



*Town of Highland Park, Texas*  
**TOWN COUNCIL MEETING**  
**AGENDA**

4:00 PM  
August 14, 2017

4700 Drexel Drive  
Town Council Chamber

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**WORK SESSION - 4:00 PM**

**I. CALL TO ORDER**

**II. DISCUSSION**

- A. Discuss any of the agenda items provided on the Regular Agenda of the August 14, 2017 Town Council meeting.

**TOWN COUNCIL REGULAR AGENDA - 4:00 P.M.**

**I. CALL TO ORDER**

**II. INVOCATION**

**III. CITIZEN COMMENTS REGARDING ITEMS NOT ON THE AGENDA**

This is an opportunity for the public to address the Town Council on any subject not on the Agenda. In accordance with the Texas Open Meetings Act, the Town Council may not discuss issues raised or make any decision at this time. Issues raised may be referred to Town staff for research and possible future action.

**IV. PUBLIC HEARING**

- A. Conduct a public hearing on the Proposed Combined Budget for Fiscal Year 2017-18.

**V. CONSENT AGENDA**

All items under the Consent Agenda are considered to be routine by the Town Council and will be enacted by one motion and vote. There will be no separate discussion of items unless a request by a Council Member is made prior to the time of the Town Council voting on the motion. In such event, the item will be removed, without debate, from the general order of business and considered in its normal sequence.

- A. Consider approval of the minutes of the Town Council study session held on April 18, 2017.

- B. Consider approval of the minutes of the Town Council meeting held on April 24, 2017.
- C. Consider approval of the minutes of the Town Council study session held on May 16, 2017.
- D. Consider approval of the minutes of the Town Council meeting held on May 22, 2017.
- E. Consider approval of a Public Right-Of-Way Use Agreement to allow replacing a wooden fence at 3101 Cornell Avenue that encroaches into the right-of-way on Airline Road.
- F. Consider approval of an ordinance amending the Town's Code of Ordinances to add a "No Parking" designation on Byron Avenue between Beverly Drive and Cornell Avenue during school hours.
- G. Consider approval of a resolution denying the rate application and consolidation proposed by Oncor.
- H. Consider approval of a proposal submitted by MESA Design Associates, Inc. for the Conceptual Design and Development of Hackberry Creek Improvements.
- I. Consider approval of a purchase in the amount of \$313,425.00 for a 2018 Frazer MICU/Ambulance and related equipment.
- J. Consider approval of a contract with Valley View Consulting, L.L.C. to continue providing investment advisory services.
- K. Consider approval of a letter of engagement with BKD, LLP to serve as the Town's independent auditor to conduct the annual audit for the fiscal year ending September 30, 2017.

## **VI. MAIN AGENDA**

- A. Consider approval of a proposal to set a preliminary property tax rate of \$0.22 per \$100 of taxable assessed value and schedule two public hearings to receive public comments regarding the proposal to consider the tax increase.

## **VII. CLOSED SESSION**

- A. In accordance with Texas Government Code Chapter 551, Subchapter D, Section 551.071 - CONSULTATION WITH ATTORNEY - the Town Council will convene into closed session to consult with and seek legal advice from the Town Attorney regarding a Department of Public Safety claim/audit.
- B. In accordance with Texas Government Code Chapter 551, Subchapter D, Section 551.071 - CONSULTATION WITH ATTORNEY - the Town Council will convene into closed session to consult with and seek legal advice from the Town Attorney regarding a building site (Westside Drive).

## **VIII. OPEN SESSION**

- A. Pursuant to Section 551.102 of the Texas Government Code, the final action, decision, or vote regarding VII. A. above, shall be made, if any.
- B. Pursuant to Section 551.102 of the Texas Government Code, the final action, decision, or vote regarding VII. B. above, shall be made, if any.

## **IX. ADJOURNMENT**

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### **SPECIAL ACCOMMODATIONS FOR TOWN COUNCIL MEETINGS**

Let us know if you need special assistance of any kind.

Please contact the Town of Highland Park Administrative staff at (214) 521-4161

7:30 a.m. to 4:30 p.m., Monday through Friday.



# TOWN OF HIGHLAND PARK

## Agenda Briefing

Council Meeting: August 14, 2017

Department: Fiscal & Human Resources

Director: Steven J. Alexander

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### TITLE

Conduct a public hearing on the Proposed Combined Budget for Fiscal Year 2017-18.

### BACKGROUND

The purpose of this public hearing is to provide a forum for public comments on the Proposed FY 2017-18 Combined Budget (the "Proposed Budget").

On July 28, 2017, the Town Administrator submitted the Proposed Budget to the Town Secretary, the Town Council, and the Finance and Audit Advisory Committee. The Town Council reviewed the Proposed Budget at its study session on August 8, 2017.

The Texas Local Government Code requires that the Town hold a public hearing on the Proposed Budget. Public hearings have been scheduled on the Proposed Budget at 4:00 p.m. on August 14, 2017, and at 4:00 p.m. on August 28, 2017. Notice of these public hearings was published in *The Park Cities News* on July 27, 2017, and on August 10, 2017, and posted on the Town's website.

The Proposed Budget is available for public inspection at the Town Secretary's office or on the Town's website.

### RECOMMENDATION

None

### FINANCIAL IMPACT

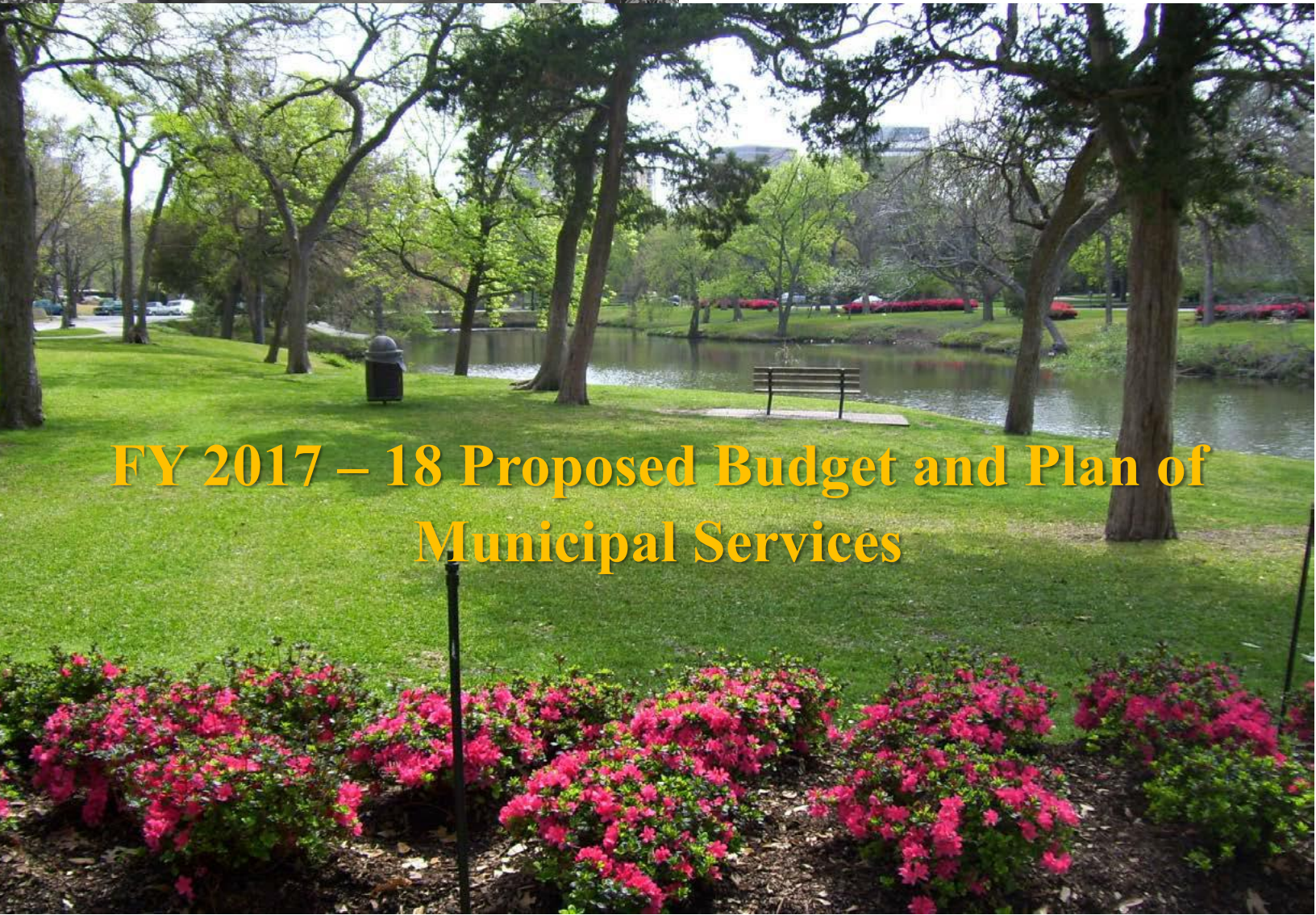
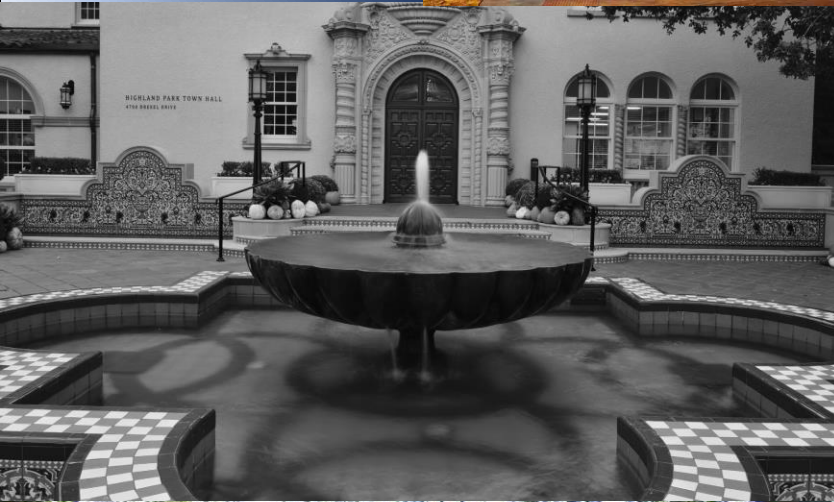
There is no financial impact at this time.

### ATTACHMENTS:

File Name	Description
FY_2017-18_Proposed_Budget.pdf	FY 2017-18 Proposed Budget and Plan of Municipal Services



*Excellence  
in Public  
Service*



**FY 2017 – 18 Proposed Budget and Plan of  
Municipal Services**





# **Town of Highland Park**

## **Proposed Budget**

### **Operating and Capital**

## **For the Fiscal Year 2017-2018**

This budget will raise more revenue from property taxes than last year's budget by an amount of \$542,497 which is a 4.28 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 \$276,963.

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

FOR:

AGAINST:

PRESENT and not voting:

ABSENT:

Tax Rate:	Adopted 2017-18	Adopted 2016-17
Property Tax Rate:	\$0.220000/100	\$0.220000/100
Effective Tax Rate:	\$0.214177/100	\$0.204043/100
Effective Maintenance & Operations Tax Rate:	\$0.214177/100	\$0.204043/100
Rollback Tax Rate:	\$0.231311/100	\$0.220366/100
Debt Rate:	\$0.000000/100	\$0.000000/100

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



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Town of Highland Park  
Texas**

For the Fiscal Year Beginning

**October 1, 2015**

Executive Director



# **TOWN OF HIGHLAND PARK, TEXAS**

## **PROPOSED BUDGET OPERATING AND CAPITAL OCTOBER 1, 2017 THROUGH SEPTEMBER 30, 2018**

AS SUBMITTED TO  
THE MAYOR AND THE TOWN COUNCIL

**JOEL T. WILLIAMS III**  
MAYOR

**BOB CARTER**  
MAYOR PRO TEM

**DAVID DOWLER**  
**ERIC GAMBRELL**  
**MARGO GOODWIN**  
**JOHN MCKNIGHT**  
COUNCIL MEMBERS

**BILL LINDLEY**  
TOWN ADMINISTRATOR

**STEVEN J. ALEXANDER**  
DIRECTOR OF ADMINISTRATIVE SERVICES & CFO

**CLIFF COPELAND**  
CONTROLLER

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# Memorandum

To: Mayor & Town Council Members

Via: Bill Lindley, Town Administrator

From: Steven J. Alexander, Director of Admin. Services & CFO

Date: July 28, 2017

Subject: Fiscal Year 2017-18 Proposed Budget Highlights

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The Proposed Budget provided with this memorandum is structurally balanced for all funds, meaning, operating revenues cover operating expenditures in a manner that is sustainable, barring significant economic downturns, into the foreseeable future. Attached for your review is an entity-wide summary of major funds, an entity-wide summary of all funds and summary statements for each fund. Key highlights within the Proposed Budget include the following:

## ***Operating Revenues:***

***Property Taxes*** – Taxable assessed values (T.A.V.) are anticipated to increase by 4.3% which is factored into the Proposed Budget. The tax rate proposed remains at 22 cents per \$100 of taxable assessed values. The most current information presented by Dallas Central Appraisal District (DCAD) shows a 4.3% increase in T.A.V., but approximately \$95.0 M in T.A.V. remains in dispute. The Proposed Budget anticipates that the amount under dispute will ultimately result in an estimated \$66.0 M in T.A.V. Construction values are making up \$125,892,289 of the total increase, which equates to \$276,963 of the total \$542,497 increase in property tax revenue. The special legislative session currently underway may result in legislation that impacts this proposal since two of the issues identified by Governor Abbott included:

1. Revenue caps (the Governor urged the legislature to pass S.B. 2 from the regular session – a four-percent property tax cap).
2. Spending caps for both the state and cities equal to population growth plus inflation (this bill was not filed during the regular session).

***Sales Taxes*** - With construction activity anticipated to continue at Highland Park Shopping Village and the potential rehabilitation of Preston and Livingston Roads, sales tax is expected to remain relatively flat for next fiscal year. While an increase of 4.6%, or \$164,286, over current year-end projections is proposed, this is driven in part by a reduction in sales tax revenue in the current year related to a repayment of sales tax revenue due to a prior period audit. This reduction is expected to be a one-time occurrence. Taking this matter into account, the anticipated growth in sales tax represents a 2.5% increase over what sales tax would have been for the current fiscal year without the prior period audit adjustment. This anticipated growth projection is also in line with DART's transit sales tax projections used to estimate the amount of funding to contribute to the Town for participating in DART's Transportation Related Improvements Program (TRIP).

**Utility Revenues** - Water and wastewater rates are planned to remain the same for fiscal year 2017-18; however, the financial forecast over the next 10 years anticipates rates increasing by 4.75% in fiscal year 2018-19.

**Solid Waste Revenues** - As previously presented to Town Council, based on the new contract with Republic Services, solid waste and recycling rates are proposed to increase 5.5% (CPI rate increase for October through December) and 10.8% beginning on January 1 for a total increase of 16.3% over current rates. This increase generates an additional \$167,612 in revenue and is necessary to maintain a balanced budget within the Solid Waste Fund.

**Other Revenues** - The Proposed Budget returns the accounting of alarm monitoring revenue back to the General Fund as was the practice in previous years. In recent years, the amount of revenue paid to Thrive has been accounted for within the DPS Technology Fund. The impact of this accounting change is General Fund revenues growing by \$202,238. This amount will no longer be reflected in the DPS Technology Fund. Going forward, the only revenues reported in the DPS Technology fund will relate to revenues received from Telecommunications Properties, Inc. derived from leasing tower space at Town Hall to cellular carriers. The Proposed Budget also anticipates an increase in the annual alarm permit fee charged to residents. This fee is proposed to increase from \$30 to \$48 per year which is comparable to other cities within the region.

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

**Payroll** - The Proposed Budget anticipates continuing the Town's pay for performance program and plans for a 3% increase in pay for those individuals that are not eligible for pay for performance or currently at the top of their pay range. Continuing the compensation program results in a \$441,308 increase in the General Fund (\$399,494) and Utility Fund (\$41,814) budgets (exclusive of additional taxes, TMRS contribution, etc.). Paradox Compensation Advisors is completing an update to the Town's compensation analysis, but anticipates the 3% adjustment to be in line with the Town's other comparison cities. As a side note, the Dallas Central Appraisal District (DCAD) has proposed a 4% compensation adjustment in next year's budget.

**Pay for Performance & Fitness** – The Proposed Budget continues to fund the Town's pay for performance and fitness programs for Fiscal Year 2017-18. Pay for performance provides a quarterly incentive in recognition of an employee's performance for the past quarter and allows an employee to earn up to 7% of their quarterly income. Additionally, those employees who participate in the Town's quarterly fitness program, can earn up to 2% of their quarterly pay based on how well they score on an agility test. Overall, the budget includes \$580,741 for pay for performance and \$229,341 for fitness.

**Health Insurance** - At a total additional cost of \$122,124, health insurance is budgeted to increase by 10%. Bids received from insurance carriers presented an 18%-22% increase to continue the existing health insurance benefit. As can be seen in the following table, the Town's loss ratio is high for fiscal year 2016-17, with the last couple of months being above 100%. IPS Advisors is in the process of completing negotiations with Cigna (the apparent low bidder), and finalizing plan design options that would allow the cost of the program to remain within the 10% increase proposed. Overall, the Proposed Budget includes \$1,801,299 for insurance related items including health, dental, workers' compensation and long-term disability.

Town of Highland Park  
Health / Dental Loss Ratio

	Total Claims*	Premium*	Loss Ratio
2011-2012	\$8,238	\$10,667	77.2%
2012-2013	\$11,846	\$11,566	102.4%
2013-2014	\$9,447	\$11,807	80.0%
2014-2015	\$13,762	\$12,965	106.1%
2015-2016	\$11,269	\$13,465	83.7%
2016-2017 (YTD)	\$13,380	\$13,484	99.2%

YTD - Oct - May 2017

\*Total Claims / Premium numbers are shown as per capita (per employee)

**TMRS** - According to TMRS's *Actuarial Valuation Report* as of December 31, 2016, the Town's total required contribution rate for calendar year 2018 is 5.54% which is slightly above the current rate of 5.40%. In calendar year 2017 the Town experienced a significant increase in its contribution rate to TMRS, increasing from 3.19% to 5.40%. Since a change in the contribution rate is not effective until January of each year, the increase for calendar year 2017 is fully experienced in Fiscal Year 2017-18. Highland Park's total actuarial liability of \$71,505,794 related to retirement remains fully funded at 102.1%. In an effort to maintain this funding status, the Proposed Budget includes funding to cover the Town's normal cost rate for next year which equals 6.27%. Overall, this increases the budget for TMRS contributions by \$71,227.

In addition to the adjustments to **Personnel Services** discussed above, it is important to note that the Proposed Budget includes the addition of a Sergeant and Alarm Specialist in DPS at a budgeted cost of \$265,027, and a full-time Town Librarian position at a cost of \$152,847 that was previously funded through Contract Services. These costs are partially offset by the elimination of one Parks Maintenance Worker I position at an estimated cost of \$63,000 and funding the assistant foreman position in the Utility Fund for one-half of the next fiscal year reducing the Utility Fund operating budget by approximately \$45,000.

**Supplies** - Overall Supplies & Equipment is proposed to increase 2.37%, or \$91,699. The increase is primarily attributed to the increase in the cost of water purchases of \$150,386 resulting from the water rate increase adopted by Dallas County Park Cities Municipal Utility District (DCPCMUD) for Fiscal Year 2017 along with slightly larger anticipated water purchases. Other changes in supplies includes reductions in needed funds resulting from the completion of the vehicle ding & dent repairs in Fiscal Year 2017 (\$20,875) and non-recurring purchases of capital equipment (\$17,650).

**Services & Charges** – Increasing overall by 1.21%, or \$77,943, this expense category is impacted by the elimination of payments made to Thrive (\$230,000) which is partially offset by the addition of costs associated with TelGuard services totaling \$92,400. The Proposed Budget for the Utility Fund includes an increase in wastewater treatment charges assessed by the City of Dallas totaling \$99,602. Approximately \$56,000 has been included in the Utility Fund for additional human resources consulting services and wellness management services. Services and charges within the Parks Department are proposed to increase by \$77,274 due to a greater focus on outsourcing parks maintenance as opposed to filling vacant positions. Additionally, the Library had a significant decrease of approximately (\$153,000) in contract services with the departure of the former Town Librarian. Finally, with a new contract in effect January 1, 2018, contract services in the Solid Waste Fund is increasing \$145,720 for collection and recycling charges.

### ***New Programs Proposed:***

- ***Addition of a motorcycle unit in DPS*** – the budgeted cost of this program is \$141,619, which includes the cost of the motorcycle. Revenues anticipated within the budget have been limited to the overall cost of the program and are increasing court revenues by \$141,619. Any additional revenue that might result from the added unit could be used to address capital or other identified needs.
- ***Single sign-on (SSO) for Library Services*** – Total net impact to the General Fund - \$8,250
- ***Addition of a plans reviewer*** – Fully funded within the General Fund, this position budgeted at \$79,568 is partially funded through the addition of a Sub-Contractor Registration fee of \$125 per registration and through applying the current plan review fee to renovation projects with a construction value of over \$100,000 – Total net impact to the General Fund - \$18,044.
- ***Contract Labor in Parks*** - Increase in contract labor for parks with associated elimination of one full-time position – Total net impact to the General Fund – (\$18,530).

### ***Capital Improvement Program (CIP):***

***Revenue Assumptions*** - There are three significant revenue assumption changes made in the CIP. Within the financial model for the General Fund, which is used to determine the annual transfer to the Capital Projects Fund, taxable assessed valuation growth has been reduced to 4.5%, as opposed to 5%, to take on a more conservative outlook and in anticipation of future revenue caps or tax rate growth limitations that may be legislatively set by the State. This change reduces anticipated property taxes over the 10-year period presented in the financial model by \$3,793,221. Sales tax growth has been trending the last couple of years less than what was initially projected. In the updated financial model, sales tax is anticipated to grow at a rate of 4% per year, versus the previously anticipated 5%. Reducing the sales tax revenue growth assumption results in a \$2,127,039 reduction in sales tax revenue over the 10-year planning horizon. Regarding the Utility Fund, revenue modeling previously anticipated a 4% increase in water and wastewater rates in alternating years beginning in Fiscal Year 2018-19. The updated model anticipates these increases to be at 4.75%, which is in part driven by the increased cost of water purchased from the DCPCMUD and treatment of wastewater by the City of Dallas.

***DART*** – Through the recent approval of a Transportation Related Improvements Program (TRIP) policy by DART, the Town anticipates that DART will provide approximately \$1.7 million per year over the next 9 years toward the Town's CIP as it relates to transportation projects and/or projects that positively impact public transportation provided by DART. The annual contribution from DART, equal to 42% of the Town's sales tax that is paid to DART, has not been incorporated into the CIP, but if approved will allow the Town to focus its existing funding on projects not currently included in the CIP such as improvements to Wycliff Avenue, and the replacement of the elevated water storage tank at Holland Avenue. To the extent that the improvements to Wycliff Avenue could be incorporated into the CIP, the North Central Texas Council of Governments has indicated a willingness to participate by providing approximately \$5.0 million in funding toward the project.

### ***Project Changes & Additions***

- ***Livingston Avenue Rehab, Preston (Phase II & Phase III)*** – **Timing Modification** - All three projects moved out one year on the CIP.
- ***Armstrong Bridges (2) Rehabilitation*** – **Timing modification** – Project moved out one year on the CIP.



- ***Potential Project Funding*** – Initially the CIP included \$2,400,000 in anticipated project funding in the outer five-years of the plan. In order to accommodate the change in revenue assumptions mentioned above, these funding amounts were removed.

If you have any questions or require additional information, please let me know.

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## Budgeted Funds

### GENERAL FUND

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

The Proposed Budget for the General Fund Budget is \$23,304,376 representing an increase of \$1,096,916, or 4.9% over the previous fiscal year Adopted Budget. Operational expenditures represent \$19,330,342, or 82.9% of the General Fund Budget, with the remaining balance of \$3,974,034 representing transfers to other funds. The Transfer to the Capital Projects Fund is \$2,657,228 representing 11.4% of the overall General Fund Proposed Budget.

### Revenues:

The Proposed Budget includes a property tax rate of \$0.22 per \$100 of taxable assessed value (T.A.V.) which is the same tax rate assessed for the past 10 years. Based on the certified tax rolls provided by the Dallas County Appraisal District (DCAD), this budget will raise more revenue from property taxes than last year's budget by \$542,497. Of this amount, 48.9% is from existing property revaluation, while the remaining 51.1% is from 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 4.12%.

### Town of Highland Park Historical Property Tax Information

Tax Year	Tax Rate	Taxable Assessed Value (T.A.V.)	% Change in T.A.V.	Tax Levy
1995	0.2970	\$1,526,711,852	4.07%	\$ 4,534,334.20
1996	0.2970	\$1,584,600,472	3.79%	\$ 4,706,263.40
1997	0.2970	\$1,626,075,722	2.62%	\$ 4,829,444.89
1998	0.2693	\$1,786,189,741	9.85%	\$ 4,810,208.97
1999	0.2575	\$1,939,868,756	8.60%	\$ 4,995,162.05
2000	0.2462	\$2,146,638,147	10.66%	\$ 5,285,023.12
2001	0.2290	\$2,416,780,567	12.58%	\$ 5,534,427.50
2002	0.2208	\$2,628,830,785	8.77%	\$ 5,804,458.37
2003	0.2300	\$2,770,409,688	5.39%	\$ 6,371,942.28
2004	0.2300	\$2,911,465,259	5.09%	\$ 6,696,370.10
2005	0.2300	\$3,175,218,560	9.06%	\$ 7,303,002.69
2006	0.2250	\$3,605,667,701	13.56%	\$ 8,112,752.33
2007	0.2200	\$4,040,272,597	12.05%	\$ 8,888,599.71
2008	0.2200	\$4,364,487,558	8.02%	\$ 9,601,872.63
2009	0.2200	\$4,573,579,178	4.79%	\$ 10,061,874.19
2010	0.2200	\$4,437,430,774	-2.98%	\$ 9,762,347.70
2011	0.2200	\$4,406,947,910	-0.69%	\$ 9,695,285.40
2012	0.2200	\$4,446,174,261	0.89%	\$ 9,781,583.37
2013	0.2200	\$4,598,788,373	3.43%	\$ 10,117,334.42
2014	0.2200	\$4,924,894,226	7.09%	\$ 10,834,767.30
2015	0.2200	\$5,324,500,745	8.11%	\$ 11,713,901.64
2016	0.2200	\$5,765,524,023	8.28%	\$ 12,684,152.85
2017*	0.2200	\$6,012,113,607	4.28%	\$ 13,226,649.94

\*Includes anticipated results for disputed values.

Between fiscal years 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 fiscal years 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 fiscal year 2013, and as a result, the Town has experienced an increase in taxable assessed property values over the last six years. Keeping the tax rate constant has allowed the Town to use the resulting increase in property tax revenues 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.

Additional revenues are derived from the Town leasing space to multiple cellular communication companies at the 5005 Holland Avenue location. The Town has recently approved new contracts ranging from 5 to 10 years. These leases currently generate approximately \$225,000 within the General Fund.

Other significant revenue changes for FY 2018 include:

- Sales tax receipts, the fund's second largest source of revenue is estimated at \$3,720,000, representing a 4.6% increase over the year end projection for 2016-17.
- Continued steady rate of construction activity on new residential homes and remodeling projects is reflected by the number of permits issued by the Town. During fiscal year 2016-17, building permit revenue is expected to be higher than originally anticipated. Nevertheless, using a conservative approach in estimating building permit revenue going forward, total building permit revenue in fiscal year 2017-18 is projected at \$960,000, which is equal to the amount budgeted in fiscal year 2016-17.
- Municipal Court revenues are expected to be higher than the amount budgeted in the Adopted Budget for fiscal year 2016-17 with the continuation of the traffic enforcement unit implemented during the previous year and the addition of another motorcycle unit. While not reliant on this revenue source, the Proposed Budget reflects the expected change in revenue equivalent to the cost of the new unit. Any revenues that might be generated above the cost could be used toward meeting capital or other operating needs.
- The Proposed Budget anticipates increases to various fees that were identified during a review of the Town's fee schedule. These fees include:
  - Plan review fees – increase \$50 to \$250 per review
  - New Subcontractor registration fees – \$125
  - Alarm permits – increase from \$30 to \$48 per year
  - Library non-resident fees – increase from \$200 to \$250 per year
  - Ambulance fees – increase mileage rate from \$9 to \$15 per mile and add a new Treat/ No Transport fee of \$125

## **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 46.11% of the overall budget, excluding transfers. 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. In recognition of this important goal, the General Fund budget includes \$399,494 (exclusive of additional taxes, TMRs, etc.) for compensation increases. Consistent with past

years, employees not at the top of their pay range are eligible for a merit increase up to 7%, while employees who have reached the top-end of their pay range, or employees who are not eligible for pay-for-performance increases, are budgeted to receive a 3% adjustment.

During fiscal year 2012-13, the Council updated the list of comparable cities and corresponding salary survey information for our 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. As noted, the Town's pay system is a pure pay-for-performance format, substantially different than most municipal systems which are tenure-based pay structures where employees are granted automatic pay increases.

**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 is increasing by 2.6%, to 5.54% of payroll for fiscal year 2017-18. However, in an effort to maintain fully funding the Town's pension liability, the Proposed Budget includes funding to cover the Town's normal cost rate which equal 6.27% of total payroll. Overall, within the General Fund, pension cost is growing by \$172,440 when compared to the fiscal year 2016-17 Adopted Budget. Some of the benefit provisions offered by TMRS include Ad Hoc Updated Service Credits (USC) and Ad Hoc Cost of Living Adjustments (COLA). Participation is optional for these benefits and, in past years, the Town has not participated. While many other municipalities have provided these benefits, by choosing not to participate, the Town will save an estimated \$500,000 in overall retirement costs for fiscal year 2017-18.

**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. Based on bids from the health insurance market, the Town's current health insurance provider, Blue Cross Blue Shield (BCBS), provided a bid for next fiscal year of 22% to remain with the current plan design structure. Cigna, the lowest bidder, provided a bid of 18% for the Town to remain with the current design structure. Further discussions with Cigna indicate that if the Town were to move to their narrow network option, the Town could reduce the anticipated increase to 10%. Health plan design options are being analyzed and will be provided to the Town Council for consideration. The majority of the Town's employees, 88%, subscribe to the Health Savings Account (HSA) plan, while the remainder subscribe to the Preferred Provider Organization (PPO) plan.

Town Staff continues to assess the Town's wellness program and has included funding in the Proposed Budget to contract with Methodist Health Systems to assist the Town in designing and managing a wellness program focused on a maintaining a healthy workforce. The cost of this service is anticipated to be approximately \$25,000 and is shared evenly between the General Fund and the Utility Fund.

**Capital Improvement Plan-**The General Fund's portion of the transfer to the Capital Projects Fund is budgeted at \$2,657,228. Of this amount, \$1,408,280 is sustained as a result of new funding from enhanced revenue provided by the growth in property value over the past three years. Maintaining this funding source to the Town's Capital Projects Fund was a major focus in preparing the Proposed Budget as the Council continues its focus on a pay-as-you-go system in funding infrastructure needs.

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

- The budget includes \$35,000 for racial profiling training and quarterly reviews of policing and municipal court data to be performed by Del Carmen Consulting.



- The Proposed Budget continues to allocate \$125,000 in anticipation of employee retirements that may occur during the fiscal year. This funding is used to fund the payout of compensated absences that are not budgeted for within each department.
- The transfer to the Equipment Replacement Fund, while staying relatively the same, includes another year of \$28,000 to set aside funds to replace the Department of Public Safety's self-contained breathing apparatus (SCBA) equipment.
- The Proposed Budget includes the expansion of the Town's traffic management program with the addition of a motorcycle unit. This additional motorcycle unit is budgeted at \$141,619.
- A plan review technician has been added to the building inspections department at a total cost of \$79,568. The majority of this position (\$56,524) is funded through added subcontractor registration fees and applying the plan review fee to all projects with an estimated construction value of \$100,000 or more.
- The Proposed Budget also includes \$366,788 related to the Town taking back the alarm monitoring program as opposed to outsourcing this service.

### **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 Proposed Budget reflects an ending fund balance of \$3,543,526 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 proposed for fiscal year 2017-18 are \$11,122,347, which is an increase of 1.5%, or \$160,750, when compared to the Adopted Budget for fiscal year 2016-17. A large portion of the increase in revenue proposed is directly attributed to contributions anticipated to be received from Atmos Gas related to resurfacing of alleyways in conjunction with their gas line replacement program. The Proposed Budget anticipates water and wastewater rates to remain constant for fiscal year 2017-18.

The last rate adjustment was approved for fiscal year 2015-16 as a result of reduced consumption. The utility rates were set at a level to meet the Town's revenue requirement and begin funding a rate stabilization fund. Revenues being received from the current rate structure have recovered past revenue shortfalls and have funded a rate stabilization fund. However, as can be seen in the 10-year financial model for the Utility Fund, it is anticipated that the Town will need to revisit the rate structure in fiscal year 2018-19 in order to continue providing adequate funding to meet operational needs and capital funding requirements.

**Expenditures:**

Unlike the General Fund, which is driven principally by personnel costs, a large portion of expenses for this fund are contractually related to water purchases and sanitary sewer treatment attributing to 35.5%, or \$3,699,462 of the overall costs projected for fiscal year 2017-18. The Proposed Budget also includes \$2,533,000 for capital outlay and capital improvements related to the Town's utility system. Personnel costs within the Utility Fund are also impacted by the aforementioned changes in compensation and benefits.

The Proposed Budget for the Utility Fund includes an 11.1% increase in the cost of wastewater treatment paid to the City of Dallas. This increase in the wastewater treatment rate is increasing the sewer department budget by \$99,602. The Dallas County Park Cities Municipal Utility District ("District") has proposed a 1.11% decrease in the rate they charge the Town for water purchases. However, the increase that was approved by the District Board for fiscal year 2016-17 continues to impact the Town's annual cost by approximately \$106,671.

**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, which represents \$1,849,215.

The ending fund balance in the Utility Fund is projected to be \$4,880,382. Excess fund balance will be set aside to maintain the rate stabilization fund and fund future capital needs.

**SOLID WASTE FUND**

The Solid Waste Fund is a new fund added in fiscal year 2016-17. This fund will be used to account for all revenues and expenses associated with providing solid waste services to Town residents and businesses. In previous years, the Town has 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 considered appropriate for this activity to be accounted for within its own fund.

**Revenues:**

Solid waste revenues are projected to be \$1,425,038, representing a 15.5% increase over the Adopted Budget for fiscal year 2016-17. Revenues consists of charges for solid waste services and recycling. Rates charged for the provision of solid waste are proposed to increase to accommodate an increase in the cost of service from the Town's service provider. Overall, the increase in monthly rates proposed is 16.3% (5.5% CPI rate increase October 1<sup>st</sup> and 10.8% beginning on January 1<sup>st</sup>) and will ultimately increase the monthly solid waste bill for regular service by \$4.10 and pack-out service by \$7.28.

**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 \$1,151,720 and \$105,200 respectively for fiscal year 2017-18. The purchase, maintenance and handling of solid waste containers is completed by internal staff. The Proposed Budget for fiscal year 2017-18 includes \$45,500 for the purchase of new containers. The Proposed Budget for the Solid Waste Fund also includes a Transfer-Out of \$71,700 to the Capital Projects Fund, which represents 5% of projected revenues for fiscal year 2017-18.

**Fund Balance:**

There is not a fund balance requirement for the Solid Waste Fund. However, the fund balance projected at the end of fiscal year 2017-18 is \$17,015.

**STORM WATER UTILITY 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 utility 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 \$4.28 and \$33.76 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 in the Storm Water Utility Fund, from storm water fees, are projected to be \$398,920, which is slightly higher than the revenue projected in the prior fiscal year. Rates charged for storm water drainage have historically been indexed to the Consumer Price Index, for the Dallas-Fort Worth region which is currently 2.24%. The Proposed Budget also includes a transfer from the Capital Projects Fund of \$1,100,000, to fund future storm water drainage projects within this fund. This transfer is made possible through revenues being added to the Capital Projects Fund primarily as a result of increased property values the Town has experienced over the last few years.

**Expenditures:**

The Storm Water Utility Fund accounts for expenditures related to street sweeping and other drainage related items. The overall appropriations proposed for this fund total \$2,041,027, 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 \$1,640,000 set aside for improvements to Hackberry Creek, and \$185,000 for the rehabilitation of bridges at Armstrong.

**Fund Balance:**

There is not a fund balance requirement for the Storm Water Utility Fund and fund balance projected at the end of fiscal year 2017-18 is \$550,531. 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 attention to 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 five-year Capital Improvement Plan has been updated and is incorporated in the Capital Improvements Section of the Proposed 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 Proposed 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 Proposed 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 \$4,115,510 for fiscal year 2017-18 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 \$564,900 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 is annually indexed for inflation, and equates to \$22,900 for the next fiscal year. In fiscal year 2014-15, 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 has continued since then, and as a result of the increase in taxable assessed values of properties within the Town, the Proposed Budget allocates \$1,408,280 from additional property tax revenue to meet existing and future capital needs. In previous financial models this amount has been reflected within the “Supplemental General Fund Transfer.” 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.

Dallas County is also expected to fund 50% of the rehabilitation of Preston Road, which provides \$659,760 to the revenue budget for fiscal year 2017-18. Funding anticipated from the Dallas Area Rapid Transit (DART) Transportation Related Improvement Program (TRIP) has not been included in the Proposed Budget or the 10-year financial plan. Estimated at approximately \$1,700,000 per year on average, once approved, this funding will be incorporated into the plan.

### **Expenditures:**

Expenditures in the Capital Projects fund are budgeted to be \$5,754,139, with \$975,919 in appropriations applied toward the Town’s annual street/sidewalk/alley rehabilitation program and \$1,319,520 for the rehabilitation of Preston Road. Some of the other projects in the Proposed Budget include \$471,000 related to park and parkway renovations, \$850,000 for Armstrong Parkway Reconstruction, \$200,000 for tennis court reconstruction, \$410,000 for Livingston Rehabilitation and \$100,000 for the heating of the swimming pool. The Proposed Budget also includes an indirect cost allocation transfer to the Utility Fund for personnel costs attributed to projects funded in the Capital Projects Fund, and a \$1,100,000 transfer to the Storm Water Drainage Fund to meet capital funding needs.

### **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 Proposed Budget for fiscal year 2017-18 projects the fund balance of the Capital Projects Fund to be at \$2,743,315 at year-end, meeting 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, Court Security Fund, the Court Technology Fund, 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 \$508,521, 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, and the amount of annual depreciation is then adjusted for inflation to insure adequate funding is provided at the time of replacement. Total expenditures are budgeted at \$515,989 to replace two public safety vehicles, two dump trucks, two trucks with aerial lifts, a truck equipped with a pipe hunter jet system, two vehicles within Town Services, and a SCBA compressor system. The fund balance projected within this fund at the end of the next fiscal year is \$2,525,279.

#### **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 \$498,719. The transfers to this fund are based on equipment depreciation schedules, and the amount of annual depreciation is then adjusted for inflation to insure adequate funding is provided at the time of replacement. Expenditures within this fund are budgeted at \$5,000. There are no significant replacements of technology equipment proposed for next fiscal year.

The fund balance projected within this fund at the end of the next fiscal year is \$1,846,715.

#### **Building Maintenance Fund:**

The Building Maintenance 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 has developed a replacement schedule for major equipment and capital maintenance of Town Hall. Revenues for this fund are projected to be \$529,400, 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 \$522,327, which is 14.3% more than the amount budgeted in fiscal year 2016-17. This increase is primarily attributed to the replacement of air conditioner units at the department of public safety. 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 Proposed Budget projects fund balance within this fund to grow by \$20,392.

**Forfeited Property Fund:**

This special revenue fund is used to account for receipt of forfeited assets as a result of 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 fiscal year 2017-18 is projected to be \$3,137.

**Court Technology Fund & Court Security Fund:**

These two special revenue funds are used to account for revenues provided by a State-approved administrative fee, added to citations. The use of these resources is restricted by their enabling statutes. Revenues within the Court Security Fund are projected to be \$29,239, which is annually transferred 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 \$37,180, and are used to fund technological improvements within the Municipal Court. Both funds are projected to maintain minimal fund balances at the end of fiscal year 2017-18, with \$91,005 remaining in the Court Technology Fund and \$9,795 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 \$14,275. The Proposed Budget for fiscal year 2017-18 includes \$42,650 for the purpose of completing the comprehensive master plan for the Library, property tax payments, and technology purchases. Fund balance in the Library Fund at the end of next fiscal year is projected to be \$181,012.

**DPS Technology Fund:**

The DPS Technology Fund was established during fiscal year 2013-14, and is used to account for resources received from the subleasing of telecommunications facilities located on Town property. More specifically, \$82,950 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. This fund had also been used to account for the portion of revenues received from alarm monitoring fees that were used to fund the contract with Thrive, the company engaged to assist the Town in providing direct alarm monitoring services to Town residents. As a result of the Town's plan to take back the direct management of alarm monitoring services, these revenues are reflected in the General Fund beginning in fiscal year 2017-18. Revenues within this fund for next fiscal year are anticipated to be \$83,323, and fund balance at the end of next fiscal year is projected to be \$188,914. Currently, the fund balance within this fund is anticipated to be used towards the acquisition of a new radio system for DPS through the Capital Projects Fund.

