



Town of Prosper
"a place where everyone matters"

Town Council Meeting
September 19, 2016



Town of Prosper
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Agenda Item 1.

Call to Order/Roll Call.



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Agenda Item 2.

Discussion on Town Hall/Multi-Purpose Facility. (HW)



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Agenda Item 3.

Consider and act upon an ordinance adopting a Fund Balance Policy and authorizing the Town Manager to assign fund balance for intended specific uses. (HJ)



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Fund Balance Policy

Survey City	Fund Balance Reserve	Notes
Colleyville	25%	
Coppell	25%	
Fairview	25%	
Keller	20%	
Little Elm	25%	
McKinney	25%	
Murphy	15%	
Prosper	45%	
Rockwall	25%	Excess of 3.5 months can be used for capital projects
Southlake	15%	
University Park	8%	

Fund Balance Policy Recommendation

Total Fund Balance Reserve 25%

Reserve Required by Charter – 20%

Reserve Required by Policy – 5%

Fund Balance in excess of Reserve Policy

Use to Cash Fund Capital Projects

Use for Additional Reserves as Expenditures Grow

Combination of the Above Two Options



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Agenda Item 4.

Consider and act upon an ordinance adopting the Fiscal Year 2016-2017 Annual Budget for the fiscal year beginning October 1, 2016, and ending September 30, 2017.
(HJ)



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Agenda Item 5.

Consider and act upon an ordinance adopting the Town of Prosper 2016 Property Tax Rate. (HJ)



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Agenda Item 6.

Consider and act upon a resolution adopting the Fiscal Year 2016-2017 Capital Improvement Program. (HW)

Street Projects			
	Prior Years	2015-2016	2016-2017
Church Street (First - PISD)		750,000	
Custer Road Turn Lanes @ Prosper Trail			100,000
DNT Southbound Frontage Road			9,500,000
Downtown Enhancements (Broadway)	60,000	140,000	1,650,000
Eighth Street (Church - PISD Admin)			260,000
Field Street (First - Broadway)			250,000
Frontier Parkway (BNSF Overpass)			2,340,000
Main Street (First - Broadway)			625,000
Old Town Streets 2015 (Fifth, McKinley)			1,000,000
Parvin Road (Good Hope - FM 1385)			270,000
Pasewark (Preston - Hickory)			400,000
Prosper Trail (Kroger - Coit)	305,000		3,975,000
West Prosper Road Improvements		6,000,000	6,781,000
Parvin Street (Broadway - Eighth)			515,000
Sixth Street (Coleman - Church)			430,000
Third Street (Church - Lane)			320,000
Cook Lane (First - End)			200,000
Prosper Trail (Coit - Custer)			540,000
Coit Road (First - Frontier)			770,000
	365,000	6,890,000	29,926,000

Traffic Projects			
	Prior Years	2015-2016	2016-2017
Median Lighting - Coit Road (US 380 - First)			450,000
Median Lighting - Coit Road (First - Frontier)			
Median Lighting - First Street (Craig - Coit)			
Median Lighting - Prosper Trail (Dallas Pkwy - Preston)			
Traffic Signal - Coit Rd & Prosper Trail			
Traffic Signal - Coit Rd & First St			
Traffic Signal - Coit Rd & Richland Blvd			
Traffic Signal - Dallas Pkwy & First St		180,000	
US380 Illuminated Street Signs			25,000
		180,000	475,000

Park Projects			
	Prior Years	2015-2016	2016-2017
Cockrell Park	90,000		
Frontier Park - North Field Improvements		850,000	9,601,225
Frontier Park - Parking Improvements 2016		450,000	
Frontier Park - Southeast Corner Field Lighting Phase 2		600,000	
Pecan Grove Irrigation			
Preston Lakes Playground			90,000
Coit Road Median Landscaping (First - Frontier)			
Richland Boulevard Median Landscaping	5,000		
Sexton Farms Park, Phase I			
	95,000	1,900,000	9,691,225

Facility Projects

	Prior Years	2015-2016	2016-2017
Central Fire Station, Phase II			
Cook Lane Fire Station (station,training,admin,EOC)			
Gentle Creek Fire Station			
Parks Operations and Public Works Complex			
Public Safety Facility (Police Station and Fire Station)			75,000
Recreation Center			
Senior Facility			
Town Hall - Professional Services	250,000	1,300,000	311,500
Town Hall - Construction			18,813,000
Town Hall - Furniture, Fixtures, and Equipment			1,362,000
Town Hall - Offsite Infrastructure		1,275,000	
Windsong Ranch Fire Station	7,296,000	204,000	
Windsong Ranch Fire Station - Apparatus		815,000	
	7,546,000	3,594,000	20,561,500

