, total of \$3,853,306
- The project will consist of the 30” sanitary sewer interceptor replacement between Armstrong Avenue and North Town Limits and associated roadway improvements for Lakeside Drive between Wycliffe Avenue and Beverly Drive.
- ***Project completely replaces the 30” sanitary sewer interceptor and Lakeside Drive roadway, which are both at the end of their useful lives. This project will allow maintenance dollars that are used for this infrastructure as needed to be applied in other areas of the Town.***

Westside Drive Reconstruction

- Estimated Project Cost – \$3,600,600
 - Capital Projects Fund \$2,896,800
 - Storm Water Drainage Fund \$561,000
 - Utility Fund \$142,800
- Project Years(s) – FY 2022-23
- Limits: Lemmon Avenue 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 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 within the Town.***

Hillcrest Avenue Reconstruction

- Estimated Project Cost – \$2,723,367
 - Capital Projects Fund \$2,121,567
 - Storm Water Drainage Fund \$61,200
 - Utility Fund \$540,600
- Project Year(s) – FY 2022-23
- Limits - Abbott Avenue 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, sanitary 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 within the Town.***

Ten Year Capital Improvement Plan Project Detail – By Fund

Abbott Avenue Reconstruction

- Estimated Project Cost – \$3,257,908
 - Capital Projects Fund \$2,175,476
 - Storm Water Drainage Fund \$31,836
 - Utility Fund \$1,050,596
- Project Year(s) – FY 2024-25
- 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, sanitary 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 within the Town.***

Eastern Avenue Reconstruction

- Estimated Project Cost – \$2,578,735
 - Capital Projects Fund \$1,729,769
 - Storm Water Drainage Fund \$169,793
 - Utility Fund \$679,173
- Project Year(s) – FY 2024-25
- 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, sanitary 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 within the Town.***

Roland Avenue Reconstruction

- Estimated Project Cost – \$1,937,553
 - Capital Projects Fund \$1,396,337
 - Utility Fund \$541,216
- Project Year(s) – FY 2025-26
- Limits – Mockingbird Lane to Bordeaux Avenue
- Additional Funding Source – Dallas County – MCIP - \$716,500 in the Capital Projects Fund
- Project includes the total reconstruction of the road, including water, sanitary 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 within the Town.***

Douglas Avenue Reconstruction

- Estimated Project Cost – \$5,077,073
 - Capital Projects Fund \$3,548,141
 - Limits
 - Phase I includes South Town limits to Beverly Drive (\$1,934,350).
 - Phase II includes Beverly Drive to North Town limits (\$1,613,791).
 - Storm Water Drainage Fund \$347,234
 - Limits
 - Phase I includes South Town limits to Beverly Drive (\$37,539).
 - Phase II includes Beverly Drive to North Town limits (\$309,695).
 - Utility Fund \$1,181,698
 - Limits

Ten Year Capital Improvement Plan Project Detail – By Fund

- Phase I includes South Town limits to Beverly Drive (\$432,800).
- Phase II includes Beverly Drive to North Town limits (\$748,898).
- Project Year(s) – FY 2026-27 & FY 2027-28
- Additional Funding Source – Dallas County – MCIP - \$1,592,500 in the Capital Projects Fund
- Project includes the total reconstruction of the road, including water, sanitary 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 within the Town.***

Lomo Alto Drive Reconstruction

- Estimated Project Cost – \$8,698,996
 - Capital Projects Fund \$6,618,726
 - Limits
 - Phase I includes Lemmon Avenue to Lorraine Avenue (\$3,572,412).
 - Phase II includes Lorraine Avenue to Mockingbird Lane (\$3,046,314).
 - Utility Fund \$2,080,270
 - Limits
 - Phase I includes Lemmon Avenue to Lorraine Avenue (\$1,435,857).
 - Phase II includes Lorraine Avenue to Mockingbird Lane (\$644,413).
- Project Year(s) – FY 2028-29 & FY 2029-30
- Additional Funding Source – anticipated Dallas County \$2,450,000 in the Capital Projects Fund
- Project includes the total reconstruction of the road, including water, sanitary 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 within the Town.***

MCIP – Major Capital Improvement Program.

TEN YEAR FINANCIAL FORECAST

10-YEAR FINANCIAL FORECAST BASIC ASSUMPTIONS

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 3.5% per year. The tax rate is assumed to remain constant at \$0.23 per \$100 taxable assessed value.
- Building and permits revenue is indexed at 3.5% per year.
- Sales tax is indexed at 4.0% which reflects historical trends.
- Interest revenue is based on 2% of fund balance for years after FY 2022.
- Transfers-in is indexed at 2.2% per year.
- Other operational revenues are indexed based on five-year trends ranging from 2.57% to 3.44% based on the revenue category.

Expenditures:

- Payroll expense is generally indexed at 3.25% each year. However, for fiscal years 2022 through 2026 the anticipated growth ranges from 2.25% to 2.5%.
- 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 7.3% 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 2022-23 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.

Storm Water Utility Fund

Revenues:

- Storm water revenues are indexed each year by 2.2%.
- A transfer from the Capital Improvement Fund of \$300,000 for fiscal year 2021-22 and transfers ranging between \$300,000 and \$600,000 per year for the remaining nine years is anticipated.

Storm Water Utility Fund (Cont.)

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 a water and wastewater rate adjustment of 3.0% every year beginning in fiscal year 2021-22.

Operational Impacts of Capital Projects on Long-Term Financial Planning

Descriptions of capital projects identified in the capital improvement plan are detailed on pages 127 through 132. Any future budgetary impacts that are known and identified are presented on those pages and have been incorporated into the Town’s 10-year financial model. While the General Fund has been modeled separately, the assumptions herein apply also to the financial modeling completed for the Town’s Capital Projects Fund, Utility Fund and the Storm Water Utility Fund.

Many of the Town’s infrastructure projects related to streets, water, sewer and the storm water utility system do not have any material financial impacts on future operating budgets. Clearly, deferring capital improvements can have a meaningful financial impact as projects become more and more expensive to replace.

