LEWISVILLE CITY COUNCIL, CRIME CONTROL AND PREVENTION DISTRICT BOARD AND FIRE CONTROL, PREVENTION AND EMERGENCY MEDICAL SERVICES DISTRICT BOARD

CALLED-SPECIAL SESSION

BUDGET WORKSHOP

AUGUST 11, 2018

Present:

Rudy Durham, Mayor

Council Members:

TJ Gilmore
Bob Troyer, Deputy Mayor Pro Tem
R Neil Ferguson
Brent Daniels,
Brandon Jones, Mayor Pro Tem

City Staff:

Donna Barron, City Manager
Eric Ferris, Deputy City Manager
Claire Swann, Assistant City Manager
Melinda Galler, Assistant City Manager
Julie Heinze, City Secretary
Lizbeth Plaster, City Attorney

BUDGET WORKSHOP SESSION – 9:00 A.M.

With a quorum of the Council Members present, the called special budget workshop of the Lewisville City Council was called to order by Mayor Durham at 9:00 a.m. on Saturday, August 11, 2018, in the Community Room of the Lewisville Municipal Annex, 1197 West Main Street, Lewisville, Texas. All City Department Heads were in attendance.

BUDGET WORKSHOP SESSION – 9:00 A.M.

Discussion of Preliminary Proposed Budget for FY 2018-2019 **(Agenda Item 1)**

City Manager Donna Barron reviewed the objectives for the meeting and what would be discussed during the PowerPoint Presentation regarding the Preliminary Proposed Budget for FY 2018-2019:

- Discuss SWOT Analysis/Future Issues
- Discuss Proposed Base Budget and New Funding by City Council Priority/Big Move
- Consider unfunded items in the General Fund
- Determine water and sewer rates
- Determine tax rates to use for FY 2018-2019 budget
- Approve the preliminary budget as presented and amended
- Formally set the date and time for the public hearings and the council meeting to adopt the tax rate and budget
- Accept the certified rolls and the preliminary report identifying the effective and rollback tax rates

At the request of the City Council the attached PowerPoint was conducted by various members of City staff.

Prior to reviewing the City Wide SWOT – Build Our Future slide, City Manager Barron showed a video that described some of the key items that are included in the base budget as well as items on the unfunded list. City Manager Barron returned to the PowerPoint Presentation.

Mayor Durham recessed the Budget Workshop for a break at 10:22 a.m. Mayor Durham called the Budget Workshop back to order at 10:36 a.m.

City staff continued the PowerPoint Presentation beginning with page 62. Mayor Pro Tem Jones requested that City staff provide an ongoing list of unfunded mandates to the City Council.

During her portion of the PowerPoint presentation at Slide No. 79, Finance Director Brenda Martin, requested that Jason Hughes with Hilltop Securities conduct the attached PowerPoint Presentation regarding Discussion of CIP and Upcoming Services 2018 Bond Issuance. Finance Director Brenda Martin resumed her portion of the PowerPoint presentation.

Mayor Durham recessed the Budget Workshop for a break at 11:47 a.m. for lunch. Mayor Durham called the Budget Workshop back to order at 12:34 p.m.

BUDGET WORKSHOP SESSION – 9:00 A.M.

Discussion of Preliminary Proposed Budget for FY 2018-2019 (cont'd) **(Agenda Item 1)**

City Manager Barron started and reviewed the Unfunded List. Discussion was held among the City Council regarding the items on the unfunded list. At the request of City Manager Barron, the City Council reviewed the items on an item by item basis.

City Consensus Consensus		
	Investment in Streets/Sidewalks/Trail Infrastructure	
Yes	Additional sidewalk funding	$500,000
Yes	Prairie Creek Environmental Analysis	$ 47,500
No	Design – North Cowan Street ($380,000)	
	Investment in Facilities/Equipment/Technology	
Yes	Replace Siding Exterior Doors at Library/Annex	$ 25,968
Yes	Complete City Hall West Mortar/Joint Sealing (North/South)	$345,000
Yes	Police/Annex parking lot painting light poles/repl. Lamps	$ 14,613
Yes	Paint for MCL/Metal Arch Maintenance, Black Box Repairs	$109,810
Yes	Roof Restoration at Wastewater Admin/Kealy Building Kealy Building	$194,000
Yes	Exterior Painting at Kealy Complex	$ 41,780
No	Repair bathrooms at Fire St. 4 & 5; add workout area to St. 5 ($329,702) *City Manager Barron recommended at this time to utilize potential savings from the construction project for the repair and workout area	
Yes	Replacement canopy for Wayne Ferguson Plaza stage & replacement sound and lighting equipment	$ 31,483

BUDGET WORKSHOP SESSION – 9:00 A.M.

Discussion of Preliminary Proposed Budget for FY 2018-2019 (cont'd) **(Agenda Item 1)**

No	iPads for Facilities staff to improve work order efficiency ($12,753) *City Manager Barron recommended utilizing salary savings for this cost.	
No	Replace ITS software to better track changes to software, Hardware, etc. ($50,590) *City Manager Barron advised she felt this could be funded in existing budgets.	
Yes	Public Safety/Phase 3 of Space Allocation Study	$ 39,724
Yes	Presentation equipment for MCL (can be rented) and theatrical Equipment for Performance Hall *Discussion held that this funding would just be for one.	$ 24,000
Yes	Badge Readers for Kealy Complex Doors (8)	$ 24,862
Yes	Foam Trailer/Pick-Up Streets	$ 70,044
Yes	Equipment Trailer	$ 55,332
Yes	Ongoing cost for Development Services software	$ 37,074
	Investment in Personnel	
Yes	Additional 1% compensation plan for Police and Fire	$178,490
Yes	Code Enforcement/Building Inspection overtime to respond To evening/weekend issues	$ 9,000
Yes	Recruiting and Onboarding Specialist (Human Resources) -	$ 71,518
No	Business Information Analyst (ITS) ($80,641) *Discussion was held regarding this item. While the City Council consensus was this was important, due to available funding it was decided not to proceed with this request at this time.	

BUDGET WORKSHOP SESSION – 9:00 A.M.

Discussion of Preliminary Proposed Budget for FY 2018-2019 (cont'd) **(Agenda Item 1)**

Yes	Internships (Emergency Mgmt - $13,585; Economic Develop. (- $15,600; Grants – $4,420 *Discussion was held regarding this item. Consensus was to only fund Emergency Management and the Economic Development Internships.	$ 29,185
No	Addition of 3 Police Officers for Castle Hills Beat (Operational By 2021) *City Manager Barron reviewed this item and expressed concern that even in funded these positions may not be able to be filled due vacancies already existing in the Police Department. City Manager Barron advised that the City Council had given City staff the ability to overhire and it could be done with salary savings when the time/need arose.	($300,759)
	Investment in Community Development Enhancement and Engagement	
Yes	Love Your Block Grants- 10 $500 mini grants	$ 5,000
Yes	Neighborhood Enhancement Program – 2 - $25,000 grants	$ 50,000
Yes	Marketing for Love Your Block and Neighborhood Enhancement	$ 15,000
Yes	Community Inclusion Task Force	$ 35,000

Councilman Gilmore advised that he would be abstaining from discussion and consideration of the following motions as he was employed by Waste Management. The appropriate Conflict of Interest Affidavit had been filled out and filed with the City Secretary. Councilman Gilmore stepped away from the table.

No Resident Recycling Education and Outreach ($24,249)
*Discussion was held regarding this request. The general consensus of the City Council was due to upcoming contract negotiations regarding the recycling contract and the unknowns of that particular contract, that this item would be better discussed following that completion.

(Councilman Gilmore returned to the table)

BUDGET WORKSHOP SESSION – 9:00 A.M.

Discussion of Preliminary Proposed Budget for FY 2018-2019 (cont'd) **(Agenda Item 1)**

Yes	Resident Satisfaction Telephone Survey	$20,000
Yes	Wayne Ferguson Plaza Visitor Activation	$ 10,000
No	Old Town Website ($38,300)	
No	Old Town Stroll – activities requested by Main & Mill Assoc. ($15,135) *Discussion was held regarding this request and the City Council's previous direction to not grow the stroll and to focus more on Western Days.	
No	Old Town Façade Improvement Grants ($85,614) *Discussion was held that there are currently existing funds for this request and rather than to fund additional monies (until utilized) any remaining funding that could be considered for this item could be placed into the 2025 funding request – and if needed at a later date, that could be considered.	
Yes	Additional Lewisville 2025 implementation *Discussion was held regarding this request and for any items that the City Council had been on the fence about could be considered at a later day via these funds.	$186,332,000

City Manager Barron addressed the City Council questioning on not funding the Business Information Analyst, as well as a few of the other unfunded items. She explained that her reason for not funding some of the items on the unfunded list was due to the needed funding for Thrive; however, she did acknowledge the necessary work that the Business Information Analyst position provided for the City and that this would be a position that would need to be considered again in the future. She further indicated there were also concerns regarding fees currently being charged by the City that would need to be addressed related to cost issues.

City staff moved on to the portion of the PowerPoint Presentation regarding the Utility Fund. Discussion was held regarding what rates should be set in this fund based on current and upcoming expenses.

City staff continued the PowerPoint Presentation to review remaining funds not yet discussed.

BUDGET WORKSHOP SESSION – 9:00 A.M.

Discussion of Preliminary Proposed Budget for FY 2018-2019 (cont'd) **(Agenda Item 1)**

MOTION: Upon a motion made by Mayor Pro Tem Jones and seconded by Councilman Ferguson, the Council voted five (5) "ayes" and no (0) "nays" to utilize an operations and maintenance property tax rate of .313766 for the preliminary General Fund budget. The motion carried.

MOTION: Upon a motion made by Mayor Pro Tem Jones and seconded by Deputy Mayor Pro Tem Troyer, the Council voted five (5) "ayes" and no (0) "nays" to utilize an interest rate and sinking property tax rate of .122320 for the preliminary Debt Service Fund budget. The motion carried.

MOTION: Upon a motion made by Mayor Pro Tem Jones and seconded by Councilman Ferguson, the Council voted five (5) "ayes" and no (0) "nays" to amend the City Manager's recommended General Fund budget to include the following items from the unfunded list:

STREET/SIDEWALK/TRAIL INFRASTRUCTURE	
Additional Sidewalk Funding	$500,000.00
Prairie Creek Environmental Analysis	$47,500.00
FACILITIES/EQUIPMENT/TECHNOLOGY	
Replace Sliding Exterior Doors at Library/Annex	$25,968.00
Complete City Hall Wall Mortar/Joint Sealing	$345,000.00
Police/Annex Parking Lot painting 14 light poles/replacement lamps	$14,613.00
Interior Paint for MCL/Metal Arch….	$109,810.00
Roof Restorations	$194,000.00
Exterior Painting at Kealy	$41,780.00
Replacement canopy for WFP stage, etc	$31,483.00
Space Allocation Study - Phase 3	$39,724.00
Presentation equipment for MCL and theatrical equipment	$24,000.00
Kealy Complex Doors - add badge readers	$24,862.00
Foam trailer/pick up (streets)	$70,044.00
Equipment Trailer (streets)	$55,332.00
Ongoing cost for Development Services software	$37,074.00

PERSONNEL	
Additional 1% compensation plan for Police and Fire	$178,490.00
Code Enforcement/Building Inspection overtime	$9,000.00
Reruiting and onboarding specialist	$71,518.00
Internship Program	$29,185.00
COMMUNITY ENHANCEMENT AND ENGAGEMENT	
Love Your Block Grants	$5,000.00
Neighborhood Enhancement Program	$50,000.00
Marketing for Love Your Block and Neighborhood Enhancement	$15,000.00
Community Inclusion Task Force	$35,000.00
Resident Satisfaction Telephone Survey	$20,000.00
Wayne Ferguson Plaza Visitor Activation	$10,000.00
Additional Lewisville 2025 Implementation	$186,332.00
	$2,170,715.00

The motion carried.

MOTION: Upon a motion made by Mayor Pro Tem Jones and seconded by Councilman Gilmore, the Council voted five (5) "ayes" and no (0) "nays" to increase the water rate by 6%; and to increase the sewer rate by 6%: The motion carried.

Councilman Ferguson advised that he would be abstaining from discussion and consideration of the following motions as this action involves real property within 200 feet of real property that he owned. The appropriate Conflict of Interest Affidavit had been filled out and filed with the City Secretary. Councilman Ferguson stepped away from the table.

MOTION: Upon a motion made by Mayor Pro Tem Jones and seconded by Councilman Daniels, the Council voted four (4) "ayes" and no (0) "nays" to approve $323,370 to fund the four positions at the Thrive. The motion carried.

MOTION: Upon a motion made by Mayor Pro Tem Jones and seconded by Deputy Mayor Pro Tem Troyer, the Council voted four (4) "ayes" and no (0) "nays" to approve $500,000 for the Thrive out of the Grant Fund. The motion carried.

Councilman Ferguson returned to the table.

BUDGET WORKSHOP SESSION – 9:00 A.M.

Discussion of Preliminary Proposed Budget for FY 2018-2019 (cont'd) **(Agenda Item 1)**

MOTION: Upon a motion made by Mayor Pro Tem Jones and seconded by Councilman Ferguson, the Council voted five (5) "ayes" and no (0) "nays" to approve the rest of the preliminary budget as presented and amended. The motion carried.

MOTION: Upon a motion made by Mayor Pro Tem Jones and seconded by Councilman Ferguson, the Council voted five (5) "ayes" and no (0) "nays" to hold the first Public Hearing on the tax rate and budget at the September 4, 2018 Special Called City Council Meeting at 7:30 a.m.; and hold the second Public Hearing on the tax rate and budget at the September 10, 2018 City Council meeting at 7:00 p.m.; and add a proposal to the September 17, 2018, City Council meeting to adopt .436086 as the 2018-2019 tax rate. The motion carried.

CONSENT AGENDA

MOTION: Upon a motion made by Mayor Pro Tem Jones and seconded by Councilman Ferguson, the Council voted five (5) "ayes" and no (0) "nays" to approve and adopt all items on the Consent Agenda, as recommended and as follows:

Acceptance of the 2018 Certified Tax Rolls in Accordance with Section 26.04(b) of the State Property Tax Code **(Agenda Item 2)**

The 2018 Certified Tax Rolls from Denton and Dallas Appraisal Districts are comprised of the recorded combined total market value for all property of $12,558,212,720; an assessed value of $12,417,128,811; and a total taxable value of $10,452,083,380. TIF Zone Number 1 taxable value is $214,892,453. TIF Zone Number 2 taxable value is $138,610,068. New construction included in the total roll is $159,153,172.

That the City Council accept the 2018 Certified Tax Rolls in accordance with Section 26-04(b) of the State Property Tax Code.

CONSENT AGENDA (cont'd)

Consideration of Certification of the 2018 Anticipated Collection Rate for the Period of July 1, 2018 Through June 30, 2018 as Required by the State Property Tax Code Section 26.04 **(Agenda Item 3)**

Pursuant to Section 26.04 of the Texas Property Tax Code, the anticipated collection rate should be certified for the period of July 1, 2018 through June 30, 2018. The purpose of this law is to permit a taxing unit to adjust the debt portion of its effective/rollback tax rate to account for anticipated delinquencies. The City has experienced high collection rates for many years. Due to this consistent collection pattern, the City certified the last seven years a 100 percent collection rate and will certify this same collection rate for 2018.

That the City Council certify the 2018 anticipated collection rate as 100 percent for the period of July 1, 2018 through June 30, 2018 as required by the State Property Tax Code Section 26.04.

Acceptance of the Report Identifying the Calculation of the 2018 Effective and Rollback Tax Rates; and Authorization to Publish Notice as Required by the Local Government Code Section 140.010 **(Agenda Item 4)**

Section 140.010 of the Local Government Code requires that the calculated effective tax rate and rollback tax rate be submitted to the Council and that a notice of calculated effective and rollback tax rates be published in a newspaper having general circulation in the county in which the municipality is located. The calculated rates are as follows: 2018 Effective Tax Rate - $0.415706, 2018 Effective Maintenance and Operation Rate - $0.303869. The 2018 Debt Rate and 2018 Rollback Rates to be published will be determined after City Council deliberation. The preliminary calculations are: 2018 Debt Rate - $0.122320, and 2018 Rollback Rate - $0.450498.

That the City Council accept the preliminary report identifying the calculation of the 2018 effective and rollback tax rates and authorize the notice publication as required by the Local Government Code Section 140.010.

The motion carried.

END OF CONSENT AGENDA

Mayor Durham adjourned the called-special session of the Lewisville City Council into Closed Session at 2:43 p.m. Saturday, August 11, 2018, in accordance with the requirements of the Open Meetings Law.

Closed Session **(Agenda Item 5)**

In accordance with Texas Government Code, Subchapter D, Section 551.074 (Personnel), the Lewisville City Council convened into Closed Session at 1:11 p.m. on Saturday, August 11, 2018, Jury Room of the Lewisville Municipal Annex, 1197 West Main Street, Lewisville, Texas, in order to discuss matters pertaining to the following:

1. Section 551.074 (Personnel): Annual Staff Reviews:

   (a) City Manager Donna Barron
   (b) City Secretary Julie Heinze
   (c) City Attorney Lizbeth Plaster
   (d) Chief Municipal Court Judge Brian Holman
   (e) Alternate Municipal Court Judges

Section 551.087 (Economic Development):

2. Deliberation Regarding Economic Development for a Potential Company Relocation.

The Closed Session was adjourned at 3:37 p.m. on Saturday, August 11, 2018.

Reconvene into Regular Session and Consider Action, if any, on Items Discussed in Closed Session **(Agenda Item J)**

Mayor Durham reconvened the Called-Special Session of the Lewisville City Council at 2:12 p.m. on Saturday, August 11, 2018, in the Community Room of the Municipal Annex.

Mayor Durham opened the floor for action to be taken on the items discussed in the Closed Session.

Reconvene into Regular Session and Consider Action, if any, on Items Discussed in Closed Session (cont'd) **(Agenda Item J)**

MOTION: Upon a motion made by Mayor Pro Tem Jones and seconded by Councilman Ferguson, the Council voted five (5) "ayes" and no (0) "nays" to approve and adopt **Resolution No. 4407-08-2018(R)** setting the following salaries beginning October 1, 2018:

(1) City Manager Donna Barron - $291,000 – 3%
(2) City Secretary Julie Worster - $113,300 – 3%
(3) City Attorney Lizbeth Plaster - $228,500 – 3%
(4) Chief Municipal Court Judge – Brian Holman - $161,117 – 3%
(5) Alternate Municipal Court Judges – no change

The motion carried.

There was no additional action taken on the items discussed during the Closed Session.

Adjournment **(Agenda Item 7)**

MOTION: Upon a motion made by Councilman Ferguson and seconded by Mayor Pro Tem Jones, the Council voted five (5) "ayes" and no (0) "nays" to adjourn the Called-Special Budget Session of the Lewisville City Council at 3:39 p.m. on Saturday, August 11, 2018. The motion carried.

These minutes approved by the Lewisville City Council on the 1st day of October, 2018.

APPROVED

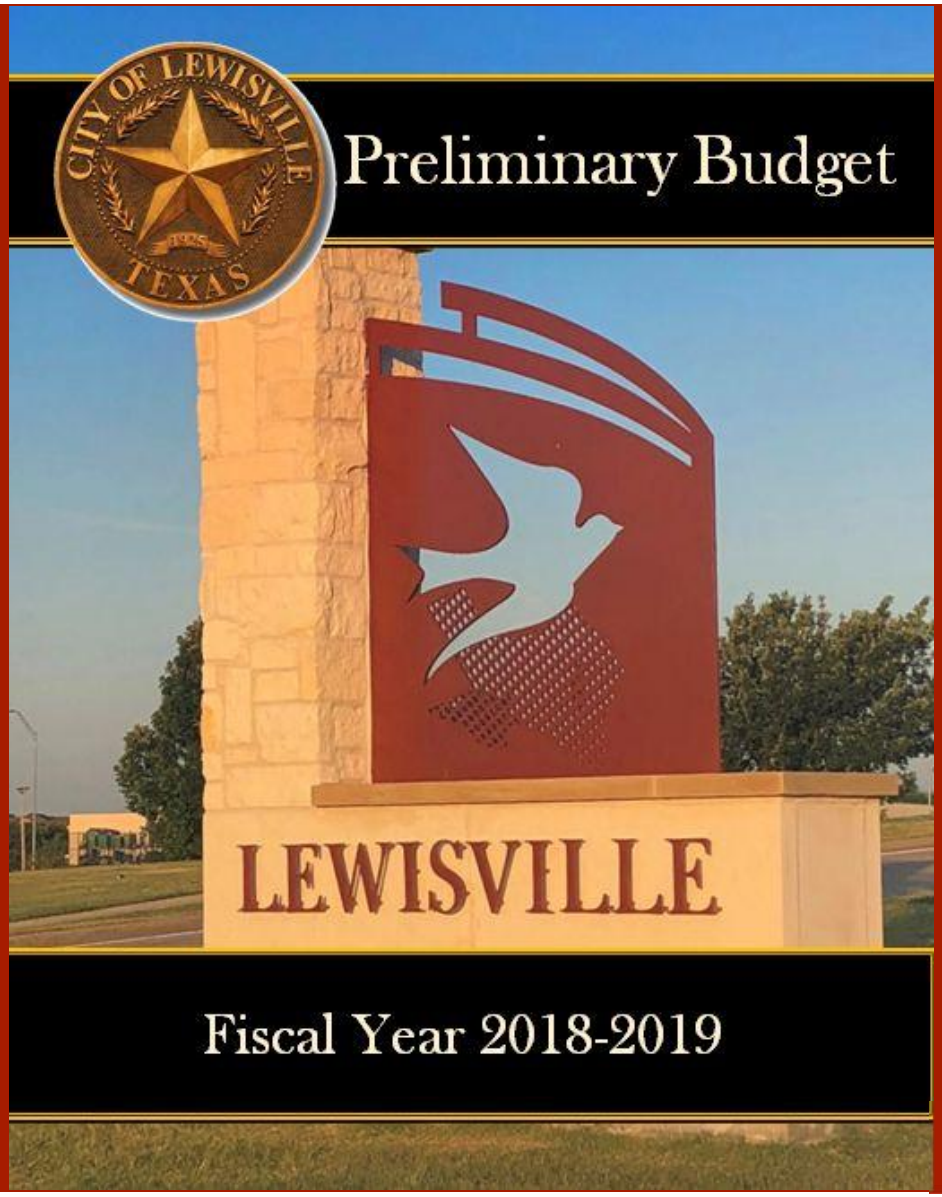
_____
Rudy Durham
MAYOR

ATTEST:

_____
Julie Worster, CITY SECRETARY

2018-19 Budget Workshop

August 11, 2018



Today's Objectives

- Discuss SWOT Analysis/Future Issues
- Discuss Proposed Base Budget and New Funding by City Council Priority/Big Move
- Consider unfunded items in the General Fund
- Determine water and sewer rates
- Determine tax rates to use for FY 2018-19 budget
- Approve the preliminary budget as presented and amended
- Formally set the date and time for the public hearings and the council meeting to adopt the tax rate and budget
- Accept the certified rolls and the preliminary report identifying the effective and rollback tax rates

Upcoming Steps

- First public hearing on the tax rate and budget at the September 4, 2018 Special Called City Council meeting – need to set time
- Second public hearing on the tax rate and budget at the September 10, 2018 City Council meeting
- Approve budget and adopt the 2018-19 tax rates at the September 17, 2018 City Council meeting

Overall Budget

Proposed City-Wide Budget $548M

- 29 operating funds and 3 capital improvement program (CIP) funds
- FY 2018-19 budget - all operating funds - totals $201,432,831
- CIP budget totals $346,704,426 (as of July 25)

All Operating Funds ($201,432,831)

48% General Fund

19% Utility Fund

8% Debt Service

25% Other

Budget Development

Budget Development Guidelines

- Council Priorities
- Lewisville 2025
- Various Long Range Plans (Old Town TOD, Park Master Plan, Trail Plan, Small Area Plans, Green Centerpiece Master Strategy)
- General Fund Reserve Capital Plan
- Utility Fund Capital Improvement Plan
- G O Bond Program
- Resident Survey Results
- Infrastructure Report Card Findings
- Approved Economic Development Agreements
- Each Department's SWOT Analysis

Link Planning Process to "Lewisville Way"

18-19

- Staff began utilizing the City's values (Value People, Serve Every Day, and Build Our Future) as the basis for the annual SWOT Analysis:
  - Value People - personnel related processes and policies that we are currently doing well, what we don't do well and should change, and recommendations on what we could add/start doing. Also includes any staffing changes and volunteer opportunities.
  - Serve Everyday - services that we provide well, services that we are not doing well or should evaluate continuing to provide, and recommendations for new, different, or expanded services.
  - Build for the Future - processes and policies (non-personnel related) that work well, those that should be changed, recommendations on new processes and policies, and discussion of future processes and policies that might be needed due to recent service additions, change in state law, etc. Also includes infrastructure and equipment related issues.