Water Projects

	Prior Years	2015-2016	2016-2017
BNSF Railroad PRV's	50,000	532,200	
County Line Elevated Storage Tank			337,500
24" WL Connection from County Line EST to DNT			70,775
Fishtrap 20" Water Line (Legacy - DNT)			
Gates of Prosper Water Improvements, Phase 1	470,000		
Gates of Prosper Water Improvements, Phase 2			
Gates of Prosper Water Improvements, Phase 3			
Gates of Prosper Water Improvements, Phase 4			
Lower Pressure Plane Pump Station and Transmission Line	185,100	1,726,000	22,902,900
Prosper Trail EST	517,300	4,403,300	

Drainage Projects			
	Prior Years	2015-2016	2016-2017
Amberwood Farms		32,000	
Coleman Street Channel Improvements		17,500	282,500
Lakes of LaCima Outfall	60,000		
Old Town Drainage - Church & Parvin Drainage Impr.		500,000	
Old Town Drainage - Detention Pond Improvements			
Old Town Drainage - Fifth Street Trunk Main			
Old Town Drainage - First & Main Trunk Main			800,000
Old Town Drainage - Hawk Ridge Channel Improvements	165,000		
Old Town Drainage - McKinley & Broadway Trunk Main		600,000	
Old Town Regional Detention/Retention - Land Acquisition		365,000	385,000
Old Town Regional Retention - Broadway (Design & Constr.)		200,000	550,000
	225,000	1,714,500	2,017,500



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Agenda Item 7.

Executive Session

Recess into Closed Session in compliance with Section 551.001 et seq. Texas Government Code, as authorized by the Texas Open Meetings Act, to deliberate regarding:

- 7a.** Section 551.087 – To discuss and consider economic development incentives.



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Agenda Item 7.

Executive Session

Recess into Closed Session in compliance with Section 551.001 et seq. Texas Government Code, as authorized by the Texas Open Meetings Act, to deliberate regarding:

- 7b.** Section 551.072 – To discuss and consider purchase, exchange, lease or value of real property for municipal purposes and all matters incident and related thereto.



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Agenda Item 7.

Executive Session

Recess into Closed Session in compliance with Section 551.001 et seq. Texas Government Code, as authorized by the Texas Open Meetings Act, to deliberate regarding:

7c. Section 551.074 – To discuss appointments to the Board of Adjustment/Construction Board of Appeals, Parks & Recreation Board, Library Board, Prosper Economic Development Corporation Board, and Planning & Zoning Commission.



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Agenda Item 8.

Reconvene in Regular Session and take any action necessary as a result of the Closed Session.



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Agenda Item 9.

Possibly direct Town staff to schedule topic(s) for discussion at a future meeting.



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Agenda Item 10.

Adjourn.

TOWN OF PROSPER

PROPOSED BUDGET

SEPTEMBER 19, 2016



Budget Theme:

*Building a community for the future
while reverently remembering the past*





Budget Overview

Changes to Proposed Budget & CIP

Water/Sewer Fund:

Main Street water lines reduced:	\$422,000 to \$250,000
Main Street sewer lines reduced:	\$422,000 to \$150,000
Compensation Plan reduced:	\$48,514 to \$25,117

General Fund:

Parvin Street (Broadway – Eighth)	\$515,000
Sixth Street (Coleman – Church)	\$430,000
Third Street (Church – Lane)	\$320,000
Compensation Plan decreased:	\$142,520 to \$136,864

Storm Drainage Fund:

Compensation Plan increased:	\$0 to \$2,408
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VERF:

Replacement computers reduced:	\$37,550 to \$30,350
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Changes to Proposed Budget & CIP Cont'd

East Thoroughfare Impact Fee Fund:

Frontier Parkway (BNSF Overpass) reallocated \$1,310,000 to FY 2017-2018 to pay for additional projects in FY 2016-2017.

Prosper Trail (Coit – Custer)	\$540,000
Coit Road (First – Frontier)	\$770,000

West Thoroughfare Fund:

Cook Lane (First – End) & E-W Collector (DESIGN ONLY)	\$200,000
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Water Impact Fee Fund:

County Line EST reduced:	\$937,500 to \$337,500
24" WL Connection from County Line EST	\$70,775

Proposed FY 2016-2017 Budget Includes

- ➔ No Tax Rate Increase
- ➔ No Water or Sewer Rate Increase
- ➔ No Solid Waste Rate Increase
- ➔ No Storm Drainage Fee Increase
- ➔ No Other Fee Increases

Consolidated Fund Summaries

FUND	ACCOUNT TYPE	ACTUAL BUDGET 2014-2015	AMENDED BUDGET 2015-2016	PROJECTED BUDGET 2015-2016	PROPOSED BUDGET 2016-2017
GENERAL	REVENUES	16,296,060	17,665,303	18,436,518	20,586,204
	EXPENDITURES	16,308,647	17,664,615	17,937,964	21,530,132
	NET REVENUES OVER (UNDER) EXPENDITURES	(12,587)	688	498,554	(943,928)
WATER & SEWER	REVENUES	10,772,514	11,725,235	12,572,877	13,338,736
	EXPENDITURES	9,436,239	12,061,442	12,268,811	13,785,152
	NET REVENUES OVER (UNDER) EXPENDITURES	1,336,275	(336,207)	304,066	(446,416)
DEBT SERVICE (I&S)	REVENUES	3,184,814	3,418,269	3,443,536	4,199,988
	EXPENDITURES	2,873,732	3,777,788	3,405,038	4,182,809
	NET REVENUES OVER (UNDER) EXPENDITURES	311,082	(359,519)	38,498	17,179
PARK IMPROVEMENTS / DEDICATION	REVENUES	139,851	207,300	534,031	210,800
	EXPENDITURES	214,120	1,590,000	2,115,000	90,000
	NET REVENUES OVER (UNDER) EXPENDITURES	(74,269)	(1,382,700)	(1,580,969)	120,800

