
FY 2018-2019 BUDGET-IN-BRIEF

Town of Flower Mound Town Council

Steve Dixon
Mayor

Jason Webb
Mayor Pro Tem
Place 1

Sandeep Sharma
Place 2

Kevin Bryant
Place 3

Jim Engel
Place 4

Claudio Forest
Deputy Mayor Pro Tem
Place 5

Town Administration

Jimmy Stathatos
Town Manager

Debra Wallace
Deputy Town Manager/CFO

Tommy Dalton
Assistant Town Manager

Tiffany Bruce
Executive Director/ Town Engineer
Public Works

Eric Greaser
Fire Chief
Fire and Emergency Services

Andy Kancel
Police Chief
Police Services

Theresa Scott
Town Secretary
Legislative Services

Tammy Wilson
Executive Director
Financial Services

TOWN OF FLOWER MOUND, TEXAS

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FY 2018-2019 BUDGET-IN-BRIEF

October 1, 2018

Honorable Mayor and Town Council:

The FY 2018-2019 Budget-in-Brief presents a summary of the Town's adopted budget to the citizens of our community. The FY 2018-2019 Adopted Budget, which includes total revenues of \$157,053,512 and expenditures of \$174,810,251, was developed to maintain the Town's fiscal integrity, address the Town Council's priorities, and maintain service levels. Our goals when creating the Adopted Budget included maintaining the Town's financial position, continuing infrastructure maintenance and capital improvements, providing quality municipal facilities and parks, funding a competitive and equitable compensation plan for employees and planning for the Town's long-term future. The property tax rate was unchanged at \$0.4390 per \$100 assessed valuation and will generate \$48,836,832 in revenue. Of this amount, \$35,749,949 will go to the General Fund, \$9,554,978 will go to Debt Service, and \$3,531,905 will go to the Town's Tax Increment Reinvestment Zone.

Staff is highly appreciative of the leadership and guidance provided by the Mayor and Town Council during the preparation of the Adopted Budget. We thank each of you for your support of our combined efforts to provide a comprehensive program of municipal operations and services, while remaining within a framework of conservative financial planning and responsible fiscal control.

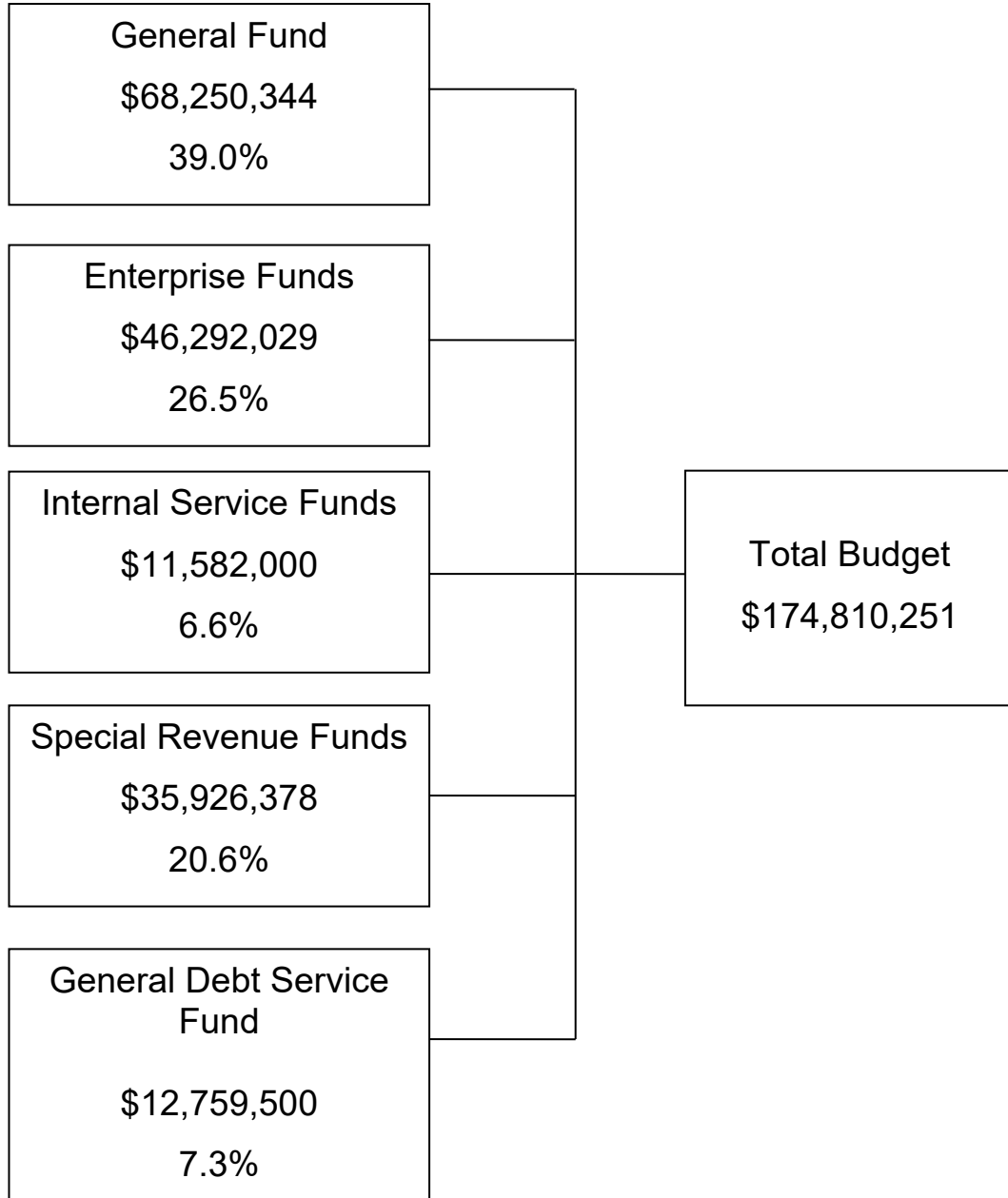
Respectfully submitted,

Jimmy Stathatos

Jimmy Stathatos
Town Manager

TOWN OF FLOWER MOUND, TEXAS

Organization of the Total Budget



FY 2018-2019 Budget Summary

On September 17, 2018, the Flower Mound Town Council approved a \$174,810,251 budget for FY 2018-2019. The approved budget consists of General, Enterprise, Internal Service, Special Revenue, and General Debt Service Funds.

