



A G E N D A
REGULAR MEETING OF THE
HIGHLAND VILLAGE CITY COUNCIL
HIGHLAND VILLAGE MUNICIPAL COMPLEX
1000 HIGHLAND VILLAGE ROAD, HIGHLAND VILLAGE, TEXAS
TUESDAY, MARCH 10, 2026 at 6:00 P.M.

EARLY WORK SESSION
Training Room – 6:00 P.M.

Convene Meeting in Open Session

1. Continue Discussion regarding the Roles and Responsibilities of the City of Highland Village Appointees serving on the Denton County Transportation Authority (DCTA) Board of Directors, and Discussion of Future Denton County Transportation Authority Service Plans
2. Clarification of Consent or Action Items listed on Today's City Council Meeting Agenda for March 10, 2026

(Items discussed during Early Work Session may be continued or moved to Open Session and/or Late Work Session if time does not permit holding or completing discussion of the item during Early Work Session.)

CLOSED SESSION
Training Room

3. Hold a Closed Meeting in accordance with the following Section(s) of the Texas Government Code:
 - (a) Section 551.071 – Consultation with City Attorney Concerning Pending or Contemplated Litigation and/or any Matter including, but not limited to, any Regular Session or Work Session Agenda Item Requiring Confidential, Attorney/Client Advice Necessitated by the Deliberation or Discussion of Said Item (as needed)
 - (b) Section 551.074 – Personnel – Deliberate the Employment and Evaluation of the City Manager and City Secretary

OPEN SESSION
City Council Chambers – 7:00 P.M.

4. Call Meeting to Order
5. Prayer led by Councilmember Shawn Nelson

We are committed to promoting a spirit of integrity, partnership and excellence of service for the benefit of our citizens, guests and neighboring communities; to ensure that Highland Village continues to be a vital and dynamic city with a vision for the future.

6. **Pledge of Allegiance to the U.S. and Texas flags led by Councilmember Shawn Nelson:** *“Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.”*
7. **Mayor and Council Reports on Items of Community Interest pursuant to Texas Government Code Section 551.0415** the City Council may report on the following items: (1) expression of thanks, congratulations or condolences; (2) information about holiday schedules; (3) recognition of individuals; (4) reminders about upcoming City Council events; (5) information about community events; and (6) announcements involving imminent threat to public health and safety
8. **City Manager/Staff Reports**
 - **The Village Report**
9. **Visitor Comments** *(Anyone wishing to address the City Council must complete a Speakers’ Request Form and return it to the City Secretary. In accordance with the Texas Open Meetings Act, the City Council is restricted in discussing or taking action on items not posted on the agenda. Action on your statement can only be taken at a future meeting. In order to expedite the flow of business and to provide all visitors the opportunity to speak, the Mayor may impose a three (3) minute limitation on any person addressing the City Council. A thirty (30) minute time allotment is set for this section, and the remaining speakers will be heard at the end of the Action Agenda.)*

Anyone wishing to address the City Council on any item posted on the City Council agenda for possible action, including matters placed on the Consent Agenda or posted as a Public Hearing, must complete a Speakers’ Request Form available at the entrance to the City Council Chambers and present it to the City Secretary prior to the Open Session being called to order. Speakers may be limited to three (3) minutes and given only one opportunity to speak on an item. Other procedures regarding speaking on matters posted for action on the City Council agenda are set forth on the Speakers’ Request Form. Subject to applicable law, the City Council reserves the right to modify or waive at any time the procedures relating to members of the public speaking on matters placed the Council’s agenda.

CONSENT AGENDA

All of the items on the Consent Agenda are considered for approval by a single motion and vote without discussion. Each Councilmember has the option of removing an item from this agenda so that it may be considered separately and/or adding any item from the Action Agenda to be considered as part of the Consent Agenda items. An item will be moved to the Action Agenda for discussion if a Speaker’s Request Form is submitted indicating the person desires to comment on an item posted on the Consent Agenda.

10. **Consider approval of Minutes from the Regular City Council Meeting held on January 13, 2026**
11. **Receive Budget Report for Period ending January 31, 2026**

ACTION AGENDA

12. **Take action, if any, on Matters discussed in Closed Session in accordance with the following Section(s) of the Texas Government Code:**
 - (a) **Section 551.071 – Consultation with City Attorney Concerning Pending or Contemplated Litigation and/or any Matter, including, but not limited to, any Regular Session or Work Session Agenda Item Requiring Confidential, Attorney/Client Advice Necessitated by the Deliberation or Discussion of Said Item (as needed)**

(b) Section 551.074 – Personnel – Deliberate the Employment and Evaluation of the City Manager and City Secretary

13. Consider Resolution 2026-3234 authorizing the City Manager to enter into a Funding Agreement with the Highland Village Community Development Corporation Regarding the Use of Type B Sales Tax Funds for the Doubletree Ranch Park Shade Structure Replacement Project
14. Consider Resolution 2026-3235 authorizing the City Manager to enter into a Funding Agreement with the Highland Village Community Development Corporation Authorizing Use of Type B Sales Tax Funds for Projects Approved in the HVCDC FY 2025-26 Budget

LATE WORK SESSION

(Items may be discussed during Early Work Session, time permitting)

15. Status Reports on Current Projects and Discussion on Future Agenda Items (A Councilmember may inquire about a subject of which notice has not been given. A statement of specific information or the recitation of existing policy may be given. Any deliberation shall be limited to a proposal to place the subject on an agenda for a subsequent meeting.)
16. Adjournment

I HEREBY CERTIFY THAT THIS NOTICE OF MEETING WAS POSTED ON THE PUBLIC BULLETIN BOARD AT THE MUNICIPAL COMPLEX, 1000 HIGHLAND VILLAGE ROAD, HIGHLAND VILLAGE, TEXAS IN ACCORDANCE WITH THE *TEXAS GOVERNMENT CODE, CHAPTER 551*, ON THE 4TH DAY OF MARCH 2026.



Angela Miller, City Secretary

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's Office at (972) 899-5132 for additional information.

Removed from posting on the _____ day of _____, 2026 at _____
am / pm by _____.



CITY COUNCIL MEMORANDUM AGENDA ITEM 1

MEETING DATE: February 10, 2026

SUBJECT: Continue Discussion regarding the Roles and Responsibilities of the City of Highland Village Appointees serving on the Denton County Transportation Authority (DCTA) Board of Directors, and Discussion of Future Denton County Transportation Authority Service Plans

PREPARED BY: Paul Stevens, City Manager

BACKGROUND

Council received an update from Paul Cristina, Chief Executive Officer (CEO) and President of the Denton County Transportation Authority (DCTA) at the workshop held on November 8, 2025. The discussion continued at the December 9, 2025 Council meeting. The consensus at the December 9th meeting was to provide roles and expectations to the Highland Village DCTA Board Representative. Included in this packet is an outline of roles and expectations for Council discussion.

BUDGETARY IMPACT

None

RECOMMENDATION

To develop a set of roles and expectations for the Highland Village DCTA Board Representative.

GUIDELINES AND RESPONSIBILITIES
FOR
CITY OF HIGHLAND VILLAGE APPOINTEE TO THE
DENTON COUNTY TRANSPORTATION AUTHORITY (DCTA) BOARD OF DIRECTORS

The City of Highland Village, by virtue of being a Founding Municipality of the Denton County Transportation Authority (DCTA), is a voting member of the DCTA Board of Directors. The City Council is authorized to appoint one Board of Director and one alternate for a term of two years. The appointment is made in November of odd-numbered years. The alternate member serves only in the absence of the regular appointed Board Member.

The Board is composed of a member of each founding municipality (Denton, Highland Village and Lewisville), and two members appointed by the Denton County Commissioners Court, for a total of five voting members.

Eligibility

To be eligible for appointment to the Board, a person must:

- (i) Have professional experience in the field of transportation, business, government, engineering, or law: and
- (ii) Reside in the territory of the Authority

Vacancy

A vacancy on the Board of the Highland Village representative is filled in the same manner as the original appointment of the Board. A Board Member appointed to a vacant position shall be appointed for the unexpired term of the Board Member's predecessor in the position.

Meetings

The Board generally meets once a month on the fourth Thursday at 10 A.M. Special meetings of the Board may be called by the Chair as necessary.

Roles and Responsibilities

In addition to the roles and responsibilities of the DCTA Bylaws, the Highland Village Representative shall have the following:

- In conjunction with the Chief Executive Officer (CEO) of DCTA, present to City Council on a _____ (semi-annual or annual basis?), an update of DCTA ridership, capital projects, potential new DCTA members, efficiency analysis, and other pertinent information.
- Inform the City Council of any service changes impacting DCTA service delivery to Highland Village.

- Inform the City Council of proposed changes to the Transportation Reinvestment Program (TRiP)
- Relay City Council requests to the appropriate DCTA leadership and respond to City Council accordingly
- Advocate the City of Highland Village's position on transportation-related issues to the DCTA Board of Directors
- Must attend DCTA Board meetings on a regular basis. In the event of an absence, inform the alternate member so Highland Village will have a voting representative.
- Become well-versed in the operations of DCTA

DCTA Board Member roles and responsibilities to discuss

- Work closely with City Council members, DCTA staff, and community stakeholders to gather insights and foster a collaborative approach to transportation issues affecting Highland Village.
- Actively engage with the Highland Village community to understand their perspectives on transportation issues and incorporate feedback into discussions with DCTA.
- Promote and advocate for the transportation needs of Highland Village residents as directed by City Council. This includes articulating the needs and concerns of the community that supports the City's financial health, infrastructure planning and land use policies.
- Assist City Council members with requests for information from the DCTA.
- Inform the City Council of proposed changes to the Transportation Reinvestment Program (TRiP)
- Keep the City Council informed of any service changes that may affect DCTA's service delivery to Highland Village. This information shall be presented to the City Council a minimum of 30 days prior to the service changes being voted on by DCTA. This ensures transparency and allows Council members to communicate changes to constituents effectively and vote on a resolution, if necessary, documenting the council's position on the service change.
- Provide a presentation on new voting member applications within 30 days of the application to become a new voting member. The presentation should include the financial terms of the membership.
- On a monthly basis, provide Highland Village resident rider data. The data report should include: the number of unique riders per month for DCTA services, including the A-trains, buses and the Go-Zone and the number of residents per month that have purchased services online or on the app for the A-train, Go-Zone, and bus. The City Council cannot advocate to improve services and accessibility

if the City Council currently does not know how many residents are utilizing the DCTA services.

- On a quarterly basis, the DCTA board member updates the City Council on the following: update on total DCTA ridership, capital projects, ongoing DCTA studies, potential new DCTA members, debt service owed by the City of Highland Village, efficiency analysis, and other pertinent information.
- On a semiannual basis provide a report of contracted services for all non-voting member cities and non-member cities (including those outside of Denton County). The report should include the contract length, contract amount and the amount of the contract being funded directly by the City excluding grants and state and federal dollars.

City Council roles and responsibilities to discuss

- The structure allows DCTA to operate effectively while addressing the specific transportation needs of each member city. DCTA member cities are essential for ensuring local needs and concerns are represented in transit decisions.
- It is the responsibility of the Highland Village City Council to clearly communicate the concerns of the Highland Village residents to DCTA through the appointed board member.
- Citizen outreach through citizen surveys and community transportation workshops are ways to solicit meaningful citizen feedback.
- An effective way to convey this information to DCTA includes regular communication on infrastructure planning and land use policies is through approved resolutions.

Some resolutions the City Council may include:

- Proposed changes to the Transportation Reinvestment Program (TRiP).
- City of Highland Village's position on transportation-related issues affecting Highland Village residents.
- Proposed changes to services impacting Highland Village residents.
- The City's position on advocating to allow citizens to vote on continued DCTA membership.
- The City's position on when to require a city to become full voting member of DCTA after receiving contracted services for more than three years.



CITY COUNCIL MEMORANDUM AGENDA ITEM 7

MEETING DATE: March 10, 2026

SUBJECT: Mayor and Council Reports on Items of Community Interest

PREPARED BY: Valerie Strubelt, Deputy City Secretary

BACKGROUND

Pursuant to Texas Government Code Section 551.0415, the City Council may report on the following items: (1) expression of thanks, congratulations or condolences; (2) information about holiday schedules; (3) recognition of individuals; (4) reminders about upcoming City Council events; (5) information about community events; and (6) announcements involving imminent threat to public health and safety.

BUDGETARY IMPACT

N/A

RECOMMENDATION

N/A



CITY COUNCIL MEMORANDUM AGENDA ITEM 10

MEETING DATE: March 10, 2026

SUBJECT: Consider approval of Minutes of the Regular City Council Meeting held on January 13, 2026

PREPARED BY: Angela Miller, City Secretary

BACKGROUND

Minutes are approved by a majority vote of Council and listed on the Consent Agenda.

Council is encouraged to contact the City Secretary's Office prior to the meeting if there are any suggested changes. Upon doing so, staff can make suggested changes and the minutes may be left on the Consent Agenda in order to contribute to a time efficient meeting. If the change is substantial in nature, a copy of the suggested change will be provided to Council for consideration prior to the vote, or could be moved to a future meeting for approval.

The City Council should review and consider approval of the minutes. Council's vote and approval of the minutes reflect agreement with the accuracy of the minutes.

BUDGETARY IMPACT

N/A

RECOMMENDATION

To approve minutes of the Regular City Council Meeting held on January 13, 2026.



**MEETING MINUTES OF THE REGULAR MEETING
HIGHLAND VILLAGE CITY COUNCIL
HIGHLAND VILLAGE MUNICIPAL COMPLEX
1000 HIGHLAND VILLAGE ROAD, HIGHLAND VILLAGE, TEXAS
TUESDAY, JANUARY 13, 2026**

EARLY WORK SESSION

Mayor Wilcox called the meeting to order at 6:00 p.m.

