

# Welcome to the September 10, 2024, Prosper Town Council Meeting

# Call to Order/Roll Call

# Invocation, Pledge of Allegiance, and Pledge to the Texas Flag

## Pledge to the Texas Flag

Honor the Texas flag; I pledge allegiance to thee,  
Texas, one state under God, one and indivisible.

# Announcements

# Presentations.

## Agenda Item 1.

Proclamation declaring September 17 through September 23, 2024, as Constitution Week. (MLS)

# Consent Agenda

## Agenda Item 2.

Consider and act upon the minutes from the August 27, 2024, Work Session meeting. (MLS

## Agenda Item 3.

Consider and act upon the minutes from the August 27, 2024,  
Town Council Regular meeting. (MLS)



## Agenda Item 4.

Consider acceptance of the July 2024 monthly financial report.  
(CL)

## Agenda Item 5.

Consider and act upon an ordinance amending Division 3, "Community Engagement Committee," of Article 1.04, "Boards, Commissions, and Committee" within Chapter 1 of the Town's Code of Ordinances by amending Section 1.04.039, "Number of Members". (MLS)

## Agenda Item 6.

Consider and act upon approving an update to the Library Policies. (RB)

## Agenda Item 7.

Consider and act upon adopting the FY 2024-2025 Prosper Economic Development Corporation Budget. (MM)

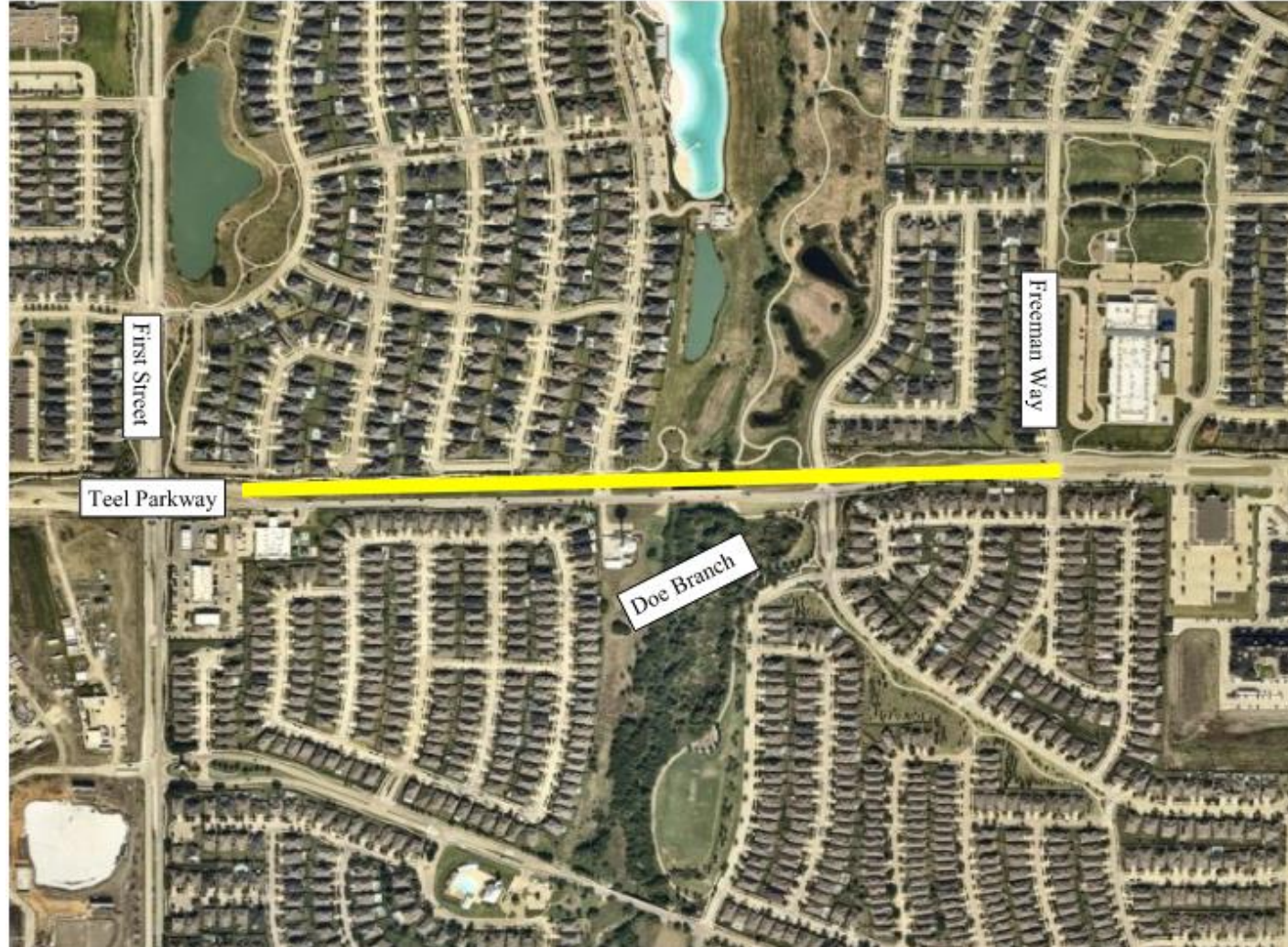
## Agenda Item 8.

