



Town of Highland Park, Texas
TOWN COUNCIL STUDY SESSION
AGENDA

8:00 AM
November 1, 2022

4700 Drexel Drive, Highland
Park TX 75205
Map Room (2nd Floor)

FUTURE AGENDAS DISCUSSION

- Review, and discuss an ordinance authorizing and allowing Cost of Living Adjustments and Updated Service Credits through the Texas Municipal Retirement System, effective January 1, 2023.

REPORTS

- Review and discuss landscape and pedestrian accessibility improvements for the Teddy Bear Garden at Lakeside Park.

CLOSED SESSION

1. In accordance with the Texas Government Code Chapter 551, Subchapter D, Section 551.071 – CONSULTATION WITH ATTORNEY – the Town Council will convene into closed session for consultation with and to receive legal advice from the Town Attorney regarding structures in front yards and Ordinance No. 2080.
2. In accordance with the Texas Government Code Chapter 551, Subchapter D, Section 551.071 – CONSULTATION WITH ATTORNEY – the Town Council will convene into closed session for consultation with and legal advice from the Town Attorney regarding pending or contemplated litigation: *USAI, LP v. Town of Highland Park (Cause No. DC-20-80213)*.

OPEN SESSION

1. Pursuant to Section 551.102 of the Texas Government Code, the final action, decision, or vote regarding Closed Session Item 1. above, shall be made, if any.
2. Pursuant to Section 551.102 of the Texas Government Code, the final action, decision, or vote regarding Closed Session Item 2. above, shall be made, if any.

ADJOURNMENT

Any item on this posted agenda could be discussed in closed session as long as it is within one of the permitted categories under Sections 551.071 through 551.076 and 551.087 of the Texas Government Code

A member of the public may address the governing body regarding an item on the agenda either before or during the body's consideration of the item, upon being recognized by the presiding officer or the consent of the body.

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: November 1, 2022

Department: Fiscal & Human Resources

Presenter: Steven J. Alexander

TITLE

Review, and discuss an ordinance authorizing and allowing Cost of Living Adjustments and Updated Service Credits through the Texas Municipal Retirement System, effective January 1, 2023.

BACKGROUND

The Texas Municipal Retirement System ("TMRS") offers participating cities the opportunity to provide a Cost of Living Adjustment ("COLA") to retirees at 30, 50 & 70 percent of the change in the Consumer Price Index ("CPI"). An Updated Service Credit ("USC") can also be provided to active employees at 50, 75 & 100 percent of the changes to an employee's salary and any changes the Town has made to its TMRS plan over the employee's career.

The Fiscal Year 2022 - 2023 ("FY 2023") Adopted Budget includes funding to provide a COLA for retirees at 50% and an USC for Town employees at 75%. Under statutes that govern the TMRS, when a COLA is approved by a member Town/City, USC must also be provided. The benefit adjustments are commonly provided by the Town's comparison cities. The Town has traditionally elected to provide these changes on an ad hoc basis to avoid large actuarial adjustments associated with a recurring plan. The last time the Town approved changes to the COLA was in Fiscal Year 2007 - 2008, and USC in Fiscal Year 2019-2020.

It is important to note that when a Town/City provides these adjustments on an ad hoc basis and approves multiple adjustments within a five-year timeframe, the Town's pension liability is calculated as if it provides the specific benefit on an automatically repeating basis. As such, actuaries for TMRS will view the USC provided this year as "substantively automatic" until Fiscal Year 2025, at which time the benefit will return to being viewed as provided on an ad hoc basis. This has the effect over the next two years of increasing the Town's overall pension liability and reducing the amount of the liability that is funded as presented in the Town's annual financial statements.

It is projected that the Town's unfunded actuarial liability ("UAL") will be \$9.2M, of which \$1.8M is directly related to the substantively automatic rule. Currently, the Town's unfunded liability is 2.1M. Staff is working with TMRS and the Town's independent auditors to allow the Town to present its pension liability without the USC being considered substantively automatic which would lower the unfunded liability and increase the funding ratio.

The next opportunity to provide both a COLA and USC on an ad hoc basis without those benefits being considered substantively automatic will be Fiscal Year 2028.