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.	23.00 Cents		23.00 Cents	
	2020-21	2021-22	2022-23	2023-24
BEGINNING FUND BALANCE	\$ 4,670,765	\$ 5,827,922	\$ 5,837,883	\$ 5,608,347
REVENUES:				
Property Taxes	\$ 14,936,319	\$ 15,495,731	\$ 16,017,412	\$ 16,576,797
Sales Taxes	4,923,595	4,278,043	4,200,000	4,368,000
Sanitation/Recycling Charges	-	-	-	-
Franchise Fees	905,700	918,868	942,443	966,623
Building Inspection Fees/Permits	1,441,732	1,162,784	1,203,481	1,245,603
Municipal Court Fines/Fees	484,890	1,149,948	1,190,196	1,231,853
Interest Earnings	58,702	61,433	62,000	245,968
All Other	2,104,810	1,774,523	1,835,542	1,898,660
TOTAL REVENUES	\$ 24,855,748	\$ 24,841,330	\$ 25,451,074	\$ 26,533,504
Transfers from Other Funds	1,326,300	1,281,000	1,309,182	1,337,984
TOTAL REVENUES & TRANSFERS-IN	\$ 26,182,048	\$ 26,122,330	\$ 26,760,256	\$ 27,871,488
EXPENDITURES:				
Personnel Services:				
Payroll	\$ 12,551,868	\$ 13,054,179	\$ 13,347,898	\$ 13,648,226
Taxes	890,386	942,052	962,383	984,037
Retirement (TMRS)	1,168,456	1,171,352	1,334,790	1,364,823
Insurance	1,657,737	1,761,374	1,889,954	2,027,921
Total Personnel	\$ 16,268,447	\$ 16,928,957	\$ 17,535,026	\$ 18,025,006
Supplies & Equipment	\$ 1,099,228	\$ 1,037,374	\$ 1,068,495	\$ 1,100,550
Services & Charges	3,715,304	3,746,085	3,843,468	3,958,772
Capital Outlay:				
Sustaining	-	-	-	-
Equipment	29,133	-	10,000	10,000
CIP	-	-	-	-
TOTAL EXPENDITURES	\$ 21,112,112	\$ 21,712,416	\$ 22,456,989	\$ 23,094,328
Transfers to Capital Projects Fund	2,345,052	2,820,426	2,918,527	3,020,676
Transfers to Other Funds	1,567,727	1,579,527	1,614,277	1,649,791
TOTAL EXPENDITURES & TRANSFERS-OUT	\$ 25,024,891	\$ 26,112,369	\$ 26,989,793	\$ 27,764,795
ENDING FUND BALANCE	\$ 5,827,922	\$ 5,837,883	\$ 5,608,347	\$ 5,715,040
FUND BALANCE MINIMUM	\$ 3,850,620	\$ 3,959,630	\$ 4,090,415	\$ 4,204,800
FUND BALANCE SURPLUS	\$ 1,977,302	\$ 1,878,253	\$ 1,517,932	\$ 1,510,240

CAPITAL PROJECTS FUND

Beginning Balance	\$ 7,353,529	\$ 4,691,695	\$ 2,639,218	\$ 4,097,742
Total Annual Project Funding (1)	5,187,427	6,734,369	6,539,998	7,300,386
Total Expenditures	7,849,261	8,786,846	5,081,474	6,020,206
Ending Balance*	\$ 4,691,695	\$ 2,639,218	\$ 4,097,742	\$ 5,377,922
Construction Contingency	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Over(Under) Contingency	\$ 2,691,695	\$ 639,218	\$ 2,097,742	\$ 3,377,922

PROPERTY TAX ASSUMPTIONS

Property Tax Revenue	\$ 14,936,319	\$ 15,495,731	\$ 16,017,412	\$ 16,576,797
Property Values (2)	\$ 6,532,652,954	\$ 6,781,705,819	\$ 7,019,065,523	\$ 7,264,732,816
Tax Rate	0.23	0.23	0.23	0.23

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

(2) Growth in taxable assessed value (T.A.V.) projected at 3.5% per year after FY 2021-22.

| 23.00 Cents |
|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 |
| \$ 5,715,040 | \$ 5,987,569 | \$ 6,193,500 | \$ 6,403,802 | \$ 6,615,035 | \$ 6,823,209 | \$ 7,023,705 |
| \$ 17,155,760 | \$ 17,754,986 | \$ 18,375,186 | \$ 19,017,092 | \$ 19,681,465 | \$ 20,369,092 | \$ 21,080,785 |
4,542,720	4,724,429	4,913,406	5,109,942	5,314,340	5,526,914	5,747,991
991,423	1,016,860	1,042,949	1,069,708	1,097,153	1,125,302	1,154,173
1,289,199	1,334,321	1,381,022	1,429,358	1,479,386	1,531,165	1,584,756
1,274,968	1,319,592	1,365,778	1,413,580	1,463,055	1,514,262	1,567,261
253,658	263,947	273,086	282,481	292,078	301,802	311,568
1,963,948	2,031,481	2,101,336	2,173,593	2,248,335	2,325,647	2,405,618
\$ 27,471,676	\$ 28,445,616	\$ 29,452,763	\$ 30,495,754	\$ 31,575,812	\$ 32,694,184	\$ 33,852,152
1,367,420	1,397,503	1,428,248	1,459,669	1,491,782	1,524,601	1,558,142
\$ 28,839,096	\$ 29,843,119	\$ 30,881,011	\$ 31,955,423	\$ 33,067,594	\$ 34,218,785	\$ 35,410,294
\$ 13,955,311	\$ 14,304,194	\$ 14,769,080	\$ 15,249,075	\$ 15,744,670	\$ 16,256,372	\$ 16,784,704
1,006,178	1,031,332	1,064,851	1,099,458	1,135,191	1,172,084	1,210,177
1,395,531	1,430,419	1,476,908	1,524,908	1,574,467	1,625,637	1,678,470
2,175,959	2,334,804	2,505,245	2,688,128	2,884,361	3,094,919	3,320,849
\$ 18,532,979	\$ 19,100,750	\$ 19,816,084	\$ 20,561,569	\$ 21,338,689	\$ 22,149,013	\$ 22,994,200
\$ 1,133,567	\$ 1,167,574	\$ 1,202,601	\$ 1,238,679	\$ 1,275,839	\$ 1,314,114	\$ 1,353,537
4,077,535	4,399,861	4,531,857	4,667,813	4,807,847	4,952,082	5,100,644
-	-	-	-	-	-	-
-	-	-	-	-	-	-
10,000	10,000	10,000	10,000	10,000	10,000	10,000
-	-	-	-	-	-	-
\$ 23,754,081	\$ 24,678,185	\$ 25,560,542	\$ 26,478,061	\$ 27,432,375	\$ 28,425,209	\$ 29,458,381
3,126,400	3,235,824	3,349,077	3,466,295	3,587,615	3,713,182	3,843,143
1,686,086	1,723,180	1,761,090	1,799,834	1,839,430	1,879,898	1,921,255
\$ 28,566,567	\$ 29,637,188	\$ 30,670,709	\$ 31,744,190	\$ 32,859,420	\$ 34,018,289	\$ 35,222,780
\$ 5,987,569	\$ 6,193,500	\$ 6,403,802	\$ 6,615,035	\$ 6,823,209	\$ 7,023,705	\$ 7,211,219
\$ 4,323,128	\$ 4,486,532	\$ 4,642,977	\$ 4,805,542	\$ 4,974,507	\$ 5,150,168	\$ 5,332,838
\$ 1,664,441	\$ 1,706,968	\$ 1,760,825	\$ 1,809,493	\$ 1,848,702	\$ 1,873,537	\$ 1,878,381
\$ 5,377,922	\$ 3,338,447	\$ 3,160,214	\$ 2,578,544	\$ 3,771,852	\$ 3,543,471	\$ 4,061,687
11,915,818	7,202,188	5,301,489	5,004,327	5,598,803	5,878,649	4,981,724
13,955,293	7,380,420	5,883,160	3,811,018	5,827,184	5,360,432	4,526,490
\$ 3,338,447	\$ 3,160,214	\$ 2,578,544	\$ 3,771,852	\$ 3,543,471	\$ 4,061,687	\$ 4,516,922
\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
\$ 1,338,447	\$ 1,160,214	\$ 578,544	\$ 1,771,852	\$ 1,543,471	\$ 2,061,687	\$ 2,516,922
\$ 17,155,760	\$ 17,754,986	\$ 18,375,186	\$ 19,017,092	\$ 19,681,465	\$ 20,369,092	\$ 21,080,785
\$ 7,518,998,465	\$ 7,782,163,411	\$ 8,054,539,130	\$ 8,336,448,000	\$ 8,628,223,680	\$ 8,930,211,508	\$ 9,242,768,911
0.23	0.23	0.23	0.23	0.23	0.23	0.23