Present: Charlotte J. Wilcox Mayor
Jon Kixmiller Councilmember
Kevin Cox Councilmember
Shawn Nelson Councilmember
Robert Fiester Deputy Mayor Pro Tem
Rhonda Hurst Councilmember
Brian A. Fiorenza Mayor Pro Tem

Staff Members: Paul Stevens City Manager
Kevin Laughlin City Attorney
Angela Miller City Secretary
Heather Miller Finance Director
Doug Reim Chief of Police
Scott Kriston Public Works Director
Phil Lozano Parks and Recreation Director
Kim Lopez Human Resources Director
Sunny Lindsey Information Services Director
Laurie Mullens Marketing and Communications Director

1. Continue Discussion regarding the Roles and Responsibilities of the City of Highland Village Appointees serving on the Denton County Transportation Authority (DCTA) Board of Directors, and Discussion of Future Denton County Transportation Authority Service Plans

Councilmember Hurst reported she has been gathering data, including information provided from City Manager Stevens, and has also contacted members from seven other transportation agencies. She stated that once she organizes and reviews all of the data and information, she will provide a presentation at a future Council meeting.

Mayor Wilcox asked if any members of Council had anything to add. Regarding service plans, Councilmember Nelson spoke regarding adding a service area to the medical district in Flower Mound that would allow Highland Village riders access to that area via the use of GoZone. He pointed out having to modify the service since GoZone would no longer be picking up rider(s) at a designated location but rather picking up riders from their homes. Relating to increasing ridership on the A-Train, he stated there isn't a viable way to get a large number of riders from Highland Village over to the train station since bus

service is no longer provided. He also reported, should train ridership increase, there is not enough parking at the station. Mayor Pro Tem Fiorenza stated getting to the train station has been a challenge, even when there was bus service.

Councilmember Nelson suggested allowing expanding the allowed uses of TRiP Funds, perhaps for police and fire rather than just on such a limited use. Mayor Wilcox asked if the funds could be used for public safety. City Attorney Laughlin stated their policies and procedures would need to be reviewed to determine that, adding the funds typically have to be related to intermodal transportation uses. Councilmember Hurst asked if they could be used for roads. City Manager Stevens reported projects have to be consistent with the DCTA Long Range Service Plan.

City Manager Stevens reported he had provided Councilmember Hurst with the section in the Transportation Code relating to DCTA, the DCTA bylaws, and a draft document that includes the DCTA Board of Director Responsibilities as it relates to term, eligibility, and meetings. City Council received a copy of the draft document. With one item referring to a semi-annual or annual presentation to City Council, Deputy Mayor Pro Tem Fiester asked Council if that was often enough, and suggested a quarterly update. Several members of Council agreed with a quarterly update. Councilmember Hurst stated she thought about creating a checklist of data to be included our DCTA Representative's update to City Council, along with any presentations on anything new or out of the ordinary that should be shared.

Mayor Wilcox suggested an item be included on the meeting agenda for February 10 in order to continue discussion on this topic; Councilmember Hurst agreed.

2. Clarification of Consent or Action Items listed on Today's City Council Meeting Agenda for January 13, 2026

Regarding Agenda Item #14, Councilmember Nelson asked if there was any updated information with regard to the Lewisville Walmart and the number of trips that are made, and if there have been any flight issues. City Manager Stevens reported representatives from Walmart and Wing would be at tonight's regular City Council meeting.

Councilmember Hurst asked if this use was incorporated into our zoning ordinance and if any subsequent adverse incidents were to occur, would there be a mechanism to revoke or rescind the permitted use. She reported when the use of drones was approved, the City of College Station also included a review process after a certain amount of time, and that upon review, the city discontinued all drone delivery. City Attorney Laughlin stated it would become a nonconforming use. He further explained that once the use has been established and conditions are placed on that use, for all intensive purposes you have determined it's an appropriate land use.

CLOSED SESSION

Council convened into Closed Session at 6:24 p.m.

- 3. Hold a Closed Meeting in accordance with the following Section(s) of the Texas Government Code:**
- (a) Section 551.071 – Consultation with City Attorney Concerning Pending or Contemplated Litigation and/or any Matter including, but not limited to, any Regular Session or Work Session Agenda Item Requiring Confidential, Attorney/Client Advice Necessitated by the Deliberation or Discussion of Said Item (as needed)**

Council concluded Closed Session at 6:56 p.m. Early Work Session adjourned at 6:57 p.m.

OPEN SESSION

4. **Call Meeting to Order**

Mayor Wilcox called the meeting to order at 7:30 p.m.

Present:	Charlotte J. Wilcox	Mayor
	Jon Kixmiller	Councilmember
	Kevin Cox	Councilmember
	Shawn Nelson	Councilmember
	Robert Fiester	Deputy Mayor Pro Tem
	Rhonda Hurst	Councilmember
	Brian A. Fiorenza	Mayor Pro Tem

Staff Members:	Paul Stevens	City Manager
	Kevin Laughlin	City Attorney
	Angela Miller	City Secretary
	Heather Miller	Finance Director
	Doug Reim	Chief of Police
	Scott Kriston	Public Works Director
	Kim Lopez	Human Resources Director
	Laurie Mullens	Marketing and Communications Director

5. **Prayer led by Mayor Charlotte J. Wilcox**

Mayor Wilcox gave the invocation.

6. **Pledge of Allegiance to the U.S. and Texas flags led by Mayor Charlotte J. Wilcox**

Mayor Wilcox led the Pledge of Allegiance to the U.S. and Texas flags.

7. **Mayor and Council Reports on Items of Community Interest pursuant to Texas Government Code Section 551.0415 the City Council may report on the following items: (1) expression of thanks, congratulations or condolences; (2) information about holiday schedules; (3) recognition of individuals; (4) reminders about upcoming City Council events; (5) information about community events; and (6) announcements involving imminent threat to public health and safety**

No items were presented.

8. **City Manager/Staff Reports**

City Manager Stevens provided information on the CoServ Electric Cutover Project and the Daddy Daughter Dance.

- **DCTA Board Meeting Update**

9. **Visitor Comments**

No one wished to speak.

CONSENT AGENDA

10. Consider approval of Minutes from the Special City Council Worksession held on November 8, 2025
11. Consider Resolution 2026-3229 authorizing an Agreement with HD Way Concrete Services, LLC for Concrete Pavement Repairs through the City's Cooperative Purchasing Agreement with the City of Lewisville
12. Receive Budget Report for Period ending September 30, 2025

Motion by Deputy Mayor Pro Tem Fiester, seconded by Mayor Pro Tem Fiorenza, to approve Consent Agenda Items #10 through #12, as read. Motion carried 7-0.

ACTION AGENDA

13. Take action, if any, on Matters discussed in Closed Session in accordance with the following Section(s) of the Texas Government Code:
 - (a) Section 551.071 – Consultation with City Attorney Concerning Pending or Contemplated Litigation and/or any Matter, including, but not limited to, any Regular Session or Work Session Agenda Item Requiring Confidential, Attorney/Client Advice Necessitated by the Deliberation or Discussion of Said Item (as needed)

NO ACTION TAKEN

14. Conduct a Public Hearing and consider Ordinance 2026-1332 amending the City's Comprehensive Zoning Ordinance amending the Use Chart in Section 29.3 "Educational, Institutional, Public and Special Uses" to authorize Drone Delivery Hubs and Drone Staging Areas in Certain Districts, amending Section 36.5 "Standards Applicable to Particular Uses" by adding Subsection H titled "Drone Delivery Hubs and Drone Staging Areas" adopting Development Standards for such uses; amending Section 39 "Definitions" by adding Definitions for "Drone Delivery Hubs" and "Drone Staging Areas" (1st of two reads)

PUBLIC HEARING CONDUCTED DEFER TO FUTURE DATE (7 – 0)

Public Works Director Kriston reported an application was received from Kimley-Horn on behalf of Wing seeking approval to place their drone operations within the Walmart parking lot located at 3060 Justin Road. He provided the following timeline of events and meetings:

- August 2024 – City Council and the Planning and Zoning Commission had the opportunity to tour the drone delivery site at the Lewisville Main Street Walmart
- November 2024 – A Special Joint Workshop of the City Council and Planning and Zoning Commission was held; members of Council and the Planning and Zoning Commission received a presentation and discussion was held regarding proposed Wing delivery service at the Highland Village Walmart
- February 2025 – City Council and the Planning and Zoning Commission had another opportunity to visit the drone delivery site at the Lewisville Main Street Walmart
- December 2025 – Planning and Zoning Commission held a public hearing and unanimously recommended sending the proposed ordinance to City Council for approval, with the City Attorney and City staff reviewing the following items:
 - i. Definitions of drone delivery hub and drone staging areas – There was a concern if someone wanted to place a separate drone staging area away from

- the hub, could they do that the way the ordinance was written, and therefore should both definitions be combined?
- ii. Better define the operating hours of 7:00 am to 7:30 pm – The applicant requested that the ordinance permit flight operations in accordance with Federal Aviation Administration (FAA) authorized hours, which allow operations from dawn to dusk.

Director Kriston reported the current Comprehensive Zoning Ordinance (CZO) does not have this use listed or defined, therefore it is currently a prohibited use. A proposed ordinance was prepared by the City Attorney and Director Kriston presented highlights of the ordinance. Based on the two items noted above by the Planning and Zoning Commission, the City Attorney retained both definitions for now, and recommended the fixed times proposed in the draft ordinance as to avoid having a moving target on the restricted times. Director Kriston added that, after the Planning and Zoning Commission meeting, the City Attorney found that a subsection establishing minimum distance of drone delivery hubs from residential development did not clearly apply to drone staging areas. The draft ordinance provided in the City Council agenda packet corrects the oversight.

Councilmember Nelson inquired whether, if adopted, the ordinance would apply to other commercial or retail areas, and if there are any such areas to which the ordinance would not apply. City Attorney Laughlin stated while he has not analyzed the zoning along FM 407, it is tied to specific uses. He added that the potential is there should they meet all of the qualifications and standards, unless they applied for a Conditional Use Permit (CUP) for something that is outside of the standards listed in the ordinance.

Ryan Trimble, Vice President at Allyn Media, reported the operation at the Lewisville Walmart has been very successful and that people in communities currently served by Wing like the service as well. Josh Bucci from Wing reported they are currently operating in over nineteen areas in the DFW area and he also provided a high-level presentation for Council that included operations and site set up specific to the Highland Village Walmart. He reviewed some of the safety features of the drones, touched on FAA regulations, privacy, decibel comparison at which the drones operate, comparable Wing nest, charge pad and auto-loader, and a sample site installation timeline. He reported there are downward facing, low resolution cameras on the drones and shared an image from a testing facility. He stated there is not a camera feed, images are not stored and that pilots do not have access to the images, rather the computer analyzes what is in the images in order to make any adjustments or changes due to an obstruction.

Mayor Wilcox opened the public hearing. Mr. Parker (Highland Village resident) stated this will increase drone traffic throughout the residential areas and according to his understanding of FAA regulations, the air space over his home belongs to him up to 500 feet for noncongested areas and 1,000 feet for congested areas, and anything lower than that becomes trespassing. Mr. Bucci stated the FAA does allow Wing to fly over residential areas and would have to check on the reference to flying below 500 feet. Mayor Wilcox closed the public hearing.

Each member of Council had an opportunity to speak and ask questions:

Councilmember Hurst

She stated she would like clarification regarding the concern raised during the public hearing. She also asked if there are any studies from other cities with drones that has caused birds to leave the area. Mr. Bucci stated he hasn't heard about that issue and is not aware of a study.

She voiced concern about the following:

- Noise from the proposed location of the auto-loader, adding that the location of the auto-loader does not look as if it meets the distance requirement from the nearby residential properties.
- She would like something added to address or limit the number of hubs allowed on a property.
- The use of chain link fencing and suggested using wrought iron instead.

Deputy Mayor Pro Tem Fiester

He clarified site plan approval is not being requested with this agenda item, only that only zoning is to be addressed at tonight's meeting. Director Kriston reported site plan approval would be administratively approved. Deputy Mayor Pro Tem Fiester asked for FAA classification on the proposed drones. Mr. Bucci stated the drones weigh under 12 pounds, with newer drones under 20 pounds, and added that FAA classification is not his area of expertise. Deputy Mayor Pro Tem Fiester also asked about restrictions on flying over traffic, pedestrians that haven't given consent to drones overhead, and what FAA Part 135 regulations would allow; he stated it would be fitting for staff to do more research on the safety aspect of this. In addition, Deputy Mayor Pro Tem Fiester asked about hours of operation, specifically at night. Mr. Bucci reported they just recently received approval from the FAA to operate at night, although the proposed ordinance does not allow for that. The use of anti-collision lighting on the drones during certain times of year when it becomes dark earlier was also discussed from a nuisance point of view. Director Kriston shared his concern should the hours of operation be changed from what is proposed in the ordinance due to enforcement and staffing.

Although Walmart is the primary applicant, Deputy Mayor Pro Tem Fiester asked if the ordinance opens this to any property that is zoned Retail. City Attorney confirmed yes, and clarified it would include property zoned Retail that is tied to certain retail uses such as food or grocery stores, restaurants, retail stores, or warehouse/distribution facilities. Deputy Mayor Pro Tem Fiester voiced concern with having approval done administratively rather than through a Conditional Use Permit (CUP) or similar process that would be considered by City Council.

Councilmember Kixmiller

Councilmember Kixmiller stated that although a lot of good points have been made, he reported drones can fly into the city today, unrestricted, from the Lewisville site. He stated he thinks some points are beyond our control. He also stated the pickup area may need to be moved over and that the fencing should match what is in the front of the store.

Councilmember Nelson

With a lot of comparisons to the Lewisville site, Councilmember Nelson asked if there has been an increase in drone delivery volume at their store location over the past year. Mr. Bucci reported delivery from that location has only been offered through the Walmart app and not the Wing app. He added they have not seen as great of an increase in deliveries as compared to some of their other sites that use both apps. Councilmember Nelson asked if they have an estimate on how many deliveries per day are expected from the Highland Village Walmart location. With it being hard to estimate, Mr. Bucci stated their max deliveries in a day, with an 18-pad nest is around 200 takeoffs and landings per day. With recent FAA approval for Wing to use larger drones, Councilmember Nelson asked the time frame for when those will be used, and how loud they sound. Mr. Bucci reported some locations within DFW are piloting the drones now, and that the noise profile is different as the propellers have been modified on existing drones to reduce the noise, adding more steps were taken to lower the noise even more on the new drones. He also added that the footprint of the drone site remains the same even with the use of larger drones.

Mayor Pro Tem Fiorenza

With the drone site originally proposed for an area further west located closer to the drive, he asked what prompted the change in location. Mr. Bucci stated they worked extensively with City staff to find a location that was most ideal and still met distance requirements from residential property, as well as meeting the requirements of Walmart and Wing. Mayor Pro Tem Fiorenza voiced concern about noise and the proposed loading site at the back, which is closer to residential properties.

