

# RISING

to the challenge



ADDISON

TOWN OF ADDISON, TX

**budget book**

2020-2021

# FISCAL YEAR 2020-2021

The image features a vertical orientation with a scenic mountain landscape. The foreground shows rocky terrain with some greenery. In the background, a range of jagged mountains is visible under a clear blue sky with light clouds. A prominent white diagonal line runs from the bottom left towards the top right, separating the landscape from a solid blue triangular area on the right side. The text 'FISCAL YEAR' is positioned at the top, and '2020-2021' is positioned below it, both in a large, white, sans-serif font.

# town of addison

## budget cover page

This budget will raise more revenue from property taxes than last year’s budget by an amount of \$1,793,812 which is a 6.61 percent increase from last year’s budget. The property tax revenue to be raised from new property added to the tax roll this year is \$518,607.

The members of the governing body voted on the budget as follows:

<b>FOR</b>	Joe Chow	Mayor
	Lori Ward	Mayor Pro Tempore
	Guillermo Quintanilla	Deputy Mayor Pro Tempore
	Tom Braun	Council Member
	Ivan Hughes	Council Member
	Paul Walden	Council Member
	Marlin Willesen	Council Member
<b>AGAINST</b>	None	
<b>PRESENT &amp; NOT VOTING</b>	None	
<b>ABSENT</b>	None	

### property tax rate comparison

	2020-2021	2019-2020
Property Tax Rate	\$0.608676/100	\$0.583500/100
No New Revenue Tax Rate	\$0.637851/100	\$0.552371/100
No New Revenue Maintenance & Operations Tax Rate	\$0.474921/100	\$0.409028/100
Voter Approval Tax Rate	\$0.701933/100	\$0.591133/100
Debt Rate	\$0.167567/100	\$0.149383/100

### TOTAL DEBT OBLIGATION

for Town of Addison secured by property taxes

**\$86,685,000**

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# HOW TO READ THIS DOCUMENT

## welcome!

You are holding the published Town of Addison budget for the fiscal year beginning October 1, 2020 and ending September 30, 2021. This document has been specially prepared to help you, the reader, learn of the issues affecting the Addison community. Many people believe a city budget is only a financial plan. Although you can learn much of Addison's finances from these pages, the fiscal year 2021 budget document has been designed to serve other functions as well. For example, it is a policy document that presents the major policies which guide how Addison is managed. It is an operations guide which gives the public, elected officials, and Town staff information pertaining to the production and performance of individual Town operations. The document is also designed as a communications device in which information is conveyed written and graphically.

## budget format

The document is divided into four major sections: Introduction, Financial/Operational, Town Chronicle, and Appendices. The Introduction section contains the City Manager's letter, which is addressed to the City Council and explains the major policies and issues which impacted the development of the fiscal year 2021 budget. The section also contains a statement of Addison's vision and goals, the Town's organization and staffing chart, and the summary of all financial statements. Liberal use is made in this section of footnotes, which direct the reader to sections of the document that more fully describe programs or projects.

The Financial/Operational section describes various aspects of the Town's organization. This information is grouped first by fund and then by department. Like many local governments, Addison uses the fund method of accounting. Simply stated, a fund is a unit of the Town which tracks the application of various public resources. For example, the Hotel Fund is established to keep track of the use of the hotel/motel occupancy tax. Most people are particularly interested in the General Fund, which is comprised of most of the Town's operations like Police, Fire, and Parks. Financial statements are presented for every fund. The statements show

the fund's financial condition over a number of years. Like the checking account statement you receive from your bank, the statement shows beginning balances, revenues, expenditures, and ending balances for each year. Each fund statement begins with the actual audited amounts for the fiscal year 2019. The ending balance of the actual year becomes the beginning balance of the estimated fiscal year 2020. The estimated column reflects projected amounts compared to the amounts included in the original adopted budget for fiscal year 2020. The estimated ending fund balance of the prior fiscal year then becomes the beginning balance for the fiscal year 2021 budget. Accompanying the statements are narratives and graphs which describe the major features of that particular fund. Within each fund there may be one or more departments which further describe a component of Addison's organization. Each department is presented with its mission statement, a listing of the department's accomplishments for the previous fiscal year, and operational objectives for fiscal year 2021. Selected service levels for each department are presented graphically. Actual prior year data and estimated fiscal year 2019 data is used for graphs and charts. The funding for each department, as well as the unit's staffing, are summarized over a number of years.

The Town Chronicle reports on issues or special projects which affect the Addison community. The Chronicle also provides statistical information about the Town of Addison.

Finally, various appendices are presented toward the end of the document which more fully describe the budget process, Addison's major revenue sources, the long-term financial plans for the General, Hotel, Airport, Utility and Stormwater funds and a capital project summary are included. Also included are the Town's financial policies, a glossary of terms, Addison's compensation and merit pay plans.

# LETTER TO THE MAYOR & COUNCIL

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## **honorable mayor and members of the city council,**

I am pleased to present the fiscal year 2021 adopted budget for the Town of Addison. It has been prepared in conformance with the requirements of the Town Charter, Town financial policies, and State law. This budget represents the expected revenues and planned expenditures for the Town's fiscal year from October 1, 2020 to September 30, 2021.

This budget allocates resources in alignment with the City Council's Strategic Pillars and fiscal year 2021 priority milestones. The adopted budget conforms with our practice of providing our Town employees with the resources required to deliver the excellent municipal services expected by Addison residents and businesses. This budget continues to maintain the conservative fiscal approach that has allowed Addison to achieve our sound financial position and stellar bond ratings (AAA from Standard and Poor's (S&P) and Aaa from Moody's).

Over the past several years, the Town has been building momentum to position itself to take advantage of some special growth opportunities while balancing the need to care for the existing community. That momentum has been

lining up well with the continued unprecedented growth in the North Texas region. However, the COVID-19 pandemic has introduced a measure of economic uncertainty that has the potential to slow that momentum. Despite this new uncertainty, the Town of Addison remains well-positioned for future prosperity.

Fortunately, as a community, we have been proactive and strategic in planning how to address the significant issues that will impact the Town's future. This budget allows the Town to continue to execute on the plans in place to address:

- » How to attract and capitalize on new development opportunities.
- » How we fund and revitalize our infrastructure and facilities.
- » How we attract, train, and retain talented and effective staff.
- » How we continually improve the way we do business and the services we provide so that Addison remains a vibrant and attractive place to live, work, and play.

While we are not immune to the current COVID-19 related economic shock, our proactive and strategic actions have prepared the Town to weather the storm and to take advantage of opportunities that present themselves. However, we do anticipate a challenging economic recovery that is anticipated to last between 18 and 36 months.



## ongoing big issues

### INFRASTRUCTURE PLANNING & MAINTENANCE

The fiscal year 2021 budget continues the progress the Town has made in using the comprehensive Asset Management Plan to make informed decisions about how to invest our resources to address our infrastructure needs now and in the future. In fiscal year 2020, Council adopted an Asset Management Policy for the Town, which established the scope and framework for the Asset Management Plan. Using this policy as a guide, the Town continues to provide funding to support critical maintenance and infrastructure needs. To remain proactive in addressing these needs, the Town continues to improve upon the Capital Improvement Program (CIP) budget, which includes \$37,222,100 in infrastructure and maintenance projects for fiscal year 2021. The fiscal year 2021 budget also includes several bond-funded projects that were approved by voters as part of the November 2019 Bond Election. Information from the Asset Management System was used to inform the Community Bond Advisory Committee's recommendations related to the bond projects.

### ADJUSTMENTS AND RECOVERY

This budget includes the effort to adjust and recover from the COVID-19 pandemic. As an effect of the pandemic, Town operations were adjusted to meet the laws and policies adopted by both the State and County governments. As a result, the fiscal year 2020 budget was adjusted to reflect changes such as special events cancellations, conference cancellations, and a decrease in

sales tax from businesses. The Town continues to implement the necessary changes to ensure a safe and prosperous recovery, such as reductions in budgeted revenues and expenditures across multiple funds, a decrease of 10% in anticipated sales tax revenue, and a 25% decrease in anticipated hotel occupancy tax revenue compared to the fiscal year 2020 budget.

### ATTRACTING AND RETAINING TALENT

This budget continues the Town's effort to attract, retain, and train the best talent possible. In order to achieve the Council's goal of compensating Addison's employees better than the average of our comparator cities, this budget recommends \$461,650 to fund a 2% merit pool for salary adjustments that are in line with the Town's compensation philosophy that was adopted by the City Council. Additionally, \$129,636 has been budgeted for the continuation of the certification pay program that was implemented in fiscal year 2018.

### CONTINUOUS IMPROVEMENT

This budget supports our ongoing efforts to improve the way we deliver services to our residents and businesses in Addison. We continue to review how we operate and look for areas for improvement. I would like to highlight just a few of the continuous improvement efforts that are funded in the proposed budget:

- » Focus on the implementation of the Asset Management Policy and related tools such as the Computerized Maintenance Management System (CMMS) and Infrastructure Reinvestment Intelligence System (IRIS).

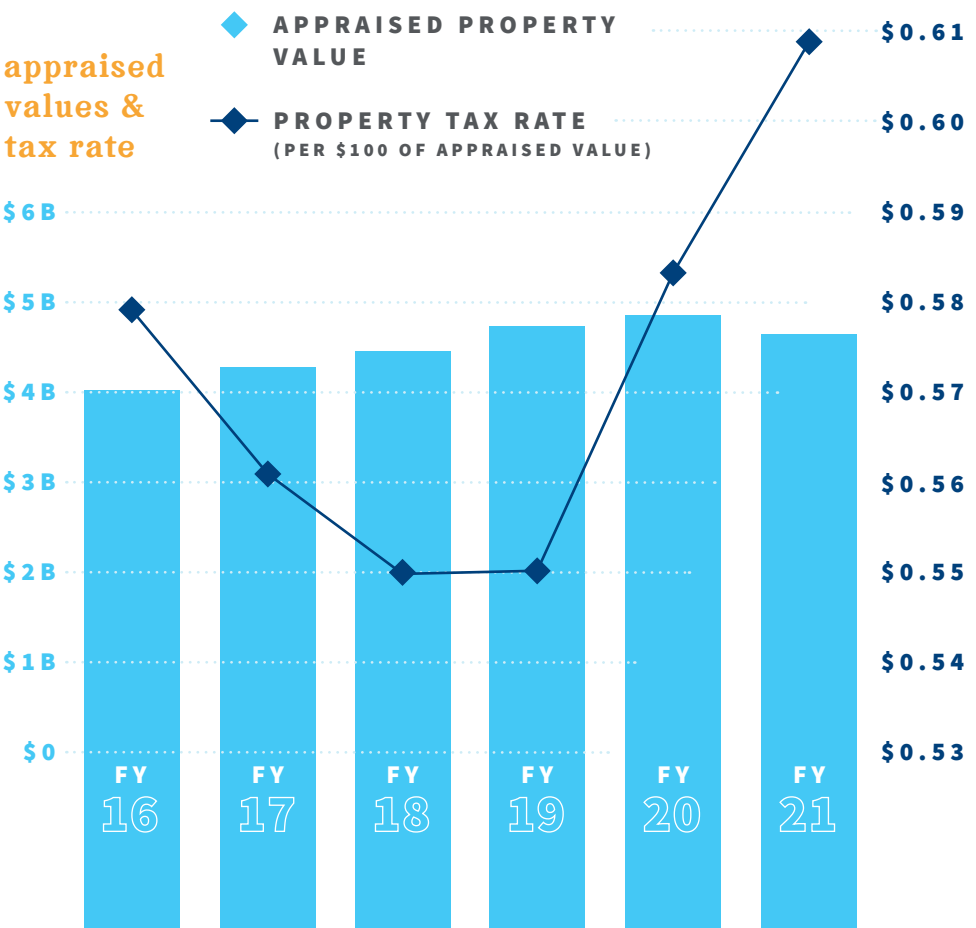
- » Fully utilize and optimize the MUNIS Enterprise Resource Planning (ERP) system to improve efficiency and internal controls.
- » Continue to make improvements to comply with the Americans with Disabilities Act (ADA) and implement strategies from the Parks, Recreation, and Open-Space Master Plan, including improvements to Celestial Park.
- » Implement Asset Management Financial Strategies and incorporate these into the Long-Term Financial Planning Model.

### property values

Total assessed property values for fiscal year 2021 equals \$4,925,934,024, which equates to an increase of approximately \$106 million or 2.2% from the previous year. This includes the taxable value of all real and business property plus values under protest as claimed by the property owner or estimated by the Appraisal District in the event the property owner’s claim is upheld. It is important to note that the Dallas Central

Appraisal District (DCAD) originally provided an estimate of certified values. The reason DCAD provided the Town with a certified estimate instead of a final certified tax roll is because the property value protest process was not substantially complete in time to certify the property tax appraisal records by July 25th, 2020. This meant that the amount of properties still under review were more than 10% of the total appraised value of the Town. At the time the certified estimate was provided, approximately 33% of the total taxable value of all properties in Addison were still under protest. According to the appraisal district, the primary reasons so many properties are still under protest are because notices were sent out two weeks later than normal due to the COVID-19 pandemic, and there were over twenty-two thousand more protests than the prior year.

When formulating a certified estimate, the appraisal district is required, by law, to use the lesser of the appraisal district’s opinion of value or the property owner’s opinion of value. In this case, the property owner’s opinion of value for the properties that were still under protest in Addison were



\$875 million, which was \$825 million less than the appraisal district's opinion of value of \$1.7 billion for the same properties. For this reason, the certified estimate was far below the taxable values from last fiscal year. According to the appraisal district, the Town expected approximately 80% to 85% of their estimate of \$1.7 billion to be upheld, which would result in certified property values of approximately \$4.9 billion. Currently, the certified values that reflect the property owner's opinion of value for the properties that are still under protest in Addison are \$266 million, which is \$114 million less than the appraisal district's opinion of value of \$380 million for the same properties.

By law, if a certified estimate is provided, the final certified values are required to be delivered to the taxing entity by August 30th, however we received them by August 20th. This situation was not unique to Addison and affected all taxing entities located in Dallas County. While property values increased over fiscal year 2020's valuations, the increased number of property tax protests on commercial properties in Addison has slowed the rate of growth. The average taxable value for a single-family home in Addison is \$335,597, an increase of approximately \$4,317 or 1.3% from the previous year.

## tax rate

The adopted fiscal year 2021 budget increases the Town's tax rate to 0.608676. The adopted tax rate is 0.093257 less than the voter approval rate of 0.701933 and less than the no new revenue rate of \$0.637851. It is important to note that the Town's no new revenue tax rate for fiscal year 2021 (the rate that is required to raise the same amount of revenue on the same properties as the previous year) is higher than the Town's adopted tax rate of \$0.583500 for fiscal year 2020. The adopted tax rate allows the Town to do two important things: 1) continue to provide the excellent services that residents and businesses expect; and 2) take action now to prepare to address revenue constraints that we will face in the future as a result of the recently

passed property tax cap legislation (Senate Bill 2). Of the total tax rate, \$0.441109 is dedicated to maintenance and operations and \$0.167567 is dedicated to debt service payment.

At a property tax rate of 0.608676, the municipal tax paid on the average single-family home will be approximately \$2,042.69 on an annual basis; an increase of \$109.67 over the previous year.

## general fund

The General Fund accounts for all expenditures for traditional government services (Public Safety, Parks & Recreation, Administration, etc.). General Fund revenue is generated from ad valorem property taxes, a one-cent portion of the sales tax, and a variety of fees for services.

General Fund revenues total approximately \$38.7 million for fiscal year 2021, a decrease of approximately 0.88% over last year. We project property tax revenues of approximately \$19.4 million, an increase of approximately 3.6% over the previous year's budgeted amount and sales tax revenues of approximately \$12.3 million, 10% less than fiscal year 2020 as the Town anticipates the lingering economic impact of COVID-19.

General Fund operating expenditures are estimated at \$38.7 million, reflecting a 0.84% decrease from the fiscal year 2020 budget. The available ending fund balance for the General Fund is projected to be approximately \$18.0 million, leaving 46.6% of operating reserves, which exceeds both the Town's policy of 25% and the City Council's goal of 30%.

In the General Fund, this budget funds the reclassification of a Fire Station #2 Lieutenant to a Captain in the Fire Department.

This budget proposes the reallocation of 2.4 FTE from the General Fund to the Airport Fund (1.2 FTE) and the Utility Fund (1.2 FTE) to better align with their job functions and duties. This budget assumes no increase, on a per employee basis, in the Town's group medical insurance premiums and an increase in the Town's TMRS contribution associated with increased employee salaries.

It is important to note that General Fund expected revenues exceed planned expenditures by approximately \$20,888. The proposed property tax revenue equates to a 3.6% increase over the prior fiscal year.

## hotel fund

The Hotel Fund collects funds from a 7% tax on hotel rooms rented in the Town of Addison. These funds are used to support projects that enhance and promote tourism, the arts, and the convention/hotel industry in Addison.

Fund revenues for fiscal year 2021 are expected to total \$5.3 million. This is a decrease of approximately \$2.2 million or 29.5% and budgeted operational expenses of approximately \$5.4 million. This budget proposes to utilize approximately \$100,000 from the fund balance for special events in fiscal year 2021. Significant forecast increases in hotel occupancy is not expected until 2022. The available ending fund balance for the Hotel Fund is projected to be \$1.7 million, leaving 32.6% of operating reserves, which exceeds the Town's policy of 25%.

The Hotel Fund budget includes the costs associated with the Performing Arts Department. The remaining expenditures in the Performing Arts Department are the grant to the WaterTower Theatre, which is budgeted to decrease 25%, and the grant to Outcry Theatre.

Due to the substantial decrease in hotel occupancy taxes in fiscal year 2020 related to COVID-19,

several cost-cutting measures were taken in order to stabilize the Hotel Fund. These measures included:

- » Cancellation of major special events such as Taste of Addison and Oktoberfest and a scaled-back KaboomTown! event with remote fireworks broadcast for public viewing.
- » Closure of the Addison Conference Centre in March and reduction of the eight Conference Centre employees.

Given the current environment, this budget proposes that the Addison Conference Centre would remain closed for the entirety of fiscal year 2021 in order to provide the Hotel Fund time to recover from the loss of hotel occupancy taxes. During its closure, Town staff will develop a plan to reopen the facility at a point in the future when the market for meetings and events returns to a more normal state. As a result of this proposal, eight FTEs would be eliminated from this fund. These FTEs include one vacant position, one active employee, and six employees that were previously furloughed. This means all these valued team members would no longer be employed by the Town as of October 1, 2020.

## utility fund

The Utility Fund is supported by fees charged to water and sewer customers that pay for the services they receive from the Town. As a business-type fund, the revenues charged should at a minimum cover the Fund's operating expenses and debt service, as well as any other policy-related goals defined by the City Council (i.e. funding for capital projects, capital replacement, conservation efforts, etc.).

In January 2018, the City Council approved a utility rate policy to adopt utility rates that fully fund a short-term staffing plan and provide a mix of cash and bond funding for capital improvement projects. The fiscal year 2021 adjustments, effective October 1, 2020, will include an increase of 6% to water and sewer rates which equates to \$3.37 per month for an average residential user of 5,000 gallons of water. Future increases to

water and sewer rates included in the policy are reflected below:

- » October 2021: 2.5%
- » October 2022: 5%
- » October 2023: 3.5%

Staff continues to review the utility rate model on an annual basis to ensure the rate adjustments are in line with the needs identified in the rate model adopted by the City Council.

The budget for fiscal year 2021 proposes the final position identified in the short-term staffing plan in the utility rate model and the allocation of a portion of four existing positions to better align with their job functions and duties as follows:

- » A Water Quality Utility Supervisor – (1.0 FTE) position
- » Partial allocation of one Deputy City Manager – (0.3 FTE) position
- » Partial allocation of Controller – (0.3 FTE) position
- » Partial allocation of one Accounting Specialist – (0.3 FTE) position
- » Partial allocation of Human Resources Analyst – (0.3 FTE) position

The total Utility Fund revenues for fiscal year 2021 are expected to be approximately \$14.0 million, with budgeted operational expenses of \$13.9 million. The available ending fund balance for the Utility Fund is projected to be \$4.5 million. The projected end-of-year fund balance will maintain 32.3% of operating reserves, which exceeds the Town's policy of 25%.

Notable items in the Utility Fund this year include:

- » Increases in water and sewer rates of approximately 6% or \$3.37 per month for an average residential user of 5,000 gallons of water.
- » \$200,000 for design and construction engineering standards upgrade to update the current outdated engineering design guidelines.

- » \$100,000 for a risk and resilience assessment and emergency response plan to protect the Town's water supply from natural disasters and manmade threats.
- » \$50,000 to update engineering monuments and control points to reestablish a high degree of accuracy in the quality of design in construction plans.

A total of \$5 million in capital projects are proposed in the Utility Fund for fiscal year 2021. These projects are funded through a combination of authorized bond funds (\$4.8 million) and cash (\$163K) from the Utility Fund. A list of projects can be found in the Capital Improvements Program budget submitted to the City Council.

## stormwater fund

The Stormwater Fund is supported by drainage fees added to utility bills. The projected revenues for fiscal year 2021 are \$2.5 million, with budgeted operational expenses totaling \$1.3 million. The available ending working capital for the Stormwater Fund is projected to be \$6.0 million, leaving 471.1% of operating expenditures, which exceeds the Town's policy of 25%.

Notable items in the Stormwater Fund this year include:

- » \$40,110 for the purchase of a shared forklift to move equipment and supplies.

Fees for the Stormwater Fund will increase this year 4.5% for each customer rate class. This is in keeping with the Council-approved rate schedule instituted when the Council adopted the stormwater fee in September 2013.

A total of \$2.8 million in capital projects are adopted in the Stormwater Fund for fiscal year 2021. These projects are funded through a combination of authorized bond funds and cash from the Stormwater Fund. The most significant item is:

- » \$2,790,000 in funding for Stormwater Assessment Improvements (\$2.3 million in cash and \$0.5 million in bond funds).

## economic development fund

The Economic Development Fund is supported by a combination of the following revenue sources:

- » An allocation of a portion of the property tax rate equal to \$0.023716 (\$1.1 million).
- » A transfer from the Hotel Fund to cover the Tourism Department activities (\$384,000).
- » Service fees, interest, and other income (\$108,000).

Total revenues for fiscal year 2021 are estimated at \$1.6 million. From fiscal years 2015 through 2019, the Hotel Fund transferred a total of approximately \$400k in funds to support tourism activities that have not yet been expended. This budget proposes to utilize these funds to support tourism activities, including hotel support programs and advertising while reducing the transfer from the Hotel Fund in order to allow that fund more time to recover from the impact of COVID-19. These revenue sources, when coupled with previously unutilized funds transferred from the Hotel Fund, allow for budgeted operating expenditures of \$2 million.

## airport fund

The Airport Fund mainly receives revenues from rental income on Town-owned property and service fees to airport customers. Total projected revenues of approximately \$5.2 million in fiscal year 2021 will allow for budgeted operational expenses of approximately \$5 million. The available ending working capital for the Airport Fund is projected to be \$3.5 million, leaving 70.0% of operating expenditures, which exceeds the Town's policy of 25%.

In addition, the Town has decided that beginning in Fiscal Year 2021, the Airport's employees, who were previously employed by a management company, will now be employed by the Town. This results in the addition of the following 14.0 FTE positions:

- » Airport Director – 1.0 FTE position
- » Airport Assistant Director – 2.0 FTE position
- » Airport Maintenance Manager – 1.0 FTE position
- » Airport Operations Manager – 1.0 FTE position
- » Department Assistant – 1.0 FTE position
- » Airport Maintenance Technician III – 1.0 FTE position
- » Airport Maintenance Technician II – 3.0 FTE positions
- » Janitorial and Light Maintenance Worker – 1.0 FTE position
- » Asset Manager – 1.0 FTE position
- » Leasing Manager – 1.0 FTE position
- » Airport Accounting Manager – 1.0 FTE position

This budget also includes the partial reallocation of the following personnel to the Airport Fund to better align with their duties:

- » Partial allocation of one Deputy City Manager – 0.3 FTE position
- » Partial allocation of Senior Accountant – 0.3 FTE position
- » Partial allocation of one Accounting Specialist – 0.3 FTE position
- » Partial allocation of Human Resources Analyst – 0.3 FTE position

A total of \$3.3 million in capital projects are proposed in the Airport Fund for fiscal year 2021. These projects are funded through a combination of authorized bond funds, grant funding, and cash from the Airport Fund. The most significant items include:

- » \$2,640,411 to continue to fund construction of a new airport customs facility (\$1.6 million in cash, \$475,000 in bond funds, and \$600,000 in grant funding).
- » \$427,000 in general facility repairs and improvements (all cash reserves; a description of the projects is contained in the fiscal year 2021 Capital Improvement Program (CIP) budget).

- » \$200,000 to fund the design of Bravo/Golf Taxiway improvements (\$20,000 in cash and \$180,000 in grant funding).

## infrastructure investment fund

### (IIF)

The Infrastructure Investment Fund (IIF) was created in fiscal year 2015 through a \$4 million transfer from General Fund reserves. The intent of this fund is to cash finance infrastructure projects. Annually, a portion of the property tax rate equal to \$0.006201 is deposited into this fund. In fiscal year 2021, \$294,767 is scheduled to be generated by the IIF portion of the tax rate.

## capital improvement budget

The proposed Capital Improvement Program (CIP) budget for fiscal year 2021 is approximately \$37.2 million. Projects are funded by a combination of authorized bond funds, grant funding, and cash contributions. The CIP budget provides an all funds view of the Town's planned capital improvement expenditures on public infrastructure and facilities over the next five years.

For more information related to these capital projects, please reference the fiscal year 2021 Capital Improvement Program (CIP) Budget also submitted to the City Council for consideration.

## self-funded special project fund

The purpose of the Self-Funded Special Project Fund is to cash fund important one-time projects. The dollars for these one-time projects are intended to come from the savings from previous fiscal years that flow through the General Fund's fund balance along with contributions from other funds when the project will service multiple funds. For fiscal year 2021, \$710,950 will be transferred from cash reserves above the 30% Council goal from General Fund's fund balance to this fund. Major expenditures in this fund in fiscal year 2021 include:

- » \$318,000 for the Addison Circle transportation-oriented development for the future DART Silver Line and around the Addison Transit Center Station.
- » \$292,000 to continue to increase the resources allocated in our street maintenance activities.
- » \$140,000 to continue the special area studies for future land use in relation to the Town Comprehensive Plan.
- » \$102,500 to fund improvements at Celestial Park.
- » \$30,000 to purchase ballistic gear and \$3,000 to fund the smoke detector battery replacement program for the Fire Department.
- » \$27,500 to fund security improvements for neighborhoods on the east side of Addison.

## conclusion

This completes the highlights of the fiscal year 2021 budget. I believe this budget balances the desire to continue to deliver high-quality services with the need to address issues that are important to the future of Addison.

I would like to thank the department directors who have put much time and expertise into the development of the budget. The creation of this budget would not have been possible without the hard work of Chief Financial Officer Steven Glickman, Budget Manager Kristen Solares, Controller Amanda Turner, and the rest of our Finance Department. In addition, I would like to give a special thanks to all the Town employees who continue to work hard to provide quality services to our residents and businesses in the Addison Way.

Respectfully submitted,



Wesley S. Pierson, City Manager

# VISION STATEMENT

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## **addison way**

The “Addison Way” is a philosophy that serves as the cornerstone of our service delivery model to our stakeholders. The heart of the “Addison Way” is to:

- » Be service-minded and kind.
- » Exceed expectations.
- » Be solution driven.
- » Value employees as partners.

The staff searches out all options to try and meet expectations during each customer service interaction.





## council's values

The Council will at all times seek to enact policies that will promote, and to personally exemplify, the values of the Town of Addison. The Council values:

- » Integrity
- » Respectfulness
- » Fun
- » Innovation/Creativity
- » Accountability
- » Efficiency
- » Kindness
- » Openness
- » Transparency

## council's pillars of success

Like most cities, Addison is confronted with a number of issues that demand time and attention of elected officials and the Town's management team. In order to best apply Addison's limited resources, the City Council has established the following strategic pillars to guide the organization's efforts.

- » Entrepreneurship and Business Hub
- » Excellence in Asset Management
- » Excellence in Transportation Systems
- » Gold Standard in Customer Service
- » Gold Standard in Financial Health
- » Gold Standard in Public Safety
- » Optimize the Addison Brand

## council's role

The role of the Council is to develop a long-term vision for the Town, to develop policies necessary to achieve the vision, and to communicate with, and seek input from, stakeholders. This includes:

- » Providing the direction, trust, and support necessary for the City Manager to implement the operations aspects of our vision.
- » Making difficult and sometimes unpopular decisions that preserve our unique culture, safeguard our assets into the future, and effect the positive change necessary to achieve our goals.
- » Identifying future trends, challenges, and opportunities.
- » Being a positive and resourceful representative for the Town.
- » Promoting transparency in communicating with residents, businesses, and regional partners.
- » Being good financial stewards and creating an environment that nurtures a strong, diverse business ecosystem.

# FY2021 STRATEGIC PILLARS

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## ENTREPRENEURSHIP & BUSINESS HUB

- F Economic Development focus on attracting and retaining entrepreneurship and high-tech conferences
  - 💡 Promote Addison as a Place of Choice for talent looking to live, work and/or play in DFW
  - 💡 Promote Addison's key assets and points of difference to target industries
- F Review Town Ordinances and regulations to modernize them and facilitate redevelopment
  - 💡 Continue the process of developing a Unified Development Code
- F Create a specific channel for two-way communication with the business community
  - 💡 Maintain a business climate that differentiates Addison and supports the needs of target industries



## EXCELLENCE IN ASSET MANAGEMENT

- F Implement the Asset Management Plan
  - 💡 Computerized Maintenance Management System (CMMS) implementation
  - 💡 Basin I Sanitary Sewer Reroute Project & Surveyor Chloramine Boost Station Project
  - 💡 EPA Risk Assessment & Rawhide Creek Basin Drainage Improvements Design
  - 💡 Conduct a Facility Consolidation Study



## EXCELLENCE IN TRANSPORTATION SYSTEMS

- F Promote Silver Line Development
  - 💡 Adopt the preferred development plan to establish a vision around the Silver Line (Cotton Belt)
- F Improve all modes of transportation with infrastructure in acceptable condition and well-maintained
  - 💡 Major projects: Midway Road Construction, Keller Springs and Airport Parkway Design, Morris and Quorum Rectangular Rapid Flash Beacon (RRFB) installation, Bella Lane Extension Design and Construction
  - 💡 Complete the Trail and Bicycle Master Plan
  - 💡 Signal Upgrades: Belt Line at Beltway and Belt Line at Addison Road



## GOLD STANDARD IN CUSTOMER SERVICE

F Promote and protect Addison Way

- 💡 Continue the Internal Culture Conversation Series
- 💡 Continue the Employee Engagement Survey
- 💡 Redesign the New Employee Orientation and On-Boarding Program to a virtual setting



## GOLD STANDARD IN FINANCIAL HEALTH

F Continue development and implementation of Long-Term Financial Plan

- 💡 Review and update Town Financial Policies
- 💡 Implement the Series 2019 Bond program
- 💡 Implement Program Budgeting



## GOLD STANDARD IN PUBLIC SAFETY

F Maximize use of cutting-edge technology to enhance public safety

- 💡 Install License Plate Reader (LPRs) & Surveillance Cameras Town-wide
- 💡 Upgrade and Replace In-Car Video and Body Cameras
- 💡 Implement the Jail Module for Police Department
- 💡 Self-Contained Breathing Apparatus (SCBA) Replacement with New Units with Integrated Thermal Imaging and Bluetooth Technology



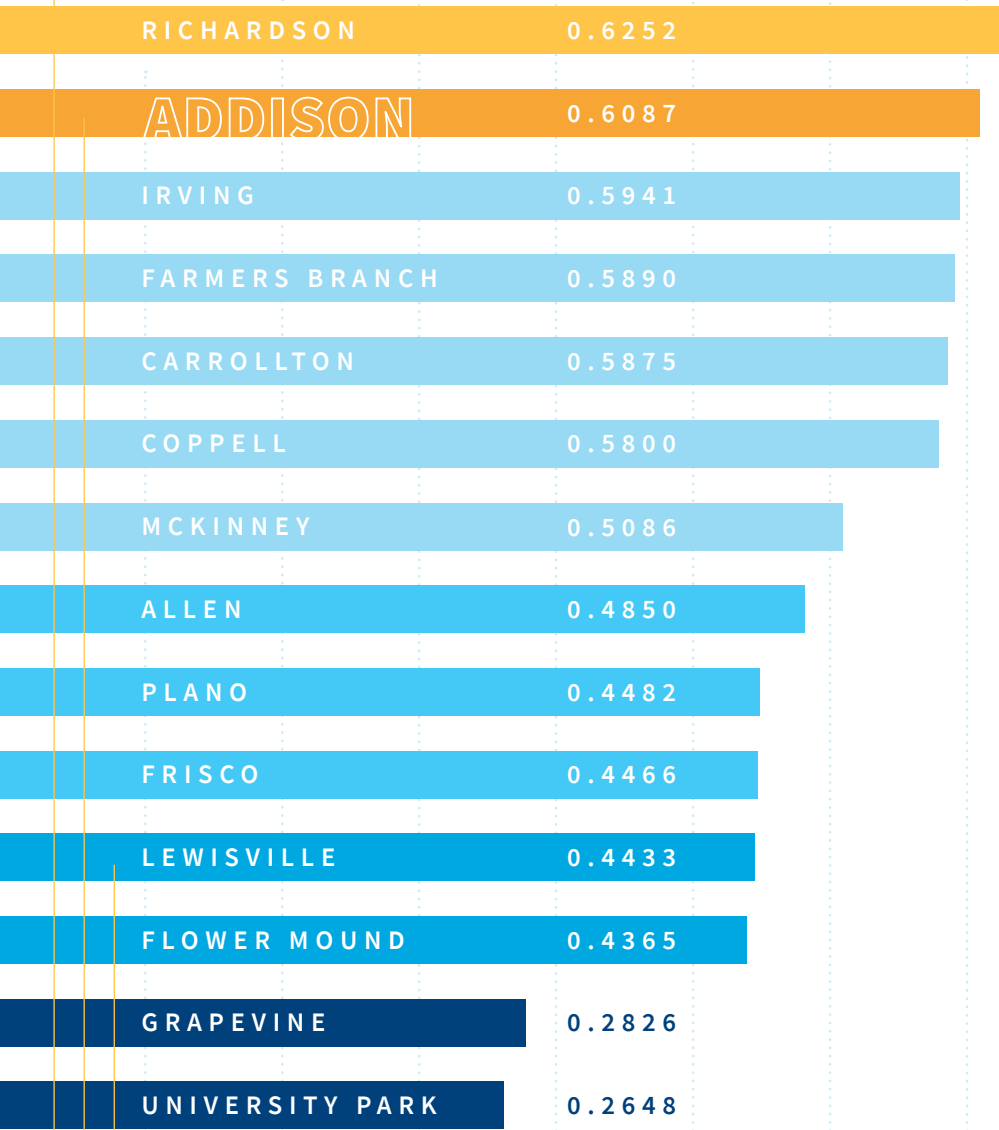
## OPTIMIZE THE ADDISON BRAND

F Define and promote Addison Identity

- 💡 Continue Implementation of Communication Strategy
- 💡 Complete Town Broadcasting System and PEG Channels Infrastructure Upgrade
- 💡 Complete Electronic Display Changeable Message Sign Installation Over Belt Line Road

# MUNICIPAL TAX RATE COMPARISON

15



# COMPARATIVE TAX

## for an average addison single-family residence

	FY 2020	FY 2021
<b>DALLAS COUNTY</b>		
Market Value	\$430,659	\$432,871
Optional Homestead Exemption	20%	20%
Taxable Value	\$331,280	\$335,597
Tax Rate/\$100	0.243100	0.23974
<b>TAX LEVY</b>	<b>\$805.34</b>	<b>\$804.56</b>
<b>DALLAS ISD</b>		
Market Value	\$430,659	\$432,871
Optional Homestead Exemption	10%	10%
Taxable Value	\$331,280	\$335,597
Tax Rate/\$100	1.310385	1.296735
<b>TAX LEVY</b>	<b>\$4,341.04</b>	<b>\$4,351.80</b>
<b>TOWN OF ADDISON</b>		
Market Value	\$430,659	\$432,871
Optional Homestead Exemption	20%	20%
Taxable Value	\$331,280	\$335,597
Tax Rate/\$100	0.583500	0.608676
<b>TAX LEVY</b>	<b>\$1,933.02</b>	<b>\$2,042.70</b>
<b>TOTAL TAX LEVY</b>	<b>\$7,079.40</b>	<b>\$7,199.06</b>

