

TOWN OF
TROPHY CLUB
Popular Annual Financial Report
for fiscal year 2015



Cover Photo: Floats & Spectators at July 4, 2015 Trophy Club Parade of Patriots



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Organizational Chart



MESSAGE FROM THE

Assistant Town Manager / CFO



Dear Citizens,

The Town of Trophy Club is proud to present the Popular Annual Financial Report (PAFR) for the Fiscal Year ended September 30, 2015. Throughout the duration of the year, the Finance Department works on the budget, the audit, financial reporting, financial policies, financial forecasting and financial management with the mission:

“To provide the highest quality financial management, support, fiduciary oversight, and public accountability to the wide range of constituents of Trophy Club, and to ensure that financial resources are collected, preserved, invested, and dispersed in a fiscally accountable manner. The Finance Department endeavors to promote the Town’s mission by creating strong partnerships and encouraging community involvement as well as by enhancing the Town’s financial and operational stewardship.”

The financial information contained within this report is taken from the financial statements that are a part of the Town of Trophy Club’s 2015 Comprehensive Annual Financial Report (CAFR), which is prepared in accordance with the Generally Accepted Accounting Principles (GAAP) and is audited by an independent firm of certified public accountants, Weaver & Tidwell, LLP of Ft. Worth, TX. The CAFR contains additional detailed and extensive information, such as notes, statistical information, investments, and debt service obligations.

The purpose of the PAFR is to convey the information presented in the CAFR in a more easily comprehensible format. The PAFR is intended to provide an overview of the Town’s audited financial position, local taxing information, and economic climate. The PAFR represents another indication of the Town of Trophy Club’s commitment to financial transparency and accountability.

If you should have any questions or concerns, please do not hesitate to contact the Town of Trophy Club Finance Department at 682-831-4607, or you may email me at sglickman@trophyclub.org.

Thank you for your time,

A handwritten signature in black ink, appearing to read "St Glickman".

Steven Glickman, CPA
Assistant Town Manager/Chief Financial Officer
100 Municipal Drive
Trophy Club, Texas 76262



About the

TOWN OF TROPHY CLUB

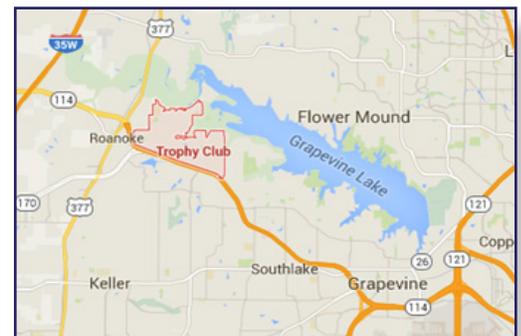
The Town of Trophy Club was incorporated in 1985 as Texas' first premier master planned community and is located in the DFW metroplex. This area of the state has proven to be one of the top growth areas in Texas and the United States. In 2016, Trophy Club is pleased to welcome several new businesses, including Meat U Anywhere BBQ, Bread Winners & Quarter Bar, Homewood Suites, and Holiday Inn. The Town currently occupies a land area of just over four square miles and serves a growing population of approximately 13,000 residents.



Trophy Club has operated as a Home Rule municipality utilizing a Council-Manager form of government since 2004. Policy-making and legislative authority are vested in the Town Council consisting of the Mayor and six Council Members elected on a non-partisan, at-large basis. Amidst its many responsibilities, the Council passes ordinances and resolutions, adopts the budget, appoints boards and committees, and hires the Town Manager, Town Attorney, and Town Secretary. The Town Manager is responsible for

carrying out the policies and ordinances of the Town Council, overseeing the day-to-day operations of the government, and appointing the heads of various Town departments. The Town of Trophy Club provides a full range of municipal services including general government, public safety (police and EMS), streets, parks and recreation, community development, code enforcement, and drainage utilities. Water, wastewater, and fire protection services are provided by the Trophy Club Municipal Utility District #1.

Trophy Club's location is ideal for both businesses and residents, many of whom commute to Dallas, Denton, Las Colinas, and Fort Worth. Trophy Club maintains a small-town feel with the advantages of nearby metro areas. The Town offers an outstanding quality of life and provides superior public safety services resulting in one of the lowest crime rates in the State. Two 18-hole golf courses anchor the community, including the only course designed by legendary golfer Ben Hogan.



Pleasant residential neighborhoods, excellent educational institutions, and numerous recreational activities truly make Trophy Club "A Great Place to Call Home."

Demographics

Size: 4.2 square miles (2,688 acres)

Households: 4,365

Population: 13,000+

Average Household Income: \$124,000

Median Home Sales Price: \$357,500

Education: 63% have a bachelor's degree or higher



A Great Place to Call Home

Outstanding Schools: Beck & Lakeview Elementary Schools, Medlin Middle School, and Byron Nelson High School

Strong Housing Market: Home prices range from the \$180,000's to \$1,200,000+, and average home values have increased for the past seven years

Financial Status: AA+ Standard and Poor's Bond Rating (which indicates strong financial position)

Pristine Parks: 9 parks, 3 playgrounds, world-class dog park, state-of-the-art baseball complex, soccer fields, multi-use fields, community pool and spray pad, bocce ball courts, disc golf, tennis and basketball courts, workout stations, nature trails, nature preserve, MX and ATV areas, pavilions and picnic areas, land access to Lake Grapevine via Trophy Club Park with a boat ramp, fishing, and white sandy beach