Consolidated Fund Summaries Cont'd

FUND	ACCOUNT TYPE	ACTUAL BUDGET 2014-2015	AMENDED BUDGET 2015-2016	PROJECTED BUDGET 2015-2016	PROPOSED BUDGET 2016-2017
WATER IMPACT FEES	REVENUES	2,584,786	2,748,000	3,027,000	3,229,700
	EXPENDITURES	740,161	7,958,359	8,568,915	2,181,942
	NET REVENUES OVER (UNDER) EXPENDITURES	1,844,625	(5,210,359)	(5,541,915)	1,047,758
WASTEWATER IMPACT FEES	REVENUES	450,768	487,100	582,095	607,800
	EXPENDITURES	102,064	1,659,193	2,044,193	281,200
	NET REVENUES OVER (UNDER) EXPENDITURES	348,704	(1,172,093)	(1,462,098)	326,600
E THORO IMPACT FEES	REVENUES	2,046,595	2,209,400	4,329,600	4,032,560
	EXPENDITURES	283,871	6,113,229	10,447,229	3,300,000
	NET REVENUES OVER (UNDER) EXPENDITURES	1,762,724	(3,903,829)	(6,117,629)	732,560
W THORO IMPACT FEES	REVENUES	988,106	1,009,400	1,047,700	1,212,870
	EXPENDITURES	288,978	837,322	1,150,000	800,000
	NET REVENUES OVER (UNDER) EXPENDITURES	699,128	172,078	(102,300)	412,870

Consolidated Fund Summaries Cont'd

FUND	ACCOUNT TYPE	ACTUAL BUDGET 2014-2015	AMENDED BUDGET 2015-2016	PROJECTED BUDGET 2015-2016	PROPOSED BUDGET 2016-2017
INTERNAL SERVICE	REVENUES	21,375	25,640	28,040	23,100
	EXPENDITURES	4,069	40,000	20,000	40,000
	NET REVENUES OVER (UNDER) EXPENDITURES	17,306	(14,360)	8,040	(16,900)
SPECIAL REVENUE	REVENUES	768,460	62,100	535,440	64,400
	EXPENDITURES	580,861	100,000	92,445	95,179
	NET REVENUES OVER (UNDER) EXPENDITURES	187,599	(37,900)	442,995	(30,779)
STORM DRAINAGE	REVENUES	275,899	316,100	305,500	345,625
	EXPENDITURES	207,448	350,780	276,721	365,212
	NET REVENUES OVER (UNDER) EXPENDITURES	68,451	(34,680)	28,779	(19,587)
VERF	REVENUES	1,325,931	550,781	586,651	518,781
	EXPENDITURES	69,570	1,045,606	1,048,240	234,910
	NET REVENUES OVER (UNDER) EXPENDITURES	1,256,361	(494,825)	(461,589)	283,871

Proposed FY 2016-2017 Budget Focus

Public Safety

Streets / Infrastructure

Parks and Recreation Facilities

Budget Components

- Base Budget—example: electricity, existing personnel costs.
Total: \$30,354,858
- Non-Discretionary Supplemental Request (“must do”) —
examples: external increase in software maintenance fees,
changes from state law.
Total: \$1,348,186
- Discretionary Supplemental Request (“must do” and “should
do”) — examples: new positions or vehicles, park or public
works projects.
Total: \$4,437,541
- Cut Supplemental Request (“should do” and “nice to do”)
Total: \$1,927,427

Proposed Positions

Dept.	POSITIONS	FTEs
Finance	Capital Projects Accountant	1
Police	Patrol Officers	4
	Detective	1
Fire	Emergency Management Coordinator	1
	Fire Inspector Investigator *	1
Park Operations	Arborist	1
	Chemical Technician	1
	Maintenance Worker	1
TOTAL GENERAL FUND POSTIONS		
		11
Water	Construction Inspector	1
	Water Education Coordinator *	1
	Construction Inspector – Right-of-Way	1
Wastewater	Utility Maintenance Supervisor	1
	Utility Crew Leader	1
	Utility Worker	1
TOTAL ENTERPRISE FUND POSTIONS		
		6

* This position will start in October 2016.