# PROPERTY TAX

## distribution calculations

### FY2021 CERTIFIED TAX ROLL & LEVY

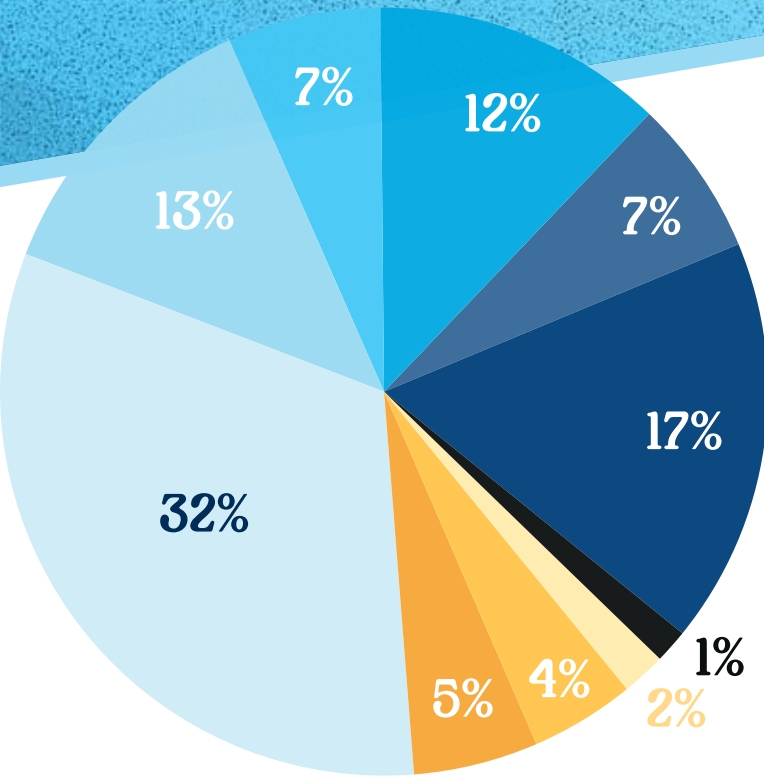
Appraised Valuation (100%)	4,925,943,024
Rate Per \$100	0.608676
<b>TAX LEVY</b>	<b>\$29,983,033</b>
Percent of Current Collection	96.50%
<i>Estimated Current Tax Collections</i>	<i>\$28,933,627</i>

### SUMMARY OF TAX COLLECTIONS

Current Tax	\$28,933,627
Delinquent Tax	(246,420)
Penalty & Interest	68,000
<b>TOTAL FY2021 TAX COLLECTIONS</b>	<b>\$28,755,207</b>

	DISTRIBUTION OF TAX RATE	TAX RATE	% OF TOTAL	AMOUNT
<b>GENERAL</b>	Current Tax			\$19,546,156
	Delinquent Tax			(165,758)
	Penalty & Interest			45,000
	<b>TOTAL GENERAL FUND</b>	<b>\$0.4112</b>	<b>67.56%</b>	<b>19,425,398</b>
<b>ECON DEV</b>	Current Tax			\$1,127,348
	Delinquent Tax			(11,000)
	Penalty & Interest			3,000
	<b>TOTAL ECONOMIC DEVELOPMENT FUND</b>	<b>\$0.0237</b>	<b>3.90%</b>	<b>1,119,348</b>
<b>IIF</b>	Current Tax			294,767
	Delinquent Tax			-
	Penalty & Interest			-
	<b>TOTAL INFRASTRUCTURE INVEST. FUND</b>	<b>\$0.0062</b>	<b>1.02%</b>	<b>294,767</b>
<b>DEBT SVC</b>	<i>Total Operations and Maintenance</i>	<i>\$0.4411</i>	<i>72.47%</i>	<i>20,839,513</i>
	Current Tax			\$7,965,356
	Delinquent Tax			(69,662)
	Penalty & Interest			20,000
	<b>TOTAL DEBT SERVICE FUND</b>	<b>\$0.1676</b>	<b>27.53%</b>	<b>7,915,694</b>
	<b>TOTAL DISTRIBUTION</b>	<b>\$0.6087</b>	<b>100.00%</b>	<b>\$28,755,207</b>

# FUND OVERVIEW



all funds expenditures by type

- ◆ URBAN DEV
- ◆ PUBLIC SAFETY
- ◆ DEBT SVC
- ◆ UTILITIES
- ◆ TOURISM & ECON DEV
- ◆ GENERAL GOVT
- ◆ CAP PROJECTS / OTHER
- ◆ PARKS & REC
- ◆ AVIATION
- ◆ STREETS

## GOVERNMENTAL FUNDS

General Fund	\$38,729,836
Special Revenue Funds	
Hotel Fund	\$5,454,564
Economic Development Fund	\$2,019,815
Combined Grant Funds	\$13,700
Combined Other Funds	\$349,509
Self-Funded Project Fund	\$834,950
General Debt Service Fund	\$7,648,653

## PROPRIETARY FUNDS

Airport Fund	\$5,059,205
Utility Fund	\$13,893,405
Stormwater Fund	\$1,285,903
Combined Replacement Funds	\$3,049,275

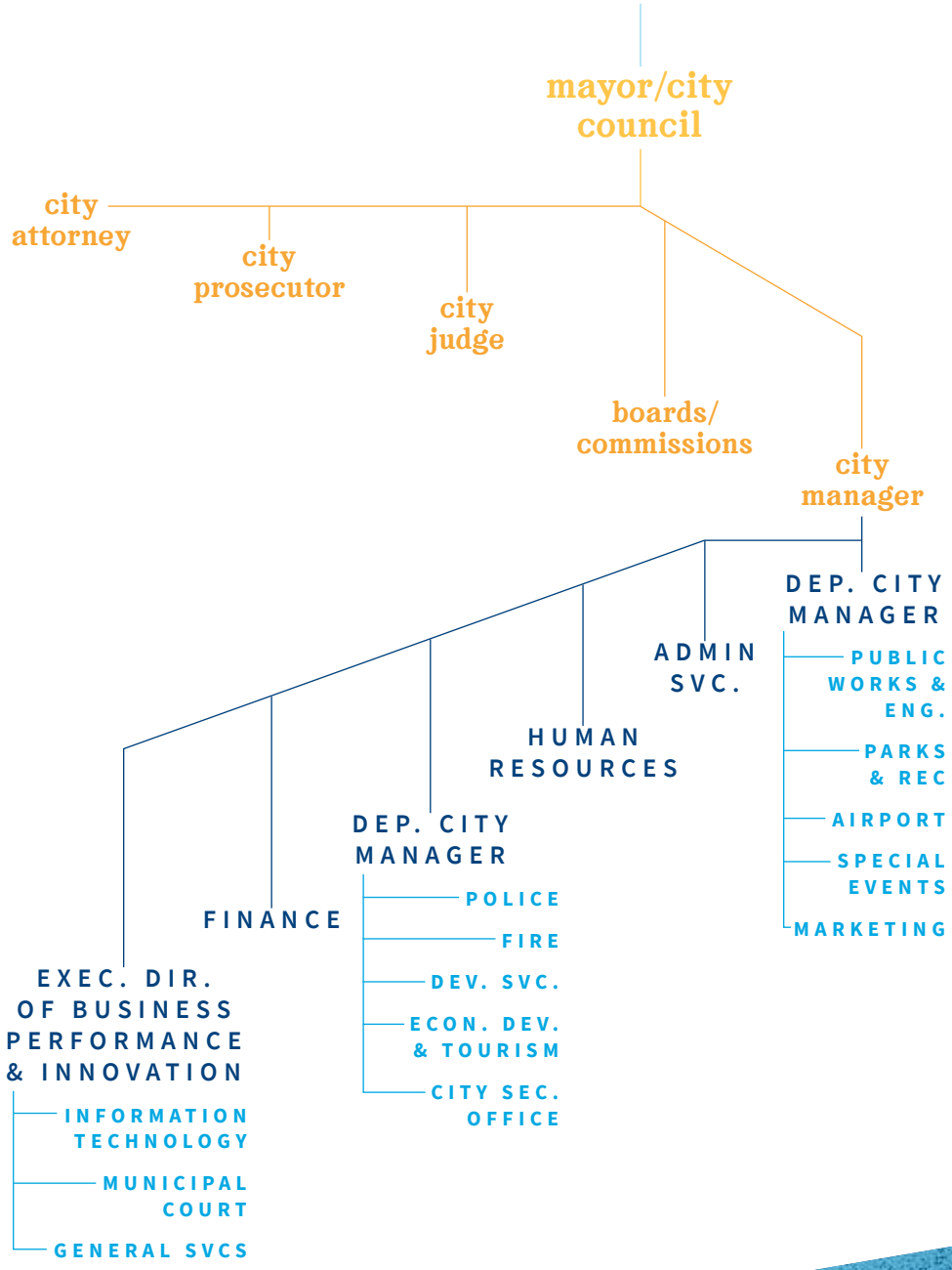
## CAPITAL PROJECT FUNDS

Combined Bond Funds	\$31,885,259
Cash Reserve Funds	\$4,556,841
Streets Self-Fund Project Fund	-
Airport Capital Project Grants	\$780,000

## TOTAL ALL FUNDS

\$115,560,915

# STAFF ORGANIZATION CHART





# STAFFING SUMMARY

## **budgeted departmental staffing summary**

	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>DIFF 20-21</b>
<b>GENERAL FUND</b>					
City Secretary	1.0	1.0	1.0	1.0	-
City Manager	5.5	6.5	6.5	5.9	(0.6)
Finance	13.0	13.0	13.0	11.8	(1.2)
General Services	5.5	5.5	5.5	5.5	-
Municipal Court	5.8	5.0	5.0	5.0	-
Human Resources	4.0	4.0	4.0	3.4	(0.6)
Information Technology	7.0	7.0	7.0	7.0	-
Police	71.0	72.0	74.0	74.0	-
Emergency Communications	-	-	-	-	-
Fire	57.0	57.0	58.0	58.0	-
Development Services	11.0	12.1	13.1	13.1	-
Streets	6.4	7.4	7.4	7.4	-
Parks	22.0	25.0	25.0	25.0	-
Recreation	15.7	15.7	15.7	15.7	-
<b>TOTAL GENERAL FUND</b>	<b>224.9</b>	<b>231.2</b>	<b>235.2</b>	<b>232.8</b>	<b>(2.4)</b>
Hotel Fund	17.0	17.0	17.0	9.0	(8.0)
Economic Development Fund	4.0	4.0	4.0	4.0	-
Airport Fund	3.4	3.4	4.4	19.6	15.2
Utility Fund	19.2	22.2	25.2	27.4	2.2
Stormwater Fund	2.0	4.0	4.0	4.0	-
Capital Improvements Program	-	-	-	3.0	3.0
<b>TOTAL ALL FUNDS</b>	<b>270.5</b>	<b>281.8</b>	<b>289.8</b>	<b>299.8</b>	<b>10.0</b>

All positions are shown as full-time equivalents (FTEs).

# FUND SUMMARIES

**combo summary of revenues & expenditures & changes in fund balance**

**SPECIAL REVENUE FUNDS – COMB-**

	<b>GEN FUND</b>	<b>HOTEL</b>	<b>ECON DEV</b>	<b>COMBO GRANT</b>	<b>COMBO OTHER</b>	<b>DEBT SVC FUNDS</b>
<b>BEGINNING BALANCES</b>	18,737	2,285	1,798	39	4,275	10
<b>REVENUES</b>						
Ad valorem tax	19,425	-	1,127	-	-	7,916
Non-property taxes	13,356	4,155	-	-	-	-
Franchise fees	2,260	-	-	-	50	-
Licenses & Permits	1,143	-	-	-	-	-
Intergovernmental	-	-	-	8	-	-
Service fees	1,970	1,105	60	-	-	-
Fines & Penalties	260	-	-	-	31	-
Rental income	9	24	-	-	-	-
Interest & Other Income	328	50	48	-	31	16
<b>TOTAL REVENUES</b>	<b>\$38,751</b>	<b>\$5,333</b>	<b>\$1,235</b>	<b>\$9</b>	<b>\$112</b>	<b>\$7,932</b>
Transfers from other funds	-	-	384	-	711	-
<i>Total Available Resources</i>	<i>\$57,487</i>	<i>\$7,619</i>	<i>\$3,417</i>	<i>\$47</i>	<i>\$5,097</i>	<i>\$7,942</i>
<b>EXPENDITURES</b>						
Personnel Services	24,913	1,261	491	-	25	-
Supplies	1,544	60	21	-	113	-
Maintenance	3,609	288	29	-	310	-
Contractual Services	7,239	3,771	1,430	14	461	5
Capital Replacement/Lease	1,424	75	48	-	-	-
Debt Service	-	-	-	-	-	7,644
Capital Outlay	-	-	-	-	275	-
<i>Total Operating Expenditures</i>	<i>\$38,730</i>	<i>\$5,455</i>	<i>\$2,020</i>	<i>\$14</i>	<i>\$1,184</i>	<i>\$7,649</i>
Transfers to other funds	711	384	-	-	-	-
Capital improvements	-	-	-	-	395	-
One-time Decision Packages	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$39,441</b>	<b>\$5,839</b>	<b>\$2,020</b>	<b>\$14</b>	<b>\$1,579</b>	<b>\$7,649</b>
<b>ENDING FUND BALANCES</b>	<b>\$18,047</b>	<b>\$1,780</b>	<b>\$1,397</b>	<b>\$34</b>	<b>\$3,518</b>	<b>\$294</b>

\*Totals may not exactly match due to rounding.

All Funds Subject to Appropriation  
(Expressed in \$000's)\*

City Council FY2021 Adopted Annual Budget

With Comparisons to FY2020 Estimates and  
FY2019 Actual

Total Revenues	77,465
Decrease in Fund Balance	874

**TOTAL DISTRIBUTION 78,339**

**CAP PROJ FUNDS - PROPRIETARY FUNDS - INT SVC - TOTAL ALL FUNDS -**

	IIF	AIRPT	UTILITY	STORM WATER	COMBO REPL	20-21 BUD	19-20 BUD	18-19 ACT
	5,264	5,506	4,924	7,159	6,915	56,912	62,182	57,804
	295	-	-	-	-	28,763	26,862	25,197
	-	-	-	-	-	17,511	17,882	21,596
	-	-	-	-	-	2,310	2,403	2,513
	-	-	-	-	-	1,143	1,294	1,369
	-	50	-	-	-	58	1,580	124
	-	783	13,868	2,456	2,045	22,287	20,215	20,494
	-	-	-	-	-	291	296	423
	-	4,306	-	-	-	4,338	5,233	6,098
	50	50	106	40	45	764	805	2,081
	<b>\$345</b>	<b>\$5,189</b>	<b>\$13,974</b>	<b>\$2,496</b>	<b>\$2,090</b>	<b>\$77,465</b>	<b>\$76,570</b>	<b>\$79,894</b>
	-	-	-	-	-	1,095	3,993	4,487
	\$5,609	\$10,696	\$18,898	\$9,655	\$9,005	\$135,471	\$142,745	\$142,185
	-	2,157	2,318	313	-	31,478	28,990	27,448
	-	62	216	18	-	2,034	1,958	1,559
	-	480	651	103	-	5,471	8,087	7,335
	-	1,310	8,785	310	5	23,329	21,444	21,665
	-	231	341	-	-	2,119	2,051	1,957
	-	820	1,518	542	-	10,523	9,906	9,199
	-	-	65	-	3,045	3,385	2,846	2,166
	-	\$5,059	\$13,893	\$1,286	\$3,049	\$78,339	\$75,282	\$71,330
	-	-	-	-	-	1,095	3,994	4,987
	-	2,044	163	2,272	-	4,874	6,632	3,986
	-	51	350	39	-	440	-	-
	-	<b>\$7,154</b>	<b>\$14,406</b>	<b>\$3,597</b>	<b>\$3,049</b>	<b>\$84,747</b>	<b>\$85,908</b>	<b>\$80,303</b>
	<b>\$5,609</b>	<b>\$3,541</b>	<b>\$4,491</b>	<b>\$6,058</b>	<b>\$5,955</b>	<b>\$50,724</b>	<b>\$56,837</b>	<b>\$61,882</b>

# ENDING CHANGE IN FUND BALANCE

23

	PROJ APPROP FUND BAL 9/30/20	PROJ APPROP FUND BAL 9/30/21	% CHANGE
<b>GENERAL FUND</b>	<b>\$18,736,620</b>	<b>\$18,046,558</b>	<b>-4%</b>
General Fund	18,736,620	18,046,558	-4%
<b>ENTERPRISE FUNDS</b>	<b>\$17,589,209</b>	<b>\$14,090,622</b>	<b>-20%</b>
Airport Fund	5,506,475	3,541,469	-36%
Stormwater Fund	7,159,183	6,058,031	-15%
Utility Fund	4,923,551	4,491,122	-9%
<b>SPECIAL REVENUE FUNDS</b>	<b>\$8,407,175</b>	<b>\$7,022,970</b>	<b>-16%</b>
Hotel Fund	2,285,310	1,780,157	-22%
Economic Development Fund	1,797,844	1,397,377	-22%
Advanced Funding Grant Fund	38,833	33,633	-13%
Self-Funded Special Projects Fund	564,462	45,962	-92%
Justice Administration Fund	22,578	20,728	-8%
Child Safety Fund	87,917	79,917	-9%
Court Technology Fund	24,931	7,101	-72%
Building Security Fund	23,145	9,795	-58%
Addison Grove Escrow Fund	3,129,141	3,154,141	1%
Public Safety Forfeiture Fund	63,409	-	-100%
PEG Fees Fund	359,147	200,647	-44%
General Obligation Debt Service Fund	10,458	293,512	2707%
<b>CAPITAL PROJECTS FUNDS</b>	<b>\$5,263,783</b>	<b>\$5,608,550</b>	<b>7%</b>
Infrastructure Investment Fund	5,263,783	5,608,550	7%
<b>INTERNAL SERVICES FUNDS</b>	<b>\$6,914,846</b>	<b>\$5,955,434</b>	<b>-14%</b>
Capital Replacement Fund	3,527,376	3,456,101	-2%
Information Technology Replacement Fund	3,387,470	2,499,333	-26%

## explanation of changes in fund balance greater than 10%

### AIRPORT FUND

The Airport fund has programmed use of reserves for planned CIP improvements.

### STORMWATER FUND

The Stormwater fund has programmed use of reserves for planned capital equipment and CIP improvements.

### HOTEL FUND

The Hotel fund has budgeted expenses exceeding revenues by \$505,154 due to a projected decrease in hotel occupancy taxes.

### ECONOMIC DEVELOPMENT FUND

The Economic Development fund has programmed to rollover remaining FY2020 hotel support program incentive funds for use in FY2021.

### ADVANCED FUNDING GRANT FUND

The Advanced Funding Grant fund has projected use of reserves for contractual services in FY2020.

### SELF-FUNDED SPECIAL PROJECTS FUND

The Self-Funded Projects fund has programmed use of reserves for planned CIP improvements.

### COURT TECHNOLOGY FUND

The Court Technology fund has programmed use of reserves for planned technology service improvements.

### BUILDING SECURITY FUND

The Building Security fund has budgeted expenses exceeding revenues by \$14,350 due to a projected decrease in fines and penalties in FY2020.

### PUBLIC SAFETY FORFEITURE FUNDS

The Public Safety Forfeiture fund has budgeted use of reserves for public safety training and equipment.

### PEG FEES FUND

The PEG Fees fund has programmed use of reserves for planned equipment improvements.

### GENERAL OBLIGATION DEBT SERVICE FUND

The General Obligation Debt Service fund has programmed use of reserves for the repayment on new debt.

### INFORMATION TECHNOLOGY REPLACEMENT FUND

The Information Technology Replacement fund has programmed use of reserves for planned equipment improvements.

# BUDGETED FUNDS

# RELATIONSHIPS

## GOVERNMENTAL

### FUND

	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS
General Fund	◆			◆
Hotel Fund		◆		
Economic Development Fund		◆		
General Obligation Debt Service			◆	
Advanced Funding Grant Fund		◆		
Justice Administration		◆		
Child Safety Fund		◆		
Court Technology Fund		◆		
Infrastructure Investment Fund		◆		◆
Building Security Fund		◆		
Public Safety Forfeiture Fund		◆		
PEG Fees Fund		◆		
Self-Funded Special Projects Fund				◆
Airport Fund				
Stormwater Fund				
Utility Fund				
Capital Replacement Fund				
Information Technology Fund				

A matrix is provided below to show the relationships between the Town's funds and various fund types. Funds presented below only represent operational budgeted funds.

**PROPRIETARY FUNDS** \_\_\_\_\_ **FIDUCIARY FUNDS** \_\_\_\_\_

**ENTERPRISE**      **INTERNAL SERVICES**



# GENERAL FUUND







**financial/operational**

# GENERAL FUND

## fund description

The General Fund is the largest governmental fund and accounts for most of the financial resources of the general government. General Fund revenues include property tax, sales tax, licenses and permits, service charges and other types of revenue. The General Fund usually includes most of the basic operating services, such as fire and police protection, parks and recreation, development services, street maintenance, and general government administration.

## fund narrative

During the budget process, it is the General Fund which receives the most scrutiny from Town staff, the Council, and the public. The attention is deserved because it is this fund that reflects most of the critical issues affecting the community, from establishing a tax rate to determining employee staffing and benefits. The following narrative reports the major aspects of the General Fund budget for both the concluding and new fiscal year. Operational accomplishments and goals are reported in the department narratives.

## CONCLUDING FISCAL YEAR PERFORMANCE

Revenues for FY2020 are estimated to be \$39,930,308 which represents an increase of \$836,644 or 2.14 percent above FY2020 adopted budget revenues and is 0.8 percent below FY2019

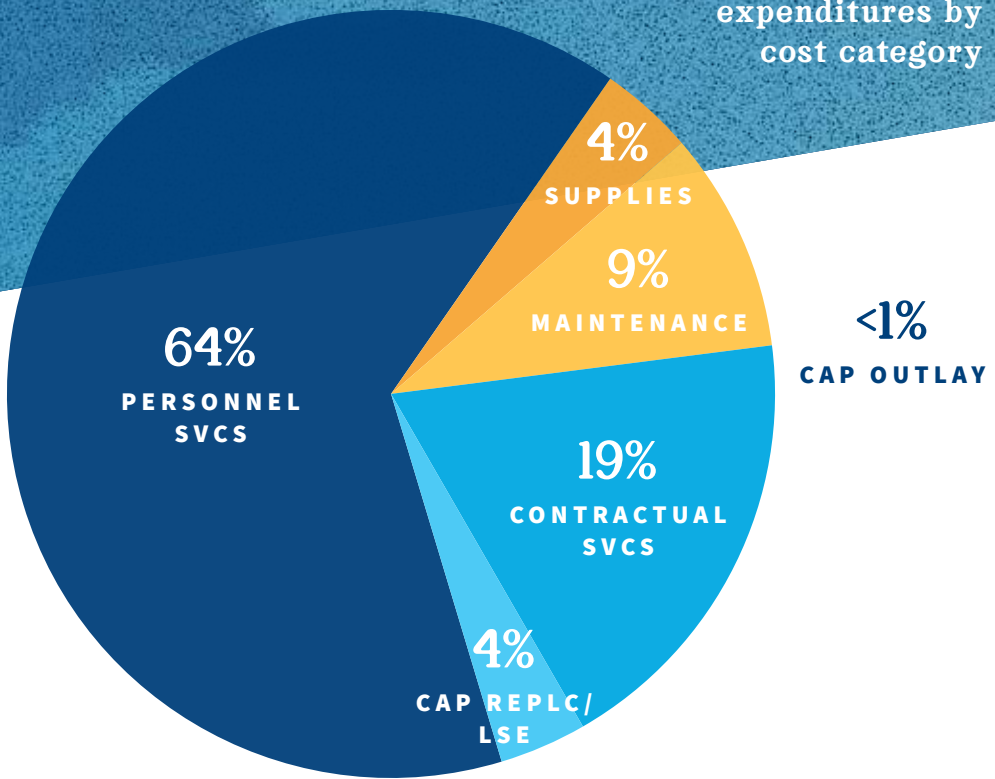
actual revenues. The increase in estimated revenue over budgeted FY2020 revenue is the result of higher than anticipated building permit fees and investment income. Revenues collected from property taxes are expected to come in as budgeted.

Expenditures (excluding transfers) are expected to total \$38,171,534 in FY2020. The differences in revenues and a higher beginning fund balance contributed to an estimated ending fund balance of \$18,736,620, which is \$4,677,823 more than budgeted.

## 2020-2021 BUDGET NARRATIVE

There are four components that make up the Town's ad valorem tax rate of \$0.608676 per \$100 of appraised value: operations & maintenance, debt service, economic development and dedicated funding for the Infrastructure Investment Fund. A tax rate of \$0.411192 is levied to generate revenues to fund the operations and maintenance activities budgeted in the General Fund. The revenue generated from this portion of the tax rate will increase in FY2020 to \$19,546,156. Other major tax revenues are sales taxes and alcoholic beverage taxes. Sales taxes and alcoholic beverage tax are projected to decrease slightly from FY2020 to FY2021.

general fund operating expenditures by cost category



general fund by major cost category

CATEGORY	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Personnel Services	23,005,719	25,208,310	24,451,339	24,912,989
Supplies	1,141,737	1,403,397	1,374,665	1,544,177
Maintenance	3,365,350	3,453,368	3,386,815	3,609,469
Contractual Services	7,025,903	7,509,948	7,461,442	7,239,332
Capital Replacement/Lease	1,478,003	1,410,673	1,410,673	1,423,868
Capital Outlay	138,442	73,000	86,600	-
<b>TOTAL FUND BUDGET</b>	<b>\$36,155,154</b>	<b>\$39,058,696</b>	<b>\$38,171,534</b>	<b>\$38,729,836</b>

City government is a service industry that relies predominantly on its employees to serve the community. A majority of costs are associated with employee salaries and benefits.

Total fund expenditures for the 2021 fiscal year have been appropriated at \$38,729,836 (excluding transfers) which is \$328,860 less than the FY2020 budget.

The ending fund balance of \$18,046,558 is 46.6 percent of operating expenditures, which is above the minimum balance required by the Town's financial policies. The long-term financial plan for the General Fund anticipates adjusting expenditures for a two percent inflationary increase each year along with moderate increases in revenue.<sup>1</sup>

<sup>1</sup> Please refer to Appendix B for the Town's financial policies.

## general fund statement of revenue & expenditures

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### BEGINNING BALANCE

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#### REVENUES

Ad valorem taxes  
Non-property taxes  
Franchise fees  
Licenses & permits  
Service fees  
Fines & penalties  
Interest Earnings  
Rental Income  
Other

#### TOTAL REVENUES

*Total Available Resources*

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#### EXPENDITURES

General Government  
    City Secretary  
    City Manager  
    Finance  
    General Services  
    Municipal Court  
    Human Resources  
    Information Technology  
    Combined Services  
    City Council  
Public Safety  
    Police  
    Emergency Communications  
    Fire  
    Development Services  
    Streets  
Parks & Recreation  
    Parks  
    Recreation

#### TOTAL EXPENDITURES

Other Financing Sources (uses)  
Transfer to Other Funds

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### ENDING FUND BALANCE

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<b>ACT 18-19</b>	<b>BUD 19-20</b>	<b>EST 19-20</b>	<b>BUD 20-21</b>
<b>\$20,962,953</b>	<b>\$18,084,229</b>	<b>\$20,588,246</b>	<b>\$18,736,620</b>
17,240,969	18,752,174	18,576,193	19,425,398
16,168,140	14,840,000	14,882,000	13,356,000
2,459,254	2,332,100	2,352,919	2,260,000
1,366,941	740,200	1,292,275	1,142,550
1,798,826	1,966,590	1,943,335	1,970,276
376,362	352,000	260,000	260,000
643,083	100,000	501,522	200,000
7,380	7,600	6,152	8,500
190,997	3,000	115,912	128,000
<b>\$40,251,951</b>	<b>\$39,093,664</b>	<b>\$39,930,308</b>	<b>\$38,750,724</b>
<b>\$61,214,904</b>	<b>\$57,177,893</b>	<b>\$60,518,554</b>	<b>\$57,487,344</b>
175,970	207,783	200,301	203,088
1,186,118	1,246,999	1,259,509	1,167,665
2,044,166	1,849,829	1,673,975	1,775,555
716,848	766,195	745,172	752,269
650,660	739,563	705,699	706,818
643,118	713,207	678,214	711,040
2,006,931	2,220,737	2,179,236	2,248,601
1,163,133	1,388,593	1,386,911	1,187,951
330,555	351,811	333,061	252,132
9,354,811	9,988,388	9,720,765	9,975,875
1,365,490	1,432,188	1,429,436	1,391,519
7,868,725	8,362,015	8,526,509	8,481,549
1,350,597	1,626,900	1,549,741	1,637,553
1,777,128	2,220,634	2,068,912	2,150,903
3,911,318	4,044,545	3,885,316	4,261,292
1,609,586	1,899,309	1,828,777	1,826,026
<b>\$36,155,154</b>	<b>\$39,058,696</b>	<b>\$38,171,534</b>	<b>\$38,729,836</b>
-	-	-	-
4,471,504	4,060,400	3,610,400	710,950
<b>\$20,588,246</b>	<b>\$14,058,797</b>	<b>\$18,736,620</b>	<b>\$18,046,558</b>

**general fund statement of  
revenues by source**

	<b>ACT 18-19</b>	<b>BUD 19-20</b>
Ad valorem taxes		
Current taxes	17,296,733	18,781,674
Delinquent taxes	(96,002)	(70,000)
Penalty & interest	40,238	40,500
Non-Property taxes		
Sales tax	15,017,082	13,700,000
Alcoholic beverage tax	1,151,057	1,140,000
Franchise/Right-of-Way Use Fees		
Electric franchise	1,534,930	1,560,000
Gas franchise	253,426	216,600
Telecommunication access fees	400,099	400,000
Cable franchise	270,799	150,000
Street rental fee	-	5,500
Licenses & Permits		
Business licenses & permits	222,420	165,700
Building & construction permits	1,144,521	574,500
Services Fees		
General government	71,963	-
Public safety	907,174	942,300
Urban development	2,180	60,300
Streets & sanitation	403,676	377,200
Recreation	64,453	70,300
Interfund	349,380	516,490
Court Fines	376,362	352,000
Interest Earnings	643,083	100,000
Rental Income	7,380	7,600
Recycling Proceeds	616	3,000
Other	190,381	-
<b>TOTAL REVENUES</b>	<b>\$40,251,951</b>	<b>\$39,093,664</b>

<b>EST 19-20</b>	<b>BUD 20-21</b>
18,917,312	19,546,156
(381,119)	(165,758)
40,000	45,000
14,082,000	12,330,000
800,000	1,026,000
1,560,000	1,525,000
204,919	205,000
388,000	400,000
200,000	130,000
-	-
132,325	211,650
1,159,950	930,900
-	-
954,445	1,054,445
13,900	1,900
406,600	445,700
51,900	57,800
516,490	410,431
260,000	260,000
501,522	200,000
6,152	8,500
500	3,000
115,412	125,000
<b>\$39,930,308</b>	<b>\$38,750,724</b>



# CITY COUNCIL SPECIAL PROJECTS

## department mission

To account for funds appropriated by the City Council for special projects not directly related to Addison operations. Also included are expenses incurred by the Mayor and six members of the Council in performing their responsibilities as elected officials of Addison.

## program narrative

### ACCOMPLISHMENTS OF FY2020

- » Continued community engagement through City Council Liaison assignments.
- » Continued to facilitate private investments in the Town through private development.
- » Allocated non-profit funding to area agencies.
- » Reviewed top 7 strategic pillars and selected 10 priority milestones to focus on for FY2021.

- » Participated in Cares Act Program to grant funds to businesses as a response to COVID-19.

### OBJECTIVES FOR FY2021

- » Update the top 7 strategic pillars and 10 milestones.
- » Seek out operation efficiencies without compromising the overall level of service provided by the Town.
- » Continued contribution to the social good of charitable and educational programs

### NON-PROFIT FUNDING

- » Addison Arbor Foundation (\$50,000 + up to \$15,000 match)
- » Metrocrest Social Services (\$66,120)
- » Dallas Cat Lady (\$5,000)
- » Metrocare Services (\$5,000)
- » Outcry Theatre (\$2,500)
- » The Family Place (\$2,500)
- » Woven Health Clinic (\$5,000)
- » WaterTower Theatre (\$375,000)\*

\*Net value of WaterTower Theatre grant including in-kind amounts

expenditures	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Personnel Services	27,384	29,483	28,138	29,483
Supplies	16,012	17,500	15,132	18,000
Maintenance	-	-	-	-
Contractual Services	283,896	301,991	286,954	201,727
Capital Replacement/Lease	3,264	2,837	2,837	2,922
Capital Outlay	-	-	-	-
<b>TOTAL DEPT BUDGET</b>	<b>\$330,555</b>	<b>\$351,811</b>	<b>\$333,061</b>	<b>\$252,132</b>



# CITY MANAGER'S OFFICE

## department mission

To effectively implement and administer the policies established by the City Council. The City Manager is responsible for making recommendations to the Council concerning policies and programs and developing methods to ensure the efficient operation of city services. The department accounts for all expenditures related to the City Manager, support staff, and the operation and maintenance of Town Hall.

## program narrative

### ACCOMPLISHMENTS OF FY 2020

- » Bond program passage

- » Program budgeting implementation (Phase 1)
- » Asset management policy adoption
- » Filled key positions (Chief Financial Officer and Public Works Director)
- » Strategic Plan update

### OBJECTIVES FOR FY2021

- » Airport integration
- » Bond projects
- » Asset management funding / long-term financial model
- » Integrating asset management with the budget process

expenditures	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Personnel Services	976,878	1,061,103	1,083,540	984,752
Supplies	27,765	23,893	25,296	25,252
Maintenance	20,204	40,274	40,274	50,293
Contractual Services	129,389	110,333	99,003	95,972
Capital Replacement/Lease	18,982	11,396	11,396	11,396
Capital Outlay	12,900	-	-	-
<b>TOTAL DEPT BUDGET</b>	<b>\$1,186,118</b>	<b>\$1,246,999</b>	<b>\$1,259,509</b>	<b>\$1,167,665</b>

staffing	LEVEL	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
City Manager <sup>1</sup>	N/C	1.0	1.0	1.0	1.0
Deputy City Manager <sup>2</sup>	48	2.0	2.0	2.0	1.4
Assistant to the City Manager	33	1.0	1.0	1.0	1.0
Management Assistant	25	1.0	1.0	1.0	1.0
Volunteer Coordinator	23	0.5	0.5	0.5	0.5
Administrative Assistant	22	1.0	1.0	1.0	1.0
<b>TOTAL</b>		<b>6.5</b>	<b>6.5</b>	<b>6.5</b>	<b>5.9</b>

<sup>1</sup> This position is not classified in the pay plan.

<sup>2</sup> This position has been partially reallocated to the Utility Fund (0.3 FTE) and Airport Fund (0.3 FTE) in FY2021.

# CITY SECRETARY

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## department mission

The mission of the City Secretary's Office is to serve the City Council, City Staff and the public in a manner that values honesty, integrity and trust. The City Secretary fulfills the duties and responsibilities of this office in accordance with the City Charter and State law.

The City Secretary's Office provides citizens with information on formal actions of the City Council; meeting dates, time, and places; election data; ordinances, contracts, deeds, and other official town documents. The City Secretary's Office also promotes open and responsive government through proper recording and preservation of the Town's legislative history and official documents; providing responsive customer service to our diverse customer base; and conducting fair and impartial city elections.

## program narrative

### ACCOMPLISHMENTS OF FY2020

- » GovQA process and procedures updated and streamlined.
  - Public information requests processed have been reduced in half from 1000+ in previous years by providing online reports to the public.
  - Approximately 450 Public information requests from 2017 to 2020 submitted to the Attorney General for opinion were researched and closed with assistance of city attorney.
  - Response to requests for records has greatly improved.
- » Continuing to update and provide public and staff access to municipal records.
  - Records provided on LaserFiche.
  - Records placed online via MCCi.
  - Ordinances, minutes and resolutions recently adopted are posted online allowing for ease in research by Staff and Citizens. Policy Section added to online MCCi to assist those looking for Town Policies.
  - Ordinance updates posted in the specific chapter/section of codified Code within a week of adoption.

## expenditures

	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Personnel Services	113,997	122,583	119,529	117,888
Supplies	13,373	20,700	13,707	10,950
Maintenance	-	-	-	-
Contractual Services	48,599	64,500	67,065	74,250
Capital Replacement/Lease	-	-	-	-
Capital Outlay	-	-	-	-
<b>TOTAL DEPT BUDGET</b>	<b>\$175,970</b>	<b>\$207,783</b>	<b>\$200,301</b>	<b>\$203,088</b>

- » Document storage reviewed and records reviewed for records retention compliance.
  - Closed off-site Iron Mountain and Access storage receiving over 500 boxes of files. Received additional 100+ boxes from Special Events, Attorney, and Conference Centre to review. Items collected to either store or dispose of (i.e. shred, throw away).
  - Closed three (3) storage facilities at Extra Space Storage. Those items contained in this facility consisted of furniture and equipment emptied from Celestial Building which had been used for storage. With the assistance of the Finance and General

Services Department these items were processed, auctioned and those items not sold destroyed. Only one (1) unit remains.

- Inventory process is still in process with end goal of one centralized off-site storage facility goal in sight.
- Worked with Special Events Department to assist with records inventory while employees were working from home due to COVID-19.
- » COVID-19 has resulted in providing new technology to be used to conduct meetings and assist residents. Learning how to continue workflows during the pandemic remotely.

staffing

	LEVEL	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
City Secretary	33	1.0	1.0	1.0	1.0
<b>TOTAL</b>		<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>

OBJECTIVES FOR FY2021

- » Provide in-house training for Staff to utilize full potential of various programs.
  - Utilize consultant (MCCi) for LaserFiche to assist staff with maximizing the program’s full resources in relation to scanning, storage and retrieval.
  - Utilize Texas State Library to provide knowledge to establish reasonable and financially responsible records schedules.
  - Public Information Training from Attorney General to assist with proper administration of public requests made through GovQA.
- » Complete records inventory and begin development of Records Program.
- » Assist the Airport Department in establishing records inventory. Airport Department became Town Department October 1, 2020.
- » Reduce Staff response time on GovQA by half. Provide online reports to track response time.
- » Expand knowledge of new technology to assist in job performance, saving time and money:
  - Addition of eFile program to record documents with County Clerk.
  - Addition of online form for citizens to sign up to address Council with their concerns at a meeting or submit email comments.
  - Begin utilizing online forms for surveys, board/commission applications.
- » Continue to develop good communications between Town departments, help assess their record needs, and find solutions to improve workflows, sharing of data, and work as a team for a common goal.