Well Recognized: Ranked '5th Best Neighborhood in DFW' by Dallas Morning News (2015); Ranked '36th Best Suburb in America' by Business Insider (2015); Ranked the '3rd Healthiest Community in North Texas' by Dallas Morning News (2014)

Active Community

Community Features: 40+ miles of trails and sidewalks, and 1,000+ acres of parks

Annual Events: Easter Eggstravaganza, Back to Nature, July 4th Celebration, TCWC Garden & Holiday Home Tours, Fall Family Festival, PetFest, and Christmas Celebration

Youth & Adult Sports Leagues: Bocce Ball League (adult), Kickball League (adult), Trophy Club/Roanoke Football Association, Greater Northwest Soccer Association, Trophy Club/Roanoke Baseball Association, Trophy Club/Roanoke Track and Field Association, and Bobcat Wrestling Club

Community Organizations: Trophy Club Women's Club, Trophy Club Families, Keep Trophy Club Wild, Boy Scouts, Girl Scouts, Cub Scouts, and a Trophy Club Veterans Group





Town Council



Pictured left to right: (seated) Council Member Jim Parrow, Mayor Nick Sanders, Mayor Pro Tem Greg Lamont, (standing) Council Member Garrett Reed, Council Member Rhylan Rowe, Council Member Tim Kurtz, and Council Member Philip Shoffner

Strategy Map

MISSION

To maintain Trophy Club's standing as a Premier Residential Community and a "Great Place to Call Home" by protecting and promoting the interests of its Residents, Businesses, and Property Owners.

RESPONSIBILITIES

To support our Mission, we are tasked with the following areas of primary Responsibility:

- Exceeding high standards for public safety and low crime rates.
- Maintaining and improving street and storm drainage infrastructure.
- Fostering a business-friendly environment.
- Collaborating with Trophy Club MUD #1 and other governmental entities.
- Maintaining Town assets, services, and codes of ordinance that preserve the natural beauty of Trophy Club.
- Improving the aesthetic and recreational value of the Town.

PRINCIPLES

We pledge to carry out our Responsibilities operating under the following Principles:

- Operating a limited government with maximum transparency.
- Exercising fiscal discipline and taking a business-like approach to Town operations and budget prioritization.
- Remaining accountable and responsive to residents, businesses, and property owners, with emphasis on proactive communication and problem solving.
- Taking deliberate, targeted action resulting from thoughtful analysis, weighing costs and benefits in all situations.
- Conducting ourselves as leaders, following the highest ethical standards, with humility before residents.

Award-Winning Reporting



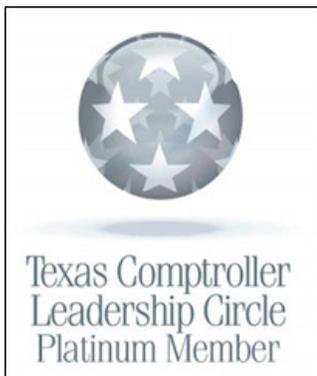
Certificate of Achievement for Excellence in Financial Reporting



The Town has earned the Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report (CAFR) from the Government Finance Officers Association for the fifth consecutive year. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management. The CAFR is compiled by the finance department and audited by an independent firm of certified public accountants. The purpose of the CAFR is to give a detailed overview of the Town's financial status, including various funds, investments, and debt service obligations.

Distinguished Budget Presentation Award

The Town has earned the Distinguished Budget Presentation Award from the Government Finance Officers Association for the sixth consecutive year. It reflects the commitment of the Town's staff to meet the highest principles of governmental budgeting and the award represents a significant achievement. The budget presents the plan for accomplishing the Town's goals and objectives during the fiscal year. Preparation of this document requires a comparison of the anticipated revenues with adopted programs and priorities that are based on Town Council's priorities, service demands, and prior year project commitments.



Texas Comptroller Leadership Circle

The Texas Comptroller's office has named Trophy Club as one of a select group of municipalities in Texas to achieve the new Platinum award for financial transparency in the Texas Comptroller Leadership Circle. The Platinum designation was implemented in 2014 and highlights entities that go above and beyond regarding financial transparency. The award recognizes local governments across Texas that implement a high level of online financial transparency by providing taxpayers with a detailed view of government spending in a user-friendly format.

Popular Annual Financial Reporting Award

The Town has earned the Popular Annual Financial Reporting Award for the 2014 Popular Annual Financial Report (PAFR) from the Government Finance Officers Association (GFOA) for the first time last year. The PAFR program was established to encourage and assist state and local governments to extract information from their CAFRs to produce high quality reports specifically designed to be readily accessible and easily understandable to the general public and other interested parties without a background in public finance.





Financial Highlights

The Town, like other state and local governments, utilizes fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Trophy Club currently maintains fifteen individual funds, including four major funds: the General Fund, Debt Service Fund, Grant Fund, and Capital Projects Fund. More information can be found in the Comprehensive Annual Financial Report (CAFR) on the Town's website at www.trophyclub.org.