Alternatively, the Town could reduce the USC to 50%. This would result in a lower impact to unfunded actuarial liability by approximately \$1.4M and increase the anticipated funded ratio from 90.4% to 91.7%. A comparison of the two options is as follows:

	Current	With 50% COLA & 50% USC	With 50% COLA & 75% USC
Rate	8.40%	12.45%	12.92%
UAL	\$2.1M	\$7.8M	\$9.2M
Funded Ratio	97.60%	91.70%	90.40%

RECOMMENDATION

The staff recommends Town Council discuss the proposed ordinance and provide direction as it relates to the USC.

FINANCIAL IMPACT

Providing the COLA and USC as Adopted in the FY 2023 Annual Budget, results in an increase to the Town's pension cost of approximately \$511,279. The financial impact is not fully recognized until the following fiscal year (FY 2024) as the new rate that will reflect this benefit adjustment does not begin until January of 2023. The total annual impact, once fully recognized, will be approximately \$690,000. The Town's contribution rate changes from 8.48% of payroll to 12.92%.

While implementing the COLA and USC raises the Town's pension liability, the FY 2023 Adopted Budget includes a contribution of \$250,000 to the Texas Municipal Retirement System ("TMRS") to reduce the resulting unfunded liability over time. TMRS projects the Town's liability to be 90.4% funded, as compared to the current 97.6%.

It is important to note that the Town's annual financial statements present the status of the pension plan in accordance with the Governmental Accounting Standards Board Statement No. 68 ("GASB 68"). Since GASB 68 measures the plan assets differently than TMRS, the resulting net pension asset or liability differs from the amounts presented by TMRS. Plan measurement occurs at the end of December of each year.

ATTACHMENTS:

File Name

HP_Ord_Amending_TMRS-
Updated_Service_Credits_and_Transfer_Credits-
Final_Doc.docx

Description

Ordinance Approving COLA & USC with TMRS

ORDINANCE NO.

AN ORDINANCE OF THE TOWN OF HIGHLAND PARK, TEXAS, ("TOWN"), AMENDING CHAPTER 9, PERSONNEL, ARTICLE 9.02, TEXAS MUNICIPAL RETIREMENT SYSTEM, SECTION 9.02.008 "INCREASE IN RETIREMENT ANNUITIES, 2008" AND SECTION 9.02.010, "UPDATED SERVICE CREDITS, EFFECTIVE JANUARY 1, 2020" OF THE CODE OF ORDINANCES OF THE TOWN OF HIGHLAND PARK; PROVIDING, AS AUTHORIZED AND ALLOWED, UNDER THE ACT GOVERNING THE TEXAS MUNICIPAL RETIREMENT SYSTEM, INCREASED PRIOR AND CURRENT SERVICE ANNUITIES FOR RETIREES AND BENEFICIARIES OF DECEASED RETIREES OF THE TOWN AND PROVIDING "UPDATED SERVICE CREDITS" IN SAID SYSTEM FOR SERVICE PERFORMED BY QUALIFYING MEMBERS OF SUCH SYSTEM WHO PRESENTLY ARE IN THE EMPLOYMENT OF THE TOWN; PROVIDING A VALIDITY CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR INCORPORATION INTO THE TOWN'S CODE OF ORDINANCES; AND ESTABLISHING AN EFFECTIVE DATE.

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 protect the health, safety, and welfare of the residents of the Town of Highland Park.

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

That all matters stated hereinabove are found to be true and correct and are incorporated herein by reference as if copied in their entirety.

SECTION 1. That, Chapter 9, Personnel, Article 9.02, Texas Municipal Retirement System, Section 9.02.008, Increase in Retirement Annuities, 2008, of the Town's Code of Ordinances is hereby amended to read as follows:

Increase in Retirement Annuities, 2023

(a) On terms and conditions set out in TMRS Act §854.203, the Town hereby elects to authorize and provide for payment of the increases below stated in monthly benefits payable by the System to retired employees and to beneficiaries of deceased employees of the Town under current service annuities and prior service annuities arising from service by such employees to this Town. An annuity increased under this Section replaces any annuity or increased annuity previously granted to the same person.

