



# Welcome to the July 30, 2024, Prosper Town Council Work Session



# Call to Order/Roll Call



# Agenda Item 1.

Discuss the Preliminary FY 2024-2025 Budget. (CL)

# Town Council Strategic Visioning Priorities



**1**

## ACCELERATION OF INFRASTRUCTURE

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



**2**

## DEVELOPMENT OF DOWNTOWN PROSPER AS A DESTINATION

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



**3**

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

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



**4**

## CONTINUE TO PROVIDE EXCELLENT MUNICIPAL SERVICES

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



**5**

## WORK TOWARDS A GROWING AND DIVERSIFIED TAX BASE

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



# Historical Property Valuation

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



# Benchmarking Fiscal Year 2023-2024

Entity	Homestead Exemption Rate	General Fund	Capital Dedicated	I&S	Total Tax Rate	Equivalent Tax Rate for Homestead	Freeze
Anna	5.0%	0.365930	-	0.144787	0.510717	0.485181	No
Celina	None	0.315878	-	0.296276	0.612154	0.612154	Yes
Coppell	5.0%	0.421666	-	0.070152	0.491818	0.467227	No
Flower Mound	12.5%	0.343173	-	0.044127	0.3873	0.338888	No
Frisco	15.0%	0.289263	-	0.142942	0.432205	0.367374	Yes
Keller	20.0%	0.260403	-	0.051597	0.312	0.2496	Yes
Little Elm	None	0.486416	-	0.143484	0.6299	0.6299	Yes
McKinney	None	0.286688	-	0.140825	0.427513	0.427513	No
Southlake	20%	0.264	-	0.055	0.319	0.2552	Yes
Average of Comparison	8.61%	0.336616	-	0.126645	0.463261	0.425893	-
Prosper (Current)	15.0%	0.230742	0.102	0.177258	0.51	0.4335	Yes
Prosper (Preliminary)	17.5%	0.22841	0.10	0.176590	0.505	0.416625	Yes

Tax Year 2024; Fiscal Year 2024-2025



# General Fund Staffing

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



# Other Funds Staffing

## Water/Wastewater Fund

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

## Stormwater Drainage Fund

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

# Market Study

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

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



# Non-Discretionary Packages

- Year 3 of ERP implementation \$344,538
- Flock Management Software Subscription (Grant) - \$160,000
- Collin County, Collin CAD, Denton CAD Service increase - \$109,000
- Technology refresh and software license increase - \$140,845
- Fire apparatus maintenance - \$50,000
- MUTD Transit Service - \$6,700
- Taser replacements - \$16,148
- Library Collection Expansion - \$15,466
- Increase in Training - \$36,000
- Special Event OT, Essential equipment for new Parks and Medians - \$88,000

# Discretionary Packages

- Comprehensive Compensation and Benefits Study-\$65,000
- IT Security and Other Enhancements(Grant Applications)-\$274,419
- Repairs and Maintenance(Street Signs, Facilities, Playground)-\$298,102
- New Parks and Median Maintenance-\$362,000
- Special Event Funding Increase - \$90,050
- Emergency Defibrillators at Parks - \$20,000
- Facility Management Work Order System - \$41,600 (one-time)
- Public Safety:
  - Radio Replacement (Year 1 of 4)-\$91,628
  - Online Paramedics School - \$41,250
  - Public Safety Equipment(Grant) - \$79,163
  - Reclass to Deputy Chief (4/1/2025) - \$80,736
  - Public Safety Mental (Grant) and Physical Health - \$70,596

# New Parks and Median Maintenance

- Increase from 335 to 421 (26%) maintained acres of parkland
- \$915,200 in Requests for New Parks and Median Maintenance:
  - Utility Increase (Electricity, Water) - \$275,000
  - Contract Mowing - \$475,200
  - Supplies (Plants, Seed, Fertilizer)-\$165,000
- \$362,000 approved increase in Parks Budget
- Remainder of \$553,200 absorbed by Parks Budget or included in Contingency Package