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

	<b>FY 2016 Actual</b>	<b>FY 2017 Budget</b>	<b>FY 2017 Projected</b>	<b>FY 2018 Proposed</b>
<b>BEGINNING FUND BALANCE</b>	<b>\$ 14,017,098</b>	<b>\$ 18,224,764</b>	<b>\$ 18,224,764</b>	<b>\$ 18,221,543</b>
<b>REVENUES/SOURCES OF FUNDS</b>				
Property Taxes	\$ 11,573,644	\$ 12,592,311	\$ 12,624,341	\$ 13,129,384
Water Sales	6,699,336	6,985,822	6,933,194	6,985,822
Sewer Charges	2,788,561	2,999,275	2,937,393	2,964,169
Sales Taxes	3,606,074	3,779,265	3,555,714	3,720,000
Sanitation/Recycling Charges	1,235,509	1,234,320	1,236,358	1,403,970
Franchise Fees	1,021,288	1,040,000	1,042,130	1,090,000
Building Inspection Fees/Permits	1,075,931	1,121,510	1,225,851	1,180,284
Municipal Court Fines/Fees	1,019,914	1,223,110	1,136,407	1,354,385
Interest Earnings	106,305	107,567	224,352	266,987
Storm Water Fees	386,838	390,450	390,180	398,920
Other Revenues	3,233,402	2,820,260	2,754,810	3,221,782
Transfers	7,310,594	7,620,815	7,697,730	7,464,920
<b>TOTAL REVENUES/SOURCES</b>	<b>\$ 40,057,396</b>	<b>\$ 41,914,705</b>	<b>\$ 41,758,460</b>	<b>\$ 43,180,623</b>
<b>EXPENDITURES</b>				
Personnel Services				
Payroll	\$ 12,138,107	\$ 12,678,479	\$ 12,602,662	\$ 13,309,165
Payroll Taxes	825,243	915,133	892,765	963,754
Retirement	409,319	604,698	612,111	790,424
Insurance	1,493,592	1,601,083	1,543,160	1,801,299
Total Personnel	\$ 14,866,261	\$ 15,799,393	\$ 15,650,698	\$ 16,864,642
Supplies & Equipment	3,522,677	3,869,851	3,815,409	3,961,550
Services & Charges	5,421,227	6,430,016	6,275,631	6,507,959
Capital Outlay	5,062,747	10,242,413	8,322,213	9,363,868
Cost Allocation	-	-	-	-
Transfers	6,976,818	7,620,815	7,697,730	7,464,920
<b>TOTAL USES</b>	<b>\$ 35,849,730</b>	<b>\$ 43,962,488</b>	<b>\$ 41,761,681</b>	<b>\$ 44,162,939</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 18,224,764</b>	<b>\$ 16,176,981</b>	<b>\$ 18,221,543</b>	<b>\$ 17,239,227</b>

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

	General	Utility	All Other Funds	Proposed FY 2018	Adopted FY 2017	% Change
<b>BEGINNING FUND BALANCE</b>	<b>\$ 3,543,393</b>	<b>\$ 4,181,096</b>	<b>\$ 10,497,054</b>	<b>\$ 18,221,543</b>	<b>\$ 18,224,764</b>	<b>-0.02%</b>
<b>REVENUES:</b>						
Property Taxes	\$ 13,129,384	\$ -	\$ -	\$ 13,129,384	\$ 12,592,311	4.27%
Water Sales	-	6,985,822	-	6,985,822	6,985,822	0.00%
Sewer Charges	-	2,964,169	-	2,964,169	2,999,275	-1.17%
Sales Taxes	3,720,000	-	-	3,720,000	3,779,265	-1.57%
Sanitation/Recycling Charges	-	-	1,403,970	1,403,970	1,234,320	13.74%
Franchise Fees	1,090,000	-	-	1,090,000	1,040,000	4.81%
Building Inspection Fees/Permits	1,013,860	64,000	-	1,077,860	1,071,160	0.63%
Municipal Court Fines/Fees	1,288,719	-	65,666	1,354,385	1,223,110	10.73%
Interest Earnings	109,300	37,356	120,081	266,737	106,180	151.21%
Storm Water Drainage Fees	-	-	398,920	398,920	390,450	2.17%
All Other	1,791,546	612,200	920,710	3,324,456	2,871,997	15.75%
<b>TOTAL REVENUES</b>	<b>\$ 22,142,809</b>	<b>\$ 10,663,547</b>	<b>\$ 2,909,347</b>	<b>\$ 35,715,703</b>	<b>\$ 34,293,890</b>	<b>4.15%</b>
Transfers from Other Funds	1,161,700	458,800	5,844,420	7,464,920	7,620,815	-2.05%
<b>TOTAL REVENUES &amp; TRANSFERS</b>	<b>\$ 23,304,509</b>	<b>\$ 11,122,347</b>	<b>\$ 8,753,767</b>	<b>\$ 43,180,623</b>	<b>\$ 41,914,705</b>	<b>3.02%</b>
<b>TOTAL AVAILABLE RESOURCES</b>	<b>\$ 26,847,902</b>	<b>\$ 15,303,443</b>	<b>\$ 19,250,821</b>	<b>\$ 61,402,166</b>	<b>\$ 60,139,469</b>	<b>2.10%</b>
<b>EXPENDITURES:</b>						
Personnel Services:						
Payroll	\$ 11,928,274	\$ 1,380,891	\$ -	\$ 13,309,165	\$ 12,678,479	4.97%
Taxes	860,741	103,013	-	963,754	915,133	5.31%
Retirement (TMRS)	706,847	83,577	-	790,424	604,698	30.71%
Insurance	1,578,225	223,074	-	1,801,299	1,601,083	12.51%
Total Personnel	\$ 15,074,087	\$ 1,790,555	\$ -	\$ 16,864,642	\$ 15,799,393	6.74%
Supplies & Equipment	\$ 942,276	\$ 2,924,446	\$ 94,828	\$ 3,961,550	\$ 3,869,851	2.37%
Services & Charges	3,266,739	1,418,496	1,822,724	6,507,959	6,430,016	1.21%
Capital Outlay	47,240	2,533,000	6,783,628	9,363,868	10,242,413	-8.58%
<b>TOTAL EXPENDITURES</b>	<b>\$ 19,330,342</b>	<b>\$ 8,666,497</b>	<b>\$ 8,701,180</b>	<b>\$ 36,698,019</b>	<b>\$ 36,341,673</b>	<b>0.98%</b>
Transfers to Other Funds	3,974,034	1,756,564	1,734,322	7,464,920	7,620,815	-2.05%
<b>TOTAL EXPENDITURES &amp; TRANSFERS</b>	<b>\$ 23,304,376</b>	<b>\$ 10,423,061</b>	<b>\$ 10,435,502</b>	<b>\$ 44,162,939</b>	<b>\$ 43,962,488</b>	<b>0.46%</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 3,543,526</b>	<b>\$ 4,880,382</b>	<b>\$ 8,815,319</b>	<b>\$ 17,239,227</b>	<b>\$ 16,176,981</b>	<b>6.57%</b>
<b>FUND BALANCE MINIMUM</b>	<b>\$ 3,501,984</b>	<b>\$ 1,849,215</b>	<b>\$ 2,000,000</b>	<b>\$ 7,351,199</b>	<b>\$ 6,737,092</b>	<b>9.12%</b>
<b>FUND BALANCE SURPLUS</b>	<b>\$ 41,542</b>	<b>\$ 3,031,167</b>	<b>\$ 6,815,319</b>	<b>\$ 9,888,028</b>	<b>\$ 9,439,889</b>	<b>4.75%</b>



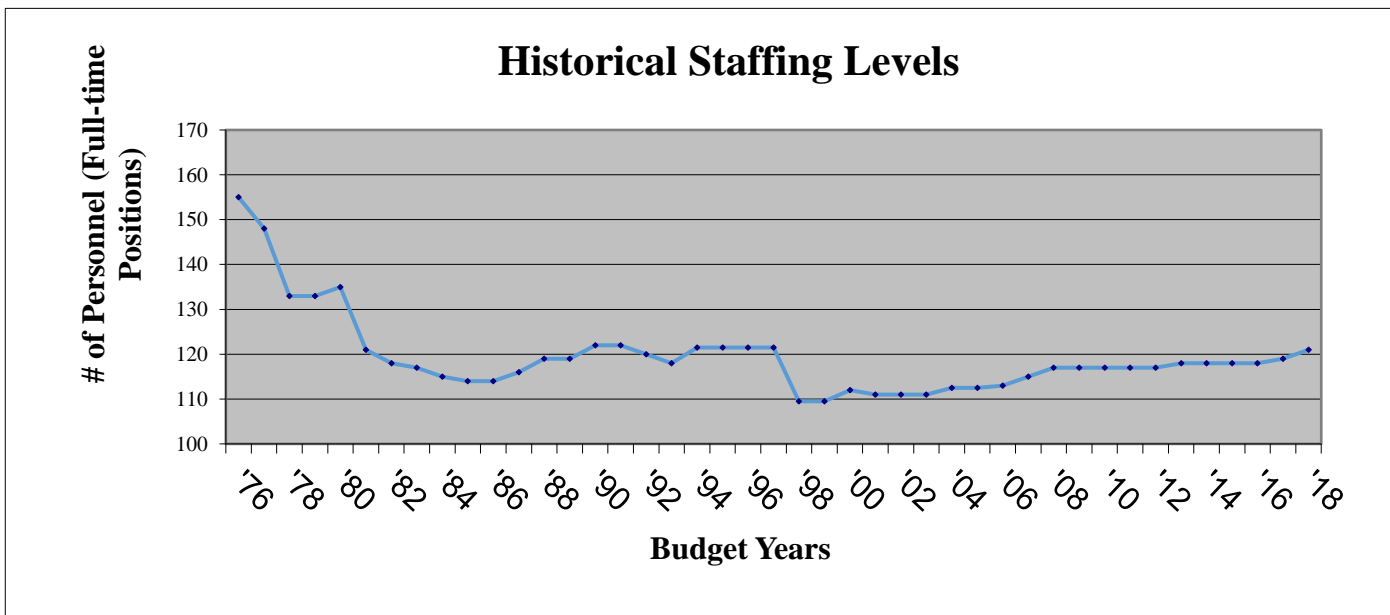
**COMBINED SUMMARY OF REVENUES AND EXPENDITURES  
AND CHANGES TO FUND BALANCE  
ALL FUNDS SUBJECT TO APPROPRIATION**

	General	Utility	Solid Waste	Storm Drainage	Equipment Replacement	Technology Replacement
<b>BEGINNING FUND BALANCE</b>	<b>\$ 3,543,393</b>	<b>\$ 4,181,096</b>	<b>\$ 9,489</b>	<b>\$1,081,538</b>	<b>\$ 2,532,747</b>	<b>\$ 1,352,996</b>
<b>REVENUES:</b>						
Property Taxes	\$ 13,129,384	\$ -	\$ -	\$ -	\$ -	\$ -
Water Sales	-	6,985,822	-	-	-	-
Sewer Charges	-	2,964,169	-	-	-	-
Sales Taxes	3,720,000	-	-	-	-	-
Sanitation/Recycling Charges	-	-	1,403,970	-	-	-
Franchise Fees	1,090,000	-	-	-	-	-
Building Inspection Fees/Permits	1,013,860	64,000	-	-	-	-
Municipal Court Fines/Fees	1,288,719	-	-	-	-	-
Interest Earnings	109,300	37,356	1,068	11,100	28,600	16,370
Storm Water Drainage Fees	-	-	-	398,920	-	-
All Other	1,791,546	612,200	-	-	45,000	2,500
<b>TOTAL REVENUES</b>	<b>\$ 22,142,809</b>	<b>\$ 10,663,547</b>	<b>\$ 1,405,038</b>	<b>\$ 410,020</b>	<b>\$ 73,600</b>	<b>\$ 18,870</b>
Transfers from Other Funds	1,161,700	458,800	20,000	1,100,000	434,921	479,849
<b>TOTAL REVENUES &amp; TRANSFERS</b>	<b>\$ 23,304,509</b>	<b>\$ 11,122,347</b>	<b>\$ 1,425,038</b>	<b>\$ 1,510,020</b>	<b>\$ 508,521</b>	<b>\$ 498,719</b>
<b>TOTAL AVAILABLE RESOURCES</b>	<b>\$ 26,847,902</b>	<b>\$ 15,303,443</b>	<b>\$ 1,434,527</b>	<b>\$ 2,591,558</b>	<b>\$ 3,041,268</b>	<b>\$ 1,851,715</b>
<b>EXPENDITURES:</b>						
Personnel Services:						
Payroll	\$ 11,928,274	\$ 1,380,891	\$ -	\$ -	\$ -	\$ -
Taxes	860,741	103,013	-	-	-	-
Retirement (TMRS)	706,847	83,577	-	-	-	-
Insurance	1,578,225	223,074	-	-	-	-
Total Personnel	\$ 15,074,087	\$ 1,790,555	\$ -	\$ -	\$ -	\$ -
Supplies & Equipment	\$ 942,276	\$ 2,924,446	\$ 45,500	\$ 7,256	\$ -	\$ -
Services & Charges	3,266,739	1,418,496	1,257,712	95,271	3,600	5,000
Capital Outlay	47,240	2,533,000	-	1,825,000	512,389	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 19,330,342</b>	<b>\$ 8,666,497</b>	<b>\$ 1,303,212</b>	<b>\$ 1,927,527</b>	<b>\$ 515,989</b>	<b>\$ 5,000</b>
Transfers to Other Funds	3,974,034	1,756,564	114,300	113,500	-	-
<b>TOTAL EXPENDITURES &amp; TRANSFERS</b>	<b>\$ 23,304,376</b>	<b>\$ 10,423,061</b>	<b>\$ 1,417,512</b>	<b>\$ 2,041,027</b>	<b>\$ 515,989</b>	<b>\$ 5,000</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 3,543,526</b>	<b>\$ 4,880,382</b>	<b>\$ 17,015</b>	<b>\$ 550,531</b>	<b>\$ 2,525,279</b>	<b>\$ 1,846,715</b>
<b>FUND BALANCE MINIMUM</b>	<b>\$ 3,501,984</b>	<b>\$ 1,849,215</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>FUND BALANCE SURPLUS</b>	<b>\$ 41,542</b>	<b>\$ 3,031,167</b>	<b>\$ 17,015</b>	<b>\$ 550,531</b>	<b>\$ 2,525,279</b>	<b>\$ 1,846,715</b>

<b>Building Maintenance &amp; Investment</b>	<b>Forfeited Property Fund</b>	<b>Court Technology</b>	<b>Court Security</b>	<b>Library Fund</b>	<b>DPS Technology</b>	<b>Capital Projects</b>	<b>Proposed FY 2018</b>	<b>Adopted FY 2017</b>
<b>\$ 651,528</b>	<b>\$ 10,095</b>	<b>\$ 77,361</b>	<b>\$ 5,156</b>	<b>\$ 209,387</b>	<b>\$ 184,813</b>	<b>\$ 4,381,944</b>	<b>\$ 18,221,543</b>	<b>\$ 18,224,764</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	13,129,384	12,592,311
-	-	-	-	-	-	-	6,985,822	6,985,822
-	-	-	-	-	-	-	2,964,169	2,999,275
-	-	-	-	-	-	-	3,720,000	3,779,265
-	-	-	-	-	-	-	1,403,970	1,234,320
-	-	-	-	-	-	-	1,090,000	1,040,000
-	-	-	-	-	-	-	1,077,860	1,071,160
-	-	36,480	29,186	-	-	-	1,354,385	1,223,110
5,100	42	700	53	2,275	373	54,400	266,737	106,180
-	-	-	-	-	-	-	398,920	390,450
16,000	2,500	-	-	12,000	82,950	759,760	3,324,456	2,871,997
<b>\$ 21,100</b>	<b>\$ 2,542</b>	<b>\$ 37,180</b>	<b>\$ 29,239</b>	<b>\$ 14,275</b>	<b>\$ 83,323</b>	<b>\$ 814,160</b>	<b>\$ 35,715,703</b>	<b>\$ 34,293,890</b>
508,300	-	-	-	-	-	3,301,350	7,464,920	7,620,815
<b>\$ 529,400</b>	<b>\$ 2,542</b>	<b>\$ 37,180</b>	<b>\$ 29,239</b>	<b>\$ 14,275</b>	<b>\$ 83,323</b>	<b>\$ 4,115,510</b>	<b>\$ 43,180,623</b>	<b>\$ 41,914,705</b>
<b>\$ 1,180,928</b>	<b>\$ 12,637</b>	<b>\$ 114,541</b>	<b>\$ 34,395</b>	<b>\$ 223,662</b>	<b>\$ 268,136</b>	<b>\$ 8,497,454</b>	<b>\$ 61,402,166</b>	<b>\$ 60,139,469</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	13,309,165	\$ 12,678,479
-	-	-	-	-	-	-	963,754	915,133
-	-	-	-	-	-	-	790,424	604,698
-	-	-	-	-	-	-	1,801,299	1,601,083
\$ -	\$ -	\$ -	\$ -			\$ -	\$ 16,864,642	\$ 15,799,393
\$ 38,000	\$ -	\$ 4,072	\$ -	\$ -	\$ -	\$ -	\$ 3,961,550	\$ 3,869,851
389,527	9,500	19,464	-	42,650	-	-	6,507,959	6,430,016
94,800	-	-	-	-	-	4,351,439	9,363,868	10,242,413
<b>\$ 522,327</b>	<b>\$ 9,500</b>	<b>\$ 23,536</b>	<b>\$ -</b>	<b>\$ 42,650</b>	<b>\$ -</b>	<b>\$ 4,351,439</b>	<b>\$ 36,698,019</b>	<b>\$ 36,341,673</b>
-	-	-	24,600	-	79,222	1,402,700	\$ 7,464,920	7,620,815
<b>\$ 522,327</b>	<b>\$ 9,500</b>	<b>\$ 23,536</b>	<b>\$ 24,600</b>	<b>\$ 42,650</b>	<b>\$ 79,222</b>	<b>\$ 5,754,139</b>	<b>\$ 44,162,939</b>	<b>\$ 43,962,488</b>
<b>\$ 658,601</b>	<b>\$ 3,137</b>	<b>\$ 91,005</b>	<b>\$ 9,795</b>	<b>\$ 181,012</b>	<b>\$ 188,914</b>	<b>\$ 2,743,315</b>	<b>\$ 17,239,227</b>	<b>\$ 16,176,981</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000	\$ 7,351,199	\$ 6,737,092
<b>\$ 658,601</b>	<b>\$ 3,137</b>	<b>\$ 91,005</b>	<b>\$ 9,795</b>	<b>\$ 181,012</b>	<b>\$ 188,914</b>	<b>\$ 743,315</b>	<b>\$ 9,888,028</b>	<b>\$ 9,439,889</b>

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

	<b>Budget FY 2016</b>		<b>Budget FY 2017</b>		<b>Proposed FY 2018</b>	
	<b>Full-Time</b>	<b>Part-Time</b>	<b>Full-Time</b>	<b>Part-Time</b>	<b>Full-Time</b>	<b>Part-Time</b>
<b>General Fund</b>						
Administration	2.0	0.0	2.0	0.0	2.0	0.0
Public Safety	69.0	0.5	70.0	0.5	73.0	0.5
Town Services	3.0	0.0	3.0	0.0	3.0	0.0
Street	3.3	0.0	3.3	0.0	3.3	0.0
Street Lighting	1.0	0.0	1.0	0.0	1.0	0.0
Library	4.0	2.0	4.0	2.0	4.0	2.0
Parks & Recreation	9.0	0.0	9.0	0.0	7.0	0.0
Swimming Pool	0.0	3.4	0.0	3.4	0.0	3.4
Municipal Court	2.0	1.0	2.0	1.0	2.0	1.0
Finance	5.0	0.0	5.0	0.0	5.0	0.0
Building Inspection	4.0	0.0	4.0	0.0	5.0	0.0
Information Technology	1.0	0.0	1.0	0.0	1.0	0.0
<b>Sub-Total General Fund</b>	<b>103.3</b>	<b>6.9</b>	<b>104.3</b>	<b>6.9</b>	<b>106.3</b>	<b>6.9</b>
<b>Utility Fund</b>						
Administration	3.0	0.0	3.0	0.0	3.0	0.0
Water	4.4	0.0	4.4	0.0	4.4	0.0
Sewer	2.3	0.0	2.3	0.0	2.3	0.0
Engineering	5.0	0.0	5.0	0.0	5.0	0.0
<b>Sub-Total Utility Fund</b>	<b>14.7</b>	<b>0.0</b>	<b>14.7</b>	<b>0.0</b>	<b>14.7</b>	<b>0.0</b>
<b>Storm Water Drainage Fund</b>						
Engineering	0.0	0.0	0.0	0.0	0.0	0.0
<b>Sub-Total Storm Water Drainage Fund</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total</b>	<b>118.0</b>	<b>6.9</b>	<b>119.0</b>	<b>6.9</b>	<b>121.0</b>	<b>6.9</b>



Note: In 1976 the Town implemented Department of Public Safety (dual police & fire) staffing model.

ORDINANCE NO.

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS, ADOPTING A BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2017, AND ENDING SEPTEMBER 30, 2018, AND AUTHORIZING EXPENDITURES AS SET OUT IN SAID BUDGET.

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

That, the Town Administrator, as budget officer, has caused to be prepared a proposed budget totaling \$44,162,939, including \$7,464,920 for inter-fund transfers, of the Town of Highland Park, Texas, for the fiscal year beginning October 1, 2017, and ending September 30, 2018, 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 28, 2017, and more than thirty (30) days prior to the end of the fiscal year 2016, 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, 2017, 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 14, 2017, and August 28, 2017, 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 11, 2017, 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 11th day of September, 2017.

APPROVED AS TO FORM:

APPROVED:

Matthew C.G. Boyle  
Town Attorney

Joel T. Williams, III  
Mayor

ATTEST:

Gayle Kirby  
Town Secretary

ORDINANCE NO. \_\_\_\_

AN ORDINANCE OF THE TOWN OF HIGHLAND PARK, TEXAS, LEVYING THE AD VALOREM TAXES FOR THE TAX YEAR 2017 ON ALL PROPERTY SITUATED IN THE TOWN OF HIGHLAND PARK, TEXAS.

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

That, for the tax year 2017, there is hereby levied an ad valorem tax of \$0.220000 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 2017, 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 2.72 PERCENT 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 2018.

That said tax shall be due and payable October 1, 2017.

That all constitutional provisions and laws of the State of Texas that pertain to delinquencies and collection procedures are applicable to this 2017 levy.

PASSED AND APPROVED this 11th day of September 2017.

APPROVED AS TO FORM:

APPROVED:

Matthew C.G. Boyle  
Town Attorney

Joel T. Williams, III  
Mayor

ATTEST:

Gayle Kirby  
Town Secretary

## **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 and Swimming 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**  
**STATEMENT OF REVENUES & EXPENDITURES**

	<b>FY 2016 Actual</b>	<b>FY 2017 Budget</b>	<b>FY 2017 Projected</b>	<b>FY 2018 Proposed</b>
<b>BEGINNING FUND BALANCE</b>	<b>\$ 4,515,176</b>	<b>\$ 3,517,765</b>	<b>\$ 3,517,765</b>	<b>\$ 3,543,393</b>
<b>REVENUES/SOURCES OF FUNDS</b>				
Taxes	\$ 15,371,124	\$ 16,563,576	\$ 16,390,403	\$ 17,065,384
Franchise Fees	1,021,288	1,040,000	1,042,130	1,090,000
Licenses & Permits	1,050,004	1,106,705	1,215,745	1,139,087
Charges for Services	2,477,505	1,403,620	1,415,701	1,798,145
Fines & Forfeits	474,178	539,900	452,877	584,985
Miscellaneous	381,089	383,270	455,217	465,208
<b>Total Revenues</b>	<b>\$ 20,775,188</b>	<b>\$ 21,037,071</b>	<b>\$ 20,972,073</b>	<b>\$ 22,142,809</b>
<b>Other Sources:</b>				
Transfers In	\$ 1,092,931	\$ 1,148,900	\$ 1,148,900	\$ 1,161,700
<b>Total Other Sources</b>	<b>\$ 1,092,931</b>	<b>\$ 1,148,900</b>	<b>\$ 1,148,900</b>	<b>\$ 1,161,700</b>
<b>Total Revenues/Sources</b>	<b>\$ 21,868,119</b>	<b>\$ 22,185,971</b>	<b>\$ 22,120,973</b>	<b>\$ 23,304,509</b>
<b>EXPENDITURES/USES OF FUNDS</b>				
Administration Department	\$ 790,258	\$ 753,194	\$ 717,642	\$ 743,185
Town Services	487,325	524,540	539,969	547,182
Department of Public Safety	10,733,899	11,131,434	11,287,202	12,060,980
Street Department	368,322	404,138	333,627	383,437
Street Lighting Department	164,602	185,661	182,810	185,751
Library Department	703,073	771,626	702,409	795,427
Parks Department	1,345,028	1,496,923	1,411,621	1,466,597
Pool Department	181,723	189,712	195,171	195,828
Municipal Court Department	375,111	380,175	377,612	402,762
Finance Department	758,081	824,983	812,165	862,276
Building Inspection Department	506,222	603,990	603,762	709,110
Sanitation Department	1,093,055	-	-	-
Information Technology Department	529,960	553,412	544,228	544,017
Non-Departmental	279,708	416,690	416,145	433,790
<b>Total Expenditures</b>	<b>\$ 18,316,367</b>	<b>\$ 18,236,478</b>	<b>\$ 18,124,363</b>	<b>\$ 19,330,342</b>
<b>Other Uses:</b>				
Transfers to Other Funds	\$ 4,549,163	\$ 3,970,982	\$ 3,970,982	\$ 3,974,034
<b>Total Other Uses</b>	<b>\$ 4,549,163</b>	<b>\$ 3,970,982</b>	<b>\$ 3,970,982</b>	<b>\$ 3,974,034</b>
<b>Total Expenditures/Uses</b>	<b>\$ 22,865,530</b>	<b>\$ 22,207,460</b>	<b>\$ 22,095,345</b>	<b>\$ 23,304,376</b>
<b>Excess (Deficiency) of Revenues/Sources over Expenditures/Uses</b>	<b>\$ (997,411)</b>	<b>\$ (21,489)</b>	<b>\$ 25,628</b>	<b>\$ 133</b>
<b>Fund Balance</b>	<b>\$ 3,517,765</b>	<b>\$ 3,496,276</b>	<b>\$ 3,543,393</b>	<b>3,543,526</b>
<b>Ideal Fund Balance</b>	<b>\$ 3,283,954</b>	<b>\$ 3,318,449</b>	<b>\$ 3,300,355</b>	<b>\$ 3,501,984</b>
<b>Fund Balance in Excess of Minimum</b>	<b>\$ 233,811</b>	<b>\$ 177,827</b>	<b>\$ 243,038</b>	<b>\$ 41,542</b>

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

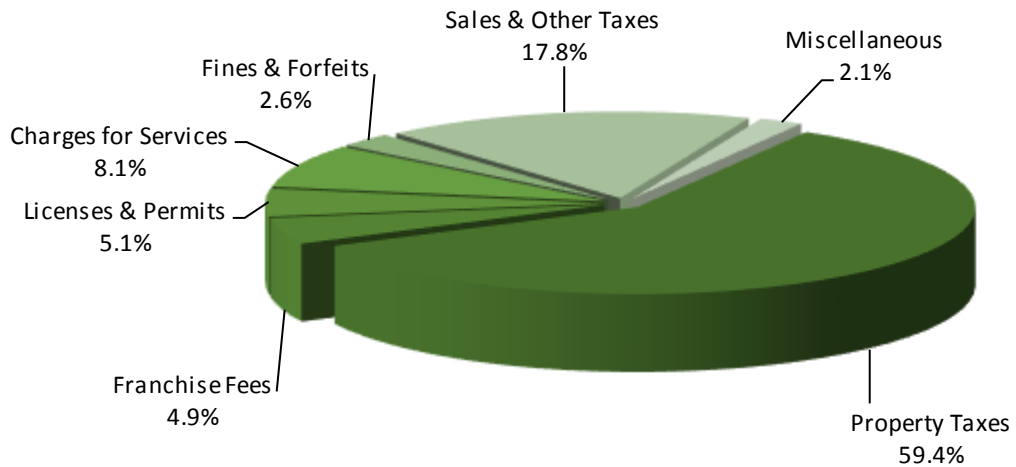
	<b>FY 2016 Actual</b>	<b>FY 2017 Budget</b>	<b>FY 2017 Projected</b>	<b>FY 2018 Proposed</b>
<b>BEGINNING FUND BALANCE</b>	<b>\$ 4,515,176</b>	<b>\$ 3,517,765</b>	<b>\$ 3,517,765</b>	<b>\$ 3,543,393</b>
<b>REVENUES/SOURCES OF FUNDS</b>				
Taxes	\$ 15,371,124	\$ 16,563,576	\$ 16,390,403	\$ 17,065,384
Franchise Fees	1,021,288	1,040,000	1,042,130	1,090,000
Licenses & Permits	1,050,004	1,106,705	1,215,745	1,139,087
Charges for Services	2,477,505	1,403,620	1,415,701	1,798,145
Fines & Forfeits	474,178	539,900	452,877	584,985
Miscellaneous	381,089	383,270	455,217	465,208
<b>Total Revenues</b>	<b>\$ 20,775,188</b>	<b>\$ 21,037,071</b>	<b>\$ 20,972,073</b>	<b>\$ 22,142,809</b>
<b>Other Sources:</b>				
Transfers In	\$ 1,092,931	\$ 1,148,900	\$ 1,148,900	\$ 1,161,700
<b>Total Other Sources</b>	<b>\$ 1,092,931</b>	<b>\$ 1,148,900</b>	<b>\$ 1,148,900</b>	<b>\$ 1,161,700</b>
<b>Total Revenues/Sources</b>	<b>\$ 21,868,119</b>	<b>\$ 22,185,971</b>	<b>\$ 22,120,973</b>	<b>\$ 23,304,509</b>
<b>EXPENDITURES/USES OF FUNDS</b>				
Personnel Services				
Payroll	\$ 10,795,382	\$ 11,228,946	\$ 11,302,568	\$ 11,928,274
Payroll Taxes	734,359	809,197	804,238	860,741
Retirement	362,293	534,407	548,300	706,847
Insurance	1,327,569	1,404,192	1,377,304	1,578,225
Total Personnel	\$ 13,219,603	\$ 13,976,742	\$ 14,032,410	\$ 15,074,087
Supplies & Equipment	934,806	993,834	950,161	942,276
Services & Charges	3,805,182	3,254,622	3,136,192	3,266,739
Capital Outlay	356,775	11,280	5,600	47,240
<b>Total Expenditures</b>	<b>\$ 18,316,366</b>	<b>\$ 18,236,478</b>	<b>\$ 18,124,363</b>	<b>\$ 19,330,342</b>
<b>Other Uses:</b>				
Transfers Out	\$ 4,549,163	\$ 3,970,982	\$ 3,970,982	\$ 3,974,034
<b>Total Other Uses</b>	<b>\$ 4,549,163</b>	<b>\$ 3,970,982</b>	<b>\$ 3,970,982</b>	<b>\$ 3,974,034</b>
<b>Total Expenditures/Uses</b>	<b>\$ 22,865,529</b>	<b>\$ 22,207,460</b>	<b>\$ 22,095,345</b>	<b>\$ 23,304,376</b>
<b>Excess (Deficiency) of Revenues/Sources over Expenditures/Uses</b>	<b>\$ (997,410)</b>	<b>\$ (21,489)</b>	<b>\$ 25,628</b>	<b>\$ 133</b>
<b>Fund Balance</b>	<b>\$ 3,517,765</b>	<b>\$ 3,496,276</b>	<b>\$ 3,543,393</b>	<b>3,543,526</b>
<b>Ideal Fund Balance</b>	<b>\$ 3,283,954</b>	<b>\$ 3,318,449</b>	<b>\$ 3,300,355</b>	<b>\$ 3,501,984</b>
<b>Fund Balance in Excess of Minimum</b>	<b>\$ 233,811</b>	<b>\$ 177,827</b>	<b>\$ 243,038</b>	<b>\$ 41,542</b>



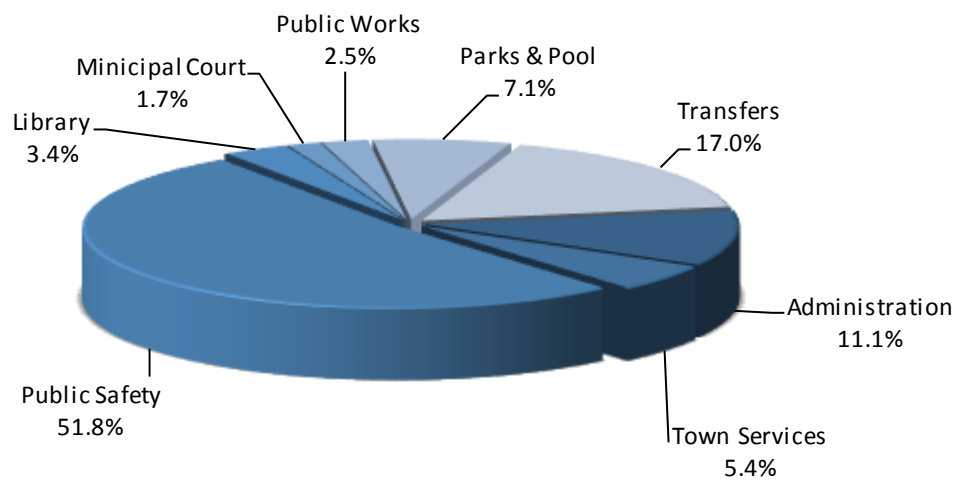
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# GENERAL FUND

## CURRENT REVENUES & SOURCES OF FUNDS



## BUDGETED EXPENDITURES & USES OF FUNDS



**GENERAL FUND  
STATEMENT OF REVENUES**

	<b>FY 2016 Actual</b>	<b>FY 2017 Budget</b>	<b>FY 2017 Projected</b>	<b>FY 2018 Proposed</b>
<b>Taxes</b>				
Ad Valorem Taxes	\$ 11,580,927	\$ 12,557,311	\$ 12,594,104	\$ 13,094,384
Delinquent Ad Valorem Taxes	(7,283)	35,000	30,237	35,000
City Sales Tax	3,606,074	3,779,265	3,555,714	3,720,000
Mixed Beverage Tax	191,406	192,000	210,348	216,000
<i>Subtotal</i>	<b>\$ 15,371,124</b>	<b>\$ 16,563,576</b>	<b>\$ 16,390,403</b>	<b>\$ 17,065,384</b>
<b>Franchise Fees</b>				
Electric Utility Franchise Fees	\$ 505,907	\$ 530,000	\$ 520,261	\$ 530,000
Natural Gas Utility Franchise Fees	184,367	190,000	174,235	190,000
Telecom Franchise Fees	80,911	90,000	83,063	92,000
CATV Franchise Fees	212,946	195,000	209,768	210,000
Solid Waste	17,237	15,000	26,859	40,000
Carriages	19,919	20,000	27,944	28,000
<i>Subtotal</i>	<b>\$ 1,021,287</b>	<b>\$ 1,040,000</b>	<b>\$ 1,042,130</b>	<b>\$ 1,090,000</b>
<b>Licenses &amp; Permits</b>				
Beverage Licenses	\$ 4,565	\$ 11,990	\$ 12,930	\$ 4,565
Health Permits	5,550	4,525	5,925	5,525
Alarm Permits	60,605	66,610	62,307	104,352
Electrical Licenses	18,000	18,750	18,500	18,500
Building Permits	917,580	960,000	1,070,794	960,000
Electrical Permits	32,506	33,900	34,362	35,000
Excavation Permits	345	510	285	360
Carriage Licenses	5,300	4,500	4,750	4,825
Animal Licenses	5,553	5,920	5,892	5,960
<i>Subtotal</i>	<b>\$ 1,050,004</b>	<b>\$ 1,106,705</b>	<b>\$ 1,215,745</b>	<b>\$ 1,139,087</b>
<b>Charges For Services</b>				
Sanitation Charges	\$ 1,137,022	\$ -	\$ -	\$ -
Recycling Charges	98,487	-	-	-
E911 Users' Fee	130,834	138,100	132,027	134,450
Alarm Monitoring Fees	276,925	281,350	266,830	483,588
Emergency Medical Fees	168,983	182,500	204,310	225,239
Board Hearing Fee	1,600	3,260	2,400	2,200
Swimming Pool Daily Fees	21,432	17,800	21,432	26,000
Swimming Pool Annual Fees	76,840	82,700	82,700	85,000
Tennis Court Use Fees	11,722	12,000	11,402	12,000
Animal Pound Fees	1,260	1,000	1,080	1,000
Library Non-resident Fees	4,838	4,200	4,430	6,000
Court Administration Fees	25,848	30,360	32,910	33,000
Warrant Fees	54,892	65,700	62,970	63,000
Court Fees	140,030	174,300	180,600	182,410
Building Registration Fees	40,375	44,500	42,410	80,025

**GENERAL FUND  
STATEMENT OF REVENUES**

	<b>FY 2016 Actual</b>	<b>FY 2017 Budget</b>	<b>FY 2017 Projected</b>	<b>FY 2018 Proposed</b>
Plan Review Fees	4,400	5,850	5,200	22,399
Deferred Adjudication Fees	282,016	360,000	365,000	441,834
<i>Subtotal</i>	<b>\$ 2,477,504</b>	<b>\$ 1,403,620</b>	<b>\$ 1,415,701</b>	<b>\$ 1,798,145</b>
<b>Fines &amp; Forfeits</b>				
Municipal Court Fines	\$ 465,897	\$ 530,000	\$ 437,557	\$ 568,475
Library Fines	4,171	4,000	3,720	4,010
Lost Book Charges	1,761	900	900	1,000
Invalid Alarm Fines	2,350	5,000	10,700	11,500
<i>Subtotal</i>	<b>\$ 474,179</b>	<b>\$ 539,900</b>	<b>\$ 452,877</b>	<b>\$ 584,985</b>
<b>Miscellaneous</b>				
Interest	\$ 44,448	\$ 48,000	\$ 76,500	\$ 109,300
Interest-Dallas County	185	225	225	250
Penalty & Interest - Tax Collection	48,196	50,120	58,110	52,750
Sale of Assets	-	1,500	1,500	1,500
Sale of Impounded Property	-	-	-	-
Rental-Town Property	239,005	225,025	264,400	248,808
Library Donations	3,381	2,300	2,300	2,600
Contributions	10,000	6,000	17,275	10,000
Intergovernmental Revenue	3,912	4,000	-	-
Town Property Damage Refund	750	6,000	7,107	10,000
Miscellaneous	31,212	40,100	27,800	30,000
<i>Subtotal</i>	<b>\$ 381,089</b>	<b>\$ 383,270</b>	<b>\$ 455,217</b>	<b>\$ 465,208</b>
<b>Total Revenues</b>	<b>\$ 20,775,187</b>	<b>\$ 21,037,071</b>	<b>\$ 20,972,073</b>	<b>\$ 22,142,809</b>

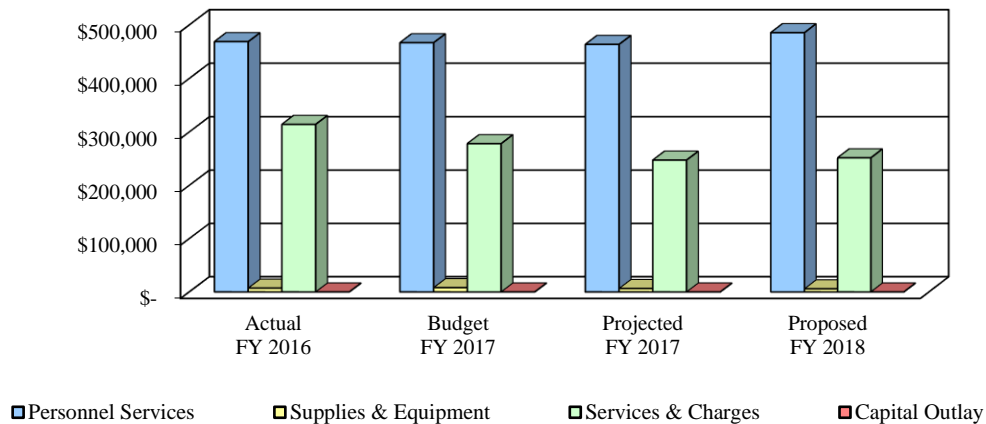
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## Administrative Department

### EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 468,868	\$ 466,897	\$ 463,817	\$ 485,724	4.03%
Supplies & Equipment	7,147	8,100	6,400	5,750	-29.01%
Services & Charges	314,243	278,197	247,425	251,711	-9.52%
Capital Outlay	-	-	-	-	0.00%
<b>Total Department</b>	<b>\$ 790,258</b>	<b>\$ 753,194</b>	<b>\$ 717,642</b>	<b>\$ 743,185</b>	<b>-1.33%</b>



### SIGNIFICANT BUDGETARY ITEMS/CHANGES

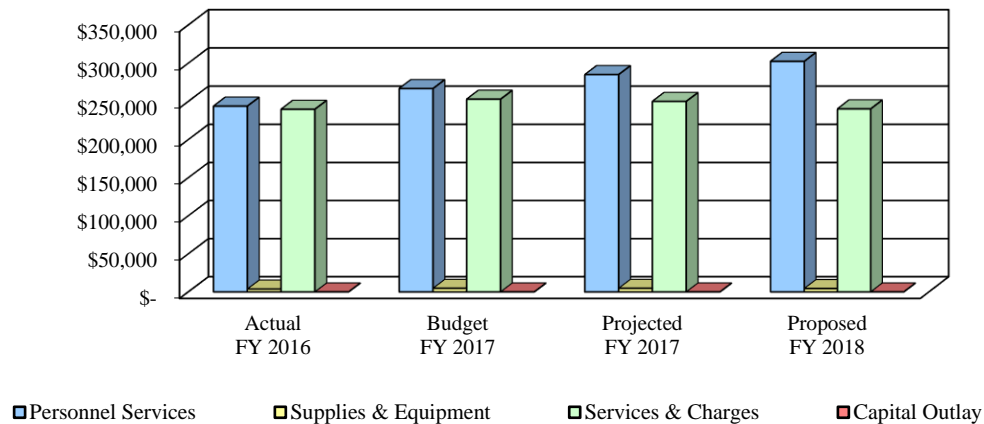
- 1 The Administrative Department budget includes the salaries of the Town Administrator and the Town Secretary.
- 2 Legal Expense includes \$170,000 for Town Attorney services and \$10,000 for other legal services as needed. Legal Expense proposed budget was reduced (\$20,000) from prior year budget.
- 3 Contract services include \$53,591 for Consulting. This is a (\$6,809) decrease from prior budget.
- 4 The Proposed Budget includes \$12,000 for election services, which is a \$500 increase from FY 2016-17 budget.



## Town Services Department

### EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 243,872	\$ 266,849	\$ 285,158	\$ 302,471	13.35%
Supplies & Equipment	3,693	4,750	4,750	4,450	-6.32%
Services & Charges	239,760	252,941	250,061	240,261	-5.01%
Capital Outlay	-	-	-	-	0.00%
<b>Total Department</b>	<b>\$ 487,325</b>	<b>\$ 524,540</b>	<b>\$ 539,969</b>	<b>\$ 547,182</b>	<b>4.32%</b>



### SIGNIFICANT BUDGETARY ITEMS/CHANGES

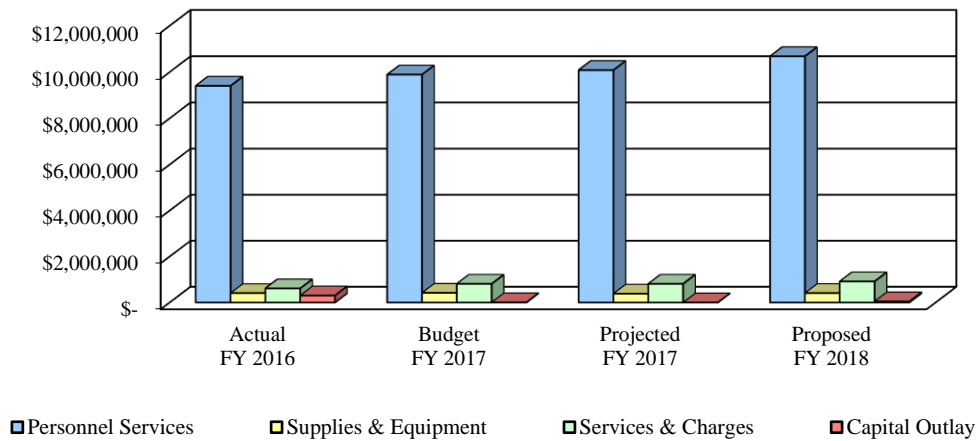
- 1 Personnel Services is increasing as a result of annual pay adjustments, increases in health insurance, and a position reclassification that occurred during FY 2016-17.
- 2 Services & Charges reduction of (\$12,680) includes a decrease in Contract Services of (\$12,228).



## Department of Public Safety

### EXPENDITURE SUMMARY

	<b>FY 2016 Actual</b>	<b>FY 2017 Budget</b>	<b>FY 2017 Projected</b>	<b>FY 2018 Proposed</b>	<b>% Change 2017 to 2018</b>
Personnel Services	\$ 9,406,513	\$ 9,891,244	\$ 10,086,737	\$ 10,684,714	8.02%
Supplies & Equipment	407,489	420,052	385,565	411,024	-2.15%
Services & Charges	613,081	814,458	814,900	918,002	12.71%
Capital Outlay	306,816	5,680	-	47,240	731.69%
<b>Total Department</b>	<b>\$ 10,733,899</b>	<b>\$ 11,131,434</b>	<b>\$ 11,287,202</b>	<b>\$ 12,060,980</b>	<b>8.35%</b>



### SIGNIFICANT BUDGETARY ITEMS/CHANGES

- 1 The FY 2018 Personnel Services budget includes the addition of a full-time alarm monitor position and a Sergeant position to oversee the alarm monitoring program.
- 2 Supplies & Equipment includes an overall reduction of (\$4,512) with an increase in vehicle maintenance \$3,660 primarily for insurance deductibles; police supplies increase of \$4,234 relating to Tasers and Taser parts and batteries; Non-capital tools decreased (\$5,500); Office & Computer supplies decreased (\$7,180).
- 3 Services & Charges increased \$93,728 and includes \$92,400 for TelGuard services related to the alarm monitoring program; \$50,100 for the Town's share of the DARE & SRO programs; \$171,000 for crossing guards; and a \$10,700 increase for education reimbursement.
- 4 Services & Charges also includes a reduction in EMS Training of (\$6,076); Contract Services of (\$8,922); and Repair & Maintenance Services of (\$5,500).
- 5 New programs include an additional motorcycle officer for traffic safety totaling \$141,619 which includes \$47,240 for a motorcycle unit.

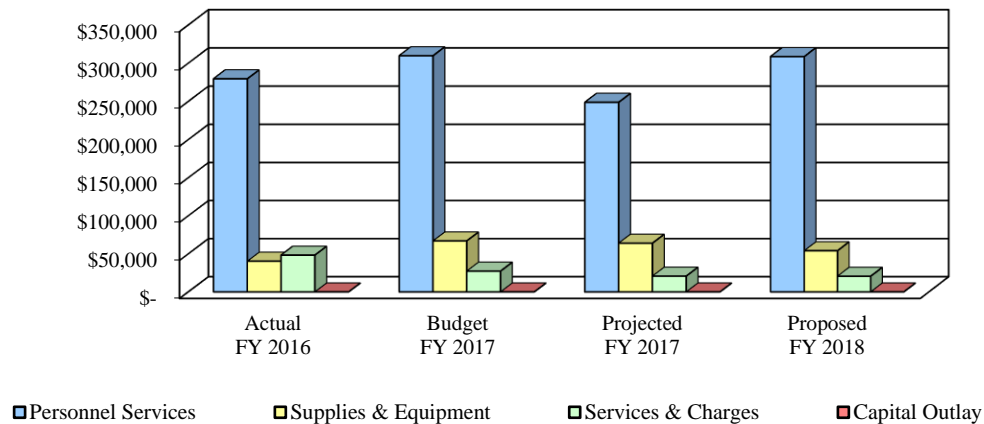




## Street Department

### EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 279,644	\$ 309,796	\$ 248,885	\$ 308,705	-0.35%
Supplies & Equipment	40,352	67,022	64,022	54,132	-19.23%
Services & Charges	48,326	27,320	20,720	20,600	-24.60%
Capital Outlay	-	-	-	-	0.00%
<b>Total Department</b>	<b>\$ 368,322</b>	<b>\$ 404,138</b>	<b>\$ 333,627</b>	<b>\$ 383,437</b>	<b>-5.12%</b>



### SIGNIFICANT BUDGETARY ITEMS/CHANGES

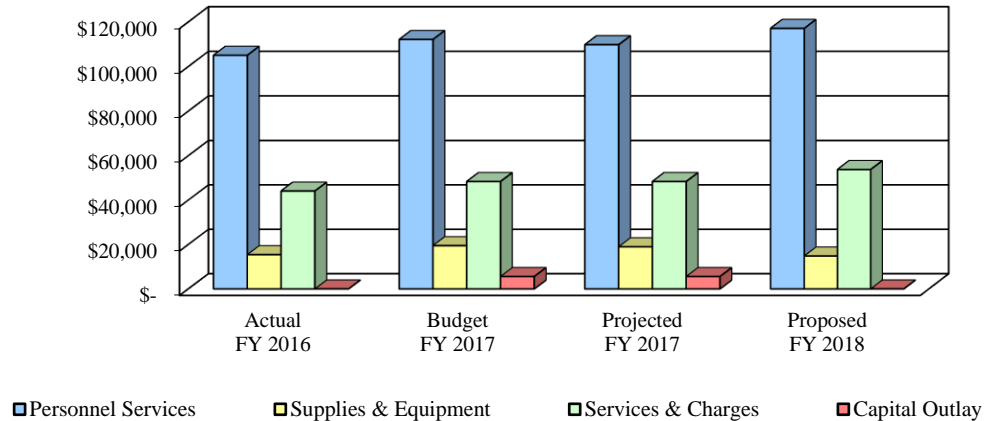
- Supplies & Equipment decreased (\$12,890) and includes reductions of (\$3,320) in vehicle maintenance and equipment repair; (\$5,070) after finishing the FY 2017 ding & dent repairs; (\$3,000) in street signage.
- Services & Charges decreased (\$6,720), \$6,600 is related to professional services. Architectural landscaping services for Preston Road were budgeted and used in FY 2017 and a budget for this service is no longer needed.



## Street Lighting Department

### EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 105,067	\$ 112,179	\$ 109,828	\$ 117,143	4.43%
Supplies & Equipment	15,440	19,488	18,988	14,818	-23.96%
Services & Charges	44,095	48,394	48,394	53,790	11.15%
Capital Outlay	-	5,600	5,600	-	0.00%
<b>Total Department</b>	<b>\$ 164,602</b>	<b>\$ 185,661</b>	<b>\$ 182,810</b>	<b>\$ 185,751</b>	<b>0.05%</b>



### SIGNIFICANT BUDGETARY ITEMS/CHANGES

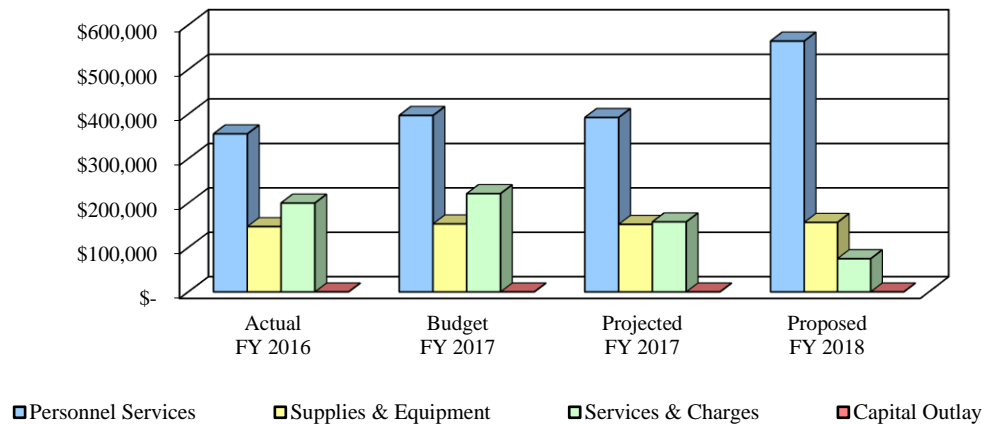
- 1 Supplies & Equipment decreased (\$4,670), of which \$4,170 relates to the vehicle maintenance following the completion of the ding & dent repairs in FY 2017.
- 2 Services & Charges includes \$5,600 for continue conflict monitoring program.



## Library Department

### EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 355,835	\$ 397,114	\$ 392,517	\$ 563,989	42.02%
Supplies & Equipment	147,064	153,116	152,212	156,618	2.29%
Services & Charges	200,174	221,396	157,680	74,820	-66.21%
Capital Outlay	-	-	-	-	0.00%
<b>Total Department</b>	<b>\$ 703,073</b>	<b>\$ 771,626</b>	<b>\$ 702,409</b>	<b>\$ 795,427</b>	<b>3.08%</b>



### SIGNIFICANT BUDGETARY ITEMS/CHANGES

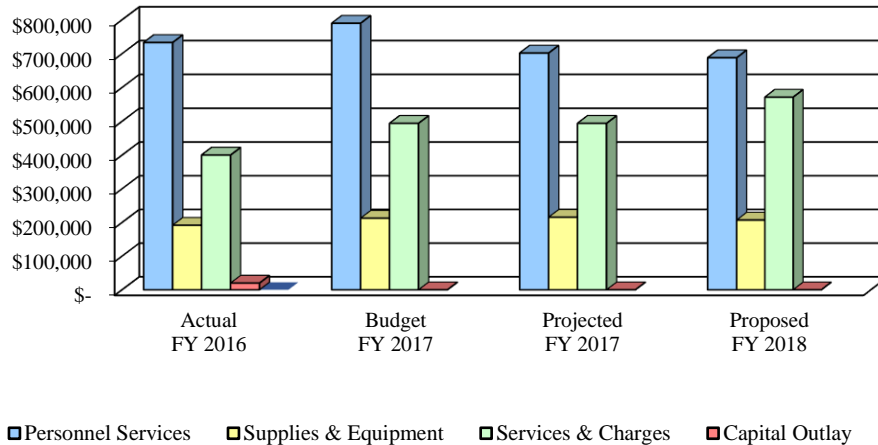
- 1 Supplies & Equipment increase of \$3,500 includes additional book costs to address increases in costs of library collection material.
- 2 Services & Charges decrease includes the former Library Director's contract being replaced with a full-time salaried position in Personnel Services.
- 3 New Programs - An EBSCO subscription, in the amount of \$8,250, would allow the Library to create a single sign-on for patrons to access the electronic databases provided by the Library.