Major Program Enhancements

The major Program Enhancement and Capital Expenditures included in the proposed appropriations and planned for FY 2016-2017 by Department

<u>Department</u>	<u>Enhancements</u>	<u>Amount</u>
<i>Public Works/Streets:</i>	Street Lights – Coit Road	\$450,000
	Prosper Trail Reconstruction	\$975,000
<i>Police:</i>	Four Full-Time Police Officers	\$387,672
	Additional Detective	\$123,453
	Needs Assessment – Public Safety Facility	\$ 75,000
<i>Fire:</i>	Emergency Management Coordinator	\$ 54,963
	Fire Inspector/Investigator	\$129,479
<i>Parks:</i>	Relocate Lights from Main Street park	\$ 96,000
<i>Water:</i>	Water Lines – Main Street Reconstruction	\$250,000
<i>Wastewater:</i>	Wastewater Lines – Main Street Reconstruction	\$150,000
<i>Utility Billing:</i>	Trash Collection Growth Projection	\$251,725



Thank You!

Questions?

TOWN OF PROSPER

TAX RATE

SEPTEMBER 19, 2016





Property Taxes

2016 Valuations Overview

- **Certified Total Taxable (after freeze loss) Increased 19.58%**

- Collin County Value \$2,331,862,827
- Denton County Value \$ 214,280,894
- **Total Value \$2,546,143,721**

- **Existing Taxable Values Increased 8.62%**

- + 07.76% in Collin County
- + 23.49% in Denton County

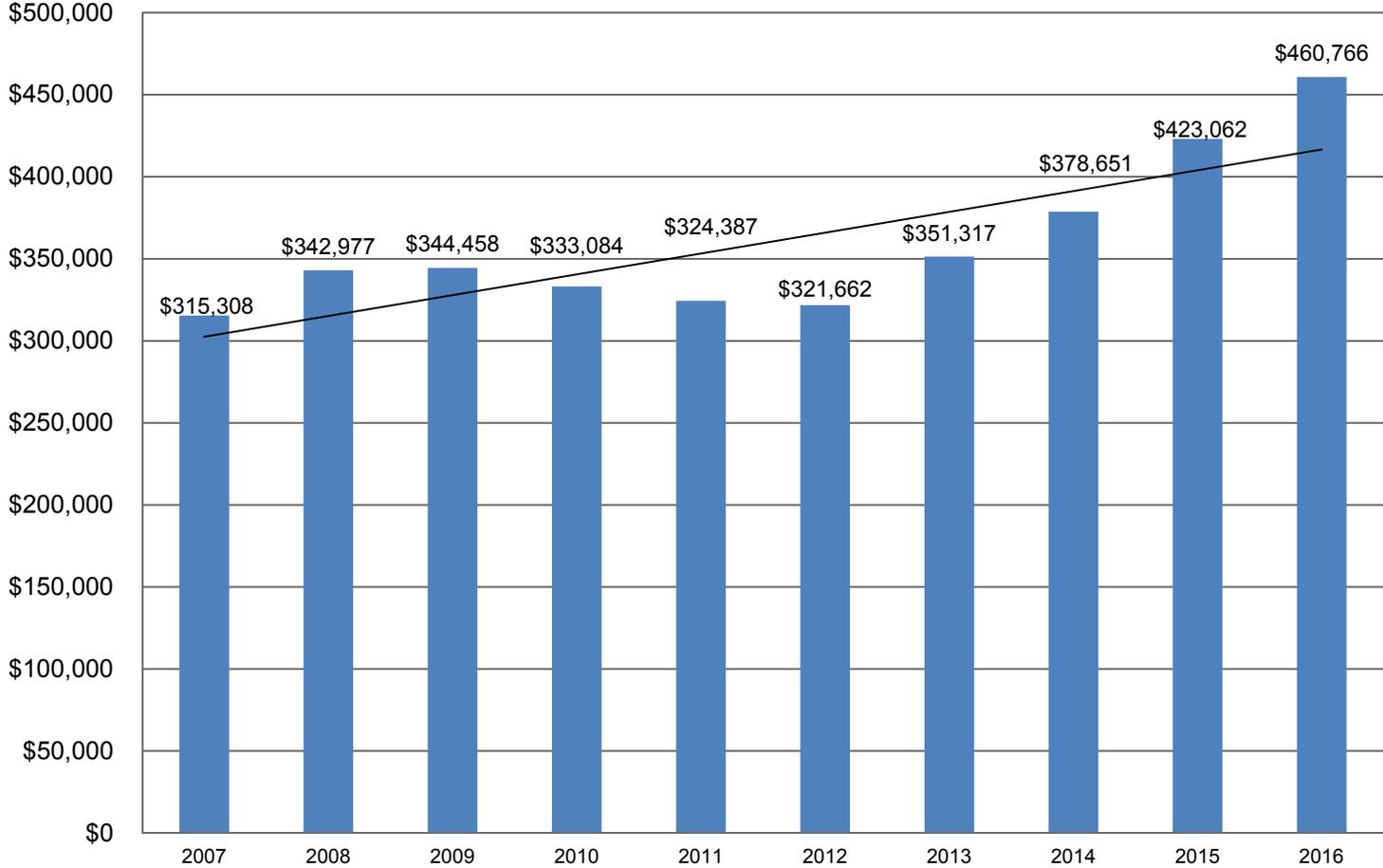
- **New Construction Totaled \$ 233,271,218**

