Town of Highland Park, Texas
TOWN COUNCIL STUDY SESSION
AGENDA

8:00 AM
May 19, 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. REPORTS

A. Review and discuss the monthly financial and investment reports for the period ending March 31, 2026.

B. Review and discuss the quarterly Community Development report for the quarter ending March 31, 2026.

C. Review and discuss the Compensation and Benefit Study.

IV. REQUEST FOR FUTURE AGENDA ITEMS

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.

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 with the consent of the body.

ACCOMMODATIONS FOR TOWN COUNCIL MEETINGS:

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, if you need assistance of any kind.

Town of Highland Park
Town Council Study Session
Tuesday, May 19, 2026

Item Coversheet

Review and discuss the monthly financial and investment reports for the period ending March 31, 2026.

PRESENTED BY: John Samford, Director of Finance

BACKGROUND:

For Fiscal Year 2025–26 through March 31, 2026, combined revenues for the General and Utility Funds totaled $35,961,483, or 66.4% of the annual budgeted revenue for these two funds. Combined expenditures and encumbrances for the same period were $25,261,306, or 45.4% of the total combined expenditure budget. A narrative summary is included in the report to provide additional context.

In addition, the Quarterly Investment Report for the period ending March 31, 2026 is presented for review. As of that date, the Town's cash and investment portfolio had a total market value of $81,061,695, with a weighted average yield of 3.77 percent. The weighted average maturity was 166 days for investments and 49 days for the combined cash and investment portfolio.

RECOMMENDATION

There is no recommended action associated with this agenda item as it is presented solely for informational and discussion purposes.

FINANCIAL IMPACT

There is no financial impact associated with this agenda item as it is presented solely for informational and discussion purposes.

ATTACHMENTS

Monthly Fin Report_032026_Final, Quarterly Investment Report_3.31.26

THE TOWN OF Highland Park TEXAS

An American Community Making a Difference

TOWN OF HIGHLAND PARK, TEXAS

MONTHLY FINANCIAL REPORT

OVERVIEW

As of March 31, 2026, combined General and Utility Fund revenues total $35,961,483, representing 66.4% of the annual budgeted amount. Combined expenses and encumbrances total $25,261,306, or 45.4% of the annual budget.

February marks the end of the sixth month of the 2025–26 budget year; therefore, the year-to-date benchmark for budgetary comparison is 50.0%.

YEAR TO DATE (YTD) ACTIVITY

- ***Property Taxes*** are 98.9% of projection
- ***Sales Taxes*** are 106.9% of projection
- ***Building Permits*** are 173.4% of projection
- ***Water Sales*** are 107.8% of projection

COMPARISON TO LAST YEAR

- ***Property Taxes*** are 103.7% of prior year
- ***Sales Taxes*** are 102.2% of prior year
- ***Building Permits*** are 227.6% of prior year
- ***Water Sales*** are 110.3% of prior year

The data in this report is as of April 30, 2026.

Note: Due to rounding, figures presented in this report may not sum precisely to the stated totals, and percentages may not exactly reflect the underlying absolute values.

GENERAL FUND REVENUES

Revenue Signal Key
🟢 > 100% of Projected
🟡 95-100% of Projected
🔴 < 95% of Projected

	March 2026				Year To Date as of March 2026				Year To Date as of March 2026			Year To Date as of March 2026		
	Signal	Actual	Projected	%	Signal	Actual	Projected	%	Actual	Budget	%	Actual	Budget	%
Property Taxes	🔴	$ 316,302	$ 390,755	80.9%	🟡	$ 19,822,954	$ 20,050,300	98.9%	$ 19,822,954	$ 20,433,960	97.0%	$ 19,107,005	$ 19,463,027	98.2%
Sales Taxes	🟢	679,776	633,236	107.3%	🟢	5,213,121	4,878,351	106.9%	5,213,121	9,833,320	53.0%	5,099,452	7,020,752	72.6%
Mixed Beverage Taxes	🔴	35,255	39,495	89.3%	🟡	265,400	275,796	96.2%	265,400	555,985	47.7%	259,237	540,000	48.0%
Franchise Fees	🔴	2,944	3,676	80.1%	🟢	800,681	755,012	106.0%	800,681	1,016,500	78.8%	724,537	995,600	72.8%
Licenses and Permits	🟢	483,125	101,383	476.5%	🟢	1,140,866	694,166	164.4%	1,140,866	1,392,385	81.9%	548,573	1,726,725	31.8%
Charges for Services	🟢	124,679	100,302	124.3%	🟡	602,453	608,706	99.0%	602,453	1,352,100	44.6%	596,399	1,411,914	42.2%
Fines and Forfeitures	🟡	34,202	35,514	96.3%	🔴	172,412	193,724	89.0%	172,412	415,900	41.5%	163,163	239,500	68.1%
Earnings on Investments	🟢	64,807	52,760	122.8%	🟢	262,985	217,443	120.9%	262,985	539,240	48.8%	336,586	601,000	56.0%
Miscellaneous	🟢	51,634	35,650	144.8%	🟢	299,919	213,898	140.2%	299,919	427,795	70.1%	239,970	376,201	63.8%
Transfers	-	-	-	-	🟢	851,405	851,405	100.0%	851,405	1,702,810	50.0%	787,550	1,575,100	50.0%
Total Revenues	🟢	$ 1,792,724	$ 1,392,771	128.7%	🟢	$ 29,432,196	$ 28,738,801	102.4%	$ 29,432,196	$ 37,669,995	78.1%	$ 27,862,472	$ 33,949,819	82.1%

YEAR TO DATE OVERVIEW

Through March 31, General Fund non-property tax revenues of $9,609,242 are $920,741 above projection. Total revenues (including property taxes) are $693,395 above projection and are up 5.6% compared to the same period in the prior fiscal year.

PROPERTY TAXES

Property tax revenue is at 98.9% of the amount projected at this point in the fiscal year and 103.7% of the amount collected during this same period last fiscal year. The majority of Property Tax revenue is received during the months of December through February. Property taxes account for 57% of total General Fund budgeted revenue based on the original budget.

SALES TAXES

Sales tax revenue year to date is 106.9% of the amount projected at this point in the fiscal year and 102.2% of the amount collected during this same period last fiscal year for this revenue source. Sales taxes account for 23% of total General Fund budgeted revenue based on the original budget.

MIXED BEVERAGE TAXES

Mixed Beverage Tax receipts are at 96.2% of the amount projected at this point in the fiscal year and 102.4% of the amount collected during this same period last fiscal year for this revenue source. Mixed Beverage Taxes are received monthly from the Texas Comptroller of Public Accounts.

FRANCHISE FEES

Franchise Fees are at 106.0% of the amount projected at this point in the fiscal year and 110.5% of the amount collected during this same period last fiscal year due to timing. Franchise Fees are received monthly and quarterly with the exception of the Natural Gas franchise fee, which is received annually in one payment.

LICENSES AND PERMITS

Licenses and permits revenue is at 164.4% of the amount projected at this point in the fiscal year and 208.0% of the amount collected during this same period last fiscal year for this revenue category. Licenses and permits accounts primarily for building permits, but also includes electrical and alarm permits, beverage and carriage service licenses.

CHARGES FOR SERVICES

Charges for services are at 99.0% of the amount projected at this point in the fiscal year and 101.0% of the amount collected during this same period last fiscal year for this revenue category. This category includes a variety of fees such as EMS, alarm monitoring, registration fees, and court related fees.

FINES AND FORFEITURES

Fines and forfeitures are at 89.0% of the amount projected at this point in the fiscal year and 105.7% of the amount collected during this same period last fiscal year for this revenue category. This category primarily consists of court fines and includes other miscellaneous fines.

EARNINGS ON INVESTMENTS

Earnings on investments are at 120.9% of the amount projected at this point in the fiscal year and 78.1% of the amount collected during this same period last fiscal year for this revenue category. Investment earnings are conservatively projected and can fluctuate based on the Fed Funds rate and investible balances.

MISCELLANEOUS REVENUES

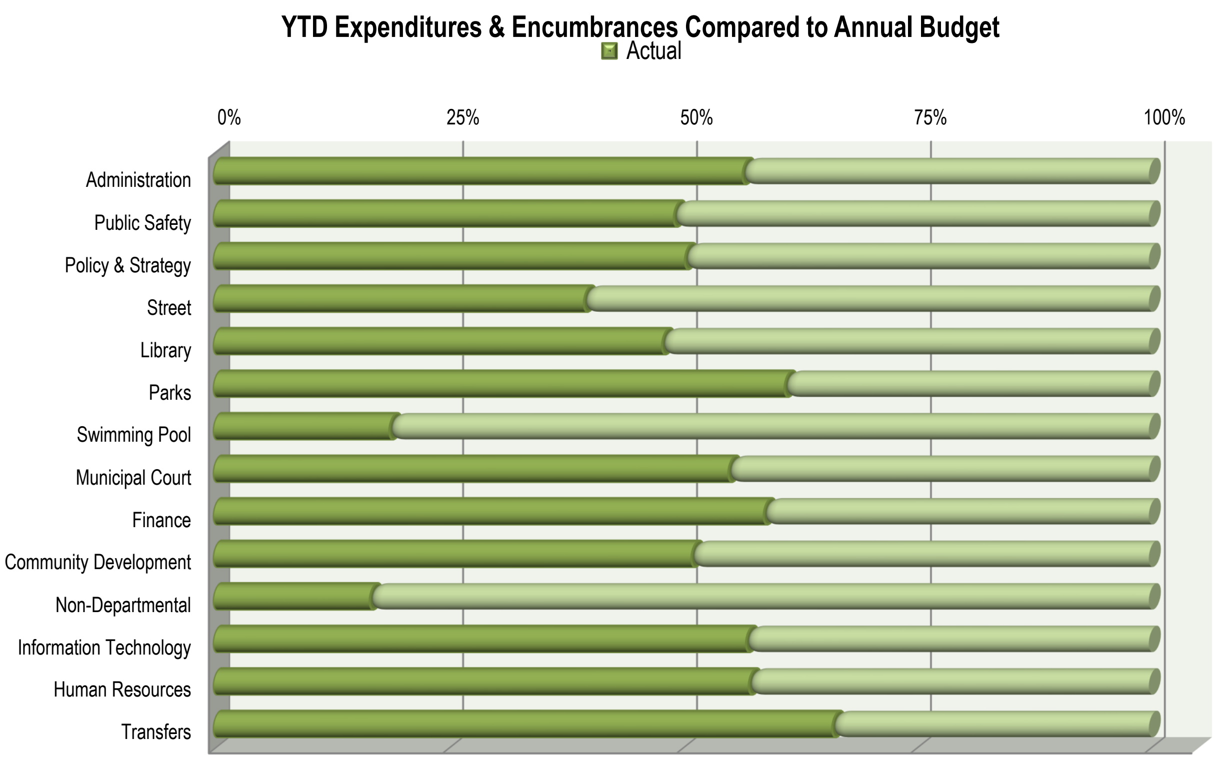
Miscellaneous revenues are at 140.2% of the amount projected at this point in the fiscal year due one-time recognition of amounts held in escrow for demolitions. Miscellaneous revenues include penalties on delinquent property taxes, tower lease rental charges, donations, contributions, and other non-major revenues.

TRANSFERS

Biannual transfers consist of a cost allocation from the Utility Fund for the fund's share of G&A expenses and a transfer from the Court Security Fund to the General Fund for payroll related costs associated with court security. Transfers are recorded 50% in February and 50% in July.

GENERAL FUND EXPENDITURES

	Year To Date as of March 2026			Year To Date as of March 2026		
	Actual	Annual Budget	% of Budget	Actual	Annual Budget	% of Budget
Administration	$ 831,602	$ 1,469,953	56.6%	$ 540,869	$ 1,007,509	53.7%
Public Safety	9,115,410	18,514,428	49.2%	8,751,754	17,488,509	50.0%
Policy & Strategy	207,699	411,947	50.4%	145,345	312,748	46.5%
Street	181,450	457,891	39.6%	177,432	482,001	36.8%
Library	445,638	928,904	48.0%	405,368	922,733	43.9%
Parks	1,230,616	2,014,979	61.1%	1,119,924	1,963,343	57.0%
Swimming Pool	52,874	280,689	18.8%	61,612	278,100	22.2%
Municipal Court	362,969	659,182	55.1%	306,463	616,491	49.7%
Finance	584,179	992,771	58.8%	667,799	1,202,450	55.5%
Community Development	610,552	1,194,522	51.1%	440,775	1,148,360	38.4%
Non-Departmental	339,127	2,026,803	16.7%	579,392	1,011,032	57.3%
Information Technology	691,447	1,214,036	57.0%	572,193	1,068,196	53.6%
Human Resources	157,085	274,401	57.2%	-	-	-
Transfers	4,775,660	7,217,755	66.2%	3,793,613	6,179,125	61.4%
Total Expenditures	$ 19,586,308	$ 37,658,261	52.0%	$ 17,562,539	$ 33,680,597	52.1%



YEAR TO DATE OVERVIEW

Total General Fund expenditures and encumbrances of $19,586,308 are 52.0% of the annual budget.

GENERAL FUND OVERALL COMMENTARY

General Fund spending to date is about as expected this early into the fiscal year. Many departments encumber (reserve funds with Purchase Orders) for contracts in the beginning of the year, which will be expended as invoices are processed throughout the year for budgetary control purposes.

ADMINISTRATION

The annual estimate for Town Attorney services has been encumbered in this budget along with encumbrances for various strategic initiatives.

PARKS

Annual contract estimates for park maintenance and tree trimming services has been encumbered in this budget. In addition, preparations for the upcoming spring season are underway.

FINANCE

Annual contract estimates for the Dallas Central Appraisal District for property appraisal services and the annual audit have been encumbered and paid from this budget.

NON-DEPARTMENTAL

The authorized supplemental retirement plan contribution has been encumbered in this budget. This supplemental contribution is intended to expedite pay down the net pension liability. This budget also includes funding for the microtransit program.

HUMAN RESOURCES

Annual contract estimates for various consulting services has been encumbered and paid from this budget.

TRANSFERS

Bi-annual transfers include a contribution to the Capital Projects Fund to support infrastructure maintenance and rehabilitation. Transfers to the Equipment and Technology Replacement Funds accumulate resources for future equipment and technology purchases. A transfer to the Building Maintenance Fund supports the operational and maintenance needs of Town Hall and the Service Center. Transfers to the Internal Service Funds occur once per year in January, while all other transfers are recorded in two installments: 50% in February and 50% in July.

Revenue Signal Key
🟢 > 100% of Projected
🟡 95-100% of Projected
🔴 < 95% of Projected

	March 2026				Year To Date as of March 2026				Year To Date as of March 2026			Year To Date as of March 2026		
	Signal	Actual	Projected	%	Signal	Actual	Projected	%	Actual	Budget	%	Actual	Budget	%
Water Sales	🟢	$ 554,571	$ 481,603	115.2%	🟢	$ 4,236,819	$ 3,929,119	107.8%	$ 4,236,819	$ 9,754,780	43.4%	$ 3,840,333	$ 9,176,886	41.8%
Sanitary Sewer Charges	🔴	231,010	251,025	92.0%	🟡	1,567,553	1,638,986	95.6%	1,567,553	3,434,185	45.6%	1,520,571	3,265,533	46.6%
Other Charges for Service	🟢	23,300	5,112	455.8%	🟢	70,690	30,673	230.5%	70,690	391,345	18.1%	43,610	38,000	114.8%
Licenses and Permits	🟢	5,126	5,110	100.3%	🔴	21,358	30,658	69.7%	21,358	61,315	34.8%	27,696	62,000	44.7%
Fines and Forfeitures	🔴	202	4,751	4.3%	🔴	40,097	47,660	84.1%	40,097	91,985	43.6%	45,194	75,000	60.3%
Earnings on Investments	🔴	29,492	32,346	91.2%	🟢	215,136	177,617	121.1%	215,136	362,475	59.4%	260,491	286,000	91.1%
Miscellaneous	🔴	67	110	60.9%	🟢	89,746	660	13597.9%	89,746	1,841,320	4.9%	47,475	674,125	7.0%
Transfers	-	-	-	-	🟢	287,888	287,888	100.0%	287,888	575,775	50.0%	251,900	503,800	50.0%
Total Revenues	🟢	$ 843,768	$ 780,057	108.2%	🟢	$ 6,529,287	$ 6,143,261	106.3%	$ 6,529,287	$ 16,513,180	39.5%	$ 6,037,270	$ 14,081,344	42.9%

YEAR TO DATE OVERVIEW

Total Utility Fund operational revenues (excluding transfers) totaling $6,241,399 are up $386,026 or 6.6% above projection and up 7.9% when compared to the amount received through the same period in the prior fiscal year. The FY26 budget reflects a 3.9% increase in water rates and a 3.0% increase in sewer rates.

WATER SALES

Water sales revenue year to date is at 107.8% of the amount projected at this point in the fiscal year and 110.3% of the amount collected during this same period last fiscal year. Water sales are conservatively forecasted due to the large fluctuation in consumption that can occur from year to year given that the customer base is primarily residential. This revenue source accounts for 59% of total Utility Fund revenue based on the original budget.

SEWER CHARGES

Sanitary sewer revenue year to date is at 95.6% of the amount projected at this point in the fiscal year and 103.1% of the amount collected during this same period last fiscal year. Sanitary sewer revenue accounts for 21% of total Utility Fund revenue based on the original budget.

OTHER CHARGES FOR SERVICES

This revenue is at 230.5% of the amount projected at this point in the fiscal year and 162.1% of the amount collected during this same period last fiscal year. This revenue source is primarily driven by charges for meter installations and also includes the anticipated fees from the backflow inspection program.

LICENSES AND PERMITS

Licenses and permits revenue (Plumbing Permits) is at 69.7% of the amount projected at this point in the fiscal year and 77.1% of the amount collected during this same period last fiscal year.

FINES AND FORFEITURES

Revenue (penalties assessed on delinquent utility bills) is at 84.1% of the amount projected at this point in the fiscal year and 88.7% of the amount collected during this same period last fiscal year. Late payment penalty revenue is driven by payment timing and the size of the past due balance.

EARNINGS ON INVESTMENTS

Investment earnings are 121.1% of the amount projected at this point in the fiscal year and 82.6% of the amount collected during this same period last fiscal year. Investment earnings are conservatively projected and can fluctuate based on the Fed Funds rate and investible balances.

MISCELLANEOUS REVENUE

Miscellaneous Revenue accounts for capital contributions (cost sharing) related to repairs, maintenance, and capital projects from outside organizations. Other non-significant revenue items are included in this category as well.

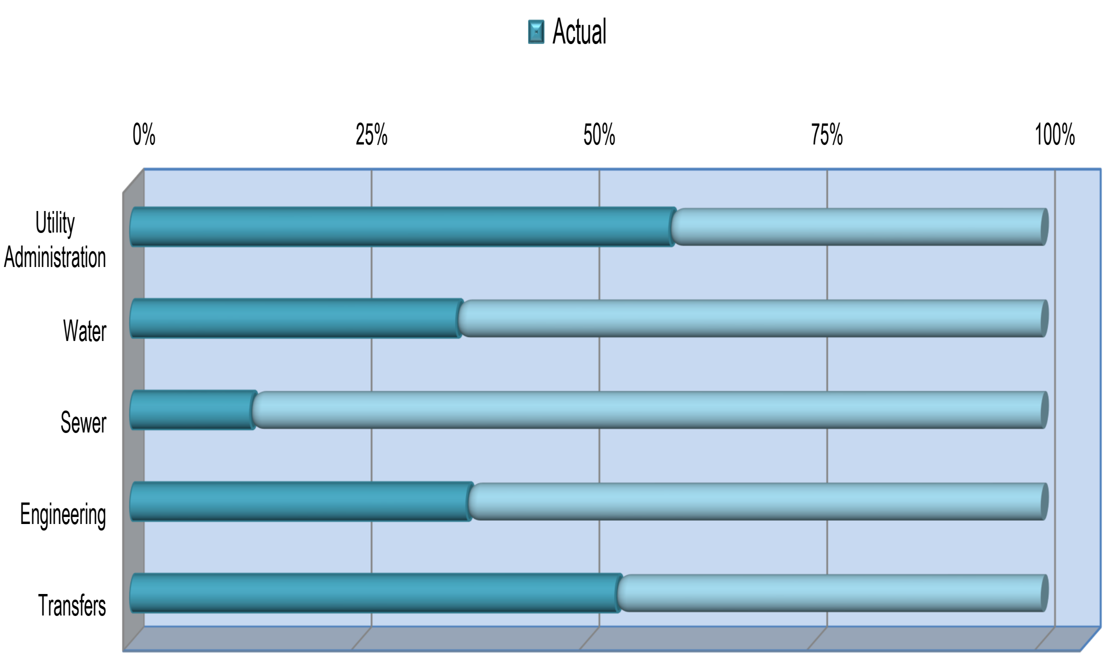
TRANSFERS

Biannual transfers consist of a transfer from the Solid Waste Fund for the cost allocation of the Solid Waste Fund's share of Utility Fund admin costs. Additionally, transfers from the Capital Project and Storm Water Drainage Funds offset related Engineering services. Transfers are recorded 50% in February and 50% in July.

UTILITY FUND EXPENDITURES

	Year To Date as of March 2026			Year To Date as of March 2026		
	Actual	Annual Budget	% of Budget	Actual	Annual Budget	% of Budget
Utility Administration	$ 286,544	$ 483,800	59.2%	$ 243,067	$ 465,029	52.3%
Water	2,700,780	7,532,414	35.9%	2,168,582	8,627,893	25.1%
Sewer	781,334	5,901,682	13.2%	629,201	4,412,146	14.3%
Engineering	571,681	1,546,228	37.0%	431,729	1,277,737	33.8%
Transfers	1,334,659	2,503,488	53.3%	1,241,246	2,327,556	53.3%
Total Expenses	$ 5,674,998	$ 17,967,612	31.6%	$ 4,713,825	$ 17,110,361	27.5%

YTD Expenditures & Encumbrances Compared to Annual Budget



YEAR TO DATE OVERVIEW

Year to date expenditures, plus encumbrances and less non-cash expenditures of depreciation and bad debts, total $5,674,998 or 31.6% of annual budget, which is comparable to the same period in the previous fiscal year. Many departments encumber (reserve funds with Purchase Orders) for contracts in the beginning of the year, which will be expended as invoices are processed throughout the year for budgetary control purposes.

Capital infrastructure improvement spending accounts for approximately 39% of the Utility Fund original budget (excluding transfers to other funds).

UTILITY ADMINISTRATION

Annual estimates for third party bill print and mail service and the annual maintenance for the Itron Meter Automated Meter Reading system have been encumbered and paid from this budget. This budget also includes the Utility Fund's share of the authorized supplemental retirement plan contribution, which has been encumbered.

TRANSFERS

Bi-annual transfers to other funds include a transfer to the General Fund for the Utility Fund's share of General Fund G&A expenses, as well as a transfer to the Capital Projects Fund equal to 5% of water and sanitary sewer revenues. A transfer is also made to the Building Maintenance Fund for the Utility Fund's share of facility maintenance costs, and to the Equipment and Technology Replacement Funds to support future equipment and technology purchases. Transfers to the Internal Service Funds occur annually in January, while all other transfers are processed in two installments: 50% in February and 50% in July.

WORKING CAPITAL SUMMARY

Fund	Working Capital (1)	Dedicated Funds (2)	Available Working Capital (3)	Outstanding Encumbrances
General Fund	$ 19,801,853	$ 5,576,131	$ 14,225,722	$ 1,564,999
Reserve Fund (4)	4,610,341	4,610,341	-	-
Utility Fund	9,694,434	2,802,300	6,892,135	1,712,826
Solid Waste Fund	500,383	500,383	-	23,719
Capital Projects Fund	24,460,116	24,460,116	-	3,388,047
Equipment Replacement Fund	5,880,538	5,880,538	-	885,948
Technology Replacement Fund	5,174,018	5,174,018	-	685,095
Storm Water Drainage Utility Fund	2,950,454	2,950,454	-	2,663,903
Building Maintenance Fund	2,038,475	2,038,475	-	121,926
Other Funds	795,350	795,350	-	17,914
	$ 75,905,962	$ 54,788,106	$ 21,117,856	$ 11,064,377

(1) Working Capital is defined as current assets less current liabilities. The Working Capital totals have not been reduced by outstanding encumbrances because expenditures are recognized in the period the liability is incurred.

(2) Dedicated funds represent the amount of Working Capital that has been reserved to comply with financial management policies, special purpose, or lawful requirements.

(3) Available Working Capital is the amount of Working Capital in excess of dedicated funds.

(4) The Reserve Fund holds proceeds from land sales completed by the Town.

CASH AND INVESTMENTS

The market value of the Town's investment portfolio as of March 31, 2026, is $81,061,695. The Town follows a passive investment strategy, investing funds to align with specific maturity or call dates rather than trading based on market conditions. The portfolio's total weighted average yield for the month is 3.77%.

/S/

John R. Samford
Director of Finance

/S/

Taylor S. Lough
Assistant Town Administrator

Town of Highland Park

MONTHLY INVESTMENT REPORT

For the Month Ended

March 31, 2026

Prepared by

Valley View Consulting, L.L.C.

Disclaimer: These reports were compiled using information provided by the Town. No procedures were performed to test the accuracy or completeness of this information. The market values included in these reports were obtained by Valley View Consulting, L.L.C. from sources believed to be accurate and represent proprietary valuation. Due to market fluctuations these levels are not necessarily reflective of current liquidation values. Yield calculations are not determined using standard performance formulas, are not representative of total return yields, and do not account for investment advisor fees.

Strategy Summary

Month End Results by Investment Category:

Asset Type	February 28, 2026 Book Value	February 28, 2026 Market Value	March 31, 2026 Book Value	March 31, 2026 Market Value	Ave. Yield
Cash & Cash Equivalents	$ 57,442,729	$ 57,442,729	$ 57,318,948	$ 57,318,948	3.63%
Securities	2,990,569	2,997,426	2,991,935	2,995,970	4.06%
CDs	20,644,785	20,644,785	20,746,778	20,746,778	4.13%
Totals	**$ 81,078,083**	**$ 81,084,940**	**$ 81,057,661**	**$ 81,061,695**	3.77%

Current Month Weighted Average Yield (1)	
Total Portfolio	3.77%
Rolling Three Month Treasury	3.69%
Rolling Six Month Treasury	3.69%
TexPool	3.67%

Fiscal Year-to-Date Weighted Average Yield (2)	
Total Portfolio	3.97%
Rolling Three Month Treasury	3.85%
Rolling Six Month Treasury	3.88%
Average Monthly TexPool	3.83%

Interest Earnings (Approximate)	
Monthly Interest Income	$ 257,937
Year-to-date Interest Income	$ 1,443,106

(1) **Current Month Weighted Average Yield** - calculated using month end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees. The yield for the reporting month is used for bank and money market balances.

