



Welcome to the September 16, 2025,
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 17-23, 2025, as Constitution Week. (MLS)

Presentations.

Agenda Item 2.

Recognize members of the Prosper Police Department for recent life-saving awards. (DK)





Consent Agenda

Agenda Item 3.

Consider and act upon the minutes of the August 19, 2025, Town Council Special meeting. (MLS)



Agenda Item 4.

Consider and act upon the minutes of the August 26, 2025, Town Council Work Session meeting. (MLS)



Agenda Item 5.

Consider and act upon the minutes of the August 26, 2025, Town Council Regular meeting. (MLS)

Agenda Item 6.

Consider and act upon a Resolution designating The Frisco Enterprise as the official newspaper of the Town of Prosper and The Dallas Morning News as an alternative advertising source for FY 2025-2026. (MLS)

Agenda Item 7.

Consider and act upon an Ordinance amending Division 2, "Library Board," of Article 1.04, "Boards, Commissions, and Committees" within Chapter 1 of the Town's Code of Ordinances by amending Section 1.04.032, "Number of Members." (MLS)

Agenda Item 8.

Consider and act upon an Ordinance repealing Section 4.02.031, “Permit Required; Fee,” of Division 2, “Permits and Licenses,” of Article 4.02, “Alcoholic Beverages,” of Chapter 4, “Business Regulations,” of the Town’s Code of Ordinances. (MLS)

Agenda Item 9.

Consider and act upon adopting the FY 2025-2026 Prosper Economic Development Corporation Budget. (SB)

Agenda Item 10.

Consider and act upon awarding RFP No. 2025-16-A for ASO Medical, Pharmacy Benefits Manager, and Insurance Benefits to Lincoln for Life/AD&D coverage, Symetra Life for Short-Term & Long-Term Disability, UMR/OptumRx for Medical/Pharmacy and authorizing the Town Manager to execute all documents for the same. (TL)

Medical & Benefits RFP

Quoted Services

- Medical & PBM
- Basic Life
- Voluntary Life/ AD&D
- Short-term Disability (STD)
- Long-term Disability (LTD)



Medical & Benefits RFP

Services Quoted				
Proposing Vendors	Life	STD	LTD	
Mutual of Omaha*	X	X	X	
Lincoln	X	X	X	
New York Life	X	X	X	
Ochs	X	X	X	
Prudential	X	X	X	
Symetra	X	X	X	
The Hartford	X	X	X	

Services Quoted				
Proposing Vendors	Medical	Pharmacy		
UMR*	X	X		
Atena	X	X		
BCBSTX	X	X		
Cigna	X	X		
TXHB	X	X		
ProAct	X	X		
* Incumbent				



RFP Recommendations

Award

- Medical & PBM – UMR W/ OptumRx
- Basic & Voluntary/AD&D – Lincoln
- STD & LTD - Symetra

Future Considerations

- Stop Loss RFP
- Stop Loss Increases
- Fund Balance

Agenda Item 11.

Consider and act upon authorizing the Town Manager to enter into an agreement with DynaTen Comfort Systems for the replacement of one rooftop air conditioning unit at Town Hall in the amount of \$61,933. (CE)

Agenda Item 12.

Consider and act upon authorizing the Town Manager to enter into an agreement with WOPAC Construction, Inc., to install an underground drainage system in the north parking lot of Town Hall in the amount of \$237,358.44. (CE)

Agenda Item 13.

Consider and act upon the approval of a Purchase Order for vehicle equipment and installation in six (6) 2025 Chevrolet Tahoe's (FY25 VERF Replacement) from DANA Safety Supply, Inc. utilizing BuyBoard Contract #698-23 in the amount of \$153,887. (DK)

Agenda Item 14.

Consider and act upon a request for a Waiver for Lot Frontage on Teel 380 Addition, Block A, Lot 7, located on the northwest corner of Teel Parkway and University Drive (US 380). (WAIW-25-0004) (DH)



**Teel 380 Addition,
Block A, Lot 7
(WAIV-25-0004)**

Information

Purpose:

- Allow Lot 7 to have frontage onto a fire lane, access, utility, and drainage easement (F.A.U.D.E) instead of public right-of-way.

History:

- Approved Preliminary Site Plan (D22-0021) showed 13 lots with four not having frontage onto public right-of-way.
- Approved Conveyance Plat (D22-0070) showed nine lots with one lot (Lot 7) not have frontage onto public right-of-way.

Information

Subdivision Ordinance:

- Per Article 10.03, Section 137 (§ 10.03.137) of the Subdivision Ordinance, a waiver may be approved for lots in nonresidential developments that can not achieve access to a public street provided there is adequate access through public access easements from a public street.

Criterion:

- The following criterion should be considered when evaluating a waiver request.
 - The nature of the proposed land use involved and existing uses of the land in the vicinity.
 - The number of persons who will reside or work in the proposed development.
 - The effect such subdivision waiver might have upon traffic conditions and upon the public health, safety, convenience, and welfare in the vicinity.

Findings:

- The following findings should be presented when proposing a waiver request.
 - There are special circumstances or conditions affecting the land involved or other physical conditions of the property such that the strict application of the provisions of this subdivision ordinance would deprive the applicant of the reasonable use of his or her land.
 - That the subdivision waiver is necessary for the preservation and enjoyment of a substantial property right of the applicant, and that the granting of the subdivision waiver will not be detrimental to the public health, safety or welfare or injurious to other property in the area.
 - That the granting of the subdivision waiver will not have the effect of preventing the orderly subdivision of other lands in the area in accordance with the provisions of this subdivision ordinance.

Information

Finding One:

- There are special circumstances or conditions affecting the land involved or other physical conditions of the property such that the strict application of the provisions of this subdivision ordinance would deprive the applicant of the reasonable use of his or her land.
 - **Lot 7 was approved on the Preliminary Site Plan without lot frontage.**
 - **Subsequently, both the Site Plan and Final Plat were approved without lot frontage.**
 - **The property is currently under construction.**
 - **Adequate fire lane access is provided to the site.**

Information

Finding Two:

- That the subdivision waiver is necessary for the preservation and enjoyment of a substantial property right of the applicant, and that the granting of the subdivision waiver will not be detrimental to the public health, safety or welfare or injurious to other property in the area.
 - **The property would be able to be final platted in the configuration that was approved prior to construction.**

Information

Finding Three:

- That the granting of the subdivision waiver will not have the effect of preventing the orderly subdivision of other lands in the area in accordance with the provisions of this subdivision ordinance.
 - **This lot is centered in the development and will not affect the orderly subdivision of other lands.**

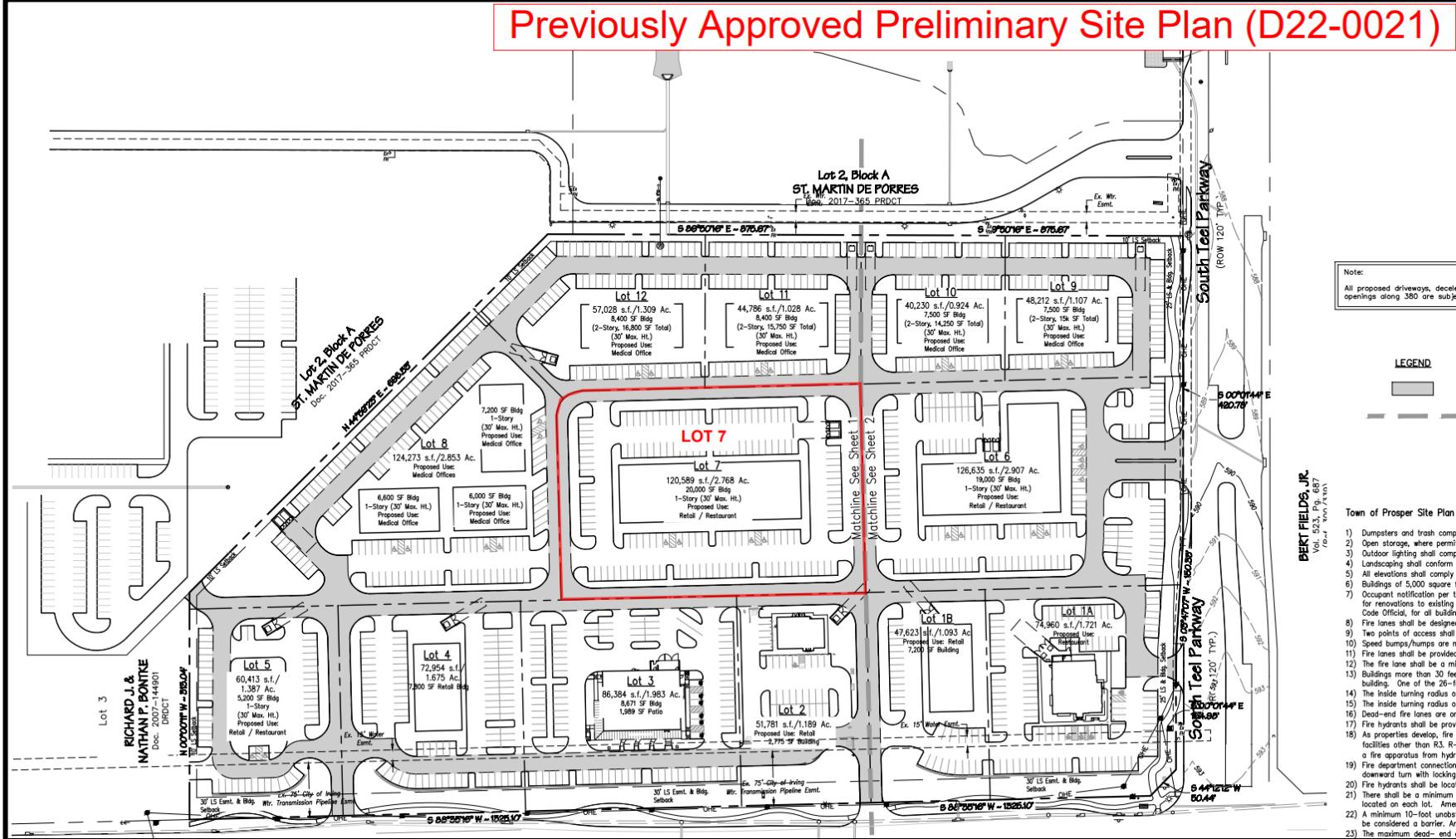
Recommendation:

- Town Staff recommends approval of the lot frontage waiver.
- The Planning & Zoning Commission unanimously recommended approval of this item by a vote of 6-0 (Chair Daniel absent) at their meeting on September 2, 2025.





Previously Approved Preliminary Site Plan (D22-0021)



Town of Prosper Site Plan No

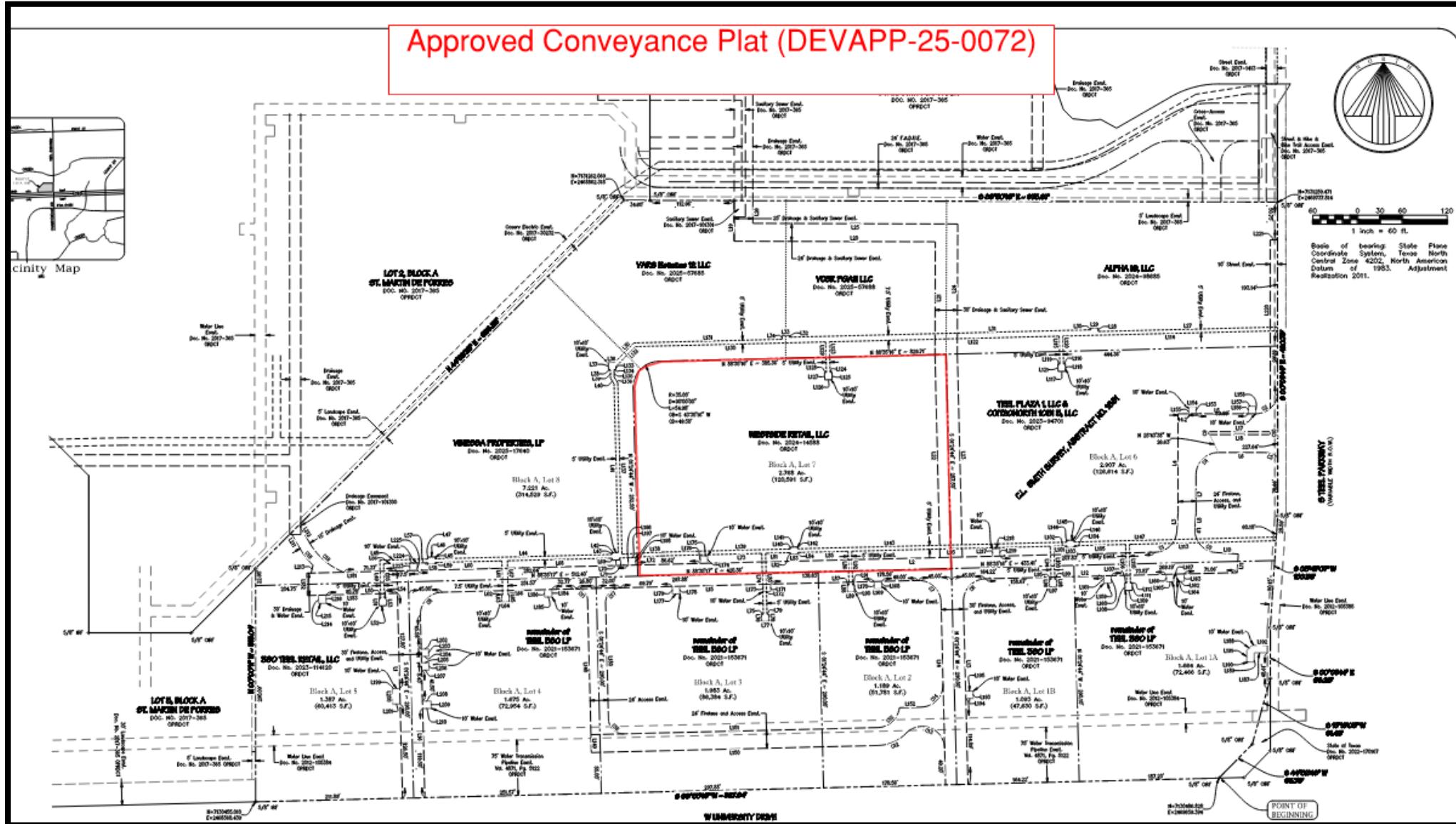
- 1) Dumpsters and trash compact
- 2) Open storage, where permitted