- The listing of services that result from the SWOT analysis will become the first step in generating a master list of all services provided by the City.

SWOT Analysis/Base Budget Highlights

An overall City-wide SWOT has been compiled based on individual department SWOT analysis results

There are many department specific SWOT items that are significant and addressed within existing funds or in the 2018-19 budget

Long range plans also evaluated

City-Wide SWOT - Build Our Future

Value	SWOT	Description	FY 18/19
Build Our Future	Strength	Dashboard data brings awareness to gaps and deficiencies allowing staff to make adjustments to improve services	Additional Business Information Analyst on unfunded list
		2025 Plan Focus on "Image" - The image of a community is fundamental to its economic well-being	$64,500 for growth of events; $47,727 for tourism advertising expansion; $60,000 for Old Town Branding; marketing of thrive using salary savings; Park Planner/Development Manager funded for 2018-19
	Weakness	Full impacts related to Castle Hills annexation unknown.	Castle Hills analysis $592,000
		Old Town branding vision - considered by some to be dated and not as vibrant or positive as it could be	$60,000 funded in base for Old Town Brand development
	Opportunity	Ability to track and manage responses to customer issues and concerns	CitySourced and Seamless Gov and Visit Widget funded for $26,165
		Continue to improve website/internet services for customers and citizens (difficult to find codes and ordinances, CRM effectiveness varies per division, access to forms, etc.)	CitySourced and Seamless Gov and Visit Widget funded for $26,165
		Engage more community stakeholders and residents on staff efforts to ensure effectiveness	Public education through lecture series $30,000
		Partnerships with other cities related to facility locations and related services	Fire Training Tower partnership with The Colony ($3.5M shared equally)
	Threat	Inability to Meet Community Expectations related to level of service provided without additional staff. Castle Hills residents may demand a different level of service.	Three police officers related to Castle Hills/East Lewisville on Unfunded List ($300,759)
		Competitive job market in metroplex resulting in high turnover rates and service level reduction	Funded compensation plan ($2,099,994); additional 1% for police and fire on unfunded list ($198,164)

City-Wide SWOT - Serve Every Day

Value	SWOT	Description	FY 18/19
Serve Every Day	Weakness	Engagement with Hispanic and Chen communities has been limited	Community Inclusion funding on Unfunded List
		Lack of Established Process Improvement Program	Reallocation of staff will allow process improvement program implementation efforts in 2018-19
		No current interactive operating or capital budget platform for residential input and information	In house development of CIP dashboard is underway; staff continues to develop options for budget portal
		No funding for validated residential survey	Resident Survey on Unfunded list $20,000
	Opportunity	Contracting with consultants or outsourcing to vendors (when/where appropriate) can lead to production efficiency and cost-effectiveness	Contract Engineering $114,322
		Expand and strengthen public confidence in Government through public education and awareness utilizing social media and public education events	$30,000 Lecture Series
		Finding new and meaningful metrics to incorporate into our public dashboard. Finding ways to use that data to make better-informed decisions and use of resources	Business Information Analyst on Unfunded List
		Identify grant opportunities as a funding source for programs	SAFER grant; 10 min walk to a park grant; UASI grant opportunity
		Public Education - Improve Conservation Efforts & Recycling Participation	Recycling Education on Unfunded List
	Threat	Changing demographics, and inherent challenges in ensuring services adapt to and reflect these demographic changes.	Community Inclusion funding $35,000 on Unfunded List
		Need for additional bilingual employees throughout organization	Recruitment and Onboarding Specialist on the Unfunded List
		New and expanded special events may require additional staff to ensure success	Special Events Position funded in Base Budget

City-Wide SWOT - Value People

Value	SWOT	Description	FY 18/19
Value People	Strength	Competitive pay and benefits	Funded Comp Plan
	Weakness	Ability to stay within acceptable Police Officer vacancy target	Additional 1% for Police and Fire Fighter on Unfunded List $178,490
		Managers and Supervisors who do not understand importance of employee recognition	Peer to Leader Training funded in Base Budget $8500
		Strong economy leads to fewer job applicants for certain positions	New Position - Recruiting and Onboarding Specialist
	Opportunity	Access to intern workforce through University of North Texas and other nearby colleges/universities.	Additional use of interns in Emergency Management; Economic Development; and Grants is on Unfunded List
		Hiring process that focuses on hiring team members who represent "Value, Build, Serve"	Recruiting and Onboarding Specialist on Unfunded List $71,518
		Revamp of reward programs	Police Banquet funded in base $6,500
	Threat	Higher wages for similar jobs at surrounding municipalities.	Funded Comp Plan in Base Budget $1.9 and 1% additional pay for Police Officer and Firefighters on Unfunded List $178,490

Public Services - Total Proposed Budget 2018-2019
$36,543,182.00
Total FTEs - 135

Vehicle Maintenance
FTEs - 8
$4,812,948.00

Streets
FTEs - 24
$7,359,199.00

Traffic Flow
FTEs - 8
$2,069,641.00

Environmental Control
FTEs - 8
$956,390.00

Line Maintenance
FTEs - 30
$3,796,357.00

Wastewater Disposal
FTEs - 15
$3,534,671.00

General Fund - 101
$11,365,548.00

Maintenance & Replacement Fund - 503
$4,812,948.00

Stormwater Utility Fund - 430
$2,000.00

Water & Sewer Fund - 402
$20,362,686.00

Administration
FTEs - 3
$2,476,640.00

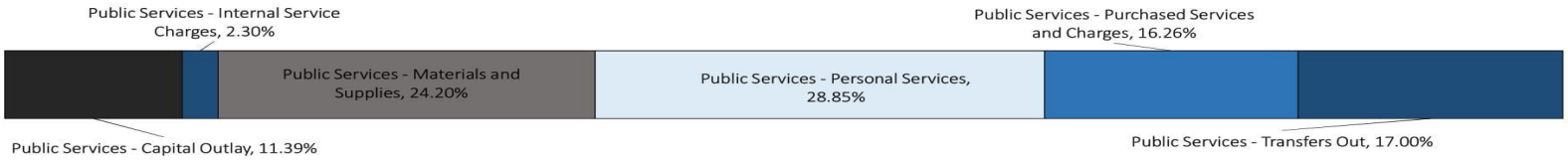
Facilities Maintenance
FTEs - 14
$1,722,609.00

Solid Waste/HHWP
FTEs - 1
$204,000.00

Stormwater
FTEs - 3
$307,766.00

Utilities Maintenance
FTEs - 7
$638,073.00

Water Production
FTEs - 14
$8,664,888.00



Department/Plan	PS

Value	SWOT	Description	FY 18/19
Build Our Future	Strength	5 Year Street & Drainage Program	$500,000 added on Unfunded List for additional street rehab
		Facilities Preventative Maintenance Program	$1.075M on the Unfunded List
		Fleet Vehicle Replacement Programs	Analyzed and changes made to ensure sustainability of the program; $318,641 impact to all funds absorbed in Base Budget
		Funding of water meter replacement	Funded year 2 of 7 year plan, $720,000 funded annually
	Weakness	Aging water and sewer infrastructure: 40% of sewer lines are 30 years old or older (672,00 lf of pipe); and, 38% of water lines are 30 years old or older (899,000 lf of pipe). Of these, approximately 5% are 50 old or older	Line replacements are part of long range CIP Plan
		Multifamily recycling contamination (reallocated funding from HHW program, will fund replacement of 16 lids in pilot)	Reallocation of existing funding for pilot program to change out dumpsters to lids designed for limited trash/smaller openings
	Opportunity	Develop Equipment Replacement Fund for Utilities	Will begin in 2018-19 with replacement funding $556,128
Serve Every Day	Weakness	Lack of public education on recyclable materials	Funding for recycling education is on Unfunded List $24,249
	Opportunity	Composting program for residents	Obtain grant funding for composting program
		Inability to meet citizens expectations for street/sidewalk repairs	Additional $500,000 in sidewalk funding is on the Unfunded List

Police - Total Proposed Budget 2018-2019
$30,588,852.00
Total FTEs - 243

Grants
FTEs - 0
$123,755.00

Patrol
FTEs - 93
$12,689,128.00

Records
FTEs - 17
$1,300,962.00

School Resources
FTEs - 9
$1,058,122.00

Special Operations
FTEs - 21
$3,077,227.00

Traffic
FTEs - 11
$1,455,331.00

Asset Forfeiture-Dept of Justice - 241
$120,316.00

Asset Forfeiture-State Fund - 240
$68,414.00

Crime Cntr & Prevention District - 285
$3,739,376.00

Fire & Police Training Fund - 237
$17,118.00

General Fund - 101
$26,510,873.00

Grants Fund - 270
$123,755.00

LEOSE Fund - 238
$9,000.00

Warrants
FTEs - 3
$366,440.00

Capital Expenditures Below the Line
FTEs - 0
$220,412.00

Administration
FTEs - 10
$1,588,690.00

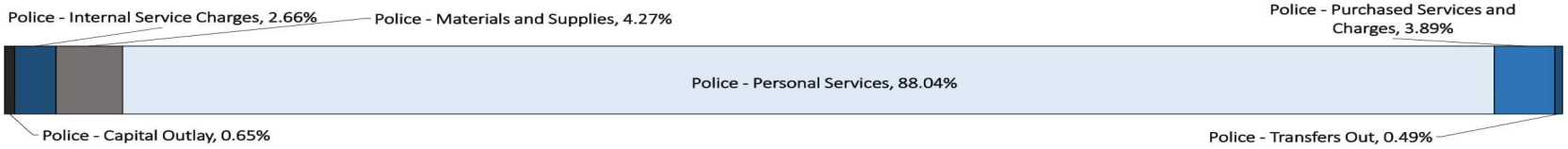
Communications
FTEs - 31
$2,676,495.00

Criminal Investigations
FTEs - 19
$2,614,142.00

Desk/Jail
FTEs - 21
$1,518,681.00

Facility & Vehicle Maintenance
FTEs - 2
$881,617.00

Training
FTEs - 6
$1,017,850.00



Department/Plan	PD

Value	SWOT	Description	FY 18/19
Build Our Future	Weakness	Police Station is inadequate for housing current and future staff	Remodel/Reuse of Fire Station No. 3 funded in Base Budget $147,260. Public Safety Space Allocation - Unfunded $37,724.
	Opportunity	Ability to build upon our current use of smartphone and tablet technology as crime fighting tools	Additional smartphones funded in Base Budget $21,010
		Castle Hills annexation/East Side growth will require creation of an additional beat with three additional police officers needed to staff it. Three officers were added in 2016. Six are needed for a beat.	Additional 3 Police officers on Unfunded List $300,759; equipment in following year
Serve Every Day	Strength	Police utilize a number of community programs in an effort to engage the members of our community (Citizens Police Academy, Citizens on Patrol, the SafeCam Program, Explorers, Neighborhood Crime Watch, Adopt-A-School Program, Safe Exchange Zone, Gang Awareness Education, Child Safety Seat and Seatbelt Education Program, Bike Rodeo/Safety Program, In the Know Program, National Night Out, Coffee with Cops, Annual P.D. Anniversary Celebration, and all City Special Events in which the P.D. participates)	Public Information Officer funded in Base Budget through reallocations
	Weakness	Lack of focused and consistent supervision in the field is liability for City	Addition of Four Sergeants for Patrol funded in Base Budget $683,709
		Quality of open records request program must be improved (time and quality)	Reclassification of clerical position to an Open Records Technician in 2017-18
	Opportunity	Expand information provided to media (E-Alerts, Chief's Weekly Summary, online jail custody report, Nixle, Tip 411 and social media)	Public Information Officer funded in Base Budget through reallocations
Value People	Weakness	Not all secondary schools currently have an assigned School Resource Officer	Three additional School Resource Officers funded in Base Budget (50% shared cost of salaries with LISD) $645,288
		Patrol Sergeants are currently over-tasked	Addition of Four Sergeants for Patrol funded in Base Budget $683,709
		Starting salaries are lagging for some non-sworn positions resulting in high turnover	Adjustments included for non-sworn police positions included in base budget to bring them to market

Fire - Total Proposed Budget 2018-2019
$28,437,703.00
Total FTEs - 172

Fire Training
FTEs - 2
$422,729.00

Grants
FTEs - 0
$200,000.00

Investigations/Public Education
FTEs - 1
$189,466.00

Specialty Teams
FTEs - 0
$116,952.00

Support Operations
FTEs - 0
$288,048.00

Fire & Police Training Fund - 237
$80,000.00

Fire Cntr & Prevention District - 286
$5,932,225.00

General Fund - 101
$22,225,478.00

Grants Fund - 270
$200,000.00

Fire Training Tower
FTEs - 0
$3,500,000.00

Administration
FTEs - 6
$986,382.00

Emergency/Suppression/Rescue
FTEs - 153
$20,612,231.00

EMS (Emergency Medical Svcs)
FTEs - 3
$1,340,423.00

Facility & Vehicle Maintenance
FTEs - 1
$240,933.00

Fire Inspections
FTEs - 6
$540,539.00

Department/Plan	Fire

Value	SWOT	Description	FY 18/19
Build Our Future	Weakness	Apparatus replacement schedule requires operating reserves past recommended service life	Additional Truck to replace 18 year old reserve funded in Base Budget $1.3M; replacement schedule life expectancies have been revised to more realistic years
		Central Fire Station is old and outdated.	Phase 3 of the Space Allocation Study related to Police and Fire is included on the Unfunded List
	Opportunity	Currently utilizing third party collection service to collect past due ambulance accounts	Funded program to automate manual processes and increase revenue collected through insurance companies
Serve Every Day	Strength	Relocation of station 3 to better address increasing response times as well as construction of station 8 to provide enhanced delivery of service in rapidly developing eastern corridor of Lewisville	18 Firefighters funded in Base Budget
		Transfer of fire prevention division increased communication and sharing of information	Revenue increase of $55,000 projected for 2018-19
	Weakness	Training tower needs to be replaced - no longer repairable	Partnership with The Colony to replace tower; $3.5M funded in 2018-19 budget
Value People	Opportunity	Annual physical fitness assessment for firefighters	Reviewing DPS rowing program for use in the Fire Department
		Annual physical health assessment for all firefighters specific to the dangers associated with firefighting.	Annual physical fitness and wellness program in Base Budget $80,000

Human Resources - Total Proposed Budget 2018-2019
$16,393,796.00
Total FTEs - 8

Life Insurance
FTEs - 0
$250,000.00

Employee Benefits
FTEs - 0
$13,529,082.00

General Fund - 101
$939,155.00

Health Benefit Trust Fund - 505
$13,129,082.00

OPEB Liability Trust Fund - 610
$380,000.00

Self-Insurance Risk Fund - 504
$1,945,559.00

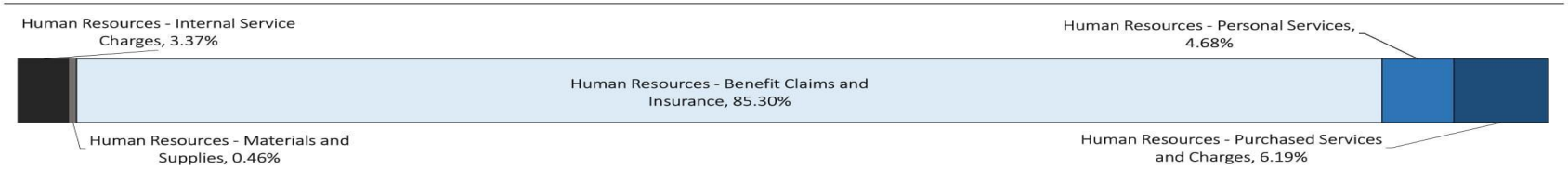
Long Term Disability
FTEs - 0
$65,000.00

Liability & Casualty
FTEs - 0
$835,559.00

Administration
FTEs - 8
$939,155.00

Workers Compensation
FTEs - 0
$760,000.00

Unemployment Benefits
FTEs - 0
$15,000.00



Department/Plan	HR

Value	SWOT	Description	FY 18/19
Build Our Future	Opportunity	Expansion of training/conference rooms in basement of City Hall. (Bond Program)	$400,000 set aside in FY 2018-19 for future basement remodel
	Threat	Lack of depth in the organization for promotional opportunities	Peer to Leader Training
Serve Every Day	Strength	Citywide training for all employees to have a better understanding of different topics	Summer Learning Series
	Opportunity	Additional staff would allow us to recruit more efficiently (process currently handled by Administrative Secretary along with some professional support)	Adding a Recruitment and Onboarding Specialist In Base Budget
	Threat	Health Care Reform mandates	Plan changes to control costs
		Increased cost to property/liability claims	Increased per person cost for property coverage from $200 to $250 per employee in Base Budget
		Increasing cost of medical and pharmacy claims	Increased per person cost from $13,769 to $14,344 paid by City in Base Budget
		Increasing costs associated with post-employment benefits	Funded OPEB liability
Value People	Strength	Wellness Program/Employee Clinic	New contract with overall reduction of cost with added benefit of counselor services
	Opportunity	Supervisor development through 360 evaluations gathering feedback from supervisor, peers and subordinates	Funded 360 evaluations in Base Budget $4500
	Threat	Ability to maintain a competitive salary and benefit plan	Funding of Comp Plan

Parks & Recreation - Total Proposed Budget 2018-2019
$10,193,667.00
Total FTEs - 76

Parks
FTEs - 53.5
$6,338,936.00

Special Events
FTEs - 0
$22,511.00

General Fund - 101
$6,930,800.00

Grants Fund - 270
$500,000.00

LPLDC (4B) Fund - 794
$2,340,550.00

Recreation Activity Fund - 231
$407,317.00

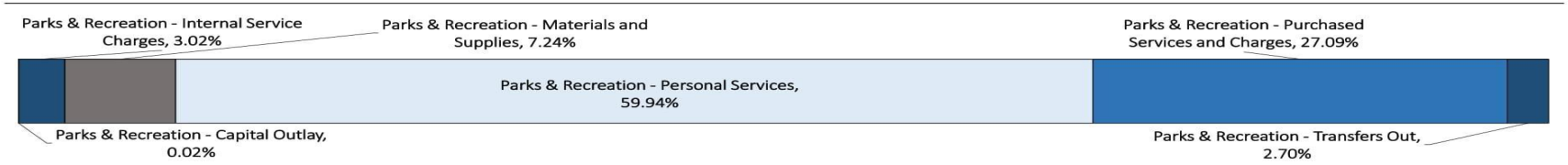
Waters Ridge PID Fund - 239
$15,000.00

Grants
FTEs - 0
$500,000.00

LLELA
FTEs - 3
$507,618.00

Administration
FTEs - 3.5
$395,615.00

Recreation Management
FTEs - 16
$2,428,987.00



Department/Plan	Parks

Value	SWOT	Description	FY 18/19
Build Our Future	Strength	Design funded for Valley Vista and funding for a matching grant/or limited development is available	$500,000 reallocated from existing funding previously set aside for Nature Center
	Weakness	Aging infrastructure and aquatic/recreation equipment	4B capital projects and bond program
		Cost recovery of programs is nebulous and undefined	Cost Study currently set to begin in August
		Lack of park maintenance work order/asset management software	Begin utilizing City Works in August
	Threat	Increasing number of TXDOT R.O.W becoming responsibility of the City to maintain and additional parkland, public spaces added to inventory	Additional funding for maintenance contract funded in 2018-19 ($43,000)
Serve Every Day	Weakness	Lack of bilingual staff at recreation centers; gender diversity in park operations staff	Recruiting & Onboarding Specialist on Unfunded list
	Opportunity	Interdepartmental cooperation to increase activities/programming opportunities at WFP, Rodeo grounds and neighborhood parks	$10,000 for activation of Wayne Ferguson Plaza on unfunded list; $475,000 renovation of rodeo facility and grounds funded in Base Budget; $10,000 funded in Base Budget for Rodeo Grounds activation
		Outreach efforts to new audiences (Latino, Chin, and others) could increase visibility in the community	$35000 on Unfunded List for Community Inclusion Task Force
		Park system improvements and additions will increase our marketability to residents and visitors	4B plan
Value People	Weakness	Lack of personnel to oversee development and to redesign medians, parks, trails, etc. in-house	Park Planner/Development Manager position funded in Base Budget $119,196
		Vacancy rate in park operations compromises capacity to complete scheduled work	Increase base pay in 2018-19 budget
		Vacancy rate results in limited team members to share burden of special projects and events	Increase base pay in 2018-19 budget
	Opportunity	Expansion of personnel to accommodate Thrive (center cost FY 19-20: $2,061,538)	Four positions funded for Thrive in 2018-19
		Increase diversity of staff by recruiting/reaching out to underserved populations.	Recruiting and Onboarding Specialist on Unfunded List $71.518

Inspections, Permitting, & Neighborhood Services - Total Proposed Budget 2018-2019
$6,020,120.00
Total FTEs - 48