## Parks Department

### EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 733,066	\$ 790,063	\$ 701,946	\$ 688,083	-12.91%
Supplies & Equipment	191,754	212,772	215,587	207,152	-2.64%
Services & Charges	400,224	494,088	494,088	571,362	15.64%
Capital Outlay	19,984	-	-	-	0.00%
<b>Total Department</b>	<b>\$ 1,345,028</b>	<b>\$ 1,496,923</b>	<b>\$ 1,411,621</b>	<b>\$ 1,466,597</b>	<b>-2.03%</b>



### SIGNIFICANT BUDGETARY ITEMS/CHANGES

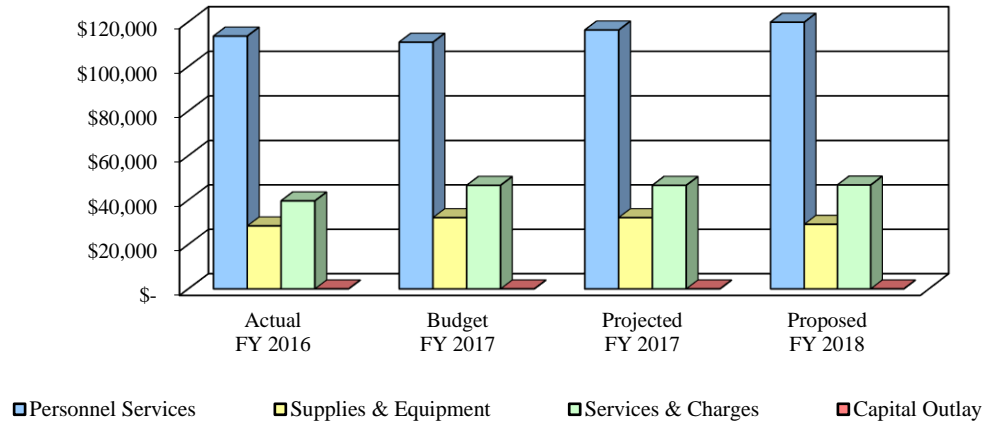
- 1 Supplies & Equipment includes eliminating (\$6,620) in vehicle maintenance after finishing the dent & ding repairs in FY 2017; uniforms decreased (\$2,400); Christmas lighting increased \$5,300 to include additional activities at the lighting ceremony.
- 2 Services & Charges includes an increase of \$77,274 for repair and maintenance services. This increase is a result of savings of \$49,274 from an unfilled parks position being used to contract third party landscape care started in mid FY 2017 and includes eliminating a parks worker I position in FY 2017-18 and using a portion of the salary savings, \$28,000, for additional contract labor in repair and maintenance.



## Pool Department

### EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 113,680	\$ 110,950	\$ 116,409	\$ 119,922	8.09%
Supplies & Equipment	28,382	32,100	32,100	29,100	-9.35%
Services & Charges	39,661	46,662	46,662	46,806	0.31%
Capital Outlay	-	-	-	-	0.00%
<b>Total Department</b>	<b>\$ 181,723</b>	<b>\$ 189,712</b>	<b>\$ 195,171</b>	<b>\$ 195,828</b>	<b>3.22%</b>



### SIGNIFICANT BUDGETARY ITEMS/CHANGES

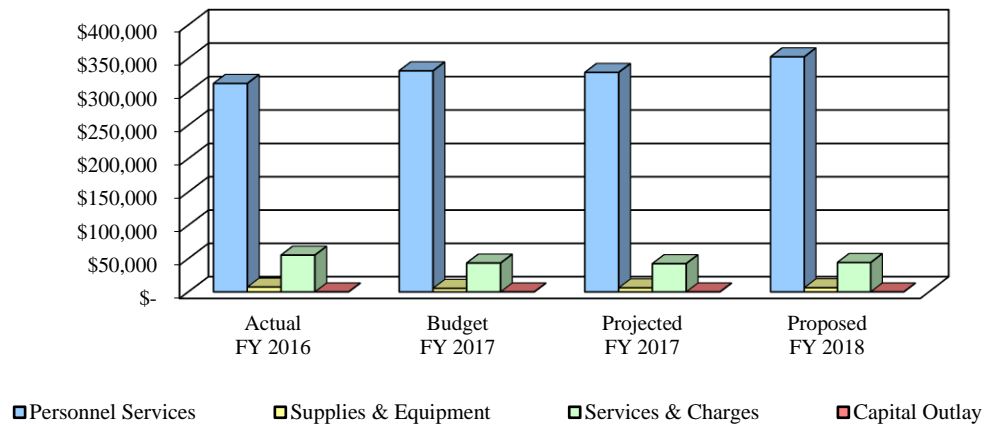
- Supplies & Equipment net decrease of (\$3,000) reflects the addition of \$1,500 for plants and vegetation offset by the elimination of a \$4,500 pool aerator purchased in FY 2017.



## Municipal Court Department

### EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 312,621	\$ 331,460	\$ 329,131	\$ 352,423	6.32%
Supplies & Equipment	7,257	5,350	6,021	6,202	15.93%
Services & Charges	55,233	43,365	42,460	44,137	1.78%
Capital Outlay	-	-	-	-	0.00%
<b>Total Department</b>	<b>\$ 375,111</b>	<b>\$ 380,175</b>	<b>\$ 377,612</b>	<b>\$ 402,762</b>	<b>5.94%</b>



### SIGNIFICANT BUDGETARY ITEMS/CHANGES

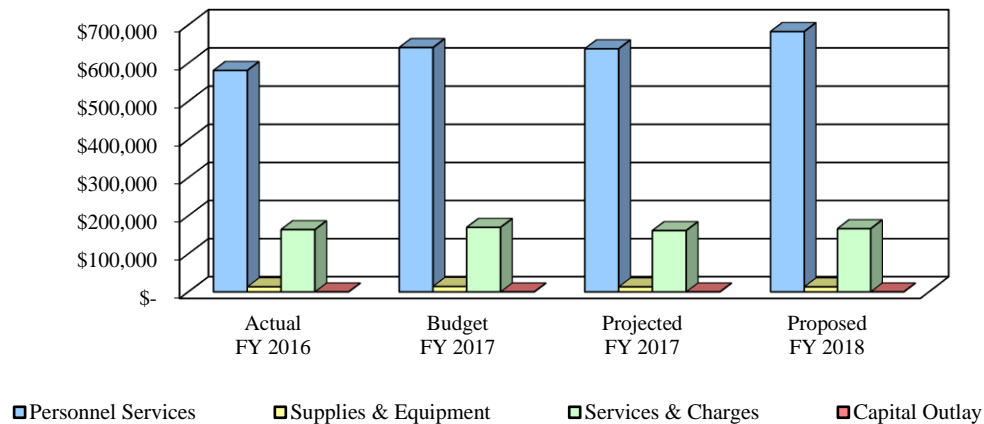
- Supplies & Equipment increase of \$852 which includes printing and postage due to the increase in case correspondence by mail.



## Finance Department

### EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 581,012	\$ 640,950	\$ 637,775	\$ 682,915	6.55%
Supplies & Equipment	13,392	14,444	13,221	13,220	-8.47%
Services & Charges	163,677	169,589	161,169	166,141	-2.03%
Capital Outlay	-	-	-	-	0.00%
<b>Total Department</b>	<b>\$ 758,081</b>	<b>\$ 824,983</b>	<b>\$ 812,165</b>	<b>\$ 862,276</b>	<b>4.52%</b>



### SIGNIFICANT BUDGETARY ITEMS/CHANGES

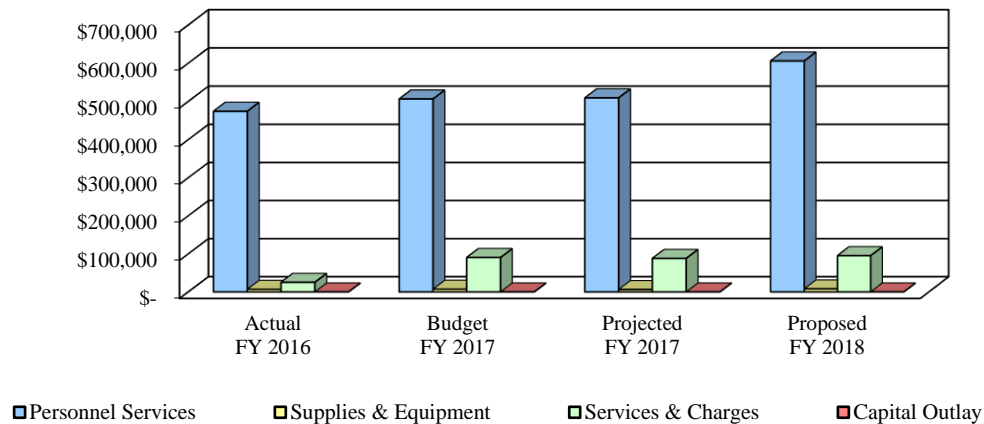
- Services & Charges includes an increase in the annual audit fee of \$2,000; additional \$1,000 for sales tax analysis and reporting; a decrease in accounting /consulting of (5,000); a 5% increase in annual maintenance charges for Tyler Technology software costing \$1,247 and a (\$4,750) decrease in travel and training.



## Building Inspection Department

### EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 474,256	\$ 506,490	\$ 509,367	\$ 605,950	19.64%
Supplies & Equipment	6,749	7,040	6,360	7,910	12.36%
Services & Charges	25,217	90,460	88,035	95,250	5.30%
Capital Outlay	-	-	-	-	0.00%
<b>Total Department</b>	<b>\$ 506,222</b>	<b>\$ 603,990</b>	<b>\$ 603,762</b>	<b>\$ 709,110</b>	<b>17.40%</b>



### SIGNIFICANT BUDGETARY ITEMS/CHANGES

- 1 Services & Charges includes a \$1,025 increase in travel & training for certification exams and professional development; \$2,280 for code enforcement lot mowing and MyGov licenses.
- 2 New programs include adding a new plans examiner position and changing the scope of plan reviews to include all projects over \$100,000. Total costs of \$79,568 for this position would be offset by adding additional annual sub-contractor registration fees and increasing the scope of project reviews at \$250 per review for a net cost of \$18,044.

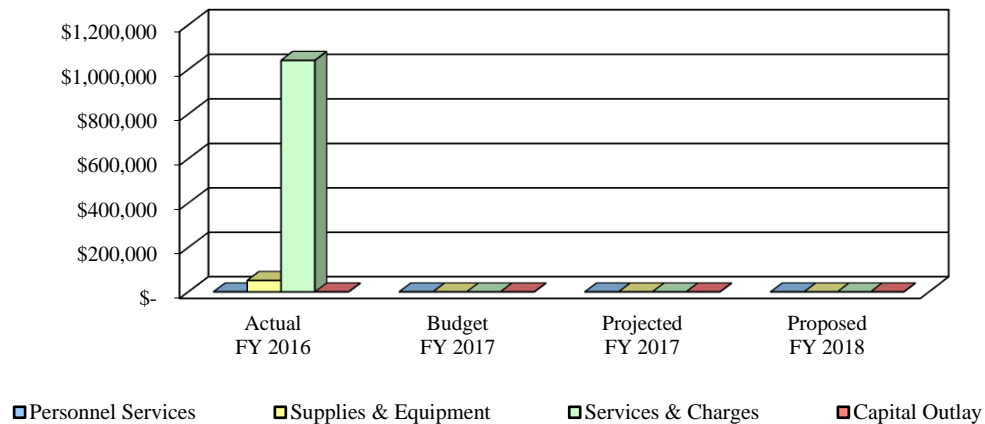




## Sanitation Department

### EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ -	\$ -	\$ -	\$ -	0.00%
Supplies & Equipment	51,741	-	-	-	0.00%
Services & Charges	1,041,314	-	-	-	0.00%
Capital Outlay	-	-	-	-	0.00%
<b>Total Department</b>	<b>\$ 1,093,055</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.00%</b>



### SIGNIFICANT BUDGETARY ITEMS/CHANGES

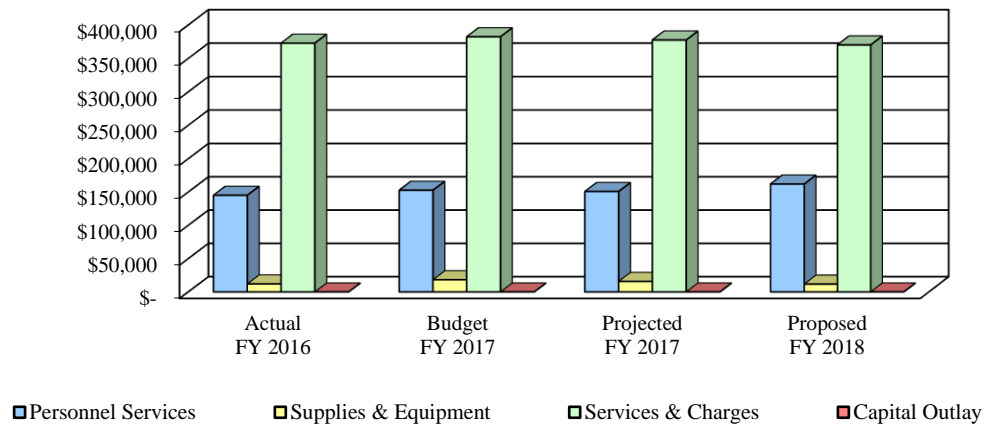
- Sanitation operations were moved to a separate enterprise fund in the FY 2016-17 Adopted Budget.



## Information Technology Department

### EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 145,169	\$ 152,750	\$ 150,840	\$ 162,048	6.09%
Supplies & Equipment	11,971	18,250	15,785	11,750	-35.62%
Services & Charges	372,820	382,412	377,603	370,219	-3.19%
Capital Outlay	-	-	-	-	0.00%
<b>Total Department</b>	<b>\$ 529,960</b>	<b>\$ 553,412</b>	<b>\$ 544,228</b>	<b>\$ 544,017</b>	<b>-1.70%</b>



### SIGNIFICANT BUDGETARY ITEMS/CHANGES

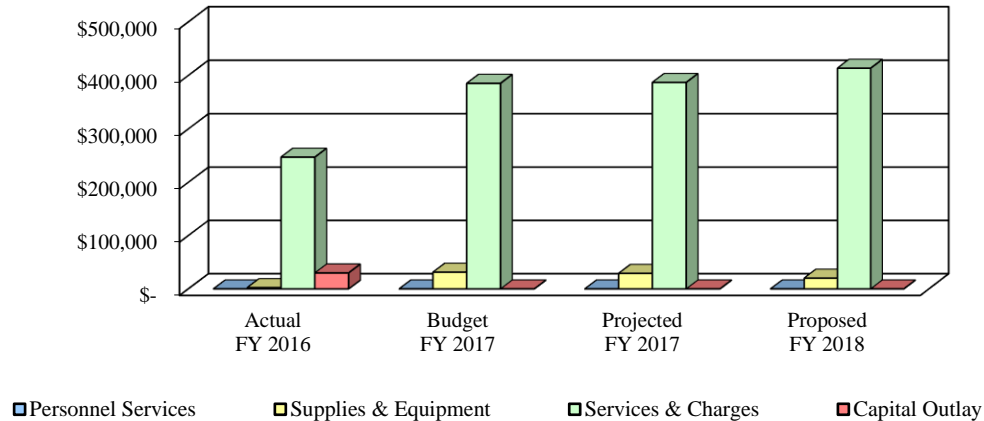
- 1 Supplies & Equipment includes moving (\$6,500) from IT budget to the Building Maintenance Improvement Fund (24) and is related to facility wiring and equipment.
- 2 Services & Charges includes moving (\$10,900) from the IT budget to the Building Maintenance Improvement Fund (24) and is related to contract labor involved in running facility wiring and equipment repair; \$700 increase in repair and maintenance costs; cloud disaster recovery for \$13,440 added to facilitate offsite storage backup and recovery and (\$15,420) in savings is anticipated from the upcoming contract renewal for phone /internet service.



## Non- Departmental

### EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ -	\$ -	\$ -	\$ -	0.00%
Supplies & Equipment	2,376	31,350	29,150	20,150	-35.73%
Services & Charges	247,357	385,340	386,995	413,640	7.34%
Capital Outlay	29,975	-	-	-	0.00%
<b>Total Department</b>	<b>\$ 279,708</b>	<b>\$ 416,690</b>	<b>\$ 416,145</b>	<b>\$ 433,790</b>	<b>4.10%</b>



### SIGNIFICANT BUDGETARY ITEMS/CHANGES

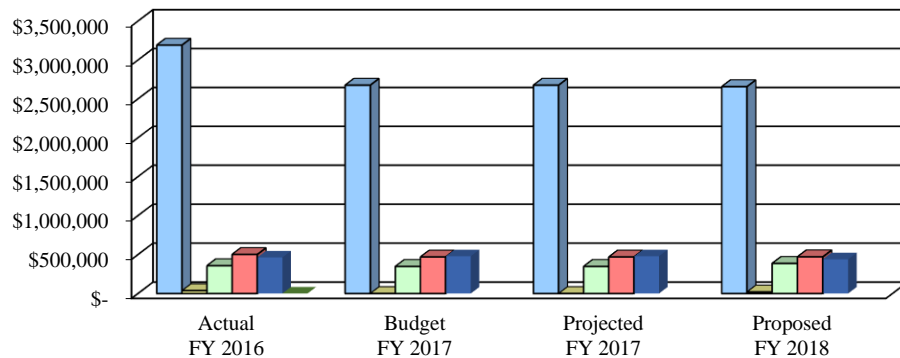
- 1 Included in Services & Charges is \$125,000.00 for retirement payout during the next fiscal year.
- 2 The Proposed Budget includes additional funding of \$1,800 for Town Council events, a \$1,500 increase in Dallas Central Appraisal Districts charges, and a (\$11,200) decrease in fuel contingency costs.
- 3 New programs include \$11,525 for employee health and wellness program administered through a local health system and \$13,475 for work related preventative health screenings.



## Transfers to Other Funds

### EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Capital Projects Fund	\$ 3,191,380	\$ 2,675,890	\$2,675,890	\$ 2,657,228	-0.70%
Utility & Solid Waste Funds	36,743	-	-	20,000	0.00%
Equip. Replacement Fund	357,140	347,549	347,549	386,694	11.26%
Tech. Replacement Fund	501,400	469,043	469,043	471,212	0.46%
Bldg. Maintenance Fund	462,500	478,500	478,500	438,900	-8.28%
<b>Total Department</b>	<b>\$ 4,549,163</b>	<b>\$ 3,970,982</b>	<b>\$3,970,982</b>	<b>\$ 3,974,034</b>	<b>0.08%</b>



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

### SIGNIFICANT BUDGETARY ITEMS/CHANGES

- 1 Transfer to the Capital Projects Fund is sustained in large part due to property value growth.
- 2 Transfers to the Equipment Replacement Fund and Technology Replacement Fund are based on the annual depreciation of assets within those funds and anticipated depreciation of assets to be acquired during the next fiscal year. The transfer has been adjusted for inflation to maintain purchasing power.
- 3 The transfer to the Building Maintenance & Investment Fund is based on the overall budget of the Building Maintenance Fund and includes a maintenance component and a fund balance component. The General Fund's proportionate share is based on the number of employees that use the Town Hall and Service Center. The Utility Fund makes a similar transfer based on the number of employees in the Utility Fund that use the Town Hall and Service Center. The (\$39,600) decrease in transfers reflects the replacement cost of capital assets amortized over the life of the asset.

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## **UTILITY FUND**

The Utility Fund is the financial structure used for the accounting of providing water, 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**  
**STATEMENT OF REVENUES & EXPENSES**

	<b>FY 2016 Actual</b>	<b>FY 2017 Budget</b>	<b>FY 2017 Projected</b>	<b>FY 2018 Proposed</b>
<b>BEGINNING FUND BALANCE</b>	<b>\$ 1,551,665</b>	<b>\$ 3,106,440</b>	<b>\$ 3,106,440</b>	<b>\$ 4,181,096</b>
<b>REVENUES/SOURCES OF FUNDS</b>				
Licenses & Permits	\$ 62,725	\$ 58,000	\$ 54,300	\$ 64,000
Charges for Services	9,542,262	9,992,747	9,907,227	10,003,991
Fines & Forfeits	74,806	72,400	71,400	74,000
Miscellaneous	563,344	369,150	519,899	521,556
<b>Total Revenues</b>	<b>\$ 10,243,137</b>	<b>\$ 10,492,297</b>	<b>\$ 10,552,826</b>	<b>\$ 10,663,547</b>
<b>Other Sources:</b>				
Transfers In	\$ 446,595	\$ 469,300	\$ 469,300	\$ 458,800
<b>Total Other Sources</b>	<b>\$ 446,595</b>	<b>\$ 469,300</b>	<b>\$ 469,300</b>	<b>\$ 458,800</b>
<b>Total Revenues/Sources</b>	<b>\$ 10,689,732</b>	<b>\$ 10,961,597</b>	<b>\$ 11,022,126</b>	<b>\$ 11,122,347</b>
<b>EXPENSES - BY DEPARTMENT</b>				
Utility Administration Department	\$ 289,878	\$ 313,622	\$ 296,953	\$ 396,787
Water Department	4,746,755	4,956,001	4,828,749	4,729,635
Sanitary Sewer Department	1,711,872	2,344,009	2,332,975	2,776,847
Engineering Department	741,849	795,315	743,860	763,228
<b>Total Expenses</b>	<b>\$ 7,490,354</b>	<b>\$ 8,408,947</b>	<b>\$ 8,202,537</b>	<b>\$ 8,666,497</b>
<b>Other Uses:</b>				
Transfers Out	\$ 1,644,603	\$ 1,744,933	\$ 1,744,933	\$ 1,756,564
<b>Total Other Uses</b>	<b>\$ 1,644,603</b>	<b>\$ 1,744,933</b>	<b>\$ 1,744,933</b>	<b>\$ 1,756,564</b>
<b>Total Expenses/Uses</b>	<b>\$ 9,134,957</b>	<b>\$ 10,153,880</b>	<b>\$ 9,947,470</b>	<b>\$ 10,423,061</b>
<b>Excess (Deficiency) of Revenues/Sources over Expenses/Uses</b>	<b>\$ 1,554,775</b>	<b>\$ 807,717</b>	<b>\$ 1,074,656</b>	<b>\$ 699,286</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 3,106,440</b>	<b>\$ 3,914,157</b>	<b>\$ 4,181,096</b>	<b>\$ 4,880,382</b>
<b>Ideal Fund Balance</b>	<b>\$ 1,600,282</b>	<b>\$ 1,772,156</b>	<b>\$ 1,720,554</b>	<b>\$ 1,849,215</b>
<b>Fund Balance in Excess of Minimum</b>	<b>\$ 1,506,158</b>	<b>\$ 2,142,001</b>	<b>\$ 2,460,542</b>	<b>\$ 3,031,167</b>

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

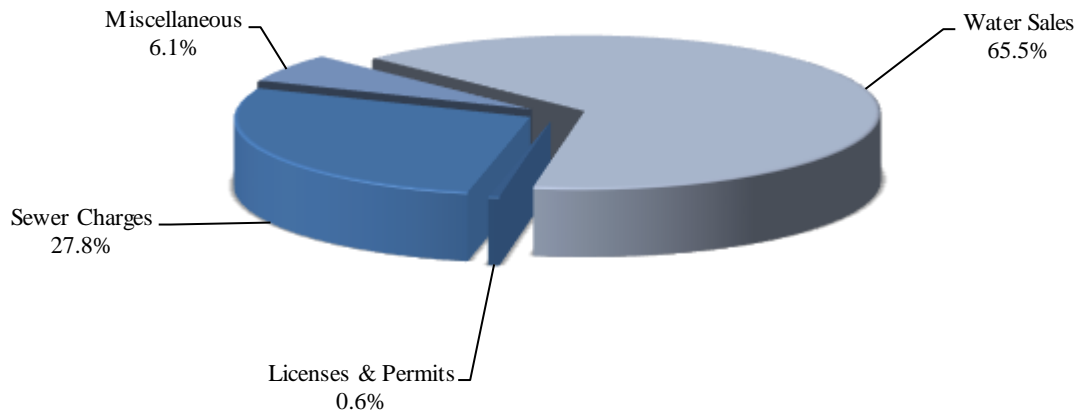
	<b>FY 2016 Actual</b>	<b>FY 2017 Budget</b>	<b>FY 2017 Projected</b>	<b>FY 2018 Proposed</b>
<b>BEGINNING FUND BALANCE</b>	<b>\$ 1,551,665</b>	<b>\$ 3,106,440</b>	<b>\$ 3,106,440</b>	<b>\$ 4,181,096</b>
<b>REVENUES/SOURCES OF FUNDS</b>				
Licenses & Permits	\$ 62,725	\$ 58,000	\$ 54,300	\$ 64,000
Charges for Services	9,542,262	9,992,747	9,907,227	10,003,991
Fines & Forfeits	74,806	72,400	71,400	74,000
Miscellaneous	563,344	369,150	519,899	521,556
<b>Total Revenues</b>	<b>\$ 10,243,137</b>	<b>\$ 10,492,297</b>	<b>\$ 10,552,826</b>	<b>\$ 10,663,547</b>
<b>Other Sources:</b>				
Transfers In	\$ 446,595	\$ 469,300	\$ 469,300	\$ 458,800
<b>Total Other Sources</b>	<b>\$ 446,595</b>	<b>\$ 469,300</b>	<b>\$ 469,300</b>	<b>\$ 458,800</b>
<b>Total Revenues/Sources</b>	<b>\$ 10,689,732</b>	<b>\$ 10,961,597</b>	<b>\$ 11,022,126</b>	<b>\$ 11,122,347</b>
<b>EXPENSES - BY TYPE</b>				
Personnel Services				
Payroll	\$ 1,342,725	\$ 1,449,533	\$ 1,300,094	\$ 1,380,891
Payroll Taxes	90,885	105,936	88,527	103,013
Retirement	47,026	70,291	63,811	83,577
Insurance	166,022	196,891	165,856	223,074
<b>Total Personnel</b>	<b>\$ 1,646,658</b>	<b>\$ 1,822,651</b>	<b>\$ 1,618,288</b>	<b>\$ 1,790,555</b>
Supplies & Equipment	2,551,875	2,787,732	2,783,199	2,924,446
Services & Charges	1,034,280	1,232,564	1,235,050	1,418,496
Capital Outlay	2,257,541	2,566,000	2,566,000	2,533,000
<b>Total Expenses</b>	<b>\$ 7,490,354</b>	<b>\$ 8,408,947</b>	<b>\$ 8,202,537</b>	<b>\$ 8,666,497</b>
<b>Other Uses:</b>				
Transfers Out	\$ 1,644,603	\$ 1,744,933	\$ 1,744,933	\$ 1,756,564
<b>Total Other Uses</b>	<b>\$ 1,644,603</b>	<b>\$ 1,744,933</b>	<b>\$ 1,744,933</b>	<b>\$ 1,756,564</b>
<b>Total Expenses/Uses</b>	<b>\$ 9,134,957</b>	<b>\$ 10,153,880</b>	<b>\$ 9,947,470</b>	<b>\$ 10,423,061</b>
<b>Excess (Deficiency) of Revenues/Sources over Expenses/Uses</b>	<b>\$ 1,554,775</b>	<b>\$ 807,717</b>	<b>\$ 1,074,656</b>	<b>\$ 699,286</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 3,106,440</b>	<b>\$ 3,914,157</b>	<b>\$ 4,181,096</b>	<b>\$ 4,880,382</b>
<b>Ideal Fund Balance</b>	<b>\$ 1,600,282</b>	<b>\$ 1,772,156</b>	<b>\$ 1,720,554</b>	<b>\$ 1,849,215</b>
<b>Fund Balance in Excess of Minimum</b>	<b>\$ 1,506,158</b>	<b>\$ 2,142,001</b>	<b>\$ 2,460,542</b>	<b>\$ 3,031,167</b>



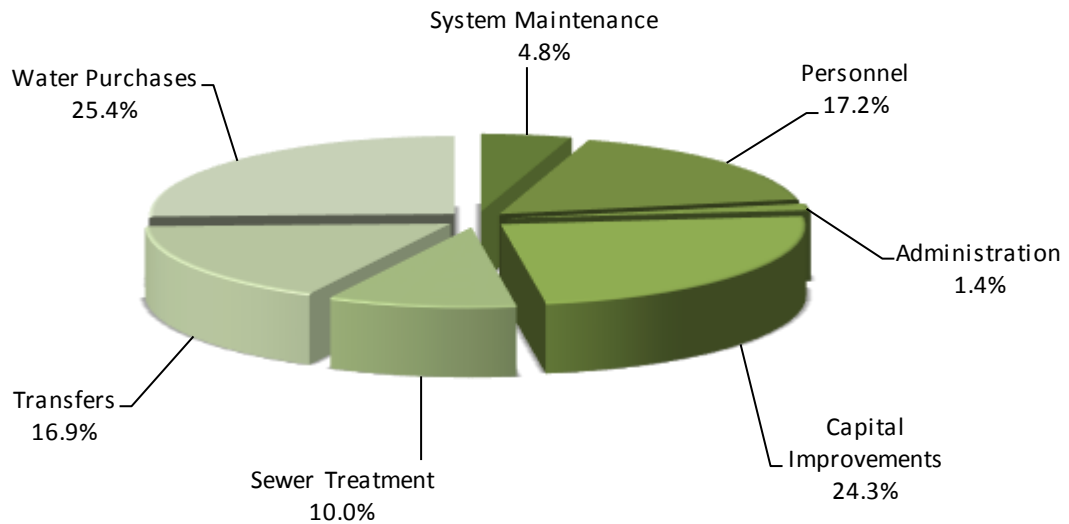
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# UTILITY FUND

## BUDGETED REVENUES & SOURCES BY TYPE



## BUDGETED DISBURSEMENTS BY TYPE



**UTILITY FUND  
STATEMENT OF REVENUES**

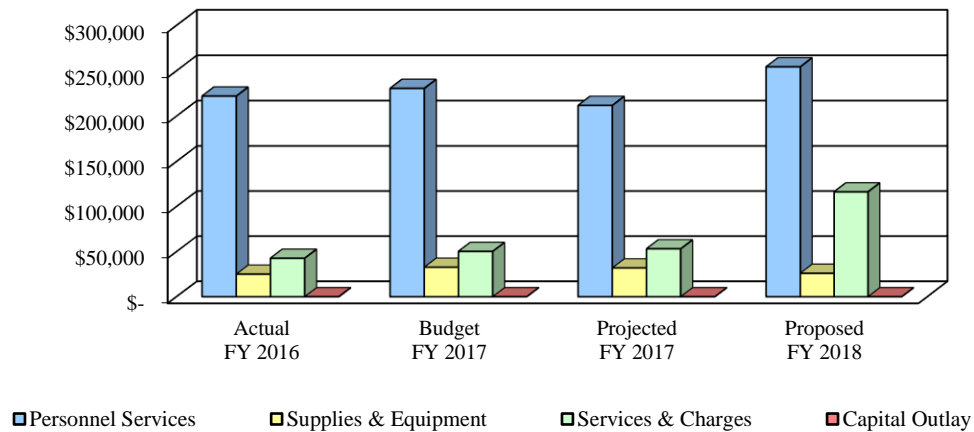
	<b>FY 2016 Actual</b>	<b>FY 2017 Budget</b>	<b>FY 2017 Projected</b>	<b>FY 2018 Proposed</b>
<b>Licenses &amp; Permits</b>				
Plumbing Permits	\$ 62,725	\$ 58,000	\$ 54,300	\$ 64,000
<i>Subtotal</i>	<b>\$ 62,725</b>	<b>\$ 58,000</b>	<b>\$ 54,300</b>	<b>\$ 64,000</b>
<b>Charges For Services</b>				
Water Sales	\$ 6,590,256	\$ 6,900,266	\$ 6,833,997	\$ 6,899,686
Inter-Dept Water Sales	109,080	85,556	99,197	86,136
Sewer Charges	2,788,561	2,999,275	2,937,393	2,964,169
Meter Installation	51,050	4,450	31,370	50,500
Other Charges	3,315	3,200	5,270	3,500
<i>Subtotal</i>	<b>\$ 9,542,262</b>	<b>\$ 9,992,747</b>	<b>\$ 9,907,227</b>	<b>\$ 10,003,991</b>
<b>Fines &amp; Forfeits</b>				
Late Payment Penalties	\$ 74,806	\$ 72,400	\$ 71,400	\$ 74,000
<i>Subtotal</i>	<b>\$ 74,806</b>	<b>\$ 72,400</b>	<b>\$ 71,400</b>	<b>\$ 74,000</b>
<b>Miscellaneous</b>				
Interest	\$ 14,405	\$ 14,400	\$ 28,220	\$ 37,356
Sale of Assets	-	-	-	-
Contributions	545,244	352,000	485,105	482,000
Miscellaneous	3,695	2,750	6,574	2,200
<i>Subtotal</i>	<b>\$ 563,344</b>	<b>\$ 369,150</b>	<b>\$ 519,899</b>	<b>\$ 521,556</b>
<b>Total Revenues</b>	<b>\$ 10,243,137</b>	<b>\$ 10,492,297</b>	<b>\$ 10,552,826</b>	<b>\$ 10,663,547</b>



## Administrative Department

### EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 222,150	\$ 230,636	\$ 211,903	\$ 254,439	10.32%
Supplies & Equipment	\$ 25,028	\$ 32,712	\$ 31,910	\$ 26,020	-20.46%
Services & Charges	\$ 42,700	\$ 50,274	\$ 53,140	\$ 116,328	131.39%
Capital Outlay	\$ -	\$ -	\$ -	\$ -	-
<b>Total Department</b>	<b>\$ 289,878</b>	<b>\$ 313,622</b>	<b>\$ 296,953</b>	<b>\$ 396,787</b>	<b>26.52%</b>



### SIGNIFICANT BUDGETARY ITEMS/CHANGES

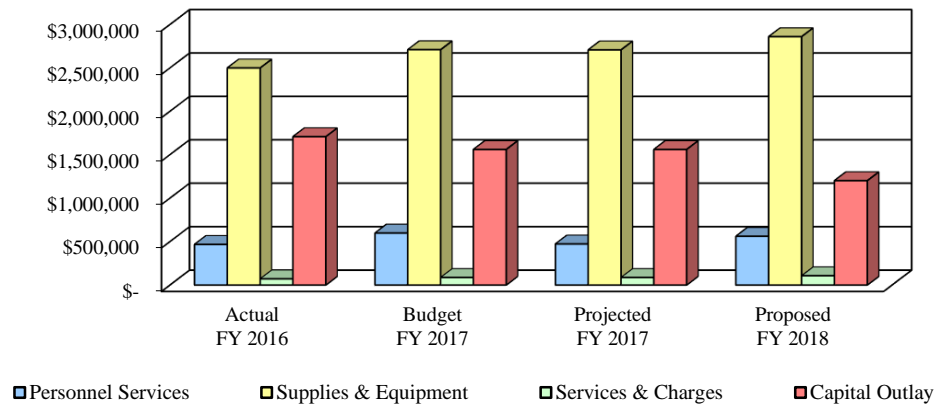
- 1 Supplies & Equipment decreased (\$6,692) with \$5,400 being non-capital office equipment purchased in FY 2017.
- 2 Services & Charges includes the \$12,450 addition of Itron analytics and customer portal software maintenance and a 5% increase in Tyler Technology software maintenance.
- 3 New programs include \$11,525 for an employee health and wellness program administered through a local health system and \$45,000 for Human Resources Consulting Services.



## Water Department

### EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 467,743	\$ 598,159	\$ 472,824	\$ 561,087	-6.20%
Supplies & Equipment	2,499,672	2,710,034	2,708,117	2,859,940	5.53%
Services & Charges	72,036	87,808	87,808	107,608	22.55%
Capital Outlay	1,707,304	1,560,000	1,560,000	1,201,000	-23.01%
<b>Total Department</b>	<b>\$ 4,746,755</b>	<b>\$ 4,956,001</b>	<b>\$4,828,749</b>	<b>\$ 4,729,635</b>	<b>-4.57%</b>



### SIGNIFICANT BUDGETARY ITEMS/CHANGES

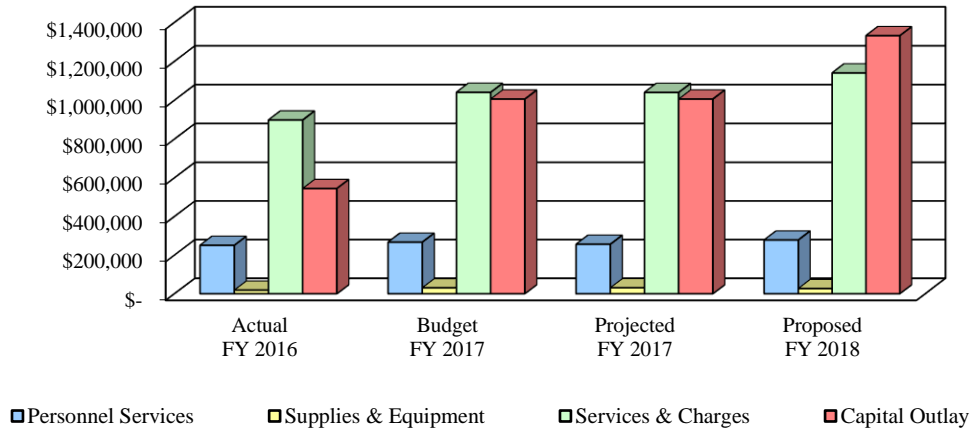
- Supplies & Equipment includes \$3,300 for Itron supplies. Water purchases cost is based on a projection of 1,070,998,000 gallons at a rate of \$2.48 per 1,000 gallons.
- Services & Charges includes \$18,000 for Itron annual equipment maintenance.
- Capital Outlay includes \$169,000 for the Smart Water Meter Project (meter body replacement); \$927,000 in other water infrastructure improvements; \$75,000 for a water vault, water lines and new meter at 4242 Lomo Alto; \$30,000 on the Gillon pump station and water line by Dallas County Park Cities Municipal Utility District.



## Sanitary Sewer Department

### EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 250,649	\$ 266,883	\$ 256,123	\$ 277,999	4.17%
Supplies & Equipment	18,448	30,566	30,672	26,686	-12.69%
Services & Charges	898,084	1,040,560	1,040,180	1,140,162	9.57%
Capital Outlay	544,691	1,006,000	1,006,000	1,332,000	32.41%
<b>Total Department</b>	<b>\$ 1,711,872</b>	<b>\$ 2,344,009</b>	<b>\$2,332,975</b>	<b>\$ 2,776,847</b>	<b>18.47%</b>



### SIGNIFICANT BUDGETARY ITEMS/CHANGES

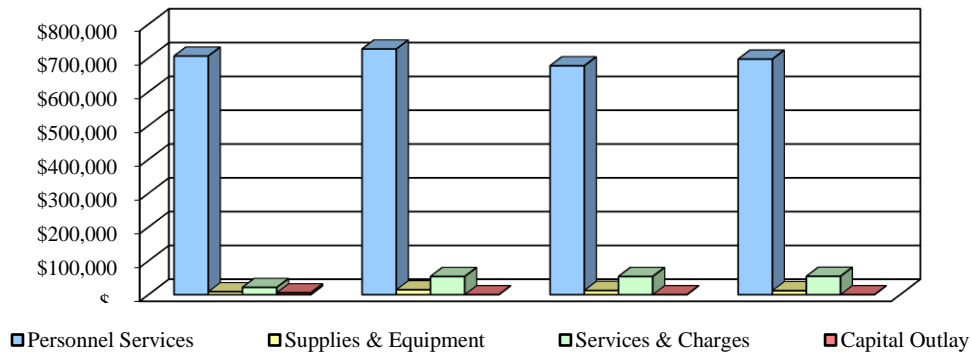
- 1 Supplies & Equipment includes \$3,980 decrease in vehicle maintenance after completion of the dent & ding work in FY 2017.
- 2 The wastewater treatment expense, \$1,038,890, is based on a projected 421,508,000 gallons to be treated and reflects an increase of \$99,602 resulting from a 11.1% rate increase by the City of Dallas.
- 3 Capital Outlay includes \$1,032,000 for the Town's Sanitary Sewer infrastructure rehabilitation program; \$100,000 for Turtle Creek 30" sewer interceptor project; \$1,000,000 study for Lakeside Drive rehab.



## Engineering Department

### EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 706,115	\$ 726,973	\$ 677,438	\$ 697,030	-4.12%
Supplies & Equipment	8,728	14,420	12,500	11,800	-18.17%
Services & Charges	21,460	53,922	53,922	54,398	0.88%
Capital Outlay	5,546	-	-	-	-
<b>Total Department</b>	<b>\$ 741,849</b>	<b>\$ 795,315</b>	<b>\$ 743,860</b>	<b>\$ 763,228</b>	<b>-4.03%</b>



### SIGNIFICANT BUDGETARY ITEMS/CHANGES

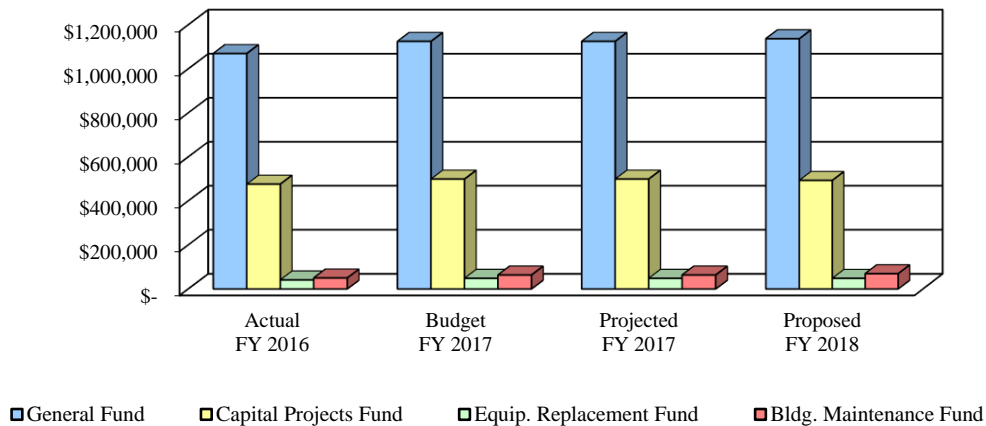
- Supplies & Equipment includes a cost reduction of (\$2,800) due to completion of engineering files being digitized and no longer needing file scanning services.



## Transfers to Other Funds

### EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
General Fund	\$ 1,069,731	\$ 1,125,000	\$1,125,000	\$ 1,137,100	1.08%
Capital Projects Fund	476,289	499,255	499,255	493,200	-1.21%
Equip. Replacement Fund	41,080	48,503	48,503	48,227	-0.57%
Tech. Replacement Fund	7,500	8,775	8,775	8,637	-1.57%
Bldg. Maintenance Fund	50,003	63,400	63,400	69,400	9.46%
<b>Total Department</b>	<b>\$ 1,644,603</b>	<b>\$ 1,744,933</b>	<b>\$1,744,933</b>	<b>\$ 1,756,564</b>	<b>0.67%</b>



### SIGNIFICANT BUDGETARY ITEMS/CHANGES

- 1 The transfer to the General Fund represents a reimbursement for General & Administrative services.
- 2 The transfer to the Capital Projects Fund represents a right-of-way use fee based on 5% of water and sanitary sewer charges.
- 3 Transfers to the Equipment Replacement Fund and Technology Replacement Fund are based on the annual depreciation of assets within those funds and anticipated depreciation of assets to be acquired during the next fiscal year. The transfer has been adjusted for inflation to maintain purchasing power.
- 4 The transfer to the Building Maintenance & Investment Fund is based on the overall budget of the Building Maintenance Fund and includes a maintenance component and a fund balance component. The Utility Fund's proportionate share is based on the number of employees that use the Town Hall and Service Center.



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## **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**

	<b>FY 2016 Actual*</b>	<b>FY 2017 Budget</b>	<b>FY 2017 Projected</b>	<b>FY 2018 Proposed</b>
<b>BEGINNING FUND BALANCE</b>	\$ -	\$ -	\$ -	\$ 9,489
<b>REVENUES/SOURCES OF FUNDS</b>				
Charges for Services	1,235,509	1,234,320	1,236,358	1,403,970
Miscellaneous	-	-	683	1,068
<b>Total Revenues</b>	<b>\$ 1,235,509</b>	<b>\$ 1,234,320</b>	<b>\$ 1,237,041</b>	<b>\$ 1,405,038</b>
<b>Other Sources:</b>				
Transfers In	\$ -	\$ -	\$ -	\$ 20,000
<b>Total Other Sources</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 20,000</b>
<b>Total Revenues/Sources</b>	<b>\$ 1,235,509</b>	<b>\$ 1,234,320</b>	<b>\$ 1,237,041</b>	<b>\$ 1,425,038</b>
<b>EXPENSES - BY DEPARTMENT</b>				
Sanitation Department	\$ 1,093,055	\$ 1,133,792	\$ 1,131,152	\$ 1,303,212
<b>Total Expenses</b>	<b>\$ 1,093,055</b>	<b>\$ 1,133,792</b>	<b>\$ 1,131,152</b>	<b>\$ 1,303,212</b>
<b>Other Uses:</b>				
Transfers Out	\$ 98,518	\$ 96,400	\$ 96,400	\$ 114,300
<b>Total Other Uses</b>	<b>\$ 98,518</b>	<b>\$ 96,400</b>	<b>\$ 96,400</b>	<b>\$ 114,300</b>
<b>Total Expenses/Uses</b>	<b>\$ 1,191,573</b>	<b>\$ 1,230,192</b>	<b>\$ 1,227,552</b>	<b>\$ 1,417,512</b>
<b>Excess (Deficiency) of Revenues/Sources over Expenses/Uses</b>	<b>\$ 43,936</b>	<b>\$ 4,128</b>	<b>\$ 9,489</b>	<b>\$ 7,526</b>
<b>ENDING FUND BALANCE</b>	<b>\$ -</b>	<b>\$ 4,128</b>	<b>\$ 9,489</b>	<b>\$ 17,015</b>
<b>Ideal Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Fund Balance in Excess of Minimum</b>	<b>\$ -</b>	<b>\$ 4,128</b>	<b>\$ 9,489</b>	<b>\$ 17,015</b>

\*Prior year information presented for informational purposes only and is reflected in General Fund operations.