(2) **Fiscal Year-to-Date Weighted Average Yield -** calculated using month end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

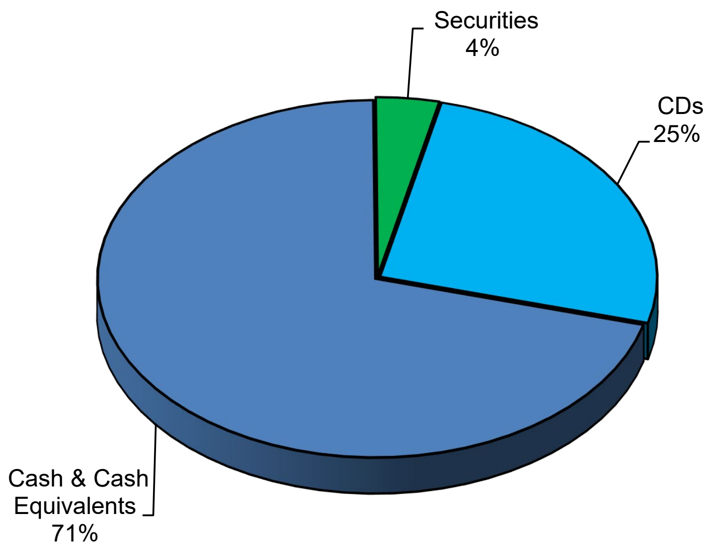
Investment Holdings
March 31, 2026

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
PlainsCapital Bank - Cash		3.60%	04/01/26	03/31/26	$ 47,499,237	$ 47,499,237	1.00	$ 47,499,237	1	3.60%
NexBank MMA		3.75%	04/01/26	03/31/26	77	77	1.00	77	1	3.75%
NexBank ICS		3.75%	04/01/26	03/31/26	9,819,634	9,819,634	1.00	9,819,634	1	3.75%
Cash & Cash Equivalents - Sub Total					**57,318,948**	**57,318,948**		**57,318,948**	**1**	**3.63%**
Texas Bank and Trust CD		4.10%	05/01/26	05/01/25	4,125,297	4,125,297	100.00	4,125,297	31	4.16%
TFNB CD		4.25%	06/29/26	09/29/25	1,021,186	1,021,186	100.00	1,021,186	90	4.32%
TFNB CD		4.25%	06/29/26	09/29/25	1,021,186	1,021,186	100.00	1,021,186	90	4.32%
TFNB CD		4.25%	06/29/26	09/29/25	510,593	510,593	100.00	510,593	90	4.32%
BOK Financial IntraFi CD		4.42%	08/06/26	08/08/24	1,075,507	1,075,507	100.00	1,075,507	128	4.52%
TFNB CD		3.77%	08/10/26	02/10/26	1,500,000	1,500,000	100.00	1,500,000	132	3.82%
TFNB CD		4.25%	09/29/26	09/29/25	2,552,966	2,552,966	100.00	2,552,966	182	4.32%
TFNB CD		4.25%	09/29/26	09/29/25	2,042,373	2,042,373	100.00	2,042,373	182	4.32%
TFNB CD		4.25%	09/29/26	09/29/25	1,021,186	1,021,186	100.00	1,021,186	182	4.32%
TFNB CD		4.25%	09/29/26	09/29/25	1,021,186	1,021,186	100.00	1,021,186	182	4.32%
TFNB CD		4.25%	09/29/26	09/29/25	255,297	255,297	100.00	255,297	182	4.32%
UST-Note	Aa1/AA+	3.50%	09/30/26	10/28/24	3,000,000	2,991,935	99.87	2,995,970	183	4.06%
TFNB CD		3.66%	02/10/27	02/10/26	3,500,000	3,500,000	100.00	3,500,000	316	3.71%
TFNB CD		3.66%	02/10/27	02/10/26	1,100,000	1,100,000	100.00	1,100,000	316	3.71%
Investments - Sub Total					**23,746,778**	**23,738,713**		**23,742,748**	**166**	**4.12%**
Total Portfolio					**$ 81,065,726**	**$ 81,057,661**		**$ 81,061,695**	**49**	**3.77%**
									(1)	**(2)**

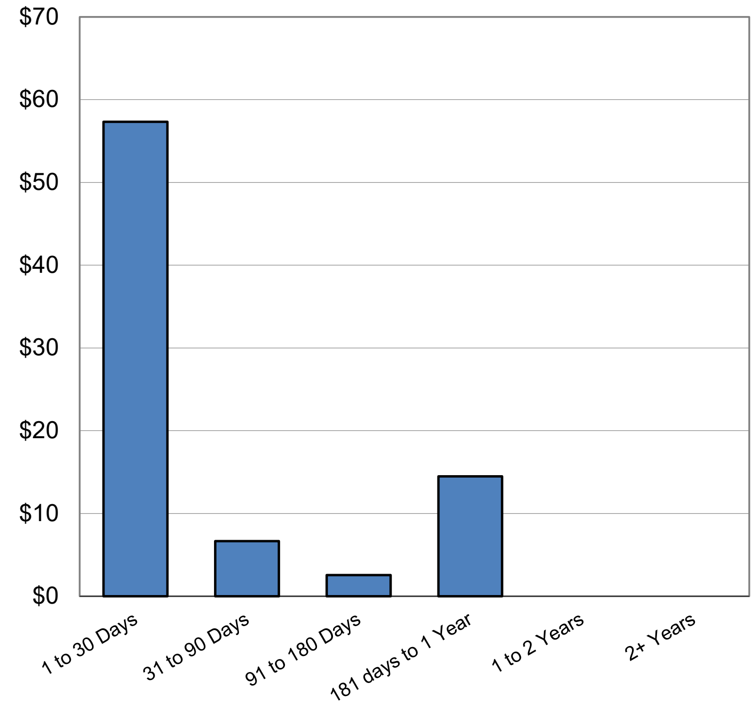
(1) Weighted average life - For purposes of calculating weighted average life, bank accounts and money market funds are assumed to have an one day maturity.

(2) Weighted average yield to maturity - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank accounts and money market funds.

Portfolio Composition



Distribution by Maturity (Millions)

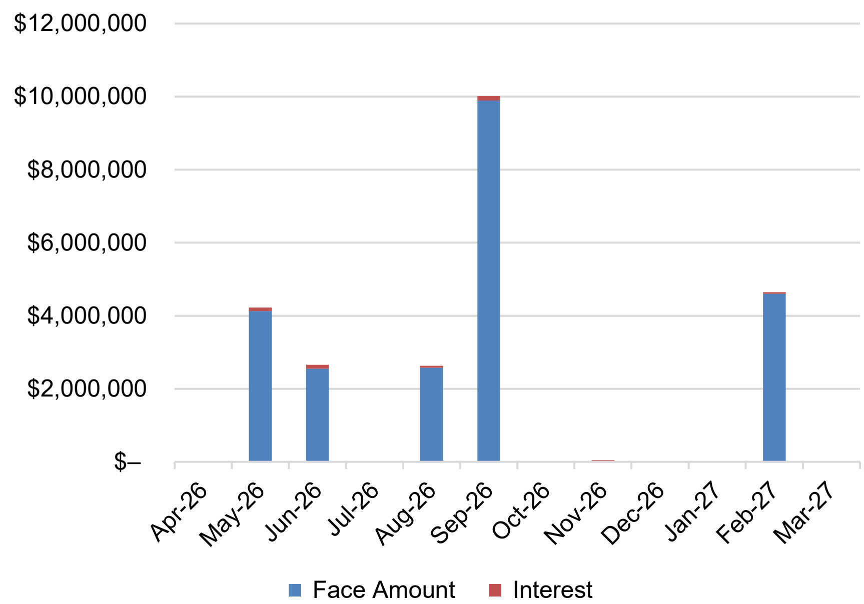


	Book Value	Percent
Cash & Cash Equivalents	57,318,948	70.7%
Securities	2,991,935	3.7%
CDs	20,746,778	25.6%
	81,057,661	**100.0%**

		Book Value	Percent
1 to 30 Days	$	57,318,948	71%
31 to 90 Days		6,678,263	8%
91 to 180 Days		2,575,507	3%
181 days to 1 Year		14,484,943	18%
1 to 2 Years		–	0%
2+ Years		–	0%
	$	**81,057,661**	**100%**

Maturity Cash Flows - Next 12 Months

Month	Face Amount	Interest	Total
Apr-26	$ –	$ 3,915	$ 3,915
May-26	4,125,297	100,128	4,225,425
Jun-26	2,552,966	105,103	2,658,069
Jul-26	–	4,046	4,046
Aug-26	2,575,507	57,341	2,632,848
Sep-26	9,893,008	126,340	10,019,348
Oct-26	–	–	–
Nov-26	–	42,436	42,436
Dec-26	–	–	–
Jan-27	–	–	–
Feb-27	4,600,000	42,436	4,642,436
Mar-27	–	–	–
TOTALS	**$ 23,746,778**	**$ 481,746**	**$ 24,228,524**



Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 02/28/26	Increases	Decreases	Book Value 03/31/26	Market Value 02/28/26	Change in Market Value	Market Value 03/31/26
PlainsCapital Bank - Cash	3.60%	04/01/26	$ 47,654,551	$ –	$ (155,314)	$ 47,499,237	$ 47,654,551	$ (155,314)	$ 47,499,237
NexBank MMA	3.75%	04/01/26	76	1	–	77	76	1	77
NexBank ICS	3.75%	04/01/26	9,788,102	31,532	–	9,819,634	9,788,102	31,532	9,819,634
Cash & Cash Equivalents - Sub Total	**3.63%**		**57,442,729**	**31,533**	**(155,314)**	**57,318,948**	**57,442,729**	**(123,781)**	**57,318,948**
Texas Bank and Trust CD	4.16%	05/01/26	4,125,297	–	–	4,125,297	4,125,297	–	4,125,297
TFNB CD	4.32%	06/29/26	1,010,596	10,590	–	1,021,186	1,010,596	10,590	1,021,186
TFNB CD	4.32%	06/29/26	1,010,596	10,590	–	1,021,186	1,010,596	10,590	1,021,186
TFNB CD	4.32%	06/29/26	505,298	5,295	–	510,593	505,298	5,295	510,593
BOK Financial IntraFi CD	4.52%	08/06/26	1,071,477	4,031	–	1,075,507	1,071,477	4,031	1,075,507
TFNB CD	3.82%	08/10/26	1,500,000	–	–	1,500,000	1,500,000	–	1,500,000
TFNB CD	4.32%	09/29/26	2,526,490	26,476	–	2,552,966	2,526,490	26,476	2,552,966
TFNB CD	4.32%	09/29/26	2,021,192	21,181	–	2,042,373	2,021,192	21,181	2,042,373
TFNB CD	4.32%	09/29/26	1,010,596	10,590	–	1,021,186	1,010,596	10,590	1,021,186
TFNB CD	4.32%	09/29/26	1,010,596	10,590	–	1,021,186	1,010,596	10,590	1,021,186
TFNB CD	4.32%	09/29/26	252,649	2,648	–	255,297	252,649	2,648	255,297
UST-Note	4.06%	09/30/26	2,990,569	1,366	–	2,991,935	2,997,426	(1,457)	2,995,970
TFNB CD	3.71%	02/10/27	3,500,000	–	–	3,500,000	3,500,000	–	3,500,000
TFNB CD	3.71%	02/10/27	1,100,000	–	–	1,100,000	1,100,000	–	1,100,000
Investments - Sub Total	**4.12%**		**23,635,354**	**103,359**	**–**	**23,738,713**	**23,642,212**	**100,536**	**23,742,748**
TOTAL/AVERAGE	**3.77%**		**$ 81,078,083**	**$ 134,892**	**$ (155,314)**	**$ 81,057,661**	**$ 81,084,940**	**$ (23,245)**	**$ 81,061,695**

Allocation
March 31, 2026

Book Value

	Total	General	Capital Projects	Solid Waste	Utility	Equipment Replacement	Technology Replacement	Stormwater Drainage	Building Maintenance	Local Youth Diversion Fund	Municipal Jury	Court S&T Fund	Forfeited Property	Court Technology
PlainsCapital Bank - Cash	$ 47,499,237	$ 18,583,248	$ 15,740,001	$ 520,432	$ 3,092,998	$ 1,935,625	$ 1,603,436	$ 4,623,971	$ 841,394	$ 120,247	$ 2,405	$ 18,725	$ 116,133	$ 33,548
NexBank MMA	77	77	–	–	–	–	–	–	–	–	–	–	–	–
NexBank ICS	9,819,634	2,547,329	4,481,344	124,424	1,601,355	597,609	8,795	–	206,210	–	–	–	–	63,449
Cash & Cash Equivalents - Sub Total	57,318,948	21,130,654	20,221,345	644,856	4,694,353	2,533,234	1,612,231	4,623,971	1,047,604	120,247	2,405	18,725	116,133	96,997
05/01/26–Texas Bank and Trust CD	4,125,297	–	–	–	–	1,031,324	1,031,324	2,062,648	–	–	–	–	–	–
06/29/26–TFNB CD	1,021,186	–	–	–	–	1,021,186	–	–	–	–	–	–	–	–
06/29/26–TFNB CD	1,021,186	–	–	–	–	–	1,021,186	–	–	–	–	–	–	–
06/29/26–TFNB CD	510,593	–	–	–	–	–	–	–	510,593	–	–	–	–	–
08/06/26–BOK Financial IntraFi CD	1,075,507	268,877	–	–	–	268,877	268,877	–	268,877	–	–	–	–	–
08/10/26–TFNB CD	1,500,000	–	–	–	1,500,000	–	–	–	–	–	–	–	–	–
09/29/26–TFNB CD	2,552,966	2,552,966	–	–	–	–	–	–	–	–	–	–	–	–
09/29/26–TFNB CD	2,042,373	–	2,042,373	–	–	–	–	–	–	–	–	–	–	–
09/29/26–TFNB CD	1,021,186	–	–	–	–	1,021,186	–	–	–	–	–	–	–	–
09/29/26–TFNB CD	1,021,186	–	–	–	–	–	1,021,186	–	–	–	–	–	–	–
09/29/26–TFNB CD	255,297	–	–	–	–	–	–	–	255,297	–	–	–	–	–
09/30/26–UST-Note	2,991,935	1,209,244	1,782,691	–	–	–	–	–	–	–	–	–	–	–
02/10/27–TFNB CD	3,500,000	–	–	–	3,500,000	–	–	–	–	–	–	–	–	–
02/10/27–TFNB CD	1,100,000	–	1,100,000	–	–	–	–	–	–	–	–	–	–	–
Investments - Sub Total	23,738,713	4,031,087	4,925,063	–	5,000,000	3,342,574	3,342,574	2,062,648	1,034,767	–	–	–	–	–
Total	**$ 81,057,661**	**$ 25,161,741**	**$ 25,146,408**	**$ 644,856**	**$ 9,694,353**	**$ 5,875,808**	**$ 4,954,805**	**$ 6,686,619**	**$ 2,082,371**	**$ 120,247**	**$ 2,405**	**$ 18,725**	**$ 116,133**	**$ 96,997**

Market Value

	Total	General	Capital Projects	Solid Waste	Utility	Equipment Replacement	Technology Replacement	Stormwater Drainage	Building Maintenance	Local Youth Diversion Fund	Municipal Jury	Court S&T Fund	Forfeited Property	Court Technology
PlainsCapital Bank - Cash	$ 47,499,237	$ 18,583,248	$ 15,740,001	$ 520,432	$ 3,092,998	$ 1,935,625	$ 1,603,436	$ 4,623,971	$ 841,394	$ 120,247	$ 2,405	$ 18,725	$ 116,133	$ 33,548
NexBank MMA	77	77	–	–	–	–	–	–	–	–	–	–	–	–
NexBank ICS	9,819,634	2,547,329	4,481,344	124,424	1,601,355	597,609	8,795	–	206,210	–	–	–	–	63,449
Cash & Cash Equivalents - Sub Total	57,318,948	21,130,654	20,221,345	644,856	4,694,353	2,533,234	1,612,231	4,623,971	1,047,604	120,247	2,405	18,725	116,133	96,997
05/01/26–Texas Bank and Trust CD	4,125,297	–	–	–	–	1,031,324	1,031,324	2,062,648	–	–	–	–	–	–
06/29/26–TFNB CD	1,021,186	–	–	–	–	1,021,186	–	–	–	–	–	–	–	–
06/29/26–TFNB CD	1,021,186	–	–	–	–	–	1,021,186	–	–	–	–	–	–	–
06/29/26–TFNB CD	510,593	–	–	–	–	–	–	–	510,593	–	–	–	–	–
08/06/26–BOK Financial IntraFi CD	1,075,507	268,877	–	–	–	268,877	268,877	–	268,877	–	–	–	–	–
08/10/26–TFNB CD	1,500,000	–	–	–	1,500,000	–	–	–	–	–	–	–	–	–
09/29/26–TFNB CD	2,552,966	2,552,966	–	–	–	–	–	–	–	–	–	–	–	–
09/29/26–TFNB CD	2,042,373	–	2,042,373	–	–	–	–	–	–	–	–	–	–	–
09/29/26–TFNB CD	1,021,186	–	–	–	–	1,021,186	–	–	–	–	–	–	–	–
09/29/26–TFNB CD	1,021,186	–	–	–	–	–	1,021,186	–	–	–	–	–	–	–
09/29/26–TFNB CD	255,297	–	–	–	–	–	–	–	255,297	–	–	–	–	–
09/30/26–UST-Note	2,995,970	1,210,875	1,785,095	–	–	–	–	–	–	–	–	–	–	–
02/10/27–TFNB CD	3,500,000	–	–	–	3,500,000	–	–	–	–	–	–	–	–	–
02/10/27–TFNB CD	1,100,000	–	1,100,000	–	–	–	–	–	–	–	–	–	–	–
Investments - Sub Total	23,742,748	4,032,718	4,927,467	–	5,000,000	3,342,574	3,342,574	2,062,648	1,034,767	–	–	–	–	–
Total	**$ 81,061,695**	**$ 25,163,371**	**$ 25,148,812**	**$ 644,856**	**$ 9,694,353**	**$ 5,875,808**	**$ 4,954,805**	**$ 6,686,619**	**$ 2,082,371**	**$ 120,247**	**$ 2,405**	**$ 18,725**	**$ 116,133**	**$ 96,997**

Book Value

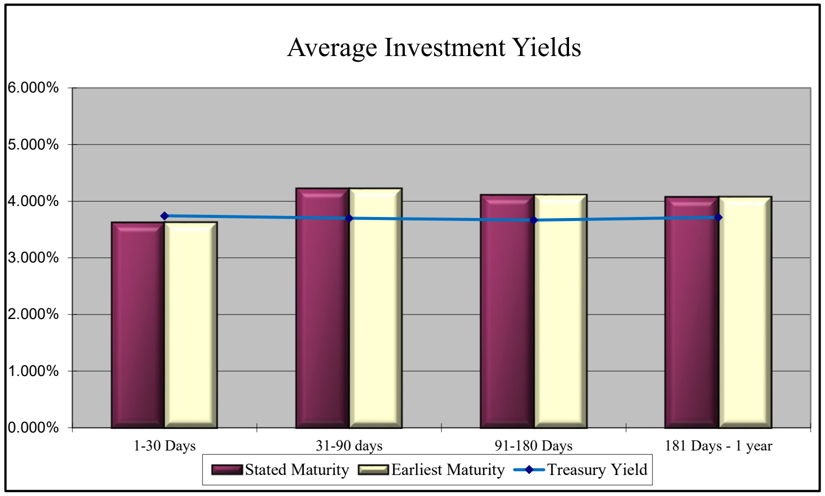
	Court Security	Library
PlainsCapital Bank - Cash	$ 14,046	$ 253,027
NexBank MMA	–	–
NexBank ICS	–	189,119
Cash & Cash Equivalents - Sub Total	14,046	442,146
05/01/26–Texas Bank and Trust CD	–	–
06/29/26–TFNB CD	–	–
06/29/26–TFNB CD	–	–
06/29/26–TFNB CD	–	–
08/06/26–BOK Financial IntraFi CD	–	–
08/10/26–TFNB CD	–	–
09/29/26–TFNB CD	–	–
09/29/26–TFNB CD	–	–
09/29/26–TFNB CD	–	–
09/29/26–TFNB CD	–	–
09/29/26–TFNB CD	–	–
09/30/26–UST-Note	–	–
02/10/27–TFNB CD	–	–
02/10/27–TFNB CD	–	–
Investments - Sub Total	–	–
Total	**$ 14,046**	**$ 442,146**

Market Value

	Court Security	Library
PlainsCapital Bank - Cash	$ 14,046	$ 253,027
NexBank MMA	–	–
NexBank ICS	–	189,119
Cash & Cash Equivalents - Sub Total	14,046	442,146
05/01/26–Texas Bank and Trust CD	–	–
06/29/26–TFNB CD	–	–
06/29/26–TFNB CD	–	–
06/29/26–TFNB CD	–	–
08/06/26–BOK Financial IntraFi CD	–	–
08/10/26–TFNB CD	–	–
09/29/26–TFNB CD	–	–
09/29/26–TFNB CD	–	–
09/29/26–TFNB CD	–	–
09/29/26–TFNB CD	–	–
09/29/26–TFNB CD	–	–
09/30/26–UST-Note	–	–
02/10/27–TFNB CD	–	–
02/10/27–TFNB CD	–	–
Investments - Sub Total	–	–
Total	**$ 14,046**	**$ 442,146**

	Total	General*	Capital Projects	Solid Waste	Utility	Equipment Replacement	Technology Replacement	Stormwater Drainage	Building Maintenance	Local Youth Diversion Fund	Municipal Jury	Court S&T Fund	Forfeited Property	Court Technology	Court Security	Library
Cash & Money Market Interest	$ 176,366	$ 64,420	$ 63,725	$ 2,033	$ 13,809	$ 7,784	$ 4,846	$ 13,611	$ 3,630	$ 359	$ 7	$ 47	$ 389	$ 307	$ 43	$ 1,354
Investment Interest	81,571	14,300	16,862	–	15,683	11,900	11,900	7,183	3,745	–	–	–	–	–	–	–
Total	**$ 257,937**	**$ 78,720**	**$ 80,587**	**$ 2,033**	**$ 29,492**	**$ 19,684**	**$ 16,746**	**$ 20,793**	**$ 7,375**	**$ 359**	**$ 7**	**$ 47**	**$ 389**	**$ 307**	**$ 43**	**$ 1,354**

***Includes bank interest earned by the Reserve Fund**



This monthly report is in full compliance with the investment strategies as established in the Town's Investment Policies and the Public Funds Investment Act, Chapter 2256, Texas Government Code.

/S/

Taylor S. Lough
Assistant Town Administrator

/S/

John R. Samford
Director of Finance

FINANCIAL STATEMENT
AS OF: MARCH 31ST, 2026

01 -GENERAL FUND

50.00% OF FISCAL YEAR

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
31-TAXES	30,823,265.00	1,031,331.92	25,301,475.01	82.09	0.00	5,521,789.99
32-FRANCHISE FEES	1,016,500.00	2,943.83	800,679.62	78.77	0.00	215,820.38
33-LICENSES & PERMITS	1,392,385.00	483,124.22	1,140,866.52	81.94	0.00	251,518.48
34-CHARGES FOR SERVICE	1,352,100.00	124,678.22	602,450.66	44.56	0.00	749,649.34
35-FINES & FORFEITS	415,900.00	34,202.20	172,412.82	41.46	0.00	243,487.18
36-EARNINGS ON INVESTMENT	539,240.00	64,807.49	262,985.20	48.77	0.00	276,254.80
38-MISCELLANEOUS	427,795.00	51,633.52	299,920.49	70.11	0.00	127,874.51
39-TRANSFERS	1,702,810.00	0.00	851,405.00	50.00	0.00	851,405.00
*** TOTAL REVENUES ***	37,669,995.00	1,792,721.40	29,432,195.32	78.13	0.00	8,237,799.68
EXPENDITURE SUMMARY						
01-ADMINISTRATION	1,469,953.00	115,120.92	647,029.66	56.57	184,572.13	638,351.21
02-PUBLIC SAFETY	18,514,428.00	1,327,443.65	9,048,367.87	49.23	67,041.83	9,399,018.30
04-POLICY & STRATEGY	411,947.00	38,172.77	171,752.55	50.42	35,946.00	204,248.45
05-STREET	457,891.00	29,131.15	174,097.55	39.63	7,352.25	276,441.20
07-LIBRARY	928,904.00	77,279.30	427,891.17	47.97	17,746.90	483,265.93
08-PARKS & RECREATION	2,014,979.00	129,879.71	983,631.73	61.07	246,984.00	784,363.27
09-SWIMMING POOL	280,689.00	7,462.83	52,874.31	18.84	0.00	227,814.69
10-MUNICIPAL COURT	659,182.00	56,839.21	320,145.69	55.06	42,823.00	296,213.31
11-FINANCE	992,771.00	54,701.68	509,492.24	58.84	74,686.51	408,592.25
12-COMMUNITY DEVELOPMENT	1,194,522.00	99,099.29	731,654.53	51.11	(121,103.42)	583,970.89
15-NON-DEPARTMENTAL	2,026,803.00	18,823.61	139,560.82	16.73	199,565.64	1,687,676.54
17-INFORMATION TECHNOLOG	1,214,036.00	68,289.02	620,866.95	56.95	70,579.50	522,589.55
18-HUMAN RESOURCES	274,400.98	18,694.31	139,334.68	57.25	17,750.02	117,316.28
50-INTERFUND TRANSFERS	7,217,755.00	0.00	4,775,660.00	66.17	0.00	2,442,095.00
*** TOTAL EXPENDITURES ***	37,658,260.98	2,040,937.45	18,742,359.75	52.01	843,944.36	18,071,956.87
REVENUE OVER/(UNDER) EXPENSES	11,734.02	(248,216.05)	10,689,835.57	908.93	(843,944.36)	(9,834,157.19)

FINANCIAL STATEMENT
AS OF: MARCH 31ST, 2026

10 -CAPITAL PROJECTS FUND

50.00% OF FISCAL YEAR

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
36-EARNINGS ON INVESTMENT	687,945.00	80,588.62	495,481.05	72.02	0.00	192,463.95
38-MISCELLANEOUS	16,722,529.00	0.00	17.70	0.00	0.00	16,722,511.30
39-TRANSFERS	5,609,538.00	0.00	2,804,769.00	50.00	0.00	2,804,769.00
*** TOTAL REVENUES ***	23,020,012.00	80,588.62	3,300,267.75	14.34	0.00	19,719,744.25
EXPENDITURE SUMMARY						
01-ADMINISTRATION	73,930.00	0.00	272,009.83	91.40	(204,440.82)	6,360.99
05-STREET	25,781,031.00	584,169.62	3,038,621.85	8.87	(751,880.79)	23,494,289.94
08-PARKS	1,131,968.00	43,077.50	180,949.92	15.99	0.00	951,018.08
50-INTERFUND TRANSFERS	1,335,450.00	0.00	667,725.00	50.00	0.00	667,725.00
*** TOTAL EXPENDITURES ***	28,322,379.00	627,247.12	4,159,306.60	11.31	(956,321.61)	25,119,394.01
REVENUE OVER/(UNDER) EXPENSES	(5,302,367.00)	(546,658.50)	(859,038.85)	1.83-	956,321.61	(5,399,649.76)

19 -SOLID WASTE FUND

50.00% OF FISCAL YEAR

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
34-CHARGES FOR SERVICE	1,917,715.00	159,674.22	956,569.11	49.88	0.00	961,145.89
36-EARNINGS ON INVESTMENT	23,820.00	2,033.14	12,469.93	52.35	0.00	11,350.07
39-TRANSFERS	26,700.00	0.00	13,350.00	50.00	0.00	13,350.00
*** TOTAL REVENUES ***	1,968,235.00	161,707.36	982,389.04	49.91	0.00	985,845.96
EXPENDITURE SUMMARY						
16-SANITATION	1,808,265.00	175,728.54	901,346.20	50.61	13,836.32	893,082.48
50-INTERFUND TRANSFERS	150,615.00	0.00	75,307.50	50.00	0.00	75,307.50
*** TOTAL EXPENDITURES ***	1,958,880.00	175,728.54	976,653.70	50.56	13,836.32	968,389.98
REVENUE OVER/(UNDER) EXPENSES	9,355.00	(14,021.18)	5,735.34	86.60-	(13,836.32)	17,455.98

FINANCIAL STATEMENT
AS OF: MARCH 31ST, 2026

20 -UTILITY FUND

50.00% OF FISCAL YEAR

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
33-LICENSES & PERMITS	61,315.00	5,126.00	21,357.60	34.83	0.00	39,957.40
34-CHARGES FOR SERVICE	13,580,310.00	808,880.88	5,875,062.70	43.26	0.00	7,705,247.30
35-FINES & FORFEITS	91,985.00	202.38	40,097.17	43.59	0.00	51,887.83
36-EARNINGS ON INVESTMENT	362,475.00	29,491.86	215,136.27	59.35	0.00	147,338.73
38-MISCELLANEOUS	1,841,320.00	67.05	89,745.79	4.87	0.00	1,751,574.21
39-TRANSFERS	575,775.00	0.00	287,887.50	50.00	0.00	287,887.50
*** TOTAL REVENUES ***	16,513,180.00	843,768.17	6,529,287.03	39.54	0.00	9,983,892.97
EXPENDITURE SUMMARY						
21-ADMINISTRATION	483,800.00	34,425.54	235,683.76	61.09	59,887.07	188,229.17
22-WATER	7,532,414.00	591,115.04	3,920,421.84	35.86	(1,219,641.50)	4,831,633.66
23-SEWER	5,901,682.00	354,377.52	1,559,757.40	13.24	(778,423.36)	5,120,347.96
25-ENGINEERING	1,546,228.00	91,792.08	579,978.58	36.97	(8,297.83)	974,547.25
50-INTERFUND TRANSFERS	2,503,488.00	0.00	1,334,659.00	53.31	0.00	1,168,829.00
*** TOTAL EXPENDITURES ***	17,967,612.00	1,071,710.18	7,630,500.58	31.63	(1,946,475.62)	12,283,587.04
REVENUE OVER/(UNDER) EXPENSES	(1,454,432.00)	(227,942.01)	(1,101,213.55)	58.12-	1,946,475.62	(2,299,694.07)