Building & Code (Building Plan Review)
FTEs - 2
$304,647.00

Building & Code (Neighborhood Svcs-Code)
FTEs - 9
$869,311.00

Administration
FTEs - 2
$382,725.00

Fire Inspections
FTEs - 1
$153,069.00

Health & Animal Services (Animal Shelter)
FTEs - 4
$503,320.00

Health & Animal Services (Health Operations)
FTEs - 4
$325,674.00

Health & Animal Services (Health Permits & Inspections)
FTEs - 5
$459,817.00

CDBG Grant Fund - 280
$856,770.00

Community Activities Fund - 255
$10,000.00

Crime Cntr & Prevention District - 285
$242,382.00

General Fund - 101
$4,910,968.00

CDBG (City Share)
FTEs - 0.9
$224,170.00

Neighborhood Improvement
FTEs - 1
$119,069.00

Building & Code (Building and Code Operations)
FTEs - 1
$231,699.00

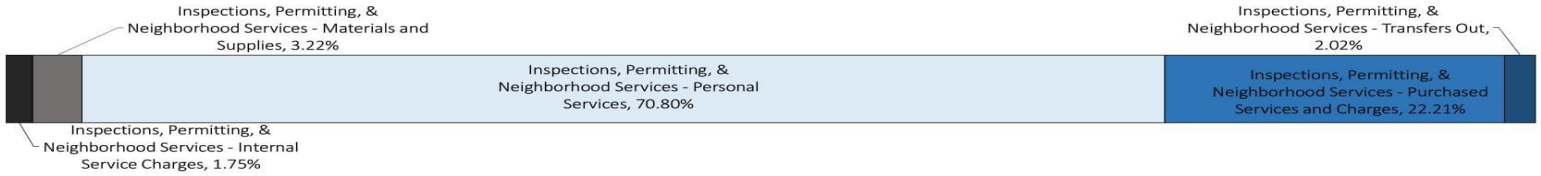
Building & Code (Building Inspections)
FTEs - 7
$612,666.00

CDBG (Grants)
FTEs - 2.1
$746,507.00

Health & Animal Services (Animal Services)
FTEs - 8
$740,806.00

Social Agencies
FTEs - 0
$181,360.00

Sustainability
FTEs - 1
$165,280.00



Department/Plan	(Multiple Items)	Inspections, Permitting, & Neighborhood Services

Value	SWOT	Description	FY 18/19
Build Our Future	Strength	Animal shelter design and location drives adoptions and volunteerism	$15,000 added to Base Budget for increased supply needs related to increased service expenses such as vaccines, dog and cat food, etc.
	Weakness	Deterioration of older neighborhoods, older retail strip centers and facilities	Neighborhood Enhancement Program funding on Unfunded List $50,000
Serve Every Day	Weakness	Buyout of New World Software has resulted in no additional development for software fixes in Development Services	Ongoing cost for new software option on Unfunded List $37,074
		Insufficient funding for overtime compensation related to weekend and evening code enforcement	On Unfunded List - $9000
		Lack of assurances of code development in Castle Hills (health regulations, water, streets, fire protection, etc.)	Funding for Castle Hills analysis is included in Base Budget $592,000
	Opportunity	Develop new programs for Neighborhood Services that promote outreach and services for residents	Love Your Block Grants, Neighborhood Enhancement Program and Marketing for Love your Block Grants on the Unfunded List $70,000
Value People	Strength	Development of staff by allowing time for continuing education as well as development of in-house training like Peer to Leader training and our Leadership Development Series.	$10,440 funded in Base Budget for staff training and development

Community Relations - Tourism - Total Proposed Budget 2018-2019
$4,285,103.00
Total FTEs - 17

Special Events
FTEs - 3
$1,150,060.00

Tourism
FTEs - 3.02
$1,140,853.00

Community Activities Fund - 255
$621,126.00

General Fund - 101
$1,340,707.00

Hotel/Motel Tax Fund - 230
$2,221,270.00

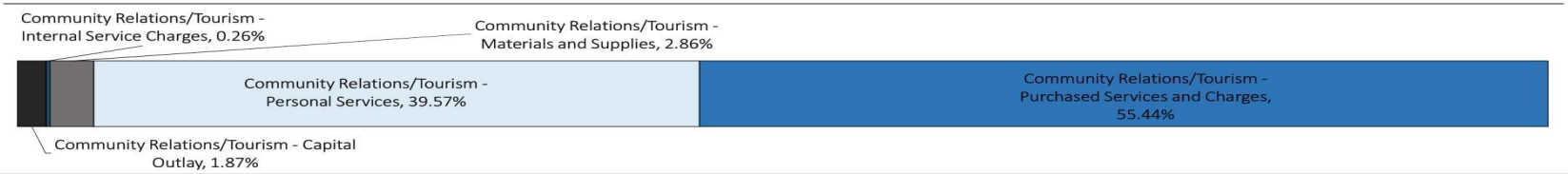
PEG Programming Fund - 232
$100,000.00

Recreation Activity Fund - 231
$2,000.00

Arts - Grants
FTEs - 0
$173,400.00

Community Relations
FTEs - 4.98
$855,725.00

Art Activity Center
FTEs - 6
$965,065.00



Department/Plan	CRT

Value	SWOT	Description	FY 18/19
Build Our Future	Strength	Lewisville Lake draws more than 3 million recreational visitors per year and is an excellent fishing lake	$15,000 added to Base Budget to assist with providing host sponsorships to tournaments and trade shows, etc. Fishing tournaments require these.
		Location in North Texas, near transportation hubs, is attractive to state and regional meetings; 7 new hotel properties in planning/construction	$47,727 added to Base Budget for increased tourism advertising/marketing
	Weakness	Maintenance and upgrade needs at MCL Grand increasing in scope as building nears 10 years old	Funding for misc. improvements is included on the Unfunded List $109,810
	Opportunity	Add permanent video capability to the stage at Wayne Ferguson Plaza, and research options for permanent audio	Wayne Ferguson plaza stage upgrades are included on the unfunded list $31,483
		Assume ownership and operation of Lewisville Rodeo Arena, and expand public use of the facility	$475,000 upgrade to rodeo facility and park improvement. $10,000 added to the Base Budget for rodeo arena activation.
Serve Every Day	Strength	History of successful festivals and special events	$64,500 added to Base Budget to grow the Celebration of Spring, Sounds of Lewisville, and Western Days special events
	Opportunity	Create a wheeled market event to be held annually or semi-annually in Old Town	Mobile Market Event is funded in the base budget at $36,000.
		Expand programming in Wayne Ferguson Plaza as a way to draw non-event foot traffic to the Old Town core	$10,000 for Wayne Ferguson Activation on Unfunded List
		Work with local arts groups and nearby colleges to expand art-related activities at MCL Grand such as classes, workshops, camps, lectures, demonstrations, and exhibits	Lecture series funded in base
Value People	Weakness	Staff capacity to support new and expanded events	Special Events position added to Base Budget $48,705 (PT to FT)

Information Technology - Total Proposed Budget 2018-2019
$4,018,519.00
Total FTEs - 25

Crime Cntr & Prevention District - 285
$194,951.00

Fire Cntr & Prevention District - 286
$96,088.00

General Fund - 101
$3,123,952.00

LPLDC (4B) Fund - 794
$111,837.00

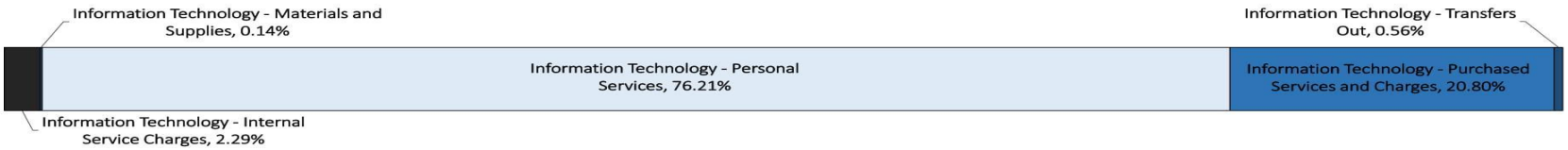
Maintenance & Replacement Fund - 503
$220,874.00

Water & Sewer Fund - 402
$270,817.00

Administration

FTEs - 25

$4,018,519.00



Department/Plan	ITS

Value	SWOT	Description	FY 18/19
Build Our Future	Weakness	Systems - Increasing need for new virtualized servers causes a need for additional, expensive virtualization-hosts	Replacement of Library virtual host server funded in Base Budget $26,892 and SQL Server License for additional virtual host machines funded in Base Budget $71,772
		GIS - Use of GIS for analytical work (route analysis, flow analysis, etc.) is limited due to lack of licensing	An enterprise licensing agreement with ESRI for unlimited licenses is funded in Base Budget $52,250
	Opportunity	Increased demand to create workflows utilizing the Laserfiche Records Management System to streamline processes that are currently labor intensive	Staff reallocation from City Secretary's office
		Security - Use of security audits allows identification of potential areas of concern before they are exploited	Cyber Security Audit funded in Base Budget $44,100
		Systems - Full and immediate failover capability for all applications at all campuses without staff interruption	Funded an intrusion prevention system for backup internet service in Base Budget $8,177
	Threat	Security - Number of attack vectors in hardware and software is continually increasing making it more and more difficult to defend critical systems and data	Funded in Base Budget phishing email testing and training for all employees $10,440 and Endpoint Detection and Response software to provide more visibility into end user devices to predict possible attacks $13,301
Serve Every Day	Weakness	GIS - Single point of failure (hardware)	Funded in Base Budget a Geoevent processing application $21,836
		Networking need for core computer networking switch upgrade	Funded in Base Budget $368,344
		Systems - Database server resource consumption approaching hardware limits	SQL Server License for additional virtual host machines funded in Base Budget $71,772
		User Support - PCs and printers approaching end of useful life	Funded in Base Budget - $8,490 for printers and $142,250 for PC's
	Opportunity	Analytics - Implement system for faster creation of web-forms	Seamless Gov funded in Base Budget
		GIS - Centralized, city-wide address management	GIS Technician funded in Base Budget $70,876
		Networking enhanced traffic light management system (connectivity and systems)	Phase 2 of study funded in Base Budget $468,000
	Threat	Analytics - Increasing desire for custom-built, front-line applications and the ability to maintain and modify these	Additional Business Information Analyst on Unfunded List $80,641
		Networking - Public WiFi bandwidth capacity (increase in simultaneous users and data consumption)	Upgrade of wireless access point controller software to allow purchase of additional access points funded in Base Budget $17,650
		Systems - Virtual-host server overload based on increasing computation demand	Upgrade of Windows Datacenter Licensing for Virtual Servers funded in Base Budget $17,800
		GIS - Maintenance, verification and update of master layer metadata (streets, water, sewer, etc.)	GIS Technician funded in Base Budget $70,876
Value People	Weakness	Lack of appropriate work space for employees	Current space allocation study looking at options

Library - Total Proposed Budget 2018-2019
$2,865,252.00
Total FTEs - 18

General Fund - 101
$1,792,746.00

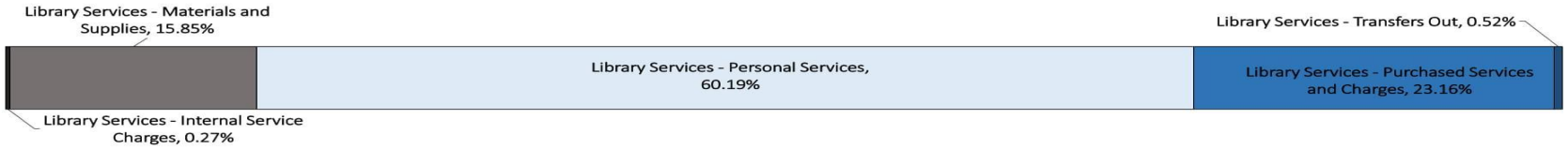
LPLDC (4B) Fund - 794
$1,071,306.00

Recreation Activity Fund - 231
$1,200.00

Administration

FTEs - 18

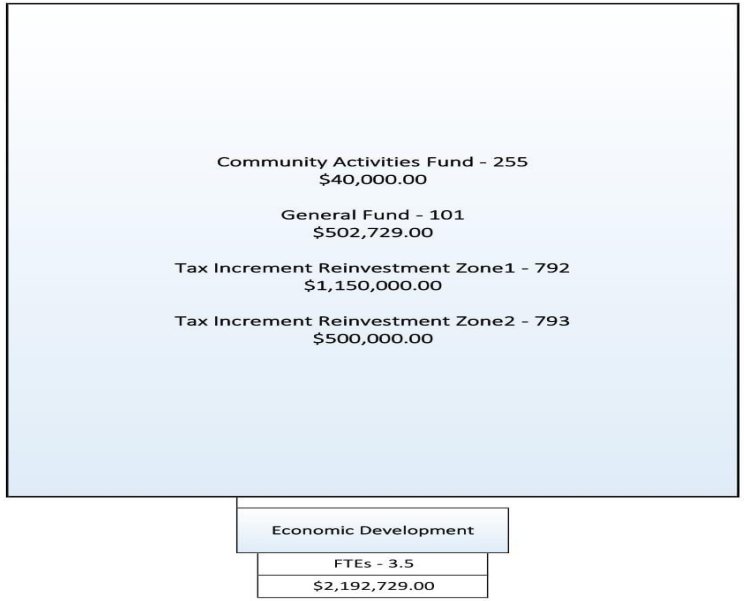
$2,865,252.00



Department/Plan	Library

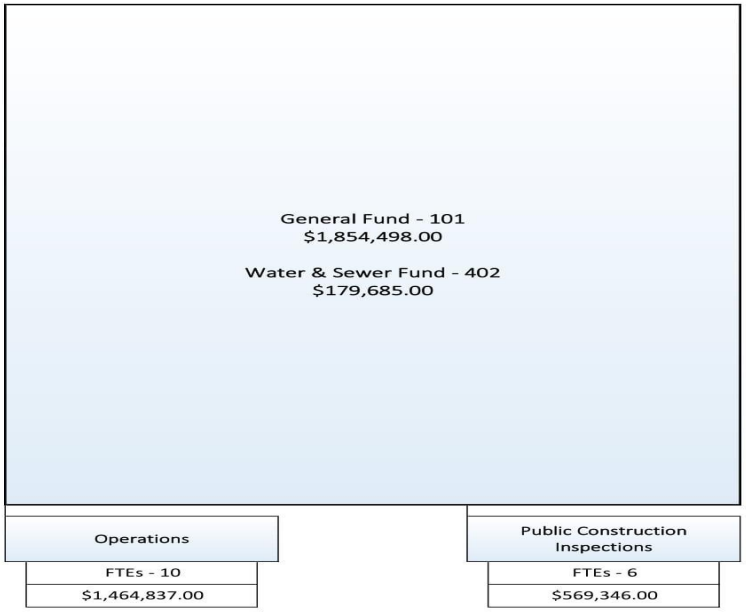
Value	SWOT	Description	FY 18/19
Build Our Future	Weakness	Merchandise sales for the Friends of the Library	Funded in Base Budget $25,000
		Room reservation management	Lynda Library funded in Base Budget $10,378 which provides room reservation capabilities and online learning opportunities for public
Serve Every Day	Opportunity	Enhance elementary age section with STEAM activities and age-appropriate furnishings	$12,700 funded for STEAM wall and gathering space
		Increase customer satisfaction related to technology education with online learning opportunities	$10,378 funded in Base Budget for Lynda Library
		Make Teen Point more identifiable as a teen space	$27,836 funded in Base Budget for teen gathering space
		Print/Media Circulation	$61,128 for additional library materials funded in Base Budget
		Bring literature to the parks with a story walk and monthly story time	Literary trail funded in Base Budget $7,050
Value People	Weakness	Information Desk staffing - high demand at peak times	PT Librarian Technician funded in Base Budget $13,832
		Popularity of Hive has led to staff support issues	PT Librarian Technician funded in Base Budget $13,832

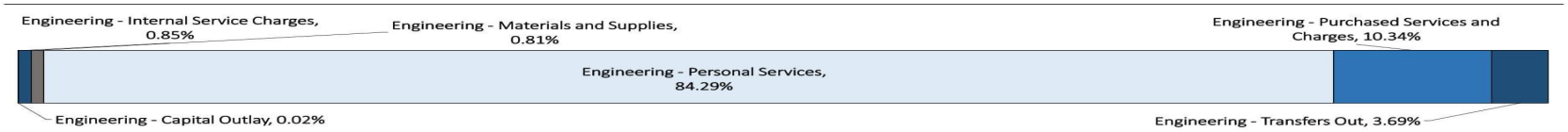
Economic Development - Total Proposed Budget 2018-2019
$2,192,729.00
Total FTEs - 3.5



Value	SWOT	Description	FY 18/19
Build Our Future	Weakness	Lack of an Economic Development Corporation or other dedicated funding source for Economic Development	$2.4M budgeted for economic development liabilities in the General Fund and $657,965 in the Utility Fund
Serve Every Day	Opportunity	Partner with universities to create mutually-beneficial programs for internships	Intern positions on Unfunded List

Engineering - Total Proposed Budget 2018-2019
$2,034,183.00
Total FTEs - 16





Value	SWOT	Description	FY 18/19
Build Our Future	Strength	Use of storm water funding to finance drainage improvements including those associated with street projects	Approximately $6M will be available for CIP between 2017-18 and 2018-19.

Municipal Court - Total Proposed Budget 2018-2019
$1,258,507.00
Total FTEs - 13

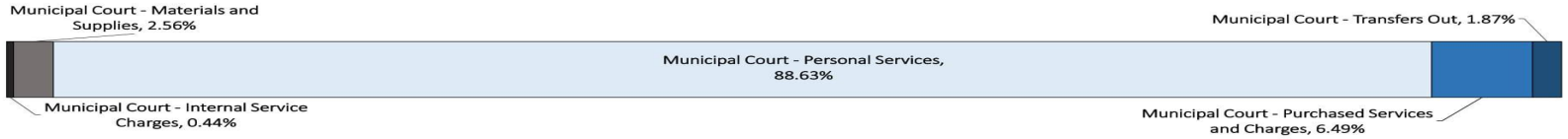
Court Security Fund - 234
$55,303.00

Court Technology Fund - 233
$45,252.00

General Fund - 101
$1,071,092.00

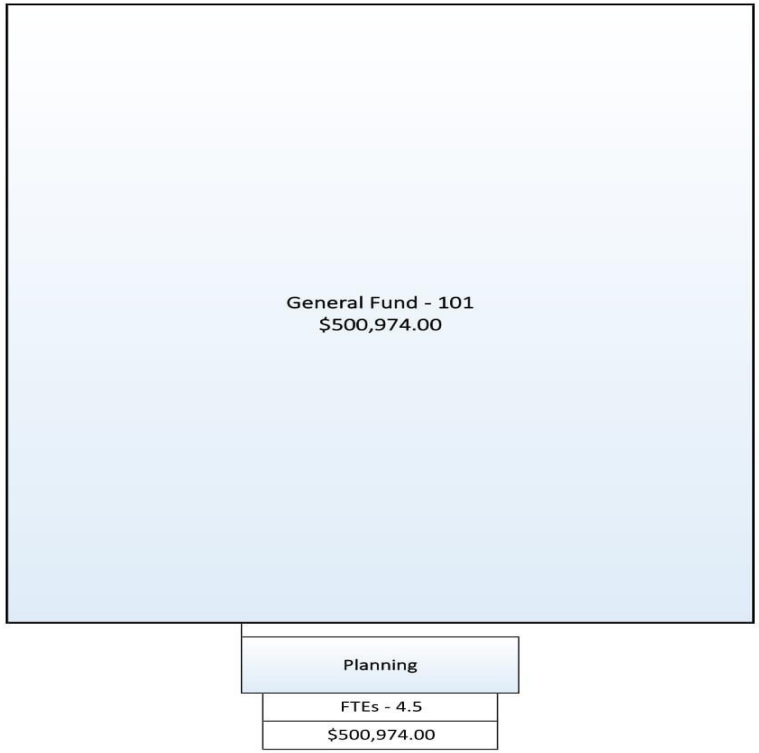
Juvenile Case Manager Fund - 235
$86,860.00

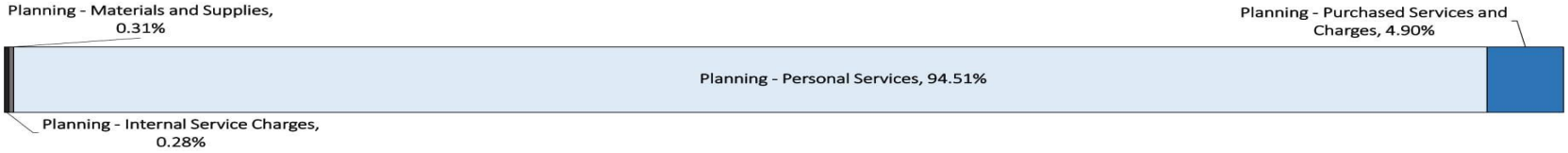
Court Operations	Judicial Services
FTEs - 12	FTEs - 1
$976,527.00	$281,980.00



Value	SWOT	Description	FY 18/19
Build Our Future	Strength	Appropriate and innovative use of available technology and resources	Reclassify two clerk positions to meet the new legislative mandates
Value People	Weakness	Restricted Area Access - no card reader at one employee entrance	Card reader hardware funded in Base Budget $2,924

Planning - Total Proposed Budget 2018-2019
$500,974.00
Total FTEs - 4.5





Department/Plan	Planning

Value	SWOT	Description	FY 18/19
Build Our Future	Weakness	Antiquated zoning ordinance	Consultant funded in 2016-17
		Need for redevelopment ordinance and revamping development regulations	Consultant funded in 2016-17
	Opportunity	Implement recommendations from Small Area plans for Southwest Lewisville and Old Town North	$82,162 funded in Base Budget for small area plan implementation
		Planned update of existing development codes to enhance/encourage redevelopment (OTDO, GDO and Zoning Ordinance updates)	Consultant funded FY 17-18
Serve Every Day	Weakness	Parcel Management in New World is time consuming for staff	Ongoing cost related to new software program (My Government On Line) included on Unfunded List $37,074
		SIRE online submission system is difficult for applicants to use. Using SIRE in combination with New World requires redundant actions for plan review and tracking.	My Government On Line is being researched as an option to correct this issue

Emergency Managment - Total Proposed Budget 2018-2019
$382,357.00
Total FTEs - 2

Fire Cntr & Prevention District - 286
$25,030.00

General Fund - 101
$192,656.00

Grants Fund - 270
$164,671.00

Emergency Management	Emergency Management (Grants)
FTEs - 1.51	FTEs - 0.49
$217,686.00	$164,671.00