General Fund

The General Fund accounts for 39.0 percent of the budget and supports basic services such as police, fire, parks, recreation, streets, library, environmental health, and other community services. It is the general operating fund of the Town and is used to account for all transactions and operations of governmental units that are not accounted for in another fund and/or that are financed from taxes or other general revenues.

Enterprise Funds

The Town has two Enterprise Funds, the Utility Fund and the Stormwater Utility Fund, which together comprise 26.5 percent of the budget. Enterprise Funds are those that support their own administration, acquisition of facilities, operation, and maintenance through the collection of user charges such as the sale of water, wastewater fees, stormwater utility fees, and drainage inspection fees.

Internal Service Funds

Internal Service Funds account for 6.6 percent of the budget and include the Health Insurance Fund, the Vehicle and Equipment Replacement Fund and the Technology Replacement Fund. The Health Insurance Fund is used to account for the Town's health insurance program and flexible benefit accounts for medical and childcare costs. The Vehicle and Equipment Replacement Fund and the Technology Replacement Fund are used to set aside funds each year to ensure that vehicles, equipment and technology are promptly replaced at the end of their useful life.

FY 2018-2019 BUDGET-IN-BRIEF

Special Revenue Funds

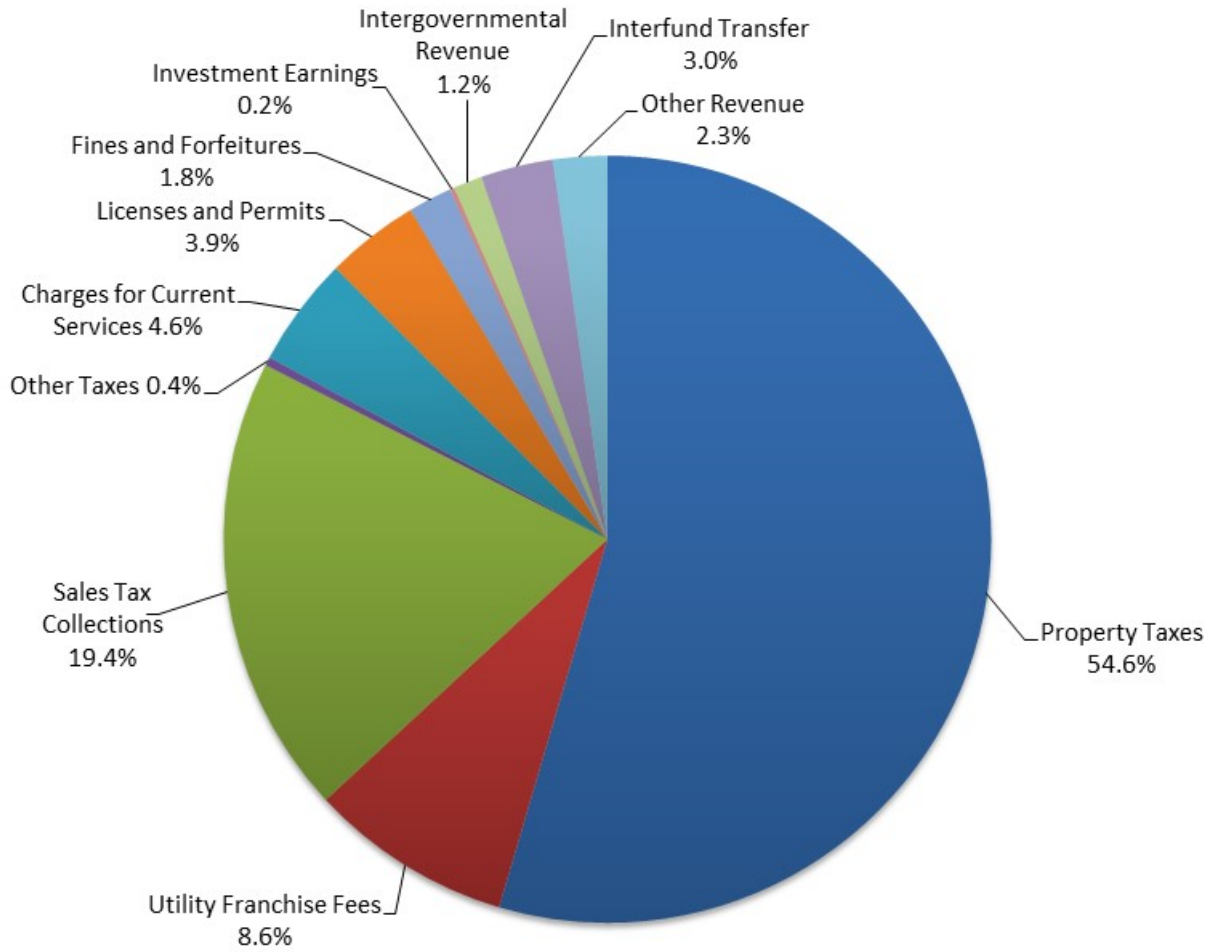
Special Revenue Funds are used to account for the proceeds of special revenue sources, other than expendable trusts or major capital projects. They make up 20.6 percent of the budget and include such funds as the Library Development, Park Development, Parks and Recreation Special Activities, Municipal Court Security and Technology, and Grant Funds. The dedicated sales tax funds for Street Maintenance, 4B parks, Crime Control District, and the Fire District are also included with the Special Revenue Funds.

General Debt Service Fund

The General Debt Service Fund accounts for 7.3 percent of the budget and pays for the annual interest and principal costs of general obligation bonds, certificates of obligation, and other tax-supported debt issued to finance the tax-based portion of the Capital Improvement Program of the Town.

