



**NOTICE OF A WORK SESSION AND REGULAR MEETING  
OF THE TOWN COUNCIL  
TUESDAY, AUGUST 9, 2016 – 6:00 pm**

Notice is hereby given as required by Title 5, Chapter 551.041 of the Government Code that the Argyle Town Council will meet in a work session and regular meeting August 9, 2016 at 6:00 pm at the Argyle Town Hall, 308 Denton Street, Argyle, Texas. The Items listed below are placed on the agenda for discussion and/or action.

**WORK SESSION AGENDA – 6:00 PM**

**A. CALL WORK SESSION TO ORDER**

**B. WORK SESSION**

The pre-meeting work session is designed as an opportunity for the Town Council to discuss pending items. No action will be taken during the work session portion of the meeting.

1. Discuss proposed total ad valorem tax rate for Fiscal Year 2017 of \$0.3975 per \$100.00 of assessed valuation, FY16 Re-Estimated Budget and FY17 Proposed Budget.
2. Receive presentation by Texas Municipal Retirement Service (TMRS) regarding the Town's current plan and Unfunded Actuarial Accrued Liability (UAAL).
3. Discussion regarding any regular session items.

**REGULAR SESSION AGENDA – 7:00 PM**

**(or immediately following the 6:00 pm work session)**

**C. CALL REGULAR SESSION TO ORDER**

**D. INVOCATION**

**E. PLEDGE OF ALLEGIANCE**

American Flag

Texas Flag: ***"Honor the Texas Flag; I pledge allegiance to thee Texas, one state under God, one and indivisible"***

**F. ANNOUNCEMENTS, PROCLAMATIONS AND PRESENTATIONS**

1. Council Recognition of Students and Citizens
2. Town Council and Staff Presentations / Reports
  - a. Development Project Updates
  - b. Quarterly Financial Report

**G. OPEN FORUM:**

The opportunity for citizens to address the Town Council on any non-agenda item (limit 5 minutes per person); however, the Texas Open Meetings Act prohibits the Town Council from discussing issues which the public has not been given seventy-two (72) hour notice. Issues raised may be referred to Town Staff for research and possible future action.

**H. CONSENT AGENDA:**

***Any Council Member may request an item on the Consent Agenda to be taken up for individual consideration***

1. Consider approval of the June 28, 2016 Town Council minutes.
2. Consider approval of a resolution proposing the adopting of a total ad valorem tax rate for Fiscal Year 2017 of \$0.3975 per \$100.00 of assessed valuation subject to all public hearing requirements of the Texas Property Tax Code (Fiscal Year 2016 total ad valorem tax rate - \$0.3975).
3. Consider approval of a resolution approving an Interlocal Cooperation Agreement for Tax Collection services with Denton County and authorizing the Town Manager to execute said Agreement on behalf of the Town of Argyle.
4. Consider approval of a resolution casting a vote for the appointment of a member to the Denco Area 9-1-1 District Board of Managers.

**I. NEW BUSINESS & PUBLIC HEARINGS:**

1. Discuss and consider approval of a resolution appointing members to the Crime Control and Prevention District.

**J. OLD BUSINESS:**

1. Consider approval of a resolution authorizing the Town Manager to execute a Development Agreement by and between the Town and Terra Manna, LLC for the Waterbrook development.

**K. CONVENE INTO EXECUTIVE SESSION:**

PURSUANT TO TEXAS GOVERNMENT CODE, ANNOTATED, CHAPTER 551, SUBCHAPTER D:

1. Section 551.087 – Deliberation regarding economic development negotiations; (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1).

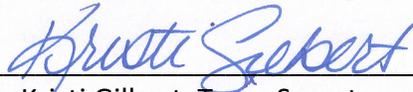
2. Section 551.071- Consultation with and legal advice from the Town Attorney regarding claim – Ben Boyd and FM 407
3. Section 551.074 - Discuss the appointment, employment, evaluation, reassignment, or duties of a public officer or employee: Town Secretary
4. Adjourn into Open Meeting.
5. Consider action on executive session items.

**L. RECEIVE REQUESTS FROM COUNCIL MEMBERS/STAFF FOR ITEMS TO BE PLACED ON NEXT MEETING AGENDA** (*discussion under this item must be limited to whether or not the Council wishes to include a potential agenda item on a future agenda*)

**M. ADJOURN**

**CERTIFICATION**

I hereby certify that the above notice was posted in the bulletin board at Argyle Town Hall, 308 Denton Street, Argyle, Texas, by 5:00 pm on the 5<sup>th</sup> day of August, 2016.



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Kristi Gilbert, Town Secretary

**NOTE:** If, during the course of the meeting, any discussion of any item on the agenda should be held in a closed meeting, the Council will conduct a closed meeting in accordance with the Texas Open Meetings Act, Texas Government Code, Chapter 551, Subchapters D and E

** Persons with disabilities who plan to attend this public meeting and who may need auxiliary aid or services are requested to contact the Argyle Town Hall 48 hours in advance, at 940-464-7273, and reasonable accommodations will be made for assistance.**



# TOWN COUNCIL DATA SHEET



## Agenda Item:

Discuss proposed total ad valorem tax rate for Fiscal Year 2017 of \$0.3975 per \$100.00 of assessed valuation, FY16 Re-Estimated Budget and FY17 Proposed Budget. The resolution adopting the tax rate is on the Consent Agenda.

## Background:

Upon receipt of the certified taxable values, the Town must determine whether or not to adopt a property tax rate that exceeds the new effective tax rate or rollback rate based on the newly certified 2016 (for fiscal year 2017) taxable value. The effective tax rate is the tax rate that would raise the same amount of tax revenue for the Town as was raised by the previous year's tax rate of \$0.3975. The rollback rate is the tax rate that is 8% above the Town's operating tax rate or the highest rate the Town can set before taxpayers can start tax rollback procedures.

The Tax Code requires that if a city/town desires to adopt a tax rate that either exceeds the new tax year's effective tax rate or rollback rate (whichever is lower), it must, by record vote, conduct two public hearings on the proposed tax rate.

**The Town's 2016 total certified taxable value of \$534,475,793 is 3.96861% above the 2015 adjusted taxable value of \$514,074,190.** Ending FY16 certified value was \$508,255,269 but beginning FY17 is \$514,074,190 as result of Under ARB properties settling higher than projected. There is always a certain amount of change between certified ending from one year and beginning taxable the following year as property challenges are settled. The amount is typically small enough to not affect our percentages. This year the amount needs outlining, and we will move forward with the new value.

## Staff Recommendation:

A short PowerPoint presentation will be made to further explain the budget process, provide budget definitions, tax rate information, and a summary of the proposed FY 2017 budget.

## Requested Action:

The Council will take action on this under the Consent Agenda. The portions of the current total tax rate allocated to the Maintenance & Operating (M&O) rate and the Interest & Sinking (I&S) rate remain the same as in FY 2016.

In summary, the total tax rate exceeds the effective tax rate by .003 but remains below the rollback rate; consequently, the proposal to retain the current tax rate of \$0.3975 per \$100 of assessed value for FY 2017 requires the aforementioned resolution calling for two (2) public hearings in accordance with the Tax Code.



# TOWN COUNCIL DATA SHEET



## TAX RATE COMPARISONS

### FY 2016 tax rate (\$0.3975)

2015 net taxable value	\$507,684,401*
FY 2016 General Fund operating tax revenue	\$1,545,640
FY 2016 Debt Service Fund tax revenue	<u>472,405</u>
Total revenue from taxes	\$2,018,045

*\*Value per FY2016 Budget documents. FY2017 tax rate calculations from Denton County Appraisal District are based on an adjusted 2015 taxable value of \$514,074,190 which is value used for Effective Tax Rate calculations and results in an effective tax rate that is only .003 points lower than our actual tax rate of \$0.3975. We will present the adjusted amount on this year's budget documents for simplicity.*

### FY 2016 tax rate (\$0.3975)

2015 adjusted net taxable value	\$514,074,190
FY 2016 General Fund operating tax revenue	\$1,565,094
FY 2016 Debt Service Fund tax revenue	<u>478,351</u>
Total revenue from taxes	\$2,043,444

### FY 2017 tax rate (\$0.3975)

2016 net taxable value	\$534,475,793
FY 2017 General Fund operating tax revenue	\$1,627,206
FY 2017 Debt Service Fund tax revenue	<u>497,335</u>
Total revenue from taxes	\$2,124,541

### FY 2017 Effective Tax Rate

**\$0.394355/\$100**

### FY 2017 Rollback Tax Rate

**\$0.419292/\$100**

### **Attachments:**

Memorandum with attachments on budget and budget process.

**MEMO**

August 1, 2016

**TO:** Mayor and Town Council**FROM:** Paul Frederiksen, Town Manager & Kim Collins, Finance Director**SUBJECT:** FY 2017 Proposed Annual Budget – Tax Rate Discussion

The attached information is intended to provide basic information about the budget process; how the budget is composed; a recap of the current year (FY 2016) budget; and general financial information pertinent to the proposed FY 2017 budget.

**Attachments***Attachment 1 – Budget Objectives, Philosophy and Basis of Accounting*

This information explains the process used by department directors in preparation of their initial departmental budgets resulting from preliminary budget planning meetings between the Town Council and Staff and/or the Town Manager. Municipal budgeting relies a great deal on historical revenue and expenditure information, Legislative mandates or changes in state laws.

During the budget process, we look closely at each line item revenue and expenditure, comparing actual year-to-date information at mid-year to the current adopted budget. We re-estimate/re-evaluate each revenue and expenditure line item in order to create a more accurate re-estimate for the current year's budget as depicted in the Re-estimate FY 2016 column. In an attempt to establish greater accountability for the proposed FY 2017 expenditures, departments were required to itemize each line item expenditure that exceeded the re-estimated FY 2016 amount of \$5,000.00 or greater. Each revenue line item is reviewed individually and projected on the best information available. Generally, revenues are estimated on the conservative side and expenditures are slightly overstated to compensate for unanticipated loss of revenue or increase in expenditure(s).

The budget format and accounting process for municipal government does not follow a typical business accounting model. The municipalities use a *fund accounting system* as explained and documented in this attachment.

*Attachment 2 – Review of Adopted FY 2016 Budget*

This attachment outlines the activities across all departments in FY 2016 with the intent of helping Council understand the daily operations of the Town's staff as well as highlight any special projects that have been undertaken. FY16 Revenues have exceeded budget and excess fund balance is being proposed as additional expenditures this year. Justification and detail for same will be presented.

*Attachment 3 – Summary of Proposed FY 2017 Budget*

This attachment outlines the activities across all departments and funds in FY 2017 with the intent of quantifying daily operations as well as goals that have been communicated by Council.

The 2016 total taxable value increased 3.9686% from 2015 adjusted value. When the new value is compared to last year's certified value, the increase is 5.18%. With that ending value, the following changes occurred across categories: *Land* category increased 8.89%, and the *Improvement* category increased 8.02%. When "new value" is factored out of *Improvements*, the increase in existing properties is 3.57%. All other revenue sources have increased this year as presented on the budget document. The Town continues to be in a strong overall fiscal position with healthy fund balance (reserves) which will sustain essential public services and serve as potential funding source for future capital expenditures. The attachment summarizes (by Fund) significant expenditures proposed for FY 2017.

*Attachment 4 – Ad Valorem Tax Analysis, Tax Rate Summary and Appraised Value History*

This summary gives a 3-year comparison top level view of appraised value, tax rates and resulting revenues across the two funds who receive property tax revenue – General Fund and Debt Service Fund (Interest & Sinking). Because property tax revenue is used to fund general operations and long term debt, a distribution or allocation of the tax rate and tax revenue is also provided for these two funds.

The appraised value history gives a snapshot of eighteen years' of assessed values.

*Attachment 5 – Operating Expenditure Summary, by Function*

Line item expenditures in each operating department are categorized and accounted for by function (personnel, supplies [consumables], contractual services, repairs/maintenance, and capital). This summary provides a summary, by function, of the expenditures for the General Fund and the Wastewater Utility Fund ("operating" funds).

*Attachment 6 – FY 2017 Total Budget Summary (All Funds)*

Pages 1-2 depicts the General (operating) Fund, beginning with revenues followed by expenditures by department and function within each department. FY 2017 General Fund revenues are estimated to be 12.30% higher than the FY2016 budget. Total FY 2017 General Fund expenditures are estimated to be 26.98% higher than FY 2016 budget. However, this includes a \$500,000 transfer to CIP for the Town's matching portion of the Parks grant. When that transfer amount is factored out, the comparison is 9.45% higher than the FY 2016 budget.

Special Revenue Funds are outlined on pages 3-4. Special Revenue Funds are self-explanatory by title, whereby specific or dedicated funds account for the fund's revenue, and expenditures are allocated to fund the purposes or intent of the specially-designated activity.

The Capital Project Funds are depicted on page 4 and outline major capital improvements or projects such as street, drainage and utility improvements, and capital equipment. This fund is showing large revenue and expenditure amounts in FY17 as we are running the Park project costs through this fund.

The Debt Service (I&S) Fund, depicted on page 5, reflects the tax levy (revenue) needed to support the annual principal and interest payment obligations on the Town's current long-term debt. There are no transfers into this fund in FY17.

Page 5 includes the Wastewater Utility (operating) Fund which is a proprietary fund that must operate from its own revenue and fees. Revenues are generated from a limited number of wastewater utility customers on sanitary sewer and expenditures fund the maintenance of the wastewater collection system, utility-related long-term debt and contractual wastewater treatment costs. Currently the fund does not generate sufficient revenue to cover the expenditures. Therefore, we have moved the salary and some vehicle maintenance expenditures to the General Fund. As new homes come on-line and increase the revenues, we will be able to transition the expenditures back. The Town contracts with both the City of Denton and the Trinity River Authority (TRA) for wastewater treatment.

All department directors have given their input in the preparation of their individual departmental budgets. The entire staff is available should you have any specific questions concerning the material provided. Thank you for your consideration and support throughout the year.

**FY 2016-2017 BUDGET OBJECTIVES, PHILOSOPHY  
AND BASIS OF ACCOUNTING INFORMATION  
(Attachment 1)**

The FY 2017 Annual Budget has been prepared in an effort to communicate the overall policies, goals and objectives of the Town Council to the citizens and staff of the Town of Argyle. In addition, the budget document includes descriptions of the various activities and programs (departments) of the Town government for the current and future years, and comparative service level indicators for each program or activity, where available. This format is designed to communicate clearly to the public the goals and objectives of the Town Council, thereby enabling the reader to gain more useful information about the Town, without requiring detailed municipal accounting or budgetary knowledge.

For each operational fund, the budget is prepared on a line item basis by individual departments and is then closely reviewed by the respective/responsible department head, Town Manager and Finance Director. The Town Manager then presents the proposed budget programs, goals and objectives to the Town Council for review and discussion. Individual line item expenditures are omitted from the budget document, so the reader may focus on the overall (or the total picture of) programs and objectives of the upcoming fiscal year. The staff will provide line item and capital outlay detail budget information upon request.

**BUDGET PHILOSOPHY**

Budget philosophy of the Town depends on the local needs and concerns of the citizens and the direction provided by the Town Council. However, other factors also affect budget philosophy, such as the state of the economy, the demands for increased levels of services, as well as unfunded mandates and/or requirements imposed by state and federal regulatory agencies. Growth in the total taxable value is a combination of appreciation in value of existing property (land and improvements), and new value added in the way of new homes, businesses, improvements, etc. The Town's total taxable ad valorem value was \$507,684,401 in calendar year 2015. That is typically the beginning value for the following year. There are properties that are under protest each year at the time of certification. Those properties and corresponding values have settled by the beginning of the following year but there is seldom enough dollar value to note when it doesn't change our top percentages. However, the total amount of value that was under protest at the time of certification last year came in higher than anticipated and is worth noting this year and changes our beginning value which affects the effective tax rate calculation. We are outlining the two values in this document and will try to consistently use the revised number going forward, except when clarification calls for reference to both. The total ad valorem value (taxable value) this year is \$534,475,793, an increase of \$26,220,524 over ending certified last year, but only \$20,401,603 over adjusted certified value. Of that amount, \$15,076,802 is new value added last year. We rely heavily on ad valorem revenue, but have

been able to keep our tax rate level by balancing any increases or decreases in ad valorem revenue with our other sources of revenue while balancing increases in employee benefits, facility costs, street materials, etc. Staff has accomplished this by utilizing a conservative approach in forecasting revenues and expenditures. We continue to approach budget preparation from a conservative perspective, even in light of strong revenue numbers. The FY2017 revenue has increased across all categories. By budgeting from a conservative perspective, revenues are often anticipated at, or slightly below, prior year levels unless there are other known factors that may significantly affect anticipated revenues. By estimating revenues conservatively, decreases in any one revenue source due to fluctuations in the economy and variations in weather should not adversely affect the Town's adopted budget. Likewise, expenditures are also estimated conservatively (slightly inflated), i.e., allowances are made for unanticipated expenditures and personnel services for vacant positions are funded for the entire year unless otherwise noted. This conservative method of budgeting generally results in an increase in the actual, or ending, fund balance.

### INFORMATION AND BASIS OF ACCOUNTING

**Fund Accounting.** The Town utilizes fund accounting procedures to prepare the annual operating budget. By definition, a "fund" is a distinct fiscal entity, accounting for receipts and disbursements that are for specific activities. A fund is a self-balancing set of accounts, where assets equal liabilities plus fund balance.

The Town uses primarily two fund types:

- Governmental funds, and
- Proprietary funds

**Governmental Fund Types:** Governmental fund types are those funds through which most governmental functions of the Town are financed. The Town uses the following four governmental fund types:

**General Fund** – the General Fund is used to account for all revenues and expenditures, except those accounted for in other funds. Typical governmental functions, such as police, street maintenance, development services, court services, and administration are funded from the General Fund.

**Special Revenue Funds** – these funds are used to account for proceeds from specific revenue sources used for specified/designated programs, other than capital projects. The Town budgets the following Special Revenue Funds:

*Argyle Crime Control and Prevention District Special Revenue Fund* – established by the voters in the Town of Argyle in 2003 to account for revenues derived from a one quarter of one percent (0.25%) local option sales and use tax

in accordance with Section 363 of the Texas Local Government Code to be used for the control and prevention of crime through policing and police/public safety-related programs within the Town of Argyle. The Crime Control and Prevention District Board of Directors, by Resolution No. CCPD07-01, placed a proposal to extend the 0.25% local option sales and use tax before the voters of the Town of Argyle in November 2007 for an additional term of fifteen (15) years. The voters overwhelmingly approved extending the local option sales tax and term. The 0.25% sales and use tax is anticipated to generate approximately \$114,618 for FY 2017.

*Argyle Economic Development Corporation Special Revenue Fund* – established by the voters in the Town of Argyle in 2002 to account for revenues derived from the one half of one percent (0.50%) local option sales and use tax in accordance with the Development Corporation Act of 1979, Article 5190.6, Section 4B, Texas Revised Civil Statutes, to be used to promote economic development within the Town that results in the creation or retention of primary jobs and/or new or expanded business enterprises; provides job training; provides certain public infrastructure; conducts market and other economic development-related studies/reports/data; and provides funding for certain public facilities outlined in the Act. The Board of Directors is responsible for conducting a public hearing and approving an annual budget prior to the beginning of the fiscal year, subject to approval by the Town Council. The 0.50% sales and use tax is anticipated to generate approximately \$229,237 in FY 2017.

*Municipal Court Security Special Revenue Fund* – accounts for fees collected, pursuant to State Law, from Municipal Court citations in the amount of \$3.00 per misdemeanor citation that may be used for financing security municipal court personnel or security equipment used exclusively for municipal court operations. (Expenditures from these fees are specifically designated by State Law.)

*Municipal Court Technology Fund* – accounts for fees collected, pursuant to State Law, from Municipal Court citations in the amount of \$4.00 per misdemeanor offense that may be used for purchasing or maintaining technological enhancements for the municipal court. (Expenditures from these fees are specifically designated by State Law.)

*Parkland Dedication Fund* – accounts for new development fees and contributions in lieu of parkland dedication and is used to fund future parkland acquisitions or park and open space improvements.

