



**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 24, 2026 at 6:00 P.M.**

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

**Convene Meeting in Open Session**

1. **Receive Presentation of the Annual Comprehensive Financial Report for Fiscal Year 2024-2025**
2. **Clarification of Consent or Action Items listed on Today’s City Council Meeting Agenda for March 24, 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**

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 – 7:30 P.M.**

4. **Call Meeting to Order**
5. **Prayer led by Councilmember Rhonda Hurst**
6. **Pledge of Allegiance to the U.S. and Texas flags led by Councilmember Rhonda Hurst: “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**

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*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.*

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**

- DCTA Board Meeting Update
- 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 February 10, 2026**

**11. Receive the Annual Comprehensive Financial Report for Fiscal Year 2024-2025**

**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 2026-3236 nominating One Candidate for Place 4 to fill an Unexpired Term on the Denton Central Appraisal District (DCAD) Board of Directors**

14. Discuss and Consider Ordinance 2026-1333 amending Highland Village Code of Ordinances Article 10.07 “Handbills” by Amending Section 10.07.002 “Handbill Distribution on Residential Property” (*1<sup>st</sup> of two reads*)

**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 18<sup>TH</sup> 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:** March 24, 2026

**SUBJECT:** Receive Presentation of the Annual Comprehensive Financial Report for FY 2025

**PREPARED BY:** Heather Miller, Finance Director

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### **BACKGROUND**

The Annual Comprehensive Financial Report represents an annual audit of City finances and records. The City received an unmodified opinion from the auditors, Pattillo, Brown, & Hill, L.L.P. in this report – indicating that the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

A representative from the auditing firm will present a summary of findings.

### **BUDGETARY IMPACT**

Not applicable.

### **RECOMMENDATION**

Not applicable.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Highland Village, we offer readers of the City of Highland Village's financial statements this narrative overview and analysis of the financial activities of the City of Highland Village for the fiscal year ended September 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

### FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City of Highland Village exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$62,536,082. Of this amount, \$12,731,712 may be used to meet the government's ongoing obligations to citizens and creditors.
- The City of Highland Village's total net position decreased by \$25,963. A \$315,374 increase in net position related to governmental activities and a decrease of \$341,337 in net position in business-type activities.
- As of September 30, 2025, the City of Highland Village's governmental funds reported combined ending fund balances of \$36,051,362 an increase of \$6,074,304 in comparison with the prior year. Approximately 24 percent of this total amount, \$8,621,948 is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$8,621,948 or 36 percent of total General Fund expenditures.
- The City of Highland Village's total debt increased by \$4,254,000 during the current fiscal year. This is attributed to certificates of obligation issued for \$7,130,000, net with debt payments of \$2,876,000.

### OVERVIEW OF THE FINANCIAL STATEMENTS

The management's discussion and analysis are intended to serve as an introduction to the City of Highland Village's basic financial statements. The City of Highland Village's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the City of Highland Village's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City of Highland Village's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between these items

reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Highland Village is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). Both the statement of net position and the statement of activities are prepared utilizing the accrual basis of accounting as opposed to the modified accrual basis used in the governmental fund financial statements.

In the Statement of Net Position and the Statement of Activities, the City is divided between two kinds of activities:

**Governmental activities.** Most of the City's basic services are reported here, including the police, fire, community development, public works, information services, park services, municipal court, and general administration. Property taxes, sales taxes, and franchise fees finance most of these activities.

**Business-type activities.** The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water and sewer utilities are reported here.

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund financial statements provide detailed information about the most significant funds, not the City as a whole. Some funds are required to be established by state law or bond covenants. However, the City Council also establishes other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants and other money. All of the funds of the City of Highland Village can be divided into two categories: governmental funds and proprietary funds.

**Governmental funds.** The majority of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method identified as the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. By comparing information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements, readers may better understand the long-term impact of the government's near-term financing decisions. The relationship or differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds are detailed in a reconciliation following the fund financial statements.

The City of Highland Village maintains 11 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, and Capital Projects

Fund, all of which are considered to be major funds. Data from the other 8 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

**Proprietary funds.** The City charges customers for the services it provides, whether to outside customers or to other units within the City. These services are generally reported in proprietary funds. Proprietary funds are reported in the same manner that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's Enterprise Fund (a component of proprietary funds) is identical to the business-type activities that are reported in the government-wide statements, but provide more detail and additional information, such as cash flows.

The City of Highland Village maintains an Enterprise Fund to account for water and sewer services provided to the City's retail and wholesale customers. All activities associated with providing such services are accounted for in this fund, including administration, operation, maintenance, debt service, capital improvements, billing and collection. The City's intent is that costs of providing the services to the general public on a continuing basis is financed through user charges in a manner similar to a private enterprise.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of Highland Village's budgetary comparison schedules and its progress in funding its obligation to provide pension benefits to its employees.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

The City's combined net position was \$62,536,082 as of September 30, 2025. Analyzing the net position of governmental and business-type activities separately, governmental activities' net position was \$47,795,777 and business-type activities' net position was \$14,740,305. This analysis focuses on the net position (Table 1), and the changes in net position (Table 2).

The largest portion of the City's net position reflects its net investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**TABLE 1**

**CITY OF HIGHLAND VILLAGE'S NET POSITION**

	Governmental Activities		Business-type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Current and other assets	\$ 41,416,643	\$ 35,228,353	\$ 9,706,150	\$ 10,681,893	\$ 51,122,793	\$ 45,910,246
Capital assets	<u>57,755,230</u>	<u>58,622,860</u>	<u>15,560,035</u>	<u>14,867,758</u>	<u>73,315,265</u>	<u>73,490,618</u>
Total assets	<u>99,171,873</u>	<u>93,851,213</u>	<u>25,266,185</u>	<u>25,549,651</u>	<u>124,438,058</u>	<u>119,400,864</u>
Deferred outflows of resources	<u>1,429,306</u>	<u>2,520,523</u>	<u>179,412</u>	<u>304,464</u>	<u>1,608,718</u>	<u>2,824,987</u>
Long-term liabilities	42,596,752	38,771,780	7,535,430	8,357,623	50,132,182	47,129,403
Other liabilities	<u>6,864,401</u>	<u>6,522,634</u>	<u>3,051,100</u>	<u>2,187,211</u>	<u>9,915,501</u>	<u>8,709,845</u>
Total liabilities	<u>49,461,153</u>	<u>45,294,414</u>	<u>10,586,530</u>	<u>10,544,834</u>	<u>60,047,683</u>	<u>55,839,248</u>
Deferred inflows of resources	<u>3,344,249</u>	<u>3,045,309</u>	<u>118,812</u>	<u>68,712</u>	<u>3,463,061</u>	<u>3,114,021</u>
Net position:						
Net investment in capital assets	37,124,862	37,418,194	7,103,088	6,023,518	44,227,950	43,441,712
Restricted	3,872,385	3,664,933	1,704,035	1,768,698	5,576,420	5,433,631
Unrestricted	<u>6,798,530</u>	<u>6,948,886</u>	<u>5,933,182</u>	<u>7,448,353</u>	<u>12,731,712</u>	<u>14,397,239</u>
Total net position	<u>\$ 47,795,777</u>	<u>\$ 48,032,013</u>	<u>\$ 14,740,305</u>	<u>\$ 15,240,569</u>	<u>\$ 62,536,082</u>	<u>\$ 63,272,582</u>

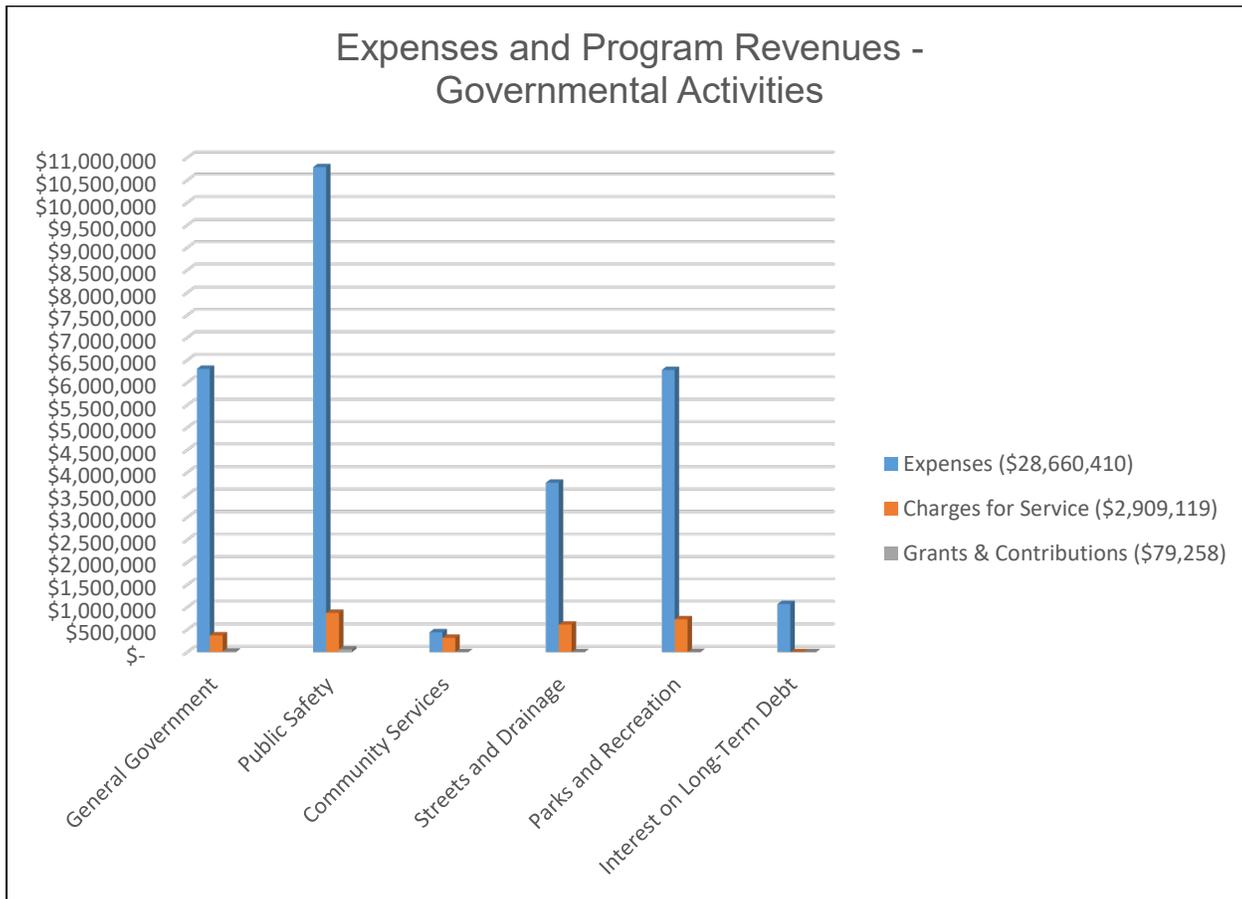
During the current year, the City adopted new accounting standards for compensated absences with the adoption of GASB Statement No. 101, Compensated Absences. The information above for 2025 has been restated to reflect this change, but, in accordance with GASB pronouncements, 2024 was not adjusted. See note 1.D. to the financial statements for more information.

