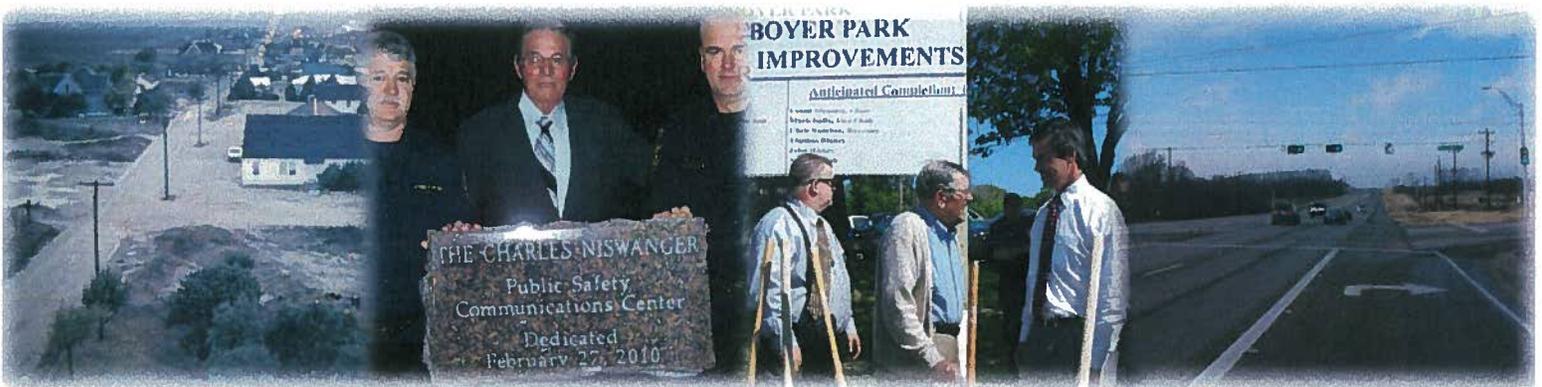




# TOWN OF PROSPER

## FISCAL YEAR 2010-2011 BUDGET

FOR THE PERIOD  
OCTOBER 1, 2010 TO SEPTEMBER 30, 2011



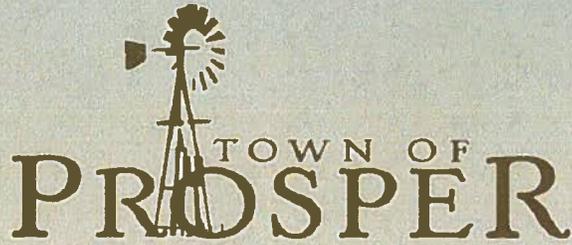
*"Honoring Our Past and Paving Our Future"*

This budget will raise more total property taxes than last year's budget by \$455,061 or 8.82%, and of that amount, \$234,023 is tax revenue to be raised from new property added to the tax roll this year.

FISCAL YEAR 2010-2011 BUDGET  
COVER PAGE

*The above statement is required by Section 102.005(b), Local Government Code as amended by HB 3195 of the 80th Texas Legislature.*





Prosper is a place where everyone matters.

# FISCAL YEAR 2010-2011 ADOPTED BUDGET

*Prepared By:*

*Mike Land, Town Manager  
Matthew Garrett, Finance Director  
Ron Butler, Comptroller*

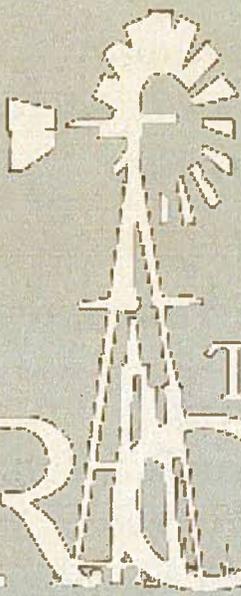
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*Reviewed and Adopted by Town Council on September 14, 2010.*

*Ray Smith, Mayor  
Kenneth Dugger, Mayor Pro-Tem  
Meigs Miller, Deputy Mayor Pro-Tem  
Dave Benefield, Council Member  
David Vestal, Council Member  
Danny Wilson, Council Member  
Jason Dixon, Council Member*

*Appreciating that the rich history of the Town has molded it into its present form and that many people deserve thanks for their efforts to this end, we honor our past. Just as those who pioneered this community, we also recognize current citizens are eager to make an impact. These sentiments combine to make this year's theme.*

*“Honoring Our Past and Paving Our Future”*



TOWN OF  
PROSPER

**FISCAL YEAR 2010-2011 ADOPTED BUDGET**

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**APPRECIATION**

THANKS TO THE FY 2010-2011 BUDGET TEAM\_\_\_\_\_(INSIDE BACK COVER)





TOWN OF  
**PROSPER**

Prosper is a place where everyone matters.



# TOWN PROFILE

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*Town Council*

*Vision and Strategic Workplan*

*Organizational Chart*

*Schedule of Authorized Positions*

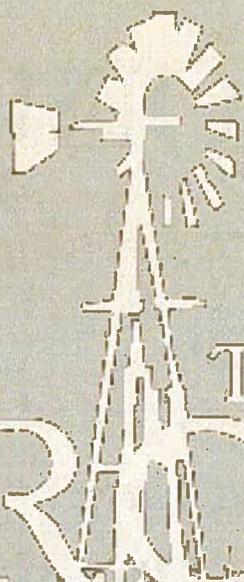
*Location and Map*

*Town History*

*Population*

*Average Residential Property Tax Bill*

*“Honoring Our Past and Paving Our Future”*

A stylized white windmill logo is positioned behind the word "PROSPER". The windmill has a circular fan with multiple blades and a small cup-like structure on its side. The text "TOWN OF" is written in a smaller, spaced-out font above the word "PROSPER".

TOWN OF  
PROSPER

**FISCAL YEAR 2010-2011 ADOPTED BUDGET**



**Council Member Place 1**

**Dave Benefield**  
Term: May 2013



**Mayor**

**Ray Smith**  
Term: May 2013



**Council Member Place 2**

**Mayor Pro-Tem**  
**Kenneth Dugger**  
Term: May 2012



**Council Member Place 3**

**David Vestal**  
Term: May 2011



# TOWN COUNCIL



**Council Member Place 4**

**Deputy Mayor Pro-Tem**  
**Meigs Miller**  
Term: May 2013



**Council Member Place 5**

**Danny Wilson**  
Term: May 2011



**Council Member Place 6**

**Jason Dixon**  
Term: May 2012

*The Mayor and each of the six (6)  
Council Member places are elected at  
large according to the Town Charter.*

**TOWN OF PROSPER  
TOWN COUNCIL  
2010  
WORKPLAN  
February 23, 2010**

**PURPOSE**

**PROSPER IS A PLACE WHERE EVERYONE MATTERS**

**BEST IN THE WORLD**

Prosper will be the best in the world at providing systematic opportunities that inspire our citizens to actually make a difference in our Town.

**VALUES**

Leadership ~ Creativity ~ Economic Security ~ Security ~ Helping Others

**EXCELLENCE**

Excellence is when we are a caring Community, when we demonstrate Leadership that adds value for our citizens and community, when we benefit from continuous Creativity, when we have sound Economic Security, when we provide sustained Security and when we are Helping Others.

**GOAL #1 SECURE THE TOWN'S FINANCIAL FUTURE**

- a. Be sound stewards of the Town's resources and assets.
  - i. Implement a performance excellence management system
  - ii. Adopt policies supporting budget goals and objectives, asset investment, personnel, purchasing, return on investment strategies, and debt management strategies
  - iii. Implement rate structures throughout the organization that support the cost of operations, specifically related to water, sewer and stormwater utilities.
  - iv. Develop and implement financial incentives for public private partnerships that benefit the community with sustainable infrastructure as well as development.
  - v. Implement strategy for information technology, dispatch and radio reimbursements

**GOAL #2 ACTIVELY ENGAGE CITIZENS**

- a. Develop a holistic communication system that is personal and transparent.
  - i. Utilize as many communication tools available recognizing the diversity and flexibility these tools offer.
  - ii. Establish relationships between the Town's organization and the community that involves consistent and regular personal contact between residents, neighborhoods businesses and the people providing services in the Town of Prosper.
  - iii. Mobilize everyone in the community in marketing Prosper
  - iv. Town leadership will model and be accountable to excellent customer service
- b. Provide a myriad of opportunities for residents to interact with each other and the organizations that serve the community.
  - i. Partner with the Prosper Independent School District on as many mutually beneficial projects possible.
  - ii. Create a Citizens 2010 Bond Committee.
  - iii. Create a Town Charter committee to consider amendments to the Town Charter
  - iv. Promote the ServeProsper campaign and programs creating opportunities for aiding local residents in various stages of need.
  - v. The Town will host timely community meetings, World Café's, to discuss community issues and opportunities.

**GOAL #3 MAKE PROSPER A JEWEL**

a. Create a sense of place for each resident and business to identify with.

- i. Update the Town's Comprehensive Plan, Zoning Regulations, Subdivision Regulations and Development Standards, Property Maintenance and Sign Code to reflect Prosper's Purpose.
- ii. Create an image blueprint for the Town's major thoroughfares and all municipal construction projects that provide a visual "tie that binds" the community together.
- iii. Build physical environments that promote gathering places for the community to come together.

b. Create a community that is looking forward, encourages and embraces change.

- i. Aggressively pursue and secure economic development opportunities that will capture the market
- ii. Invest in municipal infrastructure, architecture and development that reflect excellence without compromise and supports Prosper's purpose.
- iii. Create multiple opportunities for the Town to partner with Collin and Denton County's to enhance services and infrastructure provided to the citizens of Prosper.
- iv. Complete annexation process for areas in Prosper's remaining ETJ.

**GOAL #4 ENHANCE PUBLIC SAFETY**

a. Position the Fire and Police Departments to be proactive.

- i. Implement necessary improvements to support the Fire Department's goal to successfully reach an ISO Rating of 3 or better.
- ii. Expand Public Safety to include support for customer centered code enforcement.
- iii. Where feasible consider establishing partnerships with neighboring communities for joint dispatch, fire, first responder and ambulance services.
- iv. Finalize plans for providing Public Safety services for residents living and working in the western portion of Prosper.
- v. Establish level of service parameters that support the effectiveness of Public Safety personal.

b. Utilize technology to provide more opportunity for personal service.

- i. Construct the necessary communications infrastructure for adequate coverage for the entire community.
- ii. Train all departments and CERT in NIMS

**2015 Town Council Goals\***

**SOUND FISCAL MANAGEMENT**

1. Pass Towns First General Obligation Bond (Goal 1, 2, 3 and 4)
2. Increase Towns Credit Rating to "A" (Goal 4)
3. Synchronize Tax Rate with expanded services (Goal 4)
4. Offer full slate of online services (Goal 1 and 2)
5. Adopt Budget Policies (Goal 4)

**PUBLIC SAFETY AND SECURITY**

1. Build Dispatch Center (Goal 3 and 4)
2. Lower ISO Rating (Goal 3 and 4)
3. Purchase Ladder Truck (Goal 3 and 4)
4. Start building second fire station (Goal 3 and 4)
5. Meet Community Police staffing standards (Goal 3 and 4)

**ECONOMIC SECURITY**

1. Zone property for a Medical Center (Goal 2)
2. Create partnership to spur economic opportunity (Goal 1)
3. Select 200 acre site for college (Goal 2)

**SUBSTANTIAL CITIZEN INVOLVEMENT IN COMMUNITY**

1. Start Involvement Committees (Goal 1)
2. Create a virtual Town Hall (Goal 1 and 2)
3. Hire staff and technical Support (Goal 1 and 4)

**GATHERING OPPORTUNITIES**

1. Integrate gathering places in retail projects (Goal 1 and 2)
2. Plan a Community Center (Goal 1 and 2)
3. Begin installation of Wi/Fi fiber (Goal 1, 2, 3 and 4)
4. Build a community garden (Goal 1 and 2)
5. Build a PISD/Town Community Park and Stadium (Goal 1, 2 and 4)

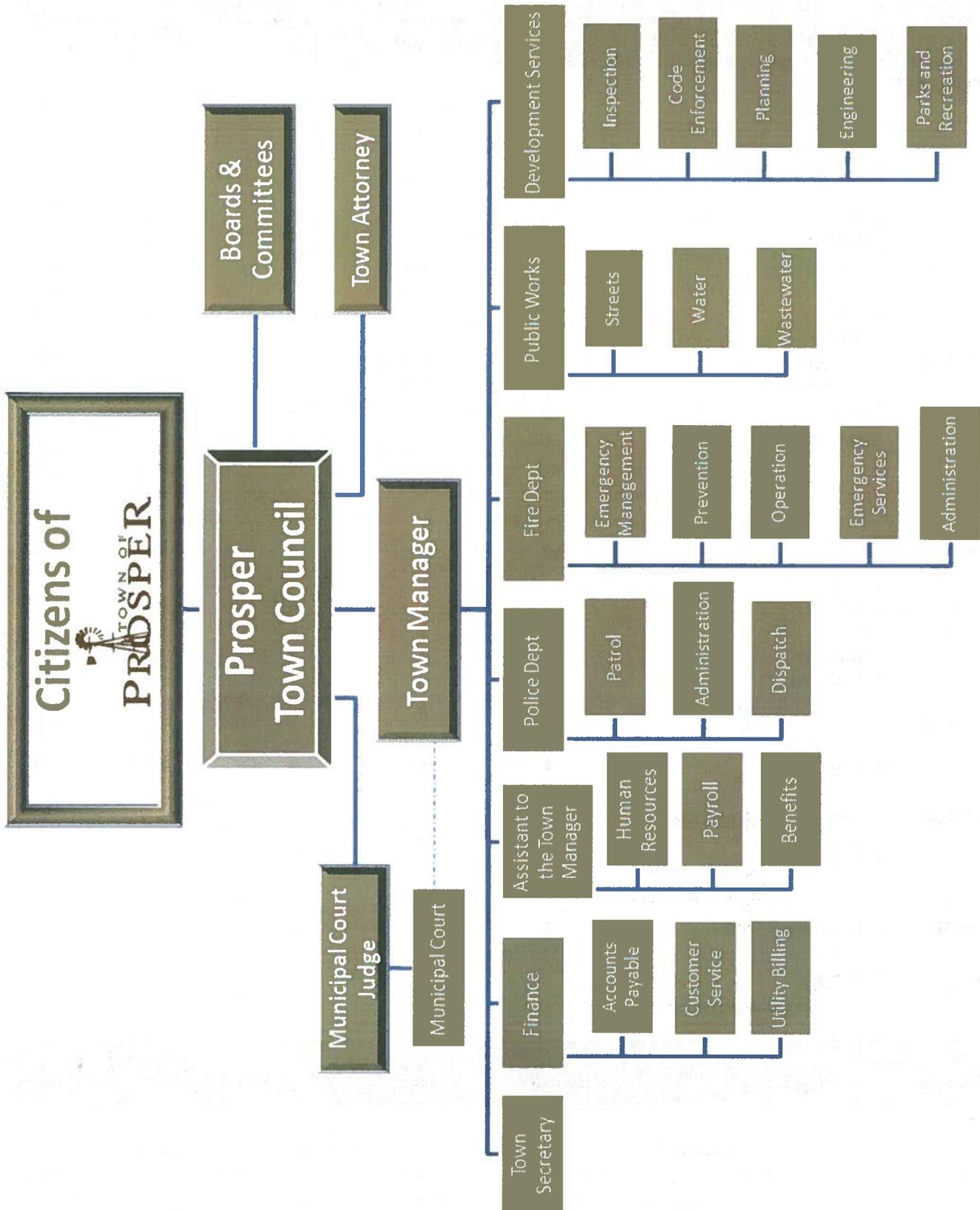
**SUBSTANTIAL RETAIL MULTIPLE TYPES**

1. Issue permits for the "Gates of Prosper" (Goal 2 and 4)
2. Open Farmers Market downtown (Goal 1 and 2)
3. Open big box type of projects including Best Buy, Kohl's, Costco, Lowes, Grocery Store (Goal 2 and 4)

**INFRASTRUCTURE IN KEY LOCATIONS**

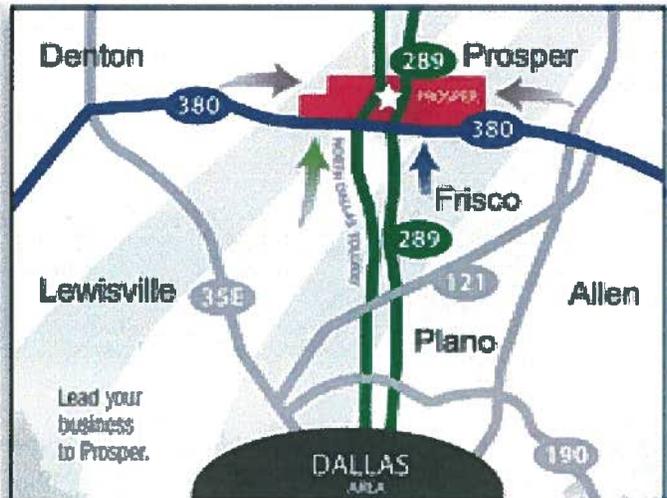
1. Build west service roads to DNT (Goal 2, 3 and 4)
2. Purchase parkland (Goal 1, 2 and 4)
3. Create Partnerships with public and private sectors to develop projects (Goal 1, 2, and 4)
4. Build water and sewer infrastructure, NTMWD west expansion, connect to Upper Trinity Sewer (Goal 2 and 4)
5. Build transportation infrastructure including west Prosper streets, east Prosper widening, 289 expansion (Goal 2, 3 and 4)

\*Town Council goals as established October 2007.





Fund	Department	Position Type	FY 07/08 Revised	FY 08/09 Revised	FY 09/10 Adopted	FY 09/10 Revised	FY 10/11 Adopted
<b>GENERAL FUND</b>							
	Administration		5	5	5	6	6
	Police		11	11	10	10	11
	Dispatch			1	6	6	7
	Fire		13	19	19	19	19
	On-call temporary pool		10	12	12	12	12
	Fire Marshal		1	1	1	1	1
	Streets		2	2	2	2	2
	Library				2	2	2
	Parks		2	2	4	4	4
	Court		1	1	1	1	1
	Inspections		8	8	6	6	6
	Code Enforcement		1	1	1	1	1
	Planning		3	3	2	2	2
	Engineering		1	1	1	1	1
		<i>Subtotal Full-Time</i>	<b>46</b>	<b>53</b>	<b>55</b>	<b>56</b>	<b>58</b>
		<i>Subtotal Part-Time</i>	<b>2</b>	<b>2</b>	<b>3</b>	<b>3</b>	<b>5</b>
		<i>Subtotal Temporary</i>	<b>10</b>	<b>12</b>	<b>14</b>	<b>14</b>	<b>12</b>
	<b>Total General Fund</b>		<b>58</b>	<b>67</b>	<b>72</b>	<b>73</b>	<b>75</b>
<b>WATER/SEWER FUND</b>							
	Water		5	5	5	5	5
	Wastewater		2	2	2	2	2
	Utility Billing		2	2	2	2	2
		<i>Subtotal Full-Time</i>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>
		<i>Subtotal Part-Time</i>					
	<b>Total Water/Sewer Fund</b>		<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>
<b>ECONOMIC DEVELOPMENT CORPORATION</b>							
	Administration		2	2	2	1	1
		<i>Subtotal Full-Time</i>	<b>1</b>	<b>1</b>	<b>1</b>		
		<i>Subtotal Part-Time</i>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
	<b>Total Economic Development Corp.</b>		<b>2</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>
<b>CAPITAL PROJECTS FUND</b>							
	CIP Project Manager (Temp FT)			1	1	1	1
		<b>Position Type</b>	<b>FY 07/08 Revised</b>	<b>FY 08/09 Revised</b>	<b>FY 09/10 Adopted</b>	<b>FY 09/10 Revised</b>	<b>FY 10/11 Adopted</b>
<b>ALL FUNDS</b>							
		<i>Total Full-Time</i>	<b>56</b>	<b>63</b>	<b>65</b>	<b>65</b>	<b>67</b>
		<i>Total Part-Time</i>	<b>3</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>6</b>
		<i>Total Temporary</i>	<b>10</b>	<b>13</b>	<b>15</b>	<b>15</b>	<b>13</b>
	<b>Total All Funds</b>		<b>69</b>	<b>79</b>	<b>84</b>	<b>84</b>	<b>86</b>



The Town of Prosper, TX is located in North Central Texas, and covers approximately 27 square miles of the Dallas/Forth Worth Metroplex ("DFW"). Prosper includes incorporated areas in both Collin and Denton Counties, with most of the Town's population residing in Collin County. The Town is positioned at the crossroads of Preston Road and US Highway 380, and is just five minutes north of the bustling Dallas North Tollway cities of Frisco and Plano.

Its peaceful setting beckons families to experience its wide open spaces, small town charm, city convenience and close knit community. The Town is bursting with pride for its first rate education and state championship sports teams, picturesque ranches and other amenities. Access to the DFW area coupled with a commitment to maintain a high standard of living have created substantial growth for the Prosper community and this growth is expected to turn up sharply in the next few years.

Prosper began with the first settlers arriving in this area in 1846. Those who settled here were drawn to North Texas' black prairie soil - rich, fertile land that nurtured a thriving cotton crop in a time when cotton was "King". Between 1850 and 1902, two settlements coexisted. One community, two miles south of the present town, was called Rock Hill. The second community, one mile north, was called Richland. The development of these small communities was expedited in 1876 when County Courts ordered small tracts of land to be established for quick sale. These tracts, each approximately 160 acres in size, were sold for \$3.50 per acre. Dr. A. T. Bryant of McKinney purchased one of the tracts, which later became the geographic nucleus for the Town of Prosper.



The establishment of the St. Louis & San Francisco Railroad in March of 1902 created the change that forced the communities of Rock Hill and Richland to merge forming the Town of Prosper. For years, Prosper was the central stop for the railroad between Dallas and Sherman. When community officials applied for a Post Office with the name "Richland", they were informed that city name was already taken. Postmaster B.J. Naugle asked for an alternative name and J.C. Slaughter suggested the name Prosper. A new name was adopted for the hybrid community - one that spoke of the prosperous living conditions and the prosperous crops harvested that year. And so it was that the town of Prosper was born.

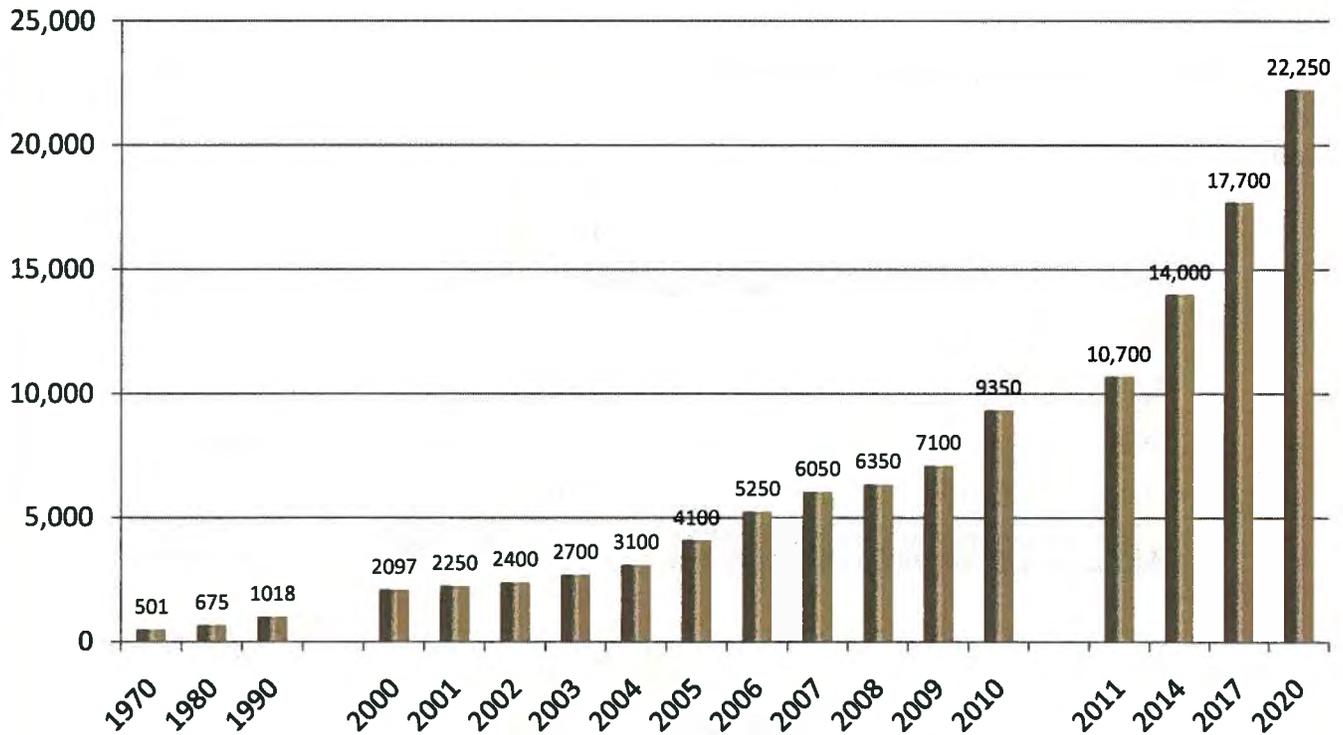


The Town of Prosper was incorporated in 1914 with a commission form of government and a population of 500. U.N. Clary was Mayor and served in that position for the next 49 years. It served for decades as a market center for area farmers and their abundant cotton and corn crops. From the mule drawn wagon and horse drawn buggy, the automobile evolved. Thus began the evolution of people moving in and out of the rural community. Surviving the war and the depression, the mechanization of farming provided the next big impact on Prosper's population. In 1980, the introduction of light industry, combined with the growth of the Metroplex, led to a comeback for Prosper.

To this day, Prosper has managed to retain its 19th century country charm, carefully controlling its growth to that end. Unlike the bustling cities of Dallas, Plano and Frisco that lie just a few miles south, Prosper is characterized by estate-size home sites, pristine rolling hills and vast expanses of open land. Here, you'll discover an alluring lifestyle in beautiful homes that populate quiet neighborhoods. Today, Prosper is the home to more than 100 businesses and hundreds of new families.

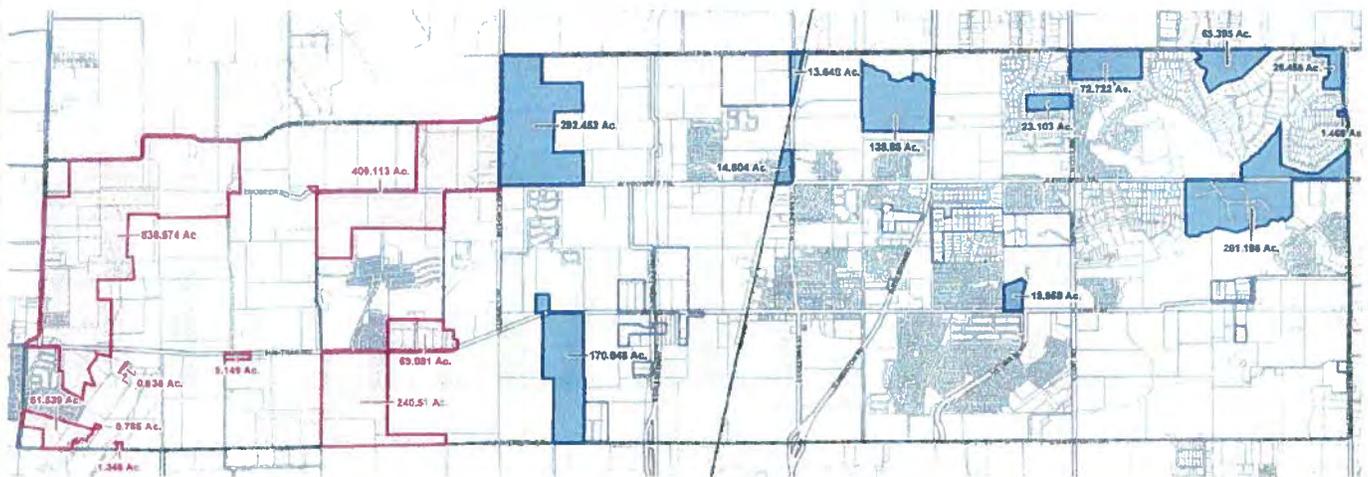
The Town of Prosper is "A Place Where Everyone Matters."