# COMBINED SERVICES

## mission

Combined Services reflects expenditures incurred by the Town as a single entity in the conduct of its operations. These expenditures include the Town's memberships in various state and local organizations, attorney fees, and insurance premiums.

## expenditures

	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Personnel Services	41,706	7,642	5,000	-
Supplies	42,480	47,000	34,000	22,000
Maintenance	-	3,040	-	3,040
Contractual Services	1,078,947	1,330,911	1,347,911	1,162,911
Capital Replacement/Lease	-	-	-	-
Capital Outlay	-	-	-	-
<b>TOTAL DEPT BUDGET</b>	<b>\$1,163,133</b>	<b>\$1,388,593</b>	<b>\$1,386,911</b>	<b>\$1,187,951</b>



# DEVELOPMENT SERVICES

## department mission

To manage the planning, development, and growth of Addison in a manner that results in a pleasant, safe, attractive, and sustainable environment and that enhances the quality of life for all of Addison’s citizens and visitors. To protect the public’s health and welfare through enforcement of the Town’s codes regarding zoning, construction, community safety, food service, swimming pools, and a myriad of environmental hazards. This department encompasses building inspection, environmental health, planning and zoning, and property standards.

## program narrative

### ACCOMPLISHMENTS OF FY 2020

- » Building Inspection completed more than 1,000 plan reviews, issued over 700 permits and completed more than 3,100 building inspections.
- » Adopted 2018 ICC Building Codes and 2017 Electrical Code.

- » Launched online EnerGov portal for permit applications and inspection requests.
- » Staff completed Master Code Professional Designation and American institute of Certified Planners (AICP) certification.
- » Adopted new fee schedule (implementation partially on hold).
- » Hired new Senior Environmental Health Specialist.
- » Drafted COVID-19 Action Plan and managed public health response.
- » Staff member served as President-Elect for the National Environmental Health Association.
- » Finalized Cotton Belt development vision with the City Council following ULI Fall Meeting panel advisory service. Facilitated selection of a real estate consultant.
- » Reviewed and extended Short-Term Rental pilot program.
- » Coordinated 2020 Census Complete Count Committee efforts.
- » Supported 2020 Charter Review Commission.

## expenditures

	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Personnel Services	1,123,411	1,285,120	1,250,859	1,308,314
Supplies	31,029	36,599	31,399	36,041
Maintenance	10,951	13,807	13,807	18,470
Contractual Services	140,865	223,587	202,289	241,686
Capital Replacement/Lease	44,340	32,787	32,787	33,042
Capital Outlay	-	35,000	18,600	-
<b>TOTAL DEPT BUDGET</b>	<b>\$1,350,597</b>	<b>\$1,626,900</b>	<b>\$1,549,741</b>	<b>\$1,637,553</b>

**staffing**

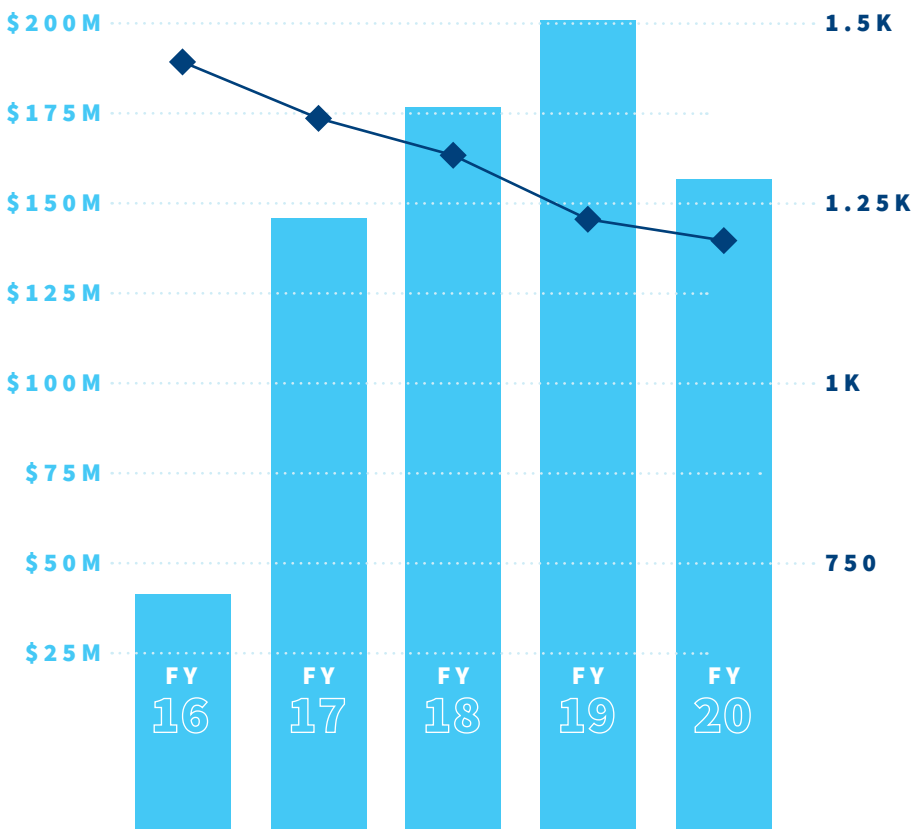
	LEVEL	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Director of Development Services	43	1.0	1.0	1.0	1.0
Building Official	39	1.0	1.0	1.0	1.0
Development & Planning Manager <sup>1</sup>	34	0.0	0.0	1.0	1.0
Environmental Health Manager	34	1.0	1.0	1.0	1.0
Senior Planner <sup>1</sup>	30	1.0	1.0	0.0	0.0
Plans Examiner	26	1.0	1.0	1.0	1.0
Sr. Environmental Health Inspector <sup>2</sup>	26	0.0	1.0	1.0	1.0
Senior Building Inspector	26	2.0	2.0	2.0	2.0
Code Enforcement Officer	24	1.0	1.0	1.0	1.0
Combination Building Inspector	24	0.1	0.1	0.1	0.1
Environmental Health Specialist	24	1.0	1.0	1.0	1.0
Department Assistant	19	1.0	1.0	1.0	1.0
Permit Technician	19	1.0	1.0	1.0	1.0
Records Clerk	17	1.0	1.0	1.0	1.0
<b>TOTAL</b>		<b>12.1</b>	<b>13.1</b>	<b>13.1</b>	<b>13.1</b>

<sup>1</sup>This position was reclassified in FY2020 from Senior Planner to Development and Planning Manager.

<sup>2</sup>This position was added in FY2020.

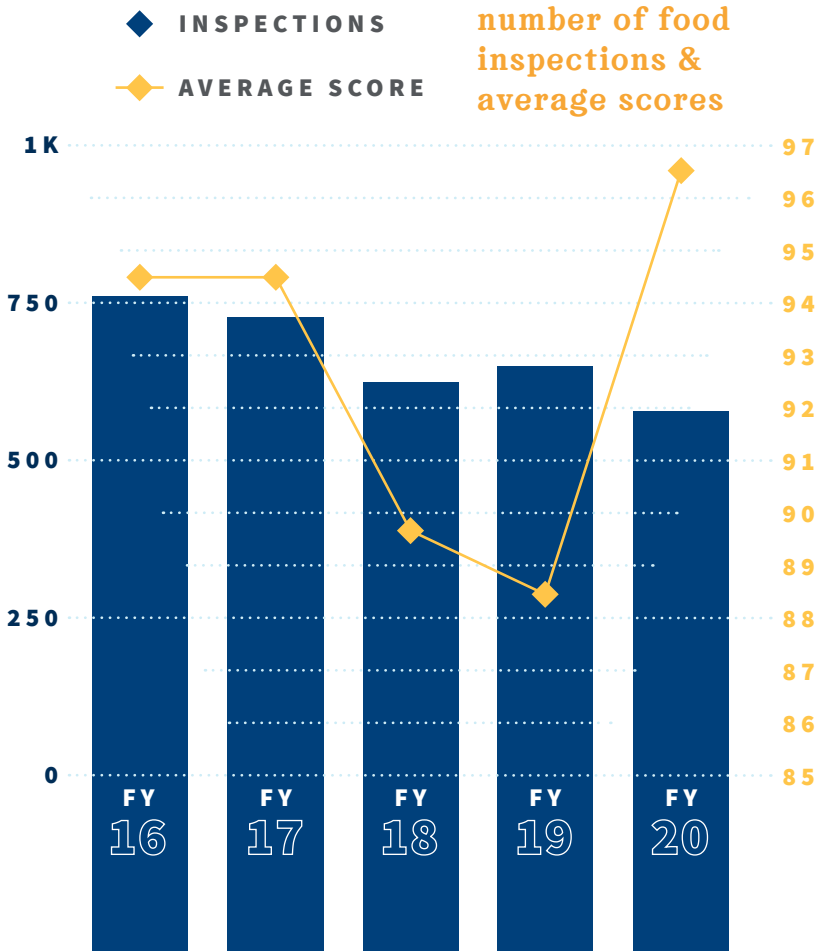
**number & dollar value of building permits issued**

◆ TOTAL PERMIT VALUATION  
◆ TOTAL PERMITS ISSUED



### OBJECTIVES FOR FY2021

- » Complete Unified Development Code update.
- » Facilitate developer solicitation for Cotton Belt properties.
- » Coordinate with DART and NCTCOG regarding Cotton Belt/Silver Line Rail and Trail construction.
- » Continue expanding use of EnerGov throughout the Town’s various permitting processes.
- » Conduct operations review of Building Inspections division.
- » Study transition to a risk-based inspection system for restaurants.





# EMERGENCY COMMUNICATIONS

## department mission

This function reflects expenditures incurred by the Town for emergency communications. These expenditures include the Town’s emergency dispatch services, radio maintenance, and other emergency management services related to public safety. Expenses associated with this department are for the North Texas Emergency Communication Center (NTECC) consolidated dispatch.



### expenditures

	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Personnel Services	-	-	-	-
Supplies	-	-	-	-
Maintenance	33,165	52,752	50,000	64,240
Contractual Services	1,332,325	1,379,436	1,379,436	1,327,279
Capital Replacement/Lease	-	-	-	-
Capital Outlay	-	-	-	-
<b>TOTAL DEPT BUDGET</b>	<b>\$1,365,490</b>	<b>\$1,432,188</b>	<b>\$1,429,436</b>	<b>\$1,391,519</b>

## department mission

To optimally manage Addison's resources through its budgeting, purchasing, management analysis and financial reporting. This department encompasses treasury, investment management, risk management, accounts receivable and payable, payroll, and managing all the steps involved in debt financing. The Chief Financial Officer is charged with satisfying this mission by providing general supervision to all department functions. The department develops the Town's Comprehensive Annual Financial Report (CAFR), the Town's Annual Budget, and all transparency reporting.

## program narrative

### ACCOMPLISHMENTS OF FY 2020

- » Refunding of 2012 GO Bonds and 2013B Taxable Bonds resulting in net present value savings of \$1.87 million, or 15.25% of the refunded amount.
- » Received Economic Development transparency star, and Contracts and Procurement star should be received when the Comptroller resumes the awards.
- » Surveyed departments for customer service feedback and have begun various process improvements, including streamlining accounts payable workflow.
- » Restructured the Airport Fund accounts and budget to accommodate the changes in airport personnel.
- » Forecasted the financial impact of COVID-19 and provided strategies to help minimize the severity of the impact.
- » Verified financial information in Socrata, the new transparency web page, to replace OpenGov in order to save the Town money and also provide live data.
- » Received the 44th consecutive Certificate of Achievement in Financial Reporting from the Government Finance Officers Association (GFOA) for our FY19 CAFR.
- » Completed the annual financial audit with no proposed or passed audit adjustments.
- » Received the 34<sup>th</sup> consecutive Distinguished Budget Presentation Award from GFOA for our FY20 Budget.
- » Implemented program budgeting by working with departments to identify, define, and allocate funding to programs.
- » Assisted Special Events with implementation of new online sales system, Nightout.
- » Completed setup of Employee Expense module in Munis, for travel and expense reimbursements.
- » Began enforcing payment application requirements and implemented project close-out process for capital projects, increasing internal controls.
- » Implemented Encumbered Contracts in Munis, streamlining the payment and retainage process, and increasing process efficiency.
- » Began maximization efforts of Pcard Program and anticipate an increased annual spending of \$5M, which will generate an additional \$80k in rebates (cash back).

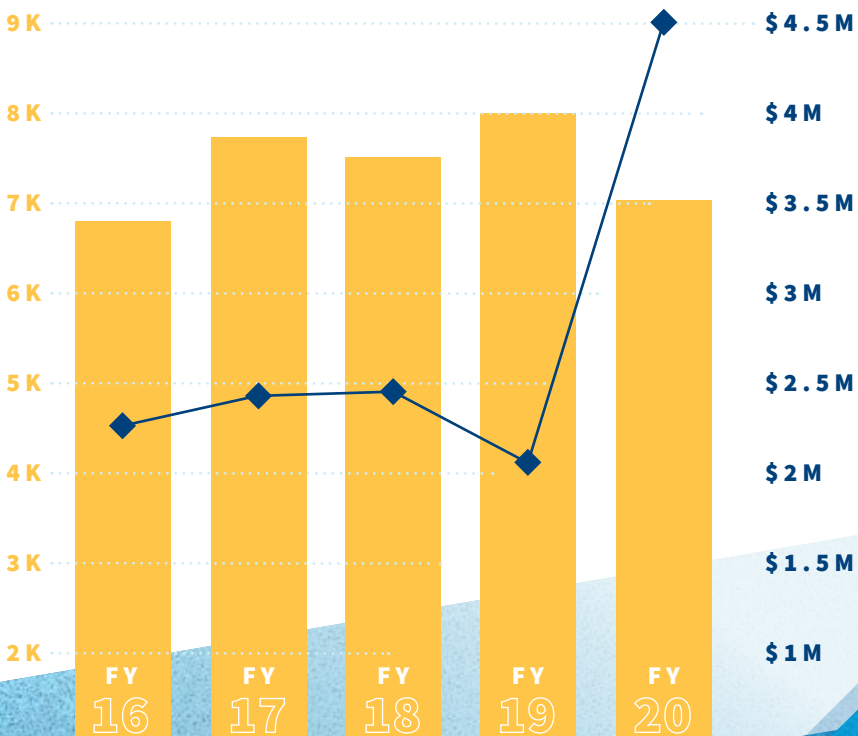
- » Updated Pcard workflow to eliminate Directors approving their own Pcard statements, increasing internal control over the Pcard process.
- » Planned to complete and launch Vendor Self Service portal.

**expenditures**

	<b>ACT 18-19</b>	<b>BUD 19-20</b>	<b>EST 19-20</b>	<b>BUD 20-21</b>
Personnel Services	1,132,480	1,344,127	1,141,043	1,197,984
Supplies	17,808	18,289	21,029	18,483
Maintenance	18,000	37,100	37,100	38,626
Contractual Services	830,195	420,396	444,886	490,545
Capital Replacement/Lease	45,682	29,917	29,917	29,917
Capital Outlay	-	-	-	-
<b>TOTAL DEPT BUDGET</b>	<b>\$2,044,166</b>	<b>\$1,849,829</b>	<b>\$1,673,975</b>	<b>\$1,775,555</b>

**procurement card transactions**

◆ **NUMBER**  
◆ **VALUE**



## OBJECTIVES FOR FY2021

### Purchasing

- » Revise purchasing policy for all the enhancements made in the procurement process for Pcards and contracts.
- » Create resources for the departments and update the intranet page.
- » Implement Amazon Business Account to gain business pricing, streamline the process, and improve internal controls over Amazon purchases.
- » Implement Single Use Account through JPMorgan Chase, allowing subscribed vendors to receive payment via a one-time use virtual credit card that will increase the Town's rebate and cash flow.

### Utility Billing

- » Reassess the internal billing process and fees for Town utility accounts.
- » Automate the exception calculations in the billing process to increase efficiency.

### Budget

- » Transition personnel projections and decision packages into Munis for increased efficiency.
- » Create a CIP database directly linked to Munis for real-time data.
- » Update Budget procedure documents, forms, and intranet page to improve efficiencies and relationships with department.
- » Grow program budgeting into a platform for making financial decisions.

### Hotel Tax/Non-Profit Funding

- » Fill vacant Accounting Supervisor position to continue oversight of cash management and reporting for special events, and continue managing the non-profit grant funding process.
- » Assist other departments in the Hotel fund to increase efficiencies to help offset the financial impacts of COVID-19.

### Accounting

- » Continue analyzing leases for Governmental Accounting Standards Board (GASB) Statement 87 and create policies and procedures for this standard.
- » Update Accounting forms and intranet page, and provide more training opportunities and resources for the departments.
- » Create a Popular Annual Financial Report (PAFR).
- » Implement FloQast and FloQast Match, improving internal controls over the month-end close process and improving efficiency.
- » Develop new Airport accounting processes and cross-train another accountant for Airport tasks.
- » Implement Munis Employee Expense for all departments.

**staffing**

	LEVEL	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Chief Financial Officer	45	1.0	1.0	1.0	1.0
Controller <sup>1</sup>	40	1.0	1.0	1.0	0.7
Accounting Manager	37	1.0	1.0	1.0	1.0
Budget Manager	36	1.0	1.0	1.0	1.0
Purchasing Manager	34	1.0	1.0	1.0	1.0
Senior Accountant <sup>2</sup>	31	2.0	2.0	2.0	1.7
Senior Budget Analyst	29	1.0	1.0	1.0	1.0
Accountant	27	2.0	2.0	2.0	2.0
Accounting Specialist <sup>3</sup>	21	3.0	3.0	3.0	2.4
<b>TOTAL</b>		<b>13.0</b>	<b>13.0</b>	<b>13.0</b>	<b>11.8</b>

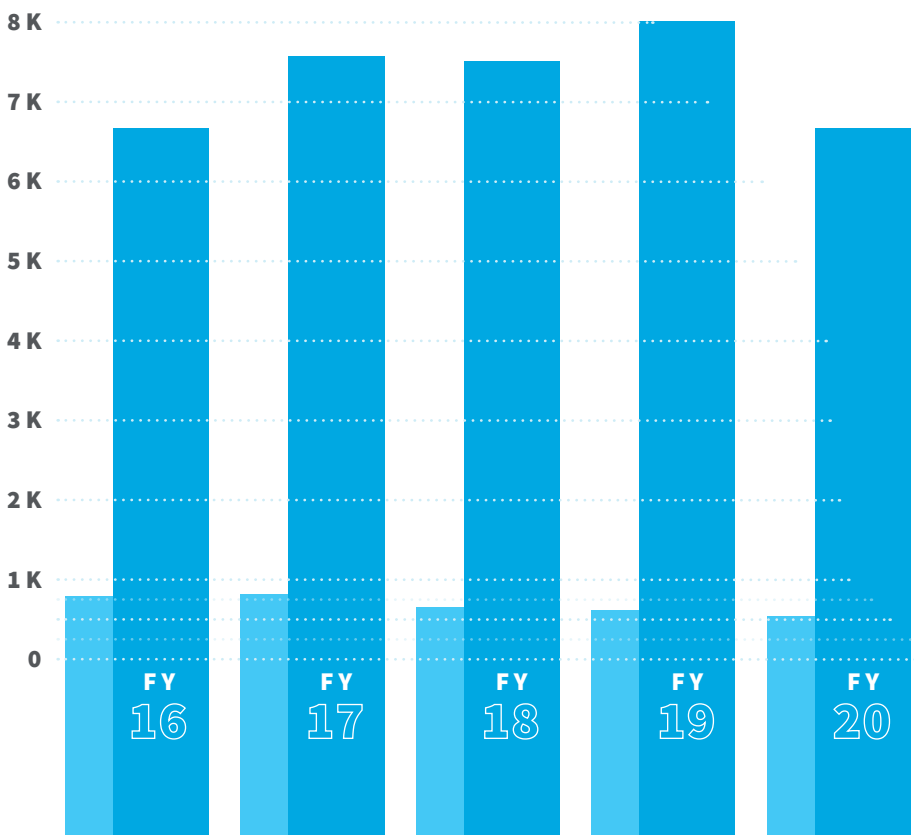
<sup>1</sup>This position has been partially reallocated to the Utility Fund (0.3 FTE) in FY2021.

<sup>2</sup>This position has been partially reallocated to the Airport Fund (0.3 FTE) in FY2021.

<sup>3</sup>This position has been partially reallocated to the Utility Fund (0.3 FTE) and Airport Fund (0.3 FTE) in FY2021.

- ◆ PURCHASE ORDER TRANSACTIONS
- ◆ PROCUREMENT CARD TRANSACTIONS

**procurement transactions by method**



## department mission

To protect the persons and property in Addison by providing quality and innovative emergency services. The Department performs the following functions: fire suppression, including crash and fire rescue for aircraft utilizing Addison Airport; fire inspection prevention and investigation; and emergency medical services (EMS) with advanced life support capabilities practiced by professionally trained paramedics.

## program narrative

### ACCOMPLISHMENTS OF FY 2020

- » Received Council approval for Administrative Battalion Chief to help address staffing needs.
- » Replaced end-of-life Special Events Cart “EV101”.
- » Maintained a Class ISO 1 rating and Texas Best Practices designation.
- » Installed new key retentions systems and medical vaults in fire apparatus.
- » Improved wellness and cancer prevention program by implementing more comprehensive medical physicals and cancer screening processes.

- » Installed direct capture vehicle exhaust removal systems at both stations.
- » Replaced end-of-life Airport Rescue Firefighting apparatus as approved from FY2019 budget process.
- » Applied for Assistance to Firefighters Grant for 25 Self Contained Breathing Apparatus.

### OBJECTIVES FOR FY2021

- » Replace end-of-life ambulance with a new one.
- » Replace 4 of 7 end of life Lifepak15 defibrillators.
- » Address succession planning needs – reclassification of Station 2 officer.
- » Adjust for increased cost of training, maintenance and medical control.
- » Maintain a Class 1 ISO rating.
- » Maintain designation as Texas Best Practices agency.
- » Where affordable, continue to strive to improve Wellness & Cancer Awareness/Prevention program.
- » Continually seek innovative ways to improve our service levels.

## expenditures

	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Personnel Services	6,661,956	7,071,957	7,231,615	7,234,413
Supplies	244,666	262,629	272,879	260,181
Maintenance	259,412	267,392	267,392	237,059
Contractual Services	320,759	368,472	363,058	349,226
Capital Replacement/Lease	376,545	391,565	391,565	400,670
Capital Outlay	5,387	-	-	-
<b>TOTAL DEPT BUDGET</b>	<b>\$7,868,725</b>	<b>\$8,362,015</b>	<b>\$8,526,509</b>	<b>\$8,481,549</b>

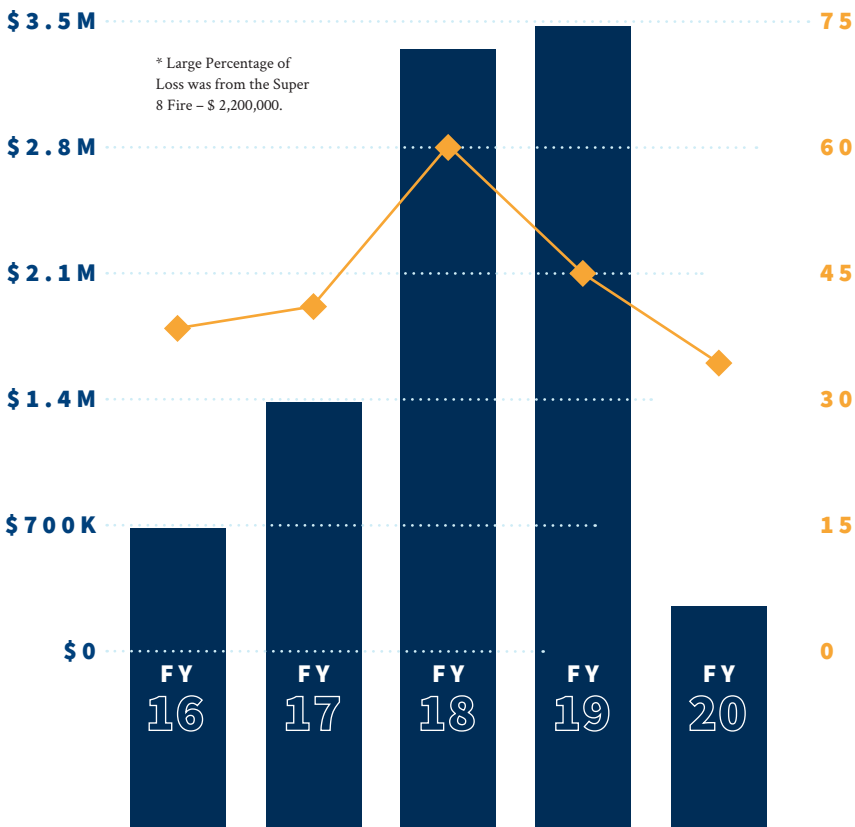
**staffing**

	LEVEL	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Fire Chief	45	1.0	1.0	1.0	1.0
Deputy Fire Chief	F9	1.0	1.0	1.0	1.0
Battalion Chief	F8	3.0	3.0	3.0	3.0
Battalion Chief - Administration <sup>1</sup>	F8	0.0	1.0	1.0	1.0
Fire Marshal	F7	1.0	1.0	1.0	1.0
Fire Captain	F6	3.0	3.0	3.0	3.0
Fire Lieutenant	F5	6.0	6.0	6.0	6.0
Fire Equipment Operator/Paramedic	F4	9.0	9.0	9.0	9.0
Firefighter/Paramedic	F3	30.0	30.0	30.0	30.0
Fire Prevention Technician	F1	1.0	1.0	1.0	1.0
Fire Administrative Supervisor	26	1.0	1.0	1.0	1.0
Department Assistant	19	1.0	1.0	1.0	1.0
<b>TOTAL</b>		<b>57.0</b>	<b>58.0</b>	<b>58.0</b>	<b>58.0</b>

<sup>1</sup>This position was added in FY2020.

**number of fires & corresponding property loss**

◆ DOLLAR VALUE LOSS  
◆ NUMBER OF FIRES



# GENERAL SERVICES

## department mission

To ensure all Town facilities are maintained to be an attractive and comfortable environment conducive to conduct Town business and that the Town's fleet of vehicles is maintained to meet the highest standards of safety and efficiency. Department staff also manages the Town's inventory of fuel, office, and custodial supplies, and transports mail and supplies to all municipal buildings.

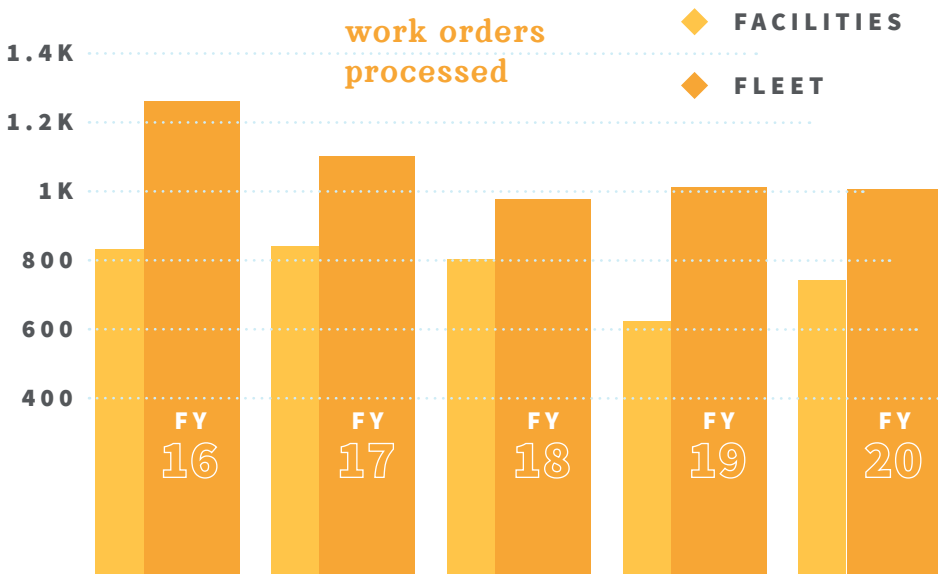
## program narrative

### ACCOMPLISHMENTS OF FY2020

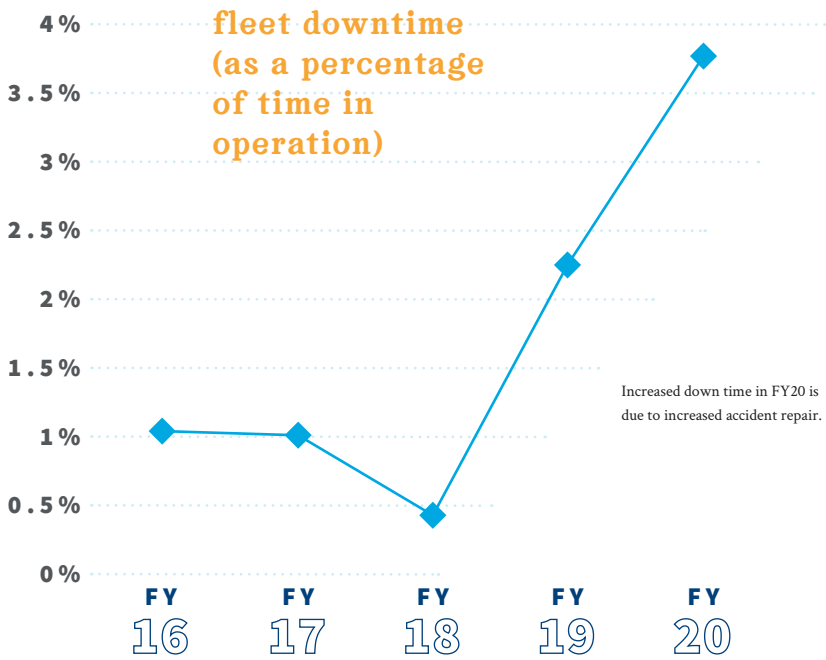
#### Facilities

- » Replaced exhaust removal system at Central Fire and Fire 2, increasing the safety in these facilities.

- » Replaced Fire station bay doors.
- » Replaced Athletic Club boiler.
- » Responded to COVID-19 Pandemic through increased cleaning, signage and coordinated supplies and safety measures for department operations.
- » Completed 750 help desks with an average completion time of 6.5 days (goal 4.5).
- » Conducted a Facility Utilization Study to guide the Town's facility modernization.
- » Redesigned and installed a ventilation system in the Police property room to provide a safe work environment.
- » Remodeled the Police sally port and two offices.
- » Enhanced communication with our customers through increased updates on their helpdesks and follow up phone calls to check satisfaction.







**Fleet**

- » Ordered and made ready 29 vehicles.
- » Developed a Fleet Manual to outline Fleet operations and procedures.

- » Implemented Fleet specification and purchase request forms to streamline the fleet purchasing process.
- » Began development of Clean Fleet Master Plan.

**expenditures**

	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Personnel Services	473,251	509,478	495,795	505,349
Supplies	26,039	21,443	27,543	32,092
Maintenance	109,437	95,649	96,099	114,130
Contractual Services	76,141	114,643	100,753	75,416
Capital Replacement/Lease	31,980	24,982	24,982	25,282
Capital Outlay	-	-	-	-
<b>TOTAL DEPT BUDGET</b>	<b>\$716,848</b>	<b>\$766,195</b>	<b>\$745,172</b>	<b>\$752,269</b>

**OBJECTIVES FOR FY2021**

- » Complete the first phase of the facilities bond projects.
- » Increase customer satisfaction through quick response times to work orders with a target of 4.5 days for completion.
- » Continue to advance efforts towards facility maintenance through planned rehabilitation and replacement.
- » Establish an ongoing funding mechanism with the Finance Department, to address Town facility and equipment asset maintenance and replacement as outlined in the Asset Management Program.
- » Refine the IRIS asset management software to make it an effective management tool.
- » Implement computerized maintenance management system (CMMS) software.
- » Coordinate and manage all facilities projects as approved.
- » Develop specifications, purchase and make-ready for 19 replacement vehicles.
- » Develop a fleet plan for more efficient vehicles.

**staffing**

	LEVEL	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Director of General Services	41	1.0	1.0	1.0	1.0
Facilities Supervisor	27	1.0	1.0	1.0	1.0
Management Assistant	25	1.0	1.0	1.0	1.0
Facilities Specialist	20	1.0	1.0	1.0	1.0
Department Assistant	19	0.5	0.5	0.5	0.5
Facilities Assistant	17	1.0	1.0	1.0	1.0
<b>TOTAL</b>		<b>5.5</b>	<b>5.5</b>	<b>5.5</b>	<b>5.5</b>



# HUMAN RESOURCES

## department mission

To assist the Town of Addison in providing an environment that promotes high performance, customer service, accountability, integrity, involvement, and diversity.

## program narrative

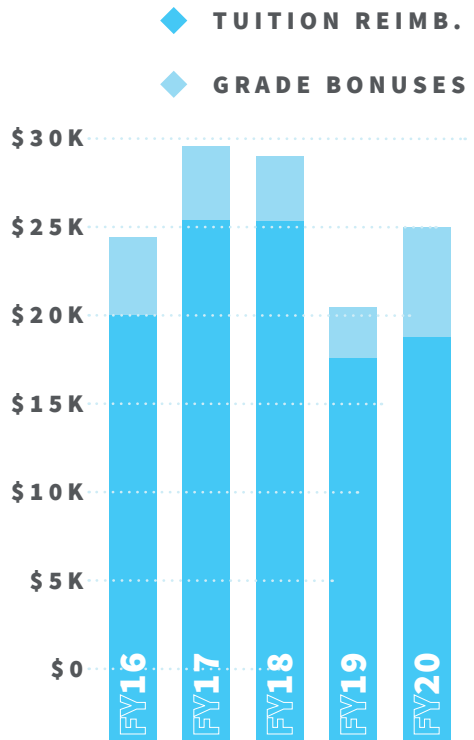
### ACCOMPLISHMENTS OF FY2020

- » Offered a Peer Support Program for Public Safety employees outside of the traditional Employee Assistance Program.
- » Led culture conversation for Executive Team.
- » Enhanced wellness efforts through onsite expert led programs.
- » Offered more job specific appreciation opportunities.

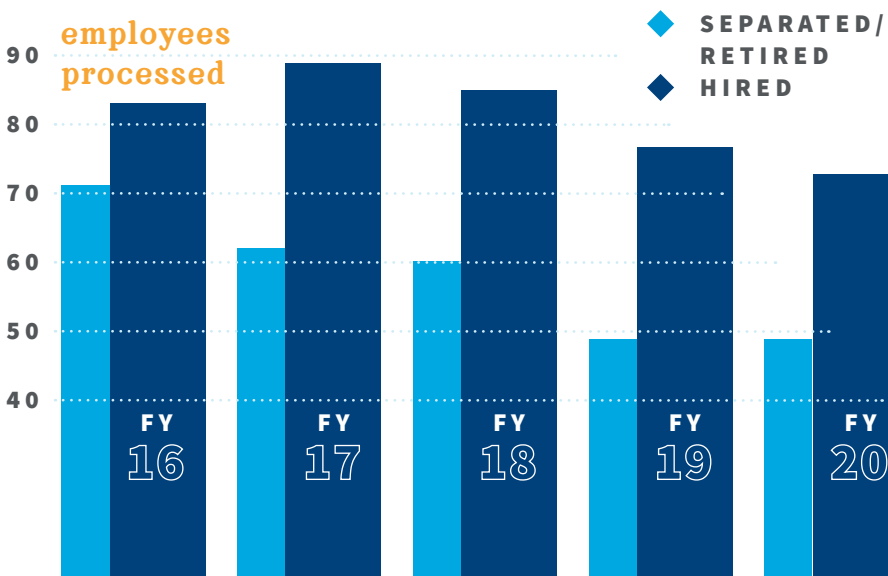
### OBJECTIVES FOR FY2021

- » Re-launch On The Spot Program.
- » Re-design Employee Holiday Party Program.
- » Review current deferred compensation options to ensure sustainability for employees and Addison.
- » Explore employee engagement review.