Consider and act upon an ordinance amending Section 12.09.004 "School Traffic Zones" of Chapter 12 "Traffic and Vehicles" of the Town's Code of Ordinances by modifying the limits and hours of operation of such zones. (HW)

## Agenda Item 9.

Consider and act upon authorizing the Town Manager to execute a Professional Engineering Services Agreement between CP&Y, Inc. dba STV Infrastructure, and the Town of Prosper, Texas, related to the design of the Teel Parkway (First - Freeman) - 2 SB Lanes project for \$806,740.30. (PA)

## Teel Parkway (First-Freeman)



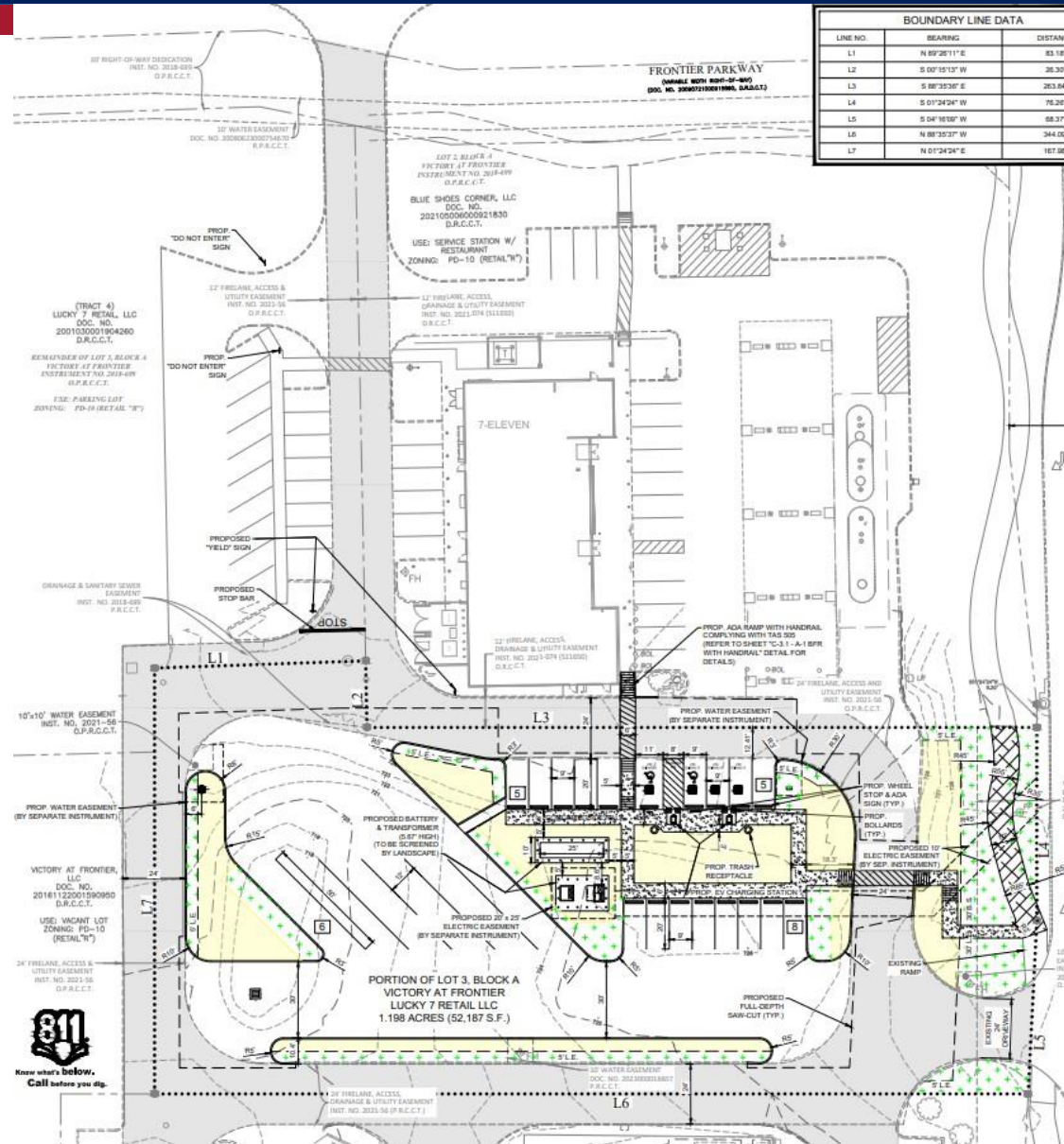
## Agenda Item 10.