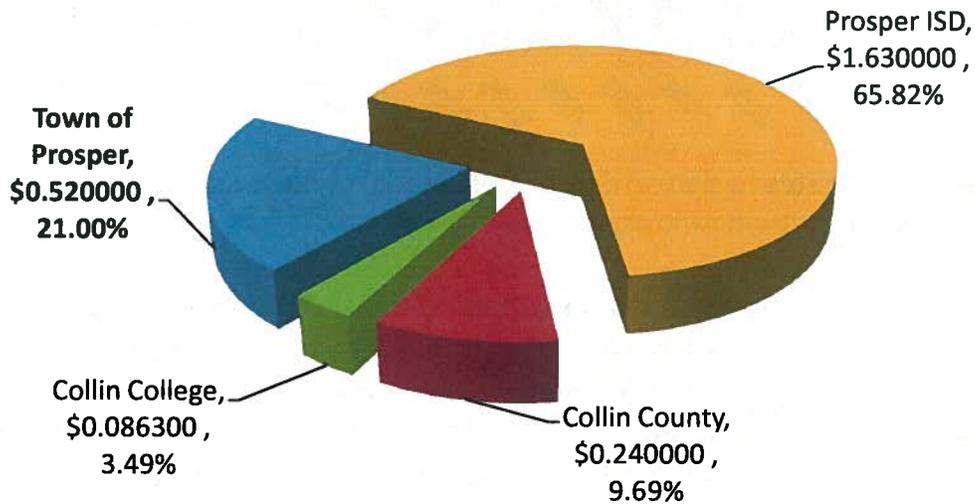
Source: Population estimates to date are from North Central Texas Council of Governments; Future estimates are from Town of Prosper Staff

The 2010 Census will better define the demographic profile of the Town, which has changed dramatically since the last Census in 2000. New Residential Neighborhood Developments along with two new luxury multifamily complexes and several annexations have substantially increased the population. The 2009/2010 Annexation Plan Map below shows much of the newly annexed area (2009 in Blue and 2010 in Red) to be low density residential or agricultural uses, but will later spur into more heavily developed properties.

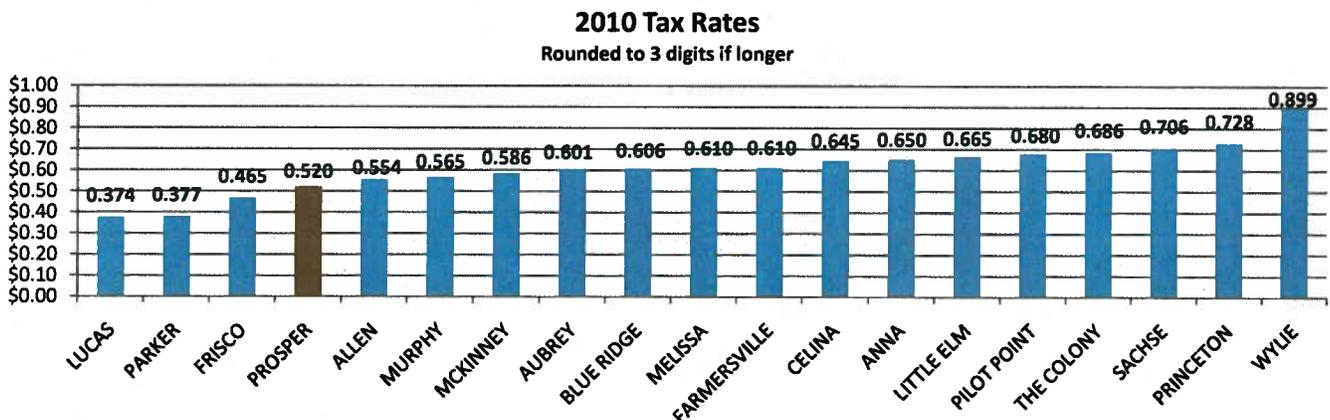


The average property tax bill for a Prosper resident in Collin County is calculated below assuming the 2010 average home taxable value of \$333,084 at the adopted rate for Prosper of \$0.52 per \$100 taxable valuation with no exemptions.

	Rate per \$100 Valuation	Tax Levy
<b>Town of Prosper</b>	<b>\$ 0.520000</b>	<b>\$ 1,732.04</b>
Prosper ISD	\$ 1.630000	\$ 5,429.27
Collin County	\$ 0.240000	\$ 799.40
Collin College	\$ 0.086300	\$ 287.45
<b>TOTALS</b>	<b>\$ 2.476300</b>	<b>\$ 8,248.16</b>



The tax rates of entities are from the Collin CAD and DentonCAD websites. Below is a quick comparison of the Town of Prosper's Property Tax Rate to other cities.





# TOWN OF PROSPER

Prosper is a place where everyone matters.

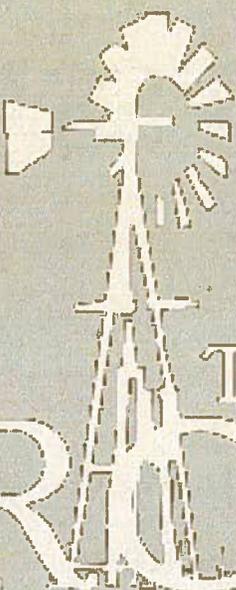


## BUDGET MESSAGE

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*Letter from the Town Manager*  
*The Budget Process*  
*Budget Calendar*

*“Honoring Our Past and Paving Our Future”*



TOWN OF  
**PROSPER**

**FISCAL YEAR 2010-2011 ADOPTED BUDGET**



October 1, 2010

Honorable Mayor and Town Council  
Citizens of Prosper

Mayor, Town Council, Citizens,

For your consideration, I am pleased to present the Adopted Fiscal Year 2010-2011 Town of Prosper Annual Operations and Maintenance Budget. This document details the comprehensive strategic plan by which the Town of Prosper strives to enhance the community's quality of life. The Prosper Town Council's adopted Strategic Vision and Work Plan served as the guiding principles for developing this adopted budget. The most important element of the Town Council's vision is the following Purpose Statement:

**TOWN OF PROSPER  
PURPOSE STATEMENT**

**"Prosper is a place where everyone matters."**

**BUDGET OVERVIEW**

The Town of Prosper 2010-2011 Adopted Budget represents increased service levels to Town residents, maintenance of capital investments and additional public safety resources. The uncertainty in today's economy, valuations and shaky growth assumptions conditioned this budget to be prepared very conservatively. Fortunately, the Town maintained growth and benefitted from annexations above earlier estimates.

The Town of Prosper currently employs sixty-nine (69) regularly scheduled team members, sixty-five (65) full time and four (4) part time. Within the adopted budget there are additional personnel including one additional Police Officer and one Dispatch Operator. Funds are included in Administration to cover part time help in Finance for Accounts Payable processing. In Inspections, the existing Administrative Assistant temporary position is being removed, and the Town will either contract for a part time Plans Examiner or hire a part time Permit Technician. All other departments' personnel will be funded at their current staffing levels.

In evaluating the 2010–2011 Adopted Budget it is important to consider several historical organizational initiatives, current environmental factors and the impact each has on planning for additional appropriations. Those with the greatest impact are listed below.

The Adopted 2010-2011 Budget Appropriations total \$13.3 million (M) for all funds not including debt service, capital projects or the Economic Development Corporation. Of that amount, approximately \$7.1M is for General Fund operations and maintenance, and \$5.8M for the Town's Enterprise Funds including Solid Waste, Water and Sewer Utilities as well as the Storm Drainage Utility Fund. Debt Service appropriations for the coming fiscal year are \$2.0 M.

#### **Property Values**

Certified property valuations increased by \$105M (10.1%) for FY 2010-11. Property values increased from \$1,024.2M to \$1,147.3M. While the growth in certified property valuations continues to increase, the economic downturn did have a slowing affect on existing property value growth, with existing property growing by only 0.35% town wide.

Values in the Denton County portion of Prosper continue to increase. For the 2010-2011 Fiscal Year, freeze adjusted property values in this area increased 82% to \$32.3M.

#### **Property Tax Rate**

This year the property tax rate is adopted at \$0.52 per \$100 valuations, which is equal to the current rate. Without increases in valuations, an increased tax rate was anticipated that would directly relate to the required funding for the addition of the new dispatch operations. The portion of the tax applied to debt service is \$0.185258.

#### **Sales Taxes**

With a few new commercial operations opening in Prosper and solid businesses retained, sales tax collections have stabilized around \$1.1M for several years and are projected to remain in line with current collections.

#### **Utility Rates**

The Town of Prosper Town Council continues its implementation of rate recommendations that support the Town Council's adopted Water and Wastewater Utility Comprehensive Business Plan. The Plan as adopted contains recommendations to enhance revenues, to establish at least a 60 day operations and maintenance reserve and to fund an annual contribution of 2% to a capital replacement program. In pursuit of matching user revenues to user expenses, this adopted budget includes an increase in sewer rates, which will cost the average sewer consumer \$10 more per month.

Solid Waste rates may only increase modestly this coming fiscal year reflecting IESI's annual increase equal to 75% of the Consumer Price Index and biannual fuel surcharge recalculations as called for in the current contract.

Stormwater Drainage Utility rates will be confirmed or adjusted according to results of an engineering study being performed that further defines lot size and lot coverage rates for residential and non-residential customers throughout Prosper. The adopted budget assumes the same revenues as received last year.

#### **GENERAL FUND**

The 2010-2011 Adopted Budget is based on using the current tax rate of \$0.52. The projected effective tax rate, that is the rate that would generate the same amount of property tax revenues from the same taxed properties in 2010-2011 that were generated in this fiscal year, is \$0.526995. The rollback rate, which approximately equates to 108% of this year's effective operating rate, is \$0.536003. Each additional penny of the tax rate generates approximately \$108,000 in property tax revenue. Additionally, for property tax revenue projections the Collin County Tax Assessor-Collector states that it again expects to collect 100% of the current property taxes due based on their past history of doing so.

Fiscal Year 2010-2011 Revenues are budgeted to equal Appropriations resulting in no change to the Town's Fund balance. The Audited Fund Balance at the end of 2008 – 2009 was \$4,397,604. Revised Fund balance prior to the final audit for 2009 – 2010 is expected to increase \$191,549. Should the current projections hold true, the total projected fund balance as of September 30, 2010 could be \$4,589,155.

In the 2010-2011 Budget, the target reserve level is set at 25% (or 90 days) of total appropriations. In addition to this reserve, staff has earmarked an amount of the fund balance equal to 10% of the total general fund appropriations to conform to the Town Charter provision regarding contingent funds.

At the end of the 2010-2011 Fiscal Year the projected total fund balance not otherwise restricted or held in contingency should total \$2,144,680 which equates to an additional 109 days of operations depending on final audited numbers, bringing the total number of operating days of reserves to 235 days.

#### **REVENUES**

Overall, revenues are projected to increase 8.9% compared to budgeted 2009-2010. This increase reflects a steady flow building and other construction related permit fee collections. Property Tax Revenues for Operations and Maintenance are projected to increase by approximately 20.0% compared to budgeted 2009-2010 revenues.

Sales Taxes and Franchise Taxes are conservatively projected to stabilize at their current collections despite the Town's continued growth. Staff continues to be conservative when projecting sales tax because of the downturn in construction related projections for the DFW metroplex. A large portion of the Town's sales tax revenues is directly linked to construction, making a decline in that economy a large threat to sales tax forecasts. The Town expects to receive approximately \$1,100,000 in sales tax in FY 2010-2011.

Building Permit Revenues are projected to increase to \$325,000 or 18.0% when compared to the 2009-

2010 Adopted Budget reflecting some new home and minimal non-residential construction in the coming year. Municipal Court Fines and Licenses are projected to remain at current levels. Street rental, utility franchise payment and administrative fees from the Town's Enterprise Funds are projected to increase in accordance with the Town's adopted Water and Wastewater Utility Comprehensive Business Plan and subsequently adopted rate study.

SAFER Grant revenues are scheduled to reduce 28% from \$303,570 to \$218,183. This source will further decline to \$132,919 in FY 2011-2012 and then be exhausted in FY 2012-2013 with reimbursements totaling \$28,496. Over the life of this grant, the Town will have received \$948,825 to help pay for the addition of six full-time Firefighter/Paramedic positions.

**General Fund Revenues by Source**

<i>Revenue Category</i>	<i>FY 2011 Draft</i>	<i>% of Total</i>
Property Tax	\$ 3,880,789	54.6%
Sales Tax	\$ 1,103,500	15.5%
License, Fees & Permits	\$ 622,175	8.7%
Transfers In	\$ 429,400	6.0%
Franchise Fees	\$ 327,550	4.6%
Grants	\$ 234,183	3.3%
Fines & Warrants	\$ 220,000	3.1%
Charges for Services	\$ 210,905	3.0%
Investment Income	\$ 50,500	0.7%
Miscellaneous	\$ 36,110	0.5%
<b>Revenue Total</b>	<b>\$ 7,115,112</b>	<b>100%</b>

**APPROPRIATIONS**

Total Appropriations for the Adopted 2010–2011 Budget are \$7.1M. This is an increase of approximately 8.9% compared to the 2009–2010 Budget. Personnel costs constitute 67.3% of the General Fund Budget. Within the adopted budget there is a recommendation to hire one Police Officer and to add one more Dispatch Operator in the Dispatch Division of the Police Department. One part time position in Inspections will be removed, freeing up funds for more specialized contracted services. Funding for a temporary/part time position has been added in the Administration budget to assist Finance.

Program Enhancement and Capital Expenditures included in the adopted appropriations and planned for the 2010–2011 Fiscal Year by Division are as follows:

<b>DIVISION</b>	<b>CONTINUATION AND PROGRAM ENHANCEMENT</b>	<b>DESCRIPTION</b>
Administration	\$ 37,200	Computer Replacements for Various Departments, Adding Redundancy to Town Virtualized Servers, STW Vision Financial Analysis Tool
Police	\$160,000	1 new Police Officer, Capital includes payments on existing leased vehicles and one additional cruiser to be purchased, tactical supplies and vehicle equipment, Ticket Writers (split 50% with Court Technology Fund)
Dispatch	\$131,000	1 new dispatch operator, first quarterly payment for system annual support
Fire	\$ 67,000	Replacements for station equipment including mattresses, washer and dryer, safety equipment. Replacing the Chief's vehicle.
Parks and Recreation	\$162,000	Total contracted maintenance for Parks Pecan Creek Park in La Cima and the new Community Park

Administration

The Administration adopted budget includes funding for improved STW analytics tools. Currently, only the Finance Director has the ability to run custom reports from the database. The Vision tool is simple and feeds data directly into Excel for further manipulation and refreshes dynamically. Several Town servers are beyond their scheduled life or have been overloaded to the point of inefficiency. Technology funding is built into this budget to keep employees working as productively as possible by replacing some end-user computers as well as building redundancy on the servers with the IT goal of high availability.

**Police & Dispatch**

The 2010-2011 Fiscal Year will be the second year of the Town's Dispatch and Communications Operations Center. The project is scheduled to be accepted as per the terms of the contract during Fiscal Year 2010-2011. The Adopted FY 2010-2011 Budget includes one quarterly maintenance payment and recommends the creation of one more Dispatch Operator position to help better balance the 24/7 schedule.

The budget also includes funding for the purchase of tactical and vehicle equipment as well as one new police cruiser. The Police budget includes the purchase of three electronic ticket writing devices. The cost is to be split between the Court Technology Fund and the Police Department Budget. These devices should expedite an Officer's process on a traffic stop, could be used for non-traffic violations and will reduce Court staff time entering written citations.

**EMS/Fire & Fire Marshall**

The Fire Department is completing some routine replacements of capital items.

**Public Works – Streets**

There are no significant changes or additions to the Street Budget adopted in 2010-2011 over the current fiscal year.

**Development Services -Inspections, Planning, Engineering, Code Enforcement, Parks and Recreation**

There are no significant changes adopted for any of the divisions of Development Services with the exception of Parks and Recreation. The Inspections Division will continue to utilize a private contractor to perform all health/food establishment/hotel inspections. Additional costs reflected in the Code Enforcement Department budget include contractual costs with Collin County for Animal Control.

Planning will continue to contract with Frisco's GIS department for mapping services. This budget continues the hosting service fee for the TRAKiT software program, which will support all of Development Services and eventually may support Public Works.

In Parks and Recreation there are several program changes adopted. The first change in Contracted Services represents increases resulting from additional park land coming online this coming fiscal year, including maintenance of Pecan Creek Park located in the La Cima subdivision and the new Community Park expected to open in the summer of 2011. The second cost increase in this division reflects fully funding a new Parks Superintendent. This position was partially funded in the current year but has not been successfully filled.

**ENTERPRISE AND SPECIAL REVENUE FUNDS**

**GENERAL OBLIGATION I&S FUND**

This fund represents the debt portion of the tax rate. Debt payments from I&S for 2010-2011 will total \$2,001,099, a small decrease from the current year's budget.

**WATER, SEWER & SOLID WASTE UTILITY FUND**

Revenues for the Water, Sewer and Solid Waste Fund are expected to increase to \$5.6M with a rate increase to occur in October 2010. The adopted business plan for the Water and Sewer Utility Fund identifies the need to for revenue enhancements to cover existing and future operations and maintenance costs as well as debt service and contracted sewer costs with the Upper Trinity Regional Water District.

Regarding Solid Waste, IESI rates are contractually subject to increase in the coming year. IESI's current contract was renewed in 2005 and will expire November 30, 2011. The Town will bid this service out in the coming fiscal year.

**Water, Sewer & Solid Waste Fund Revenues by Source**

<i>Revenue Category</i>	<i>FY 2011 Draft</i>	<i>% of Total</i>
Water Charges	\$ 3,300,000	59.13%
Sewer Charges	\$ 1,471,410	26.37%
Solid Waste Charges	\$ 580,000	10.39%
Tap & Construction	\$ 135,000	2.42%
Investment Income	\$ 40,000	0.72%
Penalties	\$ 20,000	0.36%
License, Fees & Permits	\$ 19,100	0.34%
Miscellaneous	\$ 15,000	0.27%
<b>Revenues Total</b>	<b>\$ 5,580,510</b>	<b>100%</b>

Even with a planned increase in sewer rates, appropriations for the fund total \$5,580,510 resulting in a net "loss" of \$100,000 for the fiscal year, which would require appropriating funding from existing balances. The need for a mid-year increase will be reviewed if required.

**STORMWATER UTILITY FUND**

The 2010-2011 Adopted Budget includes Storm Drainage fee revenues equal to the prior year's collections. Several projects have been identified, but the fund currently is insufficient to tackle some of the Town's larger drainage concerns.

### **GENERAL DISCUSSION ITEMS**

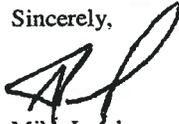
The following items also have been incorporated into the Adopted 2010-2011 Budget:

- The adopted budget includes employee increases consistent with the Town's compensation study recommendations. In FY 2009-2010, employees did not earn salary increases, but rather were allotted one time payments instead. On April 13, 2010, the Town Council engaged Public Sector Personnel Consultants to perform a comprehensive compensation analysis. It had multiple phases and includes a compensation analysis, plan implementation and evaluation system design. The Town Council set the target base salary range assignment at 100% of the average prevailing rate for the comparator market. The results showed that on average, each position level was below the market as follows: Front Line positions at 9.5% below, Supervisor positions at 8.5% below and Executive positions at 11.7% below. Salary increases total approximately \$115,000 in additional FY 2010-2011 appropriations.
- The TMRS rate budgeted for FY 2010 is 10.5%, which is more than the Annual Required Contribution Rate of 9.79% as required by GASB Statement Number 27. This will increase the Town's assets held by TMRS, draw a better return than the Town can currently get and reduce or mitigate the increase of the next UAAL calculation. An additional 0.71% is included in the budget to pay down a fraction of the Town's Unfunded Actuarial Accrued Liability (UAAL) which was at \$905,124 as of December 31, 2008. The last actuarial valuation completed on December 31, 2009 reported the Town's UAAL at \$1,054,972. The strategy to make additional payments was first employed in FY 2009-2010 and would not have been reflected in the increased actuarial report from 2009.
- Employee Health, Dental and other benefits almost always rise year to year and employee plans increased the adopted budget \$16,200 over last year's benefit costs. Partnering with IPS as benefit advisors, the Town was able to keep costs to the Town as low as possible and kept medical and dental premium increases for staff to a minimum.
- The 2010-2011 Adopted Budget includes an increase in ambulance service charges. The adopted charge increases the fee from \$600 per incident to \$800 per incident. The base rate for the charge was established in 2002, with a mileage rate set at \$8.00 per loaded mile. This rate increase is part two of a recommended two phase increase. The mileage rate per loaded mile is recommended to increase from \$10 per loaded mile in 2010 to \$12 per loaded mile in 2011.
- Continued partnerships with Prosper ISD, Celina, Frisco, Denton County and Collin County have produced multiple saving opportunities for shared services or improving our customer service to residents and visitors alike.
  - Included in the Adopted Budget is a reduction in costs for seasonal use of the Prosper ISD Multipurpose Facility. The Town was able to keep this open while not in use by Prosper ISD for abbreviated hours during the school year and summer. Through an ILA with the school district, the Town will resume supporting the MPF being open by paying the district approximately \$12,000 annually.

- The Town's cost to operate the Community Library out of Reynolds Middle School will also be decreasing now that Prosper ISD is opening that location. The Adopted FY 2010-2011 Library budget is \$27,865 (30%) lower than that of FY 2009-2010. The Library budget includes a Collin County library grant of \$16,000.
  - The Town continues its cooperation with Collin County for Animal Control and Sheltering Service.
  - Multiple projects are being discussed with Celina and Denton County to save money on infrastructure projects, improve the quality of a project or advance timelines on lengthy projects. Parvin Road, for example, is slated to be improved through an Interlocal Agreement with Denton County.
  - The Town has several agreements with Frisco including using Frisco GIS for our departments and Interlocal agreements for part time help in both the Municipal Court and Planning Departments.
- The Town will have a busy year with a Charter Review Committee, a 2011 Bond Committee and several new Board appointments.
  - Fiscal Year 2011 will see the completion of two major infrastructure projects including the opening of the Community Park and the completion of the widening of sections of Prosper Trail. First Street and Coit Road will both begin construction during FY 2010-2011. The Wilson Creek Interceptor will undergo design and possibly some construction in the coming year.

In summary, staff is honored to present this year's Adopted Budget, which exceeds the objectives provided by Council. While there are no predictions of a massive surge of development in the next few years, the Town of Prosper will continue to experience gradual growth in population and property values. As we grow, the Town and its residents continue to evolve bringing new ideas of what progress should look like in Prosper. Town staff will continue to be attentive to those needs and work to proficiently accomplish the Town Council Vision. This Adopted Budget will help turn several of those visions into realities.

Sincerely,



Mike Land  
Town Manager

### **PURPOSE OF AN ANNUAL BUDGET**

The basic purpose of the Town of Prosper Budget is to serve as a communication tool to residents, businesses, and employees regarding the Town's financial plan. The budget is designed to provide clear and accurate information to Town stakeholders with respect to how their local government is organized and how it operates.

### **BUDGET DETAILS**

The Town's fiscal year is from October 1st to September 30th. Beginning October 1st, the approved budgets are appropriated to the various funds and departments. Amendments may be made to the budget during the fiscal year in accordance with Town Charter provisions. These amendments shall be by ordinance, and shall become an attachment to the original budget. Expenditures may not exceed appropriations at the department level without Town Manager approval. The Town budgets for revenues and expenditures on a yearly basis. The final adoption of the Annual Budget takes place in September and the new fiscal year begins October 1. Final adoption of the budget by the Town Council shall constitute the official appropriations as proposed by expenditures for the current year and shall constitute the basis of official levy of the property tax as the amount of tax to be assessed and collected for the corresponding tax year.

### **PREPARATION OF THE ANNUAL BUDGET DOCUMENT**

Budget preparation requires careful consideration and usually begins with Kickoff Meetings when the Finance Director meets with Department Heads to review the budget preparation calendar and to establish the basis for budget submissions.

By May, the Budget Preparation Manual is distributed to departments for review. The FY 2011 Budget Process will be the third year for electronic transmission of the materials in a Budget Preparation Manual. Submissions include funding requests for improvements to public services, capital outlays and capital improvement projects.

Once received from departments, the Finance Department carefully reviews and evaluates each department's budget submissions for completion and line item consistency. The overall picture of estimated revenues and proposed expenditures is studied. Focusing on the Town Manager's vision for Prosper as well as providing the most efficient and effective services to the Prosper citizens are the major considerations throughout the budget review process.

From June through September, budget workshop sessions are held between the Town Manager and Department Heads. The Town Manager submits the proposed budget to Town Council and it is made public for review. The proposed operating budget includes proposed expenditures and the means of financing them. This eventually culminates into Town Council public hearings in August and possibly September. At this time, the Town Council may further revise the proposed budget as it deems necessary. The final adoption of the Annual Budget takes place in September when the budget is legally enacted through the passage of an ordinance.

### **BUDGET ADMINISTRATION**

The Fiscal Year begins and the approved budgets are then under the management of the responsible Department Head and ultimately the Town Manager. Department Heads are given much discretion to assign funds within their departmental budgets as needed and consult with the Town Manager on any significant variances from a given line item budget.

The Town Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revision that alters total expenditures of any fund must be approved by the Town Council.

Expenditures for goods or purchased services are documented by receipts, invoices, purchase orders or contracts.

The Town Manager submits monthly financial reports as required by Town Charter and actively manages any shortfalls in revenues or overages in expenditures. Unless known to be immediately necessary, budget amendments will be done towards the close of the fiscal year taking into account other possible savings within the fund.

Encumbered amounts lapse at year end, meaning any encumbrances are canceled or reappropriated as part of the following year budget.

**FY 2010 - 2011 BUDGET CALENDER**

Strict adherence to the budget schedule is essential for an efficient and successful budget process. This assists in the processing of the overall budget. Important budget deadlines are detailed below:

<b>Date</b>	<b>Action</b>	<b>Responsible Parties</b>
<b>May 25, 2010</b>	2010-2011 budget process initiated.	Finance Director
<b>June 15</b>	Town staff completes revenue and expenditure projections through the end of the current fiscal year, Continuation budget and Program Enhancement budget requests and related forms. Submit by email to the Finance Director.	Department Heads
<b>June 29</b>	Compile and Discuss with Town Manager and Department Heads	Finance Director
<b>July 23</b>	Receive certified tax roll from Appraisal Districts.	Chief Appraisers
<b>August 2</b>	Preliminary Budget Workshop – Revenues and recommended budget reviewed by Town Council	Town Manager and Town Council
<b>August 5</b>	Publish effective and rollback tax rates.	Finance Director
<b>August 10</b>	Council receives Town Managers Proposed Budget. Town Manager files Proposed Budget with Town Secretary (at least 30 days prior to tax levy)  Meeting of governing body to discuss tax rate; if proposed tax rate will exceed the rollback rate or the effective tax rate (whichever is lower), take record vote and schedule public hearings.	Town Manager, Town Council, Finance Director and Town Secretary
<b>August 15</b>	Publication of public hearing notices on the proposed budget and increase of tax rate -- if the tax rate exceeds the effective rate (not earlier than the 30 <sup>th</sup> day or later than the 10 <sup>th</sup> day prior to the hearing)	Finance Director
<b>August 20</b>	72 Hour Notice - Publication of public hearing notice on the proposed budget and increase of tax rate -- if the tax rate exceeds the effective rate	Finance Director and Town Secretary
<b>August 24</b>	First public hearing on the proposed budget and increase of tax rate -- if the tax rate exceeds the effective rate	Town Manager and Town Council
<b>August 27</b>	Notice of Vote on Tax Rate Published newspaper and Web site (at least 7 days before meeting)	Finance Director and Town Secretary
<b>September 14</b>	Town Council Meeting to pass Ordinance adopting the 2010-2011 Budget and 2010 Tax Rate to be considered by the Town Council.	Town Manager and Town Council
<b>September 15</b>	Final approved budget to be filed with Town Secretary.	Finance Director and Town Secretary
<b>September 30</b>	Copies of final budget distributed to Town Council and Department Heads AND Tax Assessor/Collector and Appraisal District notified of current year tax rate.	Finance Director
<b>October 1</b>	Taxes are billed by the Tax Assessor/Collector.	Tax Assessor



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# TOWN OF PROSPER

Prosper is a place where everyone matters.