(b) The amount of the annuity increase under this Section is computed as the sum of the prior service and current service annuities on the effective date of retirement of the person on whose service the annuities are based, multiplied by **50%** of the percentage change in Consumer Price Index for All Urban Consumers, from December of the year immediately preceding the effective date of the

person's retirement to the December that is 13 months before the effective date of this Section.

(c) An increase in an annuity that was reduced because of an option selection is reducible in the same proportion and in the same manner that the original annuity was reduced.

(d) If a computation under this Section does not result in an increase in the amount of an annuity, the amount of the annuity will not be changed.

(e) The amount by which an increase under this Section exceeds all previously granted increases to an annuitant is an obligation of this City and of its account in the benefit accumulation fund of the System.

(f) An increase in a retirement annuity under this Section also may be referred to as a cost of living adjustment ("COLA").

SECTION 2. That, Chapter 9, Personnel, Article 9.02, Texas Municipal Retirement System, Section 9.02.010, Updated service credits, effective January 1, 2008, of the Town's Code of Ordinances is hereby amended to read as follows:

Updated service credits, effective January 1, 2023

On the terms and conditions set out in Sections 853.401 through 853.403 of Subtitle G of Title 8, Government Code, as amended (which subtitle is referred to as the "TMRS Act"), each member of the Texas Municipal Retirement System (the "System") who has current service credit or prior service credit in the System in force and effect on the 1st day of January of the calendar year preceding such allowance, by reason of service in the employment of the Town, and on such date had at least 36 months of credited service with the System, shall be and is hereby allowed "Updated Service Credit" (as that term is defined in TMRS Act §853.402(d)) in an amount that is 75% of the "base Updated Service Credit" of the member calculated as provided in TMRS Act §853.402(c). The Updated Service Credit provided under this ordinance shall replace any Updated Service Credit, prior service credit, special prior service credit, or antecedent service credit previously authorized for part of the same service.

SECTION 3. Validity. That, all ordinances of the Town of Highland Park in conflict with the provisions of this ordinance be, and the same are hereby superseded and all other provisions of the ordinances of the Town of Highland Park not in conflict with the provisions of this ordinance shall remain in full force and effect.

SECTION 4. Severability. That, should any word, phrase, sentence, section or subsection of this ordinance be held to be void, unconstitutional or unenforceable, the same shall not affect the validity of the remaining portions of said ordinance which shall remain in full force and effect.

SECTION 5. Incorporation. That, this ordinance shall be deemed to be incorporated into the Code of Ordinances of the Town of Highland Park, Texas.

SECTION 6. Effective Date. The provisions of this ordinance shall take effect on the 1st day of January, 2023.

PASSED AND APPROVED by the Town Council of the Town of Highland Park, Texas on this the 6th day of December, 2022.

APPROVED AS TO FORM:

Matthew C.G. Boyle
Town Attorney

ATTEST:

Joanna Mekeal
Town Secretary

APPROVED:

Will C. Beecherl
Mayor



TOWN OF HIGHLAND PARK

Agenda Briefing

Council Meeting: November 1, 2022

Department: Engineering

Presenter: Lori Chapin

TITLE

Review and discuss landscape and pedestrian accessibility improvements for the Teddy Bear Garden at Lakeside Park.

BACKGROUND

This item is scheduled to provide the Town Council with an update on the Teddy Bear Garden (“Bears”) project. The purpose of this project is to provide better access to the Bears in Lakeside Park and eliminate confusion for visitors who frequently access the Bears via the alley servicing Willowwood Court. The project was initiated in response to complaints by the adjoining residents. The current layout (see exhibit) provides limited access to the area, often leading visitors to wander through the neighborhood and sometimes onto private property.

Town staff met with two of the adjoining Willowwood Court property owners in April and July 2022 during the design process. The residents provided information regarding the congestion in the area and possible enhancements/options for alternate access to the Bears from Lakeside Drive. Mayor Beecherl reviewed the proposed improvements with one of the other adjoining residents.