FINANCIAL STATEMENT
AS OF: MARCH 31ST, 2026

21 -EQUIPMENT REPLACEMENT FND

50.00% OF FISCAL YEAR

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
36-EARNINGS ON INVESTMENT	180,230.00	19,683.51	107,995.07	59.92	0.00	72,234.93
37-SALE OF ASSETS	10,000.00	0.00	15,001.00	150.01	0.00	(5,001.00)
39-TRANSFERS	832,350.00	0.00	832,350.00	100.00	0.00	0.00
*** TOTAL REVENUES ***	1,022,580.00	19,683.51	955,346.07	93.43	0.00	67,233.93
EXPENDITURE SUMMARY						
01-ADMINISTRATION	1,051,675.00	2,464.64	105,503.93	92.23	864,462.92	81,708.15
*** TOTAL EXPENDITURES ***	1,051,675.00	2,464.64	105,503.93	92.23	864,462.92	81,708.15
REVENUE OVER/(UNDER) EXPENSES	(29,095.00)	17,218.87	849,842.14	50.25	(864,462.92)	(14,474.22)

FINANCIAL STATEMENT
AS OF: MARCH 31ST, 2026

22 -TECHNOLOGY REPL. FUND

50.00% OF FISCAL YEAR

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
36-EARNINGS ON INVESTMENT	137,655.00	16,745.84	90,613.84	65.83	0.00	47,041.16
37-SALE OF ASSETS	0.00	0.00	4,655.00	0.00	0.00	(4,655.00)
38-MISCELLANEOUS	233,131.00	29,789.56	229,355.17	98.38	0.00	3,775.83
39-TRANSFERS	798,990.00	0.00	798,990.00	100.00	0.00	0.00
*** TOTAL REVENUES ***	1,169,776.00	46,535.40	1,123,614.01	96.05	0.00	46,161.99
EXPENDITURE SUMMARY						
01-ADMINISTRATION	819,925.00	14,269.73	302,439.27	82.62	374,964.47	142,521.26
*** TOTAL EXPENDITURES ***	819,925.00	14,269.73	302,439.27	82.62	374,964.47	142,521.26
REVENUE OVER/(UNDER) EXPENSES	349,851.00	32,265.67	821,174.74	127.54	(374,964.47)	(96,359.27)

23 -STORMWATER DRAINAGE FUND

50.00% OF FISCAL YEAR

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
34-CHARGES FOR SERVICE	2,287,190.00	189,209.36	1,135,884.03	49.66	0.00	1,151,305.97
36-EARNINGS ON INVESTMENT	241,950.00	20,793.47	126,265.65	52.19	0.00	115,684.35
38-MISCELLANEOUS	500,000.00	0.00	0.00	0.00	0.00	500,000.00
39-TRANSFERS	1,000,000.00	0.00	500,000.00	50.00	0.00	500,000.00
*** TOTAL REVENUES ***	4,029,140.00	210,002.83	1,762,149.68	43.74	0.00	2,266,990.32
EXPENDITURE SUMMARY						
01-ADMINISTRATION	8,105,357.00	79,771.51	1,273,256.97	42.45	2,167,339.15	4,664,760.88
50-INTERFUND TRANSFERS	182,310.00	0.00	91,155.00	50.00	0.00	91,155.00
*** TOTAL EXPENDITURES ***	8,287,667.00	79,771.51	1,364,411.97	42.61	2,167,339.15	4,755,915.88
REVENUE OVER/(UNDER) EXPENSES	(4,258,527.00)	130,231.32	397,737.71	41.55	(2,167,339.15)	(2,488,925.56)

24 -BUILDING MAINTENANCE FUND

50.00% OF FISCAL YEAR

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
36-EARNINGS ON INVESTMENT	58,195.00	7,375.13	35,877.50	61.65	0.00	22,317.50
38-MISCELLANEOUS	18,900.00	1,575.73	9,449.28	50.00	0.00	9,450.72
39-TRANSFERS	868,055.00	0.00	868,055.00	100.00	0.00	0.00
*** TOTAL REVENUES ***	945,150.00	8,950.86	913,381.78	96.64	0.00	31,768.22
EXPENDITURE SUMMARY						
13-SERVICE CENTER	87,100.00	2,717.99	29,452.38	37.87	3,532.00	54,115.62
14-MUNICIPAL BUILDING	904,780.00	184,403.68	474,346.42	63.61	101,197.20	329,236.38
*** TOTAL EXPENDITURES ***	991,880.00	187,121.67	503,798.80	61.35	104,729.20	383,352.00
REVENUE OVER/(UNDER) EXPENSES	(46,730.00)	(178,170.81)	409,582.98	652.37-	(104,729.20)	(351,583.78)

FINANCIAL STATEMENT
AS OF: MARCH 31ST, 2026

25 -LOCAL YTH DIVERSION FUND

50.00% OF FISCAL YEAR

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
34-CHARGES FOR SERVICE	15,015.00	1,731.63	8,276.84	55.12	0.00	6,738.16
36-EARNINGS ON INVESTMENT	3,610.00	359.10	2,203.62	61.04	0.00	1,406.38
*** TOTAL REVENUES ***	18,625.00	2,090.73	10,480.46	56.27	0.00	8,144.54
EXPENDITURE SUMMARY						
REVENUE OVER/(UNDER) EXPENSES	18,625.00	2,090.73	10,480.46	56.27	0.00	8,144.54

26 -MUNICIPAL JURY FUND

50.00% OF FISCAL YEAR

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
34-CHARGES FOR SERVICE	285.00	34.61	165.50	58.07	0.00	119.50
36-EARNINGS ON INVESTMENT	75.00	7.18	44.08	58.77	0.00	30.92
*** TOTAL REVENUES ***	360.00	41.79	209.58	58.22	0.00	150.42
EXPENDITURE SUMMARY						
01-ADMINISTRATION	250.00	96.67	96.67	38.67	0.00	153.33
*** TOTAL EXPENDITURES ***	250.00	96.67	96.67	38.67	0.00	153.33
REVENUE OVER/(UNDER) EXPENSES	110.00	(54.88)	112.91	102.65	0.00	(2.91)

27 -COURT S & T FUND

50.00% OF FISCAL YEAR

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
34-CHARGES FOR SERVICE	0.00	3,121.22	15,309.12	0.00	0.00	(15,309.12)
36-EARNINGS ON INVESTMENT	0.00	47.28	349.85	0.00	0.00	(349.85)
*** TOTAL REVENUES ***	0.00	3,168.50	15,658.97	0.00	0.00	(15,658.97)
EXPENDITURE SUMMARY						
01-ADMINISTRATION	14,945.00	0.00	14,945.00	100.00	0.00	0.00
*** TOTAL EXPENDITURES ***	14,945.00	0.00	14,945.00	100.00	0.00	0.00
REVENUE OVER/(UNDER) EXPENSES	(14,945.00)	3,168.50	713.97	4.78-	0.00	(15,658.97)

FINANCIAL STATEMENT
AS OF: MARCH 31ST, 2026

31 -FORFEITED PROPERTY FUND

50.00% OF FISCAL YEAR

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
36-EARNINGS ON INVESTMENT	5,060.00	336.68	2,133.64	42.17	0.00	2,926.36
37-SALE OF ASSETS	2,500.00	3,325.84	5,980.56	239.22	0.00	(3,480.56)
*** TOTAL REVENUES ***	7,560.00	3,662.52	8,114.20	107.33	0.00	(554.20)
EXPENDITURE SUMMARY						
01-ADMINISTRATION	500.00	0.00	0.00	0.00	0.00	500.00
*** TOTAL EXPENDITURES ***	500.00	0.00	0.00	0.00	0.00	500.00
REVENUE OVER/(UNDER) EXPENSES	7,060.00	3,662.52	8,114.20	114.93	0.00	(1,054.20)

32 -COURT TECHNOLOGY FUND

50.00% OF FISCAL YEAR

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
34-CHARGES FOR SERVICE	24,245.00	0.00	0.00	0.00	0.00	24,245.00
36-EARNINGS ON INVESTMENT	5,165.00	307.12	2,094.86	40.56	0.00	3,070.14
*** TOTAL REVENUES ***	29,410.00	307.12	2,094.86	7.12	0.00	27,315.14
EXPENDITURE SUMMARY						
01-ADMINISTRATION	40,632.00	1,109.18	26,854.09	90.90	10,080.50	3,697.41
*** TOTAL EXPENDITURES ***	40,632.00	1,109.18	26,854.09	90.90	10,080.50	3,697.41
REVENUE OVER/(UNDER) EXPENSES	(11,222.00)	(802.06)	(24,759.23)	310.46	(10,080.50)	23,617.73

33 -COURT SECURITY FUND

50.00% OF FISCAL YEAR

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
34-CHARGES FOR SERVICE	23,750.00	0.00	0.00	0.00	0.00	23,750.00
36-EARNINGS ON INVESTMENT	1,450.00	42.56	466.02	32.14	0.00	983.98
*** TOTAL REVENUES ***	25,200.00	42.56	466.02	1.85	0.00	24,733.98
EXPENDITURE SUMMARY						
01-ADMINISTRATION	24,600.00	0.00	12,300.00	50.00	0.00	12,300.00
*** TOTAL EXPENDITURES ***	24,600.00	0.00	12,300.00	50.00	0.00	12,300.00
REVENUE OVER/(UNDER) EXPENSES	600.00	42.56	(11,833.98)	972.33-	0.00	12,433.98

FINANCIAL STATEMENT
AS OF: MARCH 31ST, 2026

35 -LIBRARY FUND

50.00% OF FISCAL YEAR

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
36-EARNINGS ON INVESTMENT	16,110.00	1,353.97	8,305.64	51.56	0.00	7,804.36
38-MISCELLANEOUS	80,555.00	11,161.67	32,460.96	40.30	0.00	48,094.04
*** TOTAL REVENUES ***	96,665.00	12,515.64	40,766.60	42.17	0.00	55,898.40
EXPENDITURE SUMMARY						
01-ADMINISTRATIVE	80,553.00	12,309.02	29,861.91	42.66	4,502.23	46,188.86
*** TOTAL EXPENDITURES ***	80,553.00	12,309.02	29,861.91	42.66	4,502.23	46,188.86
REVENUE OVER/(UNDER) EXPENSES	16,112.00	206.62	10,904.69	39.74	(4,502.23)	9,709.54

38 -RESERVE FUND

50.00% OF FISCAL YEAR

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
36-EARNINGS ON INVESTMENT	136,800.00	13,912.67	80,292.06	58.69	0.00	56,507.94
37-SALE OF ASSETS	0.00	100,043.00	492,567.75	0.00	0.00	(492,567.75)
*** TOTAL REVENUES ***	136,800.00	113,955.67	572,859.81	418.76	0.00	(436,059.81)
EXPENDITURE SUMMARY						
01-ADMINISTRATIVE	500,000.00	0.00	0.00	0.00	0.00	500,000.00
*** TOTAL EXPENDITURES ***	500,000.00	0.00	0.00	0.00	0.00	500,000.00
REVENUE OVER/(UNDER) EXPENSES	(363,200.00)	113,955.67	572,859.81	157.73-	0.00	(936,059.81)

FINANCIAL STATEMENT
AS OF: MARCH 31ST, 2026

40 -GENERAL FIXED ASSETS

50.00% OF FISCAL YEAR

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
EXPENDITURE SUMMARY						

99 -CONSOLIDATED CASH FUND

50.00% OF FISCAL YEAR

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	Y-T-D ENCUMB.	BUDGET BALANCE
REVENUE SUMMARY						
EXPENDITURE SUMMARY						

Town of Highland Park

QUARTERLY INVESTMENT REPORT

For the Quarter Ended

March 31, 2026

Prepared by

Valley View Consulting, L.L.C.

The investment portfolio of the Town of Highland Park is in compliance with the Public Funds Investment Act and the Investment Policy and Strategies.

Taylor Lough

Assistant Town Administrator

Director of Finance

Disclaimer: These reports were compiled using information provided by the Town. No procedures were performed to test the accuracy or completeness of this information. The market values included in these reports were obtained by Valley View Consulting, L.L.C. from sources believed to be accurate and represent proprietary valuation. Due to market fluctuations these levels are not necessarily reflective of current liquidation values. Yield calculations are not determined using standard performance formulas, are not representative of total return yields, and do not account for investment advisor fees.

Strategy Summary

Quarter End Results by Investment Category:

	December 31, 2025		March 31, 2026		
Asset Type	**Book Value**	**Market Value**	**Book Value**	**Market Value**	**Ave. Yield**
Cash & Cash Equivalents	$ 48,953,930	$ 48,953,930	$ 57,318,948	$ 57,318,948	3.63%
Securities	2,987,969	2,997,751	2,991,935	2,995,970	4.06%
CDs	17,794,866	17,794,866	20,746,778	20,746,778	4.13%
Totals	**$ 69,736,764**	**$ 69,746,546**	**$ 81,057,661**	**$ 81,061,695**	3.77%

Current Quarter Weighted Average Yield (1)

Total Portfolio	3.77%
Rolling Three Month Treasury	3.69%
Rolling Six Month Treasury	3.69%

Fiscal Year-to-Date Weighted Average Yield (2)

Total Portfolio	3.89%
Rolling Three Month Treasury	3.75%
Rolling Six Month Treasury	3.78%

Interest Earnings (Approximate)

Quarterly Interest Income	$ 727,077
Year-to-date Interest Income	$ 1,443,106

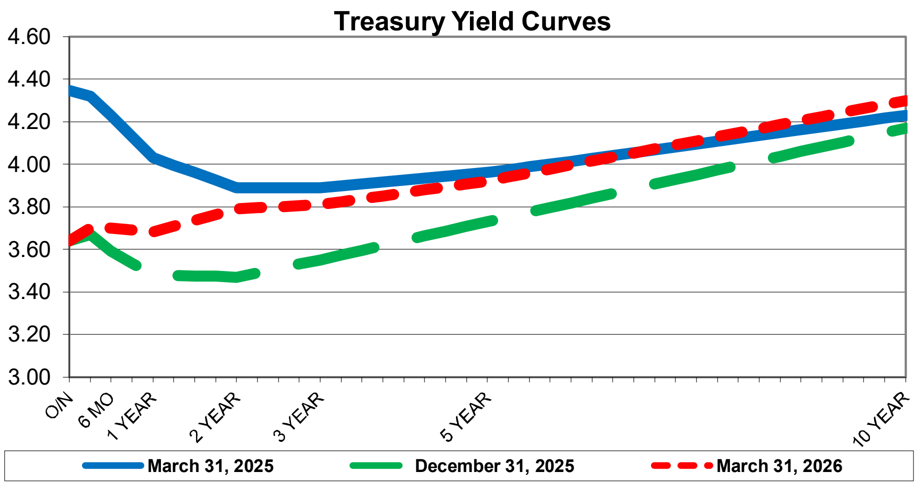
(1) **Current Quarter Weighted Average Yield** - calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees. The yield for the reporting month is used for bank and money market balances.

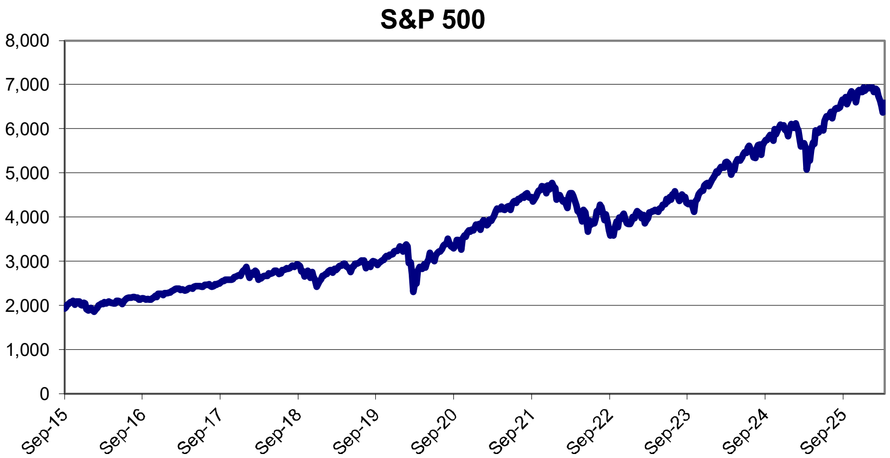
(2) **Fiscal Year-to-Date Weighted Average Yield -** calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

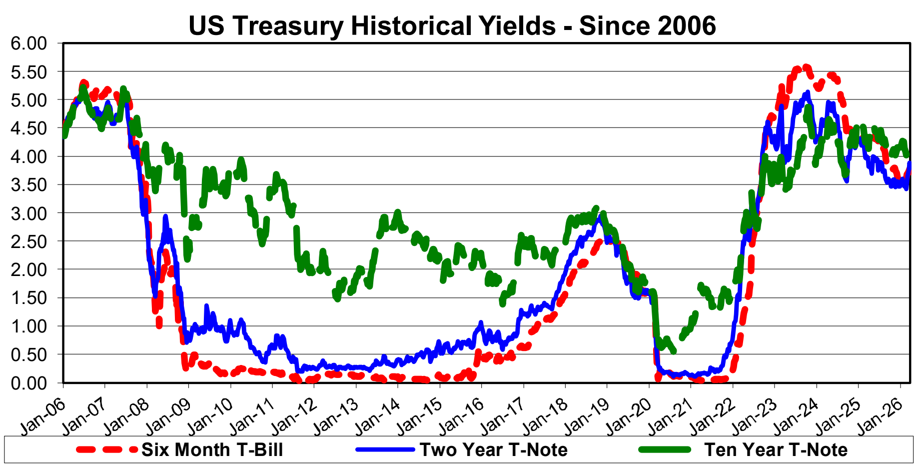
Economic Overview

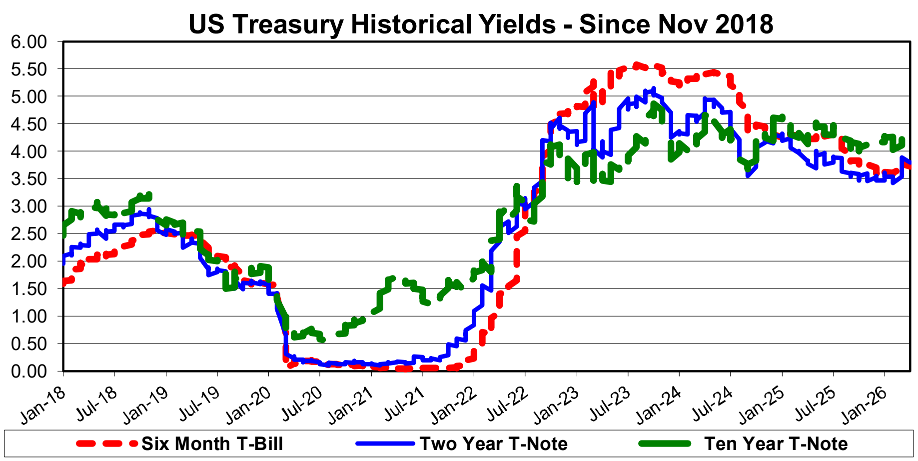
3/31/2026

The Federal Open Market Committee (FOMC) maintained the Fed Funds target 3.50% - 3.75% (Effective Fed Funds trade +/-3.64%) at their Jan meeting. Additional rate cuts during 2026 are uncertain, but could include one late fall. March Non-Farm Payroll added 178k (exceeding the +60k expectation) raising the three month average to +68k. The S&P 500 Stock Index retrenched +/-8% since touching 7,000. The yield curve is almost fully positive. With the Middle East conflict, Crude Oil continues $100+. Inflation continues above the FOMC 2% target (Core CPI 2.5% and Core PCE +/-3.1%). The uncertain world events still influence volatility.







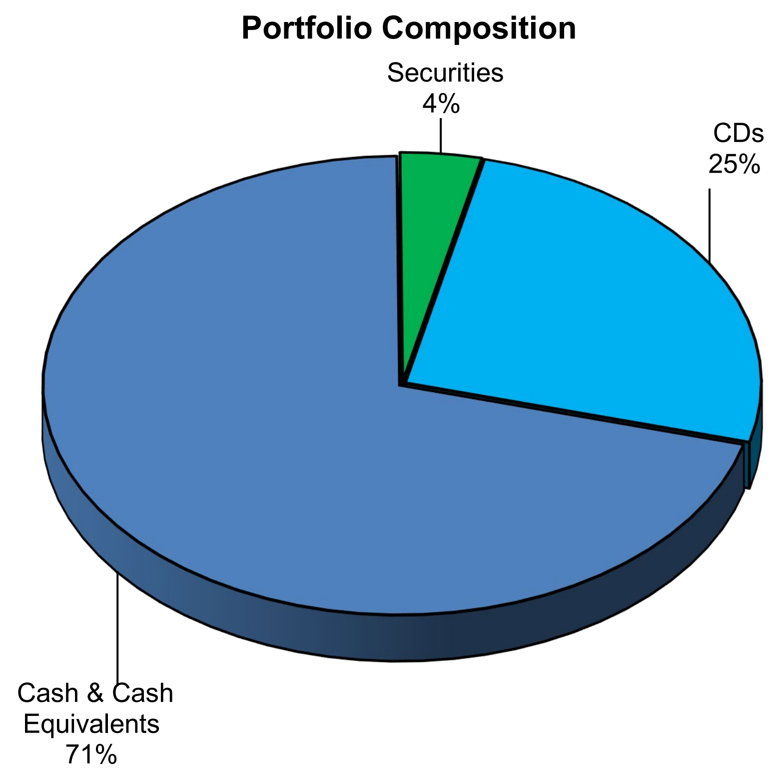


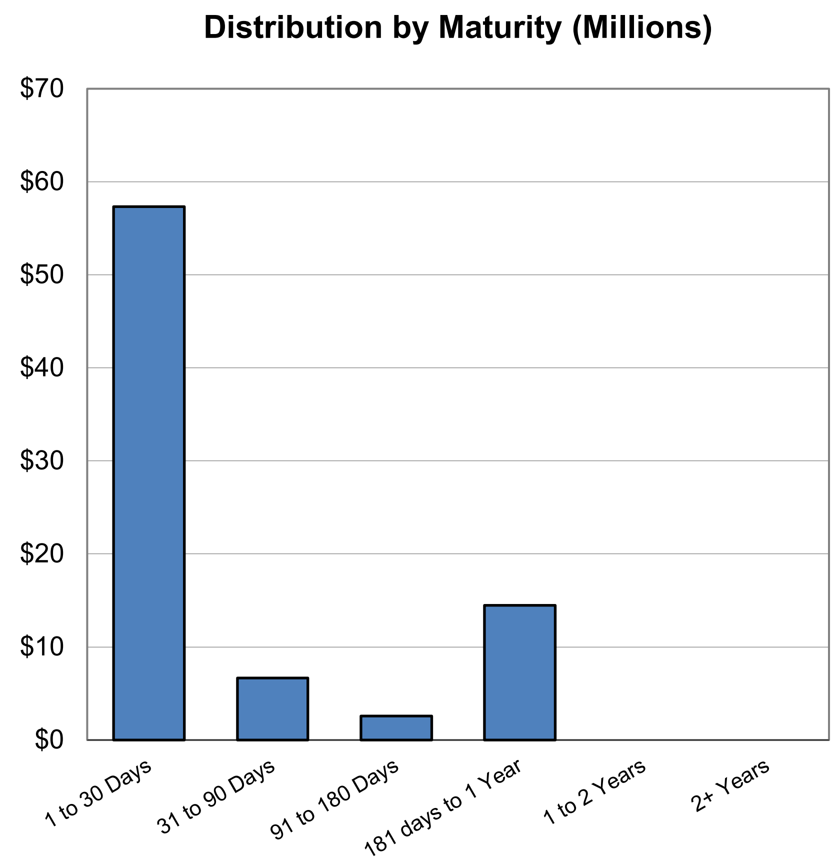
Investment Holdings
March 31, 2026

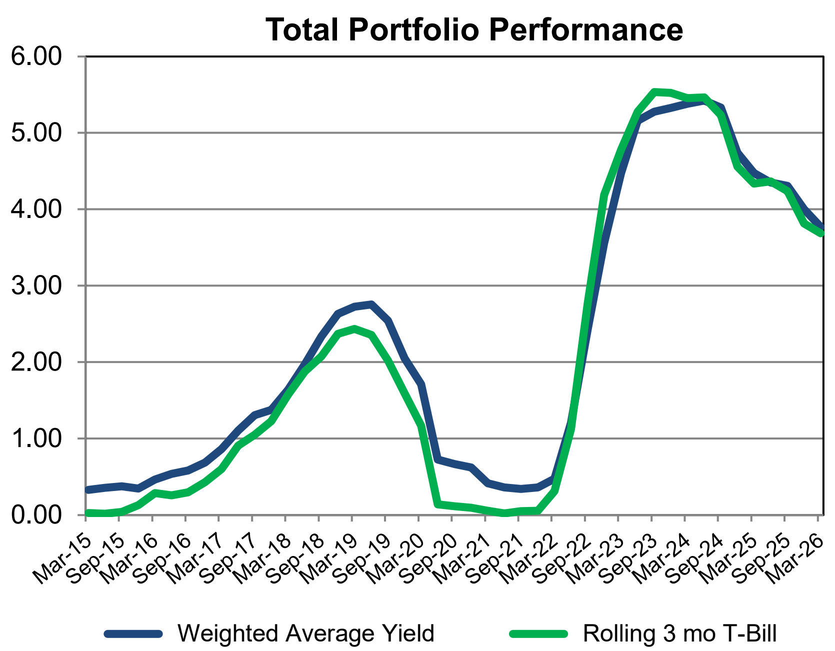
Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
PlainsCapital Bank - Cash		3.60%	04/01/26	03/31/26	$ 47,499,237	$ 47,499,237	1.00	$ 47,499,237	1	3.60%
NexBank MMA		3.75%	04/01/26	03/31/26	77	77	1.00	77	1	3.75%
NexBank ICS		3.75%	04/01/26	03/31/26	9,819,634	9,819,634	1.00	9,819,634	1	3.75%
Cash & Cash Equivalents - Sub Total					**57,318,948**	**57,318,948**		**57,318,948**	**1**	**3.63%**
Texas B&T CD		4.10%	05/01/26	05/01/25	4,125,297	4,125,297	100.00	4,125,297	31	4.16%
TFNB CD		4.25%	06/29/26	09/29/25	1,021,186	1,021,186	100.00	1,021,186	90	4.32%
TFNB CD		4.25%	06/29/26	09/29/25	1,021,186	1,021,186	100.00	1,021,186	90	4.32%
TFNB CD		4.25%	06/29/26	09/29/25	510,593	510,593	100.00	510,593	90	4.32%
BOK Financial IntraFi CD		4.42%	08/06/26	08/08/24	1,075,507	1,075,507	100.00	1,075,507	128	4.52%
TFNB CD		3.77%	08/10/26	02/10/26	1,500,000	1,500,000	100.00	1,500,000	132	3.82%
TFNB CD		4.25%	09/29/26	09/29/25	2,552,966	2,552,966	100.00	2,552,966	182	4.32%
TFNB CD		4.25%	09/29/26	09/29/25	2,042,373	2,042,373	100.00	2,042,373	182	4.32%
TFNB CD		4.25%	09/29/26	09/29/25	1,021,186	1,021,186	100.00	1,021,186	182	4.32%
TFNB CD		4.25%	09/29/26	09/29/25	1,021,186	1,021,186	100.00	1,021,186	182	4.32%
TFNB CD		4.25%	09/29/26	09/29/25	255,297	255,297	100.00	255,297	182	4.32%
UST-Note	Aa1/AA+	3.50%	09/30/26	10/28/24	3,000,000	2,991,935	99.87	2,995,970	183	4.06%
TFNB CD		3.66%	02/10/27	02/10/26	1,100,000	1,100,000	100.00	1,100,000	316	3.71%
TFNB CD		3.66%	02/10/27	02/10/26	3,500,000	3,500,000	100.00	3,500,000	316	3.71%
Investments - Sub Total					**23,746,778**	**23,738,713**		**23,742,748**	**166**	**4.12%**
					$ 81,065,726	**$ 81,057,661**		**$ 81,061,695**	**49**	**3.77%**
									(1)	**(2)**

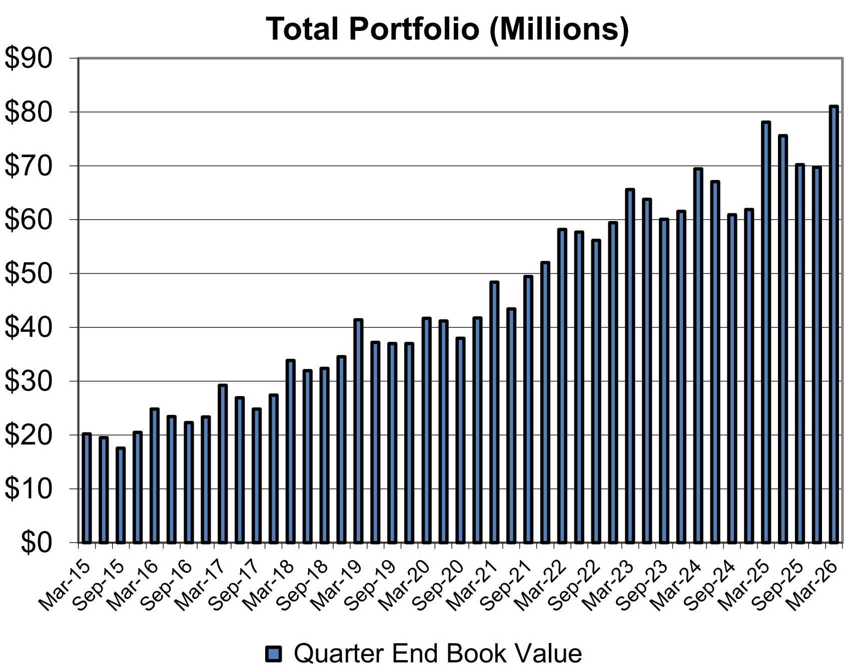
(1) Weighted average life - For purposes of calculating weighted average life, bank accounts and money market funds are assumed to have an one day maturity.