## educational incentives



## employees processed



## expenditures

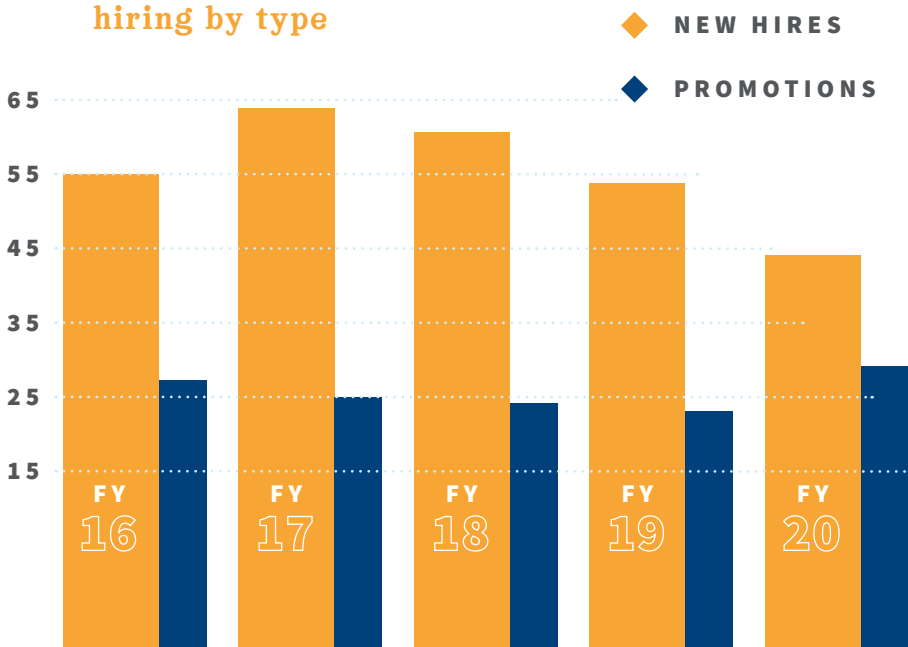
	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Personnel Services	443,813	504,112	495,797	470,990
Supplies	8,628	7,293	7,293	58,252
Maintenance	1,349	774	774	810
Contractual Services	177,484	191,747	165,069	171,707
Capital Replacement/Lease	11,844	9,281	9,281	9,281
Capital Outlay	-	-	-	-
<b>TOTAL DEPT BUDGET</b>	<b>\$643,118</b>	<b>\$713,207</b>	<b>\$678,214</b>	<b>\$711,040</b>

## staffing

	LEVEL	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Director of Human Resources	43	1.0	1.0	1.0	1.0
Human Resources Generalist	32	1.0	1.0	1.0	1.0
Human Resources Analyst <sup>1</sup>	28	1.0	1.0	1.0	0.4
Human Resources Coordinator	26	1.0	1.0	1.0	1.0
<b>TOTAL</b>		<b>4.0</b>	<b>4.0</b>	<b>4.0</b>	<b>3.4</b>

<sup>1</sup>This position has been partially reallocated to the Utility Fund (0.3 FTE) and Airport Fund (0.3 FTE) in FY2021.

## hiring by type



# INFORMATION TECHNOLOGY

## department mission

To support initiatives that utilize information technology to facilitate the Town’s mission of public service. The Department’s focus is to provide easy access to secure, reliable, and timely data. The Department is committed to retaining quality staff, investigating new technologies, and collaborating with other departments to provide effective technical solutions.

## program narrative

### ACCOMPLISHMENTS OF FY 2020

- » Continued implementation of the City-Works system – Computerized Maintenance Management System (CMMS).

- » Continued implementation of the Addison Continuous Process Improvement Plan (ACPIP).
- » Facilitated Geo-Fencing platform implementation.
- » Continued working with North Texas Emergency Communications Center (NTECC).
- » Continued updating the Geographic Information System (GIS) system.
- » Upgraded/Replaced the Town’s Local Area Network infrastructure (Firewall, Servers, Storage, Virtualization System, Copiers, and Printers).
- » Explored installation of an Overhead Sign Bridge over Belt Line Rd.
- » Implemented CitySourced – Mobile Customer Relationship Management (CRM) APP.

## expenditures

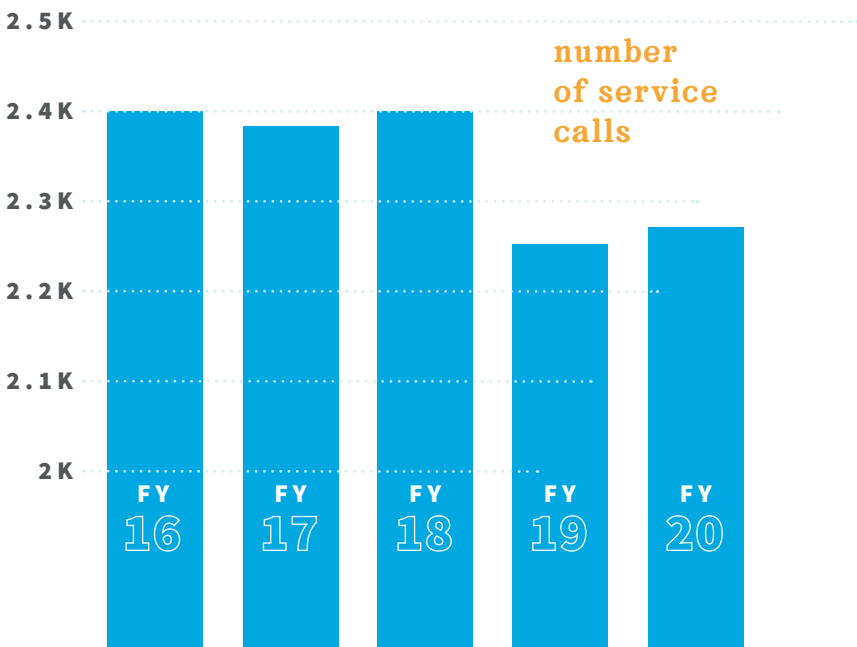
	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Personnel Services	1,095,136	1,138,212	1,145,711	1,156,431
Supplies	18,800	34,293	34,293	57,056
Maintenance	735,669	887,000	887,000	913,610
Contractual Services	80,314	130,426	81,426	90,698
Capital Replacement/Lease	29,876	30,806	30,806	30,806
Capital Outlay	47,136	-	-	-
<b>TOTAL DEPT BUDGET</b>	<b>\$2,006,931</b>	<b>\$2,220,737</b>	<b>\$2,179,236</b>	<b>\$2,248,601</b>

- » Upgraded Enterprise Resource Planning (ERP) modules (Munis, Energov, TCM, and Incode Court Package).
- » Implemented Tyler Socrata – Open Data & Citizen Engagement Cloud Portal.
- » Continued fine tuning the Police Records Management System (RMS).
- » Upgraded PCs and laptops to Windows 10 Town-wide.
- » Replaced the Town’s Business Intelligence Open Data platform.

- » Completed reviewing, enhancing, and automating all departments’ business processes with Laserfiche workflow module.
- » Designed/Created transactional, operational, and informational APPS for several departments.
- » Implemented Mimecast platform, email/ ransomware detection system.
- » Implemented a cloud base 24/7 network and cybersecurity monitoring service.
- » Implemented an Advanced Traffic Management System.

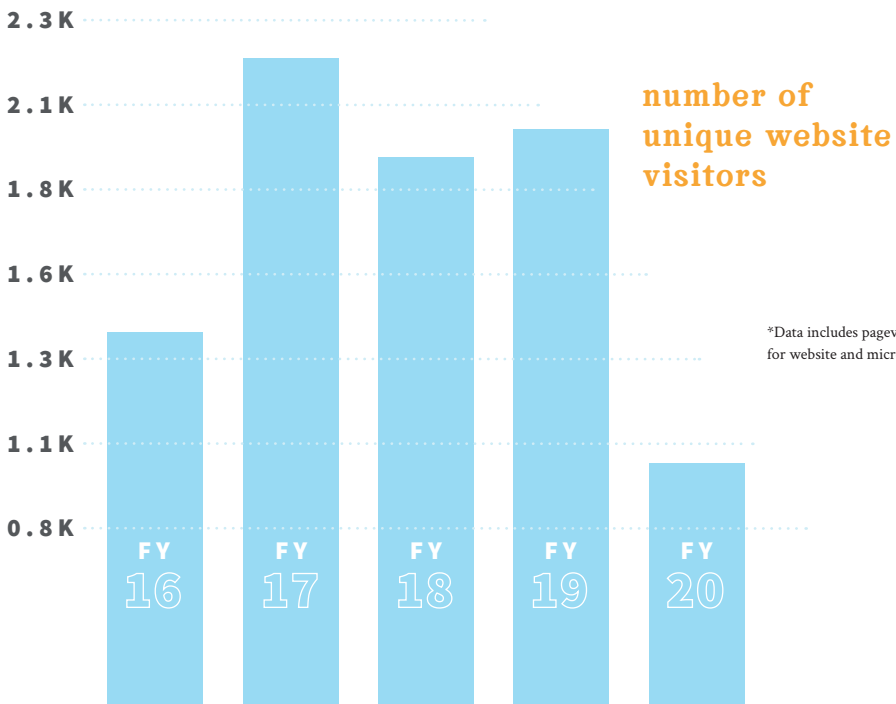
**staffing**

	LEVEL	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Exec. Dir. of Business Performance	45	1.0	1.0	1.0	1.0
Senior Software Developer	38	1.0	1.0	1.0	1.0
Network Specialist	38	5.0	5.0	5.0	5.0
<b>TOTAL</b>		<b>7.0</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>



### OBJECTIVES FOR FY2021

- » Implement CityWorks Airport Module – Computerized Maintenance Management System (CMMS).
- » Continue implementation of the Addison Continuous Process Improvement Plan (ACPIP).
- » Continue working with NTECC.
- » Upgrade/Expand the PEG channels and Web Streaming equipment.
- » Continue updating the GIS system.
- » Upgrade the Town’s Local Area Network infrastructure (Wireless Network, In-car Video Storage Unit, Routers, Switches, Uninterrupted Power Supply (UPS) devices, and Audio/Video System)
- » Upgrade Enterprise Resource Planning (ERP) modules (Munis, Energov, TCM, and Incode Court Package).
- » Expand the LPR and Optical cameras network Town-wide.
- » Implement Police Records Management System (RMS) Jail module.
- » Continue designing/creating transactional, operational, and informational APPS for the Town’s departments.
- » Consider upgrading/replacing the In-Car Video Cameras.
- » Consider upgrading/replacing the Mobile Data Computers (MDCs).
- » Consider upgrading/replacing the Body Cameras.
- » Upgrade the existing monitoring cameras at Addison Circle Park, AAC, ACTC, PD, Fuel Farm, and Treehouse.
- » Upgrade Backup and Disaster Recovery (DR) platform.





# MUNICIPAL COURT

## department mission

Provide an impartial forum to adjudicate the charges brought by the State against an individual, provide a high level of integrity, professionalism, and customer service so that trust and accountability is exemplified to the public.

## program narrative

### ACCOMPLISHMENTS OF FY 2020

- » Evaluated new laws passed during the 2019 Texas Legislative Session to determine their impact on court procedures and implement necessary changes.
- » Developed an online form for customers and attorneys to request information or set up video conferencing with the Judge.

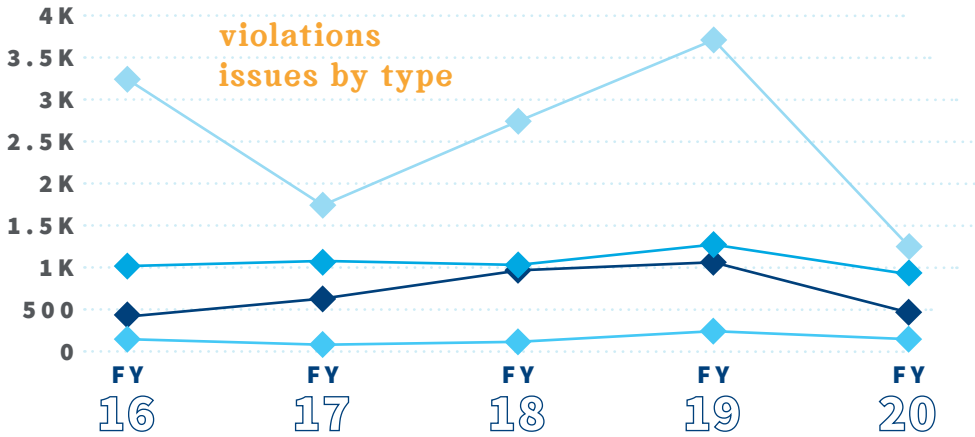
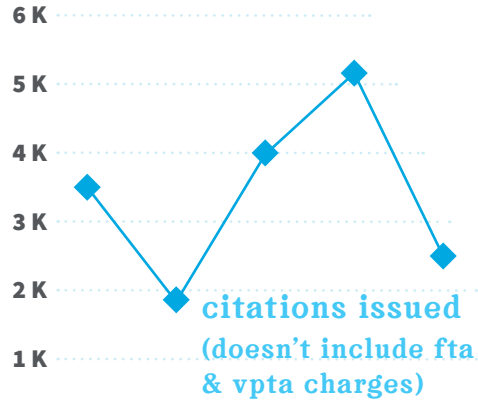
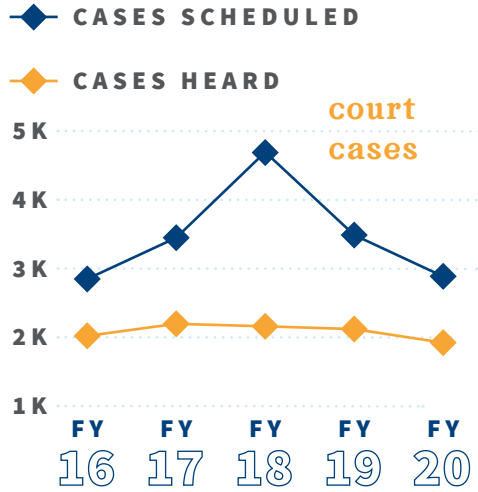
- » Continued to comply with mandates established by the Legislature and the Department of Justice regarding collections of fines and cost by considering the ability of the accused to pay those fines and cost, if found guilty.
- » Established e-Conferencing to allow communication with the Judge. This permits customers to dispose of eligible cases via a video conference on their computer or wireless device.
- » Filed an operating plan with the Judicial Administrative Judge as required by the Office of Court Administration.
- » Purged old warrants per the retention schedule.

## expenditures

	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Personnel Services	485,171	529,608	504,844	510,807
Supplies	9,556	12,088	10,688	10,091
Maintenance	49,313	74,322	74,322	71,850
Contractual Services	67,689	94,533	86,833	85,058
Capital Replacement/Lease	38,931	29,012	29,012	29,012
Capital Outlay	-	-	-	-
<b>TOTAL DEPT BUDGET</b>	<b>\$650,660</b>	<b>\$739,563</b>	<b>\$705,699</b>	<b>\$706,818</b>

**OBJECTIVES FOR FY2021**

- » Continue to utilize and improve technology to permit video conferences with the Judge to resolve cases without appearing in person. All paperwork will be processed through email and online payments.
- » Set-up and schedule video dockets in place of courtroom dockets.
- » Work with Carrollton Jail to adopt a process to digitally sign paperwork and return electronically to the Court.
- » Work with the Police Department to collect email addresses on citations issued for better communications with the person cited.



**staffing**

	LEVEL	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Municipal Judge <sup>1</sup>	N/C	1.0	1.0	1.0	1.0
Municipal Court Administrator	35	1.0	1.0	1.0	1.0
Lead Deputy Court Clerk	22	1.0	1.0	1.0	1.0
Deputy Court Clerk	20	2.0	2.0	2.0	2.0
<b>TOTAL</b>		<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>

<sup>1</sup>This position is not classified in the pay plan.

# PARKS & REC: PARKS

## department mission

To preserve and enhance Addison's exceptional quality of life and work-life environment by maximizing the recreational, social, economic and environmental benefits of the community's award-winning parks, trails, green spaces and recreation facilities.

Parks is responsible for maintaining and stewarding 113+ acres of land that is comprised of 15 public parks, 5 greenbelts, 1 school recreation facility, and 65 acres of beautification areas and the associated fixed assets for each.

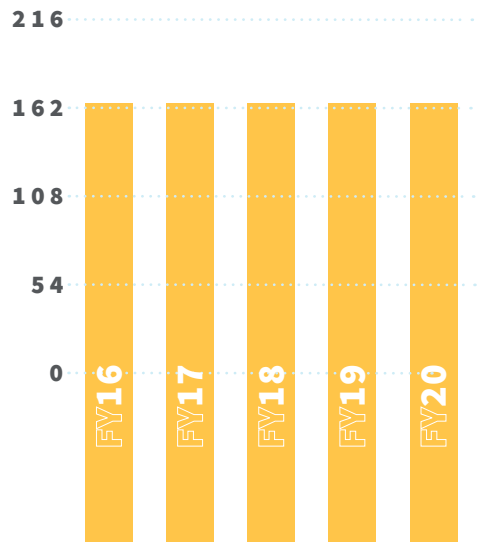
## program narrative

### ACCOMPLISHMENTS OF FY 2020

- » Completed storm clean up from June 2019 storm where 250+ trees were lost.
- » Managed \$180,000 in urban forestry efforts. As a result, extensive pruning efforts will help relieve future storm damage and discourage Egret / Heron nesting.
- » Completed Belt Line 1.5 Construction Documents, acquired partial funding from DART and began construction.
- » Renovated Winnwood Park Bridge and Boardwalk.
- » Replaced Town Hall Bridge.
- » Replaced or repaired over \$350,000 in assets.
- » Completed site and landscape elements related to the Public Works Sherlock project.

- » Fulfilled landscape requirements related to Vitruvian Park Texas Commission on Environmental Quality (TCEQ) permit, minus Bluebonnet seeding which will be planted in the fall season.
- » Developed a planting and projects crew to speed up our ability and increase our capacity to do annual planting projects.
- » Planted fall and summer annuals 30 days ahead of schedule.
- » Planted over 70,000 fill in and annual plantings, to date.
- » Installed 28 pallets of sod, to date.
- » Took over light management.
- » Hired an electrical apprentice.
- » Completed over 162 light repairs to date, many of which involved rewiring poles or replacing ballasts.
- » Converted 96 lamps to LED in house.
- » Converted 49 lights fixtures in Addison Circle District to LED.
- » Replaced / adjusted timers, replaced GFCI's, replaced fuses, oversaw transformer replacement, marked lines for contractors and helped with light placements for new sculptures installed by AAF.

acres  
maintained



**expenditures**

	<b>ACT 18-19</b>	<b>BUD 19-20</b>	<b>EST 19-20</b>	<b>BUD 20-21</b>
Personnel Services	1,495,201	1,966,457	1,741,042	1,915,377
Supplies	253,990	346,303	335,519	462,047
Maintenance	1,203,687	736,913	714,113	810,782
Contractual Services	833,121	873,486	973,256	988,199
Capital Replacement/Lease	90,417	83,386	83,386	84,886
Capital Outlay	34,903	38,000	38,000	-
<b>TOTAL DEPT BUDGET</b>	<b>\$3,911,318</b>	<b>\$4,044,545</b>	<b>\$3,885,316</b>	<b>\$4,261,292</b>

**OBJECTIVES FOR FY2021**

- » Complete trails master plan.
- » Use work order system to increase in managing job flow.
- » Continue to implement the asset management plan.
- » Partner with recreation to activate parks through programming.
- » Continue to identify and apply for grant funding opportunities.
- » Implement landscape and Americans with Disabilities Act (ADA) improvements at Celestial Park.
- » Continue to develop and implement a more detailed tree pruning and forestry management plan.
- » Improve response time to correct light outages.

**staffing**

	<b>LEVEL</b>	<b>ACT 18-19</b>	<b>BUD 19-20</b>	<b>EST 19-20</b>	<b>BUD 20-21</b>
Director of Parks and Recreation	43	1.0	1.0	1.0	1.0
Parks Contracts & Forestry Manager	33	1.0	1.0	1.0	0.7
Parks Superintendent	33	1.0	1.0	1.0	1.0
Landscape Architect	32	1.0	1.0	1.0	1.0
Parks Supervisor	25	4.0	4.0	4.0	4.0
Parks Maintenance Technician	24	1.0	1.0	1.0	1.0
Electrician	24	1.0	1.0	1.0	1.0
Licensed Irrigator	21	3.0	3.0	3.0	3.0
Groundskeeper - III	21	1.0	1.0	1.0	1.0
Department Assistant	19	1.0	1.0	1.0	1.0
Groundskeeper - II	19	2.0	2.0	2.0	2.0
Groundskeeper - I	17	8.0	8.0	8.0	8.0
<b>TOTAL</b>		<b>25.0</b>	<b>25.0</b>	<b>25.0</b>	<b>25.0</b>

# PARKS & REC: RECREATION

## department mission

To preserve and enhance Addison’s exceptional quality of life and work-life environment by maximizing the recreational, social, economic and environmental benefits of the community’s award-winning parks, trails, green spaces and recreation facilities.

Recreation is responsible for staffing and stewarding the Addison Athletic Club (AAC). Approximately 60 fitness, senior, adult and children’s programs are offered within the Addison Athletic Club. Addison Athletic Club staff also coordinate and promote fitness opportunities outside of the AAC including Addison Outdoors and other community-based events.

## program narrative

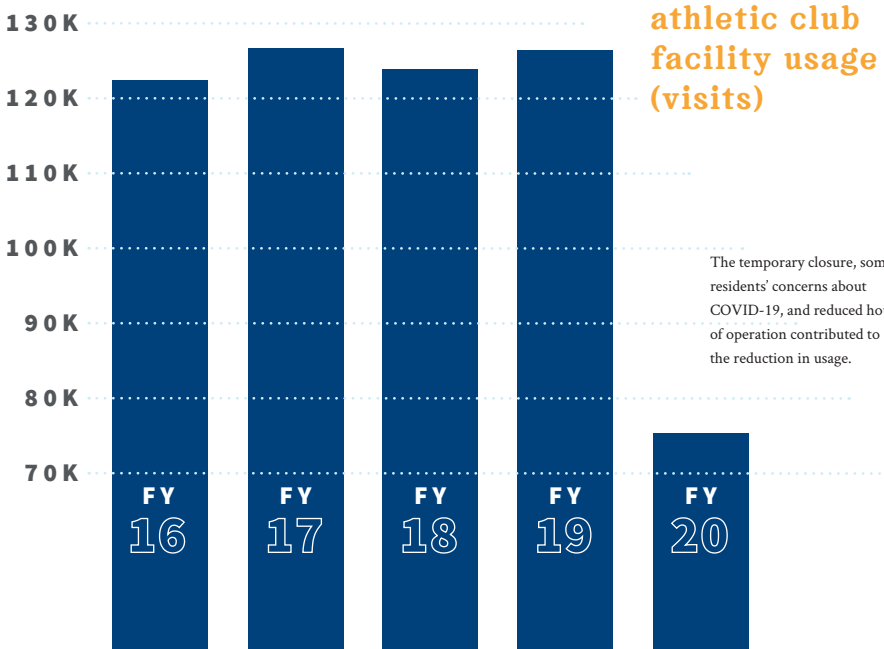
### ACCOMPLISHMENTS OF FY 2020

- » Updated pools to meet current code.
- » Replaced 4 Ellipticals and 1 AMT.
- » Implemented Zoom programs and Fitness Videos.

- » Implemented changes for COVID-19.
- » HVAC implementation.
- » Coordinated 20-30 Addison Outdoor classes per week.
- » Organized community-based events like Trunk-or-Treat, Eggstravaganza, Doggie Splash Day and Member Appreciation.
- » Issued 1,103 Library Cards.
- » Offered 60 fitness, senior, adult and children’s programs.

### OBJECTIVES FOR FY2021

- » Continue to grow and expand Addison Outdoors Programs.
- » Host first annual Corporate Field Day.
- » Oversee construction documents for building updates.
- » Analyze and improve sustainability plans for operation and maintenance of the AAC.
- » Review potential additional revenue sources.

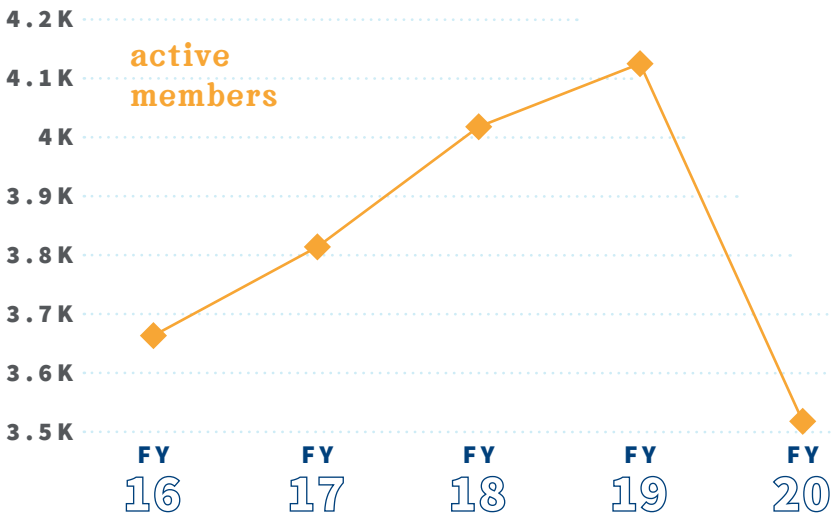


**expenditures**

	<b>ACT 18-19</b>	<b>BUD 19-20</b>	<b>EST 19-20</b>	<b>BUD 20-21</b>
Personnel Services	936,966	1,028,870	955,357	1,021,410
Supplies	144,117	180,971	164,628	175,470
Maintenance	138,726	208,628	213,648	219,180
Contractual Services	328,194	421,679	405,983	350,055
Capital Replacement/Lease	61,582	59,161	59,161	59,911
Capital Outlay	-	-	30,000	-
<b>TOTAL DEPT BUDGET</b>	<b>\$1,609,586</b>	<b>\$1,899,309</b>	<b>\$1,828,777</b>	<b>\$1,826,026</b>

**staffing**

	<b>LEVEL</b>	<b>ACT 18-19</b>	<b>BUD 19-20</b>	<b>EST 19-20</b>	<b>BUD 20-21</b>
Assistant Director of Recreation	38	1.0	1.0	1.0	1.0
Recreation Supervisor	26	2.0	2.0	2.0	2.0
Recreation Coordinator	23	2.0	2.0	2.0	2.0
Department Assistant	19	1.0	1.0	1.0	1.0
Pool Supervisor	17	0.2	0.2	0.2	0.2
Recreation Assistant	17	3.5	3.5	3.5	3.5
Childcare Assistant	17	1.0	1.0	1.0	1.0
Senior Lifeguard	15	0.2	0.2	0.2	0.2
Custodian	14	1.0	1.0	1.0	1.0
Facility Attendant	14	1.0	1.0	1.0	1.0
Camp Counselor	12	0.8	0.8	0.8	0.8
Lifeguard	10	2.0	2.0	2.0	2.0
<b>TOTAL</b>		<b>15.7</b>	<b>15.7</b>	<b>15.7</b>	<b>15.7</b>



## department mission

The Addison Police Department is dedicated to a standard of excellence in promoting and maintaining a safe and peaceful community. The police serve in a community partnership to preserve order, protect life and property, enforce laws and ordinances, and safeguard individual liberties. We also conduct ourselves according to the highest ethical standards and treat others with fairness, dignity, and respect. The police pledge to manage our organization with professionalism, leadership, and integrity.

## program narrative

### ACCOMPLISHMENTS OF FY 2020

- » Majority of Records Management System (RMS) provided by Mark43 completed.
- » Completed second floor office space renovations and finished jail space transition.
- » License Plate Recognition and Optical Camera Pilot Project completed, and report presented to council.

- » Peer Support group and Community Mental Health team activated and currently training internally.
- » Received approval for Professional Standards lieutenant and Special Event Coordination sergeant positions.

### OBJECTIVES FOR FY 2021

- » Complete Mark43 RMS project.
- » Continue to look for opportunities to build and maintain trust with citizens.
- » Phase Two of License Plate Recognition Pilot Program development.
- » Implement bond committee recommendations if approved.
- » Remain flexible and agile within the current COVID-19 environment.
- » Close gap on vacancies.

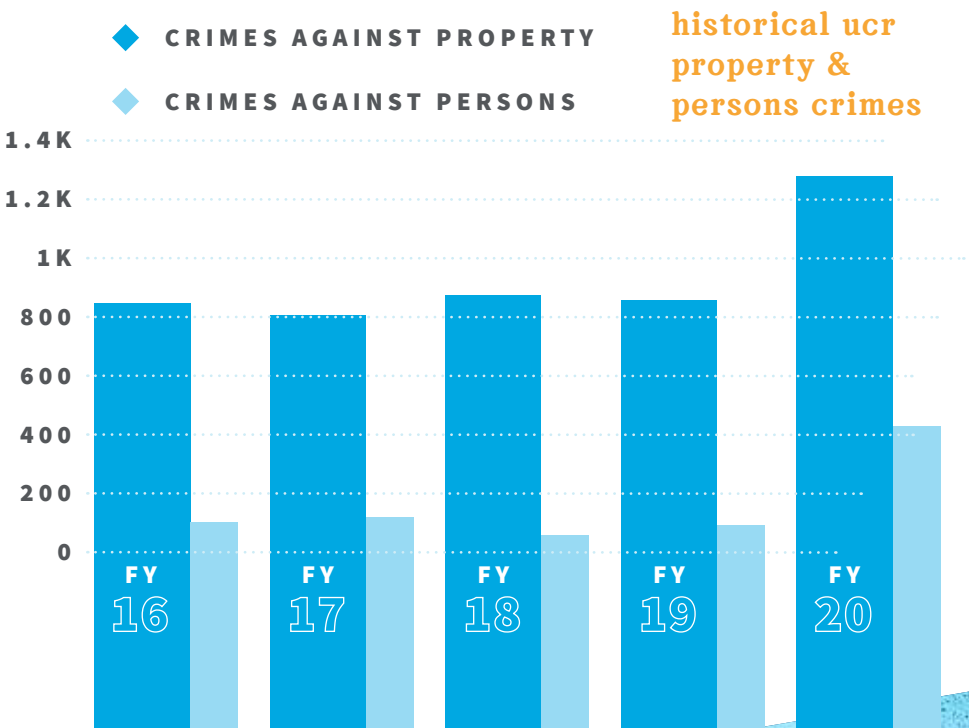
## expenditures

	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Personnel Services	7,521,153	8,059,429	7,740,155	7,935,376
Supplies	240,023	330,781	334,059	309,712
Maintenance	237,200	250,775	325,586	253,879
Contractual Services	698,999	705,684	679,246	835,189
Capital Replacement/Lease	657,435	641,719	641,719	641,719
Capital Outlay	-	-	-	-
<b>TOTAL DEPT BUDGET</b>	<b>\$9,354,811</b>	<b>\$9,988,388</b>	<b>\$9,720,765</b>	<b>\$9,975,875</b>

**staffing**

	LEVEL	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Police Chief	45	1.0	1.0	1.0	1.0
Assistant Police Chief	P6	1.0	1.0	1.0	1.0
Captain	P5	1.0	1.0	1.0	1.0
Lieutenant <sup>1</sup>	P4	4.0	5.0	5.0	5.0
Sergeant <sup>1</sup>	P3	7.0	8.0	8.0	8.0
Police Officer	P2	47.0	47.0	47.0	47.0
Police Records Supervisor	26	1.0	1.0	1.0	1.0
Animal Control Supervisor	26	1.0	1.0	1.0	1.0
Crime Analyst	25	1.0	1.0	1.0	1.0
Animal Control Officer	20	2.0	2.0	2.0	2.0
Property & Evidence Technician	20	1.0	1.0	1.0	1.0
Department Assistant	19	3.0	3.0	3.0	3.0
Police Records Clerk	17	2.0	2.0	2.0	2.0
<b>TOTAL</b>		<b>72.0</b>	<b>74.0</b>	<b>74.0</b>	<b>74.0</b>

<sup>1</sup>This position was added in FY2020.





# PUBLIC WORKS & ENGINEERING: STREETS

## department mission

The mission of the Public Works and Engineering Services Department is to provide quality services related to the provision of water and sanitary sewer services, street maintenance, and storm-water drainage in a compliant, proactive, and professional manner.

The Streets Division of the Public Works and Engineering Services Department is responsible for:

- » Maintaining streets, sidewalks, traffic signals, Town-owned street lighting, signs, and pavement markings.
- » Picking up and disposing of brush, bulk, and hazardous waste.
- » Managing, inspecting, and implementing all street/signal related capital projects.

## program narrative

### ACCOMPLISHMENTS OF FY2020

- » Began design of Airport Parkway and Keller Springs Road.
- » Began implementation of Advanced Traffic Management System (ATMS) Bond Project.
- » Completed Sojourn Drive Mill and Overlay Project.

- » Began design of traffic signals and Americans with Disabilities Act (ADA) improvements at the intersections of Belt Line Road at Addison Road, Belt Line Road at Beltway Drive, and Sojourn Drive at Addison Road.

### OBJECTIVES FOR FY2021

- » Begin construction of the traffic signal and ADA improvements currently under design at the intersections of Belt Line Road at Addison Road, Belt Line Road at Beltway Drive, and Sojourn Drive at Addison Road.
- » Install all hardware that was purchased as a part of the ATMS Bond project.
- » Begin construction of Midway Road.
- » Complete design and begin construction of Bella Lane extension.
- » Complete design and begin construction of Keller Springs Road.
- » Continue to complete more in-house maintenance and repairs upon request.

**expenditures**

	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Personnel Services	477,214	550,129	512,914	524,415
Supplies	47,450	43,615	47,200	48,550
Maintenance	548,238	784,942	666,700	813,500
Contractual Services	598,986	778,124	778,274	699,414
Capital Replacement/Lease	67,125	63,824	63,824	65,024
Capital Outlay	38,116	-	-	-
<b>TOTAL DEPT BUDGET</b>	<b>\$1,777,128</b>	<b>\$2,220,634</b>	<b>\$2,068,912</b>	<b>\$2,150,903</b>

**staffing**

	LEVEL	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Streets & Traffic Ops. Manager <sup>1</sup>	34	0.4	0.4	0.4	0.4
Streets Maintenance Supervisor <sup>2</sup>	26	1.0	1.0	0.0	0.0
Street Maintenance Crew Leader	23	1.0	1.0	1.0	1.0
Signs and Signals Technician	22	2.0	2.0	2.0	2.0
Street Maintenance Worker <sup>2</sup>	17	3.0	3.0	4.0	4.0
<b>TOTAL</b>		<b>7.4</b>	<b>7.4</b>	<b>7.4</b>	<b>7.4</b>

<sup>1</sup>This position had a title change in FY2020 from Streets and Stormwater Manager to Streets and Traffic Manager.

<sup>2</sup>This position was reclassified in FY2020 from Street Maintenance Supervisor to Street Maintenance Worker.

**10K - street maintenance**

9K  
8K  
7K  
6K  
5K  
4K  
3K  
2K  
1K  
500  
0

◆ CONCRETE REPAIRS (SY)  
◆ ASPHALT REPAIRS (SY)  
◆ LANE MARKING REPLACEMENTS (LF, IN 00'S)

2017  
2018  
2019  
2020



# HOTEL FUND





**financial/operational**

# HOTEL FUND

73

## fund description

The Hotel Fund accounts for the use of hotel/motel occupancy tax revenue generated by Addison's 22 hotels (representing over 3,600 rooms) and which is restricted by State legislation to directly enhancing and promoting tourism and the convention and hotel industry.

## fund narrative

### CONCLUDING FISCAL YEAR PERFORMANCE

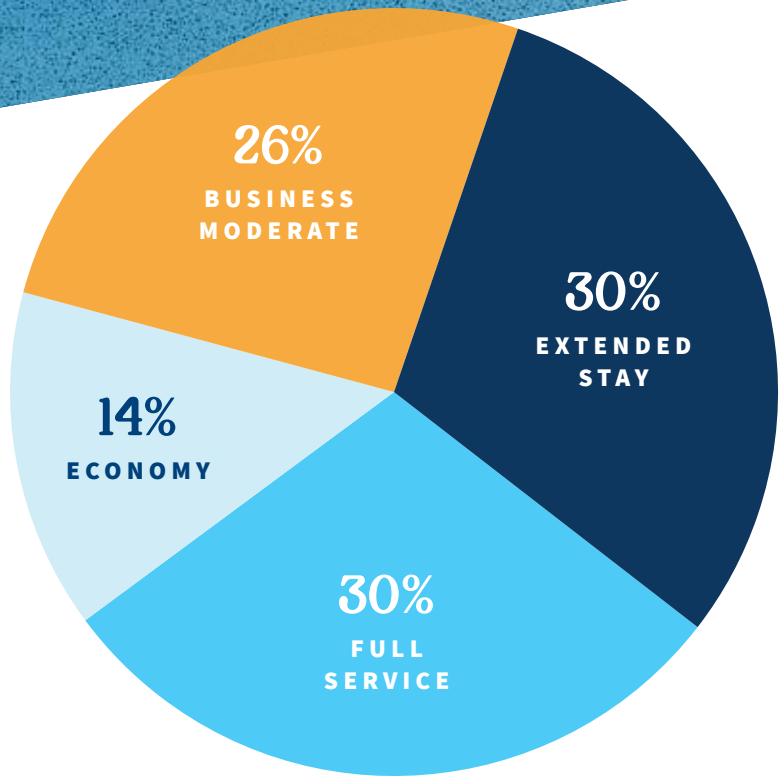
At the time of budget adoption, FY2020 revenues were expected to total \$3,511,494. Hotel occupancy tax receipts are expected to decrease 44.7 percent from actual FY2019.

## 2020-2021 BUDGET NARRATIVE

The Hotel Fund budget for FY2021 anticipates hotel occupancy tax collections to decrease \$1,385,000 from the FY2020 budget. Barring inclement weather during scheduled events, special event income is expected to generate approximately \$1.1 million. Rental income from Theatre Centre rental income is projected at \$23,810. The Addison Conference Centre is closed until further notice due to the COVID-19 pandemic and no rental income is projected.