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

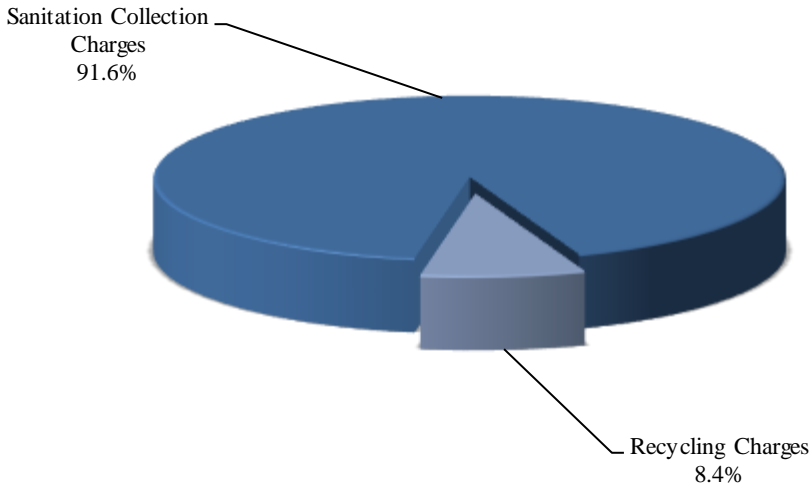
	<b>FY 2016 Actual*</b>	<b>FY 2017 Budget</b>	<b>FY 2017 Projected</b>	<b>FY 2018 Proposed</b>
<b>BEGINNING FUND BALANCE</b>	\$ -	\$ -	\$ -	\$ 9,489
<b>REVENUES/SOURCES OF FUNDS</b>				
Charges for Services	1,235,509	1,234,320	1,236,358	1,403,970
Miscellaneous	-	-	683	1,068
<b>Total Revenues</b>	<b>\$ 1,235,509</b>	<b>\$ 1,234,320</b>	<b>\$ 1,237,041</b>	<b>\$ 1,405,038</b>
<b>Other Sources:</b>				
Transfers In	\$ -	\$ -	\$ -	\$ 20,000
<b>Total Other Sources</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 20,000</b>
<b>Total Revenues/Sources</b>	<b>\$ 1,235,509</b>	<b>\$ 1,234,320</b>	<b>\$ 1,237,041</b>	<b>\$ 1,425,038</b>
<b>EXPENSES - BY TYPE</b>				
Personnel Services				
Payroll	\$ -	\$ -	\$ -	\$ -
Payroll Taxes	-	-	-	-
Retirement	-	-	-	-
Insurance	-	-	-	-
Total Personnel	\$ -	\$ -	\$ -	\$ -
Supplies & Equipment	51,741	45,500	45,500	45,500
Services & Charges	1,041,314	1,088,292	1,085,652	1,257,712
Capital Outlay	-	-	-	-
<b>Total Expenses</b>	<b>\$ 1,093,055</b>	<b>\$ 1,133,792</b>	<b>\$ 1,131,152</b>	<b>\$ 1,303,212</b>
<b>Other Uses:</b>				
Transfers Out	\$ 98,518	\$ 96,400	\$ 96,400	\$ 114,300
<b>Total Other Uses</b>	<b>\$ 98,518</b>	<b>\$ 96,400</b>	<b>\$ 96,400</b>	<b>\$ 114,300</b>
<b>Total Expenses/Uses</b>	<b>\$ 1,191,573</b>	<b>\$ 1,230,192</b>	<b>\$ 1,227,552</b>	<b>\$ 1,417,512</b>
<b>Excess (Deficiency) of Revenues/Sources over Expenses/Uses</b>	<b>\$ 43,936</b>	<b>\$ 4,128</b>	<b>\$ 9,489</b>	<b>\$ 7,526</b>
<b>ENDING FUND BALANCE</b>	<b>\$ -</b>	<b>\$ 4,128</b>	<b>\$ 9,489</b>	<b>\$ 17,015</b>

**\*Prior year information presented for informational purposes only and is reflected in General Fund operations.**

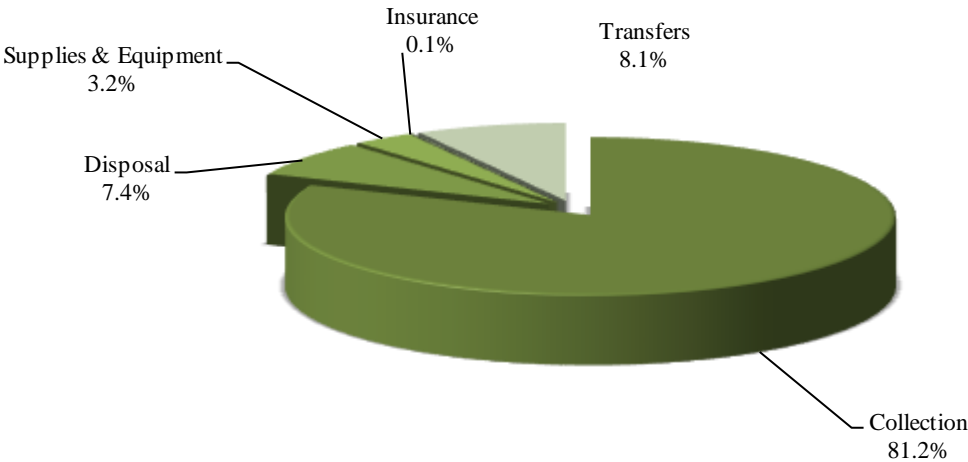
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# SOLID WASTE FUND

## BUDGETED REVENUES & SOURCES BY TYPE



## BUDGETED DISBURSEMENTS BY TYPE



**SOLID WASTE FUND  
STATEMENT OF REVENUES**

	<b>FY 2016 Actual*</b>	<b>FY 2017 Budget</b>	<b>FY 2017 Projected</b>	<b>FY 2018 Proposed</b>
<b>Charges For Services</b>				
Sanitation Collection Charges	\$ 1,137,022	\$ 1,135,800	\$ 1,137,643	\$ 1,286,160
Recycling Charges	98,487	98,520	98,715	117,810
Other Charges	-	-	-	-
<i>Subtotal</i>	<b>\$ 1,235,509</b>	<b>\$ 1,234,320</b>	<b>\$ 1,236,358</b>	<b>\$ 1,403,970</b>
<b>Miscellaneous</b>				
Interest	\$ -	\$ -	\$ 677	\$ 1,068
Miscellaneous	-	-	6	-
<i>Subtotal</i>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 683</b>	<b>\$ 1,068</b>
<b>Total Revenues</b>	<b>\$ 1,235,509</b>	<b>\$ 1,234,320</b>	<b>\$ 1,237,041</b>	<b>\$ 1,405,038</b>

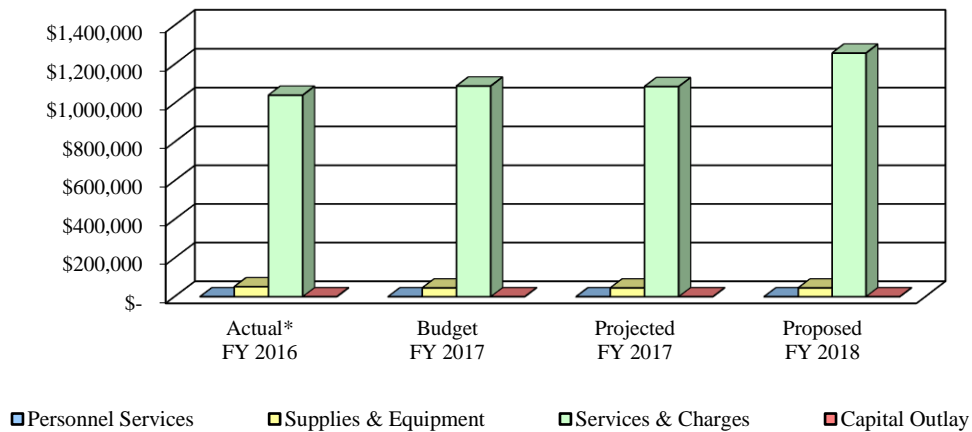
**\*Prior year information presented for informational purposes only and is reflected in General Fund operations.**



## Sanitation Department

### EXPENDITURE SUMMARY

	FY 2016 Actual*	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Supplies & Equipment	\$ 51,741	\$ 45,500	\$ 45,500	\$ 45,500	0.00%
Services & Charges	\$ 1,041,314	\$ 1,088,292	\$ 1,085,652	\$ 1,257,712	15.57%
Capital Outlay	\$ -	\$ -	\$ -	\$ -	N/A
<b>Total Department</b>	<b>\$ 1,093,055</b>	<b>\$ 1,133,792</b>	<b>\$ 1,131,152</b>	<b>\$ 1,303,212</b>	<b>14.94%</b>



### SIGNIFICANT BUDGETARY ITEMS/CHANGES

- Sanitation operations were moved to a separate enterprise fund in the FY 2017 Budget.
- Service & Charges includes a \$145,720 increase for solid waste collection, recycling, and disposal services. This is based on inflationary increases in collection and disposal effective October 1, 2017 and the new contract with Republic Services effective January 1, 2018. The House Hold Hazardous Waste Program costs also increased to provide direct service for Town Residents.

\* Prior year information presented for informational purposes only and is reflected in General Fund.

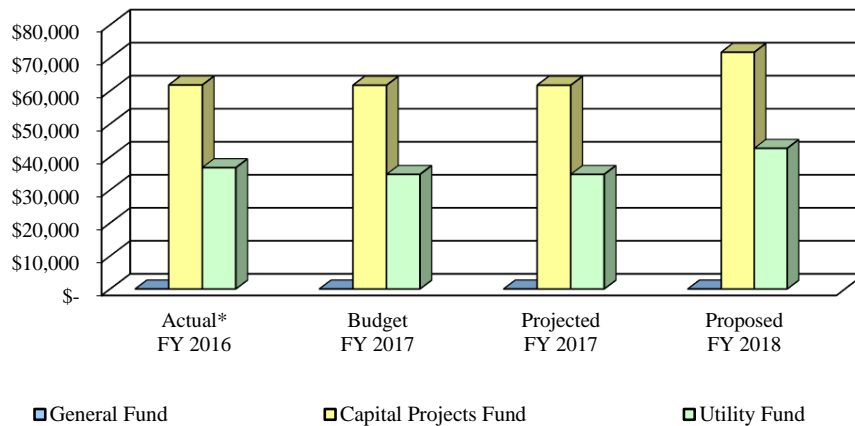




## Transfers to Other Funds

### EXPENDITURE SUMMARY

	FY 2016 Actual*	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
General Fund	\$ -	\$ -	\$ -	\$ -	N/A
Capital Projects Fund	61,775	61,700	61,700	71,700	16.21%
Utility Fund	36,743	34,700	34,700	42,600	22.77%
<b>Total Department</b>	<b>\$ 98,518</b>	<b>\$ 96,400</b>	<b>\$ 96,400</b>	<b>\$ 114,300</b>	<b>18.57%</b>



### SIGNIFICANT BUDGETARY ITEMS/CHANGES

- 1 The transfer to the Capital Projects Fund represents a 5% franchise fee based on solid waste and recycling collection revenue.
  - 2 The transfer to the Utility Fund represents administrative cost for billing and collection of solid waste services.
- \* Prior year information presented for informational purposes only and is reflected in General Fund operations.

## OTHER FUNDS

**Storm Water Drainage** – 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.

**Court Technology Fund** – This special revenue fund accounts for the Municipal Court technology fee charged to defendants as specified by state law.

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

**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, 2016, does not have any outstanding debt. The FY2017-18 Proposed 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 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.).

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

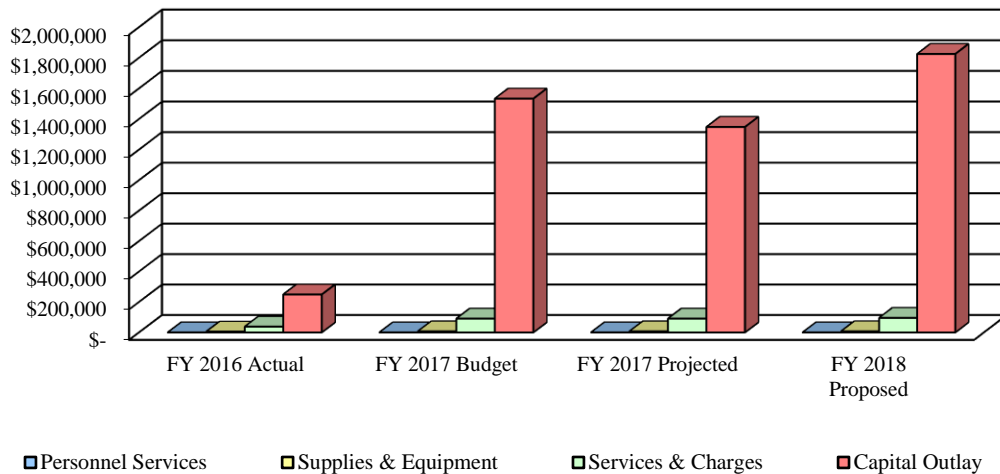
	<b>FY 2016 Actual</b>	<b>FY 2017 Budget</b>	<b>FY 2017 Projected</b>	<b>FY 2018 Proposed</b>
<b>BEGINNING FUND BALANCE</b>	<b>\$ 559,843</b>	<b>\$ 897,138</b>	<b>\$ 897,138</b>	<b>\$ 1,081,538</b>
<b>REVENUES/SOURCES OF FUNDS</b>				
Charges for Services	\$ 386,838	\$ 390,450	\$ 390,180	\$ 398,920
Interest	4,030	3,820	8,400	11,100
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<b>\$ 390,868</b>	<b>\$ 394,270</b>	<b>\$ 398,580</b>	<b>\$ 410,020</b>
<b>Other Sources:</b>				
Transfers In	\$ 350,000	\$ 1,350,000	\$ 1,350,000	\$ 1,100,000
<b>Total Other Sources:</b>	<b>350,000</b>	<b>1,350,000</b>	<b>1,350,000</b>	<b>1,100,000</b>
<b>Total Revenues/Sources:</b>	<b>\$ 740,868</b>	<b>\$ 1,744,270</b>	<b>\$ 1,748,580</b>	<b>\$ 1,510,020</b>
<b>EXPENSES/USES OF FUNDS</b>				
Supplies & Equipment	5,051	7,100	7,100	7,256
Services & Charges	37,513	90,580	90,580	95,271
Capital Outlay	249,231	1,533,000	1,348,000	1,825,000
<b>Total Expenditures</b>	<b>\$ 291,795</b>	<b>\$ 1,630,680</b>	<b>\$ 1,445,680</b>	<b>\$ 1,927,527</b>
Transfers	111,778	118,500	118,500	113,500
<b>Total Expenditures/Uses of Funds</b>	<b>\$ 403,573</b>	<b>\$ 1,749,180</b>	<b>\$ 1,564,180</b>	<b>\$ 2,041,027</b>
<b>Excess of Revenues/Sources Over Expenses/Uses</b>	<b>\$ 337,295</b>	<b>\$ (4,910)</b>	<b>\$ 184,400</b>	<b>\$ (531,007)</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 897,138</b>	<b>\$ 892,228</b>	<b>\$ 1,081,538</b>	<b>\$ 550,531</b>



## Stormwater Drainage Fund

### EXPENDITURE SUMMARY

	<b>FY 2016 Actual</b>	<b>FY 2017 Budget</b>	<b>FY 2017 Projected</b>	<b>FY 2018 Proposed</b>	<b>% Change 2016 to 2017</b>
Personnel Services	\$ -	\$ -	\$ -	\$ -	-
Supplies & Equipment	5,051	7,100	7,100	7,256	2.20%
Services & Charges	37,513	90,580	90,580	95,271	5.18%
Capital Outlay	249,231	1,533,000	1,348,000	1,825,000	19.05%
<b>Total Department</b>	<b>\$ 291,795</b>	<b>\$ 1,630,680</b>	<b>\$1,445,680</b>	<b>\$ 1,927,527</b>	<b>18.20%</b>



### SIGNIFICANT BUDGETARY ITEMS/CHANGES

- Capital Projects include the Master Plan & Improvements for Hackberry Creek for \$1,640,000 and Armstrong Bridges (2) rehabilitation at a cost of \$185,000 (project moved from FY 2017 to FY 2018).

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

	<b>FY 2016 Actual</b>	<b>FY 2017 Budget</b>	<b>FY 2017 Projected</b>	<b>FY 2018 Proposed</b>
<b>BEGINNING FUND BALANCE</b>	<b>\$ 3,041,055</b>	<b>\$ 3,460,847</b>	<b>\$ 3,460,847</b>	<b>\$ 2,532,747</b>
<b>REVENUES/SOURCES OF FUNDS</b>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Interest	14,898	13,100	39,200	28,600
Sale of Assets	65,883	30,000	30,000	45,000
Contributions	-	-	-	-
<b>Total Revenues</b>	<b>\$ 80,781</b>	<b>\$ 43,100</b>	<b>\$ 69,200</b>	<b>\$ 73,600</b>
Transfers	621,707	396,052	396,052	434,921
<b>Total Revenues/Sources</b>	<b>\$ 702,488</b>	<b>\$ 439,152</b>	<b>\$ 465,252</b>	<b>\$ 508,521</b>
<b>EXPENDITURES/USES OF FUNDS</b>				
Vehicle Disposal	\$ 21,250	\$ 3,600	\$ 3,600	\$ 3,600
Rolling Stock Acquisition	261,446	1,357,427	1,357,427	471,389
Equipment Acquisition	-	32,325	32,325	41,000
<b>Total Expenditures</b>	<b>\$ 282,696</b>	<b>\$ 1,393,352</b>	<b>\$ 1,393,352</b>	<b>\$ 515,989</b>
Transfers	-	-	-	-
<b>Total Expenditures/Uses</b>	<b>\$ 282,696</b>	<b>\$ 1,393,352</b>	<b>\$ 1,393,352</b>	<b>\$ 515,989</b>
<b>Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses</b>	<b>\$ 419,792</b>	<b>\$ (954,200)</b>	<b>\$ (928,100)</b>	<b>\$ (7,468)</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 3,460,847</b>	<b>\$ 2,506,647</b>	<b>\$ 2,532,747</b>	<b>\$ 2,525,279</b>

# EQUIPMENT INVENTORY AND REPLACEMENT SCHEDULE

Department/ Equipment Type	VIN (Last 4)	Equipment Make	Equipment Model	Year Purchased	Scheduled Replacement
<b>PUBLIC SAFETY</b>					
Administration/CID	6193	Chevrolet Tahoe	2015	2014	2019
Administration/CID	6569	Chevrolet Tahoe	2015	2014	2019
Administration/CID	4620	Chevrolet Tahoe	2015	2015	2020
Command Vehicle	7668	Chevrolet Tahoe	2010	2010	2018
Fire Apparatus	2082	Pierce	2011	2011	2032
Fire Apparatus	2259	Pierce Spartan	2000	2000	2021
Fire Apparatus	7230	Pierce Dash (T331)	2007	2007	2032
Ambulance	0650	International	1992	1992	Unscheduled
MICU	3067	Navistar	2006	2005	2021
MICU	6639	Frazier	2010	2010	2021
Pickup (Animal Control)	1769	Dodge	2013	2013	2018
Administration/CID	3154	Chevrolet Tahoe	2013	2013	2019
Police SUV	7995	Chevrolet Tahoe	2013	2013	2019
Police SUV	3154	Chevrolet Tahoe	2013	2013	2016
Police SUV	8210	Chevrolet Tahoe	2013	2013	2016
Police SUV	2677	Chevrolet Tahoe	2013	2013	2016
Police SUV	4941	Chevrolet Tahoe	2015	2015	2020
Police SUV	0055	Chevrolet Tahoe	2009	NA	NA
<b>STREET</b>					
Dump Truck	7754	Ford	2010	2011	2018
Pickup	6567	Chevrolet	2011	2011	2018
Asphalt Roller	NA	Bomag	2015	2015	2025
<b>STREET LIGHTING</b>					
Truck w/ Arial lift	8413	Ford	2009	2008	2018
Pickup	1837	Chevrolet	2012	2012	2019
<b>PARKS</b>					
Truck w/ Arial lift	8247	Chevrolet	2008	2008	2018
Pickup	9970	Chevrolet	2013	2013	2020
Van	3073	Chevrolet	2013	2013	2020
Truck w/ Dump body	6582	Chevrolet	2012	2012	2020
<b>SERVICE CENTER</b>					
Front-End Loader	NA	Case	2011	2011	2021
<b>WATER</b>					
Pickup	0678	Chevrolet	2013	2013	2020
Pickup	9155	Chevrolet	2013	2013	2020
Pickup	0129	Chevrolet	2011	2011	2018

# **EQUIPMENT INVENTORY AND REPLACEMENT SCHEDULE**

<b>Department/ Equipment Type</b>	<b>VIN (Last 4)</b>	<b>Equipment Make</b>	<b>Equipment Model</b>	<b>Year Purchased</b>	<b>Scheduled Replacement</b>
<b>SEWER</b>					
Truck-4 ½ Ton w/ Flusher	1911	Ford	2011	2011	2018
Dump Truck	6311	Freightliner	2008	2008	2018
Loader/Backhoe	0257	John Deere	2012	2012	2020
Backhoe	5057	Ford	2004	2004	2014



**TECHNOLOGY REPLACEMENT FUND  
STATEMENT OF REVENUES & EXPENDITURES**

	<b>FY 2016 Actual</b>	<b>FY 2017 Budget</b>	<b>FY 2017 Projected</b>	<b>FY 2018 Proposed</b>
<b>BEGINNING FUND BALANCE</b>	<b>\$ 750,269</b>	<b>\$ 1,287,063</b>	<b>\$ 1,287,063</b>	<b>\$ 1,352,996</b>
<b>REVENUES/SOURCES OF FUNDS</b>				
Interest	\$ 8,318	\$ 6,800	\$ 15,818	\$ 16,370
Sale of Assets	-	5,000	5,000	2,500
Contributions	-	-	-	-
<b>Total Revenues</b>	<b>\$ 8,318</b>	<b>\$ 11,800</b>	<b>\$ 20,818</b>	<b>\$ 18,870</b>
Transfers	619,189	477,818	477,818	479,849
<b>Total Revenues/Sources</b>	<b>\$ 627,507</b>	<b>\$ 489,618</b>	<b>\$ 498,636</b>	<b>\$ 498,719</b>
<b>EXPENDITURES/USES OF FUNDS</b>				
Services & Charges	\$ -	\$ 41,000	\$ 41,000	\$ 5,000
Technology Equipment Acquisition	90,713	391,703	391,703	-
<b>Total Expenditures</b>	<b>\$ 90,713</b>	<b>\$ 432,703</b>	<b>\$ 432,703</b>	<b>\$ 5,000</b>
Transfers	-	-	-	-
<b>Total Expenditures/Uses</b>	<b>\$ 90,713</b>	<b>\$ 432,703</b>	<b>\$ 432,703</b>	<b>\$ 5,000</b>
<b>Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses</b>	<b>\$ 536,794</b>	<b>\$ 56,915</b>	<b>\$ 65,933</b>	<b>\$ 493,719</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 1,287,063</b>	<b>\$ 1,343,978</b>	<b>\$ 1,352,996</b>	<b>\$ 1,846,715</b>

**BUILDING MAINTENANCE & INVESTMENT FUND**  
**STATEMENT OF REVENUES & EXPENDITURES**

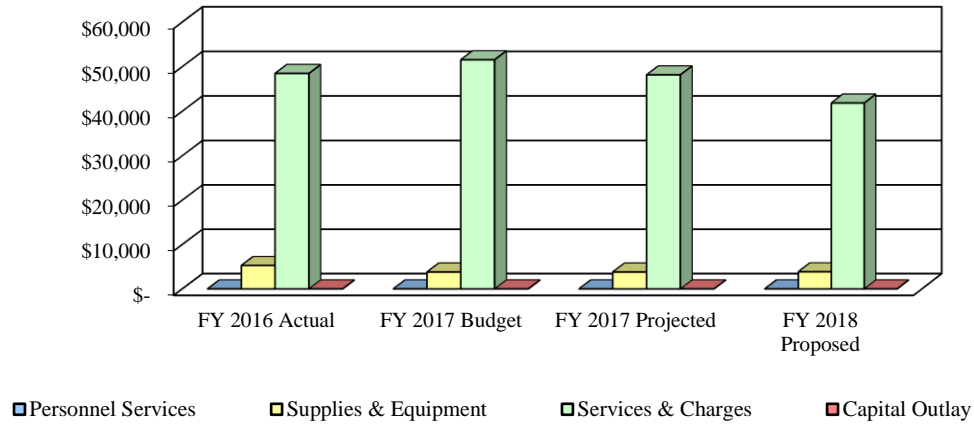
	<b>FY 2016 Actual</b>	<b>FY 2017 Budget</b>	<b>FY 2017 Projected</b>	<b>FY 2018 Proposed</b>
<b>BEGINNING FUND BALANCE</b>	\$ 347,732	\$ 535,657	\$ 535,657	\$ 651,528
<b>REVENUES/SOURCES OF FUNDS</b>				
Interest	\$ 1,631	\$ 1,600	\$ 4,600	\$ 5,100
Miscellaneous	17,215	16,000	16,443	16,000
<b>Total Revenues</b>	<b>\$ 18,846</b>	<b>\$ 17,600</b>	<b>\$ 21,043</b>	<b>\$ 21,100</b>
Transfers	513,128	541,900	541,900	508,300
<b>Total Revenues/Sources</b>	<b>\$ 531,974</b>	<b>\$ 559,500</b>	<b>\$ 562,943</b>	<b>\$ 529,400</b>
<b>EXPENDITURES/USES OF FUNDS</b>				
Supplies & Equipment	\$ 27,065	\$ 31,825	\$ 25,350	\$ 38,000
Services & Charges	316,984	425,123	421,722	389,527
Capital Outlay	-	-	-	94,800
<b>Total Expenditures</b>	<b>\$ 344,049</b>	<b>\$ 456,948</b>	<b>\$ 447,072</b>	<b>\$ 522,327</b>
Transfers	-	-	-	-
<b>Total Expenditures/Uses</b>	<b>\$ 344,049</b>	<b>\$ 456,948</b>	<b>\$ 447,072</b>	<b>\$ 522,327</b>
<b>Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses</b>	<b>\$ 187,925</b>	<b>\$ 102,552</b>	<b>\$ 115,871</b>	<b>\$ 7,073</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 535,657</b>	<b>\$ 638,209</b>	<b>\$ 651,528</b>	<b>\$ 658,601</b>



## Service Center

### EXPENDITURE SUMMARY

	<b>FY 2016 Actual</b>	<b>FY 2017 Budget</b>	<b>FY 2017 Projected</b>	<b>FY 2018 Proposed</b>	<b>% Change 2016 to 2017</b>
Personnel Services	\$ -	\$ -	\$ -	\$ -	-
Supplies & Equipment	5,265	3,800	3,800	3,850	1.32%
Services & Charges	48,474	51,553	48,152	41,835	-18.85%
Capital Outlay	-	-	-	-	0.00%
<b>Total Department</b>	<b>\$ 53,739</b>	<b>\$ 55,353</b>	<b>\$ 51,952</b>	<b>\$ 45,685</b>	<b>-17.47%</b>



### SIGNIFICANT BUDGETARY ITEMS/CHANGES

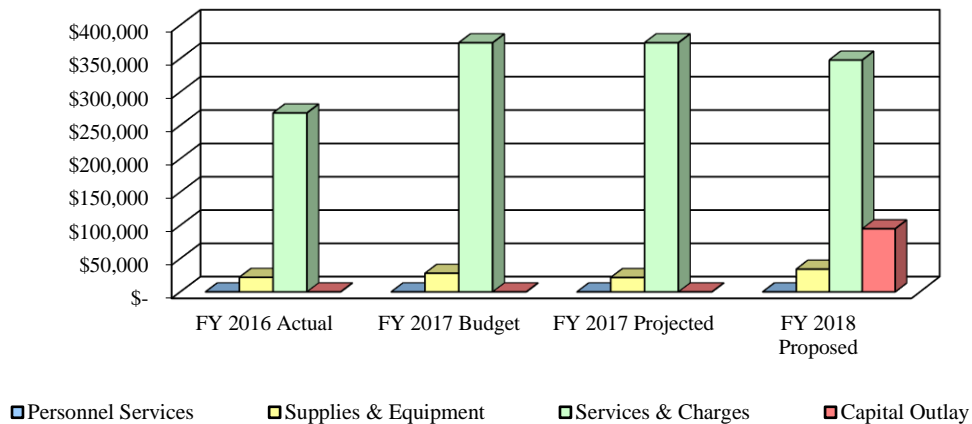
- 1 Services & Charges includes a (\$14,000) decrease related to completion of two projects in FY 2017 and the addition of a time clock \$2,500.



## Municipal Buildings

### EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2016 to 2017
Personnel Services	\$ -	\$ -	\$ -	\$ -	-
Supplies & Equipment	21,800	28,025	21,550	34,150	21.86%
Services & Charges	268,510	373,570	373,570	347,692	-6.93%
Capital Outlay	-	-	-	94,800	-
<b>Total Department</b>	<b>\$ 290,310</b>	<b>\$ 401,595</b>	<b>\$ 395,120</b>	<b>\$ 476,642</b>	<b>18.69%</b>



### SIGNIFICANT BUDGETARY ITEMS/CHANGES

- Supplies & Equipment includes moving \$6,500 from the Information Technology Department in the General Fund to the Building Maintenance & Improvement Fund. These items relate to building maintenance and repair material such as low voltage cable, access control repair, and video repair.
- Services & Charges includes \$9,900 for labor costs on network cabling and access control repairs; \$50,000 to replace the roof above the Library/Town Hall ; \$5,000 for TREMCO roof repair; and (\$97,500) reduction in completed building repairs in FY 2017.
- Capital Outlay includes the scheduled equipment replacement of HVAC units located on the roof of Town Hall. This is part of the replacement program from the Camelot report.

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**FORFEITED PROPERTY FUND  
STATEMENT OF REVENUES & EXPENDITURES**

	<b>FY 2016 Actual</b>	<b>FY 2017 Budget</b>	<b>FY 2017 Projected</b>	<b>FY 2018 Proposed</b>
<b>BEGINNING FUND BALANCE</b>	\$ 8,331	\$ 8,556	\$ 8,556	\$ 10,095
<b>REVENUES/SOURCES OF FUNDS</b>				
Forfeitures	\$ 2,560	\$ 3,000	\$ 2,500	\$ 2,500
Interest	34	42	39	42
<b>Total Revenues</b>	<b>\$ 2,594</b>	<b>\$ 3,042</b>	<b>\$ 2,539</b>	<b>\$ 2,542</b>
Transfers	-	-	-	-
<b>Total Revenues/Sources</b>	<b>\$ 2,594</b>	<b>\$ 3,042</b>	<b>\$ 2,539</b>	<b>\$ 2,542</b>
<b>EXPENDITURES/USES OF FUNDS</b>				
Supplies & Equipment	\$ -	\$ -	\$ -	\$ -
Service & Charges	2,369	2,500	1,000	9,500
Capital Outlay	-	-	-	-
<b>Total Expenditures/Uses</b>	<b>\$ 2,369</b>	<b>\$ 2,500</b>	<b>\$ 1,000</b>	<b>\$ 9,500</b>
<b>Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses</b>	<b>\$ 225</b>	<b>\$ 542</b>	<b>\$ 1,539</b>	<b>\$ (6,958)</b>
<b>Fund Balance</b>	<b>\$ 8,556</b>	<b>\$ 9,098</b>	<b>\$ 10,095</b>	<b>\$ 3,137</b>

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

	<b>FY 2016 Actual</b>	<b>FY 2017 Budget</b>	<b>FY 2017 Projected</b>	<b>FY 2018 Proposed</b>
<b>BEGINNING FUND BALANCE</b>	\$ 52,295	\$ 66,794	\$ 66,794	\$ 77,361
<b>REVENUES/SOURCES OF FUNDS</b>				
Court Fees	\$ 29,275	\$ 34,860	\$ 32,783	\$ 36,480
Interest	227	220	683	700
<b>Total Revenues</b>	<b>\$ 29,502</b>	<b>\$ 35,080</b>	<b>\$ 33,466</b>	<b>\$ 37,180</b>
Transfers	-	-	-	-
<b>Total Revenues/Sources</b>	<b>\$ 29,502</b>	<b>\$ 35,080</b>	<b>\$ 33,466</b>	<b>\$ 37,180</b>
<b>EXPENDITURES/USES OF FUNDS</b>				
Supplies & Equipment	\$ 3,881	\$ 3,860	\$ 4,099	\$ 4,072
Service & Charges	11,122	19,090	18,800	19,464
Capital Outlay	-	-	-	-
<b>Total Expenditures/Uses</b>	<b>\$ 15,003</b>	<b>\$ 22,950</b>	<b>\$ 22,899</b>	<b>\$ 23,536</b>
<b>Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses</b>	<b>\$ 14,499</b>	<b>\$ 12,130</b>	<b>\$ 10,567</b>	<b>\$ 13,644</b>
<b>Fund Balance</b>	<b>\$ 66,794</b>	<b>\$ 78,924</b>	<b>\$ 77,361</b>	<b>\$ 91,005</b>

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

	<b>FY 2016 Actual</b>	<b>FY 2017 Budget</b>	<b>FY 2017 Projected</b>	<b>FY 2018 Proposed</b>
<b>BEGINNING FUND BALANCE</b>	\$ 5,649	\$ 4,428	\$ 4,428	\$ 5,156
<b>REVENUES/SOURCES OF FUNDS</b>				
Court Fees	\$ 21,956	\$ 27,890	\$ 24,587	\$ 29,186
Interest	23	25	41	53
<b>Total Revenues</b>	<b>\$ 21,979</b>	<b>\$ 27,915</b>	<b>\$ 24,628</b>	<b>\$ 29,239</b>
Transfers	-	-	-	-
<b>Total Revenues/Sources</b>	<b>\$ 21,979</b>	<b>\$ 27,915</b>	<b>\$ 24,628</b>	<b>\$ 29,239</b>
<b>EXPENDITURES/USES OF FUNDS</b>				
Services & Charges	\$ -	\$ -	\$ -	\$ -
Capital Outlay	-	-	-	-
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Transfers	23,200	23,900	23,900	24,600
<b>Total Expenditures/Uses</b>	<b>\$ 23,200</b>	<b>\$ 23,900</b>	<b>\$ 23,900</b>	<b>\$ 24,600</b>
<b>Excess Revenues/Sources Over Expenditures/Uses</b>	<b>\$ (1,221)</b>	<b>\$ 4,015</b>	<b>\$ 728</b>	<b>\$ 4,639</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 4,428</b>	<b>\$ 8,443</b>	<b>\$ 5,156</b>	<b>\$ 9,795</b>



**LIBRARY FUND**  
**STATEMENT OF REVENUES & EXPENDITURES**

	<b>FY 2016 Actual</b>	<b>FY 2017 Budget</b>	<b>FY 2017 Projected</b>	<b>FY 2018 Proposed</b>
<b>BEGINNING FUND BALANCE</b>	\$ 223,443	\$ 245,160	\$ 245,160	\$ 209,387
<b>REVENUES/SOURCES OF FUNDS</b>				
Interest	\$ 1,199	\$ 1,120	\$ 2,266	\$ 2,275
Library Donations	21,235	12,000	11,487	12,000
<b>Total Revenues</b>	<b>\$ 22,434</b>	<b>\$ 13,120</b>	<b>\$ 13,753</b>	<b>\$ 14,275</b>
Transfers	-	-	-	-
<b>Total Revenues/Sources</b>	<b>\$ 22,434</b>	<b>\$ 13,120</b>	<b>\$ 13,753</b>	<b>\$ 14,275</b>
<b>EXPENDITURES/USES OF FUNDS</b>				
Supplies & Equipment	\$ -	\$ -	\$ -	\$ -
Services & Charges	717	42,645	49,526	42,650
<b>Total Expenditures</b>	<b>\$ 717</b>	<b>\$ 42,645</b>	<b>\$ 49,526</b>	<b>\$ 42,650</b>
Transfers	-	-	-	-
<b>Total Expenditures/Uses</b>	<b>\$ 717</b>	<b>\$ 42,645</b>	<b>\$ 49,526</b>	<b>\$ 42,650</b>
<b>Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses</b>	<b>\$ 21,717</b>	<b>\$ (29,525)</b>	<b>\$ (35,773)</b>	<b>\$ (28,375)</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 245,160</b>	<b>\$ 215,635</b>	<b>\$ 209,387</b>	<b>\$ 181,012</b>

**DPS TECHNOLOGY FUND  
STATEMENT OF REVENUES & EXPENDITURES**

	<b>FY 2016 Actual</b>	<b>FY 2017 Budget</b>	<b>FY 2017 Projected</b>	<b>FY 2018 Proposed</b>
<b>BEGINNING FUND BALANCE</b>	\$ 111,412	\$ 187,239	\$ 187,239	\$ 184,813
<b>REVENUES/SOURCES OF FUNDS</b>				
Interest	\$ 688	\$ 615	\$ 1,983	\$ 373
Alarm Monitoring Charges	192,596	230,000	184,649	-
Fiber line Lease Receipts	74,355	76,300	80,366	82,950
<b>Total Revenues</b>	<b>\$ 267,639</b>	<b>\$ 306,915</b>	<b>\$ 266,998</b>	<b>\$ 83,323</b>
Transfers	-	-	-	-
<b>Total Revenues/Sources</b>	<b>\$ 267,639</b>	<b>\$ 306,915</b>	<b>\$ 266,998</b>	<b>\$ 83,323</b>
<b>EXPENDITURES/USES OF FUNDS</b>				
Services & Charges	\$ 191,812	\$ 230,000	\$ 192,509	\$ -
Technology Equipment Acquisition	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 191,812</b>	<b>\$ 230,000</b>	<b>\$ 192,509</b>	<b>\$ -</b>
Transfers	-	-	76,915	79,222
<b>Total Expenditures/Uses</b>	<b>\$ 191,812</b>	<b>\$ 230,000</b>	<b>\$ 269,424</b>	<b>\$ 79,222</b>
<b>Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses</b>	<b>\$ 75,827</b>	<b>\$ 76,915</b>	<b>\$ (2,426)</b>	<b>\$ 4,101</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 187,239</b>	<b>\$ 264,154</b>	<b>\$ 184,813</b>	<b>\$ 188,914</b>

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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.).

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

	<b>FY 2016 Actual</b>	<b>FY 2017 Budget</b>	<b>FY 2017 Projected</b>	<b>FY 2018 Proposed</b>
<b>BEGINNING FUND BALANCE</b>	<b>\$ 2,827,307</b>	<b>\$ 4,907,677</b>	<b>\$ 4,907,677</b>	<b>\$ 4,381,944</b>
<b>REVENUES/SOURCES OF FUNDS</b>				
Interest	\$ 16,202	\$ 17,600	\$ 45,700	\$ 54,400
Contributions	892,239	659,760	402,065	759,760
<b>Total Revenues</b>	<b>\$ 908,441</b>	<b>\$ 677,360</b>	<b>\$ 447,765</b>	<b>\$ 814,160</b>
Transfers	3,667,044	3,236,845	3,313,760	3,301,350
<b>Total Revenues/Sources</b>	<b>\$ 4,575,485</b>	<b>\$ 3,914,205</b>	<b>\$ 3,761,525</b>	<b>\$ 4,115,510</b>
<b>EXPENDITURES/USES OF FUNDS</b>				
Capital Projects	\$ 1,847,041	\$ 4,350,678	\$ 2,621,158	\$ 4,351,439
<b>Total Expenditures</b>	<b>\$ 1,847,041</b>	<b>\$ 4,350,678</b>	<b>\$ 2,621,158</b>	<b>\$ 4,351,439</b>
Transfers	648,074	1,666,100	1,666,100	1,402,700
<b>Total Expenditures/Uses</b>	<b>\$ 2,495,115</b>	<b>\$ 6,016,778</b>	<b>\$ 4,287,258</b>	<b>\$ 5,754,139</b>
<b>Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses</b>	<b>\$ 2,080,370</b>	<b>\$ (2,102,573)</b>	<b>\$ (525,733)</b>	<b>\$ (1,638,629)</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 4,907,677</b>	<b>\$ 2,805,104</b>	<b>\$ 4,381,944</b>	<b>\$ 2,743,315</b>

**TOWN OF HIGHLAND PARK, TEXAS**  
**CAPITAL PROJECTS FUND - PRELIMINARY DRAFT**  
**FISCAL YEARS 2018-2027**

Project/Funding Source	2016-17	2017-18	2018-19	2019-20
<b>Beginning Balance</b>	<b>\$ 5,094,916</b>	<b>\$ 4,569,183</b>	<b>\$ 2,930,554</b>	<b>\$ 2,907,781</b>
<b>Annual Project Funding</b>				
General Fund CIP Transfer	\$ 1,096,320	\$ 1,119,220	\$ 1,142,724	\$ 1,166,721
General Fund 5% Solid Waste Transfer	61,700	71,700	72,417	73,141
Utility Fund 5% W&S Transfer	499,255	493,200	498,132	503,113
Supplemental General Fund Transfer	171,290	129,728	231,731	179,459
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
Surplus Transfer from General Fund	-	-	-	-
Contributions	-	-	-	-
Contributions - DART	402,065	-	-	-
Intergovernmental Revenue	-	759,760	337,000	-
Transfer from DPS Technology Fund	76,915	79,222	81,599	84,047
Interest Revenue	45,700	54,400	27,547	27,333
<b>Total Annual Project Funding</b>	<b>\$ 3,761,525</b>	<b>\$ 4,115,510</b>	<b>\$ 3,799,430</b>	<b>\$ 3,442,094</b>
<b>Expenditures</b>				
Project 25 Public Safety Radio System	\$ 200,000	\$ -	\$ 334,148	\$ 334,148
Fiber Connectivity to HPISD	100,000	-	-	-
Town Hall Generator	-	-	-	-
Flippen Park Improvements	150,000	-	-	-
Tennis Court Reconstruction	300,000	200,000	200,000	-
Street Light Painting	25,500	25,000	25,000	25,000
Mockingbird Screening Wall	150,000	-	-	-
Toll Road Parkway Renovation	150,000	136,000	-	-
Preston Road Parkway Improvements	50,000	150,000	150,000	150,000
Heating of Swimming Pool	-	100,000	-	-
Armstrong Parkway - Landscape, Lighting, and Irrigation Impr.	-	-	-	250,000
Park Renovation/Rehabilitation Program	-	185,000	190,920	197,029
Service Center Study	-	-	-	-
Street Resurfacing & Miscellaneous Concrete	945,658	975,919	1,007,148	1,039,377
Livingston Avenue Rehabilitation	-	410,000	-	-
Preston Road Rehabilitation	-	1,319,520	474,000	-
Exall Lake Pedestrian Bridge	550,000	-	-	-
Armstrong Parkway Reconstruction/Rehabilitation	-	850,000	780,720	-
Hillcrest Avenue Rehabilitation	-	-	-	600,000
Douglas Avenue Rehabilitation	-	-	-	-
Wycliffe/Oak Lawn Signal Improvements	-	-	-	-
Herschel/Oak Lawn Signal Improvements	-	-	-	-
Westside Drive Reconstruction	-	-	-	-
Abbott Avenue Rehabilitation / Reconstruction	-	-	-	-
Mockingbird Lane Resurfacing	-	-	-	-
Lomo Alto Drive Rehabilitation	-	-	-	-
Lakeside Drive	-	-	-	-
Transfers to Storm Water Fund	1,350,000	1,100,000	350,000	350,000
Potential Projects	-	-	-	-
Wycliff Improvements	-	-	-	-
Project Personnel Costs	316,100	302,700	310,268	318,025
<b>Total Expenditures</b>	<b>\$ 4,287,258</b>	<b>\$ 5,754,139</b>	<b>\$ 3,822,204</b>	<b>\$ 3,263,579</b>
<b>Ending Balance</b>	<b>\$ 4,569,183</b>	<b>\$ 2,930,554</b>	<b>\$ 2,907,781</b>	<b>\$ 3,086,295</b>
<b>Construction Contingency</b>	<b>\$ 2,000,000</b>	<b>\$ 2,000,000</b>	<b>\$ 2,000,000</b>	<b>\$ 2,000,000</b>
<b>Over(Under) Contingency</b>	<b>\$ 2,569,183</b>	<b>\$ 930,554</b>	<b>\$ 907,781</b>	<b>\$ 1,086,295</b>

\* \*Excludes FY 2016-17.

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Total 10 Years**
\$ 3,086,295	\$ 3,286,434	\$ 2,802,711	\$ 2,982,538	\$ 2,637,329	\$ 2,808,506	\$ 2,810,773	\$ 4,569,183
\$ 1,191,222	\$ 1,216,238	\$ 1,241,779	\$ 1,267,856	\$ 1,294,481	\$ 1,321,665	\$ 1,349,420	\$ 12,311,326
73,872	74,611	75,357	76,111	76,872	77,641	78,417	750,139
508,144	513,225	518,357	523,541	528,776	534,064	539,405	5,159,957
189,417	195,380	196,853	193,311	184,182	168,837	146,595	1,815,493
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
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
100,000	100,000	-	-	-	-	-	1,296,760
86,569	89,166	91,841	94,596	97,434	100,357	103,367	908,197
29,011	30,892	26,345	28,036	24,791	26,400	26,421	301,176
\$ 3,586,515	\$ 3,627,792	\$ 3,558,812	\$ 3,591,731	\$ 3,614,816	\$ 3,637,244	\$ 3,651,905	\$ 36,625,848
\$ 334,148	\$ 334,148	\$ 334,148	\$ 334,148	\$ 334,148	\$ 334,148	\$ 334,148	\$ 3,007,332
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
25,000	25,000	25,000	25,000	25,000	25,000	25,000	400,000
-	-	-	-	-	-	-	250,000
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	136,000
-	-	-	-	-	-	-	450,000
-	-	-	-	-	-	-	100,000
-	-	-	-	-	-	-	250,000
203,334	209,841	216,556	223,486	230,637	238,018	245,634	2,140,456
150,000	-	-	-	-	-	-	150,000
1,072,637	1,106,961	1,142,384	1,178,940	1,216,666	1,255,599	1,295,778	11,291,409
-	-	-	-	-	-	-	410,000
-	-	-	-	-	-	-	1,793,520
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	1,630,720
-	-	-	-	-	-	-	600,000
500,280	601,440	-	-	-	-	-	1,101,720
250,000	-	-	-	-	-	-	250,000
175,000	-	-	-	-	-	-	175,000
-	1,150,000	-	-	-	-	-	1,150,000
-	-	968,418	894,326	-	-	-	1,862,744
-	-	-	580,000	-	-	-	580,000
-	-	-	-	927,372	1,063,401	-	1,990,773
-	-	-	-	-	-	-	-
350,000	350,000	350,000	350,000	350,000	350,000	350,000	4,250,000
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
325,976	334,125	342,478	351,040	359,816	368,811	378,031	3,391,270
\$ 3,386,375	\$ 4,111,515	\$ 3,378,984	\$ 3,936,940	\$ 3,443,639	\$ 3,634,977	\$ 2,628,591	\$ 37,360,944
\$ 3,286,434	\$ 2,802,711	\$ 2,982,538	\$ 2,637,329	\$ 2,808,506	\$ 2,810,773	\$ 3,834,087	\$ 3,834,087
\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
\$ 1,286,434	\$ 802,711	\$ 982,538	\$ 637,329	\$ 808,506	\$ 810,773	\$ 1,834,087	\$ 1,834,087



**TOWN OF HIGHLAND PARK, TEXAS**  
**STORM WATER FUND - PRELIMINARY DRAFT**  
**FISCAL YEARS 2018-2027**

Project/Funding Source	2016-17	2017-18	2018-19	2019-20
<b>Beginning Balance</b>	<b>\$ 897,138</b>	<b>\$ 1,081,538</b>	<b>\$ 550,531</b>	<b>\$ 547,850</b>
<b>Revenues</b>				
Storm Water Charges	\$ 390,180	\$ 398,920	\$ 414,994	\$ 423,709
Interest Earnings	8,400	11,100	3,105	3,123
<b>Total Revenues</b>	<b>\$ 398,580</b>	<b>\$ 410,020</b>	<b>\$ 418,099</b>	<b>\$ 426,832</b>
Transfers - In	1,350,000	1,100,000	350,000	350,000
<b>Total Revenues &amp; Transfers - In</b>	<b>\$ 1,748,580</b>	<b>\$ 1,510,020</b>	<b>\$ 768,099</b>	<b>\$ 776,832</b>
<b>Expenditures</b>				
Supplies & Equipment	\$ 7,100	\$ 7,256	\$ 7,416	\$ 7,579
Services & Charges	90,580	95,271	97,367	99,509
<b>Total Operating Expenditures</b>	<b>\$ 97,680</b>	<b>\$ 102,527</b>	<b>\$ 104,783</b>	<b>\$ 107,088</b>
Capital Outlay:				
Lexington Tunnel Internal Resurfacing	\$ 35,000	\$ -	\$ -	\$ -
Douglas Park Drainage Improvement	-	-	-	-
Exall Lake Dredging & Silt Removal	-	-	-	-
Connor Park Shoreline Stabilization & Silt Removal	858,000	-	-	-
Southern & Livingston Drainage Improvements	80,000	-	-	-
Master Plan & Improvements for Hackberry Creek	375,000	1,640,000	550,000	550,000
Drainage Study & Impr. - Watershed in Northeast Area of Town	-	-	-	-
Armstrong Bridges (2) Rehabilitation	-	185,000	-	-
Potential Projects	-	-	-	-
<b>Total Capital Outlay</b>	<b>\$ 1,348,000</b>	<b>\$ 1,825,000</b>	<b>\$ 550,000</b>	<b>\$ 550,000</b>
<b>Total Expenditures</b>	<b>\$ 1,445,680</b>	<b>\$ 1,927,527</b>	<b>\$ 654,783</b>	<b>\$ 657,088</b>
Transfers-Out	118,500	113,500	115,997	118,549
<b>Total Expenditures &amp; Transfers-Out</b>	<b>\$ 1,564,180</b>	<b>\$ 2,041,027</b>	<b>\$ 770,780</b>	<b>\$ 775,637</b>
<b>Ending Balance</b>	<b>\$ 1,081,538</b>	<b>\$ 550,531</b>	<b>\$ 547,850</b>	<b>\$ 549,045</b>

\* \*Excludes FY 2016-17.