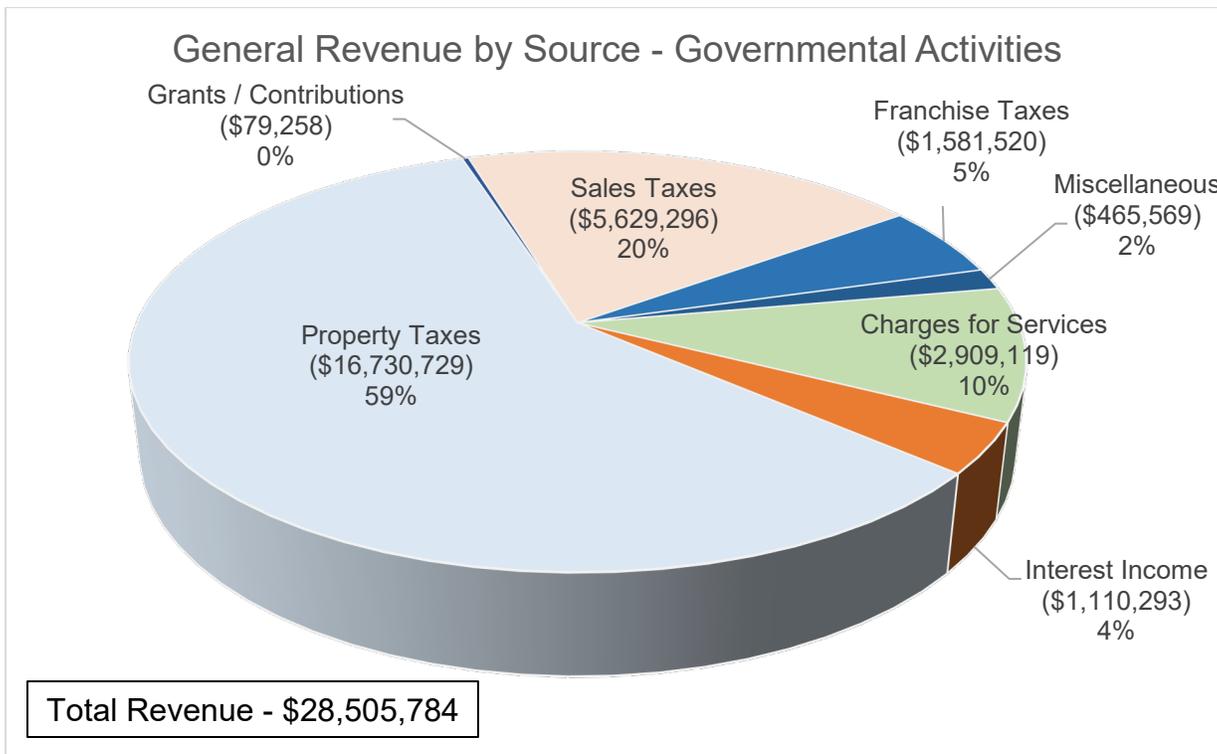
The following table (Table 2) provides a summary of the City’s operations for the year ended September 30, 2025. Governmental activities increased the City’s net position by \$315,374 and business-type activities decreased the City’s net position by \$341,337, resulting in a net \$25,963 increase in total net position.

**TABLE 2**  
**CITY OF HIGHLAND VILLAGE’S CHANGES IN NET POSITION**

	Governmental Activities		Business-type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	\$ 2,909,119	\$ 2,776,651	\$ 10,175,801	\$ 10,273,938	\$ 13,084,920	\$ 13,050,589
Operating grants and contributions	76,258	114,839	-	966,580	76,258	1,081,419
Capital grants and contributions	3,000	132,247	25,803	9,507	28,803	141,754
General revenues:						
Property taxes	16,730,729	15,869,314	-	-	16,730,729	15,869,314
Sales taxes	5,629,296	5,622,168	-	-	5,629,296	5,622,168
Franchise fees	1,581,520	1,563,746	-	-	1,581,520	1,563,746
Interest income	1,110,293	1,307,651	361,104	315,089	1,471,397	1,622,740
Miscellaneous	465,569	107,560	-	-	465,569	107,560
Total revenues	28,505,784	27,494,176	10,562,708	11,565,114	39,068,492	39,059,290
Expenses:						
General government	6,304,516	6,243,098	-	-	6,304,516	6,243,098
Public safety	10,790,272	10,093,477	-	-	10,790,272	10,093,477
Community services	442,109	423,751	-	-	442,109	423,751
Streets and drainage	3,771,368	3,997,479	-	-	3,771,368	3,997,479
Parks and recreation	6,280,036	5,613,243	-	-	6,280,036	5,613,243
Interest on long-term debt	1,072,109	874,264	-	-	1,072,109	874,264
Water and wastewater	-	-	10,434,045	9,994,342	10,434,045	9,994,342
Total expenses	28,660,410	27,245,312	10,434,045	9,994,342	39,094,455	37,239,654
Increases in net position before transfers	( 154,626)	248,864	128,663	1,570,772	( 25,963)	1,819,636
Transfers	470,000	470,000	( 470,000)	( 470,000)	-	-
Change in net position	315,374	718,864	( 341,337)	1,100,772	( 25,963)	1,819,636
Net position, beginning	48,032,013	47,313,149	15,240,569	14,139,797	63,272,582	61,452,946
Restatement, change in accounting principle	( 551,610)	-	( 158,927)	-	( 710,537)	-
Net position, ending	\$ 47,795,777	\$ 48,032,013	\$ 14,740,305	\$ 15,240,569	\$ 62,536,082	\$ 63,272,582

**Governmental activities.** The City’s expenses for governmental activities are detailed below – with associated program revenues.





Net position associated with governmental activities increased \$315,374 in FY 2025 – this compared to a \$718,864 increase in net position in FY 2024.

- FY 2025 revenues increased by \$1,011,608 compared to the previous year. Key elements contributing to this increase are summarized below:
  - Charges for services increased by \$132,468. This increase was primarily driven by higher revenues in Public Safety (\$141,574), largely related to LISD participation in funding school resource officers, and Streets and Drainage (\$99,654), mainly due to the increase in the drainage fee from \$1.40 to \$1.80 per impervious foot. These increases were partially offset by a decrease in Parks and Recreation fees of \$122,947, resulting from the temporary closure of several campsites during an asphalt overlay project.
  - Operating grants and contributions decreased by \$167,828, primarily due to the DCTA TRiP (Transportation Investment Program) fund revenues received in FY 2024. This program distributes 15% of DCTA’s net available fund balance from the prior fiscal year among member cities—Denton, Lewisville, and Highland Village—based on each city’s proportional share of sales and use tax receipts from the previous fiscal year.
  - Property tax revenues increased by \$861,415 during the year. The majority of this increase resulted from a 5.9% increase in the taxable assessed value of property, partially offset by a reduction in the property tax rate.
  - Sales tax revenue increased modestly by \$7,128. Sales tax collections have remained relatively flat over the past two fiscal years.
  - Investment earnings decreased by \$197,358, primarily due to lower investment yields.

- FY 2025 expenses increased by \$1,415,098 compared to FY 2024, primarily due to inflationary pressures and increased service demand. Total expenses of \$28,660,410 exceeded total revenues, resulting in a \$154,626 decrease in net position before transfers. This represents a decline compared to FY 2024, which reported an increase in net position of \$248,864.
  - General government expenses increased by \$61,418. This change is largely attributable to \$230,716 in costs related to fire apparatus and vac-con repairs, as well as maintenance and structural foundation assessments at a City facility. These increases were partially offset by a \$189,952 reduction in personnel costs, primarily due to staff turnover.
  - Public safety expenses increased by \$696,795. The majority of this increase is due to a \$767,595 rise in personnel costs, driven by a 6% market adjustment aimed at recruiting and retaining public safety staff and add a firefighter/paramedic position. This was partially offset by a \$118,397 decrease in the City’s proportional share of costs associated with constructing a regional fire training facility.
  - Streets and drainage expenses decreased by \$226,111. This reduction is mainly due to a \$375,642 decrease in street maintenance costs following the completion of the Highland Shores Asphalt Overlay project in FY 2024 and the 2024 and 2025 Asphalt Overlay Projects in FY 2025. The decrease was partially offset by a \$97,294 increase in personnel costs related to the 6% market adjustment.
  - Parks and recreation expenses increased by \$666,793. This increase includes \$298,011 for overlay projects at Pilot Knoll and Copperas Branch parks, \$86,240 in professional fees for the FM 407 trail alignment assessment, \$126,787 for splash pad upgrades, and \$99,694 for electrical improvements at Doubletree Ranch Park. Additionally, the Celebrate Highland Village event, which was canceled in FY 2024 due to inclement weather, resulted in \$69,765 higher expenses in FY 2025.
  - Interest on long-term debt increased \$197,845.

**Business-type activities:** Business-type activities reported a \$341,337 decrease in the City’s net position in FY 2025, compared to an increase of \$1,100,772 in FY 2024. Overall, expenses and transfers exceeded revenues for the year.

- Charges for services decreased by \$98,137 from the prior year total of \$10,273,938. This decline is attributable to reduced consumption, with water usage decreasing by 5.6 million gallons and sewer usage decreasing by 4.0 million gallons compared to FY 2024.
- Operating and capital grants and contributions decreased by \$950,284. In FY 2024, the City expended \$966,580 in Coronavirus State and Local Fiscal Recovery Funds, which did not recur in FY 2025. Impact fee collections totaled \$25,803, representing an increase of \$16,296 over the prior year.
- Interest income increased by \$46,015 compared to FY 2024.
- Expenses increased by \$439,703 year over year, primarily due to higher maintenance costs. FY 2025 included \$267,485 in emergency sanitary sewer manhole and bypass system repairs. In addition, the Oak Street ground storage tank repainting project was completed at a cost of \$153,328.

## FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

**Governmental funds.** The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$36,051,362 an increase of \$6,074,304 in comparison with the prior year. Approximately 24 percent of this total amount, or \$8,621,948, constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of fund balance is not available for spending because it has already been restricted - \$24,029,996, committed - \$95,119, assigned - \$3,256,847, or non-spendable - \$47,452.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$8,621,948, while total fund balance was \$11,926,247. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 36 percent of total General Fund expenditures, while total fund balance represents 50 percent of that same amount.

The original FY 2025 budget anticipated a \$1,138,908 drawdown of the projected fund balance of \$10,422,216. This planned use of fund balance was primarily intended to support a 6% overall salary increase, the addition of a firefighter/paramedic position, and facility maintenance needs including roof replacement and structural foundation assessment of City facilities, while still maintaining adequate reserve levels. Actual ending fund balance for FY 2024 was \$11,647,042.