Kimley-Horn, the Town’s consultant, has designed an improved pathway connection to the Bears. In addition, Armstrong–Berger Landscape Architects, prepared landscaping enhancements. The design includes the pathway to the Bears, as well as enhanced landscaping and hardscape improvements in and around the area (see attached rendering and drawings). The project will include point repairs to the arched stone footbridge. The pathway design mimics the Exall Pedestrian Bridge design utilizing the IPE wood for the cross bars and decking, as well as the airline wire for the railing. Landscaping has been added along the sidewalk and the alley. Current access to the Bears is provided from the alley at two locations. The eastern access point along the alley will be removed, allowing for access to the Bears via the new pedestrian pathway from the Exall Pedestrian Bridge.

The project is scheduled to be bid in November and a construction contract will be presented to Town Council for consideration in early 2023. It is anticipated to take approximately three to four months to construct, with completion concurrent with the Lakeside Drive project which is estimated late Spring 2023. Related to the Lakeside Drive project, the Town’s landscape architect, Armstrong–Berger, is completing design improvements for limited areas of Lakeside Park.

RECOMMENDATION

This item is being presented to Town Council as an update on the project.

FINANCIAL IMPACT

Funding is derived from the Capital Improvement Plan, which includes \$500,000 in the current adopted budget for the Teddy Bear access project.

ATTACHMENTS:

File Name	Description
Exhibit_Existing.pdf	Existing Access
L2.01_Planting_Plan_10-26-22.pdf	Landscape Plan
RampRendering_v4.pdf	Rendering