*Tree Reforestation Fund* – accounts for contributions by development whereby protected trees are intended to be removed as a result of development. Funds

shall only be used for the purchase, planting and maintaining of replacement trees on public property or for acquiring and preserving wooded property.

*Miscellaneous Special Revenue Funds* – Other small special revenue funds are included in this section without explanation provided.

**Debt Service (Interest & Sinking) Fund** – is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The Interest and Sinking (I&S) Fund or Debt Service Fund is supported by a separate ad valorem tax levy in the annual budget. This fund does not customarily account for long-term debt obligations backed by revenues of the Town's Wastewater Utility Fund.

**Capital Projects Funds** – are used to account for financial resources to be used to acquire or construct major capital assets. Funding sources are typically bond proceeds or certificates of obligation; however, transfers from other funds, user fees, development fees, dedicated sales tax revenue, or short-term debt are other sources of funding that may be used to support capital projects. The following capital projects funds are included in the Town's budget totals:

*Street Improvements Fund* – accounts for one quarter of one percent (0.25%) local option sales and use tax revenue (Street Maintenance Sales Tax) dedicated for improvements to existing streets. The 0.25% sales and use tax generates approximately \$114,618 annually in revenue.

*Vehicle and Equipment Replacement Fund* – accounts for annual replacement of capital equipment, which may be funded by cash purchases, issuance of short-term debt proceeds, lease-purchase agreements or the transfer of revenue from other funds. The General Fund made a \$20,000 transfer in FY16. A \$20,000 transfer is budgeted in FY17. Auction proceeds are also credited to this fund.

Project-based capital projects funds are included in the Town's audited financial statements, but are not subject to annual appropriations, therefore are excluded from the operating budget totals. For example, the Town's Roadway and Wastewater Impact Fee Funds are included in this category but are shown in another section of the budget document.

*Proprietary Fund Types:* Proprietary or enterprise funds are used to account for operations that are financed in a manner similar to private business enterprises such as the following used by the Town:

**Wastewater Utility Fund** – accounts for revenues and expenses of the Town's wastewater activities, financed through wastewater user charges and fees as well as transfers from other funds. Because wastewater user charges are based on a 3-winter

months’ average water use, wastewater customers are billed by the Argyle Water Supply Corporation, who in turn collect the fees and remit them monthly to the Town for deposit in the Utility Fund. Expenses of the utility fund also include related annual debt service obligations.

**BUDGET FORMAT**

Columnar Format. In order to facilitate enhancing year-by-year changes, comparative financial information for the following years, is presented in the following columns:

FY 2015 (1)	FY 2016	FY 2016 (2)	FY 2017
<u>Actual</u>	<u>Budget</u>	<u>Re-estimate</u>	<u>Budget</u>

- (1) FY 2015 amounts represent the actual amounts as provided by the prior year audited financial statements.
- (2) FY 2016 Re-estimate reflects the best estimate for year ending September 30<sup>th</sup> using actual revenues received or expenditures made through approximately 3 fiscal quarters and projections for the remaining portion of the fiscal year.

## **REVIEW OF ADOPTED FY2016 BUDGET (Attachment 2)**

### **ALL BUDGET OPERATIONS**

- Maintains tax rate of .3975 per \$100 of assessed value
- Maintains current level of service across departments
- Continues \$20,000 transfer to Vehicle Replacement Fund and established Building Maintenance Fund with \$25,000 transfer from General Fund
- Completed website re-design
- Completed Geographical Information Systems (GIS) project
- Completed major street repair work on Morning Dove
- Continued work on Transportation and Thoroughfare Plan Update
- S-1 Sanitary Sewer Engineering and Design Services completed
- Awarded Park and Recreation Grant
- Received Co-Serv grant to allow for promotional video development
- Funded employee compensation plan
  - Merit and Cost-of-living maximum adjustment of 5%
  - Employee provided health insurance
  - Town matching retirement plan
- Proposed use of excess General Fund balance as follows:
  - \$125,000 transfer to CIP for Park design fees
  - \$100,000 paydown of TMRS liability
  - \$35,400 Public Works truck
  - \$40,000 Dump truck
  - \$10,000 additional signage

### **GENERAL FUND OPERATIONS**

#### **Town Council**

- Funds Community Services contributions - \$20,000 budgeted
- Funds Council training and social media

#### **Administration and Finance**

- Funds Town-wide benefits such as regional memberships, records management, Town elections, tax appraisal & collection, annual financial audit, general legal & engineering, municipal software annual maintenance agreements
- Funds Town Hall building maintenance and utility costs, as well as postage and printing
- Funds training and memberships for Town Manager, Town Secretary, Human Resources training, and Finance Director
- Provides administrative support to Public Works, Mayor and Council

#### **Municipal Court**

- Funds 1 Full-time position

- Funds judge & prosecutor, court training, postage and printing
- Transitioned to Court of Record in FY16

### **Information Technology (IT)**

- Funds scheduled replacement of work stations
- Funds Town wide software maintenance agreements

### **Police Department**

- Funds police training, building utility & maintenance costs, fuel costs and vehicle maintenance
- Funds Town's participation in Denton County Shared Governance Program (County-wide dispatch)
- Funds animal services annual contract

### **Community Development**

- Funds administration of overall development process with primary focus on maintaining positive interface with development community
- Funds training, legal pertaining to development, third party inspection service
- Completed update to Comprehensive Plan
- Funds Geographic Information Systems (GIS) project to assist in mapping, zoning case notification, and infrastructure planning

### **Public Works**

- Oversight of The Oaks Phase II infrastructure (sewer, streets & drainage)
- Oversight of 5T Ranch infrastructure (sewer, streets & drainage)
- Funds maintenance of infrastructure system, which includes pothole patching, curb and gutter maintenance, crack sealing, drainage ditch cleanout, street easement maintenance, mowing and maintenance of rights-of-ways, as well as installation and maintenance of guardrails, barricades and street signs; provides Town buildings and ground maintenance
- Funds On-Site Sewage Facilities permitting, inspections and tracking of aerobic system maintenance contract renewals
- Funds Code Enforcement services to prevent neighborhood decline, maintain an attractive community and improve the quality of life
- Continued Town wide signage update
- Funds Household Hazardous Waste cleanup event

### **ALL OTHER FUNDS**

#### **Economic Development Corporation (EDC) Fund**

- Sales and use tax revenue increased 15% over FY 15 budget
- Funds S-1 Sanitary Sewer Engineering and Design Services

- Funds \$28,300 contribution to G. Fund to offset staff efforts on EDC specific projects
- Funds participation in Metroport Chamber of Commerce
- Funds Thoroughfare & Transportation Plan update
- Continues marketing strategy through the presence at trade shows with updated materials highlighting area demographics and development potential
- Organized and held “New Horizons Seminar” with guest speaker Ray Perryman

**Crime Control and Prevention District Fund**

- Sales and use tax revenue increased 15% over FY 15 budget
- Funds police vehicle
- Funds new equipment in patrol vehicle, speed display unit, body worn video
- Funds AED’s in all vehicles
- Funds 2nd Annual Police Appreciation Banquet
- Funds various Community Service programs including portion of NNO, SCO monthly lunch, Project Graduation

**Street Maintenance Sales Tax Fund**

- Sales and use tax revenue increased 15% over FY 15 budget
- Funds \$20,000 allocation to General Fund to offset cost of street maintenance materials and additional \$25,000 to General Fund if Town-wide drainage project is undertaken

**Building Maintenance Fund**

- Created in FY16 for capital expenditure items related to Town buildings such as HVAC replacement, flooring replacement, etc.
- Funded with \$25,000 transfer from General Fund

**Court Technology Fund**

- Funds Municipal Court software maintenance fees

**Court Security Fund**

- Funds digital cameras with DVR for front lobby
- Funds metal detector for court use
- Funds bailiff for jury trial

**Keep Argyle Beautiful**

- Transitioned to 501c3 in FY16

**Parkland Dedication Fund**

- Funds Parks & Recreation initiative for Texas Parks & Wildlife Matching Grant for Small Community Outdoor Recreation award.

**Tree Reforestation Fund**

- No projects arose that were a match for these funds.

**Debt Service (I&S) Fund**

- Funds annual principal and interest cost for Series 2008 (Town Hall acquisition); Series 2009B (T. Hall and Police/Court renovations); Series 2010 (Town-wide street reconstruction); and Series 2014 G.O. Refunding Bonds (2003 C.O.'s)
- Reflects transfer from CIP Fund

**Wastewater Utility (Proprietary) Fund**

- Funds safe collection of wastewater through preventative maintenance, repair and regular inspections
- Funds short-form review of Wastewater Utility Fund rate study to ensure utility rates are funding the cost of existing and future wastewater collection capital projects and collection system maintenance. Proposal for rate adjustment forthcoming

**Capital Improvement Fund**

- Finished Force Main relocation on Country Club Rd. which was completely reimbursed by the County

## SUMMARY OF PROPOSED FY2017 BUDGET (Attachment 3)

### ALL BUDGET OPERATIONS

- Maintains current tax rate of .3975 per \$100 of assessed value
- Maintains minimum 120-day operating (restricted) General Fund reserve/fund balance
- Maintains current level of service across departments
- Capital purchases
  - Replacement of police vehicle
- Anticipates Park grant matching of \$500,000 and \$300,000 from Parkland Dedication Fund. \$125,000 design fees paid out of FY16 excess fund balance.
- Funds \$20,000 transfer to Vehicle Replacement Fund
- Funds \$25,000 transfer to Building Maintenance Fund
- Implement market adjustments that emphasize a competitive and responsive employee compensation plan that:
  - Ensures Town fairly compensates its valuable employees
  - Promotes retention of our workforce
  - Ability to attract qualified applicants to fill vacancies
- FY 2017 compensation proposals:
  - Market adjustments across all to positions to bring all employees to mid-point of internal salary survey
  - No merit adjustments in lieu of market
  - Approximate cost of employee benefits in General Fund:
    - Retirement - \$238,288 (includes WW salaries) *(FY16 Budget – \$204,172)*
    - HC Insurance - \$255,397 (includes WW salaries)  
*(FY16 Budget - \$232,866; FY16 Re-estimate \$204,124)*

### GENERAL FUND OPERATIONS

#### Town Council

- Community Services Contributions - \$18,100 *(FY16 amount: \$20,000)*
- Funds Council training, Chamber dues
- Continue social media outreach

#### Administration and Finance

- Funds Town-wide benefits such as regional memberships, records management, Town elections, tax appraisal & collection, annual financial audit, general legal & engineering, municipal software annual maintenance agreements
- Funds Town Hall building maintenance and utility costs, as well as postage and printing
- Funds training and memberships for Town Manager, Town Secretary/Human Resources training, and Finance Director
- Funds one FTE for accounting and general support of administrative duties
- Provides administrative support to Public Works, Mayor and Council

### **Municipal Court**

- Funds 1 Full-time position as self-sustaining department
- Anticipates 2 Municipal Court jury trials
- Funds judge & prosecutor, court training, postage and printing

### **Information Technology (IT)**

- Scheduled replacement of work stations
- Funds Town wide software maintenance agreements
- Upgraded security cameras; paid from Court Security Fund

### **Police Department**

- Continued funding of Town's participation in the Denton County Shared Governance Program (County-wide Dispatch) – \$10,314
- Funds police training, building utility & maintenance costs, fuel costs and vehicle maintenance
- Maintains current level of service
- Funds animal control annual contract
- Considers additional of new officer position effective April 1, 2017
- Considers adjusting part-time administrative professional to full-time effective January 1, 2017

### **Community Development**

- Provides funding for ongoing updates to the Town Development Standards (TDS)
- Continues administration of overall development process with primary focus on maintaining positive interface with development community
- Funds training, legal pertaining to development
- Funds third party inspection service
- Funds Development Coordinator (transitioned from Administration)

### **Public Works**

- Maintains current level of service for street maintenance, including inspection of streets and drainage improvements, environmental services, code enforcement and capital projects that affect the safety, health and welfare of the public
- Funds maintenance of a safe and reliable infrastructure system, which includes pothole patching, curb and gutter maintenance, crack sealing, drainage ditch cleanout, street easement maintenance, mowing and maintenance of rights-of-ways, as well as installation and maintenance of guardrails, barricades and street signs; provides Town buildings and grounds maintenance via third party
- Funds On-Site Sewage Facilities permitting, inspections and tracking of aerobic system maintenance contract renewals

- Funds Code Enforcement services to prevent neighborhood decline, maintain an attractive community and improve the quality of life for citizens
- Funds Town wide drainage repairs; monies transferred from Street Maintenance Sales Tax Fund to offset expenditure
- Funds Household Hazardous Waste Town-wide event
- Maintenance of Town wide signage changes
- Anticipates Town-wide drainage project
- Considers new Maintenance Worker effective April 1, 2017 to help with increased infrastructure and park project

## **ALL OTHER FUNDS**

### **Economic Development Corporation (EDC) Fund**

- Anticipates no growth in sales and use tax revenue from FY 16
- Allocates \$5,460 for commercial marketing (“promotional”) efforts (Statutory limit of 10% of revenue)
- \$28,000 contribution to G. Fund to offset staff efforts on EDC specific projects
- \$100,000 budgeted for undesignated projects
- Continued marketing strategy through the presence at trade shows with updated materials highlighting area demographics and development potential
- Continued participation in Northwest Metroport Chamber of Commerce regional events and Argyle Chamber of Commerce

### **Crime Control and Prevention District Fund**

- Anticipates no growth in sales and use tax revenue over FY 16
- Funds potential step-plan for officers
- Funds new patrol vehicle
- Funds for equipment in new patrol vehicle
- Funds community service – National Night Out, Senior Citizens Organization monthly lunch, school safety based events such as Project Graduation

### **Street Maintenance Sales Tax Fund**

- Anticipates no growth in sales and use tax revenue over FY 16
- Funds \$20,000 allocation to General Fund as contribution to street maintenance materials
- Funds \$25,000 transfer to General Fund for potential Town wide drainage repairs
- \$100,000 allocated for undesignated street re-construction

### **Building Maintenance Fund**

- Established in FY16 to cover unanticipated building capital expenditures such as failure of HVAC and planned capital expenditures such as flooring replacement in Community Room (replace carpet with hard flooring)
- Funded with \$25,000 transfer from General Fund

**Court Technology Fund**

- Funds Municipal Court annual software maintenance fees
- Funds software for reconciliation of on-line credit card payments
- Funds Paperlight court software

**Court Security Fund**

- Funds training for clerk and judge
- Funds court bailiff
- Funds metal detector for Council Chambers at request of judge

**Parkland Dedication Fund**

- Anticipates \$300,000 contribution to Parks & Ballfield finish out as Town proceeds with Texas Parks & Wildlife grant awarded in FY2016

**Tree Reforestation Fund**

- No revenue anticipated in FY17
- \$5,000 allocated for tree expenditures corresponding with Park project

**Debt Service (I&S) Fund**

- Tax-supported annual principal and interest cost for Series 2008 (Town Hall acquisition); Series 2009B (T. Hall and Police/Court renovations); Series 2010 (Town-wide street reconstruction); Series 2014 Refunding (refunded 2003 bonds)
- Reflects no transfers in from other funds
- Maintain same tax proportion as FY16 (increased by 1 ½ cents in FY16)

**Wastewater Utility (Proprietary) Fund**

- Funds maintenance of safe collection of wastewater for the citizens of the Town through preventative maintenance, repair and regular inspections
- Includes proposed rate adjustment based on rate study review
- Funds Smoke Testing to detect inflow and infiltration
- Funds debt issuance for Graveyard Branch and TRA Sanitary Sewer line
- Shifted salary and vehicle expenses to General Fund

## SUPPLEMENTAL INFORMATION

Capital (CIP) Projects Expenditure History	FY16 Budget	FY16 Re- Estimate	FY17 Proposed
Police Patrol Vehicle (CCPD)	34,000	34,000	44,212
Public Works Truck	-0-	34,200*	N/A
Dump Truck	-0-	40,000*	N/A
S-1 engineering & design (EDC (carry forward from FY15))	80,000	80,000	N/A
Branding & Placemaking (EDC)	25,000	25,000	N/A
Medical Feasability Study (EDC)	25,000	N/A	N/A
Thoroughfare Plan (EDC)	10,000	10,000	N/A
Website redesign (\$10,500 in FY15)	10,500	10,500	N/A
Parks & Recreation initiative \$125,000 excess General Fund balance for design fees \$500,000 matching from General Fund in FY17 \$300,000 from Parkland Dedication in FY17	-0-	125,000*	800,000
Town-wide signage replacement	10,000	20,000	10,000
Town Promotional video (funded by Co-Serv grant)	-0-	10,000	N/A
TMRS liability buy-down	-0-	100,000*	N/A
Town-wide drainage project (funded with transfer from Street Maintenance Sales Tax Fund)	30,000	-0-	30,000

\* Paid from FY16 excess General Fund balance

General Fund – Town Council’s Community Svc. Contributions	Budget FY2016	Proposed FY2017
Employee Appreciation Dinner	1,500	1,500
Boards & Commissions Dinner	2,000	0
Metroport Meals on Wheels	2,000	2,000
Argyle Senior Citizens Organ.	1,200	1,200
Denton County Heroes	1,500	1,500
Holiday hams (employees)	600	650
SPAN	500	500
Easter event	2,500	2,600
National Night Out	2,000	2,000
Employee Awards	850	850
Christmas Tree Lighting Ceremony	1,000	1,000
Undesignated	4,350	4,300
Total	\$20,000	\$18,100

## Attachment 4 - Ad Valorem Tax Analysis, Tax Rate Summary and Appraised Value History

<b>AD VALOREM TAX ANALYSIS AND TAX RATE SUMMARY</b>
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	<b>FY 2014 - 2015 ADOPTED</b>	<b>FY 2015 - 2016 ADOPTED</b>	<b>FY 2016 - 2017 PROPOSED</b>
Total Assessed Value	\$ 479,661,906	\$ 535,143,749	\$ 573,451,443
Net Taxable Value after Adjustments	\$ 454,091,938	\$ 507,684,401	\$ 534,475,793 *
Total Tax Rate (per \$100 of assessed taxable value)	\$ 0.39750	\$ 0.39750	\$ 0.39750
<b>Total Tax Levy</b>	<b>\$ 1,805,015</b>	<b>\$ 2,018,045</b>	<b>\$ 2,124,541</b>

**Tax Rate Distribution**

General Fund (M&O)	\$ 0.319449	\$ 0.304449	\$ 0.304449
Debt Service Fund (I&S)	\$ 0.078050	\$ 0.093051	\$ 0.093051
<b>Total</b>	<b>\$ 0.397499</b>	<b>\$ 0.397500</b>	<b>\$ 0.397500</b>

**Percentage Distribution**

General Fund (M&O)	80.0%	76.59%	76.59%
Debt Service Fund (I&S)	20.0%	23.41%	23.41%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

**Dollar Distribution**

General Fund (M&O)	\$ 1,450,597	\$ 1,545,640	\$ 1,627,206
Debt Service Fund (I&S)	354,419	472,405	497,335
<b>Total</b>	<b>\$ 1,805,015</b>	<b>\$ 2,018,045</b>	<b>\$ 2,124,541</b>

**BUDGET COMPARISON**

<b>General Fund</b>	<b>Re-Estimate FY 2015 - 2016</b>	<b>Projected FY 2016 - 2017</b>	<b>Change</b>
Total Revenue	\$ 2,993,380	\$ 3,203,103	7.01%
Total Expenditures (inc. transfers)	\$ 2,678,470	\$ 3,142,547	17.33%
Ending Fund Balance	304	301	-0.99%
<b>Debt Service Fund</b>			
Total Revenue	\$ 489,842	\$ 498,335	1.73%
Expenditures	\$ 475,818	\$ 472,094	-0.78%
Ending Fund Balance	\$ 140,560	\$ 166,801	18.67%

\*Net taxable value after adjustments for FY 2016 - 2017 includes \$8,038,995 currently under ARB review.