City Attorney Laughlin reported he was not aware the loading site would actually be separate and apart from the landing site. With the many questions and concerns of Council, Mayor Wilcox asked the City Attorney for direction. He stated he would like a consensus on the specific items Council would like him to focus, and that he does not want to attempt to include all of those details in a motion tonight as some of it is too technical.

Consensus of Council was to include a future item for discussion during an Early Work Session in order to get answers to some of their remaining questions, and to allow further discussion or revisions. Items of concern included:

- The two-hundred fifty foot (250') minimum distance requirement from residential properties for the location of drone delivery hubs, drone staging areas, and any other loading area needs to be addressed
- Eliminate the vinyl-coated chain link option for fencing
- Nighttime Hours of Operation – Specific hours for nighttime operations are currently included in the proposed ordinance to ensure clarity and ease of enforcement; modifying the language to reference dawn and dusk in accordance with Daylight Saving Time was discussed, with concern raised regarding enforcement
- Should Council define the number of hubs and staging areas allowed on a single property as well as spacing requirements between the hubs
- Would like to include a Conditional Use Permit (CUP) process

Motion by Mayor Wilcox, seconded by Councilmember Nelson, to defer to a future date. Motion carried 7-0.

LATE WORK SESSION

15. **Status Reports on Current Projects and Discussion on Future Agenda Items (A Councilmember may inquire about a subject of which notice has not been given. A statement of specific information or the recitation of existing policy may be given. Any deliberation shall be limited to a proposal to place the subject on an agenda for a subsequent meeting.)**

Councilmember Nelson reported there was another accident at FM 2499 and Live Oak/Marketplace. With a traffic study of that area being conducted, he stated he would like a work session item to review the study and have a discussion on options. Public Works Director Kriston reported he is currently reviewing the draft report and plans to have an item on the next meeting agenda.

Mayor Pro Tem Fiester asked the status of the FM 2499 project. Director Kriston reported he has heard from TxDOT that the project is not on schedule, and they are moving toward liquidated damages with the contractor.

Councilmember Cox requested a future discussion with the Highland Village Community Development Corporation and Public Works Department regarding the future development of Highland Village Road, specifically the area towards Village Estates and adding a potential crosswalk going over to Nowlin. He also voiced concern regarding the line of sight coming both southbound and northbound, future sidewalks in that area, coupled with a potential crosswalk for golf cart use. He also reported the Highland Village monument sign located in the median on Highland Village Road south of the railroad tracks hinders the line of sight.

Councilmember Cox reported observing safety concerns at the vertical reflector marker located at the bike lane and the Highland Shores Boulevard/Highland Village Road connector, where the sidewalk transitions into the bike lane. He noted seeing multiple individuals crossing over the double white lines while pedestrians are present and expressed a desire to explore measures that would discourage this behavior and enhance safety in that area.

With a recent accident at the curve on Highland Village Road, Mayor Wilcox requested a future agenda item to discuss that area and voiced concern that the trail is so close to the roadway there. Director Kriston reported that is currently being discussed with engineering and options will be provided at an upcoming meeting.

Mayor Wilcox also asked for an update on advertisements being thrown in Highland Village. City Attorney Laughlin reported having been in contact with the publisher and their attorney who has presented comments and questions regarding certain provisions in the City's ordinance. Those items are presently being researched, along with a solution as to how best to deal with the issues raised. He added that the prosecutor is working on correct procedures to cite out of state corporations through municipal court, as well as other potential actions that might be taken, as regular complaints are being received from individuals that are on the "No Deliver List" that are still receiving deliveries.

16. Adjournment

Mayor Wilcox adjourned the meeting at 9:07 p.m.

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary



CITY COUNCIL MEMORANDUM AGENDA ITEM 11

MEETING DATE: March 10th, 2026

SUBJECT: Receive Budget Reports for Period Ending January 31, 2026

PREPARED BY: Mike McWhorter, Budget & Accounting Administrator

BACKGROUND

In accordance with the City Charter, Section 6.12, paragraph D, a budget report is submitted monthly for Council Review.

The budget report submitted for January represents the fourth report in the Fiscal Year.

BUDGETARY IMPACT

N/A

RECOMMENDATION

Council to receive the budget reports for the period ending January 31, 2026.

General Fund Summary

FY 2025/2026 Budget

YEAR TO DATE JANUARY

<i>Percent of Budget Year Transpired</i>	33.3%
--	--------------

Revenues	Original Budget	Revised Budget (Includes Budget Amendments)	Year to Date	Variance	% Received
Property Tax	\$ 14,969,600	\$ 14,969,600	\$ 12,527,185	\$ (2,442,415)	84%
Sales Tax	3,910,512	3,910,512	635,800	(3,274,712)	16%
Franchise Fees	1,623,763	1,623,763	61,321	(1,562,442)	4%
Licensing & Permits	288,973	288,973	91,466	(197,507)	32%
Park/Recreation Fees	198,650	198,650	103,396	(95,254)	52%
Public Safety Fees	910,815	910,815	419,510	(491,305)	46%
Rents	171,973	171,973	75,361	(96,612)	44%
Municipal Court	153,962	153,962	41,792	(112,170)	27%
Interest Income	631,343	631,343	161,817	(469,526)	26%
Miscellaneous	115,000	115,000	37,175	(77,825)	32%
Total Revenues	\$ 22,974,591	\$ 22,974,591	\$ 14,154,823	\$ (8,819,768)	62%

Other Sources					
Transfers In	\$ 534,000	\$ 534,000	-	\$ (534,000)	0%
Sale of Assets	\$ 106,906	\$ 106,906	\$ 28,137	\$ (78,769)	26%

Total Available Resources	\$ 23,615,497	\$ 23,615,497	\$ 14,182,960	\$ (9,353,768)	
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Expenditures	Original Budget	Revised Budget	Year to Date	Variance	% Used
City Manager Office	\$ 630,379	\$ 630,379	\$ 195,220	\$ 435,160	31%
Finance (includes Mun. Court)	1,525,031	1,525,031	624,149	900,882	41%
Human Resources	724,739	724,739	173,620	551,119	24%
City Secretary Office	490,238	490,238	118,490	371,747	24%
Information Services	1,487,617	1,487,617	643,819	843,798	43%
Marketing and Communications	512,538	512,538	186,030	326,508	36%
Police	7,038,831	7,038,831	2,246,920	4,791,911	32%
Fire	4,410,517	4,410,517	1,262,426	3,148,091	29%
Community Services	523,538	523,538	138,522	385,016	26%
Streets/Drainage	2,297,894	2,297,894	449,621	1,848,273	20%
Maintenance	3,188,174	3,188,174	771,104	2,417,070	24%
Parks	2,686,199	2,686,199	751,569	1,934,630	28%
Recreation	692,927	692,927	172,769	520,158	25%
Total Expenditures	\$ 26,208,623	\$ 26,208,623	\$ 7,734,261	\$ 18,474,362	30%

Capital Summary	(Included in totals above - summary information only)				
Equipment Replacement	\$ 1,307,522	\$ 1,307,522	\$ 138,670	\$ 1,168,852	11%

Other Uses					
Transfers Out	\$ 16,000	\$ 16,000		16,000	0%

Total Expenditures	\$ 26,224,623	\$ 26,224,623	\$ 7,734,261	\$ 18,490,362	
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Fund Balance	Original Budget	Revised Budget	Year to Date
Beginning Fund Balance	11,006,036	11,006,036	11,006,036
+ Net Increase (Decrease)	(2,609,126)	(2,609,126)	6,448,699
Ending Fund Balance	\$ 8,396,910	\$ 8,396,910	\$ 17,454,734

General Fund Expenditure Summary

FY 2025/2026 Budget

YEAR TO DATE JANUARY

<i>Percent of Budget Year Transpired</i>	33.3%
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- - - Summary - - -

	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 17,519,954	\$ 17,519,954	\$ 5,273,414	\$ 12,246,540	30%
Services / Supplies	7,381,147	7,381,147	2,322,177	5,058,970	31%
Capital	<u>1,307,522</u>	<u>1,307,522</u>	<u>138,670</u>	<u>1,168,852</u>	<u>11%</u>
	\$ 26,208,623	\$ 26,208,623	\$ 7,734,261	\$ 18,474,362	30%

- - - Detail - - -

Category	Original Budget	Revised Budget	Year to Date	Variance	% Used
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Personnel

<i>Salaries / Wages</i>	\$ 12,255,393	\$ 12,255,393	\$ 3,594,482	\$ 8,660,911	29%
<i>Employee Benefits</i>	<u>5,264,561</u>	<u>5,264,561</u>	<u>1,678,933</u>	<u>3,585,628</u>	<u>32%</u>
Total Personnel	\$ 17,519,954	\$ 17,519,954	\$ 5,273,414	\$ 12,246,540	30%

Services / Supplies

<i>Professional Services</i>	\$ 2,241,229	\$ 2,241,229	\$ 1,051,753	\$ 1,189,476	47%
<i>Employee Development</i>	427,927	427,927	95,201	332,726	22%
<i>Office Supplies / Equipment</i>	1,685,666	1,685,666	572,003	1,113,663	34%
<i>Utilities</i>	406,540	406,540	127,997	278,543	31%
<i>Other</i>	<u>2,619,785</u>	<u>2,619,785</u>	<u>475,224</u>	<u>2,144,561</u>	<u>18%</u>
Total Services / Supplies	\$ 7,381,147	\$ 7,381,147	\$ 2,322,177	\$ 5,058,970	31%

Capital

<i>Equipment / Vehicles</i>	\$ 1,307,522	\$ 1,307,522	\$ 138,670	\$ 1,168,852	11%
Total Capital	\$ 1,307,522	\$ 1,307,522	\$ 138,670	\$ 1,168,852	11%

Total General Fund Expenditure Summary	\$ 26,208,623	\$ 26,208,623	\$ 7,734,261	\$ 18,474,362	30%
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General Fund Revenue

FY 2025/2026 Budget

YEAR TO DATE JANUARY		Percent of Budget Year Transpired				33.3%
Revenues	Original Budget	Revised Budget	Year to Date	Variance	% Received	
Property Tax	\$ 14,969,600	\$ 14,969,600	\$ 12,527,185	\$ (2,442,415)	84%	
Sales Tax	3,910,512	3,910,512	635,800	(3,274,712)	16%	
Franchise Fees	1,623,763	1,623,763	61,321	(1,562,442)	4%	
Licensing & Permits	288,973	288,973	91,466	(197,507)	32%	
Park/Recreation Fees	198,650	198,650	103,396	(95,254)	52%	
Public Safety Fees	910,815	910,815	419,510	(491,305)	46%	
Rents	171,973	171,973	75,361	(96,612)	44%	
Municipal Court	153,962	153,962	41,792	(112,170)	27%	
Interest Income	631,343	631,343	161,817	(469,526)	26%	
Miscellaneous	115,000	115,000	37,175	(77,825)	32%	
Total Revenues	\$ 22,974,591	\$ 22,974,591	\$ 14,154,823	\$ (8,819,768)	62%	

City Manager Office FY 2025/2026 Budget

YEAR TO DATE JANUARY

<i>Percent of Budget Year Transpired</i>	33.3%
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- - - Summary - - -					
	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 485,286	\$ 485,286	\$ 149,100	\$ 336,187	31%
Services / Supplies	145,093	145,093	46,120	98,973	32%
Capital	-	-	-	-	0%
	\$ 630,379	\$ 630,379	\$ 195,220	\$ 435,160	31%

- - - Detail - - -					
Category	Original Budget	Revised Budget	Year to Date	Variance	% Used

Personnel					
<i>Salaries / Wages</i>	372,433	372,433	\$ 114,831	\$ 257,602	31%
<i>Employee Benefits</i>	112,853	112,853	34,268	78,585	30%
Total Personnel	\$ 485,286	\$ 485,286	\$ 149,100	\$ 336,187	31%

Services / Supplies					
<i>Professional Services (City-wide legal - \$98,500)</i>	\$ 128,400	128,400	\$ 39,932	\$ 88,468	31%
<i>Employee Development</i>	9,705	9,705	6,175	3,530	64%
<i>Supplies / Equipment</i>	1,700	1,700	13	1,687	1%
<i>Utilities</i>	-	-		-	0%
<i>Other (Contingency + Data Processing)</i>	5,288	5,288	-	5,288	0%
Total Services / Supplies	\$ 145,093	\$ 145,093	\$ 46,120	\$ 98,973	32%

Capital					
<i>Equipment / Vehicles</i>	-	-	-	-	0%
Total Capital	\$ -	\$ -	\$ -	\$ -	0%

Total City Manager	\$ 630,379	\$ 630,379	\$ 195,220	\$ 435,160	31%
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Finance Department FY 2025/2026 Budget

YEAR TO DATE JANUARY

<i>Percent of Budget Year Transpired</i>	33.3%
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- - - Summary - - -					
	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 915,569	\$ 915,569	\$ 248,944	\$ 666,625	27%
Services / Supplies	599,762	599,762	375,205	224,557	63%
Capital	<u>9,700</u>	<u>9,700</u>	<u>-</u>	<u>9,700</u>	<u>0%</u>
	\$ 1,525,031	\$ 1,525,031	\$ 624,149	\$ 900,882	41%

- - - Detail - - -					
Category	Original Budget	Revised Budget	Year to Date	Variance	% Used

Personnel					
<i>Salaries / Wages</i>	\$ 665,302	\$ 665,302	\$ 181,107	\$ 484,195	27%
<i>Employee Benefits</i>	<u>250,266</u>	<u>250,266</u>	<u>67,837</u>	<u>182,429</u>	<u>27%</u>
Total Personnel	\$ 915,569	\$ 915,569	\$ 248,944	\$ 666,625	27%

Services / Supplies					
<i>Professional Services</i> <small>(City-wide liability insurance - \$248,141/ DCAD - \$123,392)</small>	\$ 566,046	\$ 566,046	\$ 370,974	\$ 195,072	66%
<i>Employee Development</i>	11,296	11,296	899	10,397	8%
<i>Supplies / Equipment</i>	8,020	8,020	3,331	4,689	42%
<i>Utilities</i>	-	-		-	0%
<i>Other (Data Processing Equipment + Supplies)</i>	<u>14,400</u>	<u>14,400</u>	<u>-</u>	<u>14,400</u>	<u>0%</u>
Total Services / Supplies	\$ 599,762	\$ 599,762	\$ 375,205	\$ 224,557	63%