General Fund Revenue Sources

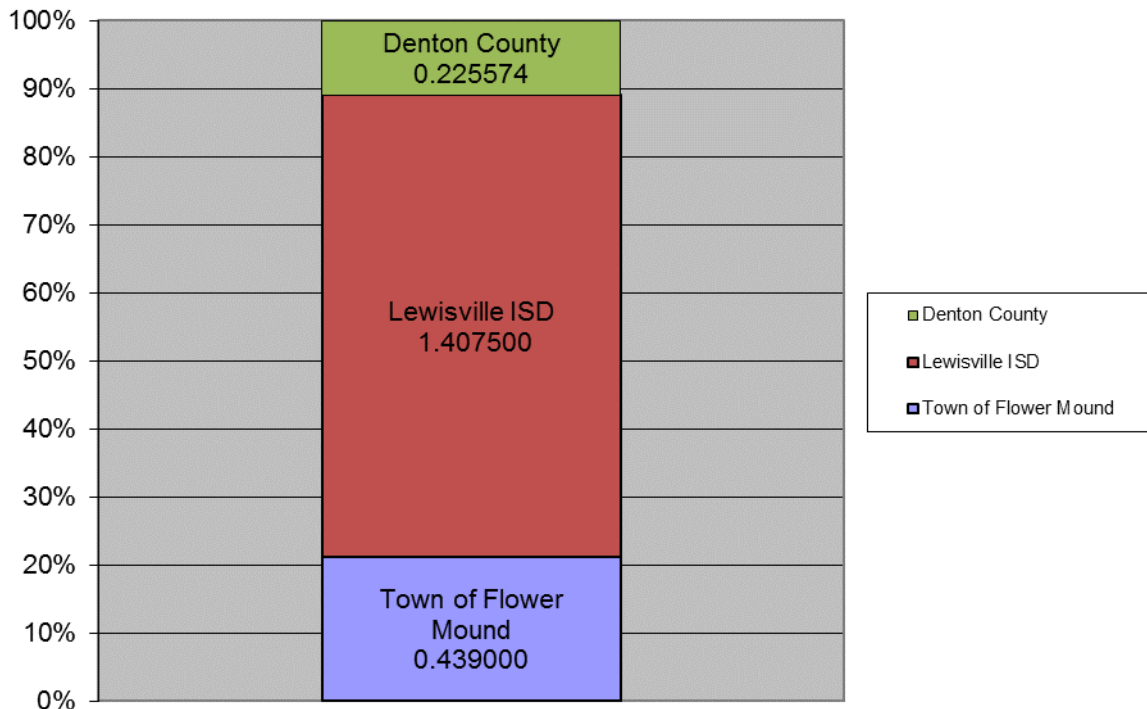
\$66,103,479



Property Tax Analysis

The tax roll of the Town increased 8.38 percent from FY 2017-2018. The July 25, 2018, Certified Tax Roll of \$10,370,094,270 (net of \$804,533,989 TIRZ value) marks an increase of \$802,153,715 over the previous year's certified roll on July 25. The total proposed property tax rate was maintained at \$0.4390, made up of a General Fund rate of \$0.346474 up from \$0.339698, and a debt service rate of \$0.092526 down from \$0.099302. Total property tax revenue (including TIRZ) for FY 2018-2019 is expected to be \$48,836,832 with \$35,749,949 allocated to the General Fund.

For Flower Mound residents living in Denton County and in Lewisville Independent School District, the total tax rate for 2018 is \$2.072074/100. The Town of Flower Mound tax rate is \$0.439000 or 21.1 percent of the total tax rate.



General Fund Revenue Sources

The General Fund has a number of revenue sources, the largest of which is the ad valorem tax (property tax). It constitutes 54.6 percent of all General Fund revenues. Additional sources of revenue include utility franchise fees, sales tax collections, other taxes, charges for current services, licenses and permits, fines and forfeitures, interest earnings, and intergovernmental revenue.

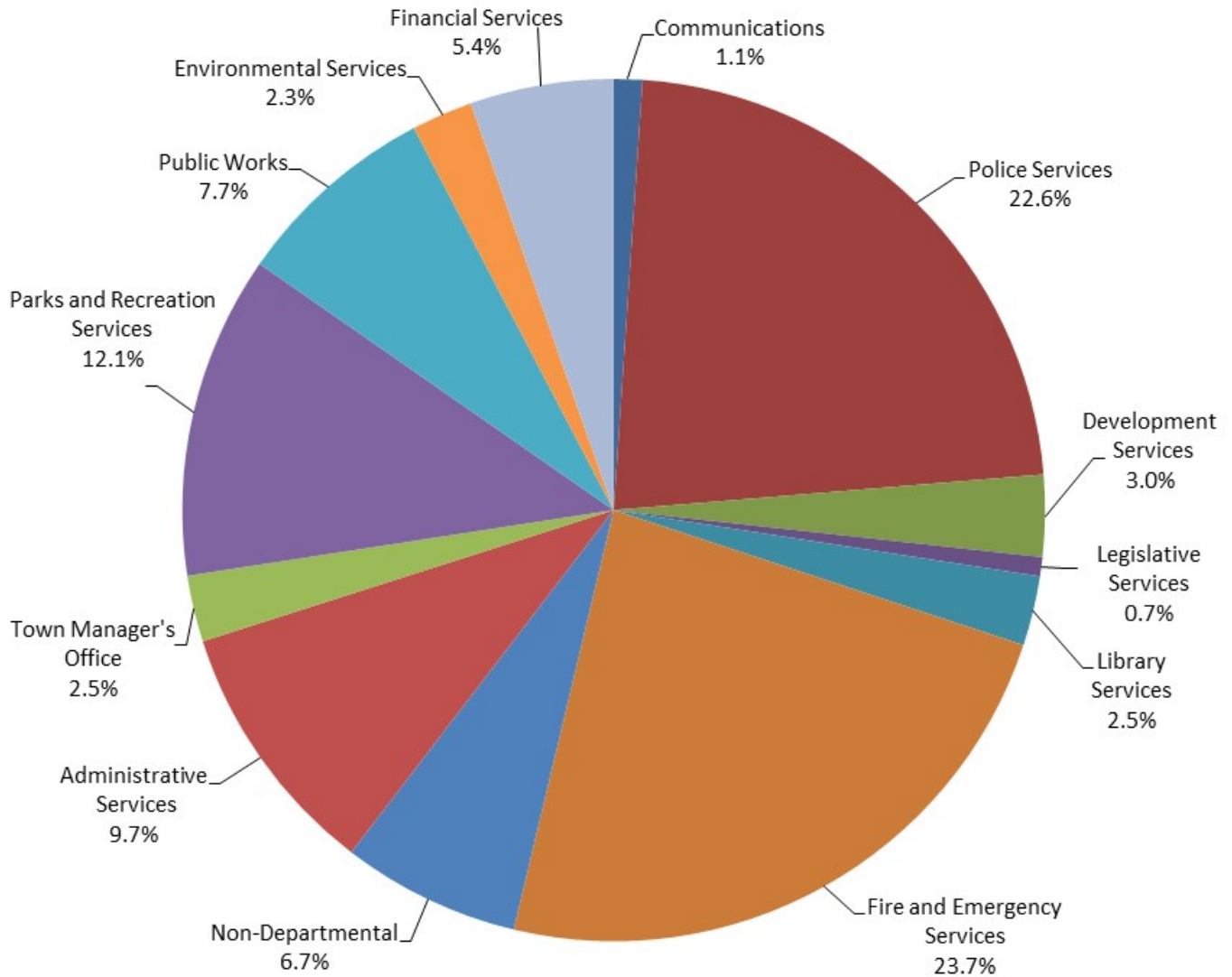
The current sales tax rate for the Town of Flower Mound is two cents per dollar (\$0.02) on all goods and services deemed taxable, where one cent (\$0.01) is for the Town's General Fund and the other cent (\$0.01) is for four quarter-cent dedicated sales taxes. The one cent of sales tax that is for the General Fund is expected to generate more revenues than those collected in FY 2017-2018.