## ARGYLE APPRAISED VALUE HISTORY

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YEAR	CERTIFIED TOTAL	% INCR OVER PREVIOUS YEAR
1997	114,303,515	
1998	130,217,848	13.92287%
1999	142,312,002	9.28763%
2000	161,844,477	13.72511%
2001	186,917,049	15.49177%
2002	213,202,934	14.06286%
2003	226,305,793	6.14572%
2004	250,324,549	10.61341%
2005	277,060,734	10.68061%
2006	317,422,469	14.56783%
2007	353,634,591	11.40818%
2008	389,684,066	10.19399%
2009	404,335,785	3.75990%
2010	401,212,528	-0.77244%
2011	437,223,023	8.97542%
2012	415,412,882	-4.98833%
2013	421,286,831	1.41400%
2014	454,091,938	7.78688%
2015 - Adjusted	514,074,190	13.20927%
<i>Per FY16 Budget</i>	508,255,269	11.92783%
2016	534,475,793	3.96861%

## Attachment 5 - Operating Expenditure Summary, by Function

**OPERATING EXPENDITURE SUMMARY BY FUNCTION**

GENERAL FUND	FY 2015 ACTUAL	FY 2016 BUDGET	FY 2016 RE-ESTIMATE	FY 2017 PROPOSED
Personnel	1,766,175	1,873,432	1,867,780	2,133,110 *
Supplies	112,154	145,200	120,993	135,202
Contracted Services	604,307	644,097	562,497	667,789
Repair & Maintenance	87,142	107,400	75,200	122,050
Transfers	50,000	45,000	270,000	545,000 **
Capital Outlay	74,379	36,750	97,400	18,200
<b>TOTAL</b>	<b>2,694,158</b>	<b>2,851,879</b>	<b>2,993,870</b>	<b>3,621,351</b>

WASTEWATER UTILITY FUND	FY 2015 ACTUAL	FY 2016 BUDGET	FY 2016 RE-ESTIMATE	FY 2017 PROPOSED
Personnel	90,853	147,093	89,436	- *
Supplies	3,487	6,300	4,000	1,700
Contracted Services	217,500	256,161	246,305	309,900
Repair & Maintenance	19,880	31,500	37,500	38,500
Debt Service	69,024	163,152	163,152	165,483
Capital Outlay	330	750	750	750
Transfers Out	-	-	-	-
Depreciation	83,394	-	-	-
<b>TOTAL</b>	<b>484,468</b>	<b>604,956</b>	<b>541,143</b>	<b>516,333</b>

\* Wastewater salaries, vehicle and equipment expenditures moved to General Fund

\*\* Includes \$500,000 matching portion for Parks grant

## Attachment 6 - FY2017 Total Budget Summary (all funds)

**TOWN OF ARGYLE**  
**Adopted Annual Program of Services**  
**Fiscal Year 2016 - 2017**

FUNDS	FY 15 ACTUAL	FY 16 BUDGET	FY 16 REEST.	FY 17 BUDGET	Inc/Dec over FY16 Budget
<b><u>GENERAL FUND</u></b>					
<b>REVENUES</b>					
Ad valorem tax	1,471,804	1,545,640	1,545,640	1,627,206	
Sales tax	399,332	367,200	460,224	460,224	
Franchise tax	388,363	370,000	378,000	370,000	
Municipal court	226,490	192,000	255,000	255,000	
Permits & registrations	44,737	36,900	33,650	38,950	
Construction permits	282,199	208,600	185,756	194,600	
Development	39,716	48,762	63,762	128,930	
Other revenues	24,354	9,800	12,650	9,000	
Transfers In	43,300	73,300	48,300	119,193	
Other Proceeds	12,500	-	10,398	-	
<b>TOTAL REVENUES</b>	<b>2,932,793</b>	<b>2,852,202</b>	<b>2,993,380</b>	<b>3,203,103</b>	<b>12.30%</b>
<b>EXPENDITURES</b>					
<b><u>Town Council - 110</u></b>					
Personnel	92	33	93	93	
Supplies & Contracted Services	27,092	34,600	28,177	36,302	
Transfers	-	-	-	-	
<b>Total City Council</b>	<b>27,184</b>	<b>34,633</b>	<b>28,270</b>	<b>36,395</b>	<b>5.09%</b>
<b><u>Administration - 120</u></b>					
Personnel	353,986	403,139	404,619	330,856	
Supplies	11,107	6,400	4,900	5,100	
Contracted Services	183,642	161,040	166,622	165,195	
Repair & Maintenance	8,998	8,000	8,000	8,000	
Capital Outlay	-	-	-	-	
<b>Total Administration</b>	<b>557,733</b>	<b>578,579</b>	<b>584,141</b>	<b>509,151</b>	<b>-12.00%</b>
<b><u>Finance - 130</u></b>					
Personnel	106,513	112,028	112,411	150,227	
Supplies	-	-	-	-	
Contracted Services	10,385	15,500	15,500	14,330	
<b>Total Finance</b>	<b>116,898</b>	<b>127,528</b>	<b>127,911</b>	<b>164,557</b>	<b>29.04%</b>
<b><u>Municipal Court - 135</u></b>					
Personnel	67,650	64,596	64,971	55,058	
Supplies	841	900	900	900	
Contracted Services	21,041	21,000	20,000	25,300	
<b>Total Municipal Court</b>	<b>89,532</b>	<b>86,496</b>	<b>85,871</b>	<b>81,258</b>	<b>-6.06%</b>
<b><u>Information Technology - 140</u></b>					
Personnel	-	-	-	-	
Supplies	335	550	550	550	
Contracted Services	7,303	10,500	5,900	7,000	
Repair & Maintenance	14,836	9,250	7,300	11,900	
Capital Outlay	47,625	29,800	10,400	13,000	
<b>Total Information Technology</b>	<b>70,099</b>	<b>50,100</b>	<b>24,150</b>	<b>32,450</b>	<b>-35.23%</b>
<b><u>Police Administration - 210</u></b>					
Personnel	320,676	300,224	306,416	331,672	
Supplies	8,679	5,900	5,700	5,700	
Contracted Services	68,398	94,889	83,390	97,040	
Repair & Maintenance	3,810	7,250	7,250	7,250	
Capital Outlay	-	-	-	-	
<b>Total Public Safety Administration</b>	<b>401,563</b>	<b>408,263</b>	<b>402,756</b>	<b>441,662</b>	<b>8.18%</b>

<b>FUNDS</b>	<b>FY 15 ACTUAL</b>	<b>FY 16 BUDGET</b>	<b>FY 16 REEST.</b>	<b>FY 17 BUDGET</b>	<b>Inc/Dec over FY16 Budget</b>
<u>Police Operations - 212</u>					
Personnel	532,973	565,750	550,384	658,338	
Supplies	27,089	41,000	31,000	31,000	
Contracted Services	9,029	13,960	11,250	13,960	
Repair & Maintenance	19,662	19,300	19,800	19,300	
Capital Outlay	22,833	5,250	-	3,500	
Total Police Operations	611,586	645,260	612,434	726,098	12.53%
<u>Animal Control - 220</u>					
Contracted Services	11,200	11,500	11,500	13,200	
Total Animal Control	11,200	11,500	11,500	13,200	14.78%
<u>Community Devel. Administration - 410</u>					
Personnel	112,847	120,033	120,598	170,027	
Supplies	243	1,100	2,716	1,100	
Contracted Services	61,320	84,700	42,500	81,000	
Total Development Administration	174,410	205,833	165,814	252,127	22.49%
<u>Community Devel. Inspections - 412</u>					
Supplies	193	300	300	300	
Contracted Services	167,277	145,000	126,800	157,000	
Repair & Maintenance	-	-	-	-	
Capital Outlay	-	-	-	-	
Total Development Inspections	167,470	145,300	127,100	157,300	8.26%
<u>Street Maint. Administration - 510</u>					
Personnel	129,409	138,703	138,753	189,203	
Supplies	3,240	5,800	5,100	5,100	
Contracted Services	32,783	28,008	28,010	29,289	
Repair & Maintenance	1,422	2,100	1,850	2,100	
Capital Outlay	-	600	600	600	
Total Public Works Administration	166,854	175,211	174,313	226,292	29.15%
<u>Street Maintenance - 520</u>					
Personnel	142,030	168,927	169,535	247,635	
Supplies	33,336	48,650	41,650	49,150	
Contracted Services	31,931	58,000	51,025	64,475	
Repair & Maintenance	38,413	61,500	31,000	73,500	
Debt Service	-	-	-	-	
Capital Outlay	3,921	1,100	86,400	1,100	
Total Street Maintenance	249,630	338,177	379,610	435,860	28.89%
<u>Transfers to Other Funds - 710</u>					
Transfers out	-	-	225,000	500,000	
Transfer to Equip. Repl. Fund	50,000	45,000	45,000	45,000	
Total Transfers Out	50,000	45,000	270,000	545,000	
<b>TOTAL EXPENDITURES</b>	<b>2,694,158</b>	<b>2,851,879</b>	<b>2,993,870</b>	<b>3,621,351</b>	26.98%
<b>REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>238,634</b>	<b>323</b>	<b>(490)</b>	<b>(418,248)</b>	
<b>BEGINNING FUND BALANCE</b>	<b>1,680,523</b>	<b>1,919,158</b>	<b>1,919,158</b>	<b>1,918,668</b>	
<b>ENDING FUND BALANCE</b>	<b>1,919,158</b>	<b>1,919,481</b>	<b>1,918,668</b>	<b>1,500,420</b>	

**TOWN OF ARGYLE**  
 Adopted Annual Program of Services  
 Fiscal Year 2016 - 2017

FUNDS	FY 15 ACTUAL	FY 16 BUDGET	FY 16 REEST.	FY 17 BUDGET	Inc/Dec over FY16 Budget
<b><u>SPECIAL REVENUE FUNDS</u></b>					
<b>ECONOMIC DEVELOPMENT FUND - 210</b>					
REVENUES	202,088	184,360	241,412	231,237	25.43%
EXPENDITURES	133,673	260,916	298,480	196,110	-24.84%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>68,414</u>	<u>(76,556)</u>	<u>(57,068)</u>	<u>35,127</u>	
<b>CRIME CONTROL &amp; PREVENTION FUND - 220</b>					
REVENUES	103,265	95,080	115,618	115,618	21.60%
EXPENDITURES	108,288	139,187	138,519	142,962	2.71%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>(5,023)</u>	<u>(44,107)</u>	<u>(22,901)</u>	<u>(27,344)</u>	
<b>STREET MAINTENANCE SALES TAX FUND - 230</b>					
REVENUES	100,616	92,080	115,718	115,618	25.56%
EXPENDITURES	94,950	145,000	99,048	145,000	0.00%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>5,666</u>	<u>(52,920)</u>	<u>16,670</u>	<u>(29,382)</u>	
<b>BUILDING MAINTENANCE FUND - 235</b>					
REVENUES	-	25,000	25,000	25,000	0.00%
EXPENDITURES	-	25,000	-	25,000	0.00%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>-</u>	
<b>COURT TECHNOLOGY FUND - 240</b>					
REVENUES	7,646	7,730	9,060	8,440	9.18%
EXPENDITURES	6,226	12,600	8,800	7,700	-38.89%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>1,419</u>	<u>(4,870)</u>	<u>260</u>	<u>740</u>	
<b>COURT SECURITY FUND - 241</b>					
REVENUES	5,824	5,830	6,840	6,360	9.09%
EXPENDITURES	-	11,500	6,000	7,500	-34.78%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>5,824</u>	<u>(5,670)</u>	<u>840</u>	<u>(1,140)</u>	
<b>KEEP ARGYLE BEAUTIFUL FUND - 250</b>					
REVENUES	-	200	N/A	N/A	
EXPENDITURES	-	12,500	N/A	N/A	
REVENUES OVER/ (UNDER) EXPENDITURES	<u>-</u>	<u>(12,300)</u>	<u>-</u>	<u>-</u>	

<b>FUNDS</b>	<b>FY 15 ACTUAL</b>	<b>FY 16 BUDGET</b>	<b>FY 16 REEST.</b>	<b>FY 17 BUDGET</b>	<b>Inc/Dec over FY16 Budget</b>
<b>PARKLAND DEDICATION FUND - 255</b>					
REVENUES	35,279	45,170	33,881	42,280	-6.40%
EXPENDITURES	12,011	114,000	7,500	300,000	163.16%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>23,268</u>	<u>(68,830)</u>	<u>26,381</u>	<u>(257,720)</u>	
<b>TREE REFORESTATION - 256</b>					
REVENUES	29	20	20	5	-75.00%
EXPENDITURES	-	4,000	-	5,000	25.00%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>29</u>	<u>(3,980)</u>	<u>20</u>	<u>(4,995)</u>	
<b>LEOSE TRAINING FUND - 260</b>					
REVENUES	1,202	1,200	1,190	1,190	-0.85%
EXPENDITURES	961	2,000	382	785	-60.75%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>241</u>	<u>(800)</u>	<u>808</u>	<u>405</u>	
<b>POLICE DONATIONS FUND - 265</b>					
REVENUES	4,244	4,260	4,614	4,660	9.39%
EXPENDITURES	2,977	7,000	4,500	7,000	0.00%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>1,268</u>	<u>(2,740)</u>	<u>114</u>	<u>(2,340)</u>	
<b>SENIOR CITIZEN ORGANIZATION - 270</b>					
REVENUES	1,633	1,442	1,322	1,210	-16.09%
EXPENDITURES	924	1,200	1,600	1,200	0.00%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>709</u>	<u>242</u>	<u>(278)</u>	<u>10</u>	

**TOWN OF ARGYLE**  
 Adopted Annual Program of Services  
 Fiscal Year 2016 - 2017

<u>FUNDS</u>	<u>FY 15 ACTUAL</u>	<u>FY 16 BUDGET</u>	<u>FY 16 REEST.</u>	<u>FY 17 BUDGET</u>	<u>Inc/Dec over FY16 Budget</u>
<b><u>CAPITAL PROJECTS FUNDS</u></b>					
<b>CAPITAL IMPROVEMENTS FUND - 310</b>					
REVENUES	4,138	700	125,624	1,300,100	185628.57%
EXPENDITURES	23,129	66,001	66,001	1,375,000	1983.32%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>(18,991)</u>	<u>(65,301)</u>	<u>59,624</u>	<u>(74,900)</u>	
<b>ROADWAY IMPACT FEES FUND - 320</b>					
REVENUES	100,128	138,510	106,507	119,008	-14.08%
EXPENDITURES		-	-	-	
REVENUES OVER/ (UNDER) EXPENDITURES	<u>100,128</u>	<u>138,510</u>	<u>106,507</u>	<u>119,008</u>	
<b>EQUIPMENT REPLACEMENT FUND - 330</b>					
REVENUES	50,224	20,200	20,200	20,100	-0.50%
EXPENDITURES	75,647	32,750	-	34,000	3.82%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>(25,424)</u>	<u>(12,550)</u>	<u>20,200</u>	<u>(13,900)</u>	

## TOWN OF ARGYLE

### Adopted Annual Program of Services Fiscal Year 2016 - 2017

FUNDS	FY 15 ACTUAL	FY 16 BUDGET	FY 16 REEST.	FY 17 BUDGET	Inc/Dec over FY16 Budget
<b><u>DEBT SERVICE FUND - 410</u></b>					
REVENUES	465,111	489,406	489,842	498,335	1.82%
EXPENDITURES	460,887	475,818	475,818	472,094	-0.78%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>4,224</u>	<u>13,588</u>	<u>14,024</u>	<u>26,241</u>	

#### OUTSTANDING DEBT ISSUE DETAIL

	FY 15 Actual Prin & Int	FY 16 Budget Prin & Int	FY 16 Re-Est Prin & Int	FY 17 Budget Prin & Int
2008 C.O. Bonds-\$1,010,000 (church purchase)	78,925	82,013	82,013	79,988
2009 C.O. Bonds-\$800,000 (renovation)	64,860	63,366	63,366	61,872
2010 C.O. Bonds-\$3,650,000 (street improvements)	246,863	264,063	264,063	266,013
2014 G.O. Refunding Bonds - 2003 C.O.	67,452	65,277	65,277	63,122
Administrative Fees	2,787	1,100	1,100	1,100
	<u>460,887</u>	<u>475,818</u>	<u>475,818</u>	<u>472,094</u>

**TOWN OF ARGYLE**  
 Adopted Annual Program of Services  
 Fiscal Year 2016 - 2017

<u>FUNDS</u>	<u>FY 15 ACTUAL</u>	<u>FY 16 BUDGET</u>	<u>FY 16 REEST.</u>	<u>FY 17 BUDGET</u>	<u>Inc/Dec over FY16 Budget</u>
<b><u>UTILITY FUNDS</u></b>					
<b>WASTEWATER UTILITY OPERATING FUND - 710</b>					
<b>REVENUES</b>					
Sewer System Revenue	343,133	328,800	365,432	368,400	
Sewer System Installation Fees	13,700	23,200	17,600	19,600	
Miscellaneous Income	8,618	19,034	20,034	22,359	
Transfers in WW Development Fund	123,333	138,905	138,905	120,612	
<b>TOTAL REVENUES</b>	<u>488,784</u>	<u>509,940</u>	<u>541,972</u>	<u>530,971</u>	4.12%
<b>EXPENDITURES</b>					
Personnel	90,852	147,093	89,436	N/A	
Supplies	3,487	6,300	4,000	1,700	
Contracted Services	217,500	256,161	246,305	309,900	
Repair & Maintenance	19,880	31,500	37,500	38,500	
Debt Service	69,024	163,152	163,152	165,483	
Capital Outlay	330	750	750	750	
Transfers	-	-	-	-	
Amortized Expenses	83,394	-	-	-	
<b>TOTAL EXPENDITURES</b>	<u>484,468</u>	<u>604,956</u>	<u>541,143</u>	<u>516,333</u>	-14.65%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>4,317</u>	<u>(95,017)</u>	<u>828</u>	<u>14,638</u>	
<b>WASTEWATER CAPITAL PROJECTS FUND - 720</b>					
REVENUES	16,858	500	500	100	-80.00%
EXPENDITURES	94,520	110,092	110,092	120,612	9.56%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>(77,662)</u>	<u>(109,592)</u>	<u>(109,592)</u>	<u>(120,512)</u>	
<b>WASTEWATER IMPACT FEE FUND - 730</b>					
REVENUES	48,332	142,672	107,182	121,794	-14.63%
EXPENDITURES	28,813	43,813	28,813	28,813	-34.24%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>19,518</u>	<u>98,859</u>	<u>78,369</u>	<u>92,981</u>	



# TOWN COUNCIL DATA SHEET

**Agenda Item:**

Receive presentation by Texas Municipal Retirement Service (TMRS) regarding the Town's current plan and Unfunded Actuarial Accrued Liability (UAAL).

**Requested by:**

Kim Collins, Director of Finance

**Background:**

The Town participates in TMRS which is a statewide municipal retirement system with approximately 104,000 contributing members (as of 12/31/14 TMRS Comprehensive Annual Financial Report). Each employee's retirement benefits are based on their account balance at retirement which is funded through the mandatory employee deposits, city matching contributions, and investment income. Our employees contribute 7% of their salary and the Town matches this amount 2 to 1 at the time of retirement. The Town receives an actuarially determined contribution rate each year from TMRS, and has made 100% of contributions as required.

The annual contribution rate consists of the Normal Cost contribution rate, which finances the monthly service credits as they accrue, and the Prior Service contribution rate, which amortizes the unfunded (or overfunded) actuarial liability (asset) over the remainder of each plan's amortization period. The current service portion of the rate is actuarially determined so that when a member becomes eligible to retire, there are sufficient funds in the account to match the individual employee's deposits and interest. The prior service portion of the rate amortizes a town's unfunded actuarial accrued liability (UAAL) over a defined period of time. An unfunded actuarial liability is the difference between the benefits promised under the plan and the assets held in the plan. It can occur as a result of several situations. In our case, it is a result of the combined impact of actual plan experience different than expected, changes in the actuarial funding method in both 2007 and 2013, and changes in actuarial assumptions including a reduction in the assumed rate of return from 7% to 6.75% effective Dec. 31, 2015.

TMRS is a very conservatively managed pension plan. As noted above, their Board has been proactive in responding to declining return rates, and made adjustments to the plan that have strengthened the sustainability and funding of all TMRS plans. Some of these adjustments resulted in unfunded liabilities for towns and cities. Each city stands on its own by having its own actuarial assets, liabilities and funded ratio. Currently, our unfunded liability is amortized over a remainder of 26 years. Cities and towns have the ability to shorten the amortization period by either paying a rate higher than the actual rate and/or paying a lump sum towards the liability.