- 1) Dumpsters and trash receptacles shall be permitted.
- 2) Outdoor lighting shall comply.
- 3) Landscaping shall conform to:
 - 4) All elevations shall comply with
 - 5) Buildings of 5,000 square feet
 - 6) Occupant notification per fire department regulations for building but Code Official for all other buildings.
- 7) Fire lanes shall be designed or
 - 8) Two points of access shall be
 - 9) Speed bumps/bumps are not
 - 10) Fire lanes shall be provided with
 - 11) The fire lane shall be a minimum of 13') wide and no more than 30' feet from a building. One of the 26-foot
 - 12) The inside turning radius of the
 - 13) The inside turning radius of the
 - 14) Dead-end fire lanes are only
 - 15) Fire hydrants shall be provided as per the fire department
 - 16) Fire hydrants other than R-3, R-7 or a fire apparatus from hydrant.
 - 17) Fire department connection (F) downward turn with locking cap
 - 18) Fire hydrants shall be located
 - 19) There shall be a minimum of 10' feet between the fire hydrant and a minimum 10-foot embankment
 - 20) A minimum 10-foot embankment shall be considered a barrier. Amen
 - 21) The maximum depth end cul



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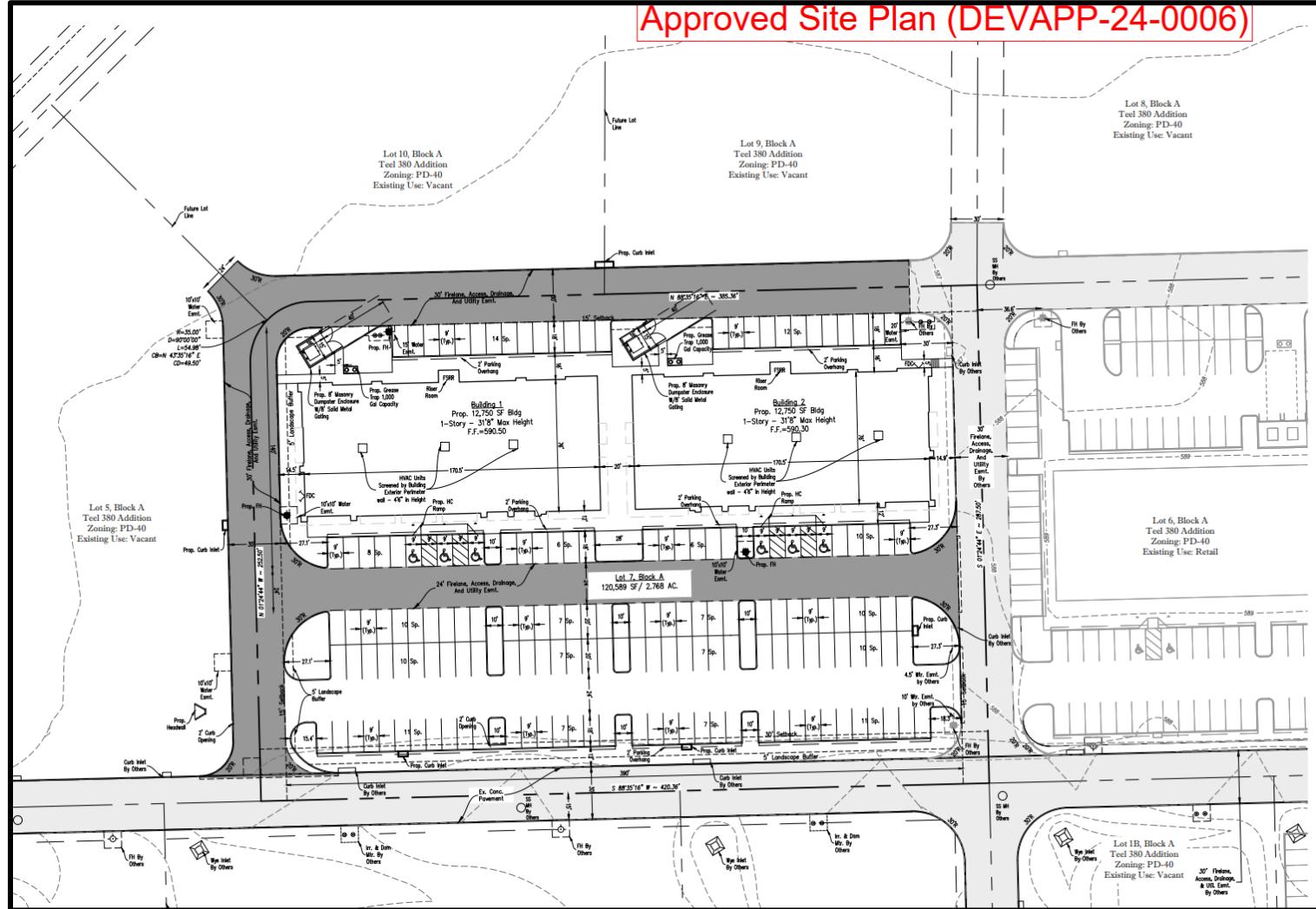
Approved Conveyance Plat (DEVAPP-25-0072)





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Approved Site Plan (DEVAPP-24-0006)



Agenda Item 15.

[TABLE TO OCTOBER 14] Conduct a Public Hearing and consider and act upon a request to rezone 373.5± acres from Agricultural to a Planned Development allowing for both Single-Family and Age-Restricted Single-Family Residences, located on the south side of Parvin Road and 2,070± feet east of FM 1385. (ZONE-24-0022) (DH) *The applicant has requested this item to be tabled.*



Agenda Item 16.

[TABLE TO OCTOBER 14] Conduct a Public Hearing and consider and act upon a request to amend the Future Land Use Plan from Medium Density Residential to High Density Residential, on 191.7± acres, located on the south side of Parvin Road and 2,070± feet east of FM 1385. (COMP-24-0002) (DH)
The applicant has requested this item to be tabled.



Agenda Item 17.

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)



**Hunter Gateway Centre,
Block A, Lot 9
(DEVAPP-24-0170)**

Information

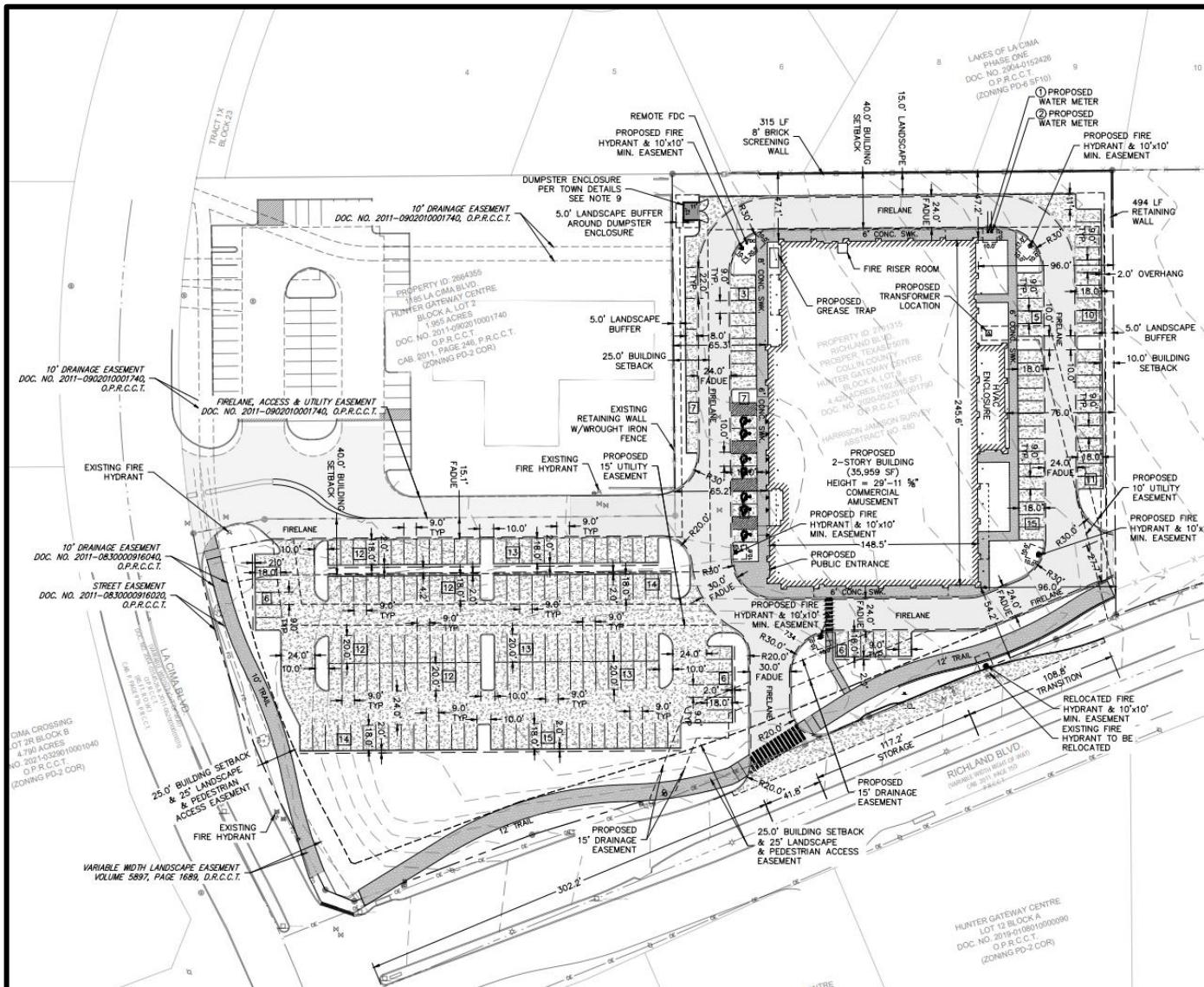
Purpose:

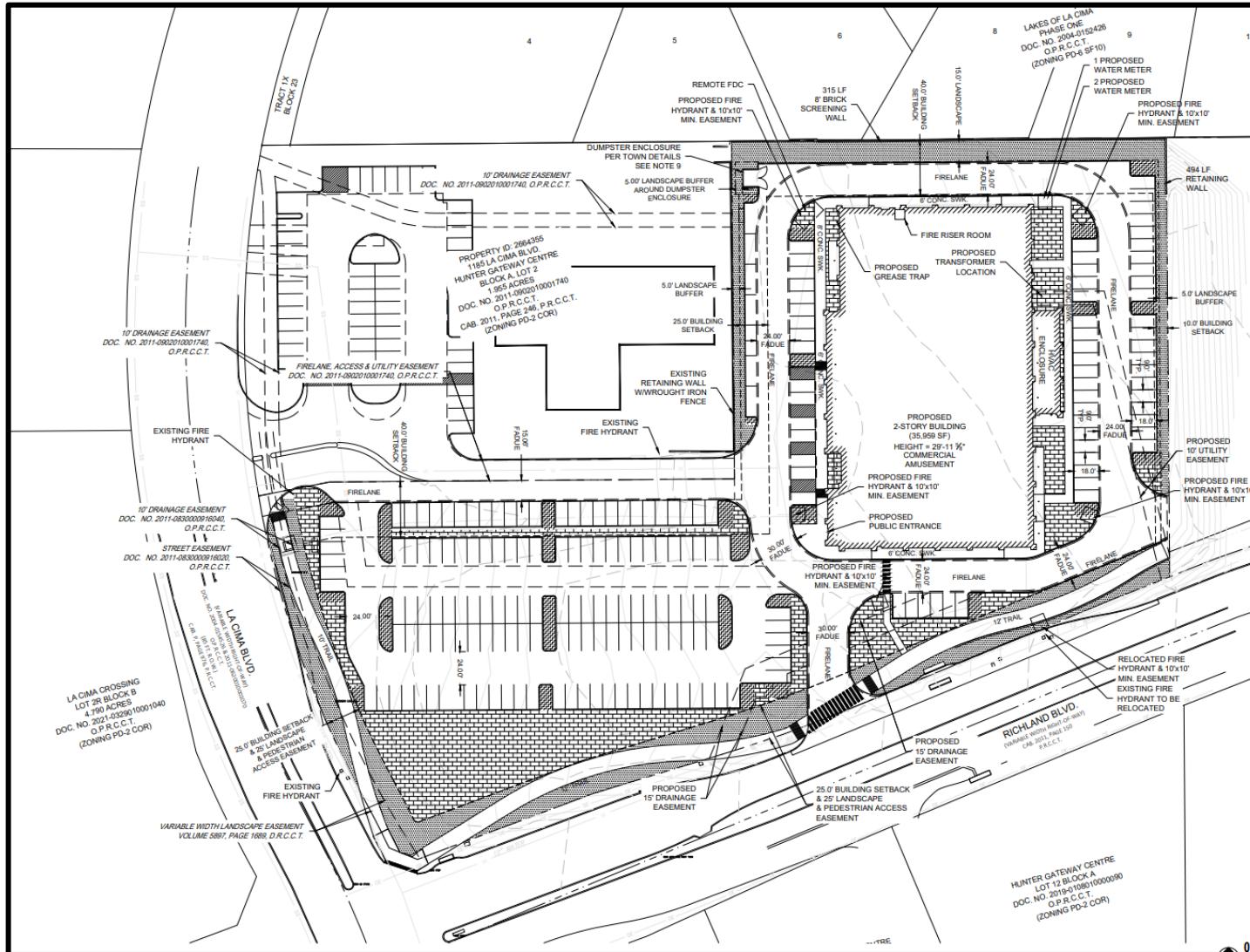
- A site plan to construct a one-story indoor commercial amusement building with a mezzanine totaling 40,738 square feet and associated parking.