(2) Weighted average yield to maturity - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank accounts and money market funds.


Portfolio Composition
Securities 4%
CDs 25%
Cash & Cash Equivalents 71%

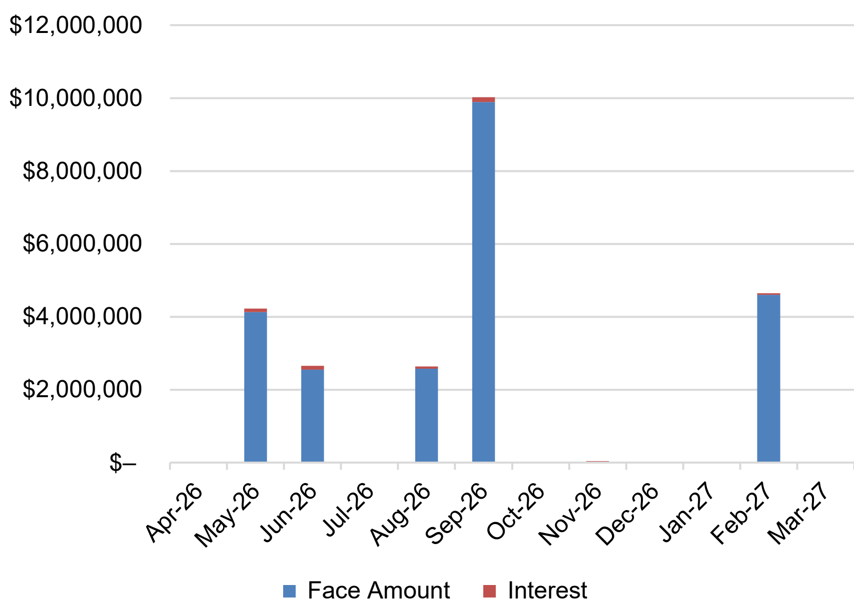

Distribution by Maturity (Millions)
$70
$60
$50
$40
$30
$20
$10
$0
1 to 30 Days
31 to 90 Days
91 to 180 Days
181 days to 1 Year
1 to 2 Years
2+ Years


Total Portfolio Performance
6.00
5.00
4.00
3.00
2.00
1.00
0.00
Mar-15 Sep-15 Mar-16 Sep-16 Mar-17 Sep-17 Mar-18 Sep-18 Mar-19 Sep-19 Mar-20 Sep-20 Mar-21 Sep-21 Mar-22 Sep-22 Mar-23 Sep-23 Mar-24 Sep-24 Mar-25 Sep-25 Mar-26
Weighted Average Yield
Rolling 3 mo T-Bill


Total Portfolio (Millions)
$90
$80
$70
$60
$50
$40
$30
$20
$10
$0
Mar-15 Sep-15 Mar-16 Sep-16 Mar-17 Sep-17 Mar-18 Sep-18 Mar-19 Sep-19 Mar-20 Sep-20 Mar-21 Sep-21 Mar-22 Sep-22 Mar-23 Sep-23 Mar-24 Sep-24 Mar-25 Sep-25 Mar-26
Quarter End Book Value

Maturity Cash Flows - Next 12 Months

Month	Face Amount	Interest	Total
Apr-26	$ –	$ 3,915	$ 3,915
May-26	4,125,297	100,128	4,225,425
Jun-26	2,552,966	105,103	2,658,069
Jul-26	–	4,046	4,046
Aug-26	2,575,507	57,341	2,632,848
Sep-26	9,893,008	126,340	10,019,348
Oct-26	–	–	–
Nov-26	–	42,436	42,436
Dec-26	–	–	–
Jan-27	–	–	–
Feb-27	4,600,000	42,436	4,642,436
Mar-27	–	–	–
TOTALS	**$ 23,746,778**	**$ 481,746**	**$ 24,228,524**



Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 12/31/25	Increases	Decreases	Book Value 03/31/26	Market Value 12/31/25	Change in Market Value	Market Value 03/31/26
PlainsCapital Bank - Cash	3.60%	04/01/26	$ 39,226,193	$ 8,273,044	$ –	$ 47,499,237	$ 39,226,193	$ 8,273,044	$ 47,499,237
NexBank MMA	3.75%	04/01/26	76	1	–	77	76	1	77
NexBank ICS	3.75%	04/01/26	9,727,661	91,973	–	9,819,634	9,727,661	91,973	9,819,634
Cash & Cash Equivalents - Sub Total	**3.63%**		**48,953,930**	**8,365,018**	**–**	**57,318,948**	**48,953,930**	**8,365,018**	**57,318,948**
East West Bank CD	4.17%	01/29/26	3,299,905	–	(3,299,905)	–	3,299,905	(3,299,905)	–
Texas B&T CD	4.16%	05/01/26	4,083,101	42,196	–	4,125,297	4,083,101	42,196	4,125,297
TFNB CD	4.32%	06/29/26	1,010,596	10,590	–	1,021,186	1,010,596	10,590	1,021,186
TFNB CD	4.32%	06/29/26	1,010,596	10,590	–	1,021,186	1,010,596	10,590	1,021,186
TFNB CD	4.32%	06/29/26	505,298	5,295	–	510,593	505,298	5,295	510,593
BOK Financial IntraFi CD	4.52%	08/06/26	1,063,847	11,660	–	1,075,507	1,063,847	11,660	1,075,507
TFNB CD	3.82%	08/10/26	–	1,500,000	–	1,500,000	–	1,500,000	1,500,000
TFNB CD	4.32%	09/29/26	2,526,490	26,476	–	2,552,966	2,526,490	26,476	2,552,966
TFNB CD	4.32%	09/29/26	2,021,192	21,181	–	2,042,373	2,021,192	21,181	2,042,373
TFNB CD	4.32%	09/29/26	1,010,596	10,590	–	1,021,186	1,010,596	10,590	1,021,186
TFNB CD	4.32%	09/29/26	1,010,596	10,590	–	1,021,186	1,010,596	10,590	1,021,186
TFNB CD	4.32%	09/29/26	252,649	2,648	–	255,297	252,649	2,648	255,297
UST-Note	4.06%	09/30/26	2,987,969	3,966	–	2,991,935	2,997,751	(1,781)	2,995,970
TFNB CD	3.71%	02/10/27	–	1,100,000	–	1,100,000	–	1,100,000	1,100,000
TFNB CD	3.71%	02/10/27	–	3,500,000	–	3,500,000	–	3,500,000	3,500,000
Investments - Sub Total	**4.12%**		**20,782,834**	**6,255,784**	**(3,299,905)**	**23,738,713**	**20,792,616**	**2,950,132**	**23,742,748**
TOTAL/AVERAGE	**3.77%**		**$ 69,736,764**	**$ 14,620,802**	**$ (3,299,905)**	**$ 81,057,661**	**$ 69,746,546**	**$ 11,315,149**	**$ 81,061,695**

Allocation
March 31, 2026

Book Value

	Total	General	Capital Projects	Solid Waste	Utility	Equipment Replacement	Technology Replacement	Stormwater Drainage
PlainsCapital Bank - Cash	$ 47,499,237	$ 18,583,248	$ 15,740,001	$ 520,432	$ 3,092,998	$ 1,935,625	$ 1,603,436	$ 4,623,971
NexBank MMA	77	77	–	–	–	–	–	–
NexBank ICS	9,819,634	2,547,329	4,481,344	124,424	1,601,355	597,609	8,795	–
Cash & Cash Equivalents - Sub Total	**57,318,948**	**21,130,654**	**20,221,345**	**644,856**	**4,694,353**	**2,533,234**	**1,612,231**	**4,623,971**
05/01/26–Texas B&T CD	4,125,297	–	–	–	–	1,031,324	1,031,324	2,062,648
06/29/26–TFNB CD	1,021,186	–	–	–	–	1,021,186	–	–
06/29/26–TFNB CD	1,021,186	–	–	–	–	–	1,021,186	–
06/29/26–TFNB CD	510,593	–	–	–	–	–	–	–
08/06/26–BOK Financial IntraFi CD	1,075,507	268,877	–	–	–	268,877	268,877	–
08/10/26–TFNB CD	1,500,000	–	–	–	1,500,000	–	–	–
09/29/26–TFNB CD	2,552,966	2,552,966	–	–	–	–	–	–
09/29/26–TFNB CD	2,042,373	–	2,042,373	–	–	–	–	–
09/29/26–TFNB CD	1,021,186	–	–	–	–	1,021,186	–	–
09/29/26–TFNB CD	1,021,186	–	–	–	–	–	1,021,186	–
09/29/26–TFNB CD	255,297	–	–	–	–	–	–	–
09/30/26–UST-Note	2,991,935	1,209,244	1,782,691	–	–	–	–	–
02/10/27–TFNB CD	1,100,000	–	1,100,000	–	–	–	–	–
02/10/27–TFNB CD	3,500,000	–	–	–	3,500,000	–	–	–
Investments - Sub Total	**23,738,713**	**4,031,087**	**4,925,063**	**–**	**5,000,000**	**3,342,574**	**3,342,574**	**2,062,648**
Total	**$ 81,057,661**	**$ 25,161,741**	**$ 25,146,408**	**$ 644,856**	**$ 9,694,353**	**$ 5,875,808**	**$ 4,954,805**	**$ 6,686,619**

Book Value

	Building Maintenance	Local Youth Diversion Fund	Municipal Jury	Court S&T Fund	Forfeited Property	Court Technology	Court Security	Library
PlainsCapital Bank - Cash	$ 841,394	$ 120,247	$ 2,405	$ 18,725	$ 116,133	$ 33,548	$ 14,046	$ 253,027
NexBank MMA	–	–	–		–	–	–	–
NexBank ICS	206,210	–	–		–	63,449	–	189,119
Cash & Cash Equivalents - Sub Total	**1,047,604**	**120,247**	**2,405**	**18,725**	**116,133**	**96,997**	**14,046**	**442,146**
05/01/26–Texas B&T CD	–	–	–	–	–	–	–	–
06/29/26–TFNB CD	–	–	–	–	–	–	–	–
06/29/26–TFNB CD	–	–	–	–	–	–	–	–
06/29/26–TFNB CD	510,593	–	–	–	–	–	–	–
08/06/26–BOK Financial IntraFi CD	268,877	–	–	–	–	–	–	–
08/10/26–TFNB CD	–	–	–	–	–	–	–	–
09/29/26–TFNB CD	–	–	–	–	–	–	–	–
09/29/26–TFNB CD	–	–	–	–	–	–	–	–
09/29/26–TFNB CD	–	–	–	–	–	–	–	–
09/29/26–TFNB CD	–	–	–	–	–	–	–	–
09/29/26–TFNB CD	255,297	–	–	–	–	–	–	–
09/30/26–UST-Note	–	–	–	–	–	–	–	–
02/10/27–TFNB CD	–	–	–	–	–	–	–	–
02/10/27–TFNB CD	–	–	–	–	–	–	–	–
Investments - Sub Total	**1,034,767**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total	**$ 2,082,371**	**$ 120,247**	**$ 2,405**	**$ 18,725**	**$ 116,133**	**$ 96,997**	**$ 14,046**	**$ 442,146**

Allocation
March 31, 2026

Market Value

	Total	General	Capital Projects	Solid Waste	Utility	Equipment Replacement	Technology Replacement	Stormwater Drainage
PlainsCapital Bank - Cash	$ 47,499,237	$ 18,583,248	$ 15,740,001	$ 520,432	$ 3,092,998	$ 1,935,625	$ 1,603,436	$ 4,623,971
NexBank MMA	77	77	–	–	–	–	–	–
NexBank ICS	9,819,634	2,547,329	4,481,344	124,424	1,601,355	597,609	8,795	–
Cash & Cash Equivalents - Sub Total	**57,318,948**	**21,130,654**	**20,221,345**	**644,856**	**4,694,353**	**2,533,234**	**1,612,231**	**4,623,971**
05/01/26–Texas B&T CD	4,125,297	–	–	–	–	1,031,324	1,031,324	2,062,648
06/29/26–TFNB CD	1,021,186	–	–	–	–	1,021,186	–	–
06/29/26–TFNB CD	1,021,186	–	–	–	–	–	1,021,186	–
06/29/26–TFNB CD	510,593	–	–	–	–	–	–	–
08/06/26–BOK Financial IntraFi CD	1,075,507	268,877	–	–	–	268,877	268,877	–
08/10/26–TFNB CD	1,500,000	–	–	–	1,500,000	–	–	–
09/29/26–TFNB CD	2,552,966	2,552,966	–	–	–	–	–	–
09/29/26–TFNB CD	2,042,373	–	2,042,373	–	–	–	–	–
09/29/26–TFNB CD	1,021,186	–	–	–	–	1,021,186	–	–
09/29/26–TFNB CD	1,021,186	–	–	–	–	–	1,021,186	–
09/29/26–TFNB CD	255,297	–	–	–	–	–	–	–
09/30/26–UST-Note	2,995,970	1,210,875	1,785,095	–	–	–	–	–
02/10/27–TFNB CD	1,100,000	–	1,100,000	–	–	–	–	–
02/10/27–TFNB CD	3,500,000	–	–	–	3,500,000	–	–	–
Investments - Sub Total	**23,742,748**	**4,032,718**	**4,927,467**	**–**	**5,000,000**	**3,342,574**	**3,342,574**	**2,062,648**
Total	**$ 81,061,695**	**$ 25,163,371**	**$ 25,148,812**	**$ 644,856**	**$ 9,694,353**	**$ 5,875,808**	**$ 4,954,805**	**$ 6,686,619**

Market Value

	Building Maintenance	Local Youth Diversion Fund	Municipal Jury	Court S&T Fund	Forfeited Property	Court Technology	Court Security	Library
PlainsCapital Bank - Cash	$ 841,394	$ 120,247	$ 2,405	$ 18,725	$ 116,133	$ 33,548	$ 14,046	$ 253,027
NexBank MMA	–	–	–	–	–	–	–	–
NexBank ICS	206,210	–	–	–	–	63,449	–	189,119
Cash & Cash Equivalents - Sub Total	**1,047,604**	**120,247**	**2,405**	**18,725**	**116,133**	**96,997**	**14,046**	**442,146**
05/01/26–Texas B&T CD	–	–	–	–	–	–	–	–
06/29/26–TFNB CD	–	–	–	–	–	–	–	–
06/29/26–TFNB CD	–	–	–	–	–	–	–	–
06/29/26–TFNB CD	510,593	–	–	–	–	–	–	–
08/06/26–BOK Financial IntraFi CD	268,877	–	–	–	–	–	–	–
08/10/26–TFNB CD	–	–	–	–	–	–	–	–
09/29/26–TFNB CD	–	–	–	–	–	–	–	–
09/29/26–TFNB CD	–	–	–	–	–	–	–	–
09/29/26–TFNB CD	–	–	–	–	–	–	–	–
09/29/26–TFNB CD	–	–	–	–	–	–	–	–
09/29/26–TFNB CD	255,297	–	–	–	–	–	–	–
09/30/26–UST-Note	–	–	–	–	–	–	–	–
02/10/27–TFNB CD	–	–	–	–	–	–	–	–
02/10/27–TFNB CD	–	–	–	–	–	–	–	–
Investments - Sub Total	**1,034,767**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total	**$ 2,082,371**	**$ 120,247**	**$ 2,405**	**$ 18,725**	**$ 116,133**	**$ 96,997**	**$ 14,046**	**$ 442,146**

Allocation
December 31, 2025

Book Value

	Total	General	Capital Projects	Solid Waste	Utility	Equipment Replacement	Technology Replacement	Stormwater Drainage
PlainsCapital Bank - Cash	$ 39,226,193	$ 10,161,281	$ 15,255,732	$ 566,613	$ 6,216,896	$ 1,175,727	$ 909,046	$ 4,136,603
NexBank MMA	76	76	–	–	–	–	–	–
NexBank ICS	9,727,661	2,523,469	4,439,371	123,258	1,586,357	592,012	8,712	–
Cash & Cash Equivalents - Sub Total	**48,953,930**	**12,684,826**	**19,695,103**	**689,871**	**7,803,253**	**1,767,739**	**917,758**	**4,136,603**
01/29/26–East West Bank CD	3,299,905	–	1,099,968	–	2,199,937	–	–	–
05/01/26–Texas B&T CD	4,083,101	–	–	–	–	1,020,775	1,020,775	2,041,551
06/29/26–TFNB CD	1,010,596	–	–	–	–	1,010,596	–	–
06/29/26–TFNB CD	1,010,596	–	–	–	–	–	1,010,596	–
06/29/26–TFNB CD	505,298	–	–	–	–	–	–	–
08/06/26–BOK Financial IntraFi CD	1,063,847	265,962	–	–	–	265,962	265,962	–
09/29/26–TFNB CD	2,526,490	2,526,490	–	–	–	–	–	–
09/29/26–TFNB CD	2,021,192	–	2,021,192	–	–	–	–	–
09/29/26–TFNB CD	1,010,596	–	–	–	–	1,010,596	–	–
09/29/26–TFNB CD	1,010,596	–	–	–	–	–	1,010,596	–
09/29/26–TFNB CD	252,649	–	–	–	–	–	–	–
09/30/26–UST-Note	2,987,969	1,207,641	1,780,327	–	–	–	–	–
Investments - Sub Total	**20,782,834**	**4,000,093**	**4,901,488**	**–**	**2,199,937**	**3,307,929**	**3,307,929**	**2,041,551**
Total	**$ 69,736,764**	**$ 16,684,919**	**$ 24,596,591**	**$ 689,871**	**$ 10,003,190**	**$ 5,075,668**	**$ 4,225,687**	**$ 6,178,154**

Book Value

	Building Maintenance	Local Youth Diversion Fund	Municipal Jury	Court S&T Fund	Forfeited Property	Court Technology	Court Security	Library
PlainsCapital Bank - Cash	$ 214,618	$ 115,186	$ 2,304	$ 26,197	$ 132,988	$ 37,671	$ 26,156	$ 249,175
NexBank MMA	–	–	–		–	–	–	–
NexBank ICS	204,279	–	–		–	62,855	–	187,348
Cash & Cash Equivalents - Sub Total	**418,897**	**115,186**	**2,304**	**26,197**	**132,988**	**100,526**	**26,156**	**436,523**
01/29/26–East West Bank CD	–	–	–	–	–	–	–	–
05/01/26–Texas B&T CD	–	–	–	–	–	–	–	–
06/29/26–TFNB CD	–	–	–	–	–	–	–	–
06/29/26–TFNB CD	–	–	–	–	–	–	–	–
06/29/26–TFNB CD	505,298	–	–	–	–	–	–	–
08/06/26–BOK Financial IntraFi CD	265,962	–	–	–	–	–	–	–
09/29/26–TFNB CD	–	–	–	–	–	–	–	–
09/29/26–TFNB CD	–	–	–	–	–	–	–	–
09/29/26–TFNB CD	–	–	–	–	–	–	–	–
09/29/26–TFNB CD	–	–	–	–	–	–	–	–
09/29/26–TFNB CD	252,649	–	–	–	–	–	–	–
09/30/26–UST-Note	–	–	–	–	–	–	–	–
Investments - Sub Total	**1,023,909**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total	**$ 1,442,806**	**$ 115,186**	**$ 2,304**	**$ 26,197**	**$ 132,988**	**$ 100,526**	**$ 26,156**	**$ 436,523**

Allocation
December 31, 2025

Market Value

	Total	General	Capital Projects	Solid Waste	Utility	Equipment Replacement	Technology Replacement	Stormwater Drainage
PlainsCapital Bank - Cash	$ 39,226,193	$ 10,161,281	$ 15,255,732	$ 566,613	$ 6,216,896	$ 1,175,727	$ 909,046	$ 4,136,603
NexBank MMA	76	76	–	–	–	–	–	–
NexBank ICS	9,727,661	2,523,469	4,439,371	123,258	1,586,357	592,012	8,712	–
Cash & Cash Equivalents - Sub Total	**48,953,930**	**12,684,826**	**19,695,103**	**689,871**	**7,803,253**	**1,767,739**	**917,758**	**4,136,603**
01/29/26–East West Bank CD	3,299,905	–	1,099,968	–	2,199,937	–	–	–
05/01/26–Texas B&T CD	4,083,101	–	–	–	–	1,020,775	1,020,775	2,041,551
06/29/26–TFNB CD	1,010,596	–	–	–	–	1,010,596	–	–
06/29/26–TFNB CD	1,010,596	–	–	–	–	–	1,010,596	–
06/29/26–TFNB CD	505,298	–	–	–	–	–	–	–
08/06/26–BOK Financial IntraFi CD	1,063,847	265,962	–	–	–	265,962	265,962	–
09/29/26–TFNB CD	2,526,490	2,526,490	–	–	–	–	–	–
09/29/26–TFNB CD	2,021,192	–	2,021,192	–	–	–	–	–
09/29/26–TFNB CD	1,010,596	–	–	–	–	1,010,596	–	–
09/29/26–TFNB CD	1,010,596	–	–	–	–	–	1,010,596	–
09/29/26–TFNB CD	252,649	–	–	–	–	–	–	–
09/30/26–UST-Note	2,997,751	1,211,595	1,786,156	–	–	–	–	–
Investments - Sub Total	**20,792,616**	**4,004,046**	**4,907,316**	**–**	**2,199,937**	**3,307,929**	**3,307,929**	**2,041,551**
Total	**$ 69,746,546**	**$ 16,688,872**	**$ 24,602,419**	**$ 689,871**	**$ 10,003,190**	**$ 5,075,668**	**$ 4,225,687**	**$ 6,178,154**

Allocation (Continued)
December 31, 2025

Market Value

	Building Maintenance	Local Youth Diversion Fund	Municipal Jury	Court S&T Fund	Forfeited Property	Court Technology	Court Security	Library
PlainsCapital Bank - Cash	$ 214,618	$ 115,186	$ 2,304	$ 26,197	$ 132,988	$ 37,671	$ 26,156	$ 249,175
NexBank MMA	–	–	–	–	–	–	–	–
NexBank ICS	204,279	–	–	–	–	62,855	–	187,348
Cash & Cash Equivalents - Sub Total	**418,897**	**115,186**	**2,304**	**26,197**	**132,988**	**100,526**	**26,156**	**436,523**
01/29/26–East West Bank CD	–	–	–	–	–	–	–	–
05/01/26–Texas B&T CD	–	–	–	–	–	–	–	–
06/29/26–TFNB CD	–	–	–	–	–	–	–	–
06/29/26–TFNB CD	–	–	–	–	–	–	–	–
06/29/26–TFNB CD	505,298	–	–	–	–	–	–	–
08/06/26–BOK Financial IntraFi CD	265,962	–	–	–	–	–	–	–
09/29/26–TFNB CD	–	–	–	–	–	–	–	–
09/29/26–TFNB CD	–	–	–	–	–	–	–	–
09/29/26–TFNB CD	–	–	–	–	–	–	–	–
09/29/26–TFNB CD	–	–	–	–	–	–	–	–
09/29/26–TFNB CD	252,649	–	–	–	–	–	–	–
09/30/26–UST-Note	–	–	–	–	–	–	–	–
Investments - Sub Total	**1,023,909**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total	**$ 1,442,806**	**$ 115,186**	**$ 2,304**	**$ 26,197**	**$ 132,988**	**$ 100,526**	**$ 26,156**	**$ 436,523**

Town of Highland Park
Town Council Study Session
Tuesday, May 19, 2026

Item Coversheet

Review and discuss the quarterly Community Development report for the quarter ending March 31, 2026.

PRESENTED BY: Jeff Armstrong, Director of Community Development

BACKGROUND:

Staff will present a quarterly report of the Community Development Department's activities. The report will include information from the first two quarters of fiscal year 2026.

RECOMMENDATION

None at this time.

FINANCIAL IMPACT

This item has no financial impact.

ATTACHMENTS

None

Town of Highland Park
Town Council Study Session
Tuesday, May 19, 2026

Item Coversheet

Review and discuss the Compensation and Benefit Study.

PRESENTED BY: Taylor Lough, Assistant Town Administrator

BACKGROUND:

Following a competitive bid process, the Town contracted with Paypoint HR for a comprehensive Compensation and Benefit Study. The consultant will provide a presentation of the study methodology and findings.

The study began with an initial kick-off on May 5, 2025, and the first report was provided to the Town in August 2025. The Council's Compensation Committee met via teleconference with the consultant on February 3, 2026, and April 21, 2026.

The study compared existing pay to compensation scales of comparison organizations. The Town's overall compensation structure remains competitive, averaging in the top third of comparison cities. The current pay structure is sound, with opportunities to enhance clarity around career progression and pay ladders. The benefits program is cost-efficient and supportive of employees; however, total investment is somewhat below market, with opportunities to strengthen family medical contributions and retirement cost of living adjustments.

Town leadership will evaluate market data with social and cultural impact of implementation and management of possible compensation and benefit changes.

RECOMMENDATION

This item is presented for informational and discussion purposes. Staff will provide recommendations through the annual budget process related to employee compensation and benefits per Council direction.

FINANCIAL IMPACT

Funding for this contract is available, as previously appropriated, in the Human Resources Department within the General Fund in the amount not to exceed $32,500.

