



Town of Highland Park, Texas
TOWN COUNCIL STUDY SESSION
AGENDA

8:00 AM
May 5, 2026

4700 Drexel Drive, Highland Park, TX 75205
Executive Conference Room, Second Floor

I. CALL TO ORDER

II. PUBLIC COMMENT

This portion of the agenda is the public's opportunity to address the Town Council about any item listed on the agenda, except public hearings. Comments related to public hearings will be heard when the specific hearing begins. Public comments are limited to three (3) minutes per speaker, unless otherwise required by law. Per the Texas Open Meetings Act, the Town Council is not permitted to take action on or discuss any item not listed on the agenda. Items suggested for action may be placed on a future agenda at the Town Council's sole discretion.

III. FUTURE AGENDA DISCUSSION

- A. Review, discuss, and consider the opportunity for a Town Council Member to request an item to be placed on a future Town Council Meeting agenda.
- B. Review and discuss amending the Town's Master Fee Schedule providing for Highland Park On-Demand transit fees.

IV. REPORTS

- A. Review and discuss the development of the Fiscal Year 2026-27 Combined Operating and Capital Budget.
- B. Review and discuss Capital Improvement Program project status.

V. 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 from 7:30 a.m. - 4:30 p.m., Monday through Friday.



**Town of Highland Park
Town Council Study Session
Tuesday, May 5, 2026**

Item Coversheet

Review, discuss, and consider the opportunity for a Town Council Member to request an item to be placed on a future Town Council Meeting agenda.

PRESENTED BY: Joanna Mekeal, Town Secretary

BACKGROUND:

This item is provided at the request of the Mayor for a member of the Town Council to request that an item be placed on a future Town Council study session agenda for discussion or consideration. Town Council discussion and consideration would be limited to including a potential agenda item and scheduling such on a future agenda. The agenda item would be included in the study session agenda of regular Town Council meetings.

RECOMMENDATION

Staff recommends approval of the inclusion of the agenda item for future regular Town Council meetings (not special or emergency).

FINANCIAL IMPACT

This item has no financial impact.

ATTACHMENTS

None



**Town of Highland Park
Town Council Study Session
Tuesday, May 5, 2026**

Item Coversheet

**Review and discuss amending the Town's Master Fee Schedule
providing for Highland Park On-Demand transit fees.**

PRESENTED BY: Tobin Maples, Town Administrator

BACKGROUND:

At its April 21 meeting, the Town Council approved a service order for the implementation of alternative transit services to address ongoing on-street parking and mobility challenges. These challenges are driven by a combination of regional traffic traversing the Town and increased daytime construction activity, which have, at times, impacted traffic flow, limited emergency vehicle access, and created pedestrian safety concerns. Consistent with prior Council direction, the approved program includes general on-demand microtransit and paratransit service components designed to enhance mobility, improve safety, and support overall neighborhood functionality.

As previously discussed during the February 17 and April 7 Study Sessions, the general on-demand and paratransit services are intended to serve as both a mobility enhancement and a contingency option to avoid disruption for current users of Dallas Area Rapid Transit (DART), should service arrangements change in the near future. The paratransit component is designed to provide eligible riders with comparable service levels and access to key destinations, while the on-demand service will support connections to nearby regional transit facilities and services.

Staff is advancing implementation planning in coordination with the service provider. As part of this process, the Town must establish a fee structure for both the microtransit (on-demand) and paratransit services. A comparison of system fees is below:

DART Fixed Route System	Adult Fare (One-Way)	Senior Fare	Paratransit	Monthly Pass (Adult)	Monthly Pass (Senior)
DART Fixed Route	\$3.00	\$1.50	\$3.50	126.00 (local)	\$96.00
RideUP	N/A	N/A	\$3.50	N/A	N/A
Addison Orbit	\$3.00	\$1.50	\$3.50	\$126.00 (local)	\$96.00
Via Arlington	\$3.00 + (distance-based)	Not Standardized	\$3.00	N/A	N/A
Plano Rides (65+)	N/A	\$1.50 (\$3.00 day pass)	N/A	N/A	N/A
DCTA	\$1.50 - \$3.00	\$0.75 - \$1.50	\$3.00	\$48.00 (local)	\$24.00 (reduced)
Trinity Metro	\$2.00	\$1.00	\$4.00	\$192.00 (regional)	\$96.00
Proposed: HP	\$3.00	\$1.50	\$3.50	N/A	N/A

This agenda item is intended to facilitate Council discussion and provide direction to staff on the appropriate fee structure for these services prior to program launch. Staff will incorporate Council feedback into the final program design to ensure the service is accessible, equitable, and financially sustainable for the Town.

RECOMMENDATION

This item is for discussion purposes.

FINANCIAL IMPACT

This item is for discussion purposes.

ATTACHMENTS

None



**Town of Highland Park
Town Council Study Session
Tuesday, May 5, 2026**

Item Coversheet

**Review and discuss the development of the Fiscal Year 2026-27
Combined Operating and Capital Budget.**

PRESENTED BY: John Samford, Director of Finance

BACKGROUND:

In accordance with the Town Charter, staff prepares a proposed budget for the upcoming fiscal year. The Town Administrator must submit the proposed budget to the Town Council for review and consideration no later than thirty (30) days before the end of the current fiscal year. The development of the annual budget is a collaborative process that incorporates input from Town departments, Town administration, citizens, stakeholders, and the Town Council.

The purpose of this agenda item is to provide an opportunity for staff to receive comments from the Town Council regarding the Fiscal Year 2026–27 Combined Operating and Capital Budget (the “FY27 Budget”) process, as well as any items the Council would like staff to evaluate, consider, or incorporate into the FY27 Budget. Although the Town Council will have additional opportunities to provide direction as the FY27 Budget progresses, this meeting is specifically intended to gather input at a stage when the proposed FY27 Budget is still under development.

For reference, a copy of the fiscal year 2025-26 adopted budget has been provided to assist the Town Council in identifying items or priorities for staff to address during preparation of the FY27 Budget, together with the most recent version of the FY27 Budget process calendar.

RECOMMENDATION

This item is presented for discussion purposes.

FINANCIAL IMPACT

This item has no financial impact at this time.

ATTACHMENTS

FY2026-27 Budget Process Calendar, FY2025-26 Budget in Brief, FY2025-26 Adopted Budget

Budget Calendar Fiscal Year 2026-27

Date	Activity
February 16	FY 2026-27 budget kick-off meeting with departments.
March 2	Deadline to provide exemption resolutions for 2026 (for appraisal notices) to the Dallas Central Appraisal District (DCAD).
March 9	Departments submit initial projections for FY 2025-26 revenues and expenditures to the Finance Department. Departments submit base budget requests to the Finance Department. This includes any requests for new or replacement capitalized fixed assets.
March 16	Departments submit any new programs to the Finance Department. Departments submit proposed changes to rates and fees in the Town's Master Fee Schedule. Departments submit proposed updates, changes, or revisions to the Town's Capital Improvement Plan.
Week of March 16	Meet and discuss the Town's 10-year Capital Improvement Plan with applicable Department Directors.
Week of March 23	Finance Department review of Departmental budget requests and updates, changes, or revisions to the Town's Capital Improvement Plan with Department Directors.
April 13	Departments submit revised projections of FY 2025-26 revenues and expenditures to the Finance Department. Departments submit updated program descriptions, accomplishments, objectives, and key performance indicators to the Director of Policy Development & Strategic Initiatives.
April 15	Receive preliminary (4/30) Certification Estimate Letter from DCAD
April 20	Deadline to provide exemption resolutions (to be reflected on 1st Estimated Values Report) to DCAD.
Week of April 20	Department meetings with Town Administrator on proposed budget requests.
May 4	Departments submit final projection of FY 2025-26 revenues and expenditures to the Finance Department.
May 5*	Review and discuss with the Town Council the progress of the FY 2026-27 budget process and the Council's priorities and expectations of the FY 2026-27 budget.
May 11	Receive preliminary EVR (Estimated Value Report) from DCAD.
June 2*	Review and discuss with the Town Council the progress of the FY 2026-27 budget process and the Council's priorities and expectations of the FY 2026-27 budget.
June 16*	Review and discuss with the Town Council any proposed updates, changes, or revisions to the Town's 10-year Capital Improvement Plan.
June 18	Deliver draft proposed budget and 10-year Capital Improvement Plan to Finance & Audit Advisory Committee.
June 23	Finance & Audit Advisory Committee meet to discuss draft proposed budget and 10-year Capital Improvement Plan to Finance & Audit Advisory Committee.

Date	Activity
June 30	FY 2026-27 Proposed Budget filed with the Town Secretary, delivered to the Town Council, and posted on the Town webpage.
July 1	Deadline to provide exemption resolutions (for certification) to DCAD.
July 7*	Review and discuss the Proposed Budget with the Town Council.
July 21*	Review and discuss the Proposed Budget with the Town Council.
July 25	Receive 2025 Certified Appraisal Roll from DCAD.
July 27	Deliver notice of the August 11 public hearing on the FY 2026-27 Proposed Budget to the newspaper. Provide notice to Town Secretary for publishing on website.
July 30	Publication of the notice for the August 11 public hearing on the FY 2026-27 Proposed Budget in the newspaper.
August 6	Submit certified No-New-Revenue and Voter Approval Rate to Council and post on Website.
August 11**	<i>Special Called Town Council meeting</i> Conduct public hearing on FY 2026-27 Proposed Budget. Review and discuss a proposal to set a preliminary property tax rate for Fiscal Year 2026-27. • Call a public hearing on the property tax rate on September 1. • Announce date and time of public hearing to adopt the tax rate on September 1. Town Council sets preliminary ad valorem tax rate. Call for a Voter Approval Tax Rate Election (VATRE) if the preliminary tax rate set by the Town Council exceeds the voter-approval tax rate.
August 18*	Review and discuss the Proposed Budget with the Town Council (<i>if necessary</i>).
August 21	Deliver notice of the September 1 public hearing on the FY 2026-27 property tax rate and vote to adopt the property tax rate to the newspaper and publish notice on the Town's website.
August 24	Last day to adopt a tax rate exceeding the voter-approval tax rate. This deadline only applies if the de minimis rate exceeds the voter-approval rate. Publication of the notice of the September 1 public hearing on the FY 2026-27 property tax rate and vote to adopt the property tax rate on the Town's website.
August 26	Publication of the notice of the September 1 Public Hearing on the FY 2026-27 property tax rate and vote to adopt the property tax rate in the newspaper.
September 1**	Conduct public hearing on the property tax rate. Town Council considers approval of: • Ordinance adopting the FY 2026-27 Proposed Budget and related Capital Improvement Plan (CIP). • Ordinance adopting the 2026 property tax rate for FY 2026-27. • Ratification of a property tax increase (If applicable) • Resolution approving the FY 2026-27 Master Fee Schedule. • Resolution approving the FY 2026-27 Pay Plan
September 4	Provide approved property tax ordinance and property tax rate to Dallas County Tax Office (DCTO) and the DCAD.

* Indicates a Town Council Study Session

** Indicates a Town Council Meeting

BUDGET in BRIEF

FISCAL YEAR 2025-26

PROPERTY TAX RATE

Per \$100 Taxable Assessed Value

		FY 25-26	FY 24-25
HIGHLAND PARK	*	\$0.1993	\$0.2086
HPISD	*	\$0.8347	\$0.8669
DALLAS COUNTY (1)	*	\$0.5341	\$0.5331
TOTAL		\$1.5681	\$1.6086

*Adopted

(1) Includes hospital and college districts

DID YOU KNOW?

The Dallas Central Appraisal District sets the taxable assessed values.

TYPE	IN MILLIONS
RESIDENTIAL	\$9,576
COMMERCIAL	\$566
BUSINESS PERSONAL PROPERTY	\$153
TOTAL TAXABLE ASSESSED VALUE	\$10,295

*Excludes Values Under Protest



An American Community Making a Difference

FINANCE DEPARTMENT

4700 Drexel Drive
Highland Park, Texas 75205

214.521.4161

hptx.org/218/Annual-Budget

TOWN COUNCIL

WILL C. BEECHERL Mayor
DON SNELL Mayor Pro-Tem
ALAN FRIEDMAN Council Member
MARC MYERS Council Member
LYDIA NOVAKOV Council Member
LELAND WHITE Council Member

TOWN STAFF

TOBIN E. MAPLES, AICP Town Administrator
TAYLOR LOUGH Assistant Town Administrator
JOHN SAMFORD, CPA, CTP Director of Finance
LORI CHAPIN, P.E. Director of Engineering
 & Public Works
LETECIA McNATT Director of Policy Development
 & Strategic Initiatives
CHUCK McGINNIS Director of Public Safety
JEFF ARMSTRONG, AICP Director of Community
 Development
KORTNEY NELSON Town Librarian
JOANNA MEKEAL, TRMC Town Secretary

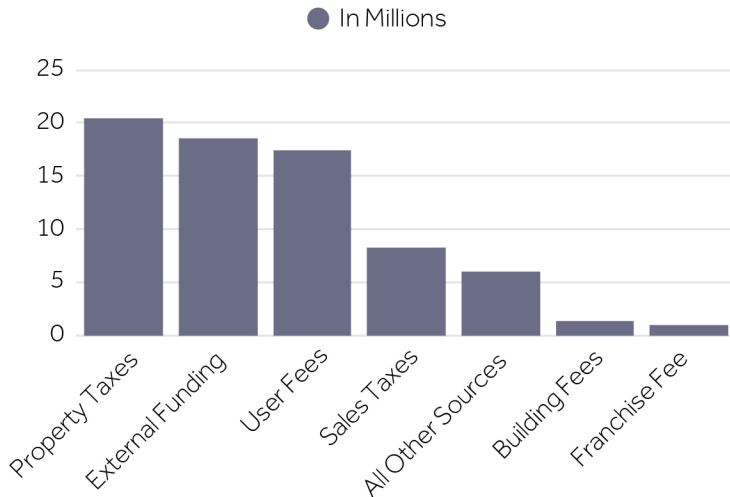
TOTAL BUDGET

\$82.7 Million

(Excludes Transfers Between Funds)

DID YOU KNOW?

Key Revenues of the Town Include:



OPERATIONAL BUDGET

\$41.1 Million

Overarching Budget Goals:

- Meeting Citizens' Needs
- Providing Quality Services
- Retaining & Attracting Outstanding Employees
- Funding Capital Improvements



CAPITAL BUDGET

\$41.6 Million

DID YOU KNOW?

Out of Each Dollar of Property Tax:

47.0 cents: public health & safety

32.6 cents: capital improvement

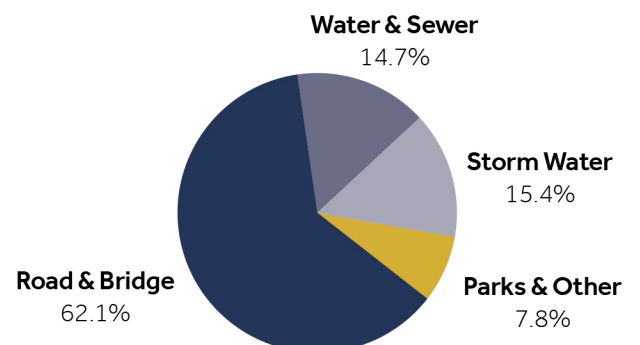
8.3 cents: administration & information technology

8.2 cents: library, parks, recreation & pool

2.6 cents: facilities operations & maintenance

1.3 cents: streets

The Town's Capital Improvement Plan (CIP) for This Year Includes:



TOWN OF HIGHLAND PARK, TEXAS



FISCAL YEAR 2025-26 ADOPTED BUDGET AND PLAN OF MUNICIPAL SERVICES



THIS PAGE INTENTIONALLY LEFT BLANK

Town of Highland Park

Adopted Budget and Plan of Municipal Services

For the Fiscal Year 2025-2026

This budget will raise more revenue from property taxes than last year's budget by an amount of \$983,902, which is a 5.02 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 \$298,073.

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

FOR: Mayor ProTem Don Snell
Council Member Lydia Novakov
Council Member Alan Friedman
Council Member Marc Myers
Council Member Leland White

AGAINST:

PRESENT and not voting: Mayor Will C. Beecherl

ABSENT:

Property Tax Rate Comparison	2025-2026	2024-2025
Property Tax Rate:	\$0.199296/100	\$0.208550/100
No-New-Revenue Tax Rate:	\$0.191974/100	\$0.198103/100
No-New-Revenue Maintenance & Operations Tax Rate:	\$0.192557/100	\$0.198989/100
Voter-Approval Tax Rate:	\$0.199296/100	\$0.208550/100
Debt Rate:	\$0.000000/100	\$0.000000/100

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



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Town of Highland Park
Texas**

For the Fiscal Year Beginning

October 01, 2024

Christopher P. Morrell

Executive Director

Town of Highland Park, Texas

Proposed Budget and Plan of Municipal Services

October 1, 2025, through September 30, 2026

Mayor & Town Council

Will C. Beecherl, Mayor

Don Snell, Mayor Pro Tem

Alan Friedman, Council Member

Marc Myers, Council Member

Lydia Novakov, Council Member

Leland White, Council Member

Town Staff

Tobin E. Maples, AICP, Town Administrator

Taylor Lough, Assistant Town Administrator

John Samford, CPA, CTP, Director of Finance

Lori Chapin, P.E., Director of Engineering & Public Works

Vacant, Director of Policy Development & Strategic Initiatives

Chuck McGinnis, Director of Public Safety

Jeff Armstrong, AICP, Director of Community Development

Kortney Nelson, MLS, Town Librarian

Joanna Mekeal, TMRC, Town Secretary



THIS PAGE INTENTIONALLY LEFT BLANK



GUIDING PRINCIPLES

Town Preamble

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

Organizational Mission Statement

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

Organizational Vision Statement

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



Organizational Values Statement

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

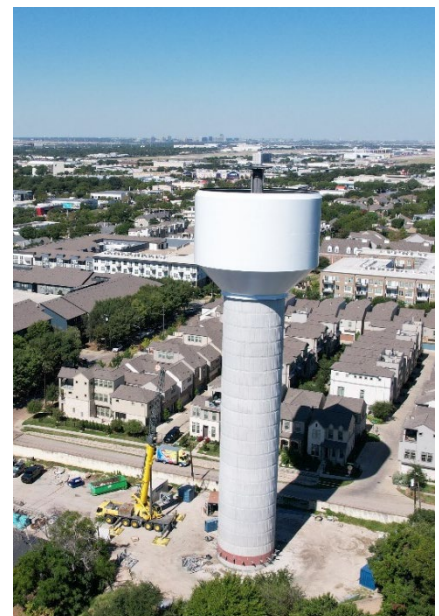
The Town Council Priorities presented below were developed through a strategic planning process held with Town Council in FY 2013. Based on those priorities, the Town has consistently developed its annual budgets with the budgetary goals listed below in mind.

Town Council Priorities

- P1** Maintain respect for the Town's rich history and heritage
- P2** Support the Highland Park Independent School District
- P3** Provide quality Town services – and leverage the quality of those services by collaborating with the City of University Park, Southern Methodist University, Highland Park Village, the Dallas Country Club and by accessing the functional expertise of the Town's residents
- P4** Continue the Town's financial stability

Budgetary Goals for Fiscal Year 2025-26

- G1** Meet citizens' needs.
- G2** Continue providing high quality services and excellence in customer service.
- G3** Retain and attract quality employees.
- G4** Sustain the Town's cash funded Capital Improvement Plan (CIP).



Department/Objective for Fiscal Year 2026	Town Council Priorities	Budgetary Goals
Administration		
Coordinate the implementation of Town Council goals and objectives with all Town departments	P1	G1, G2, G3, G4
Advance the Town's strategic planning initiatives	P3	G3
Implement and update the Town's retention policy	P3	G1
Strengthen responsiveness to open records requests	P3	G3
Increase student participation in the IMPACT Committee	P2	G2
Community Services		
Complete zoning Ordinance rewrite	P3	G1, G3, G4
Adopt 2024 ICC Building Codes and 2023 National Electric Code	P1	G3, G4
Publish accessible development resources, including Development Handbook.	P3	G3
Review and update ordinances for relevance, enforceability, and public protection	P3	G1, G3, G4
Reduce average days to close code cases, complete permit intake and issue building permits	P3	G3
Department of Public Safety		
Implement a plan to address facility needs	P4	G1
Complete implementation of the state mandated NextGen 9-1-1 program	P3	G1, G2
Establish rifle program	P3	G3
Launch a department Jiu-Jitsu program	P3	G3
Prepare for TCOLE sunset adjustments	P3	G3
Develop a Parking Enforcement Program	P3	G1
Establish Records Management program	P3	G3
Policy & Strategic Initiatives		
Finalize development of the Town's Strategic Plan	P1, P2, P3, P4	G1, G3
Develop an interactive dashboard for strategic planning and performance management	P3	G1, G3
Establish a proactive communications strategy and division for the Town	P1	G1, G3
Redesign the Town's website for better user accessibility	P3	G1, G3
Assess organizational efficiency and effectiveness and make recommendations to administration	P1	G3
Develop increased community programming and recreational opportunities including partnerships with HPISD, UP, Moody Family YMCA	P1, P2, P3	G1, G2, G3
Parks		
Implement work order management system for park maintenance tracking	P3	G3, G4
Develop Parkway Tree Maintenance Program	P1	G3, G4
Develop a Parks Capital Improvement Plan	P4	G3, G4
Replace aging playground surface and equipment at Davis Park	P3	G3, G4
Rehabilitate Ashley Priddy Fountain	P3	G3, G4
Resurface tennis courts to maintain quality and extend lifespan	P3	G3, G4
Increase recreational opportunities through partnerships	P1, P2, P3	G1, G2, G3
Swimming Pool		
Increase training opportunities	P3	G3
Develop additional community programs and events		G1, G2, G3
Develop more robust swim lesson and conditioning program through partnerships	P3	G1, G2, G3
Municipal Court		
Further improve collections with efficient warrant issuance, tracking and resolution of outstanding cases	P4	G3
Evaluate new laws passed during the 2025 State Legislative session to determine their impact on court procedures and implement necessary changes	P3	G3

Department/Objective for Fiscal Year 2026	Town Council Priorities	Budgetary Goals
Finance		
Provide the Town Council, Town Administrator, departments and citizens with accurate and timely financial reports	P4	G2, G4
Manage the Town's investment portfolio in accordance with the Town's Investment Policies that focus on the safety of principal and liquidity of resources and diversification while earning a market-based return	P4	G2
Develop a Popular Annual Financial Report (PAFR) for greater transparency to residents	P4	G2
Continue efforts to streamline financial processes to improve processing efficiency	P4	G2
Evaluate a major upgrade to the Town's ERP/financial system and/or explore market alternatives	P4	G1, G2, G4
Information Technology		
Deploy management platform for mobile devices	P3	G3
Develop a ten-year business plan	P4	G2, G3, G4
Replace security access control system	P3	G3
Migrate phone system to unified communications platform	P3	G3
Street		
Develop a workplan for street signage repair and replacement	P3, P4	G3, G4
Maintain a minimum of 100 streetlights including painting, repairs, and LED Conversions	P4	G3, G4
Maintain a minimum of 60 street signs including poles and signs	P4	G3, G4
Inspect, clean and repair stormwater facilities including inlets, flumes, and outfalls	P4	G3, G4
Library		
Implement initiatives from Library Master Plan	P1, P3	G1, G3
Acquire advanced software and train staff	P3	G2, G3
Promote book groups for all ages with enhanced reader advisory services	P1, P3	G3
Expand programming in partnership with other Town departments	P3	G3, G4
Human Resources		
Streamline HR processes and enhance eForms usage	P3	G3
Migrate all employee records into digital employee files created within eForms	P3	G3
Increase utilization of Learn in NeoGov to improve employee skills	P3	G3
Review and update performance evaluation criteria	P3	G3
Assess and enhance employee wellness programs	P3	G3
Utility Customer Service		
Create a Welcome Packet for new residents	P2	G1, G2
Research and implement enhanced customer outreach services	P2	G1, G2
Introduce text-to-pay for easier utility payments	P2	G1, G2
Promote pet registration through bill inserts	P2	G1, G2
Enhance promotion of WaterSmart program and payment options	P2	G1, G2
Water Department		
Replace 400 water meters to meet 15 year life cycle	P4	G3, G4
Inspect 1,000 service lines to meet state requirements for the LSLI	P4	G3, G4
Maintain 264 fire hydrants in accordance with NFPA	P4	G3, G4
Implement a valve operation and maintenance program	P4	G3, G4
Sanitary Sewer		
Flush sanitary sewer mains twice annually	P3	G3, G4
Clean and inspect sewer collection system manholes	P4	G3, G4
Replace a minimum of ten existing manhole lids with watertight	P3	G3, G4
Conduct smoke testing on minimum of 25,000 linear feet of mains	P4	G3, G4

Department/Objective for Fiscal Year 2026	Town Council Priorities	Budgetary Goals
Engineering		
Initiate construction on Wycliffe Avenue to improve safety and eliminate roadway flooding	P4	G4
Enhance resident notification of projects	P3	G3
Complete installation of traffic signal upgrades for Mockingbird Lane at Abbott and at Airline	P4	G4
Complete a Capital Improvement book identifying all current and future Town infrastructure projects	P4	G4
Complete Eastern Avenue Reconstruction from Westside Drive to Mockingbird Lane	P4	G3, G4
Complete Douglas Avenue Reconstruction from south Town limits to Arcady Avenue	P4	G3, G4
Complete Hackberry Creek Phase IA from Beverly Drive to Byron Avenue	P4	G3, G4
Sanitation		
Coordinate removal and delivery of trash and recycling carts for residents	P3	G3, G4
Partner with the City of University Park for Park Cities Recycling Events	P4	G3, G4
Host two Household Hazardous Waste events for residents	P3	G3, G4



THIS PAGE INTENTIONALLY LEFT BLANK

Town of Highland Park
Fiscal Year 2025-26 Adopted Budget
Table of Contents

	Document Page No.
Cover Page	3
Award.....	4
Recognition	5
Guiding Principles	7
Departmental Objectives Related to Town Priorities & Budgetary Goals	9
Table of Contents.....	13

Budget Message

Budget Transmittal letter	17
Combined Summary of Revenues and Expenditures – All Funds.....	32
Organizational Matrix	34

Budget Information

Budget Calendar.....	37
Organizational Structure	39
Fund Structure.....	40
Ordinance Adopting the Annual Budget.....	41
Ordinance Adopting the Property Tax Rate.....	43
Combined Budget Summary	45
Authorized Personnel.....	47
Revenues & Expenditures by Type – All Funds.....	48
Budgeted Funds Discussion	53

General Fund

General Fund.....	63
Summary Statement of Revenues & Expenditures by Department	65
Summary Statement of Revenues & Expenditures by Type.....	66
Statement of Revenues.....	68
Summary of Revenue Estimates	70
Department Budgets	
Administrative Department	72
Department of Public Safety.....	74
Policy & Strategic Initiatives.....	76
Street Department	78
Library Department	80
Parks & Recreation Department	82
Pool Department	84
Municipal Court Department.....	86
Finance Department.....	88
Community Development Department.....	90
Information Technology Department	92
Human Resources	94
Non-Departmental	96
Transfers to Other Funds	97

Town of Highland Park
Fiscal Year 2025-26 Adopted Budget
Table of Contents

Document
Page No.

Enterprise Funds

Utility Fund.....	99
Summary Statement of Revenues & Expenses by Department	102
Summary Statement of Revenues & Expenses by Type.....	103
Statement of Revenues.....	104
Department Budgets	
Utility Customer Service Department.....	106
Water Department.....	108
Sanitary Sewer Department	110
Engineering Department.....	112
Transfer to Other Funds	114
 Solid Waste Fund.....	 115
Summary Statement of Revenues & Expenses by Department	116
Summary Statement of Revenues & Expenses by Type.....	117
Statement of Revenues.....	119
Department Budgets	
Sanitation Department	120
Transfer to Other Funds	122

Other Funds

Other Funds.....	123
 Storm Water Utility Fund	
Fund Summary.....	124
Statement of Revenues & Expenditures	125
 Equipment Replacement Fund	
Statement of Revenues & Expenses	126
Mobile Equipment Inventory & Replacement Schedule	127
 Technology Replacement Fund	
Statement of Revenues & Expenses	129
 Building Maintenance & Investment Fund	
Statement of Revenues & Expenses	130
 Local Youth Diversion Fund	
Statement of Revenues & Expenditures	131
 Municipal Jury Fund	
Statement of Revenues & Expenditures	132

Town of Highland Park
Fiscal Year 2025-26 Adopted Budget
Table of Contents

	Document Page No.
Forfeited Property Fund	
Statement of Revenues & Expenditures	133
Court Technology Fund	
Statement of Revenues & Expenditures	134
Court Security Fund	
Statement of Revenues & Expenditures	135
Library Fund	
Statement of Revenues & Expenditures	136
Reserve Fund	
Statement of Revenues & Expenditures	137
Capital Projects Fund	
Fund Summary	138
Statement of Revenues & Expenditures	139
Debt Service Statement.....	140
Capital Improvement Plan & Financial Forecast.....	141
Ten Year Capital Improvement Plan - Capital Projects Fund - FY 2026-2035	144
Ten Year Capital Improvement Plan - Storm Water Drainage Utility Fund - FY 2026-2035	146
Ten Year Capital Improvement Plan - Utility Fund - FY 2026-2035	148
Ten-Year Project Capital Improvement Plan Project Detail	150
10-Year CIP Map.....	157
10-Year Financial Forecast Basic Assumptions	158
10-Year Financial Forecast - FY 2026-2035	160
 Appendix 	
Community Information	163
Pay Plan	171
Non-Exempt Personnel (Excluding Public Safety).....	172
Commissioned Personnel (Public Safety).....	173
Exempt Personnel & Pay Incentives.....	174
Historical Revenue & Expenditure Trend Data	
Revenue History Trend Data	178
Expenditure History Trend Data.....	180
Historical Water Sales by Service Type	183
Town Charter - Chapter 9 – Financial Administration	185
Financial Management Policies	189
Glossary of Terms	207
2025 Tax Rate Calculation Worksheet	217



THIS PAGE INTENTIONALLY LEFT BLANK

MAYOR
Will C. Beecherl

MAYOR PRO TEM
Don Snell

TOWN ADMINISTRATOR
Tobin E. Maples, AICP



TOWN COUNCIL
MEMBERS

Alan Friedman

Marc Myers

Lydia Novakov

Leland White

September 2, 2025

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

In accordance with Texas Statutes and the Town of Highland Park Charter, it is our honor to present to you the Adopted Budget and Plan of Municipal Services (“Adopted Budget”) for the fiscal year beginning October 1, 2025, and ending September 30, 2026 (“FY26”). The Adopted Budget incorporates a property tax rate of 19.9296 cents per \$100 of taxable assessed value, which is a reduction of 0.9254 cents from the prior year tax rate (20.8550 cents). The Adopted Budget was carefully developed through the collective efforts of all departments and endeavors to balance citizen-driven service expectations, risk management strategies, and capital investment initiatives with available resources. Accordingly, the Adopted Budget is balanced and preserves the Town’s rich history of financial stewardship, strength, and resiliency and serves as:

- ❖ The fiduciary policy position establishing service delivery expectations and accountability for the citizenry and staff.
- ❖ A plan of financial operations estimating expenditures for the fiscal year and the means of financing; and
- ❖ An operational plan for the programming and mobilization of human, material, and capital project resources during the fiscal year.

In essence, the Adopted Budget represents the single most important management tool of the governing body and staff.

The Adopted Budget was prepared and shaped through a lengthy process obtaining input from Town Staff, Town Council deliberations and directives, and recommendations from the Town’s Finance and Audit Advisory Committee. Throughout the process, opportunities were granted to the public to provide input and suggestions to ensure that all stakeholders could be heard.

The leadership, insight, and guidance provided by the Town Council and the Finance and Audit Advisory Committee is greatly appreciated. It is the selfless dedication and volunteerism of the individuals serving in these roles that allow great strides to be made in honoring the visionaries of the past and to continue their rich legacy through commitment to public service.

The FY 2025 (“FY25”) budget presented for comparative purposes throughout this document is the “Amended Budget”, which reflects Town Council approved amendments to the original FY25 budget.

Budget Brief

The annual budget is the Town’s primary policy document. It represents the culmination of a financial process that couples the values of the community with the expertise of its public servants, inclusive of a fiduciary duty projected over a ten-year planning horizon. [Presentations](#) made to the Town Council as well as other budget-related information can be found on the Town’s website at www.hptx.org. General highlights of the Adopted Budget are as follows:

Budgetary Process

Date	Item of Significance
June 27	FY26 Proposed Budget delivered to the Town Council and the Town Secretary
June 27	Meet with the Finance & Audit Advisory Committee to discuss the FY26 Proposed Budget
July 1	Present the Proposed Budget for FY26 to the Town Council
July 25	Receive 2025 Certified Appraisal Roll from Dallas Central Appraisal District
August 5	Public Hearing on FY26 Proposed Budget Town Council sets preliminary ad valorem tax rate
August 19	Review and discuss the FY26 Proposed Budget with Town Council
September 2	Public Hearing on the Tax Rate Town Council considers: • Adoption of the FY26 Proposed Budget and 10-Year Capital Improvement Plan • Adoption of the 2025 property tax rate • Adoption of the Master Fee Schedule • Adoption of the Pay Plan

Budget Revenue Components

Revenue sources for the Town total \$ 85,102,688 including inter-fund transfers. Honoring the predominate citizen directive to preserve and protect the characteristics of a “bedroom community by design,” Highland Park does not budget with a diversified revenue portfolio like most cities in Texas. When considering total operating revenues, exclusive of inter-fund transfers, 95.0% of total revenues are derived from property taxes, sales taxes, building inspection and permit fees, user fees associated with specific services (e.g., water, wastewater and solid waste), franchise fees, interest earnings, contributions and intergovernmental revenue.

Property Taxes - For Texas cities, the total ad valorem tax rate is comprised of a Maintenance and Operating (M&O) rate and an Interest and Sinking (I&S) rate. Each of these has separate sets of taxation rules as established by the State Legislature and when combined, equals the total ad valorem rate assessed.

The M&O rate pays for services like public safety (police, fire, & EMS), library, parks, and town administration. The Town Council sets the M&O rate annually based on a cost build-up to deliver desired town services. The I&S rate is set to pay debt service on obligation bonds typically issued to fund major capital investments like reconstructing streets. If obligation bonds are issued, the I&S rate moves up or down each year depending on the amortization schedule and total taxable property values as determined by Dallas Central Appraisal District.

The Town of Highland Park does not carry any bonded debt, so the I&S portion of the Adopted tax rate is \$0.00. The Town only assesses and collects the M&O portion of the combined tax rate.

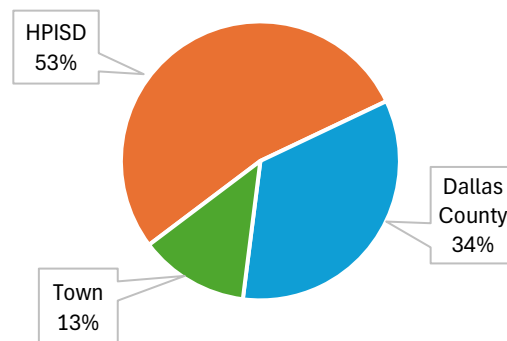
Property Tax Rate

At 27.9% of total revenues (exclusive of inter-fund transfers), the M&O ad valorem tax is the largest and most stable revenue source for the Town. The Town’s adopted M&O property tax rate for FY26 is 19.9296 cents per \$100 of valuation, which is 4.4% lower than last year’s property tax rate of 20.8550 cents.

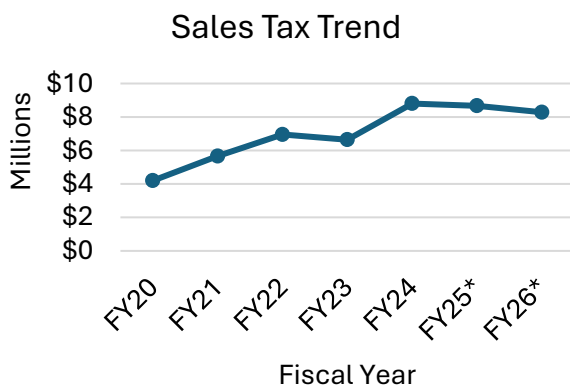
Certified taxable property values are growing at approximately 9.7% for FY26, or \$910M over the certified values provided in July of 2024. Most of this increase results from reassessments; however, an estimated \$149M is related to new construction.

The adopted tax rate of 19.9296 cents allows the Town to generate additional property tax revenue (due to higher assessed values) without exceeding the Voter Approval Rate as set out in State law. The Voter Approval Rate (VAR) is equal to the No New Revenue (NNR) Rate plus 3.5% and any unused tax increment over the last three years. The NNR Rate is the tax rate that would generate the same amount of revenue as the prior year tax rate on those properties that existed on the tax rolls in the prior year. New construction is not included in the calculation. Unused increment is the difference between the No New Revenue Rate and the Voter Approval Rate that has not been used in the last three years. Any tax rate adjustment higher than the Voter Approval Rate requires an election of voters.

It cannot be stressed enough that revenue constraints imposed by the State on local jurisdictions make it exceedingly difficult to fund needed projects (particularly capital) and initiatives. It is interesting to note that the Town has, by far, the lowest tax rate of the other two taxing jurisdictions in the Town. The average Highland Park homeowner will pay approximately \$6,323 (12.7%) in taxes for Town services, while the remainder of their tax bill goes to Dallas County (34.1%) and HPISD (53.2%). This distinction is afforded in large part by the Town's robust average taxable home value for single family homes. For example, in 2025, Dallas Central Appraisal District reports the Town's average taxable value at \$3,172,453, which is \$782,517 more than HPISD and \$2,820,994 more than Dallas County.



Prior to FY22, the Town was able to adjust its tax rate above the No New Revenue Rate ("Effective Rate" at that time) up to 8%. SB 2, approved by the Texas Legislature in 2019 changed that to 3.5%. For illustrative purposes, this change for FY26 results in the Town forgoing nearly \$890K in annual revenue that could be set aside for capital improvements. Extended over a 10-year planning horizon, this change in tax law has a significant impact on the resources the Town can raise to fund projects without holding a Town-wide election or issuing debt as an alternative funding mechanism.



Sales Taxes – Built on sustaining the current mix of retail outlets, sales tax revenue accounts for 11.3% of total revenue (exclusive of inter-fund transfers) and is anticipated to decrease by 4.4% when compared to the year-end projection for FY25 due to the receipt of one-time prior period collections and audit adjustments. The Town has been fortunate over the last few years, experiencing a significant climb in sales tax revenue directly related to increased retail activity throughout the Town, but particularly at the Highland Park Shopping Village. It is anticipated that the Town will continue to see some growth in the future and the Town's 10-year financial plan applies a conservative outlook for planning purposes projecting sales taxes to grow at 2.5%

per year. This revenue source may grow at a faster pace than currently projected, and the Town's 10-year financial model will be updated for any new trends.

Building Inspection/Permit Fees – Revenue from building activity accounts for approximately 2.0% of total revenue, exclusive of inter-fund transfers. In FY25, permit fees attributable to remodels is trending lower than what was originally anticipated as of the date of this letter. Given the strength and diversity of the North Texas economy—coupled with continued rapid population growth and ongoing corporate relocations—staff expects building activity fees to remain a strong and dependable source of revenue. However, due to broader economic uncertainties stemming from geopolitical conflicts and trade instability related to tariff pressures, this revenue source is conservatively projected at \$1.4 million for FY26.

Water, Sewer, Solid Waste Fees

The fees assessed to Town customers for the purchase and distribution of treated water and the collection and treatment of wastewater comprise 20.8% of total revenue at \$15.2M for FY26.

The Town's FY26 financial model is predicated on a certain level of annual water consumption. The five-year rolling average of water consumption is approximately 972 million gallons. Consumption patterns in the current fiscal year suggest that the Town will generate more revenue than what was anticipated in the annual revenue budget for FY25.

The cost to purchase water and treat wastewater is only one component of the retail rate. Other components include the cost of capital improvements, salaries, and repair and maintenance cost. Consistent with the current CIP, the Adopted Budget provides for an adjustment to water and sewer rates in FY26 of 3.9% and 3%, respectively. The financial plan for the Utility Fund also reflects an annual 3.9% rate adjustment to water rates and a 3% adjustment to sewer rates over the following 9 years. The adjustment to rates for FY26 will result in an increase in the monthly bill for a household using 10,000 gallons of approximately \$6.18 and an annual increase in revenue to the Town totaling an estimated \$704,726 when compared to the prior year budget, excluding water sales revenue derived from internal billings for Town government usage. As presented in the CIP, the rate adjustment allows the Town to continue the pay-as-you-go program of funding capital and maintains reserves at a level that funds future planned projects. The last rate adjustment was approved by the Town Council in FY25. During the FY22 budget process, when the last rate study was completed, the Town Council requested that, to the extent possible, smaller annual adjustments be projected for planning purposes rather than periodic larger rate adjustments.

Rates charged by the Town for the collection and disposal of solid waste make up 2.6% of total revenues. Contracts outsourced to provide these services stipulate annual rate increases, based on different Consumer Price Indices (CPI). As a result of these contract provisions, rates charged to customers are growing by 3.5%, adjusting the average resident's monthly billing by \$1.30 for alley service and \$2.43 for pack-out service (inclusive of the fee for recycling).

For more information on Water, Wastewater, and Solid Waste contract expenditures, please refer to the **Water, Wastewater & Solid Waste Contracts** section of this letter.

To address future capital needs, storm water fees are increasing by 100%. For a lot size between 10,001 and 21,800 square feet, this equates to an increase of \$29.56 or \$59.12 per month.

The table below shows the estimated impact to a resident's monthly utility bill based on the set of assumptions listed below the table.

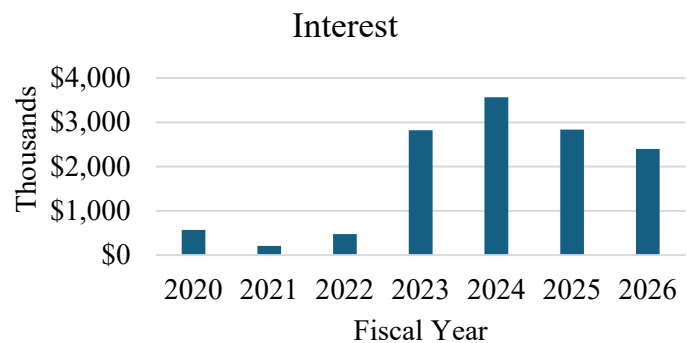
Type of Service	Actual FY 2024-25	Proposed FY 2025-26	\$ Change	% Change
Stormwater	\$ 29.56	\$ 59.12	\$ 29.56	100.0%
Water	91.08	94.64	3.56	3.9%
Sewer	86.27	88.89	2.62	3.0%
Solid Waste Collection	37.05	38.35	1.30	3.5%
Total	\$ 243.96	\$ 281.00	\$ 37.04	15.2%

Assumptions:

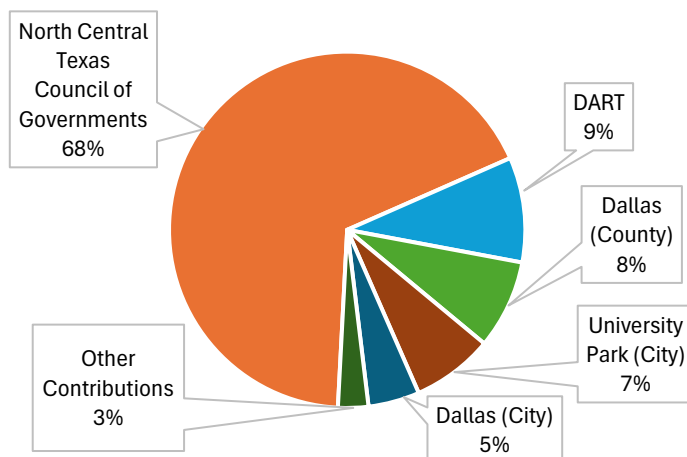
Stormwater - Lot Size in Square Feet	10,000-21,800
Water Domestic Gallons Per Month	10,000
Water Irrigation Gallons Per Month	0
Sewer Gallons Per Month	10,000
Solid Waste Service	Alley Service with Recycling

Interest Revenue

Interest revenue has grown dramatically over the last several years and for FY26, the Adopted Budget anticipates that this revenue source will make up 3.3%, or \$2.4M, of the Town's operating revenue. This amount represents a decline when compared to the FY25 year-end projection. The conservative outlook is due in part to an expectation that the Federal Reserve will lower interest rates during FY26. While the growth in interest revenue has been positive for the Town and is currently providing another significant revenue source, the 10-year financial model projects an average annual yield of 2.5% rather than the approximately 4-5% currently realized.



Intergovernmental Revenue & Contributions



There are significant resources expected to be provided from other participating governmental entities and contributors in support of the capital expenditures approved for next year. These resources make up 25.4%, or \$18.6M, of all revenues for FY26. Most of these resources are planned to be used toward the Wycliff Avenue Reconstruction (bridge) capital improvement project. The itemization of anticipated external resources can be seen in the adjacent pie chart.

It is important to note that the agreement with DART that provides funding through the Transit Related Improvement Program (TRIP) is set to expire in

FY25 with residual payments expected to be received in FY26.

Budget Expenditures

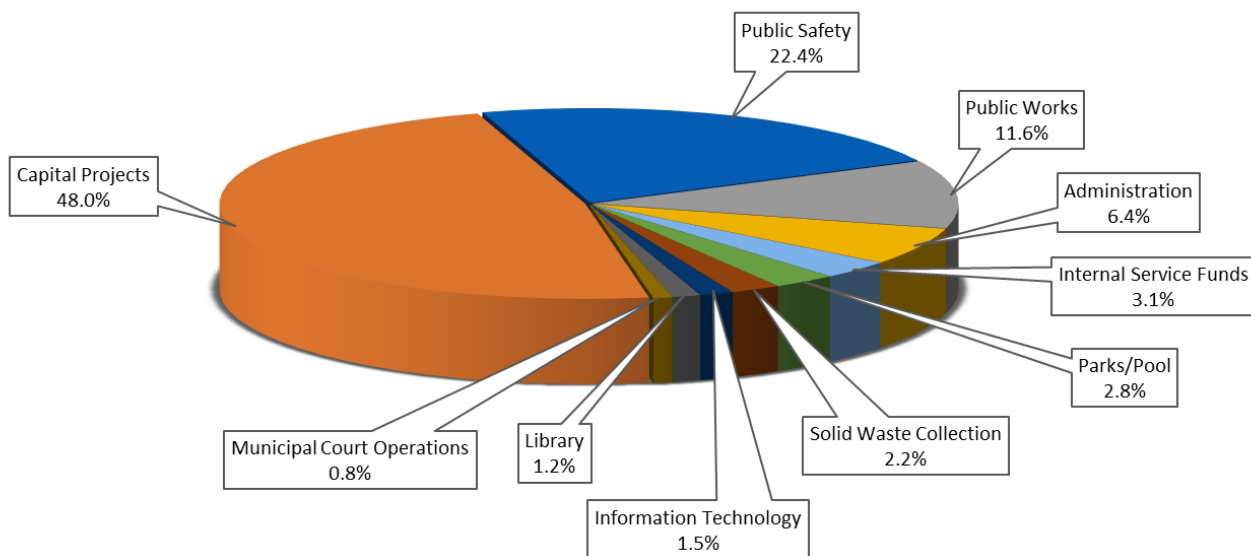
Overall, FY26 expenditures, inclusive of inter-fund transfers, are increasing by 6.4% when compared to the FY25 Amended Budget and by 31.1% when compared to FY25 year-end projections. The large increase over FY25 year-end projections is primarily due to the Wycliff project shifting to FY26. A significant share (86.0%) of the increase over the FY25 Amended Budget, exclusive of inter-fund transfers, is attributed to salary increases for personnel and related fringe benefits, the estimated increase in the cost of purchasing treated water from the Dallas County Park Cities Municipal Utilities District (DCPCMUD), capital improvements and acquisitions, and the implementation of a Town-wide backflow prevention program to comply with Texas Commission on Environmental Quality (TCEQ) requirements relating to the prevention of contaminants in drinking water. In addition, transfers to the internal service funds are increasing by \$936,360 to fund future replacement of vehicles, equipment, and technology assets and to provide funding for the operation and maintenance of Town facilities.

As it pertains to inflation, the Consumer Price Index for All Urban Consumers (CPI-U) in the Dallas-Fort Worth-Arlington area advanced 0.88% for the 12 months ending in July 2025, which is significantly lower than the 4.08% reported during the same period in the prior year. While the Fed has made significant strides in lowering the rate of inflation, there is still significant economic uncertainty due to ongoing geopolitical conflicts and trade instability resulting from tariff pressures. The table below provides a summary of expenditures, by type, for FY24, FY25 (amended budget & projected year-end) and Adopted for FY26.

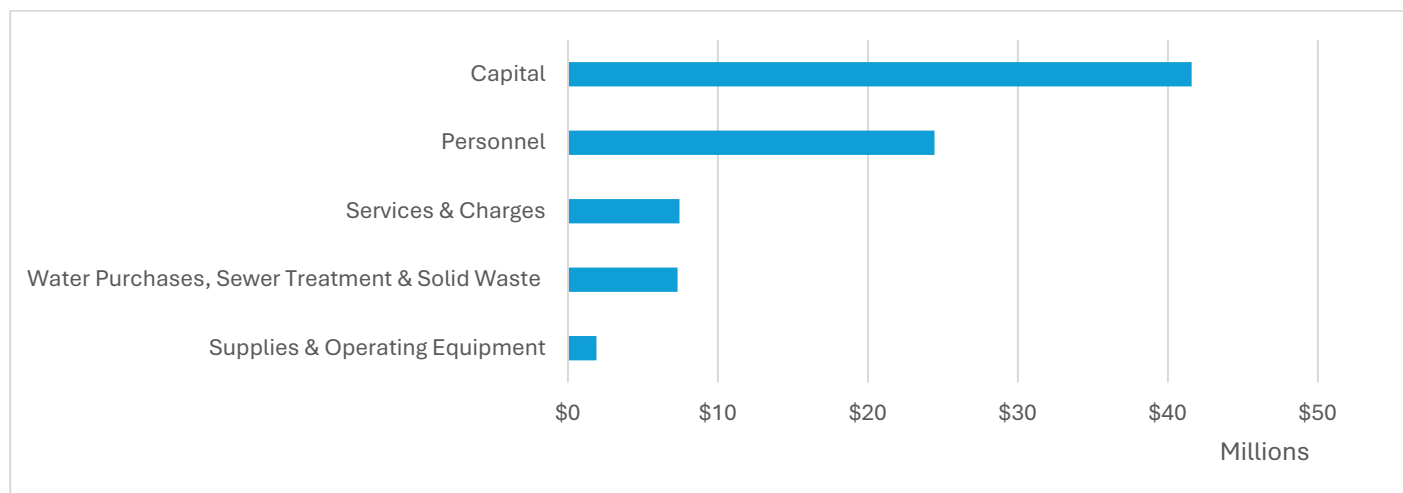
COMBINED BUDGET SUMMARY FOR ALL FUNDS SUBJECT TO APPROPRIATION

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted
Personnel Services				
Payroll	\$ 16,087,578	\$ 17,987,112	\$ 17,431,825	\$ 18,611,518
Payroll Taxes	1,136,022	1,313,854	1,261,240	1,356,756
Retirement	2,081,221	2,261,241	2,188,230	2,337,860
Insurance	1,955,475	1,838,045	1,662,540	2,131,691
Total Personnel	\$ 21,260,296	\$ 23,400,252	\$ 22,543,835	\$ 24,437,825
Supplies & Equipment	4,883,154	5,802,265	5,871,493	6,258,829
Services & Charges	8,561,582	9,520,802	9,702,363	10,386,545
Capital Outlay	18,455,352	39,351,059	19,214,336	41,583,467
TOTAL EXPENDITURES	\$ 53,160,384	\$ 78,074,378	\$ 57,332,027	\$ 82,666,666

The Adopted Budget is made up of a variety of functions and it is helpful to understand where the Town's resources are focused. To that end, the following graphic provides a breakdown of expenditures for FY26 by service area. As can be seen, when reviewing the use of resources by function or service area, public safety, public works (e.g., engineering, water, sewer and storm water) and capital projects make up the lion's share of costs incurred by the Town.



The second graphic below demonstrates how resources are allocated based on type of expenditure (e.g., personnel cost, capital, supplies, service agreements and water, sewer & solid waste contracts).



New Programs & Services

The Adopted Budget provides the resources necessary to continue the high level of service that residents and business owners expect and makes recommendations that enhance those services. Recommendations made include enhanced maintenance of Town facilities and the Town swimming pool, two new positions within the Department of Public Safety to address increased records management workload and parking enforcement, reclassification of a current position within the Municipal Court to solidify the leadership continuity plan, software and technology additions and modifications, implementation of a Backflow Prevention Program to comply with regulatory requirements, and enhanced consulting services focused on specific challenges within the community.

The following table provides a list of new items incorporated into the Adopted Budget and a brief description of the purpose and cost of each.

Fund	Department	Description	Purpose	Fiscal Expenditure
General	Public Safety	New Position: Records Manager	Increased records management workload	135,585
General	Public Safety	New Position: Parking Enforcement Officer (Civilian)	Enhanced parking enforcement (Town-wide) - Net of anticipated parking fine revenue	8,794
General	Policy & Strategic Initiatives	Marketing and Strategic Communications Plan	Marketing and Strategic Communications	69,600
General	Policy & Strategic Initiatives	Envisio Software for Strategic Planning	Envisio Software for Strategic Planning	26,000
General	Policy & Strategic Initiatives	Internship Program	To provide for a Town-wide Internship Program	18,567
General	Information Technology	Armis Asset Management	Armis is a security auditing and inventory management platform	30,960
General	Information Technology	Intune Mobile Device Management	This cloud platform will allow us the ability to manage and deploy applications	10,441
General	Information Technology	Smarsh SMS Archiving	This service archives all SMS/MMS text messaging from Town equipment for Open Records compliance	10,307
General	Municipal Court	Upgrade of Sr. Court Clerk Position	Upgrade of Sr. Court Clerk Position (Paygrade 3) to Assistant Court Administrator (Paygrade 5).	4,939
General	Administration	Internship Program	Reduction to Admin Budget to Offset Internship Program Cost	(18,567)
TOTAL GENERAL FUND				296,626
Utility	Engineering	Backflow Prevention Program	Town-wide Backflow Inspections	300,000
Utility	Engineering	Backflow Prevention Program	Backflow Inventory	30,000
Utility	Engineering	Backflow Prevention Program	Revenue Offset from Billings	(330,000)
TOTAL UTILITY FUND				-
Building Maint. & Investment	Municipal Buildings	Primary Town Hall Fountain Rehab	Retile the primary Town Hall fountain and surrounding area. The materials will need to be ordered and paid for in FY25	63,000
Building Maint. & Investment	Municipal Buildings	Town Hall Plaza Rehab	Rehab or full construction of plaza tile	50,000
Building Maint. & Investment	Municipal Buildings	Engine Bay Door Openers	Replace the Engine Bay Door openers	26,000
Building Maint. & Investment	Municipal Buildings	Building Stucco	Degradation to exterior of Town Hall; Stucco repair, texturing, etc.	12,000
Building Maint. & Investment	Swimming Pool	Main Pool Cover	Pool cover is over 20 years old, is dry rotted and falling apart. The cover is needed for winterizing the pool.	50,000
Building Maint. & Investment	Swimming Pool	Pool Improvements	Private Changing Area & Shower Remodel	30,000
Building Maint. & Investment	Swimming Pool	Pool Chiller	Add a pool chiller to the Main Pool.	25,000
Building Maint. & Investment	Swimming Pool	Baby Pool Cover	Pool cover is over 20 years old, is dry rotted and falling apart. The cover is needed for winterizing the pool.	15,000
TOTAL BUILDING MAINT. & INVESTMENT FUND				271,000
Library	Library	Portable Teaching Kitchen	Teaching Demonstration Kitchen	18,650
Library	Library	Display Case	Display Case for Library Materials & Special Collections	10,265
Library	Library	PolyPrinter 229N (a model of 3D printer)	Printer & Supplies	5,250
Library	Library	Donations Offset	Donations Offset	(34,165)
TOTAL LIBRARY FUND				-
GRAND TOTAL				567,626

General Fund Re-Organization

This Adopted Budget re-aligns certain expenditures consistent with the re-organization of General Fund departments and to better track costs within the appropriate department budget.