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MATERIAL LEGEND



INTERIOR LANDSCAPE AREA



BUFFER LANDSCAPE AREA



HCA Medical City Addition, Block A, Lot 1 (DEVAPP-25-0024)

Information

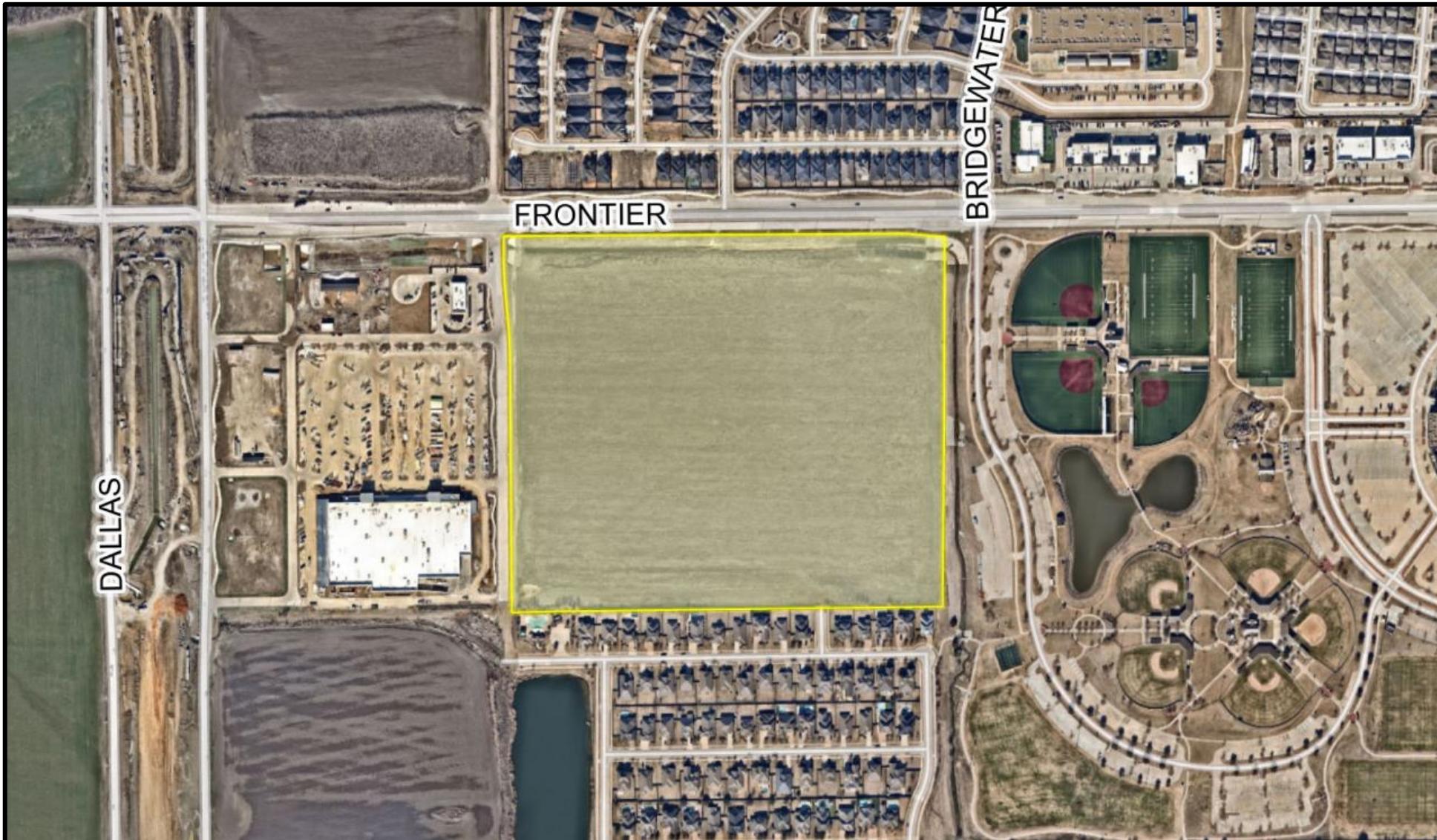
Purpose:

- Construct two medical office buildings, one free-standing emergency room, and one hospital totaling 573,000 square feet.
 - Free-Standing Emergency Room (11,000 SF)
 - Hospital (442,300 SF)
 - Medical Office (30,000 SF)
 - Medical Office (30,000 SF)

Information

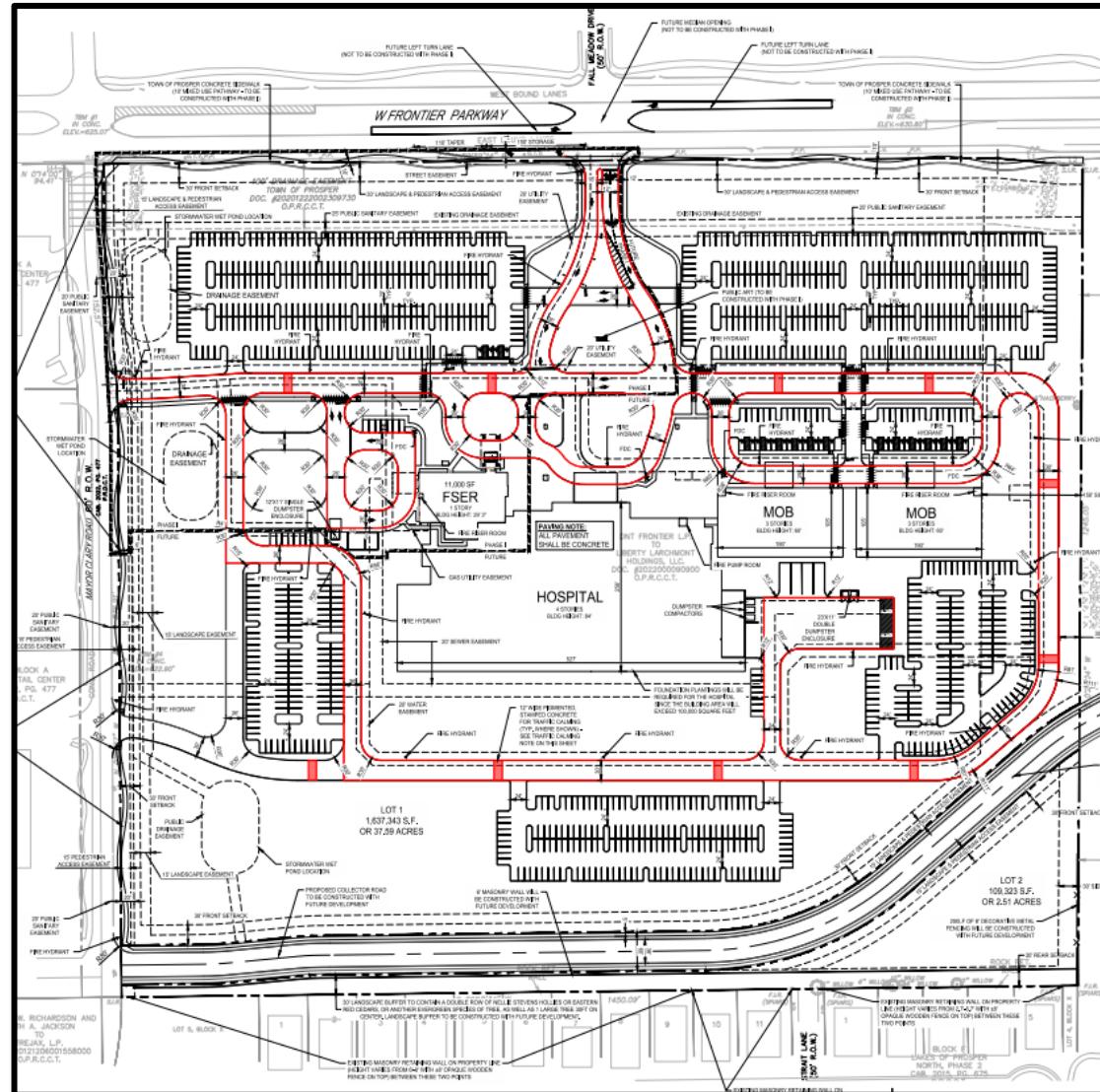
Phasing:

- Preliminary Site Plan will be constructed in two phases.
 - Phase One: Free-Standing Emergency Room
 - Phase Two: Hospital & Medical Offices





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Windsong Ranch Marketplace, Block A, Lot 14 (DEVAPP-24-0146)

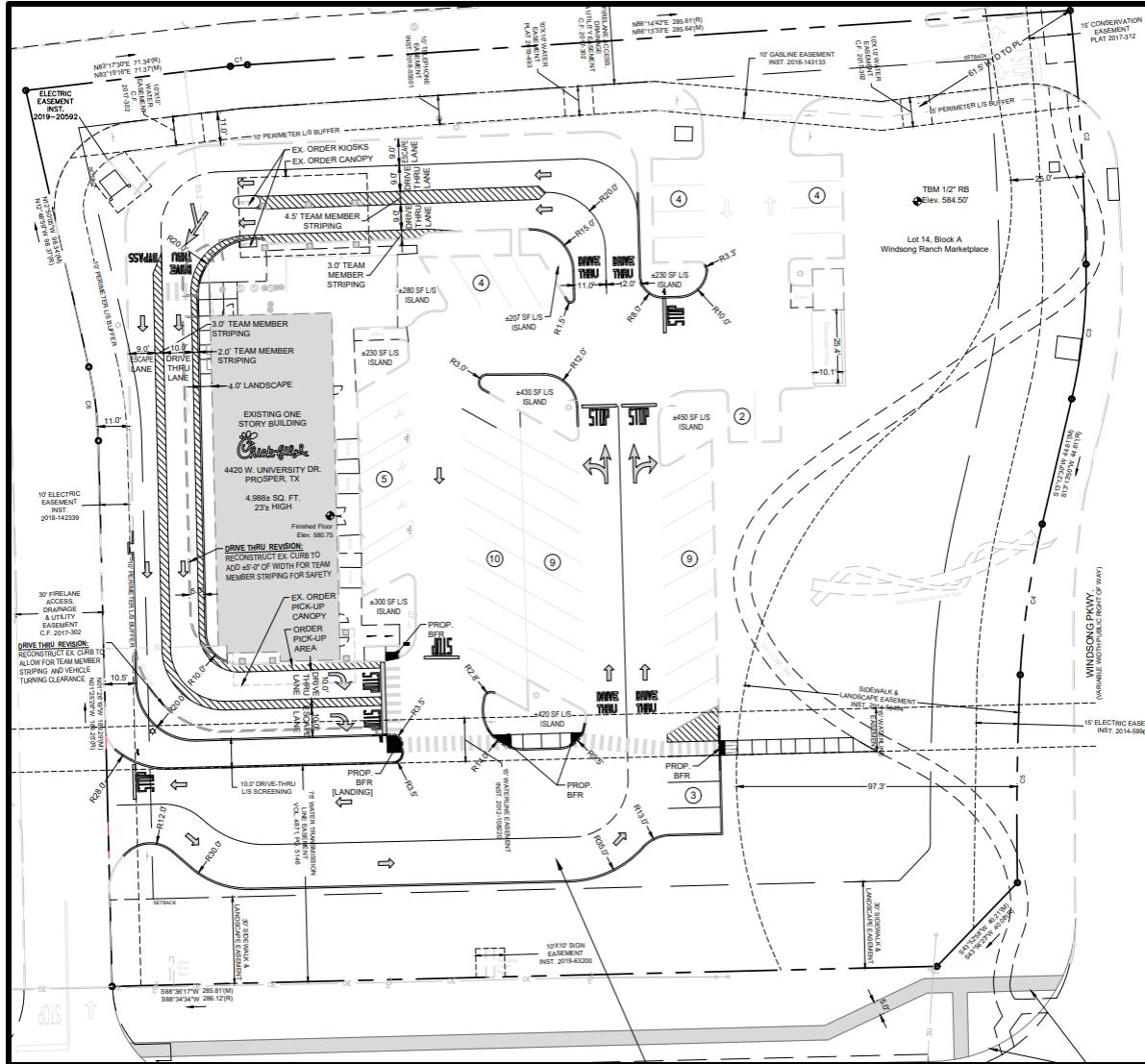
Purpose:

- Modify an existing 4,998 square foot drive-through restaurant and associated parking.
 - Widen Drive-Through Entrance
 - Widen Drive-Through Lanes on Interior Side (Additional Maneuvering Room for Employees)
 - No Impact on Existing Landscape Buffer
 - Reconfigure Southern Drive Aisle (Easier Turn for Exiting Vehicles & Adequate Turning Radius)
 - Remove Southern Row of Parking (Along University Drive)
 - Add Three Parking Spaces (Southeast Corner)