For FY 2025, revenues totaled \$21,101,205, falling short of the budget by \$837,255. Expenditures totaled \$23,636,410, which were \$842,006 below the budgeted amount. Additionally, \$847,675 of expenditures were offset by lease financing, along with \$85,921 related to subscription-based information technology arrangements (SBITAs). These combined variances resulted in an overall increase in fund balance of \$279,205.

Key factors affecting fund balance are as follows:

- Total General Fund revenues of \$22,101,205 increased by \$493,244 compared to FY 2024.
  - Taxes increased by \$534,327:
    - Property tax revenue rose by \$522,178, primarily due to a 5.9% increase in assessed valuation, partially offset by a reduction in the tax rate.
    - Sales tax revenue decreased slightly by \$5,625.
    - Franchise fees increased by \$17,774.
  - Licenses, permits, and fees decreased by \$36,239, reflecting reduced commercial building activity and recreation program participation.
  - Investment earnings decreased by \$226,770 due to lower yields.

- Charges for Services revenues experienced a \$176,670 increase, related to LISD participation for funding of school resources officers.
- Miscellaneous revenue increased by \$37,545 largely due a renewal incentive from the City’s health insurance provider.
- Total General Fund expenditures of \$23,636,410 increased by \$797,978 from FY 2024.
  - Personnel expenditures totaling \$16,037,576, an increase of \$970,954, driven primarily by the 6% salary adjustment.
  - Services and supplies totaled \$5,355,811, increased by \$377,052. Key drivers include:
    - Completion of the 2024 and 2025 Street Asphalt Overlay projects totaling \$354,421.
    - Repairs to fire apparatus and vac-con equipment totaling \$141,268.
    - Structural foundation assessment of City facilities totaling \$51,220.
    - Increased event costs of \$69,765 due the cancellation of the Celebrate Highland Village event in FY 2024.
  - Capital outlay totaled \$1,420,927, a decrease of \$718,667. This decline is primarily due to a \$832,343 reduction in lease-financed acquisitions, partially offset by a \$60,421 increase in subscription-based information technology arrangements (SBITAs).
- Total other financing sources (uses) were \$1,814,410, representing a decrease of \$640,464 from FY 2024. This includes transfers in of \$470,000 from the Utility Fund, \$28,000 from the Highland Village Economic Development Corporation, \$16,000 from the Drainage Utility Fund, and \$19,202 from the Public Safety Fund for Child Safety Fees. These were partially offset by a \$16,000 transfer to the Drainage Utility Fund for drainage fees. Additional sources include \$847,675 in lease proceeds, \$85,921 from SBITAs, and \$363,612 from the sale of capital assets.

The Capital Projects Fund ended FY 2025 with a fund balance of \$20,073,810, an increase of \$5,585,577 from FY 2024. This increase is primarily attributable to the ongoing implementation of projects funded by the \$15.3 million 2021 Certificates of Obligation and equipment acquisitions supported by the \$2.805 million 2024 Tax Note, combined with proceeds from the \$7.13 million Certificates of Obligation issued in FY 2025.

Remaining governmental funds reported a combined ending fund balance of \$4,051,305, representing an increase of \$209,522 from the prior year.

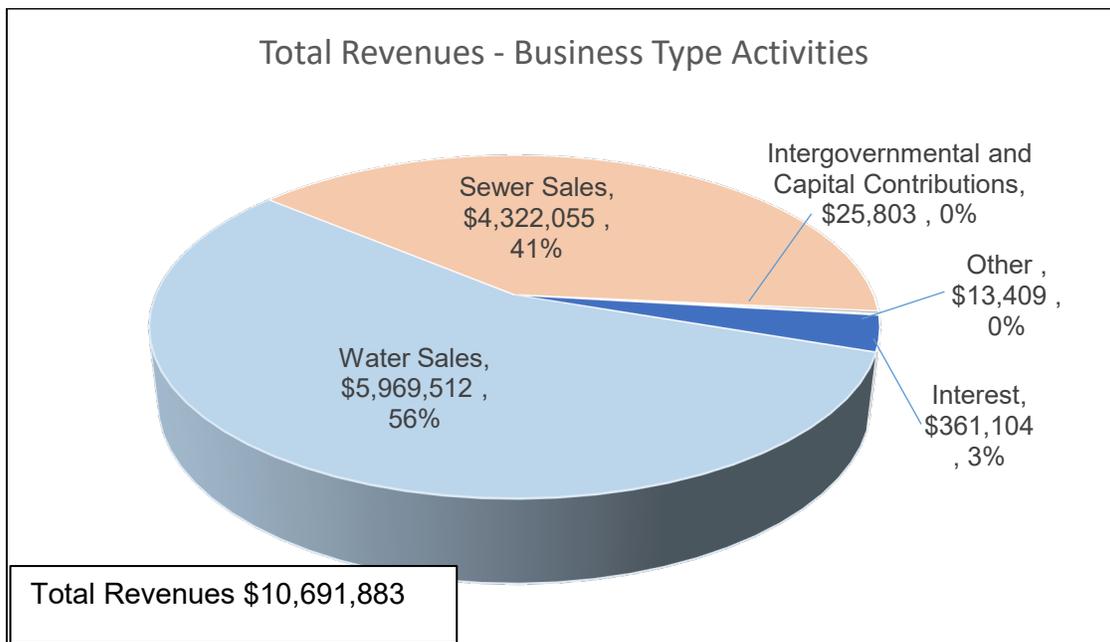
- Collective revenues for these funds totaled \$5,762,621, an increase of \$354,243 compared to FY 2024. This growth is largely due to a \$390,962 increase in property tax revenues, driven by a 5.9% increase in assessed taxable property values.
- Combined expenditures totaled \$5,505,897, an increase of \$845,910 from the previous year. This increase is primarily related to higher debt service costs of \$371,044. Additional contributing factors include increased parks and recreation expenditures in the Corps Leased Parks Fund (\$284,499) and the Highland Village Community Development Corporation Fund (\$182,980).
- Total other financing sources (uses) reflected a net outflow of \$47,202, relatively consistent with FY 2024 (a decrease of \$444). The Highland Village Community Development Corporation

(HVCDC) continued its practice of transferring its portion of debt service to the Debt Service Fund, with transfers totaling \$539,165 in FY 2025.

**Proprietary funds.** The City’s proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

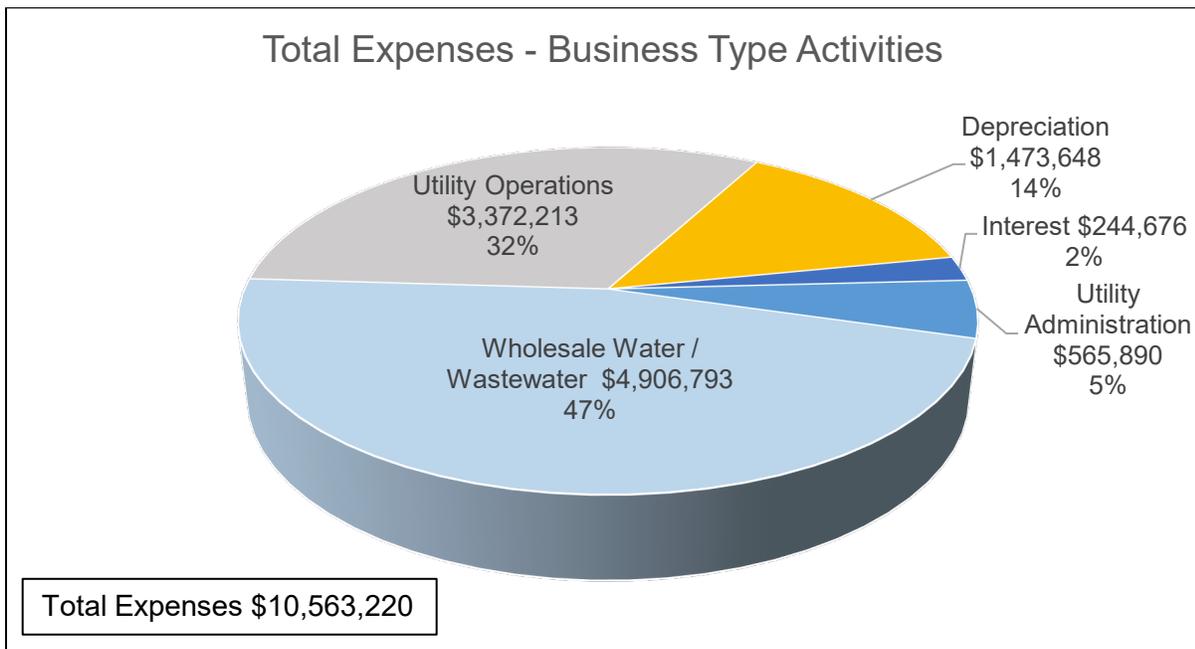
Net position in the Enterprise Fund totaled \$14,740,305 at the end of FY 2025, representing a decrease of \$500,264, or 3.3%, from the prior year. Of this amount, \$1,131,003 is restricted for capital projects and \$573,032 is restricted for debt service, while \$5,933,182 is classified as unrestricted net position. The remaining balance of \$7,103,088 represents net investment in capital assets.

- Utility operating revenues totaled \$10,175,801 in FY 2025, reflecting a decrease of \$98,137, or 1.0%.
  - Water sales increased slightly by \$5,053.
  - Sewer sales decreased by \$107,300.
  - Other fees increased by \$4,110.



- Utility operating expenses totaled \$10,318,544 in FY 2025, representing an increase of \$526,737, or 5.4%, compared to the prior year.
  - Administration expenses increased by \$65,258.
  - Maintenance and operations expenses increased by \$402,577. Key components of this change include:
    - Wholesale water and sewer treatment costs decreased \$78,851.

- Personnel expenses increased by \$169,782.
- Services and supplies increased by \$311,646, driven by the following:
  - Utilities costs decreased by \$77,687.
  - Well lot maintenance increased by \$52,884, primarily due to a fence replacement at the Lake Vista pump station.
  - Sewer line maintenance increased by \$342,766 largely attributable to emergency sanitary manhole and sanitary bypass system repairs resulting from lake flooding and lift station failure.
  - Lift station maintenance decreased by \$114,460 due to pump replacements completed in FY 2024.
  - Water storage tank maintenance increased by \$153,328 due to the Oak Street Ground Storage Tank painting project.
  - Water meter maintenance decreased by \$73,604.
- Depreciation expense increased by \$58,902 in FY 2025.



## GENERAL FUND BUDGETARY HIGHLIGHTS

During fiscal year 2024–2025, the City Council of the City of Highland Village amended the General Fund budget on three occasions, resulting in a net decrease in budgeted expenditures of \$297,350. These amendments primarily reflect actions taken to fund unbudgeted items and to release appropriations for items that did not occur during the fiscal year.

Staff reviewed each supplemental appropriation throughout the year and determined that revenues and available fund balance were sufficient to support the recommended changes. All approved budget amendments included either offsetting reductions or adequate available reserves.