- Collin County \$162,297,411
- Denton County \$ 70,973,807

2016 Valuations Overview Cont'd

	2015-2016	2016-2017	Difference	Tax Dollars
Assessed Value	\$2,630,702,240	\$3,236,092,432	\$ 605,390,192	\$ 16,827,681
Freeze Taxable	\$ 173,565,133	\$ 196,365,692	\$ 22,800,559	\$ 1,021,102
Homestead Exemptions	\$ -	\$ 139,092,623	\$ 139,092,623	\$ 723,282
Other Exemptions	\$ 318,210,267	\$ 354,490,396	\$ 36,280,129	\$ 1,843,350
Net Taxable	\$2,138,926,840	\$2,546,143,721	\$ 407,216,881	\$ 13,239,947

Average Single-Family Home Value



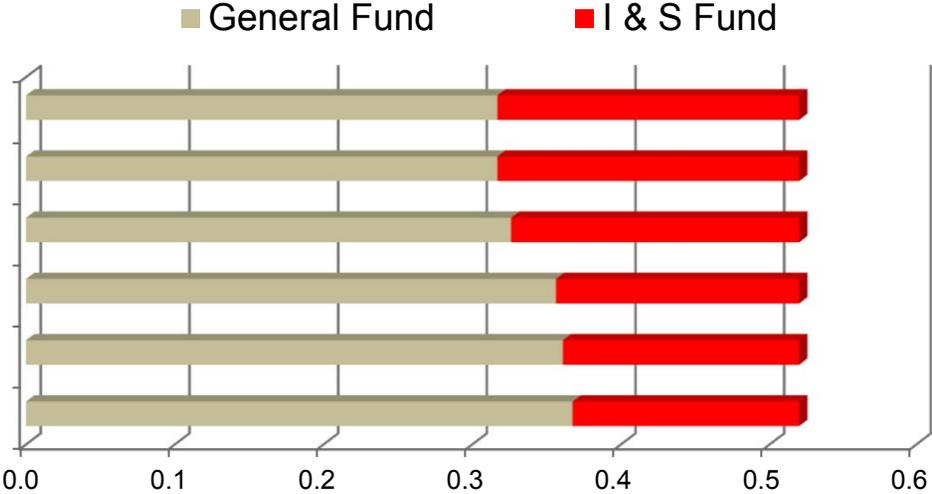
Source: Collin CAD and Denton CAD Certified Totals 2007-2016

Ad Valorem Taxes

	<u>2016</u>
Freeze Adjusted Taxable Value	\$2,546,143,721
	<u>\$0.52</u>
Times Total Tax Rate per \$100	<u>\$13,239,947</u>
Times Anticipated Collection Rate	<u>100%</u>
Plus Actual Tax from Freeze	<u>\$907,311</u>
Total Tax Levy	<u><u>\$14,147,258</u></u>
One Penny on the Tax Rate Yields	\$254,614

Source: Collin CAD and Denton CAD Certified Totals 2016

Property Tax Rate History



Fiscal Year	General Fund	I & S Fund	Total
2011-12	0.316937	0.203063	0.520000
2012-13	0.316914	0.203086	0.520000
2013-14	0.326191	0.193809	0.520000
2014-15	0.356301	0.163699	0.520000
2015-16	0.361074	0.158926	0.520000
2016-17	0.367500	0.152500	0.520000
As Proposed			

Average Home Owner

- 2016 Average Homestead Market Value = \$ 460,766
- Average Prosper Resident Total Tax Bill – Collin County

Taxing Jurisdiction	Tax Rate per \$100	Homestead Exemption	Tax Levy
Prosper ISD	\$1.670000	\$25,000	\$7,277
Town of Prosper	\$0.520000	\$34,557	\$2,216
Collin County	\$0.225000	\$23,038	\$985
Collin College	\$0.081960	-	\$378
Totals	\$2.496960	\$82,596	\$10,856

Note: Average Taxes are computed using 2015 tax rates for all agencies. Includes possible exemptions with each entity for simplicity.