EX path to teddy
bear statues

EX teddy bear

EX rock stairs

EX teddy bear

Town of Highland Park
Lakeside Park Trail Ramp
Existing Conditions
11/22/2021

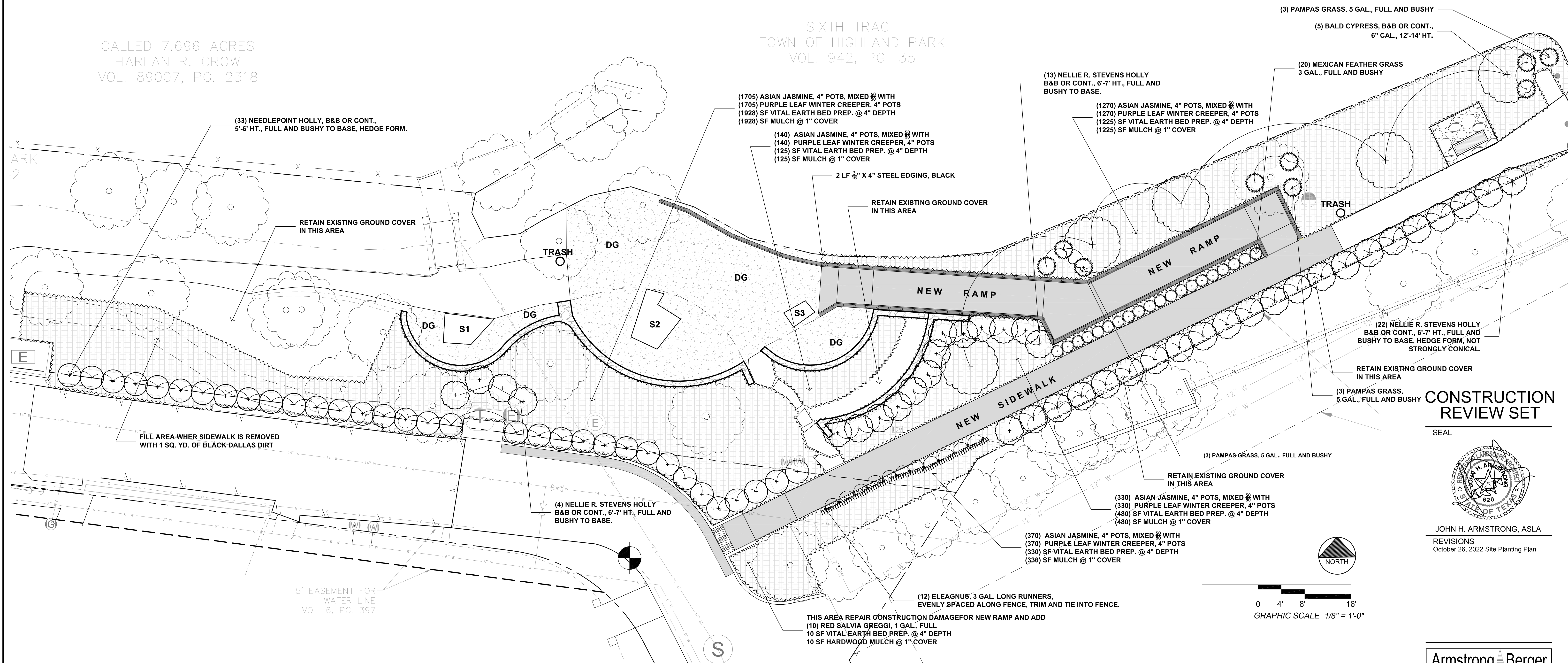
10.00 ft

NORTH

Kimley»Horn

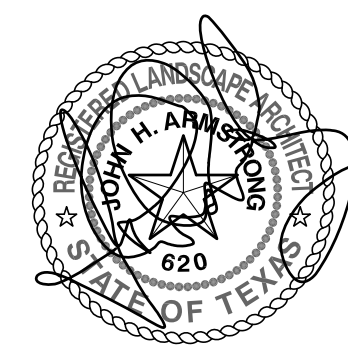
CALLED 7.696 ACRES
HARLAN R. CROW
VOL. 89007, PG. 2318