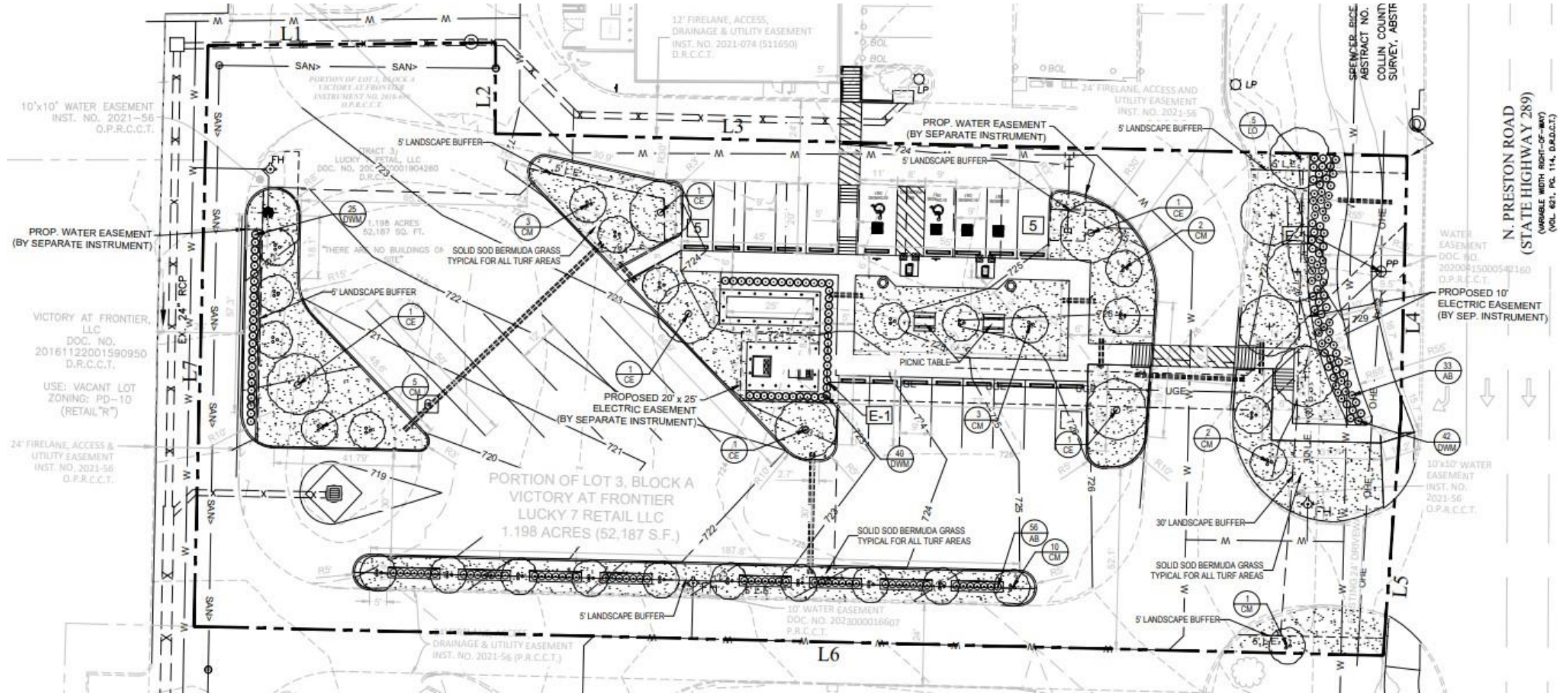
Consider and act upon whether to direct staff to submit a written notice of appeals on behalf of the Town Council to the Development Services Department, pursuant to Chapter 4, Section 1.5(C)(7) and 1.6(B)(7) of the Town's Zoning Ordinance, regarding action taken by the Planning & Zoning Commission on Preliminary Site Plans and Site Plans. (DH)











## Agenda Item 11.

Consider and act upon the appointment of a Municipal Judge,  
and authorize the Mayor to execute an agreement for same.  
(JJ)



# Citizen Comments

## Regular Agenda

Pursuant to Section 551.007 of the Texas Government Code, individuals wishing to address the Council for items listed as public hearings will be recognized when the public hearing is opened.

## Agenda Item 12.

Conduct a public hearing to receive public input, consider such input, and consider and act upon an ordinance adopting the Fiscal Year (FY) 2024-2025 Annual Operating and Capital Project Funds budgets and five-year Capital Improvement Program for the fiscal year beginning October 1, 2024, and ending September 30, 2025. (CL)



# Town Council Strategic Visioning Priorities



1

## ACCELERATION OF INFRASTRUCTURE

- Work with the Capital improvement Subcommittee to identify gaps in the Town's infrastructure and ensure that it meets the demands of a growing community
- Utilize all available financial methods (Bonds, Certificates of Obligation, Capital Dedicated Fund, Grants, etc.) to fund projects.
- Work with the Capital Improvement Subcommittee to plan for a future bond program and/or pay-as-you-go program.



2

## DEVELOPMENT OF DOWNTOWN PROSPER AS A DESTINATION

- Collaborate with the Downtown Business Alliance, Community Engagement Committee, Downtown Committee, and Prosper EDC to implement the Downtown Master Plan.
- Pursue a mix of public and private developments as catalysts for office, retail, restaurants, entertainment, housing, and outdoor events.



3

## ENSURE THE TOWN'S COMMERCIAL CORRIDORS ARE READY FOR DEVELOPMENT

- Ensure US 380 and Dallas North Tollway are primed and ready for development.
- Develop long-term strategies for land use, landscaping, lighting, and traffic.
- Leverage partnerships with TxDOT, NTTA and private development.



4

## CONTINUE TO PROVIDE EXCELLENT MUNICIPAL SERVICES

- Strive to be a high-performing organization focused on continuous improvement, best practices, and benchmarking.
- Develop a culture of excellence and provide the financial resources necessary to support these goals.
- Provide a welcoming and respectful environment for residents, visitors, and Town employees.