With respect to the Non-Departmental budget, \$115,100 of costs attributable to Finance related activities have been moved to the Finance Department budget. These costs include the Dallas Central Appraisal District annual property appraisal fee (\$81,200), the OpenGov Transparency & Reporting software fee (\$10,780), the Other Post Employment Benefits (OPEB) annual actuarial valuation professional services fee (\$9,000), and the Dallas County Tax Assessor Tax collection fee (\$5,320). In addition, \$117,240 of costs attributable to Human Resources (“HR”) related activities have been moved from the Non-Departmental budget to the new HR Department. These costs include the budget estimate for employee engagement and awards functions (\$38,200), benefit and other HR consulting (\$40,000), and the budget for the NeoGov HR software. Other costs (\$206,355) moved from the Non-Departmental budget to other department budgets include the OpenGov Permitting and Asset Management software cost (\$105,411), the budget estimates for public safety and Municipal Court consulting (\$39,800), cyber insurance (\$27,040), and the budget for the cost of elections (\$25,000).

The salary, benefits, and professional development costs associated with the Assistant Town Administrator (\$363,658) and the HR Coordinator (\$116,973) positions have been moved from the Finance Department to the Administration and the HR department budgets, respectively.

Compensation & Benefits

Personnel costs make up 29.6% of the operations and capital budget of the Town and are increasing by 4.4% compared to the prior year budget and 8.4% compared to FY25 year-end projections. Year-end projections are expected to be lower than the budget primarily due to salary savings resulting from new and vacant positions being filled during the year rather than at the beginning of the year.

The Adopted Budget incorporates a merit adjustment of up to 6% for first responders and 3.5% for civilian personnel. While all employees will be eligible for a merit adjustment, pay adjustments are limited to the top of each pay range assigned to each position within the Town's pay plan. As such, employees currently at the top of the respective pay scale, will receive a merit adjustment limited to the amount that the upper end of the pay structure is adjusted. In total, the pay adjustments being included in the Adopted Budget increase personnel costs by \$811,195 over the prior year budget.

The Town maintains three separate pay plans covering sworn officers, hourly employees that are not sworn officers and salaried positions. These pay plans set out pay ranges (minimum to maximum) establishing the amount the Town is willing to pay for a specific position. Each year the Town compares these pay plans to a group of comparison cities previously established by a compensation committee created by the Mayor during the FY24 budget process. These cities include:

Addison
Frisco
Richardson
Southlake
University Park

The Adopted Budget incorporates a 3% structural increase in each of the three pay plans. This allows the Town to retain its market position and accommodates merit adjustments incorporated into the budget.

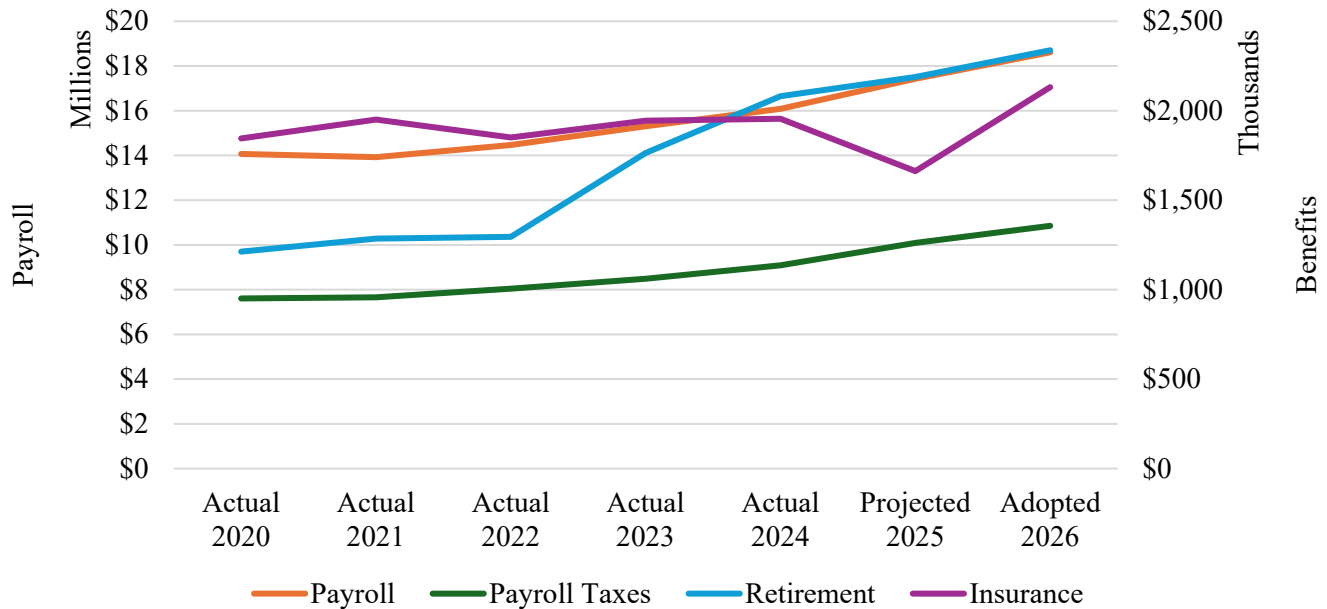
Payroll taxes are made up of the Town's required contributions for Social Security and Medicare. Naturally, both Social Security and Medicare contributions are impacted by pay adjustments and new personnel additions.

The Town's portion of the Texas Municipal Retirement System (TMRS) retirement is increasing by about 77k (3.4%) over the FY25 budget and about 150k (6.8%) over the FY25 year-end projection primarily due to compensation adjustments. The Town's pension obligation represents the single largest liability presented in the Town's financial statements totaling \$99,439,862 but is currently funded at 94.3% according to TMRS 2026 Contribution Rate Letter dated June 3, 2025. Additional contributions to TMRS included in the Adopted Budget for FY26 total \$250,000. The additional contributions are intended to bring down the Town's unfunded portion of this liability sooner than would otherwise be achieved by paying the required annual contribution determined by TMRS.

The Adopted Budget incorporates a 16% increase in costs associated with payroll insurance. The increase presented in this category is two-fold. The prior year budget reflects a 185k "sign-on" credit as a result of the medical insurance bid process coupled with a contractual increase of 8% for FY26.

As for trends in personnel costs, the chart below provides actual expenditures for the last five years, projected year-end for FY25 and what is included in the Adopted Budget for FY26. Payroll costs have, on average, trended at 4.6%. This average increase includes the nine additional staff members for DPS in FY24, six new full-time positions added in FY25 and two new full-time positions added in FY26. The retirement cost through TMRS has

increased the most at an average 16.7% predominantly due to the updated service credits for active employees and cost of living adjustments for retirees periodically provided by the Town over the last five years. Insurance has trended the lowest at an average of 4.2% due to the Town's loss ratio being low for the last few years.



The Town has engaged the services of a consultant to conduct a comprehensive compensation study during the summer of 2025. The compensation study is a work-in-process as of the date of this letter. The results of the compensation study will be presented to the Town Council at an appropriate future date.

Water, Wastewater & Solid Waste Contracts

Contracts for the purchase of treated water, the treatment of wastewater, and the collection and disposal of solid waste represent 8.8% of the total operating and capital budget. As can be seen in the chart below these costs have grown over the last several years due to various reasons such as inflation, rate adjustments from providers through contract provisions and, in the case of water purchases, increase in consumption.



The Town purchases treated water from the Dallas County Park Cities Municipal Utility District (District). The rate charged by the District grew significantly by 26.75% in FY24, 4.6% for FY25, and 5.0% for FY26. These increases have been implemented by the District in an effort to build reserves to adequately fund capital needs as well as address increases in operational costs. The 5.0% adjustment combined with the increased consumption expectation based on a rolling five-year average for FY26 is increasing the Adopted Budget by \$347k for this expenditure.

The cost for the treatment of wastewater contracted through the City of Dallas Water Utilities (DWU) is increasing 1.1% or \$14,129 over the FY25 budget. There are a few factors impacting this cost for the next fiscal year. First, the DWU is increasing the volumetric rate charged for this service by 3.8%. Second, the Town's calculated winter average consumption between FY24 and FY25 decreased by 5.9%. This is important to know because the volume of wastewater used to assess the rate is determined by calculating the Town's winter average consumption of water and can fluctuate from year to year. Water consumption that is captured through irrigation meters is not considered in this calculation. Finally, once the winter average water consumption is calculated, the DWU adds a factor for inflow and infiltration, which is increasing by 3.6%. It is important to note that the DWU conducts a Wholesale Cost of Service Study each year in justifying the rate they are charging for the treatment of wastewater. On average, this expense has been growing 3.5% per year.

The collection of solid waste and recyclable materials is contracted through Republic, a private solid waste provider. The current contract expires in 2027 and provides for an adjustment in rates charged by Republic each year based on the Consumer Price Index U.S. City Average for All Urban Consumers, Garbage and Trash Collection, Not Seasonally Adjusted. Additionally, the solid waste collected in Town is disposed of at a landfill in Ferris, Texas operated by Waste Management. The contract that the Town has with Waste Management is set to expire when the landfill ceases to be active. Current estimates, provided by TCEQ, indicate the landfill has 14 years of life remaining. Increases in rates charged under this contract are based on the Consumer Price Index for All Urban Consumers. Overall, the Adopted Budget anticipates an increase in costs for the collection and disposal of solid waste of approximately 3.5%, or \$57k, for FY26. This cost has been trending at an average of slightly above 3.5% per year

Capital Improvement Plan

The Town's Capital Improvement Plan (CIP) makes up 48% of the overall operating and capital budget adopted for FY26. As shown below, the overall 10-year plan is growing by \$4.6M.

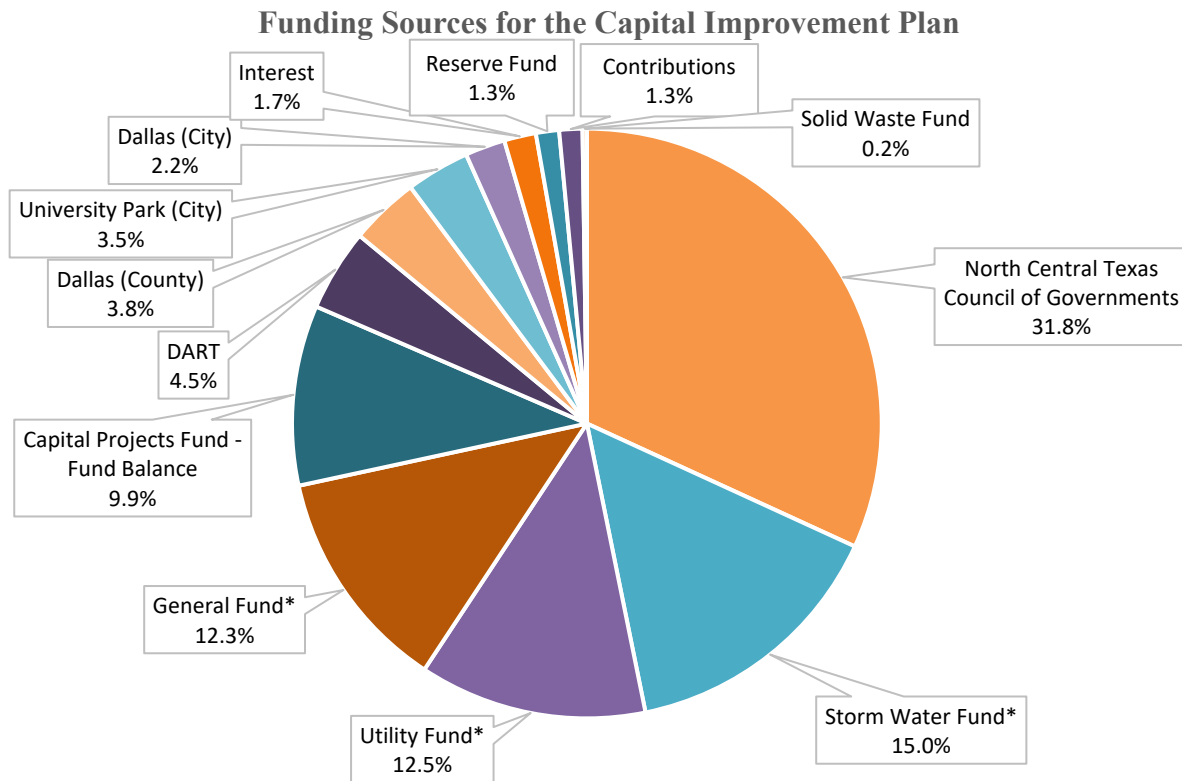
	FY 2026-2035 Adopted CIP		FY 2025-2034 CIP ⁽¹⁾
	FY 2026	10-Year	10-Year
<i>Capital Project Fund:</i>			
Roads & Bridges	\$ 24,945,186	\$ 91,852,852	\$ 88,401,154
Parks & Recreation	567,813	3,898,601	3,002,521
Landscaping	500,000	1,000,000	-
Facilities	-	-	77,400
Public Safety	-	-	975,000
Contingency	900,000	3,750,000	4,100,000
Sub-total*	\$ 26,912,999	\$100,501,453	\$ 96,556,075
<i>Utility Fund:</i>			
Water & Sewer Improvements	\$ 2,200,000	\$ 16,521,911	\$ 16,446,964
30" Interceptor - Transportation Project	2,750,000	5,514,679	2,645,409
Facilities	-	-	100,000
Water Tank Replacement	300,000	768,180	725,000
Utility Portion of Road Projects	848,966	7,184,811	10,867,397
Sub-total*	\$ 6,098,966	\$ 29,989,580	\$ 30,784,770
<i>Storm Water Drainage Fund:</i>			
Drainage Facility Improvements & Studies	\$ 750,000	\$ 9,374,936	\$ 7,675,000
Storm Water Portion of Road Projects	147,737	12,003,457	10,048,728
Exall & Connor Lakes Dredging	3,000,000	5,000,000	6,250,000
Hackberry Creek	2,500,000	8,900,000	9,900,000
Sub-total*	\$ 6,397,737	\$ 35,278,393	\$ 33,873,728
Total CIP	\$ 39,409,702	\$165,769,426	\$161,214,573

***Excludes transfers-out.**

⁽¹⁾ Amounts based on CIP approved in the FY25 Adopted Budget

Major projects planned in the FY26 Adopted Budget include reconstruction of the Wycliffe Avenue dam and related utility improvements (\$20.6M), dredging of Exall and Connor lakes (\$3.0M), additional phasing of the Hackberry Creek projects (\$3.0M), Eastern Avenue reconstruction (Westside to Mockingbird) and related utility improvements (\$2.9M), 30" Interceptor (2.8M), and Douglas Avenue reconstruction (south Town Limits to Arcady) along with related utility improvements (\$2.2M).

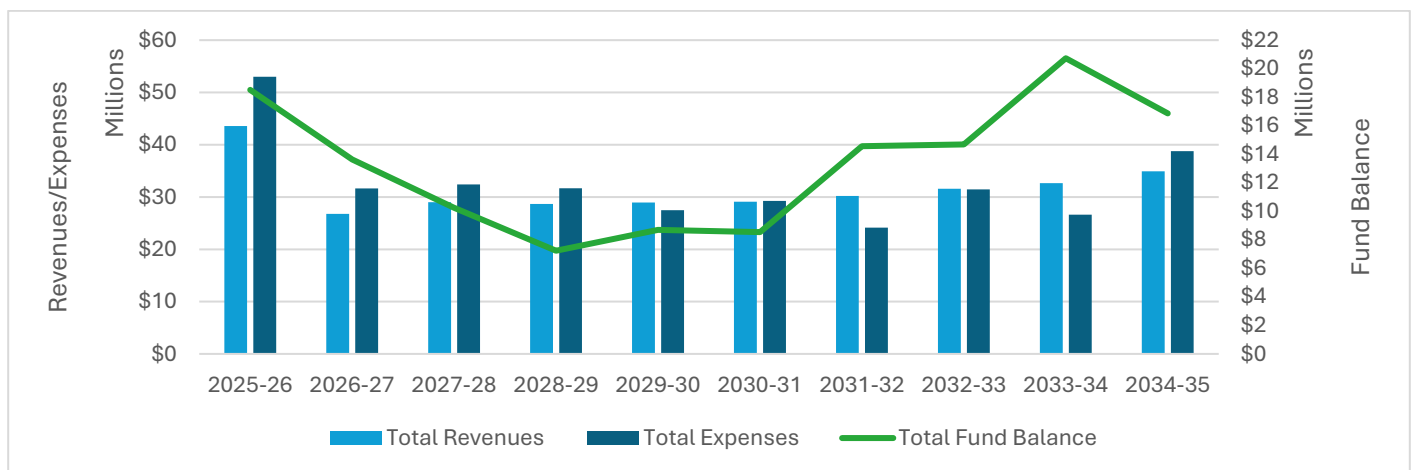
The CIP is funded through a variety of sources such as water rates, sewer rates, stormwater fees, grants, contributions, etc. Below is a graph that shows where the resources are derived to fund capital expenditures planned for FY26. This does not include the capital expenditures funded within the internal services funds, but rather focuses on those presented within the CIP.



*Current Revenue & Fund Balance

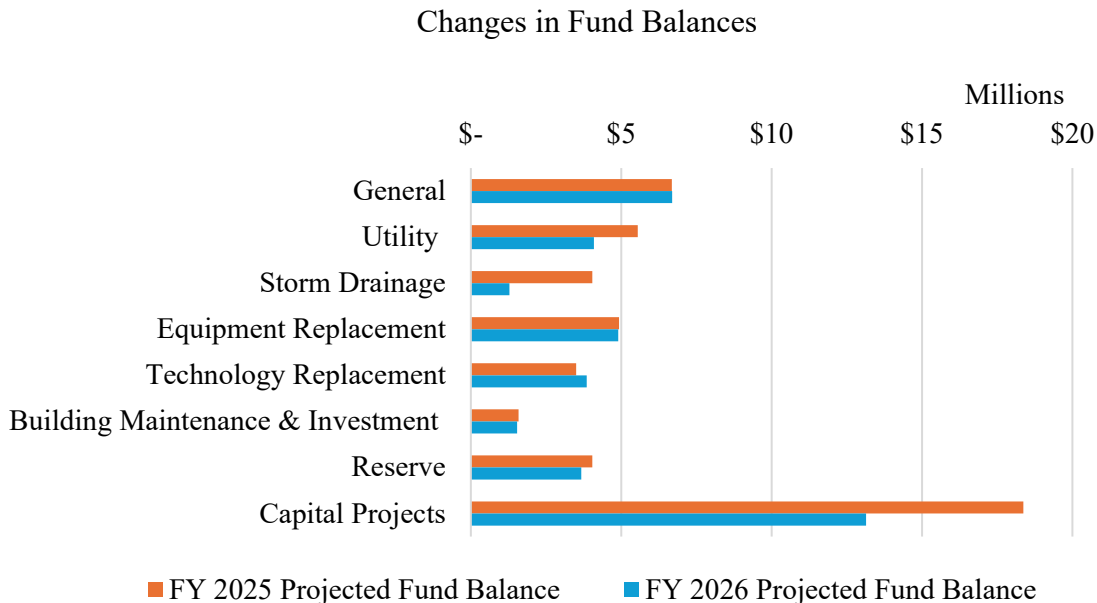
It is important to note that the amount of funds the Town annually strives to transfer from the Town's General Fund in support of the CIP, that is not considered excess fund balance, is equivalent to approximately 4 cents of the property tax rate. However, for FY26 this transfer is closer to 5 cents of the Town's property tax rate. This annual transfer is programmed similarly throughout the 10-year CIP.

Looking at the 10-year CIP for each fund, (the Capital Projects Fund, the Utility Fund and the Storm Water Fund) based on a variety of growth assumptions for revenues and operating expenditures, the plan is sustainable. Naturally, the actual costs of projects and results of operations may require adjustments to the plan.



Fund Balances

Each fund maintained by the Town has a fund balance representing the accumulation of revenues over expenses from one year to the next. The Town's financial policies require the General Fund, Utility Fund and the Capital Projects Fund to maintain a minimum fund balance. The Adopted Budget achieves this requirement for these three funds. Overall, the Fund Balance for the Town is expected to increase from \$38.4M to \$40.4M for FY26. The graph below shows the change in fund balance for funds with balances over \$500k for FY26.



In closing, it is important to reiterate staff's appreciation to the Town Council for their volunteerism, leadership, and direction. Knowing successful local governance is relationship driven, it is essential that policies are formulated and administered that reflect the values of the community, maintain the integrity of premier service delivery functions, ensure the Town is prepared to meet the many challenges associated with aging infrastructure, and provide for the recruitment and retention of vital team members who move Highland Park every day.

Because the Town government is a people organization, there is no question that the Town's one hundred and twelve (112) year history as an organization that cares about the community and its members will continue to be an asset. The Town's purpose is only accomplished thanks to the talents and dedication of Town employees. Accordingly, it is important to extend gratitude to all of the Town's employees for the outstanding service they provide to the citizenry on a daily basis and give credit to department heads and managers for their effective contributions of time and energy toward the preparation of the FY26 budget. These are the people entrusted with life and death decisions, with maintenance and operation of essential systems, and with helping make Highland Park a "haven for home and fireside."

Mayor and Council, thank you again for your leadership. Please know your Team of dedicated public servants is energized to preserve and protect the unique quality of life that makes Highland Park special. It remains an honor and privilege to serve in Highland Park.

Respectfully,

Tobin E. Maples
 Tobin Maples, AICP
 Town Administrator

John Samford
 John Samford, CPA, CTP
 Director of Finance



THIS PAGE INTENTIONALLY LEFT BLANK

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

	<u>General</u>	<u>Utility</u>	<u>Solid Waste</u>	<u>Storm Drainage</u>	<u>Equipment Replacement</u>	<u>Technology Replacement</u>	<u>Building Maintenance & Investment</u>
BEGINNING FUND BALANCE	\$ 6,681,663	\$ 5,546,798	\$ 471,282	\$4,040,521	\$ 4,928,420	\$ 3,500,623	\$ 1,584,264
REVENUES:							
Property Taxes	\$ 20,433,960	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water Sales	-	9,754,780	-	-	-	-	-
Sewer Charges	-	3,434,185	-	-	-	-	-
Sales Taxes	8,283,320	-	-	-	-	-	-
Sanitation/Recycling Charges	-	-	1,917,715	-	-	-	-
Franchise Fees	1,016,500	-	-	-	-	-	-
Building Inspection Fees/Permits	1,371,570	61,315	-	-	-	-	-
Municipal Court Fines/Fees	509,285	-	-	-	-	-	-
Interest Earnings	539,240	362,475	23,820	241,950	180,230	137,655	58,195
Storm Water Drainage Fees	-	-	-	2,287,190	-	-	-
All Other	2,263,310	2,324,650	-	-	10,000	233,131	18,900
TOTAL REVENUES	\$ 34,417,185	\$ 15,937,405	\$ 1,941,535	\$ 2,529,140	\$ 190,230	\$ 370,786	\$ 77,095
Transfers from Other Funds	1,702,810	575,775	26,700	1,500,000	832,350	798,990	868,055
TOTAL REVENUES & TRANSFERS	\$ 36,119,995	\$ 16,513,180	\$ 1,968,235	\$ 4,029,140	\$ 1,022,580	\$ 1,169,776	\$ 945,150
TOTAL AVAILABLE RESOURCES	\$ 42,801,658	\$ 22,059,978	\$ 2,439,517	\$ 8,069,661	\$ 5,951,000	\$ 4,670,399	\$ 2,529,414
EXPENDITURES:							
Personnel Services:							
Payroll	\$ 16,637,174	\$ 1,885,062	\$ -	\$ -	\$ -	\$ -	\$ 89,282
Taxes	1,210,461	139,465	-	-	-	-	6,830
Retirement (TMRS)	2,086,724	239,779	-	-	-	-	11,357
Insurance	1,897,360	219,735	-	-	-	-	14,596
Total Personnel	\$ 21,831,719	\$ 2,484,041	\$ -	\$ -	\$ -	\$ -	\$ 122,065
Supplies & Equipment	\$ 1,423,496	\$ 4,701,099	\$ 35,000	\$ 7,500	\$ -	\$ -	\$ 41,420
Services & Charges	5,635,291	2,180,018	1,773,265	200,120	3,000	-	557,395
Capital Outlay	-	6,098,966	-	6,397,737	1,048,675	819,925	271,000
TOTAL EXPENDITURES	\$ 28,890,506	\$ 15,464,124	\$ 1,808,265	\$ 6,605,357	\$ 1,051,675	\$ 819,925	\$ 991,880
Transfers to Other Funds	7,217,755	2,503,488	150,615	182,310	-	-	-
TOTAL EXPENDITURES & TRANSFERS	\$ 36,108,261	\$ 17,967,612	\$ 1,958,880	\$ 6,787,667	\$ 1,051,675	\$ 819,925	\$ 991,880
ENDING FUND BALANCE	\$ 6,693,397	\$ 4,092,366	\$ 480,637	\$ 1,281,994	\$ 4,899,325	\$ 3,850,474	\$ 1,537,534
FUND BALANCE MINIMUM	\$ 5,312,631	\$ 2,802,300	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCE SURPLUS	\$ 1,380,766	\$ 1,290,067	\$ 480,637	\$ 1,281,994	\$ 4,899,325	\$ 3,850,474	\$ 1,537,534

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

Explanation of Significant Changes in Fund Balances

Utility Fund - Fund balance within the Utility Fund is declining by approximately \$1.5M predominately due to capital projects planned in FY26.
Stormwater Drainage Fund - Fund balance within the Stormwater Drainage Fund is declining by approximately \$2.8M predominately due to capital projects planned in FY26.
Internal Service Funds - The fund balances within the Technology Replacement Fund, Equipment Replacement Fund and the Building Maintenance Fund are intended for capital equipment purchases and maintenance of Town facilities. Between the three funds, fund balances are growing by approximately \$274K.
Reserve Fund - Fund balance within the Reserve Fund is declining by 363K due to a transfer to the Stormwater Fund as an internal loan in the amount of \$500k for stormwater drainage projects.
Capital Projects Fund - Fund balance within the Capital Projects Fund is declining by 5.2M as a result of capital projects proposed for FY26.

-

<u>Forfeited Property</u>	<u>Local Youth Diversion</u>	<u>Municipal Jury</u>	<u>Court Technology</u>	<u>Court Security</u>	<u>Library</u>	<u>Reserve</u>	<u>Capital Projects</u>	<u>FY 2026 Adopted</u>	<u>FY 2025 Budget</u>
\$ 53,381	\$ 108,335	\$ 2,151	\$ 126,533	\$ 32,355	\$ 430,956	\$ 4,035,790	\$ 18,370,124	\$ 49,913,196	\$ 48,756,606
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	20,433,960	19,463,027
-	-	-	-	-	-	-	-	9,754,780	9,176,886
-	-	-	-	-	-	-	-	3,434,185	3,265,533
-	-	-	-	-	-	-	-	8,283,320	7,020,752
-	-	-	-	-	-	-	-	1,917,715	1,824,985
-	-	-	-	-	-	-	-	1,016,500	995,600
-	-	-	-	-	-	-	-	1,432,885	1,779,900
-	15,015	285	24,245	23,750	-	-	-	572,580	482,229
5,060	3,610	75	5,165	1,450	16,110	136,800	687,945	2,399,780	2,417,993
-	-	-	-	-	-	-	-	2,287,190	1,129,560
2,500	-	-	-	-	80,555	-	16,722,529	21,655,575	20,208,123
\$ 7,560	\$ 18,625	\$ 360	\$ 29,410	\$ 25,200	\$ 96,665	\$ 136,800	\$ 17,410,474	\$ 73,188,470	\$ 67,764,588
-	-	-	-	-	-	-	5,609,538	11,914,218	10,827,481
\$ 7,560	\$ 18,625	\$ 360	\$ 29,410	\$ 25,200	\$ 96,665	\$ 136,800	\$ 23,020,012	\$ 85,102,688	\$ 78,592,069
\$ 60,941	\$ 126,960	\$ 2,511	\$ 155,943	\$ 57,555	\$ 527,621	\$ 4,172,590	\$ 41,390,136	\$ 135,015,884	\$ 127,348,675
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,611,518	\$ 17,987,112
-	-	-	-	-	-	-	-	1,356,756	1,313,854
-	-	-	-	-	-	-	-	2,337,860	2,261,241
-	-	-	-	-	-	-	-	2,131,691	1,838,045
\$ -	\$ -	\$ -	\$ -	\$ -			\$ -	\$ 24,437,825	\$ 23,400,252
\$ -	\$ -	\$ 250	\$ 5,026	\$ -	\$ 45,038	\$ -	\$ -	\$ 6,258,829	\$ 5,802,265
500	-	-	35,606	-	1,350	-	-	10,386,545	9,520,802
-	-	-	-	-	34,165	-	26,912,999	41,583,467	39,351,059
\$ 500	\$ -	\$ 250	\$ 40,632	\$ -	\$ 80,553	\$ -	\$ 26,912,999	\$ 82,666,666	\$ 78,074,378
-	-	-	-	24,600	-	500,000	1,335,450	\$ 11,914,218	10,827,481
\$ 500	\$ -	\$ 250	\$ 40,632	\$ 24,600	\$ 80,553	\$ 500,000	\$ 28,248,449	\$ 94,580,884	\$ 88,901,859
\$ 60,441	\$ 126,960	\$ 2,261	\$ 115,311	\$ 32,955	\$ 447,068	\$ 3,672,590	\$ 13,141,687	\$ 40,435,000	\$ 38,446,816
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000	\$ 10,114,931	\$ 9,487,806
\$ 60,441	\$ 126,960	\$ 2,261	\$ 115,311	\$ 32,955	\$ 447,068	\$ 3,672,590	\$ 11,141,687	\$ 30,320,070	\$ 28,959,010

ORGANIZATIONAL MATRIX – DEPARTMENT ASSIGNMENT BY FUND

This annual budget is presented by fund. This matrix shows the assignment of departments by fund within the budget. Listed across the top of the matrix are the departments. The operating funds are shown in the left column of the matrix. The divisions are listed within the matrix as they correspond to their respective department and operating fund.

Managing Departments					
Fund	Town Administration	Policy Development & Strategic Initiatives	Public Safety	Community Development	Engineering & Public Works
General	Operations (Admin/Town Secretary) (Library) (Municipal Court) (Finance & Risk Management) (Human Resources)	Operations (Policy & Strategy) (Recreation - Parks & Pool)	Operations (Police) (Fire) (Emergency Medical)	Operations (Plan Review) (Inspections) (Code Enforcement)	Operations (Streets & Street Lighting) (Parks & Pool Maintenance)
Utility	Operations (Utility Admin)				Operations & Capital (Water & Sewer) (Engineering & GIS)
Solid Waste (Sanitation)					Contracts
Stormwater Drainage					Contracts & Capital
Equipment Replacement	Capital		Capital	Capital	Capital
Technology Replacement	Capital	Capital	Capital	Capital	Capital
Building Maintenance & Investment					Contracts & Capital (Municipal Facilities)

ORGANIZATIONAL MATRIX – DEPARTMENT ASSIGNMENT BY FUND

This annual budget is presented by fund. This matrix shows the assignment of departments by fund within the budget. Listed across the top of the matrix are the departments. The operating funds are shown in the left column of the matrix. The divisions are listed within the matrix as they correspond to their respective department and operating fund.

Fund	Managing Departments				
	Town Administration	Policy Development & Strategic Initiatives	Public Safety	Community Development	Engineering & Public Works
Local Youth Diversion	Operations <i>(Municipal Court)</i>				
Municipal Jury	Operations <i>(Municipal Court)</i>				
Forfeited Property					
Court Technology	Contracts & Capital <i>(Municipal Court)</i>				
Court Security	Operations <i>(Municipal Court)</i>				
Library Donations	Contracts & Capital <i>(Library)</i>				
Capital Projects			Capital <i>(Communication Infrastructure)</i>		Capital <i>(Governmental Infrastructure, Parks & Right-of-Way Improvements)</i>



THIS PAGE INTENTIONALLY LEFT BLANK

Budget Calendar Fiscal Year 2025-2026

Date	Activity
February 17	FY 2025-26 budget kick-off meeting with departments
March 7	Departments submit initial projections for FY 2024-25 revenues and expenditures to the Finance Department.
	Departments submit base budget requests to the Finance Department. This includes any requests for non-capitalized and capitalized fixed assets.
	Deadline to Provide Exemption Resolutions for 2025 (for Appraisal Notices) to the Dallas Central Appraisal District (DCAD).
March 14	Departments submit any new programs to the Finance Department.
	Departments submit proposed updates, changes, or revisions to the Town's Capital Improvement Plan.
Week of March 17	Meet and discuss the Town's 10-year Capital Improvement Plan with Department Directors.
Week of March 24	Finance Department review of Departmental Budget Requests and updates, changes, or revisions to the Town's Capital Improvement Plan with Department Directors.
April 11	Departments submit revised projection of FY 2024-25 revenues and expenditures to the Finance Department.
April 15	Receive preliminary (4/30) Certification Estimate Letter from DCAD
April 18	Departments submit updated program descriptions, accomplishments, objectives, and key performance indicators to the Finance Department.
April 21	Deadline to provide Exemption Resolutions (to be reflected on 1st Estimated Values Report) to DCAD
Week of April 21	Departmental meetings with Town Administrator on Budget Requests.
May 2	Departments submit final projection of FY 2024-25 revenues and expenditures to the Finance Department.
May 12	Receive preliminary EVR (Estimated Value Report) from DCAD
May 6	Review and discuss with the Town Council the progress of the FY 2025-26 budget process and the Council's priorities and expectations of the FY 2025-26 Budget.
June 3	Review and discuss with the Town Council the progress of the FY 2025-26 budget process and the Council's priorities and expectations of the FY 2025-26 Budget.
	Review and discuss with the Town Council any proposed updates, changes, or revisions to the Town's 10-year Capital Improvement Plan.
June 20	Deliver draft proposed budget and 10-year Capital Improvement Plan to Finance & Audit Advisory Committee
June 27	FY 2025-26 Proposed Budget filed with the Town Secretary, delivered to the Town Council, and posted on the Town webpage.
June 27	Finance & Audit Advisory Committee meet to discuss proposed Capital Improvement Plan and Operational Budget for FY 2025-26.
July 1	Review and discuss the Proposed Budget with Town Council.
	Deadline to Provide Exemption Resolutions (for Certification) to DCAD
July 18	Deliver notice of the August 5 Public Hearing on the FY 2025-26 Proposed Budget to the newspaper. Provide notice to Town Secretary for publishing on website.

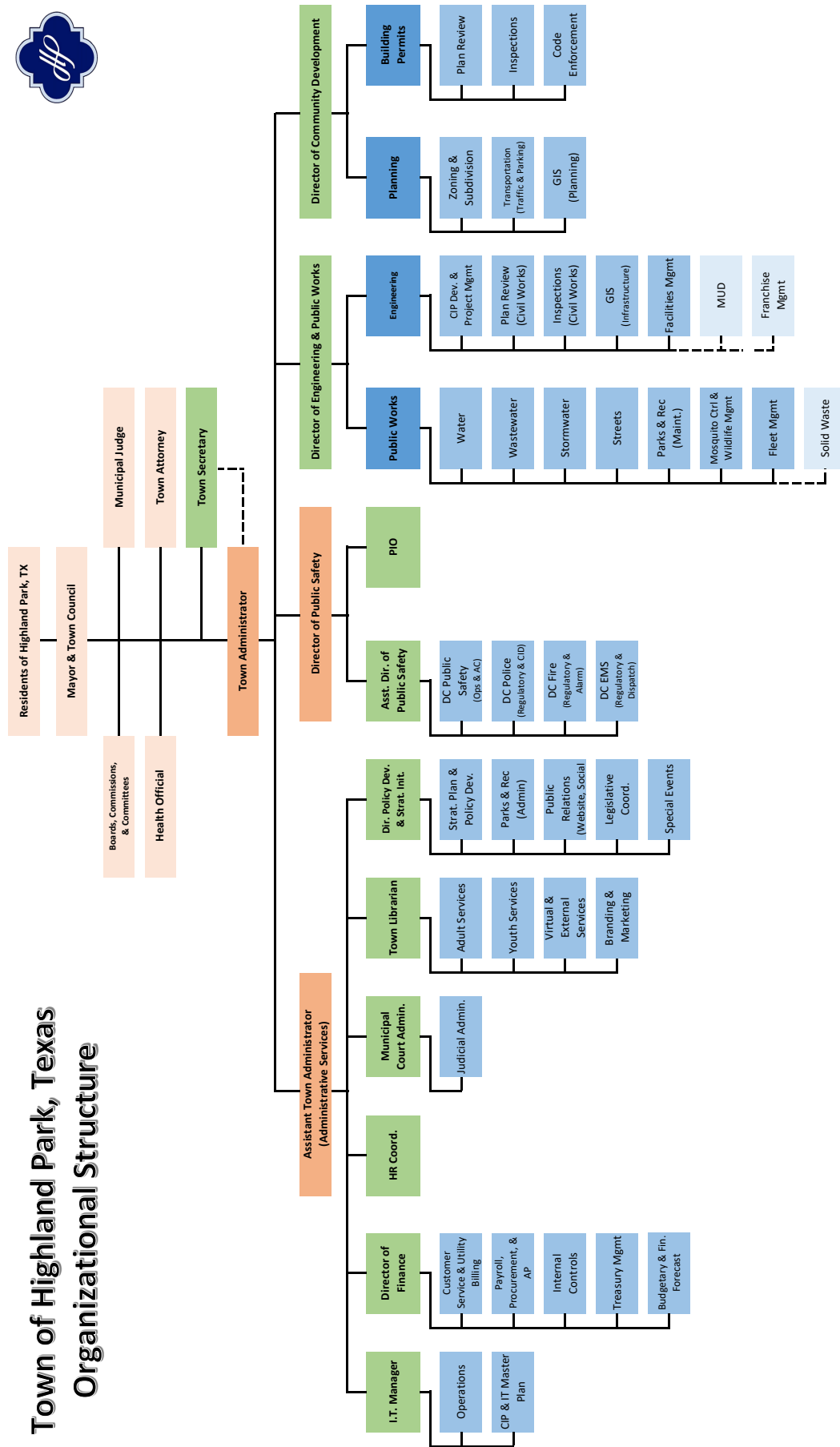
Date	Activity
July 24	Publication of the notice for the August 5 Public Hearing on the FY 2025-26 Proposed Budget in the newspaper.
July 25	Receive 2025 Certified Appraisal Roll from DCAD
<u>August 5</u>	Conduct Public Hearing on FY 2025-26 Proposed Budget. Review and discuss the Proposed Budget with Town Council. Review and discuss a proposal to set a preliminary property tax rate for Fiscal Year 2025-26 and schedule one public hearing on the proposal. Town Council sets preliminary ad valorem tax rate. NOTE: If a tax rate is proposed that exceeds the ‘No-New-Revenue Tax Rate’, take a record vote, publish the required notices, and schedule the required public meeting. Call Public Hearing on Tax Rate for September 2. Deliver notice of Public Hearing on Tax Increase to the newspaper. Provide notice to Town Secretary for publishing on website. Announce date and time of Public Hearing to adopt the tax rate for September 2. <i>On or before August 18</i>, call for a Voter Approval Tax Rate Election (VATRE) if the preliminary tax rate set by the Town Council exceeds the Voter Approval Rate.
August 7	By August 7 th , submit NNRR and VAR to Council and post on Website
<u>August 19</u>	Review and discuss the Proposed Budget with Town Council. Incorporate any proposed changes
August 20	Deliver notice of the September 2 Public Hearing on the FY 2025-26 Tax Rate and Vote to adopt the Tax Rate to the newspaper. Provide notice to Town Secretary for publishing on website.
August 27	Publication of the notice of the September 2 Public Hearing on the FY 2025-26 Tax Rate and Vote to adopt the Tax Rate in the newspaper.
<u>September 2</u>	Conduct Public Hearing on the Tax Rate Town Council considers approval of: • Ordinance adopting the FY 2025-26 Proposed Budget and related Capital Improvement Plan (CIP). • Ordinance Adopting the 2025 property tax rate for FY 2025-26. • Resolution approving the FY 2026 Master Fee Schedule. • Resolution approving the FY 2025-26 Pay Plan
September 3	By September 16 th , provide approved property tax ordinance and property tax rate to Dallas County Tax Office (DCTO) and the DCAD

NOTE: Dates in bold indicate a Town Council study session; Dates in bold and underlined indicate a Town Council meeting

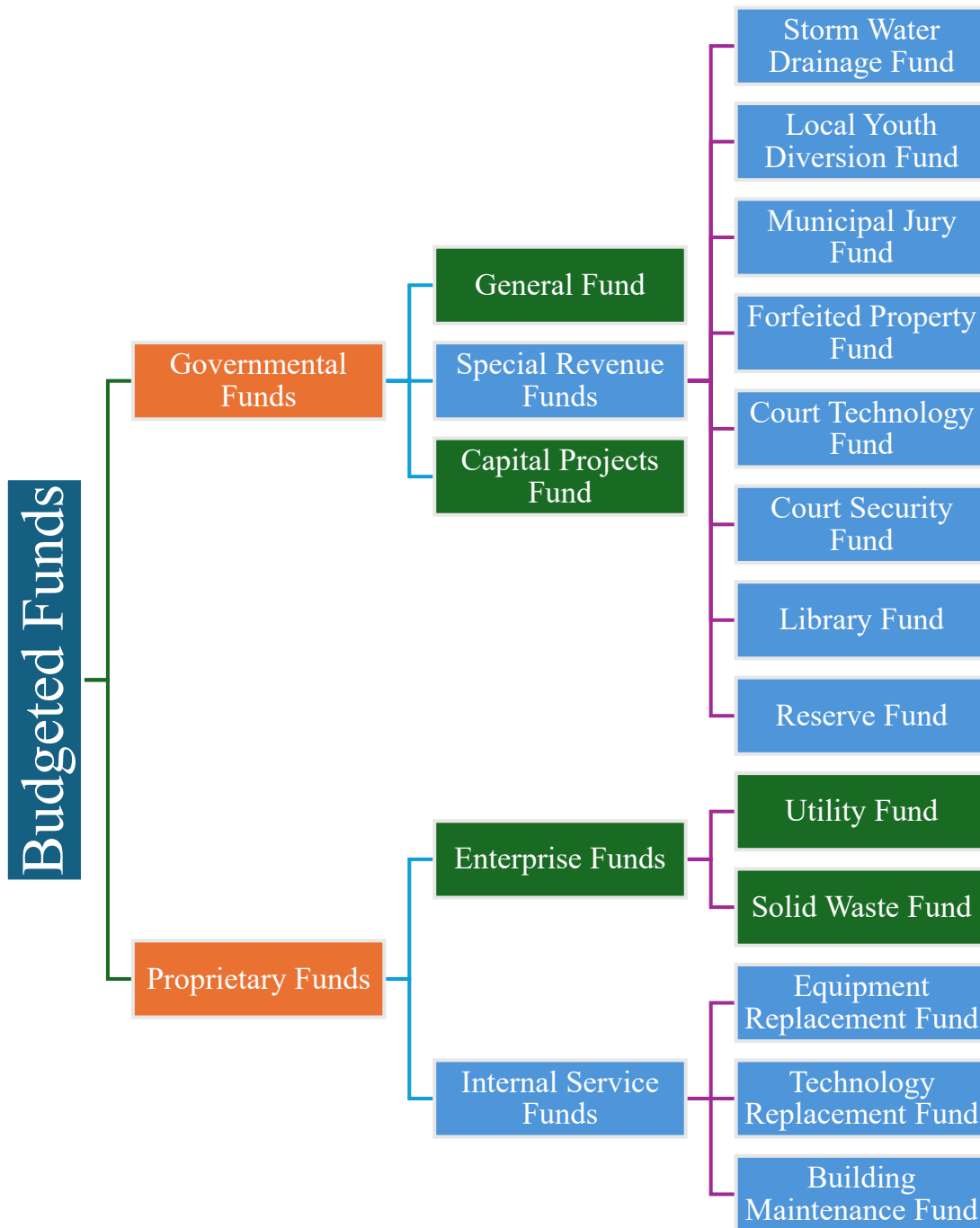


Town of Highland Park, Texas

Organizational Structure



Town of Highland Park, Texas
Budgetary Fund Structure
FY 2025-26



ORDINANCE NO. 2148

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS, ADOPTING A BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2025, AND ENDING SEPTEMBER 30, 2026, AND AUTHORIZING EXPENDITURES AS SET OUT IN SAID BUDGET.

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

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

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

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

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 Town Administrator, as budget officer, has caused to be prepared a proposed budget totaling \$94,580,884, including \$11,914,218 for inter-fund transfers, of the Town of Highland Park, Texas, for the fiscal year beginning October 1, 2025, and ending September 30, 2026, in accordance with the provisions of the Town Charter, Section 4.02 (d) and Section 9.05; and

Section 3. That, a copy of said proposed budget was filed in the office of the Town Secretary on June 27, 2025, and more than thirty (30) days prior to the end of the fiscal year 2025, 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 the date the Town Council makes its tax levy for the fiscal year, in accordance with Section 102.005 of the Local Government Code, Texas Codes Annotated; and

Section 4. That, notice of public hearing on the proposed budget on August 5, 2025, was duly advertised by the Town, in accordance with Section 102.006 of the Local Government Code, Texas Codes Annotated; and

Section 5. That, the official budget, including amendments, was approved by the Town Council of the Town of Highland Park, Texas, on September 2, 2025, following the public hearing, and a copy of said official budget, including amendments, is attached hereto and made a part hereof by reference as though copied fully herein.

PASSED AND APPROVED this 2nd day of September, 2025.

APPROVED AS TO FORM:



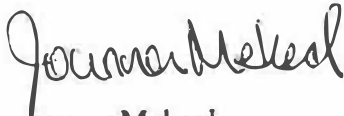
Susan Thomas
Town Attorney

APPROVED:



Will C. Beecher
Mayor

ATTEST:



Joanna Mekeal
Town Secretary

ORDINANCE NO. 2149

AN ORDINANCE OF THE TOWN OF HIGHLAND PARK, TEXAS, LEVYING THE AD VALOREM TAXES FOR THE TAX YEAR 2025 ON ALL PROPERTY SITUATED IN THE TOWN OF HIGHLAND PARK, TEXAS.

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

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

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

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

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, for the tax year 2025, there is hereby levied an ad valorem tax of \$0.199296 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 2025, 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.

THE TAX RATE WILL EFFECTIVELY BE RAISED BY 3.50 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$-9.25.

Section 3. 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 2025-2026.

Section 4. That said tax shall be due and payable October 1, 2025.

Section 5. That all constitutional provisions and laws of the State of Texas that pertain to delinquencies and collection procedures are applicable to this 2025 levy.

Section 6. That this Ordinance shall become effective from and after its adoption and publication as required by law after its passage by at least 60% of the Council by a record vote.

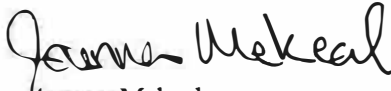
PASSED AND APPROVED this 2nd day of September 2025.

APPROVED AS TO FORM:



Susan Thomas
Town Attorney

ATTEST:



Joanna Mekeal
Town Secretary

APPROVED:



Will C. Beecher
Mayor

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

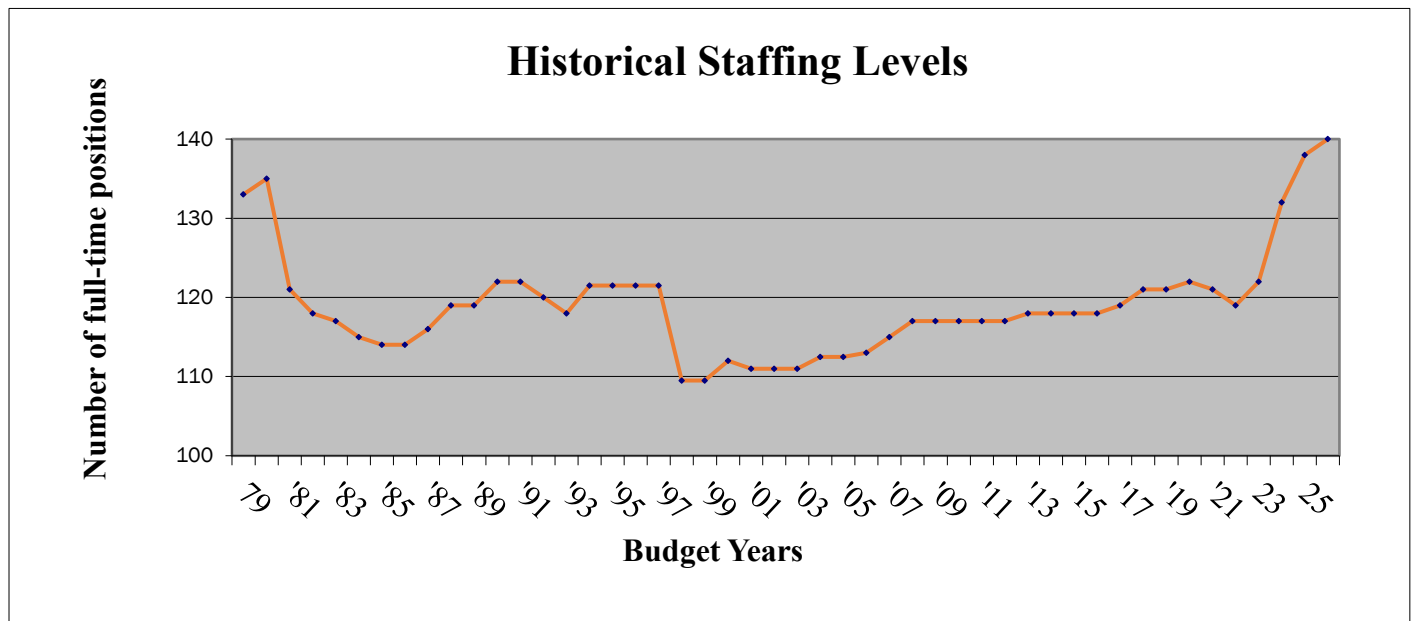
	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted
BEGINNING FUND BALANCE	\$ 49,142,538	\$ 48,756,606	\$ 49,844,855	\$ 49,913,196
REVENUES/SOURCES OF FUNDS				
Property Taxes	\$ 18,372,869	\$ 19,463,027	\$ 19,443,685	\$ 20,433,960
Water Sales	8,817,873	9,176,886	9,386,385	9,754,780
Sewer Charges	2,977,122	3,265,533	3,239,715	3,434,185
Sales Taxes	8,801,419	7,020,752	8,668,000	8,283,320
Sanitation/Recycling Charges	1,783,439	1,824,985	1,852,365	1,917,715
Franchise Fees	975,703	995,600	1,012,810	1,016,500
Building Inspection Fees/Permits	1,355,547	1,779,900	1,416,285	1,432,885
Municipal Court Fines/Fees	477,169	482,229	444,110	572,580
Interest Earnings	3,568,274	2,417,993	2,835,995	2,399,780
Storm Water Fees	571,749	1,129,560	1,142,825	2,287,190
Other Revenues	6,161,537	20,208,123	7,958,193	21,655,575
TOTAL REVENUES	\$ 53,862,701	\$ 67,764,588	\$ 57,400,368	\$ 73,188,470
OTHER SOURCES				
Transfers In	\$ 10,520,415	\$ 10,827,481	\$ 14,827,481	\$ 11,914,218
TOTAL OTHER SOURCES	\$ 10,520,415	\$ 10,827,481	\$ 14,827,481	\$ 11,914,218
TOTAL REVENUES/SOURCES	\$ 64,383,116	\$ 78,592,069	\$ 72,227,849	\$ 85,102,688
EXPENDITURES				
Personnel Services				
Payroll	\$ 16,087,578	\$ 17,987,112	\$ 17,431,825	\$ 18,611,518
Payroll Taxes	1,136,022	1,313,854	1,261,240	1,356,756
Retirement	2,081,221	2,261,241	2,188,230	2,337,860
Insurance	1,955,475	1,838,045	1,662,540	2,131,691
Total Personnel	\$ 21,260,296	\$ 23,400,252	\$ 22,543,835	\$ 24,437,825
Supplies & Equipment	4,883,154	5,802,265	5,871,493	6,258,829
Services & Charges	8,561,582	9,520,802	9,702,363	10,386,545
Capital Outlay	18,455,352	39,351,059	19,214,336	41,583,467
TOTAL EXPENDITURES	\$ 53,160,384	\$ 78,074,378	\$ 57,332,027	\$ 82,666,666
OTHER USES				
Transfers Out	10,520,415	10,827,481	14,827,481	11,914,218
TOTAL OTHER USES	\$ 10,520,415	\$ 10,827,481	\$ 14,827,481	\$ 11,914,218
TOTAL USES	\$ 63,680,799	\$ 88,901,859	\$ 72,159,508	\$ 94,580,884
ENDING FUND BALANCE	\$ 49,844,855	\$ 38,446,816	\$ 49,913,196	\$ 40,435,000



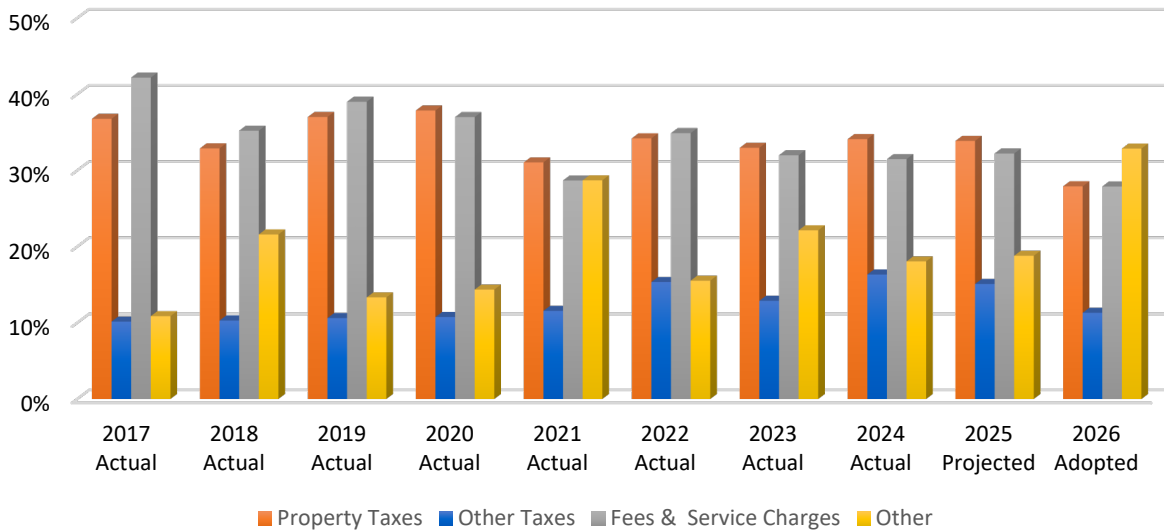
THIS PAGE INTENTIONALLY LEFT BLANK

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

	Budget FY 2024		Budget FY 2025		Adopted FY 2026	
	Full-Time	Part-Time	Full-Time	Part-Time	Full-Time	Part-Time
General Fund						
Administration	2.0	0.0	2.0	0.0	3.0	0.0
Public Safety	82.0	0.0	82.0	0.0	84.0	0.0
Policy & Strategic Initiatives	2.0	0.0	2.0	0.0	2.0	0.0
Street	3.0	0.0	3.0	0.0	3.0	0.0
Library	6.0	0.5	6.0	0.5	6.0	0.5
Parks & Recreation	7.0	0.0	7.0	0.0	7.0	0.0
Swimming Pool	0.0	3.4	0.0	3.4	0.0	3.4
Municipal Court	3.0	1.3	3.0	1.3	3.0	1.3
Finance	6.0	0.0	6.0	0.0	4.0	0.0
Community Development	5.0	0.0	7.0	0.0	7.0	0.0
Information Technology	1.0	0.0	2.0	0.0	2.0	0.0
Human Resources	0.0	0.0	0.0	0.0	1.0	0.0
Sub-Total General Fund	117.0	5.2	120.0	5.2	122.0	5.2
Utility Fund						
Utility Customer Service	3.0	0.0	3.0	0.0	3.0	0.0
Water	5.0	0.0	6.0	0.0	6.0	0.0
Sanitary Sewer	2.0	0.0	2.0	0.0	2.0	0.0
Engineering	4.0	0.0	6.0	0.0	6.0	0.0
Sub-Total Utility Fund	14.0	0.0	17.0	0.0	17.0	0.0
Building Maintenance Fund						
Facilities	1.0	0.0	1.0	0.0	1.0	0.0
Sub-Total Maintenance Fund	1.0	0.0	1.0	0.0	1.0	0.0
Total	132.0	5.2	138.0	5.2	140.0	5.2

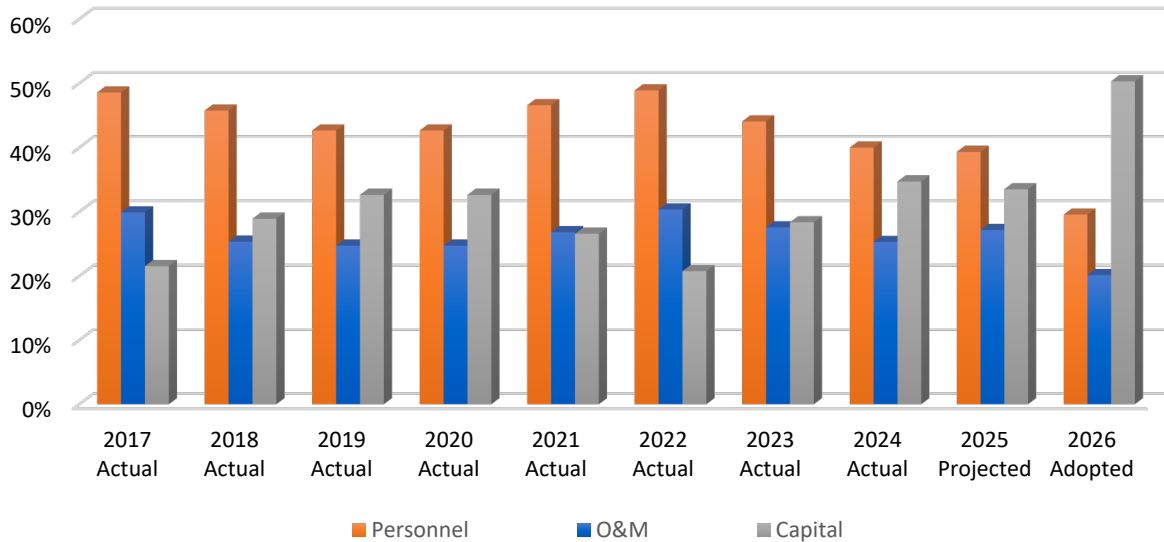


REVENUES BY TYPE FOR ALL FUNDS



As indicated above, the Town's operations are funded primarily through property taxes, service charges and fees. The growth in both recognized and projected property tax dollars is supported by the Town's healthy property values and its favorable tax rate (see page 49). Charges for services are generally driven by utility service rates and reflect the growth of this revenue source to address significant infrastructure replacement/repairs. Amounts categorized as "other receipts" include court fines and fees and miscellaneous revenues. Additional detail on revenue history/trends is presented on page 178.