SIXTH TRACT
TOWN OF HIGHLAND PARK
VOL. 942, PG. 35



CONSTRUCTION REVIEW SET

SEAL



JOHN H. ARMSTRONG, ASLA

REVISIONS
October 26, 2022 Site Planting Plan

Armstrong • Berger

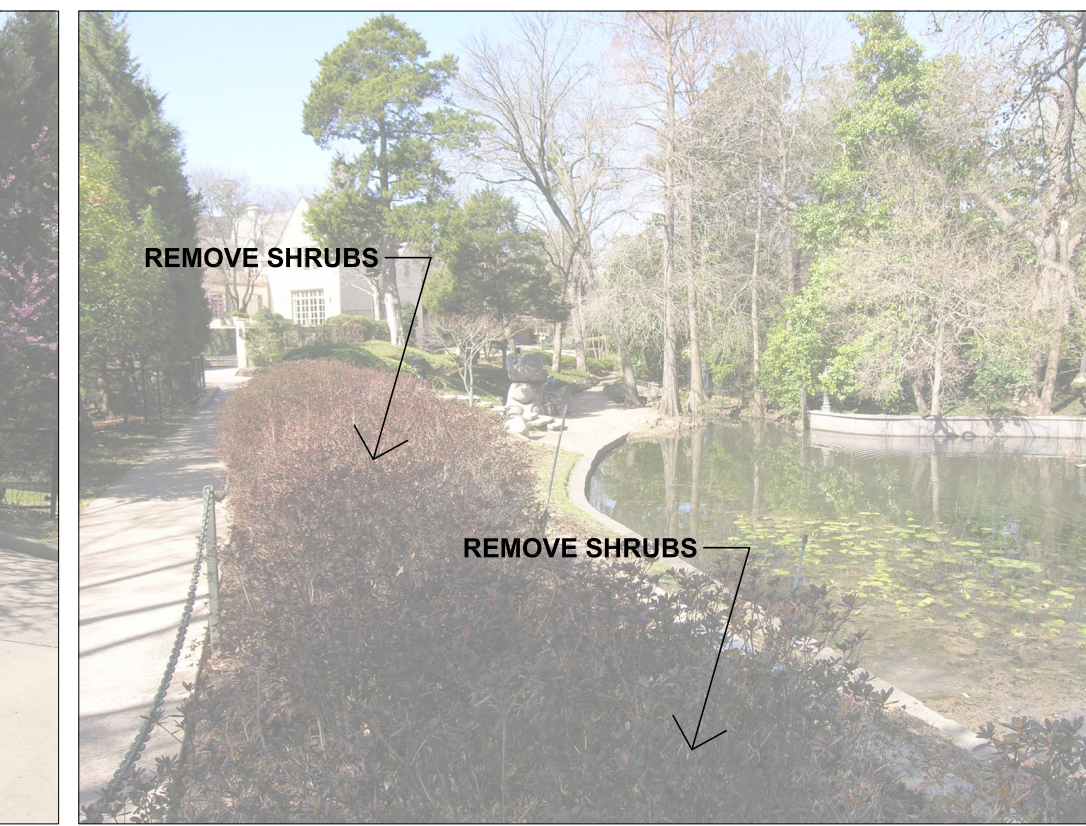
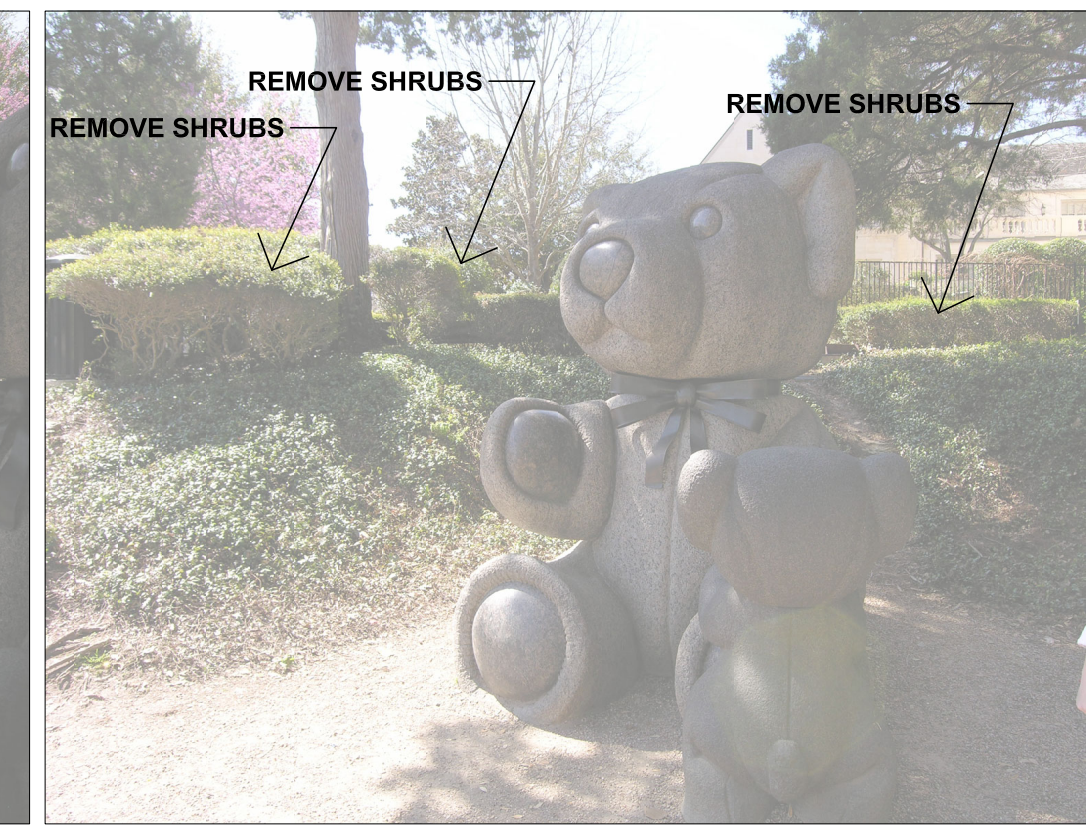