5

## WORK TOWARDS A GROWING AND DIVERSIFIED TAX BASE

- Collaborate with Prosper EDC and be adaptable to changing market conditions.
- Place an emphasis on corporate, medical, and life-sciences sectors.
- Utilize metrics to create resiliency strategies against market changes.



# Budget Timeline

February 27, 2024

Multi-Year Budget Projections

May 28, 2024

Adopted Strategic Vision Priorities

Spring/Summer 2024

Sub-Committee Meetings on Capital Project  
Prioritization, Debt Issuance, Market Adjustments

July 25, 2024

Certified Rolls

July 30, 2024

Budget Workshop at Council Work Session

August 13, 2024

Presentation of Preliminary Budget,  
Passage of all items needed to begin  
Budget Adoption Process.

## Budget Timeline

Before August 23, 2024

Sub-Committee Meetings per Council Direction

August 29, 2024

Budget Town Hall Meeting

September 10, 2024

Budget Public Hearing, Final Changes (if any) and Adoption; Tax Rate Public Hearing and Adoption; Tax Increase Ratification

## Budget in Brief

Total FY 2024-2025 Preliminary Budget Operating Appropriations \$102,622,254 including:

- \$52,819,628 for General Fund operations and maintenance,
- \$3,346,035 for the Crime Control and Prevention Special Purpose District,
- \$3,544,260 for the Fire Control, and Emergency Medical Services Special Purpose District,
- \$42,912,331 for the Town's Enterprise Funds including Solid Waste, Water, and Sewer utilities as well as the Storm Drainage Utility Fund.

General Debt Service Appropriations for the coming fiscal year are \$18,526,992.

Governmental Capital Projects added for the year total \$51.4 million.

## Key General Fund Revenue Drivers

For FY 2024-2025, General Fund revenues are expected to total \$51,207,806 which is an increase of 7.04% over the previous year's amended budget. This additional revenue is from increased property tax, sales tax, and franchise fees.

The Preliminary Budget reflects 10.6% growth from FY 2023-2024 year-end projected sales tax receipts. This is the seventh year for the Special Purpose Districts that receive sales tax that had been previously reported in the General Fund. The General Fund is projecting sales tax revenue of \$12,659,839 for FY 2024-2025.



# General Fund Staffing

Department	Title	Start Date	FTE	Recurring	One-time	Grant Revenue	Year 2
Town Managers Office	Management Analyst	10/1/2024	1	105,000	10,000	-	105,000
Finance	Fleet Coordinator	1/1/2025	1	72,003	48,730	-	95,499
Communications	Communication Specialist increase to Full-time	10/1/2024	0.5	34,091	-	-	34,091
Municipal Court	Municipal Court Clerk	1/1/2025	1	47,399	-	-	47,399
Police	Administrative Assistant-Patrol	4/1/2025	1	13,171	36,515	-	69,419
Police	Detective	4/1/2025	1	80,049	115,264	-	150,101
Police	Police Officers (COPS Grant)	1/1/2025	5	579,298	505,917	333,333	749,943
Police	9-1-1 Communications CAD Supervisor	4/1/2025	1	65,425	5,369	-	127,553
Fire	Fire Inspector/Investigator	1/1/2025	1	100,072	102,265	-	128,444
Public Works	Signs and Marking Technician	4/1/2025	1	40,716	-	-	77,323
Public Works	Streets Utility Worker	1/1/2025	1	58,420	-	-	76,724
Public Works	Facilities Maintenance Technician	1/1/2025	1	51,700	-	-	61,692
Parks	Irrigation Technician	4/1/2025	1	37,558	51,456	-	72,977
Parks	Parks Supervisor	11/1/2024	1	92,738	52,529	-	100,971
Library	Library Assistant PT to FT	10/1/2024	0.5	30,286	-	-	30,286
Engineering	Senior Traffic Engineer	1/1/2025	1	101,028	20,686	-	141,929
Total General Fund			19	1,508,954	904,631	333,333	2,069,351



# Other Funds Staffing

## Water/Wastewater Fund

Department	Title	Start Date	FTE	Recurring	One-time	Grant Revenue	Year 2
Public Works	Crew Leader	10/1/2024	1	98,141	99,820	-	98,141
Public Works	Heavy Equipment Operator	10/1/2024	1	85,270	335	-	85,270
Public Works	Utility Worker	10/1/2024	1	75,672	1,800	-	77,472
Total Water/Wastewater Fund			3	259,083	101,955	-	260,883

## Stormwater Drainage Fund

Department	Title	Start Date	FTE	Recurring	One-time	Grant Revenue	Year 2
Public Works	Stormwater Crew Leader	10/1/2024	1	168,280	14,502	-	103,830
Total Stormwater Drainage Fund			1	168,280	14,502	-	103,830

# Market Study

Fund	Recurring
General Fund - Police-Sworn	232,513
General Fund - Fire-Sworn	228,464
General Fund	311,881
Water/Wastewater	37,601
<b>Total Market Study</b>	<b>810,459</b>