EXPENDITURES/EXPENSES BY TYPE FOR ALL FUNDS



Personnel costs compromise the majority of the Town's cost of operations. Municipal governments, as any service organization, are labor intensive. However, the graph above reflects the growth in the amount of funding committed to capital improvements resulting in personnel costs representing a lower percentage of overall funds distributed. Additional details on expenditure history/trends is presented on page 180.

**2025 TAX RATE FOR HIGHLAND PARK
COMPARED TO CURRENT TAX RATES FOR OTHER AREA CITIES
(PER \$100)**

City	Rate
Mesquite	\$0.730000
Dallas	\$0.698800
Garland	\$0.689746
Addison*	\$0.608100
Irving	\$0.589100
Farmers Branch	\$0.543500
Richardson*	\$0.542180
Carrollton	\$0.537500
Frisco*	\$0.425517
Southlake*	\$0.295000
University Park*	\$0.218565
Highland Park	\$0.199296

Source: County Tax Office

**One of the Town's comparison cities*

**AD VALOREM TAX ANALYSIS
2025 TAX ROLL**

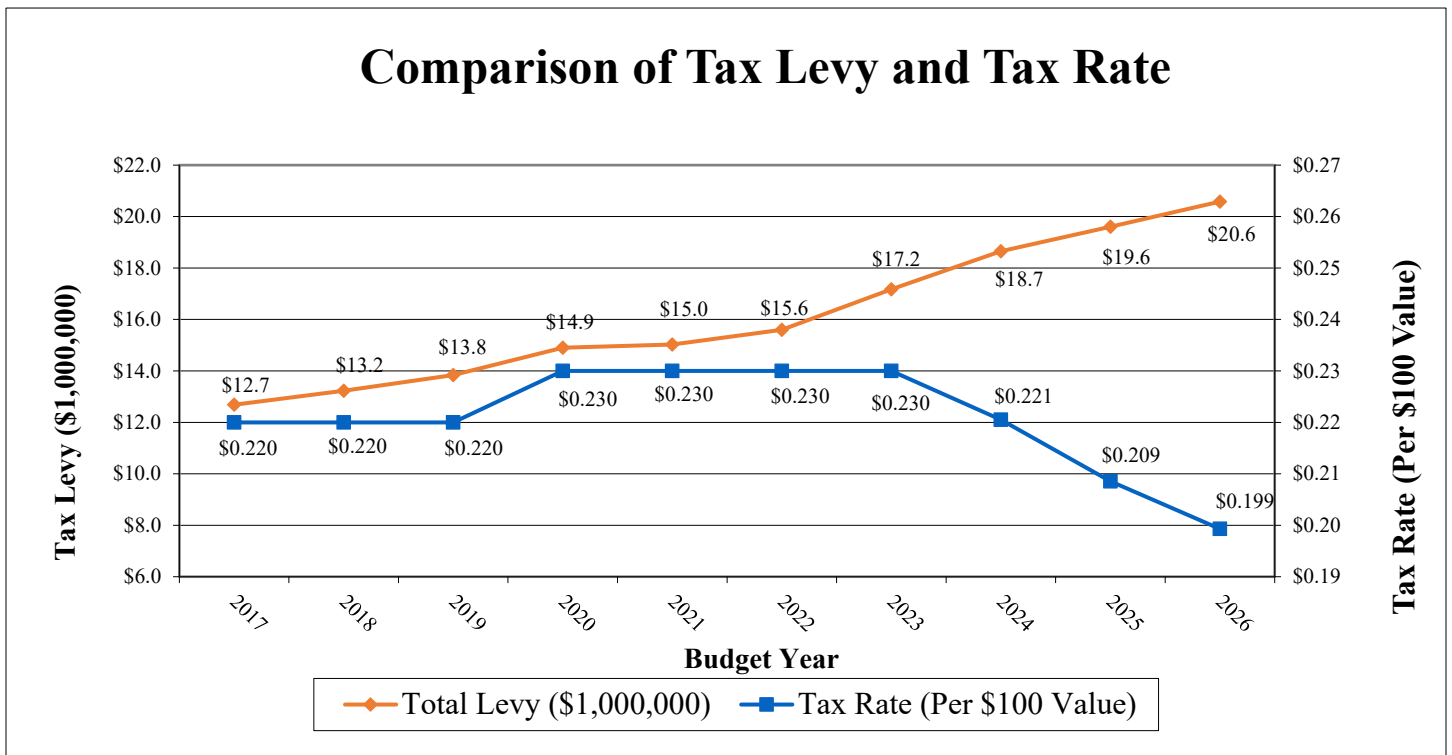
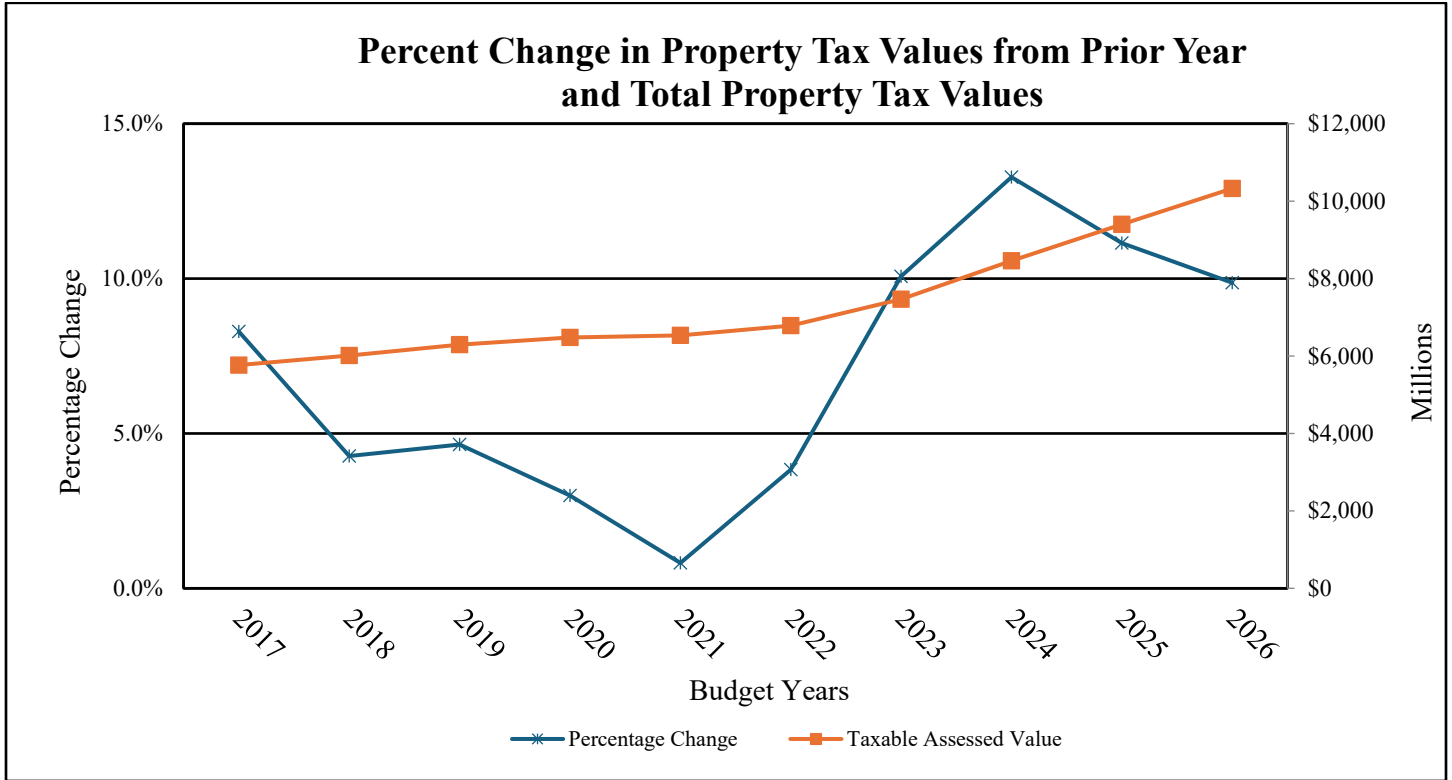
Assessed Valuation (100%)	\$14,205,671,240
Taxable Valuation*	\$10,327,359,681
Rate per \$100	\$0.199296
Total Tax Levy	\$20,582,015
Percent of Collection	99.0
Estimated Current Tax Collections	\$20,376,195

**Certified Appraisal Roll plus Disputed Values*

**SUMMARY OF PROJECTED
FISCAL YEAR 2025-26 TAX COLLECTIONS**

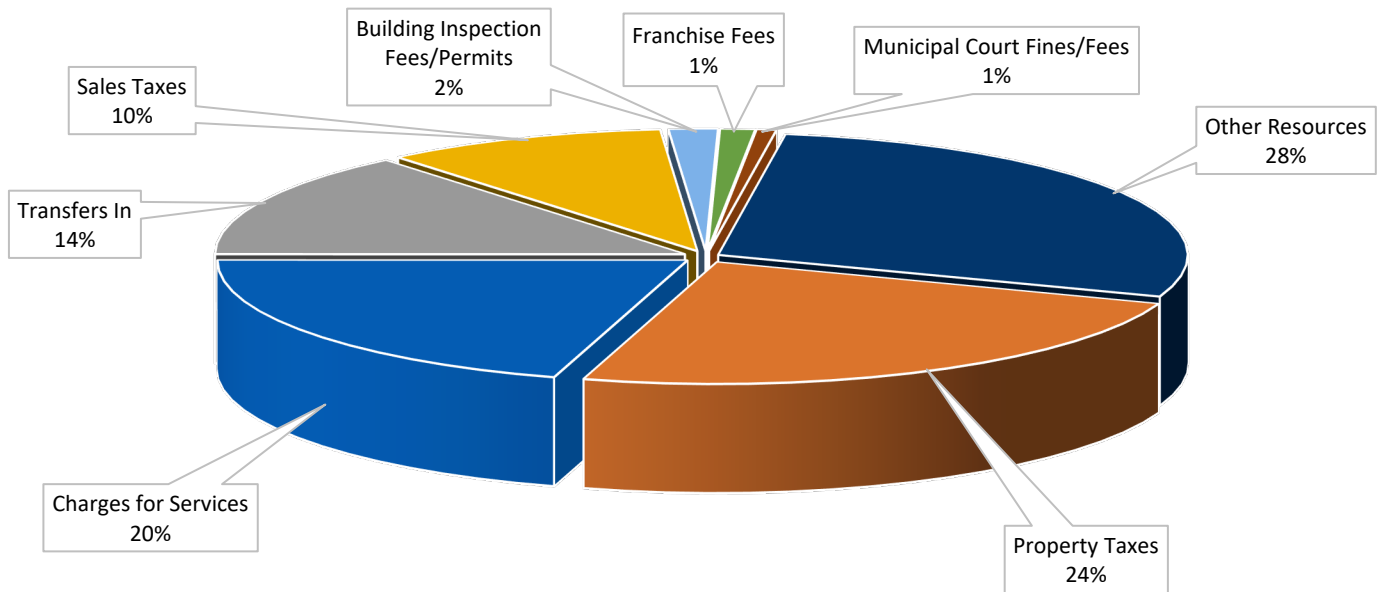
Current Taxes	\$20,376,195
Delinquent Taxes	<u>57,765</u>
Total Tax Collections	\$20,433,960
Penalty & Interest on Taxes	<u>102,225</u>
Total Tax Related Collections	\$20,536,185

ASSESSED PROPERTY VALUES INCREASED/DECREASE BY BUDGET YEAR



PROJECTED RESOURCES FOR ALL FUNDS

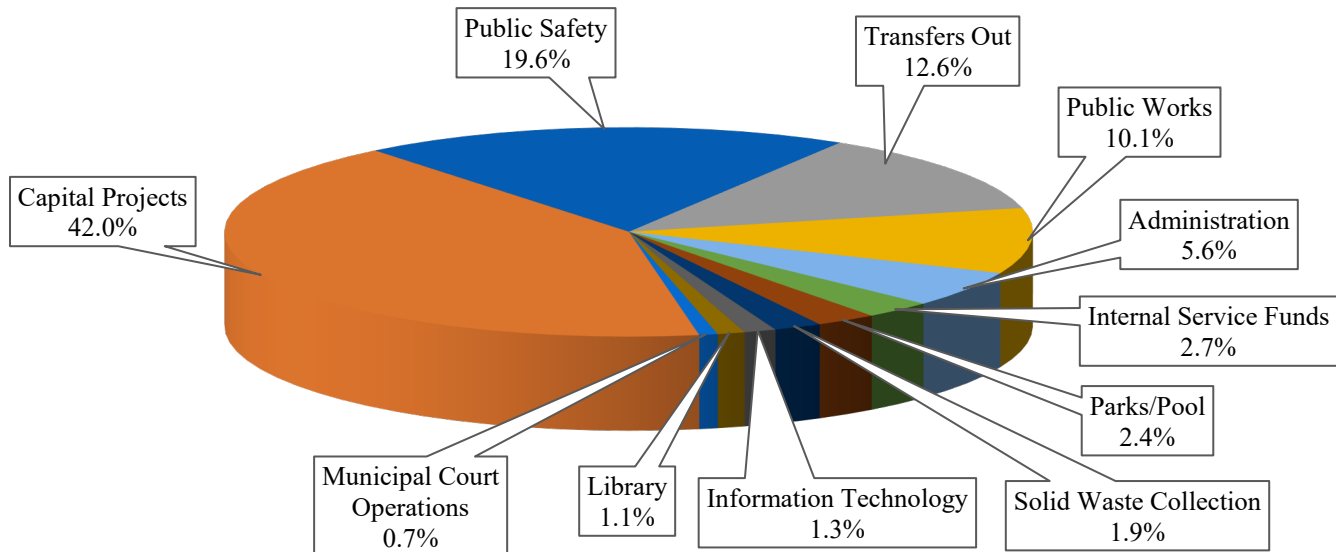
Fiscal Year 2025-26



Property Taxes	\$ 20,433,960
Charges for Services	17,393,870
Transfers In	11,914,218
Sales Taxes	8,283,320
Building Inspection Fees/Permits	1,432,885
Franchise Fees	1,016,500
Municipal Court Fines/Fees	572,580
Other Resources	24,055,355
	\$ 85,102,688

BUDGETED DISBURSEMENTS

Fiscal Year 2025-26



BY FUNCTION

Capital Projects	\$ 39,680,702
Public Safety	18,514,928
Transfers Out	11,914,218
Public Works	9,566,869
Administration	5,264,197
Internal Service Funds	2,592,480
Parks/Pool	2,295,668
Solid Waste Collection	1,808,265
Information Technology	1,214,036
Library	1,029,457
Municipal Court Operations	700,064
	\$ 94,580,884

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 public safety (police, fire, emergency medical), public library, parks and recreation, municipal court, community development (building inspections, code enforcement, planning & zoning) finance, information technology, and administrative operations.

Total revenues and transfers-in for FY 2026 in the General Fund are \$36,119,995 and are increasing by \$2,170,176 or 6.4% when compared to the previous fiscal year Amended Budget. Operational expenditures represent \$28,890,506, or 80.0% of the overall General Fund Budget, with the remaining balance of \$7,217,755 being transfers to other funds. The Transfer to the Capital Projects Fund is \$4,857,490, or 13.5% of the General Fund Adopted Budget.

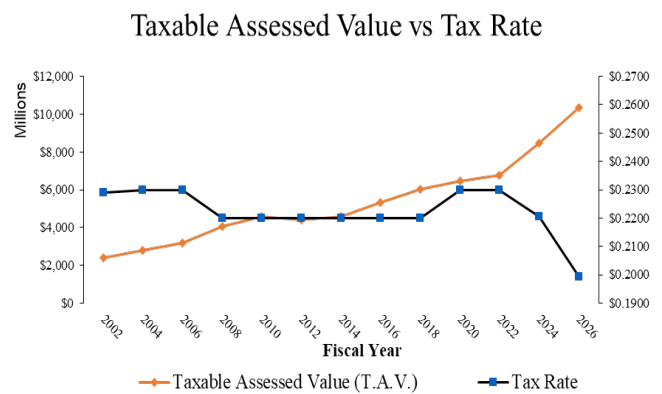
Revenues:

The Adopted Budget includes a property tax rate of 19.9296 cents per \$100 of taxable assessed value (T.A.V.), which is 0.9254 cents lower than the prior year's tax rate of 20.8550 cents. Based on the certified tax rolls provided by the Dallas Central Appraisal District (DCAD), this budget will raise more revenue from property taxes than last year's budget by \$983,902. Of this amount, 69.7% is generated from existing property revaluation and 30.3% is generated by new construction.

Historically, the Town has enjoyed a low property tax rate and positive increases in T.A.V. Over the last 10 years, the Town has experienced a compound annual growth rate in T.A.V. of 6.85%. The Taxable Assessed Value is based on the final certified taxable assessed value data provided by the Dallas Central Appraisal District as of July 25, 2025.

Historical Property Tax Information

Tax Year	Fiscal Year	Tax Rate	Taxable Assessed Value (T.A.V.)	% Change in T.A.V.	Tax Levy
2000	2001	\$ 0.2462	\$ 2,146,638,147	10.66%	\$ 5,285,023
2001	2002	\$ 0.2290	\$ 2,416,780,567	12.58%	\$ 5,534,428
2002	2003	\$ 0.2208	\$ 2,628,830,785	8.77%	\$ 5,804,458
2003	2004	\$ 0.2300	\$ 2,770,409,688	5.39%	\$ 6,371,942
2004	2005	\$ 0.2300	\$ 2,911,465,259	5.09%	\$ 6,696,370
2005	2006	\$ 0.2300	\$ 3,175,218,560	9.06%	\$ 7,303,003
2006	2007	\$ 0.2250	\$ 3,605,667,701	13.56%	\$ 8,112,752
2007	2008	\$ 0.2200	\$ 4,040,272,597	12.05%	\$ 8,888,600
2008	2009	\$ 0.2200	\$ 4,364,487,558	8.02%	\$ 9,601,873
2009	2010	\$ 0.2200	\$ 4,573,579,178	4.79%	\$ 10,061,874
2010	2011	\$ 0.2200	\$ 4,437,430,774	-2.98%	\$ 9,762,348
2011	2012	\$ 0.2200	\$ 4,406,947,910	-0.69%	\$ 9,695,285
2012	2013	\$ 0.2200	\$ 4,446,174,261	0.89%	\$ 9,781,583
2013	2014	\$ 0.2200	\$ 4,598,788,373	3.43%	\$ 10,117,334
2014	2015	\$ 0.2200	\$ 4,924,894,226	7.09%	\$ 10,834,767
2015	2016	\$ 0.2200	\$ 5,324,611,534	8.12%	\$ 11,714,145
2016	2017	\$ 0.2200	\$ 5,765,957,876	8.29%	\$ 12,685,107
2017	2018	\$ 0.2200	\$ 6,012,113,607	4.27%	\$ 13,226,650
2018	2019	\$ 0.2200	\$ 6,291,124,616	4.64%	\$ 13,840,474
2019	2020	\$ 0.2300	\$ 6,479,649,993	3.00%	\$ 14,903,195
2020	2021	\$ 0.2300	\$ 6,532,652,955	0.82%	\$ 15,025,102
2021	2022	\$ 0.2300	\$ 6,783,128,145	3.83%	\$ 15,601,195
2022	2023	\$ 0.2300	\$ 7,466,203,174	10.07%	\$ 17,172,267
2023	2024	\$ 0.2205	\$ 8,457,359,481	13.28%	\$ 18,651,015
2024	2025	\$ 0.2086	\$ 9,400,167,194	11.15%	\$ 19,604,049
2025	2026	\$ 0.1993	\$ 10,327,359,681	9.86%	\$ 20,582,015



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

Other significant revenue changes for FY 2026 include:

- Sales tax receipts, the fund's second largest source of revenue, is estimated at \$ 8,283,320, representing a 4.4% increase compared to the year-end projection for FY 2025. The increase is due to the receipt of one-time prior period collections and audit adjustments. Since FY 2020, this revenue source has grown significantly resulting in some caution being exercised in projecting future sales tax revenue growth over the 10-year planning horizon.
- The continued steady rate of construction activity on new residential homes and remodeling projects is reflected by the number of permits issued by the Town. Building permit revenue in FY 2026 is projected at \$1,216,330, which represents a 1.1% increase over the FY 2025 projection. Given the strength and diversity of the North Texas economy—coupled with continued rapid population growth and ongoing corporate relocations—staff expects building activity fees to remain a strong and dependable source of revenue. However, due to broader economic uncertainties stemming from geopolitical conflicts and trade instability related to tariff pressures, this revenue source is conservatively projected for FY 2026.

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 29.6% of the overall budget, excluding transfers, and 75.6% in the General Fund. Compensation and benefit strategies are tied to the Town's strategic objective of attracting, developing, and retaining a skilled workforce in its goal of continuing to be an employer of choice.

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

Consistent with the prior fiscal year budget, all pay grade ranges are increasing by 3%. This structural change provides an opportunity for those employees at the top of their respective pay range currently to be eligible for a pay adjustment. Additionally, the compensation program for FY 2025 includes a merit adjustment for all employees based on their annual performance evaluations. The merit adjustments include up to 3.5% for civilian personnel and up to 6% for first responders. All pay adjustments are limited to the top of the pay range for each position.

During FY 2023, the Mayor appointed a compensation committee made up of the Mayor and two Council Members. This committee identified five comparison cities to use in determining the Town's position to market as it relates to compensation. These cities include Addison, Frisco, Richardson, Southlake and University Park. The compensation committee commissioned a comprehensive salary and benefit study, which is anticipated to be completed in FY 2026. Any recommendations from the study will be presented to the Council for consideration at a future date or will be addressed during the FY 2027 budget development process.

Pension- The Town is a member of the Texas Municipal Retirement System (TMRS) which provides retirement, disability, and death benefits to employees of participating municipalities. The pension contribution rate paid by the Town is decreasing slightly in FY 2026; however, the Town's contribution rate in the Adopted Budget was carried forward from the prior year to pay down the plan's net pension liability.

Overall, \$2,291,724 is included in the FY 2026 General Fund Adopted Budget for contributions to TMRS related to compensation paid to employees. This amount includes a supplemental contribution of \$205,000 to expedite a reduction in the net pension liability.

Health Insurance- Providing a competitive health insurance plan is another significant factor in attracting quality candidates, retaining valuable employees, and continuing to be an employer of choice. Town Council approved remaining with Cigna, the current health insurance provider, for FY 2026. The FY 2026 Adopted Budget maintains the annual contribution of \$2,800 to employees' Health Savings Accounts. In accordance with federal regulations, a high-deductible health plan (HDHP) must have a deductible of at least \$1,700 for self-only coverage, up from \$1,650 in 2025, or \$3,400 for family coverage, up from \$3,300 in 2025.

Health insurance costs are expected to rise by approximately 15% compared to the FY25 budget. This increase is primarily due to the renegotiation of contracts between the Town's medical insurance provider (Cigna) and DFW-area hospitals, along with the transition to Cigna's broader network. Last year, the Town also received a one-time \$185,000 sign-on credit, which will not recur. Importantly, the increase would have been significantly higher without the rate cap negotiated last year.

Capital Improvement Plan- The General Fund's portion of the transfer to the Capital Projects Fund is budgeted at \$ 4,857,490. This transfer is increasing by about 2.5% when compared to the Amended Budget for FY 2025. This transfer includes \$1,408,280 that is sustained as a result of funding from enhanced revenue provided by the growth in property values from tax years 2014 to 2016. Maintaining this funding source for the Town's Capital Projects Fund was a major focus in preparing the Adopted Budget as the Council continues its focus on a pay-as-you-go system to fund infrastructure needs.

New programs and services within the General Fund include:

- Enhanced marketing and strategic communications (\$69,600)
- Information Technology systems (\$51,708):
 - Technology asset inventory and device security management application (\$30,960)
 - Mobile device management application (\$10,441)
 - Archival of SMS/MMS text messaging for open records compliance (\$10,307)
- Envisio strategic planning software (\$26,000)
- Two new positions have been incorporated into the General Fund to manage the existing workload and to address parking challenges within the community. These positions include:
 - *Records Manager – New FTE - \$135,585*
 - *Parking Enforcement Officer (Civilian) - New FTE - \$8,794 (net of an increase of \$125,000 in anticipated parking fine revenue)*
- Upgrade of Senior Court Clerk to Assistant Court Administrator to enhance leadership continuity (\$4,939)

Fund Balance:

The Town's financial policies state that the fund balance in the General Fund shall be equal to a minimum of 17% of General Fund operating expenditures. The Adopted Budget reflects an ending fund balance of \$6,693,397 meeting this policy requirement. This ending balance is set aside to provide funding in the event of an unanticipated economic downturn or other emergencies that may impact the Town's budget. Any excess revenue and unallocated appropriation, above the 17% fund balance requirement, is transferred to the Capital Projects Fund.

UTILITY FUND

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

Revenues:

Utility Fund total revenues for FY 2026 are anticipated to be \$16,513,180, which is an increase of 17.3%, or \$2,431,836, when compared to the FY 2025 Amended Budget. This increase is primarily related to the adjustment in water and sewer rates, as well as a significant increase in external resources for capital projects.

The Adopted Budget includes a 3.9% increase to water rates and a 3.0% increase to sewer rates for FY 2026. The Town's 5-year rolling average of water sales is increasing due to recent higher consumption patterns over the last couple of years and the financial model remains sustainable under the current plan of adjusting rates each year. The next rate adjustment is scheduled for FY 2027 at 3.9% for water and 3.0% for sewer.

Expenditures:

Unlike the General Fund, which is driven principally by personnel costs, a large portion of expenses for the Utility Fund are contractually related to water purchases and sanitary sewer treatment attributing to 36.4%, or \$5,623,175 of the overall costs adopted for FY 2026, excluding transfers. The Adopted Budget also includes \$6,098,966 for capital outlay and capital improvements related to the Town's utility system. Compensation and benefits within the Utility Fund are increasing this budget by \$87,530 (inclusive of additional employment taxes, TMRS, etc.), due primarily to a 3% increase in the pay plan structure and merit adjustments of up to 3.5% provided in the Adopted Budget.

The Town purchases treated water from the Dallas County Park Cities Municipal Utility District (District). The rate charged by the District grew significantly by 26.75% in FY 2024, 4.6% for FY 2025, and 5.0% for FY 2026. These increases have been implemented by the District in an effort to build reserves to adequately fund capital needs as well as address increases in operational costs. The 5.0% adjustment combined with the increased consumption expectation based on a rolling five-year average for FY 2026 is increasing the Adopted Budget by \$347,000 for this expenditure.

The cost for the treatment of wastewater contracted through the City of Dallas Water Utilities (DWU) is increasing 1.1% or \$14,129 over the FY 2025 Amended Budget. There are a few factors impacting this cost for the next fiscal year. First, the DWU is increasing the volumetric rate charged for this service by 3.8%. Second, the Town's calculated winter average consumption between FY 2024 and FY 2025 decreased by 5.9%. This is important to note because the volume of wastewater used to assess the rate is determined by calculating the Town's winter average consumption of water and can fluctuate from year to year. Water consumption that is captured through irrigation meters is not considered in this calculation. Finally, once the winter average water consumption is calculated, the DWU adds a factor for inflow and infiltration, which is increasing by 3.6%. It is important to note that the DWU conducts a Wholesale Cost of Service Study each year to justify the rate they are charge for the treatment of wastewater. On average, this expense has been growing 3.5% per year.

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 Adopted Budget reflects a projected ending fund balance of \$4,092,366, which exceeds the fund balance requirement by \$1,290,067. Excess fund balance provides for rate stabilization during years of low water sales as well as funding future capital improvement needs.

SOLID WASTE FUND

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

Revenues:

Solid waste revenues are projected to be \$1,941,535 exclusive of transfers, representing a 4.9% increase over the Amended Budget for FY 2025. Revenues consist of charges for solid waste services and recycling. Rates charged for the provision of solid waste are increasing to accommodate the growing cost of service from the Town's service provider. Overall, the increase in monthly rates is 3.5%, and will ultimately increase the monthly solid waste bill by \$1.30 for alley service and \$2.43 for pack-out service (inclusive of the fee for recycling).

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 \$1,568,890 and \$116,875 respectively for FY 2026. In FY 2019, based on the Town Council's review and approval, the Town began offering residential collection service for household hazardous waste, as well as annual household hazardous waste events, budgeted at \$32,000. The purchase, maintenance, and handling of solid waste containers is completed by Town staff. The Adopted Budget for FY 2026 includes \$35,000 for the purchase of new containers. The Adopted Budget for the Solid Waste Fund also includes a Transfer-Out of \$92,600 to the Capital Projects Fund, which represents 4.8% of projected revenues for FY 2026.

Fund Balance:

There is not a fund balance requirement for the Solid Waste Fund, however, the fund balance projected at the end of FY 2026 is \$480,637.

STORM WATER DRAINAGE UTILITY FUND

The Storm Water Drainage Utility Fund accounts for sources and uses of resources related to the maintenance, repair, and construction of the public storm water related services and facilities. Storm water drainage fees are assessed each month on the utility bills to provide a funding source for this fund. The monthly storm water fee is based on the size of the lot. For FY 2026 residential properties will be charged between \$25.20 and \$198.92 per month for each dwelling unit that is on the property, based on the size of the lot. Fees for non-residential properties are calculated individually in proportion to each property's storm water runoff potential.

Revenues:

Revenues from storm water fees in the Storm Water Drainage Utility Fund are projected to be \$2,287,190. Rates charged for storm water drainage are being increased by 100% for FY 2026 to generate funds needed for planned capital improvements. The Adopted Budget includes a transfer from the Capital Projects Fund of \$1,000,000 to fund future storm water drainage projects within this fund. Moreover, \$500,000 is being transferred as an advance (loan) from the Town's Reserve Fund to provide funding for the Hackberry Creek project. The funding from the Reserve Fund will be paid back to the Reserve Fund over time once the project is complete.

Expenditures:

The Storm Water Drainage Utility Fund accounts for expenditures related to street sweeping and other drainage related items. The overall appropriations adopted for this fund total \$6,787,667 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 \$2,500,000 for improvements related to the Hackberry Creek project, \$700,000 for drainage easement projects throughout Town, \$3,000,000 for dredging Exall and Connor Lakes and \$147,737 associated with utility improvements in connection with the reconstruction of Eastern Avenue and Douglas Avenue.

Fund Balance:

There is not a fund balance requirement for the Storm Water Drainage Utility Fund. The fund balance projected at the end of FY 2026 is \$1,281,994. This fund balance is committed to improvements to the Town's storm water drainage system.

CAPITAL PROJECTS FUND

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

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

The first year of the Capital Improvement Plan presented has been incorporated into the Adopted Budget within each respective fund including the Capital Projects Fund. Funds for projects are budgeted on an annual basis; however, as capital projects can span multiple fiscal years, appropriated funds for individual capital projects expire at project closure.

Revenues:

Revenues in the Capital Projects Fund are projected to be \$23,020,012 for FY 2026 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 \$752,048 of the total projected revenues

in this fund. The General Fund annually transfers funds to the Capital Projects Fund for the purpose of maintaining an active capital improvement program. This funding equates to \$4,857,490 for the next fiscal year. In FY 2015, the Town Council approved keeping the property tax rate the same, which allowed the Town to commit an additional \$342,651 per year toward the Capital Improvement Plan. This practice continued for the following two fiscal years, and as a result of the increase in taxable assessed values of properties within the Town, the Adopted Budget allocates \$1,408,280 from additional property tax revenue to meet existing and future capital needs. To the extent that the General Fund has excess fund balance above the required fund balance level set out by Town Council, an additional transfer will be made to the Capital Projects Fund.

Funding of \$1,772,529 in FY 2026 anticipated from the Dallas Area Rapid Transit (DART) Transit Related Improvement Program (TRIP) has been included in the Adopted Budget. Additionally, funding participation anticipated from the North Central Texas Council of Governments (NCTCOG) of \$12,550,000, Dallas County in the amount of \$1,500,000 and other external contributions towards the Town's CIP of \$900,000 have also been incorporated into the CIP.

Expenditures:

Expenditures in the Capital Projects fund are budgeted at \$28,248,449, with \$18,660,000 appropriated for improvements to the Wycliff bridge, \$1,633,470 in appropriations applied toward the Town's annual street/sidewalk/alley rehabilitation/street lighting programs and \$4,151,716 in funding for improvements to Eastern Avenue and Douglas Avenue. Additionally, there is \$500,000 for the Mockingbird and Beverly bridge rehabilitation project, \$500,000 for the Hackberry Creek landscaping project, and \$567,813 related to park renovations and improvements. The Adopted Budget also includes an indirect cost allocation transfer to the Utility Fund for personnel costs attributed to projects funded in the Capital Projects Fund and a \$1,000,000 transfer to the Storm Water Drainage Fund to meet capital funding needs.

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

Fund Balance:

The Town's fiscal policies promote maintaining a \$2,000,000 fund balance within the Capital Projects Fund. During times when this fund balance falls below the minimum \$2,000,000, the policy states that a plan should be put in place to rebuild the fund balance. The Adopted Budget for FY 2026 projects the fund balance of the Capital Projects Fund to be \$13,141,687 at year-end, which meets the required minimum.

OTHER FUNDS

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

Equipment Replacement Fund:

This fund accounts for the resources needed to manage the purchase of vehicles and other rolling stock for the Town's fleet. Total revenues within this fund are projected to be \$1,022,580 and are primarily made up of transfers from the General Fund and the Utility Fund. The transfers from these funds are based on equipment depreciation schedules; the amount of annual depreciation is then adjusted for inflation to ensure that adequate funding is provided at the time of replacement. Total expenditures are budgeted at \$1,051,675 for scheduled replacement of an ambulance (\$488,372), three patrol vehicles (\$260,341), an extraction kit (\$51,535), a vehicle for parking enforcement (\$50,000), and a replacement fingerprint machine (\$23,135) for the Department of Public Safety. The budget for this fund also includes \$174,792 to replace a bucket truck for the Public Works Department. The fund balance projected within this fund at the end of the next fiscal year is \$4,899,325.

Technology Replacement Fund:

This fund accounts for the resources needed to manage the replacement and upgrade of software and hardware-related equipment. Revenues within this fund are primarily derived through transfers from the General Fund and the Utility Fund and total \$798,990. The transfers to this fund are based on equipment depreciation schedules; the amount of annual depreciation is then adjusted for inflation to ensure that adequate funding is provided at the time of replacement. Expenditures within this fund are budgeted at \$819,925 and cover a variety of technology replacements and upgrades. These items include replacement tasers for the Department of Public Safety (\$346,275), replacement of the existing building door access control system (\$125,000), a major upgrade of the Town's ERP system (\$120,000), the scheduled replacement of computers and laptops for various departments (\$93,360), purchase of a DX Recorder for the NextGen 911 system (\$70,995), and replacement of the Town's phone system and wireless access points (\$64,295). The fund balance projected within this fund at the end of the next fiscal year is \$3,850,474.

Building Maintenance & Investment Fund:

The Building Maintenance & Investment Fund accounts for the resources needed to maintain the Town Hall and the Service Center, as well as plan for significant replacements and upgrades in the future. Town staff developed a replacement schedule for major equipment and capital maintenance of Town Hall. Revenues for this fund are projected to be \$ 945,150 and are primarily 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. Certain expenditures and improvements are allocated to the applicable fund as a direct cost funding transfer. Expenditures within this fund are budgeted to be \$991,880. The Town continues to allocate funding towards this fund in a manner that will facilitate funding for future capital maintenance items. The fund balance projected within this fund at the end of the next fiscal year is \$1,537,534.

Forfeited Property Fund:

This special revenue fund is used to account for the receipt of forfeited assets resulting from criminal activities and the funding of crime prevention programs and equipment. The use of these resources is restricted by their enabling statutes. Fund balance at end of FY 2026 is projected to be \$53,483.

Local Youth Diversion Fund, Municipal Jury Fund, Court Technology Fund & Court Security Fund:

These four special revenue funds are used to account for revenues provided by a State-approved administrative fee added to citations. The Local Youth Diversion Fund (previously the Truancy Prevention Fund) and Municipal Jury Fund were added in FY 2020 in response to changes in the Local Consolidated Fee effective January 1, 2020. The use of the resources in these special revenue funds is restricted by their enabling statutes. Revenues within the Local Youth Diversion Fund are projected to be \$18,625. Revenues within the Municipal Jury Fund are projected to be \$360. Revenues within the Court Security Fund are projected to be \$25,200, which for the most part, is transferred annually to the General Fund to fund a portion of the bailiff and court security officers' salaries in the Municipal Court. Revenues in the Court Technology Fund are projected to be \$29,410 and are used to fund technological improvements that work to the benefit of the Municipal Court. All four funds are projected to maintain fund balances at the end of FY 2025, with \$126,960 remaining in the Local Youth Diversion Fund, \$2,261 remaining in the Municipal Jury Fund, \$115,311 remaining in the Court Technology Fund and \$32,955 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 \$96,665. The Adopted Budget for FY 2026 of \$80,553 is to be used for book purchases, a demonstration/teaching kitchen, a display case for special collections, and a 3D printer. Fund balance in the Library Fund at the end of next fiscal year is projected to be \$447,068.

Reserve Fund:

The Reserve Fund was established in FY 2021 to account for resources the Town has received through the sale of surplus property. The Adopted Budget transfers a portion of the funds, in the amount of \$500,000, to the Storm Water Drainage Utility Fund to provide resources for the Hackberry Creek project. Once complete, the Storm Water Drainage Utility Fund will reimburse the Reserve Fund over time. At the end of FY 2025 it is anticipated that fund balance within this fund will be \$3,672,590.



THIS PAGE INTENTIONALLY LEFT BLANK

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), Streets, Community Development (Planning & Zoning, Code Enforcement, Building Permits & Inspections), Parks and Recreation, Town Swimming Pool, Library, and General Governmental (Administrative Services, Finance, Human Resources, Information Technology, and Municipal Court).

Basis of Accounting

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

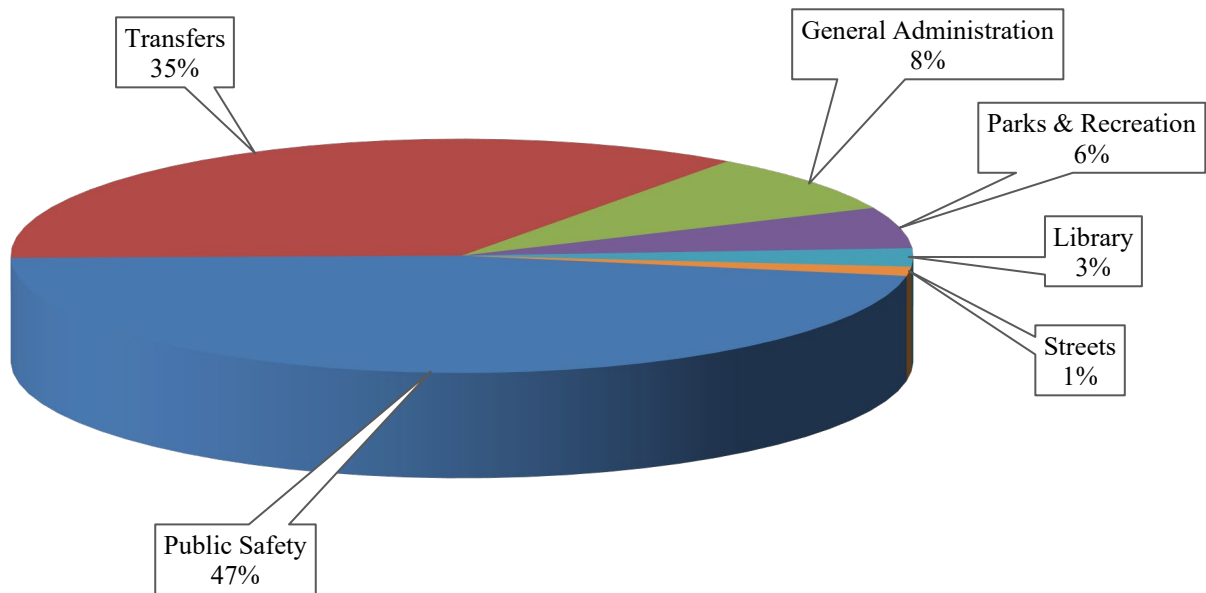
GENERAL FUND OVERVIEW

Resources are comprised of property taxes (ad valorem) levied by the Town, a 1% sales tax levied on taxable commodities and services as defined by state law, fees for right-of-way access, services offered and rendered by the Town, use of Town facilities, fines, investment earnings, permits related to building code requirements and a number of other sources as shown in detail on pages 48-49.

Property tax revenues generate the majority of the resources for the General Fund. For this Budget, a projected \$20,433,960 or 59.4% of General Fund revenues (excluding transfers) are derived from property taxes. This compares to 56.1% and 60.1% for fiscal years 2023-24 and 2024-25, respectively. Since tax year 2016, the total market value of property in the Town has increased 96.9% (\$6,989,193,120) driven in part by \$1,032,418,817 from new construction. It is important to note that since the Town is fully built-out, new construction replaces older structures. The strong redevelopment activity within the Town remains a very positive indicator of sustainable property values and tax rate.

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

Property Tax Dollar Distribution



The stability of the local economy is further exemplified through sales tax receipts. The Highland Park Shopping Village and the two (2) commercial areas along Oak Lawn Avenue and Lomo Alto Drive have provided this strong and reliable revenue stream. For this Budget and the previous two (2) fiscal years, sales tax receipts make up 22.9%, 24.6%, and 25.7%, respectively, of total revenues for the General Fund.