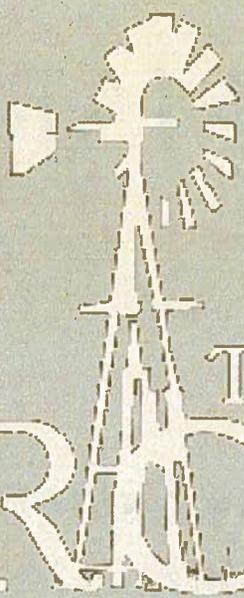


## FUND SUMMARIES

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*Consolidated Town Fund Summaries*  
*Individual Fund Summaries*

*“Honoring Our Past and Paving Our Future”*



TOWN OF  
PROSPER

**FISCAL YEAR 2010-2011 ADOPTED BUDGET**

ANNUAL SUMMARY

FUND	ACCOUNT TYPE	ACTUAL 2008-2009	BUDGETED 2009-2010	PROJECTED 2009-2010	ADOPTED BUDGET 2010-2011
<b>GENERAL</b>	REVENUES	6,156,518	6,535,689	6,720,293	7,115,112
	EXPENDITURES	5,765,954	6,535,689	6,528,744	7,115,112
	<b>NET REVENUES OVER (UNDER) EXPENDITURES</b>	<b>390,564</b>	<b>0</b>	<b>191,549</b>	<b>0</b>
<b>WATER / SEWER</b>	REVENUES	4,827,639	5,560,932	5,431,125	5,580,510
	EXPENDITURES	4,663,927	5,537,562	5,460,292	5,680,190
	<b>NET REVENUES OVER (UNDER) EXPENDITURES</b>	<b>163,712</b>	<b>23,370</b>	<b>(29,167)</b>	<b>(99,680)</b>
<b>DEBT SERVICE (I&amp;S)</b>	REVENUES	2,274,267	2,209,934	2,218,250	2,185,128
	EXPENDITURES	2,067,682	2,081,334	2,486,006	2,000,498
	<b>NET REVENUES OVER (UNDER) EXPENDITURES</b>	<b>206,585</b>	<b>128,600</b>	<b>(267,756)</b>	<b>181,630</b>
<b>CAPITAL PROJECTS</b>	REVENUES	14,413,392	297,000	1,667,504	290,000
	EXPENDITURES	4,688,551	96,885	10,150,131	6,496,885
	<b>NET REVENUES OVER (UNDER) EXPENDITURES</b>	<b>9,724,841</b>	<b>200,115</b>	<b>(8,482,627)</b>	<b>(6,206,885)</b>
<b>PARKS</b>	REVENUES	289,755	228,000	649,215	228,000
	EXPENDITURES	194,216	611,000	802,220	201,000
	<b>NET REVENUES OVER (UNDER) EXPENDITURES</b>	<b>95,539</b>	<b>(383,000)</b>	<b>(153,005)</b>	<b>27,000</b>
<b>IMPACT FEES</b>	REVENUES	656,371	675,000	2,363,000	675,000
	EXPENDITURES	422,499	250,000	703,813	1,300,000
	<b>NET REVENUES OVER (UNDER) EXPENDITURES</b>	<b>233,872</b>	<b>425,000</b>	<b>1,659,187</b>	<b>(625,000)</b>
<b>INTERNAL SERVICE</b>	REVENUES	34,070	71,510	71,635	71,510
	EXPENDITURES	1,961	50,000	50,000	50,000
	<b>NET REVENUES OVER (UNDER) EXPENDITURES</b>	<b>32,109</b>	<b>21,510</b>	<b>21,635</b>	<b>21,510</b>
<b>SPECIAL REVENUE</b>	REVENUES	394,041	61,200	245,739	52,400
	EXPENDITURES	80,442	60,000	78,765	59,200
	<b>NET REVENUES OVER (UNDER) EXPENDITURES</b>	<b>313,599</b>	<b>1,200</b>	<b>166,974</b>	<b>(6,800)</b>
<b>STORM DRAINAGE</b>	REVENUES	-	75,500	153,141	168,700
	EXPENDITURES	-	60,000	69,500	161,400
	<b>NET REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>15,500</b>	<b>83,641</b>	<b>7,300</b>

FUND BALANCE AND RESERVE POSITIONING

FUND	ACCOUNT TYPE	ACTUAL 2008-2009	BUDGETED 2009-2010	PROJECTED 2009-2010	ADOPTED BUDGET 2010-2011
<b>REVENUES</b>	Property Tax	3,060,078	3,227,903	3,372,500	3,880,789
	Sales Tax	1,077,128	1,241,843	1,103,700	1,103,500
	Franchise Tax	428,027	330,100	317,650	327,550
	Licenses, Fees, and Permits	549,536	554,850	641,743	636,575
	Charges for Services	133,306	195,250	172,185	196,505
	Grants	275,469	320,070	337,500	234,183
	Investment Income	92,728	56,000	110,950	50,500
	Fines, Warrants and Seizures	226,678	222,500	210,000	220,000
	Contributions	-	-	-	-
	Miscellaneous	73,087	44,050	66,212	36,110
	<b>TOTAL REVENUES</b>	<b>\$ 5,916,037</b>	<b>\$ 6,192,566</b>	<b>\$ 6,332,440</b>	<b>\$ 6,685,712</b>
<b>EXPENDITURES</b>	General Government	939,080	1,021,286	1,021,330	1,181,322
	Police Department	1,072,158	988,155	937,082	1,075,915
	Dispatch	-	368,989	337,243	475,295
	Court	213,807	233,311	216,104	233,010
	Fire Department	1,897,490	1,806,831	1,921,571	1,987,130
	Fire Marshall	-	110,850	109,371	114,355
	Streets	257,066	338,151	346,879	276,855
	Parks and Recreation	159,729	428,932	345,978	505,935
	Engineering	137,741	137,215	144,427	144,735
	Inspections	469,804	396,577	362,492	410,285
	Code Enforcement	-	132,548	125,045	136,290
	Planning	390,628	311,851	315,076	279,455
	Communications	-	88,680	87,472	78,855
	Capital Outlay	159,656	142,072	228,434	185,435
	<b>TOTAL EXPENDITURES</b>	<b>\$ 5,697,159</b>	<b>\$ 6,505,449</b>	<b>\$ 6,498,504</b>	<b>\$ 7,084,872</b>
	<b>Period Excess / (Deficit)</b>	<b>\$ 218,878</b>	<b>\$ (312,883)</b>	<b>\$ (166,064)</b>	<b>\$ (399,160)</b>
<b>OTHER FINANCING</b>	Capital Leases Proceeds	40,979	-	35,230	35,230
	Transfers (out) for Debt Service	(40,580)	-	-	-
	Transfers In Capital Assets	199,502	343,123	352,623	429,400
	Transfer for Operations	(28,215)	(30,240)	(30,240)	(30,240)
	<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ 171,686</b>	<b>\$ 312,883</b>	<b>\$ 357,613</b>	<b>\$ 434,390</b>
<b>NET CHANGE IN FUND BALANCE</b>		<b>\$ 390,564</b>	<b>\$ 0</b>	<b>\$ 191,549</b>	<b>\$ 35,230</b>
<b>BEGINNING FUND BALANCE</b>		<b>\$ 4,007,042</b>	<b>\$ 4,397,606</b>	<b>\$ 4,397,606</b>	<b>\$ 4,589,155</b>
<b>ENDING FUND BALANCE</b>		<b>\$ 4,397,606</b>	<b>\$ 4,397,606</b>	<b>\$ 4,589,155</b>	<b>\$ 4,624,385</b>
<b>BALANCE OF UNRESTRICTED FUNDS</b>		<b>\$ 4,397,606</b>	<b>\$ 4,397,606</b>	<b>\$ 4,589,155</b>	<b>\$ 4,624,385</b>
Less: 25% Reserve (90 Days)		1,424,290	1,626,362	1,624,626	1,771,218
10% Contingency per Charter (36 Days)		569,716	650,545	649,850	708,487
<b>AMOUNT OVER (UNDER) MINIMUM RESERVE TARGET</b>		<b>\$ 2,403,600</b>	<b>\$ 2,120,699</b>	<b>\$ 2,314,679</b>	<b>\$ 2,144,680</b>
<b>AMOUNT OVER (UNDER) IN DAYS OPERATING COST</b>		<b>152</b>	<b>117</b>	<b>128</b>	<b>109</b>

**NET ASSETS AND RESERVE POSITIONING**

FUND	ACCOUNT TYPE	ACTUAL 2008-2009	BUDGETED 2009-2010	PROJECTED 2009-2010	ADOPTED BUDGET 2010-2011
<b>REVENUES -</b>	<b>Operating</b>				
	Water and Sewer Charges	4,032,768	4,758,682	4,490,500	4,791,410
	Sanitation Charges	497,954	571,000	563,000	580,000
	Water and Sewer Connections	155,563	135,000	242,500	135,000
	Service Initiation Fees	33,970	18,000	32,800	18,000
	Miscellaneous	42,669	16,100	28,325	16,100
	<b>Total Operating</b>	<b>\$ 4,762,924</b>	<b>\$ 5,498,782</b>	<b>\$ 5,357,125</b>	<b>\$ 5,540,510</b>
	<b>Non-Operating</b>				
	Interest Income	64,715	62,150	74,000	40,000
	<b>Total Non-Operating</b>	<b>\$ 64,715</b>	<b>\$ 62,150</b>	<b>\$ 74,000</b>	<b>\$ 40,000</b>
	<b>Transfers In</b>				
	Operating Transfers	-	-	-	-
Transfers in from Other Funds	-	-	-	-	
<b>Total Transfers In</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>TOTAL REVENUES</b>		<b>\$ 4,827,639</b>	<b>\$ 5,560,932</b>	<b>\$ 5,431,125</b>	<b>\$ 5,580,510</b>
<b>EXPENSES -</b>	<b>Operating</b>				
	Personnel Services	588,248	572,920	555,655	575,945
	Materials and Supplies	220,606	507,988	436,523	386,075
	Contractual Services	2,517,599	2,738,910	2,744,620	2,941,980
	Depreciation & Amortization	501,531	-	-	-
	<b>Total Operating</b>	<b>\$ 3,827,984</b>	<b>\$ 3,819,818</b>	<b>\$ 3,736,798</b>	<b>\$ 3,904,000</b>
	<b>Non-Operating</b>				
	Interest Expense & Fiscal Charges	631,716	1,369,896	1,369,896	1,353,465
	<b>Total Non-Operating</b>	<b>\$ 631,716</b>	<b>\$ 1,369,896</b>	<b>\$ 1,369,896</b>	<b>\$ 1,353,465</b>
	<b>TOTAL EXPENSES Before Operating Transfers</b>		<b>\$ 4,459,700</b>	<b>\$ 5,189,714</b>	<b>\$ 5,106,694</b>
<b>Net Income (Loss) Before Operating Transfers</b>		<b>\$ 367,939</b>	<b>\$ 371,218</b>	<b>\$ 324,431</b>	<b>\$ 323,045</b>
<b>TRANSFERS</b>	Transfers in (out) for Debt Service	1,151,170	-	-	-
	Transfers Out for Internal Service	(4,725)	(4,725)	(4,725)	(4,725)
	Transfers Out for General Fund	(199,502)	(343,123)	(348,873)	(418,000)
	Transfers in (out) for Capital Assets	1,760,939	-	-	-
	<b>Total Transfers</b>	<b>\$ 2,707,882</b>	<b>\$ (347,848)</b>	<b>\$ (353,598)</b>	<b>\$ (422,725)</b>
<b>CHANGE IN NET ASSETS</b>		<b>\$ 3,075,821</b>	<b>\$ 23,370</b>	<b>\$ (29,167)</b>	<b>\$ (99,680)</b>
<b>BEGINNING NET ASSETS</b>		<b>\$ 9,700,660</b>	<b>\$ 12,776,481</b>	<b>\$ 12,776,481</b>	<b>\$ 10,980,947</b>
<b>ENDING NET ASSETS</b>		<b>\$ 12,776,481</b>	<b>\$ 10,849,529</b>	<b>\$ 10,980,947</b>	<b>\$ 10,881,267</b>
<b>25% Minimum Operating Reserve (90 Days)</b>		<b>905,939</b>	<b>867,993</b>	<b>845,800</b>	<b>870,319</b>
<b>2% Capital Replacement Reserve</b>		<b>231,902</b>	<b>449,507</b>	<b>449,507</b>	<b>681,409</b>

FUND BALANCE

FUND	ACCOUNT TYPE	ACTUAL 2008-2009	BUDGETED 2009-2010	PROJECTED 2009-2010	ADOPTED BUDGET 2010-2011
<b>REVENUES</b>	Property Tax	2,172,820	2,129,934	2,186,250	2,161,128
	Investment Income	101,447	80,000	32,000	24,000
	<b>TOTAL REVENUES</b>	<b>\$ 2,274,267</b>	<b>\$ 2,209,934</b>	<b>\$ 2,218,250</b>	<b>\$ 2,185,128</b>
<b>EXPENDITURES</b>	Principal	445,800	480,750	480,750	904,400
	Interest	470,712	1,600,584	1,600,584	1,093,098
	<b>TOTAL EXPENDITURES</b>	<b>\$ 916,512</b>	<b>\$ 2,081,334</b>	<b>\$ 2,081,334</b>	<b>\$ 1,997,498</b>
	<i>Period Excess / (Deficit)</i>	<b>\$ 1,357,755</b>	<b>\$ 128,600</b>	<b>\$ 136,916</b>	<b>\$ 187,630</b>
<b>OTHER FINANCING</b>	Administrative Fees	-	-	(2,500)	(3,000)
	Transfers Out for Debt Service	(1,151,170)	-	(402,172)	-
	<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ (1,151,170)</b>	<b>\$ -</b>	<b>\$ (404,672)</b>	<b>\$ (3,000)</b>
<b>NET CHANGE IN FUND BALANCE</b>		<b>\$ 206,585</b>	<b>\$ 128,600</b>	<b>\$ (267,756)</b>	<b>\$ 184,630</b>
<b>BEGINNING FUND BALANCE</b>		<b>\$ 621,869</b>	<b>\$ 828,454</b>	<b>\$ 828,454</b>	<b>\$ 560,698</b>
<b>ENDING FUND BALANCE</b>		<b>\$ 828,454</b>	<b>\$ 957,053</b>	<b>\$ 560,698</b>	<b>\$ 745,327</b>

FUND BALANCE

FUND	ACCOUNT TYPE	ACTUAL 2008-2009	BUDGETED 2009-2010	PROJECTED 2009-2010	ADOPTED BUDGET 2010-2011
<b>REVENUES</b>	Proceeds From Bond Issuance	-	-	-	-
	Miscellaneous	306,343	-	-	-
	Grants	-	235,000	1,138,332	235,000
	Investment Income	207,049	62,000	127,000	55,000
	<b>TOTAL REVENUES</b>	<b>\$ 513,392</b>	<b>\$ 297,000</b>	<b>\$ 1,265,332</b>	<b>\$ 290,000</b>
<b>EXPENDITURES</b>	General Government	64,339	96,885	98,981	96,885
	Capital Outlay	2,783,359	-	10,051,150	6,400,000
	Debt Interest & Fiscal Charges	420,000	-	-	-
	<b>TOTAL EXPENDITURES</b>	<b>\$ 3,267,698</b>	<b>\$ 96,885</b>	<b>\$ 10,150,131</b>	<b>\$ 6,496,885</b>
	<b>Period Excess / (Deficit)</b>	<b>\$ (2,754,306)</b>	<b>\$ 200,115</b>	<b>\$ (8,884,799)</b>	<b>\$ (6,206,885)</b>
<b>OTHER FINANCING</b>	Bonds Issue	13,900,000	-	-	-
	Bond Issuance Cost	-	-	-	-
	Due From Water & Sewer Fund	-	-	-	-
	Transfers In	-	-	402,172	-
	Transfers Out	(1,420,853)	-	-	-
	<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ 12,479,147</b>	<b>\$ -</b>	<b>\$ 402,172</b>	<b>\$ -</b>
<b>NET CHANGE IN FUND BALANCE</b>		<b>\$ 9,724,841</b>	<b>\$ 200,115</b>	<b>\$ (8,482,627)</b>	<b>\$ (6,206,885)</b>
<b>BEGINNING FUND BALANCE</b>		<b>\$ 7,194,938</b>	<b>\$ 16,919,779</b>	<b>\$ 16,919,779</b>	<b>\$ 8,437,152</b>
<b>ENDING FUND BALANCE</b>		<b>\$ 16,919,779</b>	<b>\$ 17,119,894</b>	<b>\$ 8,437,152</b>	<b>\$ 2,230,267</b>

**FUND BALANCE**

<b>FUND</b>	<b>ACCOUNT TYPE</b>	<b>ACTUAL 2008-2009</b>	<b>BUDGETED 2009-2010</b>	<b>PROJECTED 2009-2010</b>	<b>ADOPTED BUDGET 2010-2011</b>
<b>REVENUES</b>	Park Improvement Fees	114,000	100,000	506,400	100,000
	Park Dedication Fees	158,990	120,000	128,015	120,000
	Park Improvement-Interest	6,497	3,000	7,900	3,000
	Park Dedication-Interest	10,268	5,000	6,900	5,000
	<b>TOTAL REVENUES</b>	<b>\$ 289,755</b>	<b>\$ 228,000</b>	<b>\$ 649,215</b>	<b>\$ 228,000</b>
<b>EXPENDITURES</b>	General - Parks Dedication	-	-	-	-
	General - Parks Improvement	194,216	611,000	802,220	201,000
	<b>TOTAL EXPENDITURES</b>	<b>\$ 194,216</b>	<b>\$ 611,000</b>	<b>\$ 802,220</b>	<b>\$ 201,000</b>
	<b>Period Excess / (Deficit)</b>	<b>\$ 95,539</b>	<b>\$ (383,000)</b>	<b>\$ (153,005)</b>	<b>\$ 27,000</b>
<b>NET CHANGE IN FUND BALANCE</b>		<b>\$ 95,539</b>	<b>\$ (383,000)</b>	<b>\$ (153,005)</b>	<b>\$ 27,000</b>
<b>BEGINNING FUND BALANCE</b>		<b>\$ 1,538,081</b>	<b>\$ 1,633,620</b>	<b>\$ 1,633,620</b>	<b>\$ 1,480,615</b>
<b>ENDING FUND BALANCE</b>		<b>\$ 1,633,620</b>	<b>\$ 1,250,620</b>	<b>\$ 1,480,615</b>	<b>\$ 1,507,615</b>

**FUND BALANCE**

<b>FUND</b>	<b>ACCOUNT TYPE</b>	<b>ACTUAL 2008-2009</b>	<b>BUDGETED 2009-2010</b>	<b>PROJECTED 2009-2010</b>	<b>ADOPTED BUDGET 2010-2011</b>
<b>REVENUES</b>	Impact Fees - Water	221,531	200,000	200,000	200,000
	Impact Fees - Sewer	145,051	150,000	220,000	150,000
	Impact Fees - Thoroughfare	252,553	300,000	1,900,000	300,000
	Investment Income	37,236	25,000	43,000	25,000
	<b>TOTAL REVENUES</b>	<b>\$ 656,371</b>	<b>\$ 675,000</b>	<b>\$ 2,363,000</b>	<b>\$ 675,000</b>
<b>EXPENDITURES</b>	General - Water	-	150,000	150,000	-
	General - Sewer	-	100,000	100,000	-
	General - Thoroughfare	42,621	-	54,313	-
	Capital Outlay - Water	-	-	-	-
	Capital Outlay - Sewer	-	-	252,500	300,000
	Capital Outlay - Thoroughfare	39,792	-	147,000	1,000,000
	<b>TOTAL EXPENDITURES</b>	<b>\$ 82,413</b>	<b>\$ 250,000</b>	<b>\$ 703,813</b>	<b>\$ 1,300,000</b>
	<b>Period Excess / (Deficit)</b>	<b>\$ 573,958</b>	<b>\$ 425,000</b>	<b>\$ 1,659,187</b>	<b>\$ (625,000)</b>
<b>OTHER FINANCING</b>	Transfers In	-	-	-	-
	Transfers Out	(340,086)	-	-	-
	<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ (340,086)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>NET CHANGE IN FUND BALANCE</b>		<b>\$ 233,872</b>	<b>\$ 425,000</b>	<b>\$ 1,659,187</b>	<b>\$ (625,000)</b>
<b>BEGINNING FUND BALANCE</b>		<b>\$ 3,962,656</b>	<b>\$ 4,196,528</b>	<b>\$ 4,196,528</b>	<b>\$ 5,855,715</b>
<b>ENDING FUND BALANCE</b>		<b>\$ 4,196,528</b>	<b>\$ 4,621,528</b>	<b>\$ 5,855,715</b>	<b>\$ 5,230,715</b>

FUND BALANCE

FUND	ACCOUNT TYPE	ACTUAL 2008-2009	BUDGETED 2009-2010	PROJECTED 2009-2010	ADOPTED BUDGET 2010-2011
<b>REVENUES</b>	Transfers In	33,480	71,010	71,010	71,010
	Investment Income	590	500	625	500
	<b>TOTAL REVENUES</b>	<b>\$ 34,070</b>	<b>\$ 71,510</b>	<b>\$ 71,635</b>	<b>\$ 71,510</b>
<b>EXPENDITURES</b>	Operating Expenses	1,961	50,000	50,000	50,000
	Transfers Out	-	-	-	-
	<b>TOTAL EXPENDITURES</b>	<b>\$ 1,961</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>
	<b>Period Excess / (Deficit)</b>	<b>\$ 32,109</b>	<b>\$ 21,510</b>	<b>\$ 21,635</b>	<b>\$ 21,510</b>
<b>NET CHANGE IN FUND BALANCE</b>		<b>\$ 32,109</b>	<b>\$ 21,510</b>	<b>\$ 21,635</b>	<b>\$ 21,510</b>
<b>BEGINNING FUND BALANCE</b>		<b>\$ -</b>	<b>\$ 32,109</b>	<b>\$ 32,109</b>	<b>\$ 53,744</b>
<b>ENDING FUND BALANCE</b>		<b>\$ 32,109</b>	<b>\$ 53,619</b>	<b>\$ 53,744</b>	<b>\$ 75,254</b>

FUND BALANCE

FUND	ACCOUNT TYPE	ACTUAL 2008-2009	BUDGETED 2009-2010	PROJECTED 2009-2010	ADOPTED BUDGET 2010-2011
<b>REVENUES</b>	Police Donations	15,396	15,000	16,600	16,000
	Fire Donations	14,036	12,000	12,000	12,000
	Health & Safety Fair Donations	-	2,000	-	2,000
	Child Safety Donations	3,523	3,000	3,000	3,000
	Court Security Revenue	3,585	2,900	2,900	2,900
	Court Technology Revenue	4,734	3,800	3,800	4,000
	Escrow Income	321,217	-	197,885	-
	Country Christmas Revenues	29,549	20,000	6,000	10,000
	Cash Seizures	-	500	-	500
	Grants	2,000	2,000	3,554	2,000
	<b>TOTAL REVENUES</b>	<b>\$ 394,041</b>	<b>\$ 61,200</b>	<b>\$ 245,739</b>	<b>\$ 52,400</b>
<b>EXPENDITURES</b>	General Government	80,442	60,000	78,765	59,200
	<b>TOTAL EXPENDITURES</b>	<b>\$ 80,442</b>	<b>\$ 60,000</b>	<b>\$ 78,765</b>	<b>\$ 59,200</b>
	<i>Period Excess / (Deficit)</i>	<b>\$ 313,599</b>	<b>\$ 1,200</b>	<b>\$ 166,974</b>	<b>\$ (6,800)</b>
<b>NET CHANGE IN FUND BALANCE</b>		<b>\$ 313,599</b>	<b>\$ 1,200</b>	<b>\$ 166,974</b>	<b>\$ (6,800)</b>
<b>BEGINNING FUND BALANCE</b>		<b>\$ 1,431,321</b>	<b>\$ 1,744,920</b>	<b>\$ 1,744,920</b>	<b>\$ 1,911,894</b>
<b>ENDING FUND BALANCE</b>		<b>\$ 1,744,920</b>	<b>\$ 1,746,120</b>	<b>\$ 1,911,894</b>	<b>\$ 1,905,094</b>



## Storm Drainage Utility Fund Summary

### FUND BALANCE

FUND	ACCOUNT TYPE	ACTUAL 2008-2009	BUDGETED 2009-2010	PROJECTED 2009-2010	ADOPTED BUDGET 2010-2011
<b>REVENUES</b>	Storm Drainage Fees	-	75,000	152,000	168,000
	Investment Income		500	500	200
	Other Revenue			641	500
	<b>TOTAL REVENUES</b>	<b>\$ -</b>	<b>\$ 75,500</b>	<b>\$ 153,141</b>	<b>\$ 168,700</b>
<b>EXPENDITURES</b>	Operating Expenses		0	9,500	11,400
	Transfers Out	-	60,000	60,000	150,000
	<b>TOTAL EXPENDITURES</b>	<b>\$ -</b>	<b>\$ 60,000</b>	<b>\$ 69,500</b>	<b>\$ 161,400</b>
	<i>Period Excess / (Deficit)</i>	<b>\$ -</b>	<b>\$ 15,500</b>	<b>\$ 83,641</b>	<b>\$ 7,300</b>
<b>NET CHANGE IN FUND BALANCE</b>		<b>\$ -</b>	<b>\$ 15,500</b>	<b>\$ 83,641</b>	<b>\$ 7,300</b>
<b>BEGINNING FUND BALANCE</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 83,641</b>
<b>ENDING FUND BALANCE</b>		<b>\$ -</b>	<b>\$ 15,500</b>	<b>\$ 83,641</b>	<b>\$ 90,941</b>



Economic Development Corporation Fund Summary

FUND BALANCE

FUND	ACCOUNT TYPE	ACTUAL 2008-2009	BUDGETED 2009-2010	PROJECTED 2009-2010	ADOPTED BUDGET 2010-2011
<b>REVENUES</b>	Sales Tax	357,564	346,000	366,667	366,667
	Investment Income	19,622	24,000	31,000	20,000
	Other Income	50	0	58,062	0
	<b>TOTAL REVENUES</b>	<b>\$ 377,235</b>	<b>\$ 370,000</b>	<b>\$ 455,729</b>	<b>\$ 386,667</b>
<b>EXPENDITURES</b>	General Expenses	231,165	324,790	303,939	157,755
	<b>TOTAL EXPENDITURES</b>	<b>\$ 231,165</b>	<b>\$ 324,790</b>	<b>\$ 303,939</b>	<b>\$ 157,755</b>
	<i>Period Excess / (Deficit)</i>	<b>\$ 146,070</b>	<b>\$ 45,210</b>	<b>\$ 151,790</b>	<b>\$ 228,912</b>
<b>NET CHANGE IN FUND BALANCE</b>		<b>\$ 146,070</b>	<b>\$ 45,210</b>	<b>\$ 151,790</b>	<b>\$ 228,912</b>
<b>BEGINNING FUND BALANCE</b>		<b>\$ 1,167,412</b>	<b>\$ 1,313,482</b>	<b>\$ 1,313,482</b>	<b>\$ 1,465,272</b>
<b>ENDING FUND BALANCE</b>		<b>\$ 1,313,482</b>	<b>\$ 1,358,692</b>	<b>\$ 1,465,272</b>	<b>\$ 1,694,184</b>



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# TOWN OF PROSPER

Prosper is a place where everyone matters.