Department/Plan	EM

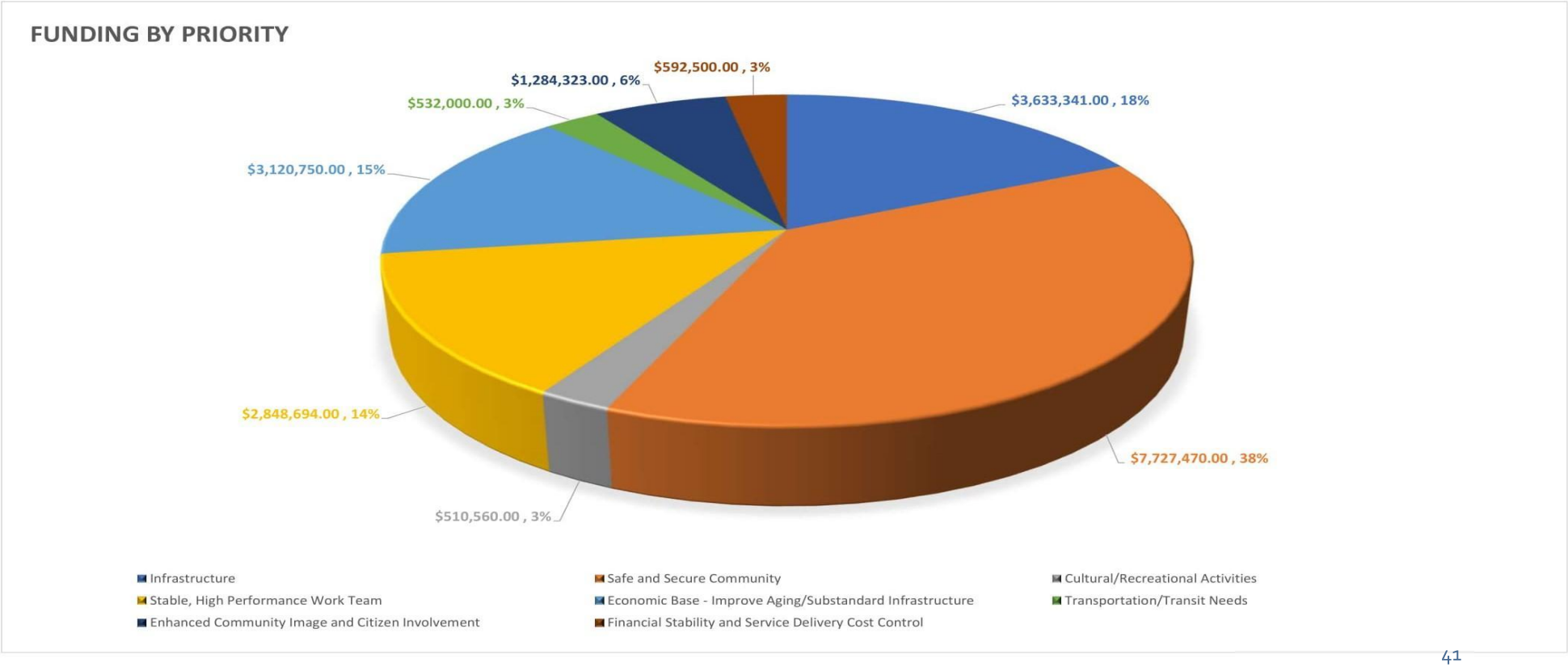
Value	SWOT	Description	FY 18/19
Build Our Future	Weakness	Outdoor Warning System sound coverage gaps remain throughout LLELA and Southeastern Castle Hills	Additional siren located in East Lewisville $33,128
	Opportunity	Access to intern workforce through University of North Texas Emergency Management Degree Program	Paid internship for UNT student on Unfunded List
		Continue to provide training and exercises to promote preparedness	Funded in 17-18 UASI grant - Full scale exercises will be held in March 2019
Serve Every Day	Strength	Community Emergency Response Team (CERT) Training Program developed to provide advanced disaster training to enhance community preparedness and resiliency	UASI funded in FY 18-19
		Neighborhood Emergency Response Plan (NERP) Program developed to promote neighbors helping neighbors before, during and after disasters	Included in 18-19 UASI grant
	Weakness	No disaster preparedness programs or promotion of volunteerism for teens	Included in 18-19 YAC program
		No outreach focused on Chin Community for emergency management	Part of the Community Inclusion Task Force on the Unfunded List
	Opportunity	Coordinate with PARD to include Teen Community Emergency Response Team (Teen CERT) training during Xtreme Response Camp	Cert funded through UASI grant for teens
Value People	Weakness	No Emergency Action Plans/Drills for City facilities	Planned drills for 18-19

Implementing Long Range Plans - Future Items/Costs

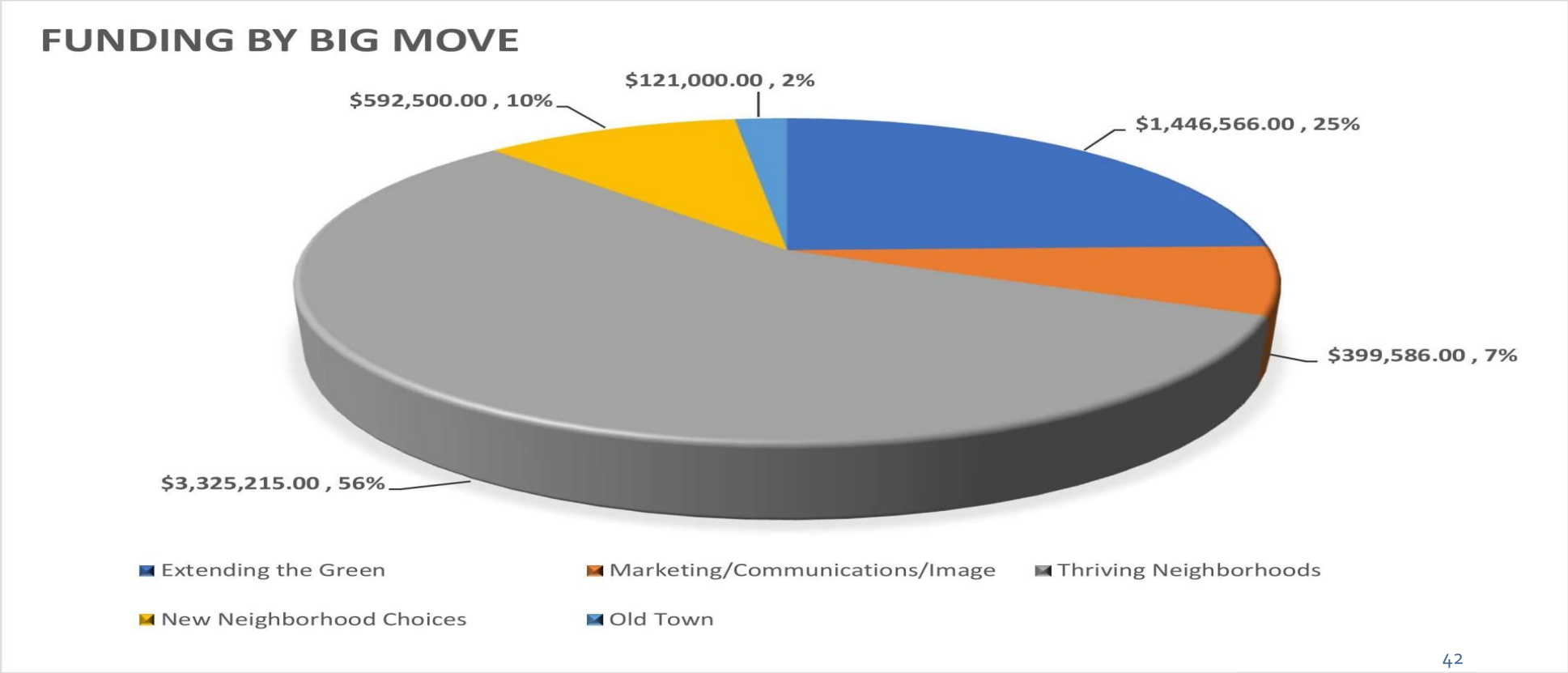
Tech Plan	Traffic Center Master Plan	FY 19-10 $686,000
Old Town Big Move	Old Town/South Alley (Poydrus to Elm)	Unknown - $45,000 budgeted to date
Extending the Green Big Move	Implementation of Plan for Creek Enhancements Throughout Community	Unknown - $47,500 for Prairie Creek Model Plan on Unfunded List
Public Art Master Plan/2025 Plan	Public Art	$632K current balance
Old Town Big Move	Implementation of Old Town Branding Task Force	
Old Town Big Move	Land Acquisitions Between City Hall and Rail Station	
Old Town Big Move	Economic Incentives Related to Development of City-Owned Property in Old Town	
Small Area Plan (Old Town North)	Develop Branding Program for Old Town North	
Small Area Plan (Old Town North)	Creation of Urban Forest Inside TxDOT's Cloverleaf at I35E @ Valley Ridge	
Small Area Plan (Old Town North)	Convert Mill Street to 2 Lanes at Rodeo Grounds and Create Landscape Buffer to Make Mill More Pedestrian Friendly/Bike Friendly	
Small Area Plan (Old Town North)	Design and Construct Prairie Creek Trail	
Small Area Plan (SW Lewisville)	Creation of Overlay District for 3040 and Valley Ridge Corridor	

New Programs (All Funds)

New Items By Council Priority (All Operating Funds)



New Items by Big Move (all Operating Funds)



Implementation of Lewisville 2025 Plan, $5,884,867

Thrive Manager and Key Staff - $335,370 (Extending The Green)

Library Materials - $57,938 (Marketing/Communications/Image)

Teen Gathering Space at the Library - $27,836 (Marketing/Communications/Image)

Online Learning Opportunities from the LIbrary - $10,378 (Marketing/Communications/Image)

Elementary STEAM Wall and Gathering Space - $12,700 (Marketing/Communications/Image)

Enhanced Digital Collection - $24,000 (Marketing/Communications/Image)

Cattle Drive Parade - $29,950 (Marketing/Communications/Image)

Park Planner/Development Manager - $119,196 (Extending the Green)

LID Trail Connection, Phase 2 - $692,000 (Extending the Green)

18 New Positions for Ladder Truck/New Station - $1,996,218 (Thriving Neighborhoods)

Four Additional Sergeants - $683,709 (Thriving Neighborhoods)

Tourism Advertising Expansion - $47,727 (Marketing/Communications/Image)

Rodeo Arena Activation - $10,000 (Old Town)

Mobile Market Event - $36,000 (Old Town)

Old Town Branding - $60,000 (Old Town)

Lecture Series - $30,000 (Marketing/Communications/Image)

Literary Trail - $7,050 (Marketing/Communications/Image)

Annual Park Improvements - $300,000 (Extending The Green)

Architectural Services for OTDRC - $15,000 (Old Town)

Three Additional School Resource Officers - $645,288 (Thriving Neighborhoods)

Castle Hills Annexation Analysis - $592,500 (New Neighborhood Choices)

Special Events Position - $72,507 (Marketing/Communications/Image)

Growth of Existing Events - $79,500 (Marketing/communications/Image)

Provide Well Developed and Maintained Infrastructure, $3,633,341

High Service Pump Station Imp.	$420,000
SCADA upgrades for WW	$120,466
Plant 2 Blower Improvements	$160,200
Water Plant Electrical Replacements	$681,950
ULM Tampers	$8,745
ULM Portable Air Compressor	$21,587
Confined Space trailer and Equipment	$24,662
Crew Truck Organization (ULM)	$20,250
Water Shop Expansion	$29,908
ULM Mid Size Excavator	$226,265
Midway Pump Station Repairs	$65,920
Minor Equip. - ECS, Pump Stations, Etc.	$30,698

Aquatic facility motors and grates	$149,900
Sampling Services for EPA's UCMR4 and ongoing copper analysis	$24,476
Mini Excavator for Utility Line Maintenance	$73,003
Annual park improvements	$300,000
Space Allocation Study (Phase 2 and 3)	$48,704
Light Pole Replacement at Lake Park	$500,000
Kealy Radio Tower Maintenance	$19,140
Replacement funding for Utility Fund	$556,128
Contract Engineering Services	$114,322
WW Plant LED Lighting	$13,167
Confined Space Gas Detection	$23,850

Provide Community Where Citizens/Visitors Feel Safe and Secure, $7,727,470

Two additional marked patrol vehicles	$188,164
LP15 and Lucas CPR Service Plan	$24,585
Utility Expenses for new Fire Station No. 8	$26,087
Replacement Ballistic Vests	$37,400
Three Additional School Resource Officers	$645,288
Four Additional Sergeants	$683,709
SWAT Equipment	$99,862
Replacement scales for Commercial Vehicle Enforcement	$31,414
18 New positions for Fire Station and Ladder Truck	$1,996,218
Additional smartphones	$31,010
Truck 166 Fuel and Maintenance	$20,000
Training Tower Facility (½ of this will be paid by The Colony)	$3,500,000
Zoll CAD Interface and Billing Pro	$7,160
Utilities Risk Management Plan Update	$45,000
Lift Station Security Cameras	$133,463
Cybersecurity Audit	$44,100
Outdoor Warning System Siren	$33,128
Animal Services vehicle (ongoing costs)	$8,346
Fire Station 3 Remodel/Reuse by Police	$172,536

Provide Opportunities for Cultural/Recreational Activities for Residents and Visitors, $510,560

Thrive Manager and key staff	$323,370
Teen Gathering Space at the Library	$27,836
Digital Audiobooks	$2,430
Library resale merchandise	$25,000
Library materials	$61,128
Additional part time help for Library information desk and The Hive	$16,668
Online Learning Opportunities	$10,378
Elementary STEAM wall and gathering space	$12,700
Enhanced digital collection	$24,000
Literary Trail	$7,050

Maintain Stable, High Performance Work Team, $2,848,694

Professional development - Inspections and Permitting	$10,440
Professional Development for the Grants Specialist	$2,300
Compensation Plan	$2,099,994
Cell Phone Upgrade	$92,159
Smart Phones for Engineering Staff	$3,146
Police Department Annual Awards Banquet	$6,500
Addition of a Part Time Water Systems Sampler	$20,290
Reclass Records Support Specialist to Records Information Analyst	$9,565
Fire Department Physical Fitness/Wellness Program	$80,000
Health Insurance Increase	$449,657
Leadership Development Training	$8,500
360 Evaluations for Directors and Managers	$4,500
Addition of Water Plant Operator	61,643

Develop the City's Economic Base and Improve Aging/ Substandard Infrastructure, $3,120,750

Architectural Services for OTDRC	$15,000
Economic Development Agreements	$3,105,750

Meet Transportation/Transit Needs, $532,000

Traffic Light Network Replacement - Phase 2 of 3	$468,000
IH35E Street Light Maintenance	$64,000

Enhance the Community Image and Citizen Involvement, $1,284,323

IH35E Corridor and Valley Ridge	
Maintenance Contracts	$43,000
Park Planner/Development Manager	$119,196
Finance department event support	$2,750
Lecture Series at MCL Grand	$30,000
LID Trail Connection, Phase 2	$692,000
Events Specialist Position (PT to FT)	$72,507
Mobile Market Event	$36,000
Old Town Branding	$60,000
Rodeo Arena Activation	$10,000

Growth of Existing Special Events	$64,500
Event Support Expansion	$15,000
Tent Replacement and Repair	$23,000
Advertising Expansion	$47,727
Cattle Drive Parade	$29,950
Communications Software Upgrades	$38,693

Maintain Financial Stability and Controlling Cost of Service Delivery, $592,500

- Castle Hills Financial Impact Analysis - $592,500 (the bulk of which is related to Utility infrastructure ($400,000) and is funded through the Utility Fund

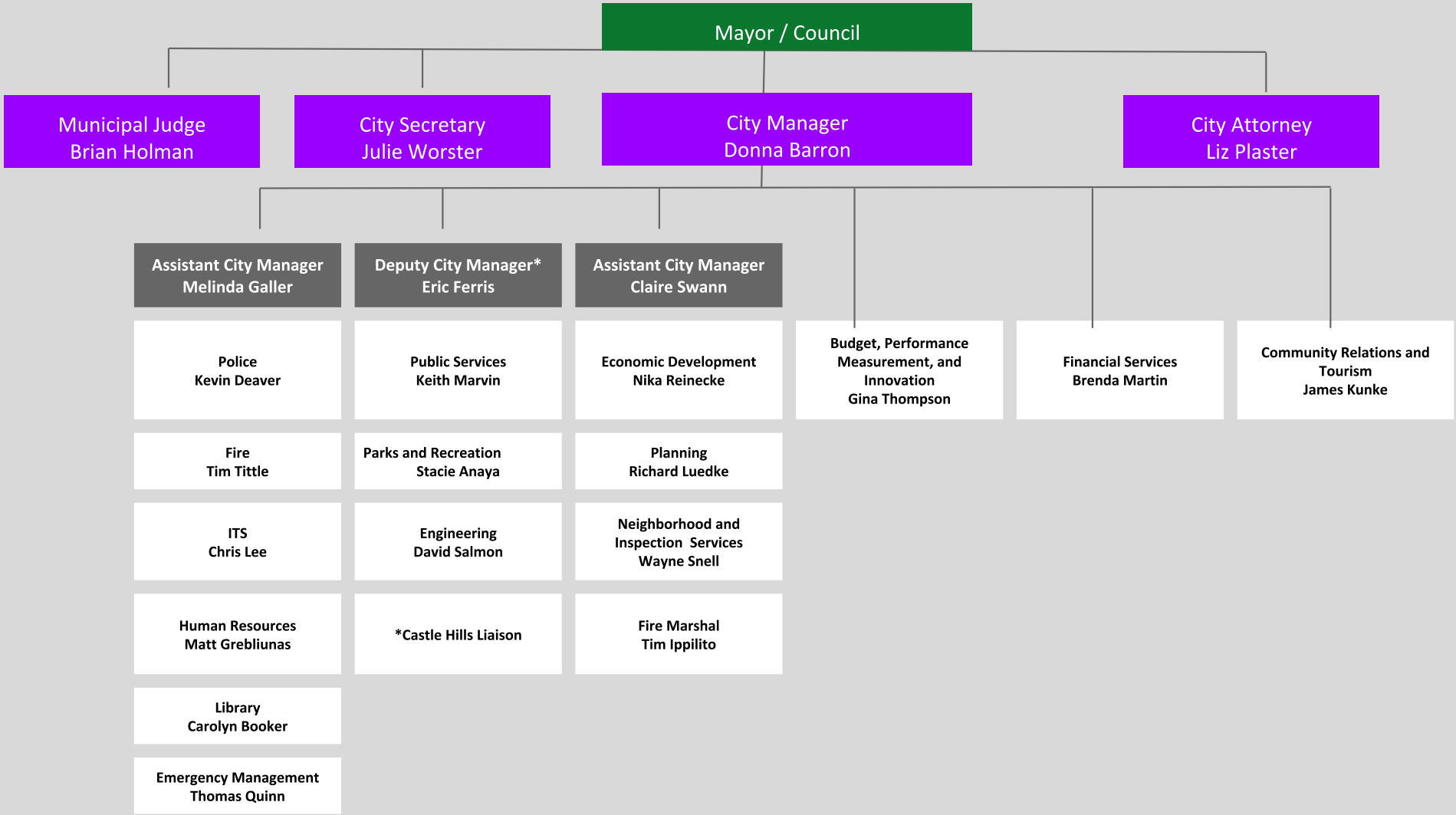
Technology Investment, $1,404,027 ($1.1M out of reserves)

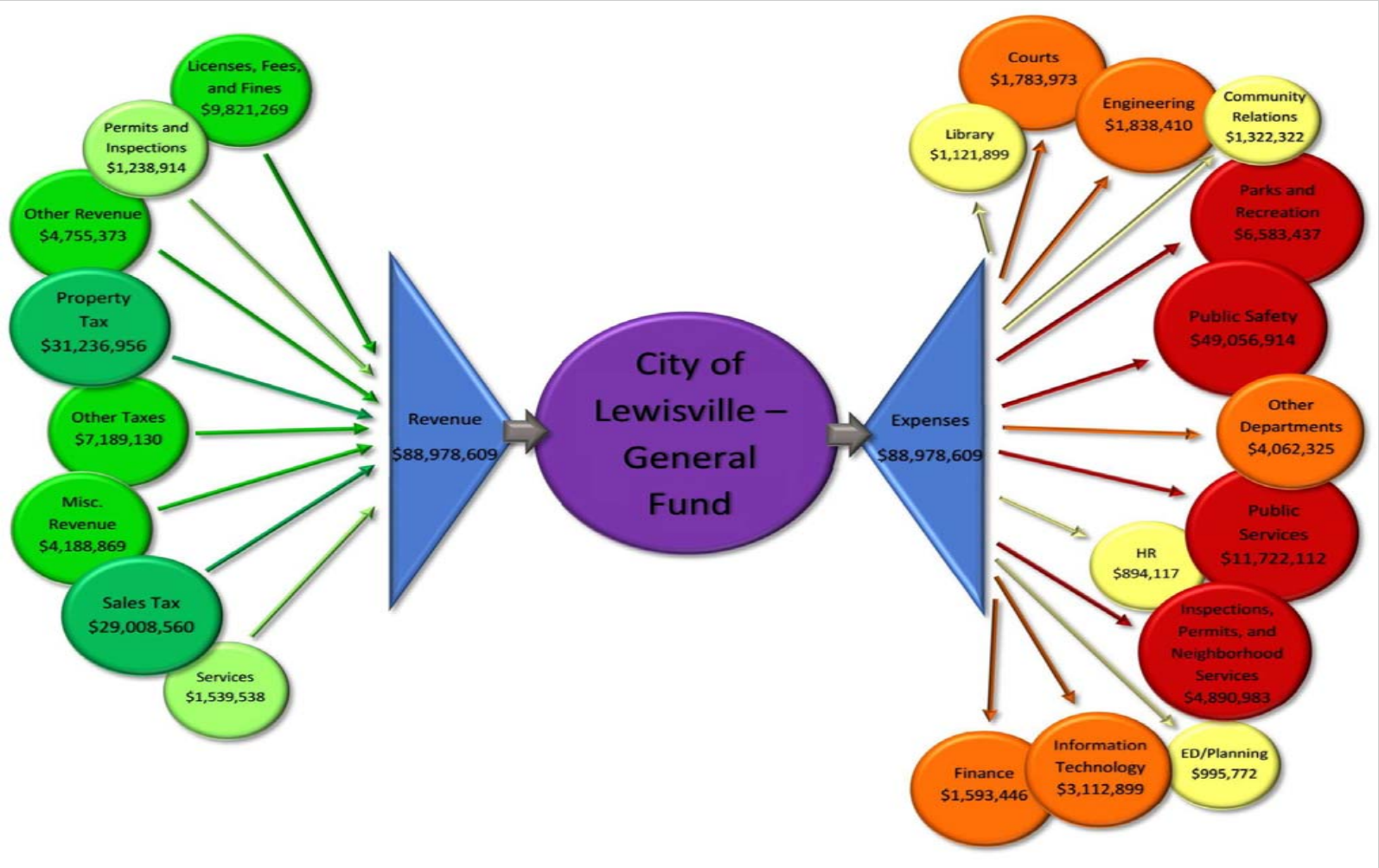
Audio Recorder Replacement	$172,444	Replacement of End-of-Life PCs	$142,250
GIS Technician	$70,873	Replacement of Legacy Phones	$51,450
Replacement of Core Network Switch	$368,344	Replacement of Voice Controller (telephone system)	$59,709
Wireless Access Point Controller Upgrade	$19,150	Replacement of Library Virtual PC Host Server	$26,897
SCADA Firewall	$24,704	Windows Datacenter Licensing Upgrade for Virtual Servers	$21,360
PC-Based Virus Protection	$39,943	SQL Server License for Additional Virtual Host Machine	$71,772
Phishing Email Testing and Training	$10,440	Cybersecurity audit	$44,100
Replacement of End-of-Life Switches	$235,019	Virus Protection Software	$26,642
Replacement of Network Printers	$8,490	Security Awareness Training for Employees	$10,440