- Public Safety Market Methodology
  - The average minimum and maximum annual rates of pay at benchmark cities. The data is anchored at the minimum and maximum annual rates for each respective rank and file.
  - Competitive percentage above market average – 1.75% - subject to Comprehensive Market Study findings
- Non-Public Safety Market Methodology
  - $(\text{Max Average} + \text{Min Average}) / 2 = \text{Midpoint}$



# Major General Fund Enhancements

## **Administration:**

Comprehensive Compensation and Benefits Study-\$65,000  
IT Security and Other Enhancements-\$274,419  
Management Analyst - \$115,000  
Fleet Coordinator - \$76,633  
Municipal Court Clerk - \$47,399

## **Streets and Facility Maintenance**

Street Markings and Sign Repairs - \$73,102  
Building Maintenance and Repairs - \$150,000  
Facilities Maintenance Technician - \$51,700

## **Parks and Recreation:**

Increase in Community Events - \$90,050  
New Parks and Median Maintenance - \$362,000  
Automated External Defibrillator - \$20,000  
Irrigation Technician - \$89,014  
Parks Supervisor - \$145,267  
Library Assistant - \$30,286  
Library Technology Equipment - \$13,231

## **Engineering:**

Senior Traffic Engineer - \$121,714





# Major General Fund Enhancements

## **Police:**

Deputy Chief (reclass) - \$80,736

Flock Safety Program Expansion (Grant) - \$367,250

Officer Safety Equipment (Grant) - \$79,163

Detective - \$195,313

Five Police Officers (Grant) - \$1,085,215

9-1-1 Communications CAD Supervisor - \$70,794

## **Fire:**

Radio Replacement (year 1 of 4) - \$91,628

Online Paramedics School - \$41,250

Fire Inspector/Investigator - \$202,337

Annual Physicals - \$20,596

# Other Funds

## Utility Fund-Distribution and Collection Utility

- Potable Water Supplier proposing over 13.8% increase in rates
- Wastewater treatment supplier requires significant capital investment for new treatment plant
- Rate Consultant projecting need for multiple year rate increases including a blended 8.77% next year (6.3% water and 16% wastewater)
- First Rate Increase in four years (2020)

## Solid Waste Fund

- Created in 2023, the fund is self-supporting through rates. Price adjustment in February.

## Stormwater Drainage

- No rate increase recommended. Last rate increase 2018.

# Debt Service Fund

- Add Series 2024 authorized by Council - \$36.407 Million
- Redeem Series 2014 - \$600,000 (\$140,000 savings)
- \$152 million available for 2025 Bond Election
- Increases I&S Rate from 0.177258 to 0.180392
- 36% I&S percentage of total Tax Rate (below 40%)
- Outstanding Total Debt of \$228,582,000 at end of FY24-25
- 2.4% Outstanding Total Debt as a percentage of TAV (below 4%)
- \$5,366 Outstanding Total Debt per Capita

# Governmental Capital Projects

- \$51.3 million Total in New Projects
  - \$35.9 million in Streets Projects
  - \$6.6 million in Parks Projects
  - \$5.3 million in Facility Projects
  - \$2 million in Public Safety Projects
  - \$1.5 million in Unrestricted Projects

# Multi-Year Capital Program/Debt Issuance

## Recently Approved Bonds 2023-2024

Parks and Recreation Projects (\$4,270,000 Authorization Remaining of \$30,000,000)

- Raymond Community Park, Phase 1: (Construction) \$10,900,000

Public Safety Projects (\$1,200,000 Authorization Remaining of \$30,000,000)

- Fire Station #4 (Construction) \$10,200,000

Street and Transportation Projects (\$57,514,905 Authorization Remaining of \$150,000,000)

- First Street (DNT – Coleman): (Construction) \$9,000,000
- Coit Road (First – Frontier) – 4 lands: (Land/Esmt) \$1,700,000
- Teel (US 380 – First St.) 2 NB Lanes (Construction) \$1,400,000
- Legacy (First – Star Trail) 2NB Lanes (Construction) \$650,000
- Braided Ramps \$2,557,062

**TOTAL**

**\$36,407,062**

# Multi-Year Capital Program/Capital Dedicated

## Pay-as-you-go Funding

### Facilities

- Parks and Public Works Facility, Phase 1 \$2,352,938

### Public Safety

- Fire Station #4 (Construction) \$1,480,000

### Streets/Traffic

- Traffic Signal – First & Artesia \$230,000
- Traffic Signal – Teel & Prairie \$460,000
- Traffic Signal – Legacy & Prairie \$525,000
- Traffic Signal Communication Program \$495,000
- Braided Ramps \$2,557,062
- Traffic Improvement Program \$1,500,000

**TOTAL**

**\$9,600,000**

## Agenda Item 13.

Conduct a public hearing to consider and act upon an ordinance adopting a tax rate of \$0.505 per \$100 valuation for fiscal year 2024-2025. (CL)

# Historical Property Valuation

Fiscal Year	Valuation Excluding Freeze	Growth	New Property	Growth from New Property	Reappraisal Growth	Growth from Reappraisal
2019-2020	4,209,067,499	12.4%	414,634,110	11.1%	49,749,601	1.3%
2020-2021	4,601,196,301	9.3%	360,557,369	8.5%	31,571,433	0.8%
2021-2022	5,437,210,564	18.2%	469,526,490	10.2%	366,487,773	8.0%
2022-2023	6,616,007,870	21.7%	596,431,779	11.0%	582,365,527	10.7%
2023-2024	8,335,296,679	26.0%	876,474,004	13.3%	842,814,805	12.7%
2024-2025	9,622,101,595	15.4%	878,599,323	10.5%	408,205,593	4.9%



## No-New-Revenue Tax Rate

- The “**No-New-Revenue**” rate is the highest property tax rate a local government can adopt that generates the same amount of revenue as the previous year, despite changes in property values.
- The calculation excludes impact from new property and property in a TIRZ.
- Compares like property year over year.