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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

Proportion of Property Values

Residential 91.60% Commercial 7.21%
 Business Personal Property 1.19%

Public Safety Personnel

Cross-trained (Police/Fire/Paramedic) 55 Part time Court Bailiffs 4
 Police Officer 2

Water and Sewer Utility System

Water Connections

Residential 3,062
 Residential Multifamily 38
 Commercial 91
 Irrigation 2,307
 Municipal 76
 Total 5,574

Sewer Connections

Residential 3,001
 Residential Multifamily 38
 Commercial 88
 Municipal 3
 Total 3,130

Infrastructure

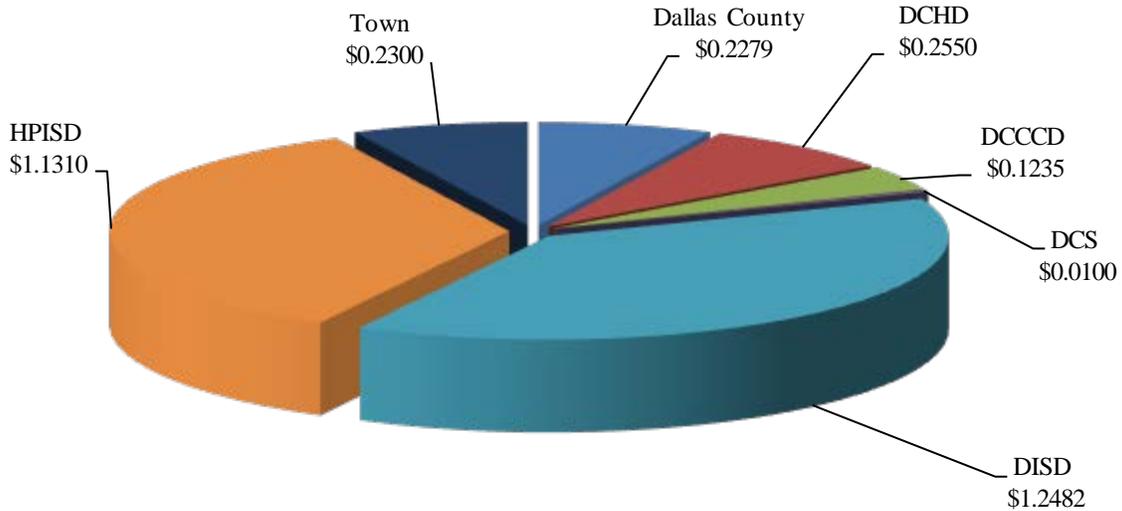
Sanitary Sewers 37.18 Miles Storm Sewers 12.22 Miles
 Parks 22 with 59.3 Acres Paved Streets 41.79 Miles



Highland Park

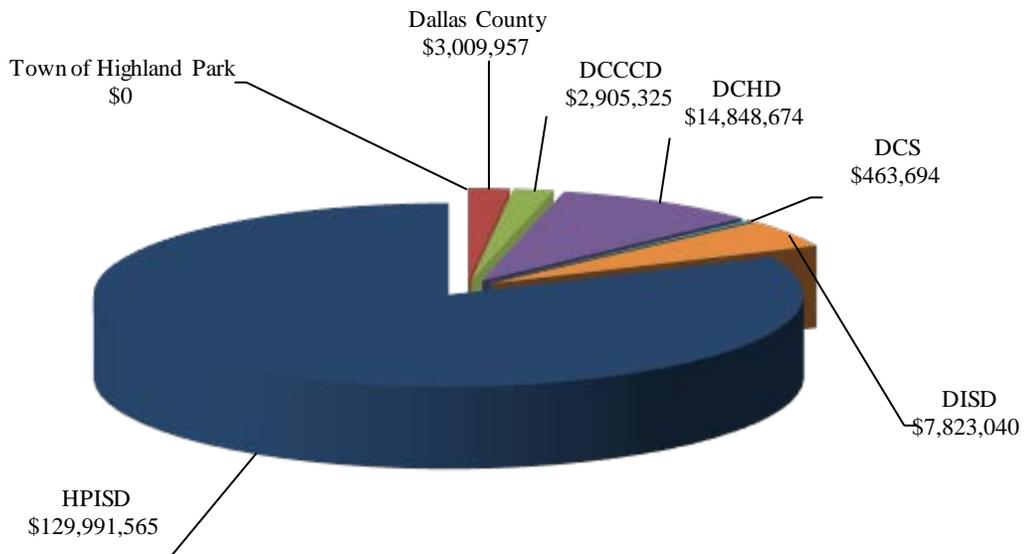
TOWN OF HIGHLAND PARK

Direct and Overlapping Property Tax Rates



Per \$100 Taxable Valuation

Direct and Overlapping Debt



DCHD – Dallas County Hospital District
 DCCCD – Dallas County Community College District
 DISD – Dallas Independent School District
 DCS - Dallas County Schools
 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	
2012	\$ 5,423,170,690	\$ 61,252,130	\$ 5,484,422,820	\$ 4,446,174,261
2013	\$ 5,580,077,680	\$ 72,506,290	\$ 5,652,583,970	\$ 4,598,788,373
2014	\$ 6,040,379,500	\$ 79,298,850	\$ 6,119,678,350	\$ 4,924,894,226
2015	\$ 6,589,202,920	\$ 78,135,850	\$ 6,667,338,770	\$ 5,324,500,745
2016	\$ 7,125,427,370	\$ 91,050,750	\$ 7,216,478,120	\$ 5,765,524,023
2017	\$ 7,246,975,530	\$ 89,904,340	\$ 7,336,879,870	\$ 6,012,113,607
2018	\$ 7,640,424,370	\$ 89,567,460	\$ 7,729,991,830	\$ 6,292,473,542
2019	\$ 7,835,471,260	\$ 107,590,560	\$ 7,943,061,820	\$ 6,463,192,448
2020*	\$ 8,064,947,650	\$ 95,550,440	\$ 8,160,498,090	\$ 6,616,458,934
2021	\$ 8,252,646,410	\$ 99,214,640	\$ 8,351,861,050	\$ 6,783,128,145

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 - 2021 TAX ROLL

<u>Taxpayer</u>	<u>Type of Property</u>	<u>Taxable Valuation</u>	<u>% of Taxable Valuation</u>
HP Village Partners LP	Commercial	\$ 200,666,570	2.97%
Crow, Harlen	Residential	43,714,560	0.65%
Cox, Edwin L Trust	Residential	40,224,530	0.60%
Muse, John R	Residential	39,470,000	0.58%
Dallas Country Club	Commercial	33,284,050	0.49%
Ware, Leslie	Residential	33,145,200	0.49%
L & B Depp UCEPP 5500	Commercial	23,500,000	0.35%
Jones, Jerral W. & Gene C.	Residential	22,448,224	0.33%
Intercity Investment	Commercial	20,007,660	0.30%
Mitchell, Amy	Residential	19,419,440	0.29%

EMPLOYMENT DATA BY INDUSTRY

Employer Industry	Number of establishments	Annual Payroll (\$1,000's)	Employees
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.