# TOWN COUNCIL DATA SHEET



Our current total rate is 14.99%. The rate for FY17 is 14.20% (Normal Cost 11.28% + Prior Service 2.92%). We are proposing the aggressive approach of Option #3 - using \$100,000 of fund balance in 2016 to pay towards the liability, and adding .80 points to next year's rate, effectively keeping it a level 15% of payroll in FY17. If Council agrees with this option, we will save \$513,248 over the projected period and pay off the UAAL 11 years earlier than if we do nothing.

**Financial Impact:**

Option #1 – Do nothing and pay contribution rates as they are presented each year, and UAAL will be paid out by 2041

Option #2 – Pay an additional .80 towards prior service contribution rate in FY17 (\$12,708.70 cost; currently reflected in budget) which pays the UAAL off 8 years early and saves the Town \$357,389

Option #3 – Pay \$100,000 lump sum in 2016 + additional .80 (\$12,708.70 cost; currently reflected in budget) towards prior service contribution rate which pays the UAAL off 11 years earlier and saves the Town \$513,248.

**Staff Recommendation:**

Option #3

**Requested Action:**

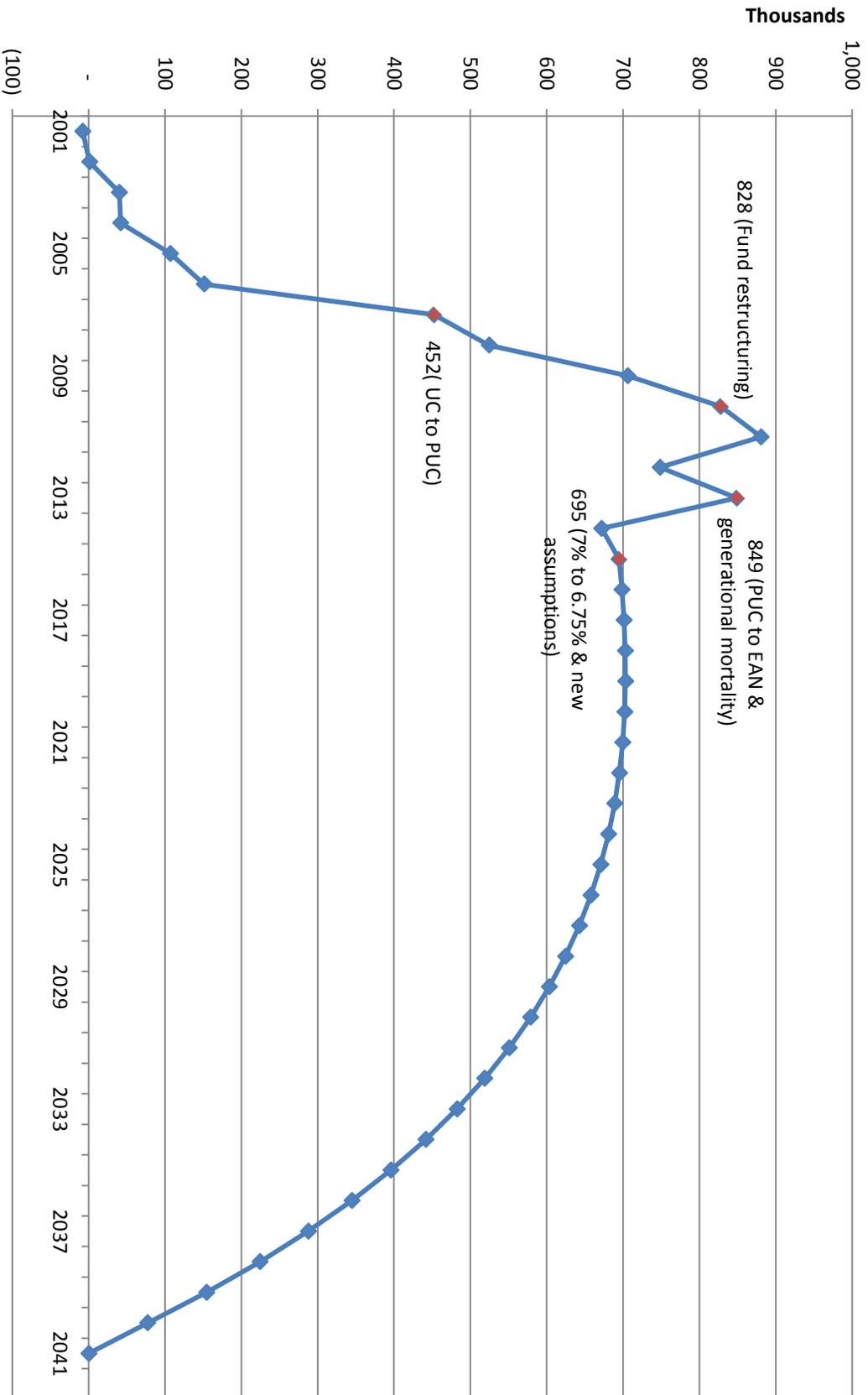
Seeking Council input

**Attachments:**

Charts showing Options 1, 2 & 3

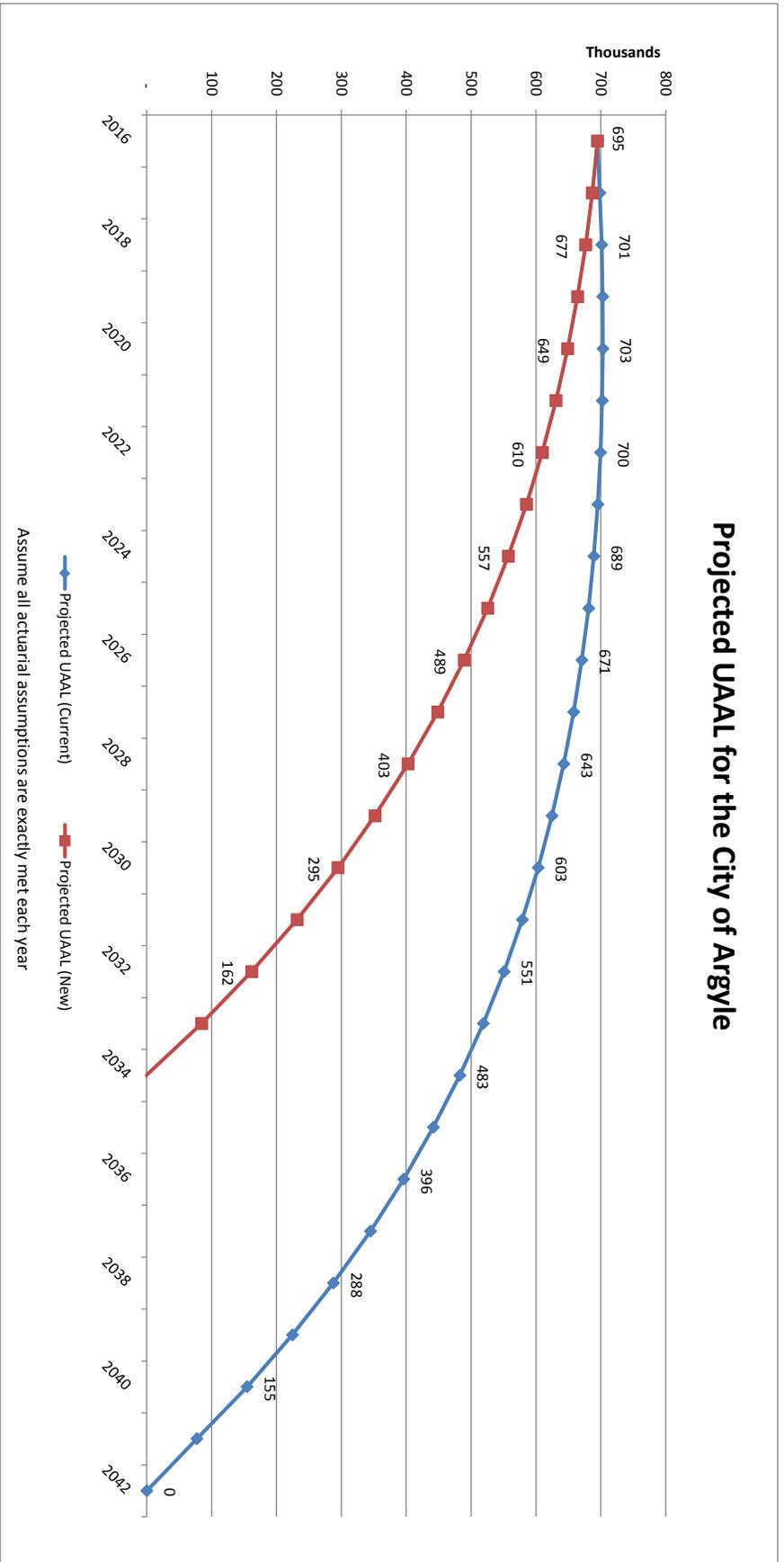
# Option #1 - Do nothing

## Historical & Projected UAAL for the City of Argyle



Assumes all actuarial assumptions are exactly met each year

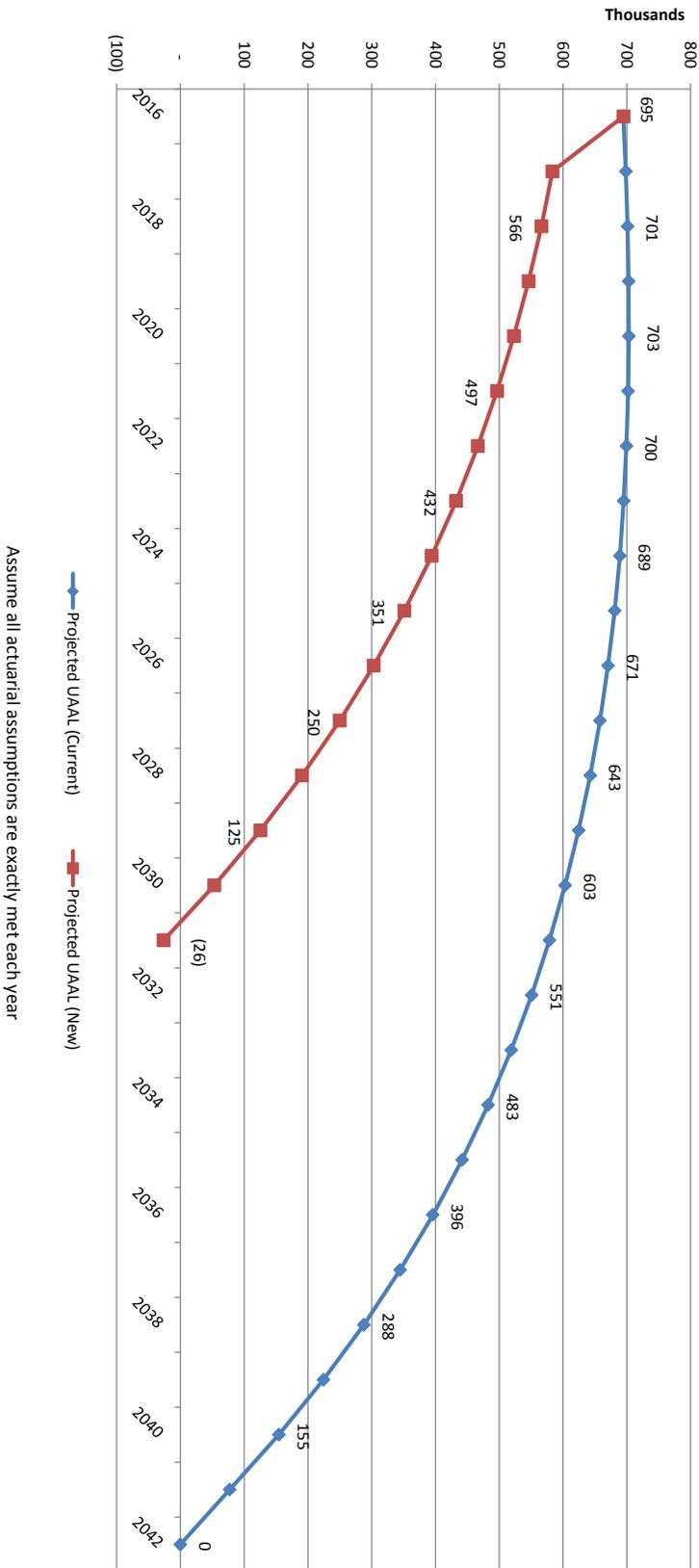
### Projected UAAL for the City of Argyle



Total Amortization Payments	
Current Schedule	\$ 1,601,445
Revised Schedule	\$ 1,244,056
Difference	\$ 357,389

**Option #2**  
**15% contribution rate**  
**No lump sum**

### Projected UAAL for the City of Argyle



Total Amortization Payments	
Current Schedule	\$ 1,601,445
Revised Schedule	\$ 1,088,197
Difference	\$ 513,248

**Option #3**  
**15% contribution rate**  
**\$100,000 lump sum in 2016**



# TOWN COUNCIL DATA SHEET



**Agenda Item:** FY16 Third Quarter Financial Report

**Requested by:** Kim Collins, Director of Finance

**Background:** Please find attached the FY16 Third Quarter Financial Report. This report shows the revenues and expenditures at the 95.9% completion mark of the fiscal year ending September 30, 2016.

## Revenue

We are at the three-quarters mark for FY 16, and total revenue is 95.60% collected. All revenue sources are at or above the 75% mark except *Construction Permits* and *Transfers In*. *Construction Permits* is lower due to delayed infrastructure for 5T, weather issues this spring, and difficulty coordinating trades, such as concrete, as a result of increased building across the Metroplex. The low percentage for *Transfers In* is a combination of timing and abandonment of the drainage project which was to be offset with a transfer in from Street Maintenance Sales Tax Fund. *Sales Tax* and *Municipal Court* are outperforming budget as mentioned in the Budget Workshop.

## Expenditures

All departments are at or below the 75% mark on expenditures, with total expenditures of 64.04%.

## Comments

We will have a presentation on certified values as we present the tax rate and corresponding FY17 Proposed Budget during the Council meeting. You will receive more detailed information about the FY16 Re-Estimates during that presentation.

**Financial Impact:** N/A

**Staff Recommendation:** N/A

**Requested Action:** N/A

**Attachments:** FY16 Third Quarter Financial Report

**TOWN OF ARGYLE**  
**FY 15-16 QUARTERLY BUDGET REPORT**  
**3RD QUARTER (APR - JUN, 16)**  
**75% OF FISCAL YEAR COMPLETE**

<b>FUNDS</b>	<b>ADOPTED BUDGET</b>	<b>Y-T-D ACTUAL</b>	<b>% OF BUDGET</b>
<b><u>GENERAL FUND</u></b>			
<b>REVENUES</b>			
Ad valorem tax	1,545,640	1,562,933	101.12%
Sales tax	367,200	367,761	100.15%
Franchise tax	370,000	301,033	81.36%
Municipal court	192,000	201,685	105.04%
Permits & registrations	36,900	36,815	99.77%
Construction permits	208,600	147,497	70.71%
Development	48,762	67,072	137.55%
Other revenues	9,800	16,051	163.78%
Transfers In	73,300	24,150	32.95%
Other proceeds	-	10,398	0.00%
<b>TOTAL REVENUES</b>	<b><u>2,852,202</u></b>	<b><u>2,735,396</u></b>	<b><u>95.90%</u></b>
<b>EXPENDITURES</b>			
Town Council	34,633	7,555	21.81%
Administration	578,579	417,218	72.11%
Finance	127,528	98,648	77.35%
Municipal Court	86,496	54,644	63.18%
Information Technology	50,100	10,240	20.44%
Police Administration	408,263	284,184	69.61%
Police Operations	645,260	435,943	67.56%
Animal Control	11,500	8,835	76.83%
Community Development	205,833	121,931	59.24%
Comm. Devel. - Inspections	145,300	57,259	39.41%
Street Maint. Administration	175,211	127,031	72.50%
Street Maintenance	338,177	182,928	54.09%
Transfers to Other Funds	45,000	20,000	0.00%
<b>TOTAL EXPENDITURES</b>	<b><u>2,851,879</u></b>	<b><u>1,826,415</u></b>	<b><u>64.04%</u></b>
<b>REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b><u>323</u></b>	<b><u>908,981</u></b>	

**TOWN OF ARGYLE**  
**FY 15-16 QUARTERLY BUDGET REPORT**  
**3RD QUARTER (APR - JUN, 16)**  
**75% OF FISCAL YEAR COMPLETE**

<u>FUNDS</u>	<u>ADOPTED BUDGET</u>	<u>Y-T-D ACTUAL</u>	<u>% OF BUDGET</u>
<b><u>SPECIAL REVENUE FUNDS</u></b>			
<b>ECONOMIC DEVELOPMENT FUND</b>			
REVENUES	184,360	185,847	100.81%
EXPENDITURES	260,916	103,385	39.62%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>(76,556)</u>	<u>82,462</u>	
<b>CRIME CONTROL &amp; PREVENTION FUND</b>			
REVENUES	95,080	99,176	104.31%
EXPENDITURES	139,187	25,643	18.42%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>(44,107)</u>	<u>73,532</u>	
<b>STREET MAINTENANCE SALES TAX FUND</b>			
REVENUES	92,080	92,587	100.55%
EXPENDITURES	145,000	89,048	61.41%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>(52,920)</u>	<u>3,539</u>	
<b>BUILDING MAINTENANCE FUND</b>			
REVENUES	25,000	-	0.00%
EXPENDITURES	-	-	
REVENUES OVER/ (UNDER) EXPENDITURES	<u>25,000</u>	<u>-</u>	
<b>COURT TECHNOLOGY FUND</b>			
REVENUES	7,730	6,580	85.12%
EXPENDITURES	12,600	7,996	63.46%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>(4,870)</u>	<u>(1,416)</u>	
<b>COURT SECURITY FUND</b>			
REVENUES	5,830	4,957	85.03%

**TOWN OF ARGYLE  
FY 15-16 QUARTERLY BUDGET REPORT  
3RD QUARTER (APR - JUN, 16)  
75% OF FISCAL YEAR COMPLETE**

<b>FUNDS</b>	<b>ADOPTED BUDGET</b>	<b>Y-T-D ACTUAL</b>	<b>% OF BUDGET</b>
EXPENDITURES	11,500	450	3.91%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>(5,670)</u>	<u>4,507</u>	
<b>KEEP ARGYLE BEAUTIFUL FUND</b>			
REVENUES	200		
EXPENDITURES	12,500	Transitioned to 501(c)3	
REVENUES OVER/ (UNDER) EXPENDITURES	<u>(12,300)</u>	<u>                    </u>	
<b>PARKLAND DEDICATION FUND</b>			
REVENUES	45,170	27,362	60.58%
EXPENDITURES	114,000	7,500	6.58%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>(68,830)</u>	<u>19,862</u>	
<b>TREE REFORESTATION FUND</b>			
REVENUES	20	23	116.50%
EXPENDITURES	4,000	-	0.00%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>(3,980)</u>	<u>23</u>	
<b>LEOSE TRAINING FUND</b>			
REVENUES	1,200	1,184	98.68%
EXPENDITURES	2,000	382	19.10%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>(800)</u>	<u>802</u>	
<b>POLICE DONATIONS FUND</b>			
REVENUES	4,260	4,660	109.40%
EXPENDITURES	7,000	710	10.14%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>(2,740)</u>	<u>3,950</u>	
<b>SENIOR CITIZENS ORGANIZATION</b>			

**TOWN OF ARGYLE  
FY 15-16 QUARTERLY BUDGET REPORT  
3RD QUARTER (APR - JUN, 16)  
75% OF FISCAL YEAR COMPLETE**

<b>FUNDS</b>	<b>ADOPTED BUDGET</b>	<b>Y-T-D ACTUAL</b>	<b>% OF BUDGET</b>
REVENUES	1,442	1,319	91.50%
EXPENDITURES	1,200	1,363	113.56%
REVENUES OVER/ (UNDER) EXPENDITURES	242	(43)	