## Voter-Approval Tax Rate

- The “**voter approval**” rate is the maximum property tax rate increase, 3.5% on M&O plus calculated I&S Rate, that local taxing units can implement without voter approval.
- Mandated to adopt the calculated I&S rate.



# Property Tax Rate Comparison

	2024-2025	2023-2024
No-New-Revenue Tax Rate	\$0.466941	\$0.448160
Voter-Approval Tax Rate	\$0.522075	\$0.51
Debt Rate (I&S Rate)	\$0.180392	\$0.177258
Adopted Rate	-	\$0.51
Proposed Rate	\$0.505	-



# Historical Property Tax Rate

Fiscal Year	M&O	I&S	Total Rate
2019-2020	0.367500	0.152500	0.520000
2020-2021	0.367500	0.152500	0.520000
2021-2022	0.328000	0.182000	0.510000
2022-2023	0.329830	0.180170	0.510000
2023-2024	0.332742	0.177258	0.510000
2024-2025	0.324608	0.180392	0.505000

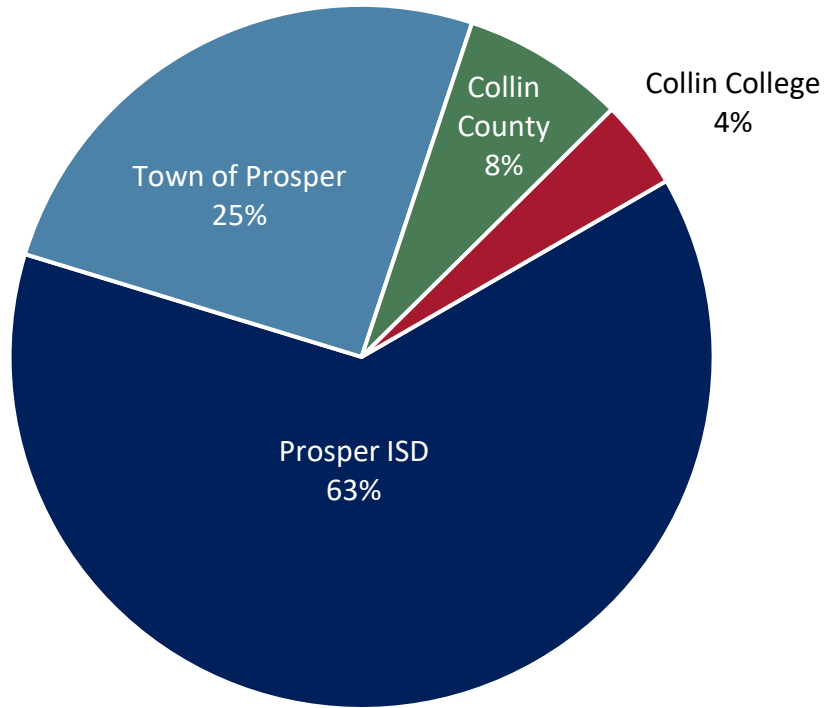


# Benchmarking Proposed Fiscal Year 2024-2025 Tax Rates

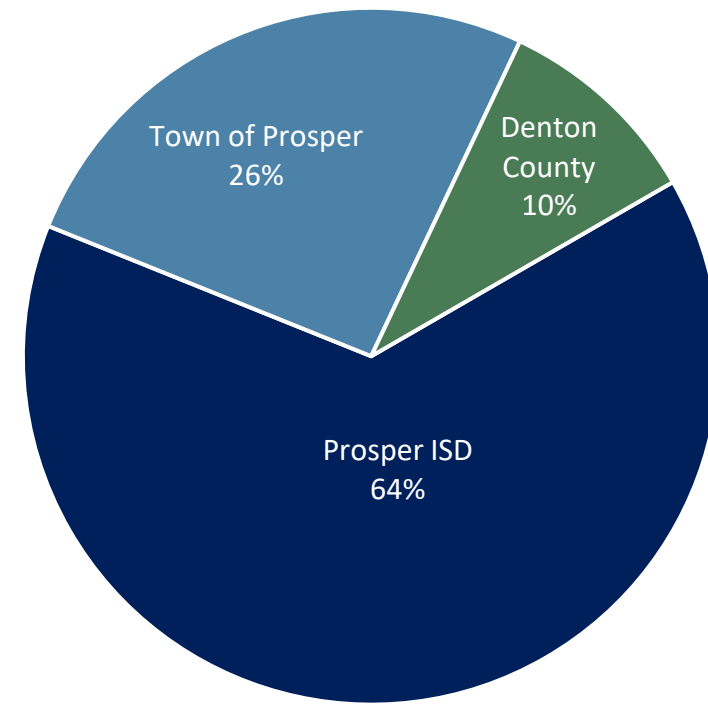
Entity	Homestead Exemption Rate	General Fund	Capital Dedicated	I&S	Total Tax Rate	Equivalent Tax Rate for Homestead	Freeze
Anna	5.0%	0.360213	-	0.146987	0.507200	0.481840	No
Celina	None	0.287061	-	0.311107	0.598168	0.598168	Yes
Coppell	5.0%	0.392071	-	0.070151	0.462222	0.439111	No
Flower Mound	12.5%	0.348344	-	0.038956	0.387300	0.338888	No
Frisco	15.0%	0.283406	-	0.142111	0.425517	0.361689	Yes
Keller	20.0%	0.249292	-	0.043888	0.293180	0.234544	Yes
Little Elm	None	0.435787	-	0.124113	0.559900	0.559900	Yes
McKinney	None	0.278935	-	0.136578	0.415513	0.415513	No
Southlake	20%	0.250000	-	0.055000	0.305000	0.244000	Yes
Average of Comparison	8.61%	0.320568	-	0.118766	0.439333	0.408184	-
Prosper (FY2023-2024)	15.0%	0.230742	0.102	0.177258	0.51	0.4335	Yes
Prosper (FY2024-2025)	17.5%	0.224608	0.10	0.180392	0.505	0.416625	Yes