For FY 2025, actual expenditures on a budgetary basis totaled \$23,636,410. This amount was \$1,139,356 below the original budget of \$24,775,766 and \$842,006 below the final amended budget. The budget amendments approved during the year are summarized as follows:

- Personnel expenditures decreased by a net total of \$9,000, including reductions in Finance (\$25,000) and Fire (\$10,000), offset by increases in Marketing and Communications (\$12,500) and Parks and Recreation (\$13,500). These changes were driven by mid-year adjustments, staff turnover, personnel changes, and insurance coverage elections.
- Services and supplies expenditures increased in \$197,150, consisting of the following amendments:
  - Finance – Increase of \$2,000 due to higher bank fees.
  - Fire – Increase of \$5,200 for installation of “Stop the Bleed” cabinets and the purchase of an additional Automated External Defibrillator (AED).
  - Streets and Drainage – Increase of \$193,500 for sign and barrier replacement, additional streetlight electricity costs, and costs associated with the 2025 street asphalt overlay project.
  - Parks and recreation – Net decrease of \$3,550, reflecting an \$18,450 increase to utilize fireworks contracted for the Celebrate Highland Village event canceled in FY 2024, offset by a subsequent \$22,000 budget reduction.
- Capital outlay expenditures decreased by \$485,500. This includes a \$10,000 increase due to higher-than-expected costs for a rugged terrain vehicle and \$119,500 related to the receipt of a dump truck ordered in the prior year, offset by a \$615,000 reduction for electrical upgrades and generator acquisition deferred to FY 2026.

Actual revenues on a budgetary basis totaled \$22,101,205, compared to the original budget of \$22,938,460, resulting in a negative variance of \$837,255. Tax revenues were \$715,437 below budget, primarily due to lower-than-anticipated property tax and sales tax collections. Investment earnings were \$274,610 below budget, reflecting decreased yields. These shortfalls were partially offset by miscellaneous revenues exceeding budget by \$65,105, primarily due to a renewal incentive from the City’s health insurance provider.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital assets.** The City’s investment in capital assets, for its governmental and business-type activities as of September 30, 2025, amounted to \$73,315,265 (net of accumulated depreciation). This investment in capital assets includes land, building, park facilities, roads, bridges, water and sewer lines, machinery, equipment, and right-to-use assets.

Major capital asset events during the current fiscal year included the following:

<b>Project</b>	<b>Amount</b>
Right to Use 16 Vehicles	\$1,367,099
Replace Force Mains Water Wastewater Lift Stations 2 & 7	1,019,718
Gradall D172	338,671
Gayle, Merriman, Oak Cedar Waterlines	287,557
Brush Truck Ford F-550	248,170
Highland Shores Blvd Reconstruction	231,640
Brooks Court & Pilot Knoll Water Lines	225,840
Wastewater System Restoration Slope Protection	200,825

<b>Project</b>	<b>Amount</b>
PC138 Excavator	192,591
2025 Ford F750 Super Dump Truck	119,230
Pilot Knoll Park Improvements	107,584
LP SDT Vacuum Excavator	90,943
Unity Park Backstop Fence	86,800
SBITA – ESRI Software	85,921
Unity Park Renovations/Irrigation	85,709
John Deere 5075M Tractor, Loader, & Attachment	77,442
Concrete Mixing Trailer	62,735
Komatsu PCS35MR-5	56,665
BC10000XL Brush Chipper	55,853
Pilot Knoll Boat Ramp Improvements	55,498
John Deere 4052R Tractor	53,963
Highland Village Rd. Reconstruction	53,320
Pickleball Court Renovation – Fencing	52,959
Ball Field Groomer	49,339
HAMM HD10NN Tandem Roller	48,404
GPS Paint Robot	47,675
Highland Shores Blvd. Crosswalk	40,400
All Terrain Utility Vehicle	34,184
HP 40 Trailer	33,592
Sullair 185 Portable Air Compressor	28,714

**TABLE 3**

**CITY OF HIGHLAND VILLAGE’S CAPITAL ASSETS AT YEAR-END**

	Governmental Activities		Business-type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Land	\$ 17,183,848	\$ 17,183,848	\$ 75,713	\$ 75,713	\$ 17,259,561	\$ 17,259,561
Land improvements	13,251,865	13,756,731			13,251,865	13,756,731
Buildings and improvements	3,137,919	3,649,533	430,259	502,180	3,568,178	4,151,713
Distribution system			11,084,454	11,052,362	11,084,454	11,052,362
Equipment	2,762,522	1,817,582	556,081	587,683	3,318,603	2,405,265
Infrastructure	16,396,896	16,462,407	5,529	6,759	16,402,425	16,469,166
Intangibles	87,327	97,376	-	-	87,327	97,376
Right to use equipment	2,623,066	2,271,636	522,949	329,722	3,146,015	2,601,358
Right to use building	315,479	330,442			315,479	330,442
SBITA	243,229	285,313	581,683	669,892	824,912	955,205
Construction in progress	1,753,079	2,767,992	2,303,367	1,643,447	4,056,446	4,411,439
Total capital assets	\$ 57,755,230	\$ 58,622,860	\$ 15,560,035	\$ 14,867,758	\$ 73,315,265	\$ 73,490,618

Additional information on the City’s capital assets can be found in Note E on pages 42-43 of this report.

**Long-term debt.** At the end of the current fiscal year, the City had total bonds outstanding of \$41,659,000. Of this amount, \$35,224,000 is tax-supported debt. The remainder of the City of Highland Village’s debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

**TABLE 4**

**CITY OF HIGHLAND VILLAGE’S OUTSTANDING DEBT AT YEAR-END**

	Governmental Activities		Business-type Activities		Totals	
	2025	2024	2025	2024	2025	2024
General obligations	\$ 12,120,000	\$ 13,520,000	\$ 4,175,000	\$ 4,795,000	\$ 16,295,000	\$ 18,315,000
Combination tax and revenue certificates of obligation	20,770,000	13,890,000	2,260,000	2,395,000	23,030,000	16,285,000
Tax notes	<u>2,334,000</u>	<u>2,805,000</u>	<u>-</u>	<u>-</u>	<u>2,334,000</u>	<u>2,805,000</u>
	<u>\$ 35,224,000</u>	<u>\$ 30,215,000</u>	<u>\$ 6,435,000</u>	<u>\$ 7,190,000</u>	<u>\$ 41,659,000</u>	<u>\$ 37,405,000</u>

The City’s total debt increased by \$4,254,000 during the current fiscal year. A key factor in this increase is the issuance of Certificates of Obligation of \$7,130,000, netted with debt payments of \$2,876,000.

The City’s tax supported debt is rated “AAA” by Standards & Poor’s. The current ratio of tax-supported debt to assessed value of all taxable property is 1.04 percent.

Additional information on the City’s outstanding debt can be found in Note G and H on page 44-48 of this report.

**ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES**

The fiscal year 2025-2026 budget was adopted by ordinance on September 16, 2025. The following summarizes the significant factors that were considered in adopting the budget.

General fund revenues are budgeted to increase by 0.2% over the FY 2025 budget with property taxes making up 65% of the general fund budgeted revenues. The property tax taxable values increased by 4.2%. Council approved the voter approved tax rate of \$.500984 per \$100 valuation, an increase from the previous \$0.500273 tax rate. The updated tax rate comprises \$0.422397 apportioned to maintenance and operation expenses and \$0.078587 apportioned to pay interest and principal maturities on outstanding debt. Sales tax represents 17% of the budget general fund revenues. Sales tax collections are expected to decrease 7.8% over the FY 2025 budgeted amount.

General fund expenditures are budgeted to increase by 5.8% over the FY 2025 original budget.

- Personnel costs represent the largest component of general fund expenditures at 67%. These costs are budgeted to increase by \$955,583 (6%), driven by:
  - A 3.5% salary adjustment to remain competitive in the labor market.
  - Increased health insurance premiums.
  - Salary adjustments due to employee turnover.
  - Addition of one part-time Recreation position to support growing program demand.

- Supplies and services expenditures account for 28% of general fund expenditures and are budgeted to remain relatively flat, decreasing by \$7,150 or 0.1%. Key changes include:
  - A reduction in professional services of \$91,253 – engagement of a structural engineer in FY 2025 to assess the foundation of City facilities, costing \$70,000.
  - Supplies and equipment will increase \$38,758 – largely attributed to supplement requests to fund rifle-rated ballistic shields (\$18,418), wildland fire gear (\$27,231), and brush removal at Village Park (\$72,000).
  - Other expenditures will increase \$60,438. The significant factors for this increase include:
    - Concrete panels purchases budgeted in FY 2025, delayed to FY 2026 (\$100,000)
    - Additional recreation program – Teen Bonfire (\$10,000)
    - Public safety Blue Voice AI program (\$6,000).
  - Capital outlay expenditures represent 5% of the budgeted general fund expenditures. Capital expenditures are budgeted at \$1,307,522 - a \$484,422 increase from the FY 2025 original budget. Major investments include:
    - Electrical upgrades and replacement of a generator at City Hall (\$750,000)
    - Core storage replacement (\$140,000)
    - Two workman vehicles (\$56,700)
    - Street sander (\$21,000)
    - Copier (\$9,700)
    - Supplemental requests totaling \$330,122 include a pothole truck (\$234,654), outdoor warning sirens (\$85,847), and fitness equipment (\$9,621),

Water sales are budgeted at \$6,590,410, representing a 6.5% increase over the FY 2025 budget. Projections are based on normalized usage determined by the past several years’ history – applied to the projected home count. Wastewater sales are budgeted at \$4,332,213, representing a 3.4% decrease from FY 2025.

Water and wastewater expenses are budgeted at \$10,728,930 representing a \$703,122 or 7% increase compared to FY 2025 budget. Various elements accounted for the increase:

- Personnel increased \$179,047 resulting in 3.5% overall salary adjustments and increased health insurance premium costs.
- UTRWD Charges (Volume / Demand costs for purchase of wholesale water and processing of sanitary sewer) increased by \$252,374.
- System maintenance increased \$357,669, primarily for water storage tank painting.
- Capital decreased \$66,000. The purchase of a John Deere gator (\$18,000) was appropriated in the FY 2026 budget.

Information on commitments and contingencies is detailed in Note K on pages 54-55 of this report.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the City’s finances for all those with an interest in the government’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Highland Village, Finance Department, 1000 Highland Village Road, Highland Village, TX, 75077.