**TOWN OF ARGYLE  
FY 15-16 QUARTERLY BUDGET REPORT  
3RD QUARTER (APR - JUN, 16)  
75% OF FISCAL YEAR COMPLETE**

<u>FUNDS</u>	<u>ADOPTED BUDGET</u>	<u>Y-T-D ACTUAL</u>	<u>% OF BUDGET</u>
<b><u>CAPITAL PROJECTS FUNDS</u></b>			
<b>CAPITAL IMPROVEMENTS FUND</b>			
REVENUES	700	746	106.53%
EXPENDITURES	66,001	16,001	24.24%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>(65,301)</u>	<u>(15,255)</u>	
<b>ROADWAY IMPACT FEES FUND</b>			
REVENUES	138,510	85,877	62.00%
EXPENDITURES	-	-	
REVENUES OVER/ (UNDER) EXPENDITURES	<u>138,510</u>	<u>85,877</u>	
<b>EQUIPMENT REPLACEMENT FUND</b>			
REVENUES	20,200	21,469	106.28%
EXPENDITURES	32,750	-	0.00%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>(12,550)</u>	<u>21,469</u>	
<b><u>DEBT SERVICE FUND</u></b>			
REVENUES	489,406	493,993	100.94%
EXPENDITURES	475,818	380,530	79.97%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>13,588</u>	<u>113,463</u>	

**TOWN OF ARGYLE  
FY 15-16 QUARTERLY BUDGET REPORT  
3RD QUARTER (APR - JUN, 16)  
75% OF FISCAL YEAR COMPLETE**

<b>FUNDS</b>	<b>ADOPTED BUDGET</b>	<b>Y-T-D ACTUAL</b>	<b>% OF BUDGET</b>
<b><u>UTILITY FUNDS</u></b>			
<b>WASTEWATER UTILITY OPERATING FUND</b>			
REVENUES	509,940	447,975	87.85%
EXPENDITURES	604,956	371,296	61.38%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>(95,017)</u>	<u>76,679</u>	
<b>WASTEWATER CAPITAL PROJECTS FUND</b>			
REVENUES	500	724	144.79%
EXPENDITURES	110,092	110,092	100.00%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>(109,592)</u>	<u>(109,368)</u>	
<b>WASTEWATER DEVELOPMENT FUND</b>			
REVENUES	142,672	88,709	62.18%
EXPENDITURES	43,813	28,813	65.76%
REVENUES OVER/ (UNDER) EXPENDITURES	<u>98,859</u>	<u>59,895</u>	

## Cash and Investment Report

	Balance at beginning of Quarter 04/01/2016	Balance at end of Quarter 06/30/2016	Interest Rate
<b>Bank Accounts</b>			
General Fund - PointBank	5,643,274.27	5,509,137.99	0.58%
I & S - PointBank	211,498.39	221,360.29	0.58%
CCPD - PointBank	195,271.36	221,308.90	0.58%
EDC - Northstar (checking)	150,918.21	169,440.18	0.25%
EDC - Northstar (liquid CD)	205,610.58	205,790.08	0.35%
	\$ 6,406,572.81	\$ 6,327,037.44	
<b>Investment Accounts</b>			
TexPool - General Fund	93,915.29	94,040.60	0.53%
TexPool - WW Development	60,060.97	60,141.09	0.53%
TexPool - EDC	38,581.84	38,633.29	0.53%
TexPool - Roadway CIP	402.30	402.91	0.53%
	\$ 192,960.40	\$ 193,217.89	
 Total Cash in Bank	 \$ 6,599,533.21	 \$ 6,520,255.33	

*Kim Collins*  
7-20-2016

Funds of the Town of Argyle are invested in accordance with Chapter 2256 of the "Public Funds Investment Act." The Act clearly defines allowable investment instruments for local governments. The Town of Argyle Investment Policy incorporates the provisions of the act and all investment transactions are executed in compliance with the Act and the Policy.



## Town Council Work Session & Regular Meeting Minutes –June 28, 2016

The Regular Meeting and Work Session of the Town Council was held on **June 28, 2016** at 4:00 p.m. at the Argyle Town Hall. This was an OPEN MEETING, open to the public, subject to the open meeting laws of the State of Texas and, as required by law, was duly posted, at Argyle Town Hall, giving notice of time, date, place, and agenda thereof.

### A. CALL SPECIAL WORK SESSION TO ORDER

Mayor Krueger called the work session to order at 4:08 p.m.

Attendee Name	Title	Status	Arrived
Peggy Krueger	Mayor	Present	
Joey Hasty	Mayor Pro Tem	Present	
Kay Teer	Council Member, Place 2	Present	
Eric Lamon	Council Member, Place 3	Present	
Jay Haynes	Council Member, Place 4	Present	4:39 p.m.
Marla Hawkesworth	Council Member, Place 5	Present	

### B. PRESENTATION

1. Presentation from staff concerning the formation of a tax increment reinvestment zone (TIRZ).

Economic Development Consultant Trent Petty presented information relating to the creation of a tax increment reinvestment zone (TIRZ). Mr. Petty stated a TIRZ is a tool to pay for public improvements over time and is completely controlled by the local taxing entities. Mr. Petty stated the benefits to creating a TIRZ include funding public improvements. Mr. Petty reviewed the process for creating a TIRZ.

### C. CONVENE INTO EXECUTIVE SESSION:

The Town Council convened into executive session at 4:51 p.m. PURSUANT TO TEXAS GOVERNMENT CODE, ANNOTATED, CHAPTER 551, SUBCHAPTER D:

1. Section 551.087 – Deliberation regarding economic development negotiations; (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1).

2. Adjourn into Open Meeting.

The Council reconvened into open session at 6:01 p.m.

3. Discussion regarding any regular session items.

The Council discussed Item L.6., the development agreement for Waterbrook, and expressed the importance of including retail in the development. The Council discussed concerns related to not having a commitment from an anchor. Council discussed pulling the item from the consent agenda.

Brett Pedigo with Terra Manna, addressed the Council regarding concerns related to the Council specifying dates for tenants and encouraged the ability to allow the free market work through the process.

Mayor Krueger closed the special work session at 6:32 p.m.

The Mayor moved the order of the agenda to hold the budget work session at the end of the regular meeting.

**REGULAR WORK SESSION AGENDA – 6:00 PM**  
**(or immediately following the 5:00 pm work session)**

**E. CALL REGULAR WORK SESSION TO ORDER**

The regular work session began at 6:33 p.m.

**F. WORK SESSION**

The pre-meeting work session is designed as an opportunity for the Town Council to discuss pending items. No action will be taken during the work session portion of the meeting.

1. Presentation by Frontier Communications regarding the transition of internet, television and phone services.

Pedro Correa, Senior Vice President and General Manager with Frontier Communications, spoke to the Council regarding the transition of services.

2. Presentation by Residents of The Oaks Subdivision regarding traffic control.

Town Manager Paul Frederiksen brought Council up to date on the status of the review of the traffic for The Oaks Subdivision. Brad Graham, resident of The Oaks Subdivision spoke to Council regarding traffic in the subdivision. Mr. Graham requested that signs be installed for the fall semester with the understanding that there would not be any enforcement.

Chief Tackett stated he was opposed to installing signs that were not enforceable. Council directed staff to move forward in drafting an ordinance prohibiting left hand turns for consideration at the August meeting.

3. Discussion regarding any regular session items.

Mayor Krueger adjourned the regular work session at 7:10 p.m.

**REGULAR SESSION AGENDA – 7:00 PM**

(or immediately following the 6:00 pm work session)

**G. CALL REGULAR SESSION TO ORDER**

Mayor Krueger called the regular session to order at 7:22 p.m.

**H. INVOCATION****I. PLEDGE OF ALLEGIANCE**

American Flag

Texas Flag: ***“Honor the Texas Flag; I pledge allegiance to thee Texas, one state under God, one and indivisible”***

**J. ANNOUNCEMENTS, PROCLAMATIONS AND PRESENTATIONS**

1. Council Recognition of Students and Citizens
2. Town Council and Staff Presentations / Reports
  - a. Development Project Updates

**K. OPEN FORUM:**

The opportunity for citizens to address the Town Council on any non-agenda item (limit 5 minutes per person); however, the Texas Open Meetings Act prohibits the Town Council from discussing issues which the public has not been given seventy-two (72) hour notice. Issues raised may be referred to Town Staff for research and possible future action.

Terry Haefele, 117 Shadow Wood, stated she would like the Council to hold future discussions on the Town’s light standards as she has been having problems with the lights from the tennis courts at Argyle High School.

Jim Lightfoot, 550 E Hickory Hill Road, requested that the Town install additional signs regarding the new handsfree ordinance. Mr. Frederiksen stated that signs had been posted at all entries to town.

**L. CONSENT AGENDA:**

***Any Council Member may request an item on the Consent Agenda to be taken up for individual consideration***

1. Consider approval of the May 24, 2016 Town Council minutes.
2. Consider approval of authorizing the Town Manager to negotiate a contract for branding and wayfinding services.
3. Consider approval of a resolution adopting Fiscal and Budgetary Policies for the Town of Argyle. *(Resolution No. 2016-10)*

4. Consider approval of a resolution authorizing the Town Manager to execute and accept the Texas Parks and Wildlife Department (TPWD) Local Park Grant Project Agreement and associated documents outlining the terms and conditions for acceptance of the Non-Urban Outdoor Recreation Grant award for the Argyle Community Park. *(Resolution No. 2016-11, CLA 20160604)*
5. Consider approval of a resolution authorizing the Town Manager to execute an agreement with Dunkin, Sims, Stoffels, Inc. (DSS) to prepare Construction Documents and Specifications for the Argyle Community Park. *(Resolution No. 2016-12, CLA 20160602)*
6. Consider approval of a resolution authorizing the Town Manager to execute a Development Agreement by and between the Town and Terra Manna, LLC for the Waterbrook development.
7. Consider approval of a resolution accepting for filing a petition for the establishment of the Waterbrook of Argyle Public Improvement District No. 2 and calling a public hearing to consider the advisability and feasibility of establishing the district. *(Resolution 2016-14)*

**ACTION: Items L.1. through L.5 and L.7.**

**APPROVED**

Mayor Pro Tem Hasty moved to approve consent agenda Items L.1. through L.5. and L.7. Councilmember Hawkesworth seconded the motion. For: Unanimous. The motion passed 5 to 0.

The Mayor stated that Item L.6. would be consider at the end of the meeting.

**M. NEW BUSINESS & PUBLIC HEARINGS:**

Mayor Krueger recused herself from Items M.1. and M.2. as she was neighbors with both property owners.

Mayor Pro Tem Hasty took the chair and moved to Item M.2.

2. Public Hearing: Consider and take appropriate action on a zoning change request (Z-16-004) from OR (Office Retail) to SF-2.5 (Single Family Residential Estate-2.5 District) on approximately 2.83 acres of land, legally described as Lot 1, Block A, Ward Addition and being located at 211 E. Harpole Rd, Town of Argyle, Denton County, Texas.

Mr. Jones reviewed the zoning change application and stated that the applicant is proposing a zoning change from OR (Office Retail) to SF-2.5 (Single Family Residential Estate-2.5 District). Mr. Jones stated the property has been developed as a single family residence for several years. Mr. Jones stated the application was in

compliance with the comprehensive plan and the Planning and Zoning Commission unanimously recommended approval.

Robert Ward, applicant, stated he was requesting the zoning change so he could sell his home.

Mayor Pro Tem Hasty opened the hearing to public comment.

Nobody was signed in to speak in favor of or in opposition to the proposed zoning change.

**ACTION: Item M.2.**

**APPROVED**

Councilmember Hawkesworth moved to accept the zoning change request from OR to SF 2.5. Mayor Pro Tem Hasty seconded the motion. For: Unanimous. The motion passed 5 to 0. (*Ordinance 2016-14*)

1. Public Hearing: Consider and take appropriate action on a zoning change request (Z-16-002) from A (Agricultural District), SF-1 (Single Family Residential 1-Acre Estate District), and OR (Office Retail) to PD-002 (Planned Development District) for Trailhead Ranch, being approximately 69.2 acres of land, portions of which are legally described as White Rock Farm Addition, Block A, Lot 1, Lot 2R (north portion), Lot 2R (south portion), Gazaway Survey, Tracts 22 and 22a, Tracts 15 and 15a, and Tract 14; and being located on the north side of Harpole Rd., approximately 1,050 f.t. east of HWY 377, located in the Town of Argyle, Denton County, Texas.

Mr. Jones reviewed the zoning change application and stated the applicant is proposing a planned development district for a single-family subdivision on approximately 69 acres to include 153 single-family homes with an overall density of 2.2 units per acre with 20.7 acres of open space, portions of which will be maintained privately and some being dedicated to the Town. Mr. Jones stated the Future Land Use map called for T-3 low density transition and C-3 Centers Corridor and the proposed plan was in general compliance with the Future Land Use Plan. Mr. Jones stated the Planning and Zoning Commission unanimously recommended denial of the application at their June meeting.

Melissa Lindelow, attorney for the applicant, reviewed a proposed change to the plan to include a right-of-way easement tying the subdivision to Highway 377 to alleviate traffic on Harpole Road.

Thomas Fletcher, with Kimley Horn, reviewed the presentation with the Council. Mr. Fletcher provided information on tree protection, drainage studies, traffic studies, proposed access to Highway 377, house size, home values and open spaces.

Mayor Pro Tem Hasty opened the hearing to public comment.

The following individuals spoke during the public hearing:

James Lightfoot, 550 E Harpole Road – Opposed  
Vicki Watts, 898 E Harpole Road – Opposed  
Richard Spies, 116 Shadow Wood Drive – Opposed  
Steve Siggins, 100 Shadow Wood Drive – Opposed  
Cyndi Hermann, 217 Sam Davis Road – Opposed  
Terry Haefele, 117 Shadow Wood Drive - Opposed  
Tom Irwin, 301 Mosswood Drive – Opposed  
Lars Peterson, 301 Shadow Wood Drive – Opposed  
Ritchie Deffenbaugh, 200 Shadow Wood Drive – Opposed  
Jon Donahue, 116 Morning Dove Court – Opposed  
Jerry Hill, 208 Shadow Wood Drive – Opposed  
Jeannie Young, 935 Harpole Road – Opposed  
Jan Wooley, 200 Morning Dove Court – Opposed  
Tom Donovan, 300 Shadow Wood Drive – Opposed  
Maria Nielsen, 309 Shadow Wood Drive – Opposed  
Ralph Smith, 108 Morning Dove Court – Opposed  
Sabrina Holiday, 116 Shadow Wood Drive – Opposed

Mayor Pro Tem Hasty closed the hearing to public comment.

Councilmember Hawkesworth stated that she did not feel that it was worth the developer's time to take the proposed changes back to Planning and Zoning Commission. Councilmember Hawkesworth stated the density was not acceptable.

Mayor Pro Tem Hasty stated he felt there had been enough high density developments approved and did not recommend that the proposed changes be submitted to the Planning and Zoning Commission.

Councilmember Haynes stated that he opposed the development, but was not opposed to a lower density plan.

**ACTION: Item M.1.**

**DENIED**

Councilmember Lamon moved to deny the zoning change application. Councilmember Hawkesworth seconded the motion. For: Unanimous. The motion passed 5 to 0.

Mayor Krueger returned to the dias.

3. Consider and take appropriate action on a Site Plan Amendment (SP-16-002) for Liberty Christian School; regarding a special exception for a scoreboard located at the football stadium. Located at 1301 S. HWY 377, Town of Argyle, Denton County, Texas.

Mr. Jones stated Liberty Christian School was requesting an amendment to their site plan for consideration of a special exception to allow for a scoreboard to be located at their football stadium. Mr. Jones stated the applicant was proposing an approximately 551 square foot video/scoreboard being approximately 34' tall and 18' wide. Mr. Jones stated the Planning and Zoning Commission unanimously recommended approval of the amended site plan.

Ty Welborn with Liberty Christian addressed Council regarding the proposed request. Mr. Welborn stated that the video department run by the students will provide the ability to show replays and stream video.

**ACTION: Item M.3.**

**APPROVED**

Councilmember Lamon moved to approve the site plan amendment. Councilmember Haynes seconded the motion. For: Unanimous. The motion passed 5 to 0.

4. Consider approval of a resolution appointing a member to the Crime Control and Prevention District to fill an unexpired term.

Town Secretary Kristi Gilbert stated the Crime Control and Prevention District (CCPD) had a vacancy created as the result of the resignation of Marcus Doyle. Ms. Gilbert stated the CCPD unanimously recommended the appointment of Patti Smith to the unexpired term of Marcus Doyle at their last meeting.

**ACTION: Item M.4.**

**APPROVED**

Councilmember Hasty moved to approve a resolution appointing Patti Smith to the Crime Control and Prevention District. Councilmember Teer seconded the motion. For: Unanimous. The motion passed 5 to 0. (*Resolution 2016-15*)

5. Consider approval of a resolution appointing a representative to the Argyle Fire District.

Town Secretary Kristi Gilbert stated that the Town had advertised seeking individuals interested in being appointed as the Town's representative to the Argyle Fire District Board. Ms. Gilbert stated that two applications had been received, one from Aubrey Winfrey and the second from Chris Dominguez. Ms. Gilbert stated that the vacancy was created as a result of Bob Swanbeck's resignation when he relocated out of the town limits. Ms. Gilbert stated that Mr. Dominguez was currently serving on the Economic Development Corporation and Mr. Swanbeck recommended Ms. Winfrey to serve as his replacement.

**ACTION: Item M.5.**

**APPROVED**

Councilmember Hawkesworth moved to appoint Chris Dominguez representative to the Argyle Fire District Board. Councilmember Lamon seconded the motion. For: Unanimous. The motion passed 5 to 0. (*Resolution 2016-13*)

6. Consider an ordinance approving a certificate of abandonment for a portion of the Denton Street right-of-way.

Councilmember Teer filed a Conflict of Interest statement and left the dias prior to discussion of Item M.6.

Mr. Jones reviewed the request to abandon an approximate 12' by 130' section of Denton Street right-of-way totaling approximately 0.036 acre located at the southeast corner of Denton Street and Highway 377. Mr. Jones stated the Meadows Building projects into the Denton Street right-of-way. Mr. Jones stated Oncor would require the relocation of the overhead power lines to the south of the building that would interfere with the limited parking. Mr. Jones stated the Development Review Committee met to consider the request and recommended denial.

Applicant Phil Shirley stated he was requesting the abandonment to allow for the building to conform. Mr. Shirley stated that he had requested an overhead easement from Oncor, which had been denied.

**ACTION: Item M.6.**

**DENIED**

Mayor Pro Tem Hasty moved to deny the request to abandon right-of-way and direct staff to work with the applicant on an encroachment agreement. Councilmember Lamon seconded the motion. For: Hasty, Lamon, Haynes and Hawkesworth. Against: None. Abstained: Teer. The motion passed 4-0-1.

**N. OLD BUSINESS:**

None

**ITEM L.6.**

Consider approval of a resolution authorizing the Town Manager to execute a Development Agreement by and between the Town and Terra Manna, LLC for the Waterbrook development.

**ACTION: Item L.6.**

**TABLED**

Councilmember Lamon moved to table consideration of the development agreement and direct the Town Manager to work with the developer to draft additional language related to the retail and commercial component of the project and bring it back to the Council as soon as possible. Mayor Pro Tem Hasty seconded the motion. For: Unanimous. The motion passed 5 to 0.

**O. RECEIVE REQUESTS FROM COUNCIL MEMBERS/STAFF FOR ITEMS TO BE PLACED ON NEXT MEETING AGENDA** *(discussion under this item must be limited to whether or not the Council wishes to include a potential agenda item on a future agenda)*

Councilmember Hawkesworth asked for a review of the Town's light standards.

The Mayor adjourned the regular meeting and adjourned into the budget work session at 9:15 p.m.

**BUDGET WORK SESSION AGENDA**

**D. CALL BUDGET WORK SESSION TO ORDER**

Mayor Krueger called the budget work session to order.

1. Discussion regarding the FY16 Re-Estimated Budget and FY 17 Proposed Budget.  
Mr. Frederiksen reviewed accomplishments for FY16. Finance Director Kim Collins reviewed the FY16 re-estimates and the proposed budget. Town Secretary Kristi Gilbert reviewed salary information with the Council.
2. Discuss Fiscal and Budgetary Policies for the Town of Argyle.  
No discussion was held on this item.

**P. ADJOURN**

The meeting was adjourned at 10:10 p.m.

