

MINUTES OF A SPECIAL TOWN COUNCIL MEETING 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 12, 2023.

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

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 2023-24 Proposed Budget in the amount of \$66,431,513, including interfund transfers of \$11,920,415. Steven Alexander, C.P.A., Director of Administrative Services and Chief Financial Officer, explained the Fiscal Year 2023-24 ("FY 2024") 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. Funding for the Fiscal Year 2023-24 Proposed Budget includes a tax rate of \$0.220530 per \$100 valuation, which will raise more total property taxes than last year by \$1,655,156, or 9.74%. The property tax revenue to be raised from new property added to the tax roll is \$267,655. The FY 2023-24 Proposed Budget includes fee changes to adjust for increases in service contracts. Solid waste collection and recycling charges are proposed to be adjusted based on the escalation of the current contract with the Town's third-party service providers, resulting in an increase in rates ranging from 6.49% to 6.71%. Stormwater drainage fees are proposed to increase by 20.0% to address future capital needs. In response to a question raised by Mayor Beecherl, Mr. Alexander confirmed the water rates are proposed to be adjusted by 7.55%, which incorporates an increase from the Dallas County Park Cities Municipal Utility District of 27.0%. Sewer rates are proposed to increase by 3.0%. On a motion made by Council Member Lydia Novakov and seconded by Mayor Pro Tem Craig Penfold, the Town Council voted unanimously to approve an ordinance adopting the FY 2023 Proposed Budget in the amount of \$66,431,513, including interfund transfers of \$11,920,415.

ORDINANCE NO. 2120

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS, ADOPTING A BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2023, AND ENDING SEPTEMBER 30, 2024, AND AUTHORIZING EXPENDITURES AS SET OUT IN SAID BUDGET.

Consider approval of an ordinance setting the Town's 2023 ad valorem tax rate at \$0.220530 per \$100 of taxable assessed valuation of all taxable property for the 2023 Tax Year, as determined by the Dallas Central Appraisal District. Steven Alexander, C.P.A., Director of Administrative Services and Chief Financial Officer, explained that the Town's FY 2024 Proposed Budget includes property tax revenues based on an ad valorem tax rate of \$0.220530 per each \$100 of

assessed valuation of all taxable property. The proposed 2023 tax rate will result in a tax levy increase of \$1,655,156 in property tax revenues, of which \$267,655 is to be raised from new property added to the tax roll for 2023. 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 2022 (\$2,264,387) was \$5,208.09. The tax levy on the average residential homestead property in 2023 (\$2,591,026) will be \$5,713.99, which is an increase of \$505.90. On a motion made by Mayor Pro Tem Craig Penfold, seconded by Council Member Don Snell, the Town Council voted unanimously that the property tax rate be increased by the adoption of a tax rate of \$0.220530, which is effectively an 8.47 percent increase in the tax rate.

ORDINANCE NO. 2121

AN ORDINANCE OF THE TOWN OF HIGHLAND PARK, TEXAS, LEVYING THE AD VALOREM TAXES FOR THE TAX YEAR 2023 ON ALL PROPERTY SITUATED IN THE TOWN OF HIGHLAND PARK, TEXAS.