Capital					
<i>Equipment / Vehicles</i>	9,700	9,700	-	9,700	0%
Total Capital	\$ 9,700	\$ 9,700	\$ -	\$ 9,700	0%

Total Finance Department	\$ 1,525,031	\$ 1,525,031	\$ 624,149	\$ 900,882	41%
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Human Resources FY 2025/2026 Budget

YEAR TO DATE JANUARY

<i>Percent of Budget Year Transpired</i>	33.3%
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- - - Summary - - -					
	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 504,758	\$ 504,758	\$ 116,982	\$ 387,776	23%
Services / Supplies	219,981	219,981	56,639	163,342	26%
Capital	-	-	-	-	0%
	\$ 724,739	\$ 724,739	\$ 173,620	\$ 551,119	24%

- - - Detail - - -					
Category	Original Budget	Revised Budget	Year to Date	Variance	% Used

Personnel					
<i>Salaries / Wages</i>	\$ 355,389	\$ 355,389	\$ 80,736	\$ 274,653	23%
<i>Employee Benefits</i>	149,369	149,369	36,246	113,124	24%
Total Personnel	\$ 504,758	\$ 504,758	\$ 116,982	\$ 387,776	23%

Services / Supplies					
<i>Professional Services</i>	\$ 104,016	\$ 104,016	\$ 35,888	\$ 68,128	35%
<i>Employee Development</i>	99,940	99,940	20,478	79,462	20%
<i>Supplies / Equipment</i>	1,425	1,425	(249)	1,674	-18%
<i>Utilities</i>	-	-	-	-	0%
<i>Other (Safety Programs)</i>	14,600	14,600	522	14,078	4%
Total Services / Supplies	\$ 219,981	\$ 219,981	\$ 56,639	\$ 163,342	26%

Capital					
<i>Equipment / Vehicles</i>	-	-	-	-	0%
Total Capital	\$ -	\$ -	\$ -	\$ -	0%

Total Human Resources	\$ 724,739	\$ 724,739	\$ 173,620	\$ 551,119	24%
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City Secretary Office FY 2025/2026 Budget

YEAR TO DATE JANUARY

<i>Percent of Budget Year Transpired</i>	33.3%
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- - - Summary - - -					
	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 285,767	\$ 285,767	\$ 103,932	\$ 181,834	36%
Services / Supplies	204,471	204,471	14,558	189,913	7%
Capital	-	-	-	-	-
	\$ 490,238	\$ 490,238	\$ 118,490	\$ 371,747	24%

- - - Detail - - -					
Category	Original Budget	Revised Budget	Year to Date	Variance	% Used

Personnel					
<i>Salaries / Wages</i>	\$ 207,831	\$ 207,831	\$ 75,634	\$ 132,197	36%
<i>Employee Benefits</i>	77,936	77,936	28,298	49,638	36%
Total Personnel	\$ 285,767	\$ 285,767	\$ 103,932	\$ 181,834	36%

Services / Supplies					
<i>Professional Services</i>	\$ 52,700	\$ 52,700	\$ 4,172	\$ 48,528	8%
<i>Employee Development</i> <i>(City Council related \$42,704)</i>	77,996	77,996	9,125	68,871	12%
<i>Supplies / Equipment</i>	11,775	11,775	1,261	10,514	11%
<i>Utilities</i>	-	-	-	-	0%
<i>Other (Outside Services)</i>	62,000	62,000	-	62,000	0%
Total Services / Supplies	\$ 204,471	\$ 204,471	\$ 14,558	\$ 189,913	7%

Capital					
<i>Equipment / Vehicles</i>	-	-	-	-	0%
Total Capital	\$ -	\$ -	\$ -	\$ -	0%

Total City Secretary Office	\$ 490,238	\$ 490,238	\$ 118,490	\$ 371,747	24%
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Information Services FY 2025/2026 Budget

YEAR TO DATE JANUARY

<i>Percent of Budget Year Transpired</i>	33.3%
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- - - Summary - - -					
	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 914,887	\$ 914,887	\$ 287,355	\$ 627,532	31%
Services / Supplies	432,730	432,730	217,794	214,936	50%
Capital	<u>140,000</u>	<u>140,000</u>	<u>138,670</u>	<u>1,330</u>	<u>99%</u>
	\$ 1,487,617	\$ 1,487,617	\$ 643,819	\$ 843,798	43%

- - - Detail - - -					
Category	Original Budget	Revised Budget	Year to Date	Variance	% Used

Personnel					
<i>Salaries / Wages</i>	\$ 677,245	\$ 677,245	\$ 208,522	\$ 468,724	31%
<i>Employee Benefits</i>	<u>237,642</u>	<u>237,642</u>	<u>78,833</u>	<u>158,808</u>	<u>33%</u>
Total Personnel	\$ 914,887	\$ 914,887	\$ 287,355	\$ 627,532	31%

Services / Supplies					
<i>Professional Services</i>	\$ 238,480	\$ 238,480	\$ 149,693	\$ 88,787	63%
<i>Employee Development</i>	21,950	21,950	1,726	20,224	8%
<i>Supplies / Equipment</i>	3,560	3,560	2,249	1,311	63%
<i>Utilities</i>	60,840	60,840	35,434	25,406	58%
<i>Other (Data Processing)</i>	<u>107,900</u>	<u>107,900</u>	<u>28,692</u>	<u>79,208</u>	<u>27%</u>
Total Services / Supplies	\$ 432,730	\$ 432,730	\$ 217,794	\$ 214,936	50%

Capital					
<i>Equipment / Vehicles</i>	\$ 140,000	140,000	138,670	1,330	99%
Total Capital	\$ 140,000	\$ 140,000	\$ 138,670	\$ 1,330	99%

Total City Information Services	\$ 1,487,617	\$ 1,487,617	\$ 643,819	\$ 843,798	43%
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Marketing and Communications FY 2025/2026 Budget

YEAR TO DATE JANUARY

<i>Percent of Budget Year Transpired</i>	33.3%
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- - - Summary - - -					
	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 394,130	\$ 394,130	\$ 124,691	\$ 269,439	32%
Services / Supplies	118,408	118,408	61,339	57,069	52%
Capital	-	-	-	-	0%
	\$ 512,538	\$ 512,538	\$ 186,030	\$ 326,508	36%

- - - Detail - - -					
Category	Original Budget	Revised Budget	Year to Date	Variance	% Used

Personnel					
<i>Salaries / Wages</i>	\$ 269,989	\$ 269,989	\$ 84,408	\$ 185,581	31%
<i>Employee Benefits</i>	124,140	124,140	40,282	83,858	32%
Total Personnel	\$ 394,130	\$ 394,130	\$ 124,691	\$ 269,439	32%

<i>Professional Services</i>	\$ 83,133	\$ 83,133	\$ 39,649	\$ 43,484	48%
<i>Employee Development</i>	8,325	8,325	840	7,485	10%
<i>Supplies / Equipment</i>	-	-	-	-	0%
<i>Utilities</i>	-	-	-	-	0%
<i>Other (Special Events)</i>	26,950	26,950	20,850	6,100	77%
Total Services / Supplies	\$ 118,408	\$ 118,408	\$ 61,339	\$ 57,069	52%

Capital					
<i>Equipment / Vehicles</i>	-	-	-	-	0%
Total Capital	\$ -	\$ -	\$ -	\$ -	0%

Total Marketing and Communications	\$ 512,538	\$ 512,538	\$ 186,030	\$ 326,508	36%
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Police Department FY 2025/2026 Budget

YEAR TO DATE JANUARY

<i>Percent of Budget Year Transpired</i>	33.3%
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- - - Summary - - -					
	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 6,292,233	\$ 6,292,233	\$ 1,861,242	\$ 4,430,991	30%
Services / Supplies	746,598	746,598	385,679	360,919	52%
Capital	-	-	-	-	0%
	\$ 7,038,831	\$ 7,038,831	\$ 2,246,920	\$ 4,791,911	32%

- - - Detail - - -					
Category	Original Budget	Revised Budget	Year to Date	Variance	% Used

Personnel					
<i>Salaries / Wages</i>	\$ 4,483,463	\$ 4,483,463	\$ 1,287,493	\$ 3,195,970	29%
<i>Employee Benefits</i>	1,808,770	1,808,770	573,749	1,235,021	32%
Total Personnel	\$ 6,292,233	\$ 6,292,233	\$ 1,861,242	\$ 4,430,991	30%

Services / Supplies					
<i>Professional Services</i>	\$ 355,322	\$ 355,322	\$ 270,599	\$ 84,723	76%
<i>Employee Development</i>	52,442	52,442	15,748	36,694	30%
<i>Supplies / Equipment</i>	174,472	174,472	60,493	113,980	35%
<i>Utilities</i>	-	-	-	-	0%
<i>Other (Animal Care - \$140,780)</i>	164,362	164,362	38,839	\$ 125,523	24%
Total Services / Supplies	\$ 746,598	\$ 746,598	\$ 385,679	\$ 360,919	52%

Capital					
<i>Equipment / Vehicles</i>	-	-	-	-	0%
Total Capital	\$ -	\$ -	\$ -	\$ -	0%

Total Police Department	\$ 7,038,831	\$ 7,038,831	\$ 2,246,920	\$ 4,791,911	32%
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Fire Department FY 2025/2026 Budget

YEAR TO DATE JANUARY

<i>Percent of Budget Year Transpired</i>	33.3%
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- - - Summary - - -					
	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 3,816,649	\$ 3,816,649	\$ 1,125,351	\$ 2,691,298	29%
Services / Supplies	498,400	498,400	137,076	361,324	28%
Capital	95,468	95,468	-	95,468	0%
	<u>\$ 4,410,517</u>	<u>\$ 4,410,517</u>	<u>\$ 1,262,426</u>	<u>\$ 3,148,091</u>	29%

- - - Detail - - -					
Category	Original Budget	Revised Budget	Year to Date	Variance	% Used

Personnel					
<i>Salaries / Wages</i>	\$ 2,665,062	\$ 2,665,062	\$ 751,203	\$ 1,913,859	28%
<i>Employee Benefits</i>	1,151,587	1,151,587	374,147	777,439	32%
Total Personnel	<u>\$ 3,816,649</u>	<u>\$ 3,816,649</u>	<u>\$ 1,125,351</u>	<u>\$ 2,691,298</u>	29%

Services / Supplies					
<i>Professional Services</i>	\$ 168,358	\$ 168,358	\$ 29,904	\$ 138,454	18%
<i>Employee Development</i> <i>(Training - \$47,465)</i>	64,270	64,270	20,729	43,541	32%
<i>Supplies / Equipment</i>	211,119	211,119	49,452	161,667	23%
<i>Utilities</i>	2,400	2,400	827	1,573	34%
<i>Other</i> <i>(Safety Programs)</i>	52,253	52,253	36,164	16,089	69%
Total Services / Supplies	<u>\$ 498,400</u>	<u>\$ 498,400</u>	<u>\$ 137,076</u>	<u>\$ 361,324</u>	28%

Capital					
<i>Equipment / Vehicles</i>	95,468	95,468	-	95,468	0%
Total Capital	<u>\$ 95,468</u>	<u>\$ 95,468</u>	<u>\$ -</u>	<u>\$ 95,468</u>	0%

Total Fire Department	<u>\$ 4,410,517</u>	<u>\$ 4,410,517</u>	<u>\$ 1,262,426</u>	<u>\$ 3,148,091</u>	29%
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Community Services FY 2025/2026 Budget

YEAR TO DATE JANUARY

<i>Percent of Budget Year Transpired</i>	33.3%
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- - - Summary - - -					
	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 418,978	\$ 418,978	\$ 133,818	\$ 285,160	32%
Services / Supplies	104,560	104,560	4,705	99,855	4%
Capital	-	-	-	-	0%
	\$ 523,538	\$ 523,538	\$ 138,522	\$ 385,016	26%

- - - Detail - - -					
Category	Original Budget	Revised Budget	Year to Date	Variance	% Used

Personnel					
<i>Salaries / Wages</i>	\$ 300,796	\$ 300,796	\$ 95,974	\$ 204,822	32%
<i>Employee Benefits</i>	118,182	118,182	37,844	80,338	32%
Total Personnel	\$ 418,978	\$ 418,978	\$ 133,818	\$ 285,160	32%

Services / Supplies					
<i>Professional Services</i>	\$ 79,000	\$ 79,000	\$ 965	78,035	1%
<i>Employee Development</i>	17,675	17,675	2,365	15,310	13%
<i>Supplies / Equipment</i>	7,885	7,885	1,375	6,510	17%
<i>Utilities</i>	-	-	-	-	0%
<i>Other</i>	-	-	-	-	0%
Total Services / Supplies	\$ 104,560	\$ 104,560	\$ 4,705	\$ 99,855	4%

Capital					
<i>Equipment / Vehicles</i>	-	-	-	-	0%
Total Capital	\$ -	\$ -	\$ -	\$ -	0%

Total Building Operations	\$ 523,538	\$ 523,538	\$ 138,522	\$ 385,016	26%
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Streets Division FY 2025/2026 Budget

YEAR TO DATE JANUARY

<i>Percent of Budget Year Transpired</i>	33.3%
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- - - Summary - - -					
	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 983,521	\$ 983,521	\$ 321,815	\$ 661,706	33%
Services / Supplies	1,058,719	1,058,719	127,806	930,913	12%
Capital	<u>255,654</u>	<u>255,654</u>	<u>-</u>	<u>255,654</u>	<u>0%</u>
	\$ 2,297,894	\$ 2,297,894	\$ 449,621	\$ 1,848,273	20%

- - - Detail - - -					
Category	Original Budget	Revised Budget	Year to Date	Variance	% Used

Personnel					
<i>Salaries / Wages</i>	\$ 622,191	\$ 622,191	\$ 192,147	\$ 430,044	31%
<i>Employee Benefits</i>	<u>361,330</u>	<u>361,330</u>	<u>129,669</u>	<u>231,661</u>	<u>36%</u>
Total Personnel	\$ 983,521	\$ 983,521	\$ 321,815	\$ 661,706	33%