Property Taxes	\$36,066,313
Utility Franchise Fees	5,652,774
Sales Tax Collections	12,816,960
Other Taxes	233,295
Charges for Current Services	3,062,000
Licenses and Permits	2,603,550
Fines and Forfeitures	1,222,835
Investment Earnings	120,000
Intergovernmental Revenue	807,707
Interfund Transfer	2,007,480
Other Revenue	1,510,565
Total General Fund Revenues	\$66,103,479

In FY 2018-2019 projected General Fund expenditures are \$2,146,865 more than budgeted General Fund revenues. The estimated ending fund balance will be 20.82 percent of the fund's total expenditures.

FY 2018-2019 BUDGET-IN-BRIEF

General Fund Expenditures \$68,250,344



TOWN OF FLOWER MOUND, TEXAS

FY 2018-2019 BUDGET-IN-BRIEF

General Fund Services

Town Manager's Office **\$1,697,270**

The Town Manager's Office is responsible for implementing the policies established by the Town Council, and ensuring proper administration of all Town departments and affairs. This department also includes the Strategic Planning and Economic Development functions of the Town.

Town Manager's Office	907,290
Economic Development	789,980
Town Manager's Office Total	\$1,697,270

Legislative Services **\$485,725**

The Legislative Services Department is made up of the Town Secretary's Office, Town Council Support and Election Services Divisions. The Town Secretary's Office is responsible for preparing, posting, and distributing Town Council meeting agendas and packets; administering local elections; administering appointments to boards and commissions; performing follow-up actions to the actions taken by the Town Council; administering and implementing the Town's records management program; fulfilling requests for public information (Town documents), and providing clerical and administrative support to the Mayor and Town Council.

Town Secretary's Office	433,280
Town Council Support	29,380
Election Services	23,065
Legislative Services Total	\$485,725

TOWN OF FLOWER MOUND, TEXAS

FY 2018-2019 BUDGET-IN-BRIEF

Development Services **\$2,092,440**

The Development Services Department provides efficient and professional assistance to ensure responsible development and building practices that implement the Town's Master Plan, Development Regulations, and Building Codes. Divisions for the Development Services Department include Building and Inspection Services and Planning Services.

Building and Inspection Services	1,360,435
Planning Services	732,005
Development Services Total	\$2,092,440

Community Services **\$8,264,302**

The Community Services Department provides beautiful parks and trails, multi-generational athletic and recreational services, and a state-of-the-art senior center. Divisions of the Community Services Department include Park Services, Recreation and Leisure Services, Community Activity Center, and Seniors in Motion.

Community Services Administration	260,950
Park Services	3,632,686
Twin Coves Park	527,815
Recreation and Leisure Services	342,220
Community and Cultural Events	369,396
Seniors in Motion	462,700
Community Activity Center- Administration	1,293,465
Community Activity Center- Recreation Programs	373,100
Community Activity Center- Aquatic Programs	932,570
Community Activity Center- Special Events	40,050
Community Activity Center- Athletics	29,350
Community Services Total	\$8,264,302

TOWN OF FLOWER MOUND, TEXAS

FY 2018-2019 BUDGET-IN-BRIEF

Library Services

\$1,781,570

The Library Services Department provides library services for life-long learning, culture, and recreation for the citizens of Flower Mound, Denton County, and Town employees by assuring equal access to information in a professional, efficient, caring and friendly manner.

Library Services	1,781,570
Library Services Total	\$1,781,570

Police Services

\$15,433,897

The Flower Mound Police Department is responsible for the protection of lives and property and the preservation of social order and public peace. In accomplishing this mission, the day-to-day duties and activities of the Police Department include: prevention and repression of crime, apprehension of offenders, recovery of property, traffic services and enforcement, regulation of non-criminal behavior, and courteous and professional performance of miscellaneous public services.

Animal Services	691,500
Operating Services	14,742,397
Police Services Total	\$15,433,897

TOWN OF FLOWER MOUND, TEXAS

FY 2018-2019 BUDGET-IN-BRIEF

Financial Services

\$3,669,149

The Financial Services Department provides financial support services for the various departments, functions, and activities of the Town. Such services include accounting, financial reporting, budget preparation and control, payroll, debt management, custody and investment of funds and purchasing. Additionally, the department is responsible for such external functions as municipal court administration, providing support to community organizations, outsourcing solid waste collections, and outsourcing tax assessment and collections.

Financial Services Administration	579,245
Accounting & Budget Services	1,158,840
Tax Appraisal and Collections	332,200
Community Support	103,000
Municipal Court	659,665
Purchasing and General Services	255,490
Fleet Services	580,709
Financial Services Total	\$3,669,149

Administrative Services

\$6,601,334

The Administrative Services Department provides general administrative services for the various functions of the Town. These services include human resources, facilities management and information technology functions, including both management information systems and geographic information systems.

Human Resources	593,790
IT- Management Information Systems	1,266,780
IT- Geographic Information Systems	442,565
Facilities Management Services	4,298,199
Administrative Services Total	\$6,601,334

TOWN OF FLOWER MOUND, TEXAS

FY 2018-2019 BUDGET-IN-BRIEF

Fire and Emergency Services \$16,145,597

The Fire and Emergency Services Department minimizes life-threatening and property-endangering situations primarily through the Fire Suppression, Emergency Medical Services, and Fire Prevention Divisions. The department is equipped to respond to fires and other emergencies in the developed, as well as undeveloped areas of the Town.