GENERAL FUND
STATEMENT OF REVENUES & EXPENDITURES BY DEPARTMENT

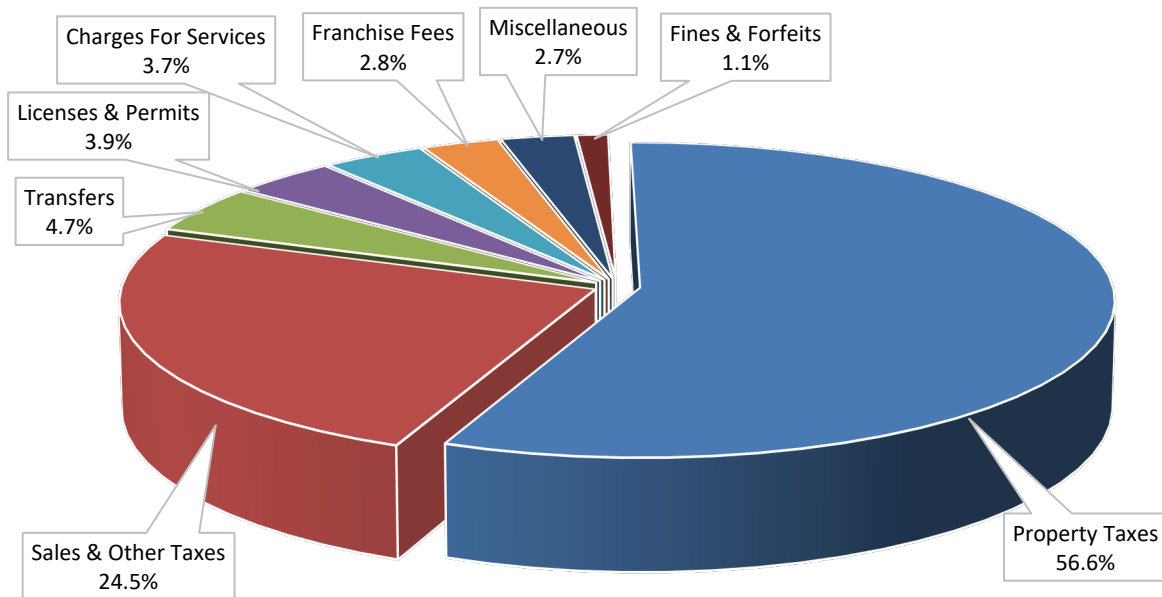
	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted
BEGINNING FUND BALANCE	\$ 6,027,660	\$ 6,643,008	\$ 8,818,231	\$ 6,681,663
REVENUES/SOURCES OF FUNDS				
Taxes	\$ 27,688,512	\$ 27,023,779	\$ 28,645,540	\$ 29,273,265
Franchise Fees	975,703	995,600	1,012,810	1,016,500
Licenses & Permits	1,296,207	1,726,725	1,376,185	1,392,385
Charges for Services	1,251,987	1,411,914	1,320,940	1,352,100
Fines & Forfeits	312,242	233,500	278,245	412,060
Miscellaneous	1,224,588	983,201	999,835	970,875
Total Revenues	\$ 32,749,239	\$ 32,374,719	\$ 33,633,555	\$ 34,417,185
Other Sources:				
Transfers In	\$ 1,448,200	\$ 1,575,100	\$ 1,575,100	\$ 1,702,810
Total Other Sources	\$ 1,448,200	\$ 1,575,100	\$ 1,575,100	\$ 1,702,810
Total Revenues/Sources	\$ 34,197,439	\$ 33,949,819	\$ 35,208,655	\$ 36,119,995
EXPENDITURES/USES OF FUNDS				
Administration Department	\$ 741,957	\$ 1,007,509	\$ 1,061,743	\$ 1,469,953
Department of Public Safety	16,486,942	17,488,509	17,221,259	18,514,428
Policy & Strategic Initiatives	277,548	312,748	286,164	431,947
Street Department	394,658	482,001	437,551	477,891
Library Department	864,899	922,733	883,603	948,904
Parks & Recreation Department	1,889,216	1,963,343	1,956,493	2,014,979
Pool Department	269,891	278,100	272,943	280,689
Municipal Court Department	603,223	616,491	617,068	659,182
Finance Department	1,187,371	1,202,450	1,197,495	902,861
Community Development	814,114	1,148,360	1,240,079	1,224,432
Information Technology Department	773,246	1,068,196	984,363	1,214,036
Human Resources Department	-	-	-	274,401
Non-Departmental	934,925	1,011,032	1,007,337	476,803
Total Expenditures	\$ 25,237,990	\$ 27,501,472	\$ 27,166,098	\$ 28,890,506
Other Uses:				
Transfers to Other Funds	\$ 6,168,878	\$ 6,179,125	\$ 10,179,125	\$ 7,217,755
Total Other Uses	\$ 6,168,878	\$ 6,179,125	\$ 10,179,125	\$ 7,217,755
Total Expenditures/Uses	\$ 31,406,868	\$ 33,680,597	\$ 37,345,223	\$ 36,108,261
Excess (Deficiency) of Revenues/Sources over Expenditures/Uses	\$ 2,790,571	\$ 269,222	\$ (2,136,568)	\$ 11,734
Fund Balance	\$ 8,818,231	\$ 6,912,230	\$ 6,681,663	\$ 6,693,397
Ideal Fund Balance	\$ 4,528,952	\$ 4,919,812	\$ 4,861,456	\$ 5,312,631
Fund Balance in Excess of Minimum	\$ 4,289,279	\$ 1,992,418	\$ 1,820,207	\$ 1,380,766

GENERAL FUND
STATEMENT OF REVENUES & EXPENDITURES BY TYPE

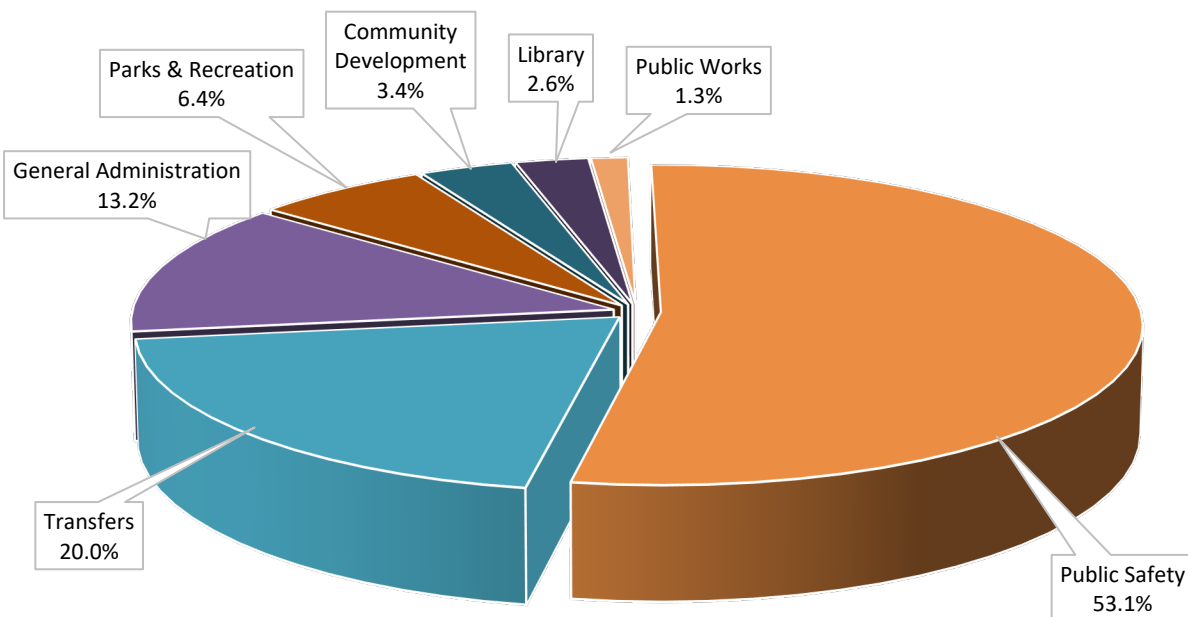
	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted
BEGINNING FUND BALANCE	\$ 6,027,660	\$ 6,643,008	\$ 8,818,231	\$ 6,681,663
REVENUES/SOURCES OF FUNDS				
Taxes	\$ 27,688,512	\$ 27,023,779	\$ 28,645,540	\$ 29,273,265
Franchise Fees	975,703	995,600	1,012,810	1,016,500
Licenses & Permits	1,296,207	1,726,725	1,376,185	1,392,385
Charges for Services	1,251,987	1,411,914	1,320,940	1,352,100
Fines & Forfeits	312,242	233,500	278,245	412,060
Miscellaneous	1,224,588	983,201	999,835	970,875
Total Revenues	\$ 32,749,239	\$ 32,374,719	\$ 33,633,555	\$ 34,417,185
Other Sources:				
Transfers In	\$ 1,448,200	\$ 1,575,100	\$ 1,575,100	\$ 1,702,810
Total Other Sources	\$ 1,448,200	\$ 1,575,100	\$ 1,575,100	\$ 1,702,810
Total Revenues/Sources	\$ 34,197,439	\$ 33,949,819	\$ 35,208,655	\$ 36,119,995
EXPENDITURES/USES OF FUNDS				
Personnel Services				
Payroll	\$ 14,613,175	\$ 16,068,379	\$ 15,746,415	\$ 16,637,174
Payroll Taxes	1,031,718	1,171,169	1,138,475	1,210,461
Retirement	1,888,164	2,017,180	1,974,305	2,086,724
Insurance	1,765,320	1,622,488	1,494,415	1,897,360
Total Personnel	\$ 19,298,377	\$ 20,879,216	\$ 20,353,610	\$ 21,831,719
Supplies & Equipment	1,199,643	1,343,943	1,327,567	1,423,496
Services & Charges	4,686,075	5,278,313	5,477,021	5,635,291
Capital Outlay	53,895	-	7,900	-
Total Expenditures	\$ 25,237,990	\$ 27,501,472	\$ 27,166,098	\$ 28,890,506
Other Uses:				
Transfers Out	\$ 6,168,878	\$ 6,179,125	\$ 10,179,125	\$ 7,217,755
Total Other Uses	\$ 6,168,878	\$ 6,179,125	\$ 10,179,125	\$ 7,217,755
Total Expenditures/Uses	\$ 31,406,868	\$ 33,680,597	\$ 37,345,223	\$ 36,108,261
Excess (Deficiency) of Revenues/Sources over Expenditures/Uses	\$ 2,790,571	\$ 269,222	\$ (2,136,568)	\$ 11,734
Fund Balance	\$ 8,818,231	\$ 6,912,230	\$ 6,681,663	\$ 6,693,397
Ideal Fund Balance	\$ 4,528,952	\$ 4,919,812	\$ 4,861,456	\$ 5,312,631
Fund Balance in Excess of Minimum	\$ 4,289,279	\$ 1,992,418	\$ 1,820,207	\$ 1,380,766

GENERAL FUND

CURRENT REVENUES & SOURCES OF FUNDS



BUDGETED EXPENDITURES & USES OF FUNDS



**GENERAL FUND
STATEMENT OF REVENUES**

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted
Taxes				
Ad Valorem Taxes	\$ 18,358,728	\$ 19,408,009	\$ 19,388,600	\$ 20,376,195
Delinquent Ad Valorem Taxes	14,141	55,018	55,085	57,765
City Sales Tax	8,801,419	7,020,752	8,668,000	8,283,320
Mixed Beverage Tax	514,224	540,000	533,855	555,985
<i>Subtotal</i>	\$ 27,688,512	\$ 27,023,779	\$ 28,645,540	\$ 29,273,265
Franchise Fees				
Electric Utility Franchise Fees	\$ 467,293	\$ 480,145	\$ 472,345	\$ 468,410
CATV / PEG Franchise Fees	13,863	15,455	16,320	12,805
Natural Gas Utility Franchise Fees	306,290	307,000	337,235	350,600
Telecom Franchise Fees	34,373	35,000	35,455	32,460
CATV Franchise Fees	49,069	50,000	49,010	48,825
Solid Waste	44,853	61,000	54,320	53,470
Carriages	59,962	47,000	48,125	49,930
<i>Subtotal</i>	\$ 975,703	\$ 995,600	\$ 1,012,810	\$ 1,016,500
Licenses & Permits				
Beverage Licenses	\$ 2,850	\$ 6,100	\$ 4,065	\$ 4,640
Health Permits	5,750	6,900	9,250	9,175
Alarm Permits	97,769	96,500	97,340	98,675
Electrical Licenses	-	-	-	-
Building Permits	1,129,338	1,552,855	1,202,535	1,216,330
Electrical Permits	52,604	56,800	52,640	53,165
Excavation Permits	470	245	300	295
Carriage Licenses	5,485	5,325	5,700	5,890
Animal Licenses	1,941	2,000	4,355	4,215
<i>Subtotal</i>	\$ 1,296,207	\$ 1,726,725	\$ 1,376,185	\$ 1,392,385
Charges For Services				
E911 Users' Fee	\$ 151,952	\$ 109,790	\$ 106,820	\$ 105,340
Alarm Monitoring Fees	545,557	614,224	607,265	634,525
Emergency Medical Fees	178,623	205,000	216,660	224,225
Board Hearing Fee	1,200	1,700	1,790	1,820
Swimming Pool Concessions	12,239	15,732	15,730	14,230
Swimming Pool Daily Fees	28,423	44,625	44,700	45,685
Swimming Pool Annual Fees	74,910	81,175	81,175	81,670
Tennis Court Use Fees	28,920	28,539	26,005	27,585
Animal Pound Fees	630	700	1,310	1,370
Child Safety Fees	9,978	9,000	9,190	9,140
Library Non-resident Fees	4,841	3,600	4,150	4,605
Court Administration Fees	7,903	7,371	7,035	6,580
Warrant Fees	24,430	21,000	21,785	20,715

**GENERAL FUND
STATEMENT OF REVENUES**

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted
Court Fees	52,189	60,030	54,690	52,085
Building Registration Fees	77,125	75,000	72,875	74,430
Plan Review Fees	33,750	33,000	27,000	27,350
Deferred Adjudication Fees	19,317	101,428	22,760	20,745
<i>Subtotal</i>	\$ 1,251,987	\$ 1,411,914	\$ 1,320,940	\$ 1,352,100
Fines & Forfeits				
Municipal Court Fines	\$ 308,521	\$ 230,000	\$ 275,010	\$ 409,160
Library Fines	2,029	1,500	1,585	1,520
Lost Book Charges	942	1,000	985	925
Invalid Alarm Fines	750	1,000	665	455
<i>Subtotal</i>	\$ 312,242	\$ 233,500	\$ 278,245	\$ 412,060
Miscellaneous				
Interest	\$ 659,301	\$ 600,000	\$ 574,680	\$ 538,575
Interest-Dallas County	6,823	1,000	665	665
Penalty & Interest - Tax Collection	111,668	90,000	99,380	102,225
Sale of Assets	-	-	-	-
Rental-Town Property	382,857	230,451	260,570	265,380
Library Donations	2,469	3,000	3,595	3,710
Contributions	4,669	17,500	11,665	10,810
Intergovernmental Revenue	2,649	-	-	-
Town Property Damage Refund	(5,839)	-	-	-
Miscellaneous	59,991	41,250	49,280	49,510
<i>Subtotal</i>	\$ 1,224,588	\$ 983,201	\$ 999,835	\$ 970,875
Total Revenues	\$ 32,749,239	\$ 32,374,719	\$ 33,633,555	\$ 34,417,185

SUMMARY OF REVENUE ESTIMATES

- **Property Taxes**

Projected collections of levied Ad Valorem Property Taxes:

Current Levy	\$20,376,195
Delinquent Taxes	\$57,765

Taxable property values increased approximately \$910 million, or 9.7%. This growth was in part fueled by new construction which added approximately \$149 million to the Town's taxable values. The Town continues to see redevelopment contributing to value increases with newer, larger homes replacing older homes. The schedule in the Appendix/Community Information presents the changes in taxable values in the Town for the most recent ten-year period. The fiscal year 2025-26 Adopted Budget reflects an increase in property tax revenues, based on a tax rate of \$0.199296/\$100 valuation, or \$968,186 when compared to the amount the fiscal year 2024-25 Adopted Budget.

- **Sales Tax/Other Taxes**

Since FY 2017, sales tax revenues have increased approximately 138%. The amount budgeted for FY 2025-26 is an increase of 1,262,568 or 18.0% over the previous fiscal year amended budget. The Town's sales tax revenues come from a local option 1% sales tax that is collected by the State Comptroller's Office and remitted monthly, net of a 2% processing charge. These revenues are primarily generated in the three limited, but upscale commercial areas. A ten-year comparison of Sales Tax revenues is included in the Appendix/Historical Revenue and Expenditure Trend Data.

- **Franchise Fees**

Receipts for franchised services for FY 2025-26 are projected based upon historical trends. The electric franchise is based upon kWh sold as opposed to gross receipts, (a result of electric power deregulation). Fees from the telephone providers are based upon the number and type of connections, rather than gross receipts. The enabling State legislation for this fee also provides for the annual indexing of the franchise fee schedule. In accordance with the existing natural gas franchise agreement, franchise fees are set at 5% of gross receipts on a calendar year basis and remitted each February. Pursuant to HB 1152, which was effective in January of 2020, companies that offer both telecommunications and cable TV services are exempt from paying the lesser of a) telecommunications right-of-way fees (fixed rate per access line) or b) cable TV franchise fees.

The annual natural gas franchise fee is impacted by the market price fluctuations of natural gas and climate conditions. For FY 2025-26, this revenue source is projected to increase by approximately \$43,600 as compared to the previous fiscal year amended budget.

- **Licenses & Permits**

Although new home construction is expected to be maintained at a steady rate, there are no large commercial projects anticipated in FY 2025-26. A schedule of revenues generated over the last ten fiscal years is in the Appendix/Historical Revenue and Expenditure Trend Data. Pursuant to HB 852, which was passed in 2019 by the Texas Legislature, cities may not base building permit or inspection fees on the value of a residential dwelling or on the cost of constructing or improving the building. A schedule of construction activity prior to FY 2025-26 is provided in the Appendix/Community Information.

- **Charges for Services**

The total revenues received for services are projected to decrease by \$59,814 or 4.2% as compared to the previous fiscal year amended budget. This decrease is primarily attributed to a change in the accounting for deferred adjudication fees, which are now budgeted and accounted for as Municipal Court fines within the Fines and Forfeits revenue category.

- **Fines & Forfeits**

Municipal Court fines have been projected to increase because of the change in the accounting for deferred adjudication fees as noted above.

- **Miscellaneous**

Projected interest earnings of \$538,575 are down compared to the prior year amended budget due to less investible funds anticipated and an expected decrease in the federal funds rate set by the Federal Reserve. The Town transfers surplus fund balance within the General Fund to the Capital Projects Fund to meet future capital needs. The rental of Town property (cell phone antennae sites) is projected at \$265,380 and is forecasted based on cell tower agreements with the cell service providers.



DEPARTMENT DESCRIPTION

The Administration Department leads the day-to-day governmental operations of the Town. Responsibilities include coordinating, directing, and reviewing departmental activities to implement policy directives established by the Mayor and Town Council. The Town Secretary's role includes documenting and maintaining agendas and minutes of the Town Council meetings, preparing, indexing, and codifying Town ordinances and resolutions, and administering Town elections in compliance with municipal, state, and federal laws.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025

- ❖ Coordinated the implementation of Town Council goals and objectives across all departments, ensuring consistent alignment with organizational priorities. (G1, G2, G3, & G4)
- ❖ Provided strategic coordination of the Town's Capital Improvement Plan, ensuring infrastructure investments were prioritized, planned, and executed effectively. (G1, G2, G3, & G4)
- ❖ Responded promptly to requests for information from the public, demonstrating a strong commitment to customer service and fostering public trust through transparent communication. (G1 & G3)
- ❖ Implemented the Town's first open records software, improving efficiency in processing requests and advancing transparency. (G3)
- ❖ Completed the transition to a new agenda management platform, improving organization of meeting materials, streamlining staff workflows, and enhancing public access to Town business. (G3)
- ❖ Led the IMPACT Committee for high school students, promoting civic awareness, leadership development, and stronger connection between youth and local government. (G2)

OBJECTIVES FOR FISCAL YEAR 2026

- ❖ Continue coordinating the implementation of Town Council goals and objectives across departments to maintain alignment with the Council's strategic vision and community priorities. (G1, G2, G3, & G4)
- ❖ Advance the Town's strategic planning initiative to define long-term goals, anticipate future challenges, and align resources with community needs. (G3)
- ❖ Implement and update the Town's retention policy to ensure consistent, legally compliant records management, reduce unnecessary storage, and safeguard vital information. (G1)
- ❖ Strengthen responsiveness to open records requests, with a goal of completing over 50% within the first 5 business days. (G3)
- ❖ Increase student participation in the IMPACT Committee through targeted outreach and expanded civic engagement initiatives. (G2)

PERFORMANCE INDICATORS

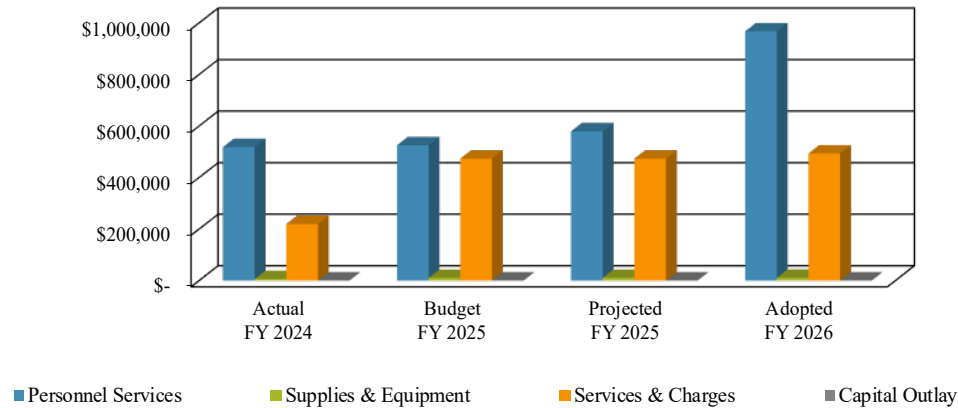
	FY2023 Actual	FY2024 Actual	FY2025 Projected	FY2026 Projected
Average Number of Records Requested Workload	140	216	150	168
Average Working Days to Respond to Public Information Requests	7.1	5.6	7.4	6.7
Town Council Meeting Minutes Approved at the Following Meeting	100%	100%	100%	100%

Administration Department



EXPENDITURE SUMMARY

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted	% Change 2025 to 2026
Personnel Services	\$ 517,666	\$ 524,681	\$ 578,915	\$ 966,740	84.25%
Supplies & Equipment	5,218	9,937	9,937	10,347	4.13%
Services & Charges	219,073	472,891	472,891	492,866	4.22%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 741,957	\$ 1,007,509	\$ 1,061,743	\$ 1,469,953	45.90%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2024 Budget	FY2025 Budget	FY2026 Budget
Town Administrator	N/A	1.0	1.0	1.0
Assistant Town Administrator	E-4	0.0	0.0	1.0
Town Secretary	NE-8	1.0	1.0	1.0
Total Employees		2.0	2.0	3.0



DEPARTMENT DESCRIPTION

The Department of Public Safety is responsible for the enforcement of State statutes and Town Ordinances, maintaining public order, enforcing traffic codes, ensuring safe traffic flow, providing fire suppression and prevention, animal control, and rapid response to medical emergencies. Supervised by the Director of Public Safety, these responsibilities are met by highly trained, certified personnel in the disciplines of police, fire, and emergency medical services (EMS).

ACCOMPLISHMENTS FOR FISCAL YEAR 2025

- ❖ Reached 82 approved full-time employees (FTEs) by recruiting and hiring 9 new staff, increasing capacity on each shift and enhancing administrative oversight to improve service delivery. **(G4)**
- ❖ Executed a contract for the FLOCK (a License Plate Recognition platform) and began infrastructure implementation of the program to improve safety and expedite response and investigations. **(G3)**
- ❖ Executed a contract with Dynamark to provide redundant direct alarm monitoring, eliminating downtime. **(G3)**
- ❖ Began implementation of NextGen 911, securing a reimbursable grant to modernize call-taking and dispatch centers, enabling text-to-911 and video capabilities for improved emergency response. **(G2)**
- ❖ Piloted a new Field Training Officer (FTO) program, reducing total training time while increasing hands-on training for new recruits. **(G3)**
- ❖ Negotiated and began implementation of a new TASER platform to provide officers with the best and most current technology. **(G3)**

OBJECTIVES FOR FISCAL YEAR 2026

- ❖ Implement a plan to address facility needs. **(G1)**
- ❖ Complete implementation of the state mandated NextGen 9-1-1 program to enhance dispatch and call-taking technology. **(G2)**
- ❖ Establish a department rifle program to equip and train every officer, ensuring readiness for large-scale incidents. **(G3)**
- ❖ Launch a department Jiu-Jitsu program to enhance defensive tactics, with the goal of reducing use-of-force concerns. **(G3)**
- ❖ Prepare for Texas Commission on Law Enforcement (TCOLE) sunset adjustments. **(G3)**
- ❖ Develop a Parking Enforcement Program including the addition of one FTE to address community concerns on parking-related offenses. **(G1)**
- ❖ Establish a Records Management Program with one FTE to manage open record requests and records retention, improving efficiency and transparency. **(G3)**

PERFORMANCE INDICATORS

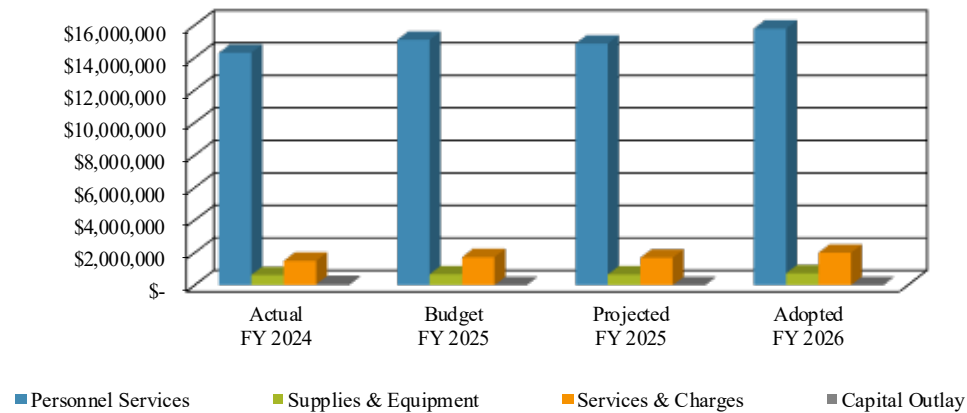
	FY2023	FY2024	FY2025	FY2026
	Actual	Actual	Projected	Projected
Patrol Officers per Capita (per 1,000 residents)	5.08	5.08	5.42	5.75
Patrol Calls for Service	9,842	11,460	10,651	11,056
Response Time Avg. (Patrol)	3.7	3.1	3.4	3.3
Total Fire Responses	1,037	1,073	1,055	1,064
Response Time Avg. (Fire)	2.1	2.6	2.4	2.5
MICU Responses	482	467	475	471
Response Time Avg. (EMS)	3.7	3.5	3.6	3.6

Department of Public Safety



EXPENDITURE SUMMARY

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted	% Change 2025 to 2026
Personnel Services	\$ 14,303,671	\$ 15,098,688	\$ 14,862,525	\$ 15,788,109	4.57%
Supplies & Equipment	626,739	664,956	663,001	732,419	10.15%
Services & Charges	1,502,637	1,724,865	1,695,733	1,993,900	15.60%
Capital Outlay	53,895	-	-	-	0.00%
Total Department	\$ 16,486,942	\$ 17,488,509	\$ 17,221,259	\$ 18,514,428	5.87%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2024 Budget	FY2025 Budget	FY2026 Budget
Director of Public Safety	E-4	1.0	1.0	1.0
Assistant Director of Public Safety	E-3	2.0	2.0	1.0
Deputy Chief	E-2	0.0	4.0	4.0
Captain	G	6.0	3.0	3.0
Lieutenant	F	6.0	6.0	6.0
Sergeant	E	5.0	4.0	5.0
Investigator	C	3.0	3.0	3.0
Public Safety Officer	C	43.0	43.0	43.0
Police Officer	B	1.0	1.0	1.0
Communications Manager	NE-8	1.0	1.0	1.0
Communications Supervisor	NE-6	1.0	1.0	1.0
Records Manager	NE-6	0.0	0.0	1.0
Alarm Specialist	NE-5	1.0	1.0	1.0
Crime Analyst	NE-4	0.0	1.0	1.0
CID Clerk	NE-4	1.0	0.0	0.0
Communications Specialist	NE-4	9.0	9.0	9.0
Parking Enforcement Officer	NE-4	0.0	0.0	1.0
Administrative Secretary	NE-4	2.0	2.0	2.0
Total Employees		82.0	82.0	84.0

Policy & Strategic Initiatives



DEPARTMENT DESCRIPTION

The Policy Development and Strategic Initiatives Department is responsible for directing all aspects of administrative policy development and compliance, strategic planning, legislative coordination, organizational efficiency and productivity, governmental relations, and parks and recreation administration for the Town. This includes coordinating, directing and reviewing departmental operations in the implementation of programs and directives provided by the Town Administrator, Mayor and Town Council. Major initiatives include development, implementation and oversight of strategic planning and performance management, legislative and policy analysis, and proactive communications. Major community events include the annual Tree Lighting event held in Armstrong Parkway, Park Cities 4th of July event and other recreational events and programs.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025

- ❖ Initiated the Town's first official Strategic Planning Process and Resident Survey. (G1, G3)
- ❖ Developed the Town's Legislative Priorities for the 89th Texas Legislature and tracked legislative impacts. (G1, G3)
- ❖ Executed a contract with Sunwest Communications for public relations and strategic communications support and the development of a crisis communications and strategic communications plan. (G1, G3)

OBJECTIVES FOR FISCAL YEAR 2026

- ❖ Finalize development of the Town's Strategic Plan and begin monitoring progress on strategic initiatives. (G1, G3)
- ❖ Develop an interactive dashboard for strategic planning and performance management to increase transparency. (G1, G3)
- ❖ Establish a proactive communications strategy and division for the Town inclusive of social media to enhance community engagement. (G1, G3)
- ❖ Redesign the Town's website for better user accessibility. (G1, G3)
- ❖ Assess organizational efficiency and effectiveness and make recommendations to administration. (G3)
- ❖ Develop increased community programming and recreational opportunities including partnerships with Highland Park Independent School District, City of University Park, and Moody Family YMCA. (G1, G2, G3)

PERFORMANCE INDICATORS

	FY2023 Actual	FY2024 Actual	FY2025 Projected	FY2026 Projected
Monarch Herald Resident Newsletter (issues per year)	12	12	12	12
HP Office Voice Employee Newsletter (issues per year)	12	10	12	12
Average number of opens for each Monarch Herald Newsletter*	*	*	79	95
% of engaged website sessions*	59%	52%	52%	60%

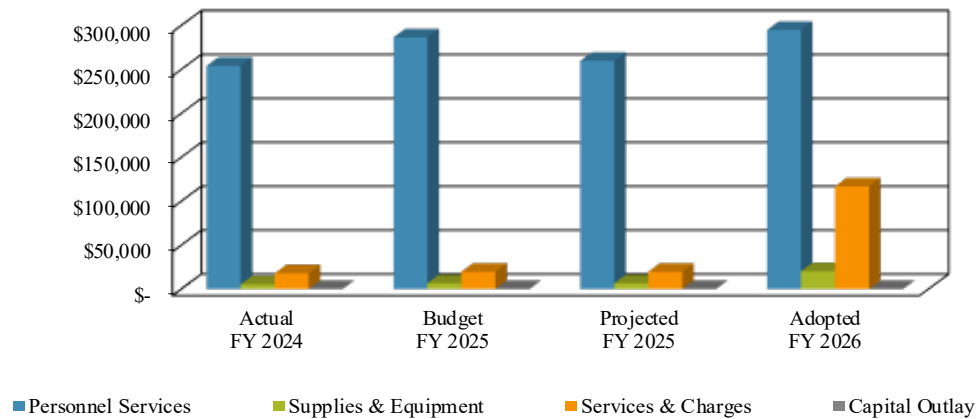
*New measurement as of FY25

Policy & Strategic Initiatives



EXPENDITURE SUMMARY

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted	% Change 2025 to 2026
Personnel Services	\$ 254,224	\$ 286,338	\$ 259,790	\$ 294,878	2.98%
Supplies & Equipment	5,381	6,670	6,634	20,242	203.48%
Services & Charges	17,943	19,740	19,740	116,827	491.83%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 277,548	\$ 312,748	\$ 286,164	\$ 431,947	38.11%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2024 Budget	FY2025 Budget	FY2026 Budget
Dir. of Policy Dev. & Strat. Int.	E-1	0.0	1.0	1.0
Administrative Assistant	NE-3	0.0	1.0	1.0
Total Employees		0.0	2.0	2.0

Street Department



DEPARTMENT DESCRIPTION

The Street Department maintains the Town's streets, alleys, sidewalks, bridges, stormwater systems, streetlights, traffic signals, signage, and striping. Street lighting responsibilities were incorporated into the department in FY21-22.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025

- ❖ Repaired or replaced 42 signs (G3, G4).
- ❖ Converted 45 streetlights to LED (G3, G4).
- ❖ Inspected 407 streetlights and 54 breakers (G3, G4).
- ❖ Maintained stormwater facilities including inlets and flumes. (G3, G4).
- ❖ Responded to 275 emergency calls for potholes, sidewalk repairs, clogged inlets, and debris cleanup (G3, G4).

OBJECTIVES FOR FISCAL YEAR 2026

- ❖ Develop a workplan for street signage repair and replacement. (G3, G4).
- ❖ Maintain a minimum of 100 streetlights including painting, repairs and LED conversions. (G3, G4).
- ❖ Maintain a minimum of 60 street signs including poles and signs. (G3, G4).
- ❖ Inspect, clean and repair stormwater facilities including inlets, flumes, and outfalls. (G3, G4).

MAJOR BUDGET ITEMS

- ❖ Electrical service for streetlights and traffic signals: \$41,155
- ❖ Repair materials: \$36,75
- ❖ Repair and maintenance services: \$25,500
- ❖ Traffic signal consultants: \$15,000
- ❖ Street signage: \$10,500

PERFORMANCE INDICATORS

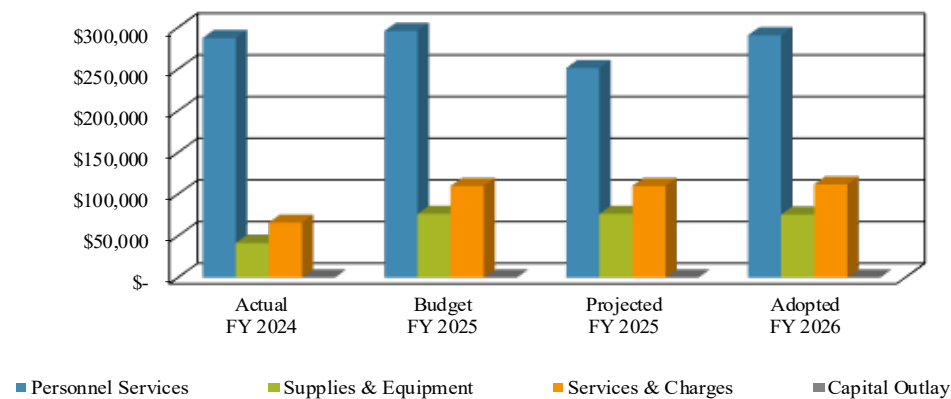
	FY2023 Actual	FY2024 Actual	FY2025 Projected	FY2026 Projected
Asphalt repairs (tons)	37	37	35	35
Average annual cleanings per Inlet	2.7	3.1	2.5	2.5
Streetlights repaired and replaced	105	112	55	120
Number of potholes patched (emergency)	42	89	70	70

Street Department



EXPENDITURE SUMMARY

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted	% Change 2025 to 2026
Personnel Services	\$ 287,284	\$ 295,803	\$ 251,375	\$ 290,604	-1.76%
Supplies & Equipment	41,471	76,329	76,329	75,595	-0.96%
Services & Charges	65,903	109,869	109,847	111,692	1.66%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 394,658	\$ 482,001	\$ 437,551	\$ 477,891	-0.85%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2024 Budget	FY2025 Budget	FY2026 Budget
Public Works Maintenance Worker II	NE-3	2.0	2.0	2.0
Public Works Maintenance Worker I	NE-2	1.0	1.0	1.0
Total Employees		3.0	3.0	3.0



DEPARTMENT DESCRIPTION

The Library provides public access to information, educational resources, and recreational reading materials while fostering creativity, discovery, and lifelong learning.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025

- ❖ Recarpeted the entire library footprint within Town Hall. (G1, G3)
- ❖ Refurbished lounge seating areas in the Fireside Room, the Reference Room, and the Young Adult Area. (G1, G3)
- ❖ Completed the Ultimate Steps final installment document for the Library Master Plan, guiding programs through FY28. (G1, G3)
- ❖ Added popular, reoccurring monthly programs for adults, including the Lunch Bunch Book Club, crafting, and Mah Jongg open play. (G3)
- ❖ Installed people counting equipment and software for improved visitor analytics. (G1, G3)
- ❖ Upgraded circulation and cataloging software to improve accessibility and service delivery. (G1)

OBJECTIVES FOR FISCAL YEAR 2026

- ❖ Implement initiatives from the Library Master Plan. (G1, G3)
- ❖ Acquire advanced software and train staff as mentors and guides. (G2, G3)
- ❖ Promote book groups for all ages with enhanced reader advisory services. (G3)
- ❖ Expand programming in partnership with other Town departments to support life skills and social engagement. (G3)

PERFORMANCE INDICATORS

	FY2023 Actual	FY2024 Actual	FY2025 Projected	FY2026 Projected
Collection/Circulation				
Total Circulation*	71,166	74,749	101,523	103,553
eBooks, eAudiobooks, and Streaming	13,525	15,433	16,845	17,350
User Cards Issued/Outstanding				
Resident	510	552	565	576
Non-Resident	28	27	24	25
Total Valid Cards	538	579	591	601
Program Participation				
Attendance for Programs for Adults	547	418	660	693
Attendance for Programs for Youth	3,954	5,218	5,423	5,694
Total Program Attendance	4,501	5,636	6,083	6,387
Average Number of Attendees Per Program	23	20	19	20
Visits				
Library Visits Per Capita	2.73	2.69	3.51	3.69

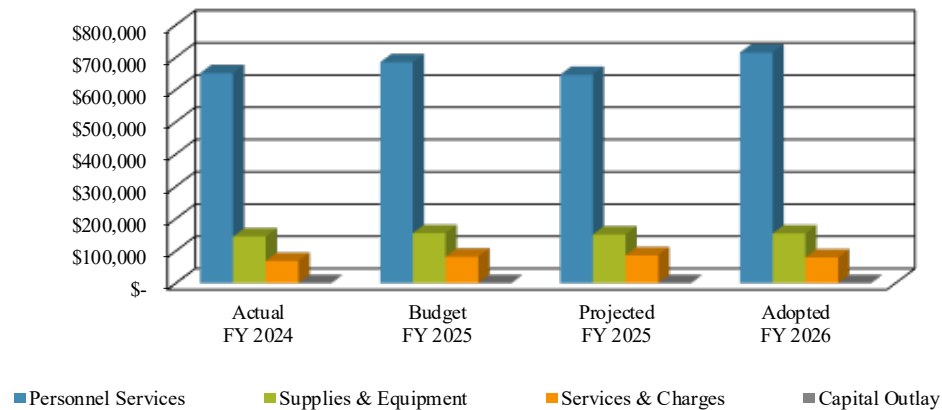
*Includes physical and digital materials

Library Department



EXPENDITURE SUMMARY

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted	% Change 2025 to 2026
Personnel Services	\$ 651,015	\$ 684,838	\$ 645,705	\$ 714,718	4.36%
Supplies & Equipment	144,904	155,637	151,266	154,403	-0.79%
Services & Charges	68,980	82,258	86,632	79,783	-3.01%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 864,899	\$ 922,733	\$ 883,603	\$ 948,904	2.84%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2024 Budget	FY2025 Budget	FY2026 Budget
Town Librarian	E-0	1.0	1.0	1.0
Librarian	NE-5	2.0	2.0	2.0
Administrative Assistant	NE-3	1.0	1.0	1.0
Library Associate (Full-Time)	NE-2	2.0	2.0	2.0
Library Associate (Part-Time)	NE-2	0.5	0.5	0.5
Total Employees		6.5	6.5	6.5

Parks & Recreation



DEPARTMENT DESCRIPTION

Parks and Recreation responsibilities are divided into two departments. The Parks Department maintains 22 parks, 12 traffic islands, 6 tennis courts, 3 pickleball courts, the swimming pool and Town Hall landscaping. The Policy Development and Strategic Initiatives Department administers recreational programming. Together, these departments promote quality of life by providing safe, well-maintained facilities and high-quality customer service.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025

- ❖ Updated Prather Park landscaping in conjunction with the Prather Park Court Improvements to refresh and enhance visitor experience. (G3, G4)
- ❖ Initiated new electrical and tree services contracts. (G3, G4)
- ❖ Installed ground cover at Lakeside Park to prevent erosion. (G3, G4)
- ❖ Completed irrigation and landscaping improvements for the Armstrong Triangle to reduce erosion and improve aesthetics. (G3, G4)
- ❖ Established a Parks and Recreation Resident Advisory Committee to increase engagement in programming and amenities. (G1, G3)

OBJECTIVES FOR FISCAL YEAR 2026

- ❖ Implement a work order management system for park maintenance tracking. (G3, G4)
- ❖ Develop a Parkway Tree Maintenance Program to improve tree health, aesthetics, and safety. (G3, G4)
- ❖ Develop a Parks Capital Improvement Plan aligning development and maintenance with funding priorities. (G3, G4)
- ❖ Replace aging playground surface and equipment at Davis Park. (G3, G4)
- ❖ Rehabilitate Ashley Priddy Fountain. (G3, G4)
- ❖ Resurface the tennis courts to maintain quality and extend lifespan. (G3, G4)
- ❖ Increase recreational opportunities through partnerships with Highland Park Independent School District, City of University Park, and Moody Family YMCA. (G1, G2, G3)

PERFORMANCE INDICATORS

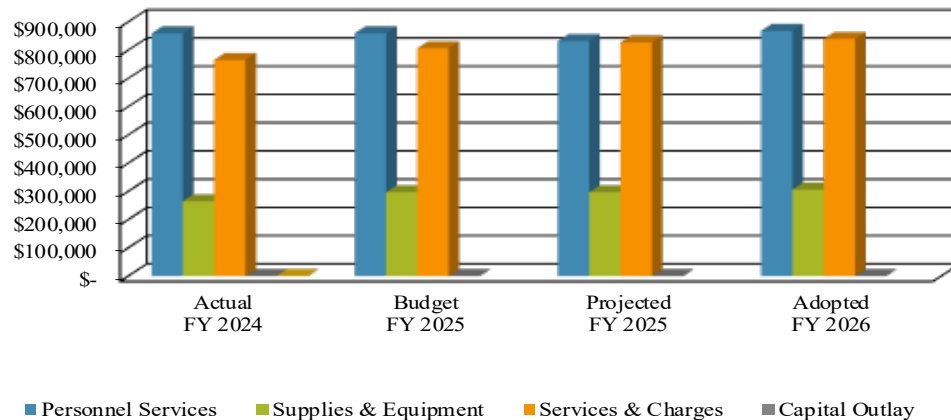
	FY2023 Actual	FY2024 Actual	FY2025 Projected	FY2026 Projected
Maintenance				
Number of Bulbs Planted	24,850	25,000	27,000	27,000
Tree Service Calls	183	229	160	175
General Service Calls	172	185	190	200
Maintenance				
Tennis Court Reservations	14,559	16,205	16,500	16,353
Pickleball Court Reservations	9,715	9,471	11,014	13,000
Average Number of Participants in Yoga and Mediation Programs	12	6	5	9

Parks & Recreation



EXPENDITURE SUMMARY

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted	% Change 2025 to 2026
Personnel Services	\$ 859,340	\$ 859,742	\$ 832,300	\$ 868,699	1.04%
Supplies & Equipment	264,765	296,953	296,953	306,540	3.23%
Services & Charges	765,111	806,648	827,240	839,740	4.10%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$1,889,216	\$1,963,343	\$1,956,493	\$2,014,979	2.63%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2024 Budget	FY2025 Budget	FY2026 Budget
Superintendent	NE-8	1.0	1.0	1.0
Irrigation/Mosquito Inspector	NE-4	1.0	1.0	1.0
Parks Maintenance Worker III	NE-4	1.0	1.0	1.0
Parks Maintenance Worker II	NE-3	3.0	3.0	3.0
Parks Maintenance Worker I	NE-1	1.0	1.0	1.0
Total Employees		7.0	7.0	7.0

Pool Department



DEPARTMENT DESCRIPTION

The Town's swimming pool facility is operated by the Policy and Strategic Initiatives department and maintained by the Parks Department. The pool offers lap swim starting in April and a regular season coinciding with the school district's summer vacation. Extended lap swim continues through November, providing recreational and fitness opportunities to the community.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025

- ❖ Completed facility improvements including restroom renovations and updates to mechanical equipment. (G3)
- ❖ Implemented new processes and policies for training, concession sales and management, and pool notifications. (G3)
- ❖ Completed a fee analysis and proposed new fees for recreational and lap swim permits. (G3)
- ❖ Assessed feasibility of year-round operations. (G3)
- ❖ Increased programming at the pool including baby story time and Memorial and Labor Day cookouts. (G3)

OBJECTIVES FOR FISCAL YEAR 2026

- ❖ Increase training opportunities for staff to better align with best practices and improve customer service. (G3)
- ❖ Develop additional community programs and events to increase pool utilization. (G1, G2, G3)
- ❖ Develop a more robust swim lesson and conditioning program through partnerships with Highland Park Independent School District, City of University Park, and Moody Family YMCA. (G1, G2, G3)

MAJOR BUDGET ITEMS

- ❖ Provision of staffing to support the extended pool season and in-house swim instructors.

PERFORMANCE INDICATORS

	FY2023 Actual	FY2024 Actual	FY2025 Projected	FY2026 Projected
Annual Pool Passes Sold	1,443	1,315	1,200	1,258
Daily Pool Passes Sold	2,360	1,762	1,819	1,800
Water Aerobics Classes Held	32	36	29	36
% Annual Pool Passes Renewed From Prior Year	65%	67%	68%	70%
Lap Swim Average Daily Attendance	27	19	16	18
Open Swim Average Daily Attendance	138	113	85	100
% Of participating parents rating swim programs as good or very good*	*	100%	80%	95%

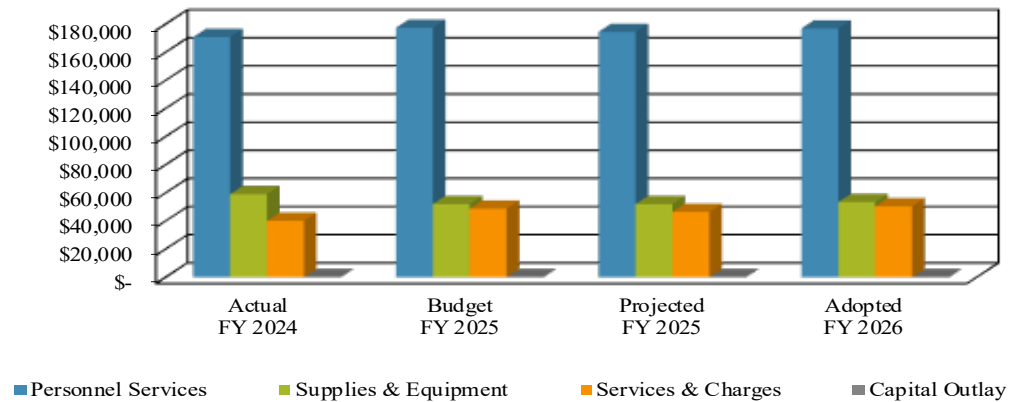
*New measurement as of FY24

Pool Department



EXPENDITURE SUMMARY

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted	% Change 2025 to 2026
Personnel Services	\$ 170,794	\$ 177,272	\$ 174,440	\$ 176,840	-0.24%
Supplies & Equipment	58,981	52,050	52,050	53,500	2.79%
Services & Charges	40,116	48,778	46,453	50,349	3.22%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 269,891	\$ 278,100	\$ 272,943	\$ 280,689	0.93%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2024 Budget	FY2025 Budget	FY2026 Budget
Manager/Asst. Manager/Lifeguard	N/A	3.4	3.4	3.4
Total Employees		3.4	3.4	3.4

Municipal Court Department



DEPARTMENT DESCRIPTION

The Municipal Court administers fair and impartial justice while adhering to statutory requirements and providing exceptional customer service for all Class “C” Misdemeanors that occur within the Town limits. Responsibilities include adjudicating traffic, criminal, Town ordinance and other code-related offenses, maintaining accurate records of filings and dispositions, and providing courteous assistance to the public.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025

- ❖ Enhanced court operations by participating in judicial efficiency, court security and best-practice training sessions and webinars. **(G3)**
- ❖ Updated and implemented court policies & procedures manual. **(G3)**
- ❖ Improved collections through streamlined warrant process that ensured timely issuance, tracking, and resolution of outstanding cases. **(G3)**
- ❖ Hosted two continuing education events for court clerks across Texas to maintain required hours for the State Certification Program. **(G3)**
- ❖ Implemented Tyler Content Manager imaging system automating workflows and digitizing records to improve efficiency. **(G3)**

OBJECTIVES FOR FISCAL YEAR 2026

- ❖ Further improve collections with efficient warrant issuance, tracking, and resolution of outstanding cases. **(G3)**
- ❖ Evaluate new laws passed during the 2025 State Legislative session to determine their impact on court procedures and implement necessary changes. **(G3)**

PERFORMANCE INDICATORS

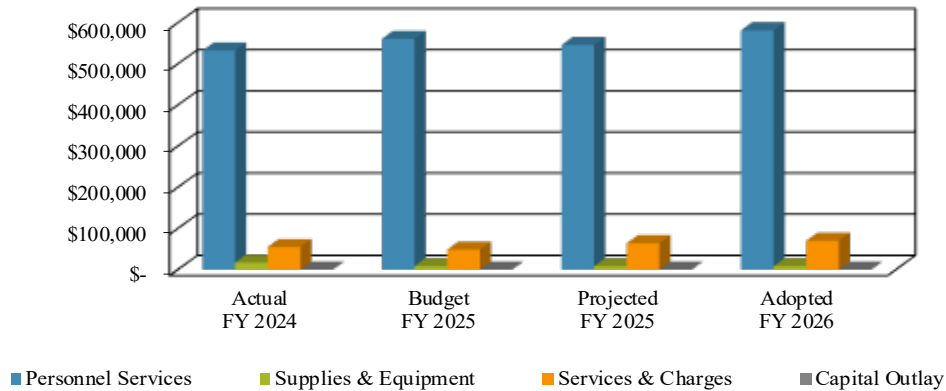
	FY2023 Actual	FY2024 Actual	FY2025 Projected	FY2026 Projected
Cases Filed				
Traffic	2,960	3,521	4,246	4,418
Parking	841	879	728	764
State Law	105	132	151	159
Town Ordinance	62	43	41	44
Total	3,968	4,575	5,166	5,385
Case Management				
Cases handled by Clerk	2,220	3,122	2,168	2,765
Cases handled in Court	921	1,151	722	985
Warrants				
Warrants issued	2,927	2,899	2,863	2,789
Warrants cleared	996	1,290	1,150	1,090
Cases Disposed				
Prior to Trial	1,299	1,438	1,547	1,628
At Trial	319	636	889	1,011
Compliance Dismissals	980	1,457	1,518	1,638
Total	2,598	3,531	3,954	4,277
Percent Disposed to Filed	65.5%	77.2%	76.5%	74.3%

Municipal Court Department



EXPENDITURE SUMMARY

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted	% Change 2025 to 2026
Personnel Services	\$ 532,118	\$ 560,424	\$ 545,480	\$ 581,297	3.72%
Supplies & Equipment	16,642	8,000	7,800	8,040	0.50%
Services & Charges	54,463	48,067	63,788	69,845	45.31%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 603,223	\$ 616,491	\$ 617,068	\$ 659,182	6.92%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2024 Budget	FY2025 Budget	FY2026 Budget
Municipal Town Judge (Part-Time)	N/A	0.5	0.5	0.5
Court Administrator	NE-6	1.0	1.0	1.0
Senior Court Clerk	NE-3	1.0	1.0	1.0
Court Clerk	NE-2	1.0	1.0	1.0
Marshall/Bailiff (Part-time)	PT	0.5	0.5	0.5
Court Security (Part-time)	PT	0.3	0.3	0.3
Total Employees		4.3	4.3	4.3



DEPARTMENT DESCRIPTION

The Finance Department maintains fiscal and budgetary records for Town operations. Responsibilities include general accounting, treasury management, payroll, vendor payments, budget preparation, financial reporting, property insurance, risk management, and utility billing.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025

- ❖ Received Government Finance Officers Association's ("GFOA") Certificate of Achievement for Excellence in Financial Reporting for the Fiscal Year 2024 Annual Comprehensive Financial Report ("ACFR") and the GFOA Distinguished Budget Presentation Award for the Fiscal Year 2025.
- ❖ Received Certification of Investment Policy Award from the Government Treasurers' Organization of Texas on the Town's Statement of Investment Policies.
- ❖ Improved purchase order processes by leveraging workflow functionality built into the Town ERP/financial system.
- ❖ Streamlined the Town's financial policies to minimize bottlenecks in the disbursement approval process.
- ❖ Sourced an automated invoice processing solution leveraging Optical Character Recognition technology and machine learning designed to significantly improve vendor invoice processing efficiency.

OBJECTIVES FOR FISCAL YEAR 2026

- ❖ Provide accurate and timely financial information to the Town Council, administration, departments, and residents. **(P4, G2, G4)**
- ❖ Manage the Town's investment portfolio in accordance with the Town's Investment Policies. **(P4, G2)**
- ❖ Pursue the GFOA financial awards: Certificate of Achievement for Excellence in Financial Reporting for the ACFR, Popular Annual Financial Report (PAFR), and the Distinguished Budget Presentation Award for the Annual Budget. **(P4, G2)**
- ❖ Continue efforts to streamline financial processes to improve processing efficiency. **(P4, G2)**
- ❖ Evaluate a major ERP/financial system upgrade or alternatives. **(P4, G1, G2, G4)**

PERFORMANCE INDICATORS

	FY2023 Actual	FY2024 Actual	FY2025 Projected	FY2026 Projected
Awards received from GFOA	2	2	2	2
Awards received from GTOT*	1	**	1	**
Working days from fiscal year end to ACFR issuance	81	85	84	83
Variance between actual and budgeted revenues- General Fund				
<i>Taxes</i>	99.9%	106.5%	106.0%	100.0%
<i>All Revenue Combined</i>	102.9%	104.8%	103.9%	100.0%

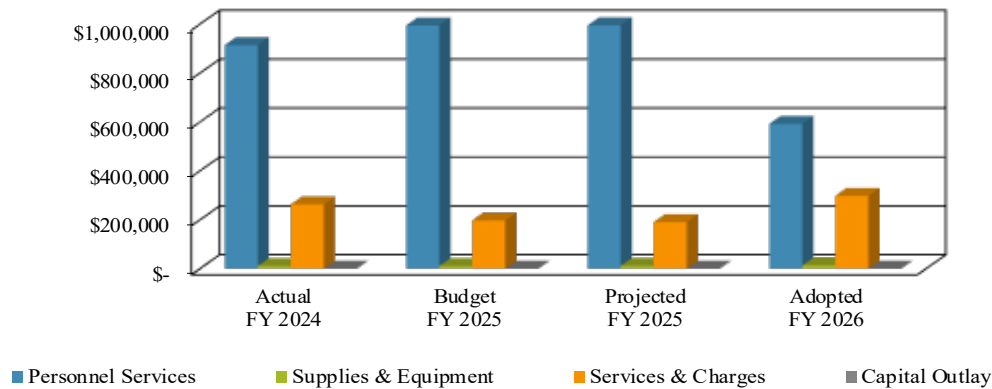
*Award applies to two fiscal years

**Application not made



EXPENDITURE SUMMARY

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted	% Change 2025 to 2026
Personnel Services	\$ 913,873	\$ 994,493	\$ 995,215	\$ 592,081	-40.46%
Supplies & Equipment	10,481	10,592	11,775	13,312	25.68%
Services & Charges	263,017	197,365	190,505	297,468	50.72%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 1,187,371	\$ 1,202,450	\$ 1,197,495	\$ 902,861	-24.91%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2024 Budget	FY2025 Budget	FY2026 Budget
Assistant Town Administrator	E-4	1.0	1.0	0.0
Director of Finance	E-2	1.0	1.0	1.0
Accounting Supervisor	NE-6	1.0	1.0	1.0
Senior Accounting Tech	NE-4	1.0	1.0	1.0
Human Resources Coordinator	NE-4	1.0	1.0	0.0
Administrative Assistant	NE-3	1.0	1.0	1.0
Total Employees		6.0	6.0	4.0

Community Development Department



DEPARTMENT DESCRIPTION

The Community Development Department manages daily operations of building inspections, code enforcement, planning and zoning, food safety (in coordination with Dallas County Health Department), and other development activities. It implements policies established by the Town Council and Town Administrator.

ACCOMPLISHMENTS OF FISCAL YEAR 2025

- ❖ Transitioned inspections and plan review to in-house staff, improving responsiveness. (G3)
- ❖ Implemented new organizational structure and onboarded newly authorized positions. (G3)
- ❖ Achieved 100% compliance of food providers with permits and regulatory requirements. (G3)
- ❖ Strengthened partnerships with Dallas County Health Department. (G3)
- ❖ Configured and implemented OpenGov permitting software. (G3)
- ❖ Established Builders Committee to strengthen development community relations. (G3)
- Updated multiple ordinances and initiated comprehensive Zoning Ordinance rewrite. (G1, G3, G4)

OBJECTIVES FOR FISCAL YEAR 2026

- ❖ Complete Zoning Ordinance rewrite for user-friendliness, legal compliance, and community alignment. (G1, G3, G4)
- ❖ Adopt 2024 ICC Building Codes and 2023 National Electric Code. (G3, G4)
- ❖ Publish accessible development resources, including a Development Handbook. (G3)
- ❖ Review and update ordinances for relevance, enforceability, and public protection. (G1, G3, G4)
- ❖ Reduce average days to close code cases, complete permit intake, and issue building permits. (G3)

PERFORMANCE INDICATORS

	FY 2023 Actual	FY 2024 Actual	FY 2025 Projected	FY 2026 Projected
New Residential Permits	30	31	26	30
Residential Additions/Remodels	100	104	59	90
Average Days to Close Code Case*	**	**	21.8	18
Average Days to Complete Permit Intake*^	**	**	4.2	3.5
Average Days to Issue Permit*^	**	**	26.0	21

*Average days include non-business days such as weekends and holidays

** New measurement as of FY2025

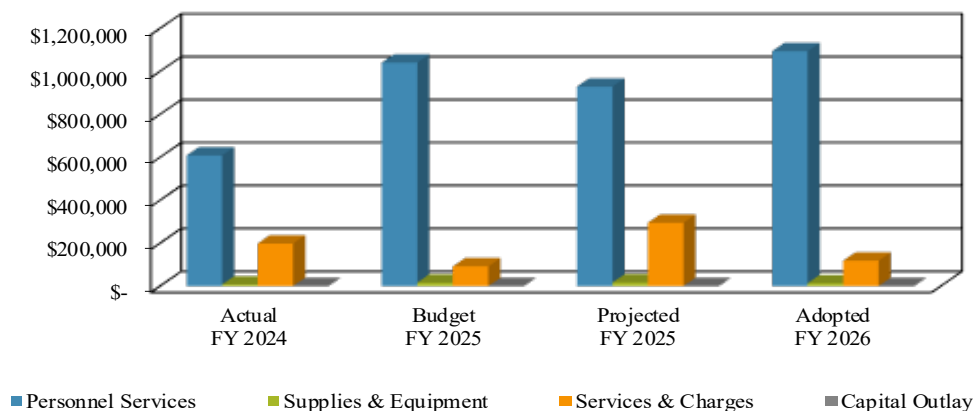
^Includes applicant's response time

Community Development Department



EXPENDITURE SUMMARY

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted	% Change 2025 to 2026
Personnel Services	\$ 608,629	\$ 1,040,439	\$ 928,620	\$ 1,093,649	5.11%
Supplies & Equipment	7,630	16,181	16,736	12,825	-20.74%
Services & Charges	197,855	91,740	294,723	117,958	28.58%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 814,114	\$ 1,148,360	\$ 1,240,079	\$ 1,224,432	6.62%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2024 Budget	FY2025 Budget	FY2026 Budget
Director of Community Development	E-1	1.0	1.0	1.0
Chief Building Official	NE-8	0.0	1.0	1.0
Senior Building Inspector	NE-7	0.0	1.0	1.0
Building Inspector	NE-6	2.0	2.0	2.0
Plans Examiner	NE-4	1.0	1.0	1.0
Building Permit Technician	NE-3	1.0	1.0	1.0
Total Employees		5.0	7.0	7.0

Information Technology Department



DEPARTMENT DESCRIPTION

The Information Technology (IT) Department leverages emerging technologies to improve services for residents and employees, reduce costs, and provide innovative, cost-effective technology solutions. The department continually identifies and mitigates cybersecurity risks to ensure the security and reliability of Town systems.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025

- ❖ Migrated financial records to new content management platform. (G3)
- ❖ Installed new firewalls and implemented additional cybersecurity measures. (G3)
- ❖ Replaced network switches at Town facilities to improve connectivity and system reliability. (G3)
- ❖ Migrated Town internet services to new telecommunication carriers, improving performance and redundancy. (G3)

OBJECTIVES FOR FISCAL YEAR 2026

- ❖ Deploy management platform for mobile devices. (G3)
- ❖ Develop a ten-year technology strategic plan. (G2, G3, G4)
- ❖ Replace security access control system. (G3)
- ❖ Migrate phone system to unified communications platform. (G3)

MAJOR BUDGET ITEMS

- ❖ Managed service agreement: \$245,100
- ❖ Microsoft enterprise agreement: \$107,900

PERFORMANCE INDICATORS

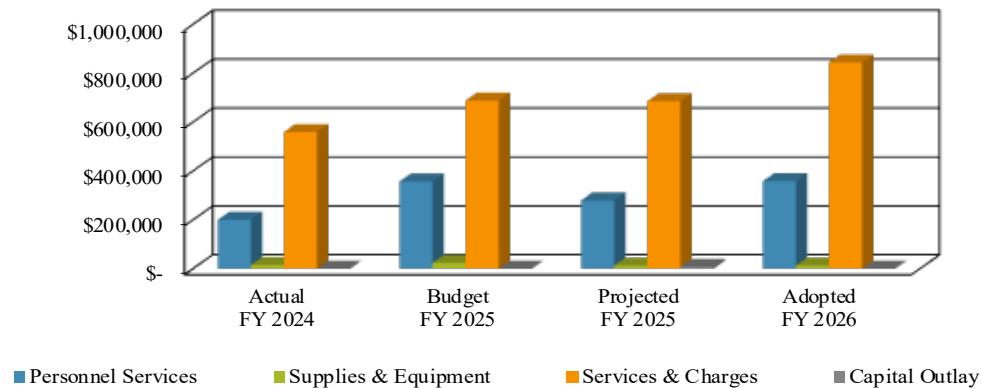
	FY2023 Actual	FY2024 Actual	FY2025 Projected	FY2026 Projected
Help Desk Support				
PC/Tablets Supported per FTE	142	142	71	71
Priority 1 Response Time Min.	32	37	28	25
Support Requests	1,422	1,567	1,488	1,369
Service Hours	1,378	1,488	1,680	1,655
Network Uptime	99%	99%	99%	99%
Application Uptime	99%	99%	99%	99%

Information Technology Department



EXPENDITURE SUMMARY

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted	% Change 2025 to 2026
Personnel Services	\$ 199,763	\$ 356,498	\$ 279,245	\$ 357,782	0.36%
Supplies & Equipment	14,840	24,150	12,601	12,650	-47.62%
Services & Charges	558,643	687,548	684,617	843,604	22.70%
Capital Outlay	-	-	7,900	-	0.00%
Total Department	\$ 773,246	\$ 1,068,196	\$ 984,363	\$ 1,214,036	13.65%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2024 Budget	FY2025 Budget	FY2026 Budget
Manager of Information Services	E-0	1.0	1.0	1.0
Systems Analyst	NE-8	0.0	1.0	1.0
Total Employees		1.0	2.0	2.0

Human Resources Department



DEPARTMENT DESCRIPTION

The Human Resources Department manages employee records, recruitment, onboarding, compensation, benefits, wellness programs, Workers' Compensation, employee relations, and engagement. This department was previously combined with the Finance Department.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025

- ❖ Finalized and implemented the Administrative Directives, replacing the 2012 Employee Handbook.
- ❖ Implemented NeoGov modules Learn (training) and eForms (employee file management).
- ❖ Completed RFP for a compensation consultant to provide a full benefits and salary analysis for FY27 implementation.