Services / Supplies					
<i>Professional Services</i>	\$ 107,300	\$ 107,300	\$ 39,420	\$ 67,880	37%
<i>Employee Development</i>	17,886	17,886	2,610	15,276	15%
<i>Supplies / Equipment</i>	100,883	100,883	7,459	93,424	7%
<i>Utilities (Streetlights)</i>	115,000	115,000	30,550	84,450	27%
<i>Other (Street Maintenance)</i>	<u>717,650</u>	<u>717,650</u>	<u>47,767</u>	<u>669,883</u>	<u>7%</u>
Total Services / Supplies	\$ 1,058,719	\$ 1,058,719	\$ 127,806	\$ 930,913	12%

Capital					
<i>Equipment / Vehicles</i>	255,654	255,654	-	255,654	0%
Total Capital	\$ 255,654	\$ 255,654	\$ -	\$ 255,654	0%

Total Streets	\$ 2,297,894	\$ 2,297,894	\$ 449,621	\$ 1,848,273	20%
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Maintenance Division FY 2025/2026 Budget

YEAR TO DATE JANUARY

<i>Percent of Budget Year Transpired</i>	33.3%
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- - - Summary - - -					
	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 506,450	\$ 506,450	\$ 154,574	\$ 351,877	31%
Services / Supplies	1,931,724	1,931,724	616,530	1,315,194	32%
Capital	<u>750,000</u>	<u>750,000</u>	<u>-</u>	<u>750,000</u>	<u>0%</u>
	\$ 3,188,174	\$ 3,188,174	\$ 771,104	\$ 2,417,070	24%

- - - Detail - - -					
Category	Original Budget	Revised Budget	Year to Date	Variance	% Used

Personnel					
<i>Salaries / Wages</i>	\$ 333,323	\$ 333,323	\$ 98,323	\$ 235,000	29%
<i>Employee Benefits</i>	<u>173,127</u>	<u>173,127</u>	<u>56,251</u>	<u>116,877</u>	<u>32%</u>
Total Personnel	\$ 506,450	\$ 506,450	\$ 154,574	\$ 351,877	31%

Services / Supplies					
<i>Professional Services</i>	\$ 87,226	\$ 87,226	\$ 28,707	\$ 58,519	33%
<i>Employee Development</i>	6,537	6,537	811	5,726	12%
<i>Supplies / Equipment</i>	710,810	710,810	355,771	355,039	50%
<i>Utilities</i>	95,000	95,000	22,751	72,249	24%
<i>Other (Capital Lease Payments)</i>	<u>1,032,151</u>	<u>1,032,151</u>	<u>208,490</u>	<u>\$ 823,661</u>	<u>20%</u>
Total Services / Supplies	\$ 1,931,724	\$ 1,931,724	\$ 616,530	\$ 1,315,194	32%

Capital					
<i>Equipment / Vehicles</i>	750,000	750,000	-	750,000	<u>0%</u>
Total Capital	\$ 750,000	\$ 750,000	\$ -	\$ 750,000	0%

Total Maintenance	\$ 3,188,174	\$ 3,188,174	\$ 771,104	\$ 2,417,070	24%
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Parks Division FY 2025/2026 Budget

YEAR TO DATE JANUARY

<i>Percent of Budget Year Transpired</i>	33.3%
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- - - Summary - - -					
	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 1,746,343	\$ 1,746,343	\$ 570,248	\$ 1,176,096	33%
Services / Supplies	883,156	883,156	181,322	701,834	21%
Capital	56,700	56,700	-	56,700	0%
	<u>\$ 2,686,199</u>	<u>\$ 2,686,199</u>	<u>\$ 751,569</u>	<u>\$ 1,934,630</u>	28%

- - - Detail - - -					
Category	Original Budget	Revised Budget	Year to Date	Variance	% Used

Personnel					
<i>Salaries / Wages</i>	\$ 1,103,982	\$ 1,103,982	\$ 367,943	\$ 736,039	33%
<i>Employee Benefits</i>	642,361	642,361	202,305	440,056	31%
Total Personnel	\$ 1,746,343	\$ 1,746,343	\$ 570,248	\$ 1,176,096	33%

Services / Supplies					
<i>Professional Services</i>	\$ 271,248	\$ 271,248	\$ 41,848	\$ 229,400	15%
<i>Employee Development</i>	25,410	25,410	10,206	15,204	40%
<i>Supplies / Equipment</i>	451,617	451,617	90,554	361,063	20%
<i>Utilities</i>	133,300	133,300	38,434	94,866	29%
<i>Other</i>	1,581	1,581	279	1,302	18%
Total Services / Supplies	\$ 883,156	\$ 883,156	\$ 181,322	\$ 701,834	21%

Capital					
<i>Equipment / Vehicles</i>	56,700	56,700	-	56,700	0%
Total Capital	56,700	56,700	-	56,700	0%

Total Parks	\$ 2,686,199	\$ 2,686,199	\$ 751,569	\$ 1,934,630	28%
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Recreation Division FY 2025/2026 Budget

YEAR TO DATE JANUARY

<i>Percent of Budget Year Transpired</i>	33.3%
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- - - Summary - - -					
	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 255,382	\$ 255,382	\$ 75,364	\$ 180,018	30%
Services / Supplies	437,545	437,545	97,405	340,140	22%
Capital	-	-	-	-	0%
	\$ 692,927	\$ 692,927	\$ 172,769	\$ 520,158	25%

- - - Detail - - -					
Category	Original Budget	Revised Budget	Year to Date	Variance	% Used

Personnel					
<i>Salaries / Wages</i>	\$ 198,385	\$ 198,385	\$ 56,160	\$ 142,225	28%
<i>Employee Benefits</i>	56,997	56,997	19,204	37,793	34%
Total Personnel	\$ 255,382	\$ 255,382	\$ 75,364	\$ 180,018	30%

Services / Supplies					
<i>Professional Services</i>	\$ -	\$ -	\$ -	\$ -	0%
<i>Employee Development</i>	14,495	14,495	3,491	11,004	24%
<i>Supplies / Equipment</i>	2,400	2,400	294	2,106	12%
<i>Utilities</i>	-	-	-	-	0%
<i>Other (Recreation Programs)</i>	420,650	420,650	93,620	327,030	22%
Total Services / Supplies	\$ 437,545	\$ 437,545	\$ 97,405	\$ 340,140	22%

Capital					
<i>Equipment / Vehicles</i>	-	-	-	-	0%
Total Capital	\$ -	\$ -	\$ -	\$ -	0%

Total Recreation	\$ 692,927	\$ 692,927	\$ 172,769	\$ 520,158	25%
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Equipment Replacement / Capital Schedule

FY 2025/2026 Budget

YEAR TO DATE JANUARY

<i>Percent of Budget Year Transpired</i>	33.3%
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Expenditures	Original Budget	Revised Budget	Year to Date	Variance	% Used
City Manager Office Capital Outlay	-	-	-	-	0%
Finance Capital Outlay	9,700	9,700	-	9,700	0%
Human Resources Capital Outlay	-	-	-	-	0%
City Secretary Capital Outlay	-	-	-	-	0%
Information Services Capital Outlay	140,000	140,000	138,670	1,330	99%
Marketing Capital Outlay	-	-	-	-	0%
Police Dept Capital Outlay	-	-	-	-	0%
Fire Dept Capital Outlay	95,468	95,468	-	95,468	0%
Community Services Capital Outlay	-	-	-	-	0%
Streets Dept Capital Outlay	255,654	255,654	-	255,654	0%
Maintenance Capital Outlay	750,000	750,000	-	750,000	0%
City Parks Capital Outlay	56,700	56,700	-	56,700	0%
City Recreation Capital Outlay	-	-	-	-	0%
Total Expenditures	\$ 1,307,522	\$ 1,307,522	\$ 138,670	\$ 1,168,852	11%

Utility Fund Revenues

FY 2025/2026 Budget

YEAR TO DATE JANUARY

Percent of Budget Year Transpired	33.3%
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Fees	Original Budget	Revised Budget	Year to Date	Variance	% Received
<i>Electronic Payment</i>	\$ (191,000)	\$ (191,000)	\$ (53,898)	\$ 137,103	28%
<i>Charges / Penalties</i>	91,100	91,100	28,719	(62,381)	32%
Total Fees	\$ (99,900)	\$ (99,900)	\$ (25,178)	\$ 74,722	25%

Licenses & Permits					
<i>Construction Inspection</i>	\$ -	\$ -		\$ -	0%
Total Licenses & Permits	\$ -	\$ -	\$ -	\$ -	0%

Charges for Services					
<i>Water Sales</i>	\$ 6,590,410	\$ 6,590,410	\$ 1,560,284	\$ (5,030,126)	24%
<i>Sewer Sales</i>	4,332,213	4,332,213	1,256,989	(3,075,224)	29%
<i>Inspection Fees</i>	4,000	4,000	-	(4,000)	0%
Total Charges for Service	\$ 10,926,623	\$ 10,926,623	\$ 2,817,273	\$ (8,109,350)	26%

Interest					
<i>Interest (Operations)</i>	\$ 370,522	\$ 370,522	\$ 90,744	\$ (279,778)	24%
<i>Interest (Capital Projects)</i>	286,961	286,961	-	(286,961)	0%
Total Interest	\$ 657,483	\$ 657,483	\$ 90,744	\$ (566,739)	14%

Impact Fees					
<i>Impact Fees</i>	\$ 125,000	\$ 125,000	\$ -	\$ (125,000)	0%
Total Impact Fees	\$ 125,000	\$ 125,000	\$ -	\$ (125,000)	0%

Miscellaneous Income					
<i>Miscellaneous Income</i>	\$ 7,500	\$ 7,500	\$ 132	\$ (7,368)	2%
<i>Grants/Contributions</i>	\$ -	\$ -		\$ -	0%
Total Miscellaneous Income	\$ 7,500	\$ 7,500	\$ 132	\$ (7,368)	2%

Total Utility Fund Revenues	\$ 11,616,706	\$ 11,616,706	\$ 2,882,970	\$ (8,733,736)	25%
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Utility Division FY 2025/2026 Budget

YEAR TO DATE JANUARY

<i>Percent of Budget Year Transpired</i>	33.3%
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- - - Summary - Operations - - -

	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel	\$ 2,095,111	\$ 2,095,111	\$ 634,520	\$ 1,460,591	30%
Services / Supplies	8,633,819	8,633,819	2,121,547	6,512,272	25%
Capital	18,000	18,000	-	18,000	0%
Total Utility Division	\$ 10,746,930	\$ 10,746,930	\$ 2,756,068	\$ 7,990,862	26%

- - - Detail - Operations - - -

Category	Original Budget	Revised Budget	Year to Date	Variance	% Used
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Personnel

<i>Salaries / Wages</i>	\$ 1,375,208	\$ 1,375,208	\$ 419,386	\$ 955,823	30%
<i>Employee Benefits</i>	719,903	719,903	215,135	504,768	30%
Total Personnel	\$ 2,095,111	\$ 2,095,111	\$ 634,520	\$ 1,460,591	30%

Services / Supplies

<i>Professional Services</i>	\$ 413,982	\$ 413,982	\$ 116,408	\$ 297,574	28%
<i>Employee Development</i>	71,269	71,269	5,153	66,116	7%
<i>Supplies / Equipment</i>	92,812	92,812	18,724	74,088	20%
<i>Utilities</i>	504,896	504,896	98,333	406,563	19%
<i>Other (Well Lot Maintenance)</i>	2,352,249	2,352,249	177,678	2,174,571	8%
Sub-Total - Operations Services / Supplies	\$ 3,435,208	\$ 3,435,208	\$ 416,295	\$ 3,018,913	12%

Wholesale Water / Wastewater

<i>UTRWD - Administration Fees</i>	\$ 5,270	\$ 5,270	\$ 4,981	\$ 289	95%
<i>UTRWD - Water Volume Cost</i>	1,403,505	1,403,505	457,819	945,686	33%
<i>UTRWD - Water Demand Charges</i>	1,673,295	1,673,295	557,765	1,115,530	33%
<i>UTRWD - Sewer Effluent Volume Rate</i>	635,151	635,151	191,223	443,928	30%
<i>UTRWD - Capital Charge Joint Facilities</i>	1,275,420	1,275,420	425,140	850,280	33%
<i>UTRWD - HV Sewer Line to UTRWD</i>	205,970	205,970	68,323	137,647	33%
<i>UTRWD - Wtr Transmission - Opus Develop</i>	-	-	-	-	0%
Sub-Total - Wholesale Water / Wastewater	\$ 5,198,611	\$ 5,198,611	\$ 1,705,252	\$ 3,493,359	33%

Total Services / Supplies	\$ 8,633,819	\$ 8,633,819	\$ 2,121,547	\$ 6,512,272	25%
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Capital

<i>Equipment / Vehicles</i>	18,000	18,000	-	18,000	0%
Total Capital	\$ 18,000	\$ 18,000	\$ -	\$ 18,000	0%

Total Utility Division - Operations	\$ 10,746,930	\$ 10,746,930	\$ 2,756,068	\$ 7,990,862	26%
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Utility Fund Working Capital FY 2025/2026 Budget

YEAR TO DATE JANUARY

Percent of Budget Year Transpired	33.3%
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Revenues	Original Budget	Revised Budget	Year to Date	Variance	% Received
<i>Water Sales</i>	\$ 6,590,410	\$ 6,590,410	\$ 1,560,284	\$ (5,030,126)	24%
<i>Sewer Sales</i>	4,332,213	4,332,213	1,256,989	(3,075,224)	29%
<i>Other Fees / Charges</i>	102,600	102,600	28,851	(73,749)	28%
<i>Electronic Payment Credit</i>	(191,000)	(191,000)	(53,898)	137,103	28%
<i>Interest</i>	370,522	370,522	90,744	(279,778)	24%
Total Revenues	\$ 11,204,745	\$ 11,204,745	\$ 2,882,970	\$ (8,321,775)	26%

Expenditures	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Administration</i>	\$ 545,065	\$ 545,065	\$ 178,691	\$ 366,373	33%
<i>Operations</i>	4,985,254	4,985,254	872,124	4,113,130	17%
<i>UTRWD</i>	5,198,611	5,198,611	1,705,252	3,493,359	33%
<i>Debt Service</i>	981,248	981,248	825	980,423	0%
<i>Capital Projects</i>	-	-	-	-	0%
<i>Equipment Replace / Capital</i>	18,000	18,000	-	18,000	0%
Total Expenditures	\$ 11,728,178	\$ 11,728,178	\$ 2,756,893	\$ 8,971,285	24%

Other Sources/Uses	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Transfers In (Applied Impact Fees)</i>	\$ 150,000	\$ 150,000	\$ 150,000	\$ -	100%
<i>Operating Transfers In / Utility Capital Projects</i>			-	-	0%
<i>Operating Transfers Out / Utility Capital Projects</i>	-	-	-	-	0%
<i>Operating Transfers Out / General Fund</i>	(470,000)	(470,000)	-	(470,000)	0%
<i>Sale of Capital Assets (Vehicles)</i>	-	-	10,800	10,800	0%
Total Other Sources (Uses)	\$ (320,000)	\$ (320,000)	\$ 160,800	\$ (459,200)	-50%

Fund Balance	Original Budget	Revised Budget	Year to Date
Net Increase/Decrease	(843,433)	(843,433)	286,878
Beginning Working Capital			
Operations	4,116,140	4,116,140	4,116,140
Available Impact Fees	1,189,337	1,189,337	1,189,337
Total Available Working Capital	\$ 5,305,477	\$ 5,305,477	\$ 5,305,477
Ending Working Capital			
Operations	3,272,707	3,272,707	4,403,018
Available Impact Fees	1,164,337	1,164,337	1,039,337
Total Available Working Capital	\$ 4,437,044	\$ 4,437,044	\$ 5,442,355

<i>Impact Fees</i>			
<i>Beginning Balance</i>	1,189,337	1,189,337	1,189,337
<i>+ Collections</i>	125,000	125,000	-
<i>- Applied to offset Debt Service</i>	(150,000)	(150,000)	(150,000)
<i>Ending Balance</i>	1,164,337	1,164,337	1,039,337

*The working Capital Analysis is prepared to provide a picture of the "cash position" of this enterprise fund. Income restricted for specific use and non-operating expenses are excluded. Impact fees are excluded from revenues, however included for working capital balances - as they are available to address contingency expenditures.