Approved this 9<sup>th</sup> day of August, 2016.

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Peggy Krueger, Mayor

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Kristi Gilbert, Town Secretary



# TOWN COUNCIL DATA SHEET



## Agenda Item:

Consider approval of a resolution proposing the adoption of a total ad valorem tax rate for Fiscal Year 2017 of \$0.3975 per \$100.00 of assessed valuation subject to all public hearing requirements of the Texas Property Tax Code (Fiscal Year 2016 total ad valorem tax rate - \$0.3975).

## Background:

Upon receipt of the certified taxable values, the Town must determine whether or not to adopt a property tax rate that exceeds the new effective tax rate or rollback rate based on the newly certified 2016 (for fiscal year 2017) taxable value. The effective tax rate is the tax rate that would raise the same amount of tax revenue for the Town as was raised by the previous year's tax rate of \$0.3975. The rollback rate is the tax rate that is 8% above the Town's operating tax rate or the highest rate the Town can set before taxpayers can start tax rollback procedures.

The Tax Code requires that if a city/town desires to adopt a tax rate that either exceeds the new tax year's effective tax rate or rollback rate (whichever is lower), it must, by record vote, conduct two public hearings on the proposed tax rate.

Per discussion on the tax rate and proposed FY17 Budget in the Work Session, please find attached the resolution to adopt a total ad valorem tax rate for Fiscal Year 2017 of \$0.3975 per \$100.00 of assessed valuation.

## Staff Recommendation:

Staff recommends approval of resolution.

## Requested Action:

After careful review of all budget requests, it is recommended that the current total tax rate of \$0.3975 (above the effective tax rate and below the rollback rate) is adopted. The portions of the current total tax rate allocated to the Maintenance & Operating (M&O) rate and the Interest & Sinking (I&S) rate remain the same as in FY 2016.

In summary, the total tax rate exceeds the effective tax rate but remains below the rollback rate; consequently, the proposal to retain the current tax rate of \$0.3975 per \$100 of assessed value for FY 2017 requires the aforementioned resolution calling for two (2) public hearings in accordance with the Tax Code.



# TOWN COUNCIL DATA SHEET



## **FY 2016 tax rate (\$0.3975)**

2015 net taxable value	\$507,684,401*
FY 2016 General Fund operating tax revenue	\$1,545,640
FY 2016 Debt Service Fund tax revenue	<u>472,405</u>
Total revenue from taxes	\$2,018,045

*\*Value per FY2016 Budget documents. FY2017 tax rate calculations from Denton County are based on an adjusted 2015 taxable value of \$514,074,190 which is value used for Effective Tax Rate calculations and results in an effective tax rate that is only .003 points lower than our actual tax rate of \$0.3975. We will present the adjusted amount on this year's budget documents for simplicity.*

## **FY 2016 tax rate (\$0.3975)**

2015 adjusted net taxable value	\$514,074,190
FY 2016 General Fund operating tax revenue	\$1,565,094
FY 2016 Debt Service Fund tax revenue	<u>478,351</u>
Total revenue from taxes	\$2,043,444

## **FY 2017 tax rate (\$0.3975)**

2016 net taxable value	\$534,475,793
FY 2017 General Fund operating tax revenue	\$1,627,206
FY 2017 Debt Service Fund tax revenue	<u>497,335</u>
Total revenue from taxes	\$2,124,541

## **FY 2017 Effective Tax Rate**

**\$0.394355/\$100**

## **FY 2017 Rollback Tax Rate**

**\$0.419292/\$100**

### **Attachments:**

Resolution

**TOWN OF ARGYLE, TEXAS  
RESOLUTION NO. 2016-xx**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF ARGYLE, TEXAS PROPOSING THE ADOPTION OF A TOTAL AD VALOREM TAX RATE FOR FISCAL YEAR 2017 OF \$0.3975 PER \$100.00 OF ASSESSED VALUATION SUBJECT TO ALL PUBLIC HEARING REQUIREMENTS OF THE TEXAS PROPERTY TAX CODE.**

**WHEREAS**, the Town Council of the Town of Argyle, Texas met and reviewed the proposed annual operating budget for Fiscal Year 2017 on this the 9th day of August, 2016 and has hereby determined it to be in the best interest of the citizens of Argyle to propose a tax rate that exceeds the Town’s effective tax rate; and

**WHEREAS**, the Town Council intends to consider and vote on the proposed total tax rate for Fiscal Year 2017 at a future meeting of the Town Council following two public hearings thereon as set forth in the Texas Property Tax Code.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF ARGYLE, TEXAS:**

**Section 1.** THAT, the above findings are hereby found to be true and correct and are incorporated herein in their entirety.

**Section 2.** THAT, the Town Council of the Town of Argyle, Texas hereby agrees to place on a future Town Council Agenda a proposal to consider the adoption of a total ad valorem tax rate for Fiscal Year 2017 of \$0.3975 per \$100.00 of assessed valuation following the scheduling of two public hearings thereon as set forth in the Texas Property Tax Code.

**Section 3.** THAT, the Town Council hereby sets the dates for the aforementioned public hearings to be held at the Argyle Town Hall as follows:

**Tuesday, August 23, 2016 at 6:00 p.m.**

**Tuesday, September 13, 2016 at 6:00 p.m.**

**AND IT IS SO RESOLVED.**

Passed by a vote of \_\_\_\_\_ for and \_\_\_\_\_ against on this the 9<sup>th</sup> Day of August, 2016.

**TOWN OF ARGYLE, TEXAS**

\_\_\_\_\_  
**Peggy Krueger, Mayor**

**ATTEST:**

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**Kristi Gilbert, Town Secretary**

**APPROVED AS TO FORM:**

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**Matthew C. G. Boyle, Town Attorney**



# TOWN COUNCIL DATA SHEET



## **Agenda Item:**

Consider approval of a resolution approving an Interlocal Cooperation Agreement for Tax Collection services with Denton County and authorizing the Town Manager to execute said Agreement on behalf of the Town of Argyle.

## **Requested by:**

Kim Collins, Director of Finance

## **Background:**

The Town of Argyle contracts annually with Denton County for assessment and collection of ad valorem tax. The cost of the service is based on the price set for each statement multiplied by the number of parcels on the tax roll. The cost per statement in the current fiscal year (FY 2015-16) is \$.69 and will go up to \$.72 for FY 2016-17.

Denton County Appraisal District handles the appraisal of our properties. We do not enter into a separate agreement with them, as it is set out in Sec. 6.01 of the Texas Property Tax Code that "(b) The district is responsible for appraising property in the district for ad valorem tax purposes of each taxing unit that imposes ad valorem taxes on property in the district."

## **Financial Impact:**

The cost billed to the Town for the appraisal component and the collection component can vary depending on the final number of statements, including delinquent notices (statements) as well. Our cost to date for tax collection is \$2,314.26. Our FY15 total cost was \$2,345.31. The FY17 cost is projected to be \$2,414.88.

The cost associated with appraisal services for FY16 (current year) is \$13,339.92 and was \$12,232.00 for FY15. The estimated FY17 cost is \$14,006.90.

## **Staff Recommendation:**

Approval of resolution approving Interlocal Cooperation Agreement for Tax Collection services with Denton County and authorizing the Town Manager to execute said Agreement on behalf of the Town of Argyle.

## **Requested Action:**

Approve ILA for Tax Collection services with Denton County and authorize the Town Manager to execute said Agreement on behalf of the Town of Argyle.

## **Attachments:**

Memorandum from Michelle French, Tax Assessor/Collector  
Resolution  
Agreement



**DENTON COUNTY**  
Office of  
**Michelle French, P.C.C.**  
Tax Assessor/Collector  
1505 E. McKinney St.  
Denton, TX 76209

June 27, 2016

Dear Taxing Entities,

The 2016 Denton County Interlocal Collection Agreement has been finalized for issuance. The parcel fee for consolidated collections for the 2016 tax year is \$0.72 per parcel. There are no significant changes in the Agreement. However it should be noted that the Interlocal Agreement is to be submitted to the Denton County Tax Office by September 5, 2016. This will provide the necessary time to add the Agreement to the Denton County Commissioners Court Agenda to be properly executed prior to October 1, 2016.

We are providing the Agreement in PDF format for your convenience. Please complete the Agreement inserting the name of your entity and dates.

**The Agreement must be submitted to our office in triplicate. Please print three (3) copies of the completed Agreement and have all copies signed by the appropriate person in your entity. Failure to submit three (3) originally signed Agreements may delay processing through Commissioners Court.**

Municipalities that have approved the creation of a Public Improvement District (PID) must complete the Public Improvement District Agreement. The proper Agreement will be dependent on whether the PID is a rate based or fixed lien assessment district. Please feel free to contact our office to assist you should you have questions about which district Agreement you may need to complete.

The address to mail the completed Agreements is as follows:

Office of Michelle French  
Denton County Tax Assessor/Collector  
P.O. Box 90223  
Denton, TX 76202  
Attn: Michelle French

The physical address is as follows:

Office of Michelle French  
1505 E. McKinney Street  
Denton, TX 76209  
Attn: Michelle French

As always, our office is here to assist you with any questions or concerns. We thank you for allowing Denton County to provide consolidated collections to your entity in order to better serve our mutual constituents.

Best Regards,

Michelle French  
Denton County Tax Assessor/Collector

**TOWN OF ARGYLE, TEXAS  
RESOLUTION NO. 2016-XX**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF ARGYLE, TEXAS APPROVING AN INTERLOCAL COOPERATION AGREEMENT FOR TAX COLLECTION WITH DENTON COUNTY AND AUTHORIZING THE TOWN MANAGER TO EXECUTE SAID CONTRACT ON BEHALF OF THE TOWN OF ARGYLE, TEXAS.**

**WHEREAS,** the Town of Argyle desires that Denton County provide tax collection services for the Town and after due consideration and review, the Town Staff has determined it to be in the best interest of the citizens of the Town of Argyle that said Agreement be approved.

**NOW THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF ARGYLE, TEXAS:**

Section 1. THAT, the above findings are hereby found to be true and correct and are incorporated herein in their entirety.

Section 2. THAT, the Town Council of the Town of Argyle, Texas hereby approves the Interlocal Cooperation Agreement for Tax Collection, attached hereto as Exhibit "A", with Denton County for the period October 1, 2016 through September 30, 2017, and further authorizes the Town Manager to execute said contract on behalf of the Town of Argyle, Texas.

**AND, IT IS SO RESOLVED.**

PASSED AND APPROVED this the 9<sup>th</sup> day of August, 2016.

**TOWN OF ARGYLE, TEXAS**

BY: \_\_\_\_\_  
Peggy Krueger, Mayor

**ATTEST:**

\_\_\_\_\_  
Kristi Gilbert, Town Secretary

Approved as to Form and Legality:

\_\_\_\_\_  
Matthew C. G. Boyle, Town Attorney

**THE STATE OF TEXAS §**

**COUNTY OF DENTON §**

**INTERLOCAL COOPERATION AGREEMENT FOR TAX COLLECTION  
BETWEEN DENTON COUNTY, TEXAS, AND  
CITY/ TOWN OF**

**THIS AGREEMENT** is made and entered into this \_\_\_\_\_  
day of \_\_\_\_\_ 2016, by and between **DENTON COUNTY**, a political  
subdivision of the State of Texas, hereinafter referred to as "**COUNTY**," and, the  
**City/Town of \_\_\_\_\_**, Denton County, Texas, also a political  
subdivision of the State of Texas, hereinafter referred to as "**MUNICIPALITY**."

**WHEREAS, COUNTY** and **MUNICIPALITY** mutually desire to be subject to  
the provisions of V.T.C.A. Government Code, Chapter 791, the Interlocal Cooperation  
Act, and V.T.C.A., Tax Code, Section 6.24 and 25.17 and;

**WHEREAS, MUNICIPALITY** has the authority to contract with the **COUNTY**  
for the **COUNTY** to act as tax assessor and collector for **MUNICIPALITY** and  
**COUNTY** has the authority to so act;

**NOW THEREFORE, COUNTY** and **MUNICIPALITY**, for and in  
consideration of the mutual promises, covenants, and agreements herein contained, do  
agree as follows:

## I.

The effective date of this Agreement shall be the 1<sup>st</sup> day of October, 2016. The term of this Agreement shall be for a period of one year, from October 1, 2016, to and through September 30, 2017. This Agreement shall be automatically renewed for an additional one (1) year term at the discretion of the **COUNTY** and **MUNICIPALITY**, unless written notice of termination is provided by the terminating party to the other party prior to one hundred-fifty (150) days of the expiration date of the current term of the Agreement.

**MUNICIPALITY** agrees to deliver this agreement no later than September 5, 2016 or the first Monday of September 2016 in manner required by **COUNTY** to fully execute said collection services by **COUNTY**.

## II.

For the purposes and consideration herein stated and contemplated, **COUNTY** shall provide the following necessary and appropriate services for **MUNICIPALITY** to the maximum extent authorized by this Agreement, without regard to race, sex, religion, color, age, disability, or national origin:

1. **COUNTY**, by and through its duly qualified tax assessor-collector, shall serve as tax assessor-collector for parcels in Denton County of the **MUNICIPALITY** for ad valorem tax collection for tax year 2016, and each tax year for the duration of this Agreement. **COUNTY** agrees to perform all necessary ad valorem assessing and collecting duties for **MUNICIPALITY** and **MUNICIPALITY** does hereby expressly authorize **COUNTY** to do and perform all acts necessary and proper to assess and collect taxes for **MUNICIPALITY**. **COUNTY** agrees to collect base taxes, penalties, interest, and attorney's fees.

2. **COUNTY** agrees to prepare and mail all current and delinquent tax

statements required by statute, supplemental changes for applicable property accounts, as well as prepare and mail any other mailing as deemed necessary and appropriate by **COUNTY**; provide daily and monthly collection reports to **MUNICIPALITY**; prepare tax certificates; develop and maintain both current and delinquent tax rolls, disburse tax monies to **MUNICIPALITY** daily (business day) based on prior day tax postings. **COUNTY** agrees to approve and refund overpayment or erroneous payment of taxes for **MUNICIPALITY** pursuant to Texas Property Tax code Sections 31.11 and 31.12 from available current tax collections of **MUNICIPALITY**; meet the requirements of Section 26.04 of the Texas Tax Code; and to develop and maintain such other records and forms as are necessary or required by State law, rules, or regulations.

3. **COUNTY** further agrees that it will calculate the effective tax rates and rollback tax rates for **MUNICIPALITY** and that such calculations will be provided at no additional cost to **MUNICIPALITY**. The information concerning the effective and rollback tax rates will be published in the form prescribed by the Comptroller of Public Accounts of the State of Texas, and as required by Section 26.04 of V.T.C.A. Tax Code. **MUNICIPALITY** shall notify tax assessor-collector no later than July 25th of each year that **MUNICIPALITY** wishes publication of forms or notices specified in this section. **MUNICIPALITY** further agrees that if **COUNTY** calculates effective and rollback tax rates, **COUNTY** shall publish the required notices on behalf of **MUNICIPALITY**.

It is understood and agreed by the parties that the expense of publication shall be borne by **MUNICIPALITY** and that **COUNTY** shall provide **MUNICIPALITY**'s billing address to the newspaper publishing the effective and rollback tax rates.

4. **COUNTY** agrees, upon request, to offer guidance and the necessary forms for posting notices of required hearing and quarter-page notices as required by Sections 26.05 and 26.06 of V.T.C.A. Tax Code and Section 140.010 of Local Government Code, if **MUNICIPALITY** requests such 7 days in advance of the intended publication date, **COUNTY** agrees to manage all notices and publications on behalf of **MUNICIPALITY** if request is received no later than July 25th. **MUNICIPALITY** must approve all calculations and notices, in the format required by **COUNTY**, before publication may proceed. The accuracy and timeliness of all required notices are the responsibility of **MUNICIPALITY**.

5. Should **MUNICIPALITY** vote to increase its tax rate above the rollback tax rate the required publication of notices shall be the responsibility of **MUNICIPALITY**.

6. **COUNTY** agrees to develop and maintain written policies and procedures of its operation. **COUNTY** further agrees to make available full information about the operation of the County Tax Office to **MUNICIPALITY**, and to promptly furnish written reports to keep **MUNICIPALITY** informed of all financial information affecting it.

7. **MUNICIPALITY** agrees to promptly deliver to **COUNTY** all records that it has accumulated and developed in the assessment and collection of taxes, and to cooperate in furnishing or locating any other information and records needed by **COUNTY** to perform its duties under the terms and conditions of this Agreement.

8. **COUNTY** agrees to allow an audit of the tax records of **MUNICIPALITY** in **COUNTY'S** possession during normal working hours with at least 48 hours advance, written notice to **COUNTY**. The expense of any and all such audits shall be paid by **MUNICIPALITY**. A copy of any and all such audits shall be furnished to **COUNTY**.

9. If required by **MUNICIPALITY**, **COUNTY** agrees to obtain a surety bond for the County Tax Assessor/Collector. Such bond will be conditioned upon the faithful performance of the Tax Assessor/Collector's lawful duties, will be made payable to **MUNICIPALITY** and in an amount determined by the governing body of **MUNICIPALITY**. The premium for any such bond shall be borne solely by **MUNICIPALITY**.

10. **COUNTY** agrees that it will post a notice on its website, as a reminder that delinquent tax penalties will apply to all assessed taxes which are not paid by January 31, 2017. **COUNTY** agrees to mail a reminder notice to delinquent property accounts in the month of February notifying that delinquent tax penalties will apply to all assessed taxes which are not paid by January 31, 2017. The reminder notices will be mailed between February 5, 2017 and February 28, 2017.

11. **COUNTY** agrees that it will post to a secure website collection reports for **MUNICIPALITY** listing current taxes, delinquent taxes, penalties and interest on a daily

basis through September 30, 2017. **COUNTY** will provide monthly Maintenance and Operation (hereinafter referred to as “MO”), and Interest and Sinking (hereinafter referred to as “IS”) collection reports; provide monthly recap reports; and provide monthly attorney fee collection reports.

12. **MUNICIPALITY** retains its right to select its own delinquent tax collection attorney and **COUNTY** agrees to reasonably cooperate with the attorney selected by **MUNICIPALITY** in the collection of delinquent taxes and related activities.

13. **MUNICIPALITY** will provide **COUNTY** with notice of any change in collection attorney on or before the effective date of the new collection attorney contract.

### III.

**COUNTY** hereby designates the Denton County Tax Assessor/ Collector to act on behalf of the County Tax Office and to serve as Liaison for **COUNTY** with **MUNICIPALITY**. The County Tax Assessor/Collector, and/or his/her designee, shall ensure the performance of all duties and obligations of **COUNTY**; shall devote sufficient time and attention to the execution of said duties on behalf of **COUNTY** in full compliance with the terms and conditions of this Agreement; and shall provide immediate and direct supervision of the County Tax Office employees, agents, contractors, subcontractors, and/or laborers, if any, in the furtherance of the purposes, terms and conditions of this Agreement for the mutual benefit of **COUNTY** and **MUNICIPALITY**.

IV.

**COUNTY** accepts responsibility for the acts, negligence, and/or omissions related to property tax service of all **COUNTY** employees and agents, sub-contractors and /or contract laborers, and for those actions of other persons doing work under a contract or agreement with **COUNTY** to the extent allowed by law.

V.

**MUNICIPALITY** accepts responsibility for the acts, negligence, and/or omissions of all **MUNICIPALITY** employees and agents, sub-contractors and/or contract laborers, and for those of all other persons doing work under a contract or agreement with **MUNICIPALITY** to the extent allowed by law.

VI.

**MUNICIPALITY** understands and agrees that **MUNICIPALITY**, its employees, servants, agents, and representatives shall at no time represent themselves to be employees, servants, agents, and/or representatives of **COUNTY**. **COUNTY** understands and agrees that **COUNTY**, its employees, servants, agents, and representatives shall at no time represent themselves to be employees, servants, agents, and/or representatives of **MUNICIPALITY**.