Organizational Changes

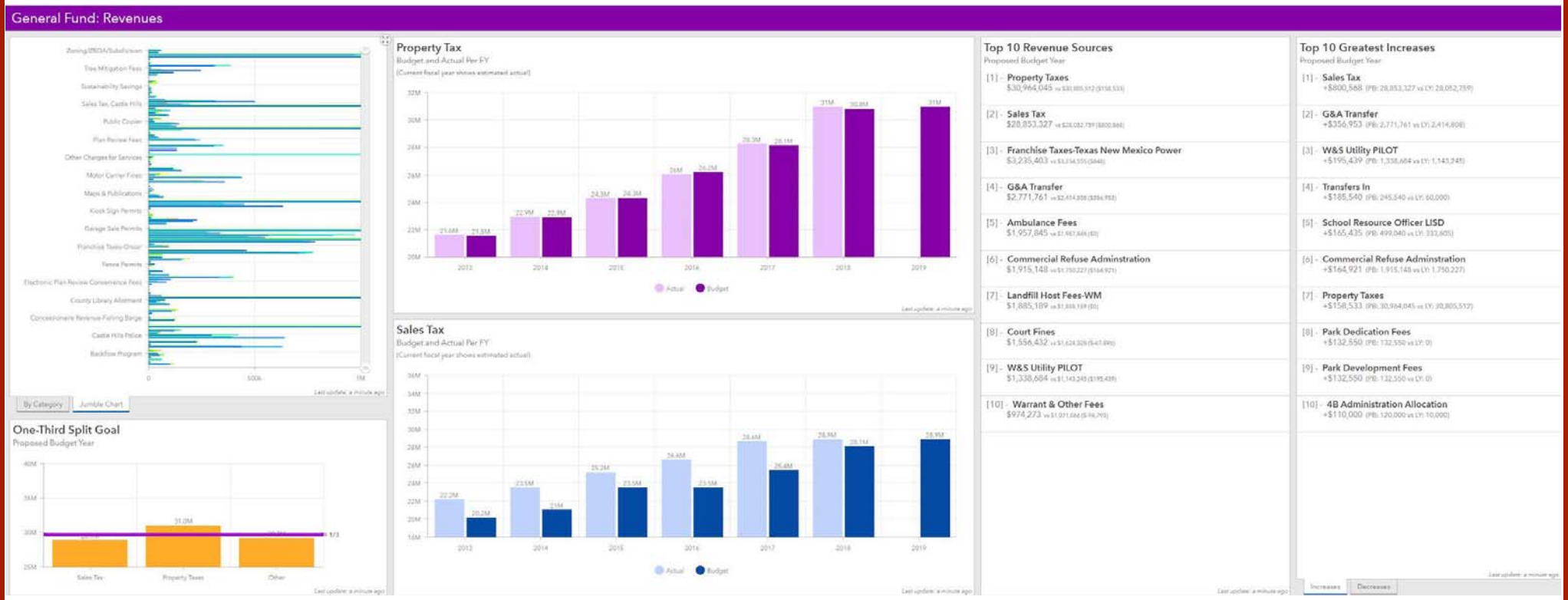
There are 816 full-time positions in the base budget including the following additions:

- Police Reorganization - Addition of four Sergeants; Reallocation of a vacant Assistant Chief position and a vacant Captain position to create two sergeant positions and a civilian Public Information Officer
- Three Additional School Resource Officers (share on-going cost with LISD)
- Thrive Manager, Aquatic Technician, Customer Service Specialist, and Fitness Supervisor
- Fire Department positions for Fire Station No. 8/New Ladder Truck - 3 Fire Captains, 3 Engineers, and 12 Firefighters
- Special Events Position (part-time to full-time)
- Water Treatment Plant Operator
- GIS Technician
- Park Planner/Development Manager
- Transfer of Records Information Analyst position (formerly Records Support Specialist position) from City Secretary office to ITS department

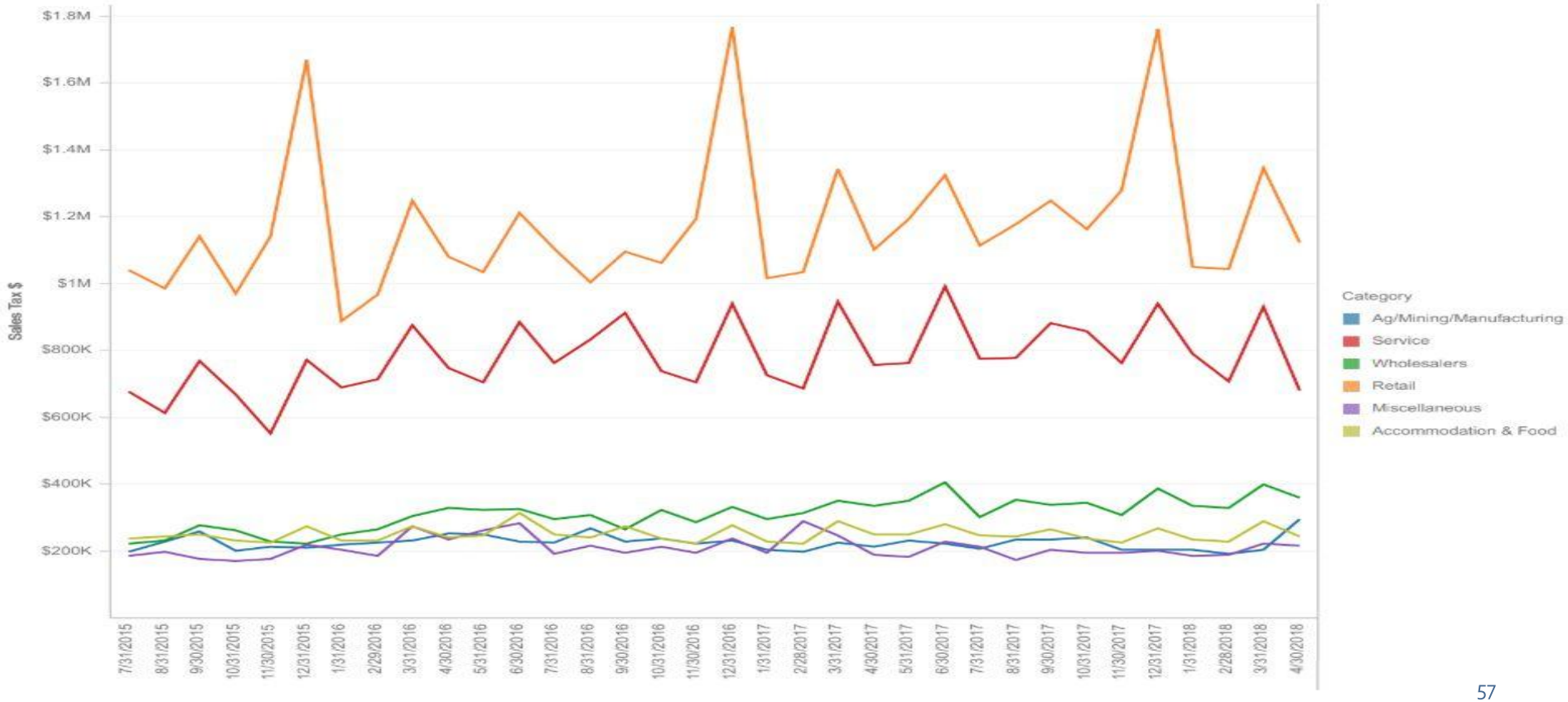

Mayor / Council
Municipal Judge
Brian Holman
City Secretary
Julie Worster
City Manager
Donna Barron
City Attorney
Liz Plaster
Assistant City Manager
Melinda Galler
Deputy City Manager*
Eric Ferris
Assistant City Manager
Claire Swann
Budget, Performance Measurement, and Innovation
Gina Thompson
Financial Services
Brenda Martin
Community Relations and Tourism
James Kunke
Police
Kevin Deaver
Public Services
Keith Marvin
Economic Development
Nika Reinecke
Fire
Tim Tittle
Parks and Recreation
Stacie Anaya
Planning
Richard Luedke
ITS
Chris Lee
Engineering
David Salmon
Neighborhood and Inspection Services
Wayne Snell
Human Resources
Matt Grebliunas
*Castle Hills Liaison
Fire Marshal
Tim Ippilito
Library
Carolyn Booker
Emergency Management
Thomas Quinn


Licenses, Fees, and Fines $9,821,269
Permits and Inspections $1,238,914
Other Revenue $4,755,373
Property Tax $31,236,956
Other Taxes $7,189,130
Misc. Revenue $4,188,869
Sales Tax $29,008,560
Services $1,539,538
Revenue $88,978,609
City of Lewisville – General Fund
Expenses $88,978,609
Courts $1,783,973
Library $1,121,899
Engineering $1,838,410
Community Relations $1,322,322
Parks and Recreation $6,583,437
Public Safety $49,056,914
Other Departments $4,062,325
Public Services $11,722,112
HR $894,117
Inspections, Permits, and Neighborhood Services $4,890,983
ED/Planning $995,772
Information Technology $3,112,899
Finance $1,593,446

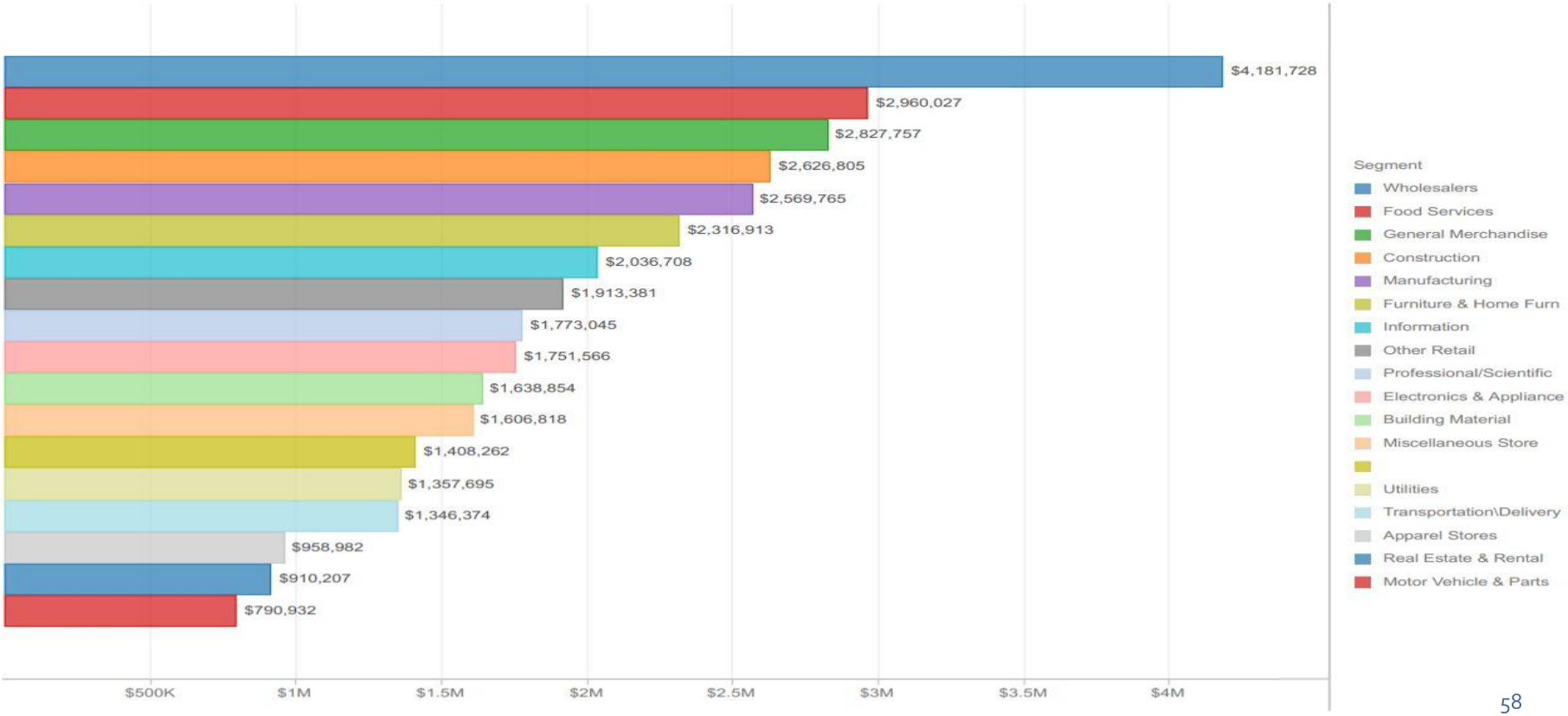
General Fund Revenue



Sales Tax - Projected Increase of $800,000



Sales Tax - Projected Increase of $800,000



Sales Tax - Projected Increase of $800,000

Top 10 Sales Taxpayers over the past 12 month period:

1 BED BATH & BEYOND DIST CENTER	Furniture & Home Furn	Retail
2 WAL MART STORES	General Merchandise	Retail
3 FLOORING SERVICES	Construction	Service
4 BUILDERS FIRSTSOURCE	Manufacturing	Ag/Mining/Manufacturing
5 PAYCOM	Professional/Scientific	Service
6 TARGET STORES	General Merchandise	Retail
7 COSTCO WHOLESALE	Miscellaneous Store	Retail
8 XEROX CORP	Manufacturing	Ag/Mining/Manufacturing
9 SYSCO	Wholesalers	Wholesalers
10 TURNER FOREST INDUSTRIES	Wholesalers	Wholesalers

Property Tax Projected Increase of $158,533*

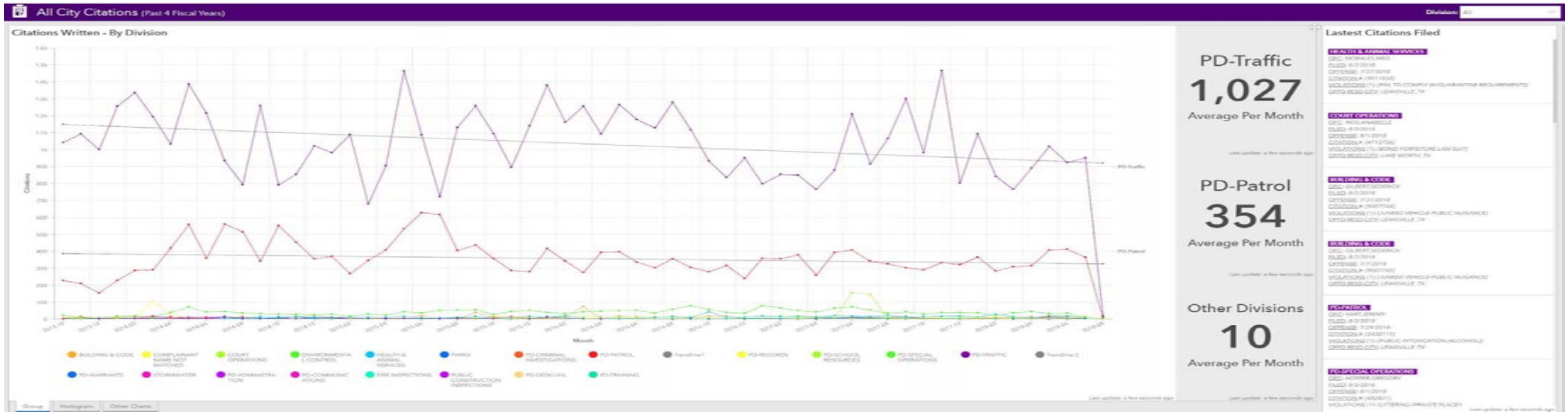
Top Property Taxpayers

Taxpayer Name	Market Value	Taxable Value
DIGITAL LEWISVILLE LLC	$101,000,000	$101,000,000
SYSCO FOOD SERVICES OF DALLAS LP	$81,195,758	$80,713,284
TEACHERS INSURANCE ANNUITY ASSOC	$77,767,207	$77,767,207
RREF CHAPEL HILL LLC	$75,619,142	$75,619,142
DFW LEWISVILLE PARTNERS GP ETAL	$97,418,504	$71,916,362
BEDROCK HOLDINGS II (DALLAS) LLC	$66,191,000	$66,191,000
TLF LOGISTICS II LAKEPOINTE CROSSING LLC	$63,190,320	$63,190,320
COLUMBIA MEDICAL CENTER LEWISVILLE	$62,185,326	$62,185,326
MADERA ROE INVESTORS SPE LLC ETAL	$59,714,866	$59,714,866
GRE VISTA RIDGE LP	$50,414,898	$50,414,898
LANTOWER 121 LEWISVILLE LP	$47,181,750	$47,181,750
TEXAS NEW MEXICO POWER CO	$46,814,640	$46,814,640
BALLANTYNE PARTNERS LTD	$45,579,000	$45,579,000
MAR VISTA RIDGE LP	$44,400,000	$44,400,000
BMF IV TX CHAPEL HILL LLC	$44,380,858	$44,380,858
FSC ROSE HILL ASSOCIATES, LLC	$43,500,000	$43,500,000
LV OFFICE 1 & 2 LLC	$42,139,667	$42,139,667
CREST MANOR APARTMENTS LP	$41,285,124	$41,285,124
CREST MANOR APARTMENTS II LP	$40,687,900	$40,687,900
STAR III VISTA RIDGE LLC	$40,242,000	$40,242,000

*equal to property tax received in 2017-18

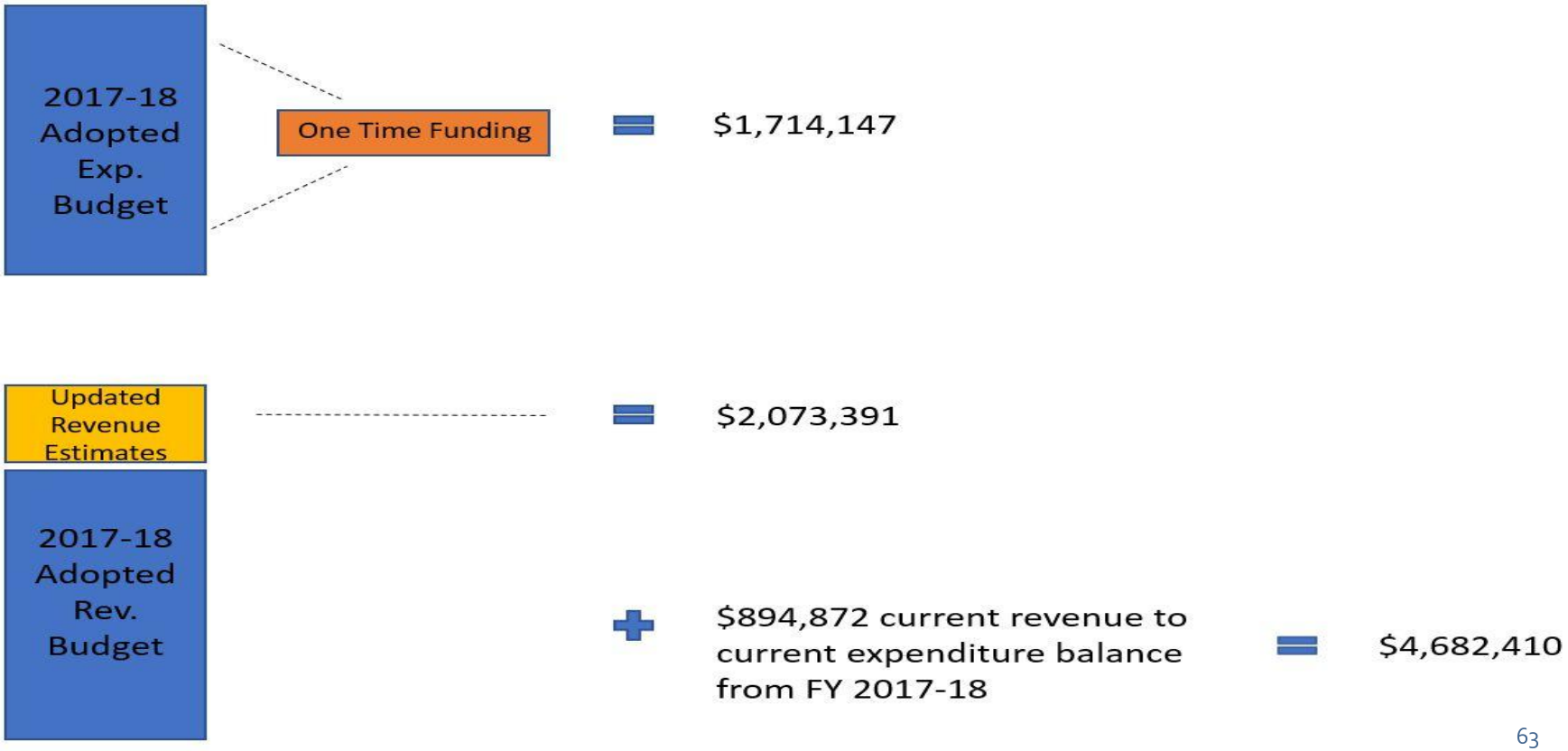
Locations of Top Taxpayers

Municipal Court Citations Concern



- Staff is currently studying dashboard data regarding citations by type to delve into why there is a decrease in the number of citations
- Municipal court activity will also be analyzed to review trends in final dispositions and collections

How new programs are funded in the base budget



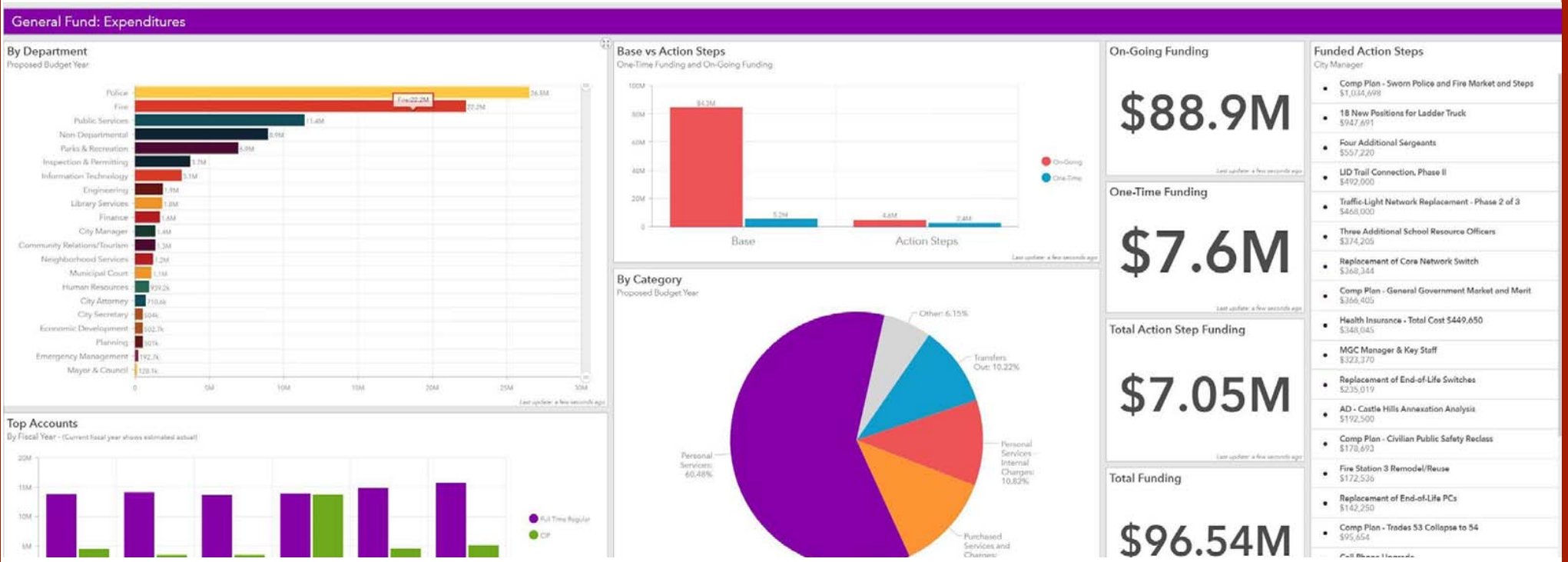
General Fund Expenditures

Operating expenditures increase $2.97M due primarily to the increases in public safety as discussed previously (additional fire station/truck staff, police reorganization, school resource officers, etc.).