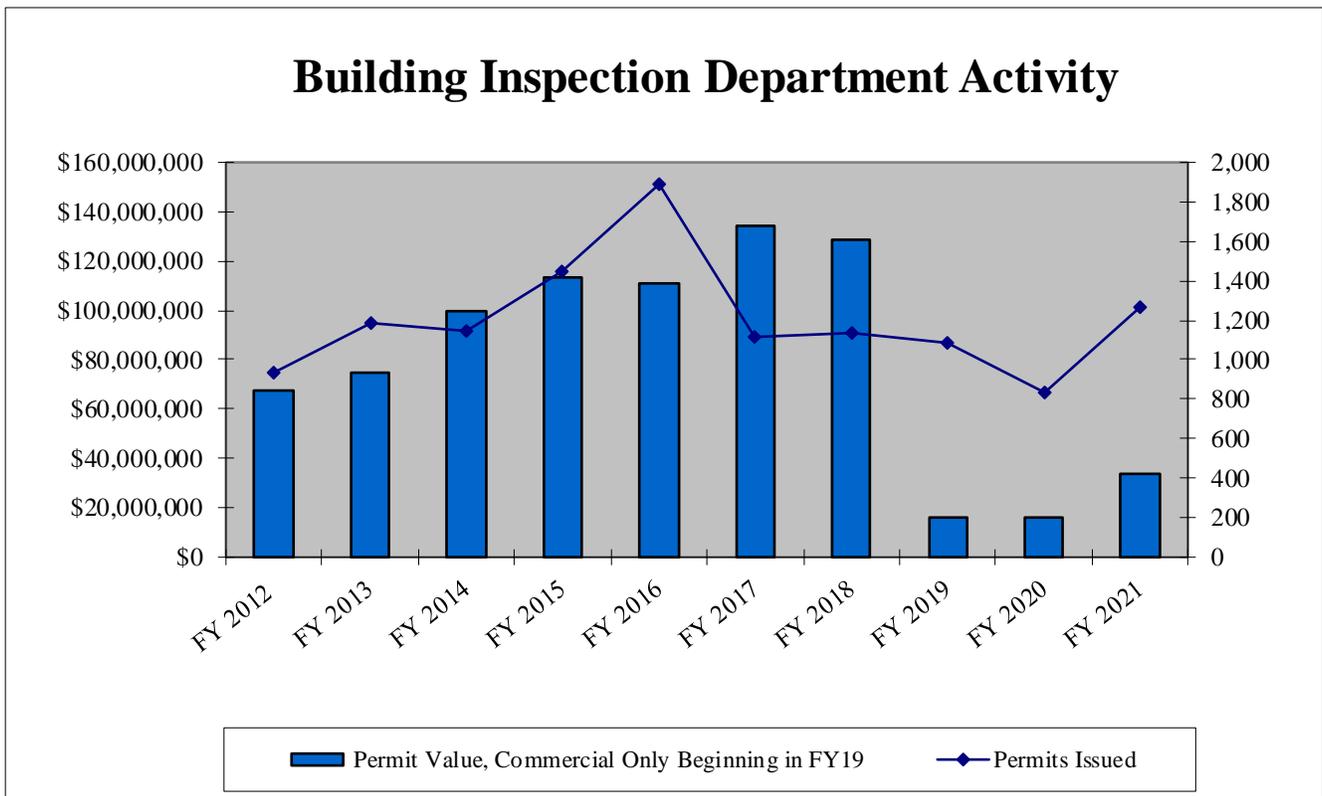
The Town of Highland Park is a relatively small municipality with a radius of about 2.26 square miles. The Town's most recent estimated population is approximately 8,864. Since there is no chamber of commerce in Highland Park, the only available information on employers is the Economic Census from the 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
2012	34	\$ 3,235,348	903	\$ 64,144,609	\$ 5,407,849,850	\$ 56,732,470
2013	33	\$ 4,517,931	1,150	\$ 69,905,735	\$ 5,423,170,690	\$ 61,252,130
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	\$ 6,589,202,920	\$ 78,135,850
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	\$ 7,246,975,530	\$ 89,904,340
2019	19	\$ 15,979,770	1,062	*	\$ 7,640,424,370	\$ 89,567,460
2020	26	\$ 16,227,820	808	*	\$ 7,835,471,260	\$ 107,590,560
2021	23	\$ 33,720,046	1,239	*	\$ 8,064,947,650	\$ 95,550,440

* 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.

** Due to the ongoing pandemic, the initial certification by the Dallas Central Appraisal District for Fiscal Year 2021 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.



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PAY PLAN

The Pay Plans incorporated in the Town's FY 2021-22 Combined 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 midpoint of the new pay range for the PSO position was 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.

The pay plans for non-exempt personnel and public safety personnel are designed to incorporate the Town's Pay for Performance ("P4P"), a program that has been very beneficial to the Town and its employees for over twenty (20) years. All non-exempt employees are evaluated based on a performance evaluation as it relates to the accomplishments of the goals and objectives of each respective department and the department's annual work plan. Immediate compensation for performance is tied to the evaluation on a scale of 0-6% of each employee's grading period base pay. The Town's FY 2021-22 Combined Budget provides for a merit increase of up to 3.5%, for all employees. This merit increase does not impact the pay plan and is based on an employee's performance in the prior year.

The FY 2021-22 pay plan has been adjusted based on compensation survey completed during FY 2020-21. The minimum of the pay range for exempt and non-exempt personnel has been adjusted by 7% resulting in a wider pay range of 45%. The maximum of the pay range for public safety personnel has been increased by 5% to ensure the 20% differential discussed above is sustained.

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.

**TOWN OF HIGHLAND PARK GRADED PAY PLAN
NON-EXEMPT EMPLOYEES
FISCAL YEAR 2022**

Grade	Position	Hourly Base Pay Range	
		Minimum	Maximum
8	Communications Manager Superintendent Town Secretary	\$42.72	\$61.99
7	-	\$37.14	\$53.90
6	Accreditation Manager Building Inspector Communications Supervisor Customer Service Supervisor Development Services Coordinator	\$32.30	\$46.87
5	Construction Inspector Electrical/Mechanical Tech Engineering Tech Librarian Management Assistant Project Coordinator Court Clerk Alarm Specialist	\$28.08	\$40.76
4	Communications Specialist DPS Administrative Secretary Irrigation/Mosquito Inspector Parks Maintenance Specialist Public Works Maintenance Worker III Human Resources Coordinator Senior Accounting Technician Secretary to the Director Plans Examiner	\$24.42	\$35.44
3	Accounting Technician Building Permit Technician Customer Service Specialist II Deputy Court Clerk Library Administrative Assistant Parks Maintenance Worker II Public Works Maintenance Worker II	\$21.24	\$30.82
2	Customer Service Specialist I Library Associate/Assistant Public Works Maintenance Worker I	\$18.47	\$26.80
1	Parks Maintenance Worker I	\$16.06	\$23.30

Base Minimum and Base Maximum reflect the range within each grade. These amounts do not reflect Pay for Performance (“P4P”) or pay related to incentives.