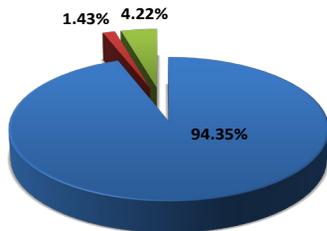
Changes in Net Position

The Statement of Net Position presents information on all of the Town's assets, liabilities, and deferred inflows/outflows with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or declining. In total, the Town's **total net position increased \$2,656,304**, exclusive of the cumulative effect of a change in accounting principle (GASB 68 and 71). The increase was primarily due to developer contributions in the amount of \$1,254,997 and operating grants in the amount of \$550,495.



Total Net Position

The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources by **\$57,884,288**, which is the Town's **net position**. The largest portion of the Town's net position, **\$54,615,788** or **94.35%**, is in **capital assets** (land, buildings, infrastructure, equipment, and construction in progress), less any related debt used to acquire those assets that is still outstanding. The Town uses these assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the Town reports its capital assets net of related debt, the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. A portion of the Town's net position is **restricted resources** of **\$826,260** or **1.43%**, which are subject to external restrictions on how they may be used. The remaining balance of **unrestricted net position**, **\$2,442,241** or **4.22%**, may be used to meet the government's ongoing obligations to citizens and creditors.



The Town has two funds that are not included in total net position of the primary government, both of which are considered discretely presented component units: the 4B Economic Development Corporation (EDC 4B) Fund and the Tax Increment Reinvestment Zone #1 (TIRZ#1). The Town Council appoints the EDC 4B and the TIRZ#1 boards and can impose its will on their day-to-day operations. The combined fiscal year 2015 net position of EDC 4B and TIRZ#1 was \$416,798, all of which is unrestricted. This is an increase of \$77,083 from last fiscal year.

Capital Assets

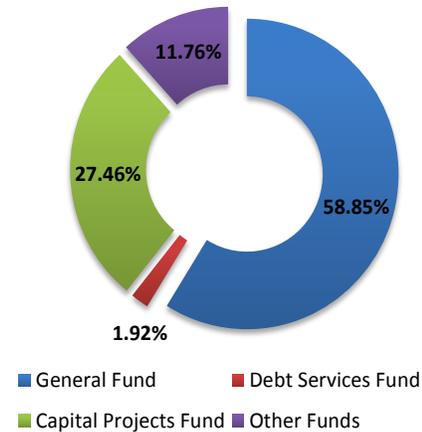
The Town's net investment in capital assets for its governmental and business-type activities at the end of fiscal year 2015 amounts to \$66,119,009 (net of accumulated depreciation). The investment in capital assets includes land, buildings, improvements other than buildings, utility system, machinery and equipment, and construction in progress. The total increase in the Town's investment in capital

assets for the current year was 3.6%. Major capital asset events during fiscal year 2015 included the following: road reconstruction in progress for Pebble Beach, Timberline, and Pin Oak; Town Hall land acquisition and design; completion of Indian Creek Drive reconstruction; Timber Ridge/Fresh Meadow drainage improvements; completion of the Dino Playground at Freedom Park; Bobcat track loader purchase; Energov software upgrade; Laserfiche software purchase; two fully equipped police vehicles; and crosswalk flashers.

Governmental Fund Balance

The focus of the Town’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town’s financing requirements. In particular, the unassigned fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year. At the end of fiscal year 2015, the Town’s governmental funds reported a combined fund balance of \$6,223,583, a decrease of \$1,906,791 or 23.45%, which is due to the use of prior year debt proceeds on capital projects throughout the Town.

Total Governmental Fund Balance

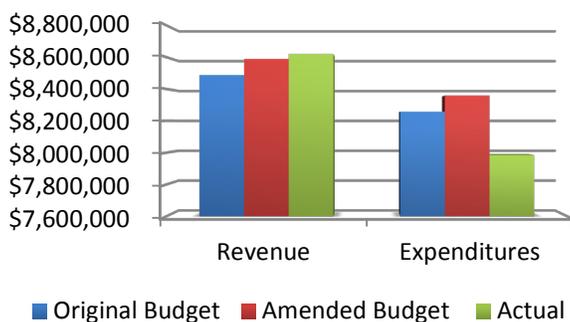


The General Fund is the main operating fund of the Town. At the end of the fiscal year 2015, the fund balance of the General Fund was \$3,691,189, of which \$3,261,235 was unassigned. The fund balance of the General Fund increased by \$646,168 during the fiscal year. The increase can be attributed to budgeted transfers-out of \$385,000 to the capital projects fund not occurring during the fiscal year and increased revenue over the budgeted amounts from ad valorem (property), sales, and franchise tax. The Capital Projects Fund experienced a decrease in fund balance of \$2,810,727 due to the construction of major capital assets with debt proceeds obtained in prior years.

General Fund Budgetary Highlights

Actual expenditures of \$7.9 million were \$374,710 less than budgeted due to an ambulance purchase deferred to a subsequent year coupled with personnel savings in various departments. The Police

General Fund Budgetary Comparison



Department came in \$57,502 under budget primarily due to personnel expenditure savings. The Parks Department came in \$32,870 under budget primarily due to personnel expenditure and capital outlay savings. The Manager’s Office came in \$40,101 under budget due to personnel expenditure savings. The Recreation Department had a budget savings of \$66,753 due to decreased water usage and personnel savings. The Streets and Finance Departments had budget savings of \$58,907 and \$23,322 respectively, primarily due to personnel vacancies during the fiscal year.

