

MINUTES OF A MEETING OF THE SPECIAL TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS, HELD AT THE TOWN HALL, 4700 DREXEL DRIVE, HIGHLAND PARK, TX, 75205, AT 8:00 A.M. ON TUESDAY, SEPTEMBER 13, 2022.

Present at the meeting were Mayor Will C. Beecherl, Mayor Pro Tem Craig Penfold and Town Council Members Marc Myers, Lydia Novakov, Don Snell and Leland White

Mayor Beecherl introduced himself and called the meeting to order at 8:00 a.m.

**MAIN AGENDA**

*Consider approval of an ordinance adopting the Fiscal Year 2022-23 Proposed Budget in the amount of \$64,293,122, including interfund transfers of \$12,549,099.* Steven Alexander, Director of Administrative Services and Chief Financial Officer, explained the Fiscal Year 2022-23 (“FY 2023”) Proposed Budget provides: (i) funding for existing Town-provided services and operations; (ii) a competitive pay and benefit environment for employees; (iii) adequate funding of operating capital needs; and (iv) funding the annual capital transfer from the General Fund to the Capital Projects Fund for future capital needs. The Proposed Budget presented reflects to changes from the original proposal. One Change relates to an added rate adjustment to water rates in the Utility Fund due to a modification in the rate increase by the Dallas County Park Cities Municipal Utility District (“DCPCMUD”) to cover unanticipated rise in costs of chemicals for water treatment. In addition, there was a reclassification of funds that had been labeled as a revenue and expenditure in the Stormwater Fund and Reserve Fund respectively related to the Hackberry Creek Capital Project. The funds were reclassified to interfund transfers. On a motion made by Mayor Pro Tem Craig Penfold, seconded by Council Member Marc Myers, the Town Council voted unanimously to approve an ordinance adopting the FY 2023 Proposed Budget in the amount of \$64,293,122, including an interfund transfer of \$12,549,099.

ORDINANCE NO. 2107

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS, ADOPTING A BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2022, AND ENDING SEPTEMBER 30, 2023, AND AUTHORIZING EXPENDITURES AS SET OUT IN SAID BUDGET.

*Consider approval of an ordinance setting the Town's 2022 ad valorem tax rate at \$0.230000 per \$100 of taxable assessed valuation of all taxable property for the 2022 Tax Year, as determined by the Dallas Central Appraisal District.* Steven Alexander, Director of Administrative Services and Chief Financial Officer, explained the Town's FY 2023 Proposed Budget includes property tax revenues based on an ad valorem tax rate of \$0.230000 per each \$100 of assessed valuation of all taxable property. The proposed 2022 tax rate, consistent with the prior year, will result in a tax levy increase of \$1,693,234 in property tax revenues, of which \$279,189 is to be raised from new property added to the tax roll for 2022. The governing body of the Town proposes to use the

revenue attributable to the tax rate increase for the purpose of funding increases in operating costs and the Town's Capital Improvement Program. The Town's property tax levy on the average residential homestead property in 2021 (\$2,056,676) was \$4,730.35. The tax levy on the average residential homestead property in 2022 (\$2,281,509) will be \$5,247.47, which is an increase of \$517.12. On a motion made by Council Member Marc Myers, seconded by Council Member Leland White, the Town Council voted unanimously that the property tax rate be increased by the adoption of a tax rate of \$0.230000, which is effectively a 9.76% increase in the tax rate.

#### ORDINANCE NO. 2108

AN ORDINANCE OF THE TOWN OF HIGHLAND PARK, TEXAS, LEVYING THE AD VALOREM TAXES FOR THE TAX YEAR 2022 ON ALL PROPERTY SITUATED IN THE TOWN OF HIGHLAND PARK, TEXAS.

*Consider ratifying a property tax increase of \$1,693,234, which represents an increase of 10.94% over last year's adjusted levy, and includes \$279,189 in revenues generated from new property added to the tax roll.* Steven Alexander, Director of Administrative Services and Chief Financial Officer, explained that Texas Local Government Code requires a separate vote of the governing body to ratify the property tax increase reflected in the budget, if the adoption of the budget generates more revenue from property taxes than in the previous year. This vote is in addition to and separate from the vote to adopt the budget or a vote to set the tax rate as required by Chapter 26 of the Texas Tax Code. On a motion made by Council Member Marc Myers, seconded by Council Member Lydia Novakov, the Town Council voted unanimously to approve ratifying a property tax increase of \$1,693,234, which represents an increase of 10.94% over last year's adjusted levy, and includes \$279,189 in revenues generated from new property added to the tax roll.

*Review, discuss, and consider approval of a resolution amending the Town's Master Fee Schedule effective October 1, 2022.* Steven Alexander, Director of Administrative Services and Chief Financial Officer, explained the Town manages its various fees for services through the maintenance of its Master Fee Schedule. Some fees are established to be sufficient to cover the cost of the respective service for which they are imposed (e.g., solid waste collection, building services fees) and others are set at levels which are intended to provide a partial offset of the cost (e.g., swimming pool use fees, Library fees). Some fees, such as the water and sewer fees and the Stormwater Drainage Utility fee, are established to generate resources to meet current and future funding needs. The FY 2023 Proposed Budget includes fee changes to adjust for increases in service contracts, as well as to address increasing operating and capital costs. Storm water drainage utility fees are proposed to be adjusted by 9.0%, similar to the current pace of inflation, and provide funding that is used towards the maintenance and improvement of the Town's storm water utility system. Water rates and sewer rates are proposed to be adjusted by 7.0% and 3.0% respectively. The change in water rates is driven in part by increases in the Town's rate charged for the purchase of water from the DCPCMUD. However, rates for both water and sewer are also changing to address increasing operating costs and facilitate the Town's 10-year capital plan. Staff proposes to

adjust solid waste collection and recycling charges based on the escalation of current contracts with the Town's third-party service providers resulting in an increase to rates ranging between 5.12% and 5.92%. Mayor ProTem Penfold asked when the last time the Fee Schedule was reviewed and adjusted, and Mr. Alexander replies that it is reviewed by the Finance staff annually and department directors are always watching for changes in rates in their respective markets. Staff will bring any proposed changes to the Council for consideration as needed, as well. On a motion made by Mayor Pro Tem Craig Penfold, seconded by Council Member Lydia Novakov, the Town Council voted unanimously to approve a resolution amending the Town's Master Fee Schedule effective October 1, 2022.

RESOLUTION NO. 011-22  
A RESOLUTION OF THE TOWN OF HIGHLAND PARK, TEXAS AMENDING ITS  
MASTER FEE SCHEDULE.

There being no further business to come before the Council, the meeting was adjourned at 8:25 a.m.

APPROVED on this 20<sup>th</sup> day of September 2022.

APPROVED:



Will C. Beecher  
Mayor

ATTEST:



Holly Russell  
Interim Town Secretary