**TOWN OF HIGHLAND PARK GRADED PAY PLAN
PUBLIC SAFETY PERSONNEL
FISCAL YEAR 2022**

Grade	Position	Hourly Base Pay Range Shift Duty*			Hourly Base Pay Range Administration**	
		Minimum	Maximum		Minimum	Maximum
G	Captain	\$44.05	\$50.87		\$68.82	\$79.48
F	Lieutenant	\$38.30	\$44.24		\$59.84	\$69.13
E	Sergeant	\$33.30	\$38.47		\$52.04	\$60.11
D	Unassigned	-	-		-	-
C	Public Safety Officer	\$25.85	\$32.57		\$40.38	\$50.89
B	Fire Fighter or Police Officer	\$21.54	\$24.87		\$33.65	\$38.86
A	Public Safety Apprentice	\$20.56	\$21.59		\$32.12	\$33.73

Base Minimum and Base Maximum reflect the range within each grade. These amounts do not reflect Pay for Performance (“P4P”) or pay related to incentives.

***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 2022**

Grade	Position	Minimum	Maximum
E-4	Director of Public Safety Director of Administrative Services & CFO	\$163,363	\$236,793
E-3	Director of Engineering	\$148,511	\$215,265
E-2	Assistant Director of Public Safety	\$141,102	\$204,529
E-1	Development Services Director	\$130,412	\$188,659
E	Town Librarian IT Manager Deputy Chief Financial Officer Assistant Development Services Director	\$113,403	\$164,053

Exempt positions are not eligible for the Town’s Pay for Performance program, Incentives or Enhancements.

PAY INCENTIVES AND ENHANCEMENTS

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

Emergency Medical Technician	+2%
Crew Chief/Section Supervisor/Utility System Certification	+5%
Licensed Irrigator	+5%
Public Safety Investigator Assignment	+7.5%
Paramedic	+8%

HISTORICAL REVENUE & EXPENDITURE TREND DATA

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

	Actual FY 2013	Actual FY 2014	Actual FY 2015	Actual FY 2016
Property Taxes	\$ 9,689,485	\$ 10,039,679	\$ 10,763,525	\$ 11,573,644
Water Sales	5,576,020	5,370,747	5,996,115	6,699,336
Sanitary Sewer Charges	2,668,813	2,545,727	2,551,417	2,788,561
Sales Tax	2,952,203	3,437,806	3,514,625	3,606,074
Sanitation & Recycling Charges	1,242,590	1,231,340	1,236,438	1,235,509
Franchise Fees	965,140	1,024,423	1,051,657	1,021,288
Building Activity Fees	1,030,649	1,306,011	1,396,333	1,031,156
Court Fines/Fees	839,826	779,530	774,048	1,019,914
Interest on Investments	60,187	60,870	57,242	106,120
Other Charges for Service	1,821,027	1,764,849	1,390,401	1,373,008
Storm Water Drainage Fees	352,908	374,523	381,883	386,838
All Other	<u>2,262,525</u>	<u>859,129</u>	<u>1,837,167</u>	<u>1,938,116</u>
Total	\$ 29,461,373	\$ 28,794,634	\$ 30,950,851	\$ 32,779,564

Source: Actual Column of Prior Year Budget Documents.

Actual FY 2017	Actual FY 2018	Actual FY 2019	Actual FY 2020	Projected FY 2021	Adopted FY 2022
\$ 12,593,539	\$ 13,266,804	\$ 13,771,615	\$ 14,772,729	\$ 14,936,319	\$ 15,495,731
6,688,572	7,291,607	6,557,798	6,983,139	6,780,546	7,379,679
2,787,880	2,808,651	2,744,988	2,760,303	2,803,422	2,909,640
3,480,389	4,071,324	4,312,342	4,198,191	4,923,595	4,278,043
1,236,532	1,390,789	1,466,140	1,515,618	1,540,737	1,602,059
1,037,497	1,036,561	1,085,951	938,957	905,700	918,868
1,464,379	1,232,128	1,405,605	1,348,756	1,506,547	1,226,078
1,181,779	1,075,200	1,368,822	786,710	552,733	1,230,406
244,823	546,103	988,493	569,156	200,159	416,856
1,358,006	1,420,196	1,439,456	1,411,853	1,416,781	1,456,547
390,126	399,396	413,844	426,626	433,031	441,692
<u>1,778,462</u>	<u>2,378,644</u>	<u>6,311,564</u>	<u>3,298,553</u>	<u>4,070,045</u>	<u>4,558,221</u>
\$ 34,241,984	\$ 36,917,403	\$ 41,866,618	\$ 39,010,591	\$ 40,069,615	\$ 41,913,820

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

	Actual FY 2013	Actual FY 2014	Actual FY 2015	Actual FY 2016
Personnel				
Payroll	\$ 11,139,374	\$ 11,476,313	\$ 11,681,953	\$ 12,138,107
Benefits	2,783,687	2,858,783	2,674,221	2,728,154
Subtotal	<u>\$ 13,923,061</u>	<u>\$ 14,335,096</u>	<u>\$ 14,356,174</u>	<u>\$ 14,866,261</u>
Supplies & Equipment	3,830,378	3,627,234	3,680,111	3,522,677
Services & Charges	5,236,432	5,172,547	6,148,502	5,421,227
Capital Outlay	10,326,570	11,713,808	2,608,751	5,062,747
Debt Service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 33,316,441</u>	<u>\$ 34,848,685</u>	<u>\$ 26,793,538</u>	<u>\$ 28,872,912</u>

Source: Actual Column of Prior Year Budget Documents.

Actual FY 2017	Actual FY 2018	Actual FY 2019	Actual FY 2020	Projected FY 2021	Adopted FY 2022
\$ 12,397,961	\$ 12,910,890	\$ 13,616,196	\$ 14,067,783	\$ 13,852,144	\$ 14,433,833
2,943,700	3,366,911	3,452,656	4,007,867	4,114,555	4,303,532
\$ 15,341,661	\$ 16,277,801	\$ 17,068,852	\$ 18,075,650	\$ 17,966,699	\$ 18,737,365
3,541,913	3,871,652	3,439,159	3,581,462	3,785,485	3,937,739
5,903,472	6,094,929	6,011,249	6,211,733	7,320,305	7,380,152
6,803,123	5,382,027	10,786,728	8,032,302	13,886,230	13,363,146
-	-	-	-	-	-
\$ 31,590,169	\$ 31,626,409	\$ 37,305,988	\$ 35,901,147	\$ 42,958,719	\$ 43,418,402

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HISTORICAL WATER SALES DATA

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

<u>Fiscal Year</u>	<u>Residential</u>	<u>Commercial</u>	<u>Irrigation Only</u>	<u>Town Use</u>	<u>Total</u>	<u># Service Meters</u>
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

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

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

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

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

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

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.

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

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

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

BM ③

2021 Tax Rate Calculation Worksheet

Date: 07/29/2021 08:17 AM

Taxing Units Other Than School Districts or Water Districts

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 Districts without Chapter 313 Agreements* or 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.