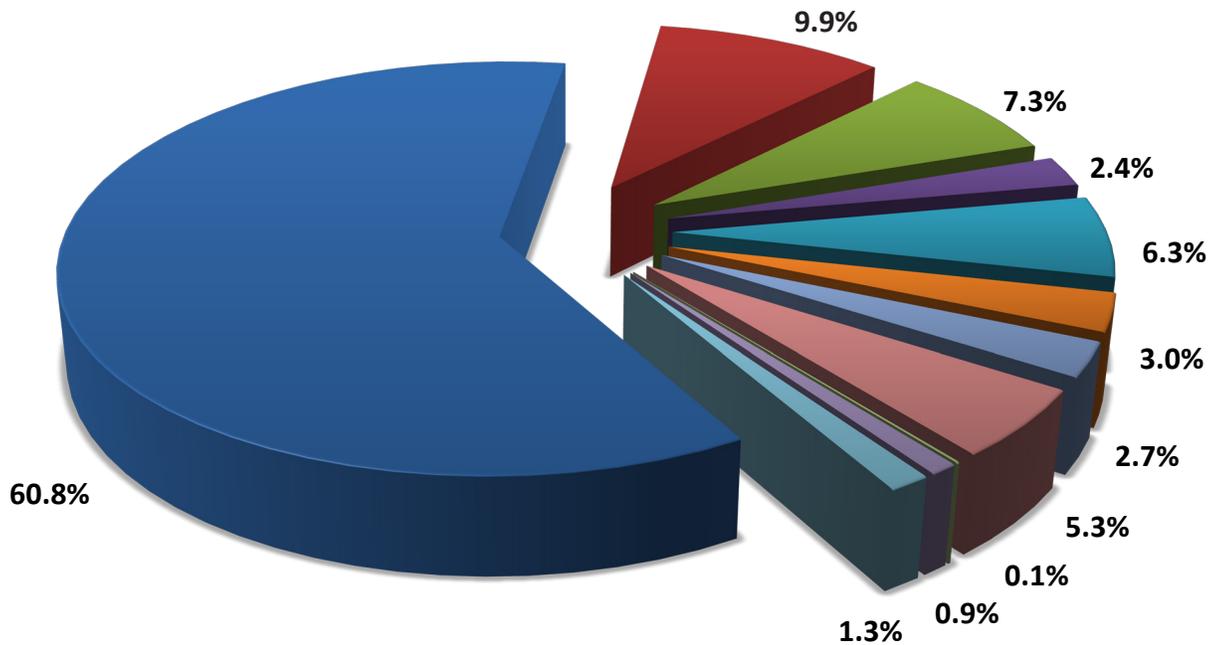
Actual revenues of \$8.6 million were \$30,703 greater than budgeted primarily due to sales tax revenues being \$53,377 higher than budgeted. Significant variances between budgeted and actual revenues included: ad valorem taxes (property tax) revenue was \$38,971 over budget; licenses and permits were (\$13,253) under budget; revenues from charges for services were (\$17,895) under budget; and miscellaneous revenue was (\$29,557) under budget.

Total Governmental Funds Revenue

The total revenue of governmental funds for fiscal year 2015 was \$11,048,486. Ad valorem taxes, the Town's largest revenue source, comprised \$6,712,712, or 60.8%, of the total revenue of governmental funds for the fiscal year. Sales and mixed beverage taxes are the second largest revenue source for the Town and comprised \$1,104,298, or 9.9%, of the total revenue of governmental funds for the fiscal year. Franchise taxes and licenses and permits, which are the 3rd and 4th largest revenue sources for the Town, respectively, comprised \$811,052, or 7.3%, and \$697,378, or 6.3%, of the total revenue of governmental funds for the fiscal year. Other revenue sources include occupancy taxes, intergovernmental revenue, charges for service, fines and fees, investment income, grant revenue, and miscellaneous revenue. These categories, in total, comprised \$1,723,046, or 15.7%, of the total revenue of governmental funds for the fiscal year.

Revenue Categories

Ad Valorem Taxes	\$ 6,712,712
Sales and Mixed Beverage Taxes	1,104,298
Franchise Taxes	811,052
Occupancy Taxes	264,708
Licenses and Permits	697,378
Intergovernmental	326,195
Charges for Service	293,011
Fines and Fees	580,648
Investment Income	10,921
Miscellaneous	99,872
Grant Revenue	<u>147,691</u>
Total Revenues	\$11,048,486



- Ad Valorem Taxes - 60.8%
- Sales and Mixed Beverage Taxes - 9.9%
- Franchise Taxes - 7.3%
- Occupancy Taxes - 2.4%
- Licenses and Permits - 6.3%
- Intergovernmental - 3.0%
- Charges for Service - 2.7%
- Fines and Fees - 5.3%
- Investment Income - 0.1%
- Miscellaneous - 0.9%
- Grant Revenue - 1.3%