ATTACHMENTS

Highland Park Draft Final Report 041626, Draft Benefits Report Highland Park 041826, Highland Park Final Presentation 041826

Compensation and Benefit Study
City of Highland Park, Texas

Paypoint HR, LLC
695 Santa Maria Lane
Davidsonville, MD 21035
(443) 336 - 4272

Table of Contents

Executive Summary 3
External Competitiveness Takeaway 3
Process 4
Major Milestones for the Project 5
Benchmark Positions 6
Baseline Analysis 9
Current Salary Schedule – Exempt 9
Current Salary Schedule – Non-Exempt 10
Current Salary Schedule – DPS 11
Salary Distribution by Department 12
Salary Distribution Observations by Grade 14
Compression Analysis 17
External Market Comparison – Principal Comparators 21
Base Pay Only 21
Sample Calculation of Compa-Ratio: Administrative Assistant 24
Inclusive of Incentive Pay 42

List of Tables

Table 1 – Benchmark Positions – Administration......6
Table 2 – Benchmark Positions – Community Development......6
Table 3 – Benchmark Positions – Engineering......6
Table 4 – Benchmark Positions – Finance......7
Table 5 – Benchmark Positions – Library......7
Table 6 – Benchmark Positions – Municipal Court......7
Table 7 – Benchmark Positions – Parks......7
Table 8 – Benchmark Positions – Public Safety......8
Table 9 – Benchmark Positions – Utility Billing......8
Table 10 – Current Salary Schedule – Exempt......9
Table 11 – Current Spread and Ladders – Exempt......9
Table 12 – Current Salary Schedule – Non-Exempt......10
Table 13 – Current Salary Schedule – DPS......11
Table 14 – Current Spread and Ladders – DPS......12
Table 15 – Employees Near Min/Max......14
Table 16 – Employees Near Midpoint......16
Table 17 – Compression......18
Table 18 – Full-Time Positions Substantially Below Market (Compa-Ratio % Diff< -10%)......21
Table 19 – Full-Time Positions Below Market (-10% < Compa-Ratio % Diff < -5%)......21
Table 20 – Full-Time Positions Near Market (-5% < Compa-Ratio % Diff < +5%)......22
Table 21 – Full-Time Positions Above Market (+5% < Compa-Ratio % Diff < +10%)......22
Table 22 – Full-Time Positions Substantially Above Market (Compa-Ratio % Diff > +10%)......23
Table 23 – External Market Comparison – Administration......25
Table 24 – External Market Comparison – Community Development......27
Table 25 – External Market Comparison – Engineering......29
Table 26 – External Market Comparison – Finance......32
Table 27 – External Market Comparison – Library......33
Table 28 – External Market Comparison – Municipal Court......35
Table 29 – External Market Comparison – Parks......36
Table 30 – External Market Comparison – Public Safety......37
Table 31 – External Market Comparison – Utility Customer Service......41
Table 32 – External Market Comparison – Engineering......43
Table 33 – External Market Comparison – Municipal Court......45
Table 34 – External Market Comparison – Parks......46
Table 35 – External Market Comparison – Public Safety......47

List of Figures

Figure 1 – Salary Distribution......13
Figure 2 - Compression Plot for Grade NE-4......18
Figure 3 - Compression Plot for Grade NE-3......19
Figure 4 - Compression Plot for Grade NE-6......19

Executive Summary

External Competitiveness Takeaway

Overall, maximum salaries of job titles on average at Highland Park are compensated 4.1% above the 100th percentile of the principal market as the cities of Addison, Frisco, Richardson, Southlake, and University Park. The breakdown by department is as follows:

Percentiles of External Market

Department	100th Percentile
Administration	3.8% below market
Community Development	7.2% above market
Engineering	2.1% above market
Finance	7.4% below market
Library	2.9% below market
Municipal Court	7.1% below market
Parks	11.3% above market
Public Safety	11.2% above market
Utility Customer Service	17.5% above market
Overall Average	4.1% above market

Process

Paypoint HR is pleased to present this comprehensive Compensation and Benefit Study to Highland Park, Texas. The study began with an initial kick-off meeting with the Assistant Town Administrator and HR Coordinator on May 5, 2025. The Final Report was completed for presentation to the City in Summer 2025.

The point of the Executive Summary is to give an overview of the most important issues and opportunities identified by the consulting team during the study. The reader is highly encouraged to read the document in its entirety to gain an understanding of the recommendations within the report. The study takes into consideration both short and long-term concerns. The intent of the study was to provide leadership with a process for ascertaining equitable value of positions on a competitive salary scale. The study compared existing pay to compensation scales of organizations identified to be valid comparators to the City. This report provides a review and update of the classification and compensation plan for the City's employees. Paypoint HR has identified opportunities, but it is up to the City's leadership to determine which are most appropriate and the timing of implementation.

In considering the options for implementation, it is critical to understand the costs and benefits related to each option. By utilizing market data and analysis it is possible to make informed decisions regarding possible changes. However, in addition to the quantitative economic cost and benefit, it is important to consider the social/cultural impact of implementation and management. Highland Park will need to consider all components in making final decisions.

The study was divided into two parts: a classification phase and a compensation phase. The classification phase included identification, review, and analysis of specific work being performed in various positions. That data was then used to simplify positions and match them to the external market in an "apples to apples" comparison. The compensation phase consisted of an initial baseline analysis and an external market survey of public organizations to determine what the labor market pays for specific jobs.

The study included approximately 139 employees within roughly 83 distinct classifications. The study recommendations indicate what actions should be taken to avoid the loss of qualified staff and address difficulties in recruiting new employees for the City. In addition, it was expected that the study would recommend adjustments to the City's salary placement procedures, policies, and salary structure, to allow appropriate ongoing compensation administration.

Comprehensive surveys like this establish a credible pay structure that is fair for the work completed and strategically positions Highland Park competitively in the labor market. The desired result is the improved ability to attract and retain quality staff that perform at high levels to meet the growing demands of the community.

Major Milestones for the Project

The study began with an initial kick-off meeting with the Assistant Town Administrator and HR Coordinator on May 5, 2025.

Paypoint HR conducted a job evaluation for an internal review of job family classifications based on the responses to the PVPs.

An analysis of the existing pay scale was completed.

Internal positions were reviewed, and benchmark positions were selected for inclusion in the external survey.

An external market survey was sent out to the following principal respondents, collecting data from all five.

Survey Respondents – Principal

Addison	Frisco	Richardson	Southlake
University Park			

Benchmark Positions

In Table 1 through Table 9 the benchmark titles included in the external market surveys are presented. Exempt positions used in the exempt market survey are highlighted in **green**.

Table 1 – Benchmark Positions – Administration

Job Title	Job Title
Administrative Assistant	Systems Analyst
Assistant Town Administrator	**Town Administrator**
Director of Policy Development & Strategic Initiatives	Town Secretary
Manager of Information Services	

Table 2 – Benchmark Positions – Community Development

Job Title	Job Title
Building Inspector	**Director of Community Development**
Building Permit Technician	Plans Examiner
Chief Building Official	Sr. Building Inspector

Table 3 – Benchmark Positions – Engineering

Job Title	Job Title
Assistant Director of Engineering & Public Works	PW Maintenance Worker I
Civil Engineer	PW Maintenance Worker II - Streets
Construction Inspector	PW Maintenance Worker II - Water
Director of Engineering & Public Works	PW Maintenance Worker III - Sewer
Facilities Maintenance Manager	PW Maintenance Worker III - Streets
Project Coordinator	PW Maintenance Worker III - Water
Project Manager	PW Operations Supervisor
Public Works Superintendent	

Table 4 – Benchmark Positions – Finance

Job Title	Job Title
Accounting Supervisor	HR Coordinator
Administrative Assistant	Sr. Accounting Technician
Director of Finance	

Table 5 – Benchmark Positions – Library

Job Title	Job Title
Administrative Assistant	Library Associate - Circulation
Librarian - Adult Services	Library Associate - Youth Services
Librarian - Youth Services	Town Librarian
Library Associate - Cataloging	

Table 6 – Benchmark Positions – Municipal Court

Job Title	Job Title
Court Administrator	Municipal Town Judge
Court Clerk	Senior Court Clerk
Marshall/Bailiff	

Table 7 – Benchmark Positions – Parks

Job Title	Job Title
Irrigation/Mosquito Inspector	Parks Maintenance Worker III
Parks Maintenance Worker I	Parks Superintendent
Parks Maintenance Worker II	

Table 8 – Benchmark Positions – Public Safety

Job Title
Alaram Specialist
Assistant Director of Public Safety
Captain
Communications Manager
Communications Specialist
Crime Analyst
Deputy Chief – EMS
Deputy Chief – Fire
Deputy Chief – Operations

Job Title
Deputy Chief – Police
Director of Public Safety
DPS Administrative Secretary
Lieutenant/Fire Marshal
Lieutenant
PSO
PT Court Security Officer
Public Safety Secretary

The City of Highland Park's ideal Public Safety Officer (PSO) model reflects a fully integrated public safety approach, in which incumbents are cross-trained across multiple disciplines. Specifically, the preferred candidate holds Texas Commission on Law Enforcement certification, fire service certification, and paramedic licensure, enabling response across law enforcement, fire suppression, and emergency medical services.

It is important to note that this level of cross-certification is not consistently represented in the external market. Most comparable jurisdictions report PSO or police officer positions based solely on law enforcement qualifications. As a result, the market data used in this analysis reflects a police officer baseline. Additional certifications—such as fire and paramedic—are therefore treated as premium skill sets and are incorporated into recommendations through incentives or pay differentials rather than direct market matching.

Table 9 – Benchmark Positions – Utility Billing

Job Title
Customer Service Specialist II

Job Title
Customer Service Supervisor

Baseline Analysis

Current Salary Schedule – Exempt

Paypoint reviewed the salary schedule for all exempt job titles, presented in Table 10. Midpoints for each salary grade have also been calculated for comparison with external market data.

Table 10 – Current Salary Schedule – Exempt

Current Grade	Min	Mid	Max
E-0	$60.73	$74.30	$87.86
E-1	$69.84	$85.44	$101.04
E-2	$75.57	$92.55	$109.54
E-3	$79.54	$97.41	$115.29
E-4	$87.49	$107.15	$126.81

Spread measures the percentage difference between the maximum and minimum salary for a position. It is also an indication of the lateral progression available to an employee within their job title. A narrow spread often leads to wage compression as the maximum salary is quickly achieved. A narrow spread can also lead to low morale and high turnover as economic advancement is limited. The salary schedule from Table 10 has a consistent spread of approximately 45.0% as is shown in Table 11. It is important that the spread is consistent amongst all employees so that all positions have relatively equal advancement opportunities.

Table 11 – Current Spread and Ladders – Exempt

Current Grade	Spread	Min Ladder	Mid Ladder	Max Ladder
E-0	44.7%			
E-1	44.7%	15.0%	15.0%	15.0%
E-2	45.0%	8.2%	8.3%	8.4%
E-3	44.9%	5.3%	5.2%	5.2%
E-4	44.9%	10.0%	10.0%	10.0%

Ladders define the percentage salary difference between consecutive groups of job titles. Ladders can be used to differentiate employees with different knowledge, skills, and abilities and motivate career advancement. The ladders, that is, the percentage difference between consecutive minimums, consecutive midpoints, and consecutive maximums, is inconsistent ranging from 5.2% to 15.0%. It is recommended that the ladders be consistent between grades.

Current Salary Schedule – Non-Exempt

Paypoint also reviewed the salary schedules for all non-exempt job titles, presented in Table 12. Midpoints for each salary grade have also been calculated for comparison with external market data. The salary schedule from Table 12 has a consistent spread of 53.8% and consistent ladders of 15.0%.

Table 12 – Current Salary Schedule – Non-Exempt

Current Grade	Min	Mid	Max
NE-1	$17.89	$22.70	$27.51
NE-2	$20.57	$26.11	$31.65
NE-3	$23.66	$30.02	$36.39
NE-4	$27.20	$34.52	$41.84
NE-5	$31.28	$39.70	$48.13
NE-6	$35.98	$45.66	$55.34
NE-7	$41.38	$52.51	$63.65

Current Salary Schedule – DPS

Paypoint also reviewed the salary schedules for public safety job titles, presented in Table 13. Midpoints for each salary grade have also been calculated for comparison with external market data. The salary schedule from Table 13 have varying spreads ranging from 11.3% to 64.0% as is shown in Table 14. The ladders are also inconsistent ranging from -2.3% to 31.0%.

Table 13 – Current Salary Schedule – DPS

Current Grade	Min	Mid	Max
56-hr			
A-56	$22.91	$24.20	$25.49
B-56	$24.00	$31.68	$39.37
C-56	$28.79	$33.63	$38.46
E-56	$37.09	$41.25	$45.42
F-56	$42.66	$47.45	$52.24
G-56	$49.07	$54.56	$60.06
40-hr			
A-40	$35.79	$37.81	$39.83
B-40	$37.50	$41.69	$45.88
C-40	$44.99	$52.54	$60.09
E-40	$57.95	$64.46	$70.96
F-40	$66.65	$74.14	$81.62
G-40	$76.67	$85.25	$93.84

Table 14 – Current Spread and Ladders – DPS

Current Grade	Spread	Min Ladder	Mid Ladder	Max Ladder
56-hr				
A-56	11.3%			
B-56	64.0%	4.8%	30.9%	54.4%
C-56	33.6%	20.0%	6.1%	-2.3%
E-56	22.5%			
F-56	22.5%	15.0%	15.0%	15.0%
G-56	22.4%	15.0%	15.0%	15.0%
40-hr				
A-40	11.3%			
B-40	22.4%	4.8%	10.3%	15.2%
C-40	33.6%	20.0%	26.0%	31.0%
E-40	22.5%			
F-40	22.5%	15.0%	15.0%	15.0%
G-40	22.4%	15.0%	15.0%	15.0%

Salary Distribution by Department

The salary distribution at the City is shown in Figure 1. The label "Percentage of Employees" on the ordinate y-axis reflects the total number of employees. The two departments with more than 10% of the workforce, Engineering and Public Safety, are highlighted.

Observations

- In examining the concentration of all employees (black column), a couple of observations can be made: no employees earn less than $20 per hour; and 99% of employees are compensated below the Median Household Income of $250,000 for Highland Park.

- In examining Quantile-Quantile plots of the highlighted departments, compensation is not normally distributed in any of the departments (70.6% R^2 for Fire and 76.1% R^2 for Public Safety). This is not desirable as it demonstrates that a clear wage progression in the respective departments without an abundance of entry wage or max wage does not exist.

- The concentration of employees in the upper end, top 20%, of the salary range (3 of 139 employees, 2.2%) in comparison to the lower end is not elevated, meaning that the organization is not top-heavy with respect to compensation.

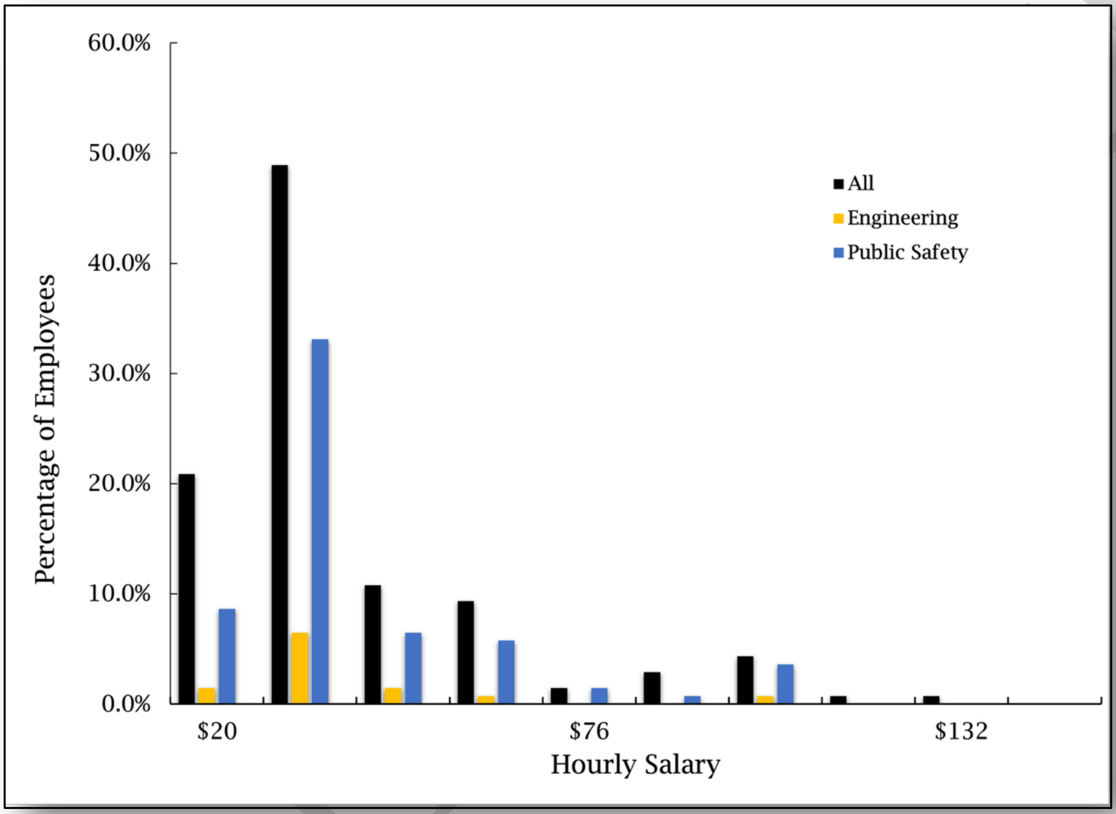


Figure 1 – Salary Distribution

Salary Distribution Observations by Grade

Table 15 examines salaries of all employees with respect to the maximum and minimum of each job title. In Table 16 the distribution of salaries above or below the midpoint of each job title is presented. Grades with more than 10% of the workforce were further analyzed. Grades with no employees were not included.

Observations

- There is a high concentration of employees (1 in 5 or 20%) in grades NE-4 and C-56 near the maximum of the respective grade. This is true for the organization overall. In general, a high concentration of employees at the extremes can lead to or be the cause of systemic employment issues including low morale, retention, etc.

- There is a high concentration of employees (2 in 3 or 67%) in grades NE-4 and C-56 above the midpoint of the respective grade which would suggest a skewed distribution of salaries. This is not true for the organization overall.

Table 15 – Employees Near Min/Max

Current Grade	Staff #	# near Min	% near Min	# near Max	% near Max
Exempt					
E-0	3	1	33.3%	0	0.0%
E-1	2	1	50.0%	0	0.0%
E-2	5	0	0.0%	3	60.0%
E-3	2	0	0.0%	1	50.0%
E-4	2	0	0.0%	1	50.0%
Non-Exempt					
NE-1	1	0	0.0%	0	0.0%
NE-2	6	2	33.3%	0	0.0%
NE-3	12	2	16.7%	3	25.0%
NE-4	22	2	9.1%	**9**	**40.9%**

Current Grade	Staff #	# near Min	% near Min	# near Max	% near Max
Non-Exempt					
NE-5	6	0	0.0%	1	16.7%
NE-6	9	1	11.1%	2	22.2%
NE-7	2	1	50.0%	0	0.0%
NE-8	6	1	16.7%	2	33.3%
DPS					
A-56	0	0	-	0	-
B-56	0	0	-	0	-
C-56	**34**	2	5.9%	**21**	**61.8%**
E-56	3	0	0.0%	1	33.3%
F-56	3	0	0.0%	1	33.3%
G-56	3	0	0.0%	3	100.0%
A-40	1	1	100.0%	0	0.0%
B-40	4	3	75.0%	1	25.0%
C-40	7	1	14.3%	4	57.1%
E-40	2	0	0.0%	1	50.0%
F-40	3	0	0.0%	2	66.7%
G-40	0	0	-	0	-
Total	**138**	18	13.0%	**56**	**40.6%**

Table 16 – Employees Near Midpoint

Current Grade	Staff #	Below Mid	Below Mid %	Above Mid	Above Mid %
Exempt					
E-0	3	3	100.0%	0	0.0%
E-1	2	1	50.0%	1	50.0%
E-2	5	0	0.0%	5	100.0%
E-3	2	0	0.0%	2	100.0%
E-4	2	0	0.0%	2	100.0%
Non-Exempt					
NE-1	1	1	100.0%	0	0.0%
NE-2	6	5	83.3%	1	16.7%
NE-3	12	8	66.7%	4	33.3%
NE-4	**22**	7	31.8%	**15**	**68.2%**
NE-5	6	3	50.0%	3	50.0%
NE-6	9	3	33.3%	6	66.7%
NE-7	2	2	100.0%	0	0.0%
NE-8	6	4	66.7%	2	33.3%
DPS					
A-56	0	0	-	0	-
B-56	0	0	-	0	-
C-56	**34**	8	23.5%	**26**	**76.5%**
E-56	3	2	66.7%	1	33.3%
F-56	3	1	33.3%	2	66.7%
G-56	3	0	0.0%	3	100.0%

Current Grade	Staff #	Below Mid	Below Mid %	Above Mid	Above Mid %
DPS					
A-40	1	1	100.0%	0	0.0%
B-40	4	3	75.0%	1	25.0%
C-40	7	3	42.9%	4	57.1%
E-40	2	0	0.0%	2	100.0%
F-40	3	0	0.0%	3	100.0%
G-40	0	0	-	0	-
Total	138	55	39.9%	83	60.1%

Compression Analysis

Wage compression primarily occurs for one of three reasons: one, new or less tenured employees are compensated at a wage close to or higher than more experienced employees in the same position; two, employees are compensated substantially different for the same degree of knowledge, skills, and ability required, that is, in the same grade; and three, supervisors are compensated less than the employees they supervise. The first two avenues of compression are examined below.

A graphical illustration of a compression analysis is presented in Figure 2. The solid black line is a linear regression "Best-Fit Estimate" line indicating the trend in pay for the grade. The prediction intervals, the two solid green lines, represent the 95% prediction interval. In other words, all future salaries should fall between the solid green lines, i.e. a prediction. More importantly, the confidence intervals, the two dashed green lines, bound with 95% confidence the average expected salary at a given level of tenure. In other words, current salaries of employees should fall between the dashed green lines. When salaries fall outside the dashed green lines, compression may exist and should be examined for possible adjustment (dots highlighted in red).

For positions that are compensated above the upper dashed green line, the employee may be receiving higher compensation due to additional knowledge, skills, and abilities. That examination is beyond the scope of this project.

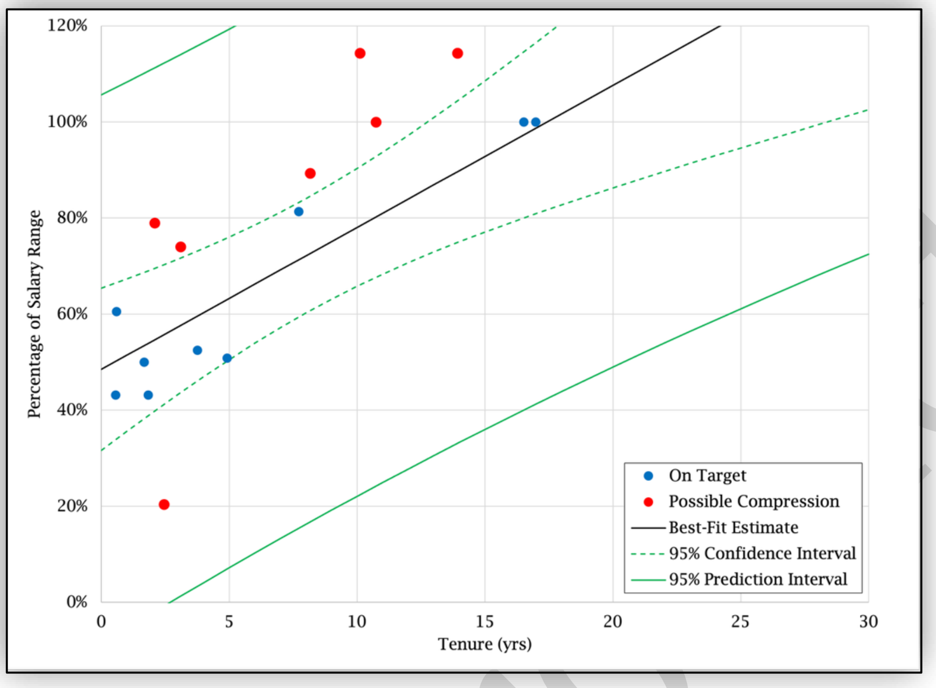


Figure 2 - Compression Plot for Grade NE-4

However, in instances where a salary is below the lower dashed green line in Figure 2, then the employee is currently under compensated relative to peers due to compression. It is recommended that salaries for these individuals be adjusted to bring them into better alignment, mitigating compression. In tabular format, the positions in question are as follows.

Table 17 – Compression

Current Grade	Title	Current Pay	Adjusted Pay
NE-3	Administrative Assistant	$23.12	$23.19
NE-4	Crime Analyst	$26.86	$32.67
NE-4	DPS Administrative Secretary	$41.84	$43.16
NE-4	PW Maintenance Worker III - Sewer	$30.19	$33.23
NE-6	Customer Service Supervisor	$39.72	$42.43
NE-6	Facilities Maintenance Manager	$37.50	$39.88

Compression plots for other grades where compression has been identified follows:

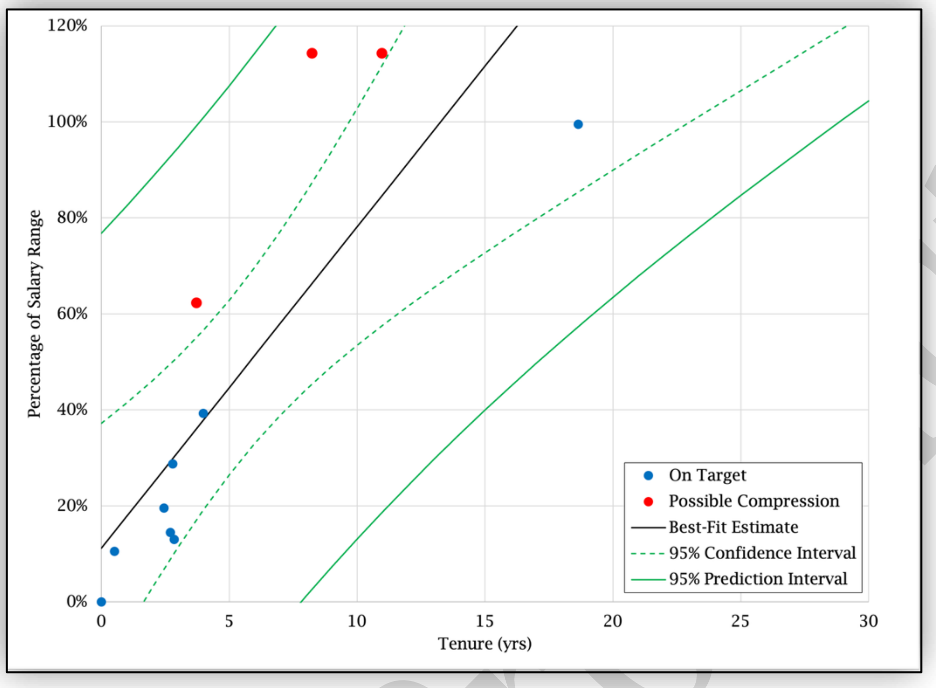


Figure 3 - Compression Plot for Grade NE-3

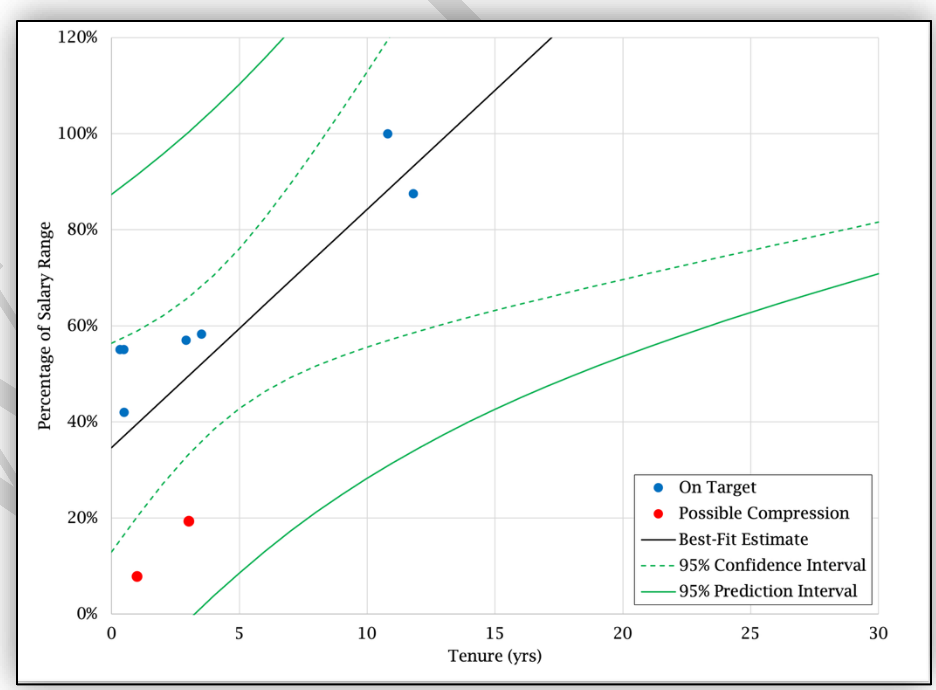


Figure 4 - Compression Plot for Grade NE-6

Compression within Departments

The third avenue of potential compression within departments between supervisors and the employees they supervise was also examined. No compression was discernable.

External Market Comparison – Principal Comparators

Base Pay Only

A summary of the findings of the external market analysis is presented in Table 18 through Table 22. In Table 23 through Table 31, the external market findings for all position classifications is presented, sorted alphabetically. The minimum, midpoint, and maximum hourly salary for each position classification is presented first. The market average (mean) and the various market quantiles are then presented. Next, the Compa-Ratio, the ratio of the grade maximum divided by the **100th perc**entile from the external market of the Principal Comparators, which measures the extent of the deviation of the current salary range in comparison, is presented. Lastly, the average compensation of individual employees at the comparators are presented in addition to the average tenure.