Property Tax Rate Scenarios

➤ **2016 Average Homestead Market Value = \$460,766**

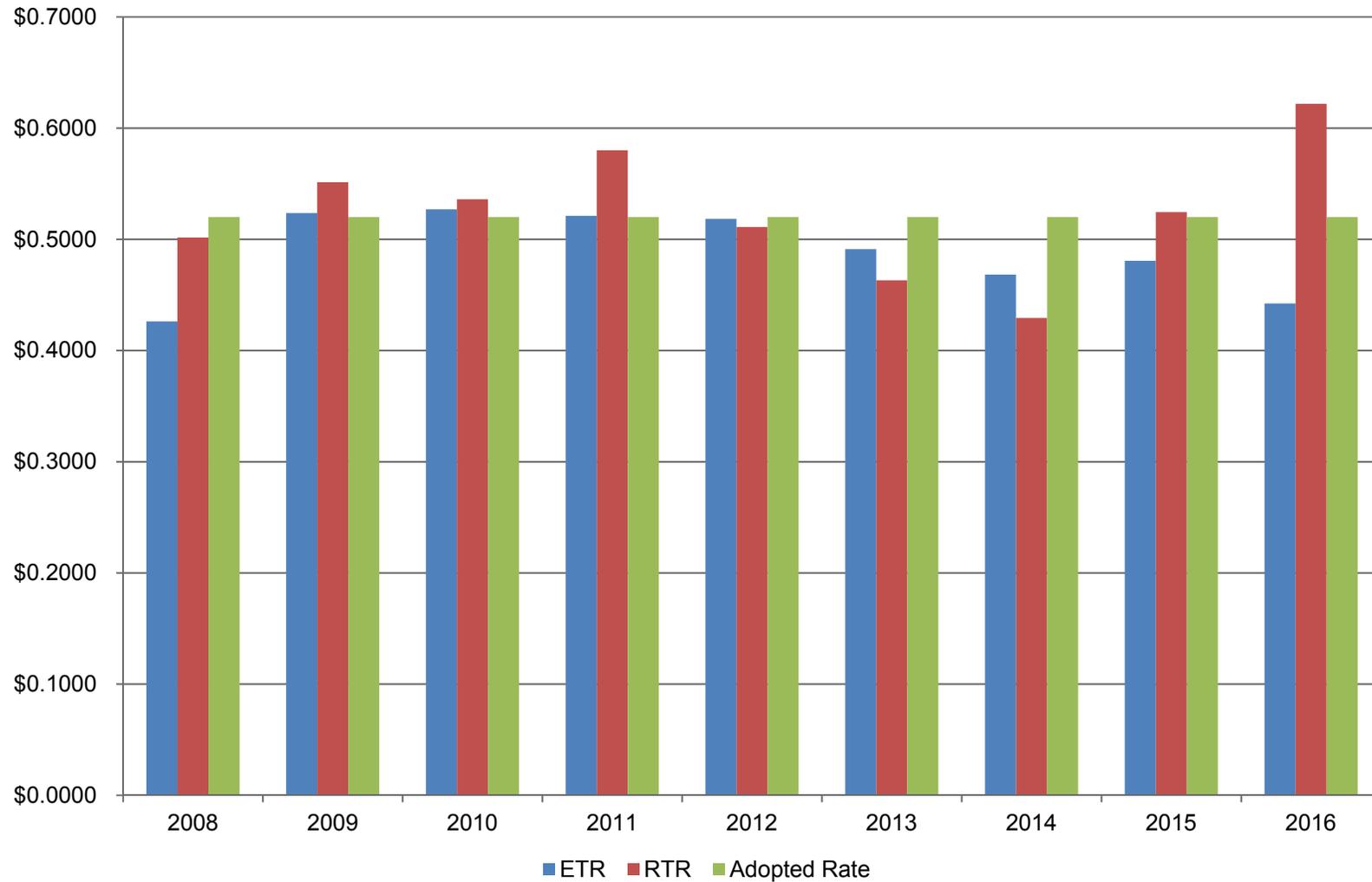
➤ **Tax Rate Scenarios – Homeowner Impact**

- Current & Proposed Rate \$0.520000 - \$2,216
- Effective Rate \$0.442223 - \$1,885
- Rollback Rate \$0.621838- \$2,650