## VII.

For the services rendered during the 2016 tax year, **MUNICIPALITY** agrees to pay **COUNTY** for the receipting, bookkeeping, issuing, and mailing of tax statements as follows:

1. The current tax statements will be mailed by October 10<sup>th</sup> or as soon thereafter as practical. In order to expedite mailing of tax statements the **MUNICIPALITY** must adopt their 2016 tax rate by September 29, 2016. Failure of the **MUNICIPALITY** to adopt a tax rate by September 29, 2016 may cause delay in timely mailing of tax statements. Pursuant to Texas Property Tax Code §26.05 the **MUNICIPALITY** must adopt a tax rate by the later of September 30<sup>th</sup> or 60 days after the certified appraisal roll is received. Failure to adopt and deliver a tax rate by the later of September 30<sup>th</sup> or 60 days after the certified appraisal roll is received may result in delay of processing and mailing **MUNICIPALITY** tax statements. **MUNICIPALITY** agrees to assume the costs for additional delayed tax statements, processing and mailing as determined by **COUNTY**. Notwithstanding the provisions of the Tax Code, if **MUNICIPALITY** fails to deliver the adopted tax rates (M&O and I&S) to the Tax Assessor Collector by September 29, 2016, it may will cause a delay in the publication and release of tax statements.

2. **COUNTY** will mail an additional notice during the month of March following the initial mailing provided that **MUNICIPALITY** has requested such a notice on or before February 28, 2017. The fee for this service will be a rate not to exceed **\$0.72** per statement.

3. At least 30 days, but no more than 60 days, prior to April 1st, and following the initial mailing, **COUNTY** shall mail a delinquent tax statement meeting the

requirements of Section 33.11 of the Texas Property Tax Code to the owner of each parcel to the owner of each parcel having delinquent taxes.

4. At least 30 days, but no more than 60 days, prior to July 1st, and following the initial mailing, **COUNTY** will mail a delinquent tax statement meeting the requirements of Section 33.07 of the Texas Property Tax Code will be mailed to the owner of each parcel having delinquent taxes.

5. For accounts which become delinquent on or after June 1<sup>st</sup>, **COUNTY** shall mail a delinquent tax statement meeting the requirements of Section 33.08 of the Texas Property Tax Code to the owner of each parcel having delinquent taxes.

6. In event of a successful rollback election which takes place after tax bills for **MUNICIPALITY** have been mailed, **MUNICIPALITY** agrees to pay **COUNTY** a programming charge of \$5,000.00. **COUNTY** will mail corrected statements to the owner of each parcel. **COUNTY** will charge a fee for this service at a rate not to exceed **\$0.72** per statement pursuant to Property Tax Code Section 26.07 (f). When a refund is required per Property Tax Code Section 26.07 (g), **COUNTY** will charge a \$.25 processing fee per check, in addition to the corrected statement mailing costs. Issuance of refunds, in the event of a successful rollback election, will be the responsibility of the **COUNTY**. **MUNICIPALITY** will be billed for the refunds, postage and processing fees.

7. **MUNICIPALITY** understands and agrees that **COUNTY** will, no later than January 31<sup>st</sup>, deduct from current collections of the **MUNICIPALITY** the “Total Cost” of providing all services described in paragraphs 1-5 above. This “Total Cost” includes any such services that have not yet been performed at the time of deduction. The “Total Cost” of providing all services described in paragraphs 1-5 above shall be the total of:

**\$ 0.72** x the total number of parcels listed on **MUNICIPALITY's** September 30, 2016 end of year Tax Roll for tax year 2015.

In the event that a rollback election as described in paragraph 6 takes place, **COUNTY** shall bill **MUNICIPALITY** for the applicable programming charge, check processing fees, refunds paid, and refund postage costs. **MUNICIPALITY** shall pay **COUNTY** all billed amounts within 30 days of its receipt of said bill. In the event costs for additional delayed tax statements, processing and mailing are incurred as described in paragraph 1, **COUNTY** shall bill **MUNICIPALITY** for such amounts. **MUNICIPALITY** shall pay **COUNTY** all such billed amounts within 30 days of its receipt of said bill.

8. **MUNICIPALITY** further understands and agrees that **COUNTY** (at its sole discretion) may increase or decrease the amounts charged to **MUNICIPALITY** for any renewal year of this Agreement, provided that **COUNTY** gives written notice to **MUNICIPALITY** sixty (60) days prior to the expiration date of the initial term of the Agreement. The County Budget Office establishes collection rates annually based on a survey of actual annual costs incurred by the **COUNTY** in performing tax collection services. The collection rate for each year is approved by County Commissioners' Court. All entities are assessed the same per parcel collection rate.

#### VIII.

**COUNTY** agrees to remit all taxes, penalties, and interest collected on **MUNICIPALITY's** behalf and to deposit such funds into the **MUNICIPALITY's** depositories as designated:

1. For deposits of tax, penalties, and interest, payment shall be by wire transfer or ACH to **MUNICIPALITY** depository accounts only, and segregated into the appropriate MO and IS accounts. Only in the event of failure of electronic transfer protocol will a check for deposits of tax, penalty and interest be sent by mail to **MUNICIPALITY**.

2. If **MUNICIPALITY** uses the same depository as **COUNTY**, the deposits of tax, penalty and interest shall be by deposit transfer.

3. In anticipation of renewal of this Agreement, **COUNTY** further agrees that deposits will be made daily through September 30, 2017. It is expressly understood, however, that this obligation of **COUNTY** shall not survive termination of this Agreement, whether by termination by either party or by failure of the parties to renew this Agreement.

4. In event that **COUNTY** experiences shortage in collections as a result of an outstanding tax debt of **MUNICIPALITY**, the **MUNICIPALITY** agrees a payment in the amount of shortage shall be made by check or ACH to **COUNTY** within 15 days after notification of such shortage.

#### IX.

In the event of termination, the withdrawing party shall be obligated to make such payments as are required by this Agreement through the balance of the tax year in which notice is given. **COUNTY** shall be obligated to provide services pursuant to this Agreement, during such period.

X.

This Agreement represents the entire agreement between **MUNICIPALITY** and **COUNTY** and supersedes all prior negotiations, representations, and/or agreements, either written or oral. This Agreement may be amended only by written instrument signed by the governing bodies of both **MUNICIPALITY** and **COUNTY** or those authorized to sign on behalf of those governing bodies.

XI.

Any and all written notices required to be given under this Agreement shall be delivered or mailed to the listed addresses:

**COUNTY:**  
County Judge of Denton County  
110 West Hickory  
Denton, Texas 76201  
Telephone 940-349-2820

**MUNICIPALITY:**

The City/Town of \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Telephone: \_\_\_\_\_ Email: \_\_\_\_\_

XII.

**MUNICIPALITY** hereby designates \_\_\_\_\_ to act on behalf of **MUNICIPALITY**, and to serve as Liaison for **MUNICIPALITY** to ensure the performance of all duties and obligations of **MUNICIPALITY** as stated in this Agreement. **MUNICIPALITY**'s designee shall devote sufficient time and attention to the execution of said duties on behalf of **MUNICIPALITY** in full compliance with the terms and conditions of this Agreement; shall provide immediate and direct supervision of the **MUNICIPALITY** employees, agents, contractors, subcontractors, and/or laborers, if any, in the furtherance of the purposes, terms and conditions of this Agreement for the mutual benefit of **MUNICIPALITY** and **COUNTY**.

XIII.

In the event that any portion of this Agreement shall be found to be contrary to law, it is the intent of the parties that the remaining portions shall remain valid and in full force and effect to the extent possible.

XIV.

The undersigned officers and/or agents of the parties are the properly authorized officials and have the necessary authority to execute this agreement on behalf of the parties. Each party hereby certifies to the other that any resolutions necessary for this Agreement have been duly passed and are now in full force and effect.

Executed in duplicate originals this, \_\_\_\_\_ day of \_\_\_\_\_ 2016.

**COUNTY**

Denton County  
110 West Hickory  
Denton, Texas 76201

BY: \_\_\_\_\_  
Honorable Mary Horn  
Denton County Judge

ATTEST:

BY: \_\_\_\_\_  
Juli Luke  
Denton County Clerk

APPROVED FORM AND CONTENT:

\_\_\_\_\_  
Michelle French  
Denton County  
Tax Assessor/Collector

**MUNICIPALITY**

Town/City: \_\_\_\_\_  
Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_

BY: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ATTEST:

BY: \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
Denton County Assistant  
District Attorney

**SIGN HERE**

**SIGN HERE**



## TOWN COUNCIL DATA SHEET



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**Agenda Item:**

Consider approval of a resolution casting a vote for the appointment of a member to the Denco Area 9-1-1 District Board of Managers.

**Staff:**

Kristi Gilbert, Town Secretary

**Background:**

At the April 26, 2016 meeting, the Town Council nominated Jim Carter to be placed on the ballot for the Denco 9-1-1 Board of Managers. Each year the Town Council casts a vote for one member to serve on the Denco 9-1-1 Board of Managers, typically in August. Mr. Carter was also nominated by 14 other municipalities. Other nominees include Brandon Barth, Gary Johnson and Paul Young. Since the Council nominated Mr. Carter, it is appropriate for the Council to also cast their official vote for Mr. Carter.

**Recommended Motion:**

Motion to approve of a resolution casting a vote to appoint Jim Carter as a member of the Denco Area 9-1-1 District Board of Managers.

**Attachments:**

Resolution

Memo from Denco Area 9-1-1 District

Resume for Jim Carter

**TOWN OF ARGYLE, TEXAS  
RESOLUTION 2016-XX**

**A RESOLUTION OF THE TOWN OF ARGYLE APPOINTING ONE  
MEMBER TO THE BOARD OF MANAGERS OF THE DENCO AREA 9-1-  
1 DISTRICT.**

**WHEREAS**, Section 772, Health and Safety Code, provides that two voting members of the Board of Managers of an Emergency Communications District shall be appointed jointly by all cities and towns lying wholly or partly within the district;

**NOW THEREFORE BE IT RESOLVED BY THE TOWN COUNCIL OF THE  
TOWN OF ARGYLE, TEXAS:**

**SECTION 1.** that the Town of Argyle hereby votes for Jim Carter as a member of the Board of Managers for the Denco Area 9-1-1 Emergency Communication District.

Section 2: That this Resolution shall take effect immediately upon passage by the Town Council.

**PASSED AND ADOPTED THIS THE 9<sup>th</sup> DAY OF AUGUST, 2016.**

**APPROVED:**

\_\_\_\_\_  
**Peggy Krueger, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Kristi Gilbert, Town Secretary**



# Denco Area 9-1-1 District

1075 Princeton Street ▪ Lewisville, TX 75067 ▪ Mailing: PO BOX 293058 ▪ Lewisville, TX 75029-3058

Phone: 972-221-0911 ▪ Fax: 972-420-0709

TO: Denco Area 9-1-1 District Participating Jurisdictions

FROM: Mark Payne, Executive Director *MP*

DATE: June 16, 2016

RE: Appointment to the Denco Area 9-1-1 District Board of Managers

On March 15, 2016, the Denco Area 9-1-1 District requested participating municipalities nominate a representative for potential appointment to the district's board of managers. The following nominations were received by the June 15, 2016 deadline:

Nominee  
Jim Carter

Nominating Municipality

- City of Carrollton
- City of Corinth
- City of Highland Village
- City of Lake Dallas
- City of Lewisville
- City of Sanger
- City of The Colony
- Town of Argyle
- Town of Bartonville
- Town of Copper Canyon
- Town of Double Oak
- Town of Hickory Creek
- Town of North Lake
- Town of Shady Shores
- Town of Trophy Club

Brandon Barth

Town of Flower Mound

Gary Johnson

City of Roanoke

Paul Young

City of Pilot Point

The Denco Area 9-1-1 District requests that each participating municipality vote for one of the nominees and advise the district of its selection by 5 p.m. on September 15, 2016. Notification must come in the form of official council action. Enclosed is a sample resolution you may wish to use as well as bios or resumes of the nominees. Also enclosed for your reference, is a copy of the resolution outlining the board appointment process and a list of current board members.

Please send a copy of the resolution recording your council's action by mail to: Denco Area 9-1-1 District, P.O. Box 293058, Lewisville, TX 75029-3058 or fax it to 972-353-6363. You may also email your response to Andrea Zepeda, Executive Assistant at [andrea.zepeda@denco.org](mailto:andrea.zepeda@denco.org).

Thank you for your assistance in this matter.

Enclosures

2016.03.10.AI.08

## DENCO AREA 9-1-1 DISTRICT

## RESOLUTION

DEFINING PROCEDURE FOR APPOINTMENT OF PARTICIPATING  
MUNICIPALITIES' REPRESENTATIVE TO THE DISTRICT BOARD OF MANAGERS

WHEREAS, this resolution shall take the place of Resolution 1999.02.04.R01 by the same title; and

WHEREAS, Chapter 772, Texas Health and Safety Code provides for the Denco Area 9-1-1 District Board of Managers to have "two members appointed jointly by all the participating municipalities located in whole or part of the district."; and

WHEREAS, each member serves a term of two years beginning on October 1<sup>st</sup> of the year member is appointed; and

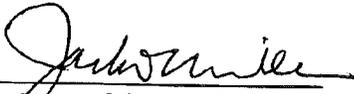
WHEREAS, one member representing participating municipalities is appointed each year.

NOW, THEREFORE BE IT RESOLVED BY THE DENCO AREA 9-1-1 DISTRICT BOARD OF MANAGERS:

The procedure for participating municipalities to appoint a representative to the Denco Area 9-1-1 District Board of Managers shall be the following:

1. **Nominate Candidate:** Prior to March 15<sup>th</sup> of each year, the executive director shall send a written notice to the mayor of each participating municipality advising that nominations are being accepted until June 15<sup>th</sup> of that same year, for one of the municipal representatives to the Denco Area 9-1-1 District Board of Managers. The notice shall advise the mayors that for a nomination to be considered, written notification of council action must be received at the Denco office prior to 5:00 p.m. on June 15<sup>th</sup> of that year. No nominations shall be considered after that time.
2. **Vote for Candidate:** On June 16<sup>th</sup> of each year, the executive director shall send written notice to the mayor of each participating municipality, providing the slate of nominees to be considered for appointment to the Denco Area 9-1-1 District Board of Managers for the term beginning October 1<sup>st</sup>. The notice shall advise the mayor that the city/town council shall vote, by resolution from such city/town, for one of the nominees. Written notice of the council's selection must be received at the district office by 5:00 p.m. on September 15<sup>th</sup>. No votes will be accepted after that time.
3. **Tally Votes:** The one nominee with the most votes received by the deadline will be the municipal representative appointed for the two-year term beginning October 1<sup>st</sup>.
4. **Tie Breaker:** If there is a tie between two candidates with the most votes, a runoff election will be held immediately with the candidate receiving the most votes serving the remainder of the term. The incumbent representative shall serve in that position until replaced.

APPROVED and ADOPTED on this 10<sup>th</sup> day of March 2016.

  
Chairman of the Board

  
Secretary of the Board

## Denco Area 9-1-1 District Board of Managers FY2016

### **Jack Miller, Chairman**

- Appointed by Denton County Commissioners Court
- Member since October 2000
- Term expires September 2016
- Former mayor and council member of Denton
- Self-employed as a human resource manager

### **Bill Lawrence, Vice Chair**

- Appointed by Denton County Commissioners Court
- Member since October 2006
- Term expires September 2017
- Former Mayor of Highland Village
- Businessman, Highland Village

### **Chief Terry McGrath, Secretary**

- Appointed by Denton County Fire Chief's Association
- Member since October 2011
- Term expires September 2017
- Assistant Fire Chief, City of Lewisville

### **Jim Carter**

- Appointed by member cities in Denton County
- Member since October 2014
- Term expires September 2016
- President of Emergency Services District #1
- Former Mayor of Trophy Club and Denton County Commissioner

### **Sue Tejml**

- Appointed by member cities in Denton County
- Member since 2013
- Term expires September 2017
- Mayor, Town of Copper Canyon
- Attorney at Law

### **Rob McGee**

- Non-voting member appointed by largest telephone company (Verizon)
- Member since 2012
- Serves until replaced by telephone company
- Manager, Region Network Reliability, Verizon

All voting members serve two-year terms and are eligible for re-appointment.

**JIM CARTER**

6101 Long Prairie Road, Suite 744-110 (817) 239-7791  
Flower Mound, Texas 75028 [jcarter@halff.com](mailto:jcarter@halff.com)

**EDUCATION**

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College Degree: University of Georgia, B.B.A. Finance  
Post Graduate: Georgia Tech, University of Tennessee, University of Michigan, Texas Women’s University, American Management Association

**PROFESSIONAL EXPERIENCE**

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Department Head, Finance General Motors Corporation  
Senior Vice-President Frito-Lay, Inc., International and Domestic Development  
President, C.E.O Mercantile Corporation  
Responsible for 3 Banks, developed 2,000 prime commercial acres in Fort Worth adjacent to I-35W  
Current: Principal James P. Carter & Associates – Consultant & Mediator  
To business and governmental entities  
Professional Licenses Texas Real Estate License, Certified Mediator

**PUBLIC SERVICE EXPERIENCE**

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Mayor Trophy Club, Texas – 14 years  
Municipal Court Judge Trophy Club, Texas – 12 years  
County Commissioner Denton County, Texas – 8 years  
Vice President Texas Association of Counties  
President Denton County Emergency Services District #1  
Fire and Emergency Medical over 56 square miles  
Serving 5 municipalities: (Argyle, Bartonville, Copper Canyon, Corral City and Northlake);  
Lantana Freshwater Supply Districts #6 and #7  
and rural areas of Denton County  
Texas State Board Member SAFE-D – Trains Emergency Services District Commissioners  
Board Member Denco 911 Emergency telecommunications system that assists its member jurisdictions in responding to police, fire and medical emergency calls.

## **COMMUNITY AND CHARITY SERVICES**

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Baylor Healthcare System	Trustee – 10 Years
University of North Texas	President’s Council
Texas Student Housing Corp	Chairman – 20 Years, providing Residential Scholarships at UNT, A&M, UT Austin
Boy Scouts of America	Longhorn Council, District Chairman
First Baptist Church, Trophy Club	Chairman, Stewardship Committee
American Heart Association	Board of Directors, Celebrity Waiter

## **BUSINESS ORGANIZATIONS**

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North Texas Council of Governments	Transportation Board
Fort Worth Chamber of Commerce	Chairman, North Area Chamber Annual Golf Tournament Economic Development Council Governmental Affairs Committee
Texas Alliance for Growth Greater Fort Worth Area	Legislative Committee
Northeast Leadership Forum	Board of Directors, Chairman Mayors Forum, Chairman Legislative Committee
Metroport Partnership	Founding Member and Chairman
Northwest Community Partners	Founding Member, Chairman Board of Directors
Industrial Developer Association	Developer Representative

**Honors: Who’s Who in the South and Southwest, Who’s Who in U.S. Executives**

# Brandon Barth

## PROFILE SUMMARY

Results-oriented, dependable self-starter who is knowledgeable of and experienced in media relations, customer service, safety, and hazardous materials work in a fast-paced, high-stress environment. Exhibits superior communication and multi-tasking skills with an acute attention to detail.

## EDUCATION

Bachelor of Business Administration, International Business

Georgia College & State University, Milledgeville, GA, May 2007

## PROFESSIONAL EXPERIENCE

**Flower Mound Fire Department, Town of Flower Mound, TX**

**March 2014-Present**

### Emergency Management Officer

- Examines potential disaster events and evaluates the effect on the Town.
- Produces the Town's Emergency Operations Plan. Plans the Town's response to disasters and ensures that all entities are able to respond as outlined in the Emergency Operations Plan.
- Serves in the Town's Emergency Operation Center (EOC), if activated.
- Trains and coordinates activities in preparing for or responding to disaster situations with all Town departments, neighboring communities, schools, hospitals, and public and private agencies
- Responsible for designing, training, and evaluation of periodic exercises to test elements of emergency plan.
- Responsible for ensuring operability of outdoor warning and other Town emergency communication systems.
- Serves as liaison with community, state and federal authorities concerned with disaster planning and response.
- Serves as one of the fire department's Fire Investigators
- Maintains certification as a State of Texas Firefighter and National Registry Emergency Medical Technician
- Coordinates the fire department's Citizen Fire Academy
- Serves as a Public Information Officer

**Allied International Emergency, Fort Worth, TX**

**September 2013-March 2014**

### Operations Manager

- Managed the daily operations of the company's Fort Worth/Corporate branch.
- Oversaw multiple hazardous materials and environmental remediation projects daily (500+ annually) in a rapid paced environment with multiple deadlines.
- Prepared bids and proposals to current and future customers.
- Ensured that all supplies and equipment at the facility are in a constant state of operational readiness.
- Provided response and laboratory reports to customers as well as state regulatory agencies regarding hazardous material/environmental incidents.
- Executed service agreements with new customers during an emergency response.