# Contingency Package

- Contingent amount of \$350,000 budgeted at Town Manager authorization required
- Not all expenditures will be realized
- Items totaling \$781,883 included:
  - Additional FLOCK Safety program expansion(Grant)
  - Information Technology Security Enhancements
  - Parks Project Consultant Fees
  - Parks Comprehensive Strategic Plan(Grant)
  - Additional New Park and Median Maintenance
    - Mowing
    - Water and Electricity
    - Plant replacement
- Unused contingent amount can either roll to fund balance or transfer to CIP Funds



# Grant Applications

Department	Description	Status	Expected Award Notification	Total Project	Total Funding Requested	Cost Share	Total Awarded	Non-Local Cost Share	Local Cost Share	Notes
<b>Pending Applications</b>										
Police	FY25 TXDOT-STEP-COMP (Traffic Safety-O.T.)	Applied December 2023	Aug-24	\$ 15,073.38	\$ 11,959.20	80/19	\$ -	\$ 11,959.20	\$ 3,114.18	Annual application
Police	PY25 Victim Assistance, General Victim Assistance (Crime Victim Advocate)	Applied February 7, 2024	Sep-24	\$ 87,500.00	\$ 70,000.00	80/20	\$ -	\$ 70,000.00	\$ 17,500.00	Year 2 of 3. Recommended for \$70,000 by NCTCOG.
Police	PY2025 Rifle-Resistant Body Armor Grant Program - Patrol Rifle Plates	Applied February 6, 2024	Sep-24	\$ 33,019.00	\$ 33,019.00	0	\$ -	\$ 33,019.00	\$ -	Administratively decreased to \$14848.44 by the OOG
Fire	SAFER FY23	Applied April 9, 2024	Sep-24	\$ 4,913,100.00	\$ 4,913,100.00	0	\$ -	\$ 4,913,100.00	\$ -	Approval to apply was given by TM, and item will go to Council if awarded. 3 year award.
Police	FY24 Motor Vehicle Crime Prevention Authority SB224 Catalytic Converter Grant Second Solicitation	Applied May 9, 2024	Jul-24	\$ 119,000.00	\$ 95,200.00	80/20	\$ -	\$ 95,200.00	\$ 23,800.00	Application approved by Council 6/25/2024. Approved by the board, awaiting award letter.
Police	FY25 Motor Vehicle Crime Prevention Authority SB224 Catalytic Converter Grant	Applied June 20, 2024	Jul-24	\$ 88,250.00	\$ 70,600.00	80/20	\$ -	\$ 70,600.00	\$ 17,650.00	Application approved by Council 6/25/2024. Approved by the board, awaiting award letter.
Police	FY 25 Motor Vehicle Crime Prevention Authority Taskforce Grant	Applied May 28, 2024	Oct-24	\$ 358,000.00	\$ 286,400.00	80/20	\$ -	\$ 286,400.00	\$ 71,600.00	Application approved by Council 6/25/2024. Recommended for funding, board will announce awards October 16, 2024.
IT	State and Local Cybersecurity Grant Program Assessment & Evaluation - Water Dept. Operational Technology Infrastructure	Applied March 14, 2024	Sep-24	\$ 50,000.00	\$ 45,000.00	90/10	\$ -	\$ 45,000.00	\$ 5,000.00	In budget, will go to Council if awarded. No Resolution required with application.
IT	State and Local Cybersecurity Grant Program Mitigation - Town Hall Uninterruptable Power Supply Infrastructure Improvements	Applied March 14, 2024	Sep-24	\$ 25,000.00	\$ 22,500.00	90/10	\$ -	\$ 22,500.00	\$ 2,500.00	In budget, will go to Council if awarded. No Resolution required with application.
IT	State and Local Cybersecurity Grant Program Governance and Planning - ToP IT Dept. Strategic Plan	Applied March 14, 2024	Sep-24	\$ 80,000.00	\$ 72,000.00	90/10	\$ -	\$ 72,000.00	\$ 8,000.00	In budget, will go to Council if awarded. No Resolution required with application.