OBJECTIVES FOR FISCAL YEAR 2026

- ❖ Streamline HR processes and enhance eForms usage for consistency and accessibility. (G3)
- ❖ Migrate all employee records into digital employee files created within eForms. (G3)
- ❖ Increase utilization of Learn in NeoGov to improve employee skills through online training. (G3)
- ❖ Review and update performance evaluation criteria. (G3)
- ❖ Assess and enhance employee wellness programs, including hosting training sessions on benefits and holistic wellness strategies. (G3)
- ❖ Complete and implement compensation study (G3)

PERFORMANCE INDICATORS

	FY2023 Actual	FY2024 Actual	FY2025 Projected	FY2026 Projected
Number of vacancies filled	10	7	18	12
<i>Executive / Non-Executive (Civilian)</i>	3	6	15	8
<i>Public Safety (First Responders)**</i>	7	1	3	4
Employee turn over ratio (regular and retirees)	9.3%	8.4%	5.8%	7.8%
Workers' Compensation claims processed	17	18	7	14
Number of trainings completed*	*	*	175	145
Average days to fill (posting to hire date)	111	88	109	103
<i>Executive / Non-Executive (Civilian)</i>	67	101	57	75
<i>Public Safety (First Responders)**</i>	156	75	160	130
Average number of apps per posting (FT only)	53	49	35	46
Average years of service	10.3	10.4	10.5	10.4
Average WC claim cost	\$ 3,584	\$ 1,913	\$ 2,530	\$ 2,692
Average participation in the wellness program	87.2%	88.4%	89.0%	88.2%

*New measurement as of FY25.

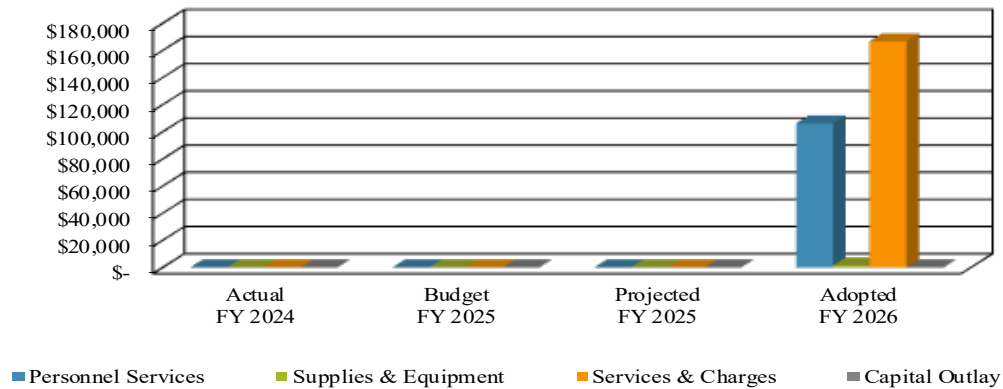
**First Repsonders include Chief, Asst. Chief, Deputy Chief, Captains, Lieutenants, Sergeants, Public Safety Officers, and Dispatch.

Human Resources Department



EXPENDITURE SUMMARY

	FY 2024		FY 2025		FY 2025		FY 2026	% Change
	Actual		Budget		Projected		Adopted	2025 to 2026
Personnel Services	\$	-	\$	-	\$	-	\$ 106,322	N/A
Supplies & Equipment		-		-		-	1,373	N/A
Services & Charges		-		-		-	166,706	N/A
Capital Outlay		-		-		-	-	N/A
Total Department	\$	-	\$	-	\$	-	\$ 274,401	N/A



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2024 Budget	FY2025 Budget	FY2026 Budget
Human Resources Coordinator	NE-4	0.0	0.0	1.0
Total Employees		0.0	0.0	1.0

Non-Departmental



DEPARTMENT DESCRIPTION

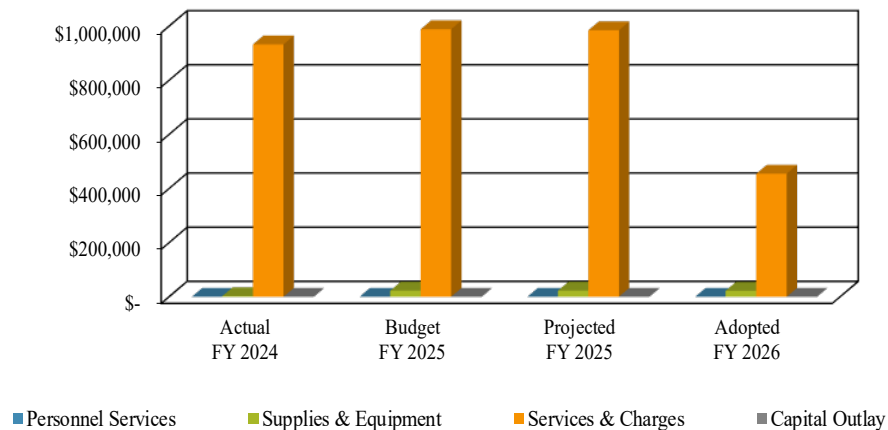
As a means of setting aside funds for expenditures that are not associated with a unique departmental budget, a Non-Departmental cost center is created in the General Fund. Expenditures that can be considered Town-wide or that may have an inherent public policy nature have been included in this cost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

MAJOR BUDGET ITEMS

- ❖ Sales tax re-payment (\$220,752)
- ❖ Texas Municipal Retirement System supplemental contributions (\$205,000)
- ❖ Fuel contingency (\$16,825)
- ❖ Dallas County Health & Human Services (\$7,000)
- ❖ Sundry supplies & Other (\$27,226)

EXPENDITURE SUMMARY

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted	% Change 2025 to 2026
Personnel Services	\$ -	\$ -	\$ -	\$ -	0.00%
Supplies & Equipment	2,592	22,488	22,485	22,250	-1.06%
Services & Charges	932,333	988,544	984,852	454,553	-54.02%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 934,925	\$ 1,011,032	\$ 1,007,337	\$ 476,803	-52.84%



Transfer to Other Funds



DEPARTMENT DESCRIPTION

This Budget provides for a transfer of \$4,857,490 in current revenues to the Capital Projects Fund as part of the Town's pay-as-you-go philosophy towards funding the capital improvement plan. This transfer is made possible through increases in taxable assessed values coupled with the Town approving a tax rate at the Voter Approval Rate.

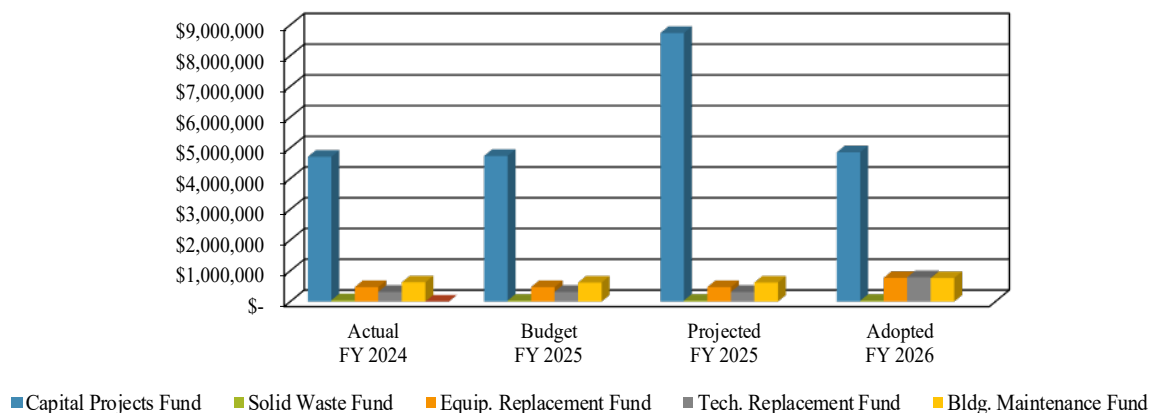
Other transfers include:

- ❖ Transfers to the Equipment Replacement Fund for future asset acquisition (\$773,085)
- ❖ Transfers to the Technology Replacement Fund for future asset acquisition and upgrades (\$792,915)
- ❖ Transfer to the Building Maintenance & Investment Fund representing the General Fund's share of Building Maintenance costs (\$767,565)
- ❖ Transfer to the Solid Waste Fund to assist with funding the Household Hazardous Waste program (\$26,700)

The Town's Statement of Financial Policies provides for the transfer of excess General Fund revenues over expenditures and encumbrances at the close of each fiscal year to the Capital Projects Fund.

TRANSFER SUMMARY

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted	% Change 2025 to 2026
Capital Projects Fund	\$ 4,712,080	\$ 4,740,525	\$ 8,740,525	\$ 4,857,490	2.47%
Solid Waste Fund	41,600	30,500	30,500	26,700	-12.46%
Equip. Replacement Fund	472,000	472,000	472,000	773,085	63.79%
Tech. Replacement Fund	315,598	316,000	316,000	792,915	150.92%
Bldg. Maintenance Fund	627,600	620,100	620,100	767,565	23.78%
Total Department	\$ 6,168,878	\$ 6,179,125	\$ 10,179,125	\$ 7,217,755	16.81%





THIS PAGE INTENTIONALLY LEFT BLANK

UTILITY FUND

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

Basis of Accounting

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

UTILITY FUND OVERVIEW

The determination of the revenues necessary to fund the various services for FY 2025-26 begins with the calculation of total costs associated with services provided as well as anticipated capital improvements to be funded through water and wastewater rates. Program revenue, not generated through water and wastewater rates, are netted against anticipated costs for the upcoming fiscal year leaving the amount of costs to be recovered through water and wastewater rates (the “revenue requirement”). The Town maintains a rate structure that is tiered based on the amount of water consumed. Projected water consumption for the upcoming fiscal year is determined based on historical averages. By applying the projected consumption for the upcoming fiscal year to the Town’s rate structure, rates necessary to generate the annual revenue requirement can be determined. For FY 2025-26, an adjustment of 3.9% was made to the rate structure for water and a 3.0% adjustment was made for wastewater.

- **Licenses and Permits**

By ordinance, the Town requires the purchase of a permit for plumbing services performed within the Town.

- **Charges for Services**

Water

Revenues from the retail sale of water are projected to be \$9,484,960 a \$536,074 or 6.0% increase from the FY 2024-25 Amended Budget. The Town anticipates selling 972,000,000 gallons of water during fiscal year 2025-26.

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

Wastewater

The projected revenues from wastewater charges amount to \$3,434,185 or about a 5.2% increase from the FY 2024-25 Amended Budget.

- **Miscellaneous**

Charges for meter replacements/installations are projected to be \$56,230.

Interest earnings within the Utility Fund are conservatively projected to be \$362,475 in FY 2025-26.

The total cost for Utility Fund services for FY 2025-26 is \$15,464,124 (excluding transfers out) which is \$681,319 more than the FY 2024-25 amended budget.

Approximately 36.4% of the overall Utility Fund Budget (excluding interfund transfers) is related to contractual costs associated with 1) the purchase of treated water for resale from the Dallas County Park Cities Municipal Utility District (contract expires April 2032); and Sanitary Sewer Treatment from Dallas Water Utilities (contract expires February 2044).

Another significant portion of both the budget for FY 2025-26, as well as the work program associated with it, relates to the maintenance and/or replacement of the Town's water and wastewater system infrastructure. Since 1990, the Town has chosen to fund water and wastewater system infrastructure maintenance/replacement on a pay-as-you-go basis. This Adopted Budget allocates \$6,098,966 towards utility system capital improvements.

The Utility Fund will also contribute \$1,678,210 to the General Fund for reimbursement of general & administrative costs for FY 2025-26. Additionally, the Utility Fund will provide \$659,448 in funding of the Town's annual right-of-way maintenance/rehabilitation program. This amount represents 5% of water and wastewater sales, a right-of-way use fee and is reported as an interfund transfer to the Capital Projects Fund.

For more information concerning the Town's infrastructure maintenance and replacement program, please refer to the Capital Improvement Program on page 143.

UTILITY FUND
STATEMENT OF REVENUES & EXPENSES BY DEPARTMENT

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted
BEGINNING FUND BALANCE	\$ 9,580,994	\$ 6,497,650	\$ 5,853,706	\$ 5,546,798
REVENUES/SOURCES OF FUNDS				
Licenses & Permits	\$ 62,260	\$ 62,000	\$ 60,935	\$ 61,315
Charges for Services	11,863,025	12,480,419	12,683,975	13,580,310
Fines & Forfeits	77,805	75,000	90,270	91,985
Miscellaneous	1,117,943	960,125	513,380	2,203,795
Total Revenues	\$ 13,121,033	\$ 13,577,544	\$ 13,348,560	\$ 15,937,405
Other Sources:				
Transfers In	\$ 474,500	\$ 503,800	\$ 503,800	\$ 575,775
Total Other Sources	\$ 474,500	\$ 503,800	\$ 503,800	\$ 575,775
Total Revenues/Sources	\$ 13,595,533	\$ 14,081,344	\$ 13,852,360	\$ 16,513,180
EXPENSES - BY DEPARTMENT				
Utility Customer Service Department	\$ 450,353	\$ 465,029	\$ 457,705	\$ 483,800
Water Department	11,178,762	8,627,893	7,327,834	7,532,414
Sanitary Sewer Department	2,697,266	4,412,146	2,895,171	5,901,682
Engineering Department	828,003	1,277,737	1,151,002	1,546,228
Total Expenses	\$ 15,154,384	\$ 14,782,805	\$ 11,831,712	\$ 15,464,124
Other Uses:				
Transfers Out	\$ 2,168,437	\$ 2,327,556	\$ 2,327,556	\$ 2,503,488
Total Other Uses	\$ 2,168,437	\$ 2,327,556	\$ 2,327,556	\$ 2,503,488
Total Expenses/Uses	\$ 17,322,821	\$ 17,110,361	\$ 14,159,268	\$ 17,967,612
Excess (Deficiency) of Revenues/Sources over Expenses/Uses	\$ (3,727,288)	\$ (3,029,017)	\$ (306,908)	\$ (1,454,432)
ENDING FUND BALANCE	\$5,853,706	\$ 3,468,633	\$ 5,546,798	\$ 4,092,366
Ideal Fund Balance	\$ 2,277,434	\$ 2,574,694	\$ 2,517,537	\$ 2,802,300
Fund Balance in Excess of Minimum	\$ 3,576,272	\$ 893,940	\$ 3,029,261	\$ 1,290,067

UTILITY FUND
STATEMENT OF REVENUES & EXPENSES BY TYPE

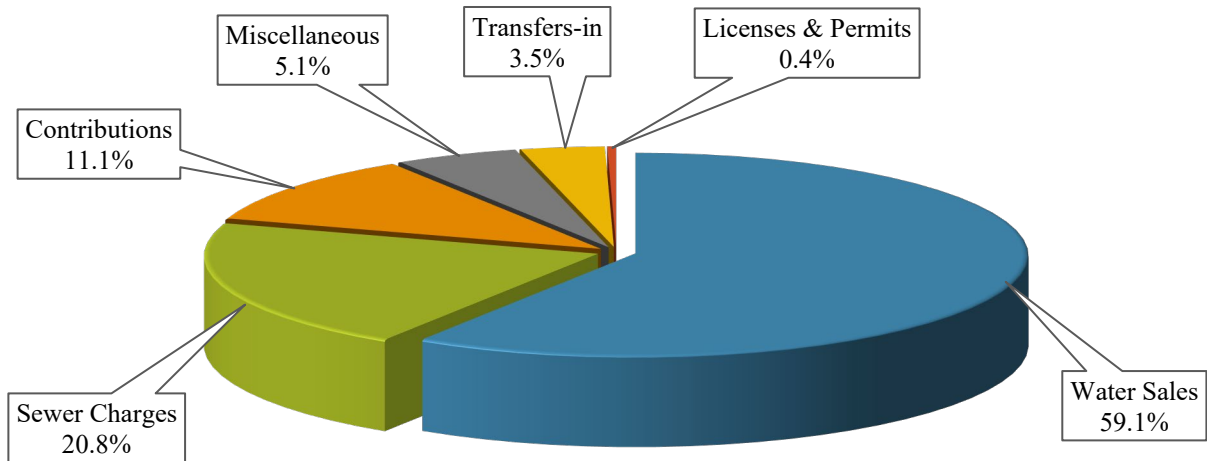
	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted
BEGINNING FUND BALANCE	\$ 9,580,994	\$ 6,497,650	\$ 5,853,706	\$ 5,546,798
REVENUES/SOURCES OF FUNDS				
Licenses & Permits	\$ 62,260	\$ 62,000	\$ 60,935	\$ 61,315
Charges for Services	11,863,025	12,480,419	12,683,975	13,580,310
Fines & Forfeits	77,805	75,000	90,270	91,985
Miscellaneous	1,117,943	960,125	513,380	2,203,795
Total Revenues	\$ 13,121,033	\$ 13,577,544	\$ 13,348,560	\$ 15,937,405
Other Sources:				
Transfers In	\$ 474,500	\$ 503,800	\$ 503,800	\$ 575,775
Total Other Sources	\$ 474,500	\$ 503,800	\$ 503,800	\$ 575,775
Total Revenues/Sources	\$ 13,595,533	\$ 14,081,344	\$ 13,852,360	\$ 16,513,180
EXPENSES - BY TYPE				
Personnel Services				
Payroll	\$ 1,416,114	\$ 1,827,613	\$ 1,604,630	\$ 1,885,062
Payroll Taxes	100,249	135,715	116,610	139,465
Retirement	185,499	232,471	203,660	239,779
Insurance	178,516	200,712	161,510	219,735
Total Personnel	\$ 1,880,378	\$ 2,396,511	\$ 2,086,410	\$ 2,484,041
Supplies & Equipment	4,172,393	4,341,271	4,421,776	4,701,099
Services & Charges	1,467,031	1,855,557	1,856,526	2,180,018
Capital Outlay	7,634,582	6,189,466	3,467,000	6,098,966
Total Expenses	\$ 15,154,384	\$ 14,782,805	\$ 11,831,712	\$ 15,464,124
Other Uses:				
Transfers Out	\$ 2,168,437	\$ 2,327,556	\$ 2,327,556	\$ 2,503,488
Total Other Uses	\$ 2,168,437	\$ 2,327,556	\$ 2,327,556	\$ 2,503,488
Total Expenses/Uses	\$ 17,322,821	\$ 17,110,361	\$ 14,159,268	\$ 17,967,612
Excess (Deficiency) of Revenues/Sources over Expenses/Uses	\$ (3,727,288)	\$ (3,029,017)	\$ (306,908)	\$ (1,454,432)
ENDING FUND BALANCE	\$ 5,853,706	\$ 3,468,633	\$ 5,546,798	\$ 4,092,366
Ideal Fund Balance	\$ 2,277,434	\$ 2,574,694	\$ 2,517,537	\$ 2,802,300
Fund Balance in Excess of Minimum	\$ 3,576,272	\$ 893,940	\$ 3,029,261	\$ 1,290,067

**UTILITY FUND
STATEMENT OF REVENUES**

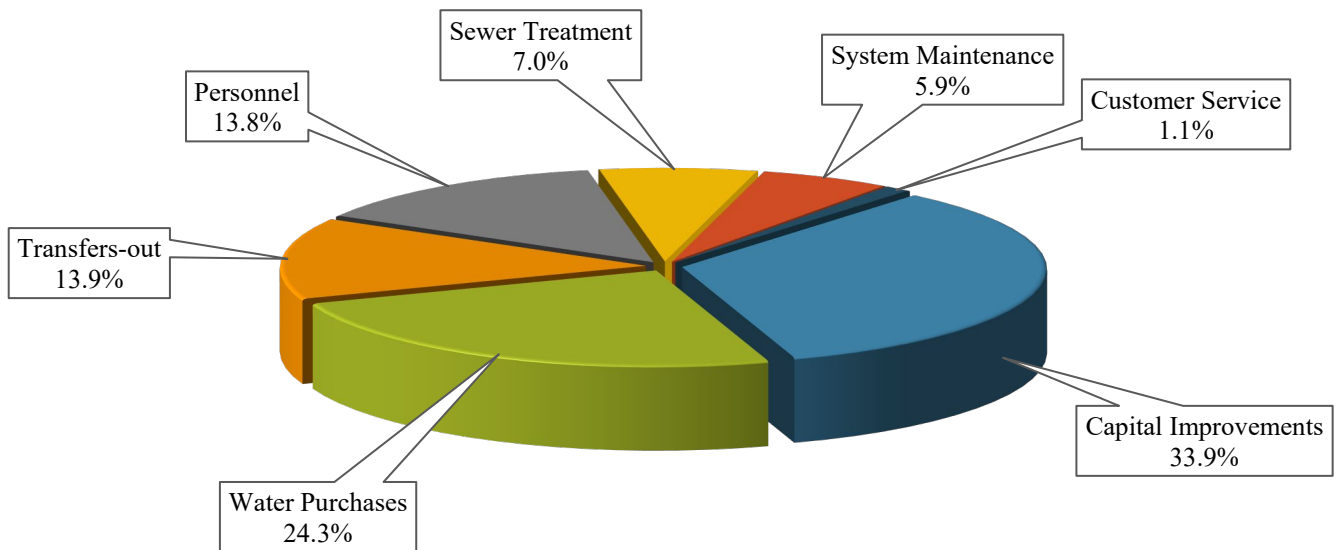
	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted
Licenses & Permits				
Plumbing Permits	\$ 62,260	\$ 62,000	\$ 60,935	\$ 61,315
<i>Subtotal</i>	\$ 62,260	\$ 62,000	\$ 60,935	\$ 61,315
Charges For Services				
Water Sales	\$ 8,553,381	\$ 8,948,886	\$ 9,157,415	\$ 9,484,960
Inter-Dept Water Sales	264,492	228,000	228,970	269,820
Sewer Charges	2,977,122	3,265,533	3,239,715	3,434,185
Meter Installation	64,050	32,000	52,820	56,230
Other Charges	3,980	6,000	5,055	335,115
<i>Subtotal</i>	\$ 11,863,025	\$ 12,480,419	\$ 12,683,975	\$ 13,580,310
Fines & Forfeits				
Late Payment Penalties	\$ 77,805	\$ 75,000	\$ 90,270	\$ 91,985
<i>Subtotal</i>	\$ 77,805	\$ 75,000	\$ 90,270	\$ 91,985
Miscellaneous				
Interest	\$ 754,752	\$ 286,000	\$ 465,375	\$ 362,475
Sale of Assets	-	-	-	-
Contributions	362,000	-	46,630	1,840,000
Miscellaneous	1,191	674,125	1,375	1,320
<i>Subtotal</i>	\$ 1,117,943	\$ 960,125	\$ 513,380	\$ 2,203,795
Total Revenues	\$ 13,121,033	\$ 13,577,544	\$ 13,348,560	\$ 15,937,405

UTILITY FUND

BUDGETED REVENUES & SOURCES BY TYPE



BUDGETED EXPENSES AND USES BY TYPE



Utility Customer Service Department



DEPARTMENT DESCRIPTION

The Utility Customer Service Department manages billing and collections for water, sewer, and sanitation services and provides customer service for residents and visitors. Additional responsibilities include annual animal licensing and tennis and swim permit sales.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025

- ❖ Conducted monthly consumption analysis to identify abnormal usage. (G3)
- ❖ Promoted WaterSmart Customer Portal usage for real-time consumption monitoring. (G3)
- ❖ Managed registration for Household Hazardous Waste events through Civic Rec. (G3)
- ❖ Updated utility statements with enhanced water consumption bar graphs. (G3)

OBJECTIVES FOR FISCAL YEAR 2026

- ❖ Collaborate with Policy & Strategic Initiatives to create a Welcome Packet for new residents. (G1, G2)
- ❖ Research and implement enhanced customer outreach services. (G1, G2)
- ❖ Introduce text-to-pay for easier utility payments. (G1, G2)
- ❖ Promote pet registration through bill inserts. (G1, G2)
- ❖ Enhance promotion of WaterSmart program and payment options. (G1, G2)

PERFORMANCE INDICATORS

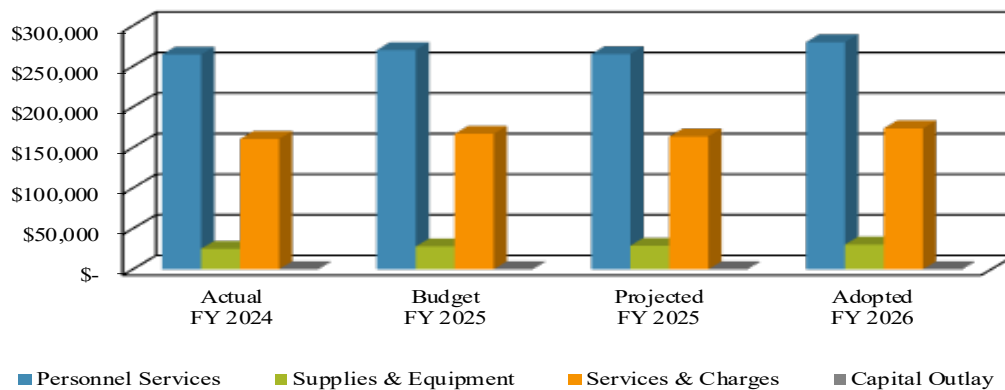
	FY2023 Actual	FY2024 Actual	FY2025 Projected	FY2026 Projected
Utility Service				
WaterSmart Participation	58.0%	58.0%	58.0%	59.0%
WaterSmart Leak Alerts	7,702	6,455	5,200	5,830
New Deposits (#)	237	235	296	236
Service Requests Processed	3,879	2,661	3,200	2,930
Percent of Survey Responses with a Superior Rating for Employee Knowledge and Timely Request Processing	95.2%	90.0%	92.5%	93.0%
Billing & Payment Options				
Percentage of Bills Sent Electronically	14.3%	16.9%	20.9%	25.2%
Bank Draft Customers (recurring)	1,499	1,505	1,570	1,575
Credit Card Draft Customers (recurring)	505	563	590	620

Utility Customer Service Department



EXPENDITURE SUMMARY

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted	% Change 2025 to 2026
Personnel Services	\$264,634	\$269,974	\$265,115	\$279,820	3.65%
Supplies & Equipment	25,109	28,122	28,992	30,390	8.06%
Services & Charges	160,610	166,933	163,598	173,590	3.99%
Capital Outlay	-	-	-	-	-
Total Department	\$450,353	\$465,029	\$457,705	\$483,800	4.04%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2024 Budget	FY2025 Budget	FY2026 Budget
Customer Service Supervisor	NE-6	1.0	1.0	1.0
Customer Service Specialist II	NE-3	2.0	2.0	2.0
Total Employees		3.0	3.0	3.0



DEPARTMENT DESCRIPTION

The Water Department ensures a reliable supply of potable water to the Town. Responsibilities include maintaining over 40 miles of water mains, 264 fire hydrants, one elevated storage tank (750,000 gallons), and one ground storage tank (1,500,000 gallons). Treated water is purchased from the Dallas County Park Cities Municipal Utility District (DCPMUD).

ACCOMPLISHMENTS FOR FISCAL YEAR 2025

- ❖ Inspected 1,280 service lines to meet state requirements for the Lead Service Line Inventory (LSLI). (G3, G4)
- ❖ Repaired 50 main breaks to preserve the integrity of the water system. (G3, G4)
- ❖ Maintained 264 fire hydrants in accordance with the National Fire Protection Association (NFPA). (G3, G4)
- ❖ Replaced 224 water meters to meet the 15-year life cycle. (G3, G4)

OBJECTIVES FOR FISCAL YEAR 2026

- ❖ Replace 400 water meters to meet the 15-year life cycle. (G3, G4)
- ❖ Inspect 1,000 service lines to meet state requirements for the LSLI. (G3, G4)
- ❖ Maintain 264 fire hydrants in accordance with NFPA. (G3, G4)
- ❖ Implement a valve operation and maintenance program to preserve the integrity of the water system. (G3, G4)

MAJOR BUDGET ITEMS

- ❖ Purchase of treated water from the Dallas County Park Cities Municipal Utility District \$4,361,210
- ❖ Water distribution system capital improvements \$1,824,483

PERFORMANCE INDICATORS

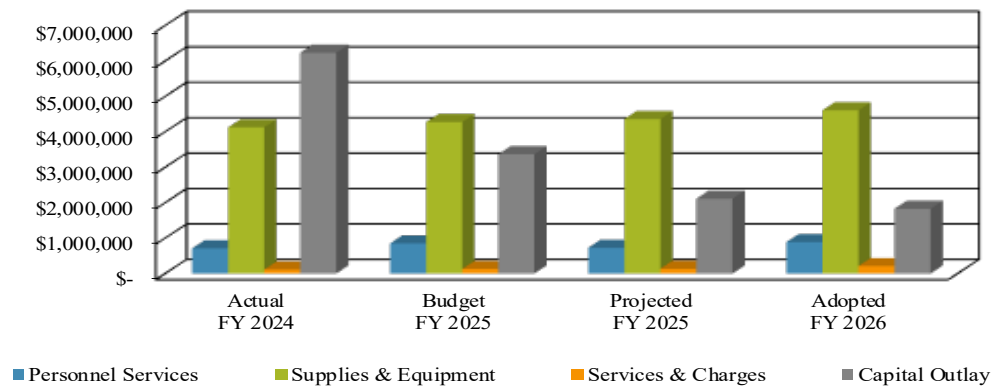
	FY2023 Actual	FY2024 Actual	FY2025 Projected	FY2026 Projected
Line locates - private development	168	234	265	270
Final Utility Inspections - private development*	*	53	140	150
Service calls	1,114	957	1,105	1,150
Above average rating for resident survey	88.7%	89.9%	89.0%	89.0%

*New measurement as of FY24



EXPENDITURE SUMMARY

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted	% Change 2025 to 2026
Personnel Services	\$ 710,174	\$ 851,186	\$ 724,585	\$ 888,841	4.42%
Supplies & Equipment	4,124,961	4,279,252	4,358,887	4,608,760	7.70%
Services & Charges	111,531	129,597	134,362	210,330	62.30%
Capital Outlay	6,232,096	3,367,858	2,110,000	1,824,483	-45.83%
Total Department	\$ 11,178,762	\$ 8,627,893	\$ 7,327,834	\$ 7,532,414	-12.70%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2024 Budget	FY2025 Budget	FY2026 Budget
Public Works Superintendent	NE-8	1.0	1.0	1.0
PW Operations Supervisor	NE-6	0.0	1.0	1.0
Project Coordinator	NE-5	1.0	1.0	1.0
PW Maintenance Worker III	NE-4	3.0	3.0	3.0
Total Employees		5.0	6.0	6.0

Sanitary Sewer Department



DEPARTMENT DESCRIPTION

The Sanitary Sewer Department provides a reliable wastewater collection system, including approximately 37 miles of sewer mains, 500 manholes, and service to 3,200 customers. Wastewater is conveyed to the City of Dallas for treatment under contract with Dallas Water Utilities.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025

- ❖ Flushed 468 sanitary sewer mains twice to maintain the integrity of the collection system. (G3, G4)
- ❖ Cleaned and inspected 468 sewer manholes to minimize odor and infiltration of groundwater. (G3, G4)
- ❖ Implemented new program to install watertight manholes to reduce inflow, infiltration, and potential overflows. (G3, G4)
- ❖ Completed smoke testing for approximately 25,000 liner feet of mains to identify inflow, infiltration and cross connections. (G3, G4)

OBJECTIVES FOR FISCAL YEAR 2026

- ❖ Flush sanitary sewer mains twice annually to maintain the integrity of the collection system. (G3, G4)
- ❖ Clean and inspect sewer collection system manholes to minimize odor and infiltration of groundwater. (G3, G4)
- ❖ Replace a minimum of ten existing manhole lids with watertight manholes to mitigate inflow and infiltration and potential overflows. (G3, G4)
- ❖ Conduct smoke testing on a minimum of 25,000 linear feet of mains to mitigate inflow, infiltration and cross connections. (G3, G4)

MAJOR BUDGET ITEMS

- ❖ Annual wastewater treatment from the City of Dallas Utilities \$1,261,965
- ❖ Wastewater system capital improvements \$4,274,483

PERFORMANCE INDICATORS

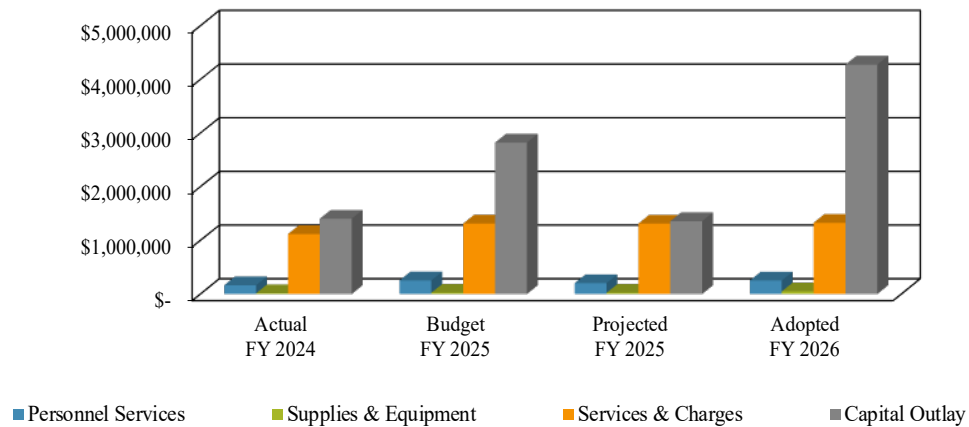
	FY2023 Actual	FY2024 Actual	FY2025 Projected	FY2026 Projected
Service calls	14	20	15	20
Above average rating for resident survey	80.0%	89.6%	89.0%	89.0%

Sanitary Sewer Department



EXPENDITURE SUMMARY

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted	% Change 2025 to 2026
Personnel Services	\$ 163,834	\$ 253,626	\$ 201,720	\$ 251,436	-0.86%
Supplies & Equipment	13,740	23,685	23,685	49,055	107.11%
Services & Charges	1,117,206	1,313,227	1,312,766	1,326,708	1.03%
Capital Outlay	1,402,486	2,821,608	1,357,000	4,274,483	51.49%
Total Department	\$ 2,697,266	\$ 4,412,146	\$ 2,895,171	\$ 5,901,682	33.76%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2024 Budget	FY2025 Budget	FY2026 Budget
PW Maintenance Worker III	NE-4	2.0	2.0	2.0
Total Employees		2.0	2.0	2.0



DEPARTMENT DESCRIPTION

The Engineering Department plans, designs, constructs, and inspects capital improvement and private development projects. Responsibilities include roadway reconstruction, water and wastewater line replacement, drainage improvements, floodplain management, traffic control, and Geographic Information System (GIS) mapping.

ACCOMPLISHMENTS FOR FISCAL YEAR 2025

- ❖ Completed the design and/or construction of several capital improvement projects to replace aging infrastructure (**G3, G4**):
 - Design:
 - Beverly Drive Reconstruction Project from Westside Drive to Eastern Avenue
 - Annual Alley Reconstruction and Utility Improvements project
 - Annual Drainage Easement Improvement project
 - Potomac and Auburndale Avenue Reconstruction Project from Key Street to Hillcrest Avenue
 - Construction:
 - Holland Elevated Storage Tank
 - Beverly Drive and Miramar Avenue Hackberry Creek roadway crossings
- ❖ Initiated a resident advisory committee for the Wycliffe Avenue Reconstruction project. (**G3**)
- ❖ Preserved approximately 50 blocks of pavement to reduce future repair needs. (**G3, G4**)
- ❖ Upgraded traffic signal on Mockingbird Lane at Byron Avenue and Preston Road at Beverly Drive intersections to reduce the frequency of maintenance. (**G3, G4**)

OBJECTIVES FOR FISCAL YEAR 2026

- ❖ Initiate construction on Wycliffe Avenue to improve safety and eliminate roadway flooding. (**G4**)
- ❖ Collaborate with Policy and Strategic Initiatives Department and the Department of Public Safety to enhance resident notifications of projects. (**G3**)
- ❖ Complete the installation of traffic signal upgrades for Mockingbird Lane at Abbott Avenue and Mockingbird Lane at Airline Avenue intersections. (**G4**)
- ❖ Create a Capital Improvement book identifying all current and future Town infrastructure projects.
- ❖ Complete the design and/or construction of several capital improvement projects to replace aging infrastructure (**G3, G4**):
 - Eastern Avenue Reconstruction from Westside Drive to Mockingbird Lane
 - Douglas Avenue Reconstruction from South Town Limits to Arcady Avenue
 - Hackberry Creek Phase 1A from Beverly Drive to Byron Avenue

PERFORMANCE INDICATORS

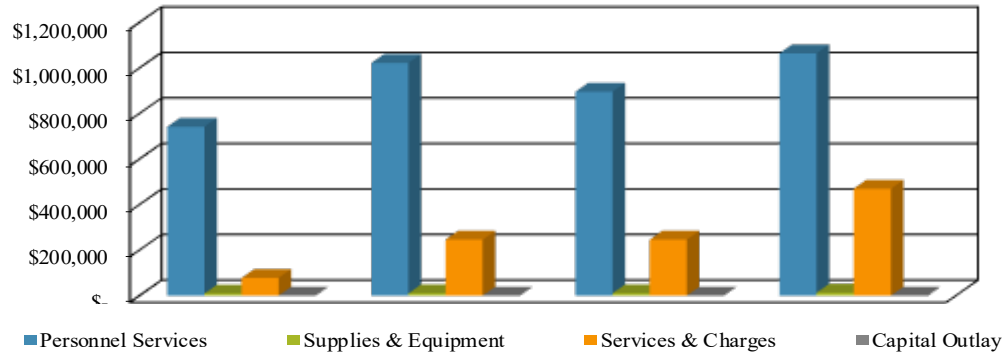
	FY2023 Actual	FY2024 Actual	FY2025 Projected	FY2026 Projected
Water main replacement (linear feet)	2,200	2,300	2,860	3,000
Sanitary sewer main replacement (linear feet)	3,300	2,200	2,855	3,000
Number of right of way permits issued	139	135	200	200
Number of private development inspections	1,174	1,100	850	1,000

Engineering Department



EXPENDITURE SUMMARY

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted	% Change 2025 to 2026
Personnel Services	\$ 741,736	\$ 1,021,725	\$ 894,990	\$ 1,063,944	4.13%
Supplies & Equipment	8,584	10,212	10,212	12,894	26.26%
Services & Charges	77,683	245,800	245,800	469,390	90.96%
Capital Outlay	-	-	-	-	-
Total Department	\$ 828,003	\$ 1,277,737	\$ 1,151,002	\$ 1,546,228	21.01%



EMPLOYEE CLASSIFICATION & PAY GRADE

Classification	Grade	FY2024 Budget	FY2025 Budget	FY2026 Budget
Director of Engineering	E-3	1.0	1.0	1.0
Assistant Director of Engineering	E-0	1.0	1.0	1.0
Civil Engineer	NE-7	0.0	1.0	1.0
Project Manager	NE-5	1.0	1.0	1.0
Construction Inspector	NE-5	1.0	2.0	2.0
Total Employees		4.0	6.0	6.0

Transfer to Other Funds

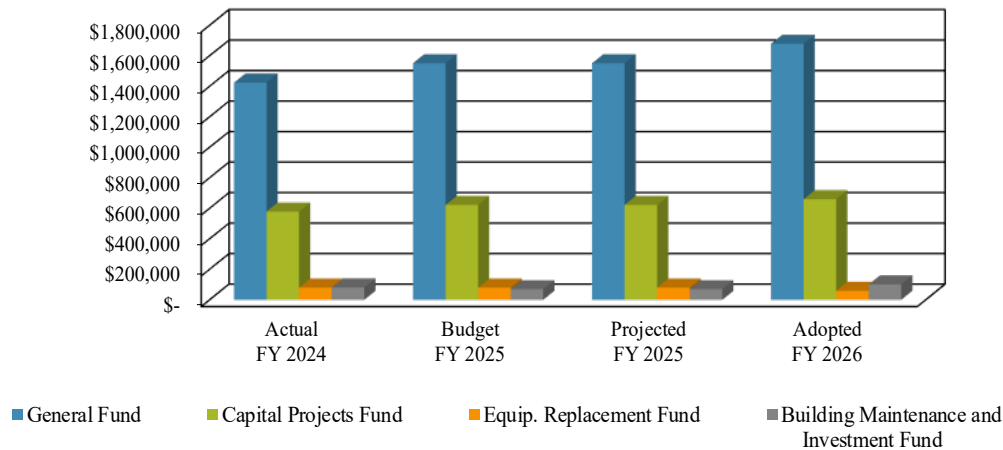


DEPARTMENT DESCRIPTION

This Budget provides for the transfer of \$2,503,488 from the Utility Fund to other funds. Included is a transfer of \$1,678,210 to the General Fund for G&A cost reimbursement, \$659,448 to the Capital Projects Fund, representing the right-of-way use fee, which is 5% on water and sanitary sewer sales, and funding for the Fund's share of Equipment Replacement, Technology Replacement and Building Maintenance & Investment Funds.

TRANSFER SUMMARY

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted	% Change 2025 to 2026
General Fund	\$ 1,423,600	\$ 1,550,500	\$ 1,550,500	\$ 1,678,210	8.24%
Capital Projects Fund	578,502	622,121	622,121	659,448	6.00%
Equip. Replacement Fund	79,650	79,650	79,650	59,265	-25.59%
Tech. Replacement Fund	5,785	5,785	5,785	6,075	5.01%
Building Maintenance and	80,900	69,500	69,500	100,490	44.59%
Total Department	\$ 2,168,437	\$ 2,327,556	\$ 2,327,556	\$ 2,503,488	7.56%



SOLID WASTE FUND

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

Basis of Accounting

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

SOLID WASTE FUND
STATEMENT OF REVENUES & EXPENSES BY DEPARTMENT

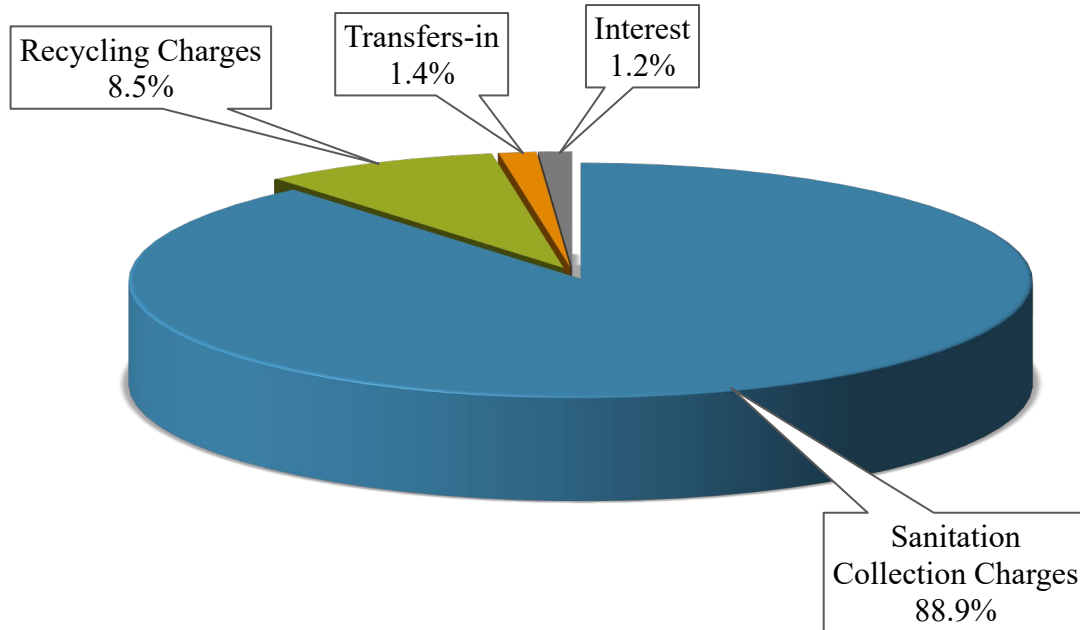
	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted
BEGINNING FUND BALANCE	\$ 385,817	\$ 356,399	\$ 426,947	\$ 471,282
REVENUES/SOURCES OF FUNDS				
Charges for Services	1,783,919	1,824,985	1,852,365	1,917,715
Miscellaneous	30,464	26,015	28,065	23,820
Total Revenues	\$ 1,814,383	\$ 1,851,000	\$ 1,880,430	\$ 1,941,535
Other Sources:				
Transfers In	\$ 41,600	\$ 30,500	\$ 30,500	\$ 26,700
Total Other Sources	\$ 41,600	\$ 30,500	\$ 30,500	\$ 26,700
Total Revenues/Sources	\$ 1,855,983	\$ 1,881,500	\$ 1,910,930	\$ 1,968,235
EXPENSES - BY DEPARTMENT				
Sanitation Department	\$ 1,669,553	\$ 1,739,254	\$ 1,711,795	\$ 1,808,265
Total Expenses	\$ 1,669,553	\$ 1,739,254	\$ 1,711,795	\$ 1,808,265
Other Uses:				
Transfers Out	\$ 145,300	\$ 154,800	\$ 154,800	\$ 150,615
Total Other Uses	\$ 145,300	\$ 154,800	\$ 154,800	\$ 150,615
Total Expenses/Uses	\$ 1,814,853	\$ 1,894,054	\$ 1,866,595	\$ 1,958,880
Excess (Deficiency) of Revenues/Sources over Expenses/Uses	\$ 41,130	\$ (12,554)	\$ 44,335	\$ 9,355
ENDING FUND BALANCE	\$ 426,947	\$ 343,845	\$ 471,282	\$ 480,637
Ideal Fund Balance	\$ -	\$ -	\$ -	\$ -
Fund Balance in Excess of Minimum	\$ 426,947	\$ 343,845	\$ 471,282	\$ 480,637

SOLID WASTE FUND
STATEMENT OF REVENUES & EXPENSES BY TYPE

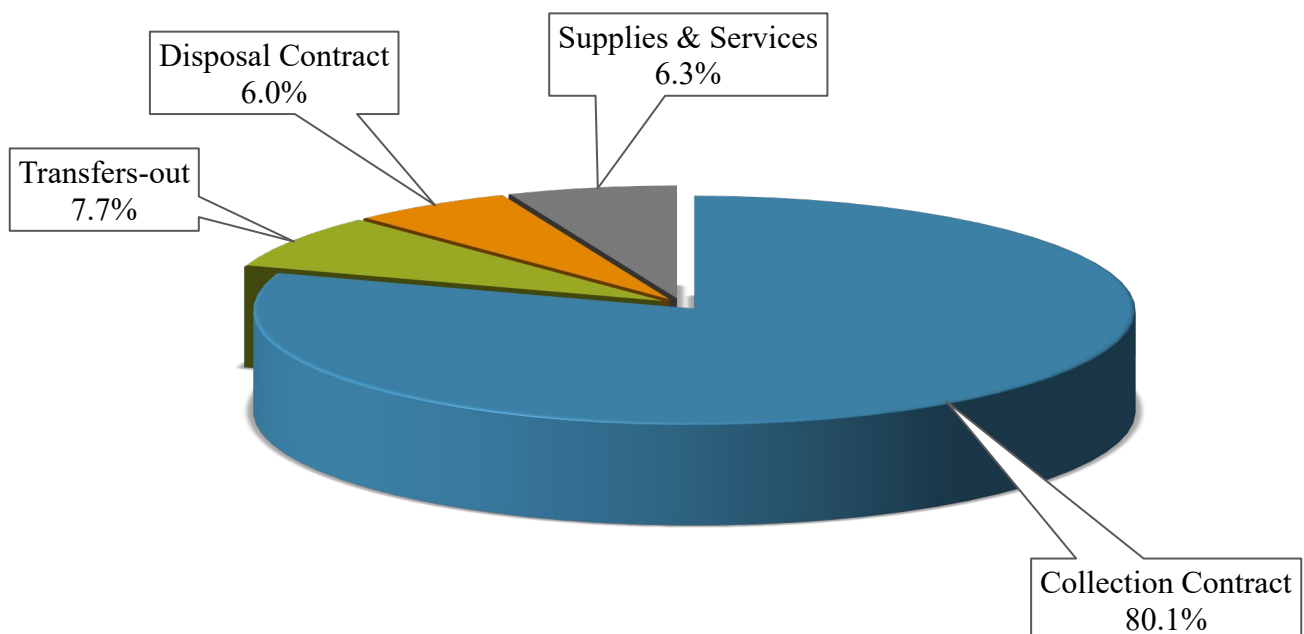
	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted
BEGINNING FUND BALANCE	\$ 385,817	\$ 356,399	\$ 426,947	\$ 471,282
REVENUES/SOURCES OF FUNDS				
Charges for Services	1,783,919	1,824,985	1,852,365	1,917,715
Miscellaneous	30,464	26,015	28,065	23,820
Total Revenues	\$ 1,814,383	\$ 1,851,000	\$ 1,880,430	\$ 1,941,535
Other Sources:				
Transfers In	\$ 41,600	\$ 30,500	\$ 30,500	\$ 26,700
Total Other Sources	\$ 41,600	\$ 30,500	\$ 30,500	\$ 26,700
Total Revenues/Sources	\$ 1,855,983	\$ 1,881,500	\$ 1,910,930	\$ 1,968,235
EXPENSES - BY TYPE				
Supplies & Equipment	\$ 25,000	\$ 25,000	\$ 25,000	\$ 35,000
Services & Charges	1,644,553	1,714,254	1,686,795	1,773,265
Capital Outlay	-	-	-	-
Total Expenses	\$ 1,669,553	\$ 1,739,254	\$ 1,711,795	\$ 1,808,265
Other Uses:				
Transfers Out	\$ 145,300	\$ 154,800	\$ 154,800	\$ 150,615
Total Other Uses	\$ 145,300	\$ 154,800	\$ 154,800	\$ 150,615
Total Expenses/Uses	\$ 1,814,853	\$ 1,894,054	\$ 1,866,595	\$ 1,958,880
Excess (Deficiency) of Revenues/Sources over Expenses/Uses	\$ 41,130	\$ (12,554)	\$ 44,335	\$ 9,355
ENDING FUND BALANCE	\$ 426,947	\$ 343,845	\$ 471,282	\$ 480,637

SOLID WASTE FUND

BUDGETED REVENUES & SOURCES BY TYPE



BUDGETED EXPENSES AND USES BY TYPE



**SOLID WASTE FUND
STATEMENT OF REVENUES**

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted
Charges For Services				
Sanitation Collection Charges	\$ 1,629,594	\$ 1,668,916	\$ 1,690,615	\$ 1,750,220
Recycling Charges	154,325	156,069	161,750	167,495
Other Charges	-	-	-	-
<i>Subtotal</i>	\$ 1,783,919	\$ 1,824,985	\$ 1,852,365	\$ 1,917,715
Miscellaneous				
Interest	\$ 30,464	\$ 26,015	\$ 28,065	\$ 23,820
Miscellaneous	-	-	-	-
<i>Subtotal</i>	\$ 30,464	\$ 26,015	\$ 28,065	\$ 23,820
Total Revenues	\$ 1,814,383	\$ 1,851,000	\$ 1,880,430	\$ 1,941,535

Sanitation Department



DEPARTMENT DESCRIPTION

The Sanitation Department oversees the collection and disposal of trash, brush, and recyclables under contract with Republic Services and Waste Management. This department serves as the cost center for collection, disposal, and recycling programs.