Fire and Emergency Services Administration	324,910
Emergency Medical Services	569,008
Fire Training	376,080
Fire Suppression Services	13,841,269
Emergency Management	265,845
Fire Prevention Services	768,485
Fire and Emergency Services Total	\$16,145,597

Communications \$726,680

The Communications Department is comprised of the Communications and Customer Relations Divisions. This department is responsible for managing public relations, the Town's website and television station, and customer service for citizens.

Communications	491,330
Customer Relations	235,350
Community Relations Total	\$726,680

FY 2018-2019 BUDGET-IN-BRIEF

General Fund Non-Departmental **\$4,562,065**

The Non-Departmental Department provides for transfers between funds for shared operating costs. Also included in the department are any expenses not falling within a single department activity that can be most efficiently handled in the aggregate for the entire General Fund.

General Fund Transfers	2,225,245
General Fund Non-Departmental	2,336,820
General Fund Non-Departmental Total	\$4,562,065

Public Works **\$5,228,290**

The Public Works Department administers traffic control and pavement maintenance, which includes providing and maintaining safe and convenient public thoroughfares throughout the Town.

Construction Planning and Management	100,400
Street Services Management	1,056,110
Street Services Pavement Maintenance	2,148,675
Transportation Services Management	166,640
Signs and Markings	986,985
Traffic Signals	769,480
Public Works Total	\$5,228,290

FY 2018-2019 BUDGET-IN-BRIEF

Environmental Services

\$1,562,025

The mission of the Environmental Services Department is to provide quality services to the community for the protection and promotion of the health, safety, welfare, property values and environment of the Town of Flower Mound; focus on public education to gain compliance by administering the Towns Code and State Laws relevant to nuisance, zoning, environmental health and consumer health standards; advance and support sustainable development through comprehensive environmental protection, conservation, and effective resource management; implement federal, state, and local environmental statutes and regulations; and foster and ensure continuous public involvement and appreciation for the Towns unique and invaluable natural surroundings.