No-New-Revenue Tax Rate Worksheet	Amount/Rate
1. 2020 total taxable value. Enter the amount of 2020 taxable value on the 2020 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). ¹	\$6,506,578,905
2. 2020 tax ceilings. Counties, cities and junior college districts. Enter 2020 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing units adopted the tax ceiling provision in 2020 or a prior year for homeowners age 65 or older or disabled, use this step. ²	\$0
3. Preliminary 2020 adjusted taxable value. Subtract Line 2 from Line 1.	\$6,506,578,905
4. 2020 total adopted tax rate.	\$0.230000/\$100
5. 2020 taxable value lost because court appeals of ARB decisions reduced 2020 appraised value. A. Original 2020 ARB values:	\$127,322,580

B. 2020 values resulting from final court decisions:	\$118,080,020
C. 2020 value loss. Subtract B from A. ³	\$9,242,560
6. 2020 taxable value subject to an appeal under Chapter 42, as of July 25.	
A. 2020 ARB certified value:	\$99,390,740
B. 2020 disputed value:	\$59,405,178
C. 2020 undisputed value. Subtract B from A. ⁴	\$39,985,562
7. 2020 Chapter 42 related adjusted values Add Line 5C and Line 6C.	\$49,228,122
8. 2020 taxable value, adjusted for actual and potential court-ordered reductions. Add Line 3 and Line 7.	\$6,555,807,027
9. 2020 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2020. Enter the 2020 value of property in deannexed territory. ⁵	\$0
10. 2020 taxable value lost because property first qualified for an exemption in 2021. 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 2021 does not create a new exemption or reduce taxable value.	
A. Absolute exemptions. Use 2020 market value:	\$120
B. Partial exemptions. 2021 exemption amount or 2021 percentage exemption times 2020 value:	\$35,707,918
C. Value loss. Add A and B. ⁵	\$35,708,038
11. 2020 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 2021. Use only properties that qualified in 2021 for the first time; do not use properties that qualified in 2020.	
A. 2020 market value:	\$0
B. 2021 productivity or special appraised value:	\$0
C. Value loss. Subtract B from A. ⁷	\$0
12. Total adjustments for lost value. Add lines 9, 10C and 11C.	\$35,708,038
13. 2020 captured value of property in a TIF. Enter the total value of 2020 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which 2020 taxes were deposited into the tax increment fund. ⁸ If the taxing unit has no captured appraised value in line 18D, enter 0.	\$0
14. 2020 total value. Subtract Line 12 and Line 13 from Line 8.	\$6,520,098,989
15. Adjusted 2020 total levy. Multiply Line 4 by Line 14 and divide by \$100.	\$14,996,227
16. Taxes refunded for years preceding tax year 2020. Enter the amount of taxes refunded	\$18,114

by the taxing unit for tax years preceding tax year 2020. 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 2020. This line applies only to tax years preceding tax year 2020. ⁸	
17. Adjusted 2020 levy with refunds and TIF adjustment. Add Lines 15 and 16. ¹⁰	\$15,014,341
18. Total 2021 taxable value on the 2021 certified appraisal roll today. This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled. ¹¹	
A. Certified values:	\$6,771,545,938
B. Counties: Include railroad rolling stock values certified by the Comptroller's office:	\$0
C. Pollution control and energy storage system exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property:	\$0
D. Tax increment financing: Deduct the 2021 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2021 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 23 below. ¹²	\$0
E. Total 2021 value. Add A and B, then subtract C and D.	\$6,771,545,938
19. Total value of properties under protest or not included on certified appraisal roll. ¹³	
A. 2021 taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. ¹⁴	\$11,582,207
B. 2021 value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about, but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll. ¹⁵	\$0
C. Total value under protest or not certified: Add A and B.	\$11,582,207
20. 2021 tax ceilings. Counties, cities and junior colleges enter 2021 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 units adopted the tax ceiling provision in 2020 or a prior year for homeowners age 65 or older or disabled, use this step. ¹⁶	\$0
21. 2021 total taxable value. Add Lines 18E and 19C. Subtract Line 20. ¹⁷	\$6,783,128,145

22. Total 2021 taxable value of properties in territory annexed after Jan. 1, 2020. Include both real and personal property. Enter the 2021 value of property in territory annexed. ¹⁸	\$0
23. Total 2021 taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in 2020. 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, 2020, and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for 2021. ¹⁹	\$94,426,499
24. Total adjustments to the 2021 taxable value. Add Lines 22 and 23.	\$94,426,499
25. Adjusted 2021 taxable value. Subtract Line 24 from Line 21.	\$6,688,701,646
26. 2021 NNR tax rate. Divide Line 17 by Line 25 and multiply by \$100. ²⁰	\$0.224473/\$100
27. COUNTIES ONLY. Add together the NNR tax rates for each type of tax the county levies. The total is the 2021 county NNR tax rate. ²¹	

¹Tex. Tax Code Section 26.012(14)

²Tex. Tax Code Section 26.012(14)

³Tex. Tax Code Section 26.012(13)

⁴Tex. Tax Code Section 26.012(13)

⁵Tex. Tax Code Section 26.012(15)

⁶Tex. Tax Code Section 26.012(15)

⁷Tex. Tax Code Section 26.012(13)

⁸Tex. Tax Code Section 26.012(13)

⁹Tex. Tax Code Section 26.03(c)

¹⁰Tex. Tax Code Section 26.012(13)

¹¹Tex. Tax Code Section 26.012,26.04(c-2)

¹²Tex. Tax Code Section 26.03(c)

¹³Tex. Tax Code Section 26.01(c) and (d)

¹⁴Tex. Tax Code Section 26.01(c)

¹⁵Tex. Tax Code Section 26.01(d)

¹⁶Tex. Tax Code Section 26.012(6)(b)

¹⁷Tex. Tax Code Section 26.012(6)

¹⁸Tex. Tax Code Section 26.012(17)

¹⁹Tex. Tax Code Section 26.012(17)

²⁰Tex. Tax Code Section 26.04(c)

²¹Tex. Tax Code Section 26.04(d)

²²Reserved for expansion

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:

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

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

Voter-Approval Tax Rate Worksheet	Amount/Rate
28. 2020 M&O tax rate. Enter the 2020 M&O tax rate.	\$0.230000/\$100
29. 2020 taxable value, adjusted for actual and potential court-ordered adjustments. Enter the amount in Line 8 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$6,555,807,027
30. Total 2020 M&O levy. Multiply Line 28 by Line 29 and divide by \$100.	\$15,078,356
31. Adjusted 2020 levy for calculating NNR M&O rate.	
A. M&O taxes refunded for years preceding tax year 2020 Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2020. This line applies only to tax years preceding tax year 2020.	\$18,114
B. 2020 taxes in TIF Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2021 captured appraised value in Line 18D, enter 0.	\$0
C. 2020 transferred function. If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0.	\$0
D. 2020 M&O levy adjustments. Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function.	\$18,114
E. Add Line 30 to 31D.	\$15,096,470
32. Adjusted 2020 taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$6,688,701,646
33. 2021 NNR M&O rate (unadjusted). Divide Line 31E by Line 32 and multiply by \$100.	\$0.225701/\$100
34. Rate adjustment for state criminal justice mandate. ²³	
A. 2021 state criminal justice mandate: Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose.	\$0