## REVENUE PROJECTIONS

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*General Fund Projected Revenue Sources  
Property Valuations & Ad Valorem Taxes*

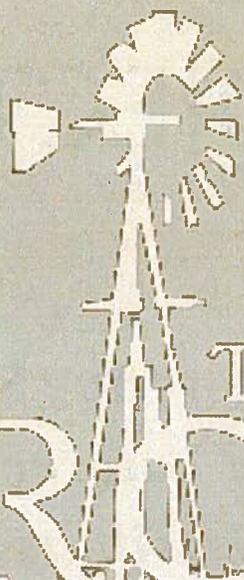
*Property Tax Rate Distribution*

*Sales Tax*

*Water & Sewer Fund Revenue Outlook*

*Other Town Funds Estimated Revenues*

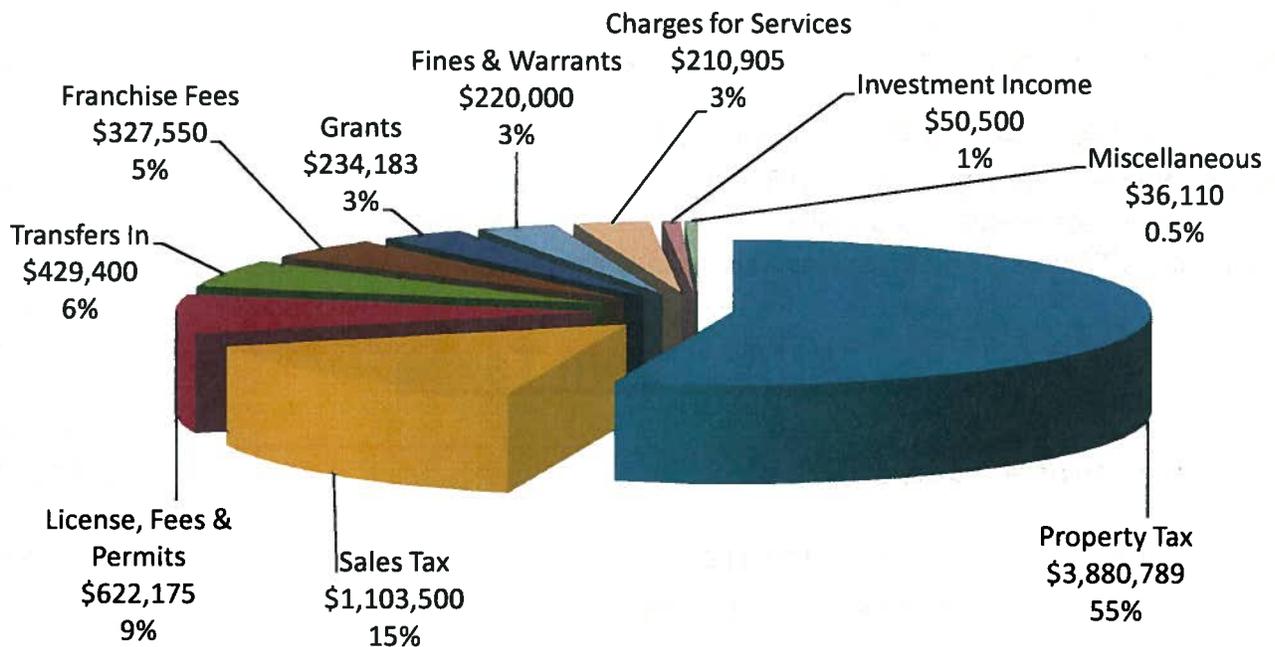
*“Honoring Our Past and Paving Our Future”*

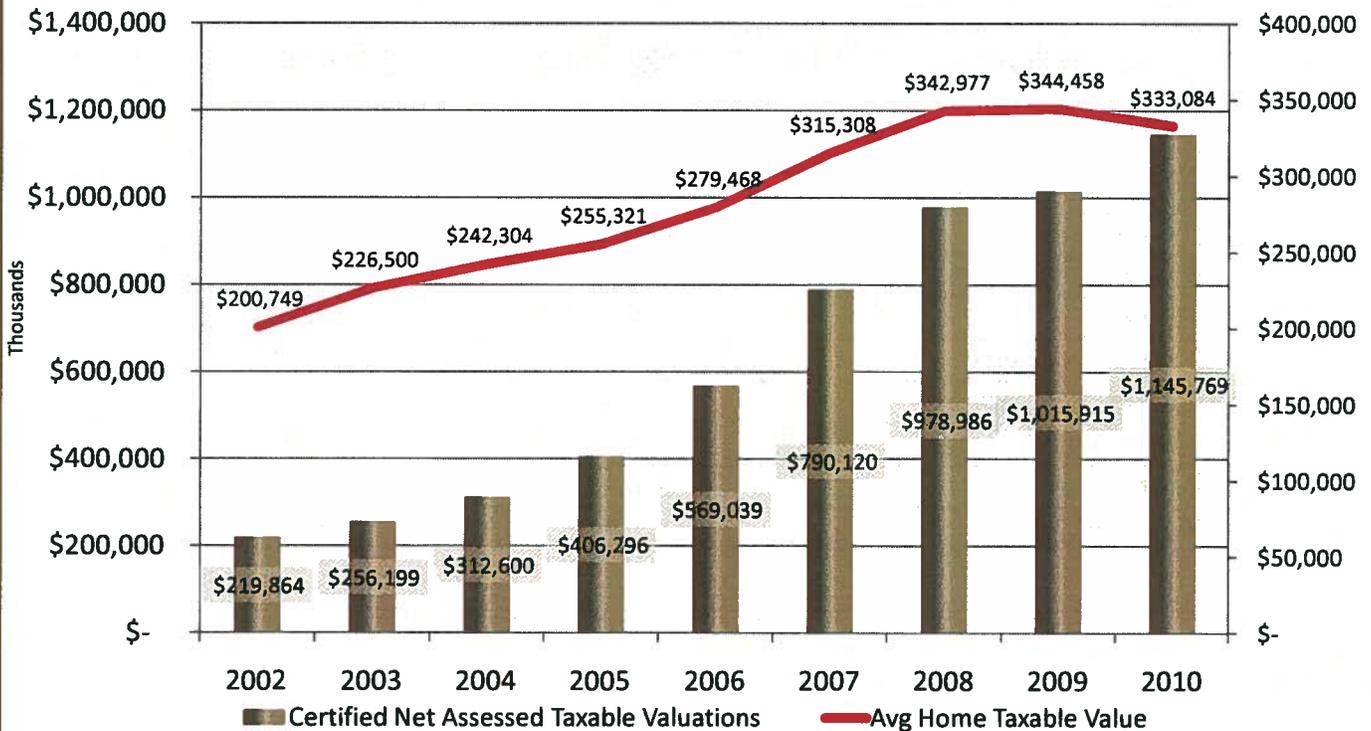
A stylized white windmill logo is positioned above the word "PROSPER". The windmill has a circular head with several blades and a long, thin tower. The tower is partially obscured by the letters of "PROSPER".

TOWN OF  
PROSPER

**FISCAL YEAR 2010-2011 ADOPTED BUDGET**

<b>Revenue Category</b>	<b>FY 2011 Adopted</b>	<b>% of Total</b>
Property Tax	\$3,880,789	54.5%
Sales Tax	\$1,103,500	15.5%
License, Fees & Permits	\$622,175	8.7%
Transfers In	\$429,400	6.0%
Franchise Fees	\$327,550	4.6%
Grants	\$234,183	3.3%
Fines & Warrants	\$220,000	3.1%
Charges for Services	\$210,905	3.0%
Investment Income	\$50,500	0.7%
Miscellaneous	\$36,110	0.5%
<b>Revenue Total</b>	<b>\$7,115,112</b>	<b>100.0%</b>





Source: Collin County Certified Tax Rolls 2002-2010

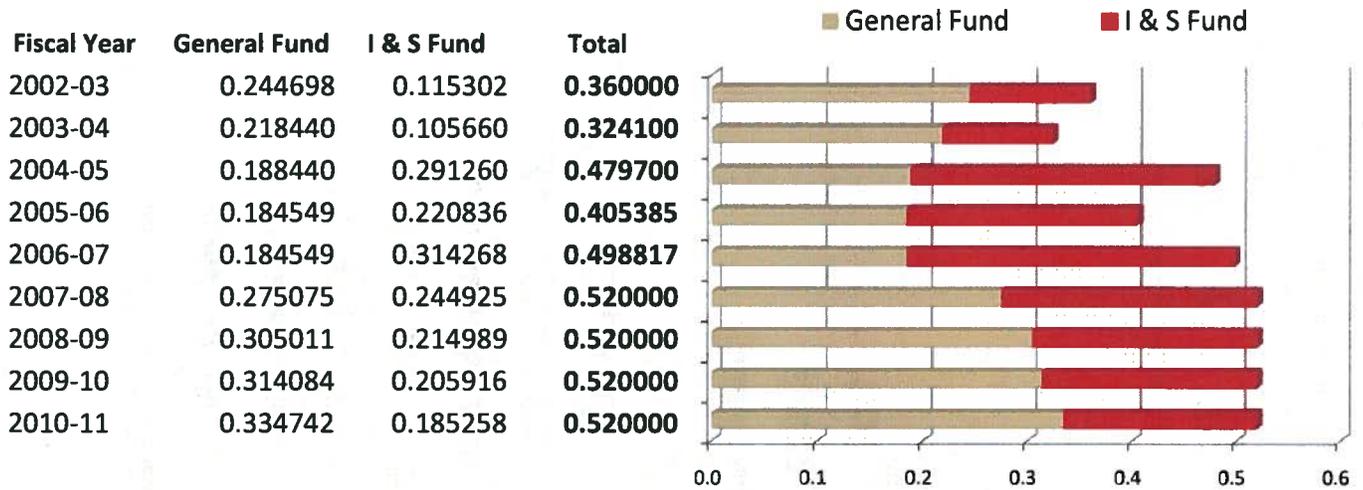
Certified Net Assessed Taxable Increased 3.99%  
Existing Property Values Increased 0.35% Overall,  
New Construction Totaled \$ 45 Million  
Annexations Totaled \$ 56 Million and were all in Collin County for this tax year

## Ad Valorem Taxes

Total Freeze Adjusted Taxable Value		\$1,078,743,903
<i>Times</i>	Tax Rate (Per \$100)	0.52
<i>Times</i>	Anticipated Tax Collections	100%
<i>Plus</i>	Actual Tax on Freeze	\$322,449.00

<b>TOTAL TAX LEVY</b>	<b>\$5,931,917</b>
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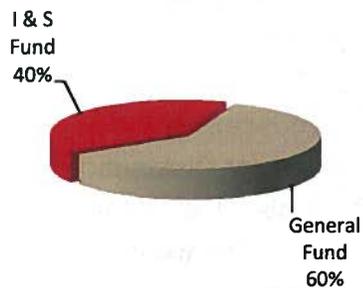
One Penny on the Tax Rate	\$107,874
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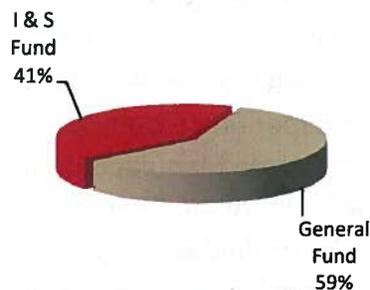
**Tax Rate Distribution  
FY 2010-2011**



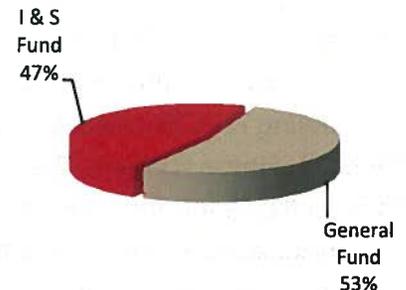
**FY 2009-2010**

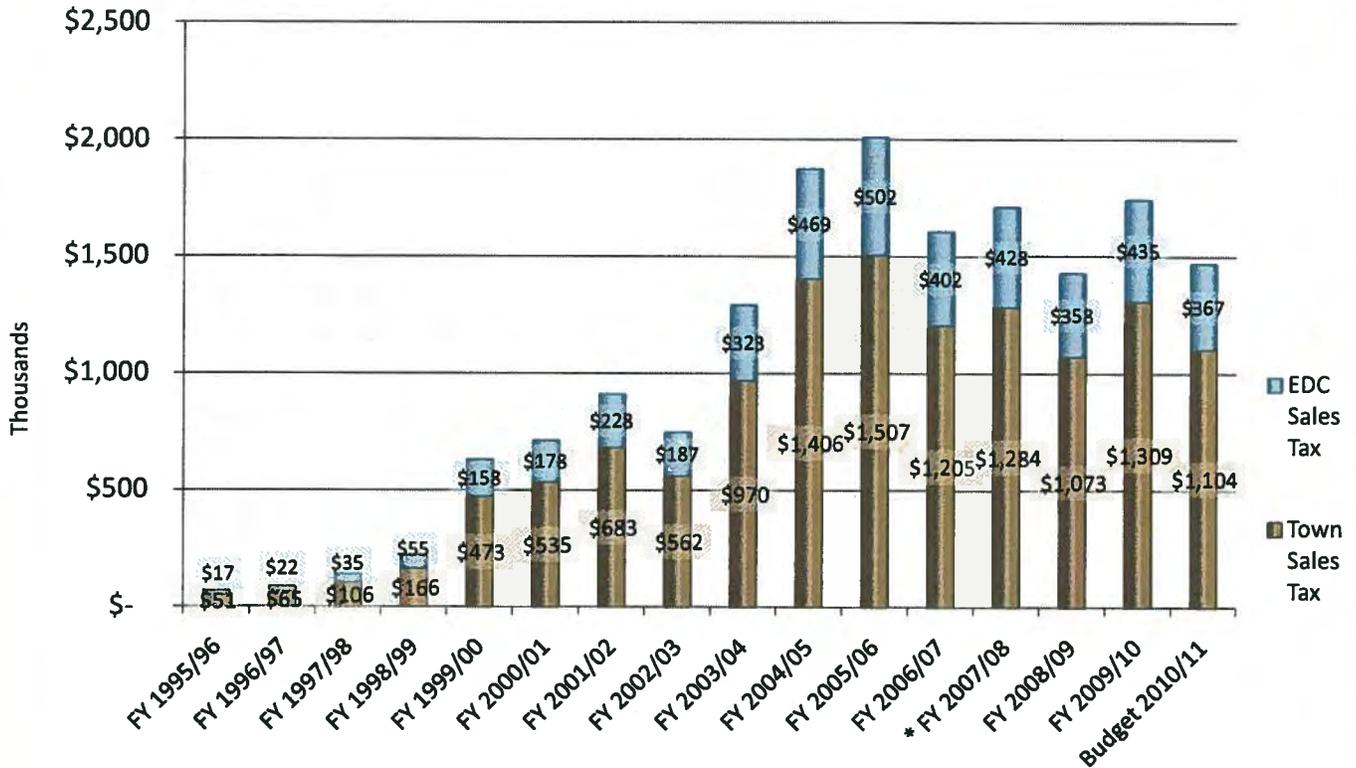


**FY 2008-2009**



**FY 2007-2008**





Source: The Texas State Comptrollers Website

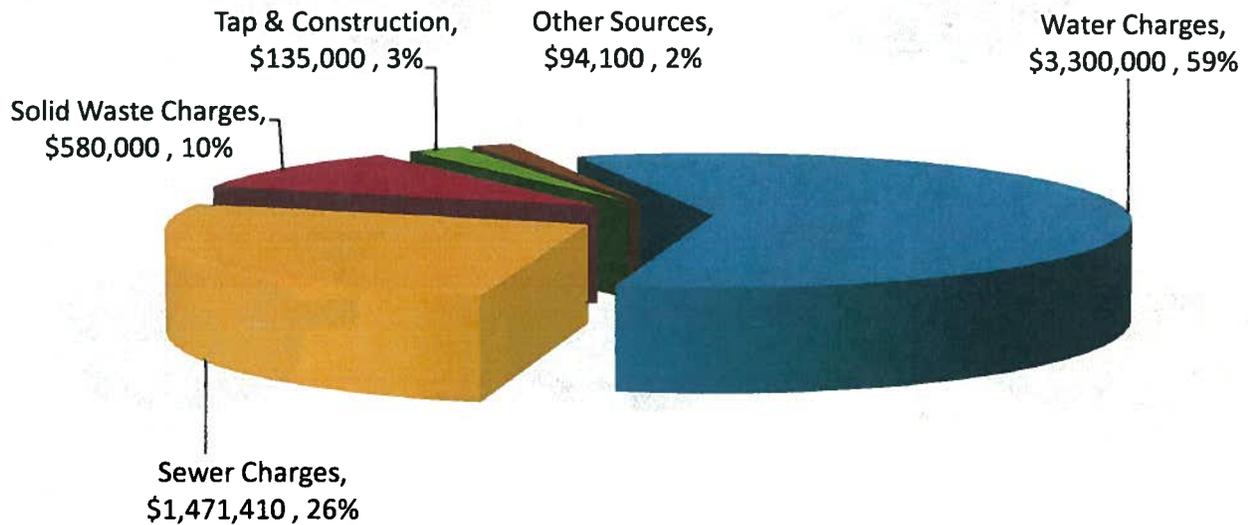
Notes: The Town Sales Tax Includes \$0.005 for Property Tax Relief

- \* Prosper received a significant one-time, multi-year audit payment from the State skewing the FY 2008 total. If removed receipts would have totaled \$1.056 Million for the Town and \$352 Thousand for the EDC.

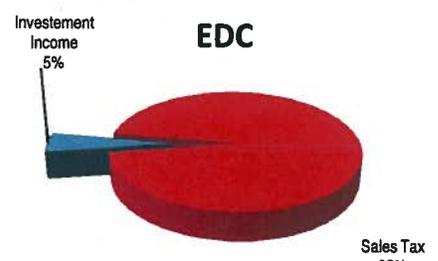
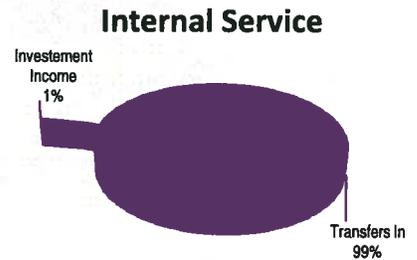
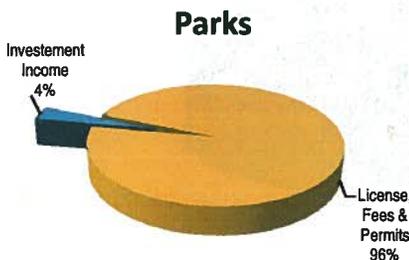
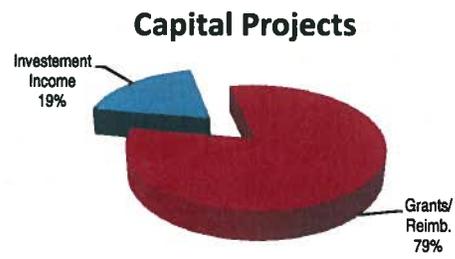
Sales taxes contribute approximately 15.5% of General Fund revenues and are the second largest source of revenue for the General Fund Budget . The Town examines the market conditions in Prosper and the Metroplex in budgeting sales tax conservatively year to year.

Town Sales tax revenues are primarily generated within four areas of business. The business types are categorized according to the North American Industry Classification System ("NAICS"). The Town receives some revenues, even though many are small denominations, from over three hundred NAICS codes or business types. The top four contributing NAICS classifications in Prosper (in no particular order) are Landscaping Services, Home Centers, Ready-Mix Concrete Manufacturing and Electric Power Distribution. Sales in these top four account for over 50% of the Town's Sales Tax Receipts. Two of the four are directly and another one is indirectly tied to the construction industry. This will be closely monitored in FY 2011 since the construction industry often lags the market.

<b>Revenue Category</b>	<b>FY 2011 Adopted</b>	<b>% of Total</b>
Water Charges	\$3,300,000	59.1%
Sewer Charges	\$1,471,410	26.4%
Solid Waste Charges	\$580,000	10.4%
Tap & Construction	\$135,000	2.4%
Investment Income	\$40,000	0.7%
Penalties	\$20,000	0.4%
License, Fees & Permits	\$19,100	0.3%
Miscellaneous	\$15,000	0.3%
<b>Revenue Total</b>	<b>\$5,580,510</b>	<b>100.0%</b>



Revenue Category	Debt Service	Capital Projects	Parks	Impact Fees	Internal Service	Special Revenue	Storm Drainage	EDC
Property Tax	2,161,128	-	-	-	-	-	-	-
Sales Tax	-	-	-	-	-	-	-	366,667
Investment Income	24,000	55,000	8,000	25,000	500	-	200	20,000
License, Fees & Permits	-	-	220,000	-	-	6,900	168,500	-
Impact Fees	-	-	-	650,000	-	-	-	-
Contributions	-	-	-	-	-	43,500	-	-
Escrow Income	-	-	-	-	-	-	-	-
Grants/ Reimbursements	-	235,000	-	-	-	2,000	-	-
Transfers In	-	-	-	-	71,010	-	-	-
<b>Fund Total Revenues</b>	<b>2,185,128</b>	<b>290,000</b>	<b>228,000</b>	<b>675,000</b>	<b>71,510</b>	<b>52,400</b>	<b>168,700</b>	<b>386,667</b>





# TOWN OF PROSPER

Prosper is a place where everyone matters.



## APPROPRIATIONS

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*General Fund Total Appropriations*

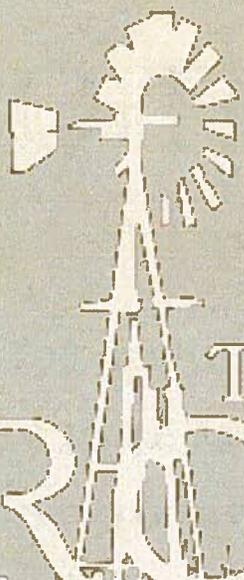
*General Fund Departmental Appropriations*

*Water & Sewer Fund Appropriations*

*Water & Sewer Fund Departmental Appropriations*

*EDC Fund Departmental Appropriations*

*“Honoring Our Past and Paving Our Future”*

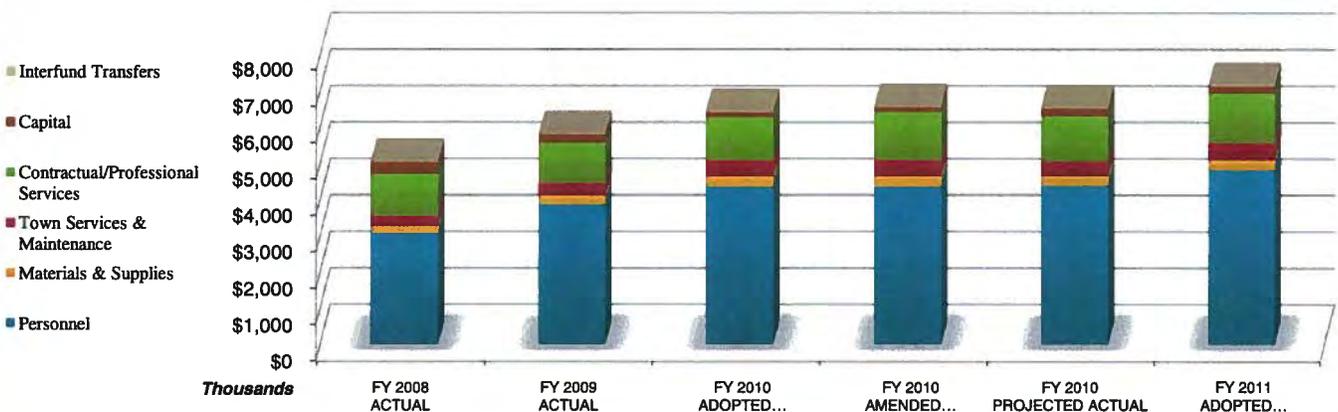
A stylized white windmill logo is positioned behind the text. It features a central vertical post with a horizontal crossbar, a smaller crossbar below it, and a circular fan-like structure at the top with multiple blades.

TOWN OF  
PROSPER

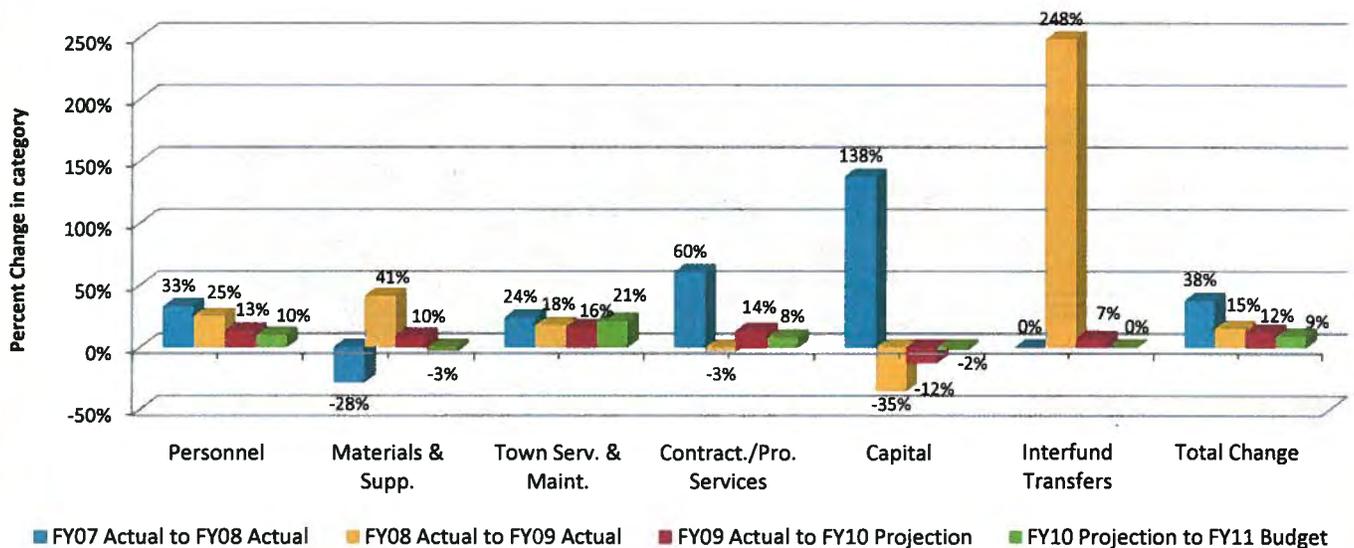
**FISCAL YEAR 2010-2011 ADOPTED BUDGET**

**APPROPRIATIONS**

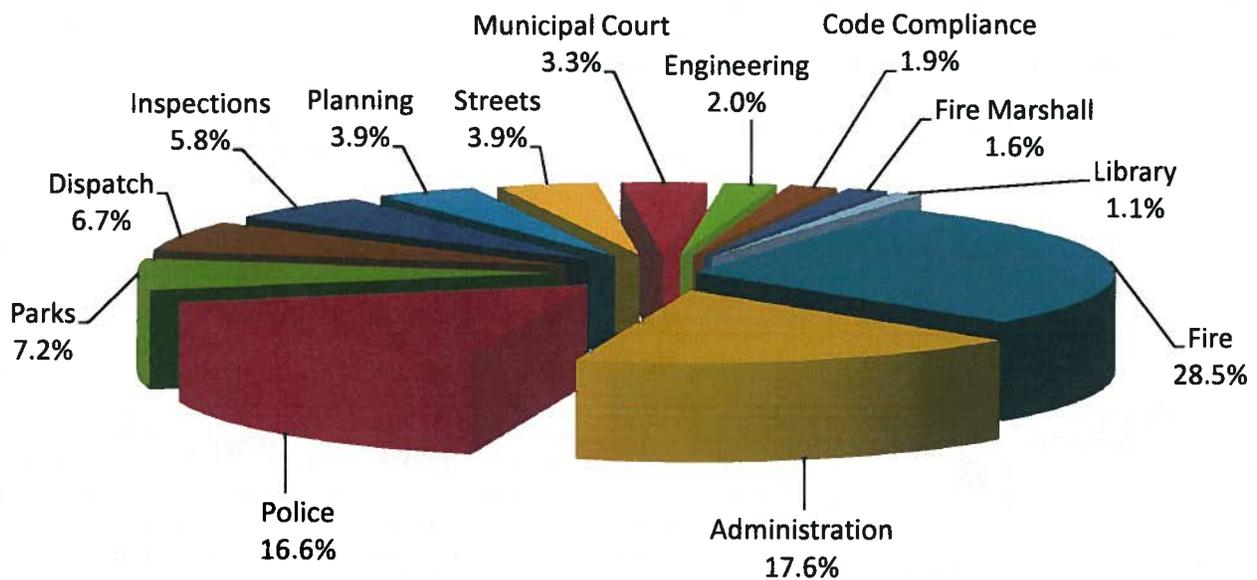
CATEGORY	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ADOPTED BUDGET	FY 2010 AMENDED BUDGET	FY 2010 PROJECTED ACTUAL	FY 2011 ADOPTED BUDGET
Personnel	3,058,723	3,837,315	4,321,324	4,324,157	4,353,193	4,791,400
Materials & Supplies	181,243	256,293	297,010	304,351	280,795	272,210
Town Services & Maintenance	282,246	332,607	419,475	420,092	386,083	468,697
Contractual/Professional Services	1,153,726	1,114,441	1,214,257	1,339,777	1,265,333	1,367,130
Capital	331,346	215,301	115,040	117,072	189,009	185,435
Interfund Transfers	8,100	28,215	30,240	30,240	30,240	30,240
<b>TOTAL</b>	<b>\$ 5,015,384</b>	<b>\$ 5,784,172</b>	<b>\$ 6,397,346</b>	<b>\$ 6,535,689</b>	<b>\$ 6,504,653</b>	<b>\$ 7,115,112</b>