Total fund operating expenditures excluding transfers for FY2021 are budgeted at \$5,454,564, which represents a 23.9 percent decrease over the FY2020 budget. The budget decrease is the result of the COVID-19 pandemic and resulting stay-at-home orders which have had a significant impact on the Town of Addison's operations. The Hotel Fund budget includes a transfer of \$384,000 to the Economic Development Fund for Tourism department expenses. Fund balance for FY2021 is projected to be \$1,780,157, which is 32.6 percent of operating expenditures and exceeds the minimum balance required by the Town's financial policies.

percentage  
of rooms  
by hotel  
category



### hotel fund by major cost category

CATEGORY	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Personnel Services	1,640,714	1,830,035	1,256,827	1,260,590
Supplies	113,437	110,349	75,982	59,592
Maintenance	349,839	430,199	378,470	288,487
Contractual Services	4,067,532	4,665,045	2,475,925	3,770,732
Capital Replacement/Lease	84,210	74,078	74,078	75,163
Capital Outlay	17,812	60,000	15,000	-
<b>TOTAL FUND BUDGET</b>	<b>\$6,273,544</b>	<b>\$7,169,706</b>	<b>\$4,276,282</b>	<b>\$5,454,564</b>

## hotel fund statement of revenue & expenditures

	ACT 18-19	BUD 19-20	EST 19-20
<b>BEGINNING BALANCE</b>	\$4,122,535	\$3,026,502	\$3,468,059
<b>REVENUES</b>			
Hotel/Motel Occupancy Taxes	5,427,585	5,540,000	3,000,000
Proceeds from Special Events	1,206,764	1,297,500	109,172
Conference Centre rental	523,710	630,000	256,007
Theatre Centre rental	78,316	77,000	60,000
Interest Earnings and other	118,410	25,000	86,315
<b>TOTAL REVENUES</b>	<b>\$7,354,785</b>	<b>\$7,569,500</b>	<b>\$3,511,494</b>
<i>Total Available Resources</i>	<i>\$11,477,320</i>	<i>\$10,596,002</i>	<i>\$6,979,553</i>
<b>EXPENDITURES</b>			
Addison Theatre Center	291,298	421,938	348,036
Conference Centre	956,507	1,152,735	938,776
General Hotel Operations	142,763	144,173	85,527
Marketing	962,526	1,134,939	1,013,214
Performing Arts	437,900	505,000	500,000
Special Events	2,579,212	2,812,567	543,817
Special Events Operations	903,337	998,354	846,912
<i>Total Operational Expenditures</i>	<i>\$6,273,544</i>	<i>\$7,169,706</i>	<i>\$4,276,282</i>
Other Financing Sources (uses)			
Transfer to Hotel Debt Service	-	-	-
Transfer to Economic Development	715,000	768,000	384,000
Capital Projects (Cash Funded)			
Addison Circle Fountain Repair	1,020,717	33,960	33,960
<b>TOTAL EXPENDITURES</b>	<b>\$8,009,261</b>	<b>\$7,971,666</b>	<b>\$4,694,242</b>
<b>ENDING FUND BALANCE</b>	<b>\$3,468,059</b>	<b>\$2,624,336</b>	<b>\$2,285,310</b>



## hotel fund expenditures by department

**BUD**  
**20-21**

\$2,285,310

4,155,000

1,104,500

-

23,810

50,100

\$5,333,410

\$7,618,720

318,877

200,977

154,125

1,113,915

329,089

2,405,808

931,773

\$5,454,564

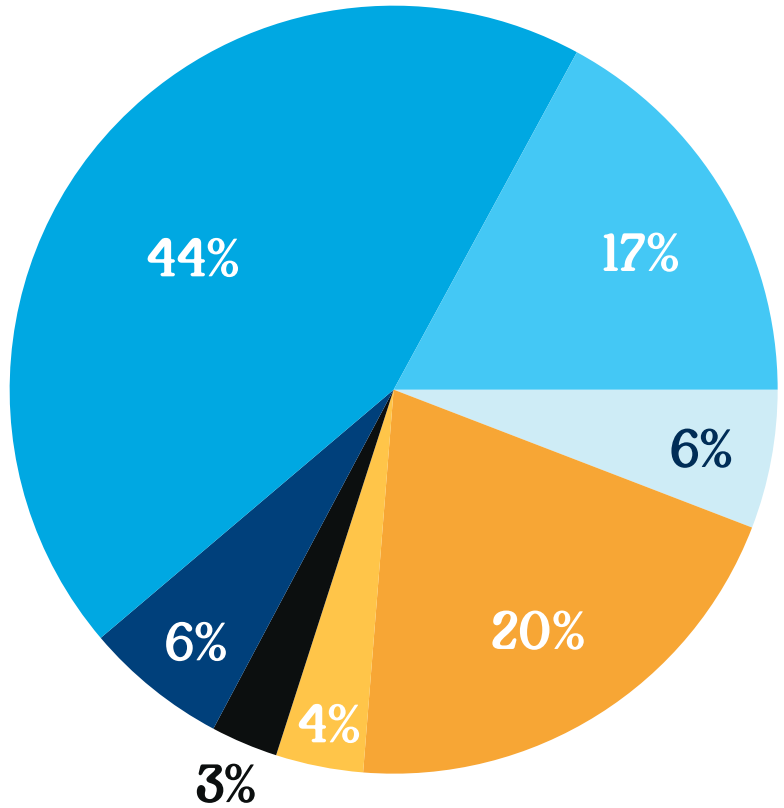
-

384,000

-

\$5,838,564

\$1,780,157



- ◆ SPECIAL EVENTS
- ◆ SPECIAL EVENTS OPERATIONS
- ◆ THEATRE CENTRE
- ◆ COMM. & MARKETING
- ◆ CONFERENCE CENTRE
- ◆ GENERAL HOTEL OPERATIONS
- ◆ PERFORMING ARTS

# COMMUNICATIONS & MARKETING

## department mission

To serve as the central point of contact for communications and marketing activities within the organization, as well as coordinate the Town’s multi-tiered communication efforts externally to businesses, residents, and visitors to ensure they promote Addison’s brand.

<b>expenditures</b>	<b>ACT 18-19</b>	<b>BUD 19-20</b>	<b>EST 19-20</b>	<b>BUD 20-21</b>
Personnel Services	248,330	255,080	258,705	262,919
Supplies	2,319	2,793	2,793	2,766
Maintenance	2,498	2,675	2,675	2,855
Contractual Services	703,513	871,487	746,137	842,471
Capital Replacement/Lease	5,866	2,904	2,904	2,904
Capital Outlay	-	-	-	-
<b>TOTAL DEPT BUDGET</b>	<b>\$962,526</b>	<b>\$1,134,939</b>	<b>\$1,013,214</b>	<b>\$1,113,915</b>

<b>staffing</b>	<b>LEVEL</b>	<b>ACT 18-19</b>	<b>BUD 19-20</b>	<b>EST 19-20</b>	<b>BUD 20-21</b>
Director of Public Communications	41	1.0	1.0	1.0	1.0
Marketing & Comm. Specialist	27	1.0	1.0	1.0	1.0
<b>TOTAL</b>		<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>

## program narrative

### ACCOMPLISHMENTS OF FY2020

- » Created information campaign for \$70 million bond election that resulted in voter approval of all 5 propositions.
- » Created a Visit Addison Strategic Marketing Plan.
- » Created Strategic Marketing Plans for each signature event.
- » Worked with Special Events to create and market a Virtual Taste Addison event.
- » Implemented a new influencer content marketing program.
- » Won three Texas Association of Convention & Visitor Bureaus awards for tourism marketing campaigns and four International Festivals and Events Association event marketing awards.
- » In conjunction with the Tourism Department, implemented new features into VisitAddison.com including a blog page, events calendar that captures 3rd party events, and User Generated Content (UGC).
- » Successfully produced one Town Meeting.
- » Marketed and helped plan “Addison’s Salute to Heroes” flyover event which garnered national media exposure.
- » Launched a Visit Addison page on Pinterest.

- » Responded to the COVID-19 pandemic:
  - Informed and educated the community about stay at home orders, office closures, and related county and state mandates through website posts, email blasts and social media notices.
  - Promoted restaurants through website, banners, billboards, social media ads, media and influencers.
  - Corresponded on a regular basis with restaurants about related updates.
  - In conjunction with the Economic Development and Tourism Department, created 300 back to work kits that were hand-delivered to restaurants, hotels, gyms and salons.

### OBJECTIVES FOR FY2021

- » Capitalize on the strengthened relationships made with restaurants during the COVID-19 support.
- » Find new ways to stand out as a destination for leisure and business travel.
- » Focused marketing efforts to support the recovery of all events cancelled or affected by COVID-19 in FY2020.

# CONFERENCE CENTRE

## department description

To promote the meeting and tourism industry in Addison, providing a quality venue and supporting local hotels by generating overnight visits.

## program narrative

### ACCOMPLISHMENTS OF FY2020

- » Enhanced the Addison Art program through installation of new lighting and purchase of pipe and drape.
- » Utilized PayPal for all client billing as of January 2020 to enhance customer service and financial record management.
- » As of February 2020 (prior to COVID-19) revenues were tracking ahead of FY2019.

### OBJECTIVES FOR FY2021

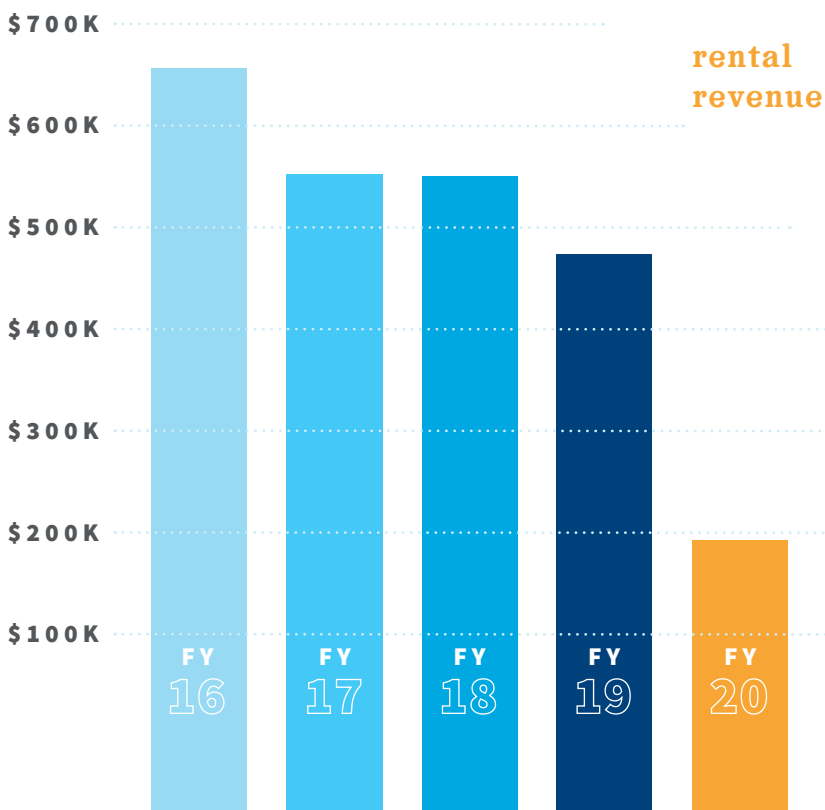
Due to the closure of the Conference Centre for FY2021 there are no objectives for FY2021.

expenditures	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Personnel Services	456,766	544,705	447,612	-
Supplies	42,756	45,115	28,355	2,500
Maintenance	147,658	168,562	149,233	61,060
Contractual Services	282,334	340,567	289,790	112,917
Capital Replacement/Lease	26,994	23,786	23,786	24,500
Capital Outlay	-	30,000	-	-
<b>TOTAL DEPT BUDGET</b>	<b>\$956,507</b>	<b>\$1,152,735</b>	<b>\$938,776</b>	<b>\$200,977</b>

## staffing

	LEVEL	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Conference Centre Supervisor	31	1.0	1.0	1.0	0.0
Conference Centre Sales Coordinator	26	1.0	1.0	1.0	0.0
Conf. Centre Events Coordinator	23	1.0	1.0	1.0	0.0
Senior Conference Centre Attendant	18	1.0	1.0	1.0	0.0
Audio Visual Technician	18	1.0	1.0	1.0	0.0
Office Assistant	16	1.0	1.0	1.0	0.0
Conference Centre Attendant <sup>1</sup>	15	2.5	2.5	2.0	0.0
<b>TOTAL</b>		<b>8.5</b>	<b>8.5</b>	<b>8.0</b>	<b>0.0</b>

<sup>1</sup>This position was moved in FY2020 from the Conference Centre to the Theatre Centre.  
The FY2021 budget reflects the elimination of 8.0 FTEs due to the closure of the Conference Centre.



# GENERAL HOTEL OPERATIONS

81

## department mission

To verify and review that local hotels have properly remitted hotel occupancy taxes; coordinate cash management and proper internal control procedures for all Special Events; and coordinate non-profit organization grant funding from the Town of Addison.

## program narrative

Addison currently imposes a 7% municipal hotel tax on the cost of hotel accommodations. The objective is to determine if local hotels have properly collected, reported, and remitted hotel occupancy taxes to Addison. Addison also holds three major events throughout the year: Taste Addison, Kaboom Town!, and Oktoberfest. The objective is to accurately report and reconcile all transactions related to these events, while monitoring internal controls and cash management procedures. Addison currently funds certain non-profit organizations through a grant funding agreement. The objective is to assure compliance by monitoring the funding process, policies, and grant payments to the organizations.

## ACCOMPLISHMENTS OF FY2020

- » Assisted Special Events Department in a successful implementation of a new online sales system, Nightout.
- » Trained the Conference Centre & Theatre Centre staff on how to utilize PayPal for: invoice management, tracking, generation, payment processing, and running reports for Finance staff.
- » Coordinated with the City Manager's Office in updating the current non-profit organization funding process to align with Council's goal and vision for FY2021's process.

## OBJECTIVES FOR FY2021

- » Increase the number of hotel occupancy tax audits per year.
- » Include short-term rentals in hotel tax audit process.
- » Assure that cash management and appropriate processes are consistently followed for all special events and continue to monitor internal controls.
- » Assure that the application process and funding payouts for non-profit organizations grant funding is consistently followed.

<b>expenditures</b>	<b>ACT 18-19</b>	<b>BUD 19-20</b>	<b>EST 19-20</b>	<b>BUD 20-21</b>
Personnel Services	96,700	107,136	60,476	117,368
Supplies	1,969	4,657	500	3,700
Maintenance	-	-	-	-
Contractual Services	44,094	32,380	24,551	33,057
Capital Replacement/Lease	-	-	-	-
Capital Outlay	-	-	-	-
<b>TOTAL DEPT BUDGET</b>	<b>\$142,763</b>	<b>\$144,173</b>	<b>\$85,527</b>	<b>\$154,125</b>

<b>staffing</b>	<b>LEVEL</b>	<b>ACT 18-19</b>	<b>BUD 19-20</b>	<b>EST 19-20</b>	<b>BUD 20-21</b>
Accounting Supervisor	33	1.0	1.0	1.0	1.0
<b>TOTAL</b>		<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>

# ADDISON THEATRE CENTRE

## department mission

To enrich lives and enhance tourism to Addison by hosting and producing exceptional displays of the performing arts.

## program narrative

### ACCOMPLISHMENTS OF FY 2020

- » Utilized PayPal for all client billing as of January 2020 to enhance customer service and financial record management.
- » Prior to COVID-19, the number of performance groups booking space at the facility was almost 50% higher than FY2019.

- » Prior to COVID-19, the Department was on track to exceed FY2019 revenues.
- » Replaced the large screen in the Studio Theatre.

### OBJECTIVES FOR FY2021

- » Develop and implement a venue marketing plan to enhance brand awareness, attendance and rentals.
- » Develop new internally produced performing arts productions.
- » Continue to increase the number of performing arts organizations using the space.
- » Replace the large screen in the Main Stage.

## expenditures

	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Personnel Services	86,583	90,357	92,366	114,048
Supplies	39,457	33,250	29,650	30,250
Maintenance	65,393	112,969	80,569	73,916
Contractual Services	66,994	142,991	118,080	87,921
Capital Replacement/Lease	15,060	12,371	12,371	12,742
Capital Outlay	17,812	30,000	15,000	-

<b>TOTAL DEPT BUDGET</b>	<b>\$291,298</b>	<b>\$421,938</b>	<b>\$348,036</b>	<b>\$318,877</b>
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## staffing

	LEVEL	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Technical Specialist	31	1.0	1.0	1.0	1.0
Theatre Centre Attendant <sup>1</sup>	15	0.0	0.0	0.5	0.5

<b>TOTAL</b>		<b>1.0</b>	<b>1.0</b>	<b>1.5</b>	<b>1.5</b>
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<sup>1</sup> This position was moved in FY2020 from the Conference Centre to the Theatre Centre.



# PERFORMING ARTS

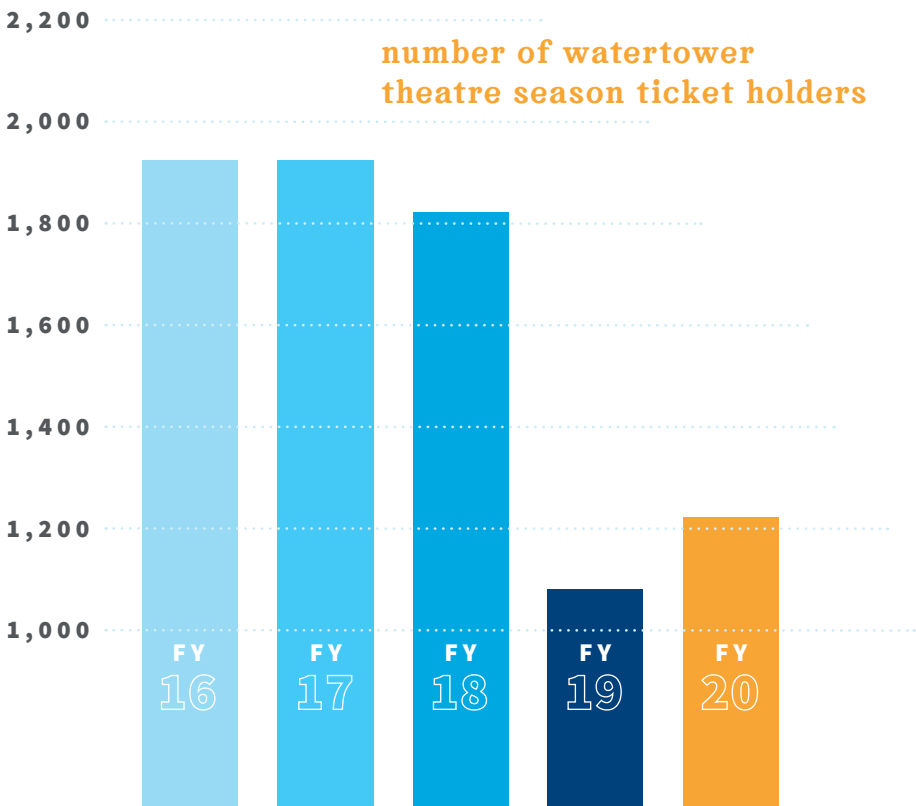
## department mission

To promote a culture of performing arts in the Town of Addison; by doing so, we strengthen Addison as an arts and tourism destination.

### expenditures

	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Personnel Services	-	-	-	-
Supplies	-	-	-	-
Maintenance	-	-	-	-
Contractual Services	437,900	505,000	500,000	329,089
Capital Replacement/Lease	-	-	-	-
Capital Outlay	-	-	-	-
<b>TOTAL DEPT BUDGET</b>	<b>\$437,900</b>	<b>\$505,000</b>	<b>\$500,000</b>	<b>\$329,089</b>

number of watertower theatre season ticket holders



# SPECIAL EVENTS

85

## department mission

To develop, produce and support quality events that promote Addison as a destination of choice, enhance the quality of life for residents and support the local business community.

## program narrative

### ACCOMPLISHMENTS OF FY 2020

- » Completed the first season of the Addison After Dark event series, producing average attendance of 440 people per event at six events.
- » Developed a drive-in concert series when COVID-19 led to cancellation of Addison After Dark.
- » Utilized technologies such as DocuSign, PayPal, and Placer.ai for contracts, vendor billing, and data collection to enhance customer service, record management, sponsorship sales and marketing effectiveness.
- » In the wake of COVID-19, executed a virtual Taste Addison in partnership with Marketing following cancellation of the outdoor festival.
- » Enhanced the Addison Kaboom Town! fireworks display with a 27% increase in shells and a virtual livestream to support social distancing recommendations.

- » Plans for Addison Oktoberfest include the introduction of two new activity tents and a third music stage, as well as the return of popular polka band Brave Combo, to enhance attendance and associated hotel occupancy.

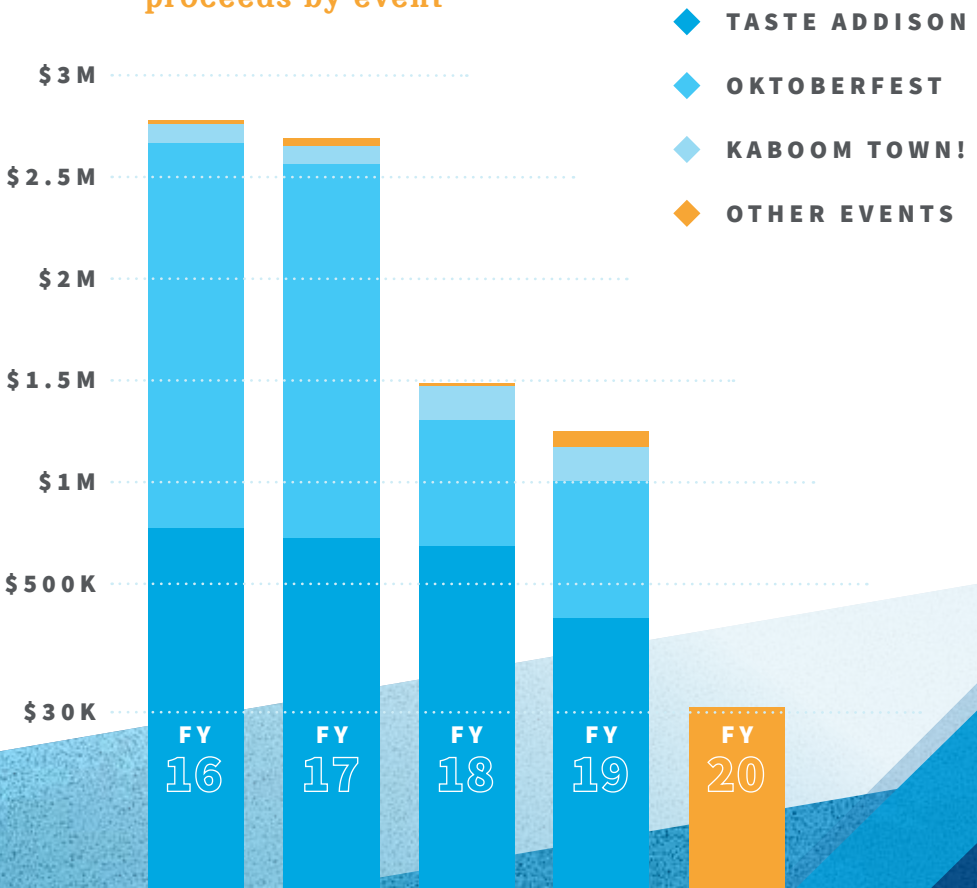
### OBJECTIVES FOR FY2021

- » Continued implementation of strategic plan goals, including:
  - Enhanced, centralized Third-Party Permit process.
  - Expanded social media engagement.
  - Enhanced health, risk and emergency management planning for all festivals.
- » Work to overcome impacts of COVID-19:
  - Focused marketing efforts to reestablish attendance for all affected events.
  - Secure new sponsors and maintain relationships with sponsors of cancelled events.
- » Continue to work with Airport to ensure ongoing success of Addison Kaboom Town! airshow and fireworks display with new FBO.

**expenditures**

	<b>ACT 18-19</b>	<b>BUD 19-20</b>	<b>EST 19-20</b>	<b>BUD 20-21</b>
Personnel Services	341,908	396,455	12,355	357,196
Supplies	-	-	-	-
Maintenance	-	-	-	-
Contractual Services	2,237,305	2,416,112	531,462	2,048,612
Capital Replacement/Lease	-	-	-	-
Capital Outlay	-	-	-	-
<b>TOTAL DEPT BUDGET</b>	<b>\$2,579,212</b>	<b>\$2,812,567</b>	<b>\$543,817</b>	<b>\$2,405,808</b>

**proceeds by event**



# SPECIAL EVENTS OPERATIONS

<b>expenditures</b>	<b>ACT 18-19</b>	<b>BUD 19-20</b>	<b>EST 19-20</b>	<b>BUD 20-21</b>
Personnel Services	410,427	436,302	385,313	409,059
Supplies	26,937	24,534	14,684	20,376
Maintenance	134,291	145,993	145,993	150,656
Contractual Services	295,392	356,508	265,905	316,665
Capital Replacement/Lease	36,290	35,017	35,017	35,017
Capital Outlay	-	-	-	-
<b>TOTAL DEPT BUDGET</b>	<b>\$903,337</b>	<b>\$998,354</b>	<b>\$846,912</b>	<b>\$931,773</b>

<b>staffing</b>	<b>LEVEL</b>	<b>ACT 18-19</b>	<b>BUD 19-20</b>	<b>EST 19-20</b>	<b>BUD 20-21</b>
Director of Special Events	41	1.0	1.0	1.0	1.0
Special Events Manager	33	1.0	1.0	1.0	1.0
Special Events Coordinator II	25	1.0	1.0	1.0	1.0
Special Events Coordinator	24	1.0	1.0	1.0	1.0
Department Assistant	19	0.5	0.5	0.5	0.5
<b>TOTAL</b>		<b>4.5</b>	<b>4.5</b>	<b>4.5</b>	<b>4.5</b>



OTHER FUNDS

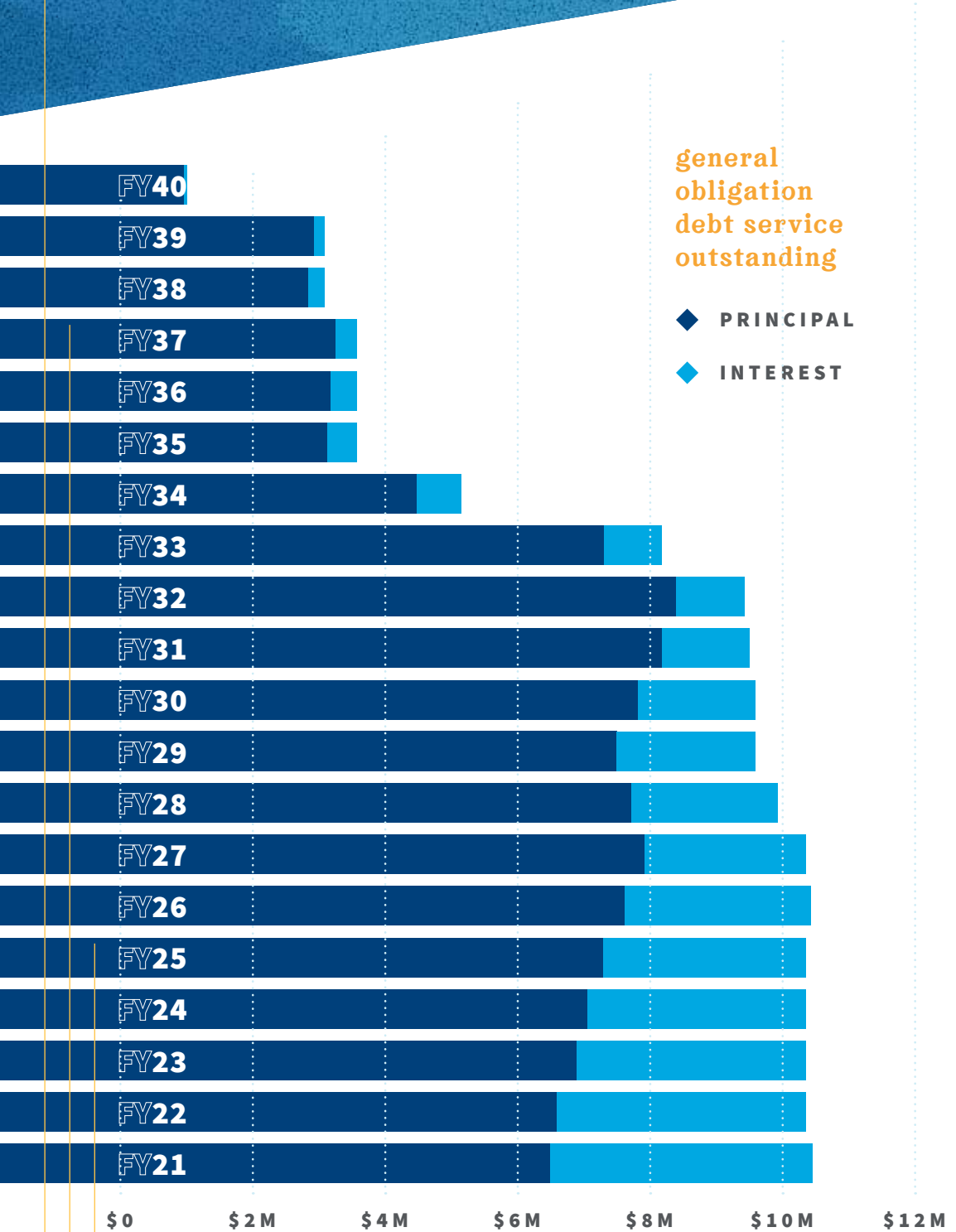




**financial/operational**

# DEBT SERVICE FUNDS

91





# GENERAL OBLIGATION

## fund description

The General Obligation Debt Service Fund accounts for the accumulation of resources for and the payment of general long-term debt principal and interest. The resources of this fund are generated by a tax levy based upon property values. Payments of principal and interest are made for general obligation bonds, certificates of obligation, and tax notes. General obligation bonds of Addison carry an “Aaa” rating from Moody’s Investors Service and a “AAA” rating from Standard and Poor’s Ratings Service.

## fund narrative

Current tax supported debt principal outstanding is approximately \$86.69 million. This amount includes general obligation bonds, general obligation refunding bonds, and certificates of obligation issued from 2012 through 2020. The projected FY2021 requirements are \$7,643,652. The total amount of outstanding tax supported debt represents 1.8% of taxable assessed value. \$15.14 million in General Obligation Bonds were issued August 11, 2020.

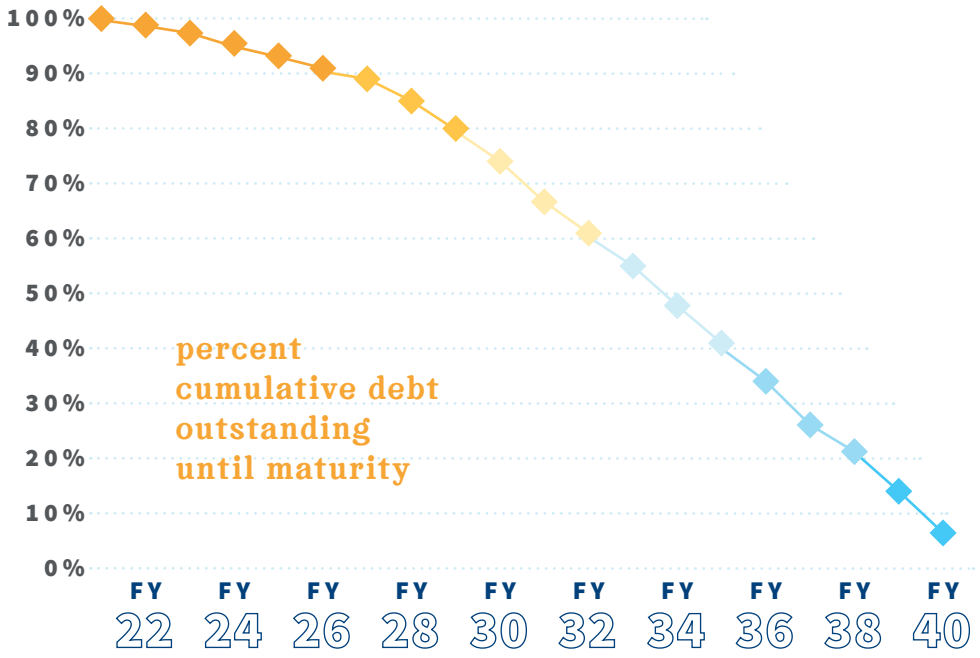
Addison’s legal capacity for additional debt is very large. The State of Texas limits the ad valorem tax rate to \$2.50 per \$100 valuation. Addison’s rate of \$0.608676 falls well under this limit. The following table reflects the allocation of the property tax levy between debt service and General Fund operations for FY2021 and previous years:

	2016 -17	2017 -18	2018 -19	2019 -20	2020 -21
Debt Service	0.179257	0.153042	0.142648	0.149383	0.167567
O&M	0.381215	0.396958	0.407352	0.434117	0.441109
<b>TOTAL</b>	<b>0.560472</b>	<b>0.550000</b>	<b>0.550000</b>	<b>0.583500</b>	<b>0.608676</b>



**general obligation debt  
service fund statement of  
revenues & expenditures**

	<b>ACT 18-19</b>	<b>BUD 19-20</b>
<b>BEGINNING BALANCE</b>	\$168,535	\$189,835
<b>REVENUES</b>		
Ad valorem taxes	6,585,428	7,013,238
Interest Earnings and other	23,219	16,000
<b>TOTAL REVENUES</b>	<b>\$6,608,647</b>	<b>\$7,029,238</b>
<i>Total Available Resources</i>	\$6,777,182	\$7,219,073
<b>EXPENDITURES</b>		
Contractual Services	3,909	9,300
Debt Service	6,755,279	6,966,638
<b>TOTAL EXPENDITURES</b>	<b>\$6,759,188</b>	<b>\$6,975,938</b>
<b>ENDING FUND BALANCE</b>	<b>\$17,994</b>	<b>\$243,135</b>



	EST 19-20	BUD 20-21
	\$17,994	\$10,458
	6,867,784	7,915,707
	25,000	16,000
	<b>\$6,892,784</b>	<b>\$7,931,707</b>
	\$6,910,778	\$7,942,165
	4,104	5,000
	6,896,216	7,643,653
	<b>\$6,900,320</b>	<b>\$7,648,653</b>
	\$10,458	\$293,512

# ECONOMIC DEVELOPMENT FUND

## fund description

The Economic Development fund accumulates resources to support efforts that stimulate the Addison economy through attraction of commercial enterprises, business retention and expansion, redevelopment, and entrepreneurial development.

## fund narrative

The Economic Development fund was created in the FY2011 budget to build capacity to conduct economic development activities; support existing commercial base through business retention and expansion; focus business attraction on priority growth sectors; raise the profile of Addison regionally and nationally; support business start-ups; and maintain and enhance Addison's quality of place.

## economic development fund statement of revenues & expenditures

### BEGINNING BALANCE

#### REVENUES

Ad valorem taxes

Service Fees

Interest & Other Income

*Total Operational Revenue*

Transfers from Other Funds

#### TOTAL REVENUES

*Total Resources Available*

#### EXPENDITURES

Personnel Services

Supplies

Maintenance

Contractual Services

Capital Replacement/Lease

*Total Operational Expenditures*

Transfers to Other Funds

#### TOTAL EXPENDITURES

### ENDING FUND BALANCE

	<b>ACT 18-19</b>	<b>BUD 19-20</b>	<b>EST 19-20</b>	<b>BUD 20-21</b>
	\$1,437,024	\$1,439,491	\$1,797,017	\$1,797,844
	1,086,365	1,105,981	1,130,073	1,127,348
	64,026	50,500	60,000	60,000
	48,416	30,000	42,500	48,000
	\$1,198,807	\$1,186,481	\$1,232,573	\$1,235,348
	715,000	768,000	384,000	384,000
	<b>\$1,913,807</b>	<b>\$1,954,481</b>	<b>\$1,616,573</b>	<b>\$1,619,348</b>
	\$3,350,831	\$3,393,972	\$3,413,590	\$3,417,192
	453,011	479,272	480,312	491,120
	18,455	23,645	17,285	20,932
	17,806	23,237	23,199	29,450
	1,042,521	1,327,180	1,077,953	1,430,153
	22,021	16,997	16,997	48,160
	\$1,553,814	\$1,870,331	\$1,615,746	\$2,019,815
	-	-	-	-
	<b>\$1,553,814</b>	<b>\$1,870,331</b>	<b>\$1,615,746</b>	<b>\$2,019,815</b>
	\$1,797,017	\$1,523,641	\$1,797,844	\$1,397,377

# ECONOMIC DEVELOPMENT DEPARTMENT

## department mission

The mission of the Economic Development fund is to encourage economic prosperity and growth in the community and to improve the quality of life for citizens, corporate residents and visitors by strengthening the community's economic competitive position and increase business and leisure travel to Addison.

## program narrative

### ACCOMPLISHMENTS OF FY2020

- » Recognized by International Economic Development council with Excellence in Economic Development Awards for Business Retention and Expansion Programs and for Real Estate Redevelopment & Reuse.
- » Hired new marketing agency to develop new campaign and develop strategic marketing initiatives.
- » Provided support in the management of the grant service agreement with the Metrocrest Chamber.

- » Hosted monthly meet and greet events at local office buildings.
- » Hosted over 15 local company visits.
- » Developed online resource page for local businesses in response to COVID-19.
- » Created 300 back to COVID-19 back to work kits in partnership with the Metrocrest Chamber for local businesses that were hand delivered.
- » Conducted BREP Survey to gauge impact of COVID-19 on local businesses.
- » Renegotiating new sublease with strategic partner for the management of the Addison TreeHouse.
- » Managed the annual Business Registration Process.