<p>B. 2020 state criminal justice mandate: Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies.</p> <p>C. Subtract B from A and divide by Line 32 and multiply by \$100.</p> <p>D. Enter the rate calculated in C. If not applicable, enter 0.</p>	<p>\$0</p> <p>\$0.000000/\$100</p> <p>\$0.000000/\$100</p>
<p>35. Rate adjustment for indigent health care expenditures.²⁴</p> <p>A. 2021 indigent health care expenditures: Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2020 and ending on June 30, 2021, less any state assistance received for the same purpose.</p> <p>B. 2020 indigent health care expenditures: Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2019 and ending on June 30, 2020, less any state assistance received for the same purpose.</p> <p>C. Subtract B from A and divide by Line 32 and multiply by \$100.</p> <p>D. Enter the rate calculated in C. If not applicable, enter 0.</p>	<p>\$0</p> <p>\$0</p> <p>\$0.000000/\$100</p> <p>\$0.000000/\$100</p>
<p>36. Rate adjustment for county indigent defense compensation.²⁵</p> <p>A. 2021 indigent defense compensation expenditures: Enter the amount paid by a county to provide appointed counsel for indigent individuals for the period beginning on July 1, 2020 and ending on June 30, 2021, less any state grants received by the county for the same purpose.</p> <p>B. 2020 indigent defense compensation expenditures: Enter the amount paid by a county to provide appointed counsel for indigent individuals for the period beginning on July 1, 2019 and ending on June 30, 2020, less any state grants received by the county for the same purpose.</p> <p>C. Subtract B from A and divide by Line 32 and multiply by \$100.</p> <p>D. Multiply B by 0.05 and divide by Line 32 and multiply by \$100.</p> <p>E. Enter the lessor of C and D. If not applicable, enter 0.</p>	<p>\$0</p> <p>\$0</p> <p>\$0.000000/\$100</p> <p>\$0.000000/\$100</p> <p>\$0.000000/\$100</p>
<p>37. Rate adjustment for county hospital expenditures.²⁶</p> <p>A. 2021 eligible county hospital expenditures: Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2020 and ending on June 30, 2021.</p> <p>B. 2020 eligible county hospital expenditures: Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2019 and ending on June 30, 2020.</p>	<p>\$0</p> <p>\$0</p>

C. Subtract B from A and divide by Line 32 and multiply by \$100.	\$0.000000/\$100
D. Multiply B by 0.08 and divide by Line 32 and multiply by \$100.	\$0.000000/\$100
E. Enter the lessor of C and D, if applicable. If not applicable, enter 0.	\$0.000000/\$100
38. Rate adjustment for defunding municipality. 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 26.0444 for more information.	\$0
A. Amount appropriated for public safety in 2020. Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year	\$0
B. Expenditures for public safety in 2020. Enter the amount of money spent by the municipality for public safety during the preceding fiscal year.	
C. Subtract B from A and divide by Line 32 and multiply by \$100.	\$0.000000/\$100
D. Enter the rate calculated in C. If not applicable, enter 0.	\$0.000000/\$100
39. Adjusted 2021 NNR M&O rate. Add Lines 33, 34D, 35D, 36E, and 37E. Subtract Line 38D.	\$0.225701/\$100
40. Adjustment for 2020 sales tax specifically to reduce property values. Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in 2020 should complete this line. These entities will deduct the sales tax gain rate for 2021 in Section 3. Other taxing units, enter zero.	\$0
A. Enter the amount of additional sales tax collected and spent on M&O expenses in 2020, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent.	\$0.000000
B. Divide Line 40A by Line 32 and multiply by \$100.	\$0.225701
C. Add Line 40B to Line 39.	
41. 2021 voter-approval M&O rate. Enter the rates as calculated by the scenario below. Special Taxing Unit. If the taxing unit qualifies as a special taxing unit, multiply Line 40C by 1.08. - or - Other Taxing Unit. If the taxing unit does not qualify as a special taxing unit, multiply Line 40C by 1.035.	\$0.233600/\$100
D41. Disaster Line 41 (D41): 2021 voter-approval M&O rate for taxing unit affected by disaster declaration. 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	\$0.000000/\$100

<p>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> <ol style="list-style-type: none"> 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 2. the third tax year after the tax year in which the disaster occurred. <p>If the taxing unit qualifies under this scenario, multiply Line 40C by 1.08.²⁷ If the taxing unit does not qualify, do not complete Disaster Line 41 (Line D41).</p>	
<p>42. Total 2021 debt to be paid with property taxes and additional sales tax revenue. Debt means the interest and principal that will be paid on debts that:</p> <ol style="list-style-type: none"> (1) are paid by property taxes, (2) are secured by property taxes, (3) are scheduled for payment over a period longer than one year and (4) are not classified in the taxing unit's budget as M&O expenses <p>A. Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. 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.²⁸ Enter debt amount.</p> <p>B. Subtract unencumbered fund amount used to reduce total debt.</p> <p>C. Subtract certified amount spent from sales tax to reduce debt (enter zero if none)</p> <p>D. Subtract amount paid from other resources.</p> <p>E. Adjusted debt. Subtract B, C, and D from A.</p>	<p>\$0</p> <p>\$0</p> <p>\$0</p> <p>\$0</p> <p>\$0</p>
<p>43. Certified 2020 excess debt collections. Enter the amount certified by the collector.²⁸</p>	\$0
<p>44. Adjusted 2021 debt. Subtract Line 43 from Line 42E.</p>	\$0
<p>45. 2021 anticipated collection rate.</p> <p>A. Enter the 2021 anticipated collection rate certified by the collector.²⁹</p> <p>B. Enter the 2020 actual collection rate</p> <p>C. Enter the 2019 actual collection rate</p> <p>D. Enter the 2018 actual collection rate</p> <p>E. 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%.³¹</p>	<p>100.00%</p> <p>105.86%</p> <p>99.79%</p> <p>100.79%</p> <p>100.00%</p>
<p>46. 2021 debt adjusted for collections. Divide Line 44 by Line 45E</p>	\$0
<p>47. 2021 total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i>.</p>	\$6,783,128,145
<p>48. 2021 debt tax rate. Divide Line 46 by Line 47 and multiply by \$100.</p>	\$0.000000/\$100



49. 2021 voter-approval tax rate. Add Lines 41 and 48.	\$0.233600/\$100
D49. Disaster Line 49 (D49): 2021 voter-approval tax rate for taxing unit affected by disaster declaration. 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.	\$0.000000/\$100
50. COUNTIES ONLY. Add together the voter-approval tax rates for each type of tax the county levies. The total is the 2021 county voter-approval tax rate.	



²³Tex. Tax Code Section 26.044

²⁴Tex. Tax Code Section 26.0442

²⁵Tex. Tax Code Section 26.0442

²⁶Tex. Tax Code Section 26.0443

²⁷Tex. Tax Code Section 26.04(c-1)

²⁸Tex. Tax Code Section 26.012(10) and 26.04(b)

²⁹Tex. Tax Code Section 26.04(b)

³⁰Tex. Tax Code Section 26.04(b)

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.