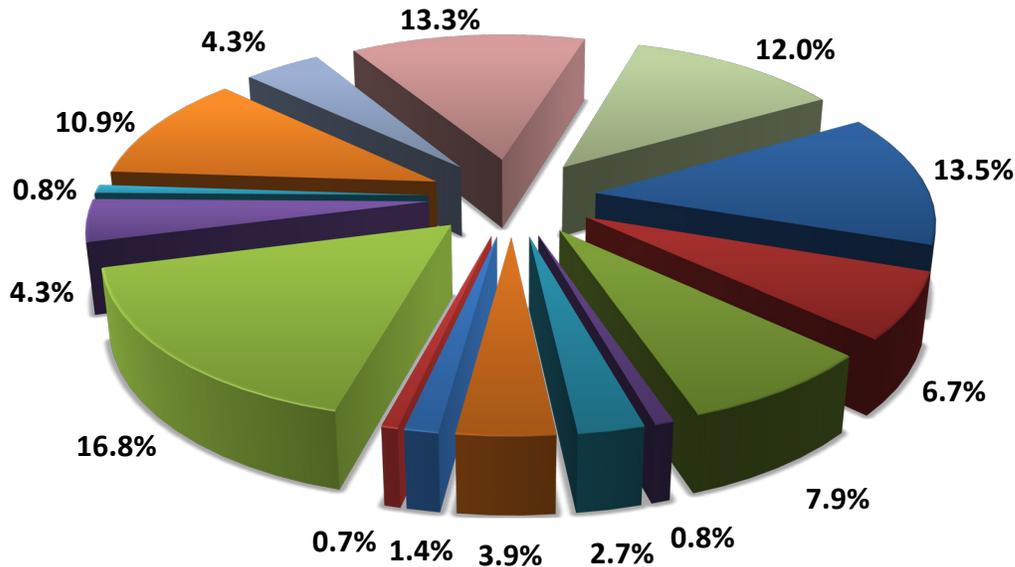
This information was taken from the Statement of Revenue, Expenditures, and Changes in Fund Balance in the Comprehensive Annual Financial Report.



Total Governmental Funds Expenditures

The total expenditures of governmental funds for fiscal year 2015 were \$12,993,917. General Government (General Government, Manager's Office, Human Resources, Finance, Information Services, and Legal) expenditures totaled \$3,922,874, or 30.2% of the total governmental expenditures for the fiscal year. Expenditures related to Public Safety (Police, EMS, and Court) totaled \$3,130,835, or 24.2%, of the total governmental expenditures for the fiscal year. Parks and Recreation expenditures totaled \$1,972,726, or 15.2%, of the total governmental expenditures for the fiscal year. Expenditures related to Streets totaled \$1,734,106, or 13.3%, of the total governmental expenditures for the fiscal year. Debt service expenditures totaled \$1,562,815, or 12.0%, of the total governmental expenditures. Expenditures related to Community Development and Facilities Management, respectively, totaled \$562,496, or 4.3%, and \$108,065, or 0.8%, of the total governmental expenditures for the fiscal year. Included within the categories above are \$3,466,307 in Capital Outlay expenditures.

Expenditure Categories	
General Government	\$ 1,760,574
Emergency Medical Services	865,699
Manager's Office	1,030,977
Human Resources	99,862
Finance	345,775
Information Services	509,302
Legal	176,384
Court	86,675
Police	2,178,461
Recreation	558,954
Facilities Management	108,065
Parks	1,413,772
Community Development	562,496
Streets	1,734,106
Debt Service:	<u>1,562,815</u>
Total Expenditures	\$12,993,917



- General Government - 13.5%
- Emergency Medical Services - 6.7%
- Manager's Office - 7.9%
- Human Resources - 0.8%
- Finance - 2.7%
- Information Services - 3.9%
- Legal - 1.4%
- Court - 0.7%
- Police - 16.8%
- Recreation - 4.3%
- Facilities Management - 0.8%
- Parks - 10.9%
- Community Development - 4.3%
- Streets - 13.3%
- Debt Service - 12.0%

This information was taken from the Statement of Revenue, Expenditures, and Changes in Fund Balance in the Comprehensive Annual Financial Report.



Long-Term Financial Planning

General Fund Five Year Forecast	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
	Estimate	Adopted	Planning	Planning	Planning	Planning
Beginning Fund Balance	\$ 3,045,021	\$ 3,662,226	\$ 3,745,717	\$ 3,315,847	\$ 3,544,633	\$ 3,572,096
Revenue:						
Property Tax	5,220,298	5,801,544	6,132,903	6,306,686	6,402,741	6,517,666
Franchise Fees	835,341	947,257	951,693	952,372	967,668	983,430
Sales Tax	720,501	753,125	882,131	905,191	929,015	953,644
Licenses and Permits	723,794	558,606	281,326	247,560	199,482	189,520
Fines and Fees	523,856	420,359	426,793	433,626	439,458	446,589
Intergovernmental	126,134	-	-	-	-	-
Charges for Service	310,278	274,909	279,096	283,996	289,011	294,144
Interest Revenue	7,000	18,000	22,000	26,000	30,000	35,000
Grant Revenue	77,018	-	-	-	-	-
Miscellaneous	89,105	240,000	85,050	86,823	88,618	90,438
Total Revenue	8,633,325	9,013,800	9,060,992	9,242,254	9,345,993	9,510,431
Expenditures:						
Personnel	5,923,406	6,245,821	6,517,342	6,762,600	7,016,972	7,281,022
Services/Supplies	1,892,203	2,137,625	2,142,396	2,193,218	2,137,145	2,189,052
Capital	211,511	272,863	442,125	168,650	275,413	187,337
Total Expenditures	8,027,120	8,656,309	9,101,863	9,124,467	9,429,530	9,657,411
Other Sources (Uses):						
Transfers In	11,000	111,000	111,000	111,000	111,000	111,000
Transfers Out	-	(385,000)	(500,000)	-	-	-
Total Other Sources (Uses)	11,000	(274,000)	(389,000)	111,000	111,000	111,000
Net Increase (Decrease)	617,205	83,491	(429,871)	228,787	27,463	(35,980)
Ending Fund Balance	\$ 3,662,226	\$ 3,745,717	\$ 3,315,847	\$ 3,544,633	\$ 3,572,096	\$ 3,536,116
Fund Balance as % of Expenditures	45.62%	43.27%	36.43%	38.85%	37.88%	36.62%