> 2017-18 expenditures of $86.010M minus the $1.7M in one-time = $84.296M + $4.6M new funding = $88.978M shown. (Page 81)

Total (operating and fund balance) General Fund expenditures amount to $96,543,427 compared to $97,012,415, a decrease of $469K due to more fund balance expenditures occuring in FY 2017-18

General Fund Expenditures



$4.51M Pay-As-You-Go Capital Investment in Streets, Traffic, Screening Walls, Alleys, Sidewalks

$4,510,583 in general fund operating budget (this equates to 4.3 cents on the City's tax rate):

- $2,150,000 concrete street rehab
- $330,000 asphalt street rehab
- $794,682 sidewalk maintenance
- $300,000 screening wall maintenance
- $400,000 neighborhood rehab
- $170,000 alley rehab
- $365,901 traffic improvements

This is the same amount as budgeted in the current fiscal year

An additional $500,000 was approved in one-time funding last year and is again requested on the unfunded list for sidewalk repair

Street & Drainage 5 Year CIP

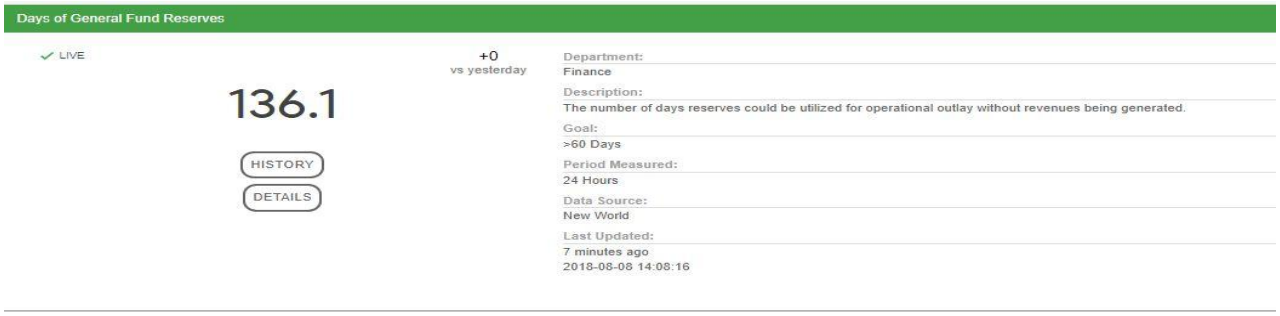
5 Year Street and Drainage Program - FY 18/19					
Program Type	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23
Concrete Street Rehab	Ridge College Pkwy West city limit to Old Orchard Valley Pkwy: Old Orchard to Work order Reduction $2,150,000	Parkway McGee from Justin Rd. to Valley Ridge Work Order Reduction $2,150,000	Main Summit from College to Main Work Order Reduction $2,150,000	Maintenance of Main Thourgh Fares Work Order Reduction $2,150,000	Maintenance of Main Thourgh Fares Work Order Reduction $2,150,000
Neighborhood Rehabilitation	Creek Haven Lewisville Valley 6 Glenmore, CrossHaven, and Waterford Grove Addition $400,000	Highpoint The Highlands Garden Oak Estates $400,000	Meadow Lake Creek View Village Orchard Hill Addition Creek View Village Orchard Hill Addition $400,000	TBD $400,000	TBD $400,000
Alley Rehab	Funding used to correct alley approaches to ADA Spec's where sidewalks cross with all projects $170,000	Funding used to correct alley approaches to ADA Spec's where sidewalks cross with all projects $170,000	Funding used to correct alley approaches to ADA Spec's where sidewalks cross with all projects $170,000	Funding used to correct alley approaches to ADA Spec's where sidewalks cross with all projects $170,000	Funding used to correct alley approaches to ADA Spec's where sidewalks cross with all projects $170,000
Asphalt Maintenance	Lake Haven Park St. Park Roads Lake Park Rd $330,000	Lees Ct Rachels Ct Beverly Ct Uecker Ln. FM 3040 to Rock Brook Manco Purnel to Main Park Roads $330,000	TBD $330,000	TBD $330,000	TBD $330,000
Sidewalk Maintenance	Creek Haven Lewisville Valley 6 Glenmore, CrossHaven, Waterford Valley Pkwy: Old Orchard to West City Limit Grove Addition Sidewalk work order reduction $794,682	Highpoint The Highlands Garden Oak Estates Sidewalk work order reduction $794,682	Creek View Village Orchard Hill Addition Meadow Lake Sidewalk work order reduction $794,682	TBD Sidewalk work order reduction $794,682	TBD Sidewalk work order reduction $794,682
Screening Wall Maintenance	$300,000	$300,000	$300,000	$300,000	$300,000
Traffic Improvements	$365,901	$365,901	$365,901	$365,901	$365,901
Program Total	$4,510,583	$4,510,583	$4,510,583	$4,510,583	$4,510,583

Social Service Agency Funding

Agency	Program	2017-18	2018-19	Change
PediPlace	Pediatric healthcare	$ 58,000.00	$ 39,029.00	$ (18,971.00)
Health Services of North Texas	Adult healthcare	$ 16,000.00	$ 20,000.00	$ 4,000.00
RSVP	Senior volunteers	$ 10,500.00	$ 10,500.00	$ -
Communities in Schools	Drop out prevention	$ 25,400.00	$ 30,721.00	$ 5,321.00
New Hope Learning Center	School age daycare	$ 7,000.00	$ 10,000.00	$ 3,000.00
Children's Advocacy Center	Victim services	$ 8,361.00	$ -	$ (8,361.00)
Denton Co. Friends of the Family	Face to Face services	$ 6,739.00	$ 6,750.00	$ 11.00
Special Abilities of North Texas	Day Habilitation	$ 5,000.00	$ 5,000.00	$ -
Camp Summit	Camp scholarships	$ 5,000.00	$ 5,000.00	$ -
Youth & Family Counseling	Community psychological care	$ 12,000.00	$ 12,000.00	$ -
Boys & Girls Club	After school program	$ 5,000.00	$ 5,000.00	$ -
Catholic Charities	Veteran Housing Assistance	$ 6,000.00	$ -	$ (6,000.00)
Giving Hope	Housing Lewisville	$ 5,000.00	$ 8,000.00	$ 3,000.00
Journey To Dream	Homeless Youth Services	$ -	$ 10,000.00	$ 10,000.00
Denton Co. MHMR	LOSS Team (suicide counseling)	$ -	$ 8,000.00	$ 8,000.00
Total		$ 170,000.00	$ 170,000.00	

General Fund Reserves

- FY 2017-18 beginning fund balance $34,605,670
- FY 2017-18 estimated ending fund balance $31,853,071
- FY 2018-19 estimated ending fund balance $24,288,253*
  - 20% operating reserve is $17,795,722
  - Excess reserve is $6,492,531



*Due to FY 2018-19 expenditures out of reserves

General Fund Reserves Plan

General Fund Reserves Plan	2018	2019	2020	2021	2022	2023	2024	2025
Beginning Fund Balance	40,127,211							
20% Reserve	15,954,351							
Beginning Excess Reserve	**24,172,860**	**17,820,791**	**16,079,503**	**14,681,718**	**13,183,933**	**12,786,148**	**12,107,113**	**12,509,328**
Resources								
Annual Growth	4,650,000	4,650,000	4,650,000	4,650,000	4,650,000	4,650,000	4,650,000	4,650,000
Uses								
Technology Plan/One-Time	5,943,944	1,193,503	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Land Purchases			500,000	500,000				
Pedestrian Bridges	350,000	200,000						
Fleet Building *(total $8,081,250)*	1,000,000	2,000,000	1,500,000	1,500,000	1,000,000	1,081,250		
Basement *($4.5M total here; $1.1 in GO Program)*	1,000,000	400,000	400,000	500,000	400,000	600,000	600,000	600,000
Economic Development (ED)	2,494,398	2,447,785	2,447,785	2,447,785	2,447,785	2,447,785	2,447,785	2,447,785
Facility Repairs	213,727	150,000						
Total Uses	11,002,069	6,391,288	6,047,785	6,147,785	5,047,785	5,329,035	4,247,785	4,247,785
Ending Fund Balance	17,820,791	16,079,503	14,681,718	13,183,933	12,786,148	12,107,113	12,509,328	12,911,543
20% Reserve								
Reserve Stabilization	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Excess Available Reserve	**12,820,791**	**11,079,503**	**9,681,718**	**8,183,933**	**7,786,148**	**7,107,113**	**7,509,328**	**7,911,543**

$7.5M Expenditure out of Reserves* (items previously discussed)

$ 2,447,785	Economic Development Agreements
$ 2,000,000	Fleet Building
$ 468,000	Traffic Light Network Replacement
$ 400,000	Basement Remodel
$ 368,344	Replacement of Core Network Switches
$ 192,500	**Castle Hills Annexation Analysis**
$ 150,000	Facility Renovations Transfer to CIP
$ 147,260	**Fire Station No. 3 Reuse by Police**
$ 692,000	LID Trail Connection - Phase 2 (was $200,000 on the plan)

$ 142,250	Replacement of End of Life PC's
$ 59,810	SQL Server License for an Additional Host Machine
$ 59,709	Replacement of Voice Controller (phone system)
$ 58,322	Contract Engineering Services
$ 51,450	Replacement of Legacy Phones
$ 48,704	**Space Allocation/Land Utilization Study - partial Ph. 2 + Ph. 3**
$ 17,800	Windows Datacenter Licensing Upgrade for Virtual Servers
$ 17,650	Wireless Access Point Controller Upgrade
$ 8,490	Replacement of Network Printers

*Includes items from the General Fund Reserves Financial Plan, as well as new items. Items not on the plan are highlighted in purple - $129,342 in additional technology items are funded as well

Tax Rate Information

Truth-in-Taxation

Texas Tax Code and Local Government Code contains the Truth-in-Taxation concept; requires the calculation of two rates:

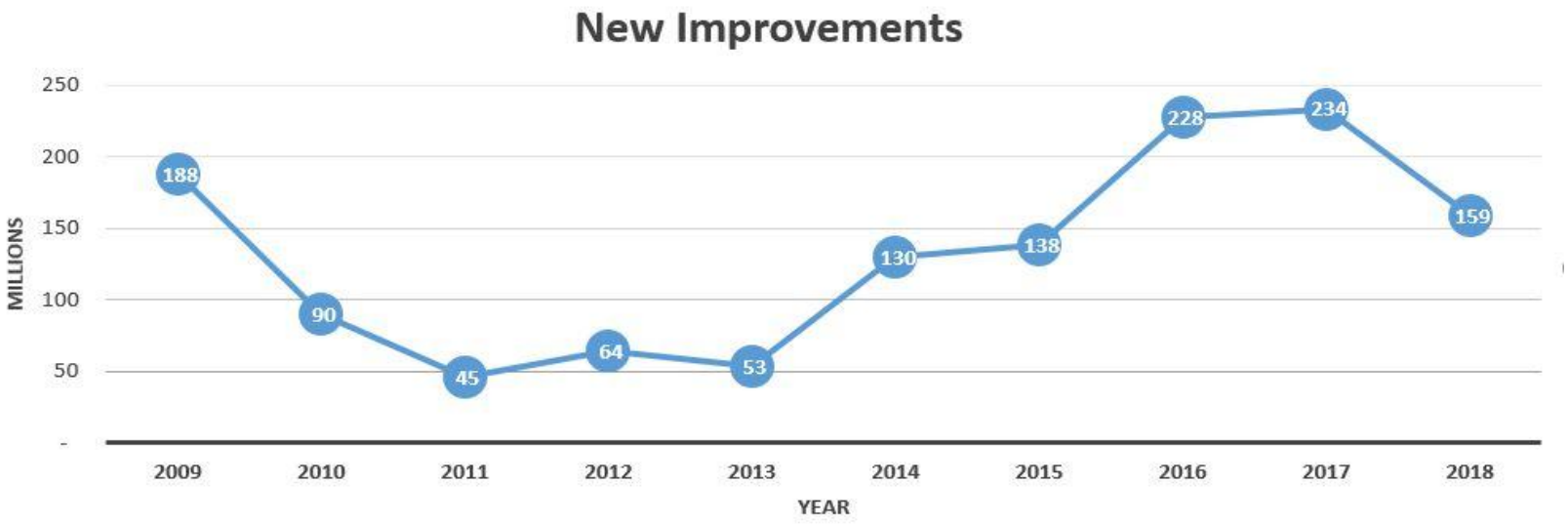
- Effective Tax Rate
  - Rate that provides the City with the same amount of revenues as the previous year on properties taxed in both years - 2018 Calculated Effective Rate = .415706
- Rollback Rate -
  - Highest rate that may be adopted before voters are entitled to petition for an election to limit the rate
  - Provides the same amount of tax revenue as the previous year for M&O, plus 8% - 2018 M&O Rollback Rate = .328178
  - Debt Service (I&S) portion = debt payments/property values and may rise as high as necessary to cover debt service – Staff Recommendation = .12232 with utilization of $754,954 from Debt Service Fund reserves

Property Tax Value up 9.09%

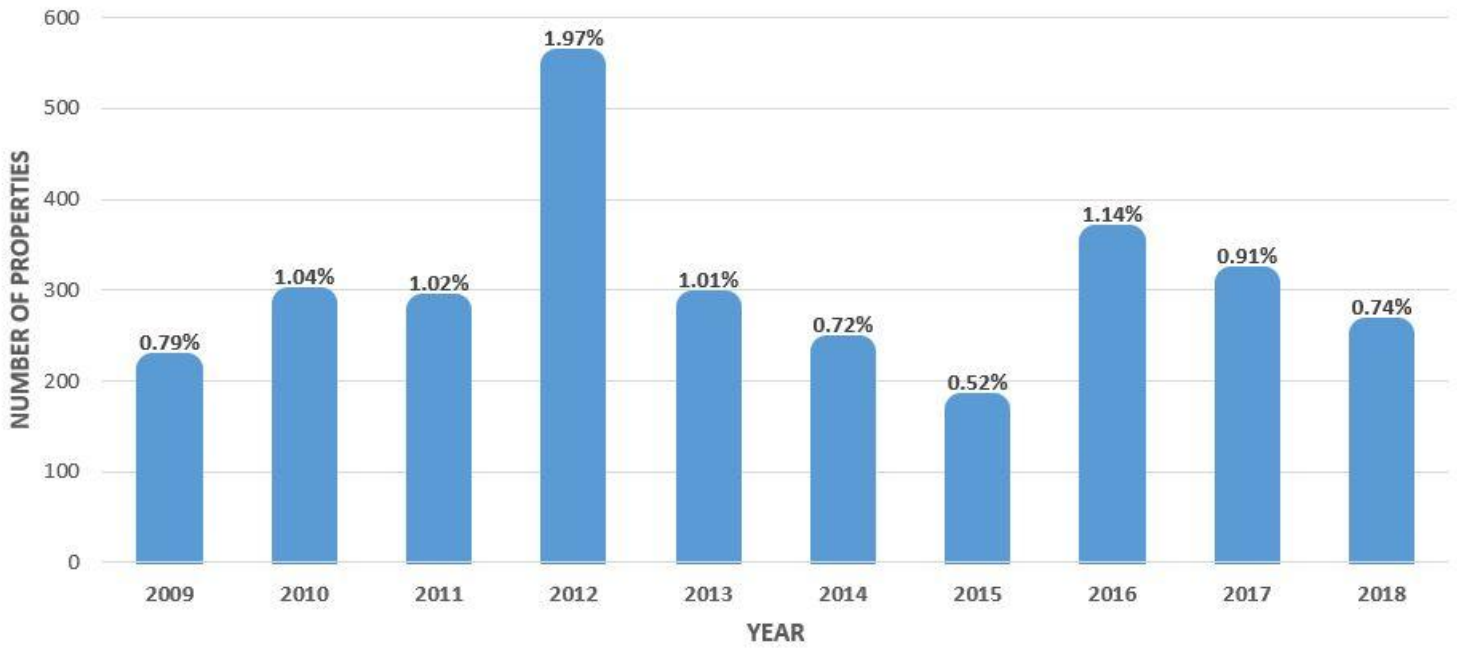
Values		
2017-18 Certified Net Taxable	$9,352,312,654	
2017-18 Final Taxable Value (includes supplemental roll adjustments)	$9,448,708,226	
2018-19 Certified Net Taxable	$10,202,821,589	+9.09% +7.98%
	+9.09% above 17-18 Certified roll and +7.98% above 17-18 Final roll	

New Improvements		
2017-18	$233,680,808	
2018-19	$159,153,172	(-31.89%)

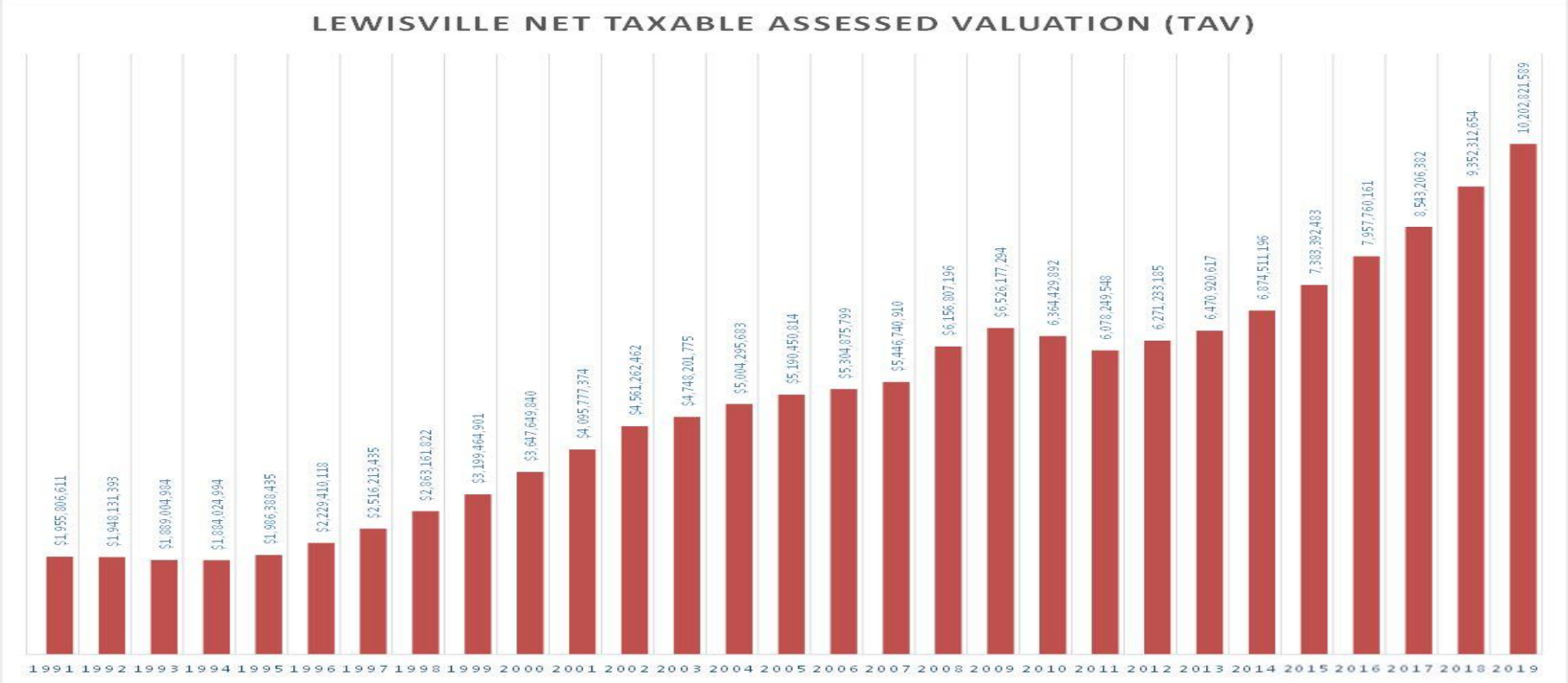
Trend in New Improvements



Properties under Appraisal Review Board appeal

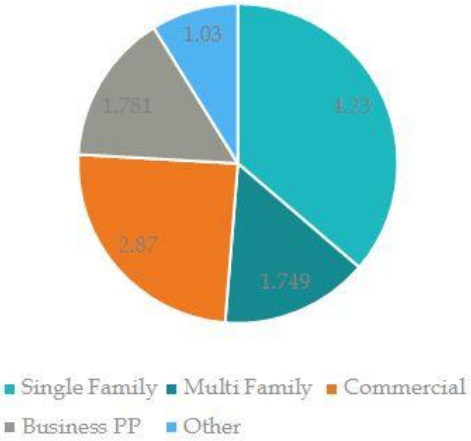


Property Value History

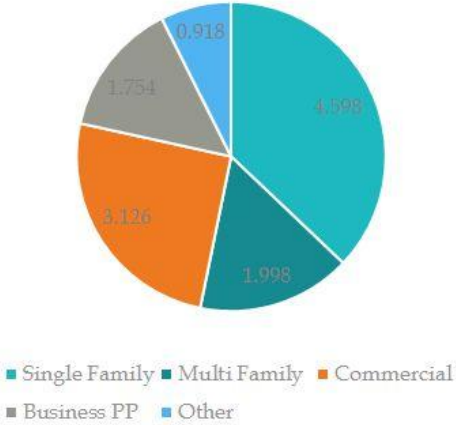


Diversified Tax Base

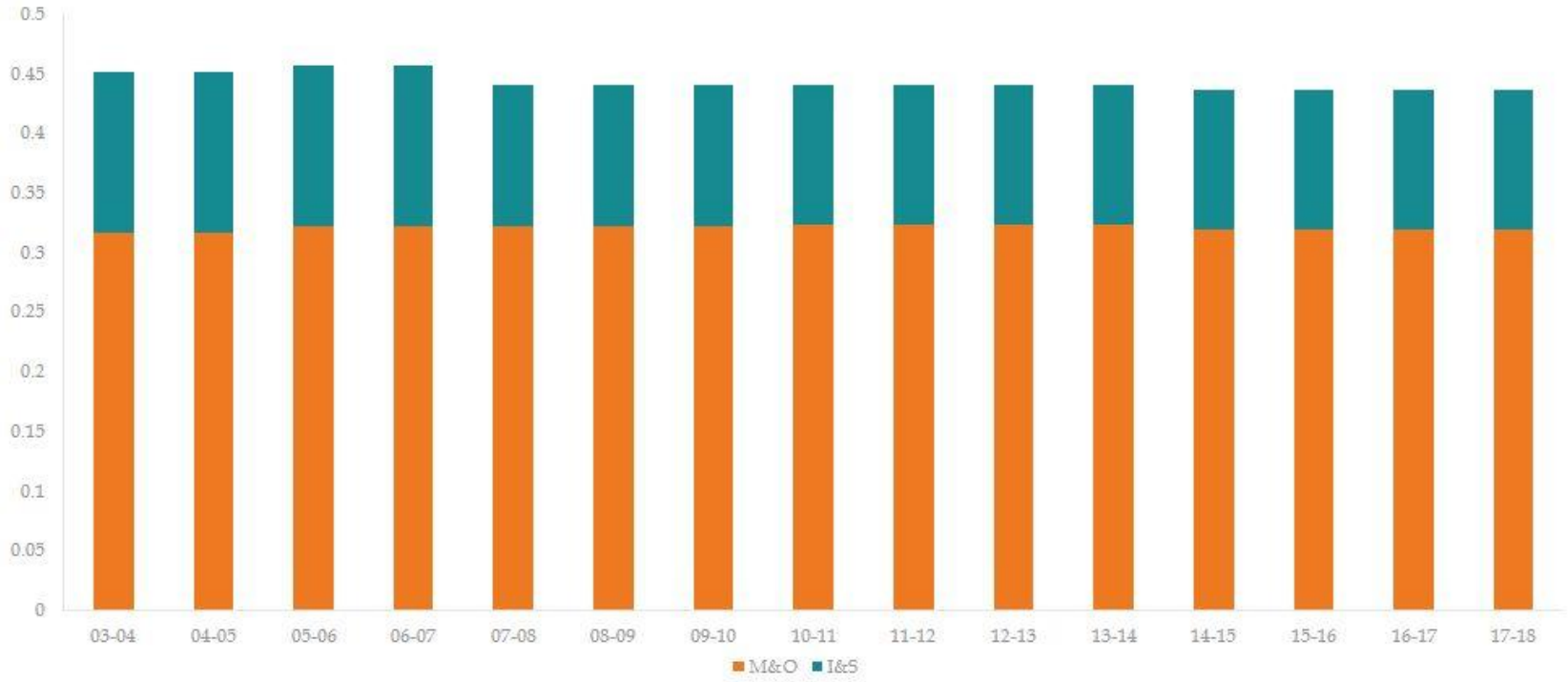
2017-18 Market value
(in billions)