Additional Sales and Use Tax Worksheet	Amount/Rate
<p>51. Taxable Sales. For taxing units that adopted the sales tax in November 2020 or May 2021, enter the Comptroller's estimate of taxable sales for the previous four quarters.²⁰ Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November 2020, enter 0.</p>	\$0
<p>52. Estimated sales tax revenue. Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue.³³</p> <p>Taxing units that adopted the sales tax in November 2020 or in May 2021. Multiply the amount on Line 51 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95.³⁴</p> <p style="text-align: center;">- or -</p> <p>Taxing units that adopted the sales tax before November 2020. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.</p>	\$0
<p>53. 2021 total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i>.</p>	\$6,783,128,145
<p>54. Sales tax adjustment rate. Divide Line 52 by Line 53 and multiply by \$100.</p>	\$0.000000/\$100
<p>55. 2021 NNR tax rate, unadjusted for sales tax.³⁵ Enter the rate from Line 26 or 27, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet</i>.</p>	\$0.224473/\$100
<p>56. 2021 NNR tax rate, adjusted for sales tax.</p> <p>Taxing units that adopted the sales tax in November 2020 or in May 2021. Subtract Line 54 from Line 55. Skip to Line 57 if you adopted the additional sales tax before November 2020.</p>	\$0.224473/\$100
<p>57. 2021 voter-approval tax rate, unadjusted for sales tax.³⁶ Enter the rate from Line 49, Line D49 (disaster), or Line 50 (counties), as applicable, of the <i>Voter-Approval Tax Rate Worksheet</i>.</p>	\$0.233600/\$100
<p>58. 2021 voter-approval tax rate, adjusted for sales tax. Subtract Line 54 from Line 57.</p>	\$0.233600/\$100

³¹Reserved for expansion

³⁴Tex. Tax Code Section 26.041(d)

³²Tex. Tax Code Section 26.041(d)

³⁵Tex. Tax Code Section 26.04(c)

³³Tex. Tax Code Section 26.041(i)

³⁶Tex. Tax Code Section 26.04(c)

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.

Voter-Approval Protection for Pollution Control Worksheet	Amount/Rate
59. Certified expenses from the Texas Commission on Environmental Quality (TCEQ). Enter the amount certified in the determination letter from TCEQ. ³⁷ The taxing unit shall provide its tax assessor-collector with a copy of the letter. ³⁸	\$0
60. 2021 total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$6,783,128,145
61. Additional rate for pollution control. Divide Line 59 by Line 60 and multiply by \$100.	\$0.000000/\$100
62. 2021 voter-approval tax rate, adjusted for pollution control. 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).	\$0.233600/\$100

³⁷Tex. Tax Code Section 26.045(d)

³⁸Tex. Tax Code Section 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 before the unused increment rate for the prior three years.³⁹ In a year where a taxing unit adopts a rate by applying any portion of the unused increment rate, the unused increment rate for that year would be zero.

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

- a tax year before 2020; and⁴⁰
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a);⁴¹ 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.⁴²

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

Unused Increment Rate Worksheet	Amount/Rate
63. 2020 unused increment rate. Subtract the 2020 actual tax rate and the 2020 unused increment rate from the 2020 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	\$0.017787
64. 2019 unused increment rate. Subtract the 2019 actual tax rate and the 2019 unused increment rate from the 2019 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero	\$0
65. 2018 unused increment rate. Subtract the 2018 actual tax rate and the 2018 unused increment rate from the 2018 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	\$0.000000
66. 2021 unused increment rate. Add Lines 63, 64 and 65.	\$0.017787/\$100
67. 2021 voter-approval tax rate, adjusted for unused increment rate. ²³ 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).	\$0.251387/\$100

³⁹Tex. Tax Code Section 26.013(a)

⁴⁰Tex. Tax Code Section 26.013(c)

⁴¹Tex. Tax Code Section 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.⁴²

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit.⁴³

De Minimis Rate Worksheet	Amount/Rate
68. Adjusted 2021 NNR M&O tax rate. Enter the rate from Line 39 of the <i>Voter-Approval Tax Rate Worksheet</i>	\$0.225701/\$100
69. 2021 total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$6,783,128,145
70. Rate necessary to impose \$500,000 in taxes. Divide \$500,000 by Line 69 and multiply by \$100.	\$0.007371
71. 2021 debt rate. Enter the rate from Line 48 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$0.000000/\$100
72. De minimis rate. ²³ Add Lines 68, 70 and 71.	\$0.233072/\$100

⁴²Tex. Tax Code Section 26.012(8-a)

⁴³Tex. Tax Code Section 26.063(a)(1)

⁴⁴Tex. Tax Code Section 26.04(c)

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.⁴⁶

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.

NOTE: This section will not apply to any taxing units in 2021. It is added to implement Senate Bill 1438 (87th Regular Session) and does not apply to a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a declared disaster in 2020, as provided for in the recently repealed Tax Code Sections 26.04(c-1) and 26.041(c-1).

In future tax years, 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.

In future tax years, this section will also 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).

Emergency Revenue Rate Worksheet	Amount/Rate
<p>73. 2020 adopted tax rate. Enter the rate in Line 4 of the <i>No-New-Revenue Tax Rate Worksheet</i>.</p>	N/A
<p>74. Adjusted 2020 voter-approval tax rate. Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line.</p> <p>If a disaster occurred in 2020 and the taxing unit calculated its 2020 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2020 worksheet due to a disaster, enter the 2020 voter-approval tax rate as calculated using a multiplier of 1.035 from Line 49.</p> <p>- or -</p> <p>- or -If a disaster occurred prior to 2020 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 2020, 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 2020 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the year(s) following the disaster.⁴⁸ Enter the final adjusted 2020 voter-approval tax rate from the worksheet.</p> <p>If the taxing unit adopted a tax rate above the 2020 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.</p>	N/A
<p>75. Increase in 2020 tax rate due to disaster. Subtract Line 74 from Line 73.</p>	N/A
<p>76. Adjusted 2020 taxable value. Enter the amount in Line 13 of the <i>No-New-Revenue Tax Rate Worksheet</i>.</p>	N/A
<p>77. Emergency revenue. Multiply Line 75 by Line 76 and divide by \$100.</p>	N/A

78. Adjusted 2021 taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	N/A
79. Emergency revenue rate. Divide Line 77 by Line 78 and multiply by \$100. ⁴⁹	N/A
80. 2021 voter-approval tax rate, adjusted for emergency revenue. 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).	N/A

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-New-Revenue tax rate

As applicable, enter the 2021 NNR tax rate from: Line 26, Line 27 (counties), or Line 56 (adjusted for sales tax). \$0.224473/\$100

Indicate the line number used: 26

Voter-Approval tax rate

As applicable, enter the 2021 voter-approval tax rate from: Line 49, 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). \$0.251387/\$100

Indicate the line number used: 67

De minimis rate

If applicable, enter the de minimis rate from Line 70. \$0.233072/\$100

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 Tax Code.⁵⁰

print here John R. Ames, PCC, CTA

Printed Name of Taxing Unit Representative

sign here John R. Ames by PCC
Taxing Unit Representative

8/6/21
Date