### OBJECTIVES FOR FY2021

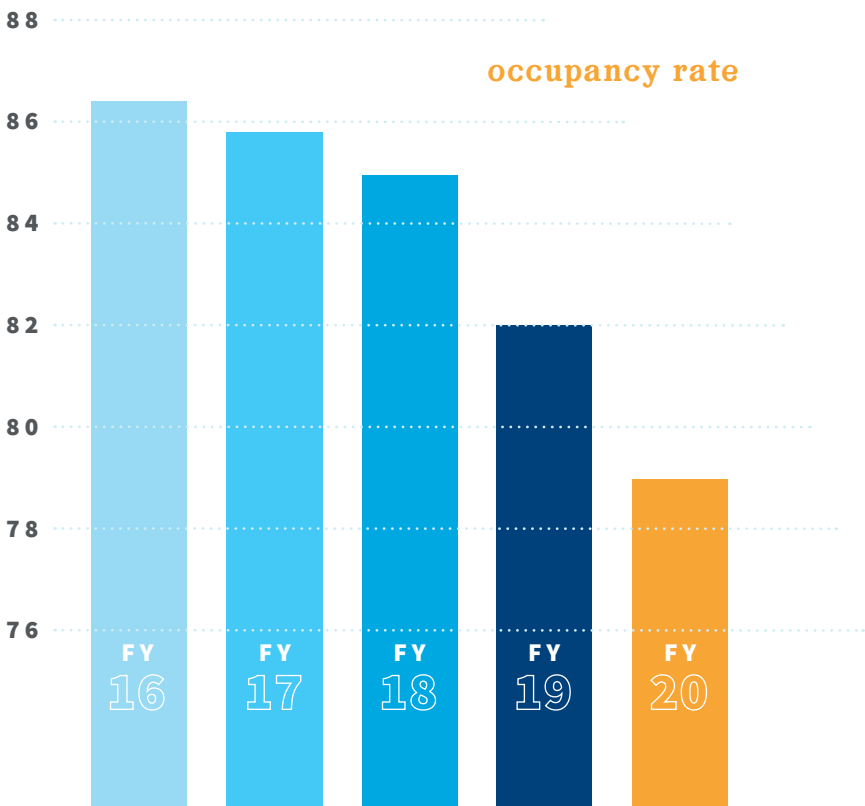
- » Realign economic development strategic plan to meet the needs of local businesses following the COVID-19 Pandemic.
- » Strengthen entrepreneurial support programs.
- » Strengthen corporate recruitment efforts.
- » Develop and strengthen programs supporting local restaurant industry.
- » Enhance placemaking activities within the community.

**expenditures**

	<b>ACT 18-19</b>	<b>BUD 19-20</b>	<b>EST 19-20</b>	<b>BUD 20-21</b>
Personnel Services	378,865	397,820	398,830	406,996
Supplies	14,159	18,709	15,909	16,101
Maintenance	16,216	23,091	23,053	29,300
Contractual Services	515,953	647,477	545,709	683,728
Capital Replacement/Lease	22,021	15,279	15,279	42,809
Capital Outlay	-	-	-	-
<b>TOTAL DEPT BUDGET</b>	<b>\$947,214</b>	<b>\$1,102,376</b>	<b>\$998,780</b>	<b>\$1,178,934</b>

**staffing**

	<b>LEVEL</b>	<b>ACT 18-19</b>	<b>BUD 19-20</b>	<b>EST 19-20</b>	<b>BUD 20-21</b>
Director of Economic Development	45	1.0	1.0	1.0	1.0
Economic Development Manager	35	1.0	1.0	1.0	1.0
Economic Development Coordinator	20	1.0	1.0	1.0	1.0
<b>TOTAL</b>		<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>



# TOURISM

## department mission

The mission of the Tourism Department is to market the Town and support programs and activities that will make Addison a destination for leisure and business travelers to increase hotel occupancy, and to increase visitors to our attractions, special events and restaurants.

## program narrative

### ACCOMPLISHMENTS OF FY2020

- » Won three Texas Association of Convention & Visitor Bureaus awards for tourism marketing campaigns.
- » In conjunction with the Marketing Department, new features were implemented into VisitAddison.com including a blog page, events calendar that captures 3<sup>rd</sup> party events, and User Generated Content (UGC).
- » Managed service agreement with the World Affairs Council.
- » Hosted six familiarization tours (prior to COVID-19).
- » Met with seven of the 23 hotels (prior to COVID-19).
- » In conjunction with the Marketing Department, developed and maintained COVID-19 related webpages including restaurant support, hospitality resources, and hotel deals.
- » Communicated with each hotel 1-2 times per week in response to the COVID-19 crisis.
- » Organized a virtual town hall hotelier meeting featuring the Texas Hotel & Lodging Association as guest speakers.
- » In conjunction with the Marketing and Economic Development Departments, created 300 back to work kits that were hand-delivered to restaurants, hotels, gyms and salons.
- » Visited every hotel in-person during the COVID-19 crisis.

## expenditures

	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Personnel Services	74,146	81,452	81,482	84,124
Supplies	4,296	4,936	1,376	4,831
Maintenance	1,590	146	146	150
Contractual Services	526,568	679,703	532,244	746,425
Capital Replacement/Lease	-	1,718	1,718	5,351
Capital Outlay	-	-	-	-
<b>TOTAL DEPT BUDGET</b>	<b>\$606,600</b>	<b>\$767,955</b>	<b>\$616,966</b>	<b>\$840,881</b>

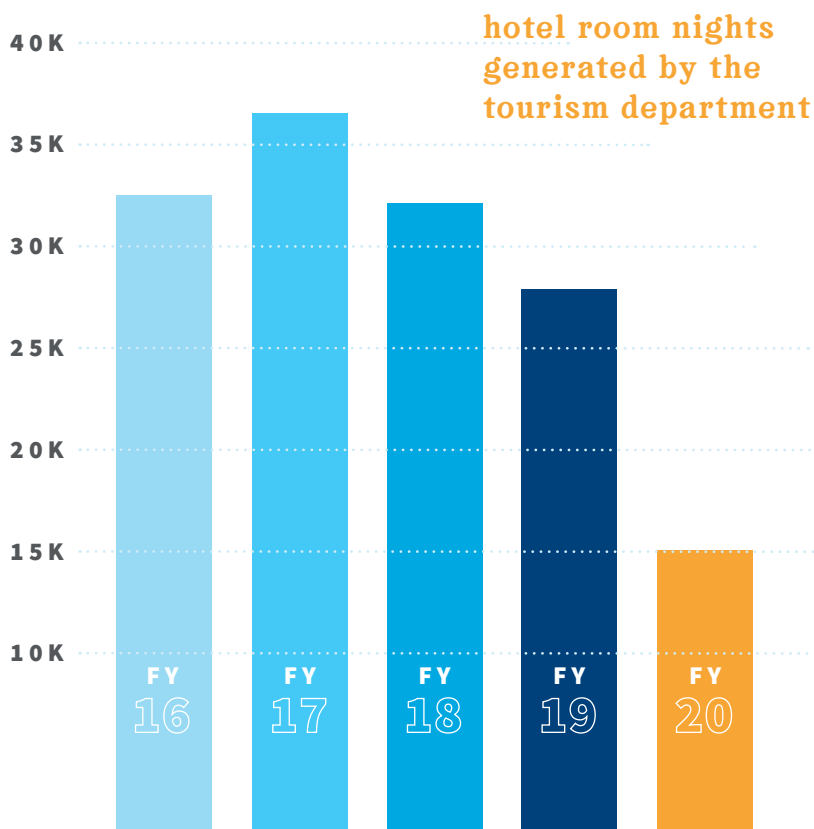


### OBJECTIVES FOR FY2021

- » Continue strengthening hotel relationships.
- » Work to gain back lost business due to COVID-19.
- » Capitalize on the strengthened relationships made with restaurants during the COVID-19 support.
- » Find new ways to stand out as a destination for leisure and business travel.
- » Re-evaluate the Hotel Support Program funding distribution amounts for the three full-service hotels.

#### staffing

	LEVEL	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Tourism Coordinator	28	1.0	1.0	1.0	1.0
<b>TOTAL</b>		<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>



# GRANT FUNDS

## fund description

Two special revenue funds account for monies received from private and governmental agencies. Expenditures of these grant monies are also recorded in the grant funds. The Advanced Funding Grant Fund is utilized for grant monies that are received prior to the related expenditure. This fund may carry a balance from year to year if

Addison does not expend the monies within the fiscal year. The Reimbursement Grant Fund will track expenditures for which the Town expects to be reimbursed. Addison will record a receivable for any reimbursements not received prior to the fiscal year end.

## fund narrative

The budget includes funding for police department travel and training that will be paid by a grant.

## advanced funding grant statement of revenues & expenditures

	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
<b>BEGINNING BALANCE</b>	\$34,168	\$34,667	\$38,433	\$38,833
<b>REVENUES</b>				
Intergovernmental	123,941	8,100	220,000	8,100
Interest & Other Income	1,446	400	400	400
<b>TOTAL REVENUES</b>	<b>\$125,387</b>	<b>\$8,500</b>	<b>\$220,400</b>	<b>\$8,500</b>
<i>Total Resources Available</i>	<i>\$159,555</i>	<i>\$43,167</i>	<i>\$258,833</i>	<i>\$47,333</i>
<b>EXPENDITURES</b>				
Personnel Services	11,825	-	-	-
Supplies	8,166	-	20,000	-
Maintenance	1,654	-	-	-
Contractual Services	4,477	13,700	200,000	13,700
Capital Outlay	95,000	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$121,122</b>	<b>\$13,700</b>	<b>\$220,000</b>	<b>\$13,700</b>
<b>ENDING FUND BALANCE</b>	<b>\$38,433</b>	<b>\$29,467</b>	<b>\$38,833</b>	<b>\$33,633</b>

# INFRASTRUCTURE INVESTMENT FUND

## fund description

The Infrastructure Investment Fund (IIF) accumulates resources to support pay-as-you-go capital projects or significant non-routine capital expenditures of not less than \$500,000, building a reserve to reduce Addison’s reliance on debt for capital projects.

## fund narrative

This fund was created in FY2015 to set aside resources for a reserve for years of economic decline, to cash-fund capital projects that would have otherwise been funded by debt financing, or to fund significant non-routine capital outlay expenditures. The FY2021 budget allocates \$0.006201 of the property tax rate to fund the IIF for future appropriations. The FY2021 beginning fund balance in the Infrastructure Investment Fund is estimated to be \$5.2 million.

No new projects are planned in FY2021. The projected fund balance at the end of FY2021 is approximately \$5.6 million.

## infrastructure investment fund statement of revenues & expenditures

	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
<b>BEGINNING BALANCE</b>	\$4,585,191	\$4,698,143	\$4,825,361	\$5,263,783
<b>REVENUES</b>				
Ad valorem taxes	284,009	288,422	288,422	294,767
Interest & Other Income	119,000	60,000	105,000	50,000
Transfers from Other Funds	1,000,000	45,000	45,000	-
<b>TOTAL REVENUES</b>	<b>\$1,403,009</b>	<b>\$393,422</b>	<b>\$438,422</b>	<b>\$344,767</b>
<i>Total Resources Available</i>	<i>\$5,988,200</i>	<i>\$5,091,565</i>	<i>\$5,263,783</i>	<i>\$5,608,550</i>
<b>EXPENDITURES</b>				
Belt Line Road Streetscape	88,385	-	-	-
Public Safety Facility Improvements	574,454	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$662,839</b>	<b>-</b>	<b>-</b>	<b>-</b>
Transfer out to Addison Grove Escrow Fund	500,000	-	-	-
<b>ENDING FUND BALANCE</b>	<b>\$4,825,361</b>	<b>\$5,091,565</b>	<b>\$5,263,783</b>	<b>\$5,608,550</b>

# OTHER SPECIAL REVENUE FUNDS

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## ADDISON GROVE ESCROW FUND

### fund description

The Addison Grove Escrow Fund receives transfers from other funds for future economic development incentive payments for the construction of the Addison Grove development.

### fund narrative

No expenditures are planned for the Addison Grove Escrow Fund in FY2021. The projected ending fund balance is \$3,154,141.

### statement of revenues & expenditures

	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
<b>BEGINNING BALANCE</b>	\$2,019,186	\$3,019,186	\$3,081,141	\$3,129,141
<b>REVENUES</b>				
Interest & Other Income	61,955	-	48,000	25,000
Transfers from Other Funds	1,000,000	-	-	-
<b>TOTAL REVENUES</b>	<b>\$1,061,955</b>	<b>-</b>	<b>\$48,000</b>	<b>\$25,000</b>
<i>Total Resources Available</i>	<i>\$3,081,141</i>	<i>\$3,019,186</i>	<i>\$3,129,141</i>	<i>\$3,154,141</i>
<b>EXPENDITURES</b>				
Capital Improvements	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>ENDING FUND BALANCE</b>	<b>\$3,081,141</b>	<b>\$3,019,186</b>	<b>\$3,129,141</b>	<b>\$3,154,141</b>

# BUILDING SECURITY FUND

## fund description

The building security fees in this fund are generated from court costs paid by offenders. By law, these revenue amounts can only be spent on specified security or technology improvements for Addison's municipal court.

## fund narrative

For FY2021, budgeted expenses are for bailiffs and other costs associated with security. The available ending fund balance is projected at \$9,795, leaving 39.0% of operating expenditures.

## statement of revenues & expenditures

	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
<b>BEGINNING BALANCE</b>	\$46,844	\$34,181	\$37,495	\$23,145
<b>REVENUES</b>				
Fines & Penalties	9,902	10,500	6,000	11,000
Interest & Other Income	1,080	500	1,000	750
<b>TOTAL REVENUES</b>	<b>\$10,982</b>	<b>\$11,000</b>	<b>\$7,000</b>	<b>\$11,750</b>
<i>Total Resources Available</i>	\$57,826	\$45,181	\$44,495	\$34,895
<b>EXPENDITURES</b>				
Personnel Services	20,331	23,163	21,350	25,100
Contractual Services	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$20,331</b>	<b>\$23,163</b>	<b>\$21,350</b>	<b>\$25,100</b>
<b>ENDING FUND BALANCE</b>	<b>\$37,495</b>	<b>\$22,018</b>	<b>\$23,145</b>	<b>\$9,795</b>

# CHILD SAFETY FUND

## fund description

This is a special court cost under Art. 102.014 Code of Criminal Procedure for convictions of moving traffic violations in school crossing zones and passing a school bus. For cities under 850,000 population, it shall be used first to fund school crossing guards, with any excess expended for programs designed to enhance public safety and security. Because Addison does not have a school crossing program, the funds are used for other child safety expenses.

## fund narrative

For FY2021, the budget anticipates that fees generated in this fund will pay for expenses related to traffic safety education for children. The available ending fund balance is projected at \$79,917, leaving 399.6% of operating expenditures.

## statement of revenues & expenditures

	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
<b>BEGINNING BALANCE</b>	\$84,284	\$70,284	\$90,717	\$87,917
<b>REVENUES</b>				
Fines & Penalties	15,829	5,500	15,500	11,000
Interest & Other Income	2,247	900	1,700	1,000
<b>TOTAL REVENUES</b>	<b>\$18,076</b>	<b>\$6,400</b>	<b>\$17,200</b>	<b>\$12,000</b>
<i>Total Resources Available</i>	\$102,360	\$76,684	\$107,917	\$99,917
<b>EXPENDITURES</b>				
Supplies	11,643	20,000	20,000	20,000
Contractual Services	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$11,643</b>	<b>\$20,000</b>	<b>\$20,000</b>	<b>\$20,000</b>
<b>ENDING FUND BALANCE</b>	<b>\$90,717</b>	<b>\$56,684</b>	<b>\$87,917</b>	<b>\$79,917</b>

# COURT TECHNOLOGY FUND

## fund description

The court technology fees in this fund are generated from court costs paid by offenders. By law, these revenue amounts can only be spent on specified security or technology improvements for Addison’s municipal court.

## fund narrative

For FY2021, budgeted expenses are for municipal court software. The available ending fund balance is projected at \$7,101, or 28.4% of operating expenditures.

## statement of revenues & expenditures

	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
<b>BEGINNING BALANCE</b>	\$33,370	\$22,070	\$27,831	\$24,931
<b>REVENUES</b>				
Fines & Penalties	13,202	13,500	6,300	6,670
Interest & Other Income	877	600	800	500
<b>TOTAL REVENUES</b>	<b>\$14,079</b>	<b>\$14,100</b>	<b>\$7,100</b>	<b>\$7,170</b>
<i>Total Resources Available</i>	<i>\$47,449</i>	<i>\$36,170</i>	<i>\$34,931</i>	<i>\$32,101</i>
<b>EXPENDITURES</b>				
Supplies	18,559	25,000	10,000	25,000
Contractual Services	1,059	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$19,618</b>	<b>\$25,000</b>	<b>\$10,000</b>	<b>\$25,000</b>
<b>ENDING FUND BALANCE</b>	<b>\$27,831</b>	<b>\$11,170</b>	<b>\$24,931</b>	<b>\$7,101</b>

# JUSTICE ADMINISTRATION FUND

## fund description

This fee is a \$2.50 portion of the Time Payment Fee in Section 133.103 of the Local Government Code which shall be used for the purpose of improving the efficiency of the court.

## fund narrative

For FY2021, the budget anticipates that funds generated by the Justice Administration Fund fee will pay for maintenance costs associated with the courtroom and clerk's office. The available ending fund balance is projected at \$20,728, leaving 414.6% of operating expenditures.

## statement of revenues & expenditures

	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
<b>BEGINNING BALANCE</b>	\$23,223	\$19,222	\$23,829	\$22,578
<b>REVENUES</b>				
Fines & Penalties	426	500	2,399	2,350
Interest & Other Income	1,686	600	1,350	800
<b>TOTAL REVENUES</b>	<b>\$2,112</b>	<b>\$1,100</b>	<b>\$3,749</b>	<b>\$3,150</b>
<i>Total Resources Available</i>	\$25,335	\$20,322	\$27,578	\$25,728
<b>EXPENDITURES</b>				
Supplies	-	4,000	4,000	4,000
Maintenance	1,506	1,000	1,000	1,000
<b>TOTAL EXPENDITURES</b>	<b>\$1,506</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>
<b>ENDING FUND BALANCE</b>	<b>\$23,829</b>	<b>\$15,322</b>	<b>\$22,578</b>	<b>\$20,728</b>



# PEG FUND

## fund description

Public, Educational and Governmental (PEG) fees are a cable franchise fee. The funding is to be used for any combination of television production equipment, training and government access airtime on a local cable system.

## fund narrative

For FY2021, planned expenditures for the PEG fund total \$210,000. The projected ending fund balance is 200,647.

## statement of revenues & expenditures

	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
<b>BEGINNING BALANCE</b>	\$242,042	\$303,042	\$303,147	\$359,147
<b>REVENUES</b>				
Fines & Penalties	54,160	50,000	50,000	50,000
Interest & Other Income	6,945	1,500	6,000	1,500
<b>TOTAL REVENUES</b>	<b>\$61,105</b>	<b>\$51,500</b>	<b>\$56,000</b>	<b>\$51,500</b>
<i>Total Resources Available</i>	\$303,147	\$354,542	\$359,147	\$410,647
<b>EXPENDITURES</b>				
Capital Outlay	-	-	-	210,000
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$210,000</b>
<b>ENDING FUND BALANCE</b>	<b>\$303,147</b>	<b>\$354,542</b>	<b>\$359,147</b>	<b>\$200,647</b>

# PUBLIC SAFETY FUND

## fund description

Police forfeiture funds are awards of monies or property by the courts related to cases that involve the Addison Police department. According to Chapter 59, Article 6, Paragraph (d) of the Texas Code of Criminal Procedure, "Proceeds awarded under this chapter to a law enforcement agency may be spent by the agency after a budget for the expenditures of the proceeds has been submitted to the governing body of the municipality."

## fund narrative

In FY 2021, budgeted expenses for the Public Safety Fund total \$64,409. The available ending fund balance is projected at \$0.

## statement of revenues & expenditures

	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
<b>BEGINNING BALANCE</b>	\$48,524	\$23,724	\$56,887	\$63,409
<b>REVENUES</b>				
Fines & Penalties	7,155	-	5,522	-
Interest & Other Income	1,208	400	1,000	1,000
<b>TOTAL REVENUES</b>	<b>\$8,363</b>	<b>\$400</b>	<b>\$6,522</b>	<b>\$1,000</b>
<i>Total Resources Available</i>	\$56,887	\$24,124	\$63,409	\$64,409
<b>EXPENDITURES</b>				
Supplies	-	-	-	64,409
Contractual Services	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$64,409</b>
<b>ENDING FUND BALANCE</b>	\$56,887	\$24,124	\$63,409	-

# SELF-FUNDED PROJECT FUND

## fund description

The purpose of the Self-Funded Special Project Fund is to cash-fund important one-time projects. The dollars for these one-time projects are intended to come from the savings from previous fiscal years that flow through the General Fund's fund balance along with contributions from other funds when the project will service multiple funds. Separating out recurring sources of revenue from one-time sources is considered a best practice for fiscal sustainability.

## fund narrative

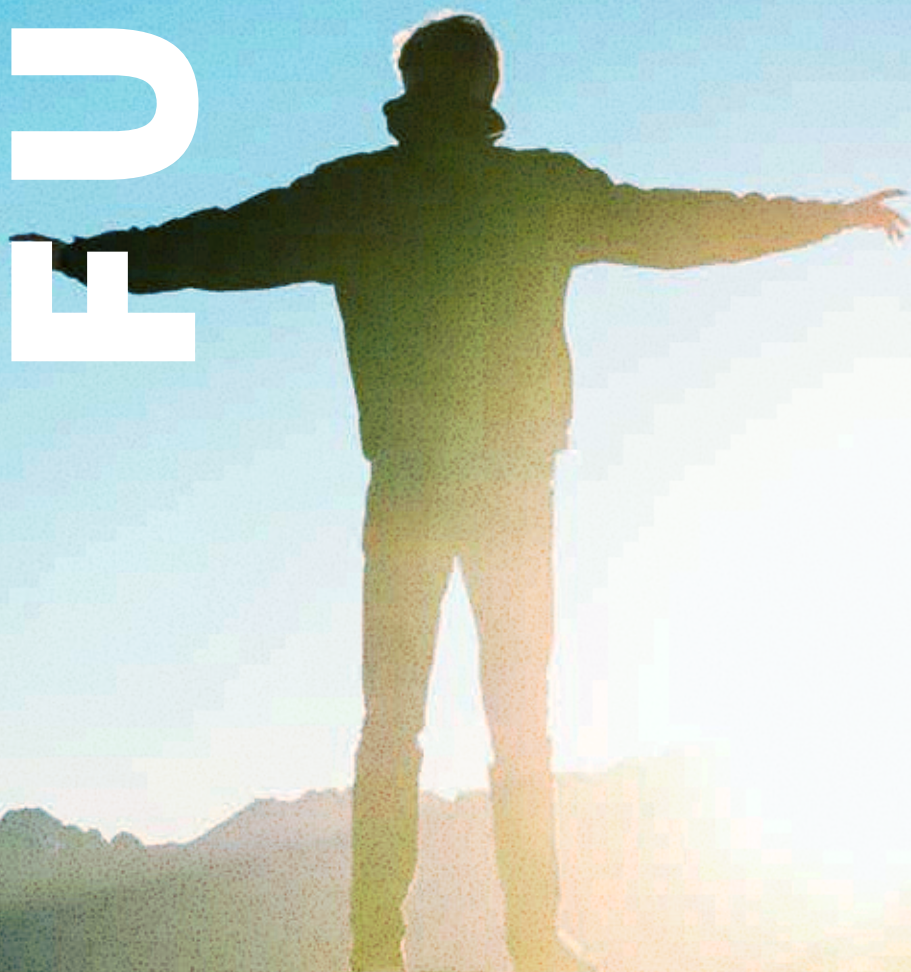
Major expenditures in this fund in FY2021 include:

- » \$27,000 to fund increased neighborhood security in East Addison.
- » \$3,000 to fund the smoke detector battery replacement program.
- » \$30,000 to fund ballistic gear.
- » \$140,000 to fund a Development Services special area study.
- » \$292,000 to continue resource allocation for street maintenance activities.
- » \$318,000 to fund transit-oriented development at Addison Circle.
- » \$102,500 to fund improvements at Celestial Park.

## statement of revenues & expenditures

	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
<b>BEGINNING BALANCE</b>	\$1,516,050	\$551,138	\$1,045,462	\$564,462
<b>REVENUES</b>				
Interest & Other Income	36,542	-	30,000	-
Transfers from Other Funds	2,771,504	4,015,400	3,563,900	710,950
<b>TOTAL REVENUES</b>	<b>\$2,808,046</b>	<b>\$4,015,400</b>	<b>\$3,593,900</b>	<b>\$710,950</b>
<i>Total Resources Available</i>	\$4,324,096	\$4,566,538	\$4,639,362	\$1,275,412
<b>EXPENDITURES</b>				
Supplies	-	167,200	167,200	-
Maintenance	343,848	390,000	390,000	309,150
Contractual Services	632,437	1,042,700	1,042,700	460,500
Capital Outlay	388,391	780,500	329,000	65,300
Capital Improvements	1,913,958	2,146,000	2,146,000	394,500
<b>TOTAL EXPENDITURES</b>	<b>\$3,278,634</b>	<b>\$4,526,400</b>	<b>\$4,074,900</b>	<b>\$1,229,450</b>
<b>ENDING FUND BALANCE</b>	<b>\$1,045,462</b>	<b>\$40,138</b>	<b>\$564,462</b>	<b>\$45,962</b>

# PROPRIETARY FUNDS





**financial/operational**

# AIRPORT FUND

113

## fund description

Addison owns a general aviation airport, which the Town considers to be one of the community's greatest assets. Addison Airport is a single runway facility and is classified by the Federal Aviation Administration (FAA) as a "National" category General Aviation (GA) airport, the highest-level category given to just 92 of 2,908 "non-primary" airports in the National Plan of Integrated Airport Systems (NPIAS). Addison is also designated by FAA as a Reliever for Dallas-Fort Worth International Airport (DFW). Addison Airport's primary customer base is business aviation; the airport is used extensively by corporate executives who conduct business in offices located in the North Dallas area. The airport is financed and operated as an enterprise fund, in a manner like private business enterprises where costs of providing services to the public are financed primarily through rentals, leases, and user charges; the airport is completely self-supporting, it receives no funding at all from the Town's General Fund.

## fund narrative

From its opening in October 1957 through 1976, Addison Airport was privately owned and operated. In 1976, the Town of Addison acquired the airport at the urging of and with financial assistance from the FAA. At that time, the Town elected to leave the management and operations

of the airport in the hands of Henry Stuart, Airport Manager since the opening of the airport in 1957, and his company Addison Airport of Texas, Inc. (AATI). AATI operated the airport through the end of 2000, after which a joint venture of Washington Group International (WGI) and The Staubach Companies assumed control. The joint venture—known as the Washington-Staubach Addison Airport Venture (WSAAV)—managed and operated the airport under contract to the Town from January 1, 2001 through September 30, 2010. Towards the end of WSAAV's tenure, the Town began negotiating separate contracts with their successor companies (URS Energy & Construction for Airport Operator services, and SAMI Management, Inc. for Real Estate operator services); those contracts became effective October 1, 2010, with the same personnel from the joint venture continuing to manage and operate the airport. In spring of 2020, the Town of Addison elected to early terminate the Airport Operating Agreement with AECOM (formerly URS Energy & Construction) and to allow the Real Estate Operator Agreement with SAMI Management, Inc. to expire, with both contracts ending on September 30, 2020. Effective October 1, 2020, all of the former AECOM and SAMI staff became Town of Addison employees. Now, for the first time in its 63-year history, Addison Airport is owned by the Town of Addison and operated by Addison municipal employees.

Airport staff—who are now all Town of Addison employees—perform all functions directly associated with the management, operation, and maintenance of the airport and related facilities. Staff also develops the capital improvement program and obtains capital grant funding from the FAA and the Texas Department of

Transportation (TxDOT) Aviation Division. Grant funding is essential for the ongoing capital improvement of the airport. Airport staff also perform all real estate functions, including rental of Addison facilities and the management of ground leases, as well as the billing and collection of all revenue related to rentals, leases, fuel flowage fees, and miscellaneous income.

<b>staffing</b>	<b>LEVEL</b>	<b>ACT 18-19</b>	<b>BUD 19-20</b>	<b>EST 19-20</b>	<b>BUD 20-21</b>
Deputy City Manager <sup>1</sup>	48	0.0	0.0	0.0	0.3
Airport Director <sup>2</sup>	44	0.0	0.0	0.0	1.0
Airport Assistant Director <sup>2</sup>	40	0.0	0.0	0.0	2.0
GIS Manager	36	0.4	0.4	0.4	0.4
Asset Manager <sup>2</sup>	35	0.0	0.0	0.0	1.0
Airport Maintenance Manager <sup>2</sup>	34	0.0	0.0	0.0	1.0
Airport Operations Manager <sup>2</sup>	34	0.0	0.0	0.0	1.0
Airport Accounting Manager <sup>2</sup>	33	0.0	0.0	0.0	1.0
Senior Accountant <sup>3</sup>	31	0.0	0.0	0.0	0.3
Leasing Manager <sup>2</sup>	29	0.0	0.0	0.0	1.0
Human Resources Analyst <sup>1</sup>	28	0.0	0.0	0.0	0.3
Management Assistant <sup>4</sup>	25	0.0	1.0	1.0	1.0
Police Officer	P2	3.0	3.0	3.0	3.0
Accounting Specialist <sup>1</sup>	21	0.0	0.0	0.0	0.3
Airport Maintenance Technician III <sup>2</sup>	20	0.0	0.0	0.0	1.0
Airport Maintenance Technician II <sup>2</sup>	19	0.0	0.0	0.0	3.0
Department Assistant <sup>2</sup>	19	0.0	0.0	0.0	1.0
Janitorial & Light Maintenance Worker <sup>2</sup>	17	0.0	0.0	0.0	1.0
<b>TOTAL</b>		<b>3.4</b>	<b>4.4</b>	<b>4.4</b>	<b>19.6</b>

<sup>1</sup>This position has been partially reallocated to the Utility Fund (0.3 FTE) and Airport Fund (0.3 FTE) in FY2021.

<sup>2</sup>This position has been in-sourced to a Town employee in FY2021.

<sup>3</sup>This position has been partially reallocated to the Airport Fund (0.3 FTE) in FY2021.

<sup>4</sup>This position was added in FY2020.

**CONCLUDING FISCAL YEAR  
PERFORMANCE**

Operating revenue for FY2020 is projected to total \$6,480,000, a 13.8 percent increase from the original budget of \$5,693,000. Operating expenses are estimated to total \$5,647,452, which is \$11,777 more than budgeted.

**2020-2021 BUDGET  
NARRATIVE**

For FY2021, the budget anticipates operating revenue of \$5,189,110, an 8.9 percent decrease from the FY2020 budget. The projected decrease is based on conservative assumptions regarding continuing impacts of the coronavirus pandemic, which are primarily reductions in anticipated fuel flowage fee revenue.

**airport fund statement  
of income**

	<b>ACT 18-19</b>	<b>BUD 19-20</b>
<b>BEGINNING BALANCE</b>	<b>\$4,812,377</b>	<b>\$7,045,927</b>
<b>REVENUES</b>		
Intergovernmental		
Operating Grants	-	50,000
Service Fees	1,122,758	1,054,000
Rental Income	5,488,112	4,509,000
Interest & Other Income	356,442	80,000
Transfers from Other Funds	-	700,000
<b>TOTAL REVENUES</b>	<b>\$6,967,312</b>	<b>\$6,393,000</b>
<i>Total Available Resources</i>	<i>\$11,779,689</i>	<i>\$13,438,927</i>
<b>EXPENDITURES</b>		
Personnel Services	324,776	470,762
Supplies	33,600	41,000
Maintenance	77,453	53,441
Contractual Services	186,367	261,983
Capital Replacement/Lease	32,292	217,258
Debt Service	763,934	853,910
Capital Outlay	31,703	-
Operator Contract – Maintenance	2,761,617	3,308,028
Operator Contract – Other	522,020	429,293
<i>Total Operational Expenditures</i>	<i>\$4,733,762</i>	<i>\$5,635,675</i>
One-time Decision Packages	-	-
Capital Improvements	-	2,672,500
<b>TOTAL EXPENDITURES</b>	<b>\$4,733,762</b>	<b>\$8,308,175</b>
<b>ENDING FUND BALANCE</b>	<b>\$7,045,927</b>	<b>\$5,130,752</b>



## vision

Addison's aspiration for the airport, or vision statement, as expressed in the Airport Strategic Plan approved by City Council on November 25, 2013, is an adaptation of Addison's corporate vision statement:

- » *To be a safe, thriving General Aviation Airport that delivers the "Addison Way" with superior services, an attractive appearance, and an enhanced sense of community, offering a high-quality experience for tenants, businesses, visitors, and all stakeholders. Addison Airport will lead the way in creativity, innovation, and environmental and fiscal responsibility within a culture of excellence and regard for others.*

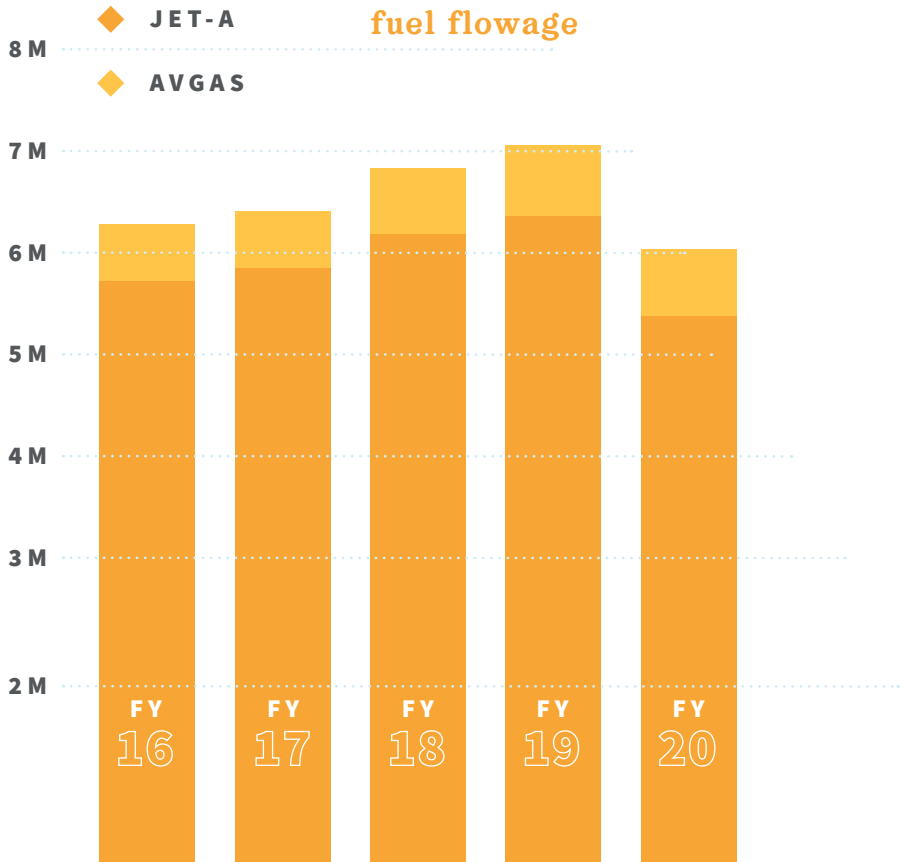
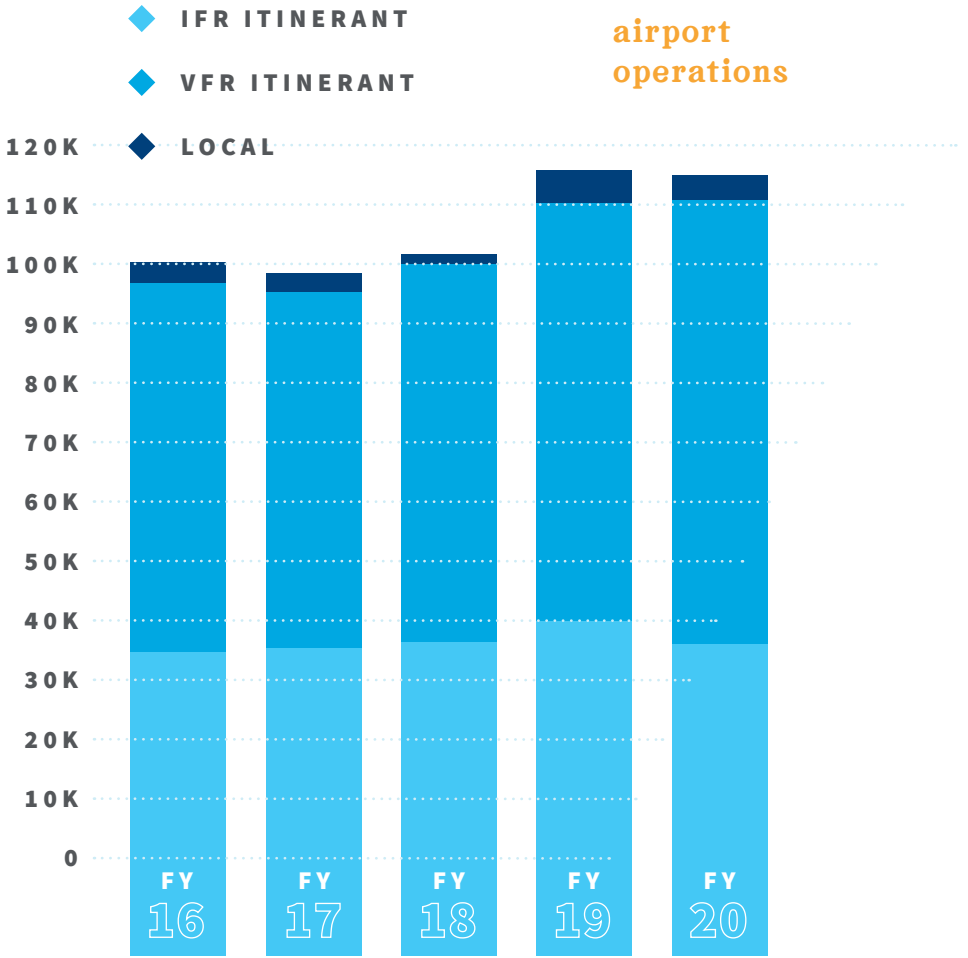
## program narrative

### ACCOMPLISHMENTS OF FY2020

- » Construction commenced on the U.S. Customs and Border Protection / Airport Administration Offices facility.