**INCREASE (DECREASE) IN EACH CATEGORY OVER TIME**

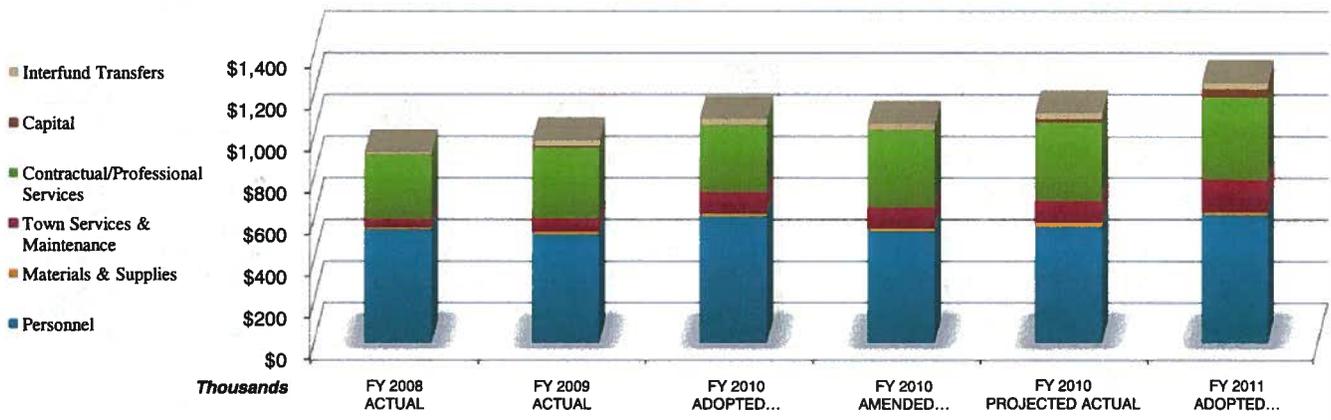


<b>Department</b>	<b>FY 2011 Adopted</b>	<b>% of Total</b>
Administration	\$1,248,762	17.6%
Police	\$1,179,150	16.6%
Dispatch	\$475,295	6.7%
Fire	\$2,029,130	28.5%
Fire Marshall	\$114,355	1.6%
Streets	\$276,855	3.9%
Library	\$78,855	1.1%
Parks	\$508,935	7.2%
Municipal Court	\$233,010	3.3%
Inspections	\$410,285	5.8%
Code Compliance	\$136,290	1.9%
Planning	\$279,455	3.9%
Engineering	\$144,735	2.0%
<b>Revenue Total</b>	<b>\$7,115,112</b>	<b>100.0%</b>



**APPROPRIATIONS**

CATEGORY	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ADOPTED BUDGET	FY 2010 AMENDED BUDGET	FY 2010 PROJECTED ACTUAL	FY 2011 ADOPTED BUDGET
Personnel	546,041	521,108	606,618	534,418	557,543	615,265
Materials & Supplies	10,453	12,989	16,370	16,370	17,782	12,770
Town Services & Maintenance	38,071	62,522	100,185	100,185	106,931	156,237
Contractual/Professional Services	309,071	342,679	319,720	370,313	378,426	397,050
Capital	2,112	5,861	2,000	2,000	12,802	37,200
Interfund Transfers	8,100	28,215	30,240	30,240	30,240	30,240
<b>TOTAL</b>	<b>\$ 913,848</b>	<b>\$ 973,374</b>	<b>\$ 1,075,133</b>	<b>\$ 1,053,526</b>	<b>\$ 1,103,724</b>	<b>\$ 1,248,762</b>



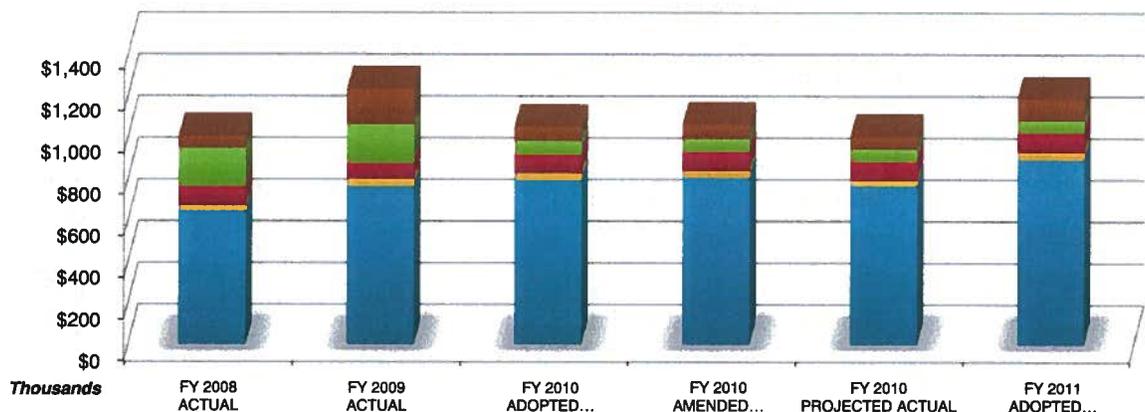
**PERSONNEL**

POSITION TITLE	FY 2009 ADOPTED	FY 2010 ADOPTED	ADDED OR REMOVED IN FY 2010	DEPARTMENT REQUEST TO ADD/REMOVE	FY 2011 PROPOSED	FY 2011 ADOPTED
<i>FULL TIME POSITIONS (FTE)</i>						
Assistant to the Town Manager	1	1			1	1
Comptroller	1	1			1	1
Finance Director	1	1			1	1
Receptionist/Utility Billing Clerk *	0.25	0.25			0.25	0.25
Town Manager	1	1			1	1
Town Secretary	1	1			1	1
<i>PART TIME POSITIONS</i>						
Finance Clerk	0	0	1		1	1
<b>TOTAL</b>	<b>5.25</b>	<b>5.25</b>	<b>1.00</b>	<b>0.00</b>	<b>6.25</b>	<b>6.25</b>

\* Position serves both Administration and Utility Billing functions in Town Hall Front Office - Funded 75% in Utilities

**APPROPRIATIONS**

CATEGORY	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ADOPTED BUDGET	FY 2010 AMENDED BUDGET	FY 2010 PROJECTED ACTUAL	FY 2011 ADOPTED BUDGET
Personnel	641,884	757,185	787,275	800,875	762,051	887,475
Materials & Supplies	24,007	37,852	34,700	34,700	24,455	37,690
Town Services & Maintenance	89,175	73,523	89,300	89,300	91,280	92,150
Contractual/Professional Services	187,714	188,533	65,190	63,280	62,643	58,600
Capital	55,596	167,219	66,190	66,190	55,443	103,235
<b>TOTAL</b>	<b>\$ 998,376</b>	<b>\$ 1,224,312</b>	<b>\$ 1,042,655</b>	<b>\$ 1,054,345</b>	<b>\$ 995,871</b>	<b>\$ 1,179,150</b>



**PERSONNEL**

POSITION TITLE	FY 2009 ADOPTED	FY 2010 ADOPTED	ADDED OR REMOVED IN FY 2010	DEPARTMENT REQUEST TO ADD/REMOVE	FY 2011 PROPOSED	FY 2011 ADOPTED
<i>FULL TIME POSITIONS (FTE)</i>						
Assistant Chief *			1		1	1
Captain	1	1	-1			
Chief	1	1			1	1
Dispatch Supervisor **	1					
Executive Assistant ***	1					
Police Officer ****	7	6		1	7	7
Sergeant	1	2			2	2
<b>TOTAL</b>	<b>12</b>	<b>10</b>	<b>0</b>	<b>1</b>	<b>11</b>	<b>11</b>

\* Position reclassified to reflect additional duties being performed beyond Captain responsibilities

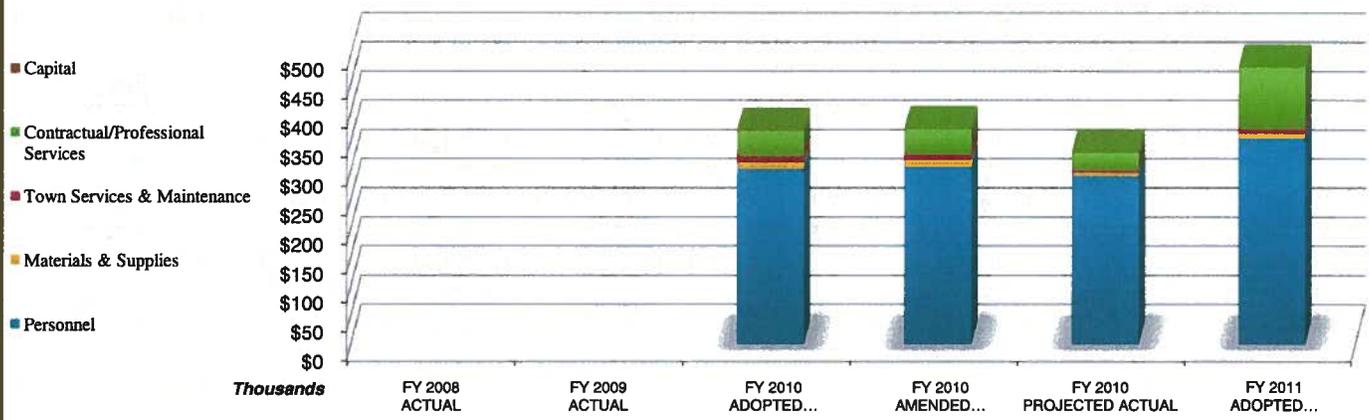
\*\* Position added to facilitate transition into dispatch operations and transferred to Dispatch Dept (25) once created

\*\*\* Position left vacant anticipating additional staffing required with Dispatch

\*\*\*\* One position reclassified from Police Officer to Sergeant in FY10

**APPROPRIATIONS**

CATEGORY	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ADOPTED BUDGET	FY 2010 AMENDED BUDGET	FY 2010 PROJECTED ACTUAL	FY 2011 ADOPTED BUDGET
Personnel			301,185	304,185	288,938	353,670
Materials & Supplies			11,450	11,450	5,645	6,400
Town Services & Maintenance			9,500	9,500	3,186	8,700
Contractual/Professional Services			44,000	43,854	30,932	106,525
Capital						
<b>TOTAL \$</b>	<b>- \$</b>	<b>- \$</b>	<b>366,135 \$</b>	<b>368,989 \$</b>	<b>328,702 \$</b>	<b>475,295 \$</b>



**PERSONNEL**

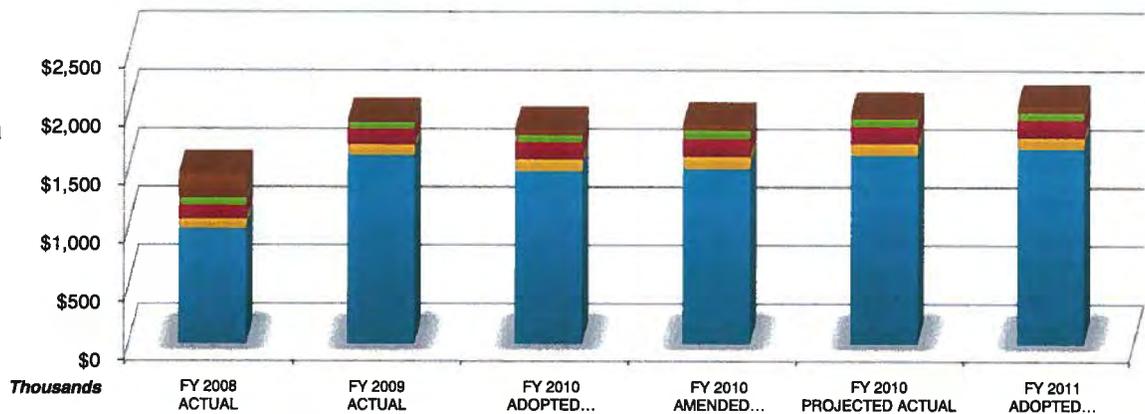
POSITION TITLE	FY 2009 ADOPTED	FY 2010 ADOPTED	ADDED OR REMOVED IN FY 2010	DEPARTMENT REQUEST TO ADD/REMOVE	FY 2011 PROPOSED	FY 2011 ADOPTED
<i>FULL TIME POSITIONS (FTE)</i>						
Dispatch Supervisor *		1				1
Dispatcher		5		1	6	6
<b>TOTAL</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>1</b>	<b>6</b>	<b>7</b>

\* Position transferred from Police Dept (20) when Dispatch Department Created

**APPROPRIATIONS**

CATEGORY	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ADOPTED BUDGET *	FY 2010 AMENDED BUDGET	FY 2010 PROJECTED ACTUAL	FY 2011 ADOPTED BUDGET
Personnel	987,216	1,616,562	1,476,179	1,500,929	1,619,227	1,675,930
Materials & Supplies	78,970	90,167	103,200	106,200	100,403	96,700
Town Services & Maintenance	114,148	131,160	145,845	145,845	137,769	144,000
Contractual/Professional Services	68,015	59,600	64,800	78,857	73,278	70,500
Capital	206,462	8,323	42,850	42,850	29,692	42,000
<b>TOTAL</b>	<b>\$ 1,454,811</b>	<b>\$ 1,905,812</b>	<b>\$ 1,832,874</b>	<b>\$ 1,874,681</b>	<b>\$ 1,960,369</b>	<b>\$ 2,029,130</b>

\* This department previously included Fire Marshal, which has been budgeted separately beginning FY 2010.



**PERSONNEL**

POSITION TITLE	FY 2009 ADOPTED	FY 2010 ADOPTED	ADDED OR REMOVED IN FY 2010	DEPARTMENT REQUEST TO ADD/REMOVE	FY 2011 PROPOSED	FY 2011 ADOPTED
<i>FULL TIME POSITIONS (FTE)</i>						
Assistant Chief			1		1	1
Captain	3	3	-1		2	2
Firefighter/Paramedic	15	15			15	15
Fire Marshal *	1					
<i>PART TIME POSITIONS</i>						
Chief	1	1			1	1
<b>TOTAL</b>	<b>20</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>19</b>	<b>19</b>

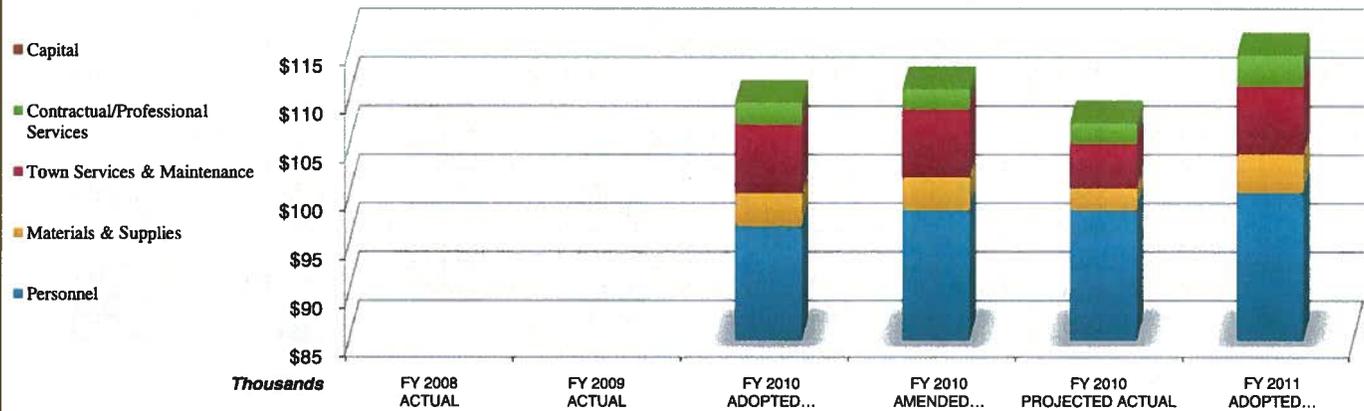
\* Position reclassified to reflect additional duties being performed beyond Captain responsibilities

\*\* Position transferred to newly created Fire Marshal Dept (35)

**APPROPRIATIONS**

CATEGORY	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ADOPTED BUDGET	FY 2010 AMENDED BUDGET	FY 2010 PROJECTED ACTUAL	FY 2011 ADOPTED BUDGET
Personnel			96,740	98,340	98,359	100,245
Materials & Supplies			3,460	3,460	2,334	3,960
Town Services & Maintenance			6,950	6,950	4,487	6,950
Contractual/Professional Services			2,300	2,100	2,159	3,200
Capital						
<b>TOTAL \$</b>	<b>- \$</b>	<b>- \$</b>	<b>109,450 \$</b>	<b>110,850 \$</b>	<b>107,338 \$</b>	<b>114,355 \$</b>

\* This department along with its budget and expenditures were in the Fire Department prior to FY 2010.



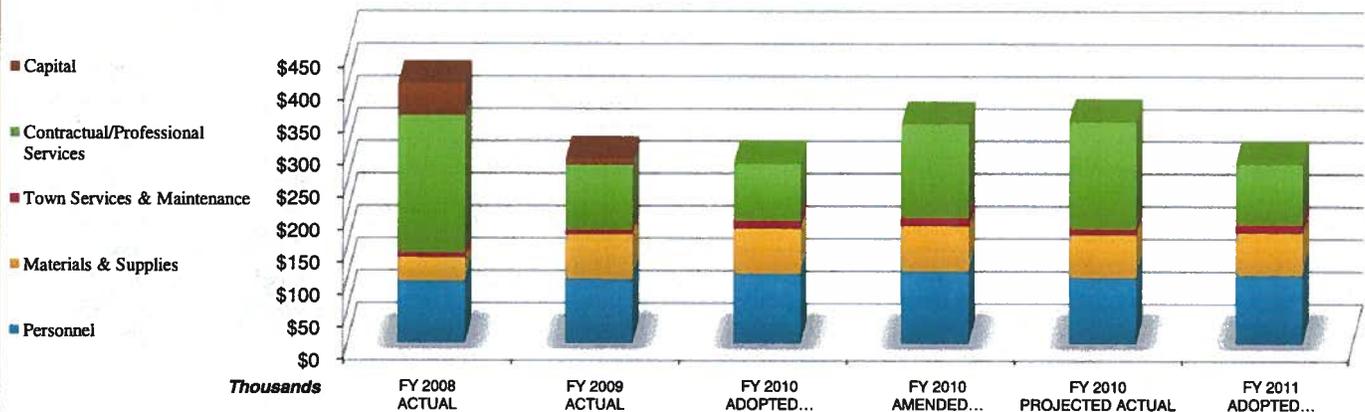
**PERSONNEL**

POSITION TITLE	FY 2009 ADOPTED	FY 2010 ADOPTED	ADDED OR REMOVED IN FY 2010	DEPARTMENT REQUEST TO ADD/REMOVE	FY 2011 PROPOSED	FY 2011 ADOPTED
<i>FULL TIME POSITIONS (FTE)</i>						
Fire Marshal *		1			1	1
<b>TOTAL</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>

\* Position transferred from Fire Dept (30) when Fire Marshal Department Created

**APPROPRIATIONS**

CATEGORY	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ADOPTED BUDGET	FY 2010 AMENDED BUDGET	FY 2010 PROJECTED ACTUAL	FY 2011 ADOPTED BUDGET
Personnel	96,210	98,940	107,650	111,250	101,901	106,065
Materials & Supplies	35,839	69,405	69,980	69,980	67,038	65,190
Town Services & Maintenance	7,514	6,105	11,740	11,740	7,923	12,200
Contractual/Professional Services	212,278	100,617	87,160	145,181	165,296	93,400
Capital	48,268	8,106				
<b>TOTAL</b>	<b>\$ 400,109</b>	<b>\$ 283,173</b>	<b>\$ 276,530</b>	<b>\$ 338,151</b>	<b>\$ 342,158</b>	<b>\$ 276,855</b>



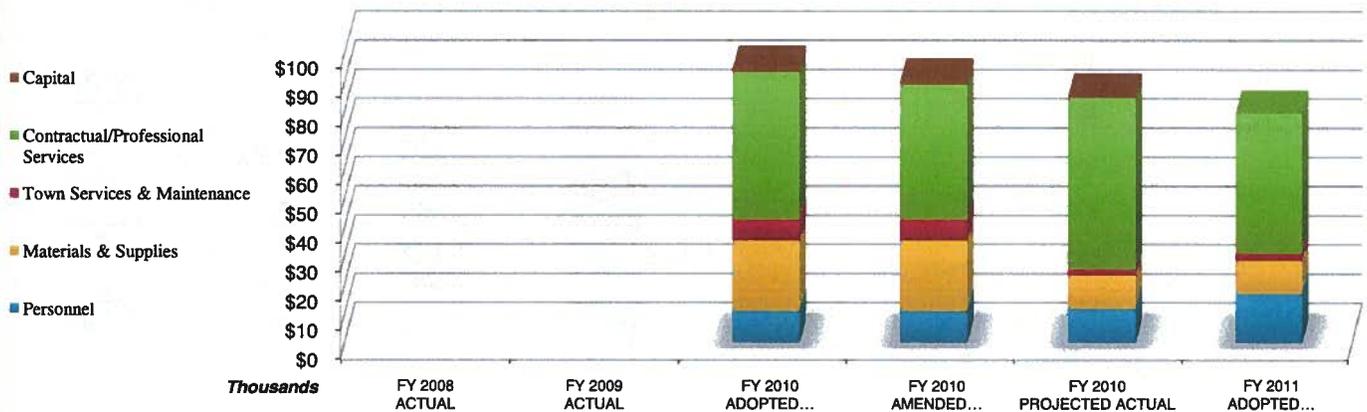
**PERSONNEL**

POSITION TITLE	FY 2009 ADOPTED	FY 2010 ADOPTED	ADDED OR REMOVED IN FY 2010	DEPARTMENT REQUEST TO ADD/REMOVE	FY 2011 PROPOSED	FY 2011 ADOPTED
<i>FULL TIME POSITIONS (FTE)</i>						
Maintenance Worker	1	1			1	1
Street Superintendent	1	1			1	1
<b>TOTAL</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>2</b>

**APPROPRIATIONS**

CATEGORY	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ADOPTED BUDGET	FY 2010 AMENDED BUDGET	FY 2010 PROJECTED ACTUAL	FY 2011 ADOPTED BUDGET
Personnel			10,797	10,797	11,644	16,990
Materials & Supplies			24,483	24,483	11,617	11,400
Town Services & Maintenance			7,000	7,000	1,861	2,400
Contractual/Professional Services			50,720	46,400	59,052	48,065
Capital			1,000	1,000	400	
<b>TOTAL \$</b>	<b>- \$</b>	<b>- \$</b>	<b>94,000 \$</b>	<b>89,680 \$</b>	<b>84,574 \$</b>	<b>78,855 \$</b>

\* This is the second year to fund the Library as a standalone function with its own departmental budget.

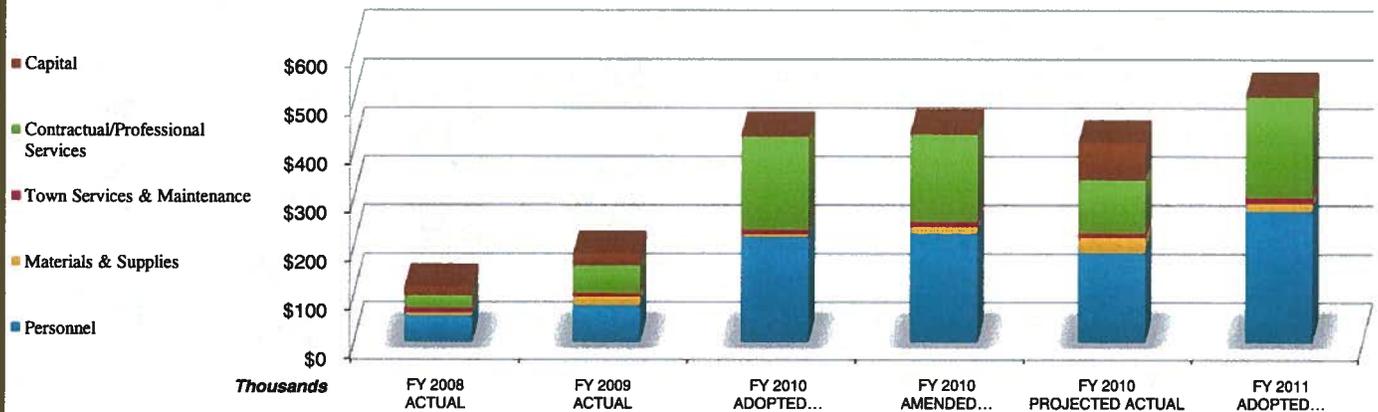


**PERSONNEL**

POSITION TITLE	FY 2009 ADOPTED	FY 2010 ADOPTED	ADDED OR REMOVED IN FY 2010	DEPARTMENT REQUEST TO ADD/REMOVE	FY 2011 PROPOSED	FY 2011 ADOPTED
<i>PART TIME POSITIONS</i>						
Library Assistant		2			2	2
<b>TOTAL</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>2</b>

**APPROPRIATIONS**

CATEGORY	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ADOPTED BUDGET	FY 2010 AMENDED BUDGET	FY 2010 PROJECTED ACTUAL	FY 2011 ADOPTED BUDGET
Personnel	54,412	77,325	217,285	225,618	184,804	270,080
Materials & Supplies	7,034	16,717	6,150	12,519	31,413	16,850
Town Services & Maintenance	8,730	6,703	8,025	9,860	9,020	10,985
Contractual/Professional Services	26,426	58,223	192,272	180,935	110,238	208,020
Capital	16,368	22,451	3,000	3,000	75,923	3,000
<b>TOTAL</b>	<b>\$ 112,970</b>	<b>\$ 181,419</b>	<b>\$ 426,732</b>	<b>\$ 431,932</b>	<b>\$ 411,398</b>	<b>\$ 508,935</b>



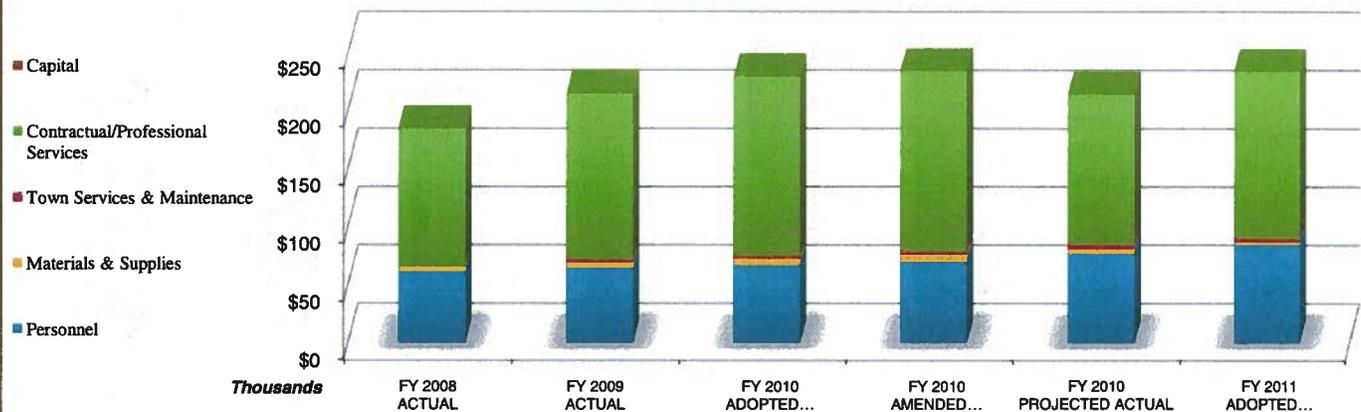
**PERSONNEL**

POSITION TITLE	FY 2009 ADOPTED	FY 2010 ADOPTED	ADDED OR REMOVED IN FY 2010	DEPARTMENT REQUEST TO ADD/REMOVE	FY 2011 PROPOSED	FY 2011 ADOPTED
<i>FULL TIME POSITIONS (FTE)</i>						
Maintenance Worker	2	2			2	2
Parks Supervisor		1			1	1
Senior Planner *		1			1	1
<b>TOTAL</b>	<b>2</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>4</b>

\* Position transferred from Planning Dept (90) once assigned to oversee Parks

**APPROPRIATIONS**

CATEGORY	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ADOPTED BUDGET	FY 2010 AMENDED BUDGET	FY 2010 PROJECTED ACTUAL	FY 2011 ADOPTED BUDGET
Personnel	61,540	64,847	66,530	69,930	77,032	84,380
Materials & Supplies	3,584	4,073	5,835	5,735	3,633	2,550
Town Services & Maintenance	150	2,783	2,410	2,410	3,256	2,450
Contractual/Professional Services	118,709	142,104	153,735	155,236	129,365	143,630
Capital						
<b>TOTAL</b>	<b>\$ 183,983</b>	<b>\$ 213,807</b>	<b>\$ 228,510</b>	<b>\$ 233,311</b>	<b>\$ 213,287</b>	<b>\$ 233,010</b>



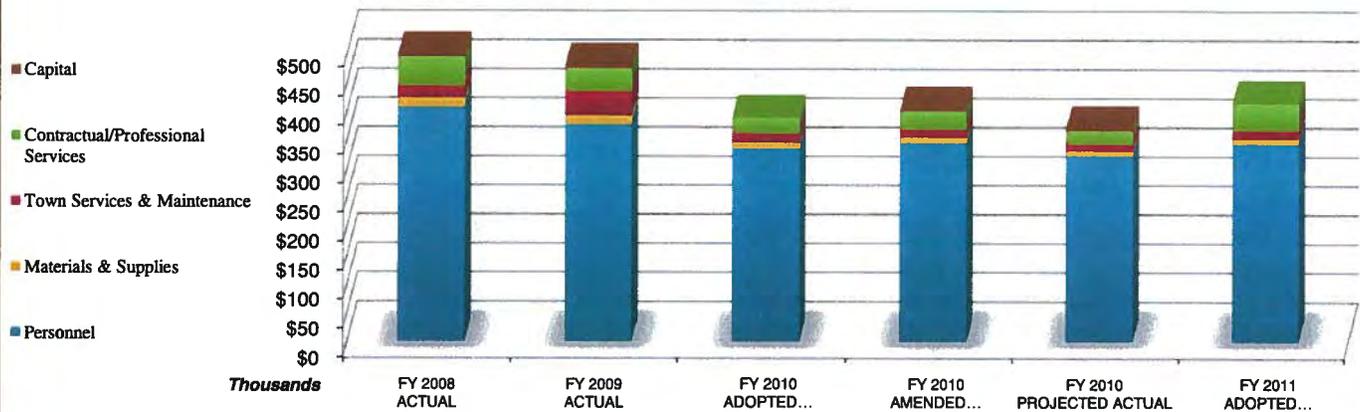
**PERSONNEL**

POSITION TITLE	FY 2009 ADOPTED	FY 2010 ADOPTED	ADDED OR REMOVED IN FY 2010	DEPARTMENT REQUEST TO ADD/REMOVE	FY 2011 PROPOSED	FY 2011 ADOPTED
<i>FULL TIME POSITIONS (FTE)</i>						
Municipal Court Administrator	1	1			1	1
<b>TOTAL</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>

**APPROPRIATIONS**

CATEGORY	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ADOPTED BUDGET	FY 2010 AMENDED BUDGET	FY 2010 PROJECTED ACTUAL	FY 2011 ADOPTED BUDGET
Personnel	403,116	372,731	332,065	341,615	319,936	340,460
Materials & Supplies	15,941	16,105	10,482	8,519	6,868	8,000
Town Services & Maintenance	18,951	40,448	14,850	14,781	12,590	14,775
Contractual/Professional Services	51,598	41,281	27,500	31,663	24,219	47,050
Capital	2,032	2,834		2,032	2,032	
<b>TOTAL \$</b>	<b>491,638</b>	<b>473,399</b>	<b>384,897</b>	<b>398,610</b>	<b>365,646</b>	<b>410,285</b>

\* This department previously included Code Compliance, which has been budgeted separately beginning FY 2010.