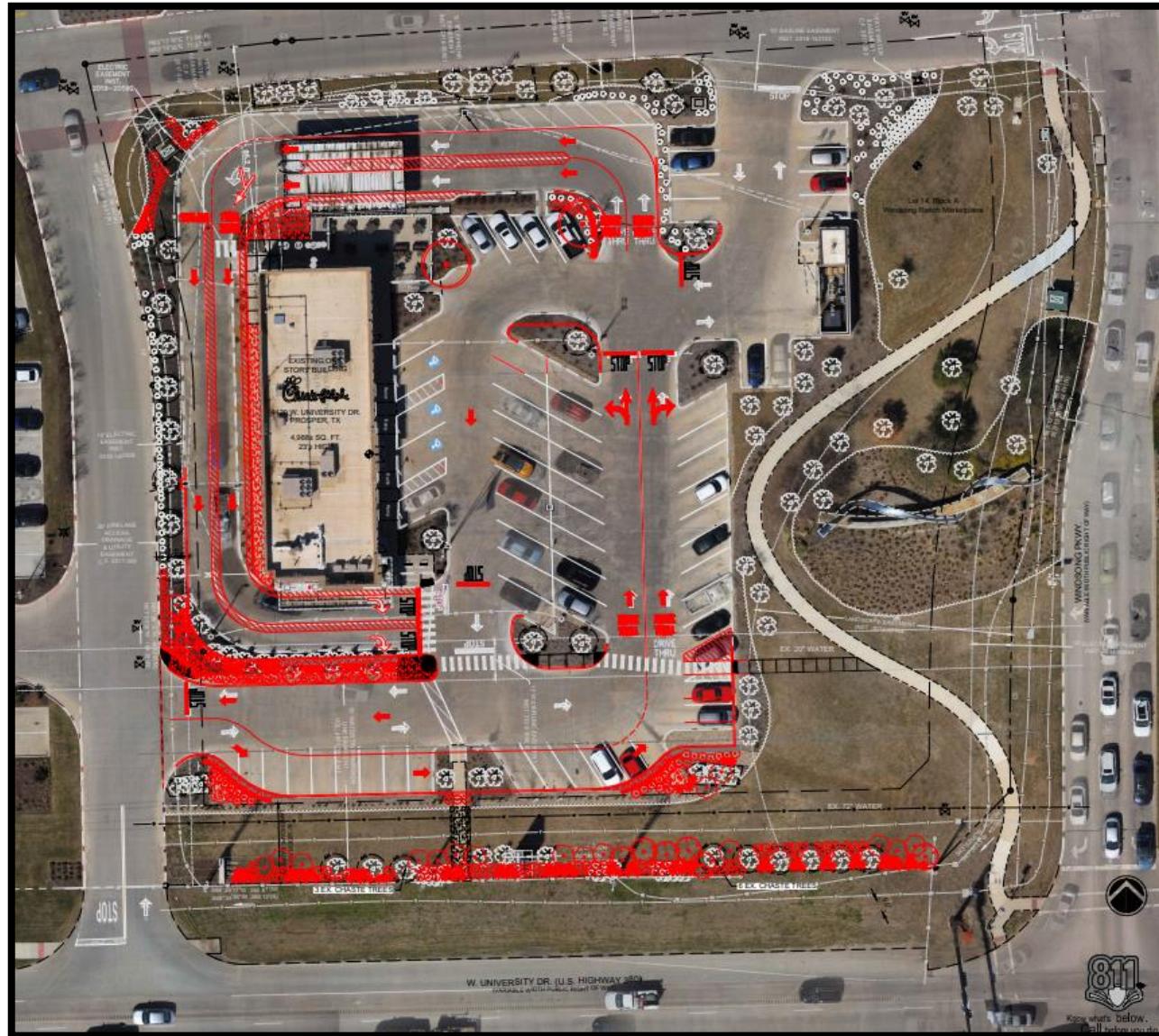


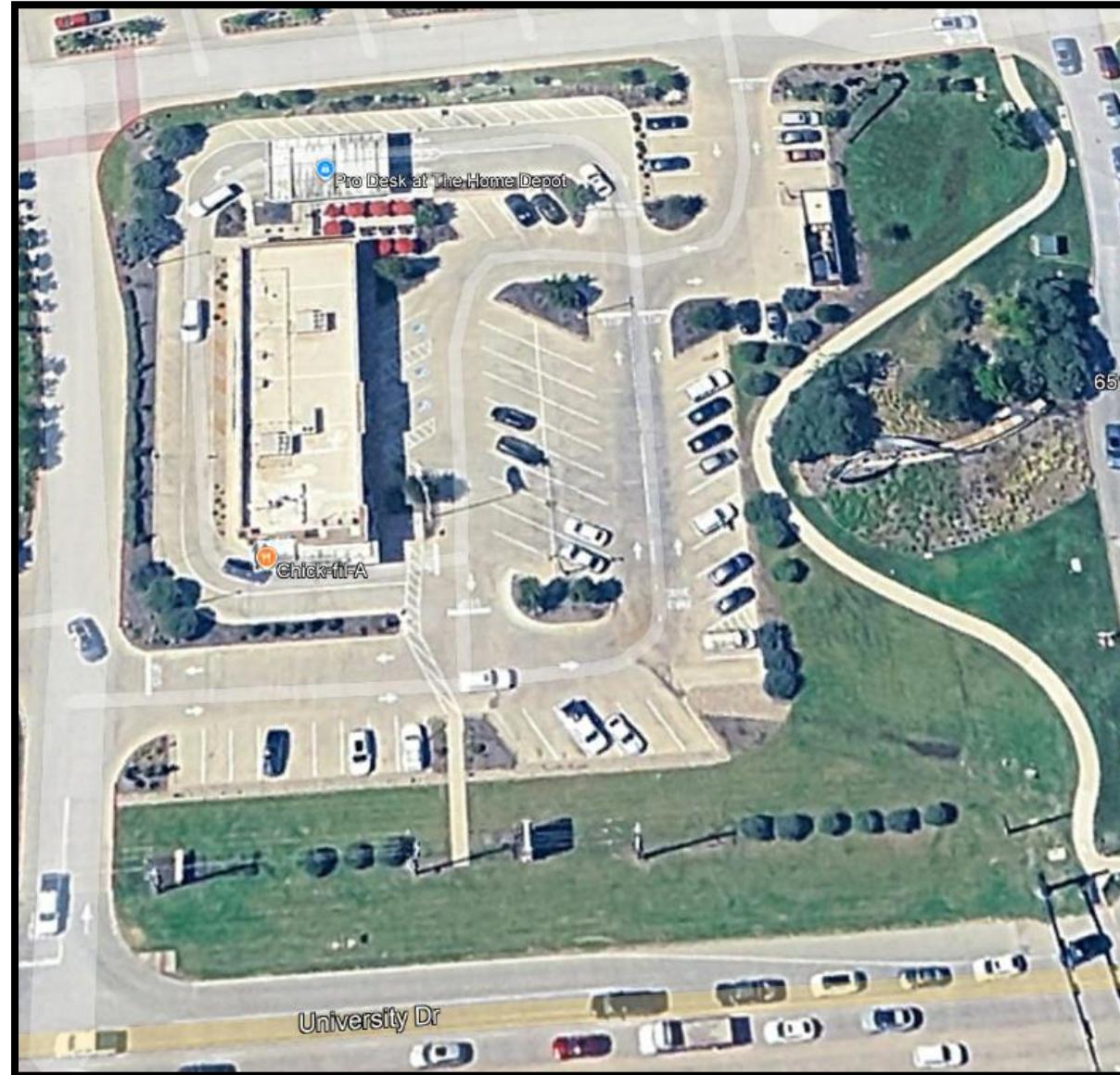
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Frontier Retail Center Revised, Block A, Lot 1 (DEVAPP-25-0051)

Information

Purpose:

- Construct a 5,385 square foot drive-through restaurant with a 459 square foot patio and associated parking.

History:

- A Specific Use Permit (S-51) for a drive-through restaurant was approved by Town Council on April 22, 2025.

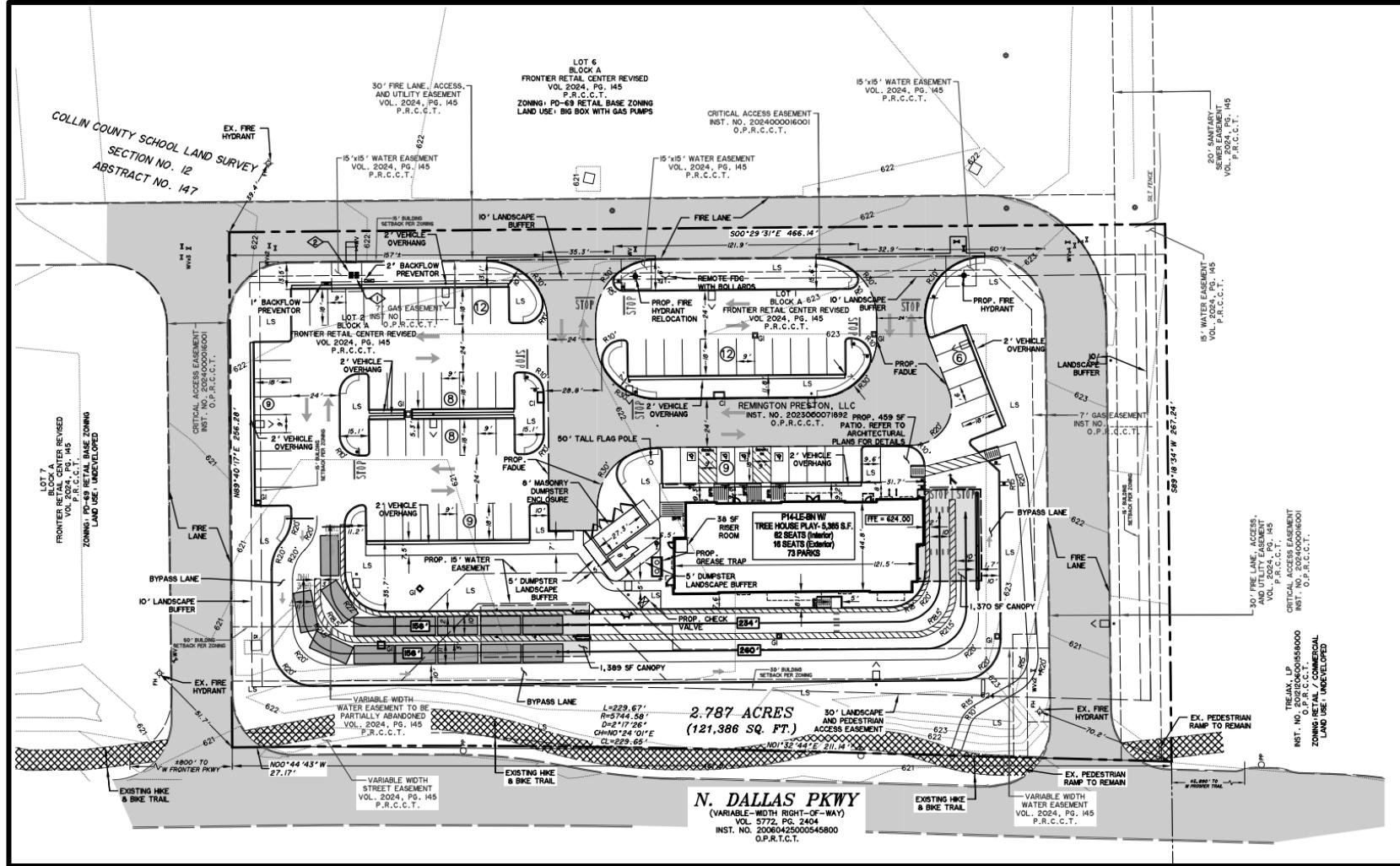
Landscaping:

- Enhanced landscaping provided along Dallas Parkway as approved in the Specific Use Permit (S-51).



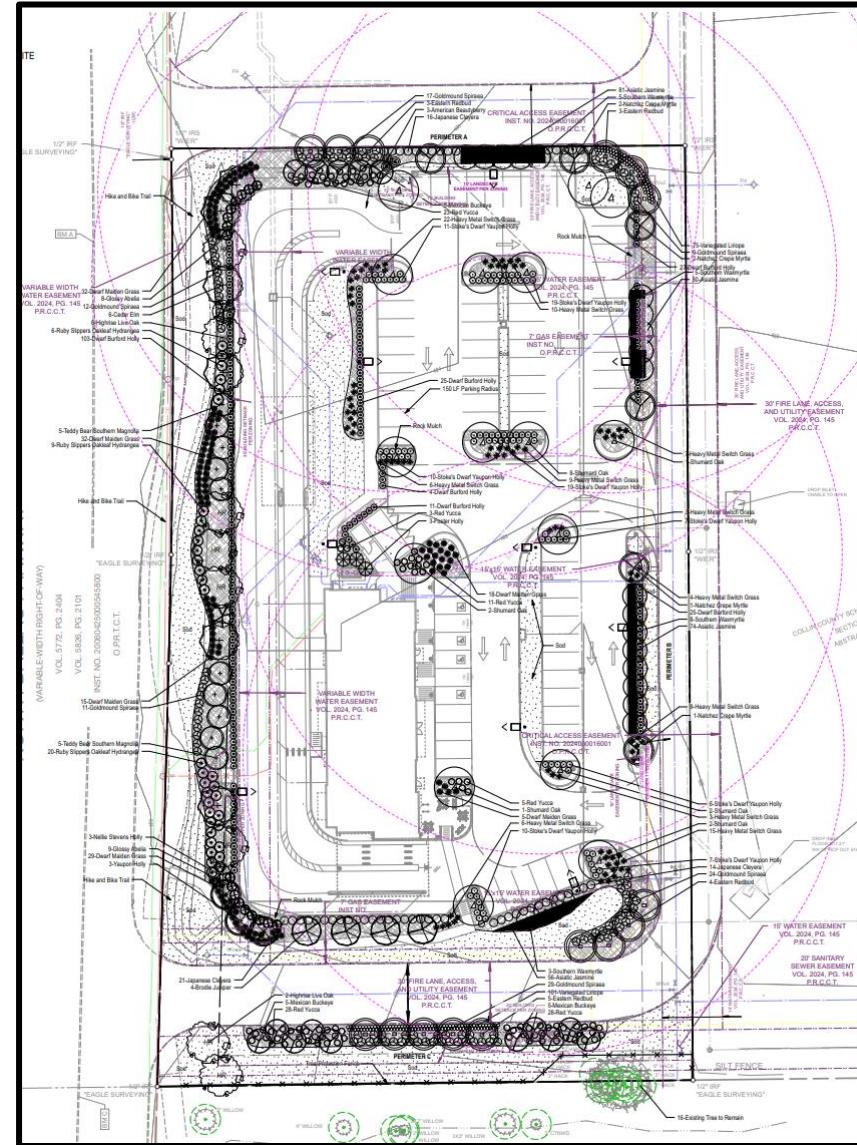


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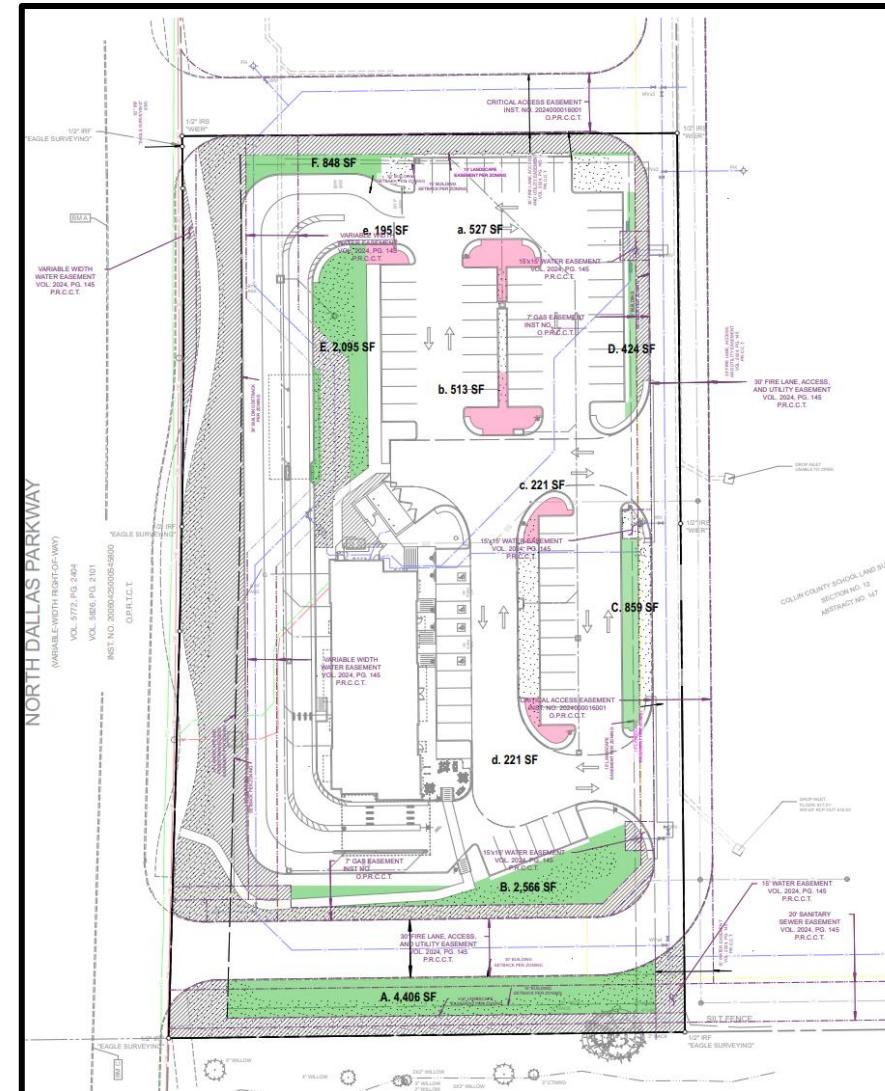


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Citizen Comments

03:00



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 18.