Environmental Services

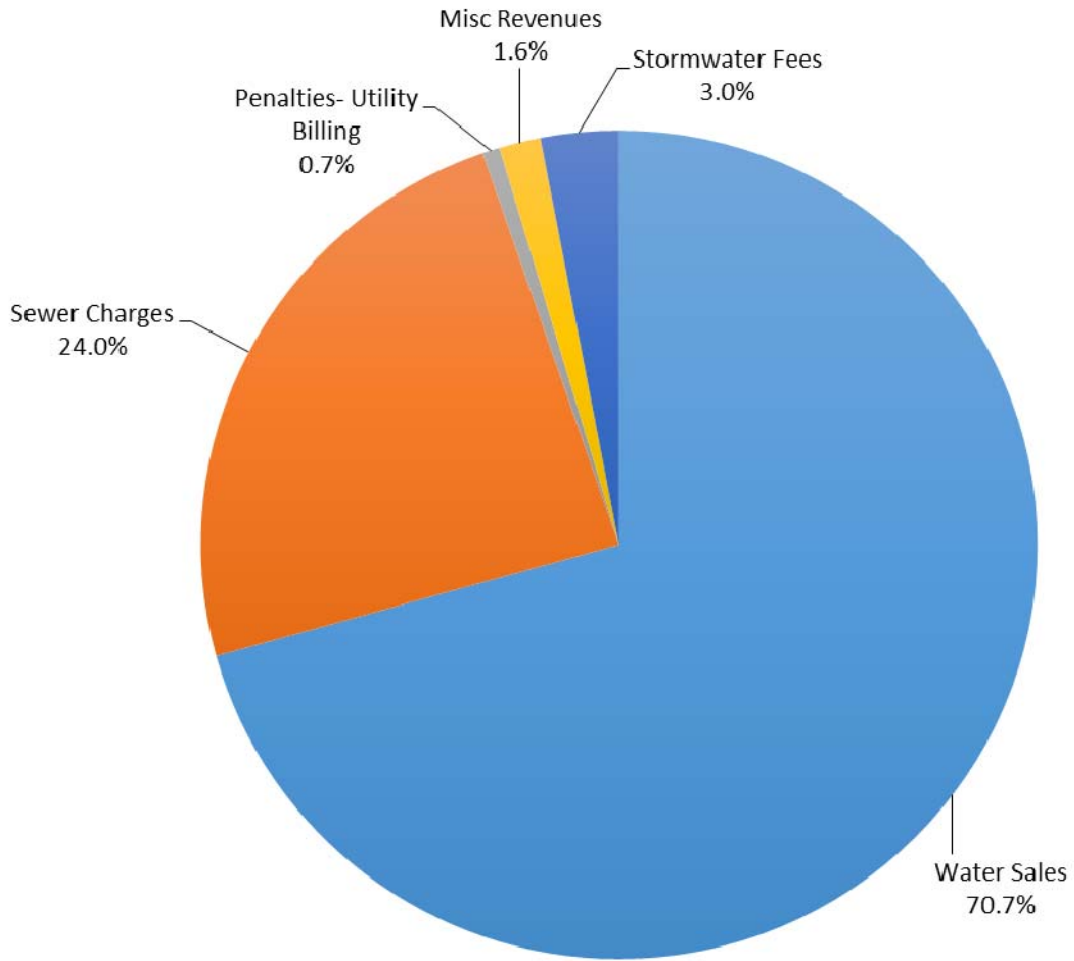
1,562,025

Environmental Services Total

\$1,562,025

TOWN OF FLOWER MOUND, TEXAS

Enterprise Funds Revenues
\$46,524,221



Enterprise Funds Revenue Sources

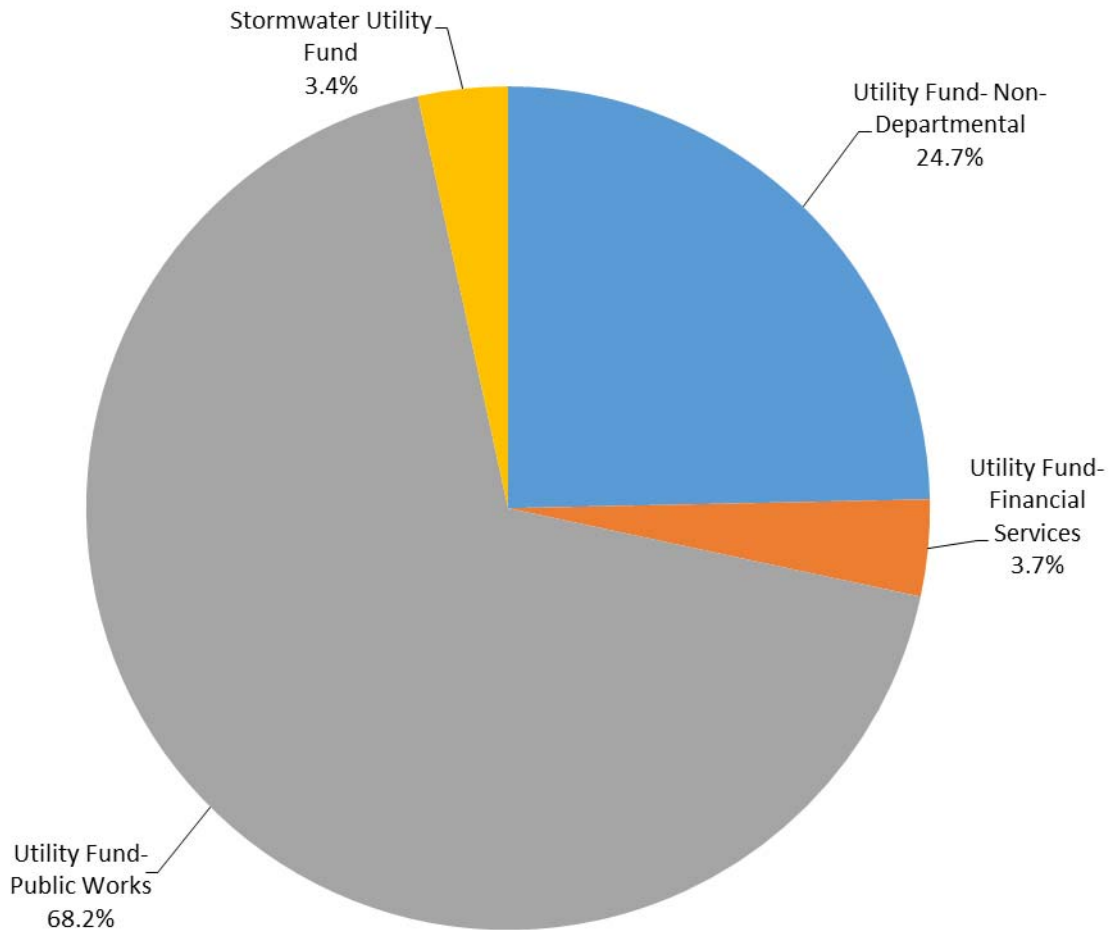
The Enterprise Funds have a variety of revenue sources, the most notable of which are water sales, wastewater charges, stormwater fees, and drainage permit fees. Water sales constitute 70.7 percent of all revenue within the Enterprise Funds. Other sources of revenue that support the Enterprise Funds are taps and connect fees, solid waste collection, utility billing penalties, and interest income.

Utility Fund revenues for FY 2018-2019 are anticipated to increase over FY 2017-2018 revenues. This increase is due to an adjustment to the utility rates effective with usage beginning October 1, 2017.

Water Sales	32,879,046
Sewer Charges	11,185,361
Penalties- Utility Billing	310,000
Misc. Revenue	746,000
Stormwater Fees	1,403,814
Total Enterprise Fund Revenues	46,524,221

Enterprise Funds Expenditures

\$46,292,029



Utility Fund Services

Financial Services **\$1,712,285**

The Utility Fund portion of the Financial Services Department is the principal link between the utility customer and the Town, and it consists of two divisions: Utility Billing and Meter Services.

Utility Billing	695,535
Meter Services	1,016,750
Financial Services Total	\$1,712,285

Utility Fund Non-Departmental **\$11,418,350**

Within the Utility Fund budget, the Non-Departmental Department provides for items such as the utility fund debt service payments. Also included in the department are any expenses that do not fall within a single department activity and that can be most efficiently handled in the aggregate for the entire Utility Fund.

Utility Fund Transfer	1,830,535
Utility Fund Non-Departmental	299,000
Utility Debt Service	9,288,815
Utility Fund Non-Departmental Total	\$11,418,350

FY 2018-2019 BUDGET-IN-BRIEF

Public Works

\$31,571,385

Within the Utility Fund, the Public Works Department is responsible for maintaining the Town's water distribution and wastewater collection systems, the wastewater treatment plant, lift stations, and water storage and pumping facilities. These activities are achieved through the following divisions: Administration, Engineering Services, Public Works (Utility Line Maintenance and Utility Services), and Capital Projects. The purchase of treated water is accomplished in the Utility Services Distribution and Collection Division and is 67.7 percent of total Public Works Expenditures.

Public Works Administration	675,965
Engineering Services	848,420
Utility Line Maintenance- Water Line	1,410,775
Utility Line Maintenance- Sewer Line	902,820
Utility Services Management	568,953
Utility Services Maintenance	1,229,255
Utility Services Operations	803,872
Utility Services Laboratory	485,295
Utility Services Distribution and Collection	23,687,200
Capital Projects	958,830
Public Works Total	\$31,571,385

Stormwater Utility Services

Public Works **\$1,507,254**

Public Works provides preventive and long-term maintenance of the stormwater collection system and provides safe and convenient public thoroughfares and stormwater control to the Town by utilizing the resources dedicated to the maintenance of streets and drainage-ways.