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Total 10 Years**
\$ 549,045	\$ 554,210	\$ 563,444	\$ 576,844	\$ 594,511	\$ 591,431	\$ 668,060	\$ 1,081,538
\$ 432,607	\$ 441,692	\$ 450,968	\$ 460,438	\$ 470,107	\$ 479,979	\$ 490,059	\$ 4,463,473
3,159	3,215	3,290	3,386	3,385	3,757	4,152	41,672
\$ 435,766	\$ 444,907	\$ 454,258	\$ 463,824	\$ 473,492	\$ 483,736	\$ 494,211	\$ 4,505,145
350,000	350,000	350,000	350,000	350,000	350,000	350,000	4,250,000
\$ 785,766	\$ 794,907	\$ 804,258	\$ 813,824	\$ 823,492	\$ 833,736	\$ 844,211	\$ 8,755,145
\$ 7,746	\$ 7,916	\$ 8,090	\$ 8,268	\$ 8,450	\$ 8,636	\$ 8,826	\$ 80,183
101,698	103,935	106,222	108,559	110,947	113,388	115,883	1,052,779
\$ 109,444	\$ 111,851	\$ 114,312	\$ 116,827	\$ 119,397	\$ 122,024	\$ 124,709	\$ 1,132,962
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
550,000	550,000	550,000	550,000	500,000	-	-	5,440,000
-	-	-	-	75,000	500,000	500,000	1,075,000
-	-	-	-	-	-	-	185,000
-	-	-	-	-	-	-	-
\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 575,000	\$ 500,000	\$ 500,000	\$ 6,700,000
\$ 659,444	\$ 661,851	\$ 664,312	\$ 666,827	\$ 694,397	\$ 622,024	\$ 624,709	\$ 7,832,962
121,157	123,822	126,546	129,330	132,175	135,083	138,055	1,254,214
\$ 780,601	\$ 785,673	\$ 790,858	\$ 796,157	\$ 826,572.00	\$ 757,107.00	\$ 762,764.00	\$ 9,087,176
\$ 554,210	\$ 563,444	\$ 576,844	\$ 594,511	\$ 591,431	\$ 668,060	\$ 749,507	\$ 749,507

**TOWN OF HIGHLAND PARK, TEXAS**  
**UTILITY FUND - PRELIMINARY DRAFT**  
**FISCAL YEARS 2018-2027**

Project/Funding Source	*			
	2016-17	2017-18	2018-19	2019-20
<b>Beginning Balance</b>	<b>\$ 3,106,440</b>	<b>\$ 4,181,096</b>	<b>\$ 4,880,382</b>	<b>\$ 3,083,055</b>
<b>Revenues</b>				
Water Sales	\$ 6,933,194	\$ 6,985,822	\$ 7,317,649	\$ 7,317,649
Sanitary Sewer Charges	2,937,393	2,964,169	3,104,967	3,104,967
Permit Revenue	54,300	64,000	64,000	64,000
Interest Earnings	28,220	37,356	45,876	28,981
Intergovernmental Revenue	352,000	352,000	-	-
Other Revenues	247,719	260,200	107,000	107,000
<b>Total Revenues</b>	<b>\$ 10,552,826</b>	<b>\$ 10,663,547</b>	<b>\$ 10,639,491</b>	<b>\$ 10,622,596</b>
Transfers-In	469,300	458,800	468,894	479,210
<b>Total Revenues &amp; Transfers-In</b>	<b>\$ 11,022,126</b>	<b>\$ 11,122,347</b>	<b>\$ 11,108,385</b>	<b>\$ 11,101,806</b>
<b>Expenditures</b>				
Personnel Services	\$ 1,618,288	\$ 1,790,555	\$ 1,938,498	\$ 2,025,730
Supplies & Equipment	2,783,199	2,924,446	3,026,802	3,132,740
Services & Charges	1,235,050	1,418,496	1,468,143	1,519,528
Operating Capital	31,000	-	-	-
<b>Total Operating Expenditures</b>	<b>\$ 5,667,537</b>	<b>\$ 6,133,497</b>	<b>\$ 6,433,443</b>	<b>\$ 6,677,998</b>
Capital Outlay:				
Smart Water Meter Program	\$ 535,000	\$ 169,000	\$ -	\$ -
Water & Sanitary Sewer Infrastructure Replace./Rehab.	2,000,000	2,064,000	2,130,048	2,198,210
Turtle Creek 30-Inch Sanitary Sewer Interceptor Design	-	100,000	-	-
Lakeside Drive Rehabilitation	-	200,000	2,500,000	-
Elevated Water Tank	-	-	-	800,000
In-line Booster Pump Study	-	-	20,000	-
New Pump Station & Discharge Line at Gillon Pump Station	-	-	-	-
Potential Projects	-	-	-	-
Turtle Creek 30-Inch Sanitary Sewer Interceptor Impr. (\$1,100,000)				
<b>Total Capital Expenditures</b>	<b>\$ 2,535,000</b>	<b>\$ 2,533,000</b>	<b>\$ 4,650,048</b>	<b>\$ 2,998,210</b>
<b>Total Expenditures</b>	<b>\$ 8,202,537</b>	<b>\$ 8,666,497</b>	<b>\$ 11,083,491</b>	<b>\$ 9,676,208</b>
Transfers-Out	1,744,933	1,756,564	1,822,222	1,850,846
<b>Total Expenditures &amp; Transfer-Out</b>	<b>\$ 9,947,470</b>	<b>\$ 10,423,061</b>	<b>\$ 12,905,713</b>	<b>\$ 11,527,054</b>
Operating Reserve	\$ 1,729,735	\$ 1,848,140	\$ 1,933,634	\$ 2,001,929
Rate Stabilization Reserve	2,451,361	3,032,242	1,149,421	655,878
<b>Ending Balance</b>	<b>4,181,096</b>	<b>4,880,382</b>	<b>3,083,055</b>	<b>2,657,807</b>
Ideal Fund Balance ( 25% of Operating Expenses)	\$ 1,729,735	\$ 1,848,140	\$ 1,933,634	\$ 2,001,929
<b>Over(Under) Ideal Fund Balance</b>	<b>\$ 2,451,361</b>	<b>\$ 3,032,242</b>	<b>\$ 1,149,421</b>	<b>\$ 655,878</b>

\* Includes 4.75% rate adjustment for Water Sales and Sanitary Sewer Sales

\*\*Excludes FY 2016-17.

*		*		*		*	
2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Total 10 Years**
\$ 2,657,807	\$ 3,155,843	\$ 3,303,054	\$ 3,575,877	\$ 3,469,420	\$ 3,482,267	\$ 3,085,042	\$ 4,181,096
\$ 7,665,237	\$ 7,665,237	\$ 8,029,336	\$ 8,029,336	\$ 8,410,729	\$ 8,410,729	\$ 8,810,239	\$ 78,641,961
3,252,453	3,252,453	3,406,944	3,406,944	3,568,774	3,568,774	3,738,291	33,368,738
64,000	64,000	64,000	64,000	64,000	64,000	64,000	640,000
24,983	29,665	31,049	33,613	32,613	32,733	28,999	325,868
-	-	-	-	-	-	-	352,000
107,000	107,000	107,000	107,000	107,000	107,000	107,000	1,223,200
\$ 11,113,673	\$ 11,118,355	\$ 11,638,329	\$ 11,640,893	\$ 12,183,116	\$ 12,183,237	\$ 12,748,529	\$ 114,551,766
489,753	500,528	511,540	522,794	534,295	546,049	558,062	5,069,925
\$ 11,603,426	\$ 11,618,883	\$ 12,149,869	\$ 12,163,687	\$ 12,717,411	\$ 12,729,286	\$ 13,306,591	\$ 119,621,691
\$ 2,116,888	\$ 2,212,148	\$ 2,311,695	\$ 2,415,721	\$ 2,524,428	\$ 2,638,027	\$ 2,756,738	\$ 22,730,428
3,242,386	3,355,870	3,473,325	3,594,891	3,720,712	3,850,937	3,985,720	34,307,829
1,572,711	1,627,756	1,684,727	1,743,692	1,804,721	1,867,886	1,933,262	16,640,922
-	-	-	-	-	-	-	-
\$ 6,931,985	\$ 7,195,774	\$ 7,469,747	\$ 7,754,304	\$ 8,049,861	\$ 8,356,850	\$ 8,675,720	\$ 73,679,179
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 169,000
2,268,553	2,341,147	2,416,064	2,493,378	2,573,166	2,655,507	2,735,172	23,875,245
-	-	-	-	-	-	-	100,000
-	-	-	-	-	-	-	2,700,000
-	-	-	-	-	-	-	800,000
-	-	-	-	-	-	-	20,000
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ 2,268,553	\$ 2,341,147	\$ 2,416,064	\$ 2,493,378	\$ 2,573,166	\$ 2,655,507	\$ 2,735,172	\$ 27,664,245
\$ 9,200,538	\$ 9,536,921	\$ 9,885,811	\$ 10,247,682	\$ 10,623,027	\$ 11,012,357	\$ 11,410,892	\$ 101,343,424
1,904,853	1,934,750	1,991,235	2,022,462	2,081,537	2,114,154	2,175,939	19,654,562
\$ 11,105,391	\$ 11,471,671	\$ 11,877,046	\$ 12,270,144	\$ 12,704,564	\$ 13,126,511	\$ 13,586,831	\$ 120,997,986
\$ 2,072,738	\$ 2,146,161	\$ 2,222,292	\$ 2,301,238	\$ 2,383,106	\$ 2,468,008	\$ 2,556,058	\$ 2,556,058
1,083,105	1,156,893	1,353,585	1,168,182	1,099,161	617,034	248,743	248,743
3,155,843	3,303,054	3,575,877	3,469,420	3,482,267	3,085,042	2,804,801	2,804,801
\$ 2,072,738	\$ 2,146,161	\$ 2,222,292	\$ 2,301,238	\$ 2,383,106	\$ 2,468,008	\$ 2,556,058	\$ 2,556,058
\$ 1,083,105	\$ 1,156,893	\$ 1,353,585	\$ 1,168,182	\$ 1,099,161	\$ 617,034	\$ 248,743	\$ 248,743

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

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### **General Fund**

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

- Property tax revenue is based on estimated taxable assessed values (T.A.V.) and the tax rate projected for each fiscal year. The Town's taxable assessed value is projected to grow at a rate of 4.5% per year. For FY2017-18 the projection includes a 4.5% increase in T.A.V. based on preliminary values from DCAD. This amount may change as T.A.V. is finalized. The tax rate is assumed to remain constant at \$0.22 per \$100 taxable assessed value.
- Building and permits revenue is indexed at 3.5% per year.
- Sales tax is indexed at 4.0% and was lowered from prior year's index of 5.0%. This reflects a lower trend growth realized the last two years.
- Interest revenue is based on .94% of fund balance.
- Transfers-in is indexed at 2.2% per year.
- Other operational revenues are indexed based on five-year trends ranging from 2.57% to 3.38% based on the revenue category.

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

- Payroll expense is indexed at 4.5% each year similar to the trend over the last five years.
- Payroll taxes (FICA), Retirement are projected at a factor of payroll expense based on the percentage of payroll budgeted for each category in the Proposed Budget. Health Insurance is projected to increase at a rate of 7.3% per year.
- While less than five-year trending, "Supplies & Equipment" and "Services and Charges" are projected to grow at 3.5% per year.
- Most capital/equipment is funded from the Capital Projects Fund, Equipment Replacement Fund and Technology Replacement Fund; however, \$50,000 per year has been allocated starting in fiscal year 2018-19 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 Fund**

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

- Storm water revenues are indexed each year by 2.1%.
- A transfer from the Capital Improvement Fund of \$1,100,000 for FY2017-18 and \$350,000 per year for the remaining nine years is anticipated.

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

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

### **Utility Fund**

Since utility rates are typically set to meet a certain revenue requirement within the Utility Fund, which takes into account the cost of capital expenditures, the Utility Fund is a Pay-as-You-Go scenario. It should be noted that it is not uncommon for cities to use debt to fund relatively large capital improvements to utility systems. The project list presented for the Utility Fund is primarily made up of an annual rehabilitation and replacement program for the Town's water distribution and waste water collection system. The ten year financial model includes a water and waste water rate adjustment of 4.75% every two years starting in FY 2018-19.

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

<b>GENERAL FUND</b>					
Estimated Tax Rate Per \$100 T.A.V.	22.00 Cents 2016-17	22.00 Cents 2017-18	22.00 Cents 2018-19	22.00 Cents 2019-20	22.00 Cents 2020-21
<b>BEGINNING FUND BALANCE</b>	\$ 3,517,765	\$ 3,543,393	\$ 3,543,526	\$ 3,629,951	\$ 3,788,692
<b>REVENUES:</b>					
Property Taxes	\$ 12,624,341	\$ 13,129,384	\$ 13,718,631	\$ 14,334,394	\$ 14,977,867
Sales Taxes	3,555,714	3,720,000	3,868,800	4,023,552	4,184,494
Sanitation/Recycling Charges	-	-	-	-	-
Franchise Fees	1,042,130	1,090,000	1,117,966	1,146,649	1,176,068
Building Inspection Fees/Permits	1,123,941	1,013,860	1,049,345	1,086,072	1,124,085
Municipal Court Fines/Fees	1,079,037	1,288,719	1,333,824	1,380,508	1,428,826
Interest Earnings	76,500	109,300	142,840	148,199	154,287
All Other	1,470,410	1,791,546	1,853,151	1,916,874	1,982,788
<b>TOTAL REVENUES</b>	<b>\$ 20,972,073</b>	<b>\$ 22,142,809</b>	<b>\$ 23,084,557</b>	<b>\$ 24,036,248</b>	<b>\$ 25,028,415</b>
Transfers from Other Funds	1,148,900	1,161,700	1,187,257	1,213,377	1,240,071
<b>TOTAL REVENUES &amp; TRANSFERS-IN</b>	<b>\$ 22,120,973</b>	<b>\$ 23,304,509</b>	<b>\$ 24,271,814</b>	<b>\$ 25,249,625</b>	<b>\$ 26,268,486</b>
<b>EXPENDITURES:</b>					
Personnel Services:					
Payroll	\$ 11,302,568	\$ 11,928,274	\$ 12,465,046	\$ 13,025,973	\$ 13,612,142
Taxes	804,238	860,741	898,730	939,173	981,435
Retirement (TMRS)	548,300	706,847	593,336	620,036	647,938
Insurance	1,377,304	1,578,225	1,693,435	1,817,056	1,949,701
Total Personnel	\$ 14,032,410	\$ 15,074,087	\$ 15,650,547	\$ 16,402,238	\$ 17,191,217
Supplies & Equipment	\$ 950,161	\$ 942,276	\$ 975,256	\$ 1,009,390	\$ 1,044,719
Services & Charges	3,136,192	3,266,739	3,381,075	3,499,413	3,621,892
Capital Outlay:					
Sustaining					
Equipment	5,600	47,240	50,000	50,000	50,000
CIP	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 18,124,363</b>	<b>\$ 19,330,342</b>	<b>\$ 20,056,878</b>	<b>\$ 20,961,041</b>	<b>\$ 21,907,828</b>
Transfers to Capital Projects Fund	2,675,890	2,657,228	2,782,735	2,754,460	2,788,919
Transfers to Other Funds	1,295,092	1,316,806	1,345,776	1,375,383	1,405,641
<b>TOTAL EXPENDITURES &amp; TRANSFERS-OUT</b>	<b>\$ 22,095,345</b>	<b>\$ 23,304,376</b>	<b>\$ 24,185,389</b>	<b>\$ 25,090,884</b>	<b>\$ 26,102,388</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 3,543,393</b>	<b>\$ 3,543,526</b>	<b>\$ 3,629,951</b>	<b>\$ 3,788,692</b>	<b>\$ 3,954,790</b>
<b>FUND BALANCE MINIMUM</b>	<b>\$ 3,300,355</b>	<b>\$ 3,501,984</b>	<b>\$ 3,629,951</b>	<b>\$ 3,788,692</b>	<b>\$ 3,954,790</b>
<b>FUND BALANCE SURPLUS</b>	<b>\$ 243,038</b>	<b>\$ 41,542</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>CAPITAL PROJECTS FUND</b>					
<b>Beginning Balance</b>	<b>\$ 5,094,916</b>	<b>\$ 4,569,183</b>	<b>\$ 2,930,554</b>	<b>\$ 2,907,781</b>	<b>\$ 3,086,295</b>
Total Annual Project Funding (1)	3,761,525	4,115,510	3,799,430	3,442,094	3,586,515
Total Expenditures	4,287,258	5,754,139	3,822,204	3,263,579	3,386,375
<b>Ending Balance</b>	<b>\$ 4,569,183</b>	<b>\$ 2,930,554</b>	<b>\$ 2,907,781</b>	<b>\$ 3,086,295</b>	<b>\$ 3,286,434</b>
Construction Contingency	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
<b>Over(Under) Contingency</b>	<b>\$ 2,569,183</b>	<b>\$ 930,554</b>	<b>\$ 907,781</b>	<b>\$ 1,086,295</b>	<b>\$ 1,286,434</b>
<b>PROPERTY TAX ASSUMPTIONS</b>					
<b>Property Tax Revenue</b>	<b>\$ 12,624,341</b>	<b>\$ 13,129,384</b>	<b>\$ 13,718,631</b>	<b>\$ 14,334,394</b>	<b>\$ 14,977,867</b>
<b>Property Values (2)</b>	<b>\$ 5,765,524,023</b>	<b>\$ 6,012,113,607</b>	<b>\$ 6,282,658,719</b>	<b>\$ 6,565,378,362</b>	<b>\$ 6,860,820,388</b>
<b>Tax Rate</b>	<b>0.22</b>	<b>0.22</b>	<b>0.22</b>	<b>0.22</b>	<b>0.22</b>

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

(2) Growth in taxable assessed value (T.A.V.) projected at 4.5% per year after FY2017-18. FY2017-18 includes a 4.5% increase in T.A.V.

<u>22.00 Cents</u> <u>2021-22</u>	<u>22.00 Cents</u> <u>2022-23</u>	<u>22.00 Cents</u> <u>2023-24</u>	<u>22.00 Cents</u> <u>2024-25</u>	<u>22.00 Cents</u> <u>2025-26</u>	<u>22.00 Cents</u> <u>2026-27</u>
\$ 3,954,790	\$ 4,128,606	\$ 4,310,524	\$ 4,500,944	\$ 4,700,289	\$ 4,909,004
\$ 15,650,296	\$ 16,352,984	\$ 17,087,293	\$ 17,854,647	\$ 18,656,531	\$ 19,494,500
4,351,874	4,525,949	4,706,987	4,895,266	5,091,077	5,294,720
-	-	-	-	-	-
1,206,242	1,237,190	1,268,932	1,301,489	1,334,881	1,369,130
1,163,428	1,204,148	1,246,293	1,289,913	1,335,060	1,381,787
1,478,835	1,530,594	1,584,165	1,639,611	1,696,997	1,756,392
160,637	167,258	174,163	181,363	188,872	196,704
2,050,969	2,121,494	2,194,444	2,269,903	2,347,957	2,428,695
-	-	-	-	-	-
\$ 26,062,281	\$ 27,139,617	\$ 28,262,277	\$ 29,432,192	\$ 30,651,375	\$ 31,921,928
1,267,353	1,295,235	1,323,730	1,352,852	1,382,615	1,413,033
\$ 27,329,634	\$ 28,434,852	\$ 29,586,007	\$ 30,785,044	\$ 32,033,990	\$ 33,334,961
\$ 14,224,688	\$ 14,864,799	\$ 15,533,715	\$ 16,232,732	\$ 16,963,205	\$ 17,726,549
1,025,600	1,071,752	1,119,981	1,170,380	1,223,047	1,278,084
677,095	707,564	739,405	772,678	807,449	843,784
2,092,030	2,244,748	2,408,614	2,584,443	2,773,107	2,975,544
\$ 18,019,413	\$ 18,888,863	\$ 19,801,715	\$ 20,760,233	\$ 21,766,808	\$ 22,823,961
\$ 1,081,284	\$ 1,119,129	\$ 1,158,299	\$ 1,198,839	\$ 1,240,798	\$ 1,284,226
3,748,658	3,879,861	4,015,656	4,156,204	4,301,671	4,452,229
-	-	-	-	-	-
-	-	-	-	-	-
50,000	50,000	50,000	50,000	50,000	50,000
-	-	-	-	-	-
\$ 22,899,355	\$ 23,937,853	\$ 25,025,670	\$ 26,165,276	\$ 27,359,277	\$ 28,610,416
2,819,898	2,846,912	2,869,447	2,886,943	2,898,782	2,904,295
1,436,565	1,468,170	1,500,469	1,533,480	1,567,216	1,601,695
\$ 27,155,818	\$ 28,252,935	\$ 29,395,586	\$ 30,585,699	\$ 31,825,275	\$ 33,116,406
\$ 4,128,606	\$ 4,310,524	\$ 4,500,944	\$ 4,700,289	\$ 4,909,004	\$ 5,127,559
\$ 4,128,606	\$ 4,310,524	\$ 4,500,944	\$ 4,700,289	\$ 4,909,004	\$ 5,127,559
\$ 0	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ 0
\$ 3,286,434	\$ 2,802,711	\$ 2,982,538	\$ 2,637,329	\$ 2,808,506	\$ 2,810,773
3,627,792	3,558,812	3,591,731	3,614,816	3,637,244	3,651,905
4,111,515	3,378,984	3,936,940	3,443,639	3,634,977	2,628,591
\$ 2,802,711	\$ 2,982,538	\$ 2,637,329	\$ 2,808,506	\$ 2,810,773	\$ 3,834,087
\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
\$ 802,711	\$ 982,538	\$ 637,329	\$ 808,506	\$ 810,773	\$ 1,834,087
\$ 15,650,296	\$ 16,352,984	\$ 17,087,293	\$ 17,854,647	\$ 18,656,531	\$ 19,494,500
\$ 7,169,557,305	\$ 7,492,187,384	\$ 7,829,335,816	\$ 8,181,655,928	\$ 8,549,830,445	\$ 8,934,572,815
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## **APPENDIX**

## Fiscal Year 2017-18 Proposed Budget Calendar

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<b>February 21</b>	Review and discuss the FY 2017-18 Budget Calendar with the Town Council and any projects or items of concern
February 22	Submit FY 2017-18 Budget Calendar to the Finance and Audit Advisory Committee for review and comment
February 24	Meet and discuss the Town's 5 year Capital Improvement Plan with Department Directors
March 3	Budget kick-off memo to departments with assumptions
March 17	Departments submit initial projection of FY 2016-17 revenues and expenditures to the Finance Department
March 24	Town Council Retreat (12:00 p.m. to 4:00 p.m.)  Departments submit base budget requests to the Finance Department. This includes any requests for non-capitalized and capitalized fixed assets  Departments submit update on Capital Improvement Projects: completed, to be completed in current budget year, and projects that need to be moved
March 31	Departments submit any new programs, new fleet, and replacement fleet requests to the finance department  Departments submit proposed updates, changes, or revisions to the Town's 5 year Capital Improvement Plan
April 3-7	Finance Department review of Departmental Budget Requests and updates, changes, or revisions to the Town's 5 year Capital Improvement Plan with Department Directors
<b>April 4</b>	Review and discuss the FY 2017-18 budget process with Town Council, specifically with regard to any item Council would like staff to consider, study, or incorporate into the FY 2017-18 budget
April 6	Deliver notice for the April 24th Public Hearing in the newspaper. The notice will run on April 13 <sup>th</sup> and again on April 20 <sup>st</sup> .

## Fiscal Year 2017-18 Proposed Budget Calendar

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April 17-21	Departmental meetings with Town Administrator on Budget Requests
<b>April 18</b>	Review and discuss the FY 2017-18 Budget and the Capital Improvement Plan with Town Council
<b>April 24</b>	Public Hearing for citizen comment on the development of the FY 2017-18 Budget. This is an opportunity to receive public input with regard to the development of the 2017-18 budget
May 5	Departments submit performance measurement forms to the Finance Department. These forms include departmental accomplishments during the 2016-17 fiscal year and objectives for the 2017-18 fiscal year
<b>May 16</b>	Review and discuss with the Town Council the progress of the FY 2017-18 budget process and Council's priorities and expectations of the FY 2017-18 Budget
May 18	Receive preliminary taxable assessed values from Dallas County Appraisal District (DCAD)
May 19	Departments submit revised projection of FY 2016-17 revenues and expenditures to the Finance Department
<b>June 6</b>	Review and discuss with the Town Council the progress of the FY 2017-18 budget process and any item Council would like staff to consider, study, or incorporate into the budget  Review and discuss with the Town Council any proposed updates, changes, or revisions to the Town's 5 year Capital Improvement Plan
June 22	Review and discuss the draft FY 2017-18 Proposed Budget with the Finance & Audit Advisory Committee
July 14	Departments submit final projection of FY 2016-17 revenues and expenditures to the Finance Department

## Fiscal Year 2017-18 Proposed Budget Calendar

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July 20	Deliver notice of the August 14 <sup>th</sup> Public Hearing on the FY 2017-18 Proposed Budget to the newspaper
<b>July 24</b>	Council sets date to call Public Hearing on the FY 2017-18 Proposed Budget (Town Charter 9.05(A))
July 25	Receive Certified Appraisal Roll from DCAD
July 27	Publication of the notice for the August 14 <sup>th</sup> Public Hearing on the FY 2017-18 Proposed Budget in the newspaper
July 28	FY 2017-18 Proposed Budget delivered to the Town Council and the Town Secretary
<b>August 8</b>	Review and discuss a proposal to set a preliminary property tax rate for Fiscal Year 2017-18 and schedule two public hearings on the proposal  Review and discuss the Proposed Budget and Capital Improvement Plan for Fiscal Year 2017-18
<b>August 14</b>	Public Hearing on FY 2017-18 Proposed Budget  Town Council sets preliminary ad valorem tax rate  <i>NOTE: If a tax rate is proposed that exceeds the Effective Tax Rate, take a record vote, publish the required notices, and schedule the required public meetings</i>  Call Public Hearings on Tax Increase (if necessary)  Deliver notice of Public Hearing on Tax Increase (if necessary) and Public Hearing on FY 2017-18 Proposed Budget to the newspaper  Announce date and time of Public Hearing to adopt the tax rate
<b>August 17</b>	Publication of notice for the First and Second Public Hearings on Tax Increase (if necessary) and Public Hearing on FY 2017-18 Proposed Budget
<b>August 28</b>	Public Hearing on FY 2017-18 Proposed Budget  First Public Hearing on Tax Increase (if necessary)

## Fiscal Year 2017-18 Proposed Budget Calendar

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<b>September 5</b>	Second Public Hearing on Tax Increase (if necessary)
<b>September 11</b>	Town Council considers approval of: <ul style="list-style-type: none"><li>• FY 2017-18 Proposed Budget</li><li>• Adoption of a tax rate (governing body adopts the tax rate no less than three days but no more than 14 days after the second public hearing)</li><li>• Adoption of 2018-22 Capital Improvement Plan</li><li>• Adoption of the Master Fee Schedule</li></ul>
September 12	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 meeting or a Town Council Study Session.***

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## **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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## **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.

## **XI. FINANCIAL GLOSSARY**

The following definitions form a part of this policy statement in order to clarify certain terminology used.

Appropriation - a legal authorization granted by the Council to make or incur expenditures/expenses for specific purposes.

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

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).

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.

Capital Projects Fund - a fund 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).

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.

Chart of Accounts - a chart detailing the system of numbering or otherwise designating general ledger accounts.

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 \$50,000 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.

Current Assets - assets of the Town consisting of cash, investments and other assets that can or will be converted to cash within a twelve (12) month period.

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.

Director of Fiscal & Human Resources - that person appointed by the Town Administrator who is responsible for the recording and reporting of the financial activities of the Town.

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.

Encumbrance - see Appropriation

Equity - see Fund Balance and Retained Earnings

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.

Fiscal Year (FY) - the period of October 1st through the following September 30th. (e.g. – FY 2013 refers to the fiscal year from October 1, 2012 through September 30, 2013)

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.

Fund - an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related 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:

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

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).

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. The Town utilizes three different types of governmental funds: the General Fund, Capital Projects Fund, and Special Revenue Funds.

Internal Service Fund - a fund used to account for the financing of goods or services provided by one department to other department on a cost reimbursement basis.

Investments - securities held for the production of revenues in the form of interest.

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.

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

Net Working Capital - current assets less current liabilities.

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.

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.

Proprietary Fund - see Utility 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 - the equity account reflecting the accumulated earnings of the Utility Fund.

Revenues (Resources) - the term designating an increase to the Town's assets which:

- does not increase a liability (i.e. proceeds from a loan);
- does not represent a repayment of an expenditure/expense already made;
- does not represent a cancellation of certain liabilities; and
- does not represent an increase in capital.

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

Special Revenue Funds - funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes. Examples include Court Technology Fund, Forfeited Property Fund, and Court Security Fund.

Street Rental Fees – An annual amount equal to 5% of combined water, sanitary sewer, solid waste collection/disposal and recycling charges billed to the Town's utility customers to pay for the use/access of Town right-of-way.

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.

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.

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 of the Town's water and sanitary sewer activities.

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



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## **GLOSSARY**

**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.

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

**Budget Message** A general discussion of the proposed budget presented in writing as a part of or supplement to the budget document. The budget message explains principal budget issues against the background of financial experience in recent years and presents recommendations made by the chief executive and budget officer (if not the chief executive)

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

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

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

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

**CIP** Capital Improvement Plan

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

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

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

**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.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**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.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Revenues** The term designates an increase to a fund's assets which:  
DOES NOT increase a liability (e.g. proceeds from a loan);  
DOES NOT represent a repayment of an expenditure already made;  
DOES NOT represent a cancellation of certain liabilities; and  
DOES NOT represent an increase in contributed capital.

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

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

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

**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.

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

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

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

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

**Working Capital** See Net Working Capital

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MINUTES OF A STUDY SESSION OF THE TOWN COUNCIL OF THE TOWN OF  
HIGHLAND PARK, TEXAS, HELD AT THE TOWN HALL, 4700 DREXEL DRIVE, ON  
TUESDAY, APRIL 18, 2017, AT 8:00 A.M.

Present at the meeting were Mayor Joel T. Williams, III, Mayor Pro Tem Bob Carter, and Town Council Members David Dowler, Eric Gambrell, Margo Goodwin, and John McKnight.

UPCOMING AGENDA DISCUSSION

Action

Mayor Williams called the study session to order and read a list of items that were not included in the discussion at this meeting, but will be included in the Town Council meeting on April 24, 2017.

Consent

*“Review and discuss an ordinance revising the storm shelter requirements for Educational Occupancies in the Town’s Building Code.”* Kirk Smith, Development Services Manager, explained that a revision in the 2018 International Building Code will require that construction in Educational Occupancy uses provide storm shelter areas. With the upcoming renovations to the Highland Park Independent School District campuses, and particularly, the Armstrong Elementary School campus, the proposed ordinance will provide the flexibility for Armstrong to comply with the requirements that will be adopted in the 2018 International Building Code.

*“Review and discuss proposed construction hours for the exterior modifications to Building F and Building G, in the Highland Park Village.”* Kirk Smith explained that following a discussion at the Town Council Study Session on April 4, 2017, the Village hosted a neighborhood meeting to explain a desire to allow construction during night hours and utilizing noise attenuation devices to lessen the likelihood of construction-related noise negatively impacting adjacent residents. In response to questioning by Council Member Goodwin regarding noise from dump trucks, Joe O’Brien, President and Chief Executive Officer, AG Hill Partners, LLC, owner of the Village, explained that the project will include a “lay down zone” between Buildings G and F that will be fenced for safety and security, as well as providing a screen. As debris is removed from the building exterior, dump trucks will immediately haul it away from the site. Brian Higgins, Project Manager, The Whiting-Turner Contracting Company, explained that noise will be isolated with sound panels. As cast stone is removed from the building, it will be palletized and lowered onto dump trucks, then hauled away. Mr. O’Brien added that the residents who attended the neighborhood meeting were given Becki Snow’s, General Manager, phone number to call anytime to report a construction issue such as noise. Council Member Dowler inquired about the efficacy of sound panels, as well as their width and density. Brian Higgins explained that the noise attenuation panels are more efficient with low-frequency noise such as motors/rumbling, and not quite as effective in mitigating high-pitched tones. He added that panels measuring 24 feet high will cover the first and second floors, and 12-foot panels will be installed at the third floor and extend to the roof. According to Mr. Higgins, the panels will be assembled and disassembled every day. In response to a resident’s question regarding noise from forklifts during a previous construction project, Joe O’Brien stated that the matter was discussed at the neighborhood meeting, and he informed the Council that a second neighborhood meeting would convene at 5:30 p.m. on Thursday, April 20, 2017. In an effort to curtail construction vehicle noise, Mr. O’Brien stated



that he asked the Contractor to enforce a “no back-up” policy in which all vehicles move in one direction only; no backing up. In response to questioning by Council Member Goodwin regarding forklifts, Joe O’Brien explained that forklifts’ safety warning signal could not be disabled due to OSHA requirements. A resident asked for more than one telephone number to call in the event a resident wished to register a construction-related complaint after hours. Joe O’Brien verified that a couple of telephone numbers would be provided to the residents within 200’ of the Village. Mayor Williams explained that by performing construction activities at night, the project would move faster by four to six months; he acknowledged that this could be inconvenient to residents, and invited residents to offer comments to the Town Council, staff and Village management. One resident asked for a telephone number that could be called at 2:00 a.m.; Council Member Gambrell stated that he does not wish to dissuade anyone from calling the Town. Kirk Smith stated that if the Council agreed to allow extended construction hours, in the event the staff receives a complaint, staff would stop the construction work at night, validate the complaint, and bring it to the Town Council. Joe O’Brien added that the request for extended construction hours at night was based upon safety considerations, especially during the demolition of the exterior, the delivery of steel, and the pouring of concrete, when cars are not in the parking lot. Mayor Williams stated that if any Town Council Member has a problem with the proposed extended construction hours, the item will be removed from the Consent Agenda and moved to the Main Agenda for further discussion at the Town Council meeting on April 24, 2017. In response to a question from Mayor Pro Tem Carter, Kirk Smith explained that if the Department of Public Safety receives a complaint at night, the work could be stopped at the discretion of the Public Safety Officer’s evaluation, based on the Noise Nuisance Ordinance regulations for loud, intrusive noise.

*“Review and discuss a proposed Agreement Regarding Improvements Located on Walk Reserve.”* Matthew Boyle, Town Attorney, explained that the proposed agreement provides an alternative to the agreement previously reviewed by the Council. This agreement allows the homeowner to install twenty-four (24) magnolia trees, restore the property to grade, and expressly specifies that the trees would become Town property, similar to trees located on the parkways. In response to questioning from Council Member Goodwin, the responsibility for the maintenance of the trees and the irrigation system goes to the property owner, but the Town retains the ability to trim the trees, if necessary. Mayor Pro Tem Carter inquired if the fence requested by the property owner in the previous agreement was removed. Matthew Boyle responded in the affirmative, and verified that the indemnity clause is adequate. Mayor Williams reminded the Council that the item will be placed on the Consent Agenda, but will be removed to the Main Agenda if any Council Member wishes to discuss the matter further at the Town Council meeting on April 24, 2017.

*Review and discuss referring to the Zoning Commission a request from the Highland Park Independent School District to amend the Planned Development site plan for the expansion of John S. Armstrong Elementary School.”* Mayor Williams recognized Dr. Tom Trigg, Superintendent of Schools, and Jim Hitzelberger, President of the Board of Trustees, representing the District, and Brett Holze, representing Stantec, the Board’s architectural firm. Mayor Williams asked if any Town Council Member wished to ask questions, to which there was no response.

## FUTURE AGENDAS DISCUSSION

*No items assigned to this category.*

## REPORTS

*“Review and discuss flight operations at Dallas Love Field.”* Mayor Williams introduced Bill Cohen, a resident at 4529 Belfort Avenue, who is a retired pilot and regularly attends Love Field Action Committee (“LAC”) meetings. Mr. Cohn stated that representatives from the Federal Aviation Administration attend the LAC meetings, but in his opinion, the FAA doesn’t want to discuss items that would require changes to the policies it worked so hard to implement. Mr. Cohn explained that for years, the community asked the FAA to implement a ground tracking point, or a waypoint, on top of Lemmon Avenue. Instead, the FAA set the Dorsett Waypoint (“Dorsett”), just south of the Cotton Bowl Stadium in the City of Dallas, as a navigational aid. If a location is set as a waypoint, every airplane can predictably and reliably fly over that point every time. Mr. Cohn further explained that an airplane can fly directly to Dorsett, or fly to Dorsett when its course is corrected. According to Mr. Cohn, when an airplane reaches an altitude of 400 feet, the pilot should begin aiming to Dorsett. He shared that if an airplane is not set to Dorsett, when it reaches 400 feet, the southern wind will push it away from Lemmon Avenue and over the area of Belfort Avenue and Rheims Place. In his opinion, flights departing Love Field should begin with a more correct heading over Lemmon Avenue. In response to a question from Council Member McKnight, Mr. Cohn explained that the pilot is given an initial heading of 140 as an example. When cleared for takeoff, the pilot could immediately turn to 140 which would correct the airplane to the Lemmon Avenue Waypoint, directing the airplane over Lemmon Avenue. Mayor Williams commented that a new departure control system, the Phoenix, funneled 100% of the aircraft over the new location, which impacts residents of the City of Dallas more than Highland Park residents. Mayor Williams asked Mr. Cohn about the possibilities of an immediate correction from the runway heading to 140; and of moving Dorsett closer to Lemmon Avenue. He also asked what the Town Council could do to assist. The Council and Mr. Cohn discussed their issues of concern regarding flights at Love Field, including whom to address the Town’s concerns; the manner in which statistics are collected and reported; and the ratio of flights departing from the Lemmon Avenue runway compared to the ratio of flights departing from the Denton Drive runway. Council Member Goodwin commended Bill Cohn for his perseverance in working on behalf of the residents near Love Field. Mayor Williams thanked him for speaking at the study session and his work on behalf of the residents.

*“Review and discuss the proposed Conceptual Design and Development of Hackberry Creek Improvements.”* Ronnie Brown, Director of Town Services, explained that the staff seeks input from the Town Council regarding the conceptual design and development of the planned improvements to Hackberry Creek. He stated that items to consider are erosion control by means of retaining walls, providing a compatible system of landscaping and pedestrian bridges with respect to Highland Park’s history; utilizing textures that are compatible with Highland Park; and site amenities such as pedestrian walkways, bridges, landscape lighting, and irrigation. The improvements will be approached in several phases: (i) Hackberry Creek at Connor Creek, which may be a component of the Wycliffe Avenue Project; (ii) Prather Park and waterproofing Town Hall; and (iii) Miramar Avenue north to Byron. Council Member Goodwin expressed her dislike of gabions. Council Member Gambrell asked if staff wanted the Council’s preference between soft-scape and hardscape. Council Member McKnight stated that the concrete sides by the creek could be dramatically improved. Mayor Williams concluded by stating that erosion has been an issue for more than twenty-five years, and while the Council does not have to address the issue immediately, at some point, it will have to be addressed.

*“Review and discuss color scheme options for a new fire engine.”* Rick Pyle, Director of Public Safety, explained that the production of the Town’s new fire engine began in January, and delivery is expected in December. The staff would like input from the Town Council regarding enhancements to the appearance of the fire engine, specifically, the color scheme. In response to Council Member Gambrell, Rick Pyle stated that the potential change in color scheme is not related to a safety issue. He presented several drawings depicting fire engines with different color schemes. Council Member Goodwin stated that she preferred that the graphics depicted in white; Council Member McKnight agreed, and commented that it was a more traditional look. Following a discussion, Chief Pyle stated that the Department would opt for red with white graphics.

Council Member Dowler excused himself from the meeting at 9:10 a.m.

*“Review and discuss the Fiscal Year 2017-18 Combined Operating and Capital Budget preparation process.”* Steven Alexander, Director of Administrative Services and Chief Financial Officer, explained that this item is provided for the Town Council to advise the staff of any items they wish to include in the development of the 2017-18 Budget. He added that a public hearing would be conducted at the Town Council meeting on April 24, 2017, to provide the public an opportunity to suggest any items they wish to include as well.

*“Review and discuss the Financial Report for the period ending February 28, 2017.”* Steven Alexander explained that February marks the fifth month of the Fiscal Year 2017 Budget, and the completion of 41.7% of the fiscal year. General and Utility Fund combined revenues were \$20,305,542, or 61.3% of the annual projected amounts; combined expenditures and encumbrances were \$12,581,288, or 38.9% of the annual budget. General Fund revenue was \$16,320,539, or 73.6% of the annual projected amount. Property tax collections in the amount of \$12,229,403 are 97.1% of the annual projection; sales tax collections of \$1,646,354 are 43.6% of the annual projection. General Fund expenditures in the amount of \$8,634,037 are 38.9% of the annual budget. Water sales were 100.9% of the year-to-date projection and approximately 97% of prior year sales; water consumption was approximately 6.1% more than the same period in the prior fiscal year. Utility Fund expenditures totaled \$3,947,251, or 38.9% of the annual budget. The investment portfolio yield was 0.793%.

There being no further business to come before the Council, the meeting was adjourned at 9:18 a.m.

APPROVED on this the 14th day of August, 2017.

By:

Joel T. Williams, III  
Mayor

ATTEST:

Gayle Kirby  
Town Secretary

MINUTES OF A MEETING OF THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS, HELD AT THE TOWN HALL, 4700 DREXEL DRIVE, ON MONDAY, APRIL 24, 2017, AT 4:00 P.M.

Present at the meeting were Mayor Joel T. Williams, III, Mayor for a Day Mimi Tafel, Mayor Pro Tem Bob Carter, and Town Council Members David Dowler, Eric Gambrell, Margo Goodwin, and John McKnight.

Mayor Williams called the meeting to order and asked the Town Council if they wished to discuss any item(s) on the Regular Agenda, to which there was no response.

Meran Dadgostar, P.E., Town Engineer, gave the Invocation.

Mayor Williams introduced Mimi Tafel, Bradfield Elementary School student and recipient of the School's Mayor for A Day prize. Miss Tafel introduced her parents, Laura and Bob Tafel, and her friend Alyssa Grimmet.

Mayor for a Day Tafel led the Pledge of Allegiance.

Mayor for a Day Tafel asked if anyone in the audience wished to speak on any subject not on the agenda, to which there was no response.

Mayor Williams and Mayor for a Day Tafel recognized Ben Meyer, Boy Scout Troop 730, attending the meeting to satisfy the requirements of the Citizenship in the Community merit badge. In response to a question by Mayor Williams, Ben introduced his mother, Peggy Meyer.

Steven Alexander, Director of Administrative Services and Chief Financial Officer, introduced the following Employees of the Year for 2016:

**Department of Public Safety**

Public Safety Officer Jessica Russell  
Kathy Hannon, Secretary  
Sergeant Rodell Byrd

**Civilian Employees**

Tom Devitt, Public Works Department  
David Ferguson, Engineering Department  
Gerri Robeson, Municipal Court

Mayor Williams and Mayor For a Day Tafel recessed the Council meeting at 4:15 p.m. and convened a public hearing to receive citizen comments on proposed amendments to the site plan of Planned Development 1, the Highland Park Village, by: (i) adding a new second floor consisting of 1,175 square feet of Retail use above 94 HP Village in Building F; (ii) converting 5,669 square feet of Designer Fashion use to Fine Jewelry use at 51 HP Village in Building E; and (iii) amending the comprehensive transportation and parking plan by reducing the surplus parking by 9 spaces. Kirk Smith, Development Services Manager, explained that a tenant in Building F requested more space. By adding the square footage to accommodate the tenant in Building F and converting the Designer Fashion Use to Fine Jewelry Use in Building E, the surplus parking spaces would be reduced by nine spaces, from twenty (20) to eleven (11) surplus parking spaces. Mayor Williams asked if proper notice of the meeting was made. Gayle Kirby, Town Secretary, stated that a legal notice was published in *The Park Cities News* on April 6, 2017, and posted on the Town's bulletin boards and website on April 21, 2017. Mayor Williams asked if anyone wished to speak in favor

of the request. Hearing none, Mayor Williams asked if anyone wished to speak in opposition to the request. Hearing none, Mayor Williams asked if any letters were received in favor of, or in opposition to the request. Gayle Kirby stated that no correspondence was received in favor of, or in opposition to the request. Mayor Williams asked if any Town Council Member wished to speak or ask any question. Hearing none, Mayor Williams closed the public hearing and reconvened the Council meeting.

Mayor Williams and Mayor For a Day Tafel recessed the Council meeting and convened a public hearing to receive citizen comments on a proposed amendment to the site plan of Planned Development 1, the Highland Park Village, by enlarging the stair tower on the west side of Building G to accommodate relocating the service elevator and the fire riser room. Kirk Smith explained that the Village management requested the relocation of the service elevator and the fire riser room to the new stair tower to provide easier access for the Fire Department and to the main electrical shut-off, enhancing public safety. Mayor Williams asked if proper notice of the meeting was made. Gayle Kirby, Town Secretary, stated that a legal notice was published in *The Park Cities News* on April 6, 2017, and posted on the Town's bulletin boards and website on April 21, 2017. Mayor Williams asked if anyone wished to speak in favor of the request. Hearing none, Mayor Williams asked if anyone wished to speak in opposition to the request. Hearing none, Mayor Williams asked if any letters were received in favor of, or in opposition to the request. Gayle Kirby stated that no correspondence was received in favor of, or in opposition to the request. Mayor Williams asked if any Town Council Member wished to speak or ask any question. Hearing none, Mayor Williams closed the public hearing and reconvened the Council meeting.

Mayor Williams and Mayor for a Day Tafel recessed the Council meeting and convened a public hearing to receive citizen comments regarding the development of the Fiscal Year 2017-18 Combined Operating Budget. Steven Alexander, Director of Administrative Services and Chief Financial Officer, explained that the budget process has begun for Fiscal Year 2017-18, and the purpose of this public hearing is to provide an opportunity for the citizens to comment on projects or services they would like to be considered during the budget development process. Mayor Williams asked if proper notice of the meeting was made. Gayle Kirby, Town Secretary, stated that a legal notice was published in *The Park Cities News* on April 13, and April 20, 2017, and posted on the Town's bulletin boards and website on April 21, 2017. Mayor Williams asked if anyone wished to speak in favor of the request. Hearing none, Mayor Williams asked if anyone wished to speak in opposition to the request. Hearing none, Mayor Williams asked if any correspondence was received regarding this public hearing. Gayle Kirby stated that no correspondence was received regarding this public hearing. Mayor Williams asked if any Town Council Member wished to speak or ask any questions. Hearing none, Mayor Williams closed the public hearing and reconvened the Council meeting at 4:31 p.m.

On a motion by Mayor Pro Tem Carter, seconded by Council Member Goodwin, the Council voted unanimously to approve Items A. through D. on the Consent Agenda. Prior to the vote, Mayor Williams stated that the Council reviewed the items at its study session on April 18, 2017, and explained that with a consent agenda, several items are voted upon in one motion; any Council Member could request that any item(s) be removed for discussion and voted upon separately. Mayor William asked if any Council Member had such a request, to which there was no response.

- A. Consider approval of Ordinance No. 2017 revising the storm shelter requirements for Educational Occupancies in the Town's Building Code.

ORDINANCE NO. 2017

AN ORDINANCE OF THE TOWN OF HIGHLAND PARK, TEXAS AMENDING CHAPTER 3 BUILDING REGULATIONS, ARTICLE 3.02 BUILDING CODE, OF THE CODE OF ORDINANCES OF THE TOWN OF HIGHLAND PARK, TO PROVIDE ADDITIONAL REGULATIONS REGARDING LOCATION AND OCCUPANT LOAD OF STORM SHELTERS IN EDUCATIONAL OCCUPANCIES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING PENALTIES FOR VIOLATION OF THIS ORDINANCE; PROVIDING FOR INCORPORATION INTO THE CODE OF ORDINANCES; AND PROVIDING AN EFFECTIVE DATE.

- B. Consider referring to the Zoning Commission a request from the Highland Park Independent School District to amend the Planned Development site plan for the expansion of John S. Armstrong Elementary School.
- C. Consider approval of an Agreement Regarding Improvements Located on Walk Reserve.
- D. Consider approval of proposed extended construction hours for the exterior modifications to Building F and Building G in the Highland Park Village, conditioned upon the implementation by the Village of all of the proposed noise-reducing measures. Town staff, at its sole discretion, shall have the right to curtail extended hours in the event of any violation(s) of the proposed measures or Town Ordinance.

On a motion by Council Member McKnight, seconded by Council Member Dowler, the Council voted unanimously to approve Ordinance No. 2018 amending the site plan of Planned Development 1, the Highland Park Village, by: (i) adding a new second floor consisting of 1,175 square feet of Retail Use above 94 HP Village in Building F; (ii) converting 5,669 square feet of Designer Fashion Use to Fine Jewelry Use at 51 HP Village in Building E; and (iii) amending the comprehensive transportation and parking plan by reducing the surplus by nine spaces.