Consider and act upon an Ordinance amending Water and Wastewater Rates. (CL)

Water and Wastewater Rates

Utility Fund-Distribution and Collection Utility

- Potable Water Supplier proposing over 14.9% 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 8.8% next year (6.26% water and 15.08% wastewater)



Wholesale Expenses

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Water						
NTMWD Annual Cost	\$ 13,772,043	\$ 15,819,798	\$ 18,796,149	\$ 22,603,476	\$ 26,107,464	\$ 29,474,696
% Annual Increase		14.9%	18.8%	20.3%	15.5%	12.9%
% of Water Budget	61.7%	62.4%	64.2%	68.0%	70.1%	72.0%
Sewer¹						
NTMWD Annual Cost	\$ 3,491,751	\$ 3,961,606	\$ 3,113,412	\$ 3,476,926	\$ 4,035,745	\$ 4,376,883
UTRWD Annual Cost	1,802,740	2,073,459	4,538,858	4,835,206	5,143,933	5,472,456
Total Sewer Annual Costs	\$ 5,294,491	\$ 6,035,065	\$ 7,652,270	\$ 8,312,133	\$ 9,179,678	\$ 9,849,339
% Annual Increase		14.0%	26.8%	8.6%	10.4%	7.3%
% of Sewer Budget	43.0%	40.6%	39.4%	37.5%	39.6%	41.0%

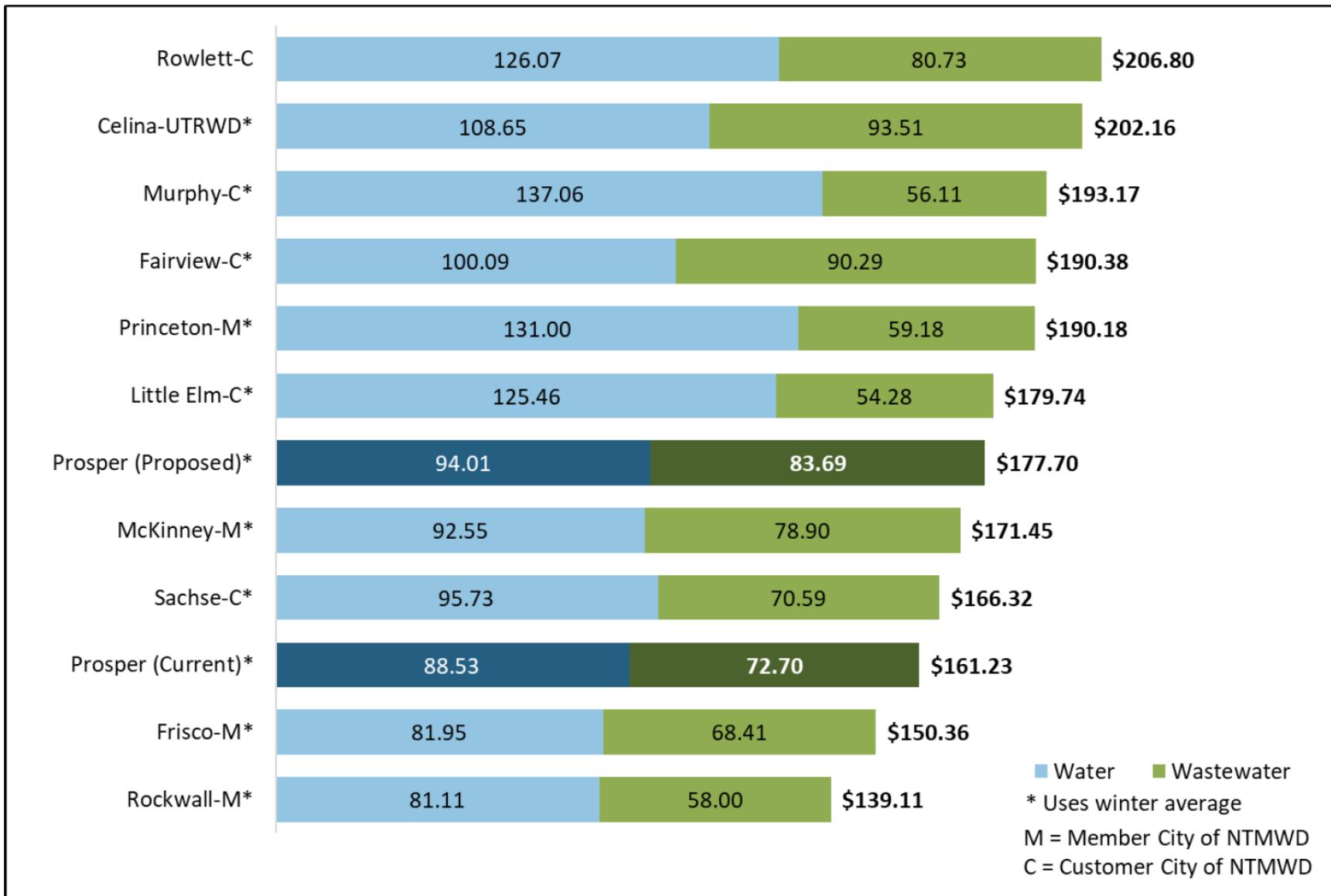
¹ – In FY 2027, an additional 3.0 MGD from Doe Branch is anticipated to come online, allowing more flow to be directed to UTRWD rather than NTMWD.



Proposed Rate Increase

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
% Water Increase	6.26%	13.77%	4.64%	2.52%	0.90%
% Wastewater Increase	15.08%	17.96%	8.35%	0.00%	0.00%

Rate Comparison





Agenda Item 19.

Consider and act upon an Ordinance amending Appendix A, "Fee Schedule," of the Town's Code of Ordinances. (CL)



FY 2025 – 2026 Fee Schedule Adjustment

Departments Updating Fees

- Development Services
- Parks and Recreation
- Engineering

Development Services - Planning

The last update to the development fees was in September of 2015. The project types include plats, site plans, and zoning cases, among others. A comparison was done between Prosper's fees and several surrounding municipalities, and an evaluation of staff time spent on these cases was made. Based on this information, it is proposed to modify almost all fees, as well as add new project fees for open space and landscape plans.

Development Services – Health and Code

This proposed update evaluates and justifies issues with the current fee schedule including:

- Better aligning fees with comparison cities
- Reflects time to conduct inspections annually
- Increases existing fees only to the extent necessary to offset actual costs

Development Services – Building Inspections

Residential Permit Fees:

- Changing from a \$300 non-refundable deposit to a \$300 application fee for new homes
- Moving from a tiered fee structure to a flat rate of \$1 per square foot for all new homes.
- Increasing fence permits, foundation repair permits, single-trade MEP permits, and irrigation permits to \$100 each

Development Services – Building Inspections

Commercial Permit Fees:

- Changing from a \$300 non-refundable deposit to a \$300 application fee for commercial shells, stand-alone projects, and finish outs
- Moving from a tiered fee structure to a flat rate of \$6.25 per \$1,000 of project valuation for all non-multifamily projects
- Increase in multifamily permits from \$5 per \$1,000 of project valuation to \$9.375 per \$1,000 of project valuation

Parks and Recreation

Park Development Fees

Parkland Dedication Fees:

- Current – 1 ac. / 35 units or 5% of total acreage (whichever is larger)
- Propose – 1 ac. / 30 units or 5% of total acreage (whichever is larger)
- The Town has the option to take the land or a cash equivalent of the land value

Park Improvement Fees:

- Current - \$1500 / single family unit, \$2000 / multi family unit
- Proposed - \$2000 / single family unit, \$3000 / multi family unit

Parks and Recreation

Recreation Fees

Pavilion Reservation Fees:

- Decrease non-resident flat price from \$500 / 4 hrs to the following:
 - \$100 / 4 hrs (1-100 people); \$200 / 4 hrs (101 – 200 people)
 - We have not had any reservations at the \$500 level.
 - By making the rate more reasonable, we should be able to capture more non-resident reservations at the higher rate.

Parks and Recreation

Synthetic Turf Field Reservation Fees:

- Currently residents and non-residents can reserve the synthetic turf fields at Frontier MP1 and MP2 locations for \$70/hr.
- Leave resident rate at \$70/hr.
- Increase non-resident rate from \$70/hr to \$125/hr.

• Grass Field Reservation Fees:

- Currently residents reserve grass fields at \$35/hr and non-residents reserve grass fields at \$45/hr.
- Increase non-resident rate from \$45/hr to \$70/hr.

Parks and Recreation

Tournament Reservation Fees:

- Currently the Town charges \$50 per team for up to two days and \$30 per team for each additional day. There is also a \$100 deposit per field that is due at the time of booking. Minimum fees for a tournament is \$1,000.
- Tournament organizers typically charge a gate / entrance fee.
- Staff propose to keep the current fees the same with the addition of the Town receiving 10% of the tournament gate fee.



Engineering Services

INSPECTION FEE	CURRENT RATE	PROPOSED RATE
Single Family Residential	\$1,000 base fee plus \$600 per platted lot	\$2,000 base fee plus \$1,000 per platted lot
Non-Residential Development	\$1,000 base fee plus \$1,500 per final platted acreage	\$2,000 base fee plus \$2,000 per final platted acreage
Non-Residential Infrastructure	\$1,000 base fee plus \$1,200 per conveyance platted ac	\$2,000 base fee plus \$2,000 per conveyance platted ac
Multi-Family Development		\$2,000 base fee plus \$2,500 per final platted acreage
Linear Utility Infrastructure	\$1,000 base fee** plus Wastewater — \$3.00/LF; Water — \$3.00/LF; Storm Sewer — \$4.00/LF	\$2,000 base fee** plus Wastewater — \$5.00/LF; Water — \$5.00/LF; Storm Sewer — \$5.00/LF
Development Road	\$1,000 base fee plus \$3.00 per SY of concrete surface	\$2,000 base fee plus \$5.00 per SY of concrete surface
Turn Lanes and Median Openings	\$1,000 base fee plus \$3.00 per SY of concrete surface	\$2,000 base fee plus \$5.00 per SY of concrete surface
Creek Stabilization	\$1,000 base fee plus \$0.50 per SY of disturbed area	\$2,000 base fee plus \$0.50 per SY of disturbed area
Saturday and After Hours	\$150 per day	\$500 per day
PLAN REVIEW FEE	CURRENT RATE	PROPOSED RATE
Residential Development	\$500 base fee plus \$25 per platted lot	\$1,500 base fee plus \$50 per platted lot
Non-Residential Development	\$500 base fee plus \$200 per acre	\$1,500 base fee plus \$300 per acre
Multi-Family Development		\$1,500 base fee plus \$50 per unit
After 3rd Submittal (4th or more)	\$0	\$1,000 each resubmittal

Single Family Residential Development

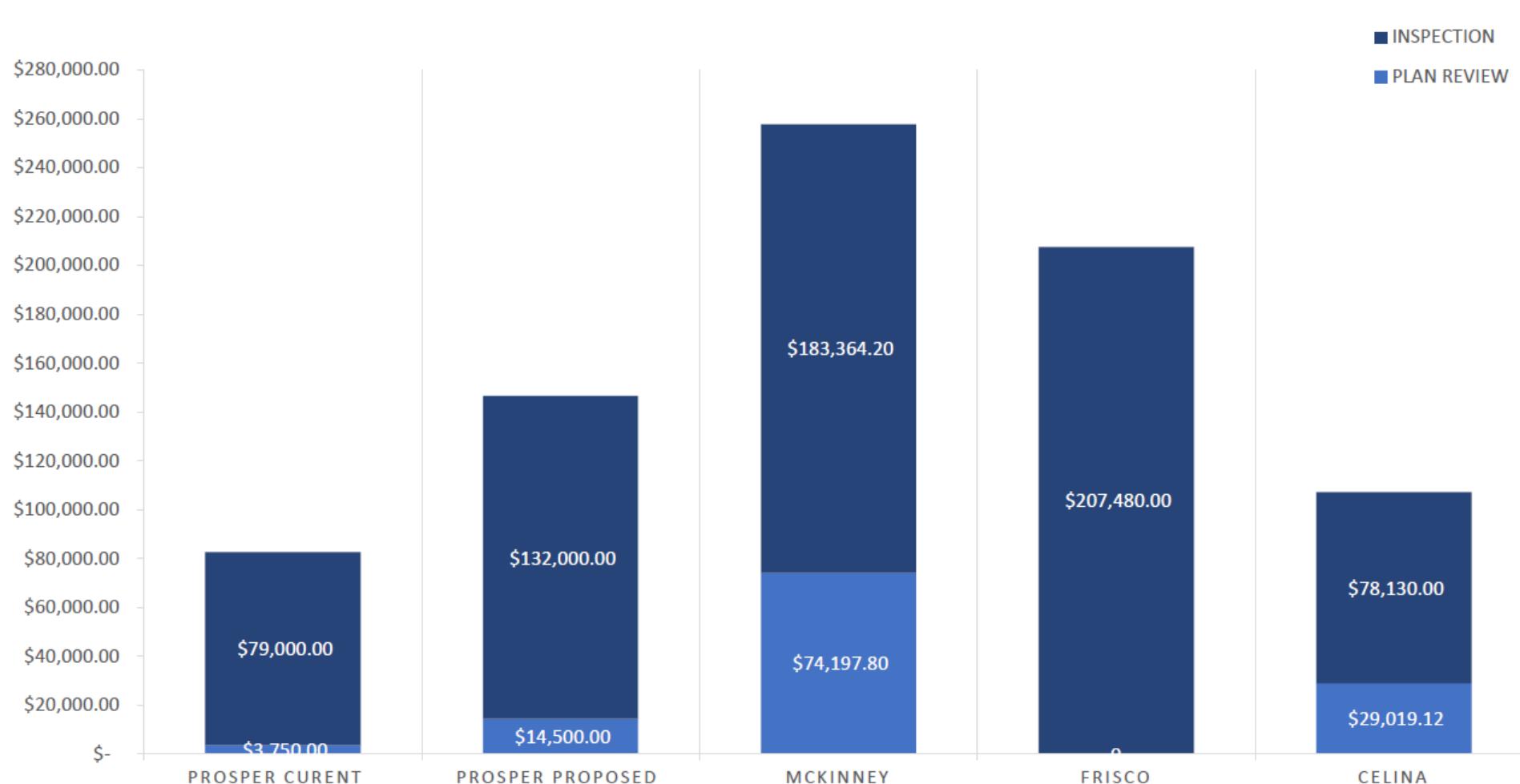
PLAN REVIEW AND INSPECTION FEES - RESIDENTIAL

INSPECTION

Prosper Current	\$ 79,000.00
Prosper Proposed	\$ 132,000.00
McKinney	\$ 183,364.20
Frisco	\$ 207,480.00
Celina	\$ 78,130.00

PLAN REVIEW

Prosper Current	\$ 3,750.00
Prosper Proposed	\$ 14,500.00
McKinney	\$ 74,197.80
Frisco	-
Celina	\$ 29,019.12