## CITY COUNCIL MEMORANDUM AGENDA ITEM 7

**MEETING DATE:** March 24, 2026

**SUBJECT:** Mayor and Council Reports on Items of Community Interest

**PREPARED BY:** Valerie Strubelt, Deputy City Secretary

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### **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 8

**MEETING DATE:** March 24, 2026

**SUBJECT:** City Manager/Staff Reports – DCTA Board Meeting Report for February 26, 2026

**PREPARED BY:** Paul Stevens

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### **BACKGROUND**

Following is a report from the DCTA Board Meeting, which was held on February 26, 2026. Consent agenda items were all approved and are as follows:

1. Consider Approval of Regular Meeting Minutes dated January 22, 2026
2. Consider Approval of a Resolution to Approve an Update to the Investment Policy Contained in the DCTA Financial Management Policies
3. Consider Approval of a Resolution Designating Derick Sibley as the Investment Officer
4. Consider Approval of Parking License Agreement with Action Behavior Centers Therapy, LLC for MedPark Station

The regular agenda items, which needed action, were approved. The items are as follows:

#### **1. Discuss and Consider Acceptance of the Fiscal Year (FY) 2025 Financial Audit**

The 2025 Financial Audit received an unmodified, or “clean” opinion, which means the financial statements present fairly, in all material respects, the financial position of the Denton County Transportation Authority and the changes in its financial position and cash flow thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America. The financial highlights were:

- Strong balance sheet
- \$131 million of unrestricted cash and investments
- \$14 million of long-term debt
- Total net position of \$396 million
- \$255 million net investment in capital assets
- \$700,000 restricted for net pension asset
- \$141 million unrestricted

#### **2. Discuss and Consider Approval of Monthly Financial Statement for December 31, 2025, Quarterly Grants Report for the Period Ended December 31, 2025, and Receive an Update Regarding Finance Operations**

In addition to the financial statements and grant reports, the new Vice President of Finance, Derick Sibley, presented the areas of focus for his first 60 days. Those were:

- Building Relationships with Finance and Executive Leadership
- Assessing Finance Processes, Procedures, and Operational Challenges
- Reviewing and Updating Financial Policies and Internal Controls
- Participating in Tyler ERP Training
- Reviewing Long-Range Financial Plan and Fiscal Year End Rebudgeting
- Researching Fare Policy Framework and Developing Outline
- Analyzing Fare Collection per Mode Relative to Ridership Trends



## CITY COUNCIL MEMORANDUM AGENDA ITEM 8

- Strengthening Understanding of Transit Industry

Next action items are to be:

- Complete Fiscal-Year-End Rebudgeting
  - Advance Comprehensive Fare Study and Policy Options
  - Continue developing cost allocation and cost of service model
  - Continue progressing Long Range Financial Plan to 20-year outlook
  - Review and Enhance Monthly and Quarterly Financial Reporting to Strengthen Transparency, Forecasting, and Decision Making
- 3. Discuss and Consider Approval of a Resolution Approving Budget Revision 2026-03 in the Amount of \$475,000 to be allocated for the Purchase of Three (3) DART Gillig Buses from Dallas Area Rapid Transit (DART)**
  - 4. Discuss and Consider Approval Authorizing the Chief Executive Officer to Negotiate and Execute Necessary Documents Including the Execution of an Asset Transfer and In-Plant Services Agreement for the Purchase of Three (3) 2020 Gillig Buses from Dallas Area Rapid Transit (DART) in an Amount not to Exceed \$253,000 and an In-Plant Inspection Not to Exceed \$47,000**

As discussed in the January meeting, Dallas Area Rapid Transit (DART) has identified three diesel buses that do not fit with their current needs. Purchasing these buses would be more cost-effective than new buses that are called out in DCTA's Fleet Plan. This item authorizes the CEO to negotiate and execute necessary documents including the execution of an asset Transfer and Services Agreement for the purchase of the buses.

- 5. Discuss Update on the Denton County Transportation Authority Marketing Program and Consider Approval of a Task Order with Ruby Media in an Amount not to Exceed \$50,000 for Expanded Marketing Campaign**
- 6. Consider Approval of a Resolution Approving Budget Revision 2026-04 in the Amount of \$50,000 for Expanded Marketing Campaign**

Staff is proposing an expanded marketing campaign for the Southern GoZone to educate residents about the benefit and safety of DCTA transit options, promote the use of transit services available to the residents, and highlight their value to the community. Staff anticipates the campaign would target specific segments of the cities with unique messaging.

In addition, the budgeted amount could enable additional marketing messaging to the City of Highland Village and the City of Lewisville if the Board chooses to make GoZone service changes through the Intermediate Service Plan that modify service offerings in those cities.

- 7. Discuss Update on City of Frisco Technology Based Transit Concept**

The purpose of this item is to inform the DCTA Board of a potential opportunity for DCTA and the City of Frisco to partner on a "technology-based transit solution," that would create a microtransit service for use by the general population of the City of Frisco. The zone of service is located within the City Limits of the City of Frisco and is proposed to connect to the Dallas Area Rapid Transit (DART) Northwest Plano Park and Ride facility. The service would be enabled through an



## CITY COUNCIL MEMORANDUM AGENDA ITEM 8

Interlocal Agreement (ILA) with the City of Frisco and a task order for service with Via, DCTA's GoZone service provider.

DCTA and the City of Frisco have a long record of working together. The City of Frisco holds a Non-Voting Board Member seat on the DCTA Board of Directors, as it participated in the process of standing up the Denton County Transportation Authority. Furthermore, DCTA has provided contracted paratransit service for elderly and disabled citizens to the City of Frisco since 2015. The City of Frisco directed its staff to develop a "technology-based transit solution" for use by the general population within the City. DCTA provided an initial framework to the City of Frisco in mid-2024 to provide the service. Then, DCTA provided a more thorough proposal in summer 2025 based on the Board's adopted "New Member and Contracted Services Policy." The intent of the New Member policy is to provide an avenue for a non-member municipality to become a Member of DCTA and expand the agency service area for the good of all members and Denton County.

### **8. Discuss Update on Denton County Transportation Authority Data Management and Construction of Data Warehouse**

Denton County Transportation Authority (DCTA) has built a significant data production and management capability since 2021 when the management firm Accenture established the agency's first Microsoft Power BI capability. Today, automatic data flows are generated from each of the agency's transit modes. Those data flows are manually reviewed and consolidated to a central location on a recurring basis to enable production of regular reports.

Since then, staff has established robust standard operating procedures (SOPs) and a foundational set of dashboard-type reports that are utilized for internal performance analysis and external reporting. The proposed effort is structured as a multi-phase implementation that builds foundational data infrastructure to drive efficiencies and reinforce quality in that foundational reporting. With that foundation established the agency will have future opportunities to expand into advanced analytics and integration with the agency's new financial ERP system.

The path forward is as follows:

- Ongoing
  - Continue to build interim Power BI dashboards for each mode using existing data
  - Create a living dashboard inventory and identify any gaps
  - Ensure existing dashboards are designed to migrate into a centralized warehouse
  - Continue reinforcing and optimizing data processing SOPs
  - Result: Immediate visibility to support near term decisions
- Near Term Project
  - Engage consultant to build central SQL-based data warehouse
  - Stand up automated ETL feeds and staging environment
  - Transition interim dashboards to warehouse-backed datasets and dashboards
- Long Term Outcomes
  - Deploy dashboards across Planning, Ops, Infrastructure, Safety, Customer Experience
  - Automate reporting and KPIs
  - Integrate Operations and Finance Data (Tyler ERP)
  - Enable trend analysis, forecasting and scenario planning



## CITY COUNCIL MEMORANDUM AGENDA ITEM 8

### **9. Discuss Update on the A-train Enhancement Program**

The A-train Enhancement Program is a comprehensive, multi-year initiative focused on improving regional connectivity, service reliability, capacity, safety, and customer experience along the A-train corridor. A priority element of the program is the Downtown Carrollton Extension and Platform, which would extend A-train service to Downtown Carrollton and enable a single-seat transfer to the DART Silver Line and DFW Airport.

In January 2026, the Board received an update on the program and approved local matching funds to support a Federal Discretionary Grant application for construction of the Downtown Carrollton Extension. At that time, staff noted that a refined program cost estimate was in development and that additional analysis underway could affect the ultimate scope and cost of the project.

The project cost estimate is evolving as planning advances from high-level concepts toward schematic design. As the project advances through planning and design, the cost estimate is becoming more detailed and better aligned with actual project requirements.

Important current activities are:

- Support current and upcoming federal and regional grant applications, which require demonstrated cost realism and project readiness
- Inform coordination with NCTCOG and regional partners for Transportation Improvement Program (TIP) programming
- Continue to provide the Board with a clearer understanding of potential funding needs and tradeoffs as the project advances toward implementation
- Position the Downtown Carrollton Extension for timely procurement and construction once funding opportunities are secured

### **10. Discuss Update of Intermediate Service Plan Phase III**

The Intermediate Service Plan was structured as a phased approach to improving service performance, customer experience, and financial sustainability across DCTA's multimodal network.

- Phase I demonstrated that increased frequency on core fixed routes can drive ridership growth and reduces reliance on microtransit for high-volume origin-destination corridors.
- Phase II focused on network integration, including university service efficiency, A-train connectivity, and the introduction of GoZone buffers near high-performing fixed routes.
- Phase III builds on these outcomes by evaluating where fixed route expansion and microtransit flexibility can be best aligned to improve overall system performance.

Phase III evaluates targeted service expansion. The analysis is designed to answer a central question: Where can fixed route service provide more trips more cost effectively, and where does microtransit remain the most effective tool?

To address this, staff developed multiple network scenarios that vary the level of fixed route expansion, university service configuration, and corresponding reallocation of microtransit



## CITY COUNCIL MEMORANDUM AGENDA ITEM 8

capacity. In January, staff presented the framework used for evaluation of these scenarios and shared key planning insights for these scenarios, including:

- Microtransit remains most cost-effective in areas with dispersed or low-density demand, where fixed route service would be inefficient.
- Fixed route service becomes more cost-efficient in moderate to high-demand corridors, where ridership concentration lowers cost per passenger.
- Expanding fixed routes in appropriate corridors can free microtransit capacity, allowing those resources to be redeployed to service coverage gaps, lower-density areas, or to improve key performance indicators such as wait times and seat unavailability in Lewisville and Highland Village.

### **11. Discuss Update on Consolidated Denton County Transportation Authority (DCTA) Customer Service Function**

The DCTA Customer Service Department is the central hub for transit-related inquiries, handling calls through a centralized phone line and providing in-person support at the Downtown Denton Transit Center (DDTC). In October 2023, the Board was briefed on opportunities to improve customer service functions, coinciding with the onboarding of a new Customer Service Manager to lead these efforts.

Since that time, the department has focused on implementing targeted strategies to reduce call volume while maintaining service quality. These efforts include evaluating call drivers for DCTA and GoZone calls, expanding the use of self-service tools, and refining operational processes. A refreshed data pull has been completed to provide updated insight into call volume trends and the effectiveness of implemented call reduction initiatives.

An new phone system along with a reorganization of staffing is being studied to further improve customer service.



## CITY COUNCIL MEMORANDUM AGENDA ITEM 10

**MEETING DATE:** March 24, 2026

**SUBJECT:** Consider approval of Minutes of the Regular City Council Meeting held on February 10, 2026

**PREPARED BY:** Angela Miller, City Secretary

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### **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 February 10, 2026.