Table 18 – Full-Time Positions Substantially Below Market (Compa-Ratio % Diff< -10%)

Accounting Supervisor	Project Manager
Administrative Assistant	Sr. Accounting Technician
Chief Building Official	Town Administrator
Court Administrator	Town Secretary
Facilities Maintenance Manager	

Table 19 – Full-Time Positions Below Market (-10% < Compa-Ratio % Diff < -5%)

HR Coordinator	Lieutenant/Fire Marshal
Librarian - Adult Services	Parks Maintenance Worker I
Librarian - Youth Services	Plans Examiner
Library Associate - Youth Services	PSO

Table 20 – Full-Time Positions Near Market (-5% < Compa-Ratio % Diff < +5%)

Assistant Director of Engineering & Public Works	Manager of Information Services
Assistant Town Administrator	Project Coordinator
Building Permit Technician	PW Maintenance Worker I
Civil Engineer	PW Maintenance Worker II - Streets
Communications Manager	PW Maintenance Worker II - Water
Court Clerk	PW Maintenance Worker III - Sewer
Crime Analyst	PW Maintenance Worker III - Streets
Director of Community Development	PW Maintenance Worker III - Water
Director of Finance	Town Librarian
Library Associate - Cataloging	

Table 21 – Full-Time Positions Above Market (+5% < Compa-Ratio % Diff < +10%)

Alarm Specialist	Library Associate - Circulation
Communications Specialist	Public Safety Secretary
Construction Inspector	Senior Court Clerk
DPS Administrative Secretary	

Table 22 – Full-Time Positions Substantially Above Market (Compa-Ratio % Diff > +10%)

Assistant Director of Public Safety	Director of Public Safety
Building Inspector	Irrigation/Mosquito Inspector
Captain/Paramedic	Lieutenant/Paramedic
Communications Supervisor	Parks Maintenance Worker II
Customer Service Specialist II	Parks Maintenance Worker III
Customer Service Supervisor	Parks Superintendent
Deputy Chief - EMS	Public Works Superintendent
Deputy Chief - Fire	PW Operations Supervisor
Deputy Chief - Operations	Sergeant/Paramedic
Deputy Chief - Police	Sr. Building Inspector
Director of Engineering & Public Works	Systems Analyst
Director of Policy Development & Strategic Initiatives	

Sample Calculation of Compa-Ratio: Administrative Assistant

Current Grade = NE-3
Current Minimum of Grade = \$23.66
Current Midpoint of Grade = \$30.02
Current Maximum of Grade = \$36.39

100th Percentile of Market = \$40.77

Comparison of Grade Maximum to 100th Percentile of Market

$$Compa - Ratio = \frac{Current\ Maximum}{100th\ Percentile} - 1$$

$$Compa - Ratio = \frac{\$36.39}{\$40.77} - 1$$

$$Compa - Ratio = -10.7\%$$

For this position, the top of the salary range is 10.7% below the 100th percentile (the maximum) of the external market.

Table 23 – External Market Comparison – Administration

	Admin Assistant	Assistant Town Admin	Director Policy Dev & Strat Init	Manager Information Services	Systems Analyst
Current Scale	NE-3	E-4	E-1	E-0	NE-8
Minimum	$23.66	$87.49	$69.84	$60.73	$47.59
Midpoint	$30.02	$107.15	$85.44	$74.30	$60.40
Maximum	$36.39	$126.81	$101.04	$87.86	$73.20
Market Percentiles					
Mean	$28.48	$103.53	$74.49	$65.32	$51.14
50%	$27.18	$109.62	$75.03	$62.70	$51.16
55%	$27.60	$109.62	$76.36	$66.83	$52.28
60%	$29.17	$109.62	$78.06	$70.97	$53.44
65%	$31.35	$110.02	$79.95	$73.91	$54.71
70%	$32.01	$112.79	$81.56	$75.65	$55.85
75%	$32.63	$117.27	$83.18	$77.39	$57.00
80%	$33.23	$121.37	$84.85	$81.95	$58.27
85%	$33.88	$122.80	$86.36	$86.51	$59.60
90%	$36.09	$123.00	$87.42	$89.45	$60.81
95%	$38.48	$123.00	$88.56	$90.76	$62.10
100%	$40.77	$123.00	$89.82	$92.07	$63.44
Compa-Ratio	-10.7%	3.1%	12.5%	-4.6%	15.4%
Avg Salary	$29.13	$113.45	$79.84	$81.08	$53.17
Avg Tenure	8.1	7.0	3.5	11.5	13.3

	Town Admin	Town Secretary
Current Scale		NE-8
Minimum		$47.59
Midpoint	$134.52	$60.40
Maximum		$73.20
Market Percentiles		
Mean	$153.41	$69.44
50%	$153.53	$75.75
55%	$156.03	$78.35
60%	$156.03	$79.46
65%	$156.03	$79.46
70%	$156.03	$79.46
75%	$163.46	$79.61
80%	$179.82	$79.75
85%	$185.77	$79.75
90%	$185.77	$79.75
95%	$185.77	$81.61
100%	$185.77	$85.96
Compa-Ratio	-27.6%	-14.8%
Avg Salary	$158.97	$70.55
Avg Tenure	6.5	13.2

Table 24 – External Market Comparison – Community Development

	Building Inspector	Building Permit Technician	Chief Building Official	Director Community Dev	Plans Examiner
Current Scale	NE-6	NE-3	NE-8	E-1	NE-4
Minimum	$35.98	$23.66	$47.59	$69.84	$27.20
Midpoint	$45.66	$30.02	$60.40	$85.44	$34.52
Maximum	$55.34	$36.39	$73.20	$101.04	$41.84
Market Percentiles					
Mean	$32.54	$26.86	$66.84	$82.85	$34.68
50%	$30.63	$26.04	$64.98	$77.87	$35.84
55%	$32.09	$26.63	$67.58	$81.41	$36.25
60%	$34.02	$28.44	$70.43	$86.58	$37.00
65%	$35.99	$29.78	$73.53	$92.21	$37.74
70%	$36.14	$29.84	$76.98	$93.17	$38.44
75%	$36.31	$30.27	$81.85	$96.48	$39.36
80%	$37.31	$31.16	$85.72	$100.75	$40.52
85%	$40.34	$31.64	$85.72	$105.06	$41.81
90%	$41.14	$31.90	$85.72	$105.67	$43.17
95%	$42.00	$33.64	$86.64	$105.67	$43.84
100%	$43.42	$35.72	$88.79	$105.67	$44.35
Compa-Ratio	27.5%	1.9%	-17.6%	-4.4%	-5.6%
Avg Salary	$33.96	$25.55	$67.81	$83.21	$34.41
Avg Tenure	4.7	4.9	9.2	17.3	9.2

	Sr Building Inspector
Current Scale	NE-7
Minimum	$41.38
Midpoint	$52.51
Maximum	$63.65
Market Percentiles	
Mean	$35.87
50%	$36.70
55%	$37.24
60%	$37.36
65%	$37.63
70%	$38.28
75%	$39.83
80%	$42.46
85%	$43.72
90%	$44.20
95%	$44.59
100%	$44.95
Compa-Ratio	41.6%
Avg Salary	$37.33
Avg Tenure	13.3

Table 25 – External Market Comparison – Engineering

	Asst Dir Engr & Pub Works	Civil Engineer	Construct Inspector	Director Engr & Pub Works	Facilities Maint Manager
Current Scale	E-0	NE-7	NE-5	E-3	NE-6
Minimum	$60.73	$41.38	$31.28	$79.54	$35.98
Midpoint	$74.30	$52.51	$39.70	$97.41	$45.66
Maximum	$87.86	$63.65	$48.13	$115.29	$55.34
Market Percentiles					
Mean	$67.61	$50.43	$32.89	$85.16	$44.36
50%	$69.24	$50.43	$32.32	$89.13	$43.01
55%	$73.10	$51.59	$33.46	$89.13	$45.31
60%	$73.77	$52.76	$34.14	$90.31	$46.02
65%	$75.20	$53.98	$35.03	$92.21	$47.30
70%	$78.65	$55.25	$36.45	$93.17	$50.14
75%	$80.53	$56.53	$37.30	$95.97	$52.08
80%	$80.53	$58.44	$37.45	$98.49	$52.95
85%	$80.53	$60.35	$38.01	$98.49	$53.46
90%	$80.53	$61.65	$38.81	$98.49	$53.77
95%	$84.25	$62.33	$41.36	$98.80	$57.88
100%	$88.79	$63.02	$44.29	$99.51	$62.84
Compa-Ratio	-1.0%	1.0%	8.7%	15.8%	-11.9%
Avg Salary	$72.10	$49.25	$32.01	$90.81	$49.30
Avg Tenure	7.3	3.1	7.9	1.5	4.8

	Project Coordinator	Project Manager	Public Works Supt	PW Maint Worker I	PW Maint Worker II Streets
Current Scale	NE-5	NE-6	NE-8	NE-2	NE-3
Minimum	$31.28	$35.98	$47.59	$20.57	$23.66
Midpoint	$39.70	$45.66	$60.40	$26.11	$30.02
Maximum	$48.13	$55.34	$73.20	$31.65	$36.39
Market Percentiles					
Mean	$37.66	$58.45	$51.18	$23.83	$24.47
50%	$37.38	$57.77	$50.43	$23.18	$23.63
55%	$38.38	$59.21	$51.55	$24.59	$24.48
60%	$39.22	$61.39	$52.67	$25.41	$25.04
65%	$40.13	$63.15	$54.45	$25.72	$25.48
70%	$41.01	$63.80	$56.90	$25.75	$26.39
75%	$41.89	$65.57	$59.35	$26.06	$26.86
80%	$42.93	$68.70	$60.13	$26.61	$27.48
85%	$44.16	$72.19	$60.91	$27.47	$28.95
90%	$45.45	$75.89	$61.77	$29.03	$29.92
95%	$46.82	$78.41	$62.71	$30.24	$31.71
100%	$48.21	$80.67	$63.64	$30.86	$34.70
Compa-Ratio	-0.2%	-31.4%	15.0%	2.6%	4.9%
Avg Salary	$48.83	$62.62	$53.42	$21.70	$23.66
Avg Tenure	12.0	5.0	7.9	2.3	4.1

	PW Maint Worker II Water	PW Maint Worker III Sewer	PW Maint Worker III Streets	PW Maint Worker III Water	PW Operations Supervisor
Current Scale	NE-3	NE-4	NE-4	NE-4	NE-6
Minimum	$23.66	$27.20	$27.20	$27.20	$35.98
Midpoint	$30.02	$34.52	$34.52	$34.52	$45.66
Maximum	$36.39	$41.84	$41.84	$41.84	$55.34
Market Percentiles					
Mean	$27.48	$30.69	$30.92	$32.23	$37.72
50%	$26.97	$30.26	$30.49	$31.83	$37.85
55%	$27.88	$31.20	$31.43	$32.78	$37.95
60%	$28.49	$31.88	$32.12	$33.50	$38.04
65%	$29.13	$32.60	$32.85	$34.26	$39.33
70%	$29.80	$33.34	$33.59	$35.03	$41.81
75%	$30.48	$34.08	$34.34	$35.81	$44.29
80%	$31.35	$35.01	$35.27	$36.76	$44.49
85%	$32.49	$36.17	$36.44	$37.94	$44.70
90%	$33.85	$37.51	$37.78	$39.27	$44.87
95%	$35.29	$38.93	$39.19	$40.67	$45.01
100%	$36.71	$40.34	$40.60	$42.08	$45.15
Compa-Ratio	-0.9%	3.7%	3.1%	-0.6%	22.6%
Avg Salary	$27.64	$32.71	$31.44	$32.71	$41.31
Avg Tenure	5.5	11.0	12.4	11.0	16.2

Table 26 – External Market Comparison – Finance

	Accounting Supervisor	Admin Assistant	Director Finance	HR Coordinator	Sr Accounting Technician
Current Scale	NE-6	NE-3	E-2	NE-4	NE-4
Minimum	$35.98	$23.66	$75.57	$27.20	$27.20
Midpoint	$45.66	$30.02	$92.55	$34.52	$34.52
Maximum	$55.34	$36.39	$109.54	$41.84	$41.84
Market Percentiles					
Mean	$48.10	$87.61	$35.93	$30.82	$48.10
50%	$46.50	$88.05	$35.99	$30.36	$46.50
55%	$48.26	$88.05	$37.48	$31.39	$48.26
60%	$50.03	$90.21	$37.78	$31.56	$50.03
65%	$51.59	$94.07	$38.32	$31.98	$51.59
70%	$52.95	$98.48	$39.52	$33.09	$52.95
75%	$54.31	$99.74	$40.35	$34.07	$54.31
80%	$57.02	$99.74	$40.71	$34.91	$57.02
85%	$59.74	$99.74	$42.28	$36.57	$59.74
90%	$62.08	$100.80	$44.54	$38.70	$62.08
95%	$64.05	$102.40	$45.24	$42.42	$64.05
100%	$66.02	$104.49	$45.59	$46.50	$66.02
Compa-Ratio	-16.2%	4.8%	-8.2%	-10.0%	-16.2%
Avg Salary	$48.10	$29.13	$101.51	$34.87	$35.39
Avg Tenure	7.3	8.1	11.6	11.1	17.0

Table 27 – External Market Comparison – Library

	Admin Assistant	Librarian Adult Services	Librarian Youth Services	Library Associate Cataloging	Library Associate Circulation
Current Scale	NE-3	NE-5	NE-5	NE-2	NE-2
Minimum	$23.66	$31.28	$31.28	$20.57	$20.57
Midpoint	$30.02	$39.70	$39.70	$26.11	$26.11
Maximum	$36.39	$48.13	$48.13	$31.65	$31.65
Market Percentiles					
Mean	$28.48	$36.16	$36.16	$25.52	$24.19
50%	$27.18	$34.92	$34.92	$25.60	$24.00
55%	$27.60	$36.03	$36.03	$26.14	$24.64
60%	$29.17	$37.14	$37.14	$26.68	$25.28
65%	$31.35	$37.92	$37.92	$27.27	$25.67
70%	$32.01	$38.39	$38.39	$27.91	$25.80
75%	$32.63	$38.85	$38.85	$28.55	$25.94
80%	$33.23	$40.55	$40.55	$29.08	$26.98
85%	$33.88	$42.25	$42.25	$29.60	$28.03
90%	$36.09	$44.74	$44.74	$30.36	$28.81
95%	$38.48	$48.01	$48.01	$31.36	$29.34
100%	$40.77	$51.28	$51.28	$32.35	$29.87
Compa-Ratio	-10.7%	-6.1%	-6.1%	-2.2%	6.0%
Avg Salary	$29.13	$37.47	$34.41	$23.72	$21.60
Avg Tenure	8.1	9.0	4.3	4.5	2.5

	Library Associate Youth Srvcs	Town Librarian
Current Scale	NE-2	E-0
Minimum	$20.57	$60.73
Midpoint	$26.11	$74.30
Maximum	$31.65	$87.86
Market Percentiles		
Mean	$25.26	$75.91
50%	$24.71	$71.75
55%	$25.60	$74.86
60%	$26.16	$77.97
65%	$26.73	$81.45
70%	$27.36	$85.29
75%	$28.00	$89.13
80%	$28.83	$89.13
85%	$29.95	$89.13
90%	$31.33	$89.13
95%	$32.78	$89.13
100%	$34.21	$89.13
Compa-Ratio	-7.5%	-1.4%
Avg Salary	$22.07	$75.19
Avg Tenure	1.8	11.5

Table 28 – External Market Comparison – Municipal Court

	Court Admin	Court Clerk	Marshall Bailiff	Municipal Town Judge	Senior Court Clerk
Current Scale	NE-6	NE-2			NE-3
Minimum	$35.98	$20.57			$23.66
Midpoint	$45.66	$26.11			$30.02
Maximum	$55.34	$31.65			$36.39
Market Percentiles					
Mean	$53.09	$24.84	$45.19	$49.78	$28.08
50%	$50.91	$23.86	$48.95	$45.63	$28.06
55%	$53.52	$25.16	$49.76	$59.32	$28.38
60%	$56.17	$26.25	$50.27	$59.32	$28.72
65%	$58.57	$27.12	$50.74	$59.32	$29.49
70%	$59.18	$27.58	$51.07	$59.32	$31.40
75%	$60.00	$27.75	$51.72	$66.12	$32.59
80%	$60.74	$28.02	$52.74	$81.09	$32.93
85%	$61.05	$28.85	$54.07	$86.53	$33.31
90%	$67.09	$30.10	$55.58	$86.53	$33.72
95%	$71.59	$31.51	$57.93	$86.53	$33.89
100%	$72.76	$33.05	$60.46	$86.53	$34.02
Compa-Ratio	-23.9%	-4.2%			7.0%
Avg Salary	$56.71	$23.72	$53.65	$57.50	$30.29
Avg Tenure	17.1	7.3	8.0	28.7	13.0

Table 29 – External Market Comparison – Parks

	Irrigation Mosquito Inspector	Parks Maint Worker I	Parks Maint Worker II	Parks Maint Worker III	Parks Supt
Current Scale	NE-4	NE-1	NE-3	NE-4	NE-8
Minimum	$27.20	$17.89	$23.66	$27.20	$47.59
Midpoint	$34.52	$22.70	$30.02	$34.52	$60.40
Maximum	$41.84	$27.51	$36.39	$41.84	$73.20
Market Percentiles					
Mean	$27.93	$22.81	$25.09	$26.45	$48.46
50%	$28.08	$22.99	$25.28	$25.75	$49.88
55%	$29.18	$23.22	$25.37	$26.04	$50.60
60%	$29.34	$23.56	$25.57	$26.32	$51.36
65%	$29.49	$23.93	$26.05	$27.33	$52.15
70%	$29.62	$24.06	$27.31	$29.07	$52.95
75%	$30.37	$24.65	$28.49	$30.81	$53.22
80%	$31.86	$25.68	$29.58	$31.08	$54.47
85%	$33.18	$27.35	$30.13	$31.35	$58.74
90%	$34.41	$27.83	$30.38	$32.58	$60.40
95%	$34.67	$28.59	$30.62	$34.78	$62.21
100%	$34.70	$29.98	$30.86	$36.98	$64.83
Compa-Ratio	20.6%	-8.2%	17.9%	13.2%	12.9%
Avg Salary	$28.36	$20.85	$24.03	$25.05	$52.38
Avg Tenure	12.0	6.8	12.1	15.0	4.8

Table 30 – External Market Comparison – Public Safety

	Alarm Specialist	Asst Dir Public Safety	Captain	Comm Manager	Comm Specialist
Current Scale	NE-5	E-3	G-40	NE-8	NE-4
Minimum	2080	2080	2080	2080	2080
Midpoint	$31.28	$79.54	$76.67	$47.59	$27.20
Maximum	$39.70	$97.41	$85.25	$60.40	$34.52
Market Percentiles					
Mean	$34.64	$86.84	$61.54	$47.79	$30.02
50%	$34.29	$87.67	$66.79	$48.83	$31.14
55%	$35.27	$89.10	$67.82	$49.12	$31.15
60%	$36.04	$91.09	$68.85	$49.41	$31.15
65%	$36.87	$93.32	$69.85	$49.58	$31.53
70%	$37.69	$95.17	$70.80	$49.62	$32.29
75%	$38.51	$97.03	$71.76	$49.66	$33.05
80%	$39.50	$98.91	$72.93	$54.20	$34.31
85%	$40.70	$100.53	$74.10	$58.75	$35.58
90%	$42.01	$101.50	$75.26	$63.29	$36.73
95%	$43.40	$102.57	$76.43	$67.84	$37.78
100%	$44.80	$103.78	$77.60	$72.38	$38.83
Compa-Ratio	7.4%	11.1%	20.9%	1.1%	7.8%
Avg Salary	$32.09	$80.40	$44.42	$60.61	$32.40
Avg Tenure	1.0	14.1	12.0	24.5	4.1

	Comm Supervisor	Crime Analyst	Deputy Chief EMS	Deputy Chief Fire	Deputy Chief Operations
Current Scale	NE-6	NE-4	E-2	E-2	E-2
Minimum	2080	2080	2080	2080	2080
Midpoint	$35.98	$27.20	$75.57	$75.57	$75.57
Maximum	$45.66	$34.52	$92.55	$92.55	$92.55
Market Percentiles					
Mean	$37.82	$32.96	$76.84	$80.08	$80.84
50%	$36.63	$32.82	$79.04	$84.57	$81.53
55%	$38.85	$33.53	$79.43	$85.82	$82.91
60%	$41.07	$34.36	$79.83	$87.07	$84.76
65%	$42.21	$35.28	$80.22	$88.10	$86.83
70%	$42.27	$36.18	$80.62	$88.92	$88.56
75%	$42.33	$37.63	$81.01	$89.74	$90.30
80%	$42.52	$38.94	$82.44	$89.74	$92.08
85%	$42.71	$39.33	$83.86	$89.74	$93.65
90%	$43.85	$40.02	$85.19	$89.74	$94.66
95%	$45.93	$40.79	$86.44	$89.74	$95.77
100%	$48.02	$41.60	$87.69	$89.74	$97.00
Compa-Ratio	15.2%	0.6%	24.9%	22.1%	12.9%
Avg Salary	$40.44	$35.29	$81.16	$84.07	$77.90
Avg Tenure	5.5	11.9	8.0	17.3	13.0

	Deputy Chief Police	Director Public Safety	DPS Admin Secretary	Lieutenant Fire Marshal	Lieutenant
Current Scale	E-2	E-4	NE-4	F-40	F-40
Minimum	2080	2080	2080	2080	2080
Midpoint	$75.57	$87.49	$27.20	$66.65	$66.65
Maximum	$92.55	$107.15	$34.52	$74.14	$74.14
Market Percentiles					
Mean	$80.23	$83.42	$29.06	$77.57	$62.54
50%	$77.60	$85.31	$28.94	$76.80	$64.14
55%	$78.45	$86.02	$31.29	$79.91	$64.34
60%	$82.82	$86.72	$31.67	$83.02	$64.53
65%	$86.25	$88.35	$31.98	$85.08	$64.80
70%	$87.18	$90.89	$32.09	$86.09	$65.55
75%	$89.28	$93.44	$32.17	$87.10	$65.91
80%	$92.77	$96.67	$32.19	$87.10	$66.38
85%	$94.04	$99.90	$34.06	$87.10	$67.52
90%	$94.04	$102.11	$36.98	$87.10	$67.78
95%	$94.04	$103.30	$37.85	$87.10	$67.99
100%	$94.04	$104.49	$38.26	$87.10	$68.34
Compa-Ratio	16.5%	21.4%	9.4%	-6.3%	19.4%
Avg Salary	$81.71	$104.76	$32.84	$78.37	$66.27
Avg Tenure	5.5	23.3	10.0	16.3	14.6

	PSO	Public Safety Secretary	Sergeant
Current Scale	B-40	NE-4	E-40
Minimum	$37.50	$27.20	$57.95
Midpoint	$41.69	$34.52	$64.46
Maximum	$45.88	$41.84	$70.96
Market Percentiles			
Mean	$43.37	$29.73	$54.50
50%	$43.84	$30.08	$55.66
55%	$44.08	$31.29	$55.80
60%	$44.59	$31.67	$55.97
65%	$45.31	$31.98	$56.21
70%	$46.08	$32.09	$56.68
75%	$47.55	$33.00	$57.08
80%	$48.97	$34.84	$57.69
85%	$49.57	$36.21	$58.86
90%	$49.69	$37.31	$59.04
95%	$50.01	$37.85	$59.47
100%	$50.71	$38.26	$60.46
Compa-Ratio	-9.5%	9.4%	17.4%
Avg Salary	$47.12	$32.99	$57.28
Avg Tenure	6.9	8.3	10.1

PSO is defined as a Texas Commission on Law Enforcement (TCOLE)-certified officer who meets all applicable licensing and training requirements, including possession of a valid driver's license.

Table 31 – External Market Comparison – Utility Customer Service

	Customer Service Specialist II	Customer Service Supervisor
Current Scale	NE-3	NE-6
Minimum	$23.66	$35.98
Midpoint	$30.02	$45.66
Maximum	$36.39	$55.34
Market Percentiles		
Mean	$25.75	$34.56
50%	$25.60	$34.64
55%	$26.44	$35.49
60%	$27.29	$36.34
65%	$27.72	$36.86
70%	$27.75	$37.04
75%	$27.78	$37.23
80%	$28.62	$39.98
85%	$29.45	$42.73
90%	$30.50	$44.14
95%	$31.78	$44.21
100%	$33.05	$44.29
Compa-Ratio	10.1%	24.9%
Avg Salary	$28.06	$34.23
Avg Tenure	9.9	8.5

Inclusive of Incentive Pay

Engineering
Construction Inspector: +5%
Public Works Maintenance Worker III: +5%
Public Works Operations Supervisor: +5%
Public Works Superintendent: +5%

Municipal Court
Court Administrator: +5%
Court Clerk: +2%

Parks
Parks Maintenance Worker III: +5%

Public Safety
EMT Certification: +2%
Paramedic Certification +8%
CID: +7.5%

Table 32 – External Market Comparison – Engineering

	Construct Inspector	Public Works Supt	PW Maint Worker III Sewer	PW Maint Worker III Streets	PW Maint Worker III Water
Current Scale	NE-5 +5%	NE-8 +5%	NE-4 +5%	NE-4 +5%	NE-4 +5%
Minimum	$32.84	$49.97	$28.56	$28.56	$28.56
Midpoint	$41.69	$63.42	$36.25	$36.25	$36.25
Maximum	$50.54	$76.86	$43.93	$43.93	$43.93
Market Percentiles					
Mean	$32.89	$51.18	$30.69	$30.92	$32.23
50%	$32.32	$50.43	$30.26	$30.49	$31.83
55%	$33.46	$51.55	$31.20	$31.43	$32.78
60%	$34.14	$52.67	$31.88	$32.12	$33.50
65%	$35.03	$54.45	$32.60	$32.85	$34.26
70%	$36.45	$56.90	$33.34	$33.59	$35.03
75%	$37.30	$59.35	$34.08	$34.34	$35.81
80%	$37.45	$60.13	$35.01	$35.27	$36.76
85%	$38.01	$60.91	$36.17	$36.44	$37.94
90%	$38.81	$61.77	$37.51	$37.78	$39.27
95%	$41.36	$62.71	$38.93	$39.19	$40.67
100%	$44.29	$63.64	$40.34	$40.60	$42.08
Compa-Ratio	14.1%	20.8%	8.9%	8.2%	4.4%
Avg Salary	$32.01	$53.42	$32.71	$31.44	$32.71
Avg Tenure	7.9	7.9	11.0	12.4	11.0

	PW Operations Supervisor
Current Scale	NE-6 +5%
Minimum	$37.77
Midpoint	$47.94
Maximum	$58.10
Market Percentiles	
Mean	$37.72
50%	$37.85
55%	$37.95
60%	$38.04
65%	$39.33
70%	$41.81
75%	$44.29
80%	$44.49
85%	$44.70
90%	$44.87
95%	$45.01
100%	$45.15
Compa-Ratio	28.7%
Avg Salary	$41.31
Avg Tenure	16.2

Table 33 – External Market Comparison – Municipal Court

	Court Admin	Court Clerk
Current Scale	NE-6 +5%	NE-2 +2%
Minimum	$37.77	$20.98
Midpoint	$47.94	$26.63
Maximum	$58.10	$32.28
Market Percentiles		
Mean	$53.09	$24.84
50%	$50.91	$23.86
55%	$53.52	$25.16
60%	$56.17	$26.25
65%	$58.57	$27.12
70%	$59.18	$27.58
75%	$60.00	$27.75
80%	$60.74	$28.02
85%	$61.05	$28.85
90%	$67.09	$30.10
95%	$71.59	$31.51
100%	$72.76	$33.05
Compa-Ratio	-20.1%	-2.3%
Avg Salary	$56.71	$23.72
Avg Tenure	17.1	7.3

Table 34 – External Market Comparison – Parks

	Parks Maint Worker III
Current Scale	NE-4 +5%
Minimum	$28.56
Midpoint	$36.25
Maximum	$43.93
Market Percentiles	
Mean	$26.45
50%	$25.75
55%	$26.04
60%	$26.32
65%	$27.33
70%	$29.07
75%	$30.81
80%	$31.08
85%	$31.35
90%	$32.58
95%	$34.78
100%	$36.98
Compa-Ratio	18.8%
Avg Salary	$25.05
Avg Tenure	15.0

Table 35 – External Market Comparison – Public Safety

	Captain	Lieutenant Fire Marshal	Lieutenant	PSO/EMT	Sergeant
Current Scale	G-40 +8%	F-40 +8%	F-40 +8%	B-40 +2%	E-40 +8%
Minimum	$82.80	$71.99	$71.99	$38.25	$62.59
Midpoint	$92.07	$80.07	$80.07	$42.52	$69.61
Maximum	$101.35	$88.15	$88.15	$46.80	$76.64
Market Percentiles					
Mean	$61.54	$77.57	$62.54	$43.37	$54.50
50%	$66.79	$76.80	$64.14	$43.84	$55.66
55%	$67.82	$79.91	$64.34	$44.08	$55.80
60%	$68.85	$83.02	$64.53	$44.59	$55.97
65%	$69.85	$85.08	$64.80	$45.31	$56.21
70%	$70.80	$86.09	$65.55	$46.08	$56.68
75%	$71.76	$87.10	$65.91	$47.55	$57.08
80%	$72.93	$87.10	$66.38	$48.97	$57.69
85%	$74.10	$87.10	$67.52	$49.57	$58.86
90%	$75.26	$87.10	$67.78	$49.69	$59.04
95%	$76.43	$87.10	$67.99	$50.01	$59.47
100%	$77.60	$87.10	$68.34	$50.71	$60.46
Compa-Ratio	30.6%	1.2%	29.0%	-7.7%	26.8%
Avg Salary	$44.42	$78.37	$66.27	$47.12	$57.28
Avg Tenure	12.0	16.3	14.6	6.9	10.1

For purposes of classification and pay grade assignment, a PSO/EMT (Public Safety Officer/Emergency Medical Technician) is defined as a position requiring EMT certification and either TCOLE peace officer certification or firefighter certification, reflecting a dual-role public safety function that may be fulfilled through either discipline.