Non-Residential: Large Commercial

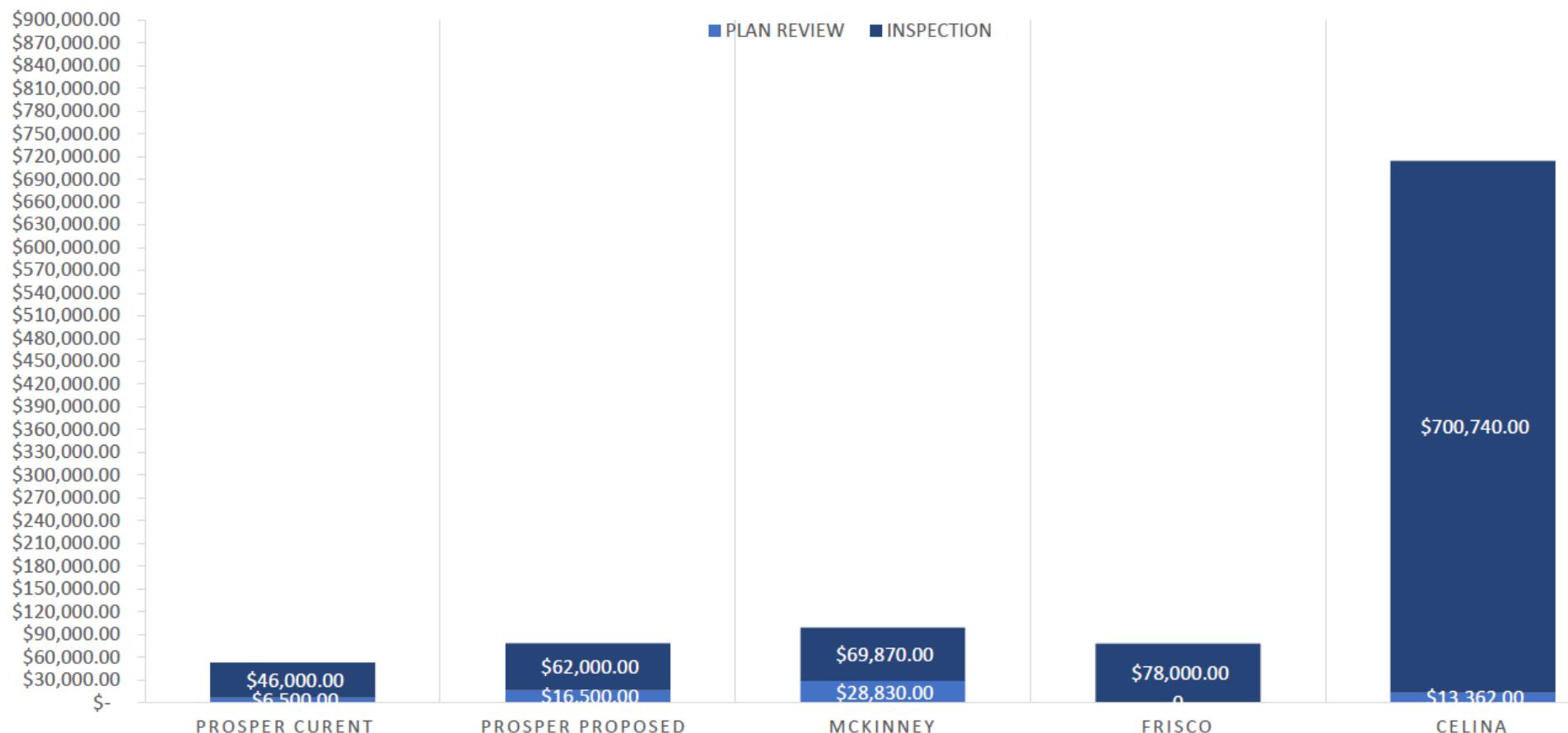
PLAN REVIEW AND INSPECTION FEES - NON-RESIDENTIAL

INSPECTION

Prosper Current	\$ 46,000.00
Prosper Proposed	\$ 62,000.00
McKinney	\$ 69,870.00
Frisco	\$ 78,000.00
Celina	\$ 700,740.00

PLAN REVIEW

Prosper Current	\$ 6,500.00
Prosper Proposed	\$ 16,500.00
McKinney	\$ 28,830.00
Frisco	-
Celina	\$ 13,362.00

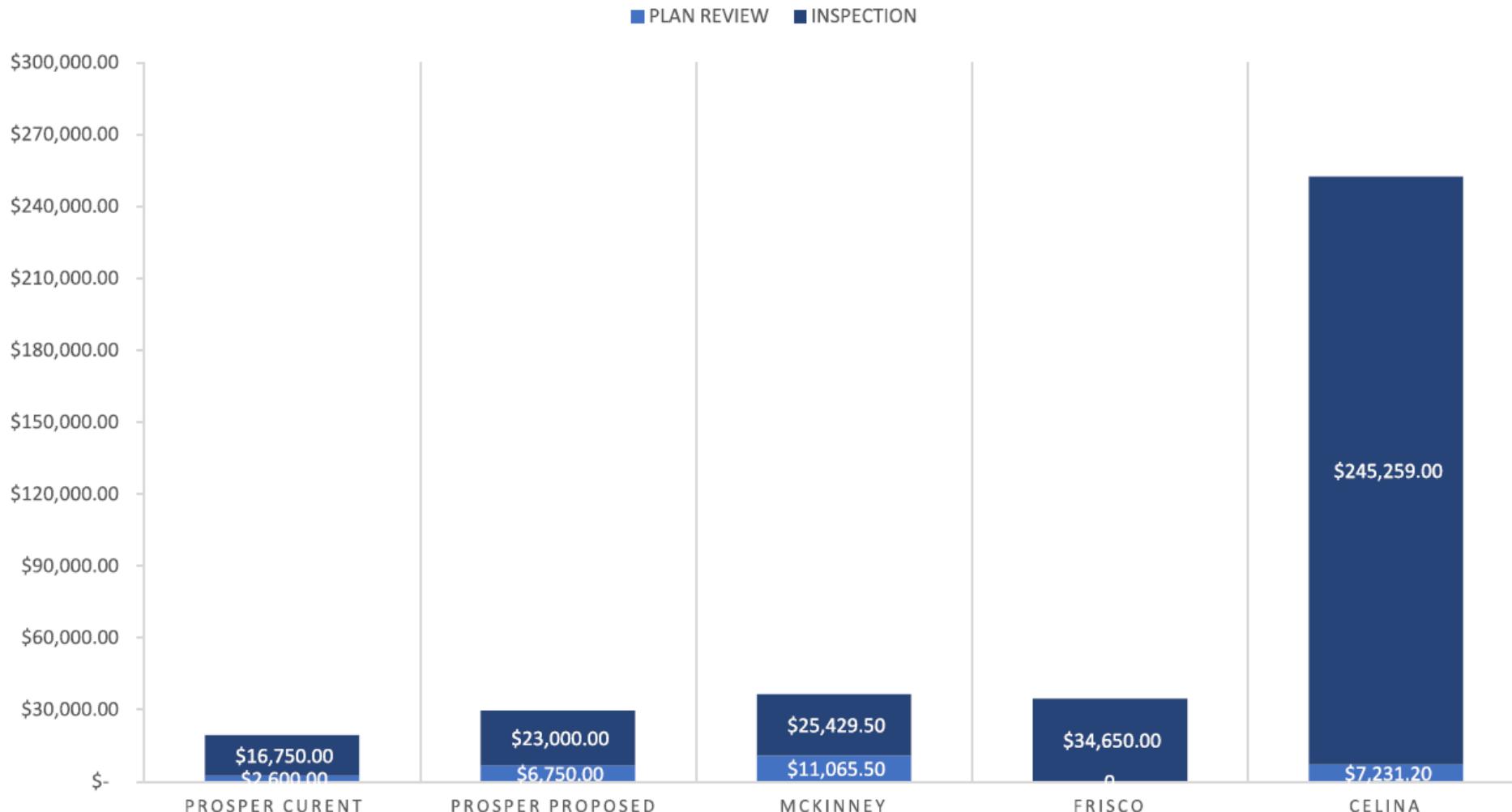


Non-Residential: Medium Commercial

PLAN REVIEW AND INSPECTION FEES - NON-RESIDENTIAL

INSPECTION	
Prosper Current	\$ 16,750.00
Prosper Proposed	\$ 23,000.00
McKinney	\$ 25,429.50
Frisco	\$ 34,650.00
Celina	\$ 245,259.00

PLAN REVIEW	
Prosper Current	\$ 2,600.00
Prosper Proposed	\$ 6,750.00
McKinney	\$ 11,065.50
Frisco	-
Celina	\$ 7,231.20

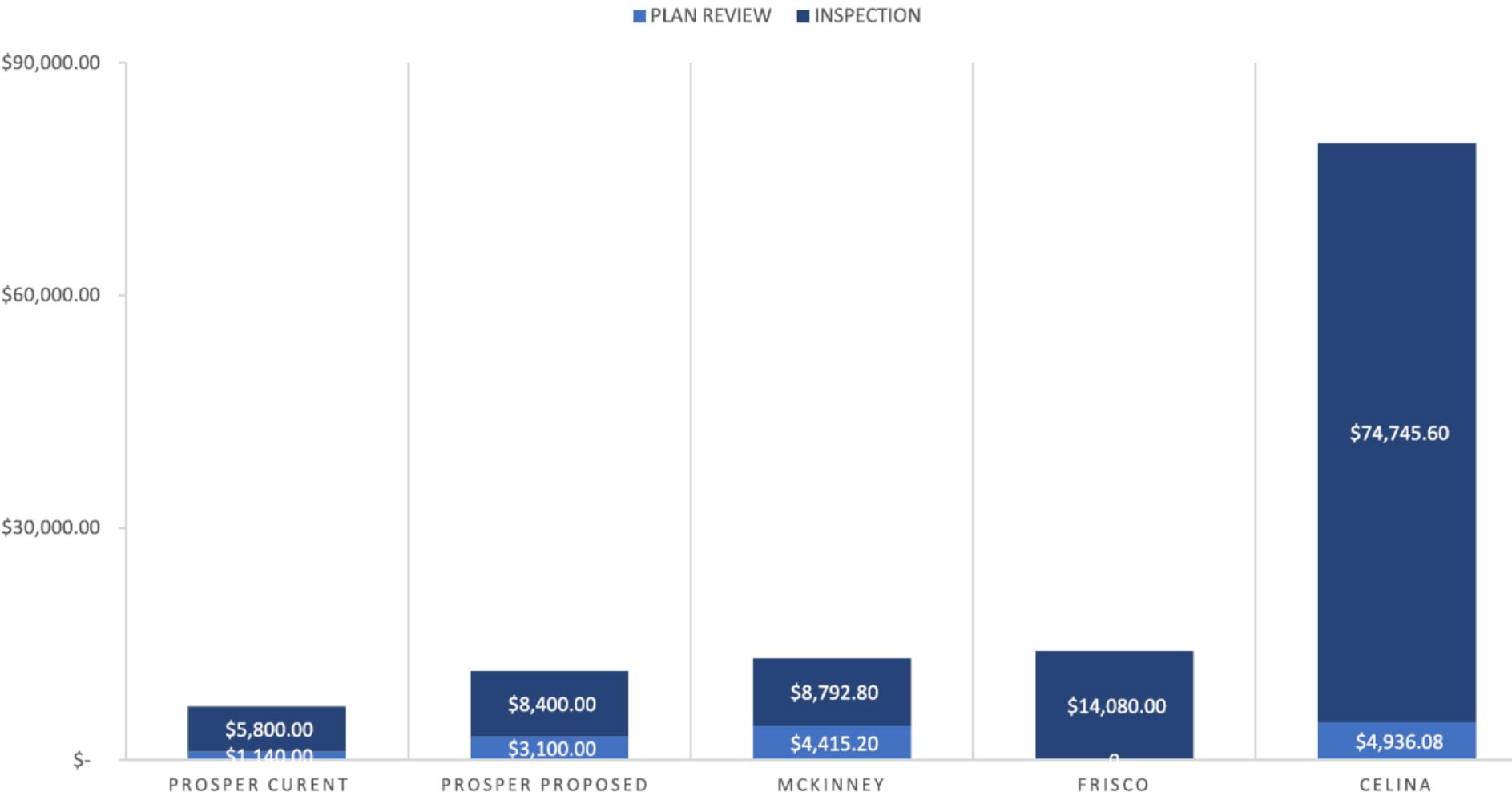


Non-Residential: Small Commercial

PLAN REVIEW AND INSPECTION FEES - NON-RESIDENTIAL

INSPECTION	
Prosper Current	\$ 5,800.00
Prosper Proposed	\$ 8,400.00
McKinney	\$ 8,792.80
Frisco	\$ 14,080.00
Celina	\$ 74,745.60

PLAN REVIEW	
Prosper Current	\$ 1,140.00
Prosper Proposed	\$ 3,100.00
McKinney	\$ 4,415.20
Frisco	-
Celina	\$ 4,936.08