Long-Term Capital Planning



Projects in Progress and Currently Funded Projects

Project Name	Funding Source	Project Phase	Description	Total Prior Funding	FY 2016	FY 2017	Total
Pin Oak Court	2014 Tax Note / Fund Balance / Drainage Fund Operations	Construction	Reconstruction of a neighborhood street and any needed storm drainage infrastructure repair or replacement	\$ 59,000	\$ 277,739	\$ -	\$ 336,739
Timberline Court	2014 Tax Note / Fund Balance	Construction	Reconstruction of a neighborhood street and any needed storm drainage infrastructure repair or replacement	\$ 24,000	\$ 155,858	\$ -	\$ 179,858
Pebble Beach Drive	2013 CO / 2014 Tax Note / Fund Balance / Drainage Fund Operations	Construction	Reconstruction of Pebble Beach Drive from Indian Creek to North Cul-De-Sac	\$400,000	\$ 333,934	\$ -	\$ 733,934
Cypress Court Drainage Inlets	2013 CO / Drainage Fund Operations	Construction	Install drainage inlets along Cypress Court	\$ 74,756	\$ 20,000	\$ -	\$ 94,756
Broadway Creek Improvements and Amenity Lake Slopes	2013 CO / Drainage Fund Operations	Engineering	Drainage improvements to Broadway Creek and Amenity Lake Slopes	\$ 48,845	\$ 100,000	\$ -	\$ 148,845
Municipal and Police Services Facility	2012 Tax Note / 2014 CO / Proposed Bonds/ CCPD / Fund Balance	Engineering	Construction of joint Town Hall / Police Station on land purchased with 2014 CO off of Trophy Wood Drive	\$ -	\$ 6,000,000	\$ 2,900,000	\$ 8,900,000
Trophy Club Dr. (Roundabout to Meadow Creek)	Proposed Bonds / Fund Balance	Engineering	Paving and storm drainage improvements from the roundabout to Meadow Creek	\$ -	\$ 2,000,000	\$ 1,235,000	\$ 3,235,000
Lakeview Practice Soccer Fields	2014 Tax Note / Fund Balance	Engineering	Construct youth (under age eight) practice soccer fields on leased land from NISD by Lakeview Elementary	\$ 150,000	\$ 50,000	\$ -	\$ 200,000
Park Monument Signs	2010 Tax Note	Planning	Replace monument signs at Harmony Park, Independence Park West, and the Pool and add a sign at Freedom Park	\$ -	\$ 41,000	\$ -	\$ 41,000
Harmony Park Toddler Playground and Shade Structure	2010 GO / General Fund Operations	Planning	Replaces the NEOS system at Harmony Park with a small toddler playground and shade structure	\$ -	\$ 72,000	\$ -	\$ 72,000
Subtotal: Projects in Progress/Currently Funded				\$756,601	\$9,050,531	\$4,135,000	\$13,942,132

Future Funded Projects

Project Name	Funding Source	Project Phase	Description	FY 2018	FY 2019	FY 2020
Indian Creek Drive	Proposed Bonds	Planning	Reconstruction of Indian Creek Drive from Meadowbrook to Harmony Park	x	x	
Trophy Club Drive	Proposed Bonds	Planning	Street reconstruction southbound from Durango to Bobcat	x	x	
Phoenix Drive	Proposed Bonds	Planning	Reconstruction of a neighborhood street and any needed storm drainage infrastructure repair or replacement		x	x
Trophy Lake Drive	Proposed Bonds	Planning	Street reconstruction from Village Trail to SH 114		x	x
Municipal Drive	Street Maintenance Sales Tax	Planning	Street reconstruction			x



2015 Annual Report

As elected officials and public servants, the Trophy Club Town Council & Staff are always looking at ways to make the community better. Providing a glimpse of what we do gives our stakeholders an idea of how the community has grown and changed, as well as what can be expected in the future.

2015 Accomplishments

In 2015, Trophy Club celebrated 30 years of incorporation and the Anniversary Committee held several events to honor the milestone, including a Founder's Day Reception at the Trophy Club Country Club, an art contest to get youth involved, booths at Back to Nature, the July 4th Celebration, Easter Eggstravaganza, and the Christmas Celebration.

Town Council hired Town Manager, Stephen Seidel, who has done a great job working with Council and managing the organization through a prosperous year with many accomplishments.

We issued 158 residential permits totaling \$81.5 million in value. New home construction averages approximately \$515,600 per home. Property values increased by 13% over the prior year and the current average home value in Trophy Club is \$352,731.

The Town established several safety improvements, including the installation of eight rapid flashing beacon systems at frequently crossed high traffic areas in town and adoption of the police K9 program to assist with drug detection and search & rescue.