# Brandon Barth

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Allied International Emergency, Fort Worth, TX

May 2011-September 2013

## Project Manager

- Managed personnel at various types of hazardous materials and environmental incidents ranging from tractor-trailer accidents to chemical plant fires per OSHA 1910.120 and requiring travel to various cities and states on a moment's notice.
- Supervised projects through the emergency response, mitigation, remediation, and closure phases.
- Oversaw the decontamination of Naturally Occurring Radioactive Materials (NORM) as a Radiation Safety Officer.
- Performed confined space entry and confined space rescue standby as outlined by OSHA 1910.146.
- Interacted with customers as well as state regulatory agencies such as the Texas Railroad Commission and the Texas Commission on Environmental Quality during hazardous materials incidents as well as environmental emergencies.
- Responsible for the profiling and disposal of hazardous, non-hazardous, and RCRA E&P exempt waste streams.
- Maintained an up-to-date survey that tracks employees' training, certifications, fit tests, and physical exams to ensure conformance with OSHA regulations.
- Conducted sampling of water, air, and soil to determine potential contamination.
- Conducted training classes for employees and customers on subjects such as hazardous materials, confined space entry, and fall protection.
- Wrote policies for new hires to the company.

Baldwin County Fire Rescue, Milledgeville, GA

January 2007-March 2011

## Full-time Firefighter/Public Information Officer

As the department's Public Information Officer, responsibilities include:

- Presented a marketing/communications plan to the department's executive staff, thus creating the position of a PIO as well as creating the department's social media accounts.
- Conducted interviews with local media outlets: newspaper, radio, and TV.
- Wrote news releases and operated the department's social media site.
- Redesigned the department's report writing system and making a quick reference guide to assist those writing reports.
- Interacted with members of the community in both emergency and non-emergency settings; requiring a unique set of customer service skills.
- Worked in conjunction with the Executive Staff of the fire department in projecting their message to the public.
- Assisted in the development of presentations to the County Commissioners as well as the County Manager on behalf of the Fire Chief.
- Provided public service announcements to the public through the use of various media platforms.
- Assisted with grant and compliance research on behalf of the executive staff.

# Brandon Barth

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As a Firefighter, responsibilities include:

- Worked 24 hour shifts; responding to various types of emergency incidents including emergency medical calls, vehicle accidents, and fires.
  - Served as the acting-officer in charge; certified through the National Professional Qualifications Pro Board as a Fire Officer 1; overseeing the day-to-day tasks and emergency operations of the on-duty personnel when the shift officer was absent.
  - Served as part of the regional Hazardous Materials Team; certified through the National Professional Qualifications Pro Board as a Hazardous Materials Technician
  - Assisted in the training of firefighters; certified through the National Professional Qualifications Pro Board as a Fire Instructor 1
  - Provided fire safety demonstrations and classes to children in the local school system.
  - Wrote detailed incident reports based on the National Fire Incident Reporting System format.
  - Conducted pre-incident/safety inspections of commercial properties to assess dangers and to determine proper mitigation procedures based on building layout, hazards, and building construction.
  - Drove and operated fire apparatus to include engines, tankers, aerials, and rescue trucks.
- Recognition: Awarded Firefighter of the Year for 2008-2009.

**Baldwin County Fire Rescue, Milledgeville, GA**

**January 2005-January 2007**

**Part-time/Volunteer Firefighter**

While pursuing bachelor's degree, worked part-time covering shifts for full-time personnel who were on leave. Was entrusted to work alone at stations in rural parts of the county that only had one person on-duty during a shift. Maintained attendance in excess of 80% of emergency calls and training drills and responded to emergencies via notification by pager.

## Gary D. Johnson

609 Dallas Drive  
Roanoke, Texas 76262  
Cell 817-832-5469

E-mail: gjohnson@roanokepolice.com

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### Executive Profile

A professional public safety administrator with more than 26 years of senior management experience in a modern public safety agency. Known as an innovative leader with a special talent for problem solving, and providing outstanding service to citizens and employees. Areas of strength include:

Strategic Planning	Implementing Change
Policy Development	Budget Development & Control
Operations Management	Citizen & Business Relations
Written & Verbal Communications	Training & Staff Development

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### Professional Experience

#### City of Roanoke

##### Assistant City Manager/Chief of Police (2015 – Present)

An executive management position responsible for seventy-one full time personnel and all public safety operations. Oversee the creation and administration of five departmental budgets exceeding 9 million dollars, and provide leadership and guidance to five high level managers. Project manager for a new digital P25 public safety radio system including all new equipment in the 911 call center.

#### City of Roanoke Police Department

##### Chief of Police (2003 – Present)

An executive management position responsible for thirty-nine full time personnel and all Police operations. Responsible for policy development and implementation within an ever changing judicial and legislative environment. Responsible for the creation and administration of an annual budget of 5 million dollars, and the allocation of all assigned resources.

##### **Key Contributions**

- Reorganized personnel and schedules that resulted in a significant increase in overall productivity.
- Created a positive and collaborative environment with internal and external stakeholders to identify problems and improve relationships.
- Initiated a two part National Night Out event that resulted in a national award.
- Created a Citizens Police Academy and Citizens on Patrol organization.

- Implemented Texas Police Chiefs Best Practices program by directing the complete re-write of policies and procedures, and meeting 165 strict standards that allowed the department to become “Recognized Agency” after passing a two day inspection by outside assessors.
- Using a regional approach help to create a multi-agency Swat Team that dramatically reduced the cost of this specialized service.

## **City of Watauga, Department of Public Safety**

### **Deputy Director of Public Safety (1989 – 2003)**

A senior management position responsible for a staff of fifty-two full time personnel and all public safety operations. Areas of responsibility include: police patrol and traffic enforcement, fire suppression, criminal investigations, community services, departmental records, training, fire inspections, 9-1-1 communications, animal control, contract administration, public information, professional standards, and policy development. The Deputy Director is also responsible for the creation and administration of the annual General Fund and Crime Control District budgets that exceed 3.5 million dollars.

#### **Key Contributions**

- Implemented scenario based policy training that significantly increased understanding and compliance with new policies.
- Developed and implemented a new departmental salary structure within budget constraints, thereby greatly reducing employee turnover.
- Created a survey card system that gathers citizen input and evaluates performance of all services rendered.
- Authored bid specifications, evaluated proposals, recommended final purchase, and supervised the training and installation of a public safety software and radio communications system.
- Developed a plan and budget proposal for the continuation of a Crime Control District. Worked closely with City Council to organize and schedule presentations made to several key citizen groups that resulted in the continuation of a one-half cent sales tax to fund the Crime Control District.
- Conducted an in-depth analytical analysis of the City’s contract ambulance service and options for change. Successfully implemented a City operated ambulance service within a mandated ninety-day time frame.

### **Patrol Captain, Police and Fire Services (1988-1989)**

A command level position directly responsible for the day-to-day operations and delivery of first line police, fire, and emergency medical services to the community. Maintained staffing levels to ensure adequate personnel resources on a twenty-four hour a day basis. Responsible for the training and operation of the department’s Special Weapons and Tactics team and Reserve Police Officer’s Program.

#### **Key Contributions**

- Created a career development program for commissioned personnel.
- Initiated a new process for the testing and evaluation of candidates for the position of public safety officer.

- Developed and instituted a system that accommodated the needed shift rotation while allowing patrol personnel to attend college classes.

**Patrol Sergeant, Police and Fire Services (1984-1988)**

A first line supervisor position responsible for the activities of four public safety officers while directly delivering police, fire, and emergency medical services to the community. Served as the department's training officer.

**Key Contributions**

- Authored a grant application that resulted in the award of a five-year grant for a crime prevention officer, a new van, and related equipment.
- Co-leader of a dual city murder investigation that led to the arrest and conviction of the perpetrator.
- Instrumental in the formation of a Special Weapons and Tactics Team. Served as the team's commander for 5+ years.
- Successfully planned and executed over seventy high risk narcotic search warrants without an incident of serious injury to officers or suspects.

**Police Officer/PSO, Police and Fire Services (1982-1984)**

Delivered first line police, fire, and emergency medical services to the community. Conducted police patrols and traffic enforcement, investigated crimes, initiated arrests of suspected perpetrators, extinguished fires, and provided medical treatment to the sick and injured.

**Town of Fairview, Strategic Planning Consultant (April – November, 2000)**

Provided professional assistance to a committee of citizens and political leaders in the development of a five-year strategic plan for the Town's Public Safety Department. After a completed plan was in place assisted with the selection of a new Public Safety Director.

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**Education & Credentials**

*Master of Public Administration (2000)*  
University of North Texas, Denton, Texas  
Member Pi Alpha Alpha National Honor Society

*Bachelor of Applied Arts and Sciences (1997)*  
Interdisciplinary Studies, Criminal Justice/Management  
Dallas Baptist University, Dallas, Texas

**Specialized Training**

*F.B.I. National Academy* (2001)  
Federal Bureau of Investigation  
Quantico, Virginia

*School of Police Supervision* (1987)  
The Southwestern Law Enforcement Institute  
Richardson, Texas

### **Certifications & Licenses**

Texas Master Peace Officer License  
Texas Peace Officer Instructor License  
Texas Advanced Firefighter Certification  
F.A.A. Private Pilot License

### **Professional & Civic Organizations**

Texas Police Chief's Association (2<sup>nd</sup> Vice President)  
North Texas Police Chief's Association (Past President)  
International Association of Chiefs of Police  
Denton County Police Chief's Association  
F.B.I. Academy Associates Association  
Roanoke Lions Club (Charter Member)

# PAUL YOUNG

940-390-4685

670 W Walcott, Pilot Point, TX 76258

[pyoung@cityofpilotpoint.org](mailto:pyoung@cityofpilotpoint.org)

## Objective

Denco 911 Board

## Education

- Weatherford College 2013 – AAS Fire Administration
- Weatherford College 2013 – AAS Fire Protection Technology
- Considered for Phi Theta Kappa
- Texas Commission on Fire Protection—Master Firefighter
- Texas Commission on Fire Protection Fire Instructor II
- Texas Commission on Fire Protection Field Examiner
- UT Southwestern EMT Basic 1988
- Metrocrest Medical School—Paramedic 1995
- National Fire Academy - Fire Service Supervision 2008
- Wildland Firefighter I Red Card 2009

## Experience

### May 2014 – Present

Pilot Point City Council – Place 1

### October 1984 - March 1988 Volunteer Firefighter

Lewisville Volunteer Fire Department | Lewisville, TX

### March 1988 – September 2014 Firefighter Paramedic

Lewisville FD: Served on the Strategy and goals committee for the Lewisville Fire Department  
Trained new paramedics and assisted in continuing education for current paramedics as Field Training Officer from 2001-2006  
Acted as a Second Driver Engineer from 1990 – present  
Firefighter / Paramedic for the Lewisville Fire Department  
Fire Dispatcher May 2014 –September 2014

### 2008-2010 Chief Officer

Pilot Point Fire Department  
Division Chief of Operations, Assistant Chief and Interim Fire Chief  
Directed day to day operations, commanded emergency operations, created budget  
Oversaw final inspection and acceptance of new 2000 gallon water tender  
Chaired the Brush Truck Spec committee for Pilot Point Fire Department  
Wrote and awarded a grant for \$47,000 from the Assistance For Firefighters fund

### 2010 - 2013 Firefighter / Paramedic

Texas Motor Speedway  
On - track Firefighter / Jump Medic

### 2005 - 2010 Pit Road Medic

Texas Motor Speedway

### 1997 - 2003 Firefighter / Paramedic

Highland Village Fire Department  
Part time Firefighter / Paramedic  
Responsible for training new paramedics and newly hired fire officers  
Coordinated renovation and construction of the dormitory for the fire station  
Assisted in the transition from an all-volunteer department to a combination department  
Substituted for Captains on leave

### 1998 Paramedic

Pilot Point Ambulance Service

### 1994-1996 Volunteer Firefighter

Pilot Point Volunteer Fire Department  
Firefighter, Assistant Chief, and Captain

### Skills

- Computer literate, able to use Windows 10, MS Office 2010, mapping programs
- Working knowledge of dealing with underfunded and understaffed fire departments
- Familiarity in both rural, and suburban firefighting techniques
- Working knowledge of current dispatching systems used by Lewisville FD/PD

### Professional References

Chief Joe Florentino  
Little Elm Fire Department  
Little Elm, Tx.  
469-853-4229

Chief Ken Swindle  
Krum Fire Department  
Krum, TX  
972-571-6330

Calvin Allison (ret)  
Clear Water, Florida  
903-815-1582



# TOWN COUNCIL DATA SHEET



**Agenda Item:**

Discuss and consider approval of a resolution appointing members to the Crime Control and Prevention District.

**Staff:**

Kristi Gilbert, Town Secretary  
William Tackett, Police Chief

**Background:**

The Crime Control and Prevention District (CCPD) is a board of seven members tasked with managing the revenues generated from the ¼ cent sales tax dedicated to crime control and prevention. State law provides for two year terms that begin on September 1<sup>st</sup> of each year.

Board Members Patti Smith (appointed to unexpired term on June 28, 2016), John Crawford and Robert Seno’s terms expire September 1, 2016.

**Current Board Members Interested in Reappointment:**

Patti Smith  
John Crawford  
Robert Seno

**Other Applicants:**

None

**Recommended Motion:**

Motion to approve of a resolution appointing \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_ to of a two year term expiring September 1, 2018.

**Attachments:**

Resolution Appointing CCPD Board Members  
Applications (under separate cover)

**TOWN OF ARGYLE, TEXAS  
RESOLUTION 2016-XX**

**A RESOLUTION OF THE TOWN OF ARGYLE TOWN COUNCIL  
APPOINTING MEMBERS TO FILL TERMS EXPIRING ON SEPTEMBER  
1, 2016 ON THE CRIME CONTROL AND PREVENTION DISTRICT  
BOARD OF DIRECTORS.**

**WHEREAS**, the Town of Argyle has established a Crime Control and Prevention District to ensure the health and welfare of citizens; and

**WHEREAS**, the Town of Argyle Town Council desires to appoint a new members to the board.

**NOW THEREFORE BE IT RESOLVED BY THE TOWN COUNCIL OF THE  
TOWN OF ARGYLE, TEXAS:**

**SECTION 1.** That the following members are hereby appointed to the Crime Control and Prevention Board:

<b>NAME</b>	<b>TERM EXPIRATION</b>
1. John Crawford	September 1, 2018
2. Robert Seno	September 1, 2018
3. Patti Smith	September 1, 2018

Section 2: That the newly appointed members to the Crime Control and Prevention Board are hereby appointed for the terms stated above and until the new successors are appointed and qualified.

Section 3: That this Resolution shall take effect immediately upon passage by the Town Council.

**PASSED AND ADOPTED THIS THE 9<sup>th</sup> DAY OF AUGUST, 2016.**

**APPROVED:**

\_\_\_\_\_  
**Peggy Krueger, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Kristi Gilbert, Town Secretary**



# TOWN COUNCIL DATA SHEET



## Agenda Item:

Consider approval of a Resolution authorizing the Town Manager to execute a development agreement between the Town of Argyle and Terra Manna, LLC for the Waterbrook Development located on the Southeast corner of FM 407 and US 377

## Requested by:

Mr. Paul Frederiksen, Town Manager

Mr. Trent Petty, Petty & Associates, Town ED Consultant

## Background:

In order to begin the process of development for the Waterbrook project, staff recommends that the Town Council execute the attached development agreement in order to memorialize the expectations of the parties as this project unfolds. Development agreement components call out the expectations related to creating the PID as well as creating the TIF overlay which will be used to buy down the PID assessment on the project. This model will be further explained at our work session prior to the Council meeting by Mr. Petty. Attached to the development agreement are several exhibits including; the legal description, the property depiction, the on and offsite public improvements, the necessary offsite easements, the initial description of the PID bond structure and the TIRZ funding model. The goal of the development agreement is that both parties start the process on the same page with the same expectations as we move through this complex project. There are several salient deal points that warrant highlighting for the Council

1. The PID and TIRZ are both necessary for this project due to the cost of the S1 sewer line and property acquisition.
2. The term of the TIRZ and PID will be 30 years.
3. As modeled, the project does provide a positive revenue stream to the Town sufficient to cover operating expenses with a varying degree of surplus annually.
4. There are performance based sales tax contributions to the project included in the TIRZ model that will be reimbursed to the Developer via a separate 380 Agreement. **All** sales tax reimbursements are performance based in that they will not be paid unless the commercial and retail components of the development occur and produce according to the estimates.
5. Denton County has not yet expressed support for the TIRZ nor do we know what level of support they may be willing to pledge if any. Therefore Denton County support has been conservatively estimated for illustration purposes only and should not be assumed to represent Denton County's ultimate decision as to whether or not to participate. As such;
6. The Development Agreement is intended to establish broad deal point parameters which will be subject to review and possible alteration contingent upon the consent of the Council as the project progresses.

**Financial Impact:**

The cost of the preparation of the development agreement and review by Town staff and consultants is being born by the applicant.

**Staff Recommendation:**

Approval.

**Requested Action:**

Approval.

**Attachments:**

Development Agreement (under separate cover)

TOWN OF ARGYLE, TEXAS  
RESOLUTION NO. 2016-XX

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF ARGYLE, TEXAS APPROVING AND AUTHORIZING THE TOWN MANAGER TO EXECUTE A DEVELOPMENT AGREEMENT BETWEEN THE TOWN OF ARGYLE, TEXAS AND TERRA MANNA, LLC FOR THE WATERBROOK DEVELOPMENT

WHEREAS, the Town of Argyle, Texas (the "Town") is a general law municipal corporation duly organized and validly existing under the laws of the State of Texas located within Denton County, Texas;

WHEREAS, Terra Manna, LLC (the "Developer") is a Texas limited liability corporation whose principal office is located within Denton County, Texas;

WHEREAS, the Developer plans to develop approximately 105.35-acres of land within the Town's corporate limits to be known as the "Waterbrook" development which will require the construction of certain public infrastructure improvements (the "Public Improvements");

WHEREAS, the Town Council of the Town (the "Town Council") has reviewed the proposed Development Agreement between the Town and the Developer (the "Development Agreement"), a copy of which is attached hereto as *Exhibit A* and is incorporated by reference for all purposes, that, among other things, provides for the construction and financing of the Public Improvements; and

WHEREAS, upon full review and consideration of the Development Agreement and all matters attendant and related thereto, the Town Council is of the opinion that the terms and conditions thereof are in the best interests of the Town and its citizens and should be approved, and that the Town Manager should be authorized to execute the Development Agreement on behalf of the Town and Town staff should be authorized to take such actions as may be required to effect the purposes of the Development Agreement.

NOW THEREFORE BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF ARGYLE, TEXAS, THAT:

SECTION 1. The recitals set forth in the WHEREAS clauses of this Resolution are true and correct and are incorporated as part of this Resolution.

SECTION 2. The Town Council has reviewed the terms and conditions of the Development Agreement and finds such terms and conditions to be acceptable and in the best interests of the Town and its citizens, and the Development Agreement is hereby approved.

SECTION 3. The Town Manager is hereby authorized to execute the Development Agreement, for and on behalf of the Town, and Town staff is hereby authorized and instructed to take all such actions necessary to execute, verify, acknowledge, certify to, file and deliver all such instruments and documents as shall in the judgment of the Town Manager be appropriate in order to effect the purposes of the foregoing resolution.

SECTION 4. This Resolution shall become effective from and after its date of passage in accordance with law.

PASSED AND APPROVED BY THE TOWN COUNCIL OF THE TOWN OF ARGYLE, TEXAS,  
THIS 9th DAY of AUGUST, 2016.

\_\_\_\_\_  
Peggy Krueger, Mayor

ATTEST:

\_\_\_\_\_  
Kristi Gilbert, Town Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
Matthew Boyle, Town Attorney

**EXHIBIT A**  
**DEVELOPMENT AGREEMENT**