Corps Leased Parks Fund FY 2025/2026 Budget

YEAR TO DATE JANUARY

<i>Percent of Budget Year Transpired</i>	33.3%
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Revenues	Original Budget	Revised Budget	Year to Date	Variance	% Received
<i>Park Entry Fees</i>	\$ 664,725	\$ 664,725	\$ 141,568	\$ (523,157)	21%
<i>Annual Park Passes</i>	53,500	53,500	8,685	(44,815)	16%
<i>Concession Sales</i>	-	-	-	-	0%
<i>Interest</i>	39,000	39,000	13,480	(25,520)	35%
Total Revenues	\$ 757,225	\$ 757,225	\$ 163,733	\$ (593,492)	22%

Expenditures	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Personnel</i>	\$ 266,330	266,330	\$ 91,257	\$ 175,072	34%
<i>Services / Supplies</i>	476,423	476,423	38,319	438,104	8%
<i>Capital</i>	6,000	6,000	5,282	718	88%
Total Expenditures	\$ 748,753	\$ 748,753	\$ 134,858	\$ 613,895	18%

Other Sources/Uses	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Operating Transfers In / General Fund</i>	-	-	-	-	0%
Total Other Sources (Uses)	\$ -	\$ -	\$ -	\$ -	0%

Fund Balance	Original Budget	Revised Budget	Year to Date
<i>Beginning Fund Balance</i>	\$ 998,152	\$ 998,152	\$ 998,152
<i>+ Net Increase (Decrease)</i>	8,472	8,472	28,875
Ending Fund Balance	\$ 1,006,625	\$ 1,006,625	\$ 1,027,028

Debt Service Fund

FY 2025/2026 Budget

YEAR TO DATE JANUARY

Percent of Budget Year Transpired	33.3%
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Revenues	Original Budget	Revised Budget	Year to Date	Variance	% Received
<i>Property Tax Revenues</i>	\$ 2,776,917	\$ 2,776,917	\$ 2,330,639	\$ (446,278)	84%
<i>Interest Income</i>	\$ 20,811	\$ 20,811	\$ 6,251	(14,560)	30%
Total Revenues	\$ 2,797,728	\$ 2,797,728	\$ 2,336,890	\$ (460,838)	84%

Expenditures	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Principal Payments</i>	\$ 2,088,000	\$ 2,088,000	\$ -	\$ 2,088,000	0%
<i>Interest Payments</i>	\$ 1,209,817	\$ 1,209,817	\$ -	1,209,817	0%
<i>Paying Agent Fees</i>	\$ 3,000	\$ 3,000	\$ 1,000	2,000	33%
Total Expenditures	\$ 3,300,817	\$ 3,300,817	\$ 1,000	\$ 3,299,817	0%

Other Sources (Uses)	Original Budget	Revised Budget	Year to Date	Variance	% Received
<i>Transfers In (Out) [To 4B]</i>	532,900	532,900	-	\$ 532,900	0%
<i>Proceeds from Refunding Debt</i>	-	-		-	0%
<i>Debt Issuance Cost</i>	-	-		-	0%
<i>Payment to Escrow Agent</i>	-	-		-	0%
Total Financing Sources	\$ 532,900	\$ 532,900	\$ -	\$ 532,900	0%

Beginning & Ending Balance	Original Budget	Revised Budget	Year to Date
<i>Beginning Fund Balance</i>	\$ 121,667	\$ 121,667	\$ 121,667
<i>+ Net Increase (Decrease)</i>	29,811	29,811	2,335,890
Ending Fund Balance	\$ 151,478	\$ 151,478	\$ 2,457,556

Capital Projects Fund FY 2025/2026 Budget

YEAR TO DATE JANUARY

Percent of Budget Year Transpired	33.3%
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Revenues	Original Budget	Revised Budget	Year to Date	Variance	% Received
Grants	\$ -	\$ -		\$ -	0%
Contributions	-	-		-	0%
Interest Income	575,280	575,280	266,210	(309,070)	46%
Total Revenues	\$ 575,280	\$ 575,280	\$ 266,210	\$ (309,070)	46%

Expenditures	Original Budget	Revised Budget	Year to Date	Variance	% Used
2021 Bond Issue (Parks)	4,869,631	4,869,631	194,401	4,675,230	4%
2021 Bond Issue (Streets)	2,111,315	2,111,315	1,800	2,109,515	0%
2024 Tax Note	885,871	885,871	447,567	438,304	51%
2025 Bond Issue (Streets)	4,713,920	4,713,920	-	4,713,920	0%
Total Expenditures	\$ 12,580,737	\$ 12,580,737	\$ 643,768	\$ 11,936,969	5%

Other Financing Sources (Uses)	Original Budget	Revised Budget	Year to Date	Variance	% Received
Bond Issue Proceeds		\$ -	-	\$ -	0%
Bond Discount / Premium	-	-	-	-	0%
Debt Issuance		-	52	52	0%
Transfers In	-	-	-	-	0%
Transfer Out	-	-	-	-	0%
Total Financing Sources	\$ -	\$ -	\$ 52	\$ 52	0%

Beginning & Ending Balance	Original Budget	Revised Budget	Year to Date
Beginning fund balance	\$ 19,759,209	\$ 19,759,209	\$ 19,759,209
+Net Increase (Decrease)	(12,005,457)	(12,005,457)	(377,505)
Ending Fund Balance	\$ 7,753,752	\$ 7,753,752	\$ 19,381,703

Drainage Utilities FY 2025/2026 Budget

YEAR TO DATE JANUARY

<i>Percent of Budget Year Transpired</i>	33.3%
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Revenues	Original Budget	Revised Budget	Year to Date	Variance	% Received
<i>Drainage Conversion Fee</i>	\$ 10,000	10,000	\$ 9,000	\$ (1,000)	90%
<i>Drainage Fee Receipts</i>	658,856	658,856	191,368	(467,488)	29%
<i>Miscellaneous</i>	-	-		-	0%
<i>Interest</i>	-	-	-	-	0%
Total Revenues	\$ 668,856	\$ 668,856	\$ 200,368	\$ (468,488)	30%

Expenditures	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Personnel</i>	\$ 429,393	\$ 429,393	\$ 150,684	\$ 278,709	35%
<i>Services / Supplies</i>	265,607	265,607	106,433	159,174	40%
<i>Capital</i>	31,500	31,500	-	31,500	0%
Total Expenditures	\$ 726,500	\$ 726,500	\$ 257,117	\$ 469,383	35%

Other Sources/Uses	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Transfers In - City Impervious / General Fund</i>	\$ (16,000)	\$ (16,000)	\$ -	(16,000)	0%
<i>Operating TransfersOut / General Fund</i>	16,000	16,000	-	16,000	0%
Total Other Sources (Uses)	\$ -	\$ -	\$ -	\$ -	0%

Fund Balance	Original Budget	Revised Budget	Year to Date
<i>Beginning Fund Balance</i>	\$ 71,560	\$ 71,560	\$ 71,560
<i>+ Net Increase (Decrease)</i>	(57,644)	(57,644)	(56,749)
Ending Fund Balance	\$ 13,916	\$ 13,916	\$ 14,811

Park Development Fee Fund FY 2025/2026 Budget

YEAR TO DATE JANUARY

Percent of Budget Year Transpired	33.3%
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Revenues	Original Budget	Revised Budget	Year to Date	Variance	% Received
<i>Interest</i>	\$ 3,700	\$ 3,700	\$ 1,550	(2,150)	42%
<i>Community Park Fees</i>	17,100	17,100	17,100	-	100%
<i>Linear Park Fees</i>	-	-	-	-	0%
<i>Neighborhood Park Fees</i>	-	-	-	-	0%
<i>Service Area II</i>	-	-	-	-	0%
<i>Service Area IV</i>	25,625	25,625	25,625	-	100%
Total Revenues	\$ 46,425	\$ 46,425	\$ 44,275	\$ (2,150)	95%

Expenditures	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Unity Park</i>	\$ -	\$ -	\$ -	\$ -	0%
<i>Capital Outlay (Unity Park)</i>	-	-	-	-	0%
<i>Capital Outlay (Village Park)</i>	-	-	-	-	0%
<i>Capital Outlay - (St James development, Area I)</i>	-	-	-	-	0%
Total Expenditures	\$ -	\$ -	\$ -	\$ -	0%

Other Sources/Uses	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Operating Transfers In</i>	\$ -	\$ -	\$ -	\$ -	0%
<i>Operating Transfers Out (Funding for projects at Unity Park with FY2012 bond)</i>	-	-	-	-	0%
Total Other Sources (Uses)	\$ -	\$ -	\$ -	\$ -	0%

Fund Balance	Original Budget	Revised Budget	Year to Date
<i>Beginning Fund Balance</i>	\$ 95,008	\$ 95,008	\$ 95,008
<i>+ Net Increase (Decrease)</i>	46,425	46,425	44,275
Ending Fund Balance	\$ 141,433	\$ 141,433	\$ 139,283

Ending Fund Balance Detail	Original Budget	Year to Date
<i>Community Park Fees</i>	\$ 19,699	19,070
<i>Linear Park Fees</i>	-	-
<i>Neighborhood Park Fees (Area I)</i>	-	-
<i>Neighborhood Park Fees (Area II)</i>	96,109	94,588
<i>Neighborhood Park Fees (Area IV)</i>	25,625	25,625
Total	\$ 141,433	\$ 139,283

Public Safety Special Revenue Fund FY 2025/2026 Budget

YEAR TO DATE JANUARY

Percent of Budget Year Transpired	33.3%
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Revenues	Original Budget	Revised Budget	Year to Date	Variance	% Received
Revenues	\$ 76,100	\$ 76,100	\$ 27,427	\$ (48,673)	36%

Expenditures	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Police Grant Related</i>	\$ 51,600	\$ 51,600	\$ 1,793	\$ 49,807	3%
<i>Fire Grant Related</i>	2,500	2,500	-	2,500	0%
Total Expenditures	\$ 54,100	\$ 54,100	\$ 1,793	\$ 52,307	3%

Other Sources/Uses	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Operating Transfers In</i>	\$ -	\$ -	\$ -	\$ -	0%
<i>Operating Transfers Out</i>	(20,000)	(20,000)	-	20,000	0%
Total Other Sources (Uses)	\$ (20,000)	\$ (20,000)	\$ -	\$ 20,000	0%

Beginning & Ending Balance	Original Budget	Revised Budget	Year to Date
<i>Beginning Fund Balance</i>	\$ 83,261	\$ 83,261	\$ 83,261
<i>+ Net Increase (Decrease)</i>	2,000	2,000	25,634
Ending Fund Balance	\$ 85,261	\$ 85,261	\$ 108,895

Municipal Court Technology Fee Fund FY 2025/2026 Budget

YEAR TO DATE JANUARY

<i>Percent of Budget Year Transpired</i>	33.3%
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Revenues	Original Budget	Revised Budget	Year to Date	Variance	% Received
Revenues	\$ 3,400	\$ 3,400	\$ 1,098	(2,302)	32%

Expenditures	Original Budget	Revised Budget	Year to Date	Variance	% Used
Services / Supplies	\$ 3,600	\$ 3,600	\$ -	\$ 3,600	0%
Total Expenditures	\$ 3,600	\$ 3,600	\$ -	\$ 3,600	0%

Other Sources/Uses	Original Budget	Revised Budget	Year to Date	Variance	% Used
Operating Transfers In	\$ -	\$ -	\$ -	\$ -	0%
Operating Transfers Out	-	-	-	-	0%
Total Other Sources (Uses)	\$ -	\$ -	\$ -	\$ -	0%

Beginning & Ending Balance	Original Budget	Revised Budget	Year to Date
Beginning Fund Balance	\$ 13,384	\$ 13,384	\$ 13,384
+ Net Increase (Decrease)	(200)	(200)	1,098
Ending Fund Balance	\$ 13,184	\$ 13,184	\$ 14,482

Municipal Court Building Security Fund FY 2025/2026 Budget

YEAR TO DATE JANUARY

Percent of Budget Year Transpired	33.3%
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Revenues	Original Budget	Revised Budget	Year to Date	Variance	% Received
Revenues (Court Fines)	\$ 3,700	\$ 3,700	\$ 1,345	\$ (2,355)	36%

Expenditures	Original Budget	Revised Budget	Year to Date	Variance	% Used
Personnel (Bailiff)	\$ -	\$ -	\$ -	\$ -	0%
Services / Supplies	-	-	-	-	0%
Total Expenditures	\$ -	\$ -	\$ -	\$ -	0%