**PERSONNEL**

POSITION TITLE	FY 2009 ADOPTED	FY 2010 ADOPTED	ADDED OR REMOVED IN FY 2010	DEPARTMENT REQUEST TO ADD/REMOVE	FY 2011 PROPOSED	FY 2011 ADOPTED
<b>FULL TIME POSITIONS (FTE)</b>						
Administrative Assistant *	1	1	-1			
Building Official	1	1			1	1
Building Inspector **	2	1		-1		
Chief Building Inspector ***				1	1	1
Code Enforcement Officer ****	1					
Permit Technician			1		1	1
Plumbing Inspector **	2	1			1	1
Senior Building Inspector	1	1			1	1
<b>PART TIME POSITIONS</b>						
Assistant to the Building Official	1	1		-1		
Permit Technician ***				1	1	1
<b>TOTAL</b>	<b>9</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>6</b>

\* Position reclassified to Permit Technician upon successful exam completion during FY10

\*\* One position for each title left vacant anticipating additional staffing required with Dispatch beginning FY10

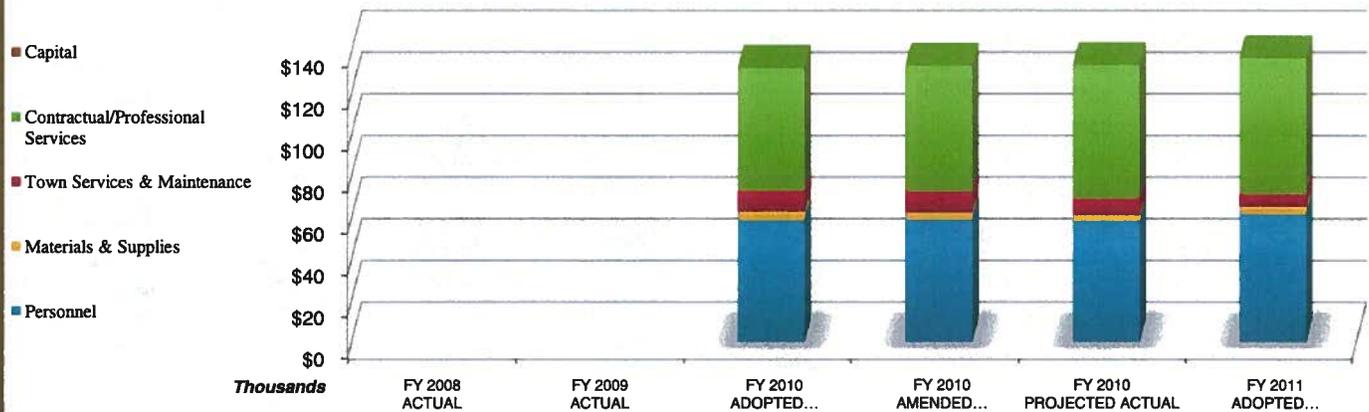
\*\*\* Positions created based on expanded job duties with existing staff and greater specialized skill sets.

\*\*\*\* Position transferred to newly created Code Enforcement Dept (85)

**APPROPRIATIONS**

CATEGORY	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ADOPTED BUDGET	FY 2010 AMENDED BUDGET	FY 2010 PROJECTED ACTUAL	FY 2011 ADOPTED BUDGET
Personnel			\$58,550	\$58,750	\$58,250	\$61,440
Materials & Supplies			\$4,100	\$3,635	\$2,704	\$3,900
Town Services & Maintenance			\$9,900	\$9,751	\$7,865	\$5,600
Contractual/Professional Services			\$59,060	\$60,412	\$64,139	\$65,350
Capital						
<b>TOTAL \$</b>	<b>- \$</b>	<b>- \$</b>	<b>\$ 131,610</b>	<b>\$ 132,548</b>	<b>\$ 132,958</b>	<b>\$ 136,290</b>

\* This department along with its budget and expenditures were in the Inspections Department prior to FY 2010.



**PERSONNEL**

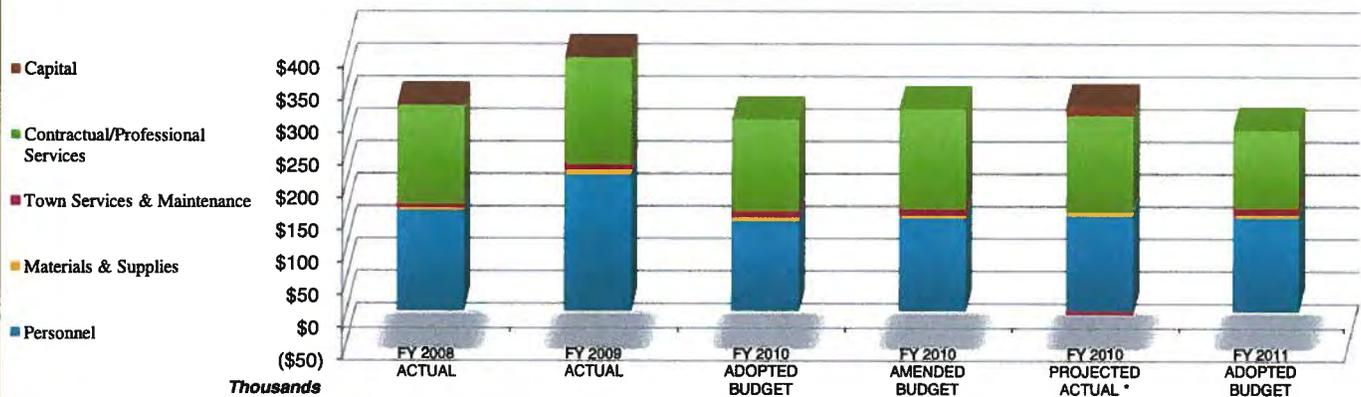
POSITION TITLE	FY 2009 ADOPTED	FY 2010 ADOPTED	ADDED OR REMOVED IN FY 2010	DEPARTMENT REQUEST TO ADD/REMOVE	FY 2011 PROPOSED	FY 2011 ADOPTED
<i>FULL TIME POSITIONS (FTE)</i>						
Code Enforcement Officer		1			1	1
<b>TOTAL</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>

\* Position transferred from Inspections Dept (80) when Code Enforcement Department Created

**APPROPRIATIONS**

CATEGORY	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ADOPTED BUDGET	FY 2010 AMENDED BUDGET	FY 2010 PROJECTED ACTUAL *	FY 2011 ADOPTED BUDGET
Personnel	154,510	209,685	138,800	142,400	146,332	143,650
Materials & Supplies	4,926	8,120	5,850	5,850	5,954	6,100
Town Services & Maintenance	4,504	7,340	8,720	8,720	(4,070)	9,000
Contractual/Professional Services	152,904	165,483	142,010	154,881	149,990	120,705
Capital	508	508			12,716	
<b>TOTAL</b>	<b>\$ 317,352</b>	<b>\$ 391,136</b>	<b>\$ 295,380</b>	<b>\$ 311,851</b>	<b>\$ 310,923</b>	<b>\$ 279,455</b>

\* The projected -\$4,070 under Town Services & Maintenance represents anticipated flood reimbursements.



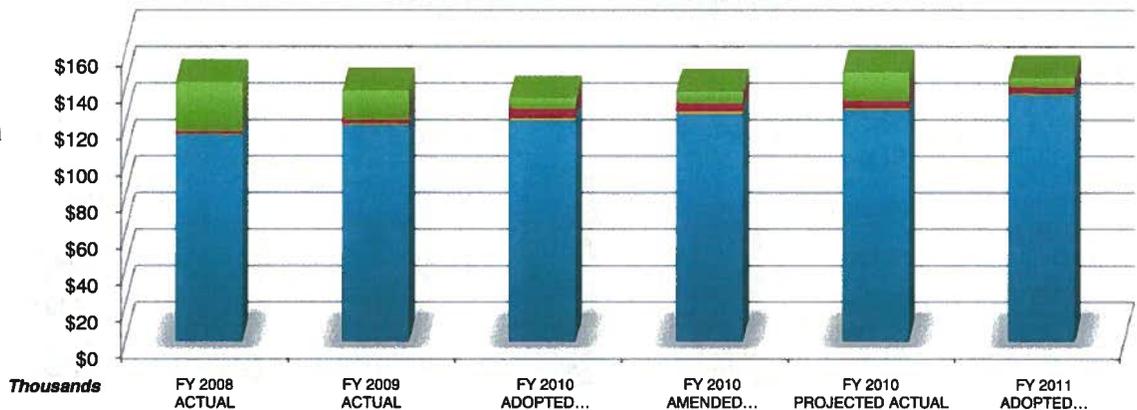
**PERSONNEL**

POSITION TITLE	FY 2009 ADOPTED	FY 2010 ADOPTED	ADDED OR REMOVED IN FY 2010	DEPARTMENT REQUEST TO ADD/REMOVE	FY 2011 PROPOSED	FY 2011 ADOPTED
<i>FULL TIME POSITIONS (FTE)</i>						
Planning Tech	1	1			1	1
Senior Planner *	2	1			1	1
<b>TOTAL</b>	<b>3</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>2</b>

\* Position transferred to Parks Dept (60) to oversee Park Operations

**APPROPRIATIONS**

CATEGORY	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ADOPTED BUDGET	FY 2010 AMENDED BUDGET	FY 2010 PROJECTED ACTUAL	FY 2011 ADOPTED BUDGET
Personnel	113,794	118,931	121,650	125,050	127,175	135,750
Materials & Supplies	489	867	950	1,450	948	700
Town Services & Maintenance	1,003	2,022	5,050	4,050	3,986	3,250
Contractual/Professional Services	27,011	15,921	5,790	6,665	15,595	5,035
Capital						
<b>TOTAL</b>	<b>\$ 142,297</b>	<b>\$ 137,741</b>	<b>\$ 133,440</b>	<b>\$ 137,215</b>	<b>\$ 147,704</b>	<b>\$ 144,735</b>



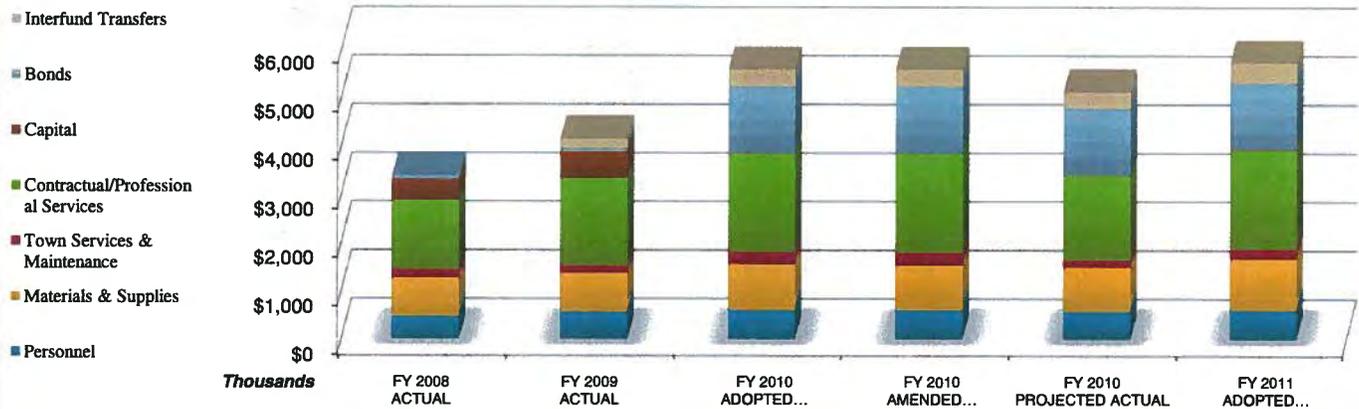
**PERSONNEL**

POSITION TITLE	FY 2009 ADOPTED	FY 2010 ADOPTED	ADDED OR REMOVED IN FY 2010	DEPARTMENT REQUEST TO ADD/REMOVE	FY 2011 PROPOSED	FY 2011 ADOPTED
<i>FULL TIME POSITIONS (FTE)</i>						
Development Services Director	1	1			1	1
<i>TEMPORARY POSITIONS</i>						
CIP Project Manager *	1	1			1	1
<b>TOTAL</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>2</b>

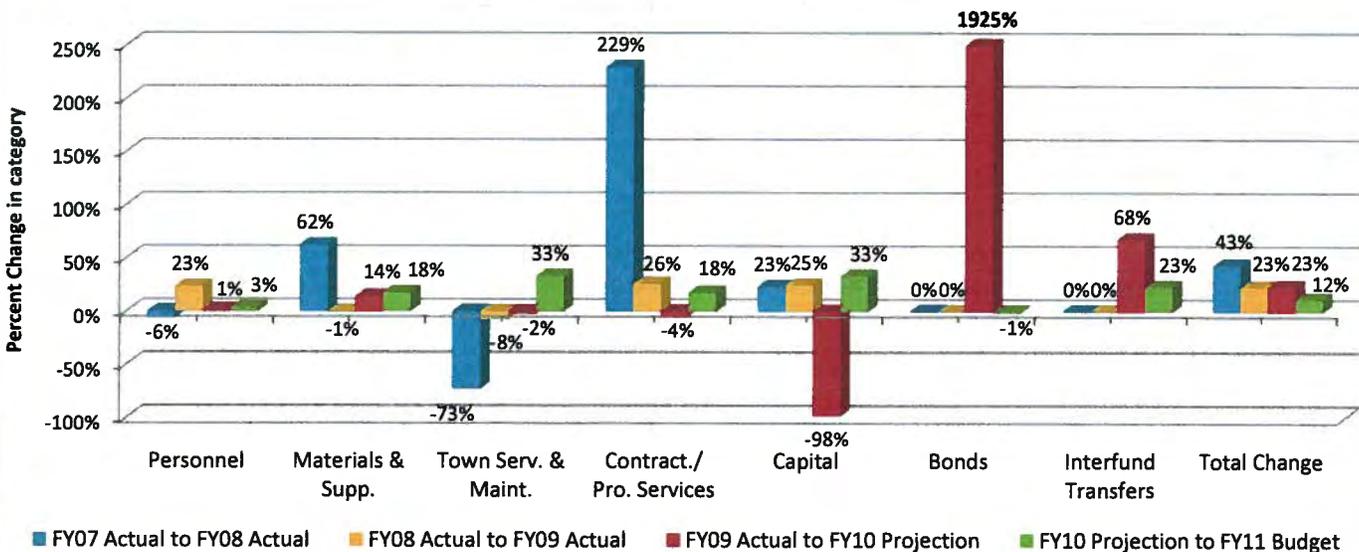
\* This position was added to assist with major capital projects and reports to the Development Services Director. It is funded 100% in the Capital Projects Fund and is reported here only to illustrate the reporting relationship.

**APPROPRIATIONS**

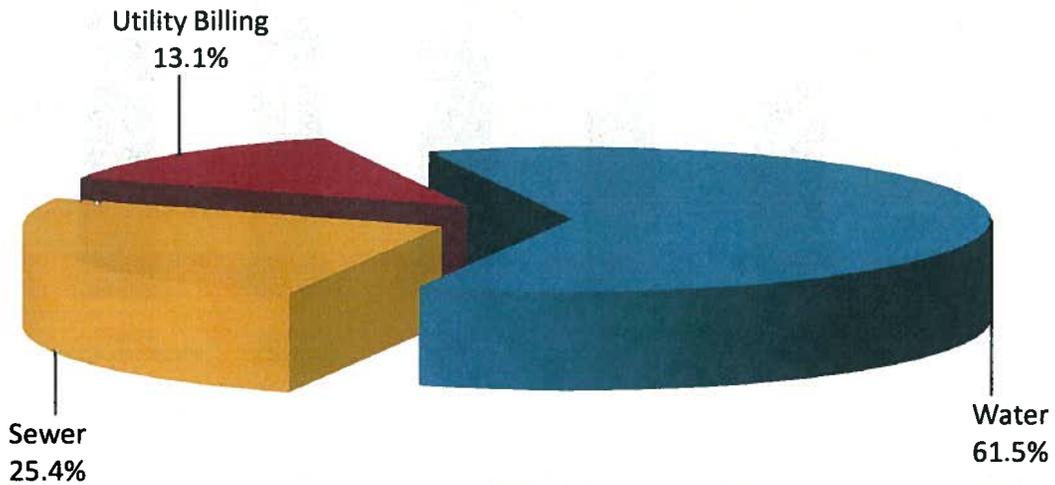
CATEGORY	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ADOPTED BUDGET	FY 2010 AMENDED BUDGET	FY 2010 PROJECTED ACTUAL	FY 2011 ADOPTED BUDGET
Personnel	451,837	557,928	581,320	581,320	565,600	584,675
Materials & Supplies	809,410	803,384	954,719	942,919	914,279	1,074,450
Town Services & Maintenance	155,823	144,060	248,219	248,219	140,890	187,375
Contractual/Professional Services	1,439,539	1,810,948	2,025,060	2,036,860	1,737,760	2,042,500
Capital	423,271	528,212	10,500	10,500	11,278	15,000
Bonds	67,660	67,660	1,369,896	1,369,896	1,369,894	1,353,465
Interfund Transfers		204,227	347,848	347,848	343,123	422,725
<b>TOTAL \$</b>	<b>3,347,540</b>	<b>4,116,419</b>	<b>5,537,562</b>	<b>5,537,562</b>	<b>5,082,824</b>	<b>5,680,190</b>



**INCREASE (DECREASE) IN EACH CATEGORY OVER TIME**



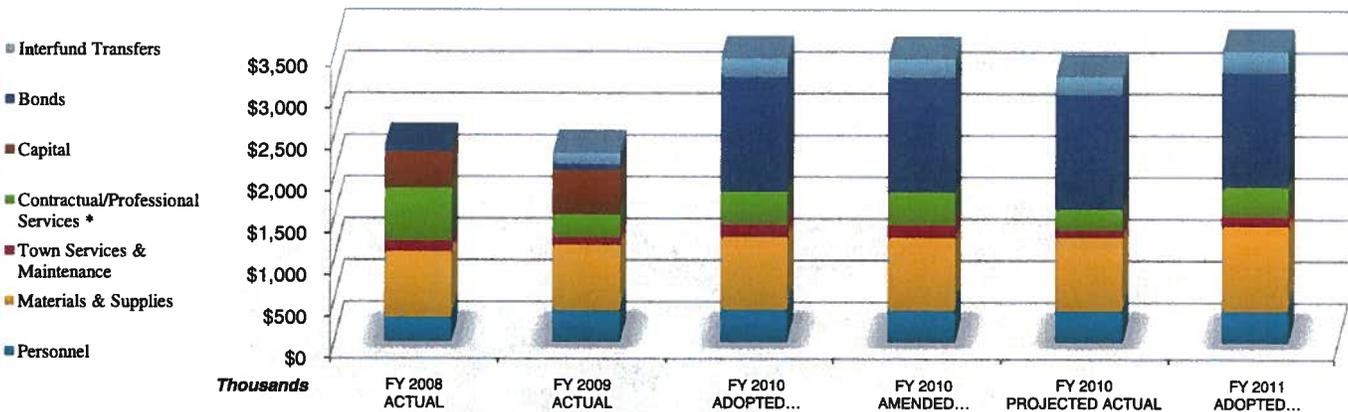
<i>Department</i>	<i>FY 2011 Adopted</i>	<i>% of Total</i>
Water	\$ 3,493,510	61.5%
Sewer	\$ 1,444,390	25.4%
Utility Billing	\$ 742,290	13.1%
<b>Revenue Total</b>	<b>\$ 5,680,190</b>	<b>100.0%</b>



**APPROPRIATIONS**

CATEGORY	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ADOPTED BUDGET	FY 2010 AMENDED BUDGET	FY 2010 PROJECTED ACTUAL	FY 2011 ADOPTED BUDGET
Personnel	290,362	373,392	385,210	380,450	373,181	376,420
Materials & Supplies	792,639	786,782	876,155	876,155	887,180	1,021,700
Town Services & Maintenance	125,717	87,453	141,824	141,824	87,174	109,950
Contractual/Professional Services *	640,978	282,959	397,470	397,470	248,888	353,250
Capital	423,271	522,077			3,999	15,000
Bonds	67,660	67,660	1,369,896	1,369,896	1,369,894	1,353,465
Interfund Transfers		141,105	224,568	224,568	219,843	263,725
<b>TOTAL</b>	<b>\$ 2,340,627</b>	<b>\$ 2,261,428</b>	<b>\$ 3,395,123</b>	<b>\$ 3,390,363</b>	<b>\$ 3,190,159</b>	<b>\$ 3,493,510</b>

\* Contract payments for trash collection/tipping services were paid from Water Dept in 2008 and moved to Utility Billing in 2009.

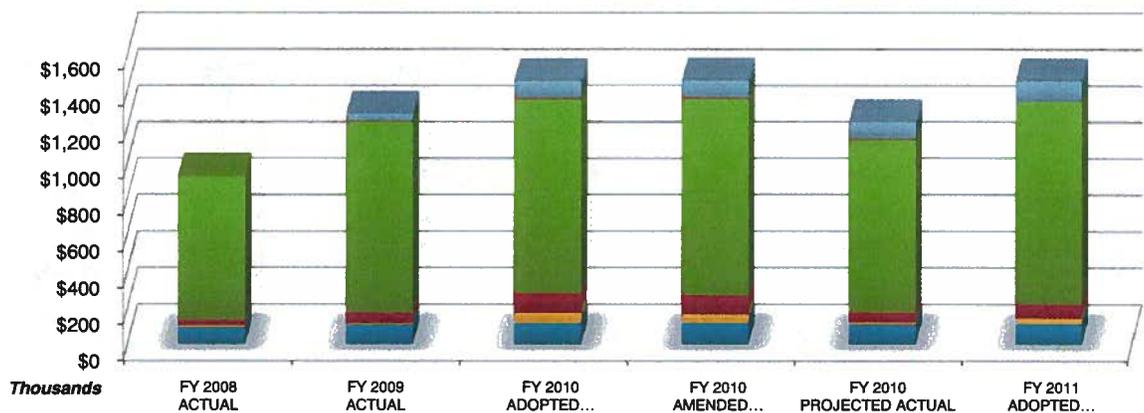


**PERSONNEL**

POSITION TITLE	FY 2009 ADOPTED	FY 2010 ADOPTED	ADDED OR REMOVED IN FY 2010	DEPARTMENT REQUEST TO ADD/REMOVE	FY 2011 PROPOSED	FY 2011 ADOPTED
<i>FULL TIME POSITIONS (FTE)</i>						
Public Works Director	1	1			1	1
Utility Crew Leader	1	1	1		2	2
Utility Worker	2	2	-1		1	1
Water & Sewer Superintendent	1	1			1	1
<b>TOTAL</b>	<b>5</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>5</b>

**APPROPRIATIONS**

CATEGORY	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ADOPTED BUDGET	FY 2010 AMENDED BUDGET	FY 2010 PROJECTED ACTUAL	FY 2011 ADOPTED BUDGET
Personnel	90,844	107,000	114,585	116,939	108,260	113,040
Materials & Supplies	11,965	9,312	57,964	46,164	11,787	31,100
Town Services & Maintenance	28,601	54,912	103,670	103,670	53,103	75,200
Contractual/Professional Services	789,190	1,047,984	1,067,980	1,079,780	948,614	1,112,050
Capital		6,135	10,500	10,500	7,279	0
Bonds						
Interfund Transfers		38,412	89,030	89,030	89,030	113,000
<b>TOTAL \$</b>	<b>920,600</b>	<b>\$ 1,263,754</b>	<b>\$ 1,443,729</b>	<b>\$ 1,446,083</b>	<b>\$ 1,218,074</b>	<b>\$ 1,444,390</b>



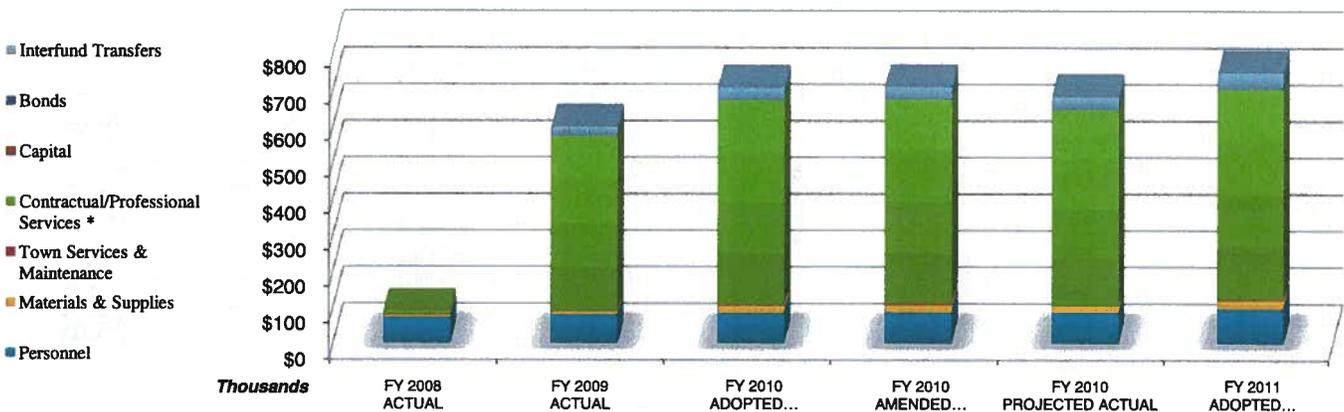
**PERSONNEL**

POSITION TITLE	FY 2009 ADOPTED	FY 2010 ADOPTED	ADDED OR REMOVED IN FY 2010	DEPARTMENT REQUEST TO ADD/REMOVE	FY 2011 PROPOSED	FY 2011 ADOPTED
<i>FULL TIME POSITIONS (FTE)</i>						
Utility Crew Leader	1	1			1	1
Utility Worker	1	1			1	1
<b>TOTAL</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>2</b>

**APPROPRIATIONS**

CATEGORY	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ADOPTED BUDGET	FY 2010 AMENDED BUDGET	FY 2010 PROJECTED ACTUAL	FY 2011 ADOPTED BUDGET
Personnel	70,631	77,536	81,525	83,931	84,159	95,215
Materials & Supplies	4,806	7,290	20,600	20,600	15,312	21,650
Town Services & Maintenance	1,505	1,696	2,725	2,725	612	2,225
Contractual/Professional Services *	9,371	480,005	559,610	559,610	540,258	577,200
Capital						
Bonds						
Interfund Transfers		24,710	34,250	34,250	34,250	46,000
<b>TOTAL \$</b>	<b>\$ 86,313</b>	<b>\$ 591,237</b>	<b>\$ 698,710</b>	<b>\$ 701,116</b>	<b>\$ 674,591</b>	<b>\$ 742,290</b>

\* Contract payments for trash collection/tipping services were paid from Water Dept in 2008 and moved to Utility Billing in 2009.