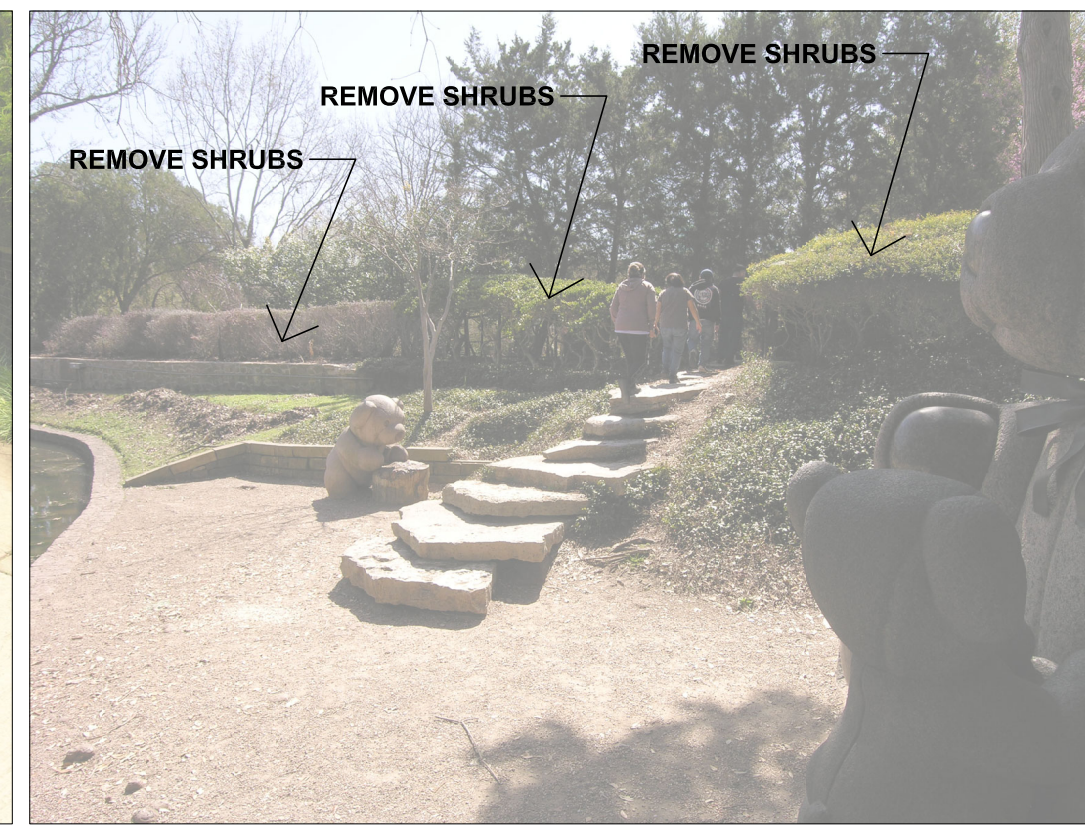
Landscape Architecture • Planning • Construction Management
2611 State Street Dallas, Texas 75204 214-671-0853 Phone armstrong@armstrong-berger.com P.O. Box 191825 Dallas, Texas 75219