ORDINANCE NO. 2018

AN ORDINANCE OF THE TOWN OF HIGHLAND PARK, TEXAS, AMENDING **CHAPTER 14, ZONING, OF THE CODE OF ORDINANCES OF THE TOWN OF HIGHLAND PARK, TEXAS**, AMENDING THE COMPREHENSIVE SITE PLAN OF PD 1, THE HIGHLAND PARK SHOPPING VILLAGE, AS ADOPTED BY ORDINANCE NO. 1785 AND AMENDED BY ORDINANCE NOS. 1796, 1806, 1811, 1822, 1840, 1848, 1853, 1857, 1858, 1861, 1863, 1876, 1882, 1901, 1912, 1922, 1933, 1936, 1946, 1959, 1963, 1973, 1986, 2003, 2010, 2014, and 2016; **SUPPLEMENTING CHAPTER 14 ZONING, EXHIBIT A ZONING ORDINANCE, SECTION 26 LIST OF SPECIFIC USE PERMITS, PLANNED DEVELOPMENTS AND COMBINED BUILDING SITES, 26-100**, OF THE CODE OF ORDINANCES TO ADD A SECOND FLOOR FOR RETAIL USE ABOVE 94 HP VILLAGE IN BUILDING F; CONVERT DESIGNER FASHION USE TO FINE JEWELRY USE AT 51 HP VILLAGE IN BUILDING E; AND REDUCE THE SURPLUS PARKING BY 9 SPACES; PROVIDING A PENALTY CLAUSE; PROVIDING

*A VALIDITY CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR INCORPORATION INTO THE CODE OF ORDINANCES; AND PROVIDING AN EFFECTIVE DATE.*

On a motion by Council Member Dowler, seconded by Mayor Pro Tem Carter, the Council voted unanimously to approve Ordinance No. 2019 amending the site plan of Planned Development 1, the Highland Park Village, by enlarging the exterior stair tower on the west side of Building G to accommodate relocating the service elevator and the fire riser room.

*ORDINANCE NO. 2019*

*AN ORDINANCE OF THE TOWN OF HIGHLAND PARK, TEXAS, AMENDING **CHAPTER 14, ZONING, OF THE CODE OF ORDINANCES OF THE TOWN OF HIGHLAND PARK, TEXAS**, AMENDING THE COMPREHENSIVE SITE PLAN OF PD 1, THE HIGHLAND PARK SHOPPING VILLAGE, AS ADOPTED BY ORDINANCE NO. 1785 AND AMENDED BY ORDINANCE NOS. 1796, 1806, 1811, 1822, 1840, 1848, 1853, 1857, 1858, 1861, 1863, 1876, 1882, 1901, 1912, 1922, 1933, 1936, 1946, 1959, 1963, 1973, 1986, 2003, 2010, 2014, 2016, and 2018; SUPPLEMENTING **CHAPTER 14 ZONING, EXHIBIT A ZONING ORDINANCE, SECTION 26 LIST OF SPECIFIC USE PERMITS, PLANNED DEVELOPMENTS AND COMBINED BUILDING SITES, 26-100**, OF THE CODE OF ORDINANCES OF THE TOWN OF HIGHLAND PARK TO EXPAND THE WEST EXTERIOR STAIR TOWER TO ACCOMMODATE THE RELOCATION OF A SERVICE ELEVATOR AND A FIRE RISER ROOM IN BUILDING G; PROVIDING A PENALTY CLAUSE; PROVIDING A VALIDITY CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR INCORPORATION INTO THE CODE OF ORDINANCES; AND PROVIDING AN EFFECTIVE DATE.*

Mayor Williams thanked Mimi Tafel for her assistance as Mayor for a Day, and invited her to attend future Town Council meetings.

There being no further business to come before the Council, the meeting was adjourned at 4:36 p.m.

APPROVED on this the 14th day of August, 2017.

By:

Joel T. Williams, III  
Mayor

ATTEST:

Gayle Kirby  
Town Secretary

MINUTES OF A STUDY SESSION OF THE TOWN COUNCIL OF THE TOWN OF  
HIGHLAND PARK, TEXAS, HELD AT THE TOWN HALL, 4700 DREXEL DRIVE, ON  
TUESDAY, MAY 16, 2017, AT 8:00 A.M.

Present at the meeting were Mayor Williams and Town Council Members Bob Carter, David Dowler, Eric Gambrell, Margo Goodwin, and John McKnight.

UPCOMING AGENDA DISCUSSION

Action

*No items assigned to this category.*

Consent

*“Review and discuss an ordinance approving a negotiated settlement between the Atmos Cities Steering Committee and Atmos Energy Corporation, Mid-Tex Division and the associated rate adjustments.”* No discussion.

*“Review and discuss contracts with Dustrol, Inc. for milling asphalt surfaces, and with APAC-Texas, Inc. for the asphalt overlay as part of the annual asphalt resurfacing program.”* Bill Lindley, Town Administrator, introduced Alan Upchurch, P.E., Interim Engineering Director, who is assisting with engineering services temporarily following the retirement of Meran Dadgostar. Mr. Upchurch explained that the repairs have begun in preparation for the asphalt resurfacing program; the work is scheduled to be completed before school starts. In response to a question from Council Member Goodwin, Mr. Upchurch explained that the milled asphalt is hauled to a recycling facility; recycled asphalt can be re-mixed into new asphalt. Bill Lindley added that rebar and concrete are separated from asphalt during the recycling process.

*“Review and discuss a purchase in the amount of \$130,141 for sixteen portable radios in the Department of Public Safety.”* Rick Pyle, Director of Public Safety, explained that communication is extremely critical in multi-jurisdictional scenes such as a large house fire. New technology allows all frequencies, including county and state agencies, in radios. The Town’s existing radios are approaching end-of-life. In response to questioning from Council Member Gambrell, Rick Pyle stated that fifteen (15) radios go out with shift personnel, plus radios for off-duty personnel, for an approximate total of twenty radios. Four Motorola radios have been ordered for the new fire engine. These radios are designed specifically for fire fighters, with larger buttons for gloved hands, along with noise cancelling and GPS programmable capabilities to follow an officer when outside the vehicle. In response to questioning from Council Member McKnight, Chief Pyle verified that the Town currently does not have the ability/access to communicate with other agencies via radio. In response to questions from Council Member Goodwin and Council Member McKnight, he explained that the staff is working to determine the feasibility of connecting with the Highland Park Independent School District (“HPISD”) and Southern Methodist University (“SMU”). Chief Pyle further explained that outside agencies do not have to purchase this system, but in order to insure communication, the proposed Motorola hand-held radio could be programmed to that agency’s frequency. Bill Lindley added that State law allows interlocal agreements between municipalities and public universities; staff is researching to determine if private universities are also included. He added that it would be highly desirable to involve the District and SMU.



*“Review and discuss a purchase in the amount of \$105,195 for three patrol vehicles in the Department of Public Safety.”* Rick Pyle explained that the purchase of the three patrol vehicles will replace the Ford patrol vehicles. Mayor Williams asked for comments, to which there was no response.

*“Review and discuss equipment up-fitting for three 2017 Chevrolet Tahoe police patrol vehicles.”* Rick Pyle explained that the purchase of the equipment up-fitting and the purchase of the new patrol vehicles will be funded within the Vehicle Replacement Fund.

*“Review and discuss a purchase in the amount of \$231,485.40 for nine vehicles for the Parks and Public Works Departments.”* Ronnie Brown, Director of Town Services, explained that the vehicles will be white with blue logo. The purchase is a routine replacement; however, staff plans to reduce the fleet by one pickup truck and purchase two 4-wheel drive all-terrain vehicles (“ATVs”) diesel-powered vehicles that will provide easier access to easements and park areas. The purchase will be through a State purchasing program that satisfies the State bidding requirements. In response to questions from the Town Council, Ronnie Brown explained that the flatbed ATVs hold the operator plus one extra seat, are equipped with seat belts and a rollover bar, and are street-legal; the Parks and Public Works Department currently have eight pickups, two 1-ton trucks, two dump trucks, and one van with an aerial lift for the Street Lighting Department; and vehicles have a seven-year rotation. In response to a question by Council Member Gambrell, Mr. Brown explained that the replacement of one pickup with the two ATVs gives flexibility for use by the Public Works Department and the Department of Public Safety.

## FUTURE AGENDAS DISCUSSION

*“Review and discuss initiating a residential household hazardous waste collection program.”* Ronnie Brown explained that the Town’s solid waste collection services consultant suggested that the Town make the disposal of household hazardous waste materials (“HHW”) more convenient for its residents. Currently, residents take HHW to the Dallas County HHW Collection Center located in northeast Dallas. In a residential collection program, the resident could call or make an online request for service, then place the HHW outside the front door, where a licensed collector would collect it and haul it away. This type of program would keep residents from pouring HHW into their drain or discarding with their trash. The Town currently budgets \$12,500 to participate in the Dallas County HHW Program. The proposed residential collection program is estimated to cost \$35,000. To offset the cost of the new program, staff proposes to increase the solid waste collection franchise fee from five percent (5%) to ten percent (10%) of the gross revenues generated from the Franchisee’s operations within the Town, which will include those Franchisees who service grease traps in the near future. Mr. Brown added that Requests for Proposals (“RFPs”) will be solicited in June. In response to questions regarding a less expensive way to collect HHW, Bill Lindley explained that a license is required to transport HHW, and offering a “flat rate” residential collection would require the Town to either engage a company, or train and obtain the license for a Town employee to pick up the material and deliver it to the HHW Collection Center. Additionally, engaging Dallas County to provide a “drop-off” event three or four times per year would not guarantee that the Town’s residents could drop off their HHW, because anyone who resides in the County can bring HHW; the capacity could quickly be filled by other County residents before Highland Park residents could get there. Mr. Brown further explained that upon drop-off, all items have to be separated at the point of pick-up. Mayor Williams expressed his

opinion that the cost of a residential collection program seemed expensive. Council Member Goodwin stated that in her opinion, the HHW Collection Center is not too far to drive to drop off material. Mayor Williams commented that the Town should provide the service in the most economical way; Council Member Goodwin added that she would be willing to pay \$25.00 for the materials to be picked up. Council Member McKnight asked if a “pay-as-you-go” plan would work. Council Member Gambrell stated his inclination to continue the HHW program as-is, and expressed his uncertainty in making any changes to the current program. Ronnie Brown emphasized that the RFP is designed with the maximum convenience to the resident. Council Member Gambrell stated that a service that charged \$10 to \$15 would be superb; Council Member Goodwin suggested charging a fraction of the fee to the resident, plus a per-trip charge, so that the Town would recover some money. Mayor Williams commented that if charged a nominal fee, the resident would be reminded that a fee is associated with the HHW collection. The Council discussed the number of residents who utilize the HHW Collection Center, compared to the number of households in the Town, considering the cost of the Dallas County HHW Program. Council Member Goodwin suggested that the Town pursue a way for the citizens to take more responsibility regarding HHW. Council Member McKnight stated a desire to include the City of University Park in a pay-as-you-go program. Mayor Williams concurred and asked the staff to explore ways to work with the City on a residential collection program, and suggested making it as easy as possible to properly dispose of HHW.

## REPORTS

*“Review and discuss an update of Park projects.”* Ronnie Brown reviewed the status on the following Park projects: (i) Tennis Court Renovation – Court #1 at Lexington Avenue, Court #7 located on St. Johns Drive at Alice Circle, and Court #8 located at Abbott Park; (ii) Mockingbird Lane Landscape Improvements; and (iii) Flippen Park Fountain Improvements. Mr. Brown explained that Tennis Court #1 has an accessibility issue, and after evaluation by a consultant, the construction project for this court was moved to a later year. The Town engaged David McCaskill Design Group to provide design services for Courts #7 and #8, which are both single-court tennis courts. In making the evaluation, it was noted that four trees in the vicinity of Court #7 will sustain root damage during construction. Staff plans to remove those four trees during construction and replace them after the project is completed. In response to a question from Mayor Williams, Ronnie Brown explained that a rebuilt tennis court will require periodic resurfacing, but will last 30 to 40 years. In response to a question from Mayor Pro Tem Carter, Ronnie Brown stated that \$300,000 is identified in the Capital Improvements Plan (“CIP”). The Council discussed enlisting the aid of a Highland Park Independent School District tennis coach to verify that the tennis courts are competitive courts. Bill Lindley stated that the courts are recreational tennis facilities. Council Member McKnight affirmed his opinion that a review of the designs by someone from HPISD would be good.

Regarding the Mockingbird Lane Landscape Improvements, Ronnie Brown stated that the Town is working with the City of University Park in a 50/50 cost share split on the painting and repair of the masonry wall on Mockingbird Lane. Additionally, the Town engaged John Armstrong to design the proposed landscape improvements on the Town’s portion of the wall, which will include installing more efficient irrigation, planting flowering trees, improving the turf grass area, and adding a planting bed. Bids for this project will be opened on May 18, 2017.

Regarding the Flippen Park Fountain Improvements, plans are to: (i) replace the existing concrete fountain with a metal fountain of the same approximate size, in a color similar to that of the Town's bridges, antiqued with a Verdi Gris finish, and (ii) decrease the depth of the pool perimeter eighteen inches (18") and transition to twenty-four inches (24") at the fountain's location. Council Member McKnight expressed a concern regarding dogs in the pool causing the fountain's pump to get clogged with fur. Ronnie Brown responded that the plans call for new filtration equipment. Bids will be opened on May 18, 2017.

*"Review and discuss the Fiscal Year 2017-18 Combined Operating and Capital Budget preparation process."* Steven Alexander, Director of Administrative Services and Chief Financial Officer, advised the Council that Finance staff is working with all departments to determine budgetary needs. He explained that the preliminary taxable assessed valuation ("TAV") increased between 5% and 6%, and after all protests have been heard by the Dallas Central Appraisal District and all adjustments are made, staff anticipates an increase of 4.7% in the TAV. Mayor Williams asked the Council Members if they wished to suggest programs and services for the next fiscal year, to which none was stated.

*"Review and discuss the Financial Report for the period ending March 31, 2017."* Cliff Copeland, Controller, explained that March marks the sixth month of the Fiscal Year 2017 Budget, and the completion of 50% of the fiscal year. General and Utility Fund combined revenues were \$22,082,934, or 66.6% of the annual projected amounts; combined expenditures and encumbrances were \$16,112,409, or 49.8% of the annual budget. General Fund revenue was \$17,343,703, or 78.2% of the annual projected amount. Property tax collections in the amount of \$12,398,095 are 98.5% of the annual projection; sales tax collections of \$1,913,171 are 50.6% of the annual projection. General Fund expenditures in the amount of \$11,236,736 are 50.6% of the annual budget. Water sales were 101.8% of the year-to-date projection and 97.9% of prior year sales; water consumption was approximately 1.0% more than the same period in the prior fiscal year. Utility Fund expenditures totaled \$4,875,673, or 48.0% of the annual budget. The investment portfolio yield was 0.867%.

There being no further business to come before the Council, the meeting was adjourned at 9:17 a.m.

APPROVED on this the 14th day of August, 2017.

By:

Joel T. Williams, III  
Mayor

ATTEST:

Gayle Kirby  
Town Secretary

MINUTES OF A MEETING OF THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS, HELD AT THE TOWN HALL, 4700 DREXEL DRIVE, ON MONDAY, MAY 22, 2017, AT 4:00 P.M.

Present at the meeting were Mayor Joel T. Williams, III, Mayor Pro Tem Bob Carter, and Town Council Members David Dowler, Margo Goodwin, and John McKnight. Absent from the meeting was Town Council Member Eric Gambrell.

Mayor Williams called the meeting to order and asked the Town Council if they wished to discuss any item(s) on the Regular Agenda, to which there was no response.

Council Member Goodwin gave the Invocation.

Mayor Williams asked if anyone in the audience wished to speak on any subject not on the agenda, to which there was no response.

Rick Pyle, Director of Public Safety presented promotion certificates to Sergeant Zac Sitton who was promoted from the rank of Public Safety Officer, and Lieutenant Joe Garber who was promoted from the rank of Sergeant. Chief Pyle asked their wives to pin their new badges on their uniforms.

Mayor Williams presented proclamations designating: May 14-20, 2017 as National Police Week; May 21-22, 2017 as National Emergency Medical Services Week; May 21-27, 2017 as National Public Works Appreciation Week; and May as Building Safety Month.

On a motion by Council Member Goodwin, seconded by Council Member Dowler, the Council voted unanimously to approve Items A. through G. on the Consent Agenda. Prior to the vote, Mayor Williams stated that the Council reviewed these items at its study session on May 16, 2017, and explained that with a consent agenda, several items are voted upon in one motion; any Council Member could request that any item(s) be removed for discussion and voted upon separately. Mayor Williams asked if any Council Member had such a request, to which there was no response.

- A. *Consider approval of the minutes of the Town Council study session held on March 7, 2017.*
- B. *Consider approval of Ordinance No. 2020 approving a negotiated settlement between the Atmos Cities Steering Committee and Atmos Energy Corporation, Mid-Tex Division and the associated rate adjustments.*

*ORDINANCE NO. 2020*

*AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE ("ACSC") AND ATMOS ENERGY CORP., MID-TEX DIVISION ("ATMOS MID-TEX" OR THE "COMPANY"), REGARDING THE COMPANY'S 2017 RATE REVIEW MECHANISM ("RRM") FILINGS; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; REQUIRING*

*RECONCILIATION AND RATE ADJUSTMENTS IF FEDERAL INCOME TAX RATES CHANGE; TERMINATING THE RRM PROCESS FOR 2018 PENDING RENEGOTIATION OF RRM TERMS AND CONDITIONS; REQUIRING THE COMPANY TO REIMBURSE ACSC'S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE ACSC'S LEGAL COUNSEL.*

- C. Consider approval of the contracts with Dustrol, Inc. for milling asphalt surfaces, and with APAC-Texas, Inc. for the asphalt overlay as part of the annual asphalt resurfacing program.*
- D. Consider approval of a purchase in the amount of \$130,141 for sixteen portable radios in the Department of Public Safety.*
- E. Consider approval of a purchase in the amount of \$105,195 for three patrol vehicles for the Department of Public Safety.*
- F. Consider approval of the purchase and installation of equipment required to up-fit three 2017 Chevrolet Tahoe police patrol vehicles.*
- G. Consider approval of a purchase in the amount of \$231,485.40 for nine vehicles for the Parks and Public Works Departments.*

Mayor Williams recessed the Council meeting at 4:22 p.m. and convened a closed session in accordance with Texas Government Code Chapter 551, Subchapter D, Section 551.074 – PERSONNEL MATTERS to discuss an appointment to the governing body of the Dallas County Park Cities Municipal Utility District, to fill the unexpired term vacated by the resignation of Michael R. Lacy. Mayor Williams closed the closed session at 4:53 p.m. and reconvened the Council meeting in open session.

Mayor Williams asked for comments or a motion regarding Agenda Item VII.A. Hearing none, Mayor Williams announced that no action was taken on Agenda Item. VII. A.

There being no further business to come before the Council, the meeting was adjourned at 4:54 p.m.

APPROVED on this the 14th day of August, 2017.

By:

Joel T. Williams, III  
Mayor

ATTEST:

Gayle Kirby  
Town Secretary



# **TOWN OF HIGHLAND PARK**

## **Agenda Briefing**

Council Meeting: August 14, 2017

Department: Building Inspection

Director: Ronnie Brown

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### **TITLE**

Consider approval of a Public Right-Of-Way Use Agreement to allow replacing a wooden fence at 3101 Cornell Avenue that encroaches into the right-of-way on Airline Road.

### **BACKGROUND**

On July 18, 2017, the Town Council reviewed a request from the owner of the property at 3101 Cornell Avenue to replace the existing non-conforming wooden fence along the east side of the property. The six-foot (6')- tall fence was built approximately twenty years ago, and encroaches a maximum of four and three-tenths feet (4.3') into the Airline Road public right-of-way (the "ROW"). The property owner acknowledges the Town's right to require the fence to be removed from the ROW, and requests that the Town execute an agreement to allow replacing the fence in its present location.

Staff reviewed the attached Use of Public Right-of-Way Agreement with the Town Attorney and the property owner. The Town's rights and remedies will be properly served with this agreement, while still allowing the property owner the ability to maintain his property within the proposed fence area.

### **RECOMMENDATION**

The staff recommends approval conditioned upon: (i) the property owner taking the fully executed original agreement and recording same at the Dallas County Deed Records office; (ii) returning one fully executed original of the recorded agreement to the Town's Building Inspection Department; and (iii) paying the permit fee and obtaining the fence permit. This item was reviewed by the Town Council at its study session on August 8, 2017.

### **FINANCIAL IMPACT**

None.

### **ATTACHMENTS:**

<b>File Name</b>	<b>Description</b>
Letter_Alexander_Fence_Variance.pdf	Letter of Request
HP_ROW_Use_Agrmnt_Alexander_3101_Cornell.pdf	ROW Agreement

## MEMO

To: Kirk Smith

From: Nick Alexander

Subject: Request for Variance

Date: July 3, 2017

I am requesting a variance to the Town of Highland Park for a Right of Way easement at the intersection of Airline Road and the 3100 Block of Cornell Avenue. My home address is 3101 Cornell Avenue. The portion of the easement in question is on the west side of Airline and runs south from Cornell Avenue to the alley which runs between Beverly Drive and Cornell Avenue.

An application for a Building Permit for the installation of a 50 linear foot 8' high wood fence was filed on 4/2/1997 and was granted on the same day. Apparently, there was not a post construction inspection at the time. The actual construction of the fence did not match the drawings on the application for building permit.

If you study the survey of the lot and building you will see that the building does not align within the plot, it shifts approximately 5 ft from the east to the west. Apparently, the fence contractor encountered a 1 ½ foot slope on the east side from the base of the foundation that would have necessitated the moving of a significant amount of soil and exposing the concrete of the foundation that supported the brick. Instead, he chose to start the first fence post 2'9" east of the boundary line and kept the fence on the line of the boundary.

The photos presented show the street, three pecan trees, the fence, and the house. If I am not granted a variance I will need to move the soil on the northeast side (photo), and redo my existing sprinkler system. Without the variance, the new fence would have an unsightly slant from the home to the garage. If at some point the Town of Highland Park decided to add a sidewalk adjacent to my property, there would be room between the pecan trees and the fence in its current position.

If there came a time in which the Town wanted to install a sidewalk from Cornell to the Katy Trail you can see from the photos provided that this would not be feasible without cutting down trees on the 5000 block of Airline (next block down from me) and would also require the repositioning of existing fire hydrant.

STATE OF TEXAS                    §                    *USE OF PUBLIC RIGHT-OF-WAY*  
COUNTY OF DALLAS           §                    *AIRLINE ROAD*

WHEREAS, Mr. A. Nicholas Alexander and Mrs. Cindy Alexander, (“Property Owners”) are the owners of the property described as the East 50’ of Lot 9, Block 59, Highland Park Addition, Fourth Installment, more commonly referred to as **3101 Cornell Avenue**, Highland Park, Dallas County, Texas (“Property”), and

WHEREAS, the Town of Highland Park, Texas, a municipal corporation of the County of Dallas, State of Texas (“Town”) is the owner of a 60 ft. wide public right-of-way, known as Airline Road, adjacent to the east side of the hereinabove described Property within the corporate limits of the Town; and

WHEREAS, the Property Owners request the Town grant permission to construct sixty nine (69) linear feet of eight (8) foot tall wood fence (Said improvement and/or structure hereinafter referred to as the “Fence”) in the Town’s public right-of-way adjacent to the Property; and

WHEREAS, the Property Owners, their successors or assigns, acknowledge the right of the Town to prohibit construction of the Fence that encroaches into the Town’s public right-of-way;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that for and in consideration of the benefits to be derived by us, our successors, or assigns, we, Mr. and Mrs. A. Nicholas Alexander, the undersigned Property Owners of the Property, in exchange for the Town permitting the Fence to encroach into the Town’s public right-of-way along the side of the Property a maximum of four and three tenths (4.3) feet, as more fully described in the attached Site Plan marked **EXHIBIT A** do hereby agree to the following:



1. The Town retains the right to cancel and terminate this Agreement and any rights created herein at any time. In such case, the Town shall provide notice in writing to the Property Owners, our successors or assigns, of such termination and sixty (60) days thereafter this Agreement and any rights created herein shall terminate. Upon the expiration of such termination notice, the Fence encroaching into the public right-of-way shall be removed by the Property Owners, our successors or assigns, at their sole cost and expense; and the public right-of-way shall be repaired and restored to the satisfaction of the Town or its designee.
2. The Property Owners agree that, prior to beginning any work, a building permit must be obtained from the Town's Building Inspection Department. Said permit shall be obtained and work to be performed on account of this Agreement shall be completed within one calendar year from the date this Agreement is approved by the Town Council.
3. The height of the Fence shall not exceed eight (8) feet as measured from the surface of the ground on the non-owner's side of the Fence as specified in the Town Zoning Ordinance.
4. **AS A CONDITION HEREOF, THE PROPERTY OWNERS, THEIR SUCCESSORS AND/OR ASSIGNS, AGREE AND ARE BOUND TO DEFEND, INDEMNIFY AND HOLD THE TOWN, ITS PAST, PRESENT, AND FUTURE MAYOR(S), COUNCIL MEMBERS, OFFICERS, EMPLOYEES, AGENTS, SUBCONTRACTORS, AND ALL OTHER PERSONS ACTING ON THE TOWN'S BEHALF, HARMLESS AGAINST ALL CLAIMS, LOSSES, JUDGMENTS, COSTS AND EXPENSES FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE OR OTHER HARM BY WHICH RECOVERY OF DAMAGES IS SOUGHT, BY ANY PERSON OR PERSONS, BECAUSE OF THE FENCE BEING LOCATED IN THE TOWN'S PUBLIC RIGHT-OF-WAY INCLUDING THE INTENTIONAL, RECKLESS, AND/OR NEGLIGENT ACT OR OMISSION OF THE PROPERTY OWNERS (OR ANY REPRESENTATIVE, AGENT, CUSTOMER, OR EMPLOYEE OF THE PROPERTY OWNERS) IN ITS USE OR MAINTENANCE OF THE FENCE. THE PROPERTY OWNERS FURTHER AGREE NEVER TO MAKE A CLAIM OF ANY KIND OR CHARACTER WHATSOEVER AGAINST THE TOWN FOR DAMAGE OF ANY KIND THAT IT MAY SUFFER TO THE**

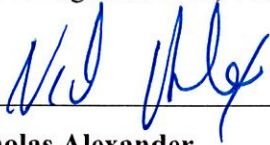
**FENCE INCLUDING THE TOWN'S INSTALLATION, CONSTRUCTION, RECONSTRUCTION, OPERATION OR MAINTENANCE OF ANY PUBLIC IMPROVEMENT, UTILITY, OR FACILITY WHETHER PRESENTLY IN PLACE OR WHICH MAY IN THE FUTURE BE CONSTRUCTED OR INSTALLED INCLUDING, BUT NOT LIMITED TO, SIDEWALKS, WATER OR WASTE-WATER MAINS, OR STORM SEWER FACILITIES, REGARDLESS OF WHETHER SUCH DAMAGE IS DUE TO FLOODING, INFILTRATION, BACKFLOW OR SEEPAGE CAUSED FROM THE FAILURE OF ANY INSTALLATION, NATURAL CAUSES, TOWN NEGLIGENCE OR FAULT, OR ANY OTHER CAUSES WHATSOEVER.**

**THE INDEMNITY PROVIDED THE TOWN IN THIS SECTION BY THE PROPERTY OWNERS SHALL NOT APPLY TO LIABILITIES RESULTING FROM THE INTENTIONAL, RECKLESS, AND/OR NEGLIGENT ACT OF THE TOWN, ITS PAST, PRESENT, AND FUTURE MAYOR(S), COUNCIL MEMBERS, OFFICERS, EMPLOYEES, AGENTS, SUBCONTRACTORS, AND ALL OTHER PERSONS ACTING ON THE TOWN'S BEHALF, AND IN THE EVENT OF JOINT AND CONCURRING NEGLIGENCE OR FAULT OF BOTH THE PROPERTY OWNER AND THE TOWN, RESPONSIBILITY AND INDEMNITY, IF ANY, SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE TOWN UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW;**

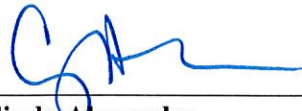
5. That the Property Owners agree to file this Agreement and any attachments thereto in the Deed Records of Dallas County, Texas and return the recorded copy to the Town prior to a building permit being issued for the fence.
6. That, the undersigned Property Owners, their heirs, successors and assigns, agree at their sole cost and expense to maintain the said Fence to the satisfaction of the Town and further agree to make needed repairs without delay in a good and workmanlike manner when requested by the Town; and

7. That the terms and conditions contained herein shall be binding upon the undersigned Property Owners, their successors or assigns.
8. This Agreement shall take effect immediately from and after approval by the Town Council in accordance with the provisions of the Charter of the Town of Highland Park, Texas.

PROPERTY OWNERS:



**A. Nicholas Alexander**  
**3101 Cornell Avenue**



**Cindy Alexander**  
**3101 Cornell Avenue**

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*APPROVED by the Highland Park Town Council on this 14th day of August, 2017.*

*APPROVED AS TO FORM:*

*APPROVED:*

*Matthew C. G. Boyle*  
*Town Attorney*

*Joel T. Williams, III*  
*Mayor*

*ATTEST:*

*Gayle Kirby*  
*Town Secretary*



STATE OF TEXAS §

COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared **A. Nicholas Alexander** known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and considerations therein expressed and in the capacities therein stated.

GIVEN UNDER my hand and seal of office this 8<sup>th</sup> day of August 2017.



Traci D. Ripley  
Notary Public, State of Texas

STATE OF TEXAS §

COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared **Cindy Alexander** known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and considerations therein expressed and in the capacities therein stated.

GIVEN UNDER my hand and seal of office this 8<sup>th</sup> day of August 2017.



Traci D. Ripley  
Notary Public, State of Texas

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# **TOWN OF HIGHLAND PARK**

## **Agenda Briefing**

Council Meeting: August 8, 2017

Department: Engineering

Director: Lori Chapin, P.E.

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### **TITLE**

Consider approval of an ordinance amending the Town's Code of Ordinances to add a "No Parking" designation on Byron Avenue between Beverly Drive and Cornell Avenue during school hours.

### **BACKGROUND**

The Town received a request from the Highland Park Independent School District ("HPISD") to install "no parking" signs on Byron Avenue between Beverly Drive and Cornell Avenue. When entering the 5100 Block of Byron Avenue, it is difficult for drivers to maneuver, due to the traffic constraints created by parked vehicles along both sides of the street. The limited access causes concerns regarding the ability of school buses and emergency services vehicles to safely maneuver adjacent to the school. The request for "no parking" along Byron Avenue originated from the changes made to student drop-off locations during the school's remodeling project. Because access along Byron Avenue has been an ongoing concern, HPISD requested that the "no parking" designation along Byron Avenue become a permanent change. This request was evaluated by the Town's Department of Public Safety, the Town Services Department, and the Engineering Department.

### **RECOMMENDATION**

Staff recommends approval of the ordinance and supports the placement of "No Parking" signs during school hours on Byron Avenue between Beverly Drive and Cornell Avenue. The Town Council reviewed this item at its study session on August 8, 2017.

### **FINANCIAL IMPACT**

Funding for the placement of signage is available in the Street Department.

### **ATTACHMENTS:**

<b>File Name</b>	<b>Description</b>
Amending_No-Parking_-_5100_Byron_Ave_During_School_Hours.docx	Proposed Ordinance
ARMSTRONG_EXISTING.pdf	Drawing Depicting Existing Condition
ARMSTRONG_PROPOSED.pdf	Drawing Depicting Proposed Condition

ORDINANCE NO.

AN ORDINANCE OF THE TOWN OF HIGHLAND PARK, TEXAS AMENDING THE CODE OF ORDINANCES OF THE TOWN OF HIGHLAND PARK, **CHAPTER 12, TRAFFIC AND VEHICLES, ARTICLE 12.07 STOPPING, STANDING AND PARKING, SECTION 12.07.084 PARKING OR STANDING PROHIBITED DURING CERTAIN HOURS, BY ADDING THE 5100 BLOCK OF BYRON AVENUE BETWEEN CORNELL AND BEVERLY DRIVE**; PROVIDING A PENALTY CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Town of Highland Park, Texas (the “Town”), is a Home Rule municipality having full powers of self-government and may enact ordinances relative to its citizens’ health, safety, and welfare that are not inconsistent with the Constitution and laws of the State; and

WHEREAS, Section 311.001 of the Texas Transportation Code provides that a home-rule municipality has exclusive control over and under the public highways, streets, and alleys of the municipality; and

WHEREAS, the Texas Transportation Code, Section 542.202(a)(2) Powers of Local Authorities, grants the Town the authority to regulate parking generally; and

WHEREAS, Section 545.302 of the Texas Transportation Code prohibits stopping, standing, or parking in certain areas, including areas where an official sign prohibits stopping, standing, or parking; and

WHEREAS, the Town desires to implement those rules and regulations that protect health, life, and property and that preserve good government, order, and security of the Town and its inhabitants; and

WHEREAS, the Town has determined that it is a necessity to regulate activities as provided for herein to safeguard the public; and

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:

SECTION 1. 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.

SECTION 2. That, the Code of Ordinances of the Town of Highland Park, **CHAPTER 12, TRAFFIC AND VEHICLES, ARTICLE 12.07 STOPPING, STANDING AND PARKING, Sec. 12.07.084 Parking or standing prohibited during certain hours** is amended to add the following:

<u>Street</u>	<u>Extent</u>	<u>Side</u>	<u>Time</u>
Byron Avenue	Starting at the north curb of Beverly Drive and extending in a northerly direction to the south curb of Cornell Avenue.	Both	7:15 a.m. – 9:00 a.m. 2:30 p.m. – 4:30 p.m.

SECTION 3. That, all ordinances or any parts thereof in conflict with the terms of this ordinance shall be and hereby are deemed repealed and of no force or effect.

SECTION 4. . That, any person, firm or corporation violating any of the provisions or terms of this ordinance shall be subject to the penalty provision of Section 1.01.009 of the Code of Ordinances of the Town of Highland Park, as amended. A separate offense shall be deemed committed upon each day during or on which a violation occurs or continues.

SECTION 5. That, should any sentence, paragraph, subdivision, clause, phrase or section of this ordinance be adjudged or be held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this ordinance as a whole, or any part or provision thereof other than the part thereof decided to be unconstitutional, illegal, or invalid, and the same shall not affect the validity of the Code of Ordinances of the Town of Highland Park as a whole.

SECTION 6. That, this ordinance shall take effect immediately following its passage, approval, and publication as provided by law, and it is accordingly so ordained.

PASSED AND APPROVED by the Town Council of the Town of Highland Park, Texas, on this the 14th day of August, 2017.

APPROVED AS TO FORM:

APPROVED:

Matthew C.G. Boyle  
Town Attorney

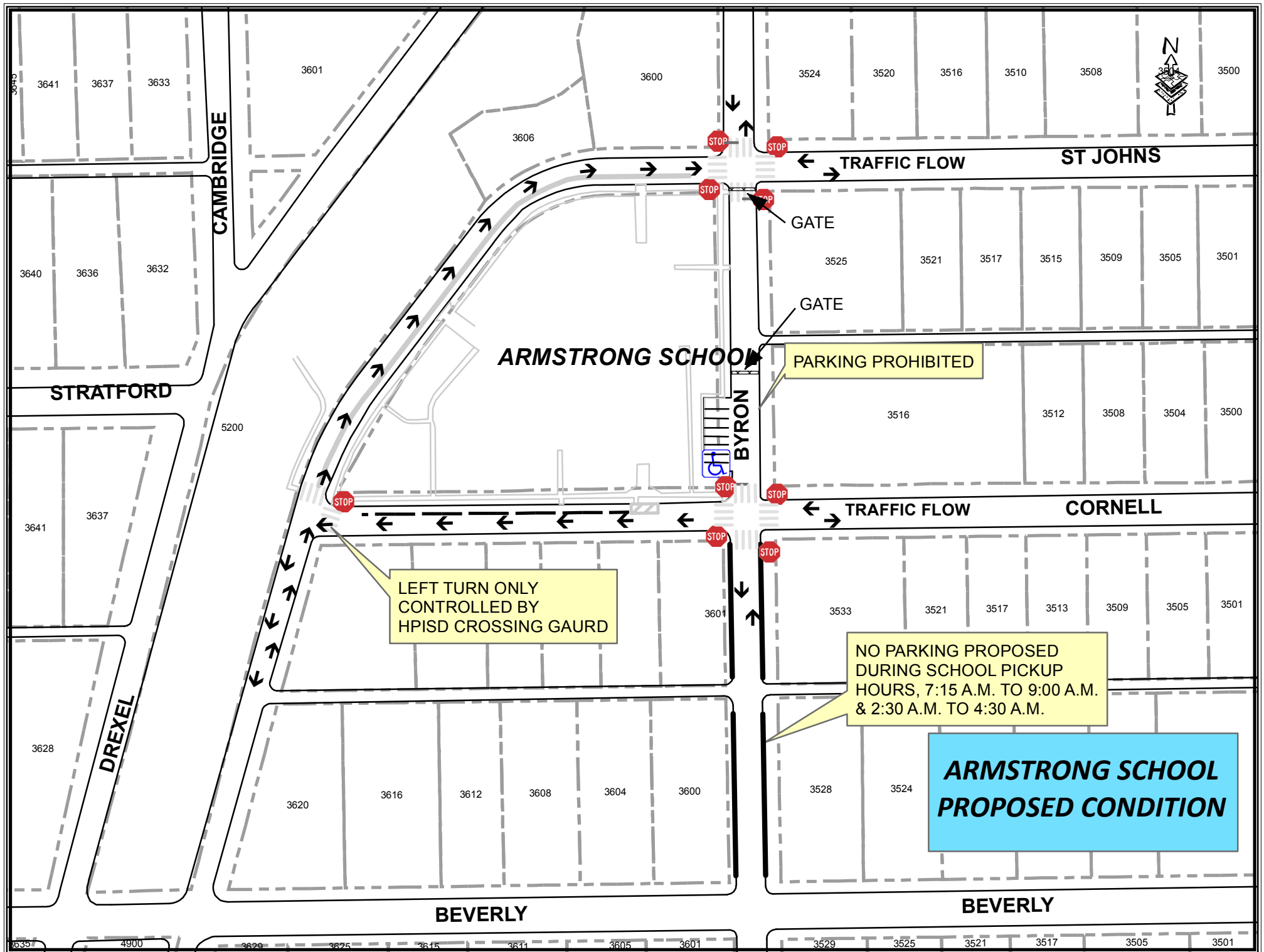
Joel T. Williams, III  
Mayor

ATTEST:

Gayle Kirby  
Town Secretary









## **TOWN OF HIGHLAND PARK**

### **Agenda Briefing**

Council Meeting: August 14, 2017

Department: Fiscal & Human Resources

Director: Steven J. Alexander

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#### **TITLE**

Consider approval of a resolution denying the rate application and consolidation proposed by Oncor.

#### **BACKGROUND**

The Town, along with 158 other cities served by Oncor Electric Delivery Company LLC (“Oncor” or the “Company”) is a member of the Steering Committee of Cities Served by Oncor (the “Steering Committee”). The Steering Committee has been in existence since the late 1980s, taking on a formal structure in the early 1990s when cities served by the former TXU gave up their statutory right to rate case expense reimbursement in exchange for higher franchise fee payments. Empowered by city resolutions and funded by per capita assessments, the Steering Committee has been the primary public interest advocate before the Public Utility Commission, the Courts, and the Legislature on electric utility regulation matters for the last 30 years.

On March 17, 2017, Oncor filed an application for a rate change with cities retaining original jurisdiction. In the filing, the Company seeks to increase system-wide transmission and distribution rates by \$317 million or approximately 7.5% over present revenues. The Company asks that the Town approve an increase of 11.8% in residential rates and an increase of 0.5% in street lighting rates. If approved, residential customers using 1,000 kilowatt-hours per month would see an increase of about \$6.68 in their monthly utility bill.

In March, the Steering Committee engaged the services of three consultants, Mr. Lane Kollen, Mr. Richard Baudino, and Mr. Karl Nalepa, to review the Company’s filing. The consultants identified numerous unreasonable expenses and proposed significant reductions to the Company’s request. Accordingly, the Steering Committee’s attorneys recommend that all members adopt the Resolution denying the rate change. Once the Resolution is adopted, Oncor will have 30 days to appeal the decision to the Public Utility Commission of Texas where the appeal will be consolidated with Oncor’s filing (i.e. PUC Docket No. 46957) currently pending at the Commission.

Under the law, cities with original jurisdiction over this matter have 125 days from the initial filing to take final action on the application. By the agreement of the parties, this deadline was suspended until August 19, 2017. As such, all cities with original jurisdiction wishing to deny the request must adopt a denial resolution no later than August 19.

This item was presented to Town Council at the Study Session on Tuesday, July 18, 2017.

#### **RECOMMENDATION**

Staff recommends approval of the resolution denying the rate application and consolidation proposed by Oncor.

## FINANCIAL IMPACT

None.

## **ATTACHMENTS:**

### **File Name**

Denying\_Oncor\_Rate\_Case\_2017.docx

### **Description**

Proposed Resolution

RESOLUTION NO.

A RESOLUTION OF THE TOWN OF HIGHLAND PARK, TEXAS FINDING THAT ONCOR ELECTRIC DELIVERY COMPANY LLC'S ("ONCOR" OR THE "COMPANY") APPLICATION TO CHANGE RATES WITHIN THE TOWN SHOULD BE DENIED; FINDING THAT THE TOWN'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY THE COMPANY; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; AND REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND TO LEGAL COUNSEL.

WHEREAS, the Town of Highland Park, Texas (the "Town") is an electric utility customer of Oncor Electric Delivery Company LLC ("Oncor" or the "Company"), and a regulatory authority with an interest in the rates and charges of Oncor; and

WHEREAS, the Town is a member of the Steering Committee of Cities Served by Oncor (the "Steering Committee"), a coalition of similarly situated cities served by Oncor that have joined together to efficiently and cost effectively review and respond to electric issues affecting rates charged in Oncor's service area; and

WHEREAS, on or about March 17, 2017, Oncor filed with the Town an application to increase system-wide transmission and distribution rates by \$317 million or approximately 7.5% over present revenues. The Company is asking the Town to approve an 11.8% increase in residential rates and a 0.5% increase in street lighting rates; and

WHEREAS, the Steering Committee is coordinating its review of Oncor's application and working with the designated attorneys and consultants to resolve issues in the Company's filing; and

WHEREAS, through review of the application, the Steering Committee's consultants determined that Oncor's proposed rates are excessive; and

WHEREAS, the Steering Committee's members and attorneys recommend that members deny the Application;

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

Section 1. That, the rates proposed by Oncor to be recovered through its electric rates charged to customers located within the Town limits, are hereby found to be unreasonable and shall be denied.

Section 2. That, the Company shall continue to charge its existing rates to customers within the Town.

Section 3. That, the Town's reasonable rate case expenses shall be reimbursed in full by Oncor within thirty (30) days of the adoption of this resolution.

Section 4. That, it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public as required by law, and the public notice of the time, place, and purpose of said meeting was given as required.

Section 5. That, a copy of this resolution shall be sent to Oncor, Care of Howard Fisher, Oncor Electric Delivery Company, LLC, 1616 Woodall Rodgers Freeway, Dallas, Texas 75202 and to Thomas Brocato, Counsel to the Steering Committee, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, Texas 78767-1725.

PASSED AND APPROVED by the Town Council of the Town of Highland Park this 14th day of August, 2017.

APPROVED AS TO FORM:

APPROVED:

Matthew C. G. Boyle  
Town Attorney

Joel T. Williams, III  
Mayor

ATTEST:

Gayle Kirby  
Town Secretary



## **TOWN OF HIGHLAND PARK**

### **Agenda Briefing**

Council Meeting: August 14, 2017

Department: Town Services

Director: Ronnie Brown

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#### **TITLE**

Consider approval of a proposal submitted by MESA Design Associates, Inc. for the Conceptual Design and Development of Hackberry Creek Improvements.

#### **BACKGROUND**

On April 18, 2017, staff presented an overview of the proposed Conceptual Design and Development of Hackberry Creek Improvements (the "Improvements") to the Town Council. Nine consultants were invited to submit qualifications. On May 18, 2017, the Town received seven responses from qualified consultants.

The staff reviewed the qualifications and selected four semi-finalists to present their understanding of the proposed improvements. Following interviews with the four semi-finalists, the staff selected MESA Design Associates, Inc. ("MESA") as the consultant best suited to provide the professional services necessary develop the Improvements.

On June 29, 2017, staff met with MESA to develop a scope of services proposal and contract for professional services. Staff and MESA met several times and completed the scope of services proposal and the contract for professional services for the Improvements.

MESA proposes to provide all the landscape architectural services and coordinate O'Brien Engineering Inc. ("OEI") for the engineering services, and Public Information Associates ("PIA") for the public engagement and information services associated with the Improvements. The final report will incorporate an executive summary, feasibility of the proposal improvements, all maps, matrix, diagrams, and public commentary developed during the design process. The design of the proposed Improvements will be completed within 150 days. The Basic Services associated with this proposal are \$284,060.00. Optional Services that may be requested are \$88,250.00. The total professional services for the Conceptual Design and Development Of the Hackberry Creek Improvements will not exceed \$372,310.00.

#### **RECOMMENDATION**

Staff recommends acceptance of the proposal submitted by MESA Design Group to provide the professional services related to the Conceptual Design and Development of Hackberry Creek Improvements. This item was reviewed by the Town Council at its study session on August 8, 2017.

#### **FINANCIAL IMPACT**

Funding in the amount of \$375,000.00. is identified in the Fiscal Year 2016-17 Capital Improvements Plan.

#### **ATTACHMENTS:**

**File Name**

**Description**





# Proposal for Professional Services

July 31, 2017

Ronnie Brown  
Town of Highland Park  
4700 Drexel Drive  
Highland Park, Texas 75205

**Project:** Hackberry Creek Improvements  
Highland Park, Texas

Dear Mr. Brown,

This proposal describes the landscape architectural services to be provided by MESA, the engineering services to be provided by O'Brien Engineering Inc. (OEI) and the information services to be provided by Public Information Associates (PIA), the costs of these services and general terms and conditions under which these services would be executed.

## SCOPE OF SERVICES

### **PART ONE: PROJECT KICKOFF AND THE ASSESSMENTS (6 weeks)**

Assessments are the foundation upon which the Hackberry Creek Improvements project approach is founded. Through assessments, the challenges to design, remediation, and restoration will be identified. Such identification reveals the nature of the design concepts to be proposed and establishes performance attributes by which to evaluate them.

#### **Task 1: Kickoff Meeting and Data Collection**

##### **Task 1.1 - MESA Scope**

MESA will meet with Town staff and walk the site to review all existing base data, goals previously developed and new initiatives identified by the Town for the project. A key component of this meeting will be the confirmation of schedules (including key milestones, and critical path elements, etc.) and deliverables. We will also confirm the core Client team, primary points of contact, stakeholder groups, and their roles within the planning process. Dates and formats for public workshops will be discussed.

MESA will gather from the Town, OEI, and other public domain sources, the database needed to undertake assessments described in the following tasks, and will format this information for use in presentations and the final report. At a minimum, this base information will include: aerial photograph of Town (digital image); Town boundaries, thoroughfare maps, zoning maps, and parks/ open space maps; Land use and ownership maps; Town open space and parks plans; Town initiatives/special projects (concurrent to plan); USGS maps (topography); Floodplain/floodway delineations and future projections; Significant environmental systems as necessary (soils, habitats, etc.); and GIS Data (ArcGIS), if available. MESA has the right to rely on this information and any information provided by others.

**Task 1.2 - OEI Scope**

Attendance at kickoff meeting, site visit, and subsequent meetings. OEI will gather available data for the creek area, including LIDAR contour data, utility maps and as-builts (to be provided by the Town), FEMA models, and survey data from previous projects in the area. It is assumed that the Town will provide available GIS data, plans, surveys, and geotechnical data from its past projects.

**Task 1.3 - PIA Scope**

Attendance at kickoff meeting and development of database of stakeholder information (email addresses, etc.)

**Task 2: Hackberry Creek Form Assessment****Task 2.1 - MESA Scope**

MESA will walk the site and review the report previously submitted to the Town by OEI to understand the relationship between built and natural fabric as it is today. The report defines the context within which this Creek Improvement project must succeed in terms of repairs and new construction and defining a form for the creek beyond merely functional. Elements of form that will be reinforced or depreciated by changes to the landscape include:

- Landmarks (Town Hall, Lexington Underpass, Armstrong Elementary, The Town Swimming Pool)
- Edges (Boulevards, streets, private property)
- Nodes (key points of intersection and pausing; within the creek way and with streets, in parks etc.)
- Districts/Sub-districts (Lakeside, Davis, Prather parks and Town Hall)
- Portals (Transitions and thresholds from the urban to the pastoral)
- Transitions/Sequences (hierarchy of plazas, trails, and paths within and into the creek way and parks)
- Nomadic Spaces (claimed by informal use)
- Focal Points (bridges, overlooks, statuary, terminal vistas)

Hackberry Creek moves within and relates to this cognitive structure that defines place for the Town. The design team's assessment will establish the location of such elements of form and their interrelation, especially as it incorporates the creek.