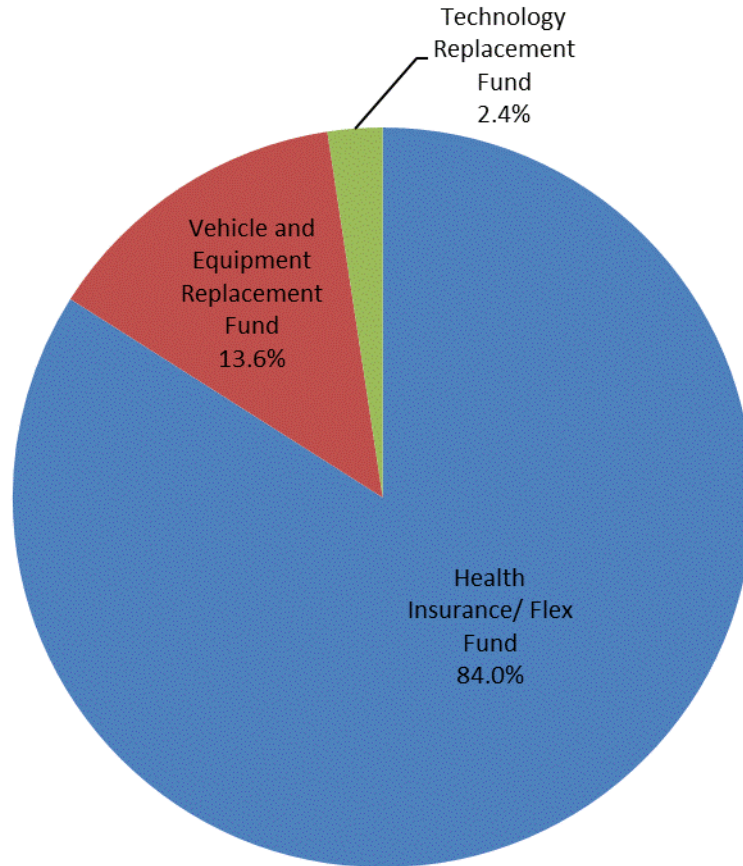
CIP Engineering	104,780
Drainage & Right of Way	1,252,834
Drainage Engineering Services	149,640
Public Works Total	<u>\$1,507,254</u>

Environmental Services **\$82,755**

The Environmental Services Department provides management and coordination of the Town's Stormwater Management Program by providing public education and training related to stormwater and water quality issues, supporting watershed protection, and monitoring initiatives through sound environmental science, resource conservation, and sustainable development and planning.

Environmental Services- Stormwater	82,755
Environmental Services Total	<u>\$82,755</u>

Internal Service Funds Expenditures \$11,582,000



Health Insurance/ Flex Fund	9,730,000
Vehicle and Equipment Replacement Fund	1,575,000
Technology Replacement Fund	277,000
Total Internal Service Fund Expenditures	\$11,582,000

Health Insurance/Flex Fund

Health Insurance/Flex Fund **\$9,730,000**

The Health Insurance/Flex Fund is used to account for the Town's health insurance program and the flexible benefit accounts for employee medical and childcare flex plans.

Health Insurance/Flex	9,730,000
Fund Total	<u>\$9,730,000</u>

Vehicle and Equipment Replacement Fund

Vehicle and Equipment Replacement Fund **\$1,575,000**

The Vehicle and Equipment Replacement Fund is used to set aside funds each year to ensure that vehicles and equipment are promptly replaced at the end of their useful life.

Vehicle and Equipment Replacement	1,575,000
Fund Total	<u>\$1,575,000</u>

Technology Replacement Fund

Technology Replacement Fund **\$277,000**

The Technology Replacement Fund is used to set aside funds each year to ensure that technology is promptly replaced at the end of its useful life.

Technology Replacement	277,000
Fund Total	<u>\$277,000</u>

**Special Revenue Funds
Expenditures
\$35,926,378**

Special Revenue Funds account for revenue from specific taxes or other earmarked revenue sources that by law are designated to finance particular functions or activities of government and include intergovernmental revenue in the form of state and federal grant funds.

Justice Seizures Fund	1,309
Police Seizure Fund	2,200
Library Development Fund	20,000
Chapter 59 Seizure Fund	30,000
Animal Care Fund	30,500
Municipal Court Security Fund	33,000
Municipal Court Technology Fund	34,440
Neighborhood Improvement Fund	160,000
Park & Recreation Special Activities Fund	175,700
Community Development Block Grant Fund	192,892
Tree Preservation Fund	192,975
Hotel Occupancy Tax Fund	300,000
Public Education Government (PEG) Fund	474,976
IRS Equitable Sharing Fund	491,000
Fire District - Sales Tax	3,054,880
Crime District - Sales Tax	3,489,401
Park Development Fund	4,383,690
4B Parks - Sales Tax	5,191,791
Street Maintenance - Sales Tax	8,409,539
TIRZ Fund	9,258,085
TOTAL EXPENDITURES	\$ 35,926,378

**General Debt Service Fund
Expenditures
\$12,759,500**

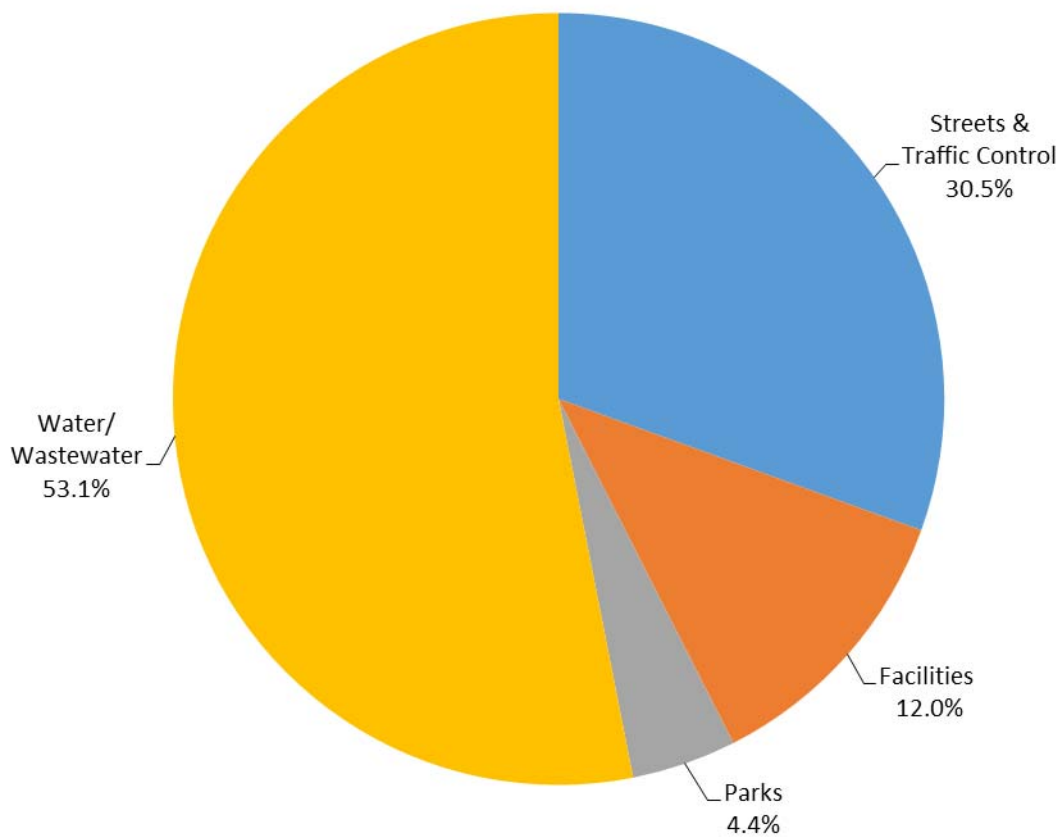
The General Debt Service Fund provides the funds necessary to retire the outstanding tax-supported bonded indebtedness of the Town. Debt in this category primarily consists of general obligation bonds (GOs) and certificates of obligation (COs) that are used to pay the cost of various public improvements such as streets, land acquisition, and the construction of facilities. Revenues are generated for the repayment of the bonds and certificates primarily through ad valorem property taxes.