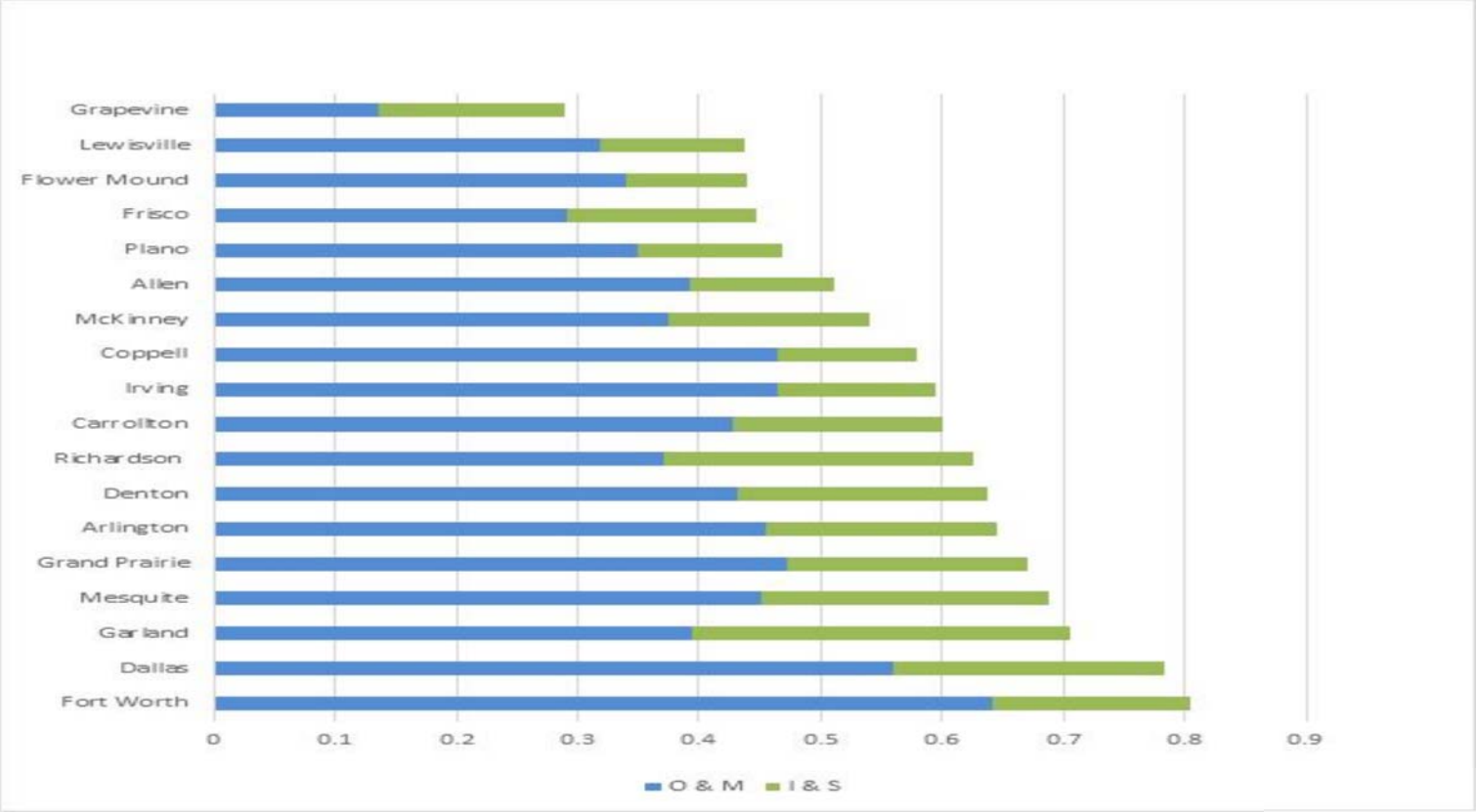
2018-19 Market value
(in billions)



Stable Property Tax Rate

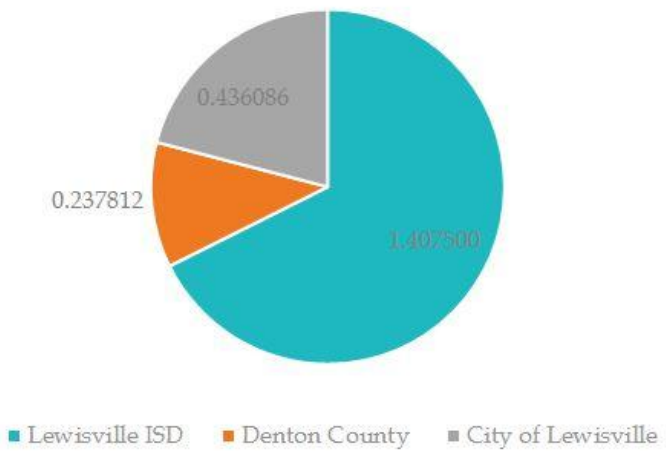


Low Property Tax Rate (Survey Cities)



Tax Rates

ENTITY	M & O	I & S	TOTAL
Lewisville ISD	1.040000	0.367500	1.407500
Denton County	0.173786	0.064026	0.237812
City of Lewisville	0.318766	0.117320	0.436086



Tax Rate Impact

Each 1 cent = $1,056,000 (approximate, depending on the tax rate)

Property Tax Rate Options

	O/M Rate	Debt Rate	Levy	Tax Freeze	Total Revenue - GF	Debt Revenue	Comb. Rate	Additional GF Revenue	Deb Fund (FB Used) FB Increase
Base O/M; Current Debt	0.292578	0.117320	29,851,192	1,112,853	30,964,045	12,002,280	0.409898	0	(1,266,473)
Base O/M; Current Debt+1/2 cent	0.292708	0.122320	29,864,460	1,099,585	30,964,045	12,513,799	0.415028	0	(754,954)
Base + Unfunded; Current Debt	0.325430	0.117320	33,203,036	1,145,964	34,349,000	12,002,280	0.442750	3,378,642	(1,266,473)
Base + Unfunded; Current Debt+1/2 cent	0.325430	0.122320	33,203,036	1,133,167	34,336,203	12,513,799	0.447750	3,378,642	(754,954)
Current Rates	0.318766	0.117320	32,523,126	1,139,651	33,662,777	12,002,280	0.436086	2,698,732	(1,266,473)
Current O/M less 1/2 cent; Current Debt+1/2 cent	0.313766	0.122320	32,012,985	1,121,775	33,134,760	12,513,799	0.436086	2,170,715	(754,954)
Current O/M less 1 cent; Current Debt+1/2 cent	0.308766	0.122320	31,502,844	1,116,702	32,619,546	12,513,799	0.431086	1,655,501	(754,954)
Governor's Plan 2.5% Revenue Cap; Current Debt	0.311466	0.122320	31,368,421	1,119,456	32,487,877	12,513,799	0.433786	1,523,832	(754,954)

Tax Bill Comparison (Average Home Value)

Average Home Value 2017-2018 $217,324
Average Home Value 2018-2019 $236,061

8.62% increase

		Tax(17-18 Value)	Tax (18-19 Value)	$ Change	% Change
Base O/M; Current Debt	0.409898	890.81	967.61	76.80	8.62%
Base O/M; Current Debt+1/2 cent	0.415028	901.95	979.72	77.76	8.62%
Base + Unfunded; Current Debt	0.442750	962.20	1045.16	82.96	8.62%
Base + Unfunded; Current Debt+1/2 cent	0.447750	973.07	1056.96	83.89	8.62%
Current Rates	0.436086	947.72	1029.43	81.71	8.62%
Current O/M less 1/2 cent; Current Debt+1/2 cent	0.436086	947.72	1029.43	81.71	8.62%
Current O/M less 1 cent; Current Debt+1/2 cent	0.431086	936.85	1017.62	80.77	8.62%
Governor's Plan 2.5% Revenue Cap; Current Debt	0.433786	942.72	1024.00	81.28	8.62%

Property Tax Comparison

Average monthly tax per household	Average monthly cable bill*
$85.79	$100.98

*Per The Associated Press based on data provided by S&P Global Market Intelligence

Based on an Average Home Value of $236,061 for 2018-2019, calculation for average annual tax is $1,029.43.

Tax Bill Comparison ($100,000 Home)

		Tax Rate Options	Current Rate	$ Change	% Change
Base O/M; Current Debt	0.409898	409.90	436.09	-26.19	-6.39%
Base O/M; Current Debt+1/2 cent	0.415028	415.03	436.09	-21.06	-5.07%
O/M Fund Unfunded; Current Debt	0.442750	442.75	436.09	6.66	1.51%
O/M Fund Unfunded; Current Debt+1/2 cent	0.447750	447.75	436.09	11.66	2.61%
Current Rates	0.436086	436.09	436.09	0.00	0.00%
Current O/M less 1/2 cent; Current Debt+1/2 cent	0.436086	436.09	436.09	0.00	0.00%
Current O/M less 1 cent; Current Debt+1/2 cent	0.431086	431.09	436.09	-5.00	-1.16%
Governor's Plan 2.5% Revenue Cap; Current Debt+1/2 cent	0.433786	433.79	436.09	-2.30	-0.53%

Increase I&S Tax Rate

- Benefits
  - Provides maximum flexibility for the future
  - Increase likelihood of achieving GO bond authorization as approved by voters
    - Issue bonds within a 10 year timeframe
    - Max 1.8 cent property tax increase
  - Future Annexation of Castle Hills

Allocation of Tax Dollars Based on Tax Rate Selected

Allocation of Tax Dollars Based on Tax Rate Selected

- Unfunded Requests
  - 72% capital investment/one-time - $2.3M
  - 28% ongoing operating cost - $854K

UNFUNDED REQUESTS $3,378,642*

Increased $37,074 from Unfunded List total in Preliminary budget for annual cost related to software replacement for SIRE (development services software)

Investment in Streets/Sidewalk/Trail Infrastructure, $927,500

a) Additional sidewalk funding - $500,000

b) Prairie Creek Environmental Analysis - $47,500

c) Design – North Cowan Street - $380,000

Investment in Facilities/Equipment/Technology, $1,414,445

a)	Replace Sliding Exterior Doors at Library/Annex -	$25,968
b)	Complete City Hall Wall Mortar/Joint Sealing (North/South)	$345,000
c)	Police/Annex parking lot painting light poles/repl. Lamps	$14,613
d)	Paint for MCL/Metal Arch Maintenance, Black Box Repairs	$109,810
e)	Roof Restoration at Wastewater Admin/Kealy Buildings	$194,000
f)	Exterior Painting at Kealy Complex	$41,780
g)	Repair bathrooms at Fire St 4 & 5; add workout area to Fire St 5	$329,702
h)	Replacement canopy for Wayne Ferguson Plaza stage & replacement sound and lighting equipment -	$31,483
i)	iPads for Facilities staff to improve work order efficiency	$12,753
j)	Replace ITS software to better track changes to software, hardware, etc.	$50,590
k)	Public Safety/Phase 3 of Space Allocation Study	$39,724
l)	Presentation equipment for MCL (can be rented) and theatrical equipment for Performance Hall	$31,710
m)	Badge Readers for Kealy Complex Doors (8)	$24,862
n)	Foam Trailer/Pick-Up (Streets)	$70,044
o)	Equipment Trailer (Streets)	$55,332
p)	Annual cost related to MyGovernment (development software to replace SIRE)	$37,074

Investment in Personnel, $674,013

a) Additional 1% compensation plan for Police and Fire - $178,490

b) Code Enforcement/Building Inspection overtime to respond to evening/weekend issues - $9,000

c) Recruiting and Onboarding Specialist (Human Resources) - $71,518

d) Business Information Analyst (ITS) - $80,641

e) Internships- $33,605 (Emergency Management $13,585; Economic Development $15,600; Grants $4,420)

f) Addition of 3 Police Officers for Castle Hills Beat (Operational by 2021) - $300,759

Investment in Community Enhancement and Engagement, $362,684

a) Love Your Block Grants – 10 $500 mini-grants - $5,000

b) Neighborhood Enhancement Program – 2 $25,000 grants - $50,000

c) Marketing for Love Your Block and Neighborhood Enhancement - $15,000

d) Community Inclusion Task Force - $35,000

e) Resident Recycling Education and Outreach - $24,249

f) Resident Satisfaction Telephone Survey - $20,000

g) Wayne Ferguson Plaza Visitor Activation - $10,000

h) Old Town Website - $38,300

i) Old Town Stroll – activities requested by Main and Mill Association - $15,135

j) Old Town Façade Improvement Grants - $150,000

TAX RATE DISCUSSION

Discussion Points

- Unfunded List $3,378,642

- Current Rates

O & M and I & S Rates - ($679,910 below unfunded list total)	.318766	.117320	$2,698,732

- Recommendation

Reduce O&M ½ cent - Increase I&S ½ cent - ($1,207,927 below unfunded list total)	.313766	.122320	$2,170,715

Unfunded List Recommendation

Investment in Street/Sidewalk/Trail Infrastructure -	$ 547,500
Investment in Facilities/Equipment/Technology -	$1,021,400
Investment in Personnel -	$ 259,008
Investment in Community Enhancement and Engagement -	$ 342,807

Total $2,170,715

Fee Modifications

Agenda item on the September 17th Council meeting

UTILITY FUND

Utility Fund Total Revenue

Base Budget Revenue Increases

- Water revenue is based on a "normal year" and on current rate structure, per Council policy. For FY 2018-19, the "normal year" is based on three year's data

- Reliance on capital recovery fees has decreased from a high of 13.2% of overall revenue in 1998-99 to 6.5% of the overall revenue for 2018-19. This is a decrease from last year's original budget of 8%

- Capital recovery, sewer service, and water sales together make up 94% of the Utility Fund revenue

Overall Utility Fund Revenue

Water
$18.036M

Sewer
$11.432M

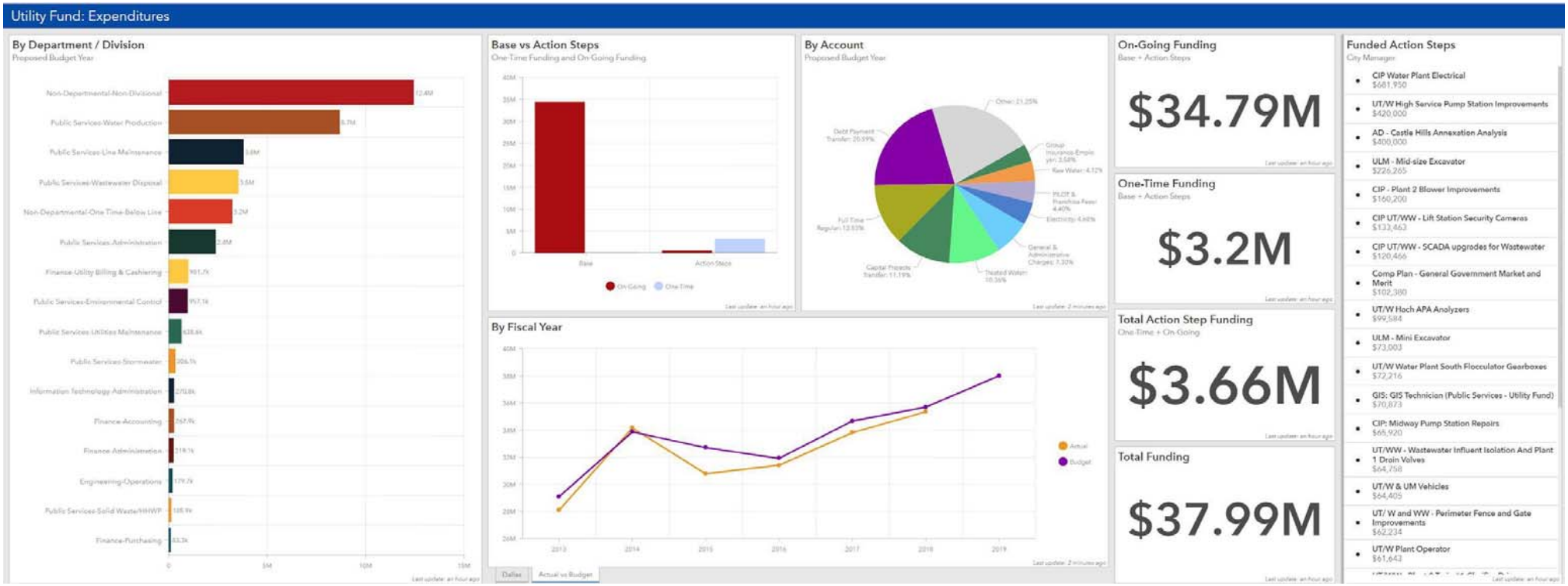
Capital Recovery
$2.160M

Utility Fund Expenditures Increase

Operating expenditures increase $1.995M due primarily to one-time funding of $1.7M for CIP transfers and Castle Hills Analysis

Total (operating and fund balance) Utility Fund expenditures amount to $37,991,775 compared to $35,326,978, an increase of $2.6M due to more one-time funding occuring in FY 2017-18

Utility Fund Expenditures



Utility Equipment Replacement Fund

$556,128 is being set aside to purchase replacement equipment

Instead of immediately purchasing the items, funding will be placed into a separate "replacement fund" that will roll forward from year to year and the items will be replaced when required, regardless of the fiscal year end

Goal is to build this "fund" over time

Utility Fund Organizational Changes

The following positions are added to the budget for FY 2018-19

- Water Treatment Plant Operator
- GIS Technician

Funded Program Changes

Health Insurance - Total Cost $449,650	$53,475
Comp Plan - Trades 53 Collapse to 54	$27,795
Comp Plan - General Government Market and Merit	$102,380
Comp Plan - Broadband	$4,641
Cell Phone Upgrade	$13,028
Smart Phones/Phone Allowance - Civil Engineers	$600
Part-Time Admin/Accounts Payable Position Salary Increases	$507
Contract Engineering Services	$56,000
GIS: GIS Technician (Public Services - Utility Fund)	$70,873
Part-Time Event Support	$1,625
Audio Recorder Replacement	$50,000
UT/A Risk Management Plan Updates	$45,000
ECS - Sampling Services for EPA's UCMR4 and ongoing Copper Analysis	$24,476
ULM - Mini Excavator	$73,003
ECS - Part Time Water Systems Sampler	$20,290
UT/W Hach APA Analyzers	$99,584
UT/W Water Plant South Flocculator Gearboxes	$72,216
UT/W & WW Generator Repairs	$54,548
ULM - Tampers	$8,745
SCADA Firewall (for limited, protected network access)	$24,704
CIP Water Plant Electrical	$681,950
UT/WW - Plant 1 Aeration Blower Awning	$8,800
AD - Castle Hills Annexation Analysis	$400,000

ULM - Portable Air Compressor	$21,587
ULM - Confined Space Trailer & Equipment	$24,662
ULM - Crew Truck Organization	$20,250
ULM - Water Shop Expansion	$29,908
UT/W #3 Elevated Storage Tank SCADA/Electrical Controls	$9,600
UT/WW - Plant Water Pumps (Second Year)	$51,561
UT/W Water Plant Ferric Pump Replacements, Polymer System and Chemical Dock Improvements	$40,654
UT/W Plant Operator	$61,643
UT/ W and WW - Perimeter Fence and Gate Improvements	$62,234
UT/WW - LED Lighting	$13,167
UT/WW - Wastewater Influent Isolation And Plant 1 Drain Valves	$64,758
UT/W & UM Vehicles	$64,405
UT/WW - Plant 2 Train #1 Clarifier Drive Replacement	$56,500
Confined Space Gas Detection	$23,850
UT/W Water Plant Booster Station Improvements	$26,780
UT/UM Electric/Hydraulic Crane	$26,424
ULM - Mid-size Excavator	$226,265
CIP: Midway Pump Station Repairs	$65,920
UT/W High Service Pump Station Improvements	$420,000
UT/WW - SCADA upgrades for Wastewater	$120,466
CIP - Plant 2 Blower Improvements	$160,200
CIP UT/WW - Lift Station Security Cameras	$133,463

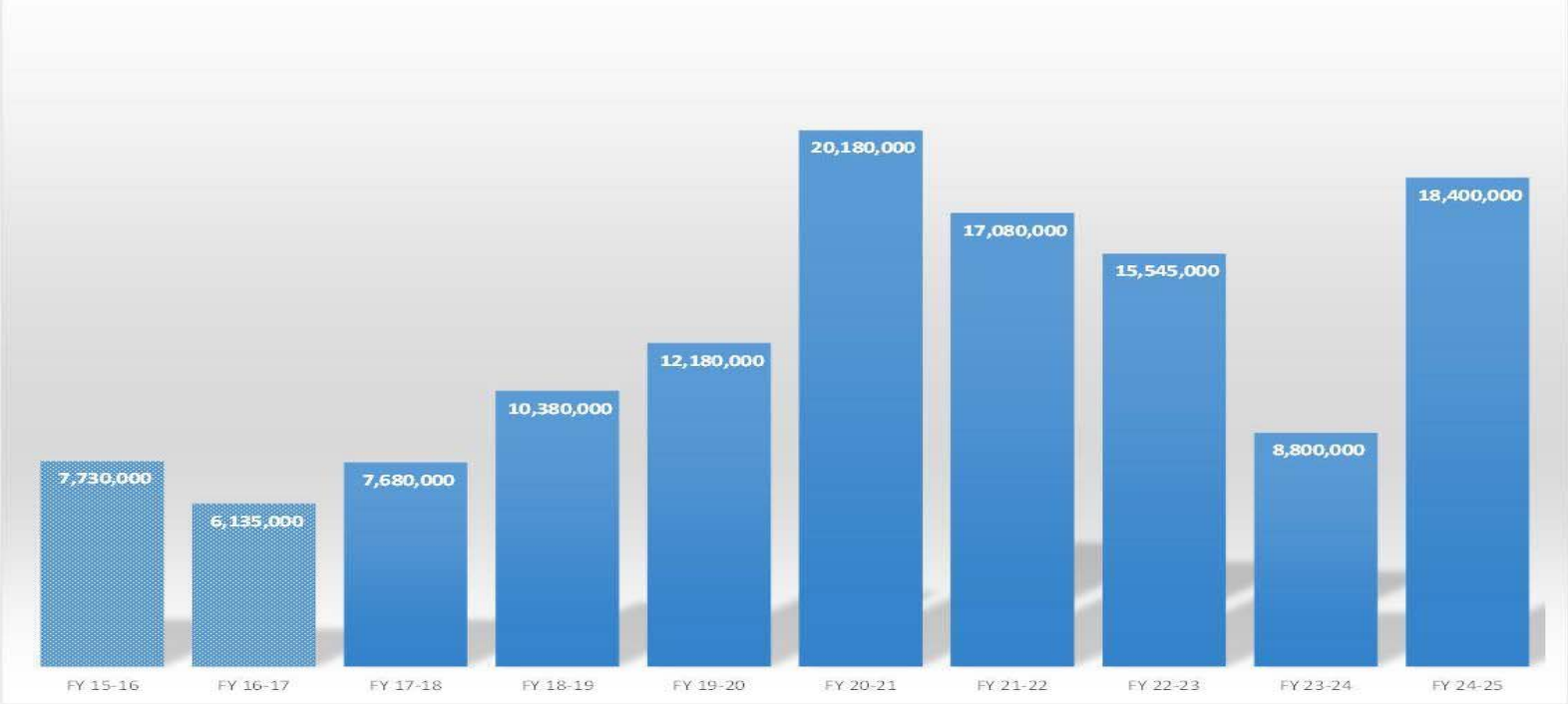
Shaded items indicate replacement fund items.