**Task 2.2 - OEI Scope**

OEI will observe the portions of the creek within the study area and look for depths of rock. Observe trees, walls, sidewalks, road, utilities, and other observable features for evidence of slope instability and risk of damage from creek erosion and migration. Look for changes from previous observations that would indicate a rapidly degrading situation.

**Task 3: Contextual Influence Assessment****Task 3.1 - MESA Scope**

MESA will conduct an assessment of the relationship between Hackberry Creek and the surrounding community. The influences of the surrounding community and environment are critical determinants for creek conditions (and opportunities), and are significant determinants for the project. MESA will gather input from the team and document the relevant influences that contribute to these conditions in an effort to establish solutions, recommendations, and guidelines that may address contextual factors within the Town's control that affect the project. These include the state of tree canopy and corresponding conditions of the ground plane underneath. Strategies for tree preservation, maintenance, or removal will be coordinated with a qualified arborist for the corridor and parks.

**Task 3.2 - OEI Scope**

The design team will perform a visual evaluation of the bridges. Safety of pedestrian and vehicular bridges and culverts will be evaluated using visual methods. Visual evaluations will include bridge components as well as evaluation of stream stability and scour by the bridge. The FHWA Bridge Inspector's Reference

Manual and TxDOT Bridge Inspection Manual will be used as references. Following the inspection, OEI will submit a Bridge Inspection Report containing the results of the inspection, including any deficiencies that were found, recommendations for preservation work, sketches, photographs, and inspection notes. No testing or other advanced methods (i.e. such as dye penetrant or corrosion sensors) will be utilized.

**Task 4: Town Council Briefing Session****Task 4.1 - MESA Scope**

MESA will meet with Town Council to understand their collective vision for the project prior to beginning any design studies. This will be an opportunity to gain input from Town Council on the cultural, aesthetic, and historical qualities of Highland Park and the Hackberry Creek corridor that may influence future design studies. This vision will be documented as a series of goal statements, prioritized to guide the subsequent tasks. At this meeting, it is assumed Town Council will identify key stakeholders to be invited to the stakeholder meeting identified below (Part 2, Task 1).

**Task 4.2 - OEI Scope**

Attendance at Town Council work session. Preparation of presentation materials, as necessary.

**Task 4.3 - PIA Scope**

Attendance at Town Council work session. Preparation of materials, as necessary, including:

- Prepare email post with workshop information, submit to Town Secretary for distribution to Town Council members;
- Assist with any required notices when a quorum of Town Council members meets;
- Prepare workshop agenda and materials;
- Prepare a summary of the workshop goals and objectives guiding the master planning effort.

**Task 5: Donor Meeting(s)****Task 5.1 - MESA Scope**

MESA will meet with Town staff and potential donors to identify specific areas and/or elements of interest for donor opportunities or other philanthropy. MESA, with input from the Town, will develop the necessary presentation materials to be presented to the donors. This task assumes up to two (2) donor meetings. Follow-up meetings or presentations may occur as needed to ensure support from the donors for selected projects.

**Task 6: Streambank Stability Assessment****Task 6.1 - MESA Scope**

Coordination with OEI.

**Task 6.2 - OEI Scope**

Based on the engineering data and field observations, determine which areas will require stabilization and which methods of stabilization should be used. The methods can include walls, regrading, vegetative armoring, or combinations thereof. Prioritize the projects based on the system developed herein.

**Task 7: Engineered Wall System Assessment****Task 7.1 - MESA Scope**

Coordination with the OEI on structural and safety issues. MESA will guide the aesthetic vision and quality of the improvements within the context of the project.

**Task 7.2 - OEI Scope**

Develop up to 6 wall system concepts for various wall heights (3-20 feet tall), reinforcing (soil nails, piers, tie-backs into rock, MSE, none), and wall facing materials. This will provide a menu of options for use at each location. These typical sections will be based on field observations along the creek. Site specific geotechnical data, which is not planned to be collected during the master plan phase, will be required during the design

phase to verify the validity of each concept and specify reinforcing information. Estimate unit costs for each system.

**Task 8: Jurisdictional Plans or Studies Assessment****Task 8.1 - MESA Scope**

MESA will review information as provided by OEI and the Town that give background and guidance for best strategies and practices to the relationship between the surrounding community and Hackberry Creek. Reports, studies, and investigations will be arranged by type and the key factors of each identified on an annotated map of the creek system.

**Task 8.2.a - OEI Scope - Waters of the U.S. Delineation (Optional)**

OEI will perform a delineation of Waters of the U.S. within the project area for use in determining the Section 404 permitting requirements of the project and to help avoid impacting Waters where possible.

**Task 8.2.b - OEI Scope - Section 404 Permitting Considerations**

The need for Section 404 permitting will be evaluated and considered at this stage. If necessary, a meeting will be scheduled with USACE to discuss the need for 404 permitting. If the Waters of the U.S. delineation is not performed, then the permitting considerations will be based on the assumption that the stream itself is the only Waters and that there are no adjacent wetlands. If these assumptions are not true, then the 404 permitting recommendations may not hold true when the final delineation and design is performed.

**Task 9: Benchmark Project Assessment****Task 9.1 - MESA Scope**

MESA will gather (with assistance from the design team) examples of case studies to creek restorations in urban settings in order to establish the nature of common solutions congruent with the design vision received from Town Council. Further, this assessment will evaluate the extent to which these approaches are suitable to the Hackberry Creek conditions and various ways they could be implemented to the Hackberry Creek corridor.

**Task 9.2 - OEI Scope**

Gather examples of successful design solutions to creek restorations in urban settings in order to establish the nature of common solutions.

**Task 10: Assessment Report****Task 10.1 - MESA Scope**

With input from the design team, MESA will prepare an assessment report which updates/builds upon the previously submitted OEI report for the Hackberry Creek Improvements Project. This report will summarize all the findings of the assessment phase, including the determination of goals and objectives derived from the Workshop with Town Council. This report will serve as the first of several chapters within the final report.

**Task 10.2 - OEI Scope**

Prepare exhibits and engineering section narratives for inclusion in the Final Assessment Report to be prepared by MESA.

**Product:** Assessment Report as described in Task 10.

**Meetings:** Up to six (6) meetings – one (1) kickoff meeting with the design team and Town staff, one (1) site visit, one (1) Town Council briefing session, up to two (2) donor meetings, and one (1) design team coordination meeting. *Additional meetings will be billed per the hourly rate schedule.*

**PART TWO: PUBLIC ENGAGEMENT (Project duration, up to 150 days)**

Given the extent to which the Hackberry Creek system is a part of the Highland Park community, public involvement in the planning and design process is essential. This public participation will take the form of two workshops.

**Task 1: Workshop #1-Stakeholder's Meeting (Goals, Objectives, and Planning Framework)**

The design team will meet and conduct a workshop with the Town staff, key stakeholders (identified by Town Council), and potentially the invited Town citizens at large along Hackberry Creek with an interest in the project. The meeting will share assessments and Town Council's vision for the project, forming an initial framework for the community's input and comment. The workshop will focus on identifying community goals and objectives for the Hackberry Creek Improvements Project in conjunction with those of Town Council, stakeholders, and key donors.

The workshop will open with a presentation of the assessments and the design issues challenging the restoration project. MESA will record their goals and objectives into a physical plan document which serves as a representation of design structure or pattern language authored by the public to which the final plan must respond.

**Task 1.1 - MESA Scope**

Attendance at the stakeholder's meeting and presentation of key issues and conditions about the project goals and intent. Record public input for documentation in final report.

MESA will coordinate with PIA to prepare a workshop report that summarizes the discussion and presents questions asked, responses provided and comments submitted at the workshop.

**Task 1.2 - OEI Scope**

Attendance at stakeholder's meeting, assistance in facilitation and recording of public input, goals, and objectives for the project.

**Task 1.3 - PIA Scope**

Attendance and technical input/assistance at stakeholder workshop; preparation of workshop notices in the following formats:

- Prepare social media releases for the Town's distribution to the public;
- Prepare a media release for sending to the local newspaper;
- Prepare text for social media platforms, such as Twitter or Facebook;
- Prepare a flyer that can be placed at the library, Town Hall or other public places;
- Provide the flyer and media release to the Town for posting on its website, and preparing text for a website announcement

Prepare workshop materials and documentation such as sign-in sheets and comment forms.

Prepare a workshop report that summarizes the discussion and presents questions asked, responses provided and comments submitted at the workshop.

**Task 2: Workshop #2- Summary of Vision Plans and Recommendations**

Following completion of the preliminary Vision Projects Report and meeting with staff for approval, Workshop #2 will be conducted to share the project's vision plans and the recommendations proposed by the design team with the key stakeholders and citizens. The goal of the workshop is to share and confirm the planning framework responding to the goals and objectives identified by stakeholders in Workshop #1 as well as the design responses formulated by the team. The input gathered at this meeting as well as the follow-up with Town staff will be incorporated into the final master plan to be presented to Town Council.

**Task 2.1 - MESA Scope**

MESA will prepare necessary presentation materials and attend the workshop, presenting key aspects of the plan to the workshop attendees.

**Task 2.2 - OEI Scope**

Attendance at workshop. Preparation of relevant presentation materials, as necessary.

**Task 2.3 - PIA Scope**

Attendance and technical input/assistance at stakeholder workshop; update of stakeholder database; preparation of workshop notices in the following formats:

- Prepare social media releases for the Town's distribution to the public;
- Prepare a media release for sending to the local newspaper;
- Prepare text for social media platforms, such as Twitter or Facebook;
- Prepare a flyer that can be placed at the library, Town Hall or other public places;
- Provide the flyer and media release to the Town for posting on its website, and preparing text for a website announcement

Prepare workshop materials and documentation such as sign-in sheets and comment forms.

Prepare a workshop report that summarizes the discussion and presents questions asked, responses provided and comments submitted at the workshop.

**Task 3: Master Plan Brochure /Summary for Social Media Distribution (Optional)**

The design team will prepare a final summary of the Vision projects and summary for public distribution for the Town. The report will be vetted with Town staff before final formatting and review prior to posting for public use and information.

**Task 3.1 - MESA Scope**

Preparation of relevant brochure materials, as necessary.

**Task 3.2 - OEI Scope**

Assistance in preparing relevant summary materials, as necessary.

**Task 3.3 - PIA Scope**

Assistance in preparing relevant summary materials as necessary.

**Task 4: Town Staff Guidance Reviews**

The design team will conduct regular review meetings with Town staff to preview materials presented at the workshops and the recommendations that flow from the workshops. Town staff will be given an opportunity to review and comment on the work as it progresses.

**Task 4.1 - MESA Scope**

Attendance at meetings with Town staff as needed prior to key project meetings or submittals. Preparation of relevant presentation materials, as necessary.

**Task 4.2 - OEI Scope**

Attendance at meetings. Preparation of relevant presentation materials, as necessary.

**Task 4.3 - PIA Scope**

Attendance at meetings. Preparation of relevant presentation materials, as necessary.

**Task 5: Final Staff/Town Council Presentation**

At the conclusion of the project, the design team will make a final presentation to the Town staff and Town Council. This presentation will be an overview of the assessments, workshops/public input, and restoration solutions. This presentation will serve as the hand-off of the project, as well as final report, to the oversight committee.

**Task 5.1 - MESA Scope**

Attendance at presentation. Preparation of relevant presentation materials, as necessary.

**Task 5.2 - OEI Scope**

Attendance at presentation. Preparation of relevant presentation materials, as necessary.

**Task 5.3 - PIA Scope**

Attendance at presentation. Preparation of relevant presentation materials, as necessary.

**Product:** Public Engagement Workshops and meetings as described above.

**Meetings:** Two (2) public/stakeholder workshops; a maximum of five (5) review meetings with the Town staff; and one (1) final staff/Town Council presentation.

**PART THREE: THE DESIGN FRAMEWORK (8 weeks, concurrent with Part Two)**

It is important that the design effort be guided by a Planning Framework that establishes a physical template within which the design must work to address the goals and objectives established in Workshop #1.

**Task 1: The Composite Planning Framework**

Based on goals and objectives produced in Workshops 1 & 2 (Town Council, stakeholders, and donors), the design team will prepare a Planning Framework document that portrays the physical implications of those goals and objectives.

**Task 1.1 - MESA Scope**

MESA will prepare a Planning Framework. This framework is not a design plan but a design structure that identifies:

- Key linkages throughout the study area
  - Community focal points and interface with private property
  - Pedestrian facilities and opportunities
  - Hydrological issues and challenges
- Transitions
  - Community context to creek
  - Sub districts within the project planning area
- Preservation/Restoration of Historic or Natural Systems
- Areas of Special Function/interest
  - Retaining walls, seating areas, and overlooks
  - Raingardens/bioswales/drainage retention
- Districts
  - Elements of distinction
  - Elements of continuity
- Opportunities resulting from repairs and construction of new improvements (e.g. activity areas)
  - Restoration areas
  - Pedestrian/creek interface zones
  - Interpretive areas
  - Amenities and enhancements
  - Contextual interventions (adjacent property owners)

**Task 1.2 - OEI Scope**

Coordinate with MESA on development of the Composite Planning Framework by considering the engineering and 404 implications.

**Task 2: Framework Report**

MESA will prepare a framework report for the Hackberry Creek Improvements project. This report will include all maps and district delineations developed within the frameworks. The report will also include all findings derived from Workshop #2. As with the assessment report, this document will serve as a chapter within the final Hackberry Creek Improvements Report.

**Task 2.1 - MESA Scope**

Preparation of the final Framework Report.

**Task 2.2 - OEI Scope**

Prepare exhibits and engineering section narratives for inclusion in the Final Framework Report to be prepared by MESA.

**Product:** Framework Report as described in Task 2 above.

**Meetings:** Two (2) coordination meetings. *Additional meetings will be billed per the hourly rate schedule.*

**PART FOUR: THE VISION PLAN (8 weeks, concurrent with parts 2 & 3)**

Based on the Framework Plan, the Vision Plan will illustrate recommended ways through which the Hackberry Creek improvements process will be realized. It is within the Vision Plan that the design team will document their proposed recommendations/solutions that address the community's goals and objectives.

**Task 1: Vision Plans****Task 1.1 - MESA Scope**

The design team will create a series of concept design Vision Plans that describe the physical enhancements, restorations, and remediation within the Hackberry Creek Improvement project. The Vision Plan will include:

- Channel Articulation Strategies
  - Contextual drainage enhancements
  - Channel enhancements
  - Retention & detention systems
  - Rainwater & bioswale systems (as appropriate)
- Hydrologic/Vegetative/Biologic Systems
  - Restoration & preservation zones
  - Vegetative stabilization techniques
- Designated improvement/repair/restoration areas
  - Town swimming pool and facilities
  - Davis Park
  - Prather Park
  - Creek/context transition zones
  - Amenity enhancements throughout project area
  - Pedestrian accessibility tolerances (ADA/TAS)
  - Utilization/transformation of non-accessible zones
- Beautification and Interpretation
  - Shared landscape transitions
    - Restoration efforts
    - Contextual benefits/visual share
  - Creek interpretive story
    - Creek
    - Natural systems
    - Drainage & water conveyance
    - Neighborhood cultural story



- Town Swimming Pool Master Plan
  - Facilities
    - Entry sequence and pedestrian accessibility from Lexington (ADA/TAS)
    - Cabanas and support buildings – **Architect Services (Optional)**
    - Common areas within pool enclosure
    - Evaluation of filtration equipment & appurtenances – **MEP Services (Optional)**
    - Opportunities for programming/expansion
  - Park and Open Space
    - Playground and play areas
    - Active/Passive recreation opportunities
    - Integration of tennis programming
    - Pedestrian Accessibility from surrounding streets (ADA/TAS)

**Task 1.2 - OEI Scope**

Coordinate with MESA for development of the Vision Plans.

**Task 2: Vision Projects****Task 2.1 - MESA Scope**

MESA will break the above described vision plans into individual recommended projects. These projects will be organized by creek sub-districts, thereby designating a series of initiatives associated with each district/stakeholder group as well as phasing. The result will be a list of physical projects that can be distributed within a broad range of funding options.

**Task 2.2 - OEI Scope**

Coordinate with MESA of development of Vision Projects.

**Task 3: Vision Projects Engineering Feasibility****Task 3.1 - MESA Scope**

Coordination with OEI for vision, feasibility, and implementation strategies.

**Task 3.2 - OEI Scope**

The design team will evaluate the engineering feasibility through hydrologic and hydraulic modeling, evaluation of 404 permitting, selection of the appropriate wall type (where applicable), impacts to other infrastructure, and constructability. Walls, bridges, culverts, and grading projects are expected to generally conform to the existing channel geometry. Floodplain modeling is only expected to be required at 3 locations: Beverly Drive culverts, Miramar Drive culvert, and the tennis court upstream of Lexington Avenue. No detention or stormwater quality modeling is included. Additional floodplain or other hydrology and hydraulics modeling can be performed as an additional service for an additional fee.

**Task 4: Vision Projects Report**

The design team will prepare a report outlining the overall vision plan and subsequent division of projects. The report will outline each project, the associated creek modifications and enhancements, and the manner in which each project responds to the goals and objectives. Similar to the previous reports, the Vision Projects Report will be incorporated into a final Hackberry Creek Improvements Report.

**Task 4.1 - MESA Scope**

Preparation of the final Vision Projects Report with input from the design team.

**Task 4.2 - OEI Scope**

Prepare exhibits and engineering section narratives for inclusion in the Vision Projects Report to be prepared by MESA.

**Product:** Vision Projects Report as described in Task 4 above.

**Meetings:** Two (2) coordination meetings. *Additional meetings will be billed per the hourly rate schedule.*

**PART FIVE: THE IMPLEMENTATION & MAINTENANCE STRATEGY (10-12 weeks, concurrent with Parts Two, Three, Four, and Six)**

The design team will organize the vision plan projects into an implementation and maintenance strategy for future development. Components of this strategy will include projections of project implementation costs, prioritization of projects, maintenance standards, and potential funding strategies.

**Task 1: Project Implementation Costs**

**Task 1.1 - MESA Scope**

With input from the design team, MESA will prepare a matrix of project implementation costs for all initiatives included in the vision plan. This matrix will outline both hard and soft costs for all vision projects, and incorporate the expertise and knowledge of local contractors.

**Task 1.2 - OEI Scope**

Prepare costs for civil engineering related items, such as construction and utility relocation. MESA will be responsible for preparing other costs, such as landscaping, buildings, and finishes.

**Task 2: Prioritization of Projects**

**Task 2.1 - MESA Scope**

Working with Town staff, MESA and the design team will establish a prioritization matrix that will encompass the vision projects identified for the Master Plan. This matrix will evaluate each project's ability to respond to the community's goals and objectives (determined in previous workshops). Projects that accomplish a majority of goals and objectives will achieve a higher prioritization, resulting in a ranking system that is directly related to the community's vision. This will include weighting factors for the severity of the problem, potential impacts to various types of infrastructure, public safety, regulatory difficulties, constructability, costs, and other factors. Work with the Town on the inclusion and weighting of various factors. This process can also include public input.

**Task 2.2 - OEI Scope**

Coordinate with MESA on project prioritization.

**Task 3: Potential Funding Strategies (Optional)**

**Task 3.1 - MESA Scope**

Upon completion of the prioritization and costing matrix, MESA and the design team will evaluate each project in terms of funding capabilities. Potential funding sources will be identified that are, but not limited to, the following:

- Grant opportunities (state and national)
- Donor opportunities
- Public/neighborhood initiatives
- Texas Parks and Wildlife (TPW)
- North Central Texas Council of Governments (NCTCOG)
- Moody Foundation
- Others, to be determined

**Task 3.2 - OEI Scope**

Coordinate with MESA on potential funding strategies by addressing questions about proposed solutions.

#### **Task 4: Implementation Report**

The design team will prepare a summary for inclusion in the final report outlining the implementation strategies for each vision project.

##### **Task 4.1 - MESA Scope**

Preparation of the final Implementation Report.

##### **Task 4.2 - OEI Scope**

Prepare exhibits and engineering section narratives for inclusion in the Implementation Report to be prepared by MESA.

**Product:** Implementation Report including prioritization of projects, cost projections, maintenance standards, and potential funding strategies.

**Meetings:** Two (2) coordination meetings. *Additional meetings will be billed per the hourly rate schedule.*

#### **PART SIX: FINAL MASTER PLAN REPORT (5 weeks)**

MESA will develop a final report that will encapsulate all design efforts and initiatives realized within this project. This report is intended to not only be a summary of the process, but rather a useful implementation and reference tool for the Town of Highland Park.

#### **Task 1: Hackberry Creek Planning Report**

The design team will prepare a final report for the Hackberry Creek Improvements Project that will include the following:

- Assessments
- Framework Plan
- Vision Plan
- Implementation Strategies
- Maintenance Strategies
- Public Engagement/Input

The Final Master Plan Report will also include an Executive Summary (<2 pages), summary of purpose and benefits, feasibility of proposed improvements, phasing plan with associated budget, potential partnership strategies, as well as all maps, matrix, diagrams, and public commentary developed during the design process.

##### **Task 1.1 - MESA Scope**

Preparation of the Final Master Plan Report.

##### **Task 1.2 - OEI Scope**

Prepare exhibits and engineering section narratives for inclusion in the Final Master Plan Report to be prepared by MESA.

**Product:** Final Master Plan Report (10 hard copies and digital PDF) that depicts the information outlined above – specific area enlargements, sections, elevations, and sketches may be prepared as necessary.

**Meetings:** One (1) final master plan presentation to Town staff and Town Council (per Part Two, Task 7). *Additional meetings will be billed per the hourly rate schedule.*

**PART SEVEN: PRESENTATION GRAPHICS (OPTIONAL SERVICES)**

**Task 1: Hand Drawn Illustrative and Presentation Graphics (Optional Service)**

**Task 1.1 - MESA Scope**

At the Client's request, MESA will prepare presentation graphics in the form of hand drawn perspective renderings, illustrative plans, and other exhibits for presentation and marketing. MESA will provide indicative samples of the proposed media for the Client's approval in order to accurately quote pricing for any illustrative graphics prior to execution of these services. The final contents of the Illustrations and Graphics will be determined in a separate Agreement.

Graphics will be based off of the master plan phase and includes up to eight (8) hand drawn perspective renderings transmitted in a digital format (.jpg) as requested by the Client. Any additional images and/or iterations developed based on design changes and/or modifications made throughout subsequent project phases/tasks will be billed at a rate of \$3,000.00 per rendering.

Please note this does not include illustrative graphics for potential donors which will be negotiated under a separate agreement at a later date.

**Task 2: Computer Modeling and Animated Graphics and Presentations (Optional Service)**

**Task 2.1 - MESA Scope**

At the Client's request, MESA will prepare computer models of the major site and design elements to assist in evaluating the design and marketing the project. These models may be used to develop high quality "snapshots" of key views and further animated into walk through/fly through videos.

The digital video file will be based off of the Design Development phase and includes a total of three (3) minutes of video to consist of one continuous path or a montage of short video clips, as well as eight (8) still images. Digital video file will be transmitted as an .MP4 by default and still images as .jpg files. Media may be rendered and transmitted in additional digital format types as requested by the Client and billed hourly according to hourly rate schedule. Modifications to the digital video based on design changes, modifications made throughout subsequent project phases/tasks, or additional video duration/clips requested beyond those included in the initial three (3) minutes of video will be billed at a rate of \$8,000.00 per video update and \$1,500.00 per still image.

Please note this does not include computer modeling for potential donors which will be negotiated under a separate agreement at a later date.

**Product:** Presentation graphics noted above as requested by the Client.

**Meetings:** As needed, billed hourly according to hourly rate schedule.

**COST OF SERVICES**

The below scope of services will be billed on a lump sum basis (in accordance with the fee schedule specified below) with the total cost of services not to exceed the amount specified for each without a written addendum to this contract. The below tasks shall be billed as follows:

**BASIC SERVICES**

<b>TASK</b>	<b>MESA</b>	<b>OEI</b>	<b>PIA</b>
<b>PART ONE: ASSESSMENTS</b>	<b>\$39,265.00</b>	<b>\$34,500.00</b>	<b>\$4,725.00</b>
Task 1: Kickoff Meeting and Data Confirmation	\$ 3,960.00	\$ 3,600.00	\$3,150.00
Task 2: Hackberry Creek Form Assessment	\$ 8,120.00	\$ 3,600.00	
Task 3: Contextual Influence Assessment	\$ 6,460.00	\$ 3,600.00	
Task 4: Town Council Briefing Session	\$ 3,670.00	\$ 1,800.00	\$1,575.00
Task 5: Donor Meeting(s) (2 max)	\$ 2,690.00		
Task 6: Streambank Stability Assessment	\$ 820.00	\$ 2,400.00	
Task 7: Engineered Wall System Assessment	\$ 820.00	\$12,500.00	
Task 8: Jurisdictional Plans or Studies Assessment	\$ 1,935.00	\$ 2,200.00	
Task 9: Benchmark Project Assessment	\$ 3,870.00	\$ 1,200.00	
Task 10: Assessments Report	\$ 6,920.00	\$ 3,600.00	
<b>PART TWO: STAKEHOLDER ENGAGEMENT</b>	<b>\$19,670.00</b>	<b>\$ 15,600.00</b>	<b>\$12,840.00</b>
Task 1: Workshop #1 Stakeholder Meeting	\$ 3,670.00	\$ 2,400.00	\$ 3,850.00
Task 2: Workshop #2 – Summary of Vision Plans and Recommendations	\$ 3,670.00	\$ 4,800.00	\$ 6,200.00
Task 4: Town Staff Guidance Reviews (5 max)	\$ 8,660.00	\$ 6,000.00	\$ 2,325.00
Task 5: Final Staff/Town Council Presentation	\$ 3,670.00	\$ 2,400.00	\$ 465.00
<b>PART THREE: THE DESIGN FRAMEWORK</b>	<b>\$14,630.00</b>	<b>\$ 8,400.00</b>	
Task 1: The Composite Planning Framework	\$10,100.00	\$ 4,800.00	
Task 2: Framework Report	\$ 4,530.00	\$ 3,600.00	
<b>PART FOUR: THE VISION PLAN</b>	<b>\$55,460.00</b>	<b>\$24,600.00</b>	
Task 1: Vision Plans	\$35,140.00	\$ 3,000.00	
Task 2: Vision Projects	\$ 8,540.00	\$ 3,000.00	
Task 3: Vision Projects: Engineering Feasibility	\$ 1,140.00	\$14,400.00	
Task 4: Vision Projects Report	\$10,640.00	\$ 4,200.00	
<b>PART FIVE: THE IMPLEMENTATION PLAN</b>	<b>\$21,330.00</b>	<b>\$9,000.00</b>	
Task 1: Project Implementation Costs	\$ 7,230.00	\$ 3,600.00	
Task 2: Prioritization of Projects	\$ 5,460.00	\$ 2,400.00	
Task 4: Implementation Report	\$ 8,640.00	\$ 3,000.00	
<b>PART SIX: THE FINAL MASTER PLAN REPORT</b>	<b>\$18,540.00</b>	<b>\$ 6,000.00</b>	
Task 1: Hackberry Creek Improvements Planning Report	\$18,540.00	\$ 6,000.00	
<b>Consultant Sub-Totals – Basic Services:</b>	<b>\$168,895.00</b>	<b>\$97,600.00</b>	<b>\$17,565.00</b>
<b>Total – Basic Services:</b>	<b>\$284,060.00</b>		

**OPTIONAL SERVICES**

<b>TASK</b>	<b>MESA</b>	<b>OEI</b>	<b>PIA</b>
<b>PART ONE: ASSESSMENTS</b>		<b>\$ 5,000.00</b>	
Task 8: Jurisdictional Plans or Studies Assessment (Jurisdictional Determination)		\$ 5,000.00	
<b>PART TWO: STAKEHOLDER ENGAGEMENT</b>	<b>\$ 3,270.00</b>	<b>\$ 2,400.00</b>	<b>\$ 2,480.00</b>
Task 3: Master Plan Brochure /Summary for social media distribution	\$ 3,270.00	\$ 2,400.00	\$ 2,480.00
<b>PART FOUR: THE VISION PLAN</b>	<b>\$ 7,500.00</b>		
Task 1: Vision Plans – Architect Services	\$ 5,000.00		
Task 1: Vision Plans – MEP Services	\$ 2,500.00		
<b>PART FIVE: THE IMPLEMENTATION PLAN</b>	<b>\$ 6,800.00</b>	<b>\$ 1,800.00</b>	
Task 3: Potential Funding Strategies	\$ 6,800.00	\$ 1,800.00	
<b>PART SEVEN: PRESENTATION GRAPHICS</b>	<b>\$59,000.00*</b>		
Task 1: Hand Drawn Illustrative and Presentation Graphics*	\$ 24,000.00*		
Task 2: Computer Modeling and Animated Graphics*	\$ 35,000.00*		
<i>*Estimate. Actual cost of services To Be Determined.</i>			
<b>Consultant Sub-Totals – Optional Services:</b>	<b>\$76,570.00</b>	<b>\$9,200.00</b>	<b>\$2,480.00</b>
<b>Total – Optional Services:</b>	<b>\$88,250.00</b>		

**REIMBURSABLE EXPENSES**

Reimbursable non-labor costs for this project are included in the fees above.

**ADDITIONAL SERVICES/HOURLY FEE SCHEDULE**

Services requested, but not specifically included in the scope of services listed above, will be considered additional services. Modifications to drawings, after approval by Owner, as a result of changes requested by Owner or other consultant will be considered additional services and billed at an hourly rate as follows:

<b>MESA</b>		<b>OEI</b>		<b>PIA</b>	
Senior Principal	\$235.00	Principal	\$207.00	Partner	\$155.00
Principal	\$180.00	Project Manager	\$190.00		
Associate Principal	\$150.00	Senior Hydrologist	\$183.00		
Associate	\$130.00	Senior Engineer	\$162.00		
Senior Project Manager	\$110.00	Project Engineer	\$151.00		
Project Manager	\$100.00	Task Engineer	\$134.00		
Senior Designer	\$ 90.00	Staff Engineer	\$118.00		
Designer	\$ 75.00	Junior Engineer	\$ 97.00		
Marketing/Acct./Admin	\$ 75.00	Senior Designer	\$115.00		
Intern	\$ 50.00	Senior CADD Tech	\$104.00		
		Tech II/CADD Operator	\$ 91.00		
		Tech I/CADD Operator	\$ 80.00		
		Support Staff	\$ 67.00		

**PROPOSAL AND CONTRACT CONDITIONS:**

1. The client will provide the following and MESA has the right to rely on this information and rely on any information provided by others:
  - a. Boundary and general survey locating structures, property lines, utilities that cross the property and interior lobby plans in AutoCAD format.
  - b. Soils Report (if required).
  - c. Budgetary Considerations.
2. Not included are the following:
  - a. Vehicular Paving Improvements
  - b. Utilities (water, sewer, storm, electrical, cable, telephone, etc.)
  - c. Structural, MEP, Irrigation and Architectural services
  - d. Engineered designed/construction documents of hardscape and flatwork design
  - e. Landscape Lighting Electrical Plans
  - f. Project Signage and Graphics
  - g. Design of new or additional elements added to the scope of work or any related off-site improvements
  - h. Redesign of elements due to site plan changes (i.e., buildings relocated, site grading changes)
  - i. Geotechnical Information
  - j. Water features
  - k. Illustrative plans, models and drawings not specifically described in the Scope of Services
  - l. TDLR Submittal (consultant will identify probable impacts, budget, etc. as part of the overall study)
  - m. As Built Drawings
  - n. On-Site Construction Management
  - o. Site Safety, Operations or Maintenance
  - p. Site Survey
  - q. No permitting
  - r. Engineers evaluation of buildings, tennis courts, or other projects not associated with the creek

3. MESA Design Associates may subcontract consultants (subject to reasonable Town approval) in the performance of any services described in this agreement. MESA shall be solely responsible for the work of any such subcontractors, including but not limited to OEI and PIA.
4. MESA Design Associates does not act as General Contractor in any way, or accept responsibility for poor craftsmanship.

**5. The above-described compensation for MESA Design Associates does not include the following non-labor costs:**

**Reimbursables:**

- a. Permits and/or registration fees
  - b. Any and all Jurisdictional Submittal, Permitting or Review Fees.
  - c. TDLR Fees and Expenses.
  - d. Other products and services requested by the Client and not specifically described herein.
6. Should the Client or Owner cancel scheduled meetings with less than 72 hours' notice, MESA reserves the right to invoice the Client or Owner for all related National and International travel and accommodation expenses incurred.
  7. Either Party may terminate this contract with (7) seven days written notice to the other party. Upon termination, MESA will be paid for all work performed, including reimbursable expenses, through the date of termination. Once MESA receives final payment, any documents related to the work performed prior to termination will become property of the Town with rights to use as is.
  8. Should the project go "on hold" for more than sixty (60) days, the Consultant reserves the right to charge a \$600.00 restart fee when the project resumes. MESA's fees for the remaining services and the time schedules shall be equitably adjusted.
  9. This agreement is to be governed by the laws of the State of Texas. Compensation for all services shall be paid in Dallas, Dallas County, Texas.
  10. In the event disputes are not satisfactorily resolved through informal discussions, the Client and MESA agree that all disputes between them arising out of or relating to this agreement or the Project shall be submitted to nonbinding mediation. In the event the parties to this agreement are unable to reach a settlement through mediation, then such disputes shall be settled by litigation, in a court of competent jurisdiction.
  11. Invoice Terms: Net thirty (30) days from invoice date. A finance charge of 1.5% per month (18% per annum) will be added to accounts over thirty (30) days past due. Client agrees to pay reasonable attorney's fees incurred by MESA to collect on unpaid invoices. MESA reserves the right to file a property lien if invoices go over sixty (60) days past due.
  12. If the client fails to make payments to MESA in accordance with this agreement, such failure shall be considered substantial non-performance and cause for termination or, at MESA's option, cause for suspension of performance of service under this agreement. If MESA elects to suspend service, prior to suspension of services, MESA shall give seven (7) days written notice to the Client. In the event of a suspension of services, MESA shall have no liability to the Client for delay or damage caused to the Client because of such suspension of services. Before resuming services, MESA shall be paid all sums due prior to suspension and any expenses incurred in the interruption and resumption of MESA's services. MESA's fees for the remaining services and the time schedules shall be equitably adjusted.
  13. The hourly rates and multiples for services of the Consultant and Consultant's sub consultants as set forth in this Agreement shall be adjusted in accordance with their normal salary review practices annually or as agreed upon between the Client and Consultant.



14. The Texas Board of Architectural Examiners has jurisdiction over complaints regarding the professional practices of persons registered as Landscape Architects in Texas. Texas Board of Architectural Examiners, P.O. Box 12337, Austin, Texas 78711-2337; tele: 512.305.9000; fax: 512.305.9005; e-mail: [www.tbae.state.tx.us](http://www.tbae.state.tx.us).
- 15. LIMITATION OF LIABILITY: to the maximum extent permitted by law, the Client agrees to limit MESA's liability for the Client's damages to two times the fees indicated in this proposal. This limitation shall apply regardless of the cause of action or legal theory pled or asserted.**
16. By making visits to the site, MESA is not assuming the responsibilities of the builder, Construction Manager, Construction Superintendent or any of their agents or subcontractors.
17. Plans, drawings and specifications or other writings or documents prepared or provided by MESA hereunder are prepared for this Project only, but may be used by MESA for purposes of illustrating the scope and nature of project involvement. MESA shall provide Client with a reproducible set of drawings and specifications for its records. They shall not be used by Client for other projects or extensions to the project without the express written permission of MESA.
18. It is expressly understood and agreed that MESA shall not have control of, or charge of, or be responsible for construction, means, methods, techniques, sequences or procedures, or for safety precautions or programs in connection with the Project or for the acts or omissions of any contractor, subcontractor or other persons performing work for the Project and Client shall indemnify MESA and hold MESA harmless from and against any and all claims, demands, losses, costs, third party beneficiaries, liabilities and damages including, without limitation, reasonable attorney's fees and expenses, incurred by MESA and arising out of or related to any of the aforesaid.
19. Notwithstanding any other provision of this Agreement, MESA and MESA's sub consultants shall have no responsibility for the discovery, presence, handling, removal, disposal or exposure of persons to hazardous materials in any form at the project site, including but not limited to asbestos, asbestos products, mold, polychlorinated biphenyl (PCB) or other toxic substances.
20. Nothing contained in this agreement shall create a contractual relationship with or a cause of action in favor of a third party against either MESA or the Client. MESA's services under this agreement are being performed solely for the Client's benefit, and no other party or entity shall have any claim against MESA because of this agreement or the performance or nonperformance of services hereunder.
21. If any term or provision of this Agreement is held to be invalid or unenforceable under any applicable statute or rule of law, such holding shall be applied only to the provision so held, and the remainder of this Agreement shall remain in full force and effect.
22. This document super cedes all previous discussions and documents, if any, and may only be amended by written agreement between the parties.
23. In providing services under this Agreement, the Consultant (MESA) shall perform in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances at the same time and in the same or similar locality.

Respectfully submitted,  
MESA Design Associates, Inc.

A handwritten signature in black ink, appearing to read "Stan R. Cowan". The signature is fluid and cursive, with the first name "Stan" and last name "Cowan" clearly distinguishable.

Stan R. Cowan  
Principal

Acceptance of Proposal and Contract Terms and Conditions;  
Town of Highland Park

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Authorized Representative

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Date



# **TOWN OF HIGHLAND PARK**

## **Agenda Briefing**

Council Meeting: August 14, 2017

Department: Department of Public Safety

Director: Rick Pyle

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### **TITLE**

Consider approval of a purchase in the amount of \$313,425.00 for a 2018 Frazer MICU/Ambulance and related equipment.

### **BACKGROUND**

The Department of Public Safety plans to purchase a 14-foot Frazer Type I Ambulance Compartment Module on a 2018 International 4300 LP Truck Chassis from Frazer, LTD for a price of \$313,425.00. This ambulance will become the primary response unit for the Town's Emergency Medical Services calls, replacing the current front-line unit. The current front-line unit will be relegated to secondary call response, and the current secondary unit will be relegated to back-up status, as needed. The current back-up unit will be sold to recover any residual value after 15 years of service.

Frazer, LTD will source the bulk of this purchase, including painting, graphics, emergency lighting, sirens, wiring, and structural modifications as needed, to mate the ambulance module to the truck chassis.

Construction of the unit will be in accordance with the Federal government's General Service Administration ambulance construction guidelines, KKK-A-1822F, referenced in the attached quote as "Triple K." This is a nationally recognized standard that has been utilized since 1974.

This capital purchase will be made through the Houston-Galveston Area Council purchasing cooperative, a state-approved consortium which meets the State's competitive bidding requirements.

### **RECOMMENDATION**

Staff recommends approval of the purchase of a 2018 Frazer MICU/Ambulance and related equipment for a price of \$313,425.00. The Town Council reviewed this item at its study session on July 18, 2017.

### **FINANCIAL IMPACT**

Funds in the amount of \$291,175.000 are available in the Equipment Replacement Fund. The price difference of \$22,268.00 will be offset by the sale of the current back-up unit after the new ambulance has been placed in service.

### **ATTACHMENTS:**

<b>File Name</b>	<b>Description</b>
2017_Frazer_Quote.pdf	2017 Frazer Quote



June 20, 2017

Ryan Dikes  
EMS Coordinator  
Highland Park DPS  
Email:rdikes@hpds.org

Quote # 451D

Mr. Dikes:

Per your request we are quoting (1) Frazer Type I 14' Generator Powered Module on a 2018 International 4300 LP w/ LiquidSpring suspension w/ ballast (no factory airhorns, electric fold-in mirrors & Two-tone red (FLNA 3626) & white paint) . For your convenience all pricing has been itemized below.

Frazer Type I 14' Generator Powered Module	\$ 110,900.00
2018 International 4300 LP w/ LiquidSpring suspension w/ ballast (no factory airhorns, electric fold-in mirrors & Two-tone red (FLNA 3626) & white paint)	\$ 95,000.00
Heat shielding for diesel chassis	\$ 1,500.00
Chassis Exterior	\$ 8,300.00
Chassis Interior	\$ 3,625.00
Module Exterior	\$ 34,150.00
Module Interior	\$ 51,250.00
This is a Triple K unit	\$ N/C
Provide Frazer MSO/MCO in delivery book	\$ 50.00
Furnish extra 5# ABC fire extinguisher - shipped loose	\$ 100.00
Blue Akro bins -48 small and 12 large	\$ 450.00
(2) Stryker BOTH LOADS upgrade kits for 6500	\$ 7,100.00
Subtotal	\$ 312,425.00
HGAC fee	\$ 1,000.00
<b>Total</b>	<b>\$ 313,425.00</b>

**Items included in above total:**

**Chassis Exterior:**

1 . Factory steel wheels w/ chrome center caps	\$ incl.
2 . (2) Cast speakers for International 4300LP chassis	\$ 550.00
3 . (6) Whelen M6 series RED grille (2 low & 2 high) & fender mounted LEDs w/ clear lenses w/ wedges to mount straight	\$ 1,000.00
4 . Frazer aluminum rear window pass through plate	\$ incl.
5 . Route chassis exhaust to below the lower storage compartment on driver's side for a diesel chassis - add Zero Clearance to base frame - cut flat for Plymovent	\$ incl.
6 . Dual Buell 10" & 12" air horns mounted on front fenders w/ Frazer fast-recovery compressor below the shelf in the electrical compartment w/ TRUCK/AIRHORN switch at console & momentary switch	\$ 3,400.00
7 . Treadbrite running board trim for driver's and passenger's side, a cover on the passenger's side, and a cover for the driver's side fuel tank	\$ 1,000.00
8 . Whelen Howler with speakers on primary siren mounted behind front bumper of International 4300LP	\$ 1,850.00
9 . Furnish and install braided grounding strap from module base frame to chassis frame rails	\$ incl.
10 . Connect rear bumper to chassis frame	\$ incl.
11 . 35% tint on the chassis door windows	\$ 500.00

12 . (2) Mega fuses in engine compartment

	\$	incl.
<b>Total</b>	<b>\$</b>	<b>8,300.00</b>

### **Chassis Interior:**

13 . Custom powder coated 6-slot aluminum center console:	\$	incl.
<b>Slot 1/2:</b> Double slot switch panel		
<i>Layout: PRIMARY – SECONDARY – TRUCK HORN/AIR HORN- AIR HORN - BLANK - HOWLER – TRUCK HORN/AIR HORN – INTERIOR LIGHT – REAR LOAD – SIDE SCENE (1 way switch – controls one side) – SIDE SCENE (1 way switch – controls one side) – Blank</i>		
<b>Slot 3:</b> Whelen 295HFSC9 siren in lieu of standard (Tap-2) w/ mic on passenger's side of console slot 1	\$	150.00
<i>Note: 3rd position on siren to be set to High/Low - UNOC 17</i>	\$	100.00
<b>Slot 4:</b> Radio plate 21074		
<b>Slot 5:</b> Blank plate		
<b>Slot 6:</b> Plate for (2) portable radio chargers (Item 21389)		
14 . Install (2) customer provided Motorola APX 7000 portable radio chargers in console slot 6 - wired batty hot	\$	400.00
15 . Spotlight sent loose	\$	incl.
16 . Voyager monitor in rearview mirror location for camera system	\$	1,050.00
17 . (2) 2 high glove box holders on rear wall of truck cab	\$	300.00
18 . (1) Large aluminum map holder - on the passenger's side towards rear of console (drill hole for charging cable)	\$	225.00
19 . (1) Large aluminum map holder - on the driver's side towards rear of console	\$	200.00
20 . Furnish & install (2) Streamlight Survivor flashlights mounted on the black console base - (1) against driver's side edge of base facing the driver's side, (1) against passenger's side edge of base facing the passenger's side - wired battery hot	\$	700.00
21 . Furnish and install Secure-Idle feature w/ push button activation on dash		
<i><b>Note:</b> International will need to provide brake signal wire near steering column for Frazer to tie into</i>	\$	500.00
22 . Module disconnect switch mounted in chassis cab with indicator light on console	\$	incl.
23 . Coax runs: (2) terminating in electrical compartment, (2) terminating under the driver's side seat in the chassis	\$	incl.
<b>Total</b>	<b>\$</b>	<b>3,625.00</b>

### **Module Exterior:**

24 . Paint module Two-tone red (FLNA 3626) & white to match chassis	\$	3,500.00
25 . *Striping and lettering to match your fleet	\$	3,100.00
26 . 3M diamond grade conspicuity with overlay in a chevron pattern on entire rear of module - LIME-GREEN YELLOW w/ RED OVERLAY	\$	1,500.00
27 . 3M Diamond Grade 2'x2' white conspicuity squares on inside of rear entry doors panels	\$	200.00
28 . 3M Diamond Grade 2'x2' LIME-GREEN YELLOW w/ RED OVERLAY conspicuity squares on inside of side entry doors panel	\$	150.00
29 . 3M Diamond Grade LIME-GREEN YELLOW w/ RED OVERLAY conspicuity strips (8") on inside of compartment door panels	\$	200.00
30 . All clear lenses on emergency LEDs	\$	N/C
31 . (8) Whelen M9 series red LED box lights	\$	800.00
32 . (7) Whelen M6 series LEDs on front wall in "High 7" (R-R-R-C-R-R-R)	\$	550.00
33 . Front wall center clear turns OFF w/ PARK	\$	100.00
34 . (5) Whelen M6 series LEDs on rear wall (A-R-A-R-A) - reds are on the outer side of the load lights	\$	550.00
35 . (4) extra Whelen M6 series red LEDs - (2) on each side of the module (1 fore & 1 aft of the scene light) in line with corner box lights	\$	1,100.00
36 . (2) Whelen M6 series LED load lights with flanges on rear of module (come ON with Reverse, when PASSENGER'S SIDE rear entry door opens and (2) three-way switches: one at console, one at rear doors)	\$	incl.
37 . (2) Whelen M6 series red brake/tail/turn LEDs	\$	incl.
38 . (2) Whelen M6 series split wheel well LEDs (R/A - red to the front)	\$	100.00

39 . (2) Whelen Pioneer Plus dual panel scene lights (floodlight PFP2) on two switches in lieu of standard	\$ 2,800.00
40 . <a href="#">Passenger's scene light(s) shall come ON when the side entry door is opened in addition to switches on console</a>	\$ 275.00
41 . ICC clearance lights above corner/box lights	\$ incl.
42 . (2) Grote 4" round BTT red LEDS in the rear bumper panel on each side	\$ incl.
43 . (2) Grote 4" round back-up clear LEDS in the rear bumper panel on each side	\$ incl.
44 . (7) LED ground lights including (1) below each chassis step; wired to turn ON with PARK & ignition ON	\$ 3,500.00
45 . 3M-GTT Opticom on front wall of module (non-latching) - OFF in PARK w/ PRIMARY ON	\$ 1,850.00
46 . All exterior compartments to have adjustable shelves on Unistrut tracks	\$ incl.
47 . All module entry doors to have emergency release handles	\$ incl.
48 . Furnish and install 6.3 kW MEPS system	\$ 4,900.00
49 . Treadbrite on front corners, wheel wells, and rear (no hole for generator gasoline fill)	\$ incl.
50 . Install MEPS ACU in electrical compartment and add vent to back wall of compartment	\$ N/C
51 . Reconfigure generator compartment to be outside only compartment w/ insulation, compartment light, and door switch	\$ N/C
52 . 30 amp Kussmaul auto-eject shore power outlet on rear wall in lieu of standard	\$ 450.00
53 . Rear outside only storage compartment - no shelves	\$ N/C
54 . Furnish & install (2) UH-5-30-2-SF SCBA brackets with 6" flat bars in the back corners of the compartment 10" off the floor of the rear storage compartment	\$ 1,000.00
55 . Furnish & install (2) coat hooks on the 1" x 2" angle on the ceiling of the rear storage compartment - use special hooks (Item 13380)	\$ 150.00
56 . Furnish & install (2) coat hooks on the forward & rear wall - use special hooks (Item 13380)	\$ 100.00
57 . O2 compartment with a laydown "H" cylinder w/ (2) adjustable shelves	\$ 50.00
58 . <a href="#">Furnish and install cylinder changing wrench inside oxygen compartment w/ retention chain</a>	\$ 100.00
59 . Install (2) chassis batteries below laydown shelf in O2 compartment - reinforce floor of compartment	\$ 750.00
60 . 2 high "D" cylinder holder in the O2 compartment next to the rollers	\$ 150.00
61 . Long lower storage compartment w/ gas hold open & slide-out tray	\$ 1,000.00
62 . Slide-out tray in radio compartment w/ drain hole	\$ 1,000.00
63 . Electrical system decal applied to interior of compartment access door	\$ incl.
64 . Standard electrical compartment w/ 30 amp On-board chassis battery charger	\$ incl.
65 . <a href="#">Install resettable spare 15 amp fuse on Ignition fuse block in electrical compartment - label this circuit "spare/customer use"</a>	\$ 50.00
66 . Standard rear backboard compartment w/ shelf	\$ 200.00
67 . Front backboard compartment w/ full height vertical divider 10.25" from rear wall of compartment & (2) horizontal adjustable shelves	\$ 250.00
68 . 4" body drop on passenger's side forward of the rear wheels w/ accompanying taller diamond plating in lieu of electric step at side entry door	\$ incl.
69 . 4" taller side entry and front I/O doors to accommodate body drop	\$ incl.
70 . Double step at the side entry door with black and yellow caution tape on the top threshold	\$ incl.
71 . <a href="#">3" round Whelen LED in step well of side entry door towards front wall</a> <a href="#">Note: Wired to turn on when door is opened</a> <a href="#">Note: Wire to fail safe</a>	\$ 425.00
72 . Spare tire – loose	\$ incl.
73 . Eberhard "automotive style" latches w/ J236 keys and J102 keys	\$ incl.
74 . Double 6061-T6 structural members welded at all vertical and horizontal wall intersections	\$ incl.
75 . Voyager back-up camera on rear wall	\$ 550.00
76 . Furnish and install "J" channel drip rails over each compartment door (not A/C & Onan), in addition to standard entry doors	\$ incl.
77 . Electric locks (work with chassis locks) on side entry, rear entry & front I/O doors w/ keypad at rear entry doors on passenger's side & switch at the action wall	\$ 1,700.00
78 . <a href="#">Furnish and install door hold opens on all compartments except for Onan &amp; A/C</a> <a href="#">Note: Rear backboard will have a friction hinge</a>	\$ 1,050.00
79 . Furnish and install LED compartment lighting in all compartments (includes rear backboard compartment) except for A/C and Onan	\$ incl.