	PSO	PSO/EMT	PSO/PARA
Current Scale	C-56	C-56 +2%	C-56 +8%
Minimum	$28.79	$29.37	$31.10
Midpoint	$33.63	$34.30	$36.32
Maximum	$38.46	$39.23	$41.53
Market Percentiles			
Mean	$27.75	$27.75	$27.75
50%	$28.06	$28.06	$28.06
55%	$28.21	$28.21	$28.21
60%	$28.54	$28.54	$28.54
65%	$29.00	$29.00	$29.00
70%	$29.49	$29.49	$29.49
75%	$30.43	$30.43	$30.43
80%	$31.34	$31.34	$31.34
85%	$31.72	$31.72	$31.72
90%	$31.80	$31.80	$31.80
95%	$32.01	$32.01	$32.01
100%	$32.45	$32.45	$32.45
Compa-Ratio	18.5%	20.9%	28.0%
Avg Salary	$30.16	$30.16	$30.16
Avg Tenure	6.9	6.9	6.9

The City's preferred PSO/Paramedic model is a fully cross-trained public safety professional holding Texas Commission on Law Enforcement certification, fire certification, and paramedic credentials. However, market data for comparable positions is typically based on law enforcement-only roles. As such, PSO market benchmarks reflect police officer compensation, with additional certifications considered as value-added enhancements.

Benefits Analysis
Town of Highland Park, Texas

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Table of Contents

Executive Summary 3
Benefits 4
National Trends 5
Benefit Analysis 8
Benefit Survey Responses 9
Employee Data 9
Cost of Benefits 10
Major Medical, Dental, and Vision 11
Out of Pocket (OOP) Maximum, Deductibles & Co-Pays 12
Pay Adjustments 13
Pension 14
COLA & USC Policy 15
Life and Disability Insurance 17
Bonus Pay, and Other Incentives 18
Leave Benefits 21
Leave Types 21
Leave Accrual 22
Annual Carry Over Limits 23
Leave Payout 24
Vacation Leave 24
Sick Leave 24
PTO 25
Key Takeaways: 25
Performance Evaluation Anniversary Date 25
Well-Being 25
Conclusion 27

List of Tables

Table 1-Average Employer Costs by Sector per Hour Worked by Employer Group 6
Table 4- Percentage of Full-Time and Part-Time Employees 9
Table 5- Benefits Included in Calculation of Costs as a % of Total Compensation 10
Table 6- Cost of Benefits as a Percentage of Total Compensation 11
Table 7- Prevalence of Plan by Type 11
Table 8- Employer Contributions to Health Premiums 12
Table 9- Market OOP Maximums, Deductibles, and Co-Pays 13
Table 10- Across the Board (ATB) Adjustment History 14
Table 11- Basis for ATB Adjustments 14
Table 12-Retirement Benefits 15
Table 13-TMRS Plan Features 16
Table 14- TMRS Retirement Income Comparison 17
Table 15- Life and Disability Limits 18
Table 16-Prevalence of Other Benefits by Type 19
Table 17- Leave Benefits 21
Table 18- Annual Leave Accrual Days 22
Table 19- Annual Carry Over Days of Accrued Leave 23
Table 20- Leave Payout 24

Executive Summary

Highland Park offers a well-structured and fiscally responsible benefits program that is generally aligned with the local market, with benefits representing 22% of total compensation compared to the 26% market median. The Town's total rewards package is anchored by strong healthcare coverage, a stable TMRS retirement plan, and competitive leave policies, all of which support employee attraction and retention.

Key opportunities for enhancement include increasing employer contributions for family medical coverage and strengthening long-term retirement competitiveness. While Highland Park has implemented retirement enhancements on an ad hoc basis—most recently through a combined 50% COLA and 50% Updated Service Credit (USC) adjustment in FY2023—these features are not provided on a consistent, ongoing basis as seen in peer organizations. As a result, long-term retirement value is lower relative to the market.

Overall, Highland Park's benefits program reflects a thoughtful and disciplined approach. Targeted adjustments—particularly in family healthcare contributions and establishing a more consistent strategy for retirement enhancements—would further improve alignment with market practices and enhance the Town's ability to recruit and retain a high-quality workforce.

Benefits

Paypoint HR feels it is appropriate to consider benefits when addressing strategic planning of compensations as there is a dynamic relationship between employers and employees. When depicting the strategic elements of pay, external influences and an evolving business environment affect attraction, retention, and engagement of employees. A total rewards review of compensation incorporates all components organizations use to cultivate quality employees. An effective total rewards strategy produces a workforce that has the right people in the right jobs who are motivated and engaged to meet goals and feel loyal to the organization and its success. The elements that contribute to Total Rewards are:

- Compensation,
- Benefits,
- Work-life effectiveness,
- Recognition,
- Performance management, and
- Talent development.

The information provided in this portion of the report is not intended to be an exhaustive benefit survey comparing the benefit summaries, premiums, co-pays, and deductibles. The benefit survey was designed to get a snapshot of the participant's employee benefit offerings. Where possible, Paypoint HR uses the information gathered from the external survey to analyze findings.

Benefit offerings are often considered in aggregate data. Caution should be exercised in the following:

- When interpreting the information, the elements within each organization are not equal. For example, there may be more part-time or seasonal workers employed at an organization who are not eligible for benefits. Using part-time or seasonal wages in the calculation could skew the findings.

- When adjusting pay, certain costs such as, workers' compensation premiums, disability insurance premiums, pension contributions, FICA and other employer related taxes may automatically increase as pay increases. Responsible employers will consider the additional costs related to these changes.

National Trends

Because the ECI controls for changes in workforce composition, it provides a more stable indicator of compensation growth over time. While inflation measures such as the Consumer Price Index (CPI) reflect changes in the cost of goods and services, the ECI specifically measures changes in labor costs, making it a valuable complement to CPI in compensation planning.

The ECI categorizes compensation trends across three primary sectors:

1. Civilian Sector – This includes all non-military and non-government activities, such as retail, manufacturing, healthcare, education, and nonprofit organizations.
2. Private Industry Sector – This includes for-profit businesses and companies, including industries such as technology, finance, retail, and manufacturing.
3. State and Local Government Sector – This includes central, state, and local government institutions and covers public administration, public safety, education, and social services.

Total benefit costs in the ECI are organized into five major categories, encompassing 18 benefit components:

- Paid leave: vacation, holiday, sick, and personal leave;
- Supplemental pay: overtime, shift differentials, and nonproduction bonuses;
- Insurance: life, health, and disability benefits;
- Retirement and savings: defined benefit and defined contribution plans; and
- Legally required benefits: Social Security, Medicare, unemployment insurance, and workers' compensation.

It is important to note that total compensation levels in state and local government should not be directly compared to private sector levels due to differences in occupational structure, workforce composition, and job functions. Private and civilian sector data may also be influenced by a higher proportion of entry-level roles. As a result, employers should consider the unique characteristics of each sector when evaluating compensation strategies and benchmarking practices.

Table 1-Average Employer Costs by Sector per Hour Worked by Employer Group, shows that state and local government employers continue to have the highest total compensation costs at $65.28 per hour, compared to $48.60 for the civilian sector and $46.05 for private industry. This difference is primarily driven by higher benefit costs, which account for approximately 38% of total compensation in the public sector, compared to 31% for civilian and 30% for private industry employers. These findings highlight the critical role benefits play in supporting recruitment, retention, and workforce stability in the public sector. Source: U.S. Bureau of Labor Statistics, Employer Costs for Employee Compensation, September 2025.

Table 1-Average Employer Costs by Sector per Hour Worked by Employer Group September 2025

Year	Quarter	Sector	Average Employer Cost	Wage & Salaries	Benefits Costs	Benefits as a % of Total Costs
2025	Q3	Civilian	$48.60	$33.41	$15.18	31%
2025	Q3	Private	$46.05	$32.37	$13.68	30%
2025	Q3	State & Local	$65.28	$40.24	$25.04	38%

Source: https://www.bls.gov/ecec/?utm_source

Figure 1 Major Series of the Employment Cost Index Wage and Salaries, illustrates recent wage trends across sectors. State and local governments have demonstrated consistent, moderate wage growth in recent years, gradually narrowing the gap with private sector increases. Because wages represent a larger share of total compensation, overall compensation trends are typically more influenced by wage growth than benefit changes.

Figure 1 Major Series of the Employment Cost Index Wage and Salaries (Percent Change)

Recent patterns suggest that public employers are responding strategically to ongoing workforce challenges, particularly in hard-to-fill and specialized roles. While the private sector continues to lead in wage growth, the pace has moderated since 2023 as broader economic conditions have stabilized. Civilian sector trends remain steady and generally fall between public and private patterns. This convergence reflects the public sector's efforts to strengthen competitiveness amid continued recruitment and retention pressures.

Figure 2 Major Series of the Employment Cost Index Benefits, shows that benefit growth in the state and local government sector has consistently exceeded other sectors, reflecting continued investment in total rewards as a key workforce strategy. Private sector benefit growth has remained more stable, while civilian sector trends typically fall between the two. These trends underscore the importance of strategic benefit planning in response to inflation, labor market conditions, and evolving employee expectations.

Although slower private sector wage growth may temporarily ease competitive pressure, inflation, rising living costs, and demand for specialized skills will continue to require thoughtful compensation planning. Public-sector employers can remain competitive by aligning targeted pay adjustments with strong benefits, flexible work practices, and non-monetary incentives such as job stability and retirement security.

Regularly monitoring national and regional labor cost trends will support proactive budgeting and help ensure compensation strategies remain competitive and sustainable. For Charles Town and CTUB, integrating national indicators such as the Employment Cost Index (South region) https://fred.stlouisfed.org/series/CIU2020000000220I?utm_source with local market data will strengthen long-term workforce planning and decision-making. These national trends reinforce the importance of regularly monitoring compensation and benefit competitiveness. For Charles Town and CTUB, integrating national labor cost indicators with local market data will support proactive and sustainable workforce planning.

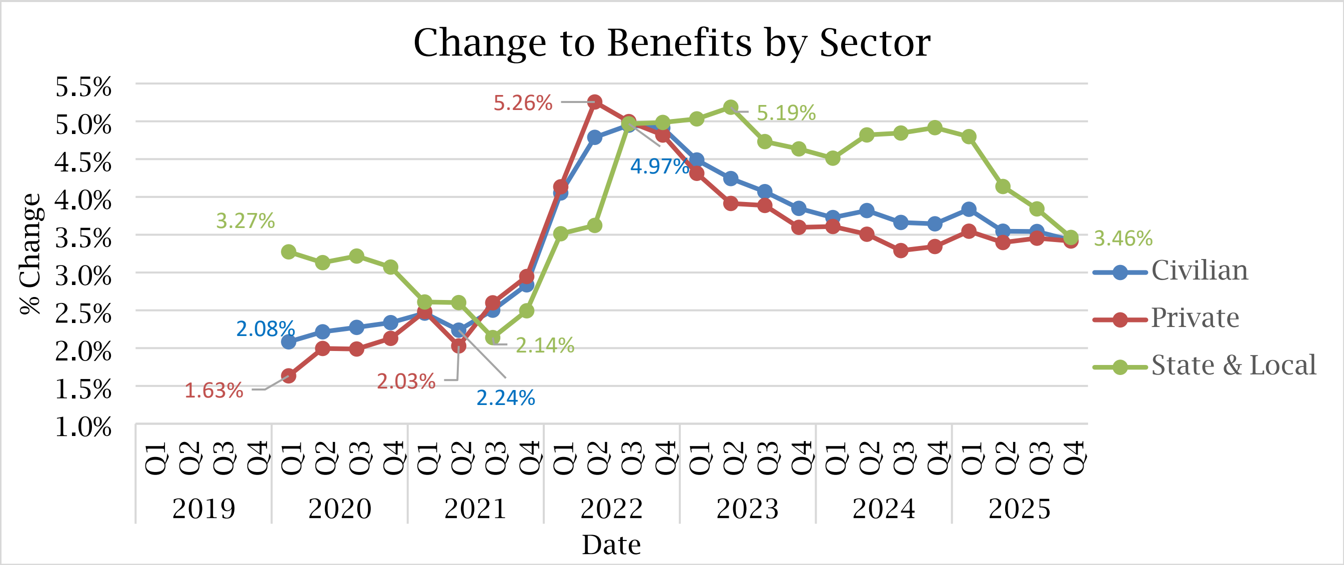


Figure 2 Major Series of the Employment Cost Index Benefits (Percent Change)

Benefit Analysis

Questions included in the External Benefit Survey addressed the following:

1. How many full and part-time staff do you employ?
2. What are your total costs of benefits as a percent of total compensation?
3. What types of health benefits do you offer and what are the employer contributions?
4. What is the medical plan out-of-pocket maximums, deductibles, and co-pays?
5. When was your last across the board pay scale adjustment and what was the basis for the adjustment?
6. What types of retirement benefits do you offer and what are the employer and employee contributions?
7. Does your organization pay for employee life insurance, AD&D, Short-term or Long-term Disability coverage?
8. What other benefits do you offer employees?
9. What leave benefits do you offer and what are the accrual rates and maximums for vacation and sick leave benefits? Do you offer a leave payout program?
10. What metric do you utilize to track performance review anniversary?
11. Do you have a residency rule?

Benefit Survey Responses

An external market survey was sent out to 5 comparator organizations and responses from all 5 participants were collected.

Survey Respondents

Addison	Frisco	Richardson	Southlake
University Park			

Employee Data

The chart below provides counts and percentage breakdowns of the market peers and Highland Park's full-time and part-time employees. In market comparator organizations, the median distribution is 85% full-time employees. For Highland Park, the percentage of full-time employees is 96%.

Table 2- Percentage of Full-Time and Part-Time Employees

Personnel Type	Market Median		Highland Park	
	Count	%	Count	%
Full-Time Employees	386	**67%**	134	**96%**
Part-Time Employee	192	**33%**	5	**4%**
Total	578	**100%**	139	**100%**

Workforce composition directly impacts benefits eligibility and costs, with full-time employees typically increasing benefit expenditures. Other factors, such as base wages, benefits quality, union presence, participation rates, and recruitment strategies, also influence these numbers. However, logically, the more full-time, benefit eligible employees an organization has, the more likely that the amount paid towards benefit offerings will be higher.

Since the percentage of full-time employees at Highland Park is higher than the local market median, one might expect overall benefit costs to be higher. However, the following section shows that Highland Park's benefit costs are slightly lower than the market median. This may reflect a more cost-efficient benefit structure or targeted plan design that aligns with the needs of the workforce while remaining fiscally responsible.

Cost of Benefits

The percentage of benefits in relation to total compensation is a common broad indicator that organizations use to assess how generous the discretionary benefits are at individual organizations. Total compensation refers to the compensation package (salary and benefits) an employee receives from its organization. Therefore, benefits as a percentage of total compensation are calculated by dividing benefits expressed as a dollar amount by the amount of total compensation (salary plus benefits).

While organizations may calculate cost of benefits differently, the most common benefits cited by survey participants included health, dental, & vision premiums; FICA, life insurance; pension, and workers' compensation. Other benefits reported include Health Savings Accounts (HSAs), unemployment insurance, and tuition. Table 3- Benefits Included in Calculation of Costs as a % of Total Compensation presents the percentage of respondents reporting the inclusion of benefit costs by benefit type. Highland Park's calculations included all listed benefit types.

Table 3- Benefits Included in Calculation of Costs as a % of Total Compensation

Benefit Type	Reported in Market	Highland Park
Health Insurance	100%	√
Dental Insurance	100%	√
Vision Insurance	100%	√
FICA	80%	√
Life Insurance	100%	√
Pension/Retirement	100%	√
HSA	40%	√
Tuition	20%	√
Workers' Comp	60%	√
Unemployment	60%	√

It is common for benefit contributions to vary depending on the compensation practices of an organization and relative cost of benefits. However, for reference, the national average for the cost of benefits as a percentage of total compensation is between 30% and 35% for non-union employee groups and 40% and 45% for union employee groups. The study did not ask respondents to disclose the union presence or prevalence within their organization.

Table 4- Cost of Benefits as a Percentage of Total Compensation, shows the market median relative to Highland Park.

Table 4- Cost of Benefits as a Percentage of Total Compensation

	Market Median	Highland Park
Cost of Benefits as % of Total Compensation	26%	22%

Highland Park's total cost of benefits is 22%, slightly below the local market of 26%. This reflects a competitive and fiscally responsible benefits structure that aligns with regional standards, even if it may vary from national non-union benchmarks.

Major Medical, Dental, and Vision

Table 5- Prevalence of Plan by Type, shown below lists the respondents along with their employer sponsored medical benefits. All respondents offered major medical insurance, dental insurance and vision insurance**.** Highland Park remains aligned with the market by offering health, dental, and vision plans, ensuring competitive benefit options for employees.

Table 5- Prevalence of Plan by Type

Group	Employer Benefit		
	Health	Dental	Vision
Highland Park	√	√	√
Market	100%	100%	100%

Table 6- Employer Contributions to Health Premiums presents the median percentage contributed by the market peers for their basic health plan offerings.

- Highland Park's employer contributions for *single* coverage health premiums are in line the local market.
- Highland Park's employer contributions for *family* level medical premiums are below the local market.
- Highland Park's dental premium contributions for *single coverage* exceed the market, *and family* coverage contributions are slightly below the local market.
- Highland Park does not contribute to vision premiums for either single or family coverage, which is consistent with the market median.

For consistency across the analysis, all comparator organizations were asked to report employer and employee premium contributions based on their base plan offerings, defined as the lowest-cost medical and dental plans available to employees. At Highland Park, the base plans are the Open Access Plan (OAP) for medical coverage and the Dental Health Maintenance Organization (DHMO) plan for dental coverage.

Table 6- Employer Contributions to Health Premiums

Group	Employer Contributions to Premiums					
	Health		Dental		Vision	
	Single	Family	Single	Family	Single	Family
Highland Park	100%	52%	100%	35%	0%	0%
Market Median	99%	80%	73%	39%	0%	0%

To stay competitive and support diverse employee needs, Highland Park may consider evaluating opportunities to enhance its family coverage contributions. While single coverage contributions are strong and align well with the market, improving family-level support could strengthen the Town's ability to attract and retain employees with dependents. Ongoing benchmarking and employee engagement can help ensure the benefits program remains both competitive and responsive to the evolving needs of the workforce.

Out of Pocket (OOP) Maximum, Deductibles & Co-Pays

Highland Park's medical plan offers strong cost-sharing advantages for in-network care when compared to market medians. The plan features a $3,200 in-network deductible for single coverage, which is equal to the market median, and an out-of-pocket (OOP) maximum of $3,200, which is $800 lower than the $4,000 median. For family coverage, the deductible is $6,000, slightly above the $5,400 market median, but the OOP maximum is also $6,000, offering a meaningful advantage compared to the $8,000 market median.

Out-of-network services are not covered under Highland Park's plan, which means employees are responsible for the full cost of any care received outside the network. This approach differs from many peer organizations, which offer limited out-of-network coverage, typically with significantly higher cost-sharing.

The plan's co-pay and coinsurance structure further strengthens its overall value. After meeting the deductible, all in-network services including primary care, specialist visits, surgeries, urgent care, and emergency care are covered at 100 percent. No co-pays are required for these services, which makes costs more predictable and reduces financial barriers for employees. In comparison, the market median in-network co-pay is $30 per visit, so Highland Park's $0 co-pay structure is notably more generous. While most peer plans continue to require co-pays or coinsurance after the deductible is met, Highland Park provides full coverage for in-network care beyond that point.

However, it's important to note that the data may not fully capture the nuances of plan design. The comparison is based on medians, and there could be significant variations within both Highland Park and the broader market. Where respondents offered multiple plan types, the analysis focused on the plan with the lowest premium. The absence of specific plan types, such as HMOs and PPOs, might obscure potential differences in cost-sharing structures. To gain better insight, the low to high range of costs are provided by type and show the distribution range.

Table 7- Market OOP Maximums, Deductibles, and Co-Pays, compares the median of market responses compared to Highland Park

Table 7- Market OOP Maximums, Deductibles, and Co-Pays

Factor	Network	Level	Market Range	Market Median	Highland Park
OOP	In Network	Single	$4,000 to $6,050	$4,000	$3,200
		Family	$8,000 to $12,000	$8,000	$6,000
	Out of Network	Single	$6,000 to $12,500	$10,400	Employee paid
		Family	$12,000 to $37,500	$20,800	Employee paid
Deductible	In Network	Single	$1,500 to $4,000	$3,200	$3,200
		Family	$3,000 to $8,000	$5,400	$6,000
	Out of Network	Single	$4,500 to $6,000	$5,325	Employee paid
		Family	$10,500 to $18,000	$10,650	Employee paid
Co-Pays	In Network	Single	$0 to $60	$30	$0
		Family	$0 to $60	$30	$0
	Out of Network	Single	40% to 60%	50%	0%
		Family	40% to 60%	50%	0%

Highland Park provides employees with a simple, cost-effective structure that prioritizes affordability and predictability for in-network care. Although the plan does not include out-of-network coverage, its combination of competitive deductibles, low out-of-pocket maximums, and 100% coverage after the deductible is met makes it one of the more generous and efficient options within its peer group. To further enhance flexibility and address varied employee needs, the Town may consider exploring a limited out-of-network benefit or offering an additional plan option in the future.

Pay Adjustments

Approximately 100% of organizations surveyed in the local market implemented across-the-board (ATB) pay adjustments within the past year, reflecting a competitive labor market.

Highland Park's most recent ATB adjustment occurred two to three years ago, which places it behind the current market trend.

Table 8- Across the Board (ATB) Adjustment History

Group	1 Year	2-3 Years	4+ Years
Highland Park	—	√	—
Market	100%	0%	0%

Common factors influencing recent across-the-board (ATB) pay adjustments among peer organizations include market trends, cost-of-living adjustments (COLAs), and budget considerations. Highland Park aligns with peers in using general market conditions to guide its ATB decisions.

Table 9- Basis for ATB Adjustments

Group	Market	Performance	COLA	Budget	CBA
Highland Park	√	—	√	—	—
Market	80%	0%	20%	40%	0%

To optimize its pay adjustment strategy and remain competitive, Highland Park may consider conducting ongoing market analysis and monitoring the consumer price index (CPI) to better inform future decisions.

Pension

Retirement benefits are a key part of public sector compensation and help employees plan for long-term financial security. Highland Park offers a competitive retirement program that includes participation in the Texas Municipal Retirement System (TMRS), along with two defined contribution options: a 457(b) Deferred Compensation Plan and a Health Savings Account (HSA).

Through TMRS, employees contribute 7% of their salary, and Highland Park provides a two-to-one match at retirement. This structure is consistent with all other surveyed organizations, which also require 7% employee contributions and provide the same 2:1 employer match. Highland Park's actuarially determined employer contribution rate is 12.65%, which is below the market median of 15.16%. This reflects a cost-effective plan that continues to offer strong value. TMRS participation is standard among all peer cities surveyed.

To supplement this core retirement plan, Highland Park offers a 457(b) Deferred Compensation Plan, a voluntary, tax-deferred savings option funded entirely by employee contributions. This aligns with 100% of the market peers, none of which currently offer employer contributions to their 457(b) plans.

Only one surveyed organization offers a 401(a) retirement plan, and Highland Park does not offer this benefit. This type of plan is uncommon among market comparators and typically includes employer-funded contributions when offered.

In addition to retirement plans, Highland Park supports employee health savings through a Health Savings Account (HSA), available to those enrolled in the high-deductible health plan. Contributions are tax-free, and funds roll over each year. 40% of peer cities offer an HSA. The Town also provides a Flexible Spending Account (FSA) for pre-tax healthcare spending. A Health Reimbursement Arrangement (HRA) is not currently offered, which is consistent with market trends.

Overall, Highland Park provides a well-balanced and competitive package of retirement and health savings benefits. This structure supports both long-term financial security and day-to-day affordability for employees, helping the Town remain an attractive and supportive public employer.

Table 10-Retirement Benefits

Retirement Benefits	Prevalence of Market Respondents	Offered by Highland Park
401	20%	—
403	0%	—
457	100%	√
HRA	0%	—
HSA	40%	√
TMRS	100%	√

By effectively conveying these benefits, Highland Park can inspire its workforce to recognize the value of long-term dedication to the Town, fostering a culture of sustained commitment and loyalty among employees.

COLA & USC Policy

Retirement enhancements such as Cost-of-Living Adjustments (COLAs) and Updated Service Credits (USC) play a key role in strengthening long-term pension value and are commonly used by public sector employers to support workforce retention and financial security in retirement.

As shown in Table 13, all market respondents offer these enhancements on a structured and ongoing basis. Specifically, all peer organizations provide a COLA to retirees, most commonly through a retroactive design that adjusts previously earned benefits to reflect inflation. Similarly, all comparator organizations offer Updated Service Credits (USC), with 80% providing the maximum 100% level and 60% allowing transferable service credit from other TMRS employers.

Highland Park has historically implemented retirement enhancements on an ad hoc basis rather than as recurring plan features. Most recently, the Town adopted an ad hoc adjustment effective January 1, 2023, consisting of a combination of 50% COLA and 50% Updated Service Credits. Prior to this, the last ad hoc COLA was implemented in FY2008. Under TMRS guidelines, the Town may next adopt an ad hoc (non-recurring) COLA in FY2028 without it being classified as an ongoing benefit. Unlike ongoing COLA and USC provisions that are built into the plan and applied consistently, ad hoc enhancements must be periodically approved by ordinance and are not guaranteed to recur.

While this approach provides periodic enhancements, it differs from peer organizations that provide consistent, structured COLA and USC provisions, resulting in more predictable inflation protection and generally higher long-term retirement value.

Table 11-TMRS Plan Features

TMRS Enhancements	Prevalence of Market Respondents	Offered by Highland Park
COLA Adjustment Provided	100%	Ad hoc (most recent FY2023)
COLA Type: Retroactive	80%	Ad hoc (design varies)
COLA Type: Non-Retroactive	20%	—
Updated Service Credits (USC) provided	100%	Ad hoc (most recent FY2023)
USC Rate Offered	80% offer 100%	Partial (50% in FY2023)
USC Transfers Allowed	60%	—

As shown in Table 14, differences in expected retirement income among Highland Park and the comparison cities are driven primarily by TMRS enhancement features, rather than differences in base employee contribution or employer match levels. Cities with ongoing, retroactive Cost-of-Living Adjustments (COLAs) provide greater inflation protection and higher lifetime retirement income, particularly for employees with longer service histories.

Updated Service Credits (USC) further increase retirement income by revaluing prior years of service.

While Highland Park has provided enhancements periodically, the absence of a consistent, recurring structure results in lower expected retirement income relative to peers that provide regular COLA and USC adjustments. Establishing a more consistent approach to COLA and USC enhancements may improve alignment with the market and enhance long-term retirement competitiveness.