**MEETING MINUTES OF THE REGULAR MEETING  
HIGHLAND VILLAGE CITY COUNCIL  
HIGHLAND VILLAGE MUNICIPAL COMPLEX  
1000 HIGHLAND VILLAGE ROAD, HIGHLAND VILLAGE, TEXAS  
TUESDAY, FEBRUARY 10, 2026**

**EARLY WORK SESSION**

Mayor Wilcox called the meeting to order at 6:05 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 Green Fire Chief  
Scott Kriston Public Works Director  
Phil Lozano Parks and Recreation Director  
Kim Lopez Human Resources Director  
Laurie Mullens Marketing and Communications Director  
Cory Gullo Police Lieutenant

**1. Discuss proposed Ordinance relating to Drone Delivery Hubs and Drone Staging Areas**

City Attorney Laughlin reported that the previous City Council meeting included a presentation and consideration of an ordinance proposing a text amendment to the City's Comprehensive Zoning Ordinance to allow for drone delivery hubs and drone staging areas. Based on feedback received during that meeting, he presented a redlined version of the proposed ordinance reflecting the Council's requested revisions. He noted that the document was provided for discussion purposes only and proceeded to review the updates.

Councilmember Hurst stated that twelve communities in North Texas have adopted ordinances related to drone operations. She observed that the average minimum setback requirement is 300 feet, with all requiring a Special Use Permit (SUP) or Conditional Use Permit (CUP). She further noted that typical operating hours, which have not been addressed, generally begin between 8:00 and 9:00 a.m., with many jurisdictions ending operations at 5:00 p.m. during winter months and 7:00 p.m. during summer months.

Additionally, she reported that most communities having established decibel limits range from 60 to 65 decibels.

City Attorney Laughlin confirmed that operating hours had not been addressed as there was no Council consensus. He noted that the proposed ordinance currently allows operating hours from 7:00 a.m. to 7:00 p.m., and concurred most ordinances he reviewed included 200- and 300-foot setbacks, with the majority around the 250- to 300-foot range, primarily from residential areas.

Councilmember Hurst further noted that some municipalities incorporate trial periods or periodic reviews for CUP approvals. Councilmember Kixmiller inquired about the estimated investment required for an initial installation. Josh Bucci, representing Wing, responded that the cost typically exceeds \$100,000 but is less than \$500,000. Regarding trial periods, Mr. Bucci stated that while such measures were commonly implemented when operations were first introduced in the Dallas–Fort Worth area, no city has declined to renew or extend operations following a trial period.

After much discussion, Council reached a consensus directing City staff to coordinate with Wing and Walmart to provide an on-site demonstration for the public, particularly residents living adjacent to the Highland Village Walmart. The purpose of the demonstration is to allow residents to observe drone delivery operations firsthand, including visual and noise impacts, and to provide feedback. Several Councilmembers emphasized the importance of direct outreach by Wing to the residents that live near Walmart. Due to scheduling challenges with Wing's Demo Team, Mayor Wilcox suggested the possibility of utilizing another drone for the demonstration in Highland Village.

Regarding operating hours, Mr. Bucci reported that Wing recently received FAA approval for extended operating hours, which is a direction they are trying to move toward in order to accommodate customer demand for delivery service. He noted that operating hours often align with Walmart's pickup hours. The use of drone lighting for evening operations was also briefly discussed.

For clarification, City Attorney Laughlin inquired whether the Council wished to propose any additional revisions to the ordinance. No further changes were suggested; however, it was noted that operating hours will be revisited at a future meeting.

**2. Receive Presentation on the Traffic Analysis for Village Parkway and Live Oak/Marketplace**

Public Works Director Kriston reported that City Council had previously directed staff to evaluate the subject intersection. In response, a traffic engineering consulting firm was engaged to conduct a study to identify factors contributing to an increase in crashes and to recommend feasible countermeasures to improve safety. Director Kriston presented an overview of the intersection, including signal timing and crash data provided by TxDOT, noting a total of 41 reported crashes between 2020 and 2025. The primary contributing factor identified was failure to yield during northbound and southbound left-turn movements. Additional contributing factors, in order of frequency, included failure to control speed, driver inattention, and improper turning or lane changes.

Director Kriston presented several potential mitigation strategies, along with associated costs. One option included removing vegetation along the southbound approach to improve visibility. However, Councilmember Nelson and Deputy Mayor Pro Tem Fiester indicated that vegetation had not posed visibility issues for them when exiting Live Oak onto northbound FM 2499. Instead, they noted that vehicles queued in the left-turn lane

on FM 2499, entering the Marketplace, often limit or obstruct visibility further down the roadway. He further noted that protected left turns could provide safer conditions for turning drivers. Deputy Mayor Pro Tem Fiester added that signal modifications alone may not significantly change driver behavior, and while a red signal may deter some unsafe actions, some drivers may still choose to violate traffic signals.

Councilmember Nelson inquired whether the implementation of protected left-turn signals, such as green arrows, had been considered. Director Kriston responded that while this is a possible option, it was not recommended in the study. He explained that eliminating permissive (yield) left turns could result in increased driver frustration and potential red-light violations, particularly when traffic conditions appear clear but vehicles remain stopped at a red signal.

Councilmember Nelson asked whether any options improvements had been considered for eastbound and westbound traffic movements from Live Oak into the Marketplace. Director Kriston stated that in 2023, staff had presented an option to add a dedicated right-turn lane for eastbound Live Oak onto FM 2499, including associated costs at that time. He clarified that the Marketplace access point is not within a public right-of-way but is instead a private parking lot entrance, and any modifications would require acquisition of additional right-of-way and a reconfiguration of the entrance.

City Manager Stevens indicated that staff would seek additional data comparing traffic operations before and after the transition from a green circular signal to a flashing yellow arrow.

In summary, Director Kriston stated that the data indicates a need for increased enforcement of traffic laws in the area as a key measure to improve safety.

Due to time restraints, Mayor Wilcox reported additional information on this item would be presented during Late Work Session.

**3. Receive Presentation and Discuss Road Reconstruction and Roadway Curvature Concerns on Highland Village Road**

Due to time constraints, this item was moved to Late Work Session.

**4. Clarification of Consent or Action Items listed on Today's City Council Meeting Agenda for February 24, 2026**

No items were discussed.

Early Work Session was adjourned at 7:31 p.m. and Council took a short break.

**CLOSED SESSION**

**5. 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 did not meet in Closed Session.

## OPEN SESSION

### 6. **Call Meeting to Order**

Mayor Wilcox called the meeting to order at 7:42 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 Green	Fire Chief
	Scott Kriston	Public Works Director
	Kim Lopez	Human Resources Director
	Laurie Mullens	Marketing and Communications Director
	J McCally	Police Commander
	Karl Schlichter	Police Commander
	Cory Gullo	Police Lieutenant

### 7. **Prayer led by Councilmember Jon Kixmiller**

Councilmember Kixmiller gave the invocation.

### 8. **Pledge of Allegiance to the U.S. and Texas flags led by Councilmember Jon Kixmiller**

Councilmember Kixmiller led the Pledge of Allegiance to the U.S. and Texas flags.

### 9. **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**

Councilmember Kixmiller announced that the McAuliffe Elementary Chili Cook-Off would be held on February 26. that the event will begin with a parade and extended an invitation to members of the City Council to participate.

- **Swearing In Ceremony for Police Officers Kadeem Jimmerson, Kirsti Lugo, Taylor Ladig and Nicholas Roberts**

Chief Reim administered the oath of office for Officers Kirsti, Lugo, Ladig and Roberts. Officer Jimmerson was not in attendance due to illness.

- **Check Presentation to the Texas Police Chiefs Association (TPCA) for Proceeds received from the Highland Village TXFallenPD Tribute Event**

Chief Reim presented a donation check for \$63,818.12 to representatives of TPCA. The donation is a culmination of the 2025 TXFallenPD Tribute Event that was held on October 18, 2025. A short video recap was presented highlighting the recent event.

## **10. City Manager/Staff Reports**

The report featured upcoming Parks and Recreation spring break classes, information on the Adult Kickball League, and the second annual Teen Bonfire Bash.

- **DCTA Board Meeting Update**

A briefing was included in the agenda packet; there were no questions or comments.

## **11. Visitor Comments**

The following individuals spoke:

Frank Tindall (2065 Tartan Trail) – Mr. Tindall stated he has resided at his home since before the construction of Walmart and that his property now backs up to the proposed drone area. He explained that a fence was originally installed to separate the neighborhood from Walmart; however, the fence obstructs views of the pond and grasslands. With the block fencing stopping at Walmart, a wrought iron fence was installed, which does not mitigate noise from traffic or store announcements. He further expressed concerns regarding inadequate maintenance on both sides of the fence, noting that recent cleanup efforts resulted in displaced mice and increased mosquito activity on his property. Mr. Tindall urged Council to prioritize the needs of residents over business interests.

Jane Tindall (2065 Tartan Trail) – Ms. Tindall stated that Walmart's speaker system operates continuously, and she has had to contact the store to request volume reductions, including during nighttime hours. She noted that the relocation of Walmart's pickup area has already increased activity and noise, and she expressed concern that drone operations would further exacerbate these conditions. She also referenced existing aircraft noise in the area and reiterated concerns regarding poor maintenance and rodent activity behind the property.

Jimmy Bassinger (210 Edgewood Drive) – Mr. Bassinger stated that while his residence is located farther away and would likely not be directly impacted, he expressed concern for residents along Tartan Trail. He compared the potential drone activity to living near a major airport on a smaller scale, citing estimates of approximately 200 daily takeoffs and returns, totaling around 400 flight movements. He raised concerns about drone traffic and the noise, intrusion of privacy, and the overall quality of life for residents living nearby. Mr. Bassinger emphasized that many residents have limited understanding of drone operations, including frequency, noise, and operational footprint, and encouraged greater public awareness and input on the matter.

For clarification, Mayor Wilcox stated that the previously discussed Walmart pickup site has been removed. She also announced that, following Council discussion during the Early Work Session, a public workshop would be scheduled at a location to be determined. The workshop will include an on-site demonstration to allow residents to observe and hear drone operations firsthand.

Sheri Westfall (801 Shady Meadow Drive) – Ms. Westfall stated that she had previously submitted correspondence to the Council regarding the intersection of FM 2499 and Live Oak/Marketplace. She expressed disappointment with the Council's actions, stating her belief that no meaningful improvements would be made. She asserted that the relatively low number of reported accidents from Live Oak may be due to residents exercising extreme caution, describing the intersection as hazardous with frequent near-miss incidents. While acknowledging funding constraints, she urged the Council to take action. Ms. Westfall also shared personal experiences at the intersection and suggested that allowing an exclusive green signal phase for Live Oak traffic, with all other directions stopped, could improve safety.

### **CONSENT AGENDA**

12. **Consider approval of Minutes from the Regular City Council Meeting held on November 11, 2025**
13. **Consider Resolution 2026-3230 calling a General Election to be held on May 2, 2026 for the Purpose of Electing Council Members to Places 1 (Mayor), 2, 4 and 6; authorizing a Joint Election with Other Denton County Political Subdivisions; and authorizing a Contract for Election Services with Denton County**
14. **Consider Resolution 2026-3231 authorizing a Contract with Weisinger, Inc. for the Oak Street Well Rehabilitation Project through the City's Cooperative Purchasing Agreement with Texas Local Government Purchasing Cooperative (BuyBoard)**
15. **Receive Budget Report for Period ending October 31, 2025**
16. **Receive Budget Report for Period ending November 30, 2025**
17. **Receive Investment Report for the Quarter ending December 31, 2025**

***Motion by Deputy Mayor Pro Tem Fiester, seconded by Councilmember Cox, to approve Consent Agenda Items #12 through #17, as read. Motion carried 7-0.***

### **ACTION AGENDA**

18. **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**

Council did not meet in Closed Session.