IT	State and Local Cybersecurity Grant Program Mitigation - ToP ZTNA Implementation Project	Applied March 14, 2024	Sep-24	\$ 35,000.00	\$ 31,500.00	90/10	\$ -	\$ 31,500.00	\$ 3,500.00	In budget, will go to Council if awarded. No Resolution required with application.
Police	FY24 Law Enforcement Mental Health and Wellness Act (LEMHWA) Implementation Projects	Applied April 15, 2024	FY24/25	\$ 100,000.00	\$ 100,000.00	0	\$ -	\$ 100,000.00	\$ -	In budget, will go to Council if awarded. No Resolution required with application. 2 year award, \$50,000 per year
Police	Firehouse Subs	Applied July 11, 2024	FY24/25	\$ 49,074.06	\$ 49,074.06	0	\$ -	\$ 49,074.06	\$ -	21 AEDs. If approved, Firehouse will pay vendor directly.
Parks	RAYMOND COMMUNITY TRAIL / BRIDGE COLLIN CO GRANT REQUEST	Applied July 3, 2024	FY24/25	\$ 848,122.00	\$ 400,000.00	50/50	\$ -	\$ 400,000.00	\$ 448,122.00	Approved by Council June 25. Needs Resolution with Application. Cost share is not an exactly 50/50 because we are paying costs of the project that are not covered, but are still allowed to be considered in our cost share.
Parks	PECAN GROVE TRAIL COLLIN CO GRANT REQUEST	Applied July 3, 2024	FY24/25	\$ 248,798.00	\$ 120,000.00	50/50	\$ -	\$ 120,000.00	\$ 128,978.00	Approved by Council June 25. Needs Resolution with Application. Cost share is not an exactly 50/50 because we are paying costs of the project that are not covered, but are still allowed to be considered in our cost share.
Parks	WHITLEY PLACE MEADOW PARK PAVILION COLLIN CO GRANT REQUEST	Applied July 3, 2024	FY24/25	\$ 218,130.00	\$ 100,000.00	50/50	\$ -	\$ 100,000.00	\$ 118,130.00	Approved by Council June 25. Needs Resolution with Application. Cost share is not an exactly 50/50 because we are paying costs of the project that are not covered, but are still allowed to be considered in our cost share.
	<b>TOTAL</b>			<b>\$ 7,268,066.44</b>	<b>\$ 6,420,352.26</b>		<b>\$ -</b>	<b>\$ 6,420,352.26</b>	<b>\$ 847,894.18</b>	
<b>Awarded for FY25</b>										
Parks	TXDOT - Green Ribbon Project	Awarded 10/2021		\$ 1,100,000.00	\$ 1,100,000.00	0	\$ 1,877,105.00	\$ 1,877,105.00	\$ -	Awarded FY22. Project pushed to FY25 by TxDOT due to lighting project on 380 from Preston to Mahard. Will bid Aug/Sep 2024, awaiting TxDOT approval to publish
Police	FY23 COPS CHP	Awarded 11/2/23		\$ 3,004,191.00	\$ 1,125,000.00	37.45/62.55	\$ 625,000.00	\$ 625,000.00	\$ 1,043,995.00	Awarded FY24. 9 positions requested. 5 positions awarded. Will start 10/1/25 if approved in FY25 budget
	<b>TOTAL</b>			<b>\$ 4,104,191.00</b>	<b>\$ 2,225,000.00</b>		<b>\$ 2,502,105.00</b>	<b>\$ 2,502,105.00</b>	<b>\$ 1,043,995.00</b>	

# Debt Service Fund

- Add Series 2024 authorized by Council - \$36.407 Million
- Redeem Series 2014 - \$600,000 (\$140,000 savings)
- \$152 million available for 2025 Bond Election
- Reduces I&S Rate from 0.177258 to 0.176590
- 35% I&S percentage of total Tax Rate (below 40%)
- Outstanding Total Debt of \$228,582,000 at end of FY24-25
- 2.4% Outstanding Total Debt as a percentage of TAV (below 4%)
- \$5,366 Outstanding Total Debt per Capita