Beginning & Ending Balance	Original Budget	Revised Budget	Year to Date
Beginning Fund Balance	\$ 55,387	\$ 55,387	\$ 55,387
+ Net Increase (Decrease)	3,700	3,700	1,345
Ending Fund Balance	\$ 59,087	\$ 59,087	\$ 56,732

Highland Village Community Development Corporation

Working Capital Analysis (FY 2026)

	<i>Actual 2023-2024</i>	<i>Projected 2024-2025</i>	<i>Budget 2025-2026</i>	<i>YTD 2025-2026</i>
Beginning Fund Balance	\$ 1,361,972	\$ 2,007,661	\$ 2,429,761	\$ 2,429,761
Revenues				
4B Sales Tax	1,806,379	1,825,536	1,861,753	304,340
Park Fees (Rental)	63,691	73,900	77,400	45,533
Miscellaneous Income	-		-	-
Interest Income	79,051	87,000	110,000	33,633
Total	\$ 1,949,121	\$ 1,986,436	\$ 2,049,153	\$ 383,505
Expenditures				
<i>Personnel</i>	280,010	351,600	406,647	106,025
<i>Services / Supplies</i>	447,732	598,711	362,660	66,417
Reimburse GF (Support Functions)	28,000	28,000	28,000	-
Reimburse GF (Debt Service)	539,165	536,025	532,900	-
Total Non-Capital Expenditures	\$ 1,294,907	\$ 1,514,336	\$ 1,330,207	\$ 172,442
Capital				
Equipment	8,525	50,000	-	-
Net Increase / (Decrease)	645,689	422,100	718,946	211,063
Working Capital Balance	\$ 2,007,661	\$ 2,429,761	\$ 3,148,707	\$ 2,640,824

PEG Fee Fund

FY 2025/2026 Budget

YEAR TO DATE JANUARY

<i>Percent of Budget Year Transpired</i>	33.3%
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Revenues	Original Budget	Revised Budget	Year to Date	Variance	% Received
<i>PEG Fee Receipts</i>	\$ 16,759	\$ 16,759	\$ -	\$ (16,759)	0%
Total Revenues	\$ 16,759	\$ 16,759	\$ -	\$ (16,759)	0%

Expenditures	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Personnel</i>	\$ -	\$ -	\$ -	\$ -	0%
<i>Services / Supplies</i>	7,000	7,000	-	7,000	0%
<i>Capital</i>	27,108	27,108	-	27,108	0%
Total Expenditures	\$ 34,108	\$ 34,108	\$ -	\$ 34,108	0%

Other Sources/Uses	Original Budget	Revised Budget	Year to Date	Variance	% Used
<i>Operating Transfers In</i>	\$ -	\$ -	\$ -	\$ -	0%
<i>Operating TransfersOut</i>	-	-	-	-	0%
Total Other Sources (Uses)	\$ -	\$ -	\$ -	\$ -	0%

Fund Balance	Original Budget	Revised Budget	Year to Date
<i>Beginning fund balance</i>	\$ 191,082	\$ 191,082	\$ 191,082
<i>+Net Increase (Decrease)</i>	(17,349)	(17,349)	-
Ending Fund Balance	\$ 173,733	\$ 173,733	\$ 191,082



CITY COUNCIL MEMORANDUM AGENDA ITEM 13

MEETING DATE: March 10, 2026

SUBJECT: Consider Resolution No. 2026-3234 authorizing a Funding Agreement with the Highland Village Community Development Corporation to provide funds for the Doubletree Ranch Park Shade Structure Replacement Project

PREPARED BY: Phil Lozano, Director of Parks and Recreation

BACKGROUND

The Highland Village Community Development Corporation (HVDC) funds are legally required to be accounted for separately from City funds. Therefore, the City must obtain board approval before spending HVDC funds, as outlined in the funding agreement.

This funding agreement authorizes the City to use 4B Sales Tax funds for replacing the existing shade structure located next to the playground. The existing shade structure was designed in a way that allowed for vandalism due to its proximity to the surface, poses a safety risk, and has excessive wear to the sail due to its size.

Staff has worked with the HVDC Board to review several options listed below, and it was determined through the process that it should be replaced with a new structure.

Single four-post structure	\$62,000
Four 20'X20" cantilever shade structures	\$60,795
Plant three 3" caliper trees	\$12,762
Plant three 6" caliper trees	\$17,622
Demo of entire structure and replace with sod and three 3" caliper trees	\$36,959
Demo of entire structure and replace with sod and three 6" caliper trees	\$41,819

BUDGETARY IMPACT

Cost for materials and construction of a new shade structure is \$61,810.00 to be paid by 4B Sales Tax funds pursuant to the proposed funding agreement.

RECOMMENDATION

To approve Resolution 2026-3234 authorizing a Project Funding Agreement with the Highland Village Community Development Corporation to provide Funds for the Doubletree Ranch Park Shade Structure Replacement Project.

STATE OF TEXAS
COUNTY OF DENTON

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PROJECT FUNDING AGREEMENT
[DOUBLETREE RANCH PARK SHADE STRUCTURE
REPLACEMENT PROJECT]

This **Project Funding Agreement** (“**Agreement**”) is made by and between the **City of Highland Village, Texas** (“**City**”) and the **Highland Village Community Development Corporation** (“**HVCDC**”) (each a “**Party**” or collectively the “**Parties**”), acting by and through their respective authorized officers.

WITNESSETH:

WHEREAS, HVCDC is a Type B Corporation organized pursuant to the Development Corporation Act, Chapters 501 - 505 of the Texas Local Government Code, as amended (the “**Act**”); and

WHEREAS, the Act and the enabling legislation approved by City’s citizens authorizes HVCDC to provide funding and economic development grants relating to the development of public soccer facilities and public trails; and

WHEREAS, City staff has determined that one of the shade structures at Doubletree Ranch Park is in such disrepair that it poses a safety risk and needs to be replaced; and

WHEREAS, City has requested HVCDC provide the funds to purchase and replace the said shade structure (the “**Project**”); and

WHEREAS, HVCDC has adopted programs for promoting economic development; and

WHEREAS, HVCDC has determined that the Project is required or suitable to promote new or expanded business enterprises and constitutes a “project” as that term is defined in the Act; and

WHEREAS, HVCDC has determined that the Project will further the objectives of the HVCDC, will benefit City and the City’s inhabitants, and will promote local economic development and stimulate business and commercial activity in the City.

NOW THEREFORE, in consideration of the foregoing and other consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Article I
Definitions

For purposes of this Agreement, each of the following terms shall have the meaning set forth herein unless the context clearly indicates otherwise:

“Completion of Construction” mean (i) substantial completion of the Project has occurred and (ii) City has accepted the Project.

“Effective Date” means the date this Agreement bears the signatures of the authorized representatives of all of the Parties, whether on the same document or on identical counterparts.

“Expiration Date” means the date that the Parties have fully satisfied their respective obligations under this Agreement.

“Force Majeure” means any contingency or cause beyond the reasonable control of a Party including, without limitation, acts of God or the public enemy, war, riot, civil commotion, insurrection, government or de facto governmental action (unless caused by acts of omissions of the Party), fires, explosions or floods, strikes, slowdowns or work stoppages, but may not impact any payments to be made hereunder.

“Project” means the purchase and installation of replacement shade structures at Doubletree Ranch Park.

“Project Costs” means the actual costs for designing and constructing the Project.

“Project Funding” means the payment of Type B sale tax funds to City as set forth herein for use in paying Project Costs in an amount not to exceed Sixty-One Thousand Eight Hundred Ten and No/100 Dollars (\$61,810.00).

Article II Term

The term of this Agreement shall begin on the Effective Date and continue until the Expiration Date unless terminated sooner as provided herein.

Article III Project Construction and Funding

3.1 Project Construction. Subject to events of Force Majeure, City agrees to cause Completion of Construction of the Project.

3.2 Project Funding. Subject to the continued satisfaction of all the terms and conditions of the Agreement by City, and the obligation of City to repay the Funding pursuant to Article IV below, HVCDC agrees to provide the Project Funding to City not later than five (5) business days after receipt of written notice from City requesting the Project Funding.

3.3 Project Costs. City covenants and agrees to use the Project Funding solely for the Project Costs. City agrees to refund to HVCDC, without demand, all or any portion of the Project Funding not used for the Project.

3.4 Current Revenue. Under no circumstances shall the obligations of HVCDC hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision. The Project Funding shall be paid solely from lawfully available funds. Consequently,

notwithstanding any other provision of this Agreement, HVCDC shall have no obligation or liability to provide the Project Funding except as allowed by law.

Article IV Termination

4.1 Termination. This Agreement shall terminate upon the Expiration Date or earlier upon the occurrence of any one of the following:

(a) Upon written agreement of the Parties; or

(b) On the date of termination set forth in written notice by either Party if the other Party breaches any of the terms or conditions of this Agreement and such breach is not cured within thirty (30) days after written notice thereof; provided, however, if the breach may not be cured within such 30-day period the breaching Party shall have an additional sixty (60) days to cure such breach; or

(c) On the date of termination set forth in a written notice by either Party, if any subsequent Federal or State legislation or any final, non-appealable decision of a court of competent jurisdiction declares or renders this Agreement invalid, illegal, or unenforceable.

4.2 Repayment of Funding. If this Agreement is terminated by HVCDC prior to the Expiration Date pursuant to Section 5.1(b), City shall immediately pay to HVCDC any amounts of the Project Funding paid to City by HVCDC pursuant to Section 3.2 herein. This Section 4.2 shall survive termination of this Agreement to the extent necessary for HVCDC to collect repayment of the Project Funding from City.

Article V Miscellaneous

5.1 Binding Agreement. The terms and conditions of this Agreement are binding upon the successors and permitted assigns of the Parties.

5.2 Limitation on Liability. It is understood and agreed between the Parties that HVCDC and City, in satisfying the conditions of this Agreement, have each acted independently, and assume no responsibilities or liabilities to third parties in connection with these actions.

5.3 Authorization. Each Party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement. 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 hereto.

5.4 Notice. Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter sent by United States Mail, postage prepaid, addressed to the Party at the address set forth below (or such other address as such Party may subsequently

designate in writing), or on the day actually received if sent by courier or otherwise hand delivered.

If intended for the City, to:

Attn: City Manager
City of Highland Village
1000 Highland Village Road
Highland Village, Texas 75077

If intended for the HVCDC, to:

Highland Village Community Development Corporation
Attn: President
1000 Highland Village Road
Highland Village, Texas 75077

5.5 Entire Agreement. This Agreement is the entire Agreement between the Parties with respect to the subject matter covered in this Agreement. There is no other collateral oral or written Agreement between the Parties that in any manner relates to the subject matter of this Agreement.

5.6 Governing Law. This Agreement shall be governed by the laws of the State of Texas, without giving effect to any conflicts of law rule or principle that might result in the application of the laws of another jurisdiction; and exclusive venue for any action concerning this Agreement shall be in a state court of competent jurisdiction in Denton County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

5.7 Amendment. This Agreement may only be amended by written agreement signed by both of the Parties.

5.8 Severability. If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions, and it is the intention of the Parties to this Agreement that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision shall be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

5.9 Successors and Assigns. This Agreement may not be assigned without the prior written consent of the other Party.

5.10 Recitals. The recitals to this Agreement are incorporated herein.

5.11 Counterparts. This Agreement may be executed in identical counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

5.12 Survival of Covenants. Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination of this Agreement shall survive termination.

5.13 Employment of Undocumented Workers. During the term of this Agreement, City agrees not to knowingly employ any undocumented workers, and if convicted of a violation under 8 U.S.C. Section 1324a (f), City shall repay the amount of the Project Funding and any other funds received by City from HVCDC pursuant to this Agreement as of the date of such violation within 120 business days after the date City is notified by HVCDC of such violation, plus interest at the rate of 6% compounded annually from the date of violation until paid. City is not liable for a violation of this section by a subsidiary, affiliate, or franchisee of City or by a person with whom City contracts.

SIGNED AND AGREED on _____ 2026.

CITY OF HIGHLAND VILLAGE, TEXAS

By: _____
Paul Stevens, City Manager

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney

SIGNED AND AGREED on _____ 2026.

HIGHLAND VILLAGE COMMUNITY DEVELOPMENT CORPORATION

By: _____
President

CITY OF HIGHLAND VILLAGE, TEXAS

RESOLUTION NO. 2026-3234

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, AUTHORIZING A PROJECT FUNDING AGREEMENT WITH THE HIGHLAND VILLAGE COMMUNITY DEVELOPMENT CORPORATION TO PROVIDE FUNDS FOR THE DOUBLETREE RANCH PARK SHADE STRUCTURE REPLACEMENT PROJECT AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, City staff has identified one of the existing shade structures at Doubletree Ranch Park needs to be replaced; and

WHEREAS, City administration has requested Highland Village Community Development Corporation (“HVDC”) provide the funds to replace the shade structure with a new one (“Project”); and

WHEREAS, the City Council of the City of Highland Village, Texas, finds it to be in the public interest to sign a funding agreement with HVDC to provide funding for the cost of the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, THAT:

SECTION 1. The City Manager is hereby authorized to negotiate and sign on behalf of the City a funding agreement with the HVDC authorizing use of HVDC’s Type B Sales Tax Funds in the amount of \$61,810.00 to be used by the City to pay for the Project.

SECTION 2. This Resolution shall be effective immediately upon approval.

PASSED AND APPROVED this the 10th day of March 2026.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney

(kbl:2/26/2026:4911-5171-7010 v1)



CITY COUNCIL MEMORANDUM AGENDA ITEM 14

MEETING DATE: March 10, 2026

SUBJECT: Consider Resolution No. 2026-3235 authorizing a Funding Agreement with the Highland Village Community Development Corporation (HV CDC) to Authorize the Use of Type B Sales Tax Funds for 2025-2026 Fiscal Year Budgeted Projects

PREPARED BY: Phil Lozano, Director of Parks and Recreation

BACKGROUND

The Highland Village Community Development Corporation (HV CDC) funds are legally required to be accounted for separately from City funds. Therefore, the City must obtain board approval before spending HV CDC funds, as outlined in the funding agreement.

This funding agreement is to authorize the City to spend Type B Sales Tax Funds for the purposes appropriated in HV CDC's FY 2025–26 Budget on Authorized Projects.