	<b>EST 19-20</b>	<b>BUD 20-21</b>
	<b>\$7,045,927</b>	<b>\$5,506,475</b>
	1,360,000	50,000
	700,000	783,150
	4,300,000	4,305,960
	120,000	50,000
	700,000	-
	<b>\$7,180,000</b>	<b>\$5,189,110</b>
	\$14,225,927	\$10,695,585
	395,890	2,157,056
	41,000	61,900
	53,500	479,730
	251,669	1,309,914
	217,258	230,958
	950,814	819,647
	-	-
	3,308,028	-
	429,293	-
	\$5,647,452	\$5,059,205
	-	51,000
	3,072,000	2,043,911
	<b>\$8,719,452</b>	<b>\$7,154,116</b>
	<b>\$5,506,475</b>	<b>\$3,541,469</b>

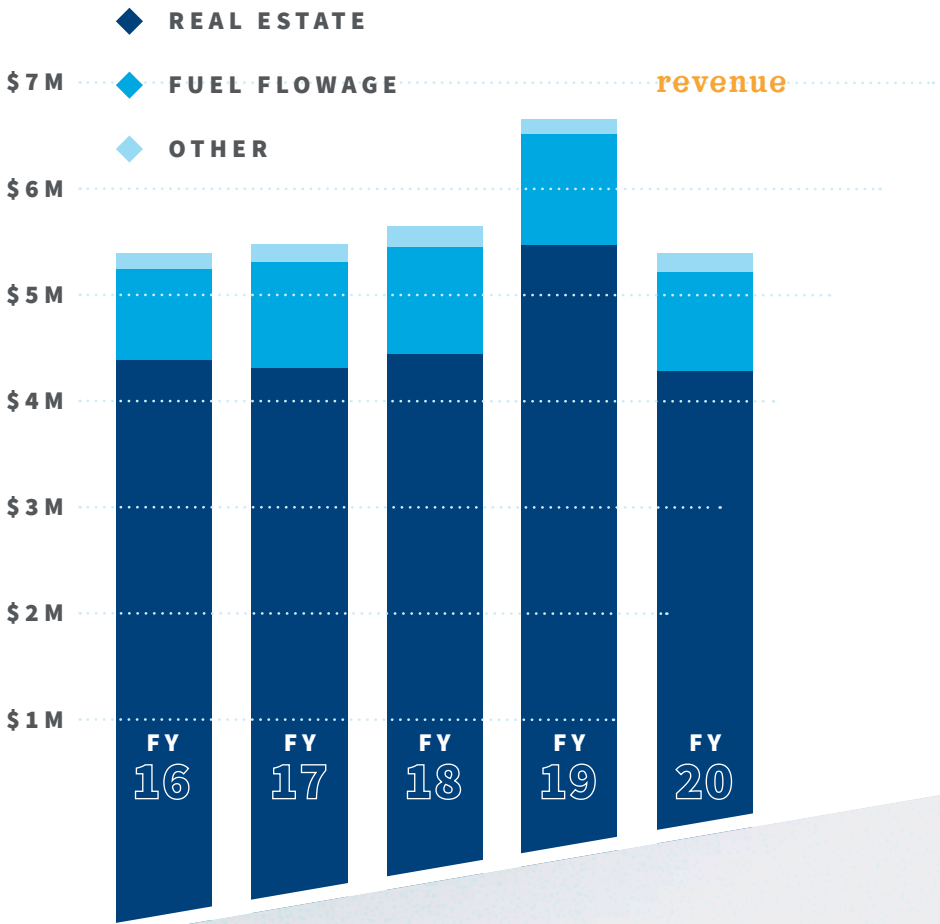
- » Black Forest Ventures commenced construction on the new \$20M Galaxy Fixed Base Operation consisting of three hangars totaling 110,000 SF plus a 20,000 SF Terminal Building and 300,000+ SF of concrete ramp.
- » Negotiated new lease with Atlantic Aviation with three term extensions triggered by new capital investments totaling not less than \$14 Million.
- » Completed nearly \$1.7 Million in airport-funded pavement improvements:
  - Relocation of fuel farm exit lane; reconstruction/relocation of the south 800 feet of the vehicle service road east of Taxiway Alpha (in support of the Galaxy FBO development).
  - Reconstruction of George Haddaway Drive (airside access to fuel farm) and pavements west and south of the fuel farm (in support of the Galaxy FBO development).
  - Reconstruction of the ramp serving the U2 hangar (occupied by Martinaire).
- » Received CARES Act grant funding of \$157,000 to support airport operations.
- » Secured grant to re-designate Runway 15/33 to 16/34 and resurface both the runway and Taxiway Alpha, with no matching funds required up to \$1,475,000 (additional improvements, if approved/necessary, would require a 10% match).
- » Airport operations and maintenance staff passed more than 3,500 days without an OSHA recordable injury (more than 9½ years).



## OBJECTIVES FOR FY2021

- » Complete construction of the U.S. Customs and Border Protection / Airport Administration Offices facility.
- » Develop a plan to fund rehabilitation/reconstruction of airport access streets (Jimmy Doolittle, Claire Chennault, Glenn Curtiss).

- » Change the airport access point on Dooley Road to allow for future development on the west side of the Airport.
- » Update Minimum Standards to promote business and aeronautical activities while complying with Federal Aviation Administration rules and guidelines.
- » Update Chapter 14 of the Town Ordinance to provide clarification of local codes.



# CAPITAL REPLACEMENT FUND

119

This fund was established to accumulate sufficient resources to replace existing capital rolling stock and heavy equipment that has reached or exceeded its useful life. Resources are acquired through charges to operating departments. The charges are calculated using a straight-line amortization of each piece of equipment based upon the item's expected life.

## fund narrative

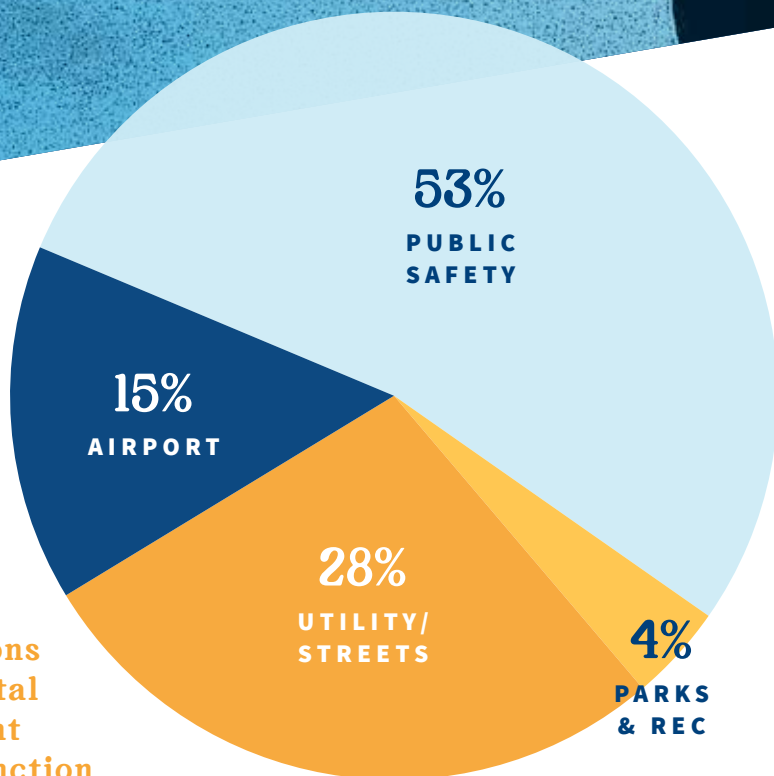
Estimated expenses in FY2020 were primarily associated with the following purchases:

- » **Police** – Ford Interceptor PPV (\$61,000)
- » **Police** – Patrol vehicles (18) (\$806,900)
- » **Police** – Criminal Investigations Division sedan (\$32,500)
- » **Police** – Ford F250 Animal Control unit (\$60,000)
- » **Police** – Criminal Investigations Division SUV (\$32,500)
- » **Fire** – Ambulance (\$271,700)
- » **Fire** – Bobcat Club Car (\$30,000)
- » **Streets** – Ford F550 truck (\$73,000)
- » **Parks** – New Holland backhoe (\$89,731)
- » **Utilities** – Ford F350 truck (\$50,000)
- » **Utilities** – Ford F150 truck (\$28,000)
- » **Utilities** – Ford F350 truck (\$80,000)
- » **Airport** – Mini Transit cargo van (\$34,500)
- » **Airport** – Ford F150 truck (\$35,000)

Equipment purchases included in the FY2021 budget include:

- » **Police** – Ford F250 Animal Control Unit (60,000)
- » **Fire** – Frazer Ambulance (286,850)
- » **Fire** – Ford F-350 XLT Ext Cab- Battalion (100,000)
- » **Fire** – STRYKER Cardiac Monitor (175,137)
- » **Streets** – Ford F350 Extended Cab (35,000)
- » **Streets** – Ford F750 Aerial Body (200,000)
- » **Parks** – Ford F350 Extended Cab (60,000)
- » **Parks** – Ford F350 Crew Cab (46,308)
- » **Parks** – Ford F350 Crew Cab (35,308)
- » **Parks** – Ford F150 Crew Cab (31,994)
- » **Parks** – John Deere 835 XUV Gator (23,467)
- » **Parks** – John Deere 835 Gator w/ Sprayer (25,760)
- » **Airport** – Ford F250 Extended Cab (43,000)
- » **Airport** – Ford F750 Super Duty (80,000)
- » **Airport** – Toyota Highlander (45,000)
- » **Airport** – (2) Grasshopper Lawn Mowers (25,400)
- » **Utilities** – Ford F250 (42,421)
- » **Utilities** – Ford F350 (43,130)
- » **Utilities** – Ford F150 (36,000)

contributions  
to the capital  
replacement  
fund by function



### statement of income

	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
<b>BEGINNING BALANCE</b>	\$3,110,609	\$3,591,615	\$3,437,569	\$3,527,376
<b>REVENUES</b>				
Service Fees				
Department contributions	1,288,000	1,288,000	1,288,000	1,288,000
Interest & Other Income	121,176	60,000	123,380	40,000
<b>TOTAL REVENUES</b>	<b>\$1,409,176</b>	<b>\$1,348,000</b>	<b>\$1,411,380</b>	<b>\$1,328,000</b>
<i>Total Resources Available</i>	<i>\$4,519,785</i>	<i>\$4,939,615</i>	<i>\$4,848,949</i>	<i>\$4,855,376</i>
<b>EXPENDITURES</b>				
Maintenance	-	-	-	-
Contractual services	4,188	4,000	4,500	4,500
Capital Outlay	1,078,028	1,684,831	1,317,073	1,394,775
<b>TOTAL EXPENDITURES</b>	<b>\$1,082,216</b>	<b>\$1,688,831</b>	<b>\$1,321,573</b>	<b>\$1,399,275</b>
<b>ENDING FUND BALANCE</b>	<b>\$3,437,569</b>	<b>\$3,250,784</b>	<b>\$3,527,376</b>	<b>\$3,456,101</b>

# INFORMATION TECHNOLOGY

121

## fund description

This internal service fund was established in 1998 to accumulate sufficient resources to allow the Town to replace systems, including hardware and software with values in excess of \$5,000, on a regular basis or as needed in order to be adequately responsive to the increasing demands on the Town's network. Resources are acquired through charges to operating departments. The charges are calculated using a straight-line amortization of each component of a system based upon the component's expected life. Information Technology department calculates each department's contribution to this fund on an annual basis.

## fund narrative

Estimated expenses in FY2020 were:

- » Upgrade network equipment including both software and hardware (\$1,500,000)
- » Enterprise Resource Planning (ERP) software retainage (\$180,000)

- » Records management software (Laserfiche) (\$25,000)
- » Business Intelligence software upgrade (\$75,000)
- » Taser upgrade (\$72,000)
- » Interactive Voice Response (IVR) phone system (\$75,000)

Scheduled purchases through FY2021 are:

- » Upgrade Network Equipment, including Software/Hardware (\$700,000)
- » Replace/Upgrade Monitoring Cameras at (\$370,000)
  - AAC, Addison Circle Park, ACTC, PD, Fuel Farm, and Treehouse
- » Replace MDCs (Mobile Device Computers) (\$260,000)
- » Upgrade/Replace In-Car Video & Body Camera System (\$250,000)
- » GPS Device (\$10,000)
- » Tasers – Final Payment (\$60,000)

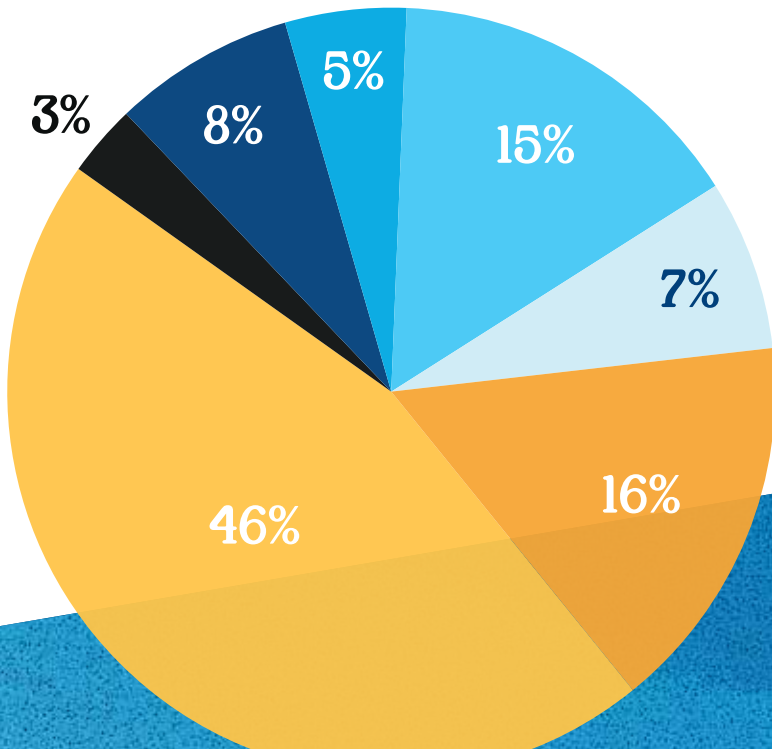
## contributions to the information technology replacement fund by function

- ◆ URBAN DEV.
- ◆ TOURISM & ECON. DEV.
- ◆ PARKS & REC
- ◆ UTILITY/STREETS
- ◆ AIRPORT
- ◆ GENERAL GOVERNMENT
- ◆ PUBLIC SAFETY

# REPLACEMENT FUND

## statement of income

	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
<b>BEGINNING BALANCE</b>	\$3,083,136	\$2,521,653	\$3,561,607	\$3,387,470
<b>REVENUES</b>				
Service Fees				
Department contributions	853,524	756,863	756,863	756,863
Interest & Other Income	4,949	8,800	5,000	5,000
<b>TOTAL REVENUES</b>	<b>\$858,473</b>	<b>\$765,663</b>	<b>\$761,863</b>	<b>\$761,863</b>
<i>Total Resources Available</i>	<i>\$3,941,609</i>	<i>\$3,287,316</i>	<i>\$4,323,470</i>	<i>\$4,149,333</i>
<b>EXPENDITURES</b>				
Supplies	21,179	-	-	-
Maintenance	9,000	-	-	-
Contractual services	28,961	4,000	-	-
Capital Outlay	320,862	1,927,000	936,000	1,650,000
<b>TOTAL EXPENDITURES</b>	<b>\$380,002</b>	<b>\$1,931,000</b>	<b>\$936,000</b>	<b>\$1,650,000</b>
<b>ENDING FUND BALANCE</b>	<b>\$3,561,607</b>	<b>\$1,356,316</b>	<b>\$3,387,470</b>	<b>\$2,499,333</b>



# STORMWATER FUND

## fund description

Addison’s Stormwater Fund is an enterprise fund, which is a Proprietary type fund where operations are accounted for and financed in a manner like private business enterprises. In this budget, two types of funds are utilized, Governmental and Proprietary. Governmental funds are used for most government activities, while Proprietary funds are based on the premise that designated city services should be conducted as businesses. Addison’s Stormwater utility is operated on the premise that this city service should be operated where the costs of providing the services to the public are funded primarily through user charges.

## fund narrative

The Stormwater Fund was created in 2013 to address necessary stormwater activities and capital projects. The fee funds the costs to build and maintain stormwater infrastructure such as curb and gutter repair, maintenance of stormwater structures, and the Town’s federally and state mandated stormwater quality management program. Additionally, the stormwater fee funds the capital improvements to Addison’s drainage infrastructure including drainage relief systems, detention facilities and other improvements.

## CONCLUDING FISCAL YEAR PERFORMANCE

Operating revenues for FY2020 are projected to total \$2,471,795, which is approximately \$68 thousand more than the budget for FY2020

## staffing

	LEVEL	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
GIS Manager	36	0.3	0.3	0.3	0.3
Stormwater & Operations Manager <sup>1</sup>	34	0.0	0.0	1.0	1.0
Streets & Traffic Operations Manager <sup>2</sup>	34	0.3	0.3	0.3	0.3
Billing Supervisor	26	0.2	0.2	0.2	0.2
Management Assistant <sup>1</sup>	25	1.0	1.0	0.0	0.0
Stormwater Operator	22	2.0	2.0	2.0	2.0
Accounting Specialist	21	0.2	0.2	0.2	0.2
<b>TOTAL</b>		<b>4.0</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>

<sup>1</sup>This position was reclassified from a Management Assistant to a Stormwater and Operations Manager in FY2020.

<sup>2</sup>This position had a title change in FY2020 from Streets and Stormwater Manager to Streets and Traffic Operations Manager.



and \$78 thousand more than was generated in FY2019. Operating expenses in FY2020 are projected to be \$300 thousand less than budgeted amounts. The anticipated ending fund balance for FY2020 is projected at \$7,159,183.

## 2020 - 2021 BUDGET NARRATIVE

FY2021 budgeted operating revenues are projected at \$2,495,791, an increase of \$101 thousand from FY2019 actuals. The FY2021 budget incorporates the five percent rate increase as planned in the 2013 stormwater fee ordinance. Operating expenses are budgeted at \$1,285,903. Also included in the FY2021 budget is cash funding of \$2.3 million for capital projects.

### statement of income

	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
<b>BEGINNING BALANCE</b>	\$5,240,798	\$5,713,480	\$6,468,607	\$7,159,183
<b>REVENUES</b>				
Service Fees				
Drainage fees	2,235,566	2,349,795	2,349,795	2,455,791
Interest & Other Income	159,165	53,900	122,000	40,000
<b>TOTAL REVENUES</b>	<b>\$2,394,731</b>	<b>\$2,403,695</b>	<b>\$2,471,795</b>	<b>\$2,495,791</b>
<i>Total Resources Available</i>	\$7,635,529	\$8,117,175	\$8,940,402	\$9,654,974
<b>EXPENDITURES</b>				
Personnel Services	275,422	304,134	303,972	313,093
Supplies	16,117	20,597	12,111	17,700
Maintenance	77,810	210,700	50,000	102,620
Contractual Services	179,173	367,874	205,490	310,224
Debt Service	546,916	544,466	542,616	542,266
Capital Outlay	21,035	40,000	72,787	-
<b>TOTAL EXPENDITURES</b>	<b>\$1,116,473</b>	<b>\$1,487,771</b>	<b>\$1,186,976</b>	<b>\$1,285,903</b>
One-time Decision Packages	-	-	-	38,610
Transfers to Other Funds	-	-	-	-
Capital Improvements	50,449	1,181,000	594,243	2,272,430
<b>TOTAL EXPENDITURES</b>	<b>\$1,166,922</b>	<b>\$2,668,771</b>	<b>\$1,781,219</b>	<b>\$3,596,943</b>
<b>ENDING FUND BALANCE</b>	<b>\$6,468,607</b>	<b>\$5,448,404</b>	<b>\$7,159,183</b>	<b>\$6,058,031</b>

# STORMWATER OPERATIONS

## department description

The mission of the Public Works and Engineering Services Department is to provide quality services related to the provision of water and sanitary sewer services, street maintenance, and stormwater drainage in a compliant, proactive, and professional manner.

The Stormwater Division of the Public Works and Engineering Services Department is responsible for:

- » Maintaining the safe and efficient flow of stormwater through the drainage collection system.
- » Maintaining the drainage system components and associated infrastructure.
- » Identifying, reviewing, managing, inspecting and implementing all stormwater capital projects.
- » Complying with Texas Commission on Environmental Quality (TCEQ) regulations.

## program narrative

### ACCOMPLISHMENTS OF FY2020

- » Completed Construction on the Oaks North Drainage Project.
- » Compiled stormwater reports for various types of illicit discharges.
- » Improvement in reducing the amounts of organic material into our stormwater system.
- » Completed renewal process through TCEQ for the five-year MS4 permit.
- » Completed Vitruvian Dredging Project.

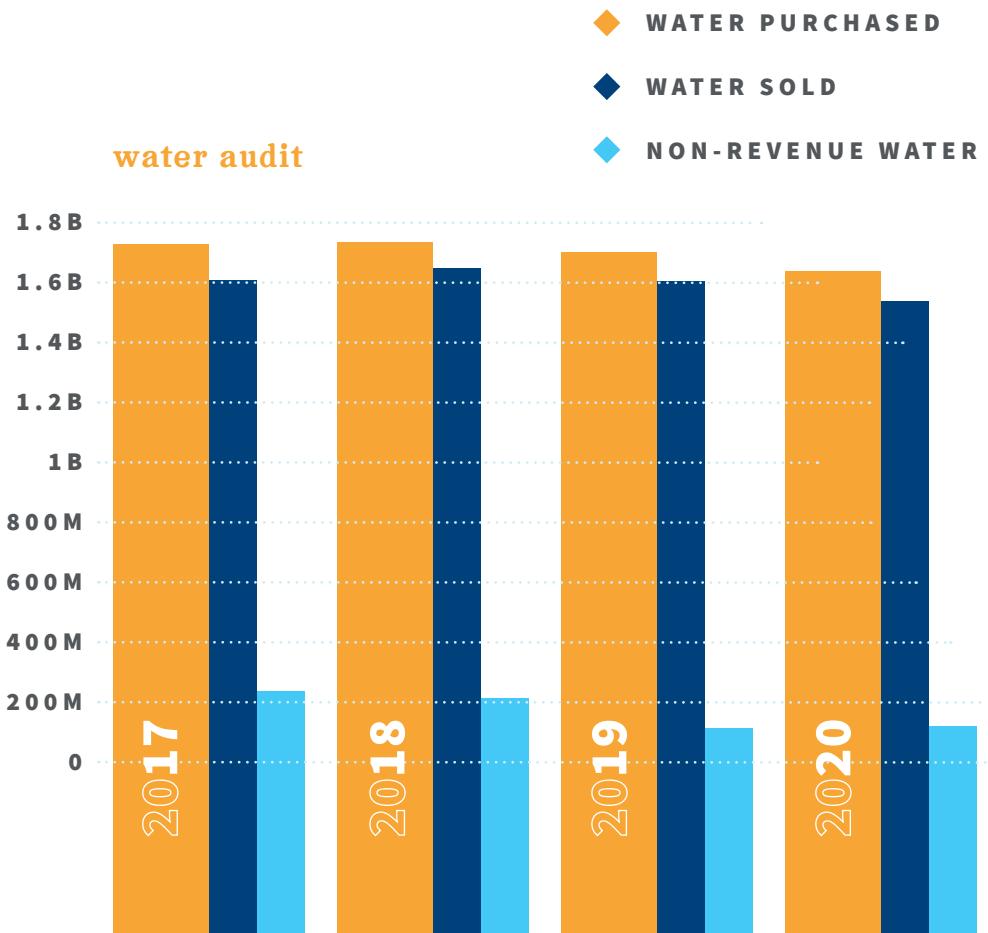
### OBJECTIVES FOR FY2021

- » Begin design of the Rawhide Creek Basin Drainage Improvements.
- » Develop long term plans for post construction BMPs.
- » Complete Vitruvian well construction.
- » Repair ponding issues and damaged inlet tops.
- » Continue to monitor and perform inspections of stormwater infrastructure.

# UTILITY FUND

## fund description

Addison's Utility Fund is an enterprise fund, which is a Proprietary type fund where operations are accounted for and financed in a manner like private business enterprises. In this budget, two types of funds are utilized, Governmental and Proprietary. Governmental funds are used for most government activities, while Proprietary funds are based on the premise that designated city services should be conducted as businesses. Addison's water and wastewater utilities are operated on the premise that this city service should be operated and financed where the costs of providing the services to the public are financed primarily through user charges.



## fund narrative

### CONCLUDING FISCAL YEAR PERFORMANCE

Operating revenues for FY2020 are projected to total \$13,166,738, which is \$44 thousand more than the budget for FY2020 and \$1 million more than was generated in FY2019. Operating expenses in FY2020 are projected to be \$87 thousand less than budgeted amounts. The anticipated ending fund balance for FY2020 is projected at \$4,923,551.

### 2020-2021 BUDGET NARRATIVE

FY2021 budgeted operating revenues are projected at \$13,973,976, an increase of \$851 thousand from the FY2020 budget. Operating expenses are budgeted at \$13,893,405, an increase of \$780 thousand over the FY2020 budget. Also included in the FY2021 budget is cash funding of \$163 thousand for capital projects.

## utility fund statement of income

### BEGINNING BALANCE

#### REVENUES

Service fees

    Water sales

    Sewer charges

    Tap fees & other

Fines & penalties

Interest & other income

#### TOTAL REVENUES

*Total Available Resources*

#### EXPENDITURES

Personnel Services

Supplies

Maintenance

Contractual Services

    Water Purchases

    Wastewater Treatment

    Other services

Capital Replacement/Lease

Debt Service

Capital Outlay

#### TOTAL EXPENDITURES

One-time Decision Packages

Capital improvements

#### TOTAL EXPENDITURES

### ENDING FUND BALANCE

<b>ACT 18-19</b>	<b>BUD 19-20</b>	<b>EST 19-20</b>	<b>BUD 20-21</b>
\$6,233,408	\$11,385,841	\$6,266,837	\$4,923,551
6,663,348	7,051,676	7,051,676	7,502,499
5,144,473	5,876,062	5,876,062	6,270,477
9,438	25,275	5,000	20,500
107,593	75,000	75,000	75,000
184,049	94,600	159,000	105,500
<b>\$12,108,901</b>	<b>\$13,122,613</b>	<b>\$13,166,738</b>	<b>\$13,973,976</b>
\$18,342,309	\$24,508,454	\$19,433,575	\$18,897,527
1,716,439	2,264,720	2,079,902	2,318,042
176,462	217,990	216,190	216,281
329,051	495,622	499,122	650,623
3,467,867	3,435,039	3,435,039	3,652,672
3,635,316	3,373,435	3,600,000	3,746,596
863,217	1,390,199	1,256,327	1,385,463
340,657	331,857	331,857	340,797
1,133,162	1,513,798	1,516,231	1,517,931
74,949	90,000	90,000	65,000
<b>\$11,737,120</b>	<b>\$13,112,660</b>	<b>\$13,024,668</b>	<b>\$13,893,405</b>
-	-	-	350,000
338,352	1,813,000	1,485,356	163,000
<b>\$12,075,472</b>	<b>\$14,925,660</b>	<b>\$14,510,024</b>	<b>\$14,406,405</b>
\$6,266,837	\$9,582,794	\$4,923,551	\$4,491,122

# UTILITY OPERATIONS

## department description

The mission of the Public Works and Engineering Services Department is to provide quality services related to the provision of water and sanitary sewer services, street maintenance, and stormwater drainage in a compliant, proactive, and professional manner.

The Utility Division of the Public Works and Engineering Services Department is responsible for:

- » Supplying safe, uninterrupted water and wastewater service to Addison residents and businesses.
- » Maintaining water and wastewater facilities and infrastructure.
- » Reviewing, managing, inspecting, and implementing all utility related capital projects.
- » Maintaining regulatory compliance with the Environmental Protection Agency (EPA) and Texas Commission on Environmental Quality (TCEQ) water and wastewater systems requirements.
- » Processing and permitting requests for the use of the public right-of-way.

## program narrative

### ACCOMPLISHMENTS OF FY 2020

- » Completed design and began construction on the Basin I Sanitary Sewer Reroute Project.
- » Began design of Kellway Lift Station Bypass Project.
- » Implemented water main valve and hydrant maintenance program.
- » Implemented wastewater main line maintenance program.
- » Continued meter modernization program.

### OBJECTIVES FOR FY2021

- » Complete Basin I Sanitary Reroute Project.
- » Complete construction on Kellway Lift Station Bypass Project.
- » Complete design and construction of chloramine booster station at surveyor pump station.
- » Design for Celestial ground storage tank rehabilitation.
- » Continue preventative maintenance programs.

<b>expenditures</b>	<b>ACT 18-19</b>	<b>BUD 19-20</b>	<b>EST 19-20</b>	<b>BUD 20-21</b>
Personnel Services	1,612,082	2,129,246	1,953,411	2,155,408
Supplies	162,384	203,390	201,790	200,481
Maintenance	329,051	495,622	499,122	650,623
Contractual Services	756,344	1,268,224	1,145,481	1,264,688
Capital Replacement/Lease	340,657	331,857	331,857	340,797
Capital Outlay	79,949	90,000	90,000	65,000
One-time Decision Packages	-	-	-	350,000
<b>TOTAL DEPT BUDGET</b>	<b>\$3,280,467</b>	<b>\$4,518,339</b>	<b>\$4,221,661</b>	<b>\$5,026,997</b>

<b>staffing</b>	<b>LEVEL</b>	<b>ACT 18-19</b>	<b>BUD 19-20</b>	<b>EST 19-20</b>	<b>BUD 20-21</b>
Deputy City Manager <sup>1</sup>	48	0.0	0.0	0.0	0.3
Director of Public Works & Engineering	45	1.0	1.0	1.0	1.0
Asst. Director of Infrastructure Services	40	1.0	1.0	1.0	1.0
Capital Improvement Project Manager	36	1.0	1.0	1.0	1.0
GIS Manager	36	0.3	0.3	0.3	0.3
Streets & Traffic Operations Manager <sup>2</sup>	34	0.3	0.3	0.3	0.3
Utilities Manager	34	2.0	2.0	2.0	2.0
Human Resources Analyst <sup>1</sup>	28	0.0	0.0	0.0	0.3
Water Quality Utility Supervisor <sup>3</sup>	27	0.0	0.0	0.0	1.0
Construction Inspector	24	3.0	3.0	3.0	3.0
Utility Crew Leader	24	1.0	1.0	1.0	1.0
Water Quality Specialist <sup>4</sup>	22	1.0	2.0	2.0	2.0
Utility Operator III	21	4.0	4.0	4.0	4.0
Accounting Specialist <sup>1</sup>	21	0.0	0.0	0.0	0.3
Utility Operator II <sup>4</sup>	19	0.0	2.0	2.0	2.0
Department Assistant	19	1.0	1.0	1.0	1.0
Utility Operator I	17	5.0	5.0	5.0	5.0
<b>TOTAL</b>		<b>20.6</b>	<b>23.6</b>	<b>23.6</b>	<b>25.5</b>

<sup>1</sup>This position has been partially reallocated to the Utility Fund (0.3 FTE) and Airport Fund (0.3 FTE) in FY2021.

<sup>2</sup>This position had a title change in FY2020 from Streets and Stormwater Manager to Streets and Traffic Operations Manager.

<sup>3</sup>This position was added in FY2021.

<sup>4</sup>This position was added in FY2020.

# UTILITY BILLING

## department description

To accurately bill Addison customers for their water and sewer usage, refuse collection, and other fees, and to ensure timely collection of payments.

## program narrative

### ACCOMPLISHMENTS OF FY2020

- » Successfully implemented utility billing module in the enterprise resource planning software (Munis) in November 2018 with no interruption of service.

- » Transitioned from old payment portal to new one in Customer Self Service, resulting in customers managing their accounts online.
- » Utility Billing department split out from Utility operations in order to provide more transparency and Finance accountability for the budget and reporting processes.

### OBJECTIVES FOR FY2021

- » Finalize documentation of all procedures in Munis.
- » Find ways to increase efficiency and improve customer service by utilizing Munis.

expenditures	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Personnel Services	104,357	135,474	126,491	162,634
Supplies	14,078	14,600	14,400	15,800
Contractual Services	106,873	121,975	110,846	120,775
<b>TOTAL DEPT BUDGET</b>	<b>\$225,308</b>	<b>\$272,049</b>	<b>\$251,737</b>	<b>\$299,209</b>

staffing	LEVEL	ACT 18-19	BUD 19-20	EST 19-20	BUD 20-21
Controller <sup>1</sup>	40	0.0	0.0	0.0	0.3
Utility Billing Supervisor	26	0.8	0.8	0.8	0.8
Accounting Specialist	21	0.8	0.8	0.8	0.8
<b>TOTAL</b>		<b>1.6</b>	<b>1.6</b>	<b>1.6</b>	<b>1.9</b>

<sup>1</sup>This position has been partially reallocated to the Utility Fund (0.3 FTE) in FY2021.







# TOWN CHRONICLES & APPENDICES



# ADDISON FAST FACTS

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## 2020 POPULATION<sup>1</sup>

15,790



## 2020 ASSESSED VALUE

\$4,659,408,996

## MEDIAN AGE<sup>2</sup>

32.3



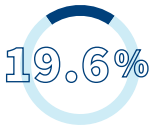
## MEDIAN HOUSEHOLD INCOME<sup>3</sup>

\$73,383



## OWNER-OCCUPIED HOUSING UNIT RATE<sup>5</sup>

19.6%



1,390

## NUMBER OF SINGLE-FAMILY RESIDENCES<sup>4</sup>

## EDUCATION LEVEL<sup>8</sup>

(Persons with a Bachelor's  
Degree, Age 25 and above)



57.6%

<sup>1</sup> 2020 North Central Texas Council of Governments Estimate

<sup>2</sup> 2010-2018 American Community Survey, US Census

<sup>3</sup> 2018 American Community Survey, US Census

<sup>4</sup> Dallas Central Appraisal District

<sup>5</sup> 2019 US Census Quick Facts

<sup>6</sup> NCTCOG 2014 Small Area Employment Estimate

<sup>7</sup> 2018 US Census Quick Facts

<sup>8</sup> Census Quick Facts

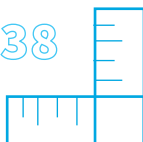
TOTAL  
EMPLOYMENT  
IN ADDISON <sup>6</sup>



66,566

SQUARE  
MILES

4.38



POPULATION PER  
SQUARE MILE <sup>7</sup>



2,981.5

#### TOP 10 EMPLOYERS IN ADDISON <sup>9</sup>

- » Mary Kay Cosmetics, Inc.
- » Bank of America Home Loans
- » Homeward Residential, Inc.
- » Regus Texas
- » Barrett Daffin Frappier Turner & Engel
- » Expense Reduction Analysts
- » Maxim Integrated Products
- » Intercontinental Hotel Dallas
- » National Bankruptcy Services
- » Zurich American Insurance Company

#### TOP 10 PROPERTY TAX PAYERS (FY2020) <sup>10</sup>

- » FPG Colonnade LP
- » Post Addison Circle
- » Savoye 2 LLC
- » 5100 Belt Line Investors LLC
- » COP Spectrum Center LLC
- » Fiori LLC
- » Woodbranch 14555 LLC
- » Mary Kay Inc
- » GS Addison Circle LLC
- » Gaedeke Holdings IX LLC

<sup>9</sup> North Central Texas Council of Governments

<sup>10</sup> Dallas County Tax Office

# ADDISON TOWN CHRONICLE

137

## **town description**

The Town of Addison is located in the Dallas North Parkway area that encompasses the Dallas suburbs of Carrollton, Farmers Branch, and Plano. The area was first settled by Peters colony residents in the 1840s. The area, which developed rapidly over the past three decades, is home to affluent neighborhoods, hundreds of million-dollar companies, and scores of quality restaurants. Because of Addison's overwhelming commercial atmosphere, residents of Addison enjoy a unique lifestyle not common in other suburbs. Though Addison has only 15,790 residents, the Town has developed into a cosmopolitan center which serves well over 125,000 business persons, shoppers, and visitors daily. The area commands a central location in proximity to downtown Dallas, DFW International Airport, the Richardson telecommunications corridor, and the Plano Legacy corporate campus area.

Epitomizing the best features of the area is the Town of Addison. Addison places a special emphasis on quality of life that demands all development meet the most rigorous building requirements. For example, all commercial development must submit landscaping plans to ensure attractive green areas accompany buildings. The attention to aesthetics extends to all of Addison's major boulevards, which are also landscaped. This approach has made Addison a cosmopolitan "downtown uptown" distinguished from almost any other urban area in the nation. The Town's blend of residential, retail, and office uses creates an open environment that avoids the confining effect usually associated with densely developed areas.