ACCOMPLISHMENTS OF FISCAL YEAR 2025

- ❖ Created a new commercial pick-up route to ensure timely collection. (G3, G4)
- ❖ Updated park trash collection schedules to meet demand. (G3, G4)
- ❖ Coordinated removal and delivery of trash/recycling carts for residents. (G3, G4)
- ❖ Continued to partner with University Park to host two recycling events for both communities. (G3, G4)
- ❖ Held two Household Hazardous Waste collection events for residents. (G3, G4)

OBJECTIVES FOR FISCAL YEAR 2026

- ❖ Coordinate removal and delivery of trash/recycling carts for residents. (G3, G4)
- ❖ Partner with the City of University Park for Park Cities Recycling Events. (G3, G4)
- ❖ Host two Household Hazardous Waste (HHW) events for residents. (G3, G4)

MAJOR BUDGET ITEMS

- ❖ Service Contracts
 - Solid Waste Collection \$1,402,555
 - Recyclables Collection \$166,335
 - Solid Waste Disposal \$116,875
- ❖ Household Hazardous Waste \$32,000
- ❖ Alley & Easement Tree Pruning \$30,000
- ❖ Parks Cities Recycling Event \$12,000

Sanitation Department

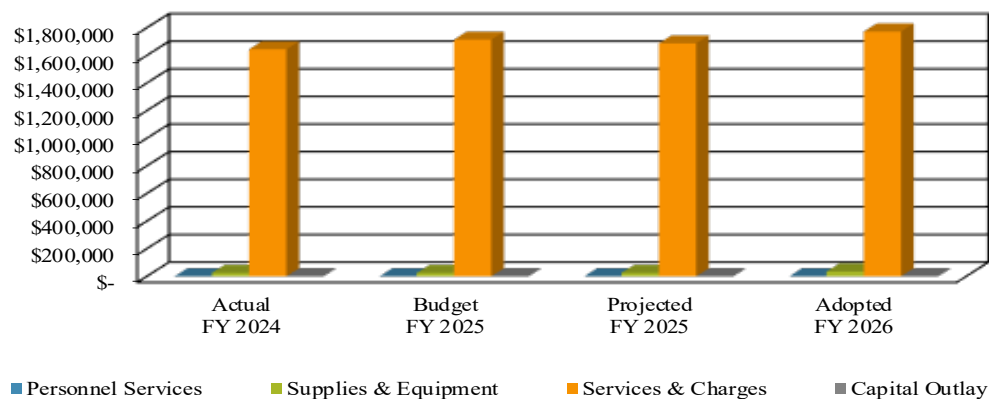


PERFORMANCE INDICATORS

	FY2023 Actual	FY2024 Actual	FY2025 Projected	FY2026 Projected
Trash/recycling cart service	457	396	348	350
Service calls	154	191	125	125
Collection (Tonnage)				
Compacted Waste	5,045	6,177	5,200	5,200
Loose Waste (Brush)	955	1,093	1,200	1,200
Recycling	968	1,035	1,100	1,100
Contract Expenses				
Collection	\$ 1,246,384	\$ 1,379,746	\$ 1,395,645	\$ 1,408,462
Disposal	99,715	107,746	106,795	118,565
Recycling	142,172	153,182	176,855	187,372
Cost per Ton				
Collection	\$ 207.73	\$ 189.79	\$ 218.07	\$ 220.07
Disposal	16.62	14.82	16.69	18.53
Recycling	146.87	148.00	160.78	170.34

EXPENDITURE SUMMARY

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted	% Change 2025 to 2026
Personnel Services	\$ -	\$ -	\$ -	\$ -	
Supplies & Equipment	25,000	25,000	25,000	35,000	40.00%
Services & Charges	1,644,553	1,714,254	1,686,795	1,773,265	3.44%
Capital Outlay	-	-	-	-	
Total Department	\$1,669,553	\$1,739,254	\$1,711,795	\$1,808,265	3.97%



Transfer to Other Funds

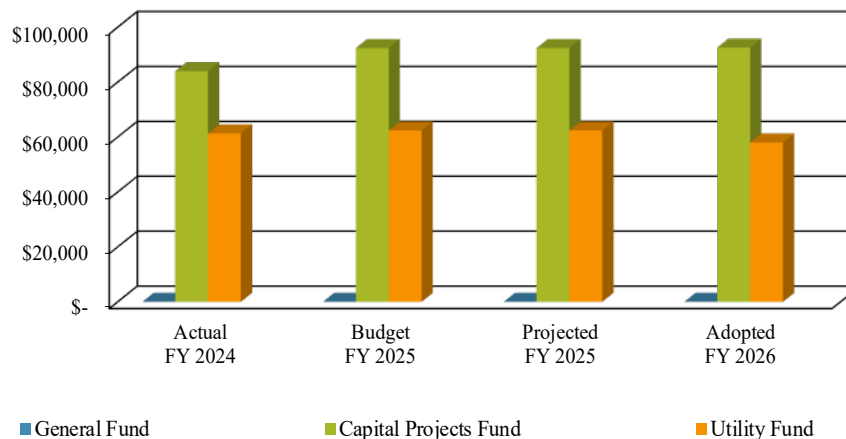


DEPARTMENT DESCRIPTION

This Budget provides for the transfer of \$150,615 from the Solid Waste Fund to other funds. Included is a transfer of \$92,600 to the Capital Projects Fund, representing the franchise fee, which is 5% on solid waste collection and recycling charges, and \$58,015 to the Utility Fund representing administrative costs for billing and collection of operations.

TRANSFER SUMMARY

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted	% Change 2025 to 2026
General Fund	\$ -	\$ -	\$ -	\$ -	
Capital Projects Fund	84,000	92,400	92,400	92,600	0.22%
Utility Fund	61,300	62,400	62,400	58,015	-7.03%
Total Department	\$ 145,300	\$ 154,800	\$ 154,800	\$ 150,615	-2.70%



OTHER FUNDS

Storm Water Drainage Fund – This special revenue fund accounts for the collection of fees to protect the public health and safety from loss of life and property caused by surface water overflows, surface water stagnation and pollution arising from non-point source runoff within the Town.

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

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

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

Local Youth Diversion Fund - This special revenue fund accounts for the Local Consolidated Fee charged to defendants as specified by state law to be used for the support of a local mental health authority, juvenile alcohol and substance abuse programs, educational and leadership programs, teen court programs, and any other project designed to prevent or reduce the number of juvenile referrals to the court.

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

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 Local Consolidated Fee charged to defendants as specified by state law as related to technological enhancements for Municipal Court.

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

Library Fund – Accounts for the receipt of royalty revenues and other donations restricted to the Library.

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

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.).

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, 2025, does not have any outstanding bank or bonded debt. The Town funds capital projects on a pay-as-you-go basis and does not maintain a debt service fund.

STORM WATER DRAINAGE UTILITY FUND

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

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

As it relates to operations, this fund provides the Town's supplies of pet mits maintained throughout the Town's parks and educational materials (\$7,500), street sweeping (\$85,000), Dam and Bridge annual maintenance and other incidental repair/maintenance projects (\$36,250), creek cleaning (\$21,000), and professional services and other fees (\$47,500).

This budget also provides capital expenditures including \$3,000,000 for the dredging of Connor and Exall lakes and \$2,500,000 for Hackberry Creek Phase IA – (Byron Avenue to Beverly Drive). Other capital funding within the Adopted Budget for the Storm Water Drainage Fund includes \$700,000 for drainage easement projects and \$147,737 for drainage improvements associated with the Eastern Avenue and Douglas Avenue reconstruction projects.

A transfer from this fund to the Utility Fund in the amount of \$182,310 represents a cost allocation of Engineering Services attributable to Stormwater projects.

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

For more information concerning the Town's infrastructure maintenance and replacement program, please refer to the Capital Improvement Program on page 143.

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

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted
BEGINNING FUND BALANCE	\$ 3,586,082	\$ 4,149,734	\$ 4,670,586	\$ 4,040,521
REVENUES/SOURCES OF FUNDS				
Charges for Services	\$ 571,749	\$ 1,129,560	\$ 1,142,825	\$ 2,287,190
Interest	170,659	137,000	292,295	241,950
Total Revenues	\$ 742,407	\$ 1,266,560	\$ 1,435,120	\$ 2,529,140
Other Sources:				
Transfers In	\$ 1,000,000	\$ 1,700,000	\$ 1,700,000	\$ 1,500,000
Total Other Sources:	1,000,000	1,700,000	1,700,000	1,500,000
Total Revenues/Sources:	\$ 1,742,407	\$ 2,966,560	\$ 3,135,120	\$ 4,029,140
EXPENSES/USES OF FUNDS				
Supplies & Equipment	6,366	7,600	7,600	7,500
Services & Charges	210,820	198,685	198,685	200,120
Capital Outlay	295,217	4,800,000	3,403,500	6,397,737
Total Expenditures	\$ 512,403	\$ 5,006,285	\$ 3,609,785	\$ 6,605,357
Transfers	145,500	155,400	155,400	182,310
Total Expenditures/Uses of Funds	\$ 657,903	\$ 5,161,685	\$ 3,765,185	\$ 6,787,667
Excess of Revenues/Sources Over Expenses/Uses	\$ 1,084,504	\$ (2,195,125)	\$ (630,065)	\$ (2,758,527)
ENDING FUND BALANCE	4,670,586	\$ 1,954,609	\$ 4,040,521	\$ 1,281,994

EQUIPMENT REPLACEMENT FUND

The Equipment Replacement Fund is the financial structure used for the accounting of the receipt of resources (revenues and transfers) and the use of resources primarily for the acquisition of the Town's rolling stock. The General and Utility Funds are charged for the cost of use of their respectively assigned vehicles and equipment at a rate equal to the straight-line depreciation of original cost adjusted for inflation to ensure adequate funding is provided at the time of replacement. The incurred costs are recorded as expenditures/expenses within the respective funds and as revenues in the Equipment Replacement Fund on the accrual basis of accounting. The basis of accounting for the Equipment Replacement Fund is the accrual basis with the budgetary basis being modified accrual. As part of the budgetary basis, capital purchases are reported as expenditures, and depreciation expense is not included in budgeted expenditures.

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

Equipment planned to be purchased during FY 2025-26 includes the following:

Department	Description	Purpose	Total
Public Safety	2025 Ford F450 M333 (Ambulance)	Scheduled Replacement of Asset 04687	488,872
Parks & Recreation	2024 Ford F-600 Bucket Truck	Scheduled Replacement of Asset 04457	174,792
Public Safety	Replacement Patrol Vehicle	Scheduled Replacement of Asset 19011	86,781
Public Safety	Replacement Patrol Vehicle	Scheduled Replacement of Asset 19010	86,780
Public Safety	Replacement Patrol Vehicle	Scheduled Replacement of Asset 22003	86,780
Public Safety	Extraction Kit	Additional Extraction Kit to Equip to Replace End of Life Extraction Kit on Engine 332	51,535
Public Safety	Vehicle for Parking Enforcement	Non-Patrol Vehicle for Parking Enforcement	50,000
Public Safety	Mentalix Fingerprint Machine	New More Technologically Advanced and Efficient Fingerprint Technology	23,135
Total			1,048,675

EQUIPMENT REPLACEMENT FUND STATEMENT OF REVENUES & EXPENDITURES

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted
BEGINNING FUND BALANCE	\$ 2,994,568	\$ 4,301,255	\$ 4,302,922	\$ 4,928,420
REVENUES/SOURCES OF FUNDS				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Interest	236,237	222,567	218,180	180,230
Sale of Assets	18,712	10,000	10,000	10,000
Contributions	733,000	-	-	-
Total Revenues	\$ 987,949	\$ 232,567	\$ 228,180	\$ 190,230
Transfers	551,650	551,650	551,650	832,350
Total Revenues/Sources	\$ 1,539,599	\$ 784,217	\$ 779,830	\$ 1,022,580
EXPENDITURES/USES OF FUNDS				
Supplies & Equipment	\$ -	\$ -	\$ -	\$ -
Vehicle Disposal	1,403	-	-	3,000
Rolling Stock Acquisition	204,946	73,670	73,670	974,005
Equipment Acquisition	24,896	80,662	80,662	74,670
Total Expenditures	\$ 231,245	\$ 154,332	\$ 154,332	\$ 1,051,675
Transfers	-	-	-	-
Total Expenditures/Uses	\$ 231,245	\$ 154,332	\$ 154,332	\$ 1,051,675
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ 1,308,354	\$ 629,885	\$ 625,498	\$ (29,095)
ENDING FUND BALANCE	\$ 4,302,922	\$ 4,931,140	\$ 4,928,420	\$ 4,899,325

TOWN OF HIGHLAND PARK
MOBILE EQUIPMENT INVENTORY AND REPLACEMENT SCHEDULE

Department/ Equipment Type	VIN (Last 4)	Equipment Make	Model Year	Year Purchased	Anticipated Replacement
PUBLIC SAFETY					
Administration	4941	Chevrolet Tahoe	2015	2015	2027
Administration	4483	Chevrolet Tahoe	2021	2021	2027
Administration	6495	Chevrolet Tahoe	2021	2021	2027
Animal Services	1769	Dodge	2013	2013	2027
CID/Administration	4723	Toyota Highlander	2024	2024	2030
CID/Administration	4731	Toyota Highlander	2024	2024	2030
CID/Administration	4801	Toyota Highlander	2024	2024	2030
Fire Apparatus	2082	Pierce	2011	2011	2031
Fire Apparatus	8465	Pierce	2017	2017	2037
Fire Apparatus	3538	Pierce	2021	2021	2041
MICU	6639	International	2010	2010	2026
MICU	2794	International	2018	2017	2032
MICU	7129	International	2022	2022	2042
Police	8074	Chevrolet Tahoe	2019	2019	2026
Police	7888	Chevrolet Tahoe	2019	2019	2026
Police	8694	Chevrolet Tahoe	2019	2019	2027
Police	2825	Chevrolet Tahoe	2022	2022	2027
Police	2815	Chevrolet Tahoe	2022	2022	2026
Police	2820	Chevrolet Tahoe	2022	2022	2027
Police	5037	Chevrolet Tahoe	2022	2022	2028
Police	7716	Chevrolet Tahoe	2022	2022	2028
Police	9448	Chevrolet Tahoe	2022	2022	2028
Police	6663	Ford Explorer	2025	2025	2029
Police	1961	Ford Explorer	2025	2025	2029
PARKS DEPARTMENT					
F350 Pickup	5953	Ford	2010	2010	2027
Pickup	1837	Chevrolet	2012	2012	2027
Bobcat 3400 4X4 UTV	7143	Bobcat	2016	2017	2027
Bobcat 3400XL 4X4 UTV	7119	Bobcat	2016	2017	2027
Bobcat Skid Steer	7901	Bobcat	2016	2017	2027
Truck w/ Arial lift	8247	Chevrolet	2008	2008	2028
Pickup	1319	Chevrolet	2018	2018	2028
Truck w/ Landscape body	3818	Chevrolet	2018	2018	2028
Pickup	5690	Chevrolet	2018	2018	2028
Pickup	9275	Chevrolet	2021	2021	2031
Pickup	5664	Chevrolet	2022	2023	2033

TOWN OF HIGHLAND PARK
MOBILE EQUIPMENT INVENTORY AND REPLACEMENT SCHEDULE

Department/ Equipment Type	VIN (Last 4)	Equipment Make	Model Year	Year Purchased	Anticipated Replacement
STREET DEPARTMENT					
Pickup	3663	Chevrolet	2018	2018	2028
Pickup	9414	Chevrolet	2018	2018	2028
Dump Truck	4906	Ford	2019	2019	2029
Truck w/ Arial Lift	7821	Ford	2019	2020	2030
Pickup	2215	Chevrolet	2024	2024	2034
Pickup w/ Lift Gate	7448	Chevrolet	2025	2025	2035
Asphalt Roller	0902	Kohler	2025	2025	2036
SERVICE CENTER					
Front-End Loader	0758	Case	2011	2011	2027
WATER DEPARTMENT					
Pickup	9155	Chevrolet	2013	2013	2027
Pickup	9970	Chevrolet	2013	2013	2027
Pickup	6245	Chevrolet	2018	2018	2028
Pickup	6902	Chevrolet	2018	2018	2028
Pickup	9427	Chevrolet	2022	2021	2031
Mini Excavator	3927	Case	2023	2023	2033
Backhoe	5019	Case	2023	2023	2033
Pickup	2492	Chevrolet	2024	2024	2034
SEWER DEPARTMENT					
Loader/Backhoe	0257	John Deere	2012	2012	2027
Pickup	0486	Chevrolet	2018	2018	2028
Truck-4 ½ Ton w/ Flusher	8644	Ford	2019	2019	2029
Dump Truck	1795	Ford	2019	2020	2030

TECHNOLOGY REPLACEMENT FUND

The Technology Replacement Fund accounts for the Town's investment in technology equipment. This type of equipment includes computers, servers, radios, telephones, specialty equipment and networking assets. All assets are scheduled for replacement based upon estimated useful life that covers the respective warranty periods of the assets.

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

Department	Description	Purpose	Total
Public Safety	AXON Tasers (55)	Replacement Tasers	346,275
Information Technology	Door Access Controls System	Replace End of Life Door Access Control System	125,000
Information Technology	Tyler Technologies ERP Pro Upgrade	Major Upgrade of The Town's ERP Financial System	120,000
Information Technology	Annual Computer Replacement	Annual Computer Replacement	93,360
Public Safety	Nextlog DX Recorder	Nextlog DX Recorder For Nextgen 911 System	70,995
Information Technology	Phone System Replacement	Transition the Town's Current Phone System to Microsoft Teams Phone System	36,260
Information Technology	Meraki Wireless Access Points	Upgrade Wireless Access Points in Town Facilities	28,035
Total			819,925

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

TECHNOLOGY REPLACEMENT FUND STATEMENT OF REVENUES & EXPENDITURES

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted
BEGINNING FUND BALANCE	\$ 2,993,588	\$ 2,884,565	\$ 3,108,085	\$ 3,500,623
REVENUES/SOURCES OF FUNDS				
Interest	\$ 217,035	\$ 148,000	\$ 170,285	\$ 137,655
Sale of Assets	-	-	-	-
Contributions	69,558	871,673	1,009,000	233,131
Total Revenues	\$ 286,593	\$ 1,019,673	\$ 1,179,285	\$ 370,786
Transfers	321,383	321,785	321,785	798,990
Total Revenues/Sources	\$ 607,976	\$ 1,341,458	\$ 1,501,070	\$ 1,169,776
EXPENDITURES/USES OF FUNDS				
Services & Charges	\$ -	\$ -	\$ -	\$ -
Technology Equipment Acquisition	493,479	1,108,532	1,108,532	819,925
Total Expenditures	\$ 493,479	\$ 1,108,532	\$ 1,108,532	\$ 819,925
Transfers	-	-	-	-
Total Expenditures/Uses	\$ 493,479	\$ 1,108,532	\$ 1,108,532	\$ 819,925
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ 114,497	\$ 232,926	\$ 392,538	\$ 349,851
ENDING FUND BALANCE	\$ 3,108,085	\$ 3,117,491	\$ 3,500,623	\$ 3,850,474

BUILDING MAINTENANCE & INVESTMENT FUND

The Building Maintenance and Investment Fund was established to ensure adequate funding for the maintenance and operation of the Town's newly renovated Town Hall as well as the Town's Service Center, which houses Parks and Public Works operations. A major objective for FY 2025-26 will be the continued development of a replacement schedule of major equipment and materials of the Town Hall building while strengthening the fund balance.

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

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

BUILDING MAINTENANCE & INVESTMENT FUND STATEMENT OF REVENUES & EXPENDITURES

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted
BEGINNING FUND BALANCE	\$ 1,500,061	\$ 1,542,450	\$ 1,588,769	\$ 1,584,264
REVENUES/SOURCES OF FUNDS				
Interest	\$ 103,522	\$ 70,000	\$ 71,080	\$ 58,195
Miscellaneous	19,401	-	99,448	18,900
Total Revenues	\$ 122,923	\$ 70,000	\$ 170,528	\$ 77,095
Transfers	708,500	689,600	689,600	868,055
Total Revenues/Sources	\$ 831,423	\$ 759,600	\$ 860,128	\$ 945,150
EXPENDITURES/USES OF FUNDS				
Personnel Services	\$ 81,541	\$ 124,525	\$ 103,815	\$ 122,065
Supplies & Equipment	39,882	37,760	44,060	41,420
Services & Charges	477,895	451,350	441,758	557,395
Capital Outlay	143,397	252,000	275,000	271,000
Total Expenditures	\$ 742,715	\$ 865,635	\$ 864,633	\$ 991,880
Transfers	-	-	-	-
Total Expenditures/Uses	\$ 742,715	\$ 865,635	\$ 864,633	\$ 991,880
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ 88,708	\$ (106,035)	\$ (4,505)	\$ (46,730)
ENDING FUND BALANCE	\$ 1,588,769	\$ 1,436,415	\$ 1,584,264	\$ 1,537,534

LOCAL YOUTH DIVERSION FUND

Local Government Code Section 134.103 “Local Consolidated Fee on Conviction of Non-jailable Misdemeanor” sets out statutory requirements for the collection, accounting and expenditure of the \$14 consolidated court cost assessed and retained locally on these convictions. Texas statute requires the establishment of a separate fund to account for 35.7143% (\$5.00) of this fee to be accounted for within a Local Youth Truancy Prevention and Diversion Fund. The Texas Youth Diversion and Early Intervention Act, or House Bill 3186 renamed this fund the Local Youth Diversion Fund.

These funds may be used by a county or municipality to finance the salary, benefits, training, travel expenses, office supplies, and other necessary expenses relating to the position of juvenile case manager. In a county or municipality that does not employ or contract with a juvenile case manager, the governing body of the county or municipality, in consultation with the court, may direct these funds to be used for the support of a local mental health authority, juvenile alcohol and substance abuse programs, educational and leadership programs, teen court programs, and any other project designed to prevent or reduce the number of juvenile referrals to the court.

The budgetary and accounting basis for the Local Youth Diversion Fund is the modified accrual basis.

LOCAL YOUTH DIVERSION FUND STATEMENT OF REVENUES & EXPENDITURES

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted
BEGINNING FUND BALANCE	\$ 69,526	\$ 88,591	\$ 89,065	\$ 108,335
REVENUES/SOURCES OF FUNDS				
Court Fees	\$ 15,234	\$ 15,100	\$ 14,975	\$ 15,015
Interest	4,305	3,773	4,295	3,610
Total Revenues	\$ 19,539	\$ 18,873	\$ 19,270	\$ 18,625
Transfers	-	-	-	-
Total Revenues/Sources	\$ 19,539	\$ 18,873	\$ 19,270	\$ 18,625
EXPENDITURES/USES OF FUNDS				
Supplies & Equipment	\$ -	\$ -	\$ -	\$ -
Service & Charges	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	\$ -	\$ -	\$ -	\$ -
Transfers	-	-	-	-
Total Expenditures/Uses	\$ -	\$ -	\$ -	\$ -
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ 19,539	\$ 18,873	\$ 19,270	\$ 18,625
ENDING FUND BALANCE	\$ 89,065	\$ 107,464	\$ 108,335	\$ 126,960

MUNICIPAL JURY FUND

Local Government Code Section 134.103 “Local Consolidated Fee on Conviction of Non-jailable Misdemeanor” sets out statutory requirements for the collection, accounting and expenditure of the \$14 consolidated court cost assessed and retained locally on these convictions. Texas statute requires the establishment of a separate fund to account for 0.7143% (\$0.10) of this fee to be accounted for within a Municipal Jury Fund.

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

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

MUNICIPAL JURY FUND STATEMENT OF REVENUES & EXPENDITURES

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted
BEGINNING FUND BALANCE	\$ 1,390	\$ 1,772	\$ 1,781	\$ 2,151
REVENUES/SOURCES OF FUNDS				
Court Fees	\$ 305	\$ 300	\$ 285	\$ 285
Interest	86	75	85	75
Total Revenues	\$ 391	\$ 375	\$ 370	\$ 360
Transfers	-	-	-	-
Total Revenues/Sources	\$ 391	\$ 375	\$ 370	\$ 360
EXPENDITURES/USES OF FUNDS				
Supplies & Equipment	\$ -	\$ -	\$ -	\$ 250
Service & Charges	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures/Uses	\$ -	\$ -	\$ -	\$ 250
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ 391	\$ 375	\$ 370	\$ 110
ENDING FUND BALANCE	\$ 1,781	\$ 2,147	\$ 2,151	\$ 2,261

FORFEITED PROPERTY FUND

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

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

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

FORFEITED PROPERTY FUND STATEMENT OF REVENUES & EXPENDITURES

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted
BEGINNING FUND BALANCE	\$ 32,581	\$ 44,106	\$ 45,221	\$ 53,381
REVENUES/SOURCES OF FUNDS				
Forfeitures	\$ 10,026	\$ 2,500	\$ 2,500	\$ 2,500
Interest	2,614	6,877	6,010	5,060
Total Revenues	\$ 12,640	\$ 9,377	\$ 8,510	\$ 7,560
Transfers	-	-	-	-
Total Revenues/Sources	\$ 12,640	\$ 9,377	\$ 8,510	\$ 7,560
EXPENDITURES/USES OF FUNDS				
Supplies & Equipment	\$ -	\$ -	\$ -	\$ -
Service & Charges	-	-	350	500
Capital Outlay	-	-	-	-
Total Expenditures/Uses	\$ -	\$ -	\$ 350	\$ 500
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ 12,640	\$ 9,377	\$ 8,160	\$ 7,060
ENDING FUND BALANCE	\$ 45,221	\$ 53,483	\$ 53,381	\$ 60,441

COURT TECHNOLOGY FUND

Local Government Code Section 134.103 “Local Consolidated Fee on Conviction of Non-jailable Misdemeanor” sets out statutory requirements for the collection, accounting and expenditure of the \$14 consolidated court cost assessed and retained locally on these convictions. Texas statutes require the establishment of a separate fund to account for 28.5714% (\$4.00) of this fee to be accounted for within a Court Technology Fund.

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

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

This Budget includes appropriations for software, hardware, website maintenance contracts, and other Court technology related expenditures (\$40,632).

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

STATEMENT OF REVENUES & EXPENDITURES

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted
BEGINNING FUND BALANCE	\$ 111,326	\$ 111,621	\$ 119,808	\$ 126,533
REVENUES/SOURCES OF FUNDS				
Court Fees	\$ 24,847	\$ 23,700	\$ 24,320	\$ 24,245
Interest	6,619	5,753	6,130	5,165
Total Revenues	\$ 31,466	\$ 29,453	\$ 30,450	\$ 29,410
Transfers	-	-	-	-
Total Revenues/Sources	\$ 31,466	\$ 29,453	\$ 30,450	\$ 29,410
EXPENDITURES/USES OF FUNDS				
Supplies & Equipment	\$ 2,804	\$ 3,504	\$ 2,305	\$ 5,026
Service & Charges	20,180	21,423	21,420	35,606
Capital Outlay	-	-	-	-
Total Expenditures/Uses	\$ 22,984	\$ 24,927	\$ 23,725	\$ 40,632
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ 8,482	\$ 4,526	\$ 6,725	\$ (11,222)
ENDING FUND BALANCE	\$ 119,808	\$ 116,147	\$ 126,533	\$ 115,311

COURT SECURITY FUND

Local Government Code Section 134.103 “Local Consolidated Fee on Conviction of Non-jailable Misdemeanor” sets out statutory requirements for the collection, accounting and expenditure of the \$14 consolidated court cost assessed and retained locally on these convictions. Texas statutes require the establishment of a separate fund to account for 35% (\$4.90) of this fee to be accounted for within a Court Security Fund.

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

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

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

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

COURT SECURITY FUND STATEMENT OF REVENUES & EXPENDITURES

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted
BEGINNING FUND BALANCE	\$ 30,350	\$ 31,786	\$ 32,005	\$ 32,355
REVENUES/SOURCES OF FUNDS				
Court Fees	\$ 24,424	\$ 23,300	\$ 23,250	\$ 23,750
Interest	1,831	1,478	1,700	1,450
Total Revenues	\$ 26,255	\$ 24,778	\$ 24,950	\$ 25,200
Transfers	-	-	-	-
Total Revenues/Sources	\$ 26,255	\$ 24,778	\$ 24,950	\$ 25,200
EXPENDITURES/USES OF FUNDS				
Services & Charges	\$ -	\$ -	\$ -	\$ -
Capital Outlay	-	-	-	-
Total Expenditures	\$ -	\$ -	\$ -	\$ -
Transfers	24,600	24,600	24,600	24,600
Total Expenditures/Uses	\$ 24,600	\$ 24,600	\$ 24,600	\$ 24,600
Excess Revenues/Sources Over Expenditures/Uses	\$ 1,655	\$ 178	\$ 350	\$ 600
ENDING FUND BALANCE	\$ 32,005	\$ 31,964	\$ 32,355	\$ 32,955

LIBRARY FUND

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

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

The FY 2025-26 Adopted Budget includes funding for the purpose of acquiring digital and physical library materials. Capital purchases include a portable teaching kitchen, a 3D printer, and two exhibit cases for physical and/or special collections.

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

LIBRARY FUND STATEMENT OF REVENUES & EXPENDITURES

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted
BEGINNING FUND BALANCE	\$ 361,618	\$ 388,292	\$ 391,051	\$ 430,956
REVENUES/SOURCES OF FUNDS				
Interest	\$ 21,042	\$ 18,200	\$ 18,890	\$ 16,110
Library Donations	46,939	53,800	65,420	80,555
Total Revenues	\$ 67,981	\$ 72,000	\$ 84,310	\$ 96,665
Transfers	-	-	-	-
Total Revenues/Sources	\$ 67,981	\$ 72,000	\$ 84,310	\$ 96,665
EXPENDITURES/USES OF FUNDS				
Supplies & Equipment	\$ 37,067	\$ 43,187	\$ 43,185	\$ 45,038
Services & Charges	1,481	1,220	1,220	1,350
Capital Outlay	-	-	-	34,165
Total Expenditures	\$ 38,548	\$ 44,407	\$ 44,405	\$ 80,553
Transfers	-	-	-	-
Total Expenditures/Uses	\$ 38,548	\$ 44,407	\$ 44,405	\$ 80,553
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ 29,433	\$ 27,593	\$ 39,905	\$ 16,112
ENDING FUND BALANCE	\$ 391,051	\$ 415,885	\$ 430,956	\$ 447,068

RESERVE FUND

Created in FY 2021-22, this fund was established to account for revenues the Town receives from the sale of real property. Approximately three years ago, the Town sold right-of-way located between the Shops of Highland Park and property used as a parking area for the Shops of Highland Park. During Fiscal Year 2021-22, the Town sold property it owned in the City of Dallas. The property was previously used by the Town as a landfill and has been closed for many years. In FY2023-24, available resources within this Fund were used to acquire property within Highland Park to support the Town's public works operations. Transfers presented are loans to the Storm Water Drainage Fund for the purpose of funding the Hackberry Creek Project. Once the project is complete, the Storm Water Drainage Fund will begin repaying the funds back into the Reserve Fund.

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

RESERVE FUND STATEMENT OF REVENUES & EXPENDITURES

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted
BEGINNING FUND BALANCE	\$ 7,964,948	\$ 4,762,219	\$ 4,866,208	\$ 4,035,790
REVENUES/SOURCES OF FUNDS				
Interest	\$ 469,910	\$ 216,255	\$ 180,310	\$ 136,800
Miscellaneous	102,339	-	7,860	-
Total Revenues	\$ 572,249	\$ 216,255	\$ 188,170	\$ 136,800
Transfers	-	-	-	-
Total Revenues/Sources	\$ 572,249	\$ 216,255	\$ 188,170	\$ 136,800
EXPENDITURES/USES OF FUNDS				
Service & Charges	\$ 52,145	\$ -	\$ 18,588	\$ -
Capital Outlay	3,618,844	-	-	-
Total Expenditures	\$ 3,670,989	\$ -	\$ 18,588	\$ -
Transfers	-	1,000,000	1,000,000	500,000
Total Expenditures/Uses	\$ 3,670,989	\$ 1,000,000	\$ 1,018,588	\$ 500,000
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ (3,098,740)	\$ (783,745)	\$ (830,418)	\$ (363,200)
ENDING FUND BALANCE	\$ 4,866,208	\$ 3,978,474	\$ 4,035,790	\$ 3,672,590

CAPITAL PROJECTS FUND

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

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

The FY 2025-26 Adopted Budget includes transfers to the Capital Projects Fund from the General, Utility, and Solid Waste Funds. The transfers from the General Fund include growth in property values over several years (see page 144) and are earmarked specifically for capital projects. This, in conjunction with the ten-year financial model, (see pages 158-161) is used to plan capital needs while not impacting on the General Fund's operating budget or reducing Town services offered to the community. The detail regarding these transfers is presented on pages 97, 114, and 122. In addition to these transfers, the Town's Financial Management Policies also provide for the transfer of any annual operating surplus realized by the General Fund for each preceding fiscal year.

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

This budget includes \$1,633,470 for the 2026 right-of-way rehabilitation program, which includes streetlights, sidewalks, street resurfacing, traffic signal upgrades, and miscellaneous concrete. In addition, funding for improvements to Eastern Avenue – Westside to Mockingbird Lane (\$2,314,890) and Douglas Avenue – South Town limits to Arcady Avenue (\$1,836,826) have been incorporated into this budget. Parks and recreation improvement funding totaling \$567,813 has been appropriated for various park renovation and rehabilitation projects. The major project in the FY 2025-26 Capital Projects Fund budget is the reconstruction of the Wycliff bridge at an estimated cost of \$18,660,000. Lastly, a project contingency of \$900,000 has been set aside to provide additional funding, as needed, in the event of higher than anticipated project bids and/or to allow for project scope expansion.

Transfers out of this budget include reimbursement of \$335,450 in personnel costs to the Utility Fund, representing that portion of Engineering Department personnel costs associated with Capital Projects Fund funded projects, and a transfer of \$1,000,000 to the Storm Water Utility Fund to assist in funding improvements to the Town's storm water drainage system.

For more information concerning the Town's infrastructure maintenance and replacement program, please refer to the Capital Improvement Program on page 143.

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

	FY 2024 Actual	FY 2025 Budget	FY 2025 Projected	FY 2026 Adopted
BEGINNING FUND BALANCE	\$ 11,502,030	\$ 16,953,158	\$ 15,530,470	\$ 18,370,124
REVENUES/SOURCES OF FUNDS				
Interest	\$ 883,073	\$ 675,000	\$ 797,950	\$ 687,945
Contributions	3,024,581	16,326,414	4,370,730	16,722,529
Total Revenues	\$ 3,907,654	\$ 17,001,414	\$ 5,168,680	\$ 17,410,474
Transfers	5,374,582	5,455,046	9,455,046	5,609,538
Total Revenues/Sources	\$ 9,282,236	\$ 22,456,460	\$ 14,623,726	\$ 23,020,012
EXPENDITURES/USES OF FUNDS				
Capital Projects	\$ 5,986,096	\$ 26,846,729	\$ 10,798,072	\$ 26,912,999
Total Expenditures	\$ 5,986,096	\$ 26,846,729	\$ 10,798,072	\$ 26,912,999
Transfers	1,267,700	986,000	986,000	1,335,450
Total Expenditures/Uses	\$ 7,253,796	\$ 27,832,729	\$ 11,784,072	\$ 28,248,449
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ 2,028,440	\$ (5,376,269)	\$ 2,839,654	\$ (5,228,437)
FUND BALANCE	\$ 15,530,470	\$ 11,576,889	\$ 18,370,124	\$ 13,141,687
FUND BALANCE MINIMUM	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
FUND BALANCE SURPLUS	13,530,470	\$ 9,576,889	\$ 16,370,124	\$ 11,141,687

DEBT

Legal Debt Margin Information And Debt Service Status

The Town of Highland Park, as of September 30, 2025, does not have any outstanding debt. The FY 2025-26 Adopted Budget does not include any issuance of debt to fund short-term or long-range capital projects. The Town funds capital projects on a pay-as-you-go basis.

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

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

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

The Capital Improvement Plan (CIP) and Financial Forecast

Each year, during the annual budget process, the Town studies the 10-year plan for capital improvements throughout the Town. Additionally, the Town's finance department, assembles information to forecast revenues and operating expenditures/expenses for the 10-year planning horizon. Forecasting anticipated results of operations allows the Town to assess the level of resources that are expected to be available to be applied towards capital improvements. During this process, projects are added, modified or removed and a new 10-year CIP is approved. Historically, the Town has funded the CIP through existing resources and has not issued debt since the 1970's. This focus on a pay-as-you-go system allows Town's resources to be applied towards capital projects within the community with none being used towards carrying cost that otherwise would exist with a debt program.

CIP Development

Along with the development of the annual budget for the ensuring fiscal year, the 10-year CIP is updated to incorporate any necessary changes. These changes may consist of new projects and revisions to existing projects either in scope, in cost or both. The process to update the CIP follows a similar process that is completed with the development of the annual budget. Steps include seeking input from departments, management, the Finance & Audit Advisory Committee and ultimately the Town Council. Once completed, the CIP is monitored for progress and needed amendments.





THIS PAGE INTENTIONALLY LEFT BLANK

TEN YEAR CAPITAL IMPROVEMENT PLAN & FINANCIAL FORECAST

TOWN OF HIGHLAND PARK, TEXAS

CAPITAL PROJECTS FUND

FISCAL YEARS 2026-2035

Project/Funding Source	2024-25	2025-26	2026-27	2027-28
Beginning Balance	\$ 15,530,470	\$ 18,370,124	\$ 13,141,687	\$ 9,613,192
Annual Project Funding				
General Fund CIP Transfer	\$ 2,069,755	\$ 2,294,945	\$ 2,343,139	\$ 2,392,345
Solid Waste Fund 5% Transfer	92,400	92,600	93,526	94,461
Utility Fund 5% W&S Transfer	622,121	659,448	683,621	708,691
Supplemental General Fund Transfer	5,262,490	1,154,265	759,699	1,503,739
Increased CIP Revenue from Growth in Property Values: 2014-16	1,408,280	1,408,280	1,408,280	1,408,280
Contributions - DART	4,370,730	1,772,529	1,330,000	-
Intergovernmental Revenue				
TCEQ (Wycliffe Design)	-	-	-	-
University Park	-	-	-	-
NTxCOG	-	-	-	-
NCTCOG (TXDOT)	-	12,550,000	-	-
City of Dallas (Stormwater)	-	400,000	-	-
External Funding	-	500,000	-	-
Dallas County MCIP (Mockingbird)	-	-	-	-
Dallas County	-	1,500,000	1,000,000	2,400,000
Interest Revenue	797,950	687,945	328,542	240,330
Total Annual Project Funding	\$ 14,623,726	\$ 23,020,012	\$ 7,946,807	\$ 8,747,846
Expenditures				
Park Renovation/Rehabilitation Program	\$ 259,509	\$ 267,813	\$ 276,383	\$ 285,227
Parks - Davis Park Playground Improvements	-	200,000	-	-
Parks - Abbott Park Playground Improvements	-	-	300,000	-
Parks - Fairfax Park Playground Improvements	-	-	-	200,000
Parks - Ashley Priddy Fountain Rehabilitation	-	100,000	-	-
Hackberry Creek Landscaping Design - Byron to Miramar	150,000	-	-	-
Hackberry Creek Landscaping Phase 1A - Byron to Beverly	-	500,000	-	-
Hackberry Creek Landscaping Phase 1B - Beverly to Miramar	-	-	500,000	-
Facilities - Building Improvements	119,000	-	-	-
Swimming Pool Improvements	77,400	-	-	-
Town Facility Needs Assessment	96,480	-	-	-
DPS Radio Equipment Relocation	720,519	-	-	-
Street Light Program	159,754	164,866	170,142	175,587
Sidewalk Rehabilitation Program	206,400	213,005	219,821	226,855
Right of Way Improvements	1,266,666	1,255,599	1,295,778	1,337,243
Traffic Signal Upgrades	224,439	-	-	-
Oaklawn at Herschel Pedestrian Improvements	100,000	-	-	-
Pavement Asset Management Plan Updated (every 5 years)	-	-	-	-
Water/Sewer/Alley Renewals	1,400,000	-	1,498,000	-
Bridge Rehabilitation (Mockingbird and Beverly)	-	500,000	-	-
Wycliffe Reconstruction - Oaklawn to E Town Limits	1,049,900	17,660,000	-	-
Wycliffe Construction Administration - Oaklawn to E Town Limits	-	1,000,000	-	-
Potomac & Auburndale Reconstruction	1,500,000	-	-	-
Beverly/Miramar Hackberry Creek Roadway Crossings	1,908,005	-	-	-
Holland Avenue Reconstruction - Town limits to Westside (48)	-	-	742,846	-
Beverly Drive Reconstruction - Westside to Eastern (59)	1,560,000	-	-	-
Eastern Avenue Reconstruction - Westside to Mockingbird (40)	-	2,314,890	-	-
Douglas Avenue Reconstruction - South Town Limits to Arcady (53)	-	1,836,826	-	-
Potomac Avenue - Town Limit to Douglas (60)	-	-	753,458	-
Westside Drive Reconstruction - Lemmon to Bordeaux (36)	-	-	1,337,122	-
Dartmouth - Abbott to E Town Limits (96)	-	-	424,483	-
Hillcrest Avenue Reconstruction - Princeton to Drexel (35)	-	-	1,464,467	-
Preston Road/Armstrong/Lakeside Drive Intersection Reconstruction	-	-	848,966	5,953,377
Lomo Alto Drive Resurface - Lemmon to Mockingbird	-	-	-	649,459
Beverly Drive Reconstruction - Preston to Fairfield (61)	-	-	-	1,684,806
Fairfax Avenue Reconstruction - Douglas to Preston (61)	-	-	-	1,298,919
Douglas Avenue Reconstruction - Beverly to North Town Limits (51)	-	-	-	-
Abbott Avenue Reconstruction - Armstrong to Harvard (56)	-	-	-	-
Potomac - Hackberry Creek to Golf (59)	-	-	-	-
Normandy - Hackberry Creek to Golf (79)	-	-	-	-
Westside Drive Resurface - Bordeaux to Mockingbird	-	-	-	-
Hillcrest Avenue Reconstruction - Abbott to Princeton (63)	-	-	-	-
Armstrong Parkway Reconstruction - Arcady to Beverly (62)	-	-	-	-
Roland Avenue Reconstruction - Bordeaux to Mockingbird (46)	-	-	-	-
Beverly Drive Reconstruction - St. Johns to Hillcrest (65)	-	-	-	-
Lomo Alto Drive Reconstruction - Beverly to Mockingbird (60)	-	-	-	-
Beverly Drive Reconstruction - Fairfield to Drexel (65)	-	-	-	-
Armstrong Parkway Reconstruction - Beverly to Mockingbird (68)	-	-	-	-
Mockingbird Lane Rehabilitation - DNT to Hillcrest (73)	-	-	-	-
Lomo Alto Drive Reconstruction - Lemmon to Westway (45)	-	-	-	-
Armstrong Parkway Reconstruction - Douglas to Preston (EB) (75)	-	-	-	-
Contingency	-	900,000	300,000	350,000
Total Expenditures	\$ 10,798,072	\$ 26,912,999	\$ 10,131,466	\$ 12,161,472
Transfers-Out				
Storm Water Fund	\$ 700,000	\$ 1,000,000	\$ 1,000,000	\$ 1,525,000
Utility Fund	286,000	335,450	343,836	352,432
Total Transfers-Out	\$ 986,000	\$ 1,335,450	\$ 1,343,836	\$ 1,877,432
Total Expenditures & Transfers Out	\$ 11,784,072	\$ 28,248,449	\$ 11,475,302	\$ 14,038,904
Ending Balance*	\$ 18,370,124	\$ 13,141,687	\$ 9,613,192	\$ 4,322,134
Construction Contingency	2,000,000	2,000,000	2,000,000	2,000,000
Over(Under) Contingency	\$ 16,370,124	\$ 11,141,687	\$ 7,613,192	\$ 2,322,134

**Excludes FY 2024-25

2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	Total**	
\$ 4,322,134	\$ 2,065,940	\$ 2,340,280	\$ 2,426,095	\$ 3,506,089	\$ 3,105,818	\$ 3,851,498	\$	18,370,124
\$ 2,442,584	\$ 2,493,878	\$ 2,546,249	\$ 2,599,720	\$ 2,654,314	\$ 2,710,055	\$ 2,766,966	\$	25,244,195
95,406	96,360	97,324	98,297	99,280	100,273	101,276		968,803
734,690	761,654	789,620	818,623	848,704	879,584	911,600		7,796,236
2,706,308	1,717,860	2,188,869	2,469,833	2,861,275	3,113,745	3,327,828		21,803,421
1,408,280	1,408,280	1,408,280	1,408,280	1,408,280	1,408,280	1,408,280		14,082,800
-	-	-	-	-	-	-		3,102,529
-	-	-	-	-	-	-		-
-	-	-	-	-	-	-		-
-	-	-	-	-	-	-		-
-	-	-	-	-	-	-		12,550,000
-	-	-	-	-	-	-		400,000
-	-	-	-	-	-	-		500,000
-	-	-	-	-	-	-		-
500,000	1,000,000	500,000	500,000	500,000	250,000	250,000		8,400,000
108,053	51,649	58,507	60,652	87,652	77,645	96,287		1,797,263
\$ 7,995,321	\$ 7,529,681	\$ 7,588,849	\$ 7,955,405	\$ 8,459,506	\$ 8,539,583	\$ 8,862,237	\$	96,645,247
\$ 294,354	\$ 303,773	\$ 313,494	\$ 323,526	\$ 333,879	\$ 344,563	\$ 355,589	\$	3,098,601
-	-	-	-	-	-	-		200,000
-	-	-	-	-	-	-		300,000
-	-	-	-	-	-	-		200,000
-	-	-	-	-	-	-		100,000
-	-	-	-	-	-	-		-
-	-	-	-	-	-	-		500,000
-	-	-	-	-	-	-		500,000
-	-	-	-	-	-	-		-
-	-	-	-	-	-	-		-
-	-	-	-	-	-	-		-
181,206	187,005	192,989	199,165	205,538	212,115	218,903		1,907,516
234,114	241,606	249,337	257,316	265,550	274,048	282,818		2,464,470
1,380,035	1,424,196	1,469,770	1,516,803	1,565,341	1,615,432	1,667,126		14,527,323
-	-	-	-	-	-	-		-
-	-	-	-	-	-	-		-
-	100,000	-	-	-	-	120,000		220,000
1,602,860	-	1,715,060	-	1,835,114	-	1,963,572		8,614,607
-	-	-	-	-	-	-		500,000
-	-	-	-	-	-	-		17,660,000
-	-	-	-	-	-	-		1,000,000
-	-	-	-	-	-	-		-
-	-	-	-	-	-	-		-
-	-	-	-	-	-	-		742,846
-	-	-	-	-	-	-		-
-	-	-	-	-	-	-		2,314,890
-	-	-	-	-	-	-		1,836,826
-	-	-	-	-	-	-		753,458
-	-	-	-	-	-	-		1,337,122
-	-	-	-	-	-	-		424,483
-	-	-	-	-	-	-		1,464,467
-	-	-	-	-	-	-		6,802,343
-	-	-	-	-	-	-		649,459
-	-	-	-	-	-	-		1,684,806
-	-	-	-	-	-	-		1,298,919
2,181,664	-	-	-	-	-	-		2,181,664
2,716,039	-	-	-	-	-	-		2,716,039
-	1,689,244	-	-	-	-	-		1,689,244
-	1,351,395	-	-	-	-	-		1,351,395
-	337,849	-	-	-	-	-		337,849
-	-	936,179	-	-	-	-		936,179
-	-	1,596,673	-	-	-	-		1,596,673
-	-	-	1,616,890	-	-	-		1,616,890
-	-	-	1,922,693	-	-	-		1,922,693
-	-	-	-	1,595,449	-	-		1,595,449
-	-	-	-	1,860,162	-	-		1,860,162
-	-	-	-	-	1,497,535	-		1,497,535
-	-	-	-	-	2,791,497	-		2,791,497
-	-	-	-	-	-	2,064,001		2,064,001
-	-	-	-	-	-	1,492,049		1,492,049
300,000	250,000	300,000	300,000	450,000	300,000	300,000		3,750,000
\$ 8,890,271	\$ 5,885,067	\$ 6,773,502	\$ 6,136,393	\$ 8,111,033	\$ 7,035,190	\$ 8,464,059	\$	100,501,453
\$ 1,000,000	\$ 1,000,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$	7,275,000
361,243	370,274	379,531	389,019	398,744	408,713	418,931		3,758,173
\$ 1,361,243	\$ 1,370,274	\$ 729,531	\$ 739,019	\$ 748,744	\$ 758,713	\$ 768,931	\$	11,033,173
10,251,514	7,255,341	7,503,033	6,875,412	8,859,777	7,793,903	9,232,990		111,534,626
\$ 2,065,940	\$ 2,340,280	\$ 2,426,095	\$ 3,506,089	\$ 3,105,818	\$ 3,851,498	\$ 3,480,745	\$	3,480,745
2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000		2,000,000
\$ 65,940	\$ 340,280	\$ 426,095	\$ 1,506,089	\$ 1,105,818	\$ 1,851,498	\$ 1,480,745	\$	1,480,745

TOWN OF HIGHLAND PARK, TEXAS

STORM WATER FUND

FISCAL YEARS 2026-2035

Project/Funding Source	2024-25	2025-26	2026-27	2027-28
Beginning Balance	\$ 4,670,586	\$ 4,040,521	\$ 1,281,994	\$ 837,202
Storm Water Charges	\$ 1,142,825	\$ 2,287,190	\$ 2,858,988	\$ 3,287,836
Interest Earnings	292,295	241,950	32,050	20,930
Total Revenues	\$ 1,435,120	\$ 2,529,140	\$ 2,891,037	\$ 3,308,766
Transfer-In as Advance from Reserve Fund	\$ 1,000,000	\$ 500,000	\$ -	\$ -
Transfer-In from Capital Projects Fund	700,000	1,000,000	1,000,000	1,525,000
Total Transfers-In	1,700,000	1,500,000	1,000,000	1,525,000
Total Revenues & Transfers - In	\$ 3,135,120	\$ 4,029,140	\$ 3,891,037	\$ 4,833,766
Expenditures				
Supplies & Equipment	\$ 7,600	\$ 7,500	\$ 7,665	\$ 7,834
Services & Charges	198,685	200,120	204,523	209,023
Total Operating Expenditures	\$ 206,285	\$ 207,620	\$ 212,188	\$ 216,857
Capital Outlay:				
Master Plan & Improvements for Hackberry Creek	\$ 500,000	\$ -	\$ -	\$ -
Prather Park Tennis Court - Contingency	100,000	-	-	-
Hackberry Creek Phase 1A - Byron to Beverly	-	2,500,000	-	-
Hackberry Creek Phase 1B - Beverly to Miramar	-	-	2,100,000	-
Drainage Easement Projects	1,500,000	700,000	-	250,000
Exall and Connor Lake Bathymetry Studies	-	50,000	-	-
Stormwater Analysis - Master Plan	75,000	-	-	-
Exall Lake Dredging	-	2,000,000	-	2,000,000
Conner Lake Dredging	-	1,000,000	-	-
Holland Ave Reconstruction - Town limits to Westside	-	-	150,000	-
Potomac & Auburndale Reconstruction	835,000	-	-	-
Lakeside Stormwater Repair	393,500	-	-	-
Eastern Avenue Reconstruction - Westside Dr to Mockingbird Ln (40)	-	62,424	-	-
Douglas Avenue Reconstruction - South Town Limits to Arcady (53)	-	85,313	-	-
Westside Drive Reconstruction - Lemmon to Bordeaux (36)	-	-	53,060	-
Dartmouth - Abbott to E Town Limits (96)	-	-	1,591,812	-
Hillcrest Avenue Reconstruction - Princeton to Drexel (35)	-	-	42,448	-
Central Potomac Inlets/Townwide Inlets	-	-	-	324,730
Beverly Drive Reconstruction - Preston to Fairfield (61)	-	-	-	741,466
Fairfax Avenue Reconstruction - Douglas to Preston (61)	-	-	-	1,190,675
Douglas Avenue Reconstruction - Beverly to North Town Limits (51)	-	-	-	-
Abbott Avenue Reconstruction - Armstrong to Harvard (56)	-	-	-	-
Potomac - Hackberry Creek to Golf (59)	-	-	-	-
Normandy - Hackberry Creek to Golf (79)	-	-	-	-
Hillcrest Avenue Reconstruction - Abbott to Princeton (63)	-	-	-	-
Armstrong Parkway Reconstruction - Arcady to Beverly (62)	-	-	-	-
Beverly Drive Reconstruction - St. Johns to Hillcrest (65)	-	-	-	-
Lomo Alto Drive Reconstruction - Beverly to Mockingbird (60)	-	-	-	-
Beverly Drive Reconstruction - Fairfield to Drexel (65)	-	-	-	-
Armstrong Parkway Reconstruction - Beverly to Mockingbird (68)	-	-	-	-
Lomo Alto Drive Reconstruction - Lemmon to Westway (45)	-	-	-	-
Lomo Alto Drive Reconstruction - Westway to Arcady (60)	-	-	-	-
Lomo Alto Drive Reconstruction - Arcady to Beverly (53)	-	-	-	-
Armstrong Parkway Reconstruction - Douglas to Arcady (68)	-	-	-	-
Total Capital Outlay	\$ 3,403,500	\$ 6,397,737	\$ 3,937,321	\$ 4,506,871
Total Expenditures	\$ 3,609,785	\$ 6,605,357	\$ 4,149,509	\$ 4,723,728
Transfer to Reserve Fund for Repayment of Advance	-	-	-	-
Transfers Out to Utility Fund	155,400	182,310	186,321	190,420
Total Transfers-In	155,400	182,310	186,321	190,420
Total Expenditures & Transfers-Out	\$ 3,765,185	\$ 6,787,667	\$ 4,335,830	\$ 4,914,148
Ending Balance	\$ 4,040,521	\$ 1,281,994	\$ 837,202	\$ 756,819
**Excludes FY 2024-25				
Rate Adjustment Anticipated	100.0%	100.0%	25.0%	15.0%

2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	Total**
\$ 756,819	\$ 1,173,609	\$ 666,837	\$ 1,158,528	\$ 3,853,141	\$ 4,401,335	\$ 7,493,482	\$ 4,040,521
\$ 3,616,619	\$ 3,797,450	\$ 3,911,374	\$ 4,028,715	\$ 4,149,576	\$ 4,274,064	\$ 4,402,286	\$ 36,614,096
18,920	29,340	16,671	28,963	96,329	110,033	187,337	782,524
\$ 3,635,540	\$ 3,826,790	\$ 3,928,045	\$ 4,057,678	\$ 4,245,905	\$ 4,384,097	\$ 4,589,623	\$ 37,396,620
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000
1,000,000	1,000,000	350,000	350,000	350,000	350,000	350,000	\$ 7,275,000
1,000,000	1,000,000	350,000	350,000	350,000	350,000	350,000	7,775,000
\$ 4,635,540	\$ 4,826,790	\$ 4,278,045	\$ 4,407,678	\$ 4,595,905	\$ 4,734,097	\$ 4,939,623	\$ 45,171,620
\$ 8,006	\$ 8,182	\$ 8,362	\$ 8,546	\$ 8,734	\$ 8,926	\$ 9,122	\$ 82,877
213,622	218,322	223,125	228,034	233,051	238,178	243,418	2,211,416
\$ 221,628	\$ 226,504	\$ 231,487	\$ 236,580	\$ 241,785	\$ 247,104	\$ 252,540	\$ 2,294,293
\$ 1,500,000	\$ 2,800,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,300,000
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	2,500,000
-	-	-	-	-	-	-	2,100,000
1,717,350	250,000	1,837,565	250,000	1,966,194	250,000	2,103,828	9,324,936
-	-	-	-	-	-	-	50,000
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	4,000,000
-	-	-	-	-	-	-	1,000,000
-	-	-	-	-	-	-	150,000
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	62,424
-	-	-	-	-	-	-	85,313
-	-	-	-	-	-	-	53,060
-	-	-	-	-	-	-	1,591,812
-	-	-	-	-	-	-	42,448
-	-	-	-	-	-	-	324,730
-	-	-	-	-	-	-	741,466
-	-	-	-	-	-	-	1,190,675
529,959	-	-	-	-	-	-	529,959
55,204	-	-	-	-	-	-	55,204
-	1,013,546	-	-	-	-	-	1,013,546
-	844,622	-	-	-	-	-	844,622
-	-	57,434	-	-	-	-	57,434
-	-	456,603	-	-	-	-	456,603
-	-	-	18,747	-	-	-	18,747
-	-	-	-	609,497	-	-	609,497
-	-	-	-	17,926	-	-	17,926
-	-	-	-	-	427,867	-	427,867
-	-	-	-	-	-	3,730,123	3,730,123
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ 3,802,513	\$ 4,908,168	\$ 2,351,601	\$ 268,747	\$ 2,593,618	\$ 677,867	\$ 5,833,951	\$ 35,278,393
\$ 4,024,141	\$ 5,134,672	\$ 2,583,088	\$ 505,327	\$ 2,835,403	\$ 924,971	\$ 6,086,491	\$ 37,572,686
-	-	1,000,000	1,000,000	1,000,000	500,000	500,000	4,000,000
194,609	198,890	203,266	207,738	212,308	216,979	221,753	2,014,594
194,609	198,890	1,203,266	1,207,738	1,212,308	716,979	16,372,317	6,014,594
\$ 4,218,750	\$ 5,333,562	\$ 3,786,354	\$ 1,713,065	\$ 4,047,711	\$ 1,641,950	\$ 6,808,244	\$ 43,587,280
\$ 1,173,609	\$ 666,837	\$ 1,158,528	\$ 3,853,141	\$ 4,401,335	\$ 7,493,482	\$ 5,624,861	\$ 5,624,861
10.0%	5.0%	3.0%	3.0%	3.0%	3.0%	3.0%	

TOWN OF HIGHLAND PARK, TEXAS

UTILITY FUND

FISCAL YEARS 2026-2035

Project/Funding Source	2024-25	2025-26	2026-27	2027-28
Beginning Balance	\$ 5,853,706	\$ 5,546,798	\$ 4,092,366	\$ 3,186,989
Water Sales	\$ 9,386,385	\$ 9,754,780	\$ 10,135,216	\$ 10,530,489
Sewer Charges	3,239,715	3,434,185	3,537,211	3,643,327
Permit Revenue	60,935	61,315	64,000	64,000
Interest Earnings	465,375	362,475	102,309	79,675
Contributions	-	-	-	-
University Park (30" Interceptor - Wycliffe)	-	375,000	-	-
University Park (30" Interceptor - Wycliffe to Armstrong)	-	1,000,000	-	-
City of Dallas (DWU)	-	465,000	-	-
Other Revenues	196,150	484,650	504,036	524,197
Total Revenues	\$ 13,348,560	\$ 15,937,405	\$ 14,342,772	\$ 14,841,689
Additional Transfer-In from the Capital Projects Fund	\$ -	\$ -	\$ -	\$ -
Transfers-In	503,800	575,775	588,442	601,388
Total Revenues & Transfers-In	\$ 13,852,360	\$ 16,513,180	\$ 14,931,214	\$ 15,443,077
Expenditures				
Personnel Services	\$ 2,086,410	\$ 2,484,041	\$ 2,577,193	\$ 2,673,838
Supplies & Equipment	326,591	339,889	350,086	360,589
Water Purchases	4,095,185	4,361,210	4,579,271	4,808,234
Services & Charges	1,856,526	2,180,018	2,245,419	2,312,782
Total Operating Expenditures	\$ 8,364,712	\$ 9,365,158	\$ 9,751,969	\$ 10,155,443
Capital Outlay:				
Water/Sewer/Alley Renewals	\$ 2,100,000	\$ 350,000	\$ 2,247,000	\$ 350,000
30" Interceptor - Wycliffe Reconstruction Project	-	750,000	-	-
30" Interceptor - Wycliffe to Armstrong	307,000	2,000,000	-	-
30" Interceptor - Beverly to Mockingbird	-	-	-	-
Wycliffe Reconstruction - Water and Sewer Improvements	-	1,850,000	-	-
Holland Elevated Storage Tank Replacement	300,000	-	-	-
Decommission Holland EST	-	300,000	-	-
Holland Ave Reconstruction - Town limits to Westside	-	-	468,180	-
Cell Antenna Screening	260,000	-	-	-
Apartment Complex Demolition	500,000	-	-	-
Eastern Avenue Reconstruction - Westside Dr to Mockingbird Ln (40)	-	567,018	-	-
Douglas Avenue Reconstruction - South Town Limits to Arcady (53)	-	281,948	-	-
Westside Drive Reconstruction - Lemmon to Bordeaux (36)	-	-	397,953	-
Hillcrest Avenue Reconstruction - Princeton to Drexel (35)	-	-	403,259	-
Beverly Drive Reconstruction - Preston to Fairfield (61)	-	-	-	324,730
Douglas Avenue Reconstruction - Beverly to North Town Limits (51)	-	-	-	-
Abbott Avenue Reconstruction - Armstrong to Harvard (56)	-	-	-	-
Roland Avenue Reconstruction - Bordeaux Av to Mockingbird (46)	-	-	-	-
Hillcrest Avenue Reconstruction - Abbott to Princeton (63)	-	-	-	-
Armstrong Parkway Reconstruction - Arcady to Beverly (62)	-	-	-	-
Beverly Drive Reconstruction - St. Johns to Hillcrest (65)	-	-	-	-
Beverly Drive Reconstruction - Fairfield to Drexel (65)	-	-	-	-
Armstrong Parkway Reconstruction - Beverly to Mockingbird (68)	-	-	-	-
Lomo Alto Drive Reconstruction - Lemmon to Westway (45)	-	-	-	-
Total Capital Expenditures	\$ 3,467,000	\$ 6,098,966	\$ 3,516,392	\$ 674,730
Total Expenditures	\$ 11,831,712	\$ 15,464,124	\$ 13,268,361	\$ 10,830,173
Transfers-Out	2,327,556	2,503,488	2,568,230	2,634,761
Total Expenditures & Transfer-Out	\$ 14,159,268	\$ 17,967,612	\$ 15,836,591	\$ 13,464,934
Operating Reserve	\$ 2,517,537	\$ 2,802,300	\$ 2,909,144	\$ 3,020,378
Capital & Rate Stabilization Reserve	3,029,261	1,290,066	277,845	2,144,754
Ending Balance	\$ 5,546,798	\$ 4,092,366	\$ 3,186,989	\$ 5,165,132
Ideal Fund Balance (25% of Operating Expenses)	2,517,537	2,802,300	2,909,144	3,020,378
Over(Under) Ideal Fund Balance	\$ 3,029,261	\$ 1,290,066	\$ 277,845	\$ 2,144,754

* Includes a 6.5% adjustment water and sewer rates for FY 2025, and then a 3.9% adjustment to water rates and a 3% adjustment to sewer rates each year beyond FY 2025.