Table 12- TMRS Retirement Income Comparison

City	COLA Level	COLA TYPE	USC	Expected Relative Retirement Income
Highland Park	Ad hoc (50% in FY2023)	Varies (not recurring)	Ad hoc (50% in FY2023)	Base TMRS Plan (with periodic enhancements)
Comparator 1	70% of CPI (Retroactive)	Retroactive	100%	Highest
Comparator 2	50% of CPI (Retroactive)	Retroactive	100%	High
Comparator 5	70% of CPI (Retroactive, periodic)	Retroactive	100% (periodic)	High
Comparator 4	50% of CPI (Retroactive)	Retroactive	50%	Moderate-High
Comparator 3	30% of CPI (Non-Retroactive)	Non-Retroactive	100%	Moderate

Life and Disability Insurance

- 100% of market respondents cover the premiums for employee Life Insurance and Accidental Death and Dismemberment (AD&D).
- Short-Term Disability (STD) is offered by 60% of market respondents, while Long-Term Disability (LTD) is offered by 100%, with premiums covered for employees.

Some market respondents offer varying benefit limits for Life and AD&D Insurance based on employee salary. For Life Insurance, coverage may extend up to two times the employee's salary or a maximum of $400,000. Similarly, AD&D Insurance typically equals life insurance and can also reach up to two times the employee's salary.

Short-term disability benefits typically amount to 60% of the employee’s weekly salary, with a maximum of $2,500 per week. Long-term disability benefits generally amount to 60% of the employee's monthly salary, with monthly maximums ranging from $5,000 to $10,500.

Highland Park provides employer-sponsored Life Insurance and Accidental Death & Dismemberment (AD&D) Insurance, with each benefit offering coverage up to $250,000. This amount is significantly higher than the market median of $150,000. Short-Term Disability is currently offered as a voluntary benefit, meaning employees are responsible for the premiums. However, Highland Park does offer a Major Medical Leave benefit, which allows employees to utilize paid leave for their own illness or injury once an absence exceeds 40 or 48 hours. While this benefit does not provide wage-replacement insurance like traditional STD, it does serve as a partial alternative by helping employees maintain income continuity during qualifying short-term medical absences. In contrast, Long-Term Disability coverage is fully paid by the employer and offers a monthly benefit maximum of $10,000, which exceeds the market median of $5,500.

Table 13- Life and Disability Limits

Type	% of Market	Market Median Limit	Highland Park	Highland Park Limit
Life	100%	$150,000	√	$250,000
AD&D	100%	$150,000	√	$250,000
STD	60%	$2,000	√	Voluntary
LTD	100%	$5,500	√	$10,000 a month

Overall, Highland Park's life and disability benefits are competitive and demonstrate a strong commitment to employee financial protection. While Short-Term Disability (STD) is commonly used to provide income replacement during short-term medical absences, Highland Park offers this coverage on a voluntary basis and instead provides Major Medical Leave, which allows employees to use paid leave for their own illness or injury once an absence exceeds 40 or 48 hours. When combined with accrued sick and personal leave, this policy provides meaningful income continuity during most short-term medical events and reduces reliance on unpaid leave. In addition, the Town's employer-paid Long-Term Disability coverage exceeds market norms and offers strong protection against extended income loss. Taken together, these benefits create a balanced and fiscally responsible approach to income protection. Periodic review of utilization and employee feedback can help determine whether enhancements such as employer-paid STD may be warranted in the future.

Bonus Pay, and Other Incentives

Table 14-Prevalence of Other Benefits by Type lists commonly offered employer benefits. The data shows the percentage of organizations that participate in each benefit type. The table also lists benefits offered by Highland Park. Note, some benefit offerings depend on the position and are not offered to all Town staff. Market respondents highlighted various practices among the above benefits:

- Most respondents reported offering the following as employer paid benefits:

- Employee Assistant Program
    - Tuition Reimbursement
    - Wellness Programs
    - Auto Stipends
    - Use of Fleet during work hours
    - HSA
    - Uniform Allowance
    - Longevity Pay
    - Incentive Pay
    - Workers' Compensation
- Benefits offered by 60% of respondents include fitness memberships, flexible work schedules, fleet take-home vehicles, recognition programs and telecommute options.
- Low-prevalence benefits, offered by only 0–20% of market respondents and not currently provided by Highland Park, include retainment Bonuses, candidate referral bonuses, childcare subsidies, childcare discount programs, dry cleaning services, legal assistance, and onsite health clinics. One comparator noted that hiring bonuses were most offered for hard-to-fill positions, particularly Police Officers.
- Tuition reimbursement is commonly offered, ranging from 50% of costs to full tuition and partial book reimbursement, with annual limits between $3,000 and $5,000.

Table 14-Prevalence of Other Benefits by Type

Benefit Type	% offered by Market Respondents	Highland Park
Auto Stipend	80%	√
Bonus Pay (General)	0%	—
Retainment Bonus	0%	—
Hiring Bonus	20%	—
Candidate Referral Bonus	0%	—
Childcare Subsidy	0%	—
Childcare Discounted Program	0%	—
Credit Union	0%	—
Critical Illness	40%	—
Dry Cleaning	0%	—
EAP	100%	√
Extended Illness Bank	20%	√
Fitness Membership	60%	—
Flexible Work Schedule	60%	√
Use of Fleet during work hours	80%	√

Use of Fleet Take Home Vehicle	60%	√ only DPS Chief approved
FSA	78%	√
Health Clinic (onsite)	20%	—
Health Insurance Opt-Out Payment	0%	√
Benefit Type	**% offered by Market Respondents**	**Highland Park**
HSA	80%	√
Health Reimbursement Account (HRA)	20%	—
Incentive Pay	80%	√
Building Inspector Incentive Pay	0%	—
CDL Incentive Pay	40%	—
Court Incentive Pay	0%	√
Detective Incentive Pay	0%	√
Education Incentive Pay	40%	—
EMT Incentive Pay	20%	√
Language Incentive Pay	20%	—
Paramedic Incentive Pay	40%	√
Utility (Water/Wastewater) Incentive Pay	40%	√
Legal	0%	—
Loans	20%	—
Longevity Pay	100%	√
On-Call Differential Pay	40%	√
Performance Pay	20%	√
Pet Insurance	20%	—
Phone	40%	√
Recognition Program	60%	√
Rewards Program	40%	—
Section 125	40%	√
Telecommute (Work from Home/Remote)	60%	√
Tuition Reimbursement	100%	√
Unemployment	60%	√
Uniform Allowance	80%	—

Wellness Programs	100%	√
Workers Compensation	100%	√

A review of Highland Park's benefits package reveals strong alignment with market practices in several core areas. The Town offers widely adopted benefits such as the Employee Assistance Program (EAP), tuition reimbursement (up to $5,250 per year), unemployment benefits, workers' compensation, flexible work schedules, telecommuting options, a Health Savings Account (HSA), a Section 125 plan, fleet vehicle use during work hours, and longevity pay. These offerings place Highland Park in step with the majority of comparator cities. In addition to these core benefits, Highland Park stands out for offering less common programs such as an extended illness bank, critical illness insurance, and a health insurance opt-out payment—each provided by fewer than 40% of peer organizations.

Highland Park does not currently offer hiring, referral, or retainment bonuses, and these benefits are not widely used across the market. However, some peer cities do utilize hiring bonuses selectively, particularly to attract candidates for hard-to-fill positions like those in public safety. To further strengthen the Town's benefits strategy, Highland Park could benefit from gathering employee input to ensure future offerings align with workforce needs and support recruitment and retention goals.

Leave Benefits

Leave Types

Highland Park offers a standard leave benefits package that includes vacation, sick, holiday, personal, and compensatory (comp) time. This leave package reflects widely adopted practices among peer organizations in the local market.

Table 15- Leave Benefits

Leave Benefits			
Leave Type	Response	Market	Highland Park
Vacation	Yes	80%	√
	No	20%	—
Sick	Yes	80%	√
	No	20%	—
Holiday	Yes	100%	√
	No	0%	—
PTO	Yes	20%	—
	No	80%	√

Personal	Yes	40%	√
	No	60%	—
Comp-Time	Yes	80%	√
	No	20%	—

Highland Park offers traditional leave benefits, including vacation, sick leave, holiday leave, personal days, and compensatory time (comp-time). These benefits are widely adopted across the market, with vacation, sick leave, holiday leave, and comp-time offered by 80% of comparator organizations, and personal leave provided by 40%. Highland Park does not offer a combined Paid Time Off (PTO) bank, which aligns with 80% of the market. While PTO plans are used in some sectors for their flexibility, the data indicates that most employers in this comparison group continue to support traditional leave structures, likely due to operational preferences and administrative considerations.

Leave Accrual

The Table below shows the minimum and maximum days of annual leave accrual reported by respondents as compared to Highland Park.

- Highland Park's vacation leave accrual is consistent with the market median for *new hires* (10 days) and remains competitive for senior staff, offering up to 20 days, which matches the market maximum.
- Sick leave offered by Highland Park (6 days of major medical) is below the market median of 12 days; however, when including 9 days of personal (discretionary) leave, total sick-related leave exceeds market norms.
- Highland Park provides one more paid holiday than the market median, with the same number granted to all employee groups.
- Highland Park offers 9 days of discretionary leave that can be used for personal reasons—significantly higher than the 1-day personal leave median.

Table 16- Annual Leave Accrual Days

Days of Annual Leave Accrual				
Leave Type	Market Median		Highland Park	
	New Hire	Senior Staff	Minimum	Maximum
Vacation	10	20	10	20
Sick	12	12	6	6
Holiday	10	10	11	11
PTO	27	35	0	0
Personal	1	1	9	9
Comp-Time	As Earned	As Earned	As Earned	As Earned

While some employers nationally are adopting consolidated Paid Time Off banks, the local market continues to favor traditional leave structures, which is consistent with Highland Park's approach. The Town's leave benefits are well-aligned with market standards, offering competitive vacation accruals and generous personal (discretionary) leave. Together, these policies support flexibility and work-life balance. Periodic reviews of leave practices can help ensure continued alignment with employee needs and evolving workforce expectations.

Annual Carry Over Limits

Highland Park's leave carryover policies are consistent with or more flexible than market norms.

Table 17- Annual Carry Over Days of Accrued Leave

Annual Carry Over Days of Accrued Leave		
Leave Type	**Market Median**	**Highland Park**
Vacation	33	15 (new hire) 30 (max tenure)
Sick	105	No Limit
Holiday	N/A	N/A
PTO	unlimited	N/A
Personal	0	No Limit
Comp-Time	No Limit	5.25 days banked at a time

- *Vacation Leave*: Highland Park allows employees to carry over vacation leave equal to 1.5 times their annual accrual. This means carryover ranges from 15 days for new hires to 30 days for long-tenured employees. While slightly below the market median of 33 days, the policy remains competitive.
- *Sick Leave*: Highland Park provides unlimited sick leave carryover, exceeding the market median of 105 days and supporting long-term employee health needs.
- *Compensatory Time*: Highland Park allows employees to bank up to 5.25 days (42 hours) of comp-time. Once the bank reaches this limit, employees must use some comp-time before accruing additional hours. This differs from the market median of no limit but still provides flexibility for non-exempt staff.
- *Personal Leave:* Highland Park allows unlimited carryover of personal (discretionary) leave, significantly exceeding the market, where most employers do not permit any carryover.

Leave Payout

Highland Park's leave payout practices align with many comparators, particularly in how it handles vacation, sick, and compensatory time. This section outlines how Highland Park's policies compare to those of other municipalities, based on the prevalence and median payout amounts reported in Table 20.

Vacation Leave

Vacation leave payout is common, with 80% of comparators offering it and a median cap of 25 days. Highland Park allows up to 30 days, exceeding the median and aligning with regional practices. One comparator offers no limit, but Highland Park's policy remains competitive and supportive of retention.

Sick Leave

Sick leave payout is less common, with 40% of market comparators offering it and a median payout of 56 days. Highland Park calculates sick leave payout as 20.8 hours for each year of service. While this formula may result in a lower total for newer employees, long-tenured staff can receive a payout that exceeds the market median. One comparator noted that sick leave is only paid out upon retirement, highlighting the variability in policies. Overall, Highland Park's approach reflects a fiscally conservative practice aligned with broader trends aimed at managing long-term financial obligations.

Table 18- Leave Payout

<table>
<tr><th></th><th></th><th colspan="2">Market</th><th rowspan="2">Highland Park</th></tr>
<tr><th>Leave Type</th><th>Response</th><th>Prevalence</th><th>Median Amount</th></tr>
<tr><td rowspan="2">Vacation</td><td>Yes</td><td>80%</td><td rowspan="2">25 days</td><td>√ 30 days</td></tr>
<tr><td>No</td><td>20%</td><td>—</td></tr>
<tr><td rowspan="2">Sick</td><td>Yes</td><td>40%</td><td rowspan="2">56 days</td><td>√ 20.8 hrs. x yrs of employment</td></tr>
<tr><td>No</td><td>60%</td><td>—</td></tr>
<tr><td rowspan="2">Holiday</td><td>Yes</td><td>40%</td><td rowspan="2">0 days</td><td>√ 20 days</td></tr>
<tr><td>No</td><td>60%</td><td>—</td></tr>
<tr><td rowspan="2">PTO</td><td>Yes</td><td>20%</td><td rowspan="2">90 days</td><td>—</td></tr>
<tr><td>No</td><td>80%</td><td>√</td></tr>
<tr><td rowspan="2">Personal</td><td>Yes</td><td>0%</td><td rowspan="2">0 days</td><td>—</td></tr>
<tr><td>No</td><td>100%</td><td>√</td></tr>
<tr><td rowspan="2">Comp-Time</td><td>Yes</td><td>100%</td><td rowspan="2">As Earned</td><td>√ 5.25 days</td></tr>
<tr><td>No</td><td>0%</td><td>—</td></tr>
</table>

PTO

Highland Park does not offer a combined Paid Time Off (PTO) structure, which is used by only 20% of market comparators. Among those that do, PTO is paid out at 100% upon separation, with a cap of 90 days. Highland Park instead follows a traditional model with separate vacation and sick leave banks. While this approach may offer less flexibility than consolidated PTO plans, it remains the predominant practice in the region and supports more clearly defined leave categories.

Key Takeaways:

Highland Park's leave payout policies align well with regional practices and strike a balance between competitiveness and fiscal responsibility. Vacation payouts exceed market norms, while the sick leave payout formula rewards long-tenured employees. Highland Park's use of separate vacation and sick leave banks, rather than a combined PTO system, reflects the prevailing approach among peers and provides a clear and structured method for managing employee time off.

Performance Evaluation Anniversary Date

Approximately 40% of respondents stated they base the timing of performance evaluations on the employee's hire date and disciplinary action, while 30% reported using the calendar year. A small portion of respondents tie performance reviews to the fiscal budget. One comparator noted that performance evaluations are also conducted at the end of employee probationary periods, a practice that may help establish early performance expectations and support onboarding. Highland Park conducts performance evaluations annually before the start of the new fiscal year, and the results are used to determine the employee's merit increase for that fiscal year.

Well-Being

While the benefit study acknowledges well-being as a common benefit, how Highland Park chooses to incorporate this benefit can significantly enhance overall employee satisfaction. Therefore, we offer some industry insights on this topic.

Organizations advance through four fundamental stages of employee well-being: **Basic, Developing, Progressive,** and **Systemic.**

Basic: Focuses on physical health and safety, compliance, and cost management.
Developing: Involves investing in well-being programs.
Progressive: Emphasizes leadership involvement, with key executives actively supporting and advocating for well-being initiatives.
Systemic: Entails shared responsibility between talent management and operations to implement structural changes that enhance well-being. This stage uses comprehensive metrics, including observed and self-reported data, to evaluate well-being.

We list some topics that Highland Park may want to survey its employees on to gauge key factors for improvement. Instead of viewing well-being as a balance between work and life, recognize that work itself influences well-being. Key determinants affecting employee well-being include **Leadership, Work Design**, and **Work Methods**.
Leadership: Evaluate whether employees feel under or over-managed, if they receive sufficient recognition, and if there is empathy towards mental health. These questions help pinpoint areas for leadership improvement.

Work Design: Ask if employees feel overwhelmed by their workload, if they have opportunities for career growth, and if they find their work meaningful.
Work Methods: Assess whether employees are expected to work during non-working hours, if frequent task-switching leads to fatigue or distraction, and whether software tools aid or hinder workflow. Additionally, determine if employees feel they have control over their work.

Armed with the additional information provided by asking these questions, the Town can assess issues that might inadvertently impede employee well-being within the workplace. While addressing identified issues would likely help any organization to improve, it is especially important in the public sector. Town employees' wellbeing touches not only their friends and family but also the community. Employees act as a resource to residents but also engage with the community while going about their day-to-day lives. By adapting to evolving work dynamics and embracing a model conducive to human sustainability, employers stand to enhance productivity, foster innovation, spur growth, attract and retain talent more effectively, and bolster brand reputation.

Emerging trends in the industry include the following:

Flexible Work Arrangements: Consider implementing flexible work arrangements such as telecommuting or compressed workweeks where applicable. This approach can enhance work-life balance for employees, reduce commuting costs and time, and contribute to a more sustainable work environment. However, if the work culture does not support it, or tools are not in place to monitor it, then it will go unused or work counter to its intent.

As of 2024, roughly 53% of all US workers had either a work from home or hybrid work model. Many employees find that a hybrid model of work is more flexible. Fully remote workers may be encouraged to move away from their employer to be closer to family. (www.Statista.com)

Wellness Programs: Develop and promote wellness programs that encompass physical, mental, and emotional well-being. These programs could include fitness challenges, mindfulness workshops, and access to mental health resources. Investing in employee wellness can lead to improved morale, productivity, and retention rates.

Professional Development Opportunities: Offer innovative professional development opportunities such as mentorship programs, cross-departmental projects, and access to online learning platforms. Encouraging continuous learning and skill development can empower employees, foster a culture of innovation, and prepare the workforce for future challenges.

Employee Recognition Programs: Implement creative employee recognition programs that go beyond traditional methods. Consider gamification techniques, peer-to-peer recognition platforms, and personalized rewards to celebrate achievements and promote a positive work culture.

Community Engagement Initiatives: Engage employees in community service projects or volunteer opportunities that align with the Town's values and goals. Encouraging civic involvement not only fosters a sense of pride and connection among employees but also strengthens the Town's relationship with its residents and stakeholders.

Diversity, Equity, and Inclusion Initiatives: Prioritize diversity, equity, and inclusion (DEI) initiatives by establishing a DEI task force, conducting regular diversity training sessions, and implementing inclusive hiring practices. Embracing diversity and fostering an inclusive workplace culture can drive innovation, creativity, and collaboration within the organization.

Conclusion

Highland Park offers a well-structured, fiscally responsible benefits package that closely aligns with local market standards. With benefits comprising 22% of total compensation—slightly below the 26% market median—the Town demonstrates a disciplined yet competitive approach to supporting its workforce. Strengths include comprehensive healthcare coverage, robust retirement plans, generous leave policies, and a diverse range of supplemental benefits.

Healthcare is a standout component of Highland Park's total rewards strategy. The Town provides 100% premium coverage for single medical and dental plans, with low deductibles, out-of-pocket maximums, and $0 in-network co-pays. However, contributions for family coverage fall below the market median. To enhance flexibility and better support employees with dependents, Highland Park could consider increasing its family-level contributions or offering an additional medical plan option.

Highland Park's retirement program provides a solid foundation for retirement security through participation in the Texas Municipal Retirement System (TMRS), a 457(b) deferred compensation plan, and a Health Savings Account (HSA). The Town's TMRS plan reflects the base structure commonly used by peer organizations and offers a stable and predictable retirement benefit. Highland Park has implemented retirement enhancements on an ad hoc basis, most recently through a combined adjustment of 50% COLA and 50% Updated Service Credits (USC) in FY2023. However, unlike the majority of comparator cities, these enhancements are not offered on a consistent, ongoing basis. As a result, long-term retirement income potential remains lower relative to peers that provide structured, recurring

COLA and USC provisions. To strengthen retirement value and improve alignment with peer practices, the Town may wish to evaluate establishing a more consistent approach to these enhancements as part of a broader retirement strategy.

While Short-Term Disability (STD) coverage is offered on a voluntary, employee-paid basis, the Town provides Major Medical Leave, which allows employees to use paid leave for their own illness or injury once an absence exceeds 40 or 48 hours, helping provide income continuity during short-term medical events. Together, these programs reflect a balanced and fiscally responsible approach to income protection that supports employees during both short- and long-term periods of disability.

The Town's leave policies align well with local market standards, offering competitive vacation accruals, unlimited sick leave carryover, and generous personal leave. While sick leave accrual alone is modest, the combination of sick and personal (discretionary) leave provides adequate time off in line with peer practices. Highland Park's traditional leave structure remains appropriate, though periodic reassessment of a Paid Time Off (PTO) model may be beneficial as flexible leave approaches become more common nationally.

Fringe benefits such as tuition reimbursement, wellness programs, telecommuting options, and an employee assistance program contribute to a supportive work environment. Highland Park also stands out for offering less common benefits like critical illness coverage and an extended illness bank. However, the absence of hiring bonuses, referral programs, and structured recognition initiatives presents an opportunity for growth. To enhance recruitment and employee engagement, the Town could consider introducing targeted incentives and formal recognition programs.

Finally, employee well-being remains a critical area of focus. To guide meaningful workplace improvements, Highland Park could benefit from conducting surveys that assess leadership effectiveness, workload, and work design—ensuring that the work environment continues to foster productivity and satisfaction.

Recommended Reevaluation Schedule
The optimal frequency for reevaluating benefit offerings depends on several factors including economic conditions, industry trends, employee demographics, regulatory changes, and budget constraints. While there's no one-size-fits-all answer, a biennial review is a common starting point. This allows for sufficient time to assess the impact of existing benefits and identify emerging trends.

However, it's essential to conduct more frequent check-ins (e.g., quarterly or annually) to monitor:

- Employee satisfaction and utilization of benefits.
- Benefit costs and plan performance.
- Legislative changes that may impact benefits.

By combining regular monitoring with periodic comprehensive reviews, Highland Park can ensure its benefit package remains competitive and responsive to the evolving needs of its employees.

Paypoint HR
Strategic Compensation Plans by Design

THE TOWN OF
Highland Park
TEXAS

Compensation and Benefit Study

Presentation Outline

1. Project Approach
2. Comparator Framework
3. Internal Equity & Structure
4. External Market Results
5. Recommendations
6. Conclusion

1. Project Approach

Highland Park Project Approach & Metrics

Metric 1 **Classification**	Metric 2 **Organization**	Metric 3 **Compensation**
• Kickoff Meeting • Baseline Review • Job Analysis • Select Comparators	• Market Survey • Job Evaluation • Class Structure • Draft Report	• Review Job Descriptions • Final Report • Present Results • Training & Support

Integrated Approach

- ❑ Combines three independent yardsticks
- ❑ Delivers a balanced, data driven pay framework

Paypoint HR

3 Independent Metrics

Internal Equity Yardstick (Classification)

- ❑ Job analysis questionnaires
  - Completed by employees
  - Reviewed by manager for quality control
- ❑ Establishes an objective internal job hierarchy based on nine compensable factors (e.g., education, impact, supervision)

Organizational Structure Yardstick

- ❑ Developed with the project team
- ❑ Reflected HP's leadership levels (directors, managers, supervisors, leads)

External Competitiveness Yardstick (Compensation)

- ❑ Comparator selection
- ❑ Percentiles used in analysis avoids distortion from single responses
- ❑ Custom surveys included HP job summaries for apples-to-apples matching
- ❑ Results formed a market-based yardstick

2. Comparator Framework

Principal Comparators

External survey participants:

- Addison
- Frisco
- Richardson
- Southlake
- University Park

Selection considerations:

- Comparable socioeconomic characteristics
- Labor market and recruitment competition
- Organizational scale and service mix

Paypoint HR

3. Internal Equity & Structure

Paypoint HR

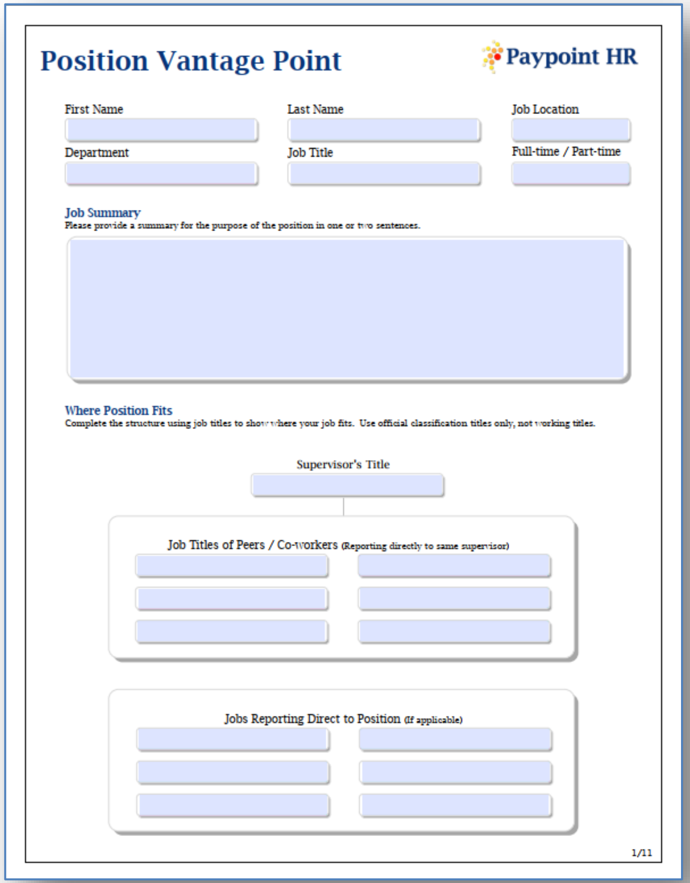
Internal Classification

Salary structures reviewed by:

- Exempt
- Non-Exempt
- Public Safety (DPS)

Job Analysis Questionnaire used to assess:

- **Background:** education, certifications, work duties, experience
- **Skill:** complexity, independence, impact
- **Environment:** physical requirements, working conditions, interaction
- **Authority:** financial and supervisory



Position Vantage Point

Paypoint HR

First Name | Last Name | Job Location

Department | Job Title | Full-time / Part-time

Job Summary

Please provide a summary for the purpose of the position in one or two sentences.

Where Position Fits

Complete the structure using job titles to show where your job fits. Use official classification titles only, not working titles.

Supervisor's Title

Job Titles of Peers / Co-workers (Reporting directly to same supervisor)

Jobs Reporting Direct to Position (If applicable)

1/11

Key Finding:

Overall Structure is defensible though improvements exist for ladders and progression clarity.

4. External Market Results

Compensation

Primary Finding

On average, Highland Park salaries are 3.9% above the 65th percentile of the principal market

What this Means

- Roughly two-thirds of peers pay less
- Highland Park is not broadly under-market
- Variability exists by department and role

Compensation
Areas of Possible Improvement

Below Market / At-Risk Roles

- Several administrative, public safety, and leadership roles.
- Issue creates recruitment and succession risk

Compression Identified

- Primarily within non-exempt and DPS classifications
- Not between supervisors and subordinates
- Driven by market pressure and tenure, not policy

Benefits & Total Rewards Position

Primary Findings

- Highland Park benefits cost - 22% of total compensation
- Market median of 26%
- Highland Park has low out-of-pocket maximums
- 100% in-network coverage after deductible
- Employer-paid life and LTD exceed market norms

What this Means

- Overall benefits are cost-efficient and employee supportive

Benefits & Total Rewards
Areas of Possible Improvement

Medical

- Family medical premium contributions below market

TMRS

- All comparator cities offer ongoing COLA and/or USC enhancements.
- Highland Park provides enhancements on an ad hoc (non-recurring) basis
  - Most recent: combined 50% COLA / 50% USC (FY2023)
  - Prior occurrence: FY 2008
    - Enhancements are not consistently structured or guaranteed
- Results in:
  - Less predictable inflation protection
  - Lower long-term retirement competitiveness

5. Recommendations

Recommendations

Tier 1 – Priority Actions
Adjust below-market and compressed roles
Correct ladder inconsistencies where needed

Tier 2 – Strategic Enhancements
Evaluate TMRS COLA and/or USC options
Review family medical premium strategy

Tier 3 – Ongoing Administration
Resume regular market reviews
Re-establish ATB adjustment cadence

6. Conclusion

Paypoint HR

Town of Highland Park
Town Council Study Session
Tuesday, May 19, 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