The Town also made several technology improvements. YouTube now hosts the Town Council meeting videos, which reduced cost and increased accessibility, and we also rolled out SoundCloud where we now host the audio files of all Town meetings for public use, including board and commission meetings. Additionally, we launched Laserfiche for easier public record searchability and rolled out an online forms manager to make online applications and form submission easier for the user and more streamlined for the back-end work flow.

Major steps were made towards building a new Town Hall & Police facility, including earning voter approval to issue \$5.4 million in general obligation bonds in the November 2015 election and purchasing 5.56 acres in the Trophy Wood District for the new facility.

Economic Development

Meat U Anywhere BBQ (MUA) will open a second restaurant in Trophy Club in 2016, after their first location in Grapevine. MUA owner Andy Sedino has actively embraced the Trophy Club community and has noted that the Trophy Club location will be his flagship restaurant.

Bread Winners restaurant & The Quarter Bar will build its first location in Tarrant County in 2016, and will also serve as the corporate catering hub for the west side of the Metroplex.

Undeveloped land is limited, and the Trophy Club EDC 4B purchased 7.5 acres of land in the Trophy Wood District for the purpose of economic development and to continue to diversify the Town's revenue base.

2016 Look Ahead



Residential

There are approximately 180 lots left in town, some with pending building permits in-house. The Public Improvement District (PID) is almost totally developed with approximately 40 undeveloped lots remaining. We anticipate issuing 100 residential building permits in 2016, and the property tax base is expected to increase by 10% over last year due to new growth and increased values on existing properties.



Commercial

Meat U Anywhere BBQ is under construction and anticipates opening its doors in early May. Bread Winners & The Quarter Bar is currently under construction and could open as early as the end of 2016. Homewood Suites and Holiday Inn are also expected to open in 2016. We will continue to seek out private partners and prospective restaurants and businesses that suit the Trophy Club culture to fill the remaining vacant acreage in the Trophy Wood District, which is approximately 9.5 acres.

We also have a Montessori School and retail center across from Byron Nelson High School projected to open around the end of 2016. Both building permits were issued in October 2015.

Public Amenities

We are planning for a major signage overhaul in Town, including entryway beautification, directional signage, and park signage. This year we plan to make several improvements to parks,

including moving a play system to Independence Park, installing a toddler playground with shade structure at Harmony Park, refinishing spray pad features at the community pool and resurfacing the kiddie pool, and installing new practice soccer fields at Lakeview Elementary. Street reconstruction and storm drainage improvements will continue this year for several residential streets.

In May 2015, the Town purchased 5.56 acres for \$1.35 million for the new Town Hall and planning for the facility continues. We anticipate dirt work to begin this spring for the approximately 24,648 square foot building, which includes:

- Approximately 9,810 sq ft for the Police Department including an animal holding facility;
- Approximately 6,383 sq ft of common space for lobby areas, a community meeting room, a training & voting room, public restrooms and Council chambers;
- Approximately 8,455 sq ft for Town Staff which includes all Town departments, except Fire/EMS whom will remain at the Fire Station.





Shop Local to Make a BIG Impact

Shopping locally gives back to the community! When businesses in Trophy Club are successful, they help finance important community projects and programs that support a high quality of life for the community and the people who live here.

Not only does shopping local support small business, it also serves as an investment into the operations, programs and initiatives that keep Trophy Club 'A Great Place to Call Home'.

Two pennies for every dollar spent on sales taxable goods purchased in Trophy Club go towards funding community needs, including:

- Public Safety
- Road Repairs
- Park Improvements
- Economic Development Initiatives & Programs
- Park and Median Maintenance & Beautification
- Infrastructure Improvements
- Community Events

One Penny goes to General Fund



Once the Town's portion of sales tax revenues are received, the two pennies are allocated into four funds:

General Fund

Receives One Penny

Helps fund general operations of Town government.

Economic Development Corporation 4B Fund (EDC 4B)

Receives Half-a-Penny

Promotes economic development programs and initiatives in town to support and increase local business.

Crime Control & Prevention District Fund (CCPD)

Receives a Quarter-of-a-Penny

Assists in funding programs that help with policing and safety efforts in the community.

Street Maintenance Fund

Receives a Quarter-of-a-Penny

Funds expenses associated with providing a safe, clean and well-maintained roadway system in Trophy Club.

50% EDC 4B



25% CCPD

25% Street Maintenance

Shopping Local is a WIN for Trophy Club!



Come Stay & Play in Trophy Club!



As the Trophy Club community grows, so does the hospitality, dining and recreational opportunities in town!

Hospitality

Two new hotels will open in 2016, and another is planned for the Trophy Club Town Center. Make sure your weekend and holiday guests are comfortable in one of our hotels!

Hampton Inn & Suites 525 Plaza Drive Trophy Club, Texas 76262 682-831-1572 hamptontrophyclub.com	Homewood Suites <i>Opening in 2016</i> 2900 E SH 114 Trophy Club, Texas 76262 469-223-3078 homewoodsuites.hilton.com	Holiday Inn <i>Opening in 2016</i> 725 Plaza Drive Trophy Club, Texas 76262 214-634-1800 holidayinn.com	Value Place Hotel 306 Trophy Branch Trophy Club, Texas 76262 817-491-1118 valueplace.com
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Dining

Coming to Trophy Club in 2016: Meat U Anywhere BBQ & Bread Winners / The Quarter Bar!

Trophy Club offers a variety of dining options for any palate. Treat your visitors and guests to a delicious local meal where the owner welcomes you at the door and servers know you by name!