2018-2019 General Debt Service Expenditures: \$12,759,500

2018-2019 General Debt Service Revenues:

Property Taxes	9,619,978
Other Revenue	3,158,375
Investment Earnings	30,000
General Debt Services Revenues Total	\$12,808,353

**Capital Improvement Program
Expenditures
\$51,792,000**



Capital Improvement Program

The Capital Improvement Program (CIP) provides funding for streets, public buildings, major equipment, land, and other capital assets that are of significant value and have a useful life of twenty years or more. The 2018-2019 CIP of the Town is \$51,792,000 which includes several projects that are currently in progress. Of this amount, 30.5 percent is allocated for the construction and/or improvement of Town streets and traffic control devices, 12.0 percent is for facilities projects, 4.4 percent is for park projects, and 53.1 percent will be used to extend and improve the water, wastewater and stormwater system.

Projects in these programs include:

Streets

- ADA Transition Plan and Implementation
- Denton Creek Boulevard Bridge
- FM 1171 at River Walk Drive Intersection Improvements
- FM 2499 at FM 407 Intersection Improvements
- FM 2499 at Lakeside North Right Turn Lane
- FM 2499 at Waketon Intersection Improvements
- Garden Ridge Through Lane (at FM 3040)
- Morriss Road Improvements
- Rippy Road (Waketon to FM 2499)
- Roadway Amenities
- Sidewalk Links
- Waketon Road
- West Windsor Roundabout Connection

Street Reconstruction

- Forest Vista Reconstruction Phase II
- Grady Court Reconstruction
- Morriss Paving Panel Replacement- Phase II
- Old Gerault Road Reconstruction

FY 2018-2019 BUDGET-IN-BRIEF

Signal Projects

- FM 407 at Browning- Reconstruction
- Traffic Detection Rehabilitation

Facilities

- Fire Station No. 1 Facility Upgrades
- Fire Station No. 7 And Apparatus
- Gibson-Grant Log Cabin Reconstruction
- Storage Warehouse

Parks

- 2018-2019 Playground Replacements
- Bakersfield Park Restroom and Concrete Walkway
- Bella Lago Park Master Plan
- Canyon Falls Park Design
- Cortadara Park Improvements
- Lakewood Park Pavilion
- Park and Trails Amenities
- Peters Colony Memorial Park Master Plan
- Rheudasil Park Improvements

Water

- Denton Creek Spine Road 12-Inch Water Line
- Denton Creek District- Reuse Water Lines
- FM 2499 12-Inch Water Line Phase I
- Freeman 12-Inch Water Line
- Glenview 12-Inch Water Line
- High Road Water Line Replacement Phase II
- Kirkpatrick Lane 12-Inch Water Line Phase II
- Morriss Road Water Lines Phase I
- Pintail Pump Station
- Red Bud Point Water Service Relocation
- Stonehill 10MG Ground Tank Rehabilitation
- Utility Asset Management and Utility Replacement
- Water System Model Update

FY 2018-2019 BUDGET-IN-BRIEF

Stormwater

- Bakers Branch Stabilization at 621 Somerset Drive
- East Waketon Road Drainage Improvements

Wastewater

- Upper Timber Creek Interceptor Phase III
- Upper Timber Creek Interceptor Phase IV
- Wastewater System Model Update
- Wastewater Treatment Plant Rehabilitation Phase V
- Wastewater Treatment Plant Ultraviolet System Update

FY 2018-2019 BUDGET-IN-BRIEF

Town of Flower Mound Profile

2018 Population Estimate 73,130
Source: North Central Texas Council of Governments

Square Miles 45.0
Source: Town of Flower Mound GIS Division

Town Government Information

Form of Government Council-Manager
Number of Town Employees (Total FTEs all Funds) 624.5
Citizens Per Employee 117.11
Source: Town of Flower Mound Human Resources Division

Taxation Information

Property Tax Rate \$0.439000 per \$100 Assessed Value
Total Taxable Value (includes TIRZ Value) \$11,174,628,259
Taxable Value Per Capita \$152,805
Percent Change in Property Tax Roll
From FY 2017-2018 to FY 2018-2019 (net of TIRZ) 8.38%
Source: Denton Central Appraisal District/Tarrant Appraisal District
Sales Tax Revenue (FY 2016-2017) \$23,612,871
Source: Town of Flower Mound Financial Services Department

Town Debt Information (excludes Utility Debt)

FY 2017-2018
Projected Bonded Debt \$64,305,000
Debt Per Capita \$895
Debt as a Percent of Tax Base 0.62%
FY 2018-2019
Projected Bonded Debt \$63,005,000
Debt Per Capita \$862
Debt as a Percent of Tax Base 0.56%
Source: Town of Flower Mound Financial Services Department

For additional information contact:
Kay Wilkinson, Budget Officer
Financial Services Department
2121 Cross Timbers Road
Flower Mound, Texas 75028
972-874-6082

TOWN OF FLOWER MOUND, TEXAS