H.P.
TEDDY BEAR
LAKESIDE PARK
Lakeside Drive
Highland Park, Texas

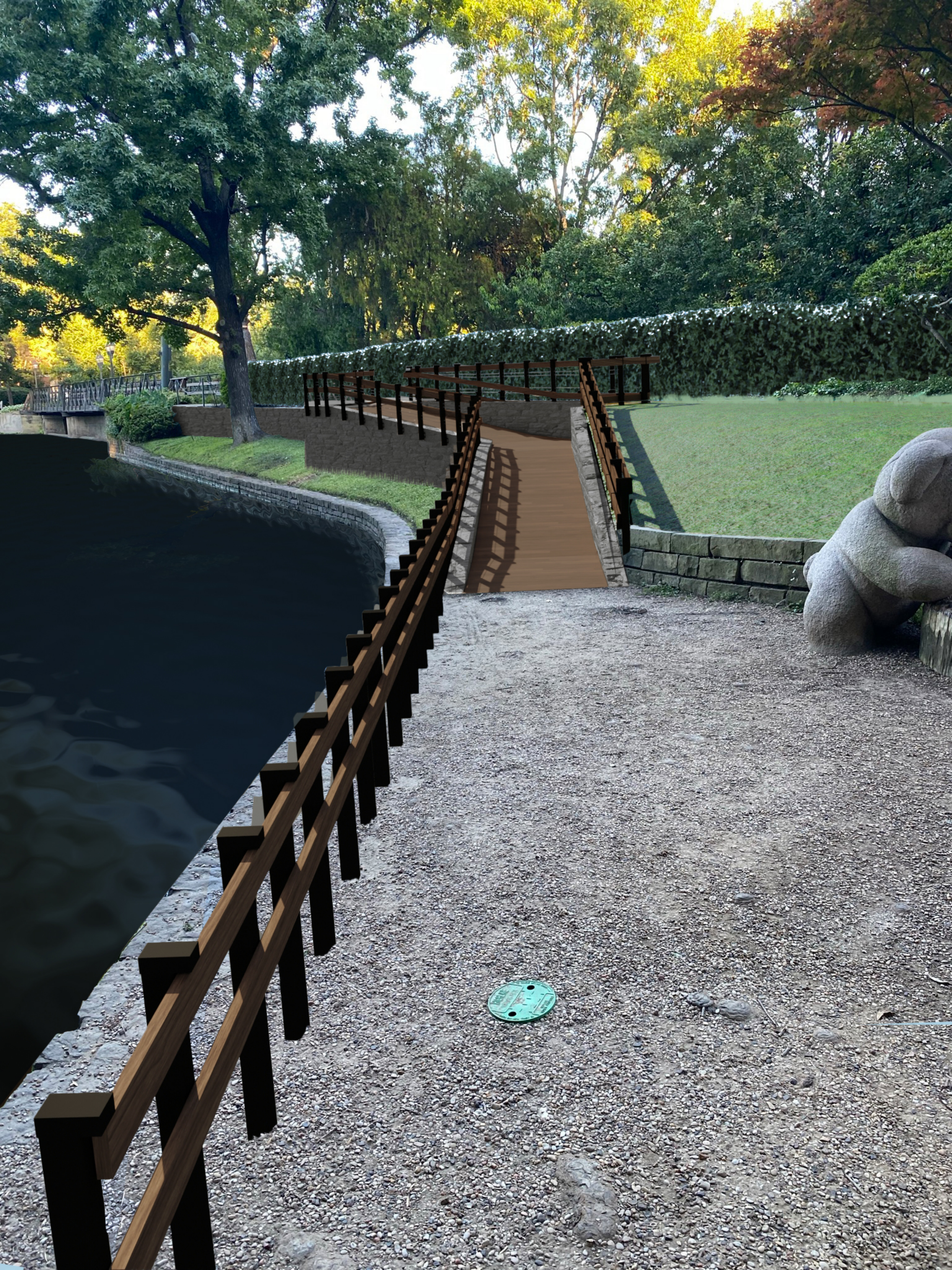
DRAWING TITLE

SITE
PLANTING
PLAN

ISSUE DATE: June 2022
DRAWING SCALE: 1/8"=1'-0"
PROJECT NUMBER 22028
DRAWN BY: JHH
REVIEWED BY: JHH, JHA
APPROVED BY: JHA
DRAWING NUMBER



EXISTING CONDITIONS / DEMOLITION OF PLANT MATERIALS





TOWN OF HIGHLAND PARK

Agenda Briefing

Council Meeting: November 1, 2022

Department: Town Attorney

Presenter: Matthew Boyle

TITLE

In accordance with the Texas Government Code Chapter 551, Subchapter D, Section 551.071 – CONSULTATION WITH ATTORNEY – the Town Council will convene into closed session for consultation with and to receive legal advice from the Town Attorney regarding structures in front yards and Ordinance No. 2080.

BACKGROUND

RECOMMENDATION

FINANCIAL IMPACT

ATTACHMENTS:

File Name	Description
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No Attachments Available



TOWN OF HIGHLAND PARK

Agenda Briefing

Council Meeting: November 1, 2022

Department: Town Attorney

Presenter: Matthew Boyle

TITLE

In accordance with the Texas Government Code Chapter 551, Subchapter D, Section 551.071 – CONSULTATION WITH ATTORNEY – the Town Council will convene into closed session for consultation with and legal advice from the Town Attorney regarding pending or contemplated litigation: *USAI, LP v. Town of Highland Park (Cause No. DC-20-80213)*.

BACKGROUND

RECOMMENDATION

FINANCIAL IMPACT

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File Name

Description