Multi-Family Development

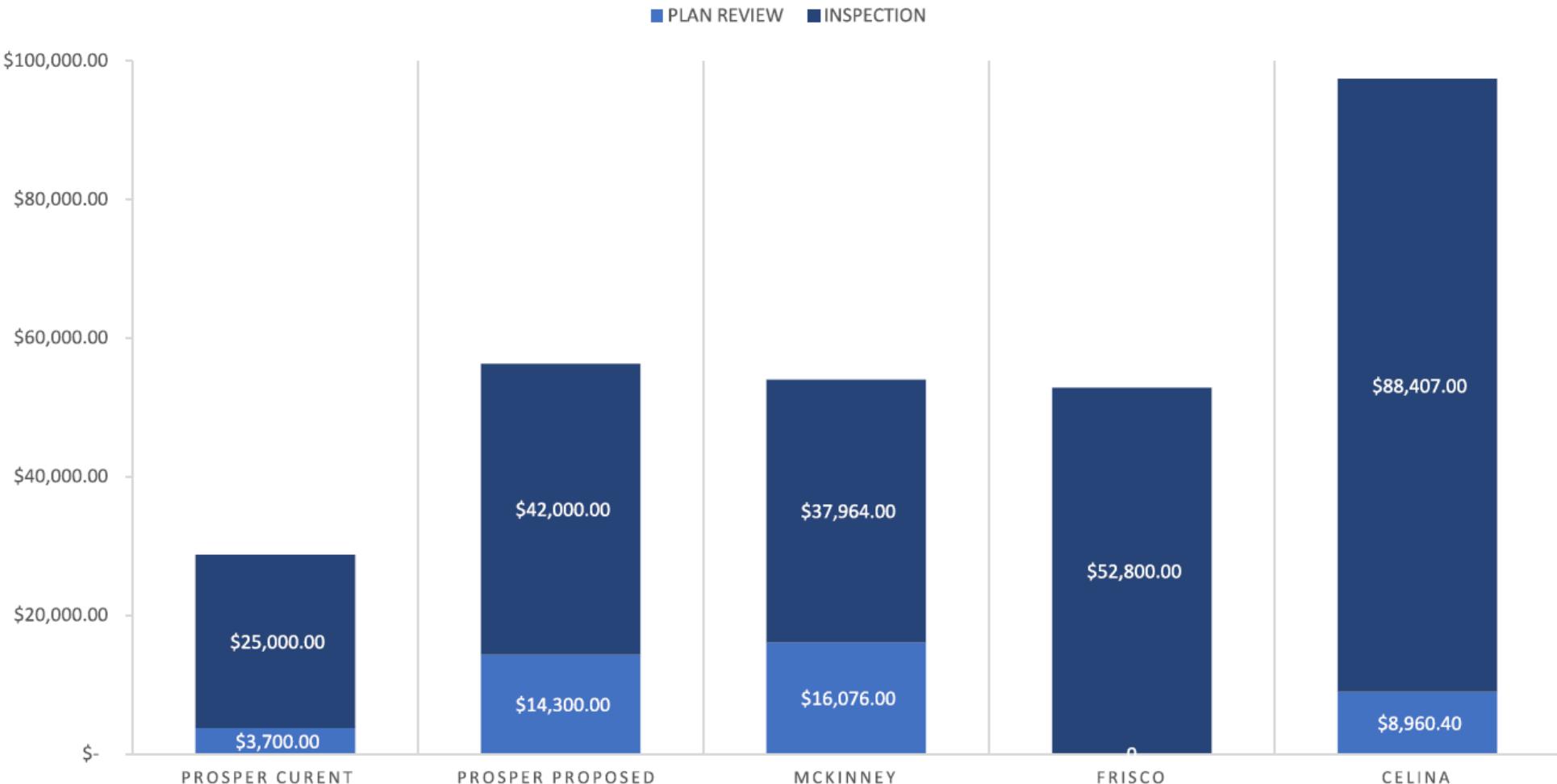
PLAN REVIEW AND INSPECTION FEES - MULTI-FAMILY

INSPECTION

Prosper Current	\$ 25,000.00
Prosper Proposed	\$ 42,000.00
McKinney	\$ 37,964.00
Frisco	\$ 52,800.00
Celina	\$ 88,407.00

PLAN REVIEW

Prosper Current	\$ 3,700.00
Prosper Proposed	\$ 14,300.00
McKinney	\$ 16,076.00
Frisco	-
Celina	\$ 8,960.40



Engineering

Land Disturbance

Without Development:

- Increase tracts one acre or less from \$50 to \$100
- Increase tracts greater than one acre from \$200 to \$100 base fee plus \$25 per acre
- Increase floodplain reclamation only from \$500 to \$500 base fee plus \$25 per acre

With Development:

- Flat fee of \$200 for all development instead of \$50 per single family residential lot and no fee for non-residential

Engineering

Floodplain Study Review

- Increase from \$3,000 deposit and \$150 nonrefundable administrative fee to \$3,500 deposit and \$250 nonrefundable administrative fee

Stormwater

- Add new fees:
 - Re-inspection: \$100 per re-inspection
 - Notice of Violation: \$150
 - Lot Hold: \$150
 - Stop Work Order: \$150

Agenda Item 20.

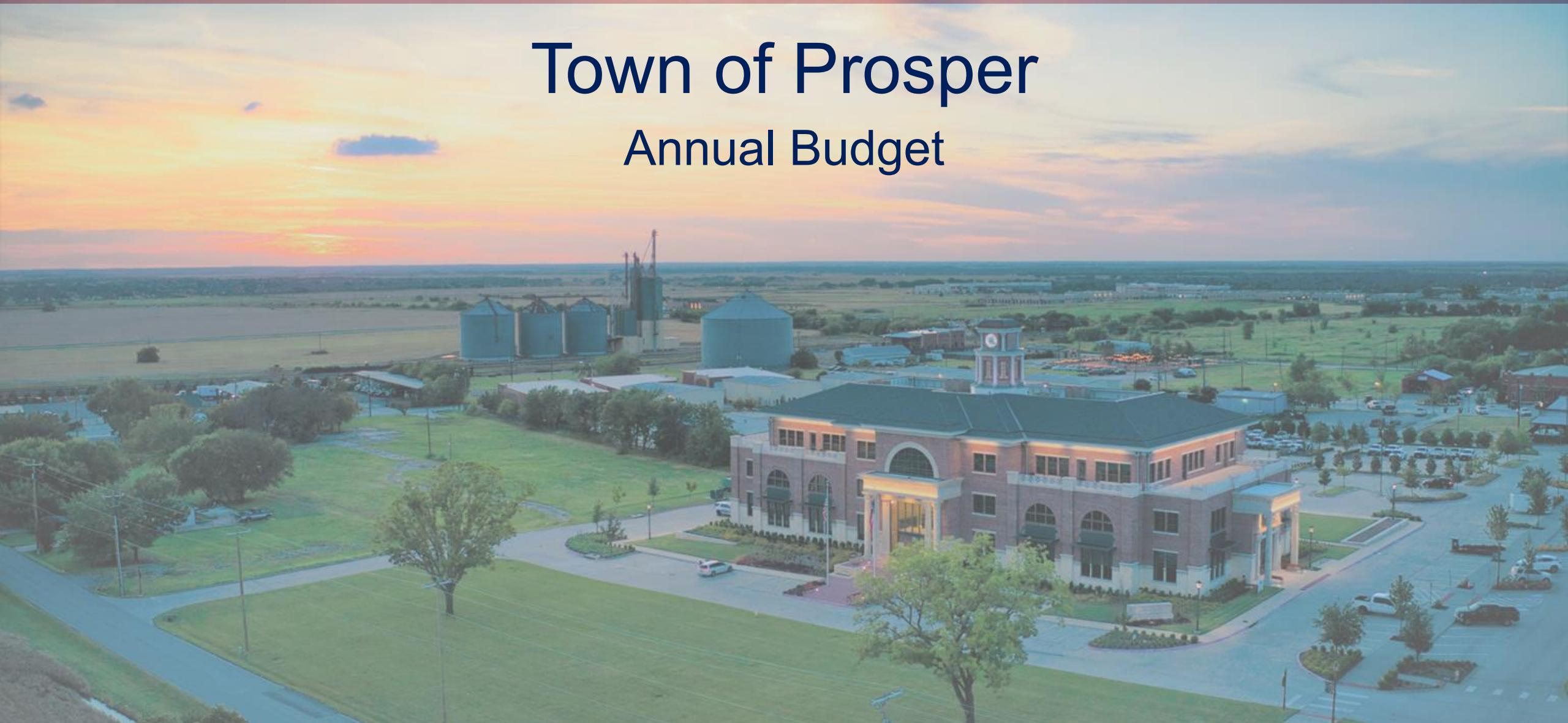
Conduct a Public Hearing to receive public input, consider such input, and consider and act upon an Ordinance adopting the Fiscal Year (FY) 2025-2026 Annual Operating and Capital Project Funds budgets and five-year Capital Improvement Program for the fiscal year beginning October 1, 2025, and ending September 30, 2026. (CL)



TOWN OF
PROSPER

Town of Prosper

Annual Budget



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 28, 2025	Multi-Year Budget Projections
Spring/Summer 2025	Sub-Committee Meetings on Capital Project Prioritization, Debt Issuance, Market Adjustments
June 24, 2025	Budget Workshop at Council Work Session
July 25, 2025	Certified Rolls
August 12, 2025	Presentation of Preliminary Budget, Passage of all items needed to begin Budget Adoption Process.

Budget Timeline

Before August 22, 2025

Sub-Committee Meetings per Council Direction

August 28, 2025

Budget Town Hall Meeting

September 16, 2025

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

Continuous Improvement

- **Operational Review Team** - dedicated to evaluating organizational processes, identifying opportunities for improvement, and ensuring that operations align with strategic vision. By conducting thorough assessments, analyzing performance data, and engaging with staff across departments, the team provides actionable recommendations that enhance efficiency, strengthen accountability, and support long-term success.
- **Consolidated Fleet Function** - centralizes the management, maintenance, and oversight of all non-public safety vehicles and equipment across the organization. By bringing these resources under one coordinated function, the team improves efficiency, reduces costs, and ensures consistent standards for safety, reliability, and service delivery.
- **Risk Management** - focuses on identifying, assessing, and mitigating potential risks that could impact operations, assets, or personnel. Working with a consultant, the team is setting up programs that will strengthen safety practices, reduce exposures, ensure compliance, and build long-term resilience across the organization.

Sensitivity Analysis

Elastic revenue sources are those that grow (or shrink) in response to changes in the economy, population, or community activity. These revenues expand when the economy grows and contracts during downturns.

- Sales Tax (19.8%)
 - Highly sensitive to local retail, economic factors, and consumer spending
- Franchise Fees (7%)
 - Tied to consumption patterns impacted by rates and weather
- Development Related Fees (11.9%)
 - Tied to construction and growth cycles
- Court Fines & Fees (< 1%)
 - Influenced by law enforcement activities and ability to pay fines

Mitigation Strategies

- Pause on hiring vacant positions
- Limit non-essential overtime
- Delay new position start dates
- Reduced Vehicle/Equipment Replacement Fund (VERF) contributions
- Travel and training reduction or elimination
- Pause or scale back professional services not immediately required
- Defer non-essential maintenance
- Discretionary spending freeze
- Reduce service hours
- Delay capital purchases/replacement purchases
- Cancel or reduce the scope of community events

Budget in Brief

Total FY 2025-2026 Proposed Budget Operating Appropriations \$124,647,464 including:

- \$68,209,022 for General Fund operations and maintenance,
- \$3,427,736 for the Crime Control and Prevention Special Purpose District,
- \$3,460,919 for the Fire Control, and Emergency Medical Services Special Purpose District,
- \$49,549,787 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 \$21,165,328.

Governmental Capital Projects added for the year total \$39.4 million.

Key General Fund Revenue Drivers

For FY 2025-2026, General Fund revenues are expected to total \$68,240,564 which is an increase of 32.8% over the previous year's amended budget. This large increase in additional revenue is driven mostly from the transfer in of the Special Purpose Districts to pay for Public Safety personnel that are now located in the General Fund. Other increases come from property tax, sales tax, and franchise fees.

The Proposed Budget reflects 7.2% growth from FY 2024-2025 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 \$13,199,055 for FY 2025-2026.

Fee Increases

Proposed Fee Increases Include:

- PILOT Revenue from 2% to 4% of gross water receipts - \$833,000
- Development Fees - \$1,400,000
 - Building Inspections
 - Multi-Family Registrations
 - Health Permits
- Engineering Fees - \$364,130
 - Inspections
 - Plan Review
 - Land Disturbance
 - Flood Study



General Fund Staffing

Department	Title	Start Date	FTE	Recurring	One-time	Grant Revenue	Year 2
Finance	Fiscal Services Specialist	2/1/2026	1	55,687	970	-	84,859
Police	Crime Analyst	2/1/2026	1	71,775	4,162	111,289	109,766
Police	Auto Theft Prevention Coordinator	2/1/2026	1	112,078	73,716	239,733	170,628
Police	Police Officers	2/1/2026	4	423,213	388,584	-	667,304
Fire	Firefighter/Paramedic	2/1/2026	9	955,833	87,406	-	1,461,156
Public Works	Traffic Signal Technician	2/1/2026	1	66,590	3,635	-	102,486
Parks	Irrigation Technician	2/1/2026	1	50,520	73,000	-	76,740
Parks	Chemical Technician	2/1/2026	1	49,159	23,000	-	75,064
Library	Circulation Supervisor	2/1/2026	1	50,282	3,230	-	76,142
Total General Fund			20	1,835,137	657,703	351,022	2,824,145

*An adjustment was made from the proposed budget to fund positions for a February start date.



Other Funds Staffing

Water/Wastewater Fund

Department	Title	Start Date	FTE	Recurring	One-time	Grant Revenue	Year 2
Public Works	Water System Technician/SCADA	10/1/2025	1	115,254	51,844	-	117,833
Public Works	Utility Compliance Superintendent	10/1/2025	1	136,116	56,669	-	139,879
	Total Water/Wastewater Fund		2	251,370	108,513	-	257,712

Stormwater Drainage Fund

Department	Title	Start Date	FTE	Recurring	One-time	Grant Revenue	Year 2
Public Works	Heavy Equipment Operator	10/1/2025	1	92,797	-	-	96,181
	Total Stormwater Drainage Fund		1	92,797	-	-	96,181

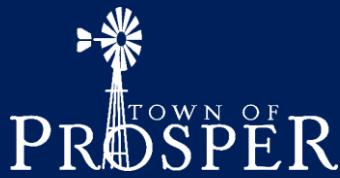
Market Study

Fund	Recurring
General Fund - Police-Sworn	244,996
General Fund - Fire-Sworn	286,142
General Fund	174,683
Water/Wastewater	137,146
Stormwater Drainage	19,437
Total Market Study	862,403

- Public Safety Market Methodology
 - Increase to competitive market average
- Non-Public Safety Market Methodology
 - Increase to minimum market average
 - Adjust for salary compression within departments based on tenure in current position

Health Fund

- Staff has budgeted for a 24% increase to the Town's premiums and will ask employees to pick up a 5 to 10% increase depending on their chosen plan.
- Health care plan is to Council for consideration. Currently out to bid for stop loss.