BUDGETARY IMPACT

None. The funds represented in the proposed funding agreement are already accounted for in the City's budget for FY 2025-26.

RECOMMENDATION

To approve Resolution 2026-3235 authorizing a Project Funding Agreement with the Highland Village Community Development Corporation to authorize the City use of Type B Sales Tax Funds on authorized projects for the purposes appropriated in HV CDC's FY 2025–26 Budget on authorized projects.

STATE OF TEXAS
COUNTY OF DENTON

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PROJECT FUNDING AGREEMENT
[2025-2026 FISCAL YEAR BUDGETED PROJECTS]

This **Project Funding Agreement** (“**Agreement**”) is made by and between the **City of Highland Village, Texas** (“**City**”) and the **Highland Village Community Development Corporation** (“**HVCDC**”) (each a “**Party**” or collectively the “**Parties**”), acting by and through their respective authorized officers.

WITNESSETH:

WHEREAS, HVCDC is a Type B Corporation organized pursuant to the Development Corporation Act, Chapters 501 - 505 of the Texas Local Government Code, as amended (the “**Act**”); and

WHEREAS, the Act and the enabling legislation approved by City’s citizens authorizes HVCDC to provide funding and economic development grants relating to the development of public soccer facilities and public trails (“**Authorized Projects**”); and

WHEREAS, the budget HVCDC adopts each fiscal year (the “**Annual Budget**”) sets forth the appropriation and allocation of the Type B Sales Tax funds (the “**Type B Sales Tax Funds**”) collected by City on behalf of HVCDC for projects and other expenditures paid with such funds; and

WHEREAS, the goods, services, debt service, and other expenditures identified in the Annual Budget constitute Authorized Projects; and

WHEREAS, HVCDC has adopted programs for promoting economic development; and

WHEREAS, HVCDC has determined that the Authorized Projects are required or suitable to promote new or expanded business enterprises and constitutes “projects” as that term is defined in the Act; and

WHEREAS, HVCDC has determined that the Authorized Projects will further the objectives of HVCDC, will benefit City and City’s inhabitants, and will promote local economic development and stimulate business and commercial activity in the City; and

WHEREAS, numerous items in the Annual Budget calls for the Type B Sales Tax Funds to be spent by City for purposes associated with Authorized Projects; and

WHEREAS, the Parties desire to enter this Agreement to authorize City to spend the Type B Sales Tax Funds for the purposes appropriated in the FY 25-26 Budget on Authorized Projects.

NOW THEREFORE, in consideration of the foregoing and other consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Article I Definitions

For purposes of this Agreement, each of the following terms shall have the meaning set forth herein unless the context clearly indicates otherwise:

“Authorized Projects” shall have the meaning set forth in the first recital above.

“Effective Date” means October 1, 2025, notwithstanding the date this Agreement bears the signatures of the authorized representatives of all of the Parties, whether on the same document or on identical counterparts, provided all of the Parties have signed this Agreement.

“Expiration Date” means September 30, 2026.

“FY 25-26 Budget” means HVCDC’s annual budget adopted for HVCDC’s 2025-26 Fiscal Year, a copy of which is attached hereto as Exhibit “A” and incorporated herein by reference.

“Force Majeure” means any contingency or cause beyond the reasonable control of a Party including, without limitation, acts of God or the public enemy, war, riot, civil commotion, insurrection, government or de facto governmental action (unless caused by acts of omissions of the Party), fires, explosions or floods, strikes, slowdowns or work stoppages, but may not impact any payments to be made hereunder.

“Project Costs” means the actual costs incurred in association with the performance of Authorized Projects.

“Project Funding” means the Type B Sale Tax Funds approved in the FY 25-26 Budget to pay City for Project Costs in incurred by City in City’s performance of Authorized Projects.

Article II Term

The term of this Agreement shall begin on the Effective Date and continue until the Expiration Date unless terminated sooner as provided herein.

Article III Project Construction and Funding

3.1 Performance of Authorized Projects. Subject to events of Force Majeure, City agrees to perform the Authorized Projects.

3.2 Project Funding. Subject to the continued satisfaction of all the terms and conditions of the Agreement by City, and the obligation of City to repay the Project Funding pursuant to Article IV below, City may transfer Type B Sales Tax Funds from HVCDC’s deposit

accounts to City's deposit accounts when City finds it necessary to pay Project Costs associated with Authorized Projects.

3.3 Project Costs. City covenants and agrees to use the Project Funding solely for the Project Costs associated with Authorized Projects. City agrees to refund to HVCDC, without demand, all or any portion of the Project Funding not used for an Authorized Project.

3.4 Current Revenue. Under no circumstances shall the obligations of HVCDC hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision. The Project Funding shall be paid solely from lawfully available funds. Consequently, notwithstanding any other provision of this Agreement, HVCDC shall have no obligation or liability to provide the Project Funding except as allowed by law.

Article IV Termination

4.1 Termination. This Agreement shall terminate upon the Expiration Date or earlier upon the occurrence of any one of the following:

(a) Upon written agreement of the Parties; or

(b) On the date of termination set forth in written notice by either Party if the other Party breaches any of the terms or conditions of this Agreement and such breach is not cured within thirty (30) days after written notice thereof; provided, however, if the breach may not be cured within such 30-day period the breaching Party shall have an additional sixty (60) days to cure such breach; or

(c) On the date of termination set forth in a written notice by either Party, if any subsequent Federal or State legislation or any final, non-appealable decision of a court of competent jurisdiction declares or renders this Agreement invalid, illegal, or unenforceable.

4.2 Repayment of Funding. If this Agreement is terminated by HVCDC prior to the Expiration Date pursuant to Section 5.1(b), City shall immediately pay to HVCDC any amounts of the Project Funding paid to City by HVCDC pursuant to Section 3.2 herein. This Section 4.2 shall survive termination of this Agreement to the extent necessary for HVCDC to collect repayment of the Project Funding from City.

Article V Miscellaneous

5.1 Binding Agreement. The terms and conditions of this Agreement are binding upon the successors and permitted assigns of the Parties.

5.2 Limitation on Liability. It is understood and agreed between the Parties that HVCDC and City, in satisfying the conditions of this Agreement, have each acted independently, and assume no responsibilities or liabilities to third parties in connection with these actions.

5.3 Authorization. Each Party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement. 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.

5.4 Notice. Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter sent by United States Mail, postage prepaid, addressed to the Party at the address set forth below (or such other address as such Party may subsequently designate in writing), or on the day actually received if sent by courier or otherwise hand delivered.

If intended for the City, to:

Attn: City Manager
City of Highland Village
1000 Highland Village Road
Highland Village, Texas 75077

If intended for the HVCDC, to:

Highland Village Community Development Corporation
Attn: President
1000 Highland Village Road
Highland Village, Texas 75077

5.5 Entire Agreement. This Agreement is the entire Agreement between the Parties with respect to the subject matter covered in this Agreement. There is no other collateral oral or written Agreement between the Parties that in any manner relates to the subject matter of this Agreement.

5.6 Governing Law. This Agreement shall be governed by the laws of the State of Texas, without giving effect to any conflicts of law rule or principle that might result in the application of the laws of another jurisdiction; and exclusive venue for any action concerning this Agreement shall be in a state court of competent jurisdiction in Denton County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

5.7 Amendment. This Agreement may only be amended by written agreement signed by both of the Parties.

5.8 Severability. If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions, and it is the intention of the

Parties to this Agreement that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision shall be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

5.9 Successors and Assigns. This Agreement may not be assigned without the prior written consent of the other Party.

5.10 Recitals. The recitals to this Agreement are incorporated herein.

5.11 Counterparts. This Agreement may be executed in identical counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

5.12 Survival of Covenants. Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination of this Agreement shall survive termination.

5.13 Employment of Undocumented Workers. During the term of this Agreement, City agrees not to knowingly employ any undocumented workers, and if convicted of a violation under 8 U.S.C. Section 1324a (f), City shall repay the amount of the Project Funding and any other funds received by City from HVCDC pursuant to this Agreement as of the date of such violation within 120 business days after the date City is notified by HVCDC of such violation, plus interest at the rate of 6% compounded annually from the date of violation until paid. City is not liable for a violation of this section by a subsidiary, affiliate, or franchisee of City or by a person with whom City contracts.

SIGNED AND AGREED on _____ .

CITY OF HIGHLAND VILLAGE, TEXAS

By: _____
Paul Stevens, City Manager

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney

SIGNED AND AGREED on _____ .

**HIGHLAND VILLAGE COMMUNITY DEVELOPMENT
CORPORATION**

By: _____
President

EXHIBIT "A"
2025-2026 Fiscal Year Budget

HV Community Development

-- History -- -- Projected -- -- Budget --

	Actual FY 2024	Budget FY 2025	Estimate FY 2025	Proposed FY 2026
Beginning Fund Balance	\$ 1,361,971	\$ 2,050,204	\$ 2,007,659	\$ 2,429,759
Sales Tax	1,806,379	1,994,167	1,825,536	1,861,753
Park Fees	-	6,500	4,100	6,500
Rental Income	63,691	75,500	69,800	70,900
Linear Park Fees	-	-	-	-
Miscellaneous	-	-	-	-
Interest Income	79,048	115,000	87,000	110,000
Total Revenues	1,949,119	2,191,167	1,986,436	2,049,153
Expenditures				
<i>Personnel</i>	280,009	365,550	351,600	406,647
Professional Services	59,266	114,124	140,540	49,288
Employee Develop	3,817	1,928	1,828	1,928
Supplies / Equipment	331,381	372,816	400,293	255,394
Utilities	53,268	56,050	56,050	56,050
Other	-	-	-	-
<i>Total Services / Supplies</i>	447,731	544,918	598,711	362,660
<i>Capital</i>	8,525	50,000	50,000	-
Total Expenditures	736,265	960,468	1,000,311	769,307
Other Sources / (Uses) [Reimburse GF for related Debt Service and Support functions]	(567,165)	(564,025)	(564,025)	(560,900)
Net Increase / Decr	645,688	666,674	422,100	718,946
Ending Fund Balance	\$ 2,007,659	\$ 2,716,878	\$ 2,429,759	\$ 3,148,705

CITY OF HIGHLAND VILLAGE, TEXAS

RESOLUTION NO. 2026-3235

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, AUTHORIZING A PROJECT FUNDING AGREEMENT WITH THE HIGHLAND VILLAGE COMMUNITY DEVELOPMENT CORPORATION TO AUTHORIZE THE CITY TO SPEND TYPE B SALES TAX FUNDS ON AUTHORIZED PROJECTS FOR THE 2025-26 FISCAL YEAR; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the budget the Highland Village Community Development Corporation (“HVDC”) adopts each fiscal year (the “Annual Budget”) sets forth the appropriation and allocation of the Type B Sales Tax funds (the “Type B Sales Tax Funds”) collected by City on behalf of HVDC for projects and other expenditures paid with such funds; and

WHEREAS, HVDC is a Type B Corporation organized pursuant to the Development Corporation Act, Chapters 501 - 505 of the Texas Local Government Code, as amended (the “Act”); and

WHEREAS, the Act and the enabling legislation approved by City’s citizens authorizes HVDC to provide funding and economic development grants relating to the development of public soccer facilities and public trails (“Authorized Projects”); and

WHEREAS, numerous items in the Annual Budget call for Type B Sales Tax Funds to be spent by the City for purposes associated with Authorized Projects; and

WHEREAS, City administration has negotiated a funding agreement authorizing the City to spend Type B Sales Tax Funds for the purposes appropriated in the HVDC’s FY 25-26 Budget on Authorized Projects; and

WHEREAS, the City Council of the City of Highland Village, Texas, finds it to be in the public interest to sign said funding agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, THAT:

SECTION 1. The City Manager is hereby authorized to negotiate and sign on behalf of the City a funding agreement with the HVDC authorizing the City to use Type B Sales Tax Funds to pay for Authorized Projects in accordance with HVDC’s approve Fiscal Year 2025-2026 budget.

SECTION 2. This Resolution shall be effective immediately upon approval.

PASSED AND APPROVED this the 10th day of March 2026.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney

(kbl:2/26/2026:4920-8141-1730 v1)



CITY COUNCIL MEMORANDUM AGENDA ITEM 15

MEETING DATE: March 10, 2026

SUBJECT: Status Reports on Current Projects and Discussion on Future Agenda Items

PREPARED BY: Paul Stevens, City Manager

BACKGROUND

This item is on the agenda to allow a Councilmember to inquire about a subject of which notice has not been given. A statement of specific factual information or the recitation of existing policy may be given. Any deliberation shall be limited to a proposal to place the subject on an agenda for a subsequent meeting.

BUDGETARY IMPACT

N/A

RECOMMENDATION

N/A



UPCOMING MEETINGS

March 9, 2026	HV Community Development Corporation Meeting-Cancelled
March 10, 2026	Regular City Council Meeting – 7:00 pm
March 16, 2026	Parks and Recreation Advisory Board Meeting – 6:00 pm
March 17, 2026	Planning and Zoning Meeting – 7:00 pm
March 24, 2026	Regular City Council Meeting – 7:00 pm
April 2, 2026	Zoning Board of Adjustment Meeting – 7:00 pm
April 3, 2026	City Offices Closed for the Good Friday Holiday
April 13, 2026	HV Community Development Corporation Meeting – 6:00 pm
April 14, 2026	Regular City Council Meeting – 7:00 pm
April 20, 2026	Parks and Recreation Advisory Board Meeting – 6:00 pm
April 21, 2026	Planning and Zoning Meeting – 7:00 pm
April 28, 2026	Regular City Council Meeting – 7:00 pm
May 7, 2026	Zoning Board of Adjustment Meeting – 7:00 pm
May 11, 2026	HV Community Development Corporation Meeting – 6:00 pm
May 12, 2026	Regular City Council Meeting – 7:00 pm
May 18, 2026	Parks and Recreation Advisory Board Meeting – 6:00 pm
May 19, 2026	Planning and Zoning Meeting – 7:00 pm
May 26, 2026	Regular City Council Meeting – Cancelled

Note – The Zoning Board of Adjustment, Parks & Recreation Advisory Board, and the Planning & Zoning Commission meetings are held monthly, IF NEEDED. Please visit www.highlandvillage.org or the City Hall bulletin board for the latest meeting additions and updates.