# TOWN OF PROSPER

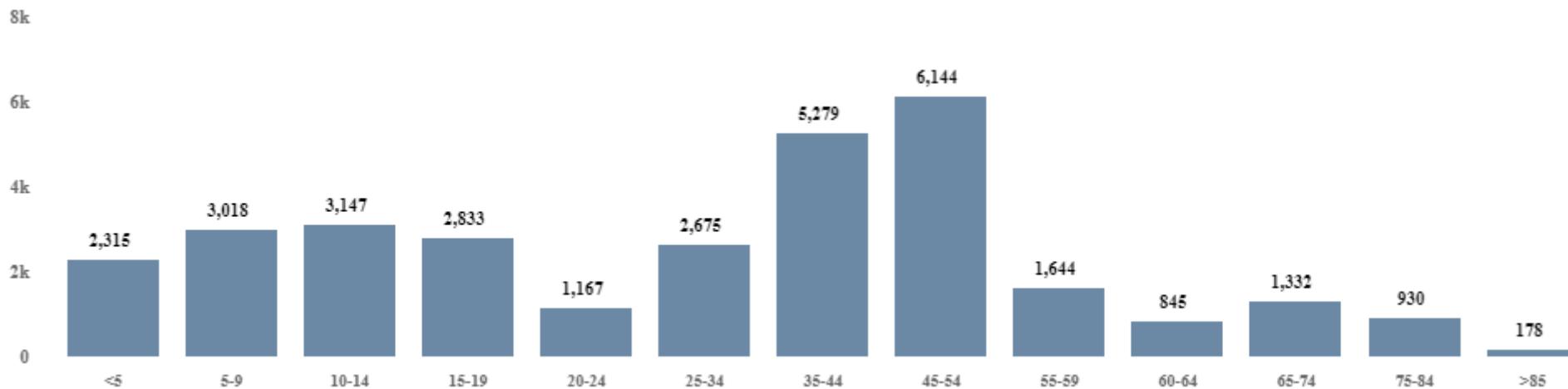
# Debt Service Fund

# Future Considerations

- Managing Revenue, Taxable Assessed Value, and Levy
  - Maximizing Future Land Uses
  - Homestead Exemption vs. Tax Rate Reduction
  - Growing impact of Senior Freeze
  - Future Value Increases
    - \$1.12 billion in Ag Exemption (Productivity Loss)
    - \$1.06 billion in Homestead Cap Loss
  - Review Fees for Service
  - Future economy
- Planning for Long-term Operational and Capital Needs
  - Next Bond Program
  - Future Uses of Capital Dedicated Levy
  - Repairs for aging facilities and infrastructure
  - Additional responsibilities of reaching 50,000 in population

# Prosper Population by Age Histogram

Population by Age Group



\*Data Source: American Community Survey: 5-year estimates

- 35% - 19 or below
- 8% - 65+
- Expect substantial increase in 65+ starting in 10 years

Fiscal Year	Count	Frozen TAV	Revenue
2019-2020	840	335,094,744	1,489,706
2020-2021	988	406,343,272	1,838,163
2021-2022	1,108	490,027,668	2,139,144
2022-2023	1,250	578,031,097	2,514,921
2023-2024	1,380	694,525,568	2,955,456
2024-2025	1,561	854,677,199	3,504,700

## Executive Session

- Section 551.087 – To discuss and consider economic development incentives and all matters incident and related thereto.
- Section 551.072 – To discuss and consider the purchase, exchange, lease, or value of real property for municipal purposes and all matters incident and related thereto.
- Section 551.074 – To discuss and consider personnel matters and all matters incident and related thereto.
- Section 551.071 – Consultation with the Town Attorney to discuss legal issues associated with any agenda item.



The Town Council will reconvene after Executive Session.

# Reconvene into Work Session



# Adjourn