Major General Fund Enhancements

Administration:

Comprehensive Compensation and Benefits Funding -

\$706,000

ERP System Maintenance - \$309,408

Fiscal Services Specialist - \$83,472

Risk Management Consultant - \$25,000

Police:

4 Police Officers - \$1,012,154

Vehicle Expense Funding - \$171,949

MVCPA Task Force Grant - \$261,910

MVCPA Catalytic Converter Grant - \$61,966

Fire:

Fire Station #4 Minimum Staffing - \$1,463,745

Vehicle Maintenance - \$75,000

Development Services:

Animal Services Contract Increase - \$189,400

Streets and Facility Maintenance:

Traffic Signal Technician - \$103,307

Community Services:

Irrigation Technician - \$103,307

Raymond Park Water - \$370,000

Chemical Technician - \$95,878

Circulation Supervisor - \$77,905

Debt Service Fund

- Add Series 2025 authorized by Council - \$43.5 Million in new and refunding
- \$190 million available for 2025 Bond Election for 8 years
- Increases I&S Rate from 0.180392 to 0.182946
- 36% I&S percentage of total Tax Rate (below 40%)
- Outstanding Total Debt of \$268,592,135 at end of FY25-26
- 2.12% Outstanding Total Debt as a percentage of TAV (below 4%)
- \$4,425 Outstanding Total Debt per Capita



TOWN OF PROSPER

Debt Service Fund

*Future Debt assumes 4% TIC

Governmental Capital Projects

- \$39.4 million Total in Projects
 - \$26 million in Streets Projects
 - \$7.1 million in Parks Projects
 - \$6.3 million in Facility Projects

Multi-Year Capital Program/Debt Issuance

Recently Approved Bonds Series 2025

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 lanes: (Construction)	\$8,200,000
• Coleman (Prosper Trail – Talon) 2 SB Lanes (Land/Esmt)	\$1,500,000
• Legacy (First – Prosper Trail) 2 SB Lanes (Land/Esmt)	\$550,000
• Legacy (First – Prosper Trail) 2 SB Lanes (Construction)	\$200,000

TOTAL

\$19,450,000

Multi-Year Capital Program/Capital Dedicated

Pay-as-you-go Funding

Streets/Traffic

• Various Traffic Signals & Improvements	\$2,090,000
• First St./Whitley Place Open Space	\$250,000

Parks

• Raymond & Lakewood Park Security Cameras	\$250,000
• Dream Park	\$300,000
• Downtown Monumentation – Broadway & Main	\$255,000
• Richland Median Improvements	\$150,000

Facilities

• Facility Improvement Projects	\$300,000
• Parks and Public Works Facility, Phase 1	\$5,397,062

Transfer to GF Construction Personnel

• Transfer to GF Construction Personnel	\$800,000
• Unprogrammed	\$707,938

TOTAL

\$10,500,000



Historical Property Valuation

Fiscal Year	Valuation Excluding Freeze	Growth	New Property	Growth from New Property	Reappraisal Growth	Growth from Reappraisal
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%	870,499,826	10.5%	416,305,090	4.9%
2025-2026	10,806,491,907	12.3%	758,780,238	7.9%	425,610,074	4.4%

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

	2025-2026	2024-2025
No-New-Revenue Tax Rate	\$0.482348	\$0.466941
Voter-Approval Tax Rate	\$0.505000	\$0.522075
Debt Rate (I&S Rate)	\$0.182946	\$0.180392
Adopted Rate	-	\$0.505
Proposed Rate	\$0.505	-



Historical Property Tax Rate

Tax Rate	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	FY25 to FY26 Change
General Fund	0.328000	0.221830	0.230742	0.224608	0.224854	0.000246
Capital Dedicated	-	0.108000	0.102000	0.100000	0.097200	(0.002800)
Debt Service	0.182000	0.180170	0.177258	0.180392	0.182946	0.002554
Total	0.510000	0.510000	0.510000	0.505000	0.505000	-

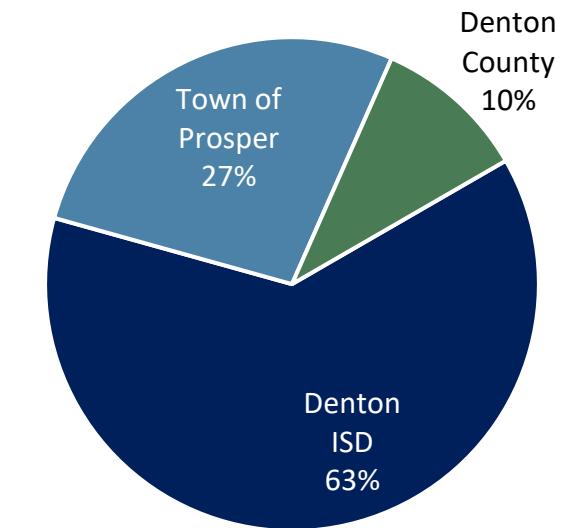
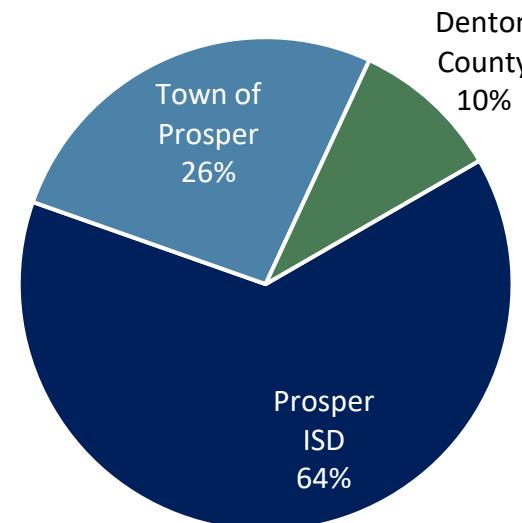
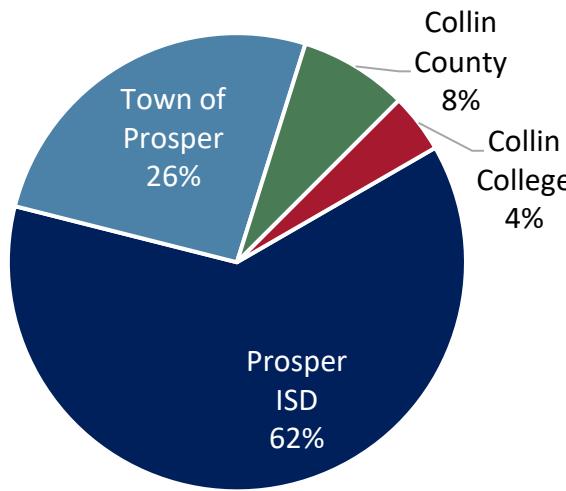


Benchmarking Proposed Fiscal Year 2025-2026 Tax Rates

Entity	Homestead Exemption Rate	General Fund	Capital Dedicated	I&S	Total Tax Rate	Equivalent Tax Rate for Homestead	Freeze
Anna	5.00%	0.356071	-	0.169002	0.525073	0.498819	No
Celina	None	0.264928	-	0.311473	0.576401	0.576401	Yes
Coppell	5.00%	0.376998	-	0.067978	0.444976	0.422727	No
Flower Mound	20.00%	0.323876	-	0.063402	0.387278	0.309822	No
Frisco	20.00%	0.292775	-	0.132742	0.425517	0.340414	Yes
Keller	20.00%	0.245020	-	0.041980	0.287000	0.229600	Yes
Little Elm	None	0.446653	-	0.103247	0.549900	0.549900	Yes
McKinney	None	0.276012	-	0.136272	0.412284	0.412284	No
Southlake	20%	0.24000	-	0.055000	0.295000	0.236000	Yes
Average of Comparison	10.00%	0.313593	-	0.120122	0.433714	0.397330	-
Prosper (FY2024-2025)	17.50%	0.224608	0.100000	0.180392	0.505000	0.416625	Yes
Prosper (FY2025-2026)	17.50%	0.224854	0.097200	0.182946	0.505000	0.416625	Yes



FY2025-2026 Total Tax Rate





Local Sales Tax (2¢)

Year	General Fund (1¢)	TIRZ Funds	Crime SPD (0.25 ¢)	Fire SPD (0.25 ¢)	Prosper EDC(0.5¢)
2020	5,852,590	510,086	1,616,291	1,613,198	3,181,338
2021	8,212,231	656,516	2,192,022	2,183,482	4,434,373
2022	9,464,641	854,284	2,548,594	2,545,621	5,159,463
2023	10,160,615	916,361	2,745,763	2,748,026	5,538,488
2024	11,053,794	1,226,439	3,018,090	3,015,318	6,140,116
2025R	12,099,065	1,295,986	3,203,844	3,236,018	6,697,526
2026P	12,983,112	1,388,965	3,426,536	3,460,319	7,186,039



General Fund Sales Tax

Year	General Fund (1¢)	General Fund Sales Tax Growth
2020	5,852,590	12.0%
2021	8,212,231	40.3%
2022	9,464,641	15.3%
2023	10,160,615	7.4%
2024	11,053,794	8.8%
2025R	12,099,065	9.5%
2026P	12,983,112	7.3%

Water and Wastewater Rates

Utility Fund-Distribution and Collection Utility

- Potable Water Supplier proposing over 14.9% 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 8.8% next year (6.26% water and 15.08% wastewater)



Wholesale Expenses

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Water						
NTMWD Annual Cost	\$ 13,772,043	\$ 15,819,798	\$ 18,796,149	\$ 22,603,476	\$ 26,107,464	\$ 29,474,696
% Annual Increase		14.9%	18.8%	20.3%	15.5%	12.9%
% of Water Budget	61.7%	62.4%	64.2%	68.0%	70.1%	72.0%
Sewer¹						
NTMWD Annual Cost	\$ 3,491,751	\$ 3,961,606	\$ 3,113,412	\$ 3,476,926	\$ 4,035,745	\$ 4,376,883
UTRWD Annual Cost	1,802,740	2,073,459	4,538,858	4,835,206	5,143,933	5,472,456
Total Sewer Annual Costs	\$ 5,294,491	\$ 6,035,065	\$ 7,652,270	\$ 8,312,133	\$ 9,179,678	\$ 9,849,339
% Annual Increase		14.0%	26.8%	8.6%	10.4%	7.3%
% of Sewer Budget	43.0%	40.6%	39.4%	37.5%	39.6%	41.0%

¹ – In FY 2027, an additional 3.0 MGD from Doe Branch is anticipated to come online, allowing more flow to be directed to UTRWD rather than NTMWD.

Source: NewGen Strategies and Solutions, LLC



Proposed Rate Increase

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
% Water Increase	6.26%	13.77%	4.64%	2.52%	0.90%
% Wastewater Increase	15.08%	17.96%	8.35%	0.00%	0.00%

Source: NewGen Strategies and Solutions, LLC

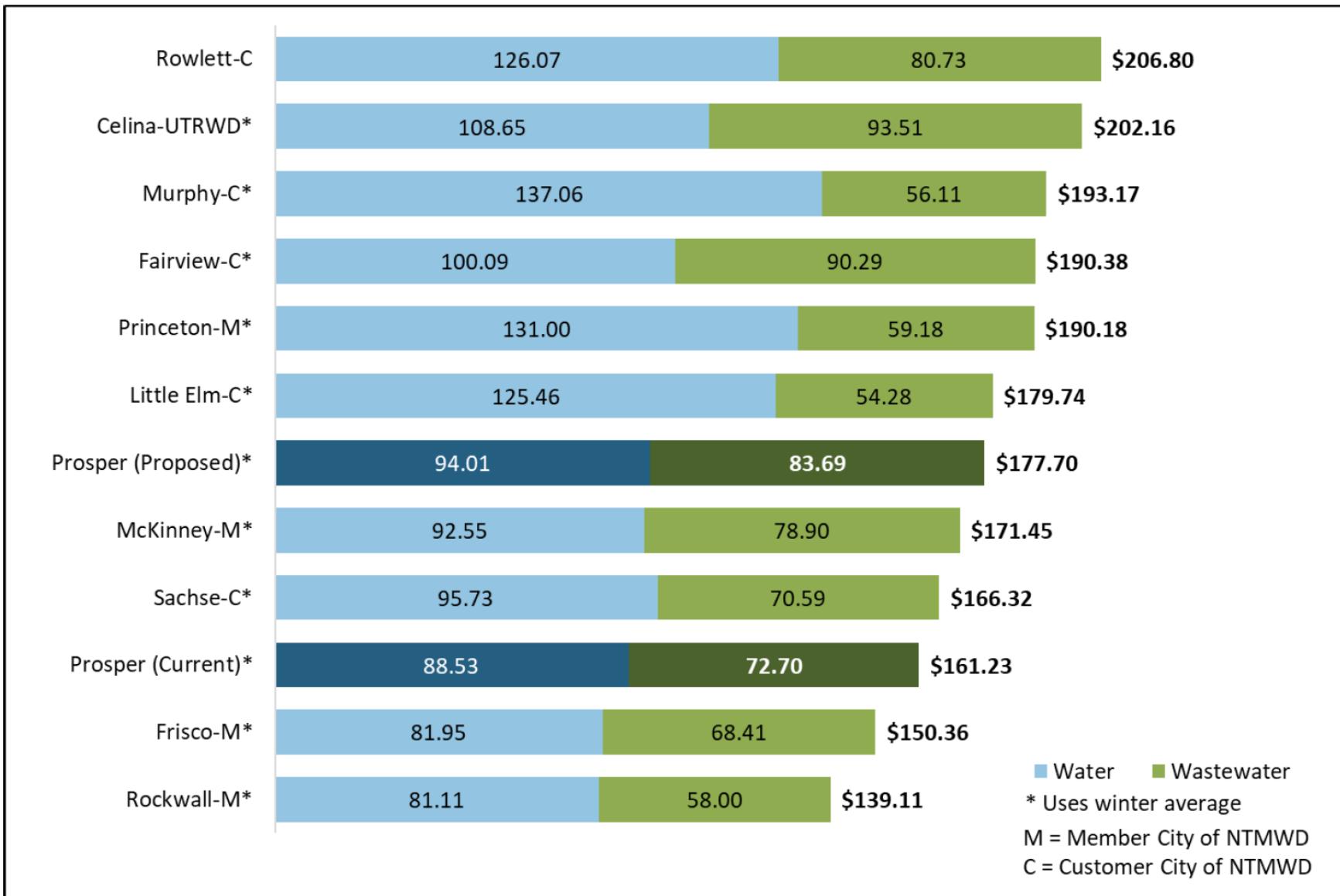
REGIONAL BILL COMPARISON

1" Residential –

13,000 Gallons Water
& 7,000 Gallons
Wastewater

*Regional Bill Comparison is based on
publicly available data and
NewGen's understanding and
interpretation of this data.*

Rate Comparison



Other Funds

Solid Waste Fund

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

Stormwater Drainage

- Proposed rate increase of \$1 across all rate categories. Proposed rates are:
 - Residential Tier 1 \$4.00
 - Residential Tier 2 \$6.15
 - Commercial \$2 per 1,000 sqft. of impervious surface
- Last rate increase was in 2018.

CIP Funds

- Subject to change with CIP Subcommittee meeting

Agenda Item 21.

Conduct a Public Hearing to consider and act upon an Ordinance adopting a tax rate of \$0.505 per \$100 valuation for fiscal year 2025-2026. (CL)



Agenda Item 22.

Ratifying the property tax increase in the budget for fiscal year (FY) 2025-2026. (CL)

Agenda Item 23.

Consider and act upon a Resolution of the Town Council of the Town of Prosper, Texas, declaring the necessity to acquire certain properties for right-of-way and easements for the construction of the Legacy Drive (Prosper Trail – Parvin Road) 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)



**Legacy Drive Right-of-way and Easement Acquisition
Location Map**



PARCEL No. #	OWNER	ROW (acres)	Easements (acres)	TCE (acres)
3	LegacyParvin26, LLC	2.120	0.226	0.677



Agenda Item 24.

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 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, and the Downtown Advisory Committee, and all matters incident and related thereto.

Section 551.071 - Consultation with the Town Attorney to discuss legal issues associated with any Work Session or Council Meeting agenda item.



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.