**Excludes FY 2024-25

2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	Total**
\$ 5,165,132	\$ 3,995,085	\$ 5,693,839	\$ 4,952,744	\$ 7,209,797	\$ 7,179,190	\$ 9,386,958	\$ 5,546,798
\$ 10,941,178	\$ 11,367,884	\$ 11,811,231	\$ 12,271,869	\$ 12,750,473	\$ 13,241,366	\$ 13,751,159	\$ 116,555,646
3,752,627	3,865,206	3,981,162	4,100,597	4,223,615	4,350,323	4,480,833	39,369,086
64,000	64,000	64,000	64,000	64,000	64,000	64,000	637,315
129,128	99,877	142,346	123,819	180,245	179,480	234,674	1,634,028
-	-	-	-	-	-	-	-
-	-	-	-	-	201,134	1,181,206	1,757,340
-	-	-	-	-	-	-	1,000,000
-	-	-	-	-	-	-	465,000
545,165	566,972	589,651	613,237	637,766	663,277	689,808	5,818,760
\$ 15,432,099	\$ 15,963,939	\$ 16,588,390	\$ 17,173,522	\$ 17,856,099	\$ 18,699,580	\$ 20,401,680	\$ 167,237,174
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
614,619	628,141	641,960	656,276	670,714	685,470	700,550	6,363,335
\$ 16,046,718	\$ 16,592,080	\$ 17,230,350	\$ 17,829,798	\$ 18,526,813	\$ 19,385,050	\$ 21,102,230	\$ 173,600,509
\$ 2,774,107	\$ 2,878,136	\$ 2,986,066	\$ 3,098,043	\$ 3,214,220	\$ 3,334,753	\$ 3,459,806	\$ 29,480,203
371,407	382,549	394,025	405,846	418,021	430,562	443,479	3,896,453
5,048,646	5,301,078	5,566,132	5,844,439	6,136,660	6,443,493	6,765,668	54,854,831
2,382,165	2,453,630	2,527,239	2,603,056	2,681,148	2,761,582	2,844,429	24,991,468
\$ 10,576,325	\$ 11,015,393	\$ 11,473,462	\$ 11,951,384	\$ 12,450,049	\$ 12,970,390	\$ 13,513,382	\$ 113,222,955
\$ 2,404,290	\$ 350,000	\$ 2,572,590	\$ 350,000	\$ 2,752,672	\$ 350,000	\$ 2,945,359	\$ 14,671,911
-	-	-	-	-	-	-	750,000
-	-	-	-	-	-	-	2,000,000
-	-	-	-	-	402,268	2,362,411	2,764,679
-	-	-	-	-	-	-	1,850,000
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	300,000
-	-	-	-	-	-	-	468,180
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	567,018
-	-	-	-	-	-	-	281,948
-	-	-	-	-	-	-	397,953
-	-	-	-	-	-	-	403,259
-	-	-	-	-	-	-	324,730
412,374	-	-	-	-	-	-	412,374
1,120,642	-	-	-	-	-	-	1,120,642
-	754,529	-	-	-	-	-	754,529
-	-	218,250	-	-	-	-	218,250
-	-	861,514	-	-	-	-	861,514
-	-	-	351,498	-	-	-	351,498
-	-	-	-	358,528	-	-	358,528
-	-	-	-	-	380,326	-	380,326
-	-	-	-	-	-	752,241	752,241
\$ 3,937,306	\$ 1,104,529	\$ 3,652,355	\$ 701,498	\$ 3,111,199	\$ 1,132,594	\$ 6,060,011	\$ 29,989,580
\$ 14,513,631	\$ 12,119,922	\$ 15,125,817	\$ 12,652,881	\$ 15,561,249	\$ 14,102,985	\$ 19,573,393	\$ 143,212,535
2,703,134	2,773,404	2,845,628	2,919,864	2,996,172	3,074,296	3,154,595	28,173,572
\$ 17,216,765	\$ 14,893,326	\$ 17,971,444	\$ 15,572,745	\$ 18,557,421	\$ 17,177,281	\$ 22,727,988	\$ 171,386,107
\$ 3,136,192	\$ 3,256,786	\$ 3,382,367	\$ 3,513,156	\$ 3,649,379	\$ 3,791,276	\$ 3,939,094	\$ 3,939,094
858,893	2,437,053	1,570,377	3,696,641	3,529,811	5,595,682	3,822,105	3,822,105
\$ 3,995,085	\$ 5,693,839	\$ 4,952,744	\$ 7,209,797	\$ 7,179,190	\$ 9,386,958	\$ 7,761,199	\$ 7,761,199
3,136,192	3,256,786	3,382,367	3,513,156	3,649,379	3,791,276	3,939,094	3,939,094
\$ 858,893	\$ 2,437,053	\$ 1,570,377	\$ 3,696,641	\$ 3,529,811	\$ 5,595,682	\$ 3,822,105	\$ 3,822,105

CAPITAL PROJECTS FUND

Park Renovation/Rehabilitation Program

- Estimated Project Cost - \$3,098,601
- FY 2025-26 Funding - \$267,813
- Project Year(s) - Annually
- Improve the safety and the beauty of Town Parks by systematically updating the irrigation, lighting, playgrounds, site amenities, walkways, turf and groundcover areas to enhance the overall park experience.
- *The ultimate impact on the operating budget related to this program will be known once the design work for each year's project is complete.*

Playground Improvements Program

- Estimated Project Cost - \$700,000
- FY 2025-26 Funding - \$200,000
- Project Year(s) – FY 26-28
- Improve the safety and the beauty of Town Parks by systematically upgrading the playgrounds to enhance the overall park experience.
- *The ultimate impact on the operating budget related to this program will be known once the design work for each year's project is complete.*

Street Light Program

- Estimated Project Cost - \$1,907,516
- FY 2025-26 Funding - \$164,866
- Project Year(s) - Annually
- Includes painting and/or replacing streetlights.
- *Project works to maintain streetlights through painting to extend the life and replacement is needed.*

Sidewalk Rehabilitation Program

- Estimated Project Cost - \$2,464,470
- FY 2025-26 Funding - \$213,005
- Project Year(s) - Annually
- Includes repairing or replacing sidewalks that have either reached the end of their useful life or have become unsafe for people using sidewalks.
- *Project works to maintain sidewalks and improve accessibility for pedestrian traffic.*

Street Resurfacing & Miscellaneous Concrete

- Estimated Project Cost - \$14,527,323
- FY 2025-26 Funding - \$1,255,599
- Project Year(s) – Annually
- An annual program of rehabilitating & restoring asphalt road surfaces, and constructing concrete repairs to curb and gutters, streets, alleys and sidewalks.
- *The program is intended to, among other things, provide funding for continued right of way maintenance in an effort to extend the life of the roadways. This allows more current resources to be devoted to those roadway projects that need to be reconstructed.*

Mockingbird Bridge and Beverly Bridge Rehabilitation

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

Hackberry Creek landscaping

- Estimated Project Cost – \$1,000,000
- Project Year(s) – FY 2025-26 and FY 2026-27
- Limits – Byron Avenue to Miramar Avenue
- Project improves landscaping and hardscaping through the Hackberry Creek corridor to enhance the beauty and overall park experience. Improvements include, sod, ground cover, trees, shrubs, seasonal color and hardscaping.
- ***The ultimate impact on the operating budget related to this program will be known once the design work for each year's project is complete.***

Preston Road/Armstrong/Lakeside Drive Intersection Reconstruction

- Estimated Project Cost – \$6,802,343
- Project Year(s) – FY 2026-27 and FY 2027-28
- Limits - Armstrong Parkway at Preston and Lakeside; Oaklawn from Armstrong to Wycliffe
- Additional Funding Sources –Dallas County MCIP \$2,400,000
- Road reconstruction and signal improvements.
- ***Project is a complete reconstruction of the roadway and signal improvements, which will allow current maintenance dollars that may otherwise be spent maintaining this roadway and traffic signals to be allocated towards other transportation related maintenance.***

Mockingbird Lane Rehabilitation

- Estimated Project Cost – \$2,791,497
- Project Year(s) – FY 2033-34
- Limits – Dallas North Tollway to Hillcrest Road
- Additional Funding Source – Dallas County Road and Bridge - \$250,000
- Project includes concrete repairs and street resurfacing as well as curb and gutters, sidewalks, and ADA ramps, as needed.
- ***Roadway is currently maintained on an as needed basis. Project rehabilitates the roadway allowing the refocus of any maintenance dollars that would otherwise be used on this road to other areas.***

STORM WATER FUND

Improvements for Hackberry Creek

- Estimated Project Cost –\$8,900,000
- FY 2025-26 Funding - \$2,500,000
- Project Year(s) – FY 2025-26 through 2029-30
- The project encompasses the area generally from Byron Avenue to Armstrong Avenue and between St. Johns Drive and Drexel Drive.
- Key design elements include erosion mitigation, creek wall replacement/repairs, replacement/repair of stormwater outfalls, sidewalk/stair/handrail replacement, and aesthetics including landscaping and irrigation.
- ***Project impact on the operating budget will not be known until design work is complete.***

Drainage Easement Projects

- Estimated Project Cost –\$9,342,936
- FY 2025-26 Funding - \$700,000
- Project Year(s) – FY 2025-26 through FY 2034-35
- Improvements may include grading, adjustments to existing inlets, installing new inlets and associated storm drain-pipe and construction of a concrete flume.
- ***Project is anticipated to address local drainage issues within the easements and is expected to have minimal impact on the operating budget.***

Exall and Connor Lakes Dredging

- Estimated Project Cost –\$5,050,000
- FY 2025-26 Funding - \$3,000,000
- Project Year(s) – FY 2025-26 through FY 2033-34
- Improvements consist of removing silt from Exall Lake and Connor Lake to restore water depth and improve the aquatic ecosystem and water quality.
- ***Project is anticipated to address water quality and is not expected to impact the operating budget.***

UTILITY FUND

Water & Sanitary Sewer Infrastructure Replacement/Rehabilitation:

- Estimated Project Cost - \$14,671,911
- FY 2025-26 Funding - \$350,000
- Project Year(s) – Annually
- An annual program to replace aging water and sewer mains.
- ***Program is intended to replace aging infrastructure and is expected to reduce utility line maintenance efforts in the areas where lines are replaced. This will allow maintenance dollars to be applied to other areas.***

30" Sewer Interceptor

- Estimated Project Cost – \$2,134,159
- Project Years(s) –, FY 2026-27 and FY 2033-34
- Limits:
 - Design and Construction (\$1,731,891) - Wycliffe Avenue to Armstrong Avenue
 - Design and Construction (\$402,268) - Beverly Drive to Mockingbird Lane
- Additional Funding Source – University Park \$1,067,080
- The project will consist of rehabilitating the 30-inch sanitary sewer interceptor.
- ***This project will allow maintenance dollars to be applied to other areas.***

PROJECTS PRESENT IN MULTIPLE FUNDS

Transportation (Wycliff) Improvement Program

- Estimated Project Cost - \$ \$21,961,250 (Design funding of \$1,800,000 was provided in FY 2022-23 & FY 2023-24)
- FY 2025-26 Funding - \$20,161,250
 - Capital Projects Fund \$17,660,000
 - Utility Fund \$2,600,000
- Project Year(s) – FY 2022-23, FY 2023-24, FY 2024-25 & FY 2025-26 through FY 2026-27
- Limits –Oaklawn Avenue to East Town limits
- Additional Funding Sources – Dallas County MCIP \$1,000,000; NCTCOG/TXDOT \$12,400,000; TCEQ \$461,000; City of Dallas \$417,500; University Park \$255,625 ; External Source - \$500,000
- Includes a complete reconstruction of Wycliffe Avenue over Turtle Creek, via a bridge structure, reconstructing the dam and weir and improving the conveyance of storm water within Turtle Creek.
- ***Project will mitigate future flooding occurring over Wycliffe Avenue while enhancing the public's safety in this area.***

Potomac & Auburndale Reconstruction

- Estimated Project Cost – \$2,025,000
 - Capital Projects Fund \$1,500,000
 - Storm Water Drainage Fund \$525,000
- Project Year(s) – FY 2024-25 through FY 2025-26
- Limits – Key Street to Hillcrest Avenue
- Project includes the total reconstruction of the road including drainage improvements.

Ten Year Capital Improvement Plan Project Detail – By Fund

- ***Project is a complete reconstruction, which will allow current maintenance dollars that may otherwise be spent maintaining this roadway to be committed to other roadways.***

Holland Elevated Storage Tank Replacement

- Estimated Project Cost – \$10,295,000 (\$670,000 for design was funded FY 2021-22 & \$7,600,000 in construction costs funded in FY 2023-24)
 - Capital Projects Fund \$700,000
 - Storm Water Fund \$150,000
 - Utility Fund \$1,175,000 (Includes \$300,000 for water tank construction costs, \$300,000 for removal of existing tank, \$450,000 water/sewer infrastructure in Holland Avenue and \$125,000 for screening of antennas on the water tank)
- Project Year(s) – FY 2021-22 through FY 2025-26
- Improvements consist of replacing the existing elevated storage tank (EST) with a new EST at the Town's Service Center on Holland Avenue. In addition to the new EST, improvements include relocating the department of public safety radio system, roadway reconstruction, water, sewer, and drainage improvements and decommissioning the existing EST.
- ***Project will replace the existing end of life elevated storage tank with a new elevated storage tank. The new EST will provide improved water pressures throughout the community. It is anticipated that with the new EST, maintenance dollars can be devoted to other areas of the utility system.***

Beverly Drive Reconstruction

- Estimated Project Cost – \$7,851,858
 - Capital Projects Fund \$6,565,727
 - Limits
 - Phase I includes Westside Drive to Eastern Avenue (\$1,030,000)
 - Phase II includes Preston Road to Fairfield Avenue (\$1,684,806)
 - Phase III includes St. Johns to Hillcrest Avenue (\$1,922,693)
 - Phase IV includes Fairfield Drive to Drexel Drive (\$1,860,162)
 - Storm Water Drainage Fund – \$238,256
 - Limits
 - Phase I includes Westside Drive to Eastern Avenue (\$0)
 - Phase II includes Preston Road to Fairfield Avenue (\$741,466)
 - Phase III includes St. Johns to Hillcrest Avenue (\$18,747)
 - Phase IV includes Fairfield Drive to Drexel Drive (\$17,926)
 - Utility Fund \$1,047,875
 - Limits
 - Phase I includes Westside Drive to Eastern Avenue (\$0)
 - Phase II includes Preston Road to Fairfield Avenue (\$324,730)
 - Phase III includes St. Johns to Hillcrest Avenue (\$351,498)
 - Phase IV includes Fairfield Drive to Drexel Drive (\$358,528)
- Project Year(s) – FY 2024-25, FY 2029-30, FY 2031-32 & FY 2032-33
- Project includes the total reconstruction of the road, including water, sewer, and drainage improvements.
- ***Project is a complete reconstruction which will allow current maintenance dollars that may otherwise be spent maintaining this roadway and existing utility infrastructure to be allocated towards other infrastructure related maintenance.***

Eastern Avenue Reconstruction

- Estimated Project Cost – \$2,944,332
 - Capital Projects Fund \$2,314,890
 - Storm Water Drainage Fund \$62,424
 - Utility Fund \$567,018
- Project Year(s) – FY 2025-26
- Limits – Westside Drive to Mockingbird Lane

Ten Year Capital Improvement Plan Project Detail – By Fund

- Additional Funding Source – Dallas County MCIP - \$500,000 in the Capital Projects Fund
- Project includes the total reconstruction of the road, including water, sewer, and drainage improvements.
- ***Project is a complete reconstruction, which will allow current maintenance dollars that may otherwise be spent maintaining this roadway and existing utility infrastructure to be allocated towards other infrastructure related maintenance.***

Douglas Avenue Reconstruction

- Estimated Project Cost – \$5,633,914
 - Capital Projects Fund \$4,018,490
 - Limits
 - Phase I includes South Town limits to Arcady Avenue (\$1,836,826)
 - Phase II includes Beverly Drive to North Town limits (\$2,181,664)
 - Storm Water Drainage Fund \$921,102
 - Limits
 - Phase I includes South Town limits to Arcady Avenue (\$85,313)
 - Phase II includes Beverly Drive to North Town limits (\$529,959)
 - Utility Fund \$694,322
 - Limits
 - Phase I includes South Town limits to Arcady Avenue (\$281,948)
 - Phase II includes Beverly Drive to North Town limits (\$412,374)
- Project Year(s) – FY 2025-26 & FY 2028-29
- Additional Funding Source – anticipated Dallas County MCIP - \$500,000 in the Capital Projects Fund
- Project includes the total reconstruction of the road, including water, sewer, and drainage improvements.
- ***Project is a complete reconstruction, which will allow current maintenance dollars that may otherwise be spent maintaining this roadway and existing utility infrastructure to be allocated towards other infrastructure related maintenance.***

Abbott Avenue Reconstruction

- Estimated Project Cost – \$3,351,885
 - Capital Projects Fund \$2,176,039
 - Storm Water Drainage Fund \$55,204
 - Utility Fund \$1,120,642
- Project Year(s) – FY 2028-29
- Limits - Armstrong Avenue to Harvard Avenue
- Additional Funding Source – Dallas County MCIP - \$500,000 in the Capital Projects Fund
- Project includes the total reconstruction of the road, including water, sewer, and drainage improvements.
- ***Project is a complete reconstruction, which will allow current maintenance dollars that may otherwise be spent maintaining this roadway and existing utility infrastructure to be allocated towards other infrastructure related maintenance.***

Westside Drive Reconstruction

- Estimated Project Cost – \$6,920,885
 - Capital Projects Fund \$4,930,256
 - Limits
 - Phase I includes Lemmon Avenue to Bordeaux Avenue (\$1,337,122)
 - Phase II includes Bordeaux Avenue to Mockingbird Lane Resurfacing (\$337,849)
 - Storm Water Drainage Fund \$1,485,691
 - Limits
 - Phase I includes Lemmon Avenue to Bordeaux Avenue (\$53,060)
 - Utility Fund \$504,938
 - Limits
 - Phase I includes Lemmon Avenue to Bordeaux Avenue (\$397,953)
- Project Years(s) – FY 2026-27 & FY 2029-30

Ten Year Capital Improvement Plan Project Detail – By Fund

- Additional Funding Source – Dallas County MCIP - \$500,000 in the Capital Projects Fund.
- Project includes the total reconstruction of the road, including water, sewer and drainage improvements in Phase I and a roadway resurfacing in Phase II.
- ***Project is a complete reconstruction in Phase I, which will allow current maintenance dollars that may otherwise be spent maintaining this roadway and existing utility infrastructure to be allocated towards other infrastructure related maintenance.***

Hillcrest Avenue Reconstruction

- Estimated Project Cost – \$3,122,037
 - Capital Projects Fund \$2,400,646
 - Limits
 - Phase I includes Princeton Avenue to Drexel Drive (\$1,464,467)
 - Phase II includes Abbott Avenue to Princeton Avenue (\$936,179)
 - Storm Water Drainage Fund \$99,882
 - Limits
 - Phase I includes Princeton Avenue to Drexel Drive (\$42,448)
 - Phase II includes Abbott Avenue to Princeton Avenue (\$57,434)
 - Utility Fund \$621,509
 - Limits
 - Phase I includes Princeton Avenue to Drexel Drive (\$403,259)
 - Phase II includes Abbott Avenue to Princeton Avenue (\$218,250)
- Project Year(s) – FY 2026-27 & FY 2030-31
- Additional Funding Source – Dallas County MCIP - \$500,000 in the Capital Projects Fund
- Project includes the total reconstruction of the road, including water, sewer, and drainage improvements.
- ***Project is a complete reconstruction, which will allow current maintenance dollars that may otherwise be spent maintaining this roadway and existing utility infrastructure to be allocated towards other infrastructure related maintenance.***

Lomo Alto Drive Reconstruction

- Estimated Project Cost – \$8,751,311
 - Capital Projects Fund \$3,659,450
 - Limits
 - Phase I includes Beverly Drive to Mockingbird Lane (\$1,595,449)
 - Phase II includes Lemmon Avenue to Westway Avenue (\$2,064,001)
 - Storm Water Drainage Fund – \$4,339,620
 - Limits
 - Phase I includes Beverly Drive to Mockingbird Lane (\$609,497)
 - Phase II includes Lemmon Avenue to Westway Avenue (\$3,730,123)
 - Utility Fund \$752,241
 - Limits
 - Phase I includes Beverly Drive to Mockingbird Lane (\$0)
 - Phase II includes Lemmon Avenue to Westway Avenue (\$752,241)
- Project Year(s) –FY 2032-33 & FY 2034-35
- Additional Funding Source – anticipated Dallas County MCIP \$1,500,000 in the Capital Projects Fund
- Project includes the total reconstruction of the road, including water, sewer, and drainage improvements.
- ***Project is a complete reconstruction which will allow current maintenance dollars that may otherwise be spent maintaining this roadway and existing utility infrastructure to be allocated towards other infrastructure related maintenance.***

Roland Avenue Reconstruction

- Estimated Project Cost – \$2,371,419
 - Capital Projects Fund \$1,616,890
 - Utility Fund \$754,529

Ten Year Capital Improvement Plan Project Detail – By Fund

- Project Year(s) – FY 2029-30
- Limits –Bordeaux Avenue to Mockingbird Lane
- Project includes the total reconstruction of the road, including water and sewer improvements.
- ***Project is a complete reconstruction, which will allow current maintenance dollars that may otherwise be spent maintaining this roadway and existing utility infrastructure to be allocated towards other infrastructure related maintenance.***

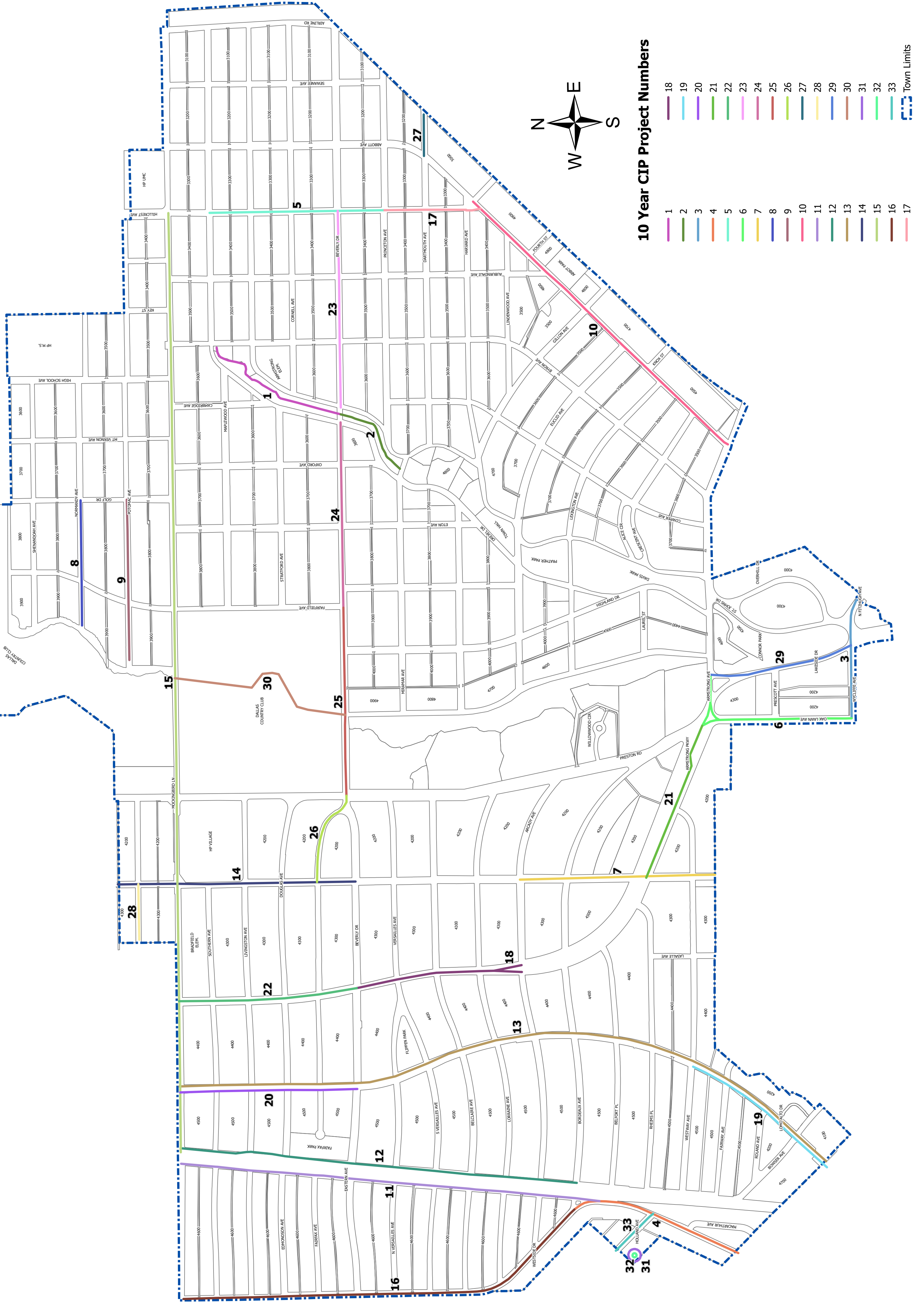
Armstrong Parkway Reconstruction & Rehabilitation

- Estimated Project Cost – \$6,712,567
 - Capital Projects Fund \$4,586,257
 - Limits
 - Phase I includes Arcady Avenue to Beverly Drive (\$1,596,673)
 - Phase II includes Beverly Drive to Mockingbird Lane (\$1,497,535)
 - Phase III includes Douglas Avenue to Preston Road (EB) (\$1,492,049)
 - Storm Water Drainage Fund \$884,470
 - Limits
 - Phase I includes Arcady Avenue to Beverly Drive (\$456,603)
 - Phase II includes Beverly Drive to Mockingbird Lane (\$427,867)
 - Phase III includes Douglas Avenue to Preston Road (EB) (\$0)
 - Utility Fund \$1,241,840
 - Limits
 - Phase I includes Arcady Avenue to Beverly Drive (\$861,514)
 - Phase II includes Beverly Drive to Mockingbird Lane (\$380,326)
 - Phase III includes Douglas Avenue to Preston Road (\$0)
- Project Year(s) –FY 2030-31, FY 2033-34 & FY 2034-35
- Additional Funding Source – anticipated Dallas County MCIP - \$1,000,000 in the Capital Projects Fund
- Project includes the total reconstruction of the road, including water, sewer, and drainage improvements.
- ***Project is a complete reconstruction, which will allow current maintenance dollars that may otherwise be spent maintaining this roadway and existing utility infrastructure to be allocated towards other infrastructure related maintenance.***

MCIP – Major Capital Improvement Program.

Town of Highland Park

10 Year CIP Map



Project #	Project Name	Limits Location	Fiscal Year	Street Rating (PCI Score)
1	Hackberry Creek Phase 1A Improvements	Byron to Beverly	2026	
2	Hackberry Creek Phase 1B Improvements	Beverly to Miramar	2027	
3	Transportation Improvement to Oaklawn	E. Town Limits to Oaklawn	2026	
4	Westside Drive Reconstruction	Lemmon to Bordeaux	2027	36
5	Hillcrest Avenue Reconstruction	Princeton to Drexel	2027	35
6	Preston Rd/ Armstrong/ Lakeside Dr Int Reconstruction	Wydiffe to Armstrong	2028	
7	Douglas Avenue Reconstruction	South Limits to Arcady	2026	53
8	Normandy Avenue Reconstruction	Hackberry Creek to Golf	2030	79
9	Potomac Avenue Reconstruction	Hackberry Creek to Golf	2030	59
10	Abbott Avenue Reconstruction	Armstrong to Harvard	2029	56
11	Eastern Avenue Reconstruction	Westside to Mockingbird	2026	40
12	Roland Avenue Reconstruction	Mockingbird to Bordeaux	2032	46
13	Lomo Alto Drive Resurface	Lemmon to Mockingbird	2028	
14	Douglas Avenue Reconstruction	Beverly to North town Limits	2029	51
15	Mockingbird Lane Rehabilitation	DNT to Hillcrest	2034	73
16	Westside Drive Resurface	Bordeaux to Mockingbird	2030	
17	Hillcrest Avenue Reconstruction	Abbott to Princeton	2031	63
18	Armstrong Parkway Reconstruction	Arcady to Beverly	2031	62
19	Lomo Alto Drive Reconstruction	Lemmon to Westway	2035	45
20	Lomo Alto Drive Reconstruction	Beverly to Mockingbird	2033	60
21	Armstrong Parkway Reconstruction	Douglas to Preston	2035	75
22	Armstrong Parkway Reconstruction	Beverly to Mockingbird	2034	68
23	Beverly Drive Reconstruction	St. Johns to Hillcrest	2032	65
24	Beverly Drive Reconstruction	Fairfield to Drexel	2033	65
25	Beverly Drive Reconstruction	Preston to Fairfield	2028	61
26	Fairfax Avenue Reconstruction	Douglas to Preston	2028	61
27	Dartmouth Avenue Reconstruction	Abbot to E. Town Limits	2027	96
28	Potomac Avenue Reconstruction	Town Limit to Douglas	2027	60
29	30" Interceptor	Wydiffe to Armstrong	2026	
30	30" Interceptor	Beverly to Mockingbird	2033	
31	Holland Elevated Storage Tank Replacement		2024	
32	Holland EST Decommission		2026	
33	Holland Ave	Town limits to Westside	2027	48

10-YEAR FINANCIAL FORECAST BASIC ASSUMPTIONS

General Fund

Revenues:

- Property tax revenue is based on estimated taxable assessed values (T.A.V.) and the tax rate projected for each fiscal year. The Town's taxable assessed value is projected to grow at a rate of 4.5% per year. The tax rate is projected at the voter approval rate each year and anticipates 1.014% of annual growth in T.A.V. related to new construction.
- Building and permits revenue is indexed at 3.0% per year.
- Sales tax is indexed at 2.5%, which is more conservative than historical trends.
- Interest revenue is based on 2.5% of fund balance for years after FY 2026.
- Transfers-in is indexed at 2.2% per year.
- Other operational revenues are indexed based on five-year trends ranging from 1.0% to 4.0% based on the revenue category.

Expenditures:

- Payroll expense is indexed at 3.75% each year. This amount is up from prior years reflecting the return to annual merit increases of up to 6% for first responders in the Department of Public Safety.
- Payroll taxes (FICA) and retirement contributions are projected at a factor of payroll expense based on the percentage of payroll budgeted for each category in the Adopted Budget. Health Insurance is projected to increase at a rate of 5% per year.
- "Supplies & Equipment" and "Services and Charges" are projected to grow at 3.0% per year.
- Most capital/equipment is funded from the Capital Projects Fund, Equipment Replacement Fund and Technology Replacement Fund; however, \$10,000 per year has been allocated in FY 2026-27 and thereafter to address unanticipated capital needs in the General Fund.
- "Transfers to Other Funds" represents the General Fund's portion of funding for future replacement of equipment, technology and building maintenance. This expense is indexed at 2.2% per year.
- Transfers to the Capital Projects Fund are a function of the difference between operating revenues and expenses, while maintaining ideal fund balance (17% of operating expenses) within the General Fund.
- Project costs have been updated to reflect current costs and are adjusted for future inflation, which varies depending on the type of project. A construction contingency was added beginning in FY 2022 – 23.

Storm Water Drainage Utility Fund

Revenues:

- The financial forecast reflects storm water revenues being indexed each year to accommodate the 10-year Capital Improvement Plan. The annual rate adjustments anticipated to fund this 10-year plan are as follows:
 - 2025-26: 100%
 - 2026-27: 25.0%
 - 2027-28: 15.0%
 - 2028-29: 10.0%
 - 2029-30: 5.0%
 - 2030-31 through 2034-35: 3.0%
- A transfer from the Capital Improvement Fund of \$1,000,000 for fiscal year 2025-26 and transfers ranging between \$350,000 and \$1,525,000 per year for the remaining nine years is anticipated.
- The Storm Water Drainage Utility Fund also anticipates an internal loan from the Reserve Fund to facilitate improvements to Hackberry Creek over the next four years. The internal loan will be repaid over several years beginning in FY 2030-31.

Expenditures:

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

Utility Fund

Utility rates are set to meet the annual revenue requirement within the Utility Fund. This fund includes the cost of capital expenditures, and the Utility Fund uses a Pay-as-You-Go funding strategy. It should be noted, however, that it is not uncommon for cities to use debt to fund relatively large capital improvements to utility systems. The 10-year financial model includes an annual water and sewer rate adjustment.

For FY 2025-26 and future years, an increase of 3.9% for water and 3.0% for sewer rates is proposed to address increasing operating costs and to fund planned capital improvements to the utility system.

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

GENERAL FUND				
	2024-25	2025-26	2026-27	2027-28
BEGINNING FUND BALANCE	\$ 8,818,230	\$ 6,681,663	\$ 6,693,397	\$ 7,062,355
REVENUES:				
Property Taxes	\$ 19,443,685	\$ 20,433,960	\$ 21,418,027	\$ 22,476,280
Sales Taxes	8,668,000	8,283,320	8,490,403	8,702,663
Franchise Fees	1,012,810	1,016,500	1,026,665	1,036,932
Building Inspection Fees/Permits	1,357,140	1,373,390	1,414,592	1,457,030
Municipal Court Fines/Fees	390,470	518,425	523,609	528,845
Interest Earnings	575,345	539,240	393,085	409,991
All Other	2,186,105	2,252,350	2,342,444	2,436,142
TOTAL REVENUES	\$ 33,633,555	\$ 34,417,185	\$ 35,608,825	\$ 37,047,883
Transfers from Other Funds	1,575,100	1,702,810	1,740,272	1,778,558
TOTAL REVENUES & TRANSFERS-IN	\$ 35,208,655	\$ 36,119,995	\$ 37,349,097	\$ 38,826,441
EXPENDITURES:				
Personnel Services:				
Payroll	\$ 15,746,415	\$ 16,637,174	\$ 17,261,068	\$ 17,908,358
Taxes	1,138,475	1,210,461	1,244,523	1,291,193
Retirement (TMRS)	1,974,305	2,086,724	2,278,461	2,363,903
Insurance	1,494,415	1,897,360	1,992,228	2,091,839
Total Personnel	\$ 20,353,610	\$ 21,831,719	\$ 22,776,280	\$ 23,655,293
Supplies & Equipment	\$ 1,327,567	\$ 1,423,496	\$ 1,466,201	\$ 1,510,187
Services & Charges	5,477,021	5,635,291	5,804,349	5,978,479
Capital Outlay:				
Equipment	7,900	-	10,000	10,000
CIP	-	-	-	-
TOTAL EXPENDITURES	\$ 27,166,098	\$ 28,890,506	\$ 30,056,830	\$ 31,153,959
Transfers to Capital Projects Fund	8,740,525	4,857,490	4,511,118	5,304,364
Transfers to Other Funds	1,438,600	2,360,265	2,412,191	2,465,259
TOTAL EXPENDITURES & TRANSFERS-OUT	\$ 37,345,223	\$ 36,108,261	\$ 36,980,139	\$ 38,923,582
ENDING FUND BALANCE	\$ 6,681,663	\$ 6,693,397	\$ 7,062,355	\$ 6,965,213
FUND BALANCE MINIMUM	\$ 4,861,456	\$ 5,312,631	\$ 5,518,034	\$ 5,713,567
FUND BALANCE SURPLUS	\$ 1,820,207	\$ 1,380,766	\$ 1,544,321	\$ 1,251,646
CAPITAL PROJECTS FUND				
Beginning Balance	\$ 15,530,470	\$ 18,370,124	\$ 13,141,687	\$ 9,613,192
Total Annual Project Funding (1)	14,623,726	23,020,012	7,946,807	8,747,846
Total Expenditures	11,784,072	28,248,449	11,475,302	14,038,904
Ending Balance*	\$ 18,370,124	\$ 13,141,687	\$ 9,613,192	\$ 4,322,134
Construction Contingency	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Over (Under) Contingency	\$ 16,370,124	\$ 11,141,687	\$ 7,613,192	\$ 2,322,134
PROPERTY TAX ASSUMPTIONS				
Property Tax Revenue	\$ 19,443,685	\$ 20,433,960	\$ 21,418,027	\$ 22,476,280
Property Values (2)	\$ 9,400,167,194	\$ 10,262,691,191	\$ 10,724,512,295	\$ 11,207,115,348
Tax Rate	0.208550	0.199296	0.201399	0.202264

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

(2) Growth in taxable assessed value (T.A.V.) projected at 4.5% per year after FY 2025-26.

2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
\$ 6,965,213	\$ 5,954,073	\$ 6,219,533	\$ 6,357,845	\$ 6,581,521	\$ 6,809,270	\$ 7,208,941
\$ 23,586,892	\$ 24,752,477	\$ 25,975,752	\$ 27,259,559	\$ 28,606,903	\$ 30,020,914	\$ 31,504,931
8,920,230	9,143,236	9,371,817	9,606,112	9,846,265	10,092,422	10,344,733
1,047,301	1,057,774	1,068,352	1,079,036	1,089,826	1,100,724	1,111,731
1,500,741	1,545,763	1,592,136	1,639,900	1,689,097	1,739,770	1,791,963
534,133	539,474	544,869	550,318	555,821	561,379	566,993
416,796	401,085	417,566	431,505	448,017	465,125	487,033
2,533,588	2,634,932	2,740,329	2,849,942	2,963,940	3,082,498	3,205,798
\$ 38,539,681	\$ 40,074,741	\$ 41,710,821	\$ 43,416,372	\$ 45,199,869	\$ 47,062,832	\$ 49,013,182
1,817,686	1,857,675	1,898,544	1,940,312	1,982,999	2,026,625	2,071,211
\$ 40,357,367	\$ 41,932,416	\$ 43,609,365	\$ 45,356,684	\$ 47,182,868	\$ 49,089,457	\$ 51,084,393
\$ 18,579,921	\$ 19,276,668	\$ 19,999,543	\$ 20,749,526	\$ 21,527,633	\$ 22,334,919	\$ 23,172,478
1,339,612	1,389,848	1,441,967	1,496,041	1,552,142	1,610,348	1,670,736
2,452,550	2,544,520	2,639,940	2,738,937	2,841,648	2,948,209	3,058,767
2,196,431	2,306,253	2,421,566	2,542,644	2,669,776	2,803,265	2,943,428
\$ 24,568,514	\$ 25,517,289	\$ 26,503,015	\$ 27,527,148	\$ 28,591,199	\$ 29,696,741	\$ 30,845,409
\$ 1,555,493	\$ 1,602,158	\$ 1,650,223	\$ 1,699,730	\$ 1,750,722	\$ 1,803,244	\$ 1,857,341
6,157,833	6,342,568	6,532,845	6,728,830	6,930,695	7,138,616	7,352,774
10,000	10,000	10,000	10,000	10,000	10,000	10,000
-	-	-	-	-	-	-
\$ 32,291,840	\$ 33,472,015	\$ 34,696,083	\$ 35,965,708	\$ 37,282,616	\$ 38,648,601	\$ 40,065,524
6,557,172	5,620,018	6,143,398	6,477,833	6,923,869	7,232,080	7,503,074
2,519,495	2,574,924	2,631,572	2,689,467	2,748,635	2,809,105	2,870,905
\$ 41,368,507	\$ 41,666,956	\$ 43,471,053	\$ 45,133,007	\$ 46,955,120	\$ 48,689,786	\$ 50,439,503
\$ 5,954,073	\$ 6,219,533	\$ 6,357,845	\$ 6,581,521	\$ 6,809,270	\$ 7,208,941	\$ 7,853,830
\$ 5,916,227	\$ 6,126,280	\$ 6,344,001	\$ 6,569,680	\$ 6,803,613	\$ 7,046,110	\$ 7,297,493
\$ 37,846	\$ 93,253	\$ 13,844	\$ 11,841	\$ 5,657	\$ 162,831	\$ 556,337
\$ 4,322,134	\$ 2,065,940	\$ 2,340,280	\$ 2,426,095	\$ 3,506,089	\$ 3,105,818	\$ 3,851,498
7,995,321	7,529,681	7,588,849	7,955,405	8,459,506	8,539,583	8,862,237
10,251,514	7,255,341	7,503,033	6,875,412	8,859,777	7,793,903	9,232,990
\$ 2,065,940	\$ 2,340,280	\$ 2,426,095	\$ 3,506,089	\$ 3,105,818	\$ 3,851,498	\$ 3,480,745
\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
\$ 65,940	\$ 340,280	\$ 426,095	\$ 1,506,089	\$ 1,105,818	\$ 1,851,498	\$ 1,480,745
\$ 23,586,892	\$ 24,752,477	\$ 25,975,752	\$ 27,259,559	\$ 28,606,903	\$ 30,020,914	\$ 31,504,931
\$ 11,711,435,539	\$ 12,238,450,138	\$ 12,789,180,394	\$ 13,364,693,512	\$ 13,966,104,720	\$ 14,594,579,432	\$ 15,251,335,507
0.203133	0.204006	0.204882	0.205763	0.206647	0.207535	0.208426



THIS PAGE INTENTIONALLY LEFT BLANK

COMMUNITY INFORMATION

HIGHLAND PARK, TEXAS

HISTORY

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

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

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

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

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

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

LOCATION

Highland Park is located approximately three miles north of the center of Dallas, two miles from Love Field and thirty minutes from the Dallas/Fort Worth International Airport. The Township encompasses 2.26 square miles and has an estimated 8,793 residents.

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

MISCELLANEOUS STATISTICAL DATA

Form of Government..... Council - Manager
 Incorporation Date December 1913
 Adoption Of Home Rule Charter Date..... August 1975
 Adoption of Revised Town Charter..... March, 2004

Town Characteristics

Area..... 1,445 Acres (2.26 Square Miles)
 Population (2010 Census)..... 8,564
 Population (2020 Census)..... 8,864
 Population (2025 Estimate) 8,793*

* Source: North Central Texas Council of Governments' 2025 Population Estimates Report

Proportion of Taxable Property Values

Residential 93.8%
 Business Personal Property..... 1.3%
 Commercial 4.7%
 Utilities 0.2%

Public Safety Personnel

Cross-trained (Police/Fire/Paramedic)..... 68
 Police Officer 1
 Part time Court Bailiffs..... 4

Water and Sewer Utility System

Active Water Connections at September 30, 2025

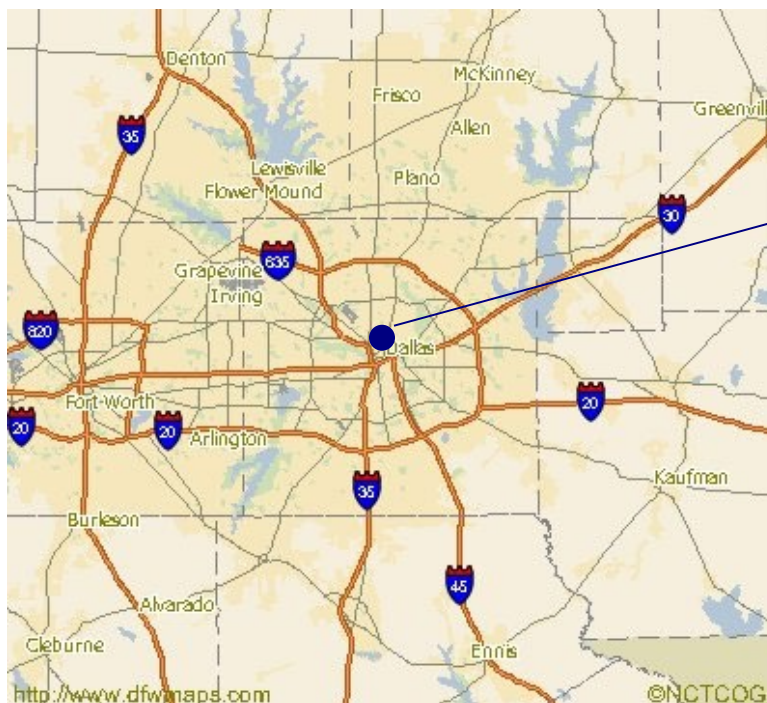
Residential 3,073
 Residential Multifamily 35
 Commercial 93
 Irrigation 2,367
 Municipal..... 79
 Total 5,647

Active Sewer Connections

Residential 3,007
 Residential Multifamily 35
 Commercial 90
 Municipal..... 3
 Total 3,135

Infrastructure

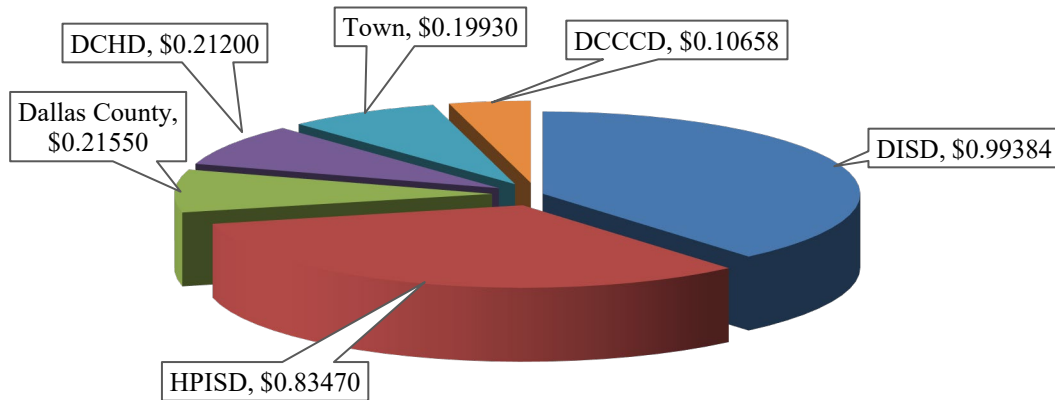
Sanitary Sewers 37.18 Miles
 Parks..... 22 with 59.3 Acres
 Storm Sewers..... 12.22 Miles
 Paved Streets 41.79 Miles



Highland Park

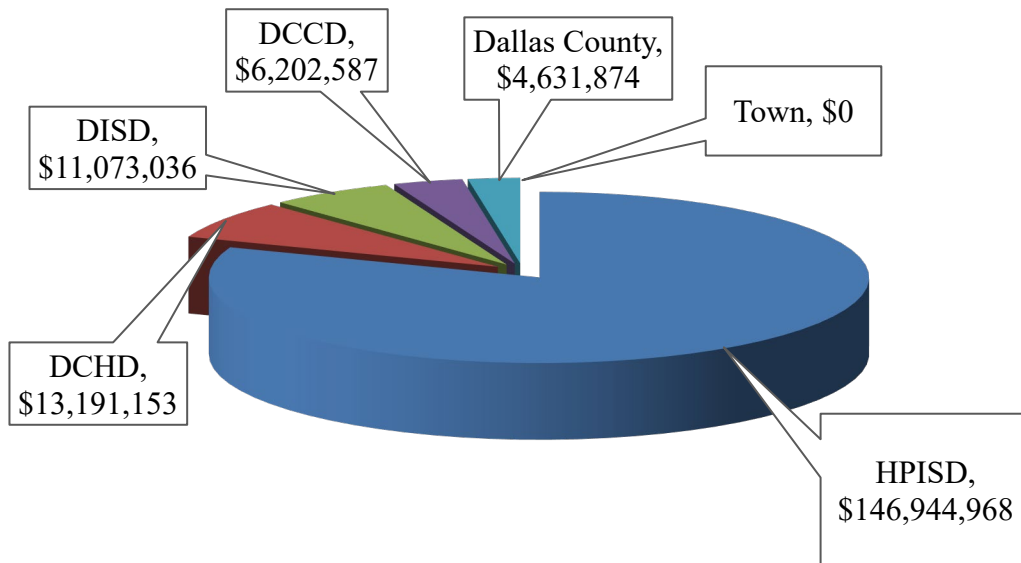
TOWN OF HIGHLAND PARK

Direct and Overlapping Property Tax Rates – 2025



Per \$100 Taxable Valuation

Direct and Overlapping Debt – 2025



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

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

		Appraised Property Value			
		Business			
		Personal			
Tax Year	Real Property	Property		Total	Taxable Value*
2016	\$ 7,133,812,190	\$ 82,665,930		\$ 7,216,478,120	\$ 5,765,524,023
2017	\$ 7,255,637,420	\$ 81,242,450		\$ 7,336,879,870	\$ 5,945,671,240
2018	\$ 7,640,424,370	\$ 89,567,460		\$ 7,729,991,830	\$ 6,288,093,787
2019	\$ 7,847,306,910	\$ 95,754,910		\$ 7,943,061,820	\$ 6,463,192,448
2020	\$ 7,677,744,210	\$ 93,901,300		\$ 7,771,645,510	\$ 6,295,581,074
2021	\$ 8,265,673,660	\$ 86,187,390		\$ 8,351,861,050	\$ 6,771,545,938
2022	\$ 9,396,762,040	\$ 90,098,790		\$ 9,486,860,830	\$ 7,402,519,799
2023	\$ 11,689,477,820	\$ 95,371,280		\$ 11,784,849,100	\$ 8,431,327,180
2024	\$ 13,590,899,200	\$ 110,170,080		\$ 13,701,069,280	\$ 9,384,622,358
2025	\$ 14,071,879,040	\$ 133,792,200		\$ 14,205,671,240	\$ 10,294,588,085

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

* Excludes values under protest as claimed by property owner or estimated by Appraisal District

PRINCIPAL TAXPAYERS - 2025 TAX ROLL

Taxpayer	Taxable Valuation	% of Taxable Valuation
HP Village Partners LP	\$ 296,273,642	2.88%
Dallas Country Club	67,241,280	0.65%
Crow, Harlan R	43,586,096	0.42%
Muse, John R	43,422,000	0.42%
4101 Trust	42,548,540	0.41%
Ware, Leslie	37,431,980	0.36%
L&B DEPP UCEPP 5500	28,750,000	0.28%
4712 Lemmon Ave LLC	28,539,540	0.28%
LDP Holdings LLC	26,053,630	0.25%
Jones, Jerral W & Gene C	24,425,176	0.24%

EMPLOYMENT DATA BY INDUSTRY

Employer Industry	Number of establishments	Annual Payroll (\$1,000's)	Employees
Wholesale trade	10	\$ 2,239	35
Retail trade	57	\$ 37,367	718
Information	7	D	20 to 99
Finance and insurance	37	\$ 67,593	456
Real estate and rental and leasing	D	D	100 to 249
Professional, scientific, and technical services	66	\$ 22,155	223
Administrative and support and waste management and remediation services	19	\$ 6,680	156
Educational services	3	D	19
Health care and social assistance	34	\$ 17,691	384
Arts, entertainment, and recreation	10	D	281
Accommodation and food services	25	\$ 29,900	788
Other services (except public administration)	21	\$ 8,892	240

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

The Town of Highland Park is a relatively small municipality with a radius of about 2.26 square miles. The Town's most recent estimated population is approximately 8,793. Since there is no chamber of commerce in Highland Park, the only available information on employers is the Economic Census from the U. S. Census Bureau. This Census does not include information on individual businesses; rather, it contains only aggregate information by business sector. The information presented is from the most recent applicable Economic Census: The data above was obtained from the 2022 Economic Census.