19. **Receive Highland Village Police Department's Annual Compliance Report under the Texas Code of Criminal Procedure (CCP) Article 2b.0051 through 2b.0059 prohibiting Racial Profiling**

### **REPORT RECEIVED (7 – 0)**

Police Lieutenant Cory Gullo reported state law requires each law enforcement agency in the state to adopt a written policy on racial profiling and to submit a report containing the

information compiled during the previous calendar year to its governing body; the report for 2025 was presented.

***Motion by Mayor Pro Tem Fiorenza, seconded by Deputy Mayor Pro Tem Fiester, that City Council received the report from the Highland Village Police Department, Annual Compliance under Texas Code of Criminal Procedure (CCP) Article 2b.0051 through 2b.0059 prohibiting racial profiling. Motion carried 7-0.***

### **LATE WORK SESSION**

Due to time constraints during Early Work Session, Agenda Items #2 and #3 were continued in Late Work Session.

#### **2. Receive Presentation on the Traffic Analysis for Village Parkway and Live Oak/Marketplace**

Councilmember Nelson suggested that Council review the options presented and engage in further discussion regarding how to proceed, including consideration of any additional options. Mayor Pro Tem Fiester stated he would also like to explore options that would address concerns raised during the evening's public comments regarding the intersection.

Chief Reim reported that the Council had previously received an update in November 2025 concerning accidents at this location. Since that time, there have been two additional motor vehicle accidents and one bicycle-related incident involving a fall with no motor vehicles involved.

City Manager Stevens requested clarification from Director Kriston regarding the feasibility of implementing a dedicated turn arrow from Live Oak onto FM 2499. Director Kriston stated that this option had been evaluated previously and determined infeasible due to insufficient pavement width to accommodate a dedicated turn lane. Councilmember Nelson clarified that he was referring to a dedicated left-turn signal rather than an additional lane. Director Kriston stated this would require a signal timing and coordination study, along with implementation by TxDOT. Additional discussion included the potential relocation of the crosswalk to the north side of the intersection.

Director Kriston further reported that FM 2499 Phase 4, which includes a segment to FM 2181, has not yet been constructed to its ultimate design. Future plans include the addition of a northbound and southbound lane. He noted that the City will participate in the design process and could request that intersection improvements be addressed at that time.

Regarding the proposed signal timing and coordination study with TxDOT implementation, Council expressed concern about the cost of the study without assurance that TxDOT would implement any changes. The Council reached a consensus for Councilmember Nelson to engage with residents in the vicinity of the intersection to discuss this option, associated costs, and the process in working with TxDOT, given that the City does not have direct control over the roadway. The item will be brought back for further discussion at a future meeting.

#### **3. Receive Presentation and Discuss Road Reconstruction and Roadway Curvature Concerns on Highland Village Road**

##### **Sight Hindrance at Monument Sign**

Director Kriston reported that questions and concerns were raised at the previous City Council meeting regarding whether the monument sign on Highland Village Road at the

Primrose entrance obstructs visibility. Upon review of the site geometry and sight lines, it was determined that vegetation located at the corner of the hardscape monument is encroaching into the sight triangle. Staff recommended retaining the monument sign and removing only the obstructing shrubbery. The Council reached a consensus to proceed with removal of the shrub.

#### Golf Cart Path Crossings

In response to a sight triangle concern near Village Estates toward Nowlin, Director Kriston reported that the existing geometry meets sight triangle requirements. He noted that two trees in the area would need to be removed and that their removal could be incorporated into the Highland Village Road Reconstruction project.

Councilmember Nelson expressed concern regarding the proposed golf cart path crossing. Director Kriston clarified that the crossing is only an option and intended to provide connectivity for golf carts, which are otherwise restricted due to the speed limit on Highland Village Road. City Manager Stevens added that the concept had been previously discussed during a workshop and at a Highland Village Community Development Corporation meeting as a potential means to improve access. Director Kriston also noted a second proposed golf cart crossing at Whittier and Willow Creek Estates. Following discussion, the Council reached a consensus not to pursue either proposed crossing.

#### Road Curvature at the 900 Block of Highland Village Road

Director Kriston provided background on the roadway segment and reported that three accidents have occurred in this area over the past three years. Two incidents were attributed to failure to control speed and driver inattention, and one involved driving while intoxicated. He noted that existing safety measures include cable fencing, curb identifying chevrons, warning signage, and a southbound radar feedback speed sign.

Director Kriston presented three potential improvement options, along with associated costs: enhanced signage, roadway curve enhancements, and installation of a three-way stop at Lake Highland. Based on the identified causes of the accidents, the Council reached a consensus to maintain existing conditions with no additional improvements at this time.

- 20. 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.)**

The following items were requested:

Mayor Wilcox requested an update regarding the handbill ordinance and expressed concern as to why brochures/ads continue to be distributed to residents have opted out of receiving them.

Councilmember Hurst requested an update on the drainage issue on Scenic Drive, as referenced by a resident during the recent Town Hall Meeting.

- 21. Adjournment**

Mayor Wilcox adjourned the meeting at 9:42 p.m.

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Charlotte J. Wilcox, Mayor

**ATTEST:**

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Angela Miller, City Secretary

DRAFT



## CITY COUNCIL MEMORANDUM AGENDA ITEM 11

**MEETING DATE:** March 24, 2026

**SUBJECT:** Receive the Annual Comprehensive Financial Report for FY 2025

**PREPARED BY:** Heather Miller, Finance Director

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### **BACKGROUND**

The Annual Comprehensive Financial Report represents an annual audit of City finances and records. The City received an unmodified opinion from the auditors, Pattillo, Brown, & Hill, L.L.P. in this report – indicating that the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The report will be on file in the City Secretary's Office, including the report from the auditors, and an electronic version will be placed on the City's website. It will also be submitted to the Government Finance Officers Association for consideration for an Excellence in Financial Reporting Award.

### **BUDGETARY IMPACT**

Not applicable.

### **RECOMMENDATION**

Council to receive the Annual Comprehensive Financial Report for Fiscal Year 2025.



## CITY COUNCIL MEMORANDUM AGENDA ITEM 13

**MEETING DATE:** March 24, 2026

**SUBJECT:** Consider Resolution 2026-3236 nominating One Candidate for Place 4 to fill an Unexpired Term for Place 4 on the Denton Central Appraisal District (DCAD) Board of Directors

**PREPARED BY:** Angela Miller, City Secretary

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### **BACKGROUND**

The City of Highland Village received notification from the Chief Appraiser of a vacancy for Place 4 on the DCAD Board of Directors. Pursuant to Texas Property Tax Code Section 6.03, each taxing unit that is entitled to vote may nominate by resolution of its governing body, one candidate to fill the vacancy. Once received, the Chief Appraiser will prepare a list of the submitted nominees, and the DCAD Board of Directors will appoint one of the nominees by majority vote to fill the vacancy.

Eligibility requirements to serve on the DCAD Board are as follows:

- Must have resided in Denton County for at least two (2) years immediately preceding the date of taking office
- May currently serve on the governing body of a city, county or school district
- Employees of taxing entities served by the appraisal district are ineligible unless they are elected officials
- Must not have conflicts of interest as defined by state law

City staff has sent notifications to residents seeking anyone interested in serving, and to date, one person would like to be considered for nomination.

This item provides an opportunity for Council discussion and to formally nominate a candidate, should they wish to do so.

### **BUDGETARY IMPACT**

None

### **RECOMMENDATION**

To approve Resolution 2026-3236 nominating a candidate to fill an unexpired term for Place 4 on the DCAD Board of Directors.

**CITY OF HIGHLAND VILLAGE, TEXAS**

**RESOLUTION NO. 2026-3236**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, NOMINATING ONE CANDIDATE FOR PLACE 4 ON THE DENTON CENTRAL APPRAISAL DISTRICT BOARD OF DIRECTORS; AND PROVIDING AN EFFECTIVE DATE**

**WHEREAS**, participating taxing entities have the right to nominate one candidate to fill a vacancy for Place 4 to be considered for appointment to the Denton Central Appraisal District Board of Directors; and

**WHEREAS**, the City of Highland Village, Texas, desires to make such nomination.

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

**SECTION 1.** \_\_\_\_\_ is hereby nominated for Place 4 on the Denton Central Appraisal District Board of Directors.

**SECTION 2.** This Resolution shall take effect immediately upon passage.

**PASSED AND APPROVED THIS THE 24<sup>TH</sup> 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:3/12/2026:4902-7647-2727 v1)



## CITY COUNCIL MEMORANDUM AGENDA ITEM 14

**MEETING DATE:** March 24, 2026

**SUBJECT:** Discuss and Consider Ordinance No. 2026-1333 Amending Highland Village Code of Ordinances Article 10.07 "Handbills" by Amending Section 10.07.002 "Handbill Distribution on Residential Property" (First Reading)

**PREPARED BY:** Kevin B. Laughlin, City Attorney

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### **BACKGROUND**

To reduce litter and other nuisance materials from being tossed onto private residential property without the consent of the owners, the City Council adopted Ordinance No. 2025-1328 on August 26, 2025, adding Article 10.07 "Handbills" to the Code of Ordinances. Since the date of adoption of Ordinance No. 2025-1328, one publisher has continued to distribute handbills containing commercial advertising by having them thrown onto the front lawns of residences. The publisher argues such delivery continues to be legal under Ordinance No. 2025-1328 because the paper handbills are secured within plastic wrappers preventing the individual pages of the handbills from blowing and spreading over the residential properties and into the City's streets.

Ordinance No. 2026-1333 as drafted proposes to amend Code of Ordinances Section 10.07.002 by removing the language allowing it to be a defense to violation of Section 10.07.002 by "placing the handbill in such a manner to secure and prevent such handbill from being blown or drifting about the residential property." The ordinance also adds language that in essence requires the handbill distributor or handbill sponsor to have the consent of the residential property owner to place the handbill on the person's property.

A draft of Ordinance No. 2026-1333 as proposed is enclosed with this briefing. Also enclosed is a redline showing the changes being proposed to Section 10.07.002.

### **BUDGETARY IMPACT**

There is no direct cost associated with this ordinance. However, City resources will be expended in relation to enforcement of this ordinance.

### **RECOMMENDATION**

To approve Ordinance No. 2026-1333 amending the City's Code of Ordinances Article 10.07 "Handbills" by amending Section 10.07.002 "Handbill Distribution on Residential Property, as presented on first reading.