# FY2024-2025 Proposed Total Tax Rate



FY2024-2025 Proposed Tax Rate	
Entity	
Prosper ISD	1.2552
Town of Prosper	0.505
Collin County	0.149343
Collin College	0.08122
<b>TOTAL</b>	<b>1.990763</b>



FY2024-2025 Proposed Tax Rate	
Entity	
Prosper ISD	1.2552
Town of Prosper	0.505
Denton County	0.187869
<b>TOTAL</b>	<b>1.948069</b>

## Agenda Item 14.

Ratifying the property tax increase in the budget for fiscal year (FY) 2024-2025. (CL)

## Agenda Item 15.

Consider and act upon approving an ordinance to adjust Water & Wastewater Rates. (CL)



# Water and Wastewater Rates

## Utility Fund-Distribution and Collection Utility

- Potable Water Supplier proposing over 13.8% increase in rates
- Wastewater treatment supplier requires significant capital investment for new treatment plant
- Rate Consultant projecting need for multiple year rate increases including a blended 8.77% next year (6.3% water and 16% wastewater)
- First Rate Increase in four years (2020)



# Wholesale Expenses

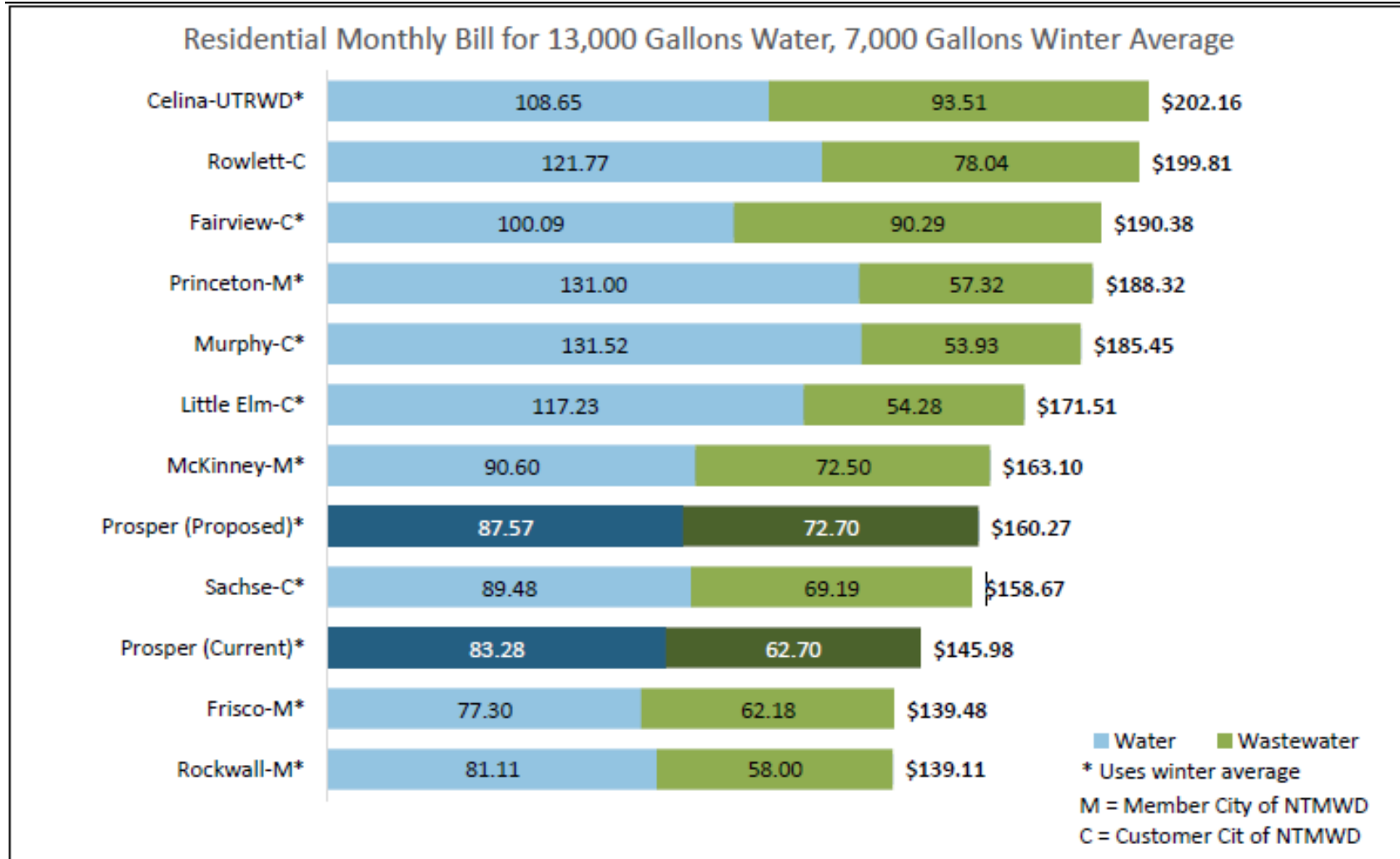
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
<b>NTMWD - Water</b>						
Annual Cost	\$ 11,917,232	\$ 13,563,295	\$ 15,779,849	\$ 18,824,680	\$ 22,434,201	\$ 26,058,383
% Annual Increase		13.8%	16.3%	19.3%	19.2%	16.2%
% of Water Budget	44.5%	55.2%	57.9%	61.5%	64.1%	66.4%
<b>Sewer</b>						
NTMWD Annual Cost	\$ 3,164,492	\$ 3,503,592	\$ 4,043,958	\$ 4,629,980	\$ 5,115,794	\$ 5,600,088
UTRWD Annual Cost	1,547,944	1,767,007	2,011,415	2,268,958	2,286,782	2,508,502
Total Sewer Annual Costs	\$ 4,712,435	\$ 5,270,599	\$ 6,055,373	\$ 6,898,939	\$ 7,402,576	\$ 8,108,590
% Annual Increase		11.8%	14.9%	13.9%	7.3%	9.5%
% of Sewer Budget	41.4%	40.4%	36.1%	34.7%	32.3%	33.7%