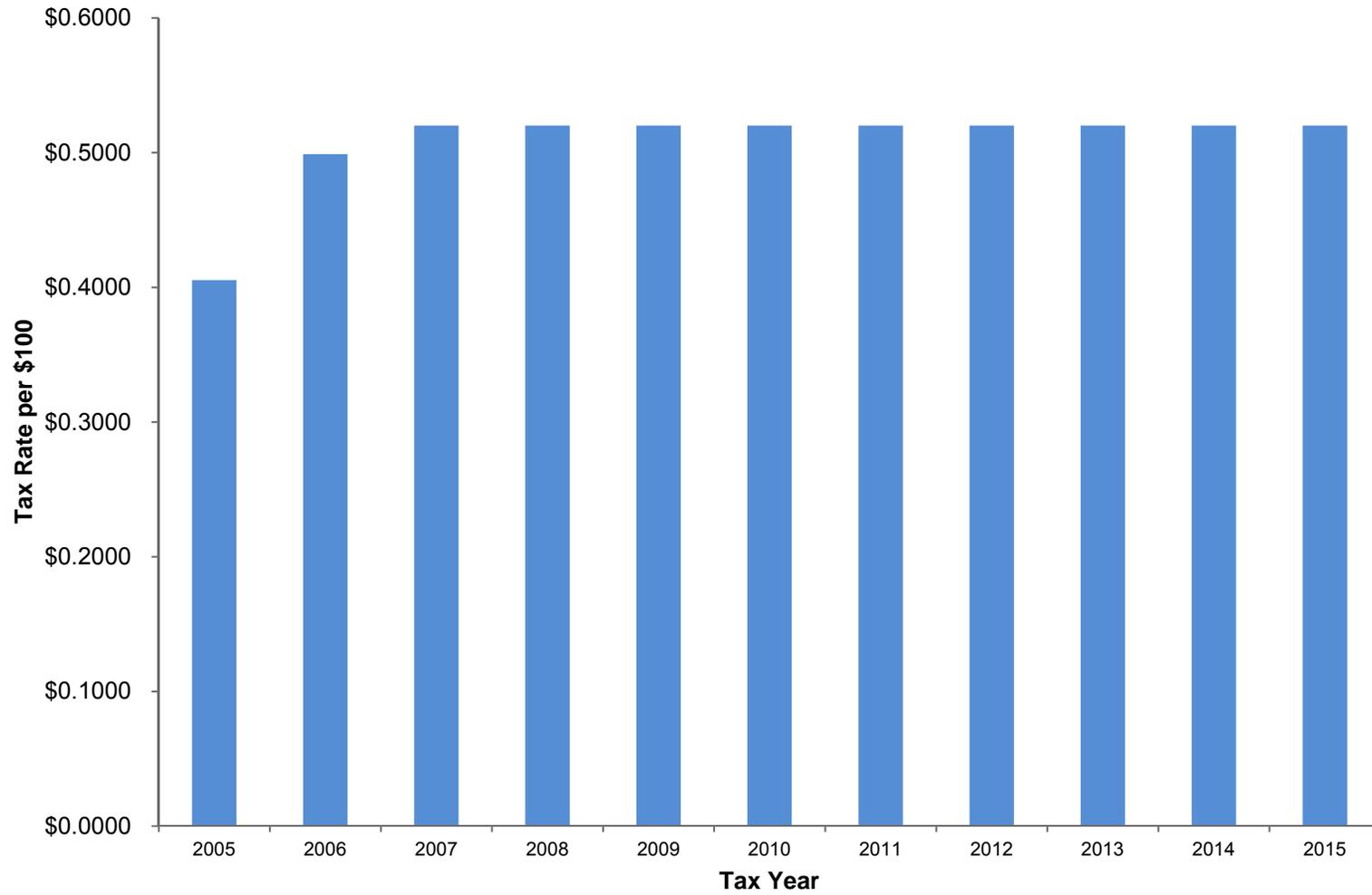
➤ **Tax Rate Scenarios – Municipal Impact**

- Current & Proposed Rate \$0.520000 - \$14,147,258
- Effective Rate \$0.442223 – (\$1,980,314) LOSS
- Rollback Rate \$0.621838 – \$2,592,942 GAIN