Consider ratifying a property tax increase of \$1,655,156, which represents an increase of 9.74% over last year's adjusted levy, and includes \$267,655 in revenues generated from new property added to the tax roll. Steven Alexander, C.P.A., Director of Administrative Services and Chief Financial Officer, explained that the 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 Lydia Novakov, seconded by Council Member Don Snell, the Town Council voted unanimously to approve ratifying a property tax increase of \$1,655,156, which represents an increase of 9.74% over last year's adjusted levy, and includes \$267,655 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, 2023. Steven Alexander, C.P.A., Director of Administrative Services and Chief Financial Officer, explained that 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, and others are set at levels which are intended to provide a partial offset of the cost. Some fees, such as the water, sewer, and the stormwater drainage utility fees, are established to generate resources to meet current and future funding needs. The FY 2023-24 Proposed Budget includes fee changes to adjust for increases in service contracts, as well as to address increasing operating and capital costs. Stormwater drainage utility fees are proposed to be adjusted by 20.0% to provide funding for the maintenance and improvement of the Town's stormwater utility system. Water and sewer rates are proposed to be adjusted by 7.55% 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 Dallas County Park Cities Municipal Utility District. 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 6.49% and 6.70%. The Town has an interlocal agreement with Dallas County to perform annual health permit inspections. The fees charged by Dallas County for these and additional inspections are increasing by \$60 and \$30, respectively. Staff proposes that the Fee Schedule be increased by these amounts to cover the additional cost. Residents may wish to donate a park bench to the Town as a memorial or recognition at cost plus 10%. In response to a question raised by Council Member Lydia Novakov, Ms. Gordon explained a bench donation is \$5,000 and includes a custom bronze plaque and bench pad. On a motion made by Mayor Pro Tem Craig Penfold, seconded by Council Member Don Snell, the Town Council voted unanimously to approve a resolution amending the Town's Master Fee Schedule effective October 1, 2023.

RESOLUTION NO. 006-23

A RESOLUTION OF THE TOWN OF HIGHLAND PARK, TEXAS, AMENDING ITS MASTER FEE SCHEDULE.

Consider approval of a resolution setting out the Town's compensation program and related pay plan effective October 1, 2023. Steven Alexander, C.P.A., Director of Administrative Services and Chief Financial Officer, explained that the Compensation Committee ("Committee"), appointed by the Mayor, identified recommendations regarding the pay plan, which are incorporated into the Proposed Budget for FY 2023-24. Regarding the pay plan structure, pay ranges for sworn personnel, non-exempt hourly employees and exempt employees reflect a 3% increase over the prior year. Moreover, the maximum pay ranges presented with the resolution for all non-exempt employees include the 6% Pay for Performance program provided by the Town in prior years. As it relates to employee pay, the resolution provides for the following pay adjustments: (i) employees present on October 1, 2019, will be eligible for a "catch-up" in their hourly pay related to the discontinuance of the Town's annual Pay for Performance program approved by Town Council with the adoption of the FY 2019-20 annual budget; (ii) With the discontinuance of the quarterly Pay for Performance program beginning in FY 2023-24, employees previously eligible for this program will have their hourly rates adjusted to include the quarterly payment; (iii) Employees will be eligible for an across-the-board pay adjustment of 3%. Additionally, first responders will be eligible for a merit adjustment of up to 6%, and non-exempt civilian employees and all exempt employees will be eligible for a merit adjustment of up to 3.5%; (iv) Part-time and seasonal employees will also be eligible for certain adjustments as set out in the resolution. Pay adjustments are limited to the maximum of each employee's respective pay range. The Town Administrator is authorized by this resolution to adjust this program to the extent that there are unusual or unexpected circumstances not otherwise contemplated. On a motion made by Mayor Pro Tem Craig Penfold, seconded by Council Member Leland White, the Town Council voted a resolution setting out the Town's compensation program and related pay plan effective October 1, 2023.

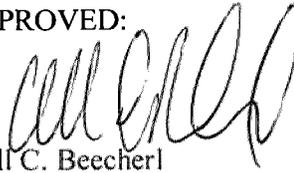
RESOLUTION NO. 007-23

A RESOLUTION OF THE TOWN OF HIGHLAND PARK, TEXAS, SETTING OUT THE EMPLOYEE COMPENSATION PROGRAM RELATED TO BASE PAY AND INCENTIVES AND APPROVING ADJUSTMENTS TO THE PAY PLAN FOR FISCAL YEAR 2023-24.

There being no further business to come before the Council, the meeting was adjourned at 8:18 a.m.

APPROVED on this 19th day of September 2023.

APPROVED:



Will C. Beecher
Mayor

ATTEST:



Joanna Mekeal
Town Secretary