# Proposed Rate Increase

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
% Water Increase	6.35%	6.26%	5.59%	5.29%	4.75%
% Wastewater Increase	16.00%	15.08%	12.26%	10.92%	0.00%

# Rate Comparison



## Agenda Item 16.

Consider and act upon a resolution of the Town Council of the Town of Prosper, Texas, declaring the public necessity to acquire certain properties for right-of-way and easements for the construction of the Coleman Street (Gorgeous – Talon) project; determining the public use and necessity for such acquisition; authorizing the acquisition of property rights necessary for said Project; appointing an appraiser and negotiator as necessary; authorizing the Town Manager to establish just compensation for the property rights to be acquired; authorizing the Town Manager to take all steps necessary to acquire the needed property rights in compliance with all applicable laws and resolutions; and authorizing the Town Attorney to institute condemnation proceedings to acquire the property if purchase negotiations are not successful. (HW)





# Coleman Street Right-of-way and Easement Acquisition Overall Location Map



PARCEL No. #	OWNER	ROW (acres)	Easements (acres)	TCE (acres)
1	Goodwill Industries of Northeast Texas, Inc.	0.1385		0.1222
3	James E. Rowland	0.4485	0.1231	0.2841
4	Prosper Independent School District	0.0708	0.1274	0.2162
5	AMR Prosper Premium Storage, LLC	0.5224		0.2390
6	Crossmac Investments, LLC			0.0357
8	Crossmar Texas Investments 2, LLC			0.0516
9	Rocking Manning and the Tina Peng Man-ning Revocable Trust	0.0340		0.0811
10	United States Postal Service		0.0733	0.1246
11	Rocking Manning and the Tina Peng Man-ning Revocable Trust		0.0342	0.0665

PARCEL No. #	OWNER	ROW (acres)	Easements (acres)	TCE (acres)
12	Crossmac Investments, LLC	0.0350		0.0209
13	Crossmac Investments, LLC	0.0643		0.0411
15	Dosti Partners, LLC	0.6718	0.0729	0.2257
20	Crossmac Investments, LLC	0.0590	0.0180	0.0778
21	Gary L. James	0.0133		0.0110
22	Gary L. James and Robert Murphy	0.0391		0.0507
23	Shelbo Developmental, LLC			0.0325
24	Tanner's Mill Phase 1C			0.1059

## Agenda Item 17.

Discuss and consider Town Council Subcommittee reports. (DFB)

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



## Executive Session

Section 551.087 – To discuss and consider economic development incentives and all matters incident and related thereto.

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

Section 551.074 – To discuss and consider personnel matters including the review of the Municipal Judge and all matters incident and related thereto.

Section 551.074 - To discuss appointments to the Board of Adjustment/Construction Board of Appeals, Parks & Recreation Board, Library Board, Prosper Economic Development Corporation Board, Planning & Zoning Commission, Community Engagement Committee, Downtown Advisory Committee, and the Bond Committee, and all matters incident and related thereto.

The Town Council will reconvene after Executive Session.

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

Adjourn.