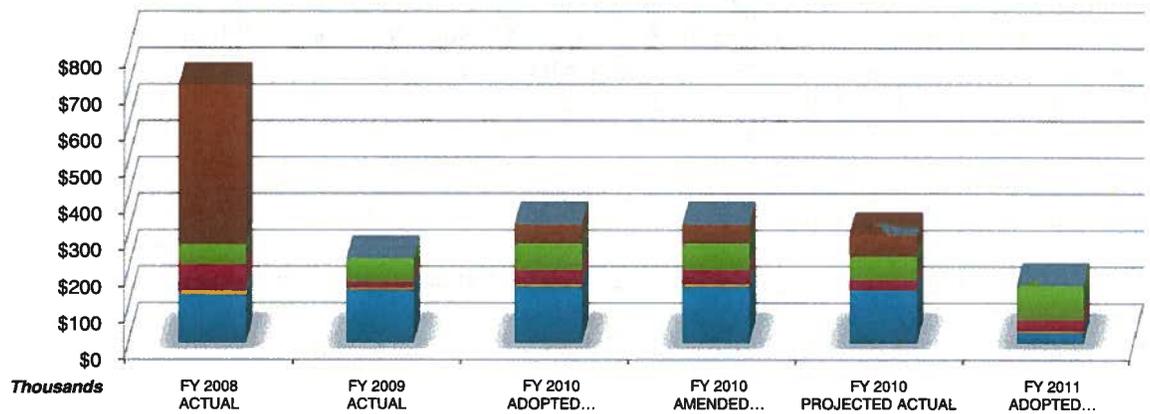
**PERSONNEL**

POSITION TITLE	FY 2009 ADOPTED	FY 2010 ADOPTED	ADDED OR REMOVED IN FY 2010	DEPARTMENT REQUEST TO ADD/REMOVE	FY 2011 PROPOSED	FY 2011 ADOPTED
<i>FULL TIME POSITIONS (FTE)</i>						
Receptionist/Utility Clerk *	0.75	0.75			0.75	0.75
Utility Billing Clerk	1	1			1	1
<b>TOTAL</b>	<b>1.75</b>	<b>1.75</b>	<b>0.00</b>	<b>0.00</b>	<b>1.75</b>	<b>1.75</b>

\* Position serves both Administration and Utility Billing functions in Town Hall Front Office - Funded 25% in General Fund Administration

**APPROPRIATIONS**

CATEGORY	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ADOPTED BUDGET	FY 2010 AMENDED BUDGET	FY 2010 PROJECTED ACTUAL	FY 2011 ADOPTED BUDGET
Personnel	132,438	145,774	153,450	153,450	145,072	29,005
Materials & Supplies	9,694	4,600	8,400	8,400	2,269	5,000
Town Services & Maintenance	72,213	17,756	37,500	37,500	24,418	29,000
Contractual/Professional Services	56,672	62,494	74,900	74,900	66,981	94,750
Capital	435,816		50,000	50,000	57,419	0
Bonds						
Interfund Transfers		540	540	540	0	0
<b>TOTAL</b>	<b>\$ 706,833</b>	<b>\$ 231,164</b>	<b>\$ 324,790</b>	<b>\$ 324,790</b>	<b>\$ 296,160</b>	<b>\$ 157,755</b>



**PERSONNEL**

POSITION TITLE	FY 2009 ADOPTED	FY 2010 ADOPTED	ADDED OR REMOVED IN FY 2010	DEPARTMENT REQUEST TO ADD/REMOVE	FY 2011 PROPOSED	FY 2011 ADOPTED
<i>FULL TIME POSITIONS (FTE)</i>						
EDC Executive Director	1	1	-1			
<i>PART TIME POSITIONS</i>						
EDC Executive Assistant	1	1			1	1
<b>TOTAL</b>	<b>2</b>	<b>2</b>	<b>-1</b>	<b>0</b>	<b>1</b>	<b>1</b>



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# TOWN OF PROSPER

Prosper is a place where everyone matters.

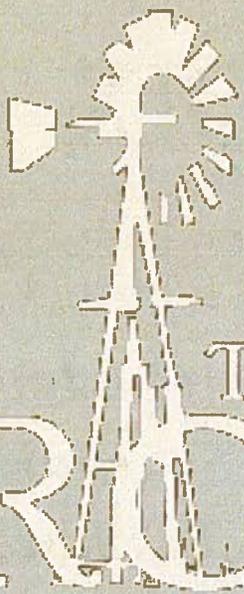


## APPENDIX

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*Charter Provisions on Financial Administration*  
*Outstanding Debt Schedule*  
*Notice of Effective Tax Rate*  
*Ordinance Approving Budget*  
*Ordinance Approving Tax Rate*  
*Ordinance Revising Water and Sewer Rates*  
*Glossary*

*“Honoring Our Past and Paving Our Future”*



TOWN OF  
PROSPER

**FISCAL YEAR 2010-2011 ADOPTED BUDGET**

**ARTICLE VII****Financial Procedures****SECTION 7.01 Fiscal Year**

The fiscal year of the Town shall begin on the first day of October and end on the last day of September on the next succeeding year. Such fiscal year shall also constitute the budget and accounting year.

**SECTION 7.02 Submission of Budget and Budget Message**

On or before the fifteenth (15<sup>th</sup>) day of August of the fiscal year, the Town Manager shall submit to the Town Council a budget for the ensuing fiscal year and an accompanying budget message.

**SECTION 7.03 Budget Message**

The Town Manager's message shall explain the budget both in fiscal terms and in terms of the work programs. It shall outline the proposed financial policies of the Town for the ensuing fiscal year, describe the important features of the budget, indicate any major changes from the current year in financial policies, expenditures, and revenues together with the reasons for such changes, summarize the Town's debt position and include such other material as the Town Manager deems desirable.

**SECTION 7.04 Budget a Public Record**

The budget and all supporting schedules shall be filed with the person performing the duties of Town Secretary when submitted to the Town Council and shall be open to public inspection by anyone interested.

**SECTION 7.05 Public Hearing on Budget**

At the Town Council meeting when the budget is submitted, the Town Council shall name the date and place of a public hearing and shall have published in the official newspaper of the Town, at least twice, the time and place, which will be not less than ten (10) days nor more than thirty (30) days after the date of notice. At this hearing, interested citizens may express their opinions concerning items of expenditures, giving their reasons for wishing to increase or decrease any items of expense.

**SECTION 7.06 Proceeding on Adoption of Budget**

After public hearing, the Town Council shall analyze the budget, making any additions or deletions which they feel appropriate, and shall, at least ten (10) days prior to the beginning of the next fiscal year, adopt the budget by the affirmative vote of a majority of the full membership of the Town Council. Should the Town Council take no final action on or prior to such day, the current budget shall be in force on a month-to-month basis until a new budget is adopted.

**SECTION 7.07 Budget, Appropriation and Amount to be Raised by Taxation**

On final adoption, the budget shall be in effect for the budget year. Final adoption of the budget by the Town Council shall constitute the official appropriations as proposed by expenditures for the current year and shall constitute the basis of official levy of the property tax as the amount of tax to be assessed and collected for the corresponding tax year. Estimated expenditures will in no case

exceed proposed revenue plus the undesignated fund balance from the previous fiscal year. Unused appropriations may be transferred to any item required for the same general purpose.

**SECTION 7.08 Contingent Appropriation**

Provision shall be made in the annual budget and in the appropriation ordinance for a contingent appropriation in an amount not less than ten percent (10%) of the total general fund expenditures, to be used in case of unforeseen items of expenditures. This contingent appropriation shall apply to current operating expenses and shall not include any amount of reserves maintained by the Town. Such contingent appropriation shall be under the control of the Town Manager and distributed by him or her only after prior approval by the Town Council. The proceeds of the contingent appropriation shall be disbursed only by transfer to other departmental appropriation, the spending of which shall be charged to the departments or activities for which the appropriations are made.

**SECTION 7.09 Amending the Budget**

Under conditions which may arise and which could not reasonably have been foreseen in the normal process of planning the budget, the Town Council may, by the affirmative vote of a majority of the full membership of the Town Council, amend or change the budget to provide for any additional expense in which the general welfare of the citizenry is involved. These amendments shall be by ordinance, and shall become an attachment to the original budget.

**SECTION 7.10 Certification; Copies Made Available**

A copy of the budget, as finally adopted, shall be filed with the person performing the duties of Town Secretary and such other places required by state law or as the Town Council shall designate. The final budget shall be printed or otherwise reproduced and sufficient copies shall be made available for the use of all offices, agencies, and for the use of interested persons and civic organizations.

**SECTION 7.11 Capital Program**

The Town Manager shall submit a five-year (5-year) capital program as an attachment to the annual budget. The program as submitted shall include:

- (1) A clear general summary of its contents;
- (2) A list of all capital improvements which are proposed to be undertaken during the five (5) fiscal years succeeding the budget year, with appropriate supporting information as to the necessity for such improvements;
- (3) Cost estimates, method of financing, and recommended time schedules for each improvement; and
- (4) The estimated annual cost of operating and maintaining the facilities to be constructed or acquired.

The above information may be revised and extended each year with regard to capital improvements still pending or in process of construction or acquisition.

**SECTION 7.12 Defect Shall Not Invalidate the Tax Levy**

Errors or defects in the form or preparation of the budget or the failure to perform any procedural requirements shall not nullify the tax levy or the tax rate.

**SECTION 7.13 Lapse of Appropriations**

Every appropriation, except an appropriation for a capital expenditure, shall lapse at the close of the fiscal year to the extent that it has not been expended or encumbered. An appropriation for a capital expenditure shall continue in force until the purpose for which it was made had been accomplished or abandoned. The purpose of any such appropriation shall be deemed abandoned if three (3) years pass without any disbursement from or encumbrance of the appropriation. Any funds not expended, disbursed or encumbered shall be deemed excess funds.

**SECTION 7.14 Borrowing**

The Town shall have the power to borrow money on the credit of the Town and to issue or incur bonds and other evidences of indebtedness to finance public improvements or for any other public purpose not prohibited by the Constitution and the laws of the State of Texas and to issue refunding bonds to refund outstanding bonds and other evidences of indebtedness of the Town previously issued.

All such bonds and other evidences of indebtedness shall be issued in conformity with the laws of the State of Texas and may be secured by or paid, in whole or in part, from ad valorem tax revenues, revenues derived from other taxing powers of the Town, revenues derived by the Town from any fee or service charge, including revenues derived from the operations of any public utilities, utility systems, recreational facilities or any other municipal function to the extent not prohibited by the Constitution and laws of the State of Texas. Such bonds or evidences of indebtedness may be a charge upon and payable from the properties, or interest therein pledged, or the income therefrom, or both to the extent not prohibited by the Constitution or laws of the State of Texas. The proceeds of bonds or other evidences of indebtedness issued or incurred by the Town shall be used only for the purpose for which the bonds or other indebtedness was issued or incurred.

**SECTION 7.15 Purchasing**

- (1) The Town Council may by ordinance, give the Town Manager general authority to contract for expenditure without further approval of the Town Council for all budgeted items not exceeding limits set by the Town Council within the ordinance.
- (2) All contracts for expenditures or purchases involving more than the limits must be expressly approved in advance by the Town Council. All contracts or purchases involving more than the limits set by the Town Council shall be awarded by the Town Council in accordance with state law.
- (3) Emergency contracts as authorized by law and this Charter may be negotiated by the Town Council or Town Manager if given authority by the Town Council, without competitive bidding, and in accordance with state law. Such emergency may be declared by the Town Manager and approved by the Town Council or declared by the Town Council.

**SECTION 7.16 Administration of Budget**

- (1) No payment shall be made or obligation incurred against any allotment or appropriation except in accordance with appropriations duly made, unless the Town Manager, or the Town Manager's designee, first certifies that there is a sufficient unencumbered balance in such allotment or appropriation and that sufficient funds

therefrom are or will be available to cover the claim or meet the obligation when it becomes due and payable.

- (2) Any authorization of payment or incurring of obligation in violation of the provisions of this Charter shall be void and any payment so made illegal. Such action shall be cause for removal of any officer who knowingly authorized or made such payment or incurred such payment or obligation, and the officer shall also be liable to the Town for any amount so paid.
- (3) This prohibition shall not be construed to prevent the making or authorizing of payments, or making of contracts for capital improvements to be financed wholly or partly by the pledge of taxes, the issuance of bonds, time warrants, certificates of indebtedness, or certificates of obligation, or to prevent the making of any contract or lease providing for payments beyond the end of the fiscal year, providing that such action is made or approved by ordinance.
- (4) The Town Manager shall submit to the Town Council each month a report covering the revenues and expenditures of the Town in such form as requested by the Town Council.

**SECTION 7.17 Depository**

All monies received by any person, department or agency of the Town for or in connection with the affairs of the Town shall be deposited promptly in the Town depository or depositories. The Town depositories shall be designated by the Town Council in accordance with such regulations and subject to the requirements as to security for deposits and interest thereon as may be established by ordinance and law. Procedures for withdrawal of money or the disbursement of funds from the Town depositories shall be prescribed by ordinance.

**SECTION 7.18 Independent Audit**

At the close of each fiscal year, and at such other times as may be deemed necessary, the Town Council shall call for an independent audit to be made of all accounts of the Town by a certified public accountant. No more than five (5) consecutive annual audits shall be completed by the same firm. The certified public accountant selected shall have no personal interest, directly or indirectly, in the financial affairs of the Town or any of its officers. The report of audit, with the auditor's recommendations will be made to the Town Council. Upon completion of the audit, the summary shall be published immediately in the official newspaper of the Town and copies of the audit placed on file in the office of the person performing the duties of Town Secretary, as a public record.

**SECTION 7.19 Power to Tax**

- (1) The Town shall have the power to levy, assess and collect taxes of every character and type for any municipal purpose not prohibited by the Constitution and laws of the State of Texas as now written or hereafter amended.
- (2) The Town shall have the power to grant tax exemptions in accordance with the laws of the State of Texas.

**SECTION 7.20 Office of Tax Collector**

There shall be an office of taxation to collect taxes, the head of which shall be the Town Tax Collector. The Town Council may contract for such services.

**SECTION 7.21 Taxes; When Due and Payable**

- (1) All taxes due in the Town shall be payable at the office of the Town Tax Collector, or at such location or locations as may be designated by the Town Council, and may be paid at any time after the tax rolls for the year have been completed and approved. Taxes for each year shall be paid before February 1 of the next succeeding year, and all such taxes not paid prior to that date shall be deemed delinquent, and shall be subject to penalty and interest as the Town Council shall provide by ordinance. The Town Council may provide discounts for the payment of taxes prior to January 1 in amount not to exceed those authorized by the laws of the State of Texas.
- (2) Failure to levy and assess taxes through omission in preparing the appraisal rolls shall not relieve the person, firm or corporation so omitted from obligation to pay such current or past due taxes as shown to be payable by recheck of the rolls and receipts for the years in question, omitting penalty and interest.

**SECTION 7.22 Tax Liens, Liabilities and Suits**

- (1) All taxable property located in the Town on January 1 of each year shall stand charged from that date with a special lien in favor of the Town for the taxes due. All persons purchasing any such property on or after January 1 in any year shall take the property subject to the liens provided above. In addition to the liens herein provided, on January 1 of any year, the owner of property subject to taxation by the Town shall be personally liable for the taxes due for that year.
- (2) The Town shall have the power to sue for and recover personal judgment for taxes without foreclosure, or to foreclose its lien or liens, or to recover both personal judgment and foreclosure. In any such suit where it appears that the description of any property in the Town appraisal rolls is insufficient to identify such property, the Town shall have the right to plead a good description of the property to be assessed, to prove the same, and to have its judgment foreclosing the tax lien or for personal judgment against the owners for such taxes.

Town of Prosper, Texas  
Summary of Outstanding Debt

Current % debt position

Year Ending	Series 1996	Series 1996	Series 1998	Series 2001	Series 2004	Series 2006	Series 2008	Total Debt Service	Total Tax Supported Debt Serv	W/S Supported Debt Serv	Total Tax Supported Debt Serv	W/S Supported Debt Serv
9/30	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total
1997	\$ 67,103.00							\$ 67,103.00	\$ 67,103.00		\$ 67,103.00	
1998	67,185.00							67,185.00	67,185.00		67,185.00	
1999	71,085.00	\$ 32,197.36						103,282.36	103,282.36		103,282.36	
2000	68,816.00	38,032.50						123,811.81	107,848.50	\$ 15,963.31	107,848.50	13%
2001	68,510.00	62,865.00		\$ 104,639.79				148,769.52	131,375.00	17,414.52	131,375.00	12%
2002	72,037.50	61,830.00		174,152.50				255,921.81	203,976.16	51,945.65	203,976.16	20%
2003	70,402.50	65,765.00		201,602.50				327,734.52	252,849.68	74,884.85	252,849.68	23%
2004	68,737.50	64,505.00		203,740.00				477,225.63	393,282.29	83,943.35	393,282.29	18%
2005	71,900.00	63,210.00		202,777.50	\$ 675,880.00			1,156,904.22	1,072,573.13	84,331.10	1,072,573.13	9%
2006	69,887.50	61,897.50		203,740.00	439,200.00			917,735.08	833,213.15	84,521.93	833,213.15	9%
2007	72,682.50	65,550.00		204,490.00	594,200.00	\$ 705,285.00		1,767,939.57	1,700,457.87	67,481.70	1,700,457.87	4%
2008	70,312.50	63,990.00		205,027.50	838,000.00	682,210.00		1,934,606.60	1,866,947.53	67,659.08	1,866,947.53	3%
2009	72,740.00	62,410.00		200,352.50	871,800.00	914,772.50		2,122,075.00	2,055,958.68	66,116.33	2,055,958.68	3%
2010	74,817.50	65,790.00		200,677.50	873,600.00	947,135.00	1,289,208.13	3,451,228.13	2,081,334.04	1,369,894.09	2,081,334.04	40%
2011	71,705.00	63,922.50		200,905.00	869,600.00	947,372.50	1,197,450.00	3,350,955.00	1,997,498.15	1,353,456.85	1,997,498.15	40%
2012	73,410.00	67,010.00		200,925.00	870,000.00	946,760.00	1,199,612.50	3,357,717.50	1,999,315.80	1,358,401.70	1,999,315.80	40%
2013	74,772.50	64,835.00		205,612.50	869,600.00	945,297.50	1,194,906.25	3,355,023.75	1,997,366.80	1,357,656.95	1,997,366.80	40%
2014	75,787.50	62,635.00		204,740.00	868,400.00	947,985.00	1,198,125.00	3,357,672.50	2,000,513.10	1,357,159.40	2,000,513.10	40%
2015	71,611.25	65,410.00		203,440.00	866,400.00	944,610.00	1,198,943.75	3,350,415.00	1,997,998.98	1,352,416.03	1,997,998.98	40%
2016	72,257.50	62,935.00		206,770.00	868,600.00	945,385.00	1,197,237.50	3,353,185.00	1,999,902.45	1,353,282.55	1,999,902.45	40%
2017		65,460.00		209,485.00	869,056.26	945,097.50	1,198,487.50	3,287,586.26	2,002,881.88	1,284,704.38	2,002,881.88	39%
2018		62,730.00		208,565.00	867,706.26	945,297.50	1,198,237.50	3,280,536.26	2,000,283.48	1,280,252.78	2,000,283.48	39%
2019				208,320.00	865,293.76	948,691.26	1,195,675.00	3,217,980.02	1,899,865.33	1,218,114.69	1,899,865.33	38%
2020				209,500.00	868,818.76	945,341.26	1,199,637.50	3,221,297.52	2,003,193.68	1,218,103.84	2,003,193.68	38%
2021				210,000.00	867,068.76	945,591.26	1,195,725.00	3,218,385.02	2,000,222.43	1,218,162.59	2,000,222.43	38%
2022					871,043.76	944,201.26	1,198,650.00	3,013,895.02	1,862,998.23	1,150,896.79	1,862,998.23	38%
2023					872,575.00	945,951.26	1,198,081.25	3,016,607.51	1,863,908.23	1,152,689.28	1,863,908.23	38%
2024					872,575.00	946,170.00	1,194,925.00	3,013,670.00	1,861,172.60	1,152,497.40	1,861,172.60	38%
2025						944,650.00	1,197,750.00	2,142,400.00	1,531,407.00	610,993.00	1,531,407.00	29%
2026						945,725.00	1,196,200.00	2,141,925.00	1,530,528.00	611,397.00	1,530,528.00	29%
2027							1,196,200.00	1,196,200.00	1,076,580.00	119,620.00	1,076,580.00	10%
2028							1,197,450.00	1,197,450.00	1,077,705.00	119,745.00	1,077,705.00	10%
2029							1,194,800.00	1,194,800.00	1,075,320.00	119,480.00	1,075,320.00	10%
Totals	\$ 1,426,770	\$ 1,222,980	\$ 3,963,722	\$ 3,963,722	\$ 16,457,418	\$ 18,383,529	\$ 24,037,302	\$ 66,189,244	\$ 44,816,048	\$ 21,373,196	\$ 44,816,048	32%
Remain	\$ 514,361	\$ 580,728	\$ 2,466,940	\$ 2,466,940	\$ 13,038,338	\$ 16,081,261	\$ 24,037,302	\$ 56,718,929	\$ 35,959,995	\$ 20,758,934	\$ 35,959,995	37%

**2010 Property Tax Rates in Town of Prosper**

This notice concerns 2010 property tax rates for Town of Prosper. It presents information about three tax rates. Last year's tax rate is the actual rate the taxing unit used to determine property taxes last year. This year's effective tax rate would impose the same total taxes as last year if you compare properties taxed in both years. This year's rollback tax rate is the highest tax rate the taxing unit can set before taxpayers can start tax rollback procedures. In each case these rates are found by dividing the total amount of taxes by the tax base (the total value of taxable property) with adjustments as required by state law. The rates are given per \$100 of property value.

**Last year's tax rate:**

Last year's operating taxes	\$3,117,766
Last year's debt taxes	\$2,044,032
Last year's total taxes	\$5,161,798
Last year's tax base	\$992,653,462
Last year's total tax rate	0.520000 /\$100

**This year's effective tax rate:**

Last year's adjusted taxes (after subtracting taxes on lost property)	\$5,156,232
+ This year's adjusted tax base (after subtracting value of new property)	\$978,420,880
= This year's effective tax rate	0.526995 /\$100

*(Maximum rate unless unit publishes notices and holds hearings.)*

**This year's rollback tax rate:**

Last year's adjusted operating taxes (after subtracting taxes on lost property and adjusting for any transferred function, tax increment financing, state criminal justice mandate, and/or enhanced indigent health care expenditures)	\$3,510,098
+ This year's adjusted tax base	\$978,420,880
= This year's effective operating rate	0.358751 /\$100
x 1.08 = this year's maximum operating rate	0.387451 /\$100
+ This year's debt rate	0.185258 /\$100
= This year's total rollback rate	0.572709 /\$100
- Sales tax adjustment rate	0.036706 /\$100
= Rollback tax rate	0.536003 /\$100

**Statement of Increase/Decrease**

If Town of Prosper adopts a 2010 tax rate equal to the effective tax rate of \$0.526995 per \$100 of value, taxes would increase compared to 2009 taxes by \$530,619.

**Schedule A - Unencumbered Fund Balances**

The following estimated balances will be left in the unit's property tax accounts at the end of the fiscal year. These balances are not encumbered by a corresponding debt obligation.

<u>Type of Property Tax Fund</u>	<u>Balance</u>
Maintenance & Operations (M/O)	\$4,100,000
Interest & Sinking (I/S)	\$500,000

**Schedule B - 2010 Debt Service**

The unit plans to pay the following amounts for long-term debts that are secured by property taxes. These amounts will be paid from property tax revenues (or additional sales tax revenues, if applicable).

Description of Debt	Principal or Contract Payment to be Paid from Property Taxes	Interest to be Paid from Property Taxes	Other Amounts to be Paid	Total Payment
1996 CO	\$50,000	\$21,705	\$400	\$72,105
1998 CO	\$45,000	\$18,923	\$400	\$64,323
2001 CO	\$120,000	\$80,905	\$400	\$201,305
2004 CO	\$490,000	\$379,600	\$400	\$870,000
2006 CO	\$485,000	\$462,373	\$1,000	\$948,373
2008 CO	\$450,000	\$747,450	\$1,000	\$1,198,450
Total Required for 2010 Debt Service				\$3,354,556
- Amount (if any) paid from funds listed in Schedule A				\$0
- Amount (if any) paid from other resources				\$1,353,457
- Excess collections last year				\$0
= Total to be paid from taxes in 2010				\$2,001,099
+ Amount added in anticipation that the unit will collect only 100.00% of its taxes in 2010				\$0
= Total Debt Levv				\$2,001,099

**Schedule C - Expected Revenue from Additional Sales Tax**

In calculating its effective and rollback tax rates, the unit estimated that it will receive \$396,477 in additional sales and use tax revenues.

This notice contains a summary of actual effective and rollback tax rates' calculations. You can inspect a copy of the full calculations at 2300 Bloomdale, Ste. 2366, McKinney, Texas 75071.

Name of person preparing this notice: Kenneth L. Maun  
Title: Tax Assessor Collector  
Date Prepared: July 30, 2010



ORDINANCE NO. 10-078

**AN ORDINANCE OF THE TOWN OF PROSPER, TEXAS ADOPTING A BUDGET AND APPROPRIATING RESOURCES FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2010 AND ENDING SEPTEMBER 30, 2011, IN ACCORDANCE WITH EXISTING STATUTORY REQUIREMENTS; PROVIDING FOR REPEALING, SAVINGS AND SEVERABILITY CLAUSES; PROVIDING FOR AN EFFECTIVE DATE OF THIS ORDINANCE; AND PROVIDING FOR THE PUBLICATION OF THE CAPTION HEREOF.**

WHEREAS, pursuant to the laws of the State of Texas, the Town Manager of the Town of Prosper has submitted to the Mayor and Town Council a proposed budget of the revenues and appropriations for conducting the affairs of Prosper and providing a complete financial plan for Fiscal Year 2010-2011: and has filed the same with the Town Secretary (the "budget"): and

WHEREAS, following public notice duly posted and published as required by the law, one public hearing – on August 24, 2010 - was held by the Town Council at which time said budget was fully considered, and interested taxpayers were given the opportunity to be heard by the Town Council; and

WHEREAS, the Town Council has studied the budget and listened to the comments of the taxpayers at the public hearing and has investigated and determined that adoption of the budget is in the best interest of the Town; and

WHEREAS, the Town Council finds that all legal notices, hearings, procedures and publishing requirements for the adoption of the budget have been performed or completed in the manner and form set forth by law.

NOW THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF PROSPER, TEXAS, COLLIN COUNTY, TEXAS:

**SECTION 1: Findings Incorporated.** The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein.

**SECTION 2: Adoption of Budget.** We the Mayor and Town Council for the Town of Prosper do hereby approve, ratify, and adopt for fiscal year beginning October 1, 2010 and ending September 30, 2011. The Budget as filed and submitted by the Town Manager and subsequently adjusted by Town Council, containing estimates of resources and revenues for the year from various sources, and the projects, operations, activities, and purchases proposed along with the costs thereof, and estimated amounts of all other proposed expenditures, is hereby approved and adopted.

**SECTION 3: Appropriation of Funds.** The sums below are hereby appropriated from the respective funds for the payment of expenditures on behalf of Prosper as established in the approved budget:

General Fund	\$ 7,115,112
Water & Sewer Fund	\$ 5,680,190
Interest & Sinking Fund	\$ 2,000,499
Internal Service Fund	\$ 50,000
Storm Drainage Utility Fund	\$ 161,400
Parks and Recreation Fund	\$ 201,000
Impact Fees Fund	\$ 1,300,000
Special Revenue-Donation Fund	\$ 59,200
Capital Projects Fund	\$ 6,496,885
Economic Development Corporation	\$ 157,755

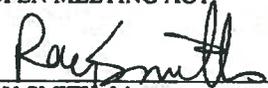
**SECTION 4: Authority of Town Manager.** Specific authority is hereby given to the Town Manager to transfer appropriations budgeted from one account classification or activity to another within any individual department or activity; and, to transfer appropriations from designated appropriations to any individual department or activity.