**Module Interior:**

80 . 120VAC Dometic filtered air conditioning and heat w/ thermostat at the action wall w/ ventilation fan and switch at action wall (location 6) – wire to fail safe	\$	incl.
81 . Restocking cabinets for front wall, action wall, cabinet above the front I/O & squad bench	\$	2,000.00
82 . Aluminum powder coated interior cabinets	\$	incl.
83 . Powder coated aluminum countertops	\$	incl.
84 . SpecTape-Insulfab insulation and sound deadening material in ceiling, walls and doors	\$	incl.
85 . Smart Tint on entry door windows	\$	3,000.00
86 . Stainless steel grab handles	\$	incl.
87 . SSCOR brand suction at action wall – Location 9	\$	incl.
88 . 8 place switch panel (Interior lights, Front interior light, Electric O2, SMART TINT - LOCK/UNLOCK - Exhaust, USB, USB) – Location 1	\$	incl.
89 . Furnish & install (2) Kussmaul USB switches at the action wall	\$	400.00
90 . <a href="#">Furnish &amp; install Ferno Intraxx Lifepak 15 on action wall countertop</a>	\$	2,500.00
91 . <a href="#">Install your Lifepak battery charger on O2 stainless towards the aisle - run power cord to quad outlet above the shelf in the front corner area</a>	\$	150.00
92 . <a href="#">Install your Lucas battery charger on O2 stainless towards the action wall - run power cord to quad outlet above the shelf in the front corner area</a>	\$	150.00
93 . Standard dump bypass/rear load switch plate	\$	incl.
94 . Sharps container and bracket at the action wall in standard location	\$	incl.
95 . Small acrylic holder at the end of the action wall	\$	incl.
96 . Cabinet aft of the CPR seat	\$	900.00
97 . Stainless steel squad bench and action wall wrappers	\$	incl.
98 . (10) Grote LED interior ceiling lights	\$	incl.
99 . Standard overhead grab rails	\$	incl.
100 . Extra overhead grab rails	\$	200.00
101 . (2) IV hangers in ceiling	\$	incl.
102 . Lonseal “Loncoin” vinyl flooring-Onyx	\$	150.00
103 . Alucabond aluminum & polyethylene plastic sub-floor	\$	incl.
104 . Furnish & install Stryker PowerLOAD	\$	29,000.00
105 . Dual O2 outlet at action wall (Location 2), single O2 outlet above squad bench	\$	incl.
106 . Electric oxygen system with digital monitor and oxygen regulator - Location 3	\$	1,700.00
107 . 5 lb. ABC fire extinguisher between the captain's chair & O2 stainless with compliant bracket (item 23545)	\$	100.00
108 . 120VAC duplex outlet in the cabinet above the front I/O (14' unit)	\$	incl.
109 . 120VAC duplex at the laydown O2 box in standard location	\$	incl.
110 . 120 VAC quad outlet at the action wall – Location 8	\$	incl.
111 . Extra 120VAC quad outlet in front corner area above the shelf on driver's side wall w/ hole in shelf with OZ bushing	\$	150.00
112 . Standard laydown O2 box w/ aluminum lid & (2) grey trash cans	\$	incl.
113 . Furnish & install custom cabinet for your Lucas device mounted to the bottom of the front wall cabinet	\$	750.00
114 . Engel Fridge-Freezer-Warmer: 14 Quarts w/ 120VAC adapter and locking hasp w/ digital temperature controls (item 23812)	\$	1,400.00
115 . 17" tall front wall cabinet & cabinet above the Front I/O to accommodate the taller Front I/O	\$	incl.
116 . Standard front corner area	\$	incl.
117 . Furnish and install netting over front corner area	\$	incl.
118 . Knox MedVault w/ WiFi in front corner area below shelf - includes running power	\$	2,700.00
119 . Bolster at the end of the squad bench with hole in top for sharps container & (1) 2 high glove box holder & (1) single glove box holder	\$	900.00
120 . 3 high glove box holder on rear wall above squad bench - center position	\$	200.00
121 . Squad bench cabinet w/ padded trim	\$	600.00

122 . Furnish & install (2) acrylic organizers stacked above the squad bench towards the rear wall (Item # 20766)	\$	700.00
123 . 24 hour atomic clock in rear wall headknocker	\$	450.00
124 . Taller Front I/O w/ two adjustable shelves on Unistrut tracks w/ compartment below on a unit with a 4" drop	\$	incl.
125 . Reinforced Lexan doors with Eberhard latch on Front I/O	\$	incl.
126 . Ribbed rubber on front I/O shelf/shelves	\$	incl.
127 . In-module camera on rear passenger's side ceiling	\$	550.00
128 . Install customer provided Biotel radio under the action wall cabinet w/ antenna on the module roof - wired battery hot	\$	400.00
129 . <b>Blue</b> cushions	\$	incl.
130 . Magnetically attached Wise ProTek seamless back and headrest cushions at each seated position at CPR seat and Squad Bench	\$	incl.
131 . Double CPR seat w/ latching lid w/ gas hold-opens	\$	incl.
132 . Furnish & install (3) 6 pt. harnesses - (2) at the forward 2 positions of the squad bench, (1) in the middle of the CPR seat	\$	1,500.00
133 . Captain's chair w/ built-in child safety seat & 4 pt. harness - move 4" forward	\$	700.00
<b>Total</b>		<b>\$ 51,250.00</b>

Triple K Exceptions		
Customer has elected to take the follow exceptions from the KKK-A-1822F standard including change notices 1-9.		
Section	Option Choice	\$
3.11.4.	No overhead squad bench or CPR seat cabinets - must have clear 43" overhead clearance	
3.16.2	When painting the module any color other than white w/ an orange beltline stripe, the customer shall sign an exception statement for this section	
3.4.2.2	Furnish and install auxiliary module heater w/ switch at action wall	\$ 850.00
3.10.6	Furnish and install "J" channel drip rails around the entire module body w/ drip points at each corner	\$ 500.00
3.7.6.2	Furnish and install aftermarket voltmeter in chassis cab w/ audible alarm & visual indicator	\$ 200.00
3.14.4	Primary siren shall be wired to Tap 2 W/ HORN/ SIREN switch on console	\$ 100.00
3.8.4.1	All interior ceiling LEDs shall come ON in the dim setting when the side or rear entry doors are open Note: Wired to only work with fail-safe	\$ 450.00
3.7.7.3	Furnish and install (1) 3 receptacle 12V outlet w/ medical diode isolator at the action wall	\$ 250.00
<div> <div>Signature</div> <div>Title</div> <div>Date</div> </div>		

Terms and Conditions
1 . This quote is valid for 90 days. 2 . All pricing is F.O.B. Houston. 3 . Per TMVCC we are quoting this through our licensed franchise dealer Pliler International. 4 . Please make your purchase order out to Pliler International (P.O. Box 7408, Longview, TX 75602). Please email a copy of the purchase order and this quote to David Harrison at david.harrison@plilerinternational.com and to Adam Fischer at sales@frazerbilt.com. 5 . Please note, payment for the entire purchase is due upon receipt and acceptance of completed unit. 6 . To minimize delays, customer provided items should be present prior to unit production start. 7 . Frazer will provide a weight slip with accompanying scale calibration certification. Your local vehicle registration office may require a state certified weight slip for registration. Should that be the case, you will need to weigh the vehicle at a local weigh station that provides a weight slip with the department of agriculture seal prior to registration.



8 . \*Striping and lettering pricing may be adjusted based on the company's scheme. Striping and lettering pricing includes two hours' design time in the base price. Additional design time for more extensive graphics and/or multiple changes is quoted at \$100/hour.

Thank you for the opportunity to quote this job. If you have any questions please call me at 888-372-9371.

Best Regards,



Kasey Gillum  
Sales Team Leader  
Frazer, Ltd.



# **TOWN OF HIGHLAND PARK**

## **Agenda Briefing**

Council Meeting: August 14, 2017

Department: Fiscal & Human Resources

Director: Steven J. Alexander

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### **TITLE**

Consider approval of a contract with Valley View Consulting, L.L.C. to continue providing investment advisory services.

### **BACKGROUND**

In June of 2015, staff presented the idea of utilizing the services of a third-party investment advisory firm and reviewed proposals from two companies with the Committee. The Committee was supportive of staff's recommendation that the Town contract with Valley View Consulting, LLC ("Valley View") to provide investment advisory services to the Town. The Public Funds Investment Act requires that a contract for investment advisory services be reviewed and approved no later than every two years.

Over the past two years, Valley View has been instrumental in assisting staff in making investment decisions that have diversified the Town's portfolio to increase yield, while sustaining the most important goal, the safety of the principal. Valley View has also provided guidance to staff regarding the adequacy of collateral as investment decisions are made. Additionally, under the agreement, Valley View will provide the following services:

- Investment Policy Review
- Cash Flow Model Development
- Active Market Monitoring
- Strategic Portfolio Advice
- Complete Analysis of eligible investment options
- Thorough Deposit and Transaction Documentation
- Effective Investment Provider Management
- Integrated Plains Capital Account Analysis and Collateral Review
- Customized Communication, Reporting, and Training
- Periodic Primary Depository Bank Selection Assistance

In return for these services, Valley View proposes an annual fee of 8 basis points of the portfolio under management or \$10,000.00, whichever is greater. Staff anticipates that the Town will continue to generate at least enough additional yield to cover the projected annual cost of \$18,540.00.

It is important to note that Valley View does not have custody or investment discretion over the Town's funds; safekeeping agent/custodian clearance receipts and holdings reports will be sent directly to the Town. Further, the Valley View agreement provides for termination, without penalty, upon thirty (30) days written notice.

## **RECOMMENDATION**

The staff recommends approval of the contract with Valley View Consulting, L.L.C. The Town Council reviewed this item at its Study Session on July 18, 2017.

## **FINANCIAL IMPACT**

The annual fee for the proposed investment advisory services is estimated to be \$18,540.

## **ATTACHMENTS:**

<b>File Name</b>	<b>Description</b>
IA_Agreement_2017_05_09_HP.pdf	Valley View Consulting Agreement

**AGREEMENT  
BY AND BETWEEN  
TOWN OF HIGHLAND PARK, TEXAS  
AND  
VALLEY VIEW CONSULTING, L.L.C.**

It is understood and agreed that the Town of Highland Park, Texas (the *Investor*) will have from time to time money available for investment (*Investable Funds*) and Valley View Consulting, L.L.C. (*Advisor*) has been requested to provide professional services to the Investor with respect to the Investable Funds. This agreement (the *Agreement*) constitutes the understanding of the parties with regard to the subject matter hereof.

1. This Agreement shall apply to any and all Investable Funds of the Investor from time to time during the period in which this Agreement shall be effective.
2. The Advisor agrees to provide its professional services to direct and coordinate all programs of investing as may be considered and authorized by the Investor.
3. The Advisor agrees to perform the following duties:
  - a. Assist the Investor in developing cash flow projections,
  - b. Suggest appropriate investment strategies to achieve the Investor's objectives,
  - c. Advise the Investor on market conditions, general information and economic data,
  - d. Analyze risk/return relationships between various investment alternatives,
  - e. Attend occasional meetings as requested by the Investor,
  - f. Assist in the selection, purchase, and sale of investments. The Advisor shall not have discretionary investment authority over the Investable Funds and the Investor shall make all decisions regarding purchase and sale of investments. All funds shall be invested consistent with the Texas Public Funds Investment Act, Chapter 2256 Government Code and the Investor's Investment Policy. The eligible investments are listed in the Investor's Investment Policy,
  - g. Advise on the investment of bond funds as to provide the best possible rate of return to the Investor in a manner which is consistent with the proceedings of the Investor authorizing the investment of the bond funds or applicable federal rules and regulations,
  - h. Assist the Investor in creating investment reports in compliance with State legislation and the Investor's Investment Policy,
  - i. Assist the Investor in creating monthly portfolio accounting reports, and
  - j. Assist the Investor in selecting a primary depository services financial institution.

4. The Investor agrees to:

- a. Compensate the Advisor for any and all services rendered and expenses incurred as set forth in Appendix A attached hereto,
- b. Provide the Advisor with the schedule of estimated cash flow requirements related to the Investable Funds, and will promptly notify the Advisor as to any changes in such estimated cash flow projections,
- c. Allow the Advisor to rely upon all information regarding schedules, investment policies and strategies, restrictions, or other information regarding the Investable Funds as provided to it by the Investor and that the Advisor shall have no responsibility to verify, through audit or investigation, the accuracy or completeness of such information,
- d. Recognize that there is no assurance that recommended investments will be available or that such will be able to be purchased or sold at the price recommended by the Advisor, and
- e. Not require the Advisor to place any order on behalf of the Investor that is inconsistent with any recommendation given by the Advisor or the policies and regulations pertaining to the Investor.

5. In providing the investment services in this Agreement, it is agreed that the Advisor shall have no liability or responsibility for any loss or penalty resulting from any investment made or not made in accordance with the provisions of this Agreement, except that the Advisor shall be liable for its own gross negligence or willful misconduct; nor shall the Advisor be responsible for any loss incurred by reason of any act or omission of any broker, selected with reasonable care by the Advisor and approved by the Investor, or of the Investor's custodian. Furthermore, the Advisor shall not be liable for any investment made which causes the interest on the Investor's obligations to become included in the gross income of the owners thereof.

6. The fee due to the Advisor in providing services pursuant to this Agreement shall be calculated in accordance with Appendix A attached hereto, and shall become due and payable as specified. Any and all expenses for which the Advisor is entitled to reimbursement in accordance with Appendix A attached hereto shall become due and payable at the end of each calendar quarter in which such expenses are incurred.

7. This Agreement shall remain in effect until June 30, 2019, with the option of the Investor to extend this Agreement in additional one and two year increments. Provided, however, the Investor or Advisor may terminate this Agreement upon thirty (30) days written notice to the other party. In the event of such termination, it is understood and agreed that only the amounts due to the Advisor for services provided and expenses incurred to and including the date of termination will be due and payable. No penalty will be assessed for termination of this Agreement. In the event this Agreement is terminated, all investments and/or funds held by the Advisor shall be returned to the Investor as soon as practicable. In addition, the parties hereto agree that upon termination of this Agreement the Advisor shall have no continuing

obligation to the Investor regarding the investment of funds or performing any other services contemplated herein.

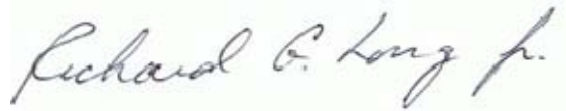
8. The Advisor shall not assign this Agreement without the express written consent of the Investor.

9. By initialing the appropriate line, Investor acknowledges that:

- 1) \_\_\_\_\_ Investor was provided a written copy of Form ADV Part 2 not less than 48 hours prior to entering into this written contract, or
- 2) \_\_\_\_\_ Investor received a written copy of Form ADV Part 2 at the time of entering into this contract and has the right to terminate this contract without penalty within five business days after entering into this contract.
- 3)   X   Investor is renewing an expiring contract and has received in the past, and offered annually, a written copy of Form ADV Part 2.

When accepted by the Investor, it, together with Appendix A attached hereto, will constitute the entire Agreement between the Investor and Advisor for the purposes and the consideration herein specified.

Respectfully submitted,

A handwritten signature in cursive script, reading "Richard G. Long, Jr.", is written on a light green rectangular background.

Richard G. Long, Jr.  
Manager, Valley View Consulting, L.L.C.

This agreement is hereby agreed to and executed on behalf of the Town of Highland Park, Texas.

By \_\_\_\_\_

Town of Highland Park, Texas

Date: \_\_\_\_\_

## APPENDIX A

### FEE SCHEDULE AND EXPENSE ITEMS

In consideration for the services rendered by Advisor in connection with the investment of the Investable Funds for the Investor, it is understood and agreed that its fee will be an annual fee of 0.08% (8 basis points) of the average quarter end portfolio book value with a minimum annual fee of \$10,000. Said fee shall be prorated and due and payable at the end of each investment quarter.

Should the Investor issue debt and select a bond proceeds investment strategy that incorporates a flexible repurchase agreement or other structured investment, fees will be determined by any applicable I.R.S. guidelines and industry standards.

Said fee includes all costs of services related to this Agreement, and all travel and business expenses related to attending regularly scheduled meetings. With pre-trip Investor approval, the Advisor may also request reimbursement for special meeting or event travel and business expenses. The obligation of the Advisor to pay expenses shall not include any costs incident to litigation, mandamus action, test case or other similar legal actions.

Any other fees retained by the Advisor shall be disclosed to the Investor.



# **TOWN OF HIGHLAND PARK**

## **Agenda Briefing**

Council Meeting: August 14, 2017

Department: Fiscal & Human Resources

Director: Steven J. Alexander

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### **TITLE**

Consider approval of a letter of engagement with BKD, LLP to serve as the Town's independent auditor to conduct the annual audit for the fiscal year ending September 30, 2017.

### **BACKGROUND**

During fiscal year 2014-15, Staff conducted a Request for Proposals (RFP) for independent auditing services from external accounting firms. Through that process, Staff recommended to the Finance & Audit Advisory Committee that BKD, LLP ("BKD") be hired to conduct the annual audit for Fiscal Year 2014-15. The Finance & Audit Advisory Committee supported that recommendation and, in turn, recommended that the Town Council engage BKD to provide auditing services for the Town. The current agreement provides for three more years of audit services contingent upon Town Council approval.

Staff is satisfied with the work performed by BKD and is prepared to allow BKD to begin the audit process for Fiscal Year 2016-17. BKD is prepared to begin conducting interim audit work during the summer.

The Finance and Audit Advisory Committee reviewed this item at its meeting on June 29, 2017, and recommended approval for one additional year.

### **RECOMMENDATION**

Staff recommends approval of the engagement letter with BKD to provide auditing services for the Fiscal Year 2016-17. The Town Council reviewed this item at its study session on July 18, 2017.

### **FINANCIAL IMPACT**

The fee for the Fiscal Year 2017 audit is \$40,500, and will be included in the Fiscal Year 2017-18 Annual Budget.

### **ATTACHMENTS:**

<b>File Name</b>	<b>Description</b>
Town_of_Highland_Park_EL_2017.pdf	Audit Engagement Letter



June 23, 2017

Finance and Audit Advisory Committee  
Honorable Mayor, Joel T. Williams, III and Members of Town Council  
Mr. Bill Lindley, Town Administrator  
Mr. Steven Alexander, Director of Administrator Services and CFO  
Town of Highland Park  
4700 Drexel Drive  
Highland Park, Texas 75205

We are pleased to confirm the arrangements of our engagement and the nature of the services we will provide to the Town of Highland Park, Texas.

### **ENGAGEMENT OBJECTIVES AND SCOPE**

We will audit the basic financial statements of the Town of Highland Park, Texas (Town) as of and for the year ended September 30, 2017, and the related notes to the financial statements.

Our audit will be conducted with the objectives of:

- Expressing an opinion on the financial statements
- Issuing a report on your internal control over financial reporting based on the audit of your financial statements.

### **OUR RESPONSIBILITIES**

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether caused by fraud or error. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to error or fraud. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance having a direct and material effect may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS.

In making our risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit. Also, in the future, procedures could become inadequate because of changes in conditions or deterioration in design or operation. Two or more people may also circumvent controls, or management may override the system.

We are available to perform additional procedures with regard to fraud detection and prevention at your request, subject to completion of our normal engagement acceptance procedures. The actual terms and fees of such an engagement would be documented in a separate letter to be signed by you and BKD.

Kevin Kemp, Partner, will oversee and coordinate the engagement. Karen Kurtin, Senior Manager, is responsible for supervising the engagement team and authorizing the signing of reports.

We will issue a written report upon completion of our audit of the Town of Highland Park's financial statements. Our report will be addressed to the Finance and Audit Advisory Committee and Town Council of the Town of Highland Park, Texas. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis of matter or other matter paragraph(s), or withdraw from the engagement. If we discover conditions that may prohibit us from issuing a standard report, we will notify you as well. In such circumstances, further arrangements may be necessary to continue our engagement.

We will also express an opinion on whether the combining and individual fund financial statements and budgetary comparison schedule are fairly stated, in all material respects, in relation to the financial statements as a whole.

## **YOUR RESPONSIBILITIES**

Our audit will be conducted on the basis that management and, where appropriate, those charged with governance acknowledge and understand that they have responsibility:

- a. for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
- b. for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
- c. for identifying and ensuring compliance with the laws, regulations, contracts and grants applicable to your activities; and
- d. to provide us with
  - i. access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation and other matters;
  - ii. additional information that we may request from management for the purpose of the audit; and
  - iii. unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.

As part of our audit process, we will request from management and, where appropriate, those charged with governance, written confirmation acknowledging certain responsibilities outlined in this engagement letter and confirming:

- The availability of this information
- Certain representations made during the audits for all periods presented
- The effects of any uncorrected misstatements, if any, resulting from errors or fraud aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole

The results of our tests of compliance and internal control over financial reporting performed in connection with our audit of the financial statements may not fully meet the reasonable needs of report users. Management is responsible for obtaining audits, examinations, agreed-upon procedures or other engagements that satisfy relevant legal, regulatory or contractual requirements or fully meet other reasonable user needs.

With regard to supplementary information:

- Management is responsible for its preparation in accordance with applicable criteria
- Management will provide certain written representations regarding the supplementary information at the conclusion of our engagement
- Management will include our report on this supplementary information in any document that contains this supplementary information and indicates we have reported on the supplementary information
- Management will make the supplementary information readily available to intended users if it is not presented with the audited financial statements

### **OTHER SERVICES**

We will provide you with the following nonattest services:

- Preparing a draft of the comprehensive annual financial report
- Printing and binding of the comprehensive annual financial report

In addition, we may perform other services for you not covered by this engagement letter. You agree to assume full responsibility for the substantive outcomes of the services described above and for any other services that we may provide, including any findings that may result. You also acknowledge that those services are adequate for your purposes and that you will establish and monitor the performance of those services to ensure that they meet management's objectives. Any and all decisions involving management responsibilities related to those services will be made by you, and you accept full responsibility for such decisions. We understand that you will designate a management-level individual to be responsible and accountable for overseeing the performance of those services, and that you will have determined this individual is qualified to conduct such oversight.

### **ENGAGEMENT FEES**

Our fees will be \$40,500 which includes an administrative fee to cover items such as copies, postage and other delivery charges, supplies, technology-related costs such as computer processing, software licensing, research and library databases and similar expense items.

Our pricing for this engagement and our fee structure are based upon the expectation that our invoices will be paid promptly. We will issue progress billings during the course of our engagement, and payment of our invoices is due upon receipt. Interest will be charged on any unpaid balance after 30 days at the rate of 10% per annum.

Our engagement fee does not include any time for post-engagement consultation with your personnel or third parties, consent letters and related procedures for the use of our reports in offering documents, inquiries from regulators or testimony or deposition regarding any subpoena. Charges for such services will be billed separately.

Our fees may also increase if our duties or responsibilities are increased by rulemaking of any regulatory body or any additional new accounting or auditing standards.

If our invoices for this or any other engagement you may have with BKD are not paid within 30 days, we may suspend or terminate our services for this or any other engagement. In the event our work is suspended or terminated as a result of nonpayment, you agree we will not be responsible for any consequences to you.

#### **OTHER ENGAGEMENT MATTERS AND LIMITATIONS**

BKD is not acting as your municipal advisor under Section 15B of the *Securities Exchange Act of 1934*, as amended. As such, BKD is not recommending any action to you and does not owe you a fiduciary duty with respect to any information or communications regarding municipal financial products or the issuance of municipal securities. You should discuss such information or communications with any and all internal or external advisors and experts you deem appropriate before acting on any such information or material provided by BKD.

Our workpapers and documentation retained in any form of media for this engagement are the property of BKD. We can be compelled to provide information under legal process. In addition, we may be requested by regulatory or enforcement bodies to make certain workpapers available to them pursuant to authority granted by law or regulation. You agree that we have no legal responsibility to you in the event we provide such documents or information.

To the extent permitted by the laws of the state of Texas, you agree to indemnify and hold harmless BKD and its personnel from any claims, liabilities, costs and expenses relating to our services under this agreement attributable to false or incomplete representations by management, except to the extent determined to have resulted from the intentional or deliberate misconduct of BKD personnel.

To the extent permitted by the laws of the state of Texas, you agree that any dispute regarding this engagement will, prior to resorting to litigation, be submitted to mediation upon written request by either party. Both parties agree to try in good faith to settle the dispute in mediation. The American Arbitration Association will administer any such mediation in accordance with its Commercial Mediation Rules. The results of the mediation proceeding shall be binding only if each of us agrees to be bound. We will share any costs of mediation proceedings equally.

Either of us may terminate these services at any time. Both of us must agree, in writing, to any future modifications or extensions. If services are terminated, you agree to pay us for time expended to date. In addition, you will be billed travel costs and fees for services from other professionals, if any, as well as an administrative fee of 4% to cover items such as copies, postage and other delivery charges, supplies, technology-related costs such as computer processing, software licensing, research and library databases and similar expense items.

If any provision of this agreement is declared invalid or unenforceable, no other provision of this agreement is affected and all other provisions remain in full force and effect.

This engagement letter represents the entire agreement regarding the services described herein and supersedes all prior negotiations, proposals, representations or agreements, written or oral, regarding these services. It shall be binding on heirs, successors and assigns of you and BKD.

We may from time to time utilize third-party service providers, *e.g.*, domestic software processors or legal counsel, or disclose confidential information about you to third-party service providers in serving your account. We remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures and safeguards to protect the confidentiality of your information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information. In the event we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider.

You may desire to receive peer group benchmarking and higher education institution comparison reports (Benchmarking Reports) as they become available via BKD ClientLink. These Benchmarking Reports are anonymous and aggregate reports that are prepared by iLumen, Inc. (iLumen) and represent the average performance of other peer institutions. Individual institution data is never disclosed.

In exchange, you agree that your financial information will be available to BKD and iLumen and its customers on a continuing basis for possible inclusion in anonymous, aggregated benchmarking analyses, provided your identity cannot be determined from such disclosure.

We will not audit, review, compile or otherwise provide any assurance on the Benchmarking Reports provided to you. Such information is restricted to your use only and may not be shared with third parties including lenders, vendors or customers. We are not responsible for the accuracy and completeness of the information and are not responsible to investigate or verify it.

You may “opt out” of inclusion of your financial metrics in future Benchmarking Reports at any time by delivering written notice to BKD, 1201 Walnut Street, Suite 1700, Kansas City, MO 64106, Attention: Ms. Tondeé Lutterman. You acknowledge by “opting out” of inclusion in future Benchmarking Reports, you will no longer be eligible to receive such reports. On receipt of such “opt out” notice, BKD will make good faith efforts to promptly cease including your institution’s financial metrics in future Benchmarking Reports; your institution’s financial metrics will not be retroactively removed from previously issued Benchmarking Reports.

We will, at our discretion or upon your request, deliver financial or other confidential information to you electronically via email or other mechanism. You recognize and accept the risk involved, particularly in email delivery as the Internet is not necessarily a secure medium of communication as messages can be intercepted and read by those determined to do so.

You agree you will not modify these documents for internal use or for distribution to third parties. You also understand that we may on occasion send you documents marked as draft and understand that those are for your review purpose only, should not be distributed in any way and should be destroyed as soon as possible.

If you intend to include these financial statements and our report in an offering document at some future date, you agree to seek our permission to do so at that time. You agree to provide reasonable notice to allow sufficient time for us to perform certain additional procedures. Any time you intend to publish or otherwise reproduce these financial statements and our report and make reference to our firm name in any manner in connection therewith, you agree to provide us with printers' proofs or masters for our review and approval before printing or other reproduction. You will also provide us with a copy of the final reproduced material for our approval before it is distributed. Our fees for such services are in addition to those discussed elsewhere in this letter.

You agree to notify us if you desire to place these financial statements or our report thereon along with other information, such as a report by management or those charged with governance on operations, financial summaries or highlights, financial ratios, etc., on an electronic site. You recognize that we have no responsibility as auditors to review information contained in electronic sites.

Any time you intend to reference our firm name in any manner in any published materials, including on an electronic site, you agree to provide us with draft materials for our review and approval before publishing or posting such information.

BKD is a registered limited liability partnership under Missouri law. Under applicable professional standards, partners of **BKD, LLP** have the same responsibilities as do partners in a general accounting and consulting partnership with respect to conformance by themselves and other professionals in BKD with their professional and ethical obligations. However, unlike the partners in a general partnership, the partners in a registered limited liability partnership do not have individual civil liability, directly or indirectly, including by way of indemnification, contribution, assessment or otherwise, for any debts, obligations or liabilities of or chargeable to the registered limited liability partnership or each other, whether arising in tort, contract or otherwise.

*Government Auditing Standards* require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our most recent peer review report accompanies this letter.

Town of Highland Park

June 23, 2017

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Please sign and return the attached copy of this letter to indicate your acknowledgement of, and agreement with, the arrangements for our audit of the financial statements including our respective responsibilities. If the signed copy you return to us is in electronic form, you agree that such copy shall be legally treated as a "duplicate original" of this agreement.

*BKD, LLP*

**BKD, LLP**

Acknowledged and agreed to on behalf of

**Town of Highland Park, Texas**

BY \_\_\_\_\_  
Joel T. Williams, III, Mayor

DATE \_\_\_\_\_

BY \_\_\_\_\_  
Steve Alexander, Director of Administrative Services and CFO

DATE \_\_\_\_\_





# **TOWN OF HIGHLAND PARK**

## **Agenda Briefing**

Council Meeting: August 14, 2017

Department: Fiscal & Human Resources

Director: Steven J. Alexander

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### **TITLE**

Consider approval of a proposal to set a preliminary property tax rate of \$0.22 per \$100 of taxable assessed value and schedule two public hearings to receive public comments regarding the proposal to consider the tax increase.

### **BACKGROUND**

The Texas Property Tax Code requires that when a proposed tax rate exceeds the effective tax rate, the taxing unit's governing body must vote on a proposal to consider a tax increase. Additionally, the governing body must vote to place a proposal to adopt the rate on the agenda of a future meeting as an action item. The vote does not bind the governing body to the preliminary tax rate set; however, should the Town Council at a later date consider a tax rate other than the preliminary tax rate set, it cannot consider a higher tax rate. As such, the Council may wish to consider setting the current tax rate of \$0.2200 as the preliminary rate while discussion ensues regarding the Proposed Budget for Fiscal Year 2017-18.

The attached 2017 Effective Tax Rate and Rollback Tax Rate Calculation Worksheet details the computation of the Town's Effective and Rollback Tax Rates. The Effective Tax Rate is \$0.214177 and the Rollback Tax Rate is \$0.231311 per \$100 of taxable assessed value.

### **RECOMMENDATION**

The staff recommends that the Council vote to set the preliminary tax rate of \$0.22 per \$100 valuation at its regular meeting on Monday, August 14, 2017, and place a proposal to adopt a property tax rate of \$0.22 per \$100 taxable assessed value on the agenda for the Town Council meeting on Monday, September 11, 2017.

The staff further recommends scheduling the first public hearing on the preliminary tax rate at 4:00 p.m. on Monday, August 28, 2017, and the second public hearing on the preliminary tax rate on at 8:00 a.m. on Tuesday, September 5, 2017.

### **FINANCIAL IMPACT**

There is no financial impact relating to this agenda item at this time.

### **ATTACHMENTS:**

<b>File Name</b>	<b>Description</b>
Town_of_Highland_Park_2017_ETR_RTR.pdf	2017 Effective Tax Rate/Rollback Tax Rate Calculations

# 2017 Tax Rate Calculation Worksheet

Date: 07/28/2017 09:07 AM

## Taxing Units Other Than School Districts or Water Districts

### Town of Highland Park

Taxing Unit Name

Phone (area code and number)

<>

<>

Taxing Unit's Address, City, State, Zip

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 effective tax rate and rollback 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. School districts do not use this form, but instead use Comptroller Form 50-859 Tax Rate Calculation Worksheet for School Districts. 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 Rollback Tax Rate Worksheet. This worksheet is provided 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: Effective Tax Rate (No New Taxes)

The effective 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 effective tax rate should decrease.

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

Effective Tax Rate Activity	Amount/Rate
<b>1. 2016 total taxable value.</b> Enter the amount of 2016 taxable value on the 2016 tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-third over-appraisal corrections from these adjustments. This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (will deduct taxes in Line 14). <sup>1</sup>	\$5,748,092,020
<b>2. 2016 tax ceilings.</b> Counties, cities and junior college districts. Enter 2016 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2016 or a prior year for homeowners age 65 or older or disabled, use this step. <sup>2</sup>	\$0
<b>3. Preliminary 2016 adjusted taxable value.</b> Subtract Line 2 from Line 1.	\$5,748,092,020
<b>4. 2016 total adopted tax rate.</b>	\$0.220000/\$100
<b>5. 2016 taxable value lost because court appeals of ARB decisions reduced 2016 appraised value.</b> <b>A. Original 2016 ARB Values.</b>	\$55,164,660
<b>B. 2016 values resulting from final court decisions.</b>	\$50,397,260
<b>C. 2016 value loss.</b> Subtract B from A. <sup>3</sup>	\$4,767,400
<b>6. 2016 taxable value, adjusted for court-ordered reductions.</b> Add Line 3 and Line 5C.	\$5,752,859,420
<b>7. 2016 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2016.</b> Enter the 2016 value of property in deannexed territory. <sup>4</sup>	\$0
<b>8. 2016 taxable value lost because property first qualified for an exemption in 2017.</b> Note that lowering the amount or percentage of an existing exemption does not create a new exemption or reduce taxable value. 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 to freeport or goods-in-transit exemptions.	
A. <b>Absolute exemptions.</b> Use 2016 market value:	\$0
B. <b>Partial exemptions.</b> 2017 exemption amount or 2017 percentage exemption times 2016 value:	\$30,004,140
C. <b>Value loss.</b> Add A and B. <sup>5</sup>	\$30,004,140
<b>9. 2016 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 2017.</b> Use only properties that qualified in 2017 for the first time; do not use properties that qualified in 2016.	
A. <b>2016 market value:</b>	\$0
B. <b>2017 productivity or special appraised value:</b>	\$0
C. <b>Value loss.</b> Subtract B from A. <sup>6</sup>	\$0
<b>10. Total adjustments for lost value.</b> Add lines 7, 8C and 9C.	\$30,004,140
<b>11. 2016 adjusted taxable value.</b> Subtract Line 10 from Line 6.	\$5,722,855,280
<b>12. Adjusted 2016 taxes.</b> Multiply Line 4 by Line 11 and divide by \$100.	\$12,590,281
<b>13. Taxes refunded for years preceding tax year 2016.</b> Enter the amount of taxes refunded by the taxing unit for tax years preceding tax year 2016. 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 2016. This line applies only to tax years preceding tax year 2016. <sup>7</sup>	\$16,665
<b>14. Taxes in tax increment financing (TIF) for tax year 2016.</b> Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2017 captured appraised value in Line 16D, enter 0. <sup>8</sup>	\$0
<b>15. Adjusted 2016 taxes with refunds and TIF adjustment.</b> Add Lines 12 and 13, subtract Line 14. <sup>9</sup>	\$12,606,946
<b>16. Total 2017 taxable value on the 2017 certified appraisal roll today.</b> This value includes only certified values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 18). These homesteads include homeowners age 65 or older or disabled. <sup>10</sup>	
A. <b>Certified values:</b>	\$5,945,671,240
B. <b>Counties:</b> Include railroad rolling stock values certified by the Comptroller's office:	\$0
C. <b>Pollution control and energy storage system exemption :</b> Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property:	\$0
D. <b>Tax increment financing:</b> Deduct the 2017 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2017 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 21 below. <sup>11</sup>	\$0

E. <b>Total 2017 value.</b> Add A and B, then subtract C and D.	\$5,945,671,240
<b>17. Total value of properties under protest or not included on certified appraisal roll.<sup>12</sup></b>  <b>A. 2017 taxable value of properties under protest.</b> The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value. <sup>13</sup>  <b>B. 2017 value of properties not under protest or included on certified appraisal roll.</b> The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about, but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value. <sup>14</sup>  <b>C. Total value under protest or not certified:</b> Add A and B.	  \$66,442,367  \$0  \$66,442,367
<b>18. 2017 tax ceilings.</b> Counties, cities and junior colleges enter 2017 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 2016 or a prior year for homeowners age 65 or older or disabled, use this step. <sup>15</sup>	\$0
<b>19. 2017 total taxable value.</b> Add Lines 16E and 17C. Subtract Line 18.	\$6,012,113,607
<b>20. Total 2017 taxable value of properties in territory annexed after Jan. 1, 2016.</b> Include both real and personal property. Enter the 2017 value of property in territory annexed. <sup>16</sup>	\$0
<b>21. Total 2017 taxable value of new improvements and new personal property located in new improvements.</b> New means the item was not on the appraisal roll in 2016. 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, 2016, and be located in a new improvement. New improvements <b>do</b> include property on which a tax abatement agreement has expired for 2017. <sup>17</sup>	\$125,892,289
<b>22. Total adjustments to the 2017 taxable value.</b> Add Lines 20 and 21.	\$125,892,289
<b>23. 2017 adjusted taxable value.</b> Subtract Line 22 from Line 19.	\$5,886,221,318
<b>24. 2017 effective tax rate.</b> Divide Line 15 by Line 23 and multiply by \$100. <sup>18</sup>	\$0.214177/\$100
<b>25. COUNTIES ONLY.</b> Add together the effective tax rates for each type of tax the county levies. The total is the 2017 county effective tax rate. <sup>19</sup>	

<sup>1</sup>Tex. Tax Code Section 26.012(14)

<sup>2</sup>Tex. Tax Code Section 26.012(14)

<sup>3</sup>Tex. Tax Code Section 26.012(13)

<sup>4</sup>Tex. Tax Code Section 26.012(15)

<sup>5</sup>Tex. Tax Code Section 26.012(15)

<sup>6</sup>Tex. Tax Code Section 26.012(15)

<sup>7</sup>Tex. Tax Code Section 26.012(13)

<sup>8</sup>Tex. Tax Code Section 26.03(c)

<sup>9</sup>Tex. Tax Code Section 26.012(13)

<sup>10</sup>Tex. Tax Code Section 26.012

<sup>11</sup>Tex. Tax Code Section 26.03(c)

<sup>12</sup>Tex. Tax Code Section 26.01(c) and (d)

<sup>13</sup>Tex. Tax Code Section 26.01(c)

<sup>14</sup>Tex. Tax Code Section 26.01(d)

<sup>15</sup>Tex. Tax Code Section 26.012(6)

<sup>16</sup>Tex. Tax Code Section 26.012(17)

## SECTION 2: Rollback Tax Rate

The rollback tax rate is split into two separate rates:

1. **Maintenance and Operations (M&O):** 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 eight percent. This rate accounts for such things as salaries, utilities and day-to-day operations.
2. **Debt:** The debt tax 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 rollback tax rate for a county is the sum of the rollback tax rates calculated for each type of tax the county levies. In most cases the rollback tax rate exceeds the effective tax rate, but occasionally decreases in a taxing unit's debt service will cause the effective tax rate to be higher than the rollback tax rate.

Rollback Tax Rate Activity	Amount/Rate
<b>26. 2016 maintenance and operations (M&amp;O) tax rate.</b>	\$0.220000/\$100
<b>27. 2016 adjusted taxable value.</b> Enter the amount from Line 11.	\$5,722,855,280
<b>28. 2016 M&amp;O taxes.</b>	
A. Multiply Line 26 by Line 27 and divide by \$100.	\$12,590,281
B. <b>Cities, counties and hospital districts with additional sales tax:</b> Amount of additional sales tax collected and spent on M&O expenses in 2016. Enter amount from full year's sales tax revenue spent for M&O in 2016 fiscal year, if any. Other taxing units enter 0. Counties exclude any amount that was spent for economic development grants from the amount of sales tax spent.	\$0
C. <b>Counties:</b> Enter the amount for the state criminal justice mandate. If second or later year, the amount is for increased cost above last year's amount. Other taxing units enter 0.	\$0
D. <b>Transferring function:</b> If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in H below. The taxing unit receiving the function will add this amount in H below. Other taxing units enter 0.	\$0
E. <b>Taxes refunded for years preceding tax year 2016:</b> 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 2016. This line applies only to tax years preceding tax year 2016.	\$16,665
F. <b>Enhanced indigent health care expenditures:</b> Enter the increased amount for the current year's enhanced indigent health care expenditures above the preceding tax year's enhanced indigent health care expenditures, less any state assistance.	\$0
G. <b>Taxes in TIF:</b> Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2017 captured appraised value in Line 16D, enter 0.	\$0
H. <b>Adjusted M&amp;O Taxes.</b> Add A, B, C, E and F. For taxing unit with D, subtract if discontinuing function and add if receiving function. Subtract G.	\$12,606,946

<b>29. 2017 adjusted taxable value.</b> Enter Line 23 from the Effective Tax Rate Worksheet.	\$5,886,221,318
<b>30. 2017 effective maintenance and operations rate.</b> Divide Line 28H by Line 29 and multiply by \$100.	\$0.214177/\$100
<b>31. 2017 rollback maintenance and operation rate.</b> Multiply Line 30 by 1.08.	\$0.231311/\$100
<b>32. Total 2017 debt to be paid with property taxes and additional sales tax revenue.</b> Debt means the interest and principal that will be paid on debts that: (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.  A. <b>Debt</b> also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. Enter debt amount.  B. Subtract <b>unencumbered fund amount</b> used to reduce total debt.  C. Subtract <b>amount paid</b> from other resources.  D. <b>Adjusted debt.</b> Subtract B and C from A.	\$0          \$0   \$0  \$0
<b>33. Certified 2016 excess debt collections.</b> Enter the amount certified by the collector.	\$0
<b>34. Adjusted 2017 debt.</b> Subtract Line 33 from Line 32D.	\$0
<b>35. Certified 2017 anticipated collection rate.</b> Enter the rate certified by the collector. If the rate is 100 percent or greater, enter 100 percent.	100.00%
<b>36. 2017 debt adjusted for collections.</b> Divide Line 34 by Line 35	\$0
<b>37. 2017 total taxable value.</b> Enter the amount on Line 19.	\$6,012,113,607
<b>38. 2017 debt tax rate.</b> Divide Line 36 by Line 37 and multiply by \$100.	\$0/\$100
<b>39. 2017 rollback tax rate.</b> Add Lines 31 and 38.	\$0.231311/\$100
<b>40. COUNTIES ONLY.</b> Add together the rollback tax rates for each type of tax the county levies. The total is the 2017 county rollback tax rate.	

### SECTION 3: 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 effective and rollback 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 effective tax rate and/or rollback tax rate because it adopted the additional sales tax.

Activity	Amount/Rate
<b>41. Taxable Sales.</b> For taxing units that adopted the sales tax in November 2016 or May 2017, enter the Comptroller's estimate of taxable sales for the previous four quarters. <sup>20</sup> Taxing units that adopted the sales tax before November 2016, skip this line.	\$0
<b>42. Estimated sales tax revenue.</b> Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. <sup>21</sup> <b>Taxing units that adopted the sales tax in November 2016 or in May 2017.</b> Multiply the amount on Line 41 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. <sup>22</sup>  <b>- or -</b>  <b>Taxing units that adopted the sales tax before November 2016.</b> Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	\$0
<b>43. 2017 total taxable value.</b> Enter the amount from Line 37 of the Rollback Tax Rate Worksheet.	\$6,012,113,607
<b>44. Sales tax adjustment rate.</b> Divide Line 42 by Line 43 and multiply by \$100.	\$0/\$100
<b>45. 2017 effective tax rate, unadjusted for sales tax.</b> <sup>23</sup> Enter the rate from Line 24 or 25, as applicable, on the Effective Tax Rate Worksheet.	\$0.214177/\$100
<b>46. 2017 effective tax rate, adjusted for sales tax.</b> <b>Taxing units that adopted the sales tax in November 2016 or in May 2017.</b> Subtract Line 44 from Line 45. Skip to Line 47 if you adopted the additional sales tax before November 2016.	\$0.214177/\$100
<b>47. 2017 rollback tax rate, unadjusted for sales tax.</b> <sup>24</sup> Enter the rate from Line 39 or 40, as applicable, of the Rollback Tax Rate Worksheet.	\$0.231311/\$100
<b>48. 2017 rollback tax rate, adjusted for sales tax.</b> Subtract Line 44 from Line 47.	\$0.231311/\$100

<sup>17</sup>Tex. Tax Code Section 26.012(17)

<sup>18</sup>Tex. Tax Code Section 26.04(c)

<sup>19</sup>Tex. Tax Code Section 26.04(d)

<sup>20</sup>Tex. Tax Code Section 26.041(d)

<sup>21</sup>Tex. Tax Code Section 26.041(i)

<sup>22</sup>Tex. Tax Code Section 26.041(d)

<sup>23</sup>Tex. Tax Code Section 26.04(c)

<sup>24</sup>Tex. Tax Code Section 26.04(c)

#### SECTION 4: Additional Rollback Protection for Pollution Control

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

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

Additional Rollback Protection for Pollution Control Activity	Amount/Rate
<b>49. Certified expenses from the Texas Commission on Environmental Quality (TCEQ).</b> Enter the amount certified in the determination letter from TCEQ. <sup>25</sup> The taxing unit shall provide its tax assessor-collector with a copy of the letter. <sup>26</sup>	\$0
<b>50. 2017 total taxable value.</b> Enter the amount from line 37 of the Rollback Tax Rate Worksheet.	\$6,012,113,607
<b>51. Additional rate for pollution control.</b> Divide line 49 by Line 50 and multiply by \$100.	\$0/\$100
<b>52. 2017 rollback tax rate, adjusted for pollution control.</b> Add Line 51 to one of the following lines (as applicable): Line 39, Line 40 (counties) or Line 48 (taxing units with the additional sales tax).	\$0.231311/\$100

#### SECTION 5: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

Effective tax rate (Line 24; line 25 for counties; or line 46 if adjusted for sales tax)	\$0.214177
Rollback tax rate (Line 39; line 40 for counties; or line 48 if adjusted for sales tax)	\$0.231311
Rollback tax rate adjusted for pollution control (Line 52)	\$0.231311

#### SECTION 6: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the taxing unit.

**print here** ◇

Printed Name of Taxing Unit Representative

**sign here** \_\_\_\_\_

Taxing Unit Representative

\_\_\_\_\_   
Date

<sup>25</sup>Tex. Tax Code Section 26.045(d)

<sup>26</sup>Tex. Tax Code Section 26.045(i)