Prosper Property Tax Rate

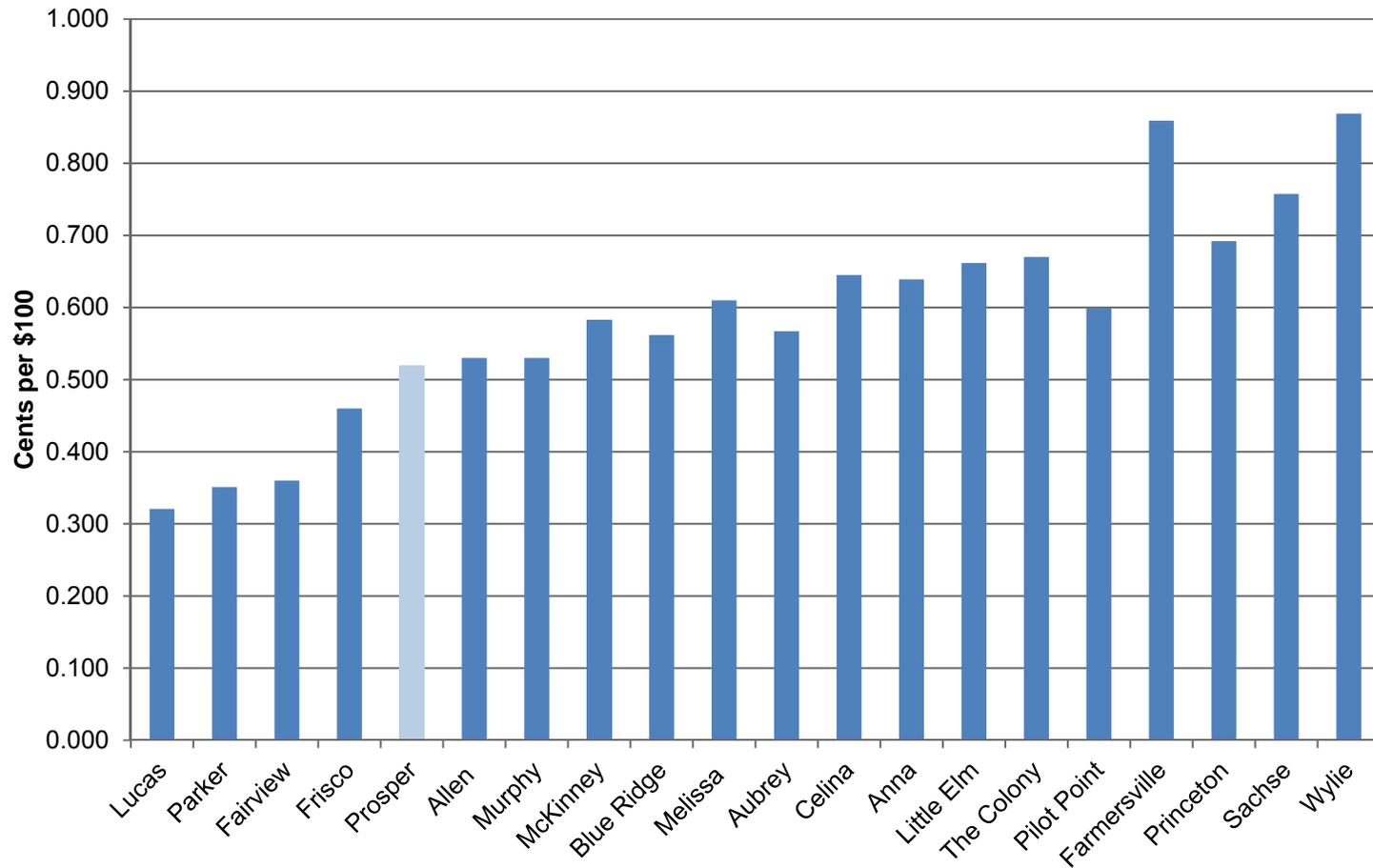


Prosper Adopted Tax Rate



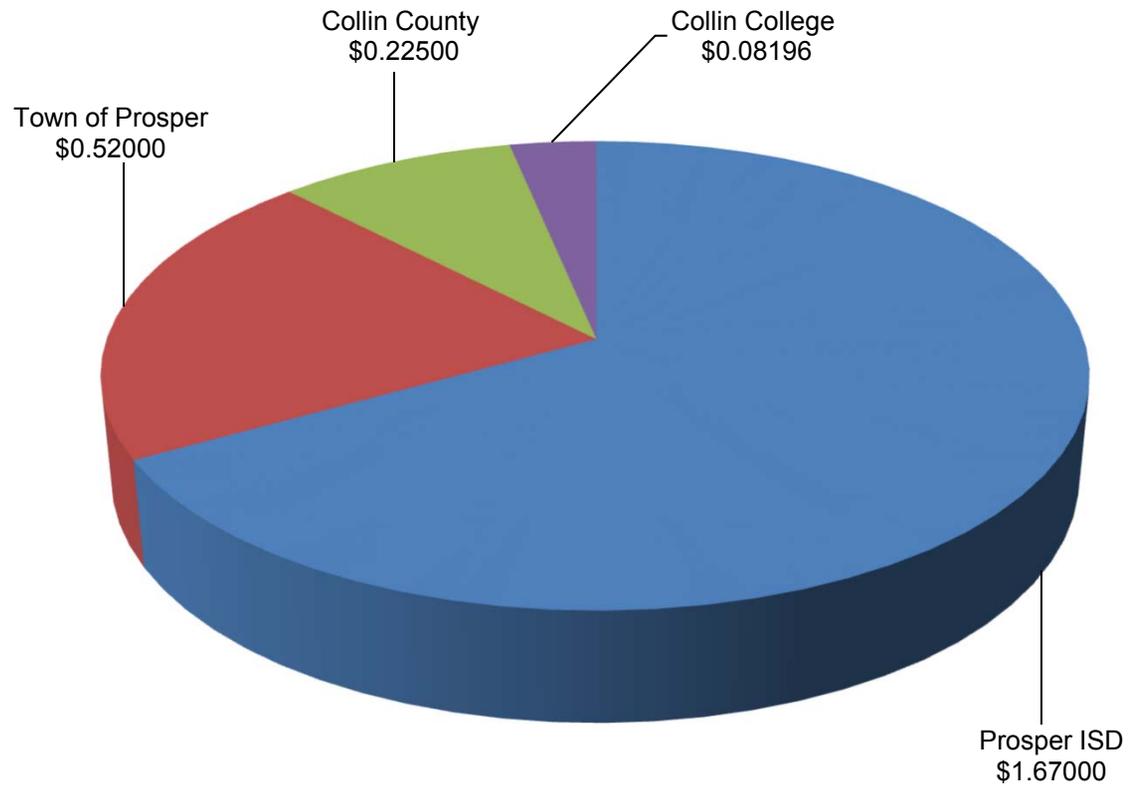
Property Tax Rate Comparison I

(2015 Tax Rates)



Source: Collin and Denton Central Appraisal Districts.

Property Tax Rate Comparison II



Source: Collin and Denton Central Appraisal Districts.

Conclusion

- Tax rate remaining at \$0.52/\$100
- Town of Prosper is 20.41% of total tax bill



Thank You!

Questions?