**SECTION 5: Savings/ Repealing Clause.** All provisions of any ordinance in conflict with this Ordinance are hereby repealed; but such repeal shall not abate any pending prosecution for violation of the repealed Ordinance, nor shall the repeal prevent prosecution from being commenced for any violation if occurring prior to the repeal of the Ordinance. Any remaining portions of conflicting ordinances shall remain in full force and effect.

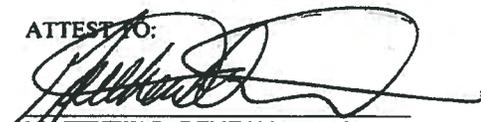
**SECTION 6: Severability.** Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. Prosper hereby declares that it would have passed this Ordinance, and each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional or invalid.

**SECTION 7: Effective Date.** This Ordinance shall become effective from and after its adoption and publication as required by law.

DULY PASSED AND APPROVED BY THE TOWN COUNCIL OF THE TOWN OF PROSPER, TEXAS ON THIS 14<sup>th</sup> DAY OF SEPTEMBER, 2010 AT A MEETING WHICH WAS HELD IN STRICT ACCORDANCE WITH THE TEXAS OPEN MEETING ACT.

  
RAY SMITH, Mayor

ATTEST TO:

  
MATTHEW D. DENTON, TRMC  
Town Secretary

Date of Publication SEPTEMBER 25, 2010





ORDINANCE NO. 10-079

**AN ORDINANCE OF THE TOWN OF PROSPER, TEXAS LEVYING TAXES FOR FISCAL YEAR BEGINNING OCTOBER 1, 2010 AND ENDING SEPTEMBER 30, 2011 AT THE RATE OF \$0.52 PER ONE HUNDRED DOLLARS (\$100.00) ASSESSED VALUE ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE TOWN OF PROSPER, TEXAS IN ACCORDANCE WITH EXISTING STATUTORY REQUIREMENTS AND PROVIDING FOR THE PUBLICATION OF THE CAPTION HEREOF ON THE TOWN'S HOME PAGE OF ITS WEBSITE.**

WHEREAS, the Town Council of the Town of Prosper, Texas (hereinafter referred to as the "Town") hereby finds that the tax for the fiscal year beginning October 1, 2010, and ending September 30, 2011, hereinafter levied for current expenditures of the Town and the general improvements of the Town and its property must be levied to provide revenue requirements for the budget for the ensuing year; and

WHEREAS, the Town Council has approved, by separate ordinance to be adopted on the 14<sup>th</sup> day of September, 2010, the budget for the fiscal year beginning October 1, 2010 and ending September 30, 2011; and

WHEREAS, all statutory and constitutional requirements concerning the levying and assessing of ad valorem taxes have been complied with.

NOW THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF PROSPER, TEXAS, COLLIN COUNTY, TEXAS:

**SECTION 1: Findings Incorporated.** The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein.

**SECTION 2: Adoption of Tax Rate.** We the Town Council of the Town of Prosper do hereby levy or adopt the tax rate of \$0.52000 per \$100 valuation for the Town for tax year 2010-2011 as follows:

\$0.334742 for the purpose of maintenance and operation and

\$0.185258 for payment of principal and interest on debt service.

**THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.**

**This Tax Rate Is Less Than The Effective Tax Rate. The Total Tax Rate Will Effectively Be Lowered By 1.33%. Taxes For Maintenance And Operations Will Be Effectively Lowered By 6.69%.**

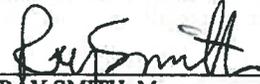
**SECTION 3: Place of Payment/Collection.** The Tax Assessor-Collector for Collin County is hereby authorized to assess and collect the taxes of the Town of Prosper in accordance with this ordinance. The Town shall have all rights and remedies provided by the law for the enforcement of the collection of taxes levied under this ordinance.

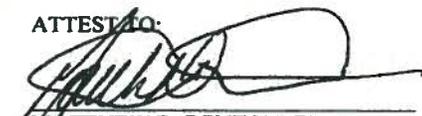
**SECTION 4: Savings/ Repealing Clause.** All provisions of any ordinance in conflict with this Ordinance are hereby repealed; but such repeal shall not abate any pending prosecution for violation of the repealed Ordinance, nor shall the repeal prevent prosecution from being commenced for any violation if occurring prior to the repeal of the Ordinance. Any remaining portions of conflicting ordinances shall remain in full force and effect.

**SECTION 5: Severability.** Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. Prosper hereby declares that it would have passed this Ordinance, and each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional or invalid.

**SECTION 6: SECTION 7: Effective Date.** This Ordinance shall become effective from and after its adoption and publication as required by law.

DULY PASSED AND APPROVED BY THE TOWN COUNCIL OF THE TOWN OF PROSPER, TEXAS ON THIS 14<sup>th</sup> DAY OF SEPTEMBER, 2010 AT A MEETING WHICH WAS HELD IN STRICT ACCORDANCE WITH THE TEXAS OPEN MEETING ACT.

  
RAY SMITH, Mayor

ATTEST TO:  
  
MATTHEW D. DENTON, TRMC  
Town Secretary



Date of Publication SEPTEMBER 25 2010



**ORDINANCE NO. 10-077**

**AN ORDINANCE OF THE TOWN OF THE PROSPER, TEXAS; AMENDING ORDINANCE NOS. 02-33, 03-48, 05-72, AND 09-051, COMPREHENSIVE FEE SCHEDULE, SECTION 11 (WATER AND WASTEWATER RATES), EXHIBIT "B"; PROVIDING FOR A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; PROVIDING FOR SAVINGS, REPEALING AND SEVERABILITY CLAUSES; PROVIDING FOR AN EFFECTIVE DATE; AND PROVIDING FOR THE PUBLICATION OF THE CAPTION HEREOF.**

WHEREAS, the Town Council of the Town of Prosper, Texas ("Town Council") has investigated and determined that it would be advantageous and beneficial to the citizens of the Town of Prosper, Texas ("Prosper") to amend Ordinance Nos. 02-33, 03-48, 05-72 and 09-051, Comprehensive Fee Schedule, Section 11 (Water and Wastewater Rates), Exhibit "B", to amend water and wastewater rates; and

WHEREAS, the Town Council has investigated and determined that it would be advantageous and beneficial to the citizens of Prosper to amend water and wastewater rates as set forth below.

**NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF PROSPER, TEXAS:**

**SECTION 1: Findings.** The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein.

**SECTION 2: Amendment to Ordinance Nos. 02-33, 03-48, 05-72 and 09-051 Comprehensive Fee Schedule, Section 11 (Water and Wastewater Rates), Exhibit "B".** Ordinance Nos. 02-33, 03-48, 05-72, 09-051 Comprehensive Fee Schedule, Section 11 (Water and Wastewater Rates), Exhibit "B" is hereby amended and replaced with the Exhibit "B" attached hereto and incorporated herein for all purposes which modifies the water and wastewater rates as set forth therein.

**SECTION 3: Penalty Provision.** Any person, firm, corporation or business entity violating this Ordinance or Ordinance Nos. 02-33, 03-48, 05-72, 09-051 shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined a sum not exceeding Five Hundred Dollars (\$500.00). Each occurrence in violation of this Ordinance shall constitute a separate and distinct offense. The penal provisions imposed under this Ordinance shall not preclude Prosper from filing suit to enjoin the violation nor shall it preclude Prosper from taking such other lawful action as is necessary to prevent or remedy any violation. Prosper retains all legal rights and remedies available to it pursuant to local, state and federal law.

**SECTION 4: Savings/Repealing Clause.** Ordinance Nos. 02-33, 03-48, 05-72 and 09-051 shall remain in full force and effect except as amended by this or any other ordinance. All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict; but such repeal shall not abate any

**Fee Schedule Ordinance (Amend Nos. 02-33, 03-48, 05-72, and 09-051)**  
402696-1

pending prosecution for violation of the repealed ordinance, nor shall the repeal prevent a prosecution from being commenced for any violation if occurring prior to the repeal of the ordinance. Any remaining portions of said ordinances shall remain in full force and effect.

**SECTION 5: Severability.** Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. Prosper hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional or invalid.

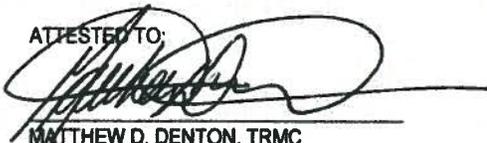
**SECTION 6: Effective Date.** This Ordinance shall become effective from and after its adoption and publication as required by law.

DULY PASSED AND APPROVED BY THE TOWN COUNCIL OF THE TOWN OF PROSPER, TEXAS ON THIS 14<sup>th</sup> DAY OF SEPTEMBER, 2010.



RAY SMITH, Mayor

ATTESTED TO:



MATTHEW D. DENTON, TRMC  
Town Secretary

DATE OF PUBLICATION: SEPTEMBER 25, 2010, Dallas Morning News

**Exhibit "B"**  
**Town of Prosper Water and Wastewater Rates**  
**Effective November 2010**

Residential Water Service Rates		Residential Wastewater Service Rates	
<b>Meter Size</b>	<b>Minimum Service Charge</b>	<b>All Residential Accounts</b>	<b>Minimum Service Charge</b>
3/4" or Smaller	\$ 10.62		\$ 21.16
1"	\$ 17.71		
1 1/2"	\$ 35.41	<b>Volumetric Charge</b>	<b>Rate per 1,000 Gallons</b>
2"	\$ 56.66	All	\$ 3.29
<b>Volumetric Charges</b>	<b>Rate per 1,000 Gallons</b>	<b>Winter Averaging</b>	
0 – 15,000 Gallons	\$ 3.57	Wastewater volumetric charges on residential accounts are billed based on the Winter Average Consumption during the months of December, January and February.	
15,001 – 40,000 Gallons	\$ 5.35		
40,001 – 80,000 Gallons	\$ 8.03		
80,001 – Plus	\$ 12.04		
Additional Residential Service Charges			
<b>Service Initiation</b>	\$ 65.00	<b>Transfer Fees</b>	\$ 20.00
<b>Meter Accuracy Re-Reads</b>	\$ 15.00	<b>Late Fees</b>	10% of Billed Amount
<b>Turn Offs / Reconnects During Normal Office Hours</b>	\$ 30.00	<b>Turn Offs / Reconnects After Normal Office Hours</b>	\$ 60.00

Senior citizen account holders who qualify are entitled to receive the first two thousand (2,000) gallons included as part of the minimum bill for indoor residential accounts. To be eligible, the customer must be the listed account holder age sixty-five (65) or older, complete an application for the discount, provide proof of age on a valid United States or State ID and not be receiving the senior citizen discount on any other Town of Prosper account.

Late payment penalties shall be waived for any account holder, on that customer's residential utility bill, upon request and presentation of adequate proof that the customer is either

- at least age sixty-five (65) and the recipient of social security or other bona fide retirement benefits
- OR
- is totally disabled.

Out of Town rates are the same as in Town rates for water and wastewater.

**Exhibit "B"**  
**Town of Prosper Water and Wastewater Rates**  
**Effective November 2010**

Commercial Water Service Rates		Commercial Wastewater Service Rates	
<b>Meter Size</b>	<b>Minimum Service Charge</b>	<b>All Commercial Accounts</b>	<b>Minimum Service Charge</b>
3/4" or Smaller	\$ 8.15		\$ 24.25
1"	\$ 13.58		
1 1/2"	\$ 27.16	<b>Volumetric Charge</b>	<b>Rate per 1,000 Gallons</b>
2"	\$ 43.46	All	\$ 3.97
3"	\$ 81.48		
4"	\$135.80		
<b>Volumetric Charges</b>	<b>Rate per 1,000 Gallons</b>		
0 – 15,000 Gallons	\$ 3.85		
15,001 – 40,000 Gallons	\$ 4.81		
40,001 – 80,000 Gallons	\$ 6.01		
80,001 – Plus	\$ 7.52		
Additional Commercial Service Charges			
<b>Service Initiation</b>	<b>\$ 75.00</b>	<b>Transfer Fees</b>	<b>\$ 20.00</b>
<b>Meter Accuracy Re-Reads</b>	<b>\$ 15.00</b>	<b>Late Fees</b>	<b>10% of Billed Amount</b>
<b>Turn Offs / Reconnects During Normal Office Hours</b>	<b>\$ 30.00</b>	<b>Turn Offs / Reconnects After Normal Office Hours</b>	<b>\$ 60.00</b>

Multifamily Dwellings, Townhomes and other Multitenant Commercial Accounts served by one master meter will be billed a minimum water charge per unit equal to the 3/4" commercial base rate and the minimum service charge for wastewater. The Commercial volumetric charges will apply as normally scheduled on the master meter consumption for both water and wastewater services..

Out of Town rates are the same as In Town rates for water and wastewater.

Exhibit "B"

Town of Prosper Water and Wastewater Rates  
Effective November 2010

Irrigation Water Service Rates		Irrigation Wastewater Service Rates	
<b>Meter Size</b>	<b>Minimum Service Charge</b>	Irrigation Accounts are not billed for wastewater services. Irrigation Accounts are strictly for meters and water service dedicated solely to furnish water service to lawn sprinkler or irrigation systems, and do not directly receive wastewater services.	
3/4" or Smaller	\$ 3.85		
1"	\$ 6.41		
1 1/2"	\$ 12.83		
2"	\$ 20.52		
<b>Volumetric Charges</b>	<b>Rate per 1,000 Gallons</b>		
0 – 15,000 Gallons	\$ 5.39		
15,001 – 40,000 Gallons	\$ 6.19		
40,001 – 80,000 Gallons	\$ 7.12		
80,001 – Plus	\$ 8.19		
Additional Irrigation Service Charges			
<b>Service Initiation</b>	\$ 75.00	<b>Transfer Fees</b>	\$ 20.00
<b>Meter Accuracy Re-Reads</b>	\$ 15.00	<b>Late Fees</b>	10% of Billed Amount
<b>Turn Offs / Reconnects During Normal Office Hours</b>	\$ 30.00	<b>Turn Offs / Reconnects After Normal Office Hours</b>	\$ 60.00

Out of Town rates are the same as In Town rates for water and wastewater.

Exhibit B to Fee Schedule Ordinance (Amend Nos. 02-33, 03-48, 05-72, and 09-051)  
402696-1

**- A -**

**Accrual Accounting** - A basis of accounting in which revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period in which they are incurred.

**Ad Valorem** - Latin for "value of". Refers to the tax assessed against real (land and buildings) and personal (equipment and furniture) property.

**Annexed Property** - Land previously outside the Town limits that becomes part of the Town during a year through the legal process of incorporation.

**Appraised Value** – An estimated value for the purpose of taxation. The Collin and Denton Central Appraisal Districts establish property values for Town of Prosper properties in their respective Counties.

**Appropriation** - An authorization made by the Town Council, which permits the Town to incur obligations and to make expenditures of resources.

**Appropriation Ordinance** - The official enactment, by Town Council, to legally authorize Town Staff to obligate and expend resources.

**Assessment Ratio** - The ratio at which tax rate is applied to tax base. The assessment ratio is currently set at 100% by State law.

**Assets** - Resources owned or held by the Town which have monetary value.

**Audit** - A comprehensive review of the manner in which the government's resources were actually utilized. A certified public accountant issues an opinion over the presentation of financial statements, tests the controls over the safekeeping of assets and makes recommendations for improvements where necessary.

**- B -**

**Balanced Budget** - A financial plan for a fiscal year that matches all planned revenues and expenditures with the services provided to the residents of the Town based on established policies.

**Bond** - A written promise to pay a sum of money on a specific date(s) at a specific interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance.

**Bonded Debt** - That portion of indebtedness represented by outstanding bonds.

**Budget** - A financial plan, for a specified period, of operations that matches all planned revenues and expenditures with the services provided to the Town.

**Budget Adjustment** - A legal procedure utilized by the City Staff and City Council to revise a budget appropriation within guidelines established in the Town Charter.

**Budget Calendar** - The schedule of key dates, which the Town follows in the preparation and adoption of the budget.

**Budget Control** - The control or management of the organization in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and revenues.

**Budget Document** - The instrument used by the budget-making authority to present a comprehensive financial plan of operations to the Town Council.

**Budget Message** - The opening section of the budget from the Town Manager, which provides the Town Council and the public with a general summary of the most important aspects of the budget.

**Budgetary Control** - The control or management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

- C -

**CAD/RMS (Computer Aided Dispatch/Records Management System)** – The main software program used by the police department. This software dispatches and tracks all police, fire and EMS calls and provides data to the Mobile Data Computers (MDCs) installed in every unit.

**Calculated Effective Tax Rate** - State law in Texas prescribes a formula for calculating the effective tax rate for cities. The net effect of the formula is to produce a tax rate that goes down when property values rise because of inflation and vice versa. The intent is to generate a rate that produces approximately the same revenue as the year before. The formula does make adjustments for newly annexed property and newly constructed property for the effective tax rate calculation.

**Capital Improvement Program** - A plan for purchasing capital expenditures over a period of years to meet capital needs arising from the long-term work program or otherwise. It sets forth each project or other contemplated expenditure in which the government is to have part and specifies the full resources estimated to be available to finance the projected expenditures.

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

**Capital Projects Fund** - A fund created to account for financial resources to be used for the acquisition or the construction of major capital facilities or equipment.

**Capital Reserve** - Funds that have been appropriated from operating revenues which are to be set aside for designated types of maintenance to the existing infrastructure.

**Certificates of Obligation** - Tax supported bonds that are similar to general obligation bonds and can be issued after meeting strict publication requirements and with final approval by the Town Council.

**Contractual Services** - The costs related to services performed for the Town by individuals, business, or utilities.

**Current Taxes** - Taxes levied and due within one year.

- D -

**Debt Service Fund** - A fund established to account for the accumulation of resources for, and the payment of, long-term debt principal and interest.

**Delinquent Taxes** - Taxes that remain unpaid after the date on which a penalty for nonpayment is attached, i.e., tax statements are mailed out in October and become delinquent if unpaid by January 31.

**Department** - A major administrative organizational unit of the Town, which indicates overall management responsibility for one or more divisions.

**Depreciation** - Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence. Also that portion of the cost of a capital asset which is charged as an expense during a particular period.

**Division** - A major administrative organizational unit of the Town, which indicates overall management responsibility for one or more activities.

- E -

**EDC (or PEDC)** – Prosper Economic Development Corporation On May 6, 1995, Town of Prosper voters approved the 4A Sales Tax proposition which increased the sales and use tax by  $\frac{1}{2}$  of 1% for the promotion and development of new and expanded business enterprises. The Corporation is Town-chartered and governed by a 5-member Board of Directors appointed by the Town Council.

**Effective Tax Rate** - Texas law prescribes a formula for calculating the effective tax rate for cities. The net effect of the formula is to produce a tax rate that goes down when property values rise (and vice versa) to generate a rate that produces approximately the same revenue as the year before. The formula makes adjustments for additional debt service, newly annexed property, and newly constructed property. If the tax rate is raised over the prior year's effective tax rate, State law requires that special notices must be posted and published. If the increase is more than 8%, the increase above 8% is subject to a possible rollback election by the voters.

**EMS** - Emergency Medical Service

**Encumbrance** - The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a future expenditure.

**Enterprise Fund (Water & Sewer Fund)** - A fund established to account for operations of the water and sewer system. It is operated in a manner similar to private business enterprises where the intent is cost recovery.

**EOC** - Emergency Operations Center

**Estimated Revenue** - The amount of projected revenues to be collected during the fiscal year.

**Exempt** - Personnel not eligible to receive overtime pay and who are expected to put in whatever hours are necessary to complete their job assignments.

**Expenditures** - A decrease in the net financial resources of the Town due to the acquisition of goods or services.

- F -

**Financial Policies** - Financial policies are used to enable the Town to achieve a sound financial position.

**Fiscal Year** - A 12-month period to which the Annual Budget applies. The Town of Prosper has specified October 1 to September 30 as its fiscal year.

**FLSA** - Fair Labor Standards Act, The FLSA establishes minimum wage, overtime pay, recordkeeping, and youth employment standards affecting employees in the private sector and in Federal, State, and local governments.

**Franchise Fee** - A fee paid by public service utilities for use of public property in providing their services to the citizens of the community.

**Fund** - An accounting entity with a self-balancing set of accounts that record financial transactions for specific activities or government function.

**Fund Accounting** - A governmental accounting system, which is organized and operated on a fund basis.

**Fund Balance** - The excess of assets over liabilities.

**Fund Type** - In governmental accounting, all funds are classified into eight fund types: General, Special Revenue, Debt Service, Capital Projects, Special Assessment, Enterprise, Internal Service, and Trust & Agency.

- G -

**GAAP** - Generally accepted accounting principles as determined through common practice or as promulgated by the Governmental Accounting Standards Board, Financial Accounting Standards Board, or various other accounting standard setting bodies.

**GASB** - (Governmental Accounting Standards Board) GASB was established in 1984 as the body authorized to establish accounting standards for state and local government.

**GASB 34** – The 34th Concepts Statement issued by GASB. This statement changes the way that local governments prepare and present their annual financial statements. Under the new model, the financial report is presented on an entity wide basis rather than fund by fund. Furthermore, the Town’s infrastructure (roadways, traffic signals, drainage channels) will be listed as assets of the Town and reported at their depreciable value.

**GIS** - Geographic Information System, Services currently provided under contract with Frisco GIS

**General Fund** - The fund used to account for all financial resources except those required to be accounted for in another fund.

**General Obligation Bonds** - Bonds that finance a variety of public projects, which pledge the full faith, and credit of the Town.

**Goals** - Broad, general statements of each division’s desired social or organizational outcomes.

**Governmental Funds** – Applies to all funds except for the profit and loss funds (e.g., enterprise fund and internal service fund.)

**Grant** - A contribution by a government or other organization to support a particular function. Grants may be classified as either categorical or block depending upon the amount of discretion allowed the grantee.

- H -

**HOA** - Home Owners’ Association

- I -

**ICMA** - International City and County Management Association, Professional and educational association for government officials

**Impact Fees** - Fees assessed to developers to help defray a portion of the costs that naturally result from increased development. By Texas law, these fees must be used for capital acquisition or debt service relating to capital projects.

**Infrastructure** - The underlying permanent foundation or basic framework.

**Interest Earnings** - The earnings from available funds invested during the year in U.S. Treasury Bonds, Government agencies, and Certificates of Deposits or other approved investment.

**Interfund Transfer** - A movement of cash between funds for the purpose of return on investment or funding projects and operations.

**Intergovernmental Revenues** - Revenues from other governments in the form of grants, entitlements, shared revenues or payments in lieu of taxes.

**Internal Service Funds** - Funds established to finance and account for services and commodities furnished by a designated department to other departments within a single governmental unit or to other governmental units. Amounts expended by the fund are restored thereto, either from operating earnings or by transfers from other funds, so that the original fund capital is kept intact.

**Investments** - Securities, bonds, and real property (land or buildings) held for the production of revenues in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in the normal course of governmental operations.

- L -

**Liabilities** - Debts or other legal obligations arising out of transactions in the past, which must be liquidated, renewed or refunded at some future date.

**Line Items** - Expenditure classifications established to account for approved appropriations. Line Item budgets for all departments are available upon request at Town Hall.

**Long-Term Debt - Unmatured debt of a government expected to be repaid from government funds. An average repayment schedule is 20 years.**

**- M -**

**Maintenance - All materials or contract expenditures covering repair and upkeep of Town buildings, machinery and equipment, systems, and land.**

**Materials and Supplies - Expendable materials and operating supplies necessary to conduct departmental activity.**

**Modified Accrual Accounting - A basis of accounting in which revenues are recognized in the accounting period when they become available and measurable. Expenditures are recognized in the accounting period in which the fund liability is incurred.**

**- N -**

**NCTCOG or COG – North Central Texas Council of Governments, is a voluntary association of, by and for local governments, established to assist local governments in planning for common needs, cooperating for mutual benefit, and coordinating for sound regional development.**

**Note - A certificate pledging payment, issued by a government or bank.**

**NTMWD - North Texas Municipal Water District**

**- O -**

**Objectives - Specific statements of desired ends, which can be measured.**

**Operating Budget - Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing acquisition, spending and service delivery activities of a government are controlled. The use of an annual operating budget is usually required by law.**

**Operating Costs – Outlays for such current period items as expendable supplies, contractual services, and utilities.**

**Ordinance - A formal legislative enactment by the governing board of a municipality. If it is not in conflict with any higher form of law, such as a State statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies. The difference between an ordinance and a resolution is that the latter requires less legal formality and has a lower legal status. Revenue raising measures, such as the imposition of taxes, special assessments and service charges, universally require ordinances. Ordinances and other legislation are not passed until the plans for and costs of endorsements are known.**

**- P -**

**Part-Time - Part-time employees work less than 40 hours per week and may not be entitled to full-time employee benefits.**

**PEDC (or EDC) – Prosper Economic Development Corporation – see full definition under EDC**

**Per Capita Costs - The cost of service per person. Per capita costs are based on the population estimate provided by the North Texas Council of Governments.**

**Performance Measures - Specific quantitative measures of work performed within an activity or program. They may also measure results obtained through an activity or program.**

**Personnel Services - The costs associated with compensating employees for their labor. This includes salaries and fringe benefits.**

**Projected Actual - An estimate of year ending balances for all accounts used for budgeting purposes.**

**Property Taxes** - Used to describe all revenues received in a period from current taxes, delinquent taxes, penalties, and interest on delinquent taxes. Property taxes are levied on both real and personal property according to the property's valuation and tax rate.

**Proprietary Funds** – Such as the Town's Enterprise and Internal Service funds are used to account for services provided by one department or agency of a government to other departments, other governmental units, or the general public on a user charge basis.

**Public Hearing** - The portions of open meetings held to present evidence and provide information on both sides of an issue.

- Q -

- R -

**Reimbursement** - Repayment to a specific fund for expenditures incurred or services performed by that fund to or for the benefit of another fund.

**Reserve** - An account used to indicate that a portion of a fund balance is restricted for a specific purpose.

**Retained Earnings** - The excess of assets less liabilities in the proprietary funds.

**Revenue** - Funds that the government receives as income.

**Revenue Bonds** - Bonds whose principal and interest are payable exclusively from a revenue source pledged as the payment source before issuance.

**RFP** - Request for Proposals

**RFQ** - Request for Quotes

**Risk Management** - An organized attempt to protect a government's assets against accidental loss in the most economic method.

**ROW** – Right of Way

- S -

**SAFER** - Staffing for Adequate Fire and Emergency Response, Federal Grant

**Special Revenue Fund** - A fund used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts or for major capital projects) that are legally restricted to expenditures for specified purposes.

**STEP** - State Traffic Enforcement Program

**Strategic Plan** - Document which lists or describes major goals of an organization along with the strategies that will be employed in attaining them.

- T -

**Tax Base** - The total value of all real and personal property in the Town as of January 1st of each year, as certified by the Appraisal Review Board. The tax base represents net value after all exemptions.

**Tax Levy** - The resultant product when the tax rate per one hundred dollars is multiplied by the tax base.

**Tax Rate** - Total tax rate is set by Council and is made up of two components: debt service and operations rates. The 2009-2010 tax rate for the Town of Prosper is \$0.52 per \$100.00 valuation, with debt service comprising \$0.205916 leaving the remaining \$0.314084 of the total distributed to the General Fund.

**Tax Increment Financing (TIF) - Tax Increment Financing; a tool to use future gains in property and sales taxes to finance eligible public infrastructure such as streets, drainage, parking garages, parks, trails, and other improvements as allowed by law, within a reinvestment zone.**

**Tax Increment Reinvestment Zone (TIRZ) - Zone geospatially designated as subject to Tax Increment Financing.**

**TMRS - Texas Municipal Retirement System**

**Transfers In/Out - Amounts transferred from one fund to another to assist in financing the services or programs for the recipient fund.**

**Town Charter - The document of a home rule Town similar to a constitution, which establishes the Town's government structure and provides for the distribution of powers and duties among the various branches of government.**

**Town Council - The Mayor and six (6) Council Members collectively acting as the legislative and policymaking body of the Town.**

- U -

- V -

- W -

**W & S – Water & Sewer**

**Working Capital – Current assets minus current liabilities.**

- X -

- Y -

- Z -