**CITY OF HIGHLAND VILLAGE, TEXAS**

**ORDINANCE NO. 2026-\_\_\_\_\_**

**AN ORDINANCE OF THE CITY OF HIGHLAND VILLAGE, TEXAS, AMENDING THE CODE OF ORDINANCES OF THE CITY OF HIGHLAND VILLAGE, TEXAS, CHAPTER 10 “HEALTH AND SANITATION” ARTICLE 10.07 “HANDBILLS”; BY AMENDING SECTION 10.07.002 “HANDBILL DISTRIBUTION ON RESIDENTIAL PROPERTY”; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY OF FINE NOT TO EXCEED \$500 PER OFFENSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the random and unsolicited distribution of handbills and similar materials on residential property within the City persists in a manner that is a nuisance to residential property owners and where such materials can be blowing or otherwise transported to City’s streets and storm drainage creating litter and pollution within the City and otherwise cause residences to clean unwanted materials tossed onto their private property; and

**WHEREAS**, the City Council of the City of Highland Village, Texas, finds it in the interest of preserving public health and safety within the City to regulate the unsolicited distribution and placement of handbills on residential property within the City.

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

**SECTION 1.** The City of Highland Village, Texas, Chapter 10 “Health and Sanitation,” is amended by Article 10.07.002 “Handbill Distribution on Residential Property” to read as follows:

**§10.07.002 Handbill distribution on residential property.**

- (1)** It shall be unlawful for any individual, handbill distributor, and/or handbill sponsor to:
  - (a)** distribute, deposit, place, throw, scatter, or cast any handbill upon any residential property without the written consent of the residential property owner; or
  - (b)** cause to be distributed, deposited, placed, thrown, scattered, or cast any handbill upon any residential property without the written consent of the residential property owner.
- (2)** It shall be a defense to a violation of subsection (1) if the individual, handbill distributor, or handbill sponsor:
  - (a)** handed or transmitted the handbill directly to the owner, occupant, or any other person then present in or upon the residential property, and said owner, occupant, or any other person is willing to accept the handbill regardless of obtaining written consent of the residential property owner; or

~~(b) placed or deposited the handbill in a manner to secure and prevent such handbill from being blown or drifting about the residential property; or~~

~~(e)(b)~~ placed such handbill in a mailbox and such placement was not prohibited by federal law or regulation.

(23) It shall be unlawful for any person to distribute or cause to be distributed, deposited, placed, thrown, scattered, or cast any handbill upon any residential property:

~~(a)(a) if the person, handbill distributor, and/or handbill sponsor does not have the written consent of the residential property owner to distribute or cause to be distributed, deposited, placed, thrown, scattered, or cast any handbill upon any residential property;~~

~~(b) if requested by anyone present on such residential property to not distribute, regardless of whether there is written consent of the residential property owner, or cause to be distributed, deposited, placed, thrown, scattered or cast such handbill upon such residential property; or~~

~~(bc) if a no trespass(ing) sign is placed on such residential property in a conspicuous place upon or near the main entrance to the dwelling unit located on such residential property.~~

**SECTION 2.** Should any sentence, paragraph, subdivision, clause, phrase, or section of this Ordinance be adjudged or held to be unconstitutional, illegal, or invalid, the same shall not affect the validity of this Ordinance as a whole, or any part or provision thereof other than the part so decided to be invalid, illegal, or unconstitutional, and shall not affect the validity of the Ordinance as a whole.

**SECTION 3.** An offense committed before the effective date of this ordinance is governed by prior law and the provisions of the Code of Ordinances, as amended, in effect when the offense was committed, and the former law is continued in effect for this purpose.

**SECTION 4.** Any person violating any of the provisions or terms of this Ordinance shall be punished by a fine not to exceed the sum of Five Hundred Dollars (\$500.00) for each offense; and each and every day such violation shall continue shall be deemed to constitute a separate offense.

**SECTION 5.** This ordinance shall take effect on following its passage on Second Reading and publication of the caption in accordance with the provisions of the Charter of the City of Highland Village, and it is accordingly so ordained.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, ON FIRST READING ON THE \_\_\_\_ DAY OF \_\_\_\_\_ 2026.**

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, ON SECOND READING ON THE \_\_\_\_ DAY OF \_\_\_\_\_ 2026.**

**APPROVED:**

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**Charlotte J. Wilcox, Mayor**

**ATTEST:**

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**Angela Miller, City Secretary**

**APPROVED AS TO FORM AND LEGALITY:**

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**Kevin B. Laughlin, City Attorney**  
(KBL:3/16/2026:4929-2756-0791, v. 3)

**CITY OF HIGHLAND VILLAGE, TEXAS**

**ORDINANCE NO. 2026-1333**

**AN ORDINANCE OF THE CITY OF HIGHLAND VILLAGE, TEXAS, AMENDING THE CODE OF ORDINANCES OF THE CITY OF HIGHLAND VILLAGE, TEXAS, CHAPTER 10 "HEALTH AND SANITATION" ARTICLE 10.07 "HANDBILLS"; BY AMENDING SECTION 10.07.002 "HANDBILL DISTRIBUTION ON RESIDENTIAL PROPERTY"; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY OF FINE NOT TO EXCEED \$500 PER OFFENSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the random and unsolicited distribution of handbills and similar materials on residential property within the City persists in a manner that is a nuisance to residential property owners and where such materials can be blowing or otherwise transported to City's streets and storm drainage creating litter and pollution within the City and otherwise cause residences to clean unwanted materials tossed onto their private property; and

**WHEREAS**, the City Council of the City of Highland Village, Texas, finds it in the interest of preserving public health and safety within the City to regulate the unsolicited distribution and placement of handbills on residential property within the City.

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

**SECTION 1.** The City of Highland Village, Texas, Chapter 10 "Health and Sanitation," is amended by Article 10.07.002 "Handbill Distribution on Residential Property" to read as follows:

**ARTICLE 10.07      HANDBILLS**

**§10.07.002      Handbill distribution on residential property.**

- (1)** It shall be unlawful for any individual, handbill distributor, and/or handbill sponsor to:
  - (a)** distribute, deposit, place, throw, scatter, or cast any handbill upon any residential property without the written consent of the residential property owner; or
  - (b)** cause to be distributed, deposited, placed, thrown, scattered, or cast any handbill upon any residential property without the written consent of the residential property owner.
  
- (2)** It shall be a defense to a violation of subsection (1) if the individual, handbill distributor, or handbill sponsor:
  - (a)** handed or transmitted the handbill directly to the owner, occupant, or any other person then present in or upon the residential property, and said owner, occupant, or any other person is willing to accept the handbill regardless of obtaining written consent of the residential property owner; or

- (b) placed such handbill in a mailbox and such placement was not prohibited by federal law or regulation.
- (3) It shall be unlawful for any person to distribute or cause to be distributed, deposited, placed, thrown, scattered, or cast any handbill upon any residential property:
  - (a) if the person, handbill distributor, and/or handbill sponsor does not have the written consent of the residential property owner to distribute or cause to be distributed, deposited, placed, thrown, scattered, or cast any handbill upon any residential property;
  - (b) if requested by anyone present on such residential property to not distribute, regardless of whether there is written consent of the residential property owner, or cause to be distributed, deposited, placed, thrown, scattered or cast such handbill upon such residential property; or
  - (c) if a no trespass(ing) sign is placed on such residential property in a conspicuous place upon or near the main entrance to the dwelling unit located on such residential property.

**SECTION 2.** Should any sentence, paragraph, subdivision, clause, phrase, or section of this Ordinance be adjudged or held to be unconstitutional, illegal, or invalid, the same shall not affect the validity of this Ordinance as a whole, or any part or provision thereof other than the part so decided to be invalid, illegal, or unconstitutional, and shall not affect the validity of the Ordinance as a whole.

**SECTION 3.** An offense committed before the effective date of this ordinance is governed by prior law and the provisions of the Code of Ordinances, as amended, in effect when the offense was committed, and the former law is continued in effect for this purpose.

**SECTION 4.** Any person violating any of the provisions or terms of this Ordinance shall be punished by a fine not to exceed the sum of Five Hundred Dollars (\$500.00) for each offense; and each and every day such violation shall continue shall be deemed to constitute a separate offense.

**SECTION 5.** This ordinance shall take effect on following its passage on Second Reading and publication of the caption in accordance with the provisions of the Charter of the City of Highland Village, and it is accordingly so ordained.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, ON FIRST READING ON THE \_\_\_\_ DAY OF \_\_\_\_\_ 2026.**

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, ON SECOND READING ON THE \_\_\_\_ DAY OF \_\_\_\_\_ 2026.**

**APPROVED:**

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**Charlotte J. Wilcox, Mayor**

**ATTEST:**

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**Angela Miller, City Secretary**

**APPROVED AS TO FORM AND LEGALITY:**

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**Kevin B. Laughlin, City Attorney**

(KBL:3/16/2026:4929-2756-0791, v. 3)



## CITY COUNCIL MEMORANDUM AGENDA ITEM 15

**MEETING DATE:** March 24, 2026

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

**PREPARED BY:** Paul Stevens, City Manager

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### **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**

<b>March 24, 2026</b>	<b>Regular City Council Meeting – 7:00 pm</b>
<b>April 2, 2026</b>	<b>Zoning Board of Adjustment Meeting – 7:00 pm</b>
<b>April 3, 2026</b>	<b>City Offices Closed for the Good Friday Holiday</b>
<b>April 13, 2026</b>	<b>HV Community Development Corporation Meeting – 6:00 pm</b>
<b>April 14, 2026</b>	<b>Regular City Council Meeting – 7:00 pm</b>
<b>April 20, 2026</b>	<b>Parks and Recreation Advisory Board Meeting – 6:00 pm</b>
<b>April 21, 2026</b>	<b>Planning and Zoning Meeting – 7:00 pm</b>
<b>April 28, 2026</b>	<b>Regular City Council Meeting – 7:00 pm</b>
<b>May 7, 2026</b>	<b>Zoning Board of Adjustment Meeting – 7:00 pm</b>
<b>May 11, 2026</b>	<b>HV Community Development Corporation Meeting – 6:00 pm</b>
<b>May 12, 2026</b>	<b>Regular City Council Meeting – 7:00 pm</b>
<b>May 18, 2026</b>	<b>Parks and Recreation Advisory Board Meeting – 6:00 pm</b>
<b>May 19, 2026</b>	<b>Planning and Zoning Meeting – 7:00 pm</b>
<b>May 26, 2026</b>	<b>Regular City Council Meeting – Cancelled</b>
<b>June 8, 2026</b>	<b>HV Community Development Corporation Meeting – 6:00 pm</b>
<b>June 9, 2026</b>	<b>Regular City Council Meeting – 7:00 pm</b>
<b>June 15, 2026</b>	<b>Parks and Recreation Advisory Board Meeting – 6:00 pm</b>
<b>June 16, 2026</b>	<b>Planning and Zoning Meeting – 7:00 pm</b>
<b>June 23, 2026</b>	<b>Regular City Council Meeting – 7:00 pm</b>

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](http://www.highlandvillage.org) or the City Hall bulletin board for the latest meeting additions and updates.