Christina's Mexican Restaurant	Fish & Knife Japanese Cuisine	Hong Kong Express	Hot & Creamy Donuts	Papa Murphy's Pizza
Starbucks	Subway	Tom Thumb	Trophy Club Country Club	Vinny's Italian Restaurant

Recreation & Fun

You will never run out of fun things to do in Trophy Club - just ask the locals!





PID Refunding

Trophy Club is making history as the first municipality in the State of Texas to achieve an investment grade rating on a Public Improvement District (PID) bond and to realize over \$16.4 million in total savings with a subsequent refinancing. The refunding for PID residents resulted in approximately \$11,675 savings in future assessments over the life of the bond to each property owner who had not



previously paid off their assessments. As a premier North Texas community, Trophy Club continues to set the pace for financial transparency and ingenuity.

“I was Mayor in 2007 when we worked on the PID project and am so proud of the high quality development that The Highlands has become. To realize such a large savings for PID residents due to smart financing really brings the project full circle. Staff deserves a lot of credit for thinking outside the box and working hard to save Trophy Club residents money,” said Mayor Nick Sanders. “Council’s direction to Town Staff to get the refunding completed prior to the end of 2015 was essential to provide a sound financial position for the Town in future years.”

In 2007, the Town created the first municipally backed PID in Texas where residential lots are assessed each year to pay for the PID’s infrastructure. Known as The Highlands at Trophy Club, the PID assessments are based on lot types determined by size. To finance the PID, \$27.5 million in debt was issued for the infrastructure at an interest rate of 7.75% and a 30-year term. At the time investors took a risk by investing in undeveloped land, and the debt was not rated by any debt ratings agency because of insufficient information to base a rating. Today the PID has 1,407 lots and to date has added \$560 million in taxable value to Trophy Club.

Now that the PID is almost built-out, the Town Council and staff recently pursued refinancing the PID debt in order to take advantage of historically low interest rates and the possibility that the PID bonds may receive an investment grade rating which would offer even more savings. On August 25, 2015, Town Council gave staff approval to move forward with pursuing the debt refinance and working through the complex process with a financial advisor, bond counsel, underwriters and PID administrators paid off. The refinanced debt was issued with an approximate interest rate of 3.75% which saves the PID residents almost \$16.4 million in assessments over the life of the debt. In addition to the savings, the bond’s maturity was shortened by five years. The net present value savings totals \$8.8 million, or over 33% of the refunded amount.

“This is the first municipally backed Public Improvement District refunding in the State of Texas and the first to have an investment grade rating,” said Assistant Town Manager & CFO Steven Glickman. He went on to add, “A good analogy of a transaction like this is refinancing a home mortgage to obtain a lower interest rate and lower your monthly payments. This is exactly what we did; we lowered the interest rate and lowered the annual payments for over 1,400 residences.”

Park Legend

The Ultimate Outdoor Experience

Trophy Club Park

2885 Trophy Park Drive



911 ID	TRAILS	MILES
A	Great Blue Heron	2.8
B	Ranch	0.7
C	Bobcat	0.6
D	Sunrise Bay	0.6
E	Old Bridge	0.5
F	Skyline	0.4
G	Hawkeye	0.9
H	Adventure Loop	0.5
J	Lakeview	0.8
K	Beach	1.0
L	Fenceline	1.0

- Unmarked Trails
- Solid Line: pedestrian/bicycle friendly trail
- - - Dashed Line: pedestrian/equestrian friendly trail
- ★ Trailhead
- Low Water Crossing (LWC)
Note: Horses should cross at signed LWC only
- Picnic Sites

Fees: Car: \$2 | Boat Trailer: \$5 | MX/ATV: \$12 | Horse: \$3
Hours: Park opens at sunrise and closes at sunset



Park Amenities

	Baseball Fields	Basketball Courts	Batting Cages	Boat Ramp	Bocce Ball Courts	Concessions	Disc Golf-18 Hole	Dog Park	Exercise Stations	Football Field	Grills	Motorized Trails	Multiluse Fields	Pavillion/Gazebo	Plenic Tables	Playground	Restrooms	Shade Structure	Soccer Fields	Splash Pad	Swimming Pool	Tennis Courts	Walking Trail	Water Fountain	
Skylines Park 304 Ridge View Lane																									
Harmony Park 599 Indian Creek Drive																									
Lakeview Park 100 Village Trail																									
Independence Park West 501 Parkview Dr.																									
Community Pool 500 Parkview Drive																									
Independence Park East 500 Parkview Dr.																									
Linear Park North (north of The Highlands)																									
Freedom Park 2675 Trophy Park Drive																									
Trophy Club Park 2885 Trophy Park Drive																									



100 Municipal Drive
Trophy Club, TX 76262-5420

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Stay Informed & Engaged with the Town!

The Town of Trophy Club has many options for residents, businesses and visitors to stay updated on the latest news and information. As a bustling, dynamic community where activities abound and news cycles daily, stay informed on all things Trophy club with a variety of online tools:

info@trophyclub.org
www.TrophyClub.org
www.TC-Exchange.org
www.TCParks.org
www.TrophyClubPark.org
[www.fb.com/TrophyClubGov](https://www.facebook.com/TrophyClubGov)
www.twitter.com/TrophyClubGov
www.youtube.com/TrophyClubGov