2018-19 Investment in Utility Infrastructure, $14,349,882

Revenue Bonds -	$10,380,000	
·	$3,300,000	Water Treatment Plant Ozonation
·	$2,000,000	Midway Branch Lift Station and Force Main
·	$1,500,000	Wastewater Treatment Plant UV Disinfection
·	$3,500,000	Timbercreek Force Main
·	$80,000	Water/Sewer Line Replacements
Cash reserves -	$2,500,000	
·	$1,280,000	Water and Sewer Line Replacements
·	$200,000	BioScrubber at McGee
·	$300,000	Water Treatment Plant Master Study
·	$720,000	Meter Replacements (2nd year of 7 year plan)
Operating Budget -	$1,469,882	
·	$160,200	Plant 2 Blower Improvements
·	$141,812	SCADA Upgrades and Firewall
·	$681,950	Water Plant Electrical Improvements
·	$ 65,920	Midway Pump Station Repairs
·	$420,000	High Service Pump Station Improvements

Slight Decrease in Debt Service (Percent of budget)

Planned Revenue Bond Issuances through 2025



Funding from Reserves, $3,207,965

- $2,500,000 Transfers to CIP as discussed previously
- $ 50,000 Portion of an Audio Recorder replacement
- $ 657,965 Economic Development Agreements

  REW

  South Village

  Legacy Pointe

  125 E Walters

  Uptown Village

RATE CONSIDERATIONS

Dallas Water Utilities (DWU) Rate Increases

Due to the recent settlement of Dallas Water Utilities (DWU)'s lawsuit with the Sabine River Authority, DWU is decreasing the Untreated Water Rate (16.2% rate decrease) and the Treated Water Rates (1.4% decrease in the Demand Rate and 20% decrease in the Treated Volume Rate)

Results in a decrease of $355,392 annually to the City

Historically Council passes increase from DWU on to consumers. This year, since there is no increase, this will not be necessary

Staff recommendation to maintain rates flat due to capital investment needs and ongoing increase in costs of operations

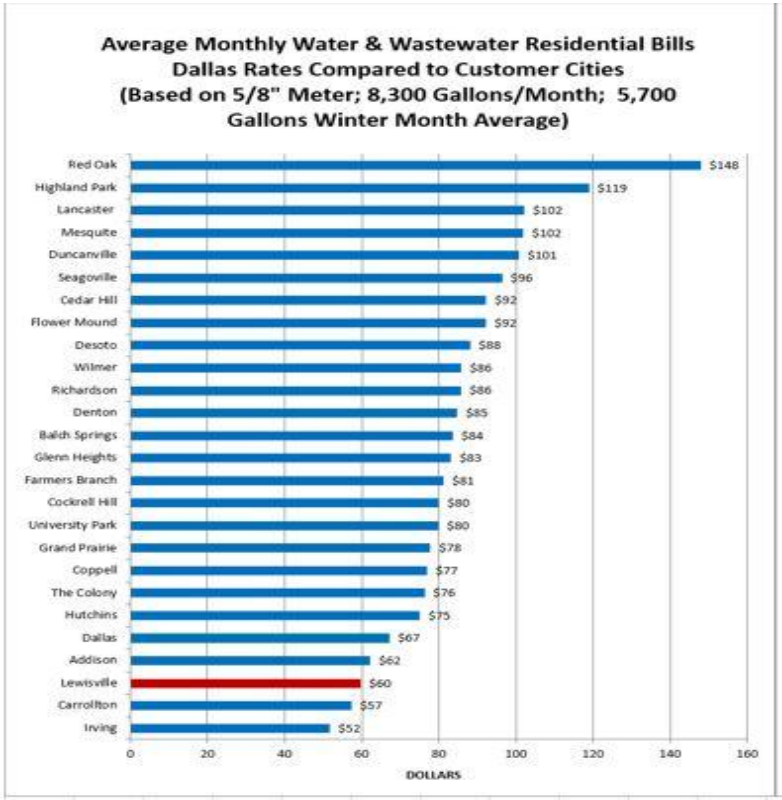
Rate Considerations - Capital Needs

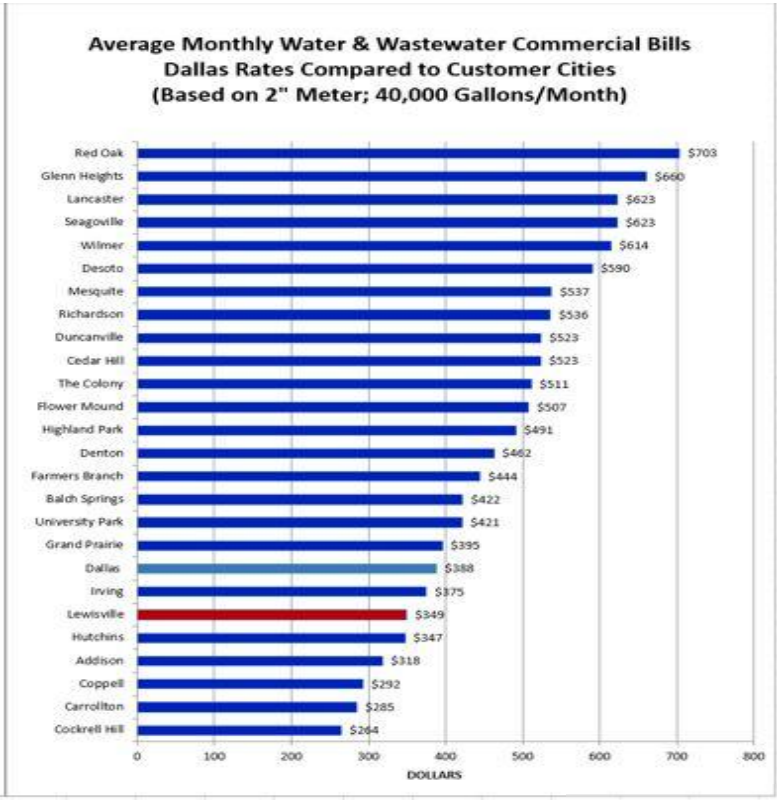
- Capital projects plan
  - Requires $8.9M planned funding from reserves in the next four years
  - Large planned debt issuances, as discussed previously

- Meter change out program implementation - 2nd year of a 7 year plan to replace all meters

- Aging infrastructure – reaching life expectancy
  - Plants 44+ Years
  - Infrastructure 50+ Years

Low water/sewer rates

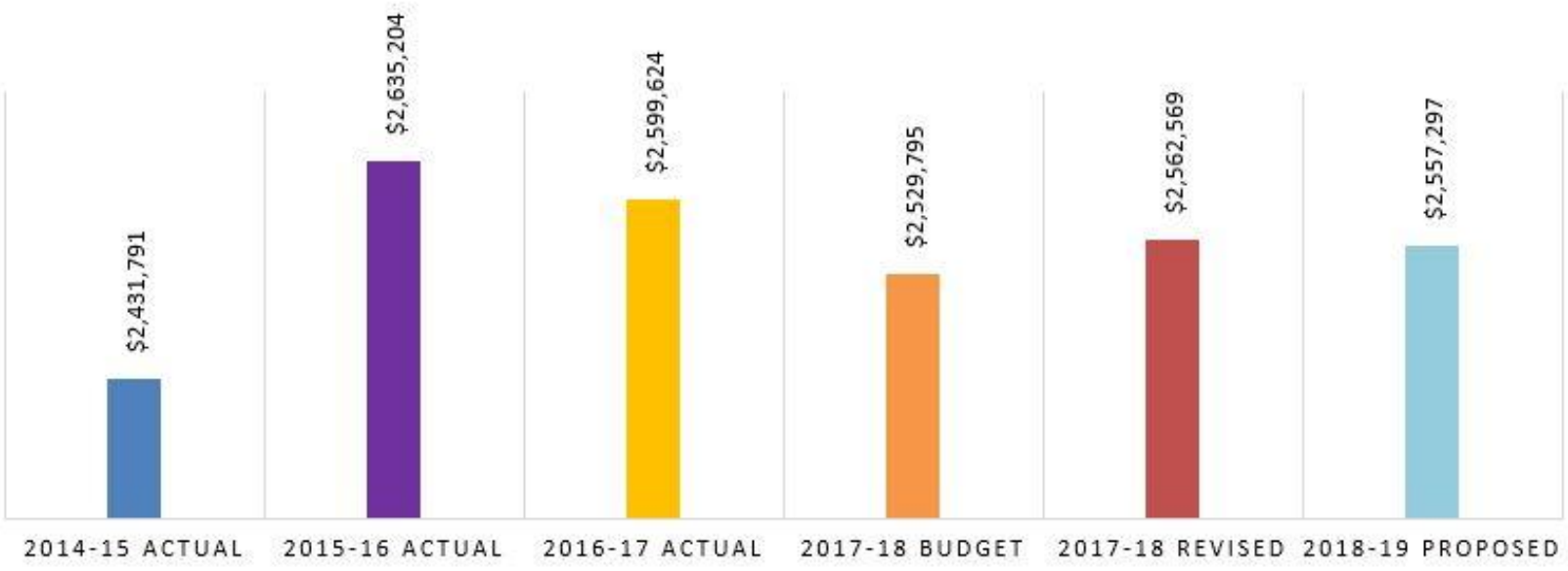




OTHER FUNDS

Hotel Motel Fund

- The FY 2018-19 hotel occupancy tax revenue is projected to be up by $27,502 to $2.557M.



Hotel Motel Fund

- Expenditures budgeted at $2.221M
  - Includes MCL Grand expenditures of $154,507, Arts Grants ($168,400), Artist Micro Grants ($5,000), special events funding staff and event costs ($752,510); and Tourism ($1,140,853). Special Events (excluding staff funding) include:
    - Sounds of Lewisville $98,910
    - Western Days $346,090
    - Old Town Holiday Stroll $28,555
    - KTA Jam Session $15,250
    - Best Little Brewfest $22,000
    - Color Palooza $61,250
    - St. Paddy's in the Plaza $19,650
    - Labor Day Rodeo $10,000
    - Fiesta Charra $38,050
    - New Funding for Cattle Drive and associated Labor Day event $29,950
    - New Funding for Mobile Holiday Market $36,000

Arts Funding

State law cap of 15% of hotel motel tax revenue that can be spent on arts activities ($383,594 projected for FY 2018-19). Currently allocated as follows:

- Arts Supports Grants - $168,400
- Artist Micro Grants - $5,000
- Advertising Arts programming - $41,886
- Electricity cost for MCL Grand - $72,828*

Funding under the arts cap is the only source of funding for the public arts program - would contribute $95,480 at the end of FY 2018-19, as currently programmed

*$530,682 in MCL Grand operating costs are paid out of the General Fund; and another $277,876 is paid out of the Community Activities Fund. All revenue goes into the Community Activities Fund

Items Not Funded

Increase in the arts support grant of $15,000. Staff plans to bring forward a review of the arts groups requests and funding history for Council review at the 2019 Retreat

Funding for an Arts and Heritage Coordinator, $85,856. This position would need to be split between the General Fund and the Hotel Motel Fund. Due to high priority pressures in the General Fund (Fire Station staffing and Thrive operations) staff is not recommending the position at this time

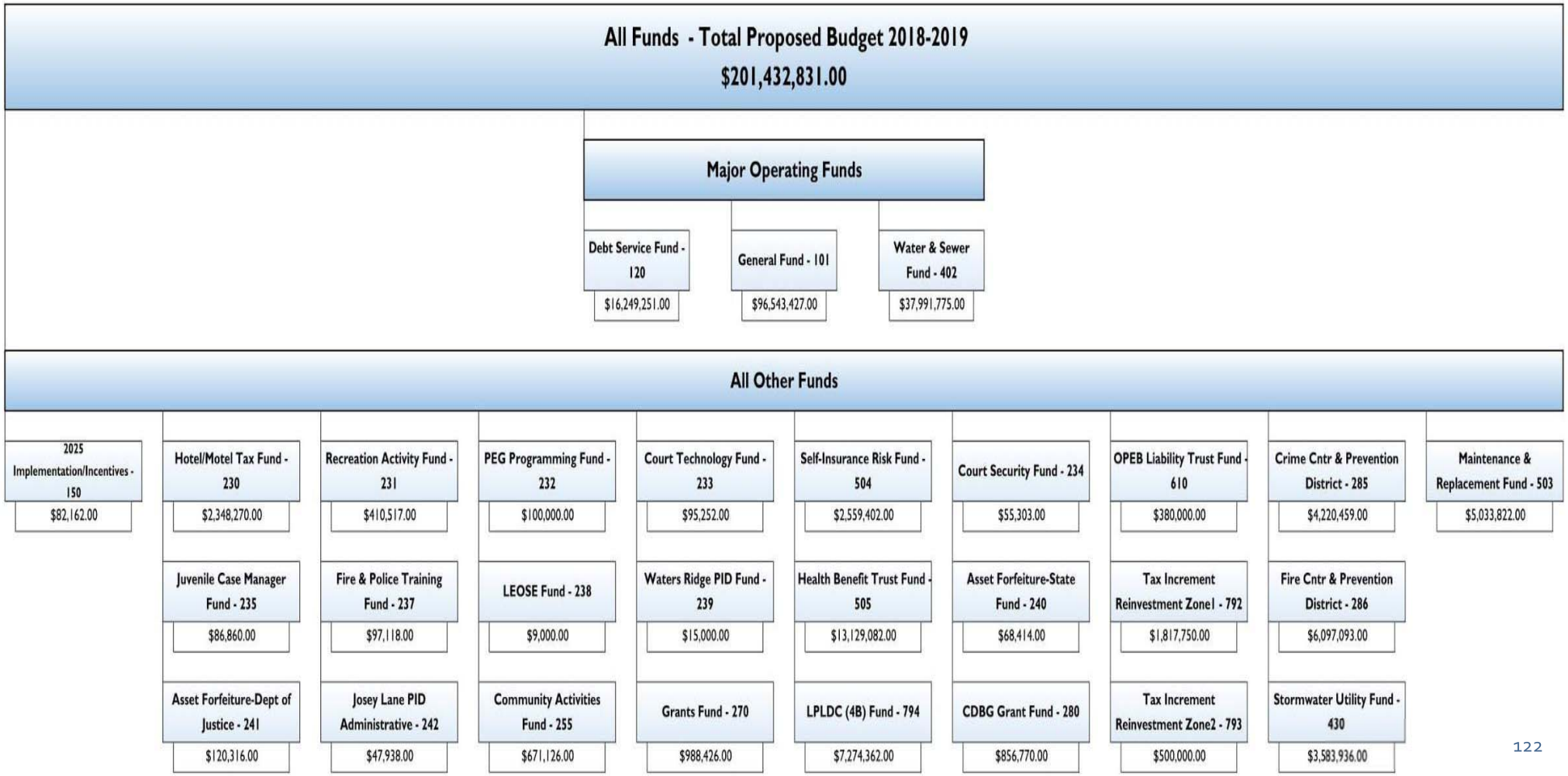
Funding the increase to the arts support grants and a portion of the position would significantly impact the amount of funding that could be set aside in the future for public art

Drainage Utility Fund

- Fund created to account for the Drainage Utility that was implemented in January 2018. State law allows for the establishment of a drainage utility to fund stormwater programs including such projects as improvements to the existing storm drain system, improving drainage in flood prone areas and constructing new drainage systems. The rate is based on the impervious area in the city

- For 2018-19, $3.582M in drainage fee revenue is anticipated. A $3.3M transfer to the Capital Improvement Program is budgeted, as is $120K as a transfer to the General Fund for indirect costs, and $120K as a transfer to the Utility Fund for indirect costs

- F d mmaries for all 29 operati g f ds are der Tab 2 of yo r prelimi ary b dget. Q estio s



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A Hilltop Holdings Company.

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August 11, 2018

Discussion of CIP and Upcoming Series 2018 Bond Issuance

City of Lewisville

GO Bond Funding for the City CIP

- Citizens approved the authorization for Council to issue up to $135 million in general obligation bonds in November 2015
  - To this point, $21.080 million in authorization has been issued

- The November 2015 bond election authority was projected to last approximately 10 years

- The projected tax rate impact of implementing all of the November 2015 voted bond authority was 1.8 cents

- General Fund CIP for next two years:
  - FY 2018
    - Streets - $10.825 million
    - Parks - $22.205 million
    - Aquatic - $11.500 million
  - FY 2019
    - Streets and Parks – Aggregate of $3.485 million

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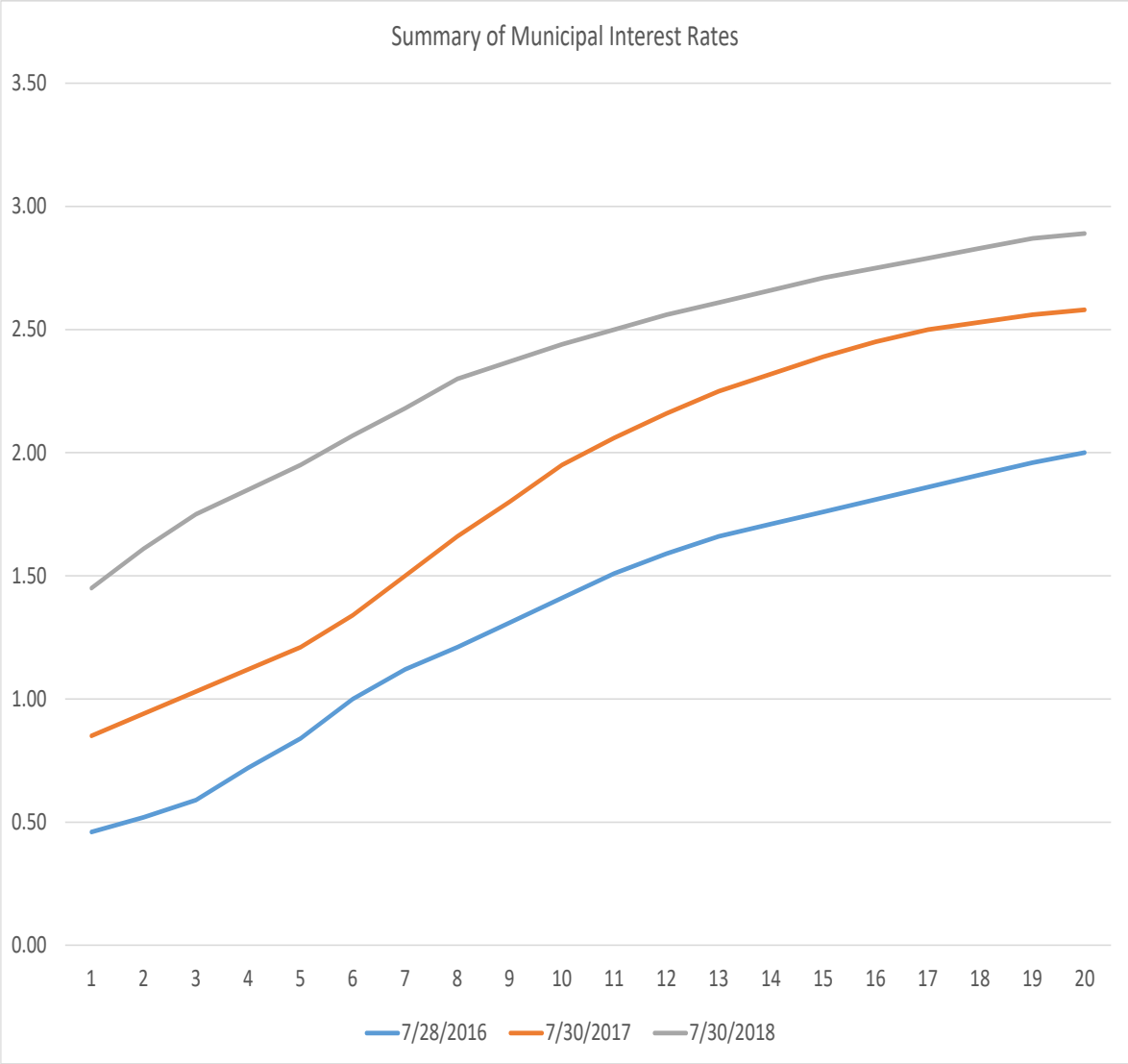
Summary of Recent Interest Rate and Cost Increases



- Municipal bond interest rates have increased by approximately the following amounts since the end of <u>July 2016</u>:
  - 5 Year – 1.11%
  - 10 Year – 1.03%
  - 15 Year – 0.95%

- Rates have increased by approximately the following amounts since the end of <u>July 2017</u>:
  - 5 Year – 0.74%
  - 10 Year – 0.49%
  - 15 Year – 0.32%

- As reported by Peak Program Value, over the last two years construction costs have averaged an approximate increase of 0.8% per month

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GO Bond Funding for Fiscal Year 2018

- Recommendation is to combine the FY 2019 General Fund CIP funding needs with the FY 2018
- Able to lock in current market rates and not be subjected to interest rate risk
- Provides more future flexibility
- Can be achieved with only a half cent increase to the I&S tax rate
  - Current I&S rate = 11.732 cents
  - Projected I&S tax rate after Series 2018 issuance = 12.232 cents

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