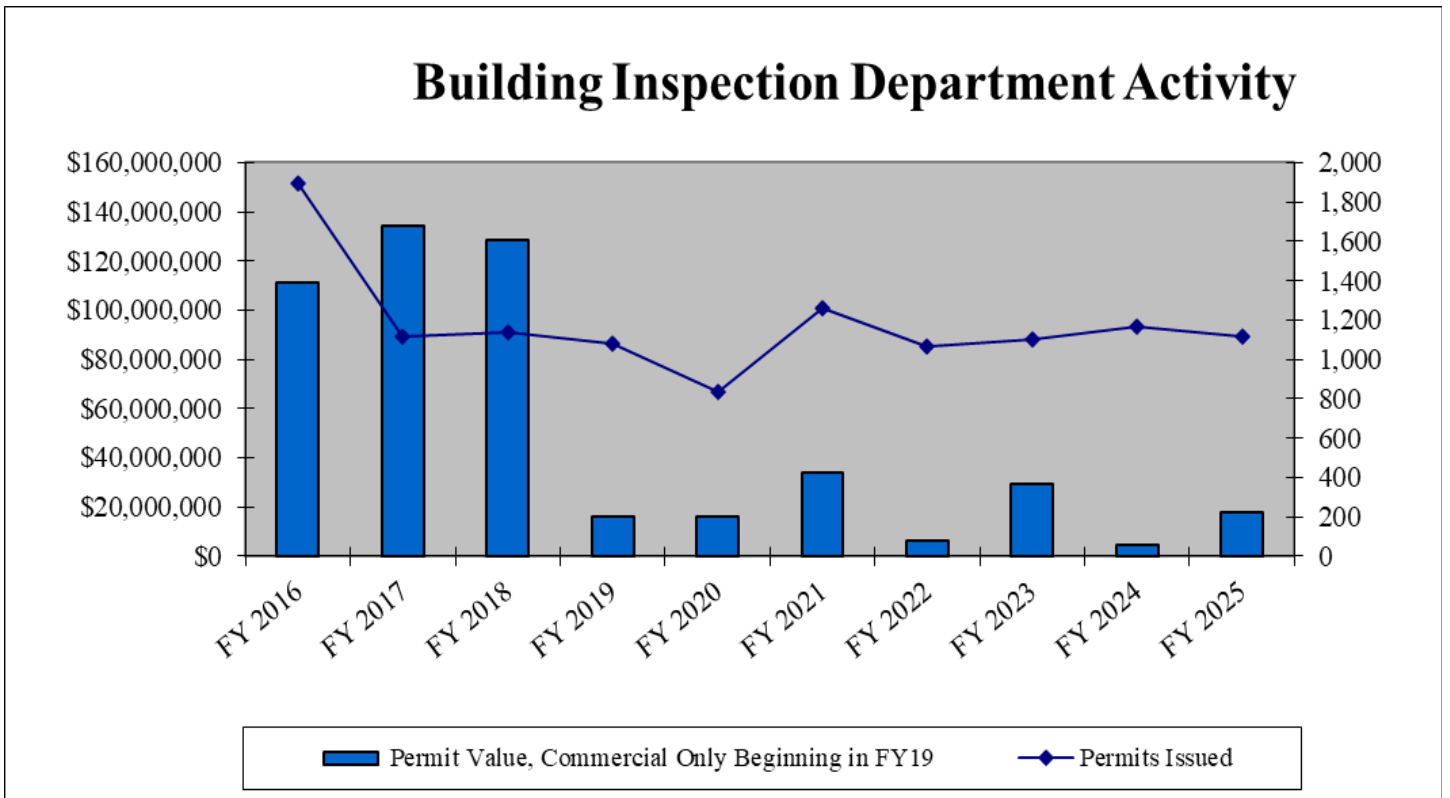
This information can be accessed by visiting: <https://www.census.gov/programs-surveys/economic-census.html>

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

Commercial Construction			Residential Construction		Property Market Value**	
Fiscal Year	Number of Permits	Value	Number of Permits	Value	Real Property	Personal Property
2016	29	\$ 8,623,479	1,865	\$ 102,641,000	\$ 6,588,993,380	\$ 78,087,300
2017	30	\$ 23,812,724	1,083	\$ 110,263,580	\$ 7,125,427,370	\$ 91,050,750
2018	22	\$ 45,226,370	1,117	\$ 83,254,000	\$ 7,336,879,870	\$ 89,904,340
2019	19	\$ 15,979,770	1,062	*	\$ 7,631,020,950	\$ 98,970,880
2020	26	\$ 16,227,820	808	*	\$ 7,835,471,260	\$ 107,590,560
2021	23	\$ 33,720,046	1,239	*	\$ 7,665,313,510	\$ 106,332,000
2022	16	\$ 6,286,811	1,052	*	\$ 8,252,646,410	\$ 99,214,640
2023	24	\$ 29,259,939	1,079	*	\$ 9,382,277,690	\$ 104,583,140
2024	18	\$ 4,455,028	1,146	*	\$ 11,674,856,260	\$ 109,992,840
2025	39	\$ 17,802,279	1,081	*	\$ 13,574,894,680	\$ 126,174,600

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

** Source: Dallas Central Appraisal District (DCAD) Certified Estimated Values Report



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



THIS PAGE INTENTIONALLY LEFT BLANK

PAY PLAN

For FY 2026, the Proposed Budget provides for an annual merit adjustment for first responders (Public Safety Officers and Dispatchers) up to 6%. All other full-time non-exempt employees and civilian exempt employees will be eligible for up to a 3.5% merit adjustment in FY 2026. This adjustment will be based on the score they receive on their annual performance evaluations to be provided at the end of the current fiscal year.

Any pay adjustment for FY 2026 will be limited by the maximum of the pay range for each employee. Employees may not receive base pay above the Maximum of the Pay Plan.

The Pay Plans incorporated in the Town's FY 2026 Proposed Budget reflect an increase over the pay plans approved for FY 2025 of 3%. The market cities the Town benchmarks against include the following:

Addison
Frisco
Richardson
Southlake
University Park

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

Full-time employees (exempt and non-exempt) may earn up to \$2,100 per year for participation in the Town's Wellness Program, designed to promote a healthy lifestyle. This program appears to be effective in that the Town continues to see reductions in its cost for health care.

During the summer of FY 2025, the Town engaged a compensation consultant to conduct a comprehensive compensation and benefits study. The study is anticipated to be completed in FY 2026.

TOWN OF HIGHLAND PARK GRADED PAY PLAN
NON-EXEMPT EMPLOYEES
FISCAL YEAR 2026

Grade	Position	Hourly Base Pay Range	
		Minimum	Maximum
8	Chief Building Official Communications Manager Superintendent Systems Analyst* Town Secretary	\$49.020	\$75.398
7	Civil Engineer Senior Building Inspector	\$42.616	\$65.563
6	Accounting Supervisor Building Inspector Communications Supervisor Court Administrator Customer Service Supervisor Facilities Maintenance Manager Parks Operations Supervisor Public Works Operations Supervisor Records Manager	\$37.054	\$56.997
5	Alarm Specialist Construction Inspector Librarian Project Coordinator Project Manager	\$32.213	\$49.577
4	Communications Specialist Crime Analyst DPS Administrative Secretary Human Resources Coordinator Parking Enforcement Officer Parks Maintenance Worker III Plans Examiner Public Works Maintenance Worker III Secretary to the Director Senior Accounting Technician	\$28.017	\$43.097
3	Administrative Assistant Building Permit Technician Customer Service Specialist II Finance & HR Administrative Assistant Library Administrative Assistant Parks Maintenance Worker II Public Works Maintenance Worker II Senior Court Clerk	\$24.368	\$37.481
2	Court Clerk Library Associate/Assistant Public Works Maintenance Worker I	\$21.188	\$32.596
1	Parks Maintenance Worker I	\$18.424	\$28.335

*Position is exempt status under the FLSA Computer-Related Occupations exemption.

- Court Security Guards start at \$50.00/hour with 4 hours per week.
- Base Minimum and Base Maximum reflect the range within each grade. These amounts do not reflect pay related to incentives or assignment pay.

**TOWN OF HIGHLAND PARK GRADED PAY PLAN
PUBLIC SAFETY PERSONNEL
FISCAL YEAR 2026**

		Hourly Base Pay Range Shift Duty*			Hourly Base Pay Range Administration**	
Grade	Position	Minimum	Maximum		Minimum	Maximum
G	Captain	\$48.333	\$59.186		\$75.520	\$92.479
F	Lieutenant	\$43.938	\$53.806		\$68.653	\$84.072
E	Sergeant	\$38.202	\$46.779		\$59.690	\$73.093
D	Unassigned	-	-		-	-
C	Public Safety Officer	\$29.657	\$39.611		\$46.338	\$61.893
B	Fire Fighter or Police Officer	\$24.718	\$30.247		\$38.621	\$47.261
A	Public Safety Apprentice	\$23.592	\$26.259		\$36.863	\$41.029

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

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

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

**TOWN OF HIGHLAND PARK GRADED PAY PLAN
EXEMPT POSITION
FISCAL YEAR 2026**

Grade	Position	Minimum	Maximum
E-4	Assistant Town Administrator Director of Public Safety	\$187,436	\$271,688
E-3	Assistant Director of Public Safety Director of Engineering and Public Works	\$170,396	\$246,987
E-2	Deputy Chief Director of Finance	\$161,895	\$234,669
E-1	Director of Community Development Director of Policy and Strategic Initiatives	\$149,630	\$216,461
E-0	Assistant Director of Engineering IT Manager Town Librarian	\$130,114	\$188,229

Exempt positions are not eligible for incentives or assignment pay.

INCENTIVE & ASSIGNMENT PAY

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

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

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

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

Incentive Pay

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

Assignment Pay

Public Safety Investigator Assignment	+7.5%
---------------------------------------	-------



THIS PAGE INTENTIONALLY LEFT BLANK

HISTORICAL REVENUE & EXPENDITURE TREND DATA

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

	Actual FY 2017	Actual FY 2018	Actual FY 2019	Actual FY 2020
Property Taxes	\$ 12,593,539	\$ 13,266,804	\$ 13,771,615	\$ 14,772,729
Water Sales	6,688,572	7,291,607	6,557,798	6,983,139
Sewer Charges	2,787,880	2,808,651	2,744,988	2,760,303
Sales Taxes	3,480,389	4,071,324	4,312,342	4,198,191
Sanitation/Recycling Charges	1,236,532	1,390,789	1,466,140	1,515,618
Franchise Fees	1,037,497	1,036,561	1,085,951	938,957
Building Inspection Fees/Permits	1,464,379	1,232,128	1,405,605	1,348,756
Municipal Court Fines/Fees	1,181,779	1,075,200	1,368,822	780,886
Interest Earnings	244,823	546,103	988,493	569,156
Storm Water Fees	390,126	399,396	413,844	426,626
Other Revenues	1,965,698	2,137,470	2,427,565	2,390,537
Sub-Total	33,071,214	35,256,033	36,543,163	36,684,898
Proceeds from Land Sale	-	-	-	-
Capital Contributions for External Entities	1,170,770	1,661,370	5,323,455	2,325,693
Total	\$ 34,241,984	\$ 36,917,403	\$ 41,866,618	\$ 39,010,591

Source: Actual Column of Prior Year Budget Documents.

Actual FY 2021	Actual FY 2022	Actual FY 2023	Actual FY 2024	Projected FY 2025	Adopted FY 2026
\$ 15,201,900	\$ 15,493,542	\$ 16,985,988	\$ 18,372,869	\$ 19,443,685	\$ 20,433,960
6,553,152	8,107,798	8,782,118	8,817,873	9,386,385	9,754,780
2,783,879	2,929,541	2,965,416	2,977,122	3,239,715	3,434,185
5,663,645	6,954,907	6,641,364	8,801,419	8,668,000	8,283,320
1,537,234	1,592,174	1,670,811	1,783,439	1,852,365	1,917,715
884,641	997,855	1,001,560	975,703	1,012,810	1,016,500
1,661,691	1,588,098	1,615,468	1,355,547	1,416,285	1,432,885
622,861	589,294	445,188	477,169	444,110	572,580
209,257	474,564	2,822,423	3,568,274	2,835,995	2,399,780
427,247	439,595	470,650	571,749	1,142,825	2,287,190
2,489,160	2,824,342	1,937,568	2,396,637	2,787,610	3,082,236
38,034,667	41,991,710	45,338,554	50,097,801	52,229,785	54,615,131
9,161,467	-	-	-	-	-
1,762,952	3,295,857	6,174,725	3,764,900	5,170,583	18,573,339
<u>\$ 48,959,086</u>	<u>\$ 45,287,567</u>	<u>\$ 51,513,279</u>	<u>\$ 53,862,701</u>	<u>\$ 57,400,368</u>	<u>\$ 73,188,470</u>

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

	Actual FY 2017	Actual FY 2018	Actual FY 2019	Actual FY 2020
Personnel				
Payroll	\$ 12,397,961	\$ 12,910,890	\$ 13,616,196	\$ 14,067,783
Benefits	2,943,700	3,366,911	3,452,656	4,007,867
Subtotal	\$ 15,341,661	\$ 16,277,801	\$ 17,068,852	\$ 18,075,650
Supplies & Equipment	3,541,913	3,871,652	3,439,159	3,581,462
Services & Charges	5,903,472	6,094,929	6,011,249	6,211,733
Total Operating Costs	24,787,046	26,244,382	26,519,260	27,868,845
Capital Outlay	6,803,123	5,382,027	10,786,728	8,032,302
Total	\$ 31,590,169	\$ 31,626,409	\$ 37,305,988	\$ 35,901,147

Source: Actual Column of Prior Year Budget Documents.

Actual FY 2021	Actual FY 2022	Actual FY 2023	Actual FY 2024	Projected FY 2025	Adopted FY 2026
\$ 13,923,547	\$ 14,469,382	\$ 15,302,553	\$ 16,087,578	\$ 17,431,825	\$ 18,611,518
4,194,021	4,150,468	4,769,052	5,172,718	5,112,010	5,826,307
\$ 18,117,568	\$ 18,619,850	\$ 20,071,605	\$ 21,260,296	\$ 22,543,835	\$ 24,437,825
3,638,331	4,184,461	4,971,556	4,883,154	5,871,493	6,258,829
6,922,558	7,381,419	7,590,604	8,561,582	9,702,363	10,386,545
28,678,457	30,185,730	32,633,765	34,705,032	38,117,691	41,083,199
11,029,044	7,900,023	12,919,797	18,455,352	19,214,336	41,583,467
\$ 39,707,501	\$ 38,085,753	\$ 45,553,562	\$ 53,160,384	\$ 57,332,027	\$ 82,666,666



THIS PAGE INTENTIONALLY LEFT BLANK

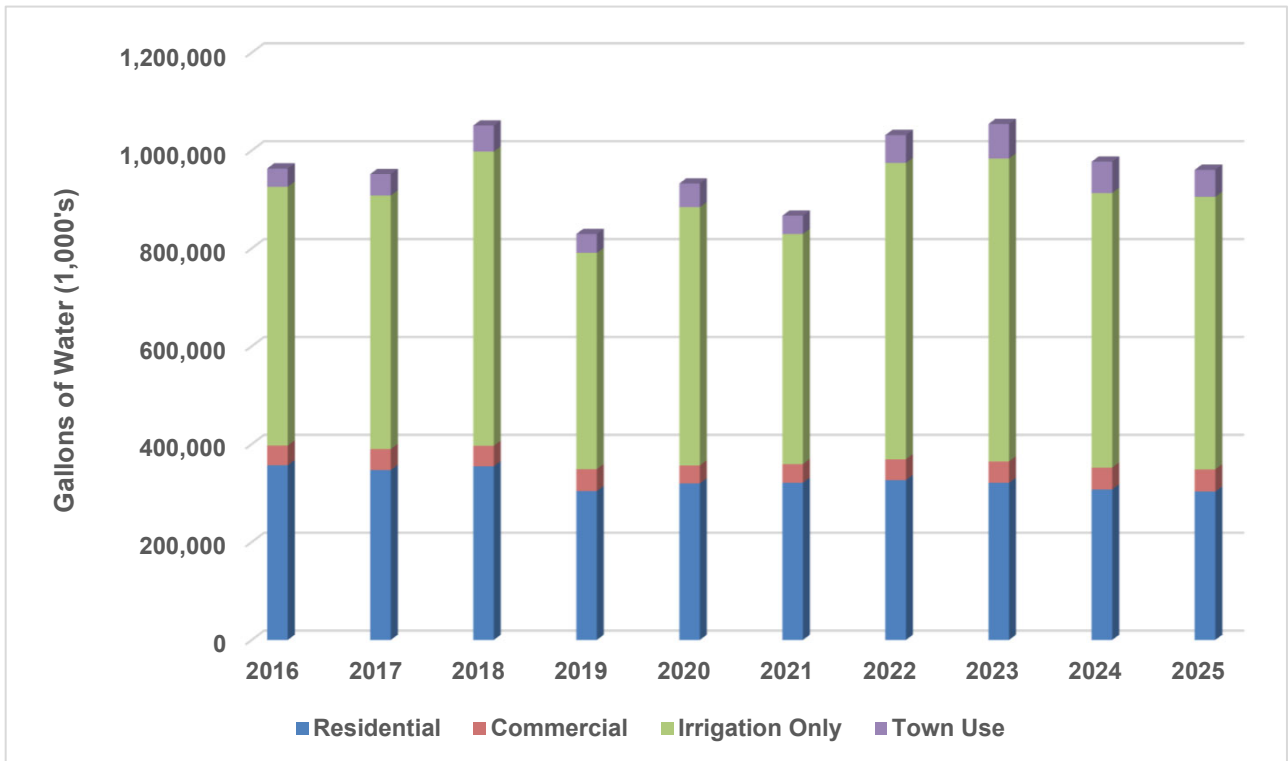
HISTORICAL WATER SALES DATA

TOWN OF HIGHLAND PARK

HISTORICAL WATER SALES BY SERVICE TYPE

1,000 GALLONS

Fiscal Year	Residential	Commercial	Irrigation Only	Town Use	Total	# Service Meters
2016	356,903	40,327	528,651	37,284	963,165	5,520
2017	346,993	43,020	517,801	43,944	951,758	5,516
2018	354,791	41,954	600,904	53,275	1,050,924	5,535
2019	304,193	44,922	441,619	38,581	829,315	5,546
2020	320,032	36,689	527,453	48,361	932,535	5,553
2021	321,139	38,127	470,153	37,263	866,682	5,574
2022	326,654	42,526	605,225	57,108	1,031,513	5,577
2023	321,035	43,700	619,037	70,351	1,054,123	5,602
2024	307,458	44,684	560,991	63,948	977,081	5,651
2025	303,233	45,345	556,627	55,284	960,489	5,647



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.



THIS PAGE INTENTIONALLY LEFT BLANK

FINANCIAL MANAGEMENT POLICIES

(As Amended January 2025)

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 Finance, 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 or electronic representation of an Annual Comprehensive Financial Report (ACFR) which shall be presented to the Council within 180 calendar days after the Town's fiscal year end. The ACFR 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 or electronic representation of a 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, in excess of the threshold established for competitive bidding within Chapter 252 of the Local Government Code, 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. Contracts entered into by the Town for the purchase of goods or services will be reviewed by the Town Attorney prior to execution.

The purchase of goods or services at a total cost of \$3,000 or more must be made through the Town's purchase order system. An electronic representation of a written purchase order shall also be used for vendors requiring formal Town authorization regardless of the dollar amount. All purchase orders require the approval of the Department Director or Department Director Designee (as defined in section XI. Financial Glossary) and the Director of Finance. Purchase orders greater than \$45,000 require the approval of the Department Director, Director of Finance, and Town Administrator or Town Administrator designee.

In an emergency procurement situation (as defined in section XI. Financial Glossary) where a purchase order could not have been obtained prior to making a purchase, a department must obtain a purchase order as soon as practicable after making the purchase. An emergency purchase order request must be accompanied by a memo signed by the appropriate department head that describes the nature of the emergency and reason(s) why a purchase order could not have been obtained in advance of making the emergency purchase. A substantiated emergency procurement made without a valid purchase order is not considered a

violation of this policy.

Any payment for the purchase of goods or services by the Town at a total cost of less than \$3,000 may be made via an electronic representation of a written Accounts Payable Voucher, signed and submitted by the applicable Department Director or Department Director Designee to the Town's Finance Department. The following approval thresholds shall apply to all disbursement of funds:

Approval Threshold	Approval Requirement
Accounts Payable Vouchers and Disbursements Less than or Equal to \$1,000	Department Director or Department Director Designee Finance Department Accounting Supervisor
Accounts Payable Vouchers and Disbursements More than \$1,000 but Less than or Equal to \$45,000	Department Director or Department Director Designee Director of Finance
Disbursements More than \$45,000	Department Director Director of Finance Town Administrator or Town Administrator Designee

In accordance with Section 252.0415 of the Texas Local Government Code, the Town is authorized to receive sealed bids or proposals electronically. To ensure the identification, security and confidentiality and prevent the opening of submittals prior to the advertised opening date and time, these submittals shall be received password protected digital account only accessible at the date and time advertised for the opening. The information technology department, or third party used to collect the submittals, will certify that the submittals were not opened until the advertised date and time. Any bids submitted after the advertised date and time will not be considered. If any submitted bids are opened prior to the advertised opening date and time, all bids will be considered rejected and the process will be redone.

- 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 \$3,000

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 signature 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:

1. 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.

2. 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 system 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.



THIS PAGE INTENTIONALLY LEFT BLANK



THIS PAGE INTENTIONALLY LEFT BLANK

GLOSSARY

ADA - Americans with Disabilities Act

Accrual Basis of Accounting - The basis of accounting whereby revenue projections are developed recognizing revenues expected to be earned in the period, and expenditure estimates are developed for all expenses anticipated to be incurred during the last fiscal year.

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

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

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

Audit - A process that involves obtaining audit evidence to provide an opinion on whether financial statements are presented fairly, in all material respects, in accordance with applicable financial reporting frameworks. This process is essential for ensuring the integrity of financial reporting and maintaining public confidence in government financial practices and is performed by an independent and qualified auditor.

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

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

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

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

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

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

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

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

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

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

GLOSSARY

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

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

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 Improvement 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.

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

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

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.

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

CIP - Capital Improvement Plan.

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

Competitive Bidding Process - A competitive procurement process that satisfies the requirements of Chapter 252 of the Local Government Code of Texas, as amended.

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

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

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

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

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

DART – Dallas Area Rapid Transit.

DCC – Dallas Country Club.

DCCCD – Dallas County Community College District.

DCHD – Dallas County Hospital District.

DCPCMUD - Dallas County Park Cities Municipal Utility District.

DISD – Dallas Independent School District.

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.

Deficit - When a government spends more in a given year than it collects in revenues.

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

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

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

DWU - Dallas Water Utilities.

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

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

Emergency Procurement – An unforeseen procurement that was necessary to:

- Preserve the property of the municipality
- Preserve or protect the public health or safety of the municipality's residents or employees
- Prevent unforeseen damage to public machinery, equipment, or other property

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

Enterprise Fund - An enterprise fund is a self-supporting fund that sells goods and services to the public for a fee. It is one of two proprietary fund types available for use by governments. The other is an internal service fund.

Equity - See Fund Balance and Retained Earnings.

ERF - Equipment Replacement Fund.

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

FASB – Financial Accounting Standards Board.

Fiscal Year (FY) - The period of October 1st through the following September 30th. (e.g. FY 2013 or FY13 refers to the fiscal year from October 1, 2012 through September 30, 2013)

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

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

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

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

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

GAAP - see Generally Accepted Accounting Principles

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

GASB - Governmental Accounting Standards Board.

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

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

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

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

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

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

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

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

GFOA - Government Finance Officers Association of the United States and Canada.

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

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

GTOT - Government Treasurers' Organization of Texas.

HPDPS - Highland Park Department of Public Safety.

HPISD - Highland Park Independent School District.

HPSV - Highland Park Shopping Village.

HSA - Health Savings Account.

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

Inter-fund Transfer - See Transfer.

Internal Service Fund - A fund used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost-reimbursement basis. The Town's Equipment Replacement, Technology Replacement and Building Maintenance & Investment Funds are internal service funds.

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

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

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

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

Major Fund - The General, Utility and Capital Projects Funds. Major funds are funds whose revenues, expenditures/expenses, assets, or liabilities are at least 10 percent of the corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds.

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

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

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

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

NCTCOG – North Central Texas Council of Governments.

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

Official Budget - The budget as adopted by the Council.

One-Time Revenues - See Non-Recurring Revenues.

OPEB – Other Post-Employment Benefits.

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

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

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

Operating Budget - A plan, 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 and individual capital projects, which can span multiple fiscal years.

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 calls answered, flower planted, etc.

Proprietary Fund - See Utility Fund and Internal Service Fund.

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

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

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

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

SSO - Sanitary Sewer Overflow.

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

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

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

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

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

Tax Levy - The total amount of taxes imposed by the Town on taxable property, as determined by the Dallas Central Appraisal District, within the Town's corporate limits.

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

TCEQ - Texas Commission on Environmental Quality.

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

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

GLOSSARY

TMRS - The Texas Municipal Retirement System.

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

TWDB - Texas Water Development Board.

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

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

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

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

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

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

Working Capital - See Net Working Capital.



THIS PAGE INTENTIONALLY LEFT BLANK

2025 TAX RATE CALCULATION WORKSHEET

2025 Tax Rate Calculation Worksheet

Taxing Units Other Than School Districts or Water Districts

CR 7/29/25

Form 50-856

JES
8/5/2025

Town of Highland Park

214.559.9360

Taxing Unit Name

Phone (area code and number)

4700 Drexel Dr, Highland Park, TX 75205

www.hptx.org

Taxing Unit's Address, City, State, ZIP Code

Taxing Unit's Website Address

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

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

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

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

SECTION 1: No-New-Revenue Tax Rate

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

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

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

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
1.	Prior year total taxable value. Enter the amount of the prior year taxable value on the prior year tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (adjustment is made by deducting TIF taxes, as reflected in Line 17). ¹	\$ 9,247,631,424
2.	Prior year tax ceilings. Counties, cities and junior college districts. Enter the prior year 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 last year or a prior year for homeowners age 65 or older or disabled, use this step. ²	\$ 0
3.	Preliminary prior year adjusted taxable value. Subtract Line 2 from Line 1.	\$ 9,247,631,424
4.	Prior year total adopted tax rate.	\$ 0.208550 /\$100
5.	Prior year taxable value lost because court appeals of ARB decisions reduced the prior year's appraised value. A. Original prior year ARB values: \$ 313,449,350 B. Prior year values resulting from final court decisions: - \$ 279,924,120 C. Prior year value loss. Subtract B from A. ³	\$ 33,525,230
6.	Prior year taxable value subject to an appeal under Chapter 42, as of July 25. A. Prior year ARB certified value: \$ 119,173,002 B. Prior year disputed value: - \$ 23,834,600 C. Prior year undisputed value. Subtract B from A. ⁴	\$ 95,338,402
7.	Prior year Chapter 42 related adjusted values. Add Line 5C and Line 6C.	\$ 128,863,632

¹ Tex. Tax Code §26.012(14)

² Tex. Tax Code §26.012(14)

³ Tex. Tax Code §26.012(13)

⁴ Tex. Tax Code §26.012(13)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
8.	Prior year taxable value, adjusted for actual and potential court-ordered adjustments. Add Line 3 and Line 7.	\$ 9,376,495,056
9.	Prior year taxable value of property in territory the taxing unit deannexed after Jan. 1, 2024. Enter the prior year value of property in deannexed territory. ⁵	\$ 0
10.	Prior year taxable value lost because property first qualified for an exemption in the current year. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in the current year does not create a new exemption or reduce taxable value. A. Absolute exemptions. Use prior year market value: \$ 6,320 B. Partial exemptions. Current year exemption amount or current year percentage exemption times prior year value: + \$ 28,445,294 C. Value loss. Add A and B.⁶	\$ 28,451,614
11.	Prior year 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 the current year. Use only properties that qualified for the first time in the current year; do not use properties that qualified in the prior year. A. Prior year market value: \$ 0 B. Current year productivity or special appraised value: - \$ 0 C. Value loss. Subtract B from A.⁷	\$ 0
12.	Total adjustments for lost value. Add Lines 9, 10C and 11C.	\$ 28,451,614
13.	Prior year captured value of property in a TIF. Enter the total value of the prior year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the prior year taxes were deposited into the tax increment fund. ⁸ If the taxing unit has no captured appraised value in line 18D, enter 0.	\$ 0
14.	Prior year total value. Subtract Line 12 and Line 13 from Line 8.	\$ 9,348,043,442
15.	Adjusted prior year total levy. Multiply Line 4 by Line 14 and divide by \$100.	\$ 19,495,344
16.	Taxes refunded for years preceding the prior tax year. Enter the amount of taxes refunded by the taxing unit for tax years preceding the prior tax 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 the prior tax year. This line applies only to tax years preceding the prior tax year. ⁹	\$ 43,433
17.	Adjusted prior year levy with refunds and TIF adjustment. Add Lines 15 and 16. ¹⁰	\$ 19,538,777
18.	Total current year taxable value on the current year certified appraisal roll today. This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled. ¹¹ A. Certified values: \$ 10,294,588,085 B. Counties: Include railroad rolling stock values certified by the Comptroller's office: + \$ C. Pollution control and energy storage system exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property: - \$ 0 D. Tax increment financing: Deduct the current year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the current year taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 24 below.¹² - \$ 0 E. Total current year value. Add A and B, then subtract C and D.	\$ 10,294,588,085

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

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
19.	Total value of properties under protest or not included on certified appraisal roll. ¹³ A. Current year taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. ¹⁴ \$ <u>32,771,596</u> B. Current year value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll. ¹⁵ + \$ <u>0</u> C. Total value under protest or not certified. Add A and B.	\$ <u>32,771,596</u>
20.	Current year tax ceilings. Counties, cities and junior colleges enter current year 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 the prior year or a previous year for homeowners age 65 or older or disabled, use this step. ¹⁶	\$ <u>0</u>
21.	Anticipated contested value. Affected taxing units enter the contested taxable value for all property that is subject to anticipated substantial litigation. ¹⁷ An affected taxing unit is wholly or partly located in a county that has a population of less than 500,000 and is located on the Gulf of Mexico. ¹⁸ If completing this section, the taxing unit must include supporting documentation in Section 9. ¹⁹ Taxing units that are not affected, enter 0.	\$ <u>0</u>
22.	Current year total taxable value. Add Lines 18E and 19C, then subtract Lines 20 and 21. ²⁰	\$ <u>10,327,359,681</u>
23.	Total current year taxable value of properties in territory annexed after Jan. 1, of the prior year. Include both real and personal property. Enter the current year value of property in territory annexed. ²¹	\$ <u>0</u>
24.	Total current year taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in the prior year. 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, of the prior year and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for the current year. ²²	\$ <u>149,562,703</u>
25.	Total adjustments to the current year taxable value. Add Lines 23 and 24.	\$ <u>149,562,703</u>
26.	Adjusted current year taxable value. Subtract Line 25 from Line 22.	\$ <u>10,177,796,978</u>
27.	Current year NNR tax rate. Divide Line 17 by Line 26 and multiply by \$100. ²³	\$ <u>0.191974</u> /\$100
28.	COUNTIES ONLY. Add together the NNR tax rates for each type of tax the county levies. The total is the current year county NNR tax rate. ²⁴	\$ _____ /\$100

SECTION 2: Voter Approval Tax Rate

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

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

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

¹³ Tex. Tax Code §26.01(c) and (d)

¹⁴ Tex. Tax Code §26.01(c)

¹⁵ Tex. Tax Code §26.01(d)

¹⁶ Tex. Tax Code §26.012(6)(B)

¹⁷ Tex. Tax Code §526.012(6)(C) and 26.012(1-b)

¹⁸ Tex. Tax Code §26.012(1-a)

¹⁹ Tex. Tax Code §26.04(d-3)

²⁰ Tex. Tax Code §26.012(6)

²¹ Tex. Tax Code §26.012(17)

²² Tex. Tax Code §26.012(17)

²³ Tex. Tax Code §26.04(c)

²⁴ Tex. Tax Code §26.04(d)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
29.	Prior year M&O tax rate. Enter the prior year M&O tax rate.	\$ 0.208550 /\$100
30.	Prior year taxable value, adjusted for actual and potential court-ordered adjustments. Enter the amount in Line 8 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 9,376,495,056
31.	Total prior year M&O levy. Multiply Line 29 by Line 30 and divide by \$100.	\$ 19,554,680
32.	Adjusted prior year levy for calculating NNR M&O rate. A. M&O taxes refunded for years preceding the prior tax year. 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 2024. This line applies only to tax years preceding the prior tax year. + \$ 43,433 B. Prior year taxes in TIF. Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no current year captured appraised value in Line 18D, enter 0. - \$ 0 C. Prior year transferred function. If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0. +/- \$ 0 D. Prior year M&O levy adjustments. Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function. \$ 43,433 E. Add Line 31 to 32D.	\$ 19,598,113
33.	Adjusted current year taxable value. Enter the amount in Line 26 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 10,177,796,978
34.	Current year NNR M&O rate (unadjusted). Divide Line 32E by Line 33 and multiply by \$100.	\$ 0.192557 /\$100
35.	Rate adjustment for state criminal justice mandate. ²⁶ A. Current year state criminal justice mandate. Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. \$ 0 B. Prior year state criminal justice mandate. Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies. - \$ 0 C. Subtract B from A and divide by Line 33 and multiply by \$100. \$ 0.000000 /\$100 D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.000000 /\$100
36.	Rate adjustment for indigent health care expenditures. ²⁷ A. Current year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state assistance received for the same purpose. \$ 0 B. Prior year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2023 and ending on June 30, 2024, less any state assistance received for the same purpose. - \$ 0 C. Subtract B from A and divide by Line 33 and multiply by \$100. \$ 0.000000 /\$100 D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.000000 /\$100

²⁵ [Reserved for expansion]²⁶ Tex. Tax Code §26.044²⁷ Tex. Tax Code §26.041

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
37.	Rate adjustment for county indigent defense compensation. ²⁸ A. Current year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state grants received by the county for the same purpose. \$ 0 B. Prior year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2023 and ending on June 30, 2024, less any state grants received by the county for the same purpose. \$ 0 C. Subtract B from A and divide by Line 33 and multiply by \$100. \$ 0.000000 /\$100 D. Multiply B by 0.05 and divide by Line 33 and multiply by \$100. \$ 0.000000 /\$100 E. Enter the lesser of C and D. If not applicable, enter 0.	\$ 0.000000 /\$100
38.	Rate adjustment for county hospital expenditures. ²⁹ A. Current year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year. \$ 0 B. Prior year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2023 and ending on June 30, 2024. \$ 0 C. Subtract B from A and divide by Line 33 and multiply by \$100. \$ 0.000000 /\$100 D. Multiply B by 0.08 and divide by Line 33 and multiply by \$100. \$ 0.000000 /\$100 E. Enter the lesser of C and D, if applicable. If not applicable, enter 0.	\$ 0.000000 /\$100
39.	Rate adjustment for defunding municipality. This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code Section 26.0444 for more information. A. Amount appropriated for public safety in the prior year. Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year. \$ 0 B. Expenditures for public safety in the prior year. Enter the amount of money spent by the municipality for public safety during the preceding fiscal year \$ 0 C. Subtract B from A and divide by Line 33 and multiply by \$100 \$ 0.000000 /\$100 D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.000000 /\$100
40.	Adjusted current year NNR M&O rate. Add Lines 34, 35D, 36D, 37E, and 38E. Subtract Line 39D.	\$ 0.192557 /\$100 ✓
41.	Adjustment for prior year sales tax specifically to reduce property taxes. Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in the prior year should complete this line. These entities will deduct the sales tax gain rate for the current year in Section 3. Other taxing units, enter zero. A. Enter the amount of additional sales tax collected and spent on M&O expenses in the prior year, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent. \$ 0 B. Divide Line 41A by Line 33 and multiply by \$100 \$ 0.000000 /\$100 C. Add Line 41B to Line 40.	\$ 0.192557 /\$100
42.	Current year voter-approval M&O rate. Enter the rate as calculated by the appropriate scenario below. Special Taxing Unit. If the taxing unit qualifies as a special taxing unit, multiply Line 41C by 1.08. - or - Other Taxing Unit. If the taxing unit does not qualify as a special taxing unit, multiply Line 41C by 1.035.	\$ 0.199296 /\$100 ✓

²⁸ Tex. Tax Code §26.0442²⁹ Tex. Tax Code §26.0443

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
D42.	Disaster Line 42 (D42): Current year voter-approval M&O rate for taxing unit affected by disaster declaration. If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of: 1) the first year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred; or 2) the third tax year after the tax year in which the disaster occurred. If the taxing unit qualifies under this scenario, multiply Line 41C by 1.08. ³⁰ If the taxing unit does not qualify, do not complete Disaster Line 42 (Line D42).	\$ 0.000000 / \$100
43.	Total current year debt to be paid with property taxes and additional sales tax revenue. Debt means the interest and principal that will be paid on debts that: (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. Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here. ³¹ Enter debt amount \$ 0 B. Subtract unencumbered fund amount used to reduce total debt. - \$ 0 C. Subtract certified amount spent from sales tax to reduce debt (enter zero if none) - \$ 0 D. Subtract amount paid from other resources - \$ 0 E. Adjusted debt. Subtract B, C and D from A.	\$ 0
44.	Certified prior year excess debt collections. Enter the amount certified by the collector. ³²	\$ 0
45.	Adjusted current year debt. Subtract Line 44 from Line 43E.	\$ 0
46.	Current year anticipated collection rate. A. Enter the current year anticipated collection rate certified by the collector. ³³ 100.00 % B. Enter the prior year actual collection rate..... 99.62 % C. Enter the 2023 actual collection rate. 99.13 % D. Enter the 2022 actual collection rate. 100.08 % E. If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%. ³⁴	100.00 %
47.	Current year debt adjusted for collections. Divide Line 45 by Line 46E.	\$ 0
48.	Current year total taxable value. Enter the amount on Line 22 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 10,327,359,681
49.	Current year debt rate. Divide Line 47 by Line 48 and multiply by \$100.	\$ 0.000000 / \$100
50.	Current year voter-approval M&O rate plus current year debt rate. Add Lines 42 and 49.	\$ 0.199296 / \$100
D50.	Disaster Line 50 (D50): Current year voter-approval tax rate for taxing unit affected by disaster declaration. Complete this line if the taxing unit calculated the voter-approval tax rate in the manner provided for a special taxing unit on Line D42. Add Line D42 and 49.	\$ 0.000000 / \$100

³⁰ Tex. Tax Code §26.042(a)³¹ Tex. Tax Code §26.012(7)³² Tex. Tax Code §26.012(10) and 26.04(b)³³ Tex. Tax Code §26.04(b)³⁴ Tex. Tax Code §26.04(h), (h-1) and (h-2)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
51.	COUNTIES ONLY. Add together the voter-approval tax rates for each type of tax the county levies. The total is the current year county voter-approval tax rate.	\$ 0.000000 /\$100

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

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

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

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
52.	Taxable Sales. For taxing units that adopted the sales tax in November of the prior tax year or May of the current tax year, enter the Comptroller's estimate of taxable sales for the previous four quarters. ³⁵ Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November of the prior year, enter 0.	\$ 0
53.	Estimated sales tax revenue. Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. ³⁶ Taxing units that adopted the sales tax in November of the prior tax year or in May of the current tax year. Multiply the amount on Line 52 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. ³⁷ - or - Taxing units that adopted the sales tax before November of the prior year. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	\$ 0
54.	Current year total taxable value. Enter the amount from Line 22 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 10,327,359,681
55.	Sales tax adjustment rate. Divide Line 53 by Line 54 and multiply by \$100.	\$ 0.000000 /\$100
56.	Current year NNR tax rate, unadjusted for sales tax. ³⁸ Enter the rate from Line 27 or 28, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 0.191974 /\$100
57.	Current year NNR tax rate, adjusted for sales tax. Taxing units that adopted the sales tax in November the prior tax year or in May of the current tax year. Subtract Line 55 from Line 56. Skip to Line 58 if you adopted the additional sales tax before November of the prior tax year.	\$ 0.191974 /\$100
58.	Current year voter-approval tax rate, unadjusted for sales tax. ³⁹ Enter the rate from Line 50, Line D50 (disaster) or Line 51 (counties) as applicable, of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.199296 /\$100
59.	Current year voter-approval tax rate, adjusted for sales tax. Subtract Line 55 from Line 58.	\$ 0.199296 /\$100

SECTION 4: Voter Approval Tax Rate Adjustment for Pollution Control

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

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

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
60.	Certified expenses from the Texas Commission on Environmental Quality (TCEQ). Enter the amount certified in the determination letter from TCEQ. ⁴⁰ The taxing unit shall provide its tax assessor-collector with a copy of the letter. ⁴¹	\$ 0
61.	Current year total taxable value. Enter the amount from Line 22 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 10,327,359,681
62.	Additional rate for pollution control. Divide Line 60 by Line 61 and multiply by \$100.	\$ 0.000000 /\$100

³⁵ Tex. Tax Code §26.041(d)

³⁶ Tex. Tax Code §26.041(i)

³⁷ Tex. Tax Code §26.041(d)

³⁸ Tex. Tax Code §26.04(c)

³⁹ Tex. Tax Code §26.04(c)

⁴⁰ Tex. Tax Code §26.045(d)

⁴¹ Tex. Tax Code §26.045(i)

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
63.	Current year voter-approval tax rate, adjusted for pollution control. Add Line 62 to one of the following lines (as applicable): Line 50, Line D50 (disaster), Line 51 (counties) or Line 59 (taxing units with the additional sales tax).	\$ 0.199296 /\$100

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

The unused increment rate is the rate equal to the sum of the prior 3 years Foregone Revenue Amounts divided by the current taxable value.⁴² The Foregone Revenue Amount for each year is equal to that year's adopted tax rate subtracted from that year's voter-approval tax rate adjusted to remove the unused increment rate multiplied by that year's current total value.⁴³

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

- a tax year in which a taxing unit affected by a disaster declaration calculates the tax rate under Tax Code Section 26.042;⁴⁴
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a);⁴⁵ or
- after Jan. 1, 2022, a tax year in which the comptroller determines that the county implemented a budget reduction or reallocation described by Local Government Code Section 120.002(a) without the required voter approval.⁴⁶

This section should only be completed by a taxing unit that does not meet the definition of a special taxing unit.⁴⁷

Line	Unused Increment Rate Worksheet	Amount/Rate
64.	Year 3 Foregone Revenue Amount. Subtract the 2024 unused increment rate and 2024 actual tax rate from the 2024 voter-approval tax rate. Multiply the result by the 2024 current total value A. Voter-approval tax rate (Line 68)..... B. Unused increment rate (Line 67)..... C. Subtract B from A..... D. Adopted Tax Rate..... E. Subtract D from C..... F. 2024 Total Taxable Value (Line 60)..... G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....	 \$ 0.208550 /\$100 \$ 0.002597 /\$100 \$ 0.205953 /\$100 \$ 0.208550 /\$100 \$ -0.002597 /\$100 \$ 9,400,167,194 \$ 0
65.	Year 2 Foregone Revenue Amount. Subtract the 2023 unused increment rate and 2023 actual tax rate from the 2023 voter-approval tax rate. Multiply the result by the 2023 current total value A. Voter-approval tax rate (Line 67)..... B. Unused increment rate (Line 66)..... C. Subtract B from A..... D. Adopted Tax Rate..... E. Subtract D from C..... F. 2023 Total Taxable Value (Line 60)..... G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....	 \$ 0.220530 /\$100 \$ 0.009510 /\$100 \$ 0.211020 /\$100 \$ 0.220530 /\$100 \$ -0.009510 /\$100 \$ 8,457,359,481 \$ 0
66.	Year 1 Foregone Revenue Amount. Subtract the 2022 unused increment rate and 2022 actual tax rate from the 2022 voter-approval tax rate. Multiply the result by the 2022 current total value A. Voter-approval tax rate (Line 67)..... B. Unused increment rate (Line 66)..... C. Subtract B from A..... D. Adopted Tax Rate..... E. Subtract D from C..... F. 2022 Total Taxable Value (Line 60)..... G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....	 \$ 0.239510 /\$100 \$ 0.021387 /\$100 \$ 0.218123 /\$100 \$ 0.230000 /\$100 \$ -0.011877 /\$100 \$ 7,466,203,174 \$ 0
67.	Total Foregone Revenue Amount. Add Lines 64G, 65G and 66G	\$ 0 /\$100
68.	2025 Unused Increment Rate. Divide Line 67 by Line 22 of the <i>No-New-Revenue Rate Worksheet</i> . Multiply the result by 100	\$ 0.000000 /\$100
69.	Total 2025 voter-approval tax rate, including the unused increment rate. Add Line 68 to one of the following lines (as applicable): Line 50, Line 51 (counties), Line 59 (taxing units with additional sales tax) or Line 63 (taxing units with pollution)	\$ 0.199296 /\$100

⁴² Tex. Tax Code §26.013(b)

⁴³ Tex. Tax Code §26.013(a)(1-a), (1-b), and (2)

⁴⁴ Tex. Tax Code §26.04(c)(2)(A) and 26.042(a)

⁴⁵ Tex. Tax Code §26.0501(a) and (c)

⁴⁶ Tex. Local Gov't Code §120.007(d)

⁴⁷ Tex. Local Gov't Code §26.04(c)(2)(B)

SECTION 6: De Minimis Rate

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate, the rate that will raise \$500,000, and the current debt rate for a taxing unit.⁴⁸
This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit.⁴⁹

Line	De Minimis Rate Worksheet	Amount/Rate
70.	Adjusted current year NNR M&O tax rate. Enter the rate from Line 40 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.192557 /\$100
71.	Current year total taxable value. Enter the amount on Line 22 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 10,327,359,681
72.	Rate necessary to impose \$500,000 in taxes. Divide \$500,000 by Line 71 and multiply by \$100.	\$ 0.004841 /\$100
73.	Current year debt rate. Enter the rate from Line 49 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.000000 /\$100
74.	De minimis rate. Add Lines 70, 72 and 73.	\$ 0.197398 /\$100

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

In the tax year after the end of the disaster calculation time period detailed in Tax Code Section 26.042(a), a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a disaster must calculate its emergency revenue rate and reduce its voter-approval tax rate for that year.⁵⁰

Similarly, if a taxing unit adopted a tax rate that exceeded its voter-approval tax rate, calculated normally, without holding an election to respond to a disaster, as allowed by Tax Code Section 26.042(d), in the prior year, it must also reduce its voter-approval tax rate for the current tax year.⁵¹

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

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

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

Line	Emergency Revenue Rate Worksheet	Amount/Rate
75.	2024 adopted tax rate. Enter the rate in Line 4 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 0.208550 /\$100
76.	Adjusted 2024 voter-approval tax rate. Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line. ⁵² If a disaster occurred in 2024 and the taxing unit calculated its 2024 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2024 worksheet due to a disaster, complete the applicable sections or lines of <i>Form 50-856-a, Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> . - or - If a disaster occurred prior to 2024 for which the taxing unit continued to calculate its voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) in 2024, complete form 50-856-a, <i>Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> to recalculate the voter-approval tax rate the taxing unit would have calculated in 2024 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the years following the disaster. ⁵³ Enter the final adjusted 2024 voter-approval tax rate from the worksheet. - or - If the taxing unit adopted a tax rate above the 2024 voter-approval tax rate without calculating a disaster tax rate or holding an election due to a disaster, no recalculation is necessary. Enter the voter-approval tax rate from the prior year's worksheet.	\$ 0.000000 /\$100
77.	Increase in 2024 tax rate due to disaster. Subtract Line 76 from Line 75.	\$ 0.000000 /\$100
78.	Adjusted 2024 taxable value. Enter the amount in Line 14 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 9,348,043,442
79.	Emergency revenue. Multiply Line 77 by Line 78 and divide by \$100.	\$ 0
80.	Adjusted 2024 taxable value. Enter the amount in Line 26 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 10,177,796,978
81.	Emergency revenue rate. Divide Line 79 by Line 80 and multiply by \$100. ⁵³	\$ 0.000000 /\$100

⁴⁸ Tex. Tax Code §26.012(8-a)

⁴⁹ Tex. Tax Code §26.063(a)(1)

⁵⁰ Tex. Tax Code §26.042(b)

⁵¹ Tex. Tax Code §26.042(f)

⁵² Tex. Tax Code §26.042(c)

⁵³ Tex. Tax Code §26.042(b)

Line	Emergency Revenue Rate Worksheet	Amount/Rate
82.	Current year voter-approval tax rate, adjusted for emergency revenue. Subtract Line 81 from one of the following lines (as applicable): Line 50, Line D50 (disaster), Line 51 (counties), Line 59 (taxing units with the additional sales tax), Line 63 (taxing units with pollution control) or Line 69 (taxing units with the unused increment rate).	\$ 0.199296 /\$100 ✓

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate. \$ 0.191974 /\$100

As applicable, enter the current year NNR tax rate from: Line 27, Line 28 (counties), or Line 57 (adjusted for sales tax).

Indicate the line number used: 27

Voter-approval tax rate. \$ 0.199296 /\$100

As applicable, enter the current year voter-approval tax rate from: Line 50, Line D50 (disaster), Line 51 (counties), Line 59 (adjusted for sales tax),
Line 63 (adjusted for pollution control), Line 69 (adjusted for unused increment), or Line 82 (adjusted for emergency revenue).Indicate the line number used: 27

De minimis rate. \$ 0.197398 /\$100

If applicable, enter the current year de minimis rate from Line 74.

SECTION 9: Addendum

An affected taxing unit that enters an amount described by Tax Code Section 26.012(6)(C) in line 21 must include the following as an addendum:

1. Documentation that supports the exclusion of value under Tax Code Section 26.012(6)(C); and
2. Each statement submitted to the designated officer or employee by the property owner or entity as required by Tax Code Section 41.48(c)(2) for that tax year.

Insert hyperlinks to supporting documentation:

SECTION 10: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit's certified appraisal roll or certified estimate of taxable value, in accordance with requirements in the Tax Code.⁵⁴

**print
here**

John R. Ames, PCC, CTA

Printed Name of Taxing Unit Representative

**sign
here**

Taxing Unit Representative

Date

7.29.25

**sign
here**

Taxing Unit Representative

John R. Samford
Director of Finance

Date

8/5/2025

⁵⁴ Tex. Tax Code §§26.04(c-2) and (d-2)



**Town of Highland Park
Town Council Study Session
Tuesday, May 5, 2026**

Item Coversheet

Review and discuss Capital Improvement Program project status.

PRESENTED BY: Lori Chapin, Director of Engineering

BACKGROUND:

This item is provided as an opportunity to update the Town Council on the current year's Capital Improvements Program ("CIP") projects.

A few of the larger, more complex projects are highlighted below:

Wycliffe Reconstruction
Holland EST
Hackberry Creek Phase I Improvements
Exall Dredging

An update will be provided for the above projects as well as other roadway, utility, stormwater, parks, and facilities projects programmed for FY 2025-2026.

RECOMMENDATION

This item is provided as an information report with no action proposed for Town Council consideration.

FINANCIAL IMPACT

This item has no financial impact.

ATTACHMENTS

None