Addison's reputation for maintaining a high quality of urban life has attracted considerable development over the past few years. Addison is home to nearly 10 million square feet of quality office space, and an additional 169 retail buildings representing approximately 2.5 million square feet of space. Most of Addison's office buildings are designated "Class A" due to the amenities they offer. Addison boasts 22 hotels with over 3,600 rooms and over 180 restaurants, or an average of 46 per square mile.

With its concentration of commercial and retail development, Addison is strongly influenced by the region's economic climate. Much attention is given to the occupancy rates of buildings in Addison. Addison's office occupancy rate reached nearly 80% and retail occupancy exceeded 90% in 2020. The town experienced a 3.3 percent decrease in taxable property values for the 2020 certified levy compared to the 2019 certified levy. This is largely due to an increase in commercial properties protesting their appraised value.

Addison takes a proactive approach to develop a town with a strong sense of place that would attract a highly skilled labor force. Developments such as Addison Circle and Vitruvian Park have not only become a desired location to live but a focal point for some of North Texas' major events such as nationally recognized Addison Kaboom Town!, Oktoberfest, and Taste Addison.



# APPENDIX A

# THE BUDGET

# PROCESS

139

## 1 schedules distributed to city council

JUN 2020

City Manager presents Council with budget schedule. Council reviews goals and vision to determine whether these goals should be revised.

## 4 preliminary budget discussions

JUL 2020

A series of discussions are conducted by the City Manager's Office and Budget team to go over information included in the proposed budget.

## 2 budget requests submitted & reviewed

MAY 22, 2020

Deadline for department budgets to be submitted to Finance Department. Staff spends the next several weeks reviewing department budgets for presentation to the Council in August work sessions.

## 5 certified estimated tax rolls received

JUL 23, 2020

Certified estimated appraisal rolls from the Dallas Central Appraisal District are received showing taxable values of \$4,311,612,866.

## 3 work sessions with city manager

JUN 2020

A series of meetings are conducted by the City Manager's Office with individual departments to discuss each department's budget requests.

## 6 fy2021 city manager's proposed budget

JUL 31, 2020

City Manager's proposed budget is filed with the City Secretary and made available to the public as required by the City Charter. The budget reflects total appropriations of \$115,524,365 and a tax rate of 61.0367 cents.



7

## work sessions with council

AUG 5 - 6, 2020

Council attends two-day FY2020 Budget Retreat to discuss various aspects of the City Manager's proposed budget.

8

## publish notice of proposed tax rate

AUG 27, 2020

Upon receipt of the certified appraisal rolls, the Dallas County Tax Assessor/Collector performs the net no-new-revenue tax rate calculation as required by State Law. The no new revenue tax rate is calculated to be 63.7851 cents with a voter approval rate of 70.1933 cents.

9

## public hearings held

SEP 1 & 8, 2020

Following the required newspaper notice, public hearings on the tax rate and budget are conducted.

10

## council adopts the fy2021 budget

SEP 8, 2020

Council approves ordinances adopting the budget for the fiscal year beginning October 1, 2020 with total appropriations of \$115,560,914 and a tax rate of 60.8676 cents.

11

## fy2021 budget document is published

DEC 2020

Finance Department staff develop the final budget document. The document is returned from the printer and distributed to users.

12

## budget is implemented, monitored, & amended

OCT 2020 -  
SEP 2021

Throughout the fiscal year, Town staff closely monitors and tracks the budget. If an amendment becomes necessary, a work session is conducted with Council, and any budget amendments are adopted by ordinance at a regularly scheduled Council meeting.

# APPENDIX B

# FINANCIAL

# POLICIES

## introduction

The Town of Addison, Texas financial policies set forth the basic framework for the fiscal management of the Town. These policies were developed within the parameters established by applicable provisions of the Texas Local Government Code and the Addison City Charter. The policies are intended to assist the City Council and city staff in evaluating current activities and proposals for future programs. The policies are to be reviewed on an annual basis and modified to accommodate changing circumstances or conditions.

## annual budget

Sections 1-7 are requirements set forth in the Town's Charter.

1. The fiscal year of the Town of Addison shall begin on October 1 of each calendar year and will end on September 30 of the following calendar year. The fiscal year will also be established as the accounting and budget year.
2. The City Manager, prior to August first of each year, shall prepare and submit to the City Secretary the annual budget covering the next fiscal year, which shall contain the following information:
  - a. The City Manager's budget message shall outline the proposed financial policies for the next fiscal year with explanations of any changes from previous years in expenditures and any major changes of policy and a complete statement regarding the financial condition of the Town.
  - b. An estimate of all revenue from taxes and other sources, including the present tax structure rates and property valuations for the ensuing year.
  - c. A carefully itemized list of proposed expenses by office, department, agency, and project for the budget year, as compared to actual expenses of the last ended fiscal year, and estimated expenses for the current year compared to adopted budget.
  - d. A description of all outstanding bonded indebtedness of the Town.
  - e. A statement proposing any capital expenditure deemed necessary for undertaking during the next budget year and recommended provision for financing.
  - f. A list of capital projects which should be undertaken within the next five succeeding years.
  - g. A five-year financial plan for the General, Hotel, Airport, and Utility Funds.

3. The City Manager's budget should assume, for each fund, operating revenues that are equal to or exceed operating expenditures. The City Manager's budget message shall explain the reasons for any fund that reflects operating expenditures exceeding operating revenues.
4. At least one public hearing shall be conducted before the City Council, allowing interested citizens to express their opinions concerning items of expenditure, giving their reasons for wishing to increase or decrease any items of expense. The notice of hearing shall be published in the official newspaper of the Town not less than 15 days or more than 30 days following date of notice.
5. Following the public hearing, the City Council shall analyze the budget, making any additions or deletions which they feel appropriate, and shall, at least three days prior to the beginning of the next fiscal year, adopt the budget by a favorable majority vote. If the City Council fails to adopt the budget, the Town shall continue to operate under the existing budget until such time as the City Council adopts a budget for the ensuing fiscal year.
6. On final adoption, the budget shall be in effect for the budget year. Final adoption of the budget by the City Council shall constitute the official appropriations for the current year and shall constitute the basis of the official levy of the property tax. Under conditions which may arise, the City Council may amend or change the budget to provide for any additional expense.
7. The annual budget document shall be published in a format that satisfies all criteria established by the Government Finance Officers Association's Distinguished Budget Program. The final budget document shall be published no later than 90 days following the date of the budget's adoption by the City Council.

#### **BASIS OF ACCOUNTING AND BUDGETING**

1. The Town's finances shall be accounted for in accordance with generally accepted accounting principles (GAAP) as established by the Governmental Accounting Standards Board (GASB).
  - a. The accounts of the Town are organized and operated on the basis of funds and account groups. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds. Governmental funds are used to account for the government's general government activities and include the General, Special Revenue, Debt Service and Capital Project Funds.

- b. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”). “Measurable” means the amount of the transaction can be determined, and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Substantially all revenues are considered to be susceptible to accrual. Ad valorem, sales, hotel, franchise and tax revenues recorded in the General Fund and ad valorem tax revenues recorded in the Debt Service Fund are recognized under the susceptible to accrual concept. Licenses and permits, charges for services, fines and forfeitures, and miscellaneous revenues (except earnings on investments) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available. Expenditures are recognized when the related fund liability is incurred, if measurable, except for principal and interest on general long-term debt, which are recorded when due, and compensated absences, which are recorded when payable from currently available financial resources.
  - c. The Town utilizes encumbrance accounting for its governmental fund types, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.
  - d. The Town’s proprietary fund types are accounted for on a flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred.
2. The Town’s annual budgets shall be prepared and adopted on a basis consistent with generally accepted accounting principles for all governmental and proprietary funds except the capital projects funds, which adopt project-length budgets. Also, depreciation of fixed assets is not recognized in proprietary fund budgets. All annual appropriations lapse at fiscal year-end. Under the Town’s budgetary process, outstanding encumbrances are reported as reservations of fund balances and do not constitute expenditures or liabilities since the commitments will be re-appropriated and honored the subsequent fiscal year.
  3. The issuance of Statement 34 by GASB has influenced the creation and reporting of individual funds. GASB 34 essentially mandates dual accounting systems: one for government-wide (i.e. the government as a single entity) reporting and another for individual fund reporting. Under GASB 34 for individual funds, the Town will continue utilizing the accounting and budgeting processes as described in paragraphs (1) and (2) of this section. However, because GASB 34 mandates the flow of economic resources measurement focus and accrual basis of accounting for the government-wide reporting, extensive reconciliation must be performed to present aggregated fund information in the government-wide reporting model. Therefore, individual operating funds will be created with the objective of reducing fund to government-wide reconciliation as much as possible. When appropriate, individual funds will be examined as to whether it will be appropriate to account for them as proprietary fund types. Also, the Town will limit the use of internal service funds and incorporate the financial transactions of those funds into other governmental funds.

## budget administration

1. All expenses of the Town shall be made in accordance with the adopted annual budget. The department level is the legal level of control enacted by the Town Charter. Budgetary control is maintained at the individual expenditure account level by the review of all requisitions of estimated purchase amounts prior to the release of purchase orders to vendors.
2. The following represents the Town's budget amendment policy delineating responsibility and authority for the amendment process. Transfers between expenditure accounts in one department may occur with the approval of the Chief Financial Officer (CFO). Transfers between operating departments may occur with the approval of the City Manager and CFO provided that a department's total budget is not changed by more than five percent. Transfers between funds or transfers between departments that change a department's total budget by more than five percent must be accomplished by budget amendment approved by the City Council. Budget amendments calling for new fund appropriations must also be approved by the City Council.
2. The CAFR shall show the status of the Town's finances on the basis of GAAP. The CAFR shall show fund revenues and expenditures on both a GAAP basis and budget basis for comparison purposes. In all but two cases this reporting conforms to the way the Town prepares its budget. Compensated absences (accrued but unused sick leave) are not reflected in the budget but are accounted for in the CAFR's long-term debt account group. Depreciation expense is not shown in the budget's proprietary funds, although the full purchase price of equipment and capital improvements is reflected as uses of working capital.
3. Included as part of the CAFR shall be the results of the annual audit prepared by independent certified public accountants designated by the City Council.
4. The CFO shall, within 60 days following the conclusion of each calendar quarter, issue a report to the City Council reflecting the Town's financial condition for that quarter. The quarterly report format shall be consistent with the format of the annual budget document.

## financial reporting

1. Following the conclusion of the fiscal year, the Town's CFO shall cause to be prepared a Comprehensive Annual Financial Report (CAFR) in accordance with generally accepted accounting and financial reporting principles established by GASB. The document shall also satisfy all criteria of the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting Program.
1. To protect the Town's financial integrity, the Town will maintain a diversified and stable revenue system to shelter it from fluctuations in any one revenue source. Recognizing that sales tax is a volatile, unpredictable source of revenue, the Town will attempt to reduce its dependence on sales tax revenue.

2. For every annual budget, the Town shall levy four property tax rates: debt service, operation/maintenance, infrastructure investment and economic development. The debt service levy shall be sufficient for meeting all principal and interest payments associated with the Town's outstanding general obligation debt for that budget year. The debt service levy and related debt service expenditures shall be accounted for in the Debt Service Fund. The operation and maintenance levy shall be accounted for in the General Fund. The operation and maintenance levy will be established within the eight percent rollback rate as defined by the State of Texas Property Tax Code. City Council will consider exceeding the rollback rate only after options have been presented by staff to avoid the rollback by increasing revenue from other sources or reducing expenditures. The infrastructure investment will be appropriated \$0.006201 of the operation and maintenance levy to support pay-as-you-go capital projects or significant non-routine capital expenditures of not less than \$500,000.00. In addition, the economic development fund will be appropriated \$0.023716 of the operation and maintenance levy.
3. The Town will maintain a policy of levying the lowest tax rate on the broadest tax base. Minimal exemptions will be provided to homeowners, senior citizens, and disabled veterans. The Town may consider providing tax abatements or other incentives to encourage development.
4. The Town will establish user charges and fees at a level that attempts to recover the full cost of providing the service.
  - a. User fees, particularly utility rates, should identify the relative costs of serving different classes of customers.
  - b. Where possible, utility rates should be designed to reduce peak (hour and day) demands on the utility systems.

- c. The Town will make every reasonable attempt to ensure accurate measurement of variables impacting taxes and fees (e.g. verification of business sales tax payments, verification of appraisal district property values, and accuracy of water meters).
5. The Town will attempt to maximize the application of its financial resources by obtaining supplementary funding through agreements with other public and private agencies for the provision of public services or the construction of capital improvements.
6. The Town will consider market rates and charges levied by other public and private organizations for similar services in establishing tax rates, fees and charges.
7. When developing the annual budget, the City Manager shall project revenues from every source based on actual collections from the preceding year and estimated collections of the current fiscal year, while taking into account known circumstances which will impact revenues for the new fiscal year. The revenue projections for each fund should be made conservatively so that total actual fund revenues exceed budgeted projections.

## operating expenditures

1. Operating expenditures shall be accounted, reported, and budgeted for in the following major categories:
  - a. Operating, Recurring Expenditures
    - i. Personal Services
    - ii. Supplies
    - iii. Maintenance
    - iv. Contractual Services
    - v. Capital Replacement/Lease
  - b. Operating, Non-Recurring Expenditures
    - i. Capital Equipment

3. The annual budget shall appropriate sufficient funds for operating, recurring expenditures necessary to maintain established (i.e. status quo) quality and scope of city services.
4. The Town will constantly examine the methods for providing public services in order to reduce operating, recurring expenditures and/or enhance quality and scope of public services with no increase to cost.
5. Personal service expenditures will reflect the minimum staffing needed to provide established quality and scope of city services. To attract and retain employees necessary for providing high-quality service, the Town shall maintain a compensation and benefit package competitive with the public and, when quantifiable, private service industries.
6. Supply expenditures shall be sufficient for ensuring the optimal productivity of Town employees.
7. Maintenance expenditures shall be sufficient for addressing the deterioration of the Town's capital assets to ensure the optimal productivity of the capital assets. Maintenance should be conducted to ensure a relatively stable level of maintenance expenditures for every budget year.
8. The Town will utilize contracted labor for the provision of city services whenever private contractors can perform the established level of service at less expense to the Town. The Town will regularly evaluate its agreements with private contractors to ensure the established levels of service are performed at the least expense to the Town.
9. Capital equipment is defined as equipment that exceeds \$5,000 and has a useful life of at least three years. Existing capital equipment shall be replaced when needed to ensure the optimal productivity of Town employees. Existing capital equipment associated with General Fund operations will be depreciated by charges to the departments using the equipment. The depreciation charges will be sufficient for replacing the capital equipment at the end of its expected useful life. The depreciation charges and application of those funds will be accounted for in the Capital Replacement Fund.
10. Capital improvement is defined as an enhancement that exceeds \$25,000 and has a useful life of at least ten years.
11. Expenditures for additional capital equipment shall be made only to enhance employee productivity, improve quality of service, or expand scope of service. Capital assets received by the Town as a donation must be measured at acquisition value in accordance with GASB guidelines.
12. To assist in controlling the growth of operating expenditures, operating departments will submit their annual budgets to the City Manager within a ceiling calculated by the CFO. Projected expenditures that exceed the ceiling must be submitted as separate budget adjustment requests. The City Manager will recommend the adjustment requests to the City Council, which will vote on the requests.

## fund balance

1. The annual budget shall be presented to City Council with each operating fund (i.e., general fund, utility, hotel, economic development, airport, stormwater and debt service funds) reflecting an ending fund balance which is no less than 25 percent of that fund's annual operating expenditures. To satisfy the particular needs of individual funds, ending fund balances may be established which exceed the 25 percent minimum. It is a goal of the City Council to maintain a General Fund ending fund balance of 30 percent.

2. The annual budget shall be presented to City Council with each special revenue fund (i.e., PEG, court technology, building security, child safety, justice administration and public safety) - not be less than 10 percent of that fund's annual revenues.
3. Fund balance that exceeds the minimum level established for each fund may be appropriated for non-recurring capital projects or programs.
4. The Town will exercise diligence in avoiding the appropriation of fund balance for recurring operating expenditures. In the event fund balance is appropriated for recurring operating expenditures to meet the needs of the Addison community, the budget document shall include an explanation of the circumstances requiring the appropriation and the methods to be used to arrest the future use of fund balance for operating expenditures.

## fund transfers

1. With the exceptions noted below, there will be no operating transfers between funds. Any costs incurred by one fund to support the operations of another shall be charged directly to the fund. (For example, actual hours worked by General Fund employees for Hotel Fund events.)
2. Fund transfers may occur when surplus fund balances are used to support non-recurring capital expenses or when needed to satisfy debt service obligations.
3. Transfers are permitted from between funds to support economic development programs.

## debt expenditures

1. The Town will issue debt only to fund capital projects and capital purchases such as vehicles and equipment that cannot be supported by current, annual revenues.
2. To minimize interest payments on issued debt, the Town will seek to maintain a rapid debt retirement policy by issuing debt with maximum maturities not exceeding 15 years, except in instances when the capital improvements and capital purchases will significantly benefit the community beyond the 15 year period. Retirement of debt principal will be structured to ensure consistent annual debt payments.
3. The Town will attempt to maintain base bond ratings (prior to insurance) of "Aa1" (Moody's Investors Service) and "AAA" (Standard & Poor's) on its general obligation debt.
4. When needed to minimize annual debt payments, the Town will obtain insurance for new debt issues.
5. Debt instruments will include general obligation bonds, certificates of obligation, tax notes and capital leasing arrangements.

## capital project expenditures

1. The Town will develop a multi-year plan for capital projects, which identifies all projects likely to be constructed within a five-year horizon. The multi-year plan will reflect for each project the likely source of funding and attempt to quantify the project's impact to future operating expenditures.
2. Capital projects will be constructed to:
  - a. Protect or improve the community's quality of life.
  - b. Protect or enhance the community's economic vitality.
  - c. Support and service new development.
3. To minimize the issuance of debt, the Town will attempt to support capital projects with appropriations from operating revenues or excess fund balances (i.e. "pay-as-you-go").



## utility capital expenditures

1. The Town will design utility rates sufficient for funding a depreciation reserve which will accumulate resources to replace or rehabilitate aging infrastructure that no longer can be serviced by regular maintenance. Attempts should be made to fund the reserve at a level approximate to annual depreciation of assets as reported in the Town's CAFR.

## long-term financial plans

1. The Town will adopt every annual budget in context of a long-term financial plan for the General Fund. Financial plans for other funds may be developed as needed.
2. The General Fund long-term plan will establish assumptions for revenues, expenditures and changes to fund balance over a five-year horizon. The assumptions will be evaluated each year as part of the budget development process.

## facility construction

### BEST VALUE METHODS FOR ENTERING INTO CONTRACT

1. For purposes of this section, the term "facility" means buildings the design and construction of which are governed by accepted building codes; such term does not include (i) highways, roads, streets, bridges, utilities, water supply projects, water plants, wastewater plants, water and wastewater distribution or conveyance facilities, wharves, docks, airport runways and taxiways, drainage projects, or related types of projects associated with civil engineering construction, or (ii) buildings or structures that are incidental to projects that are primarily civil engineering construction projects.

2. In entering into and awarding a contract for the construction, rehabilitation, alteration, or repair of a facility, the city shall use one of the following methods that provides the best value for the city (such methods being those set forth in Section 271.113(a) of the Texas Local Government Code):
  - a. Competitive bidding;
  - b. Competitive sealed proposals for construction services;
  - c. A design-build contract;
  - d. A contract to construct, rehabilitate, alter, or repair facilities that involve using a construction manager; or
  - e. A job order contract for the minor repair, rehabilitation, or alteration of a facility.

The use or implementation of any such methods shall comply in all respects with Chapter 271, Subchapter H of the Texas Local Government Code and any other applicable law.

3. The determination of which of the best value methods set forth in subparagraph (b) shall be used shall be made before advertising as required by law. The authority of the city council to make such determination is hereby delegated to the city manager (or the city manager's designee), and the city manager (and any designee of the city manager) is hereby authorized to make such determination.

# APPENDIX C COMPENSATION PLAN

## merit & market pay plan

The City Council adopted an updated Compensation Philosophy on July 11, 2017, that states:

- » The purpose of the merit and market pay plan is threefold: to encourage excellence in service by tying salary increases to job performance; to reward employees for their efforts and job performance; and to

remain competitive with other metroplex cities regarding the Town's compensation program by paying employees better than the average of our comparison cities. We support an open range system in compliance with our compensation philosophy. We will annually budget for market and merit adjustments for compensation that are fair and sustainable.

## wage & salary scale

LEVEL	BASE \$	TOP \$	LEVEL	BASE \$	TOP \$	LEVEL	BASE \$	TOP \$
6-N	18,306	27,458	20-N	36,244	54,365	34-E	71,760	107,640
7-N	19,221	28,831	21-N	38,056	57,084	35-E	75,348	113,022
8-N	20,182	30,272	22-N	39,959	59,937	36-E	79,115	118,673
9-N	21,191	31,787	23-N	41,956	62,935	37-E	83,071	124,606
10-N	22,250	33,376	24-N	44,054	66,082	38-E	87,225	130,837
11-N	23,363	35,044	25-N	46,257	69,385	39-E	91,586	137,379
12-N	24,532	36,797	25-E	46,257	69,385	40-E	96,165	144,247
13-N	25,757	38,636	26-N	48,570	72,854	41-E	100,973	151,460
14-N	27,046	40,568	26-E	48,570	72,854	42-E	106,022	159,033
15-N	28,398	42,596	27-E	50,998	76,497	43-E	111,323	166,984
16-N	29,817	44,726	28-E	53,548	80,322	44-E	116,889	175,334
17-N	31,308	46,962	29-E	56,226	84,339	45-E	122,734	184,100
18-N	32,874	49,311	30-E	59,037	88,555	46-E	128,870	193,305
19-N	34,518	51,777	31-E	61,989	92,983	47-E	135,314	202,971
			32-E	65,088	97,632	48-E	142,079	213,119
			33-E	68,343	102,514	49-E	149,183	223,775
						50-E	156,642	234,964

Performance evaluations for all employees are completed during the month of September, regardless of the anniversary date of an employee's employment. Any approved merit increases are awarded during the month of October. There is no set time interval that employees can expect to reach the top salary of their range.

Included in the FY2021 budget is \$494,981 to fund a 2% merit pool for salary adjustments that are in line with the Town's compensation philosophy.

Promotions generally result in an immediate salary increase of at least 5 percent without regard to the date of the last increase. New employees who have yet to complete their initial trial periods by October 1 will be eligible for an increase at the completion of their trial periods, which lasts a minimum of six months.

#### **N = NON-EXEMPT POSITION (HOURLY)**

Eligible for overtime pay when overtime is requested or approved by the supervisor in excess of 40 hours in any work week.

#### **E = EXEMPT POSITION (SALARIED)**

Not eligible for overtime wages.

#### **P = POLICE, NON-EXEMPT POSITION (HOURLY)**

Biweekly wages are calculated on hours worked in two 40-hour work weeks. Overtime wages are paid on hours worked in excess of 40 hours in any work week. Non-exempt (hourly) employees accumulate up 2,080 hours per year.

#### **F = FIRE, NON-EXEMPT POSITION (HOURLY)**

Hourly wages are based on a 56-hour work week, 2,912 hours per year or 168 hours per 21-day work period. Half time overtime applies on the first nine hours worked over 159 hours each 21-day work period. Regular time plus one-half applies on all hours worked over 168 hours each 21-day work period.

### **police department**

<b>LEVEL</b>	<b>BASE SALARY</b>	<b>TOP SALARY</b>
P1-N	55,734	-
P2-N	61,926	80,800
P3-N	85,700	96,456
P4-E	97,051	106,050
P5-E	110,915	121,200
P6-E	129,401	141,400

### **fire department**

<b>LEVEL</b>	<b>BASE SALARY</b>	<b>TOP SALARY</b>
F1-N	55,734	72,721
F2-N	55,733	-
F3-N	61,927	80,799
F4-N	82,415	85,849
F5-N	87,567	96,454
F6-N	98,385	106,049
F7-E	108,401	133,320
F8-N	110,915	121,200
F9-E	129,401	141,400

# APPENDIX D

# MAJOR REVENUE

# SOURCES

The revenue sources described in this section account for \$64,762,987 or 84 percent of Addison's total operating revenues (excluding interfund transfers).

## property taxes

In Texas, property taxes are often the primary source of revenue for local governments. Local governments set tax rates and collect property taxes that are used to provide local services including schools, streets and roads, police and fire protection and many other services.

Property taxes are levied each October 1st on the assessed value listed as of the prior January 1st for all real and business personal property located in the Town. Texas law requires property values used in determining taxes to be equal and uniform and establishes the process local officials follow in determining property values, setting tax rates and collecting taxes. Assessed values are established by the Dallas Central Appraisal District (DCAD) at 100 percent of the estimated market value and certified by the Chief Appraiser.

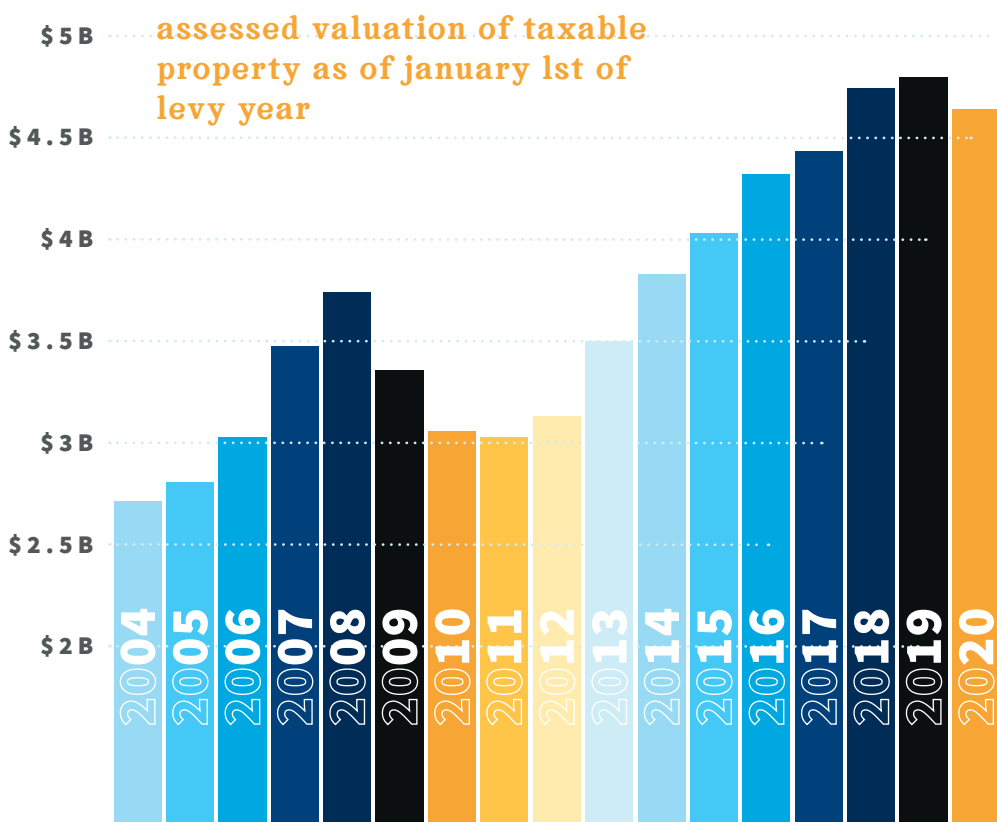
The assessed taxable value for the roll as of January 1, 2020, upon which the FY2021 levy is based, is \$4,659,408,996. In new construction, Addison has experienced growth over last year. New construction is valued at \$85,202,420 on the 2020 certified tax roll, which is an increase of 1.64 percent over the previous year. Addison also has experienced growth in economic development but recognizes that the local economy is cyclical. The Town continues to realize increased values, particularly those related to the Vitruvian Park, and expects continued growth as the nation's economy continues to improve.<sup>1</sup>

Property taxes are levied through two rates: the maintenance and operations (M&O) rate and the interest and sinking (I&S) rate, which is dedicated to debt service. If the M&O tax rate, adjusted for new improvements, exceeds the no new revenue rate (the rate needed to raise the same amount of revenue as the prior year) by more than 8 percent, qualified voters of the Town may petition for an election to determine whether to limit the tax rate increase to no more than 8 percent above the no new revenue tax rate of the previous year. The tax rate that equates to an 8 percent increase above the prior year rate is known as the "voter approval rate". The FY2021 tax rate adopted by Addison is less than the calculated 70.1933¢ voter approval rate. The tax rate for the year

<sup>1</sup> For more information related to the Town's current projects and development, please refer to the Town Chronicle section of this document.

ending September 30, 2021 is 60.8676¢ per \$100 of valuation, of which 44.1109¢ is allocated for general government maintenance and operations and 16.7567¢ is allocated for retirement of general obligation long-term debt. Of the 44.1109¢ allocated for operations and maintenance, 2.3716¢ is committed to economic development and 0.6201¢ is committed to the Infrastructure Investment Fund.

Taxes are due January 31st following the October 1st levy date and are considered delinquent after January 31st of each year. Based upon historical collection trends, current tax collections for the year ending September 30, 2021 are estimated to be 96.5 percent of the levy and will generate \$28,763,220 in revenues.

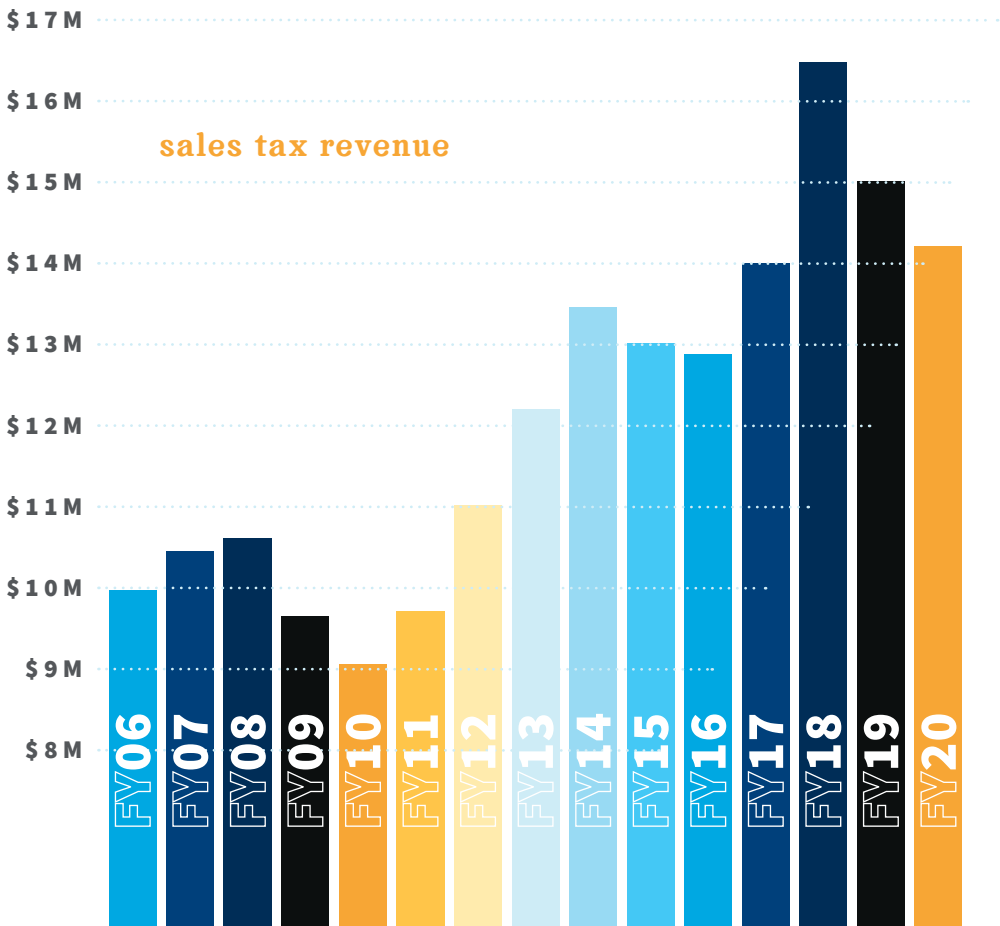


## sales tax

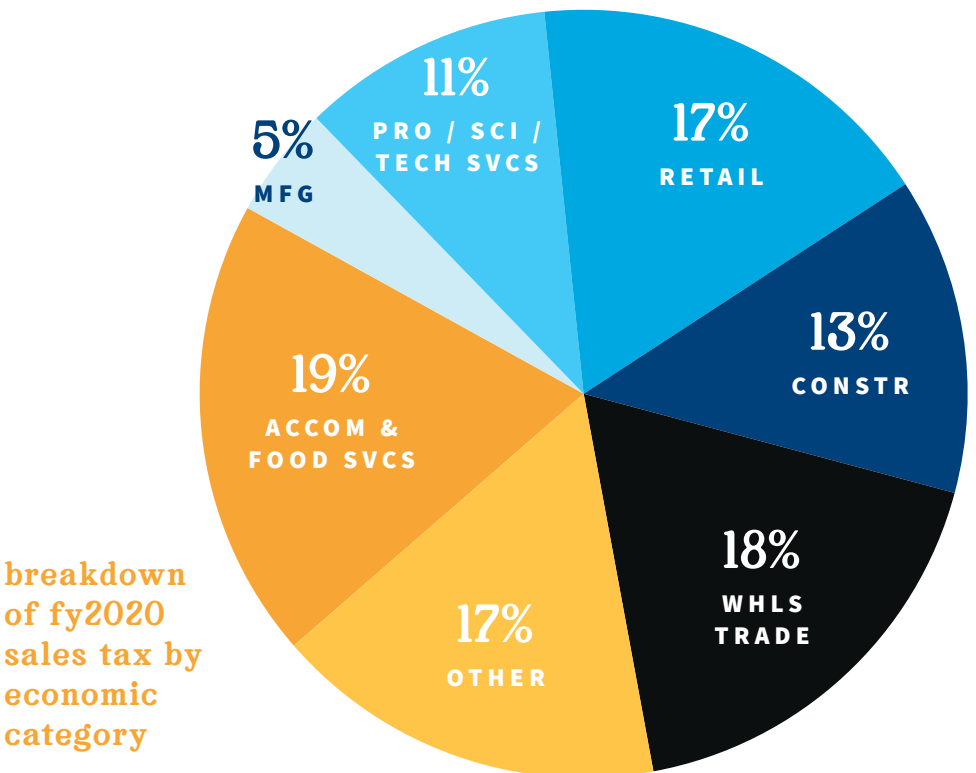
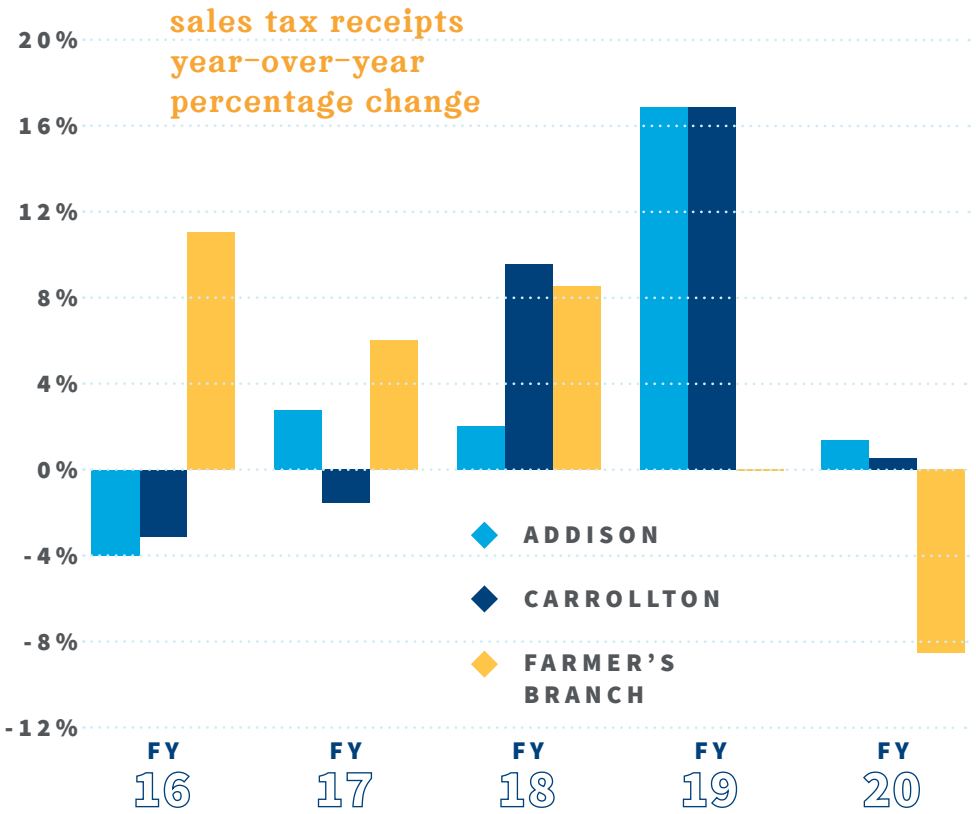
The total sales tax in Addison is 8.25 percent of goods or services sold within the Town's boundaries. The tax is collected by businesses making the sale and is remitted to the State's Comptroller of Public Accounts on a monthly, or and in some cases, a quarterly basis. Of the 8.25 percent tax, the State retains 6.25 percent and distributes 1 percent to the Town of Addison and 1 percent to Dallas Area Rapid Transit (DART). The State distributes tax proceeds to local entities within 40 days following the period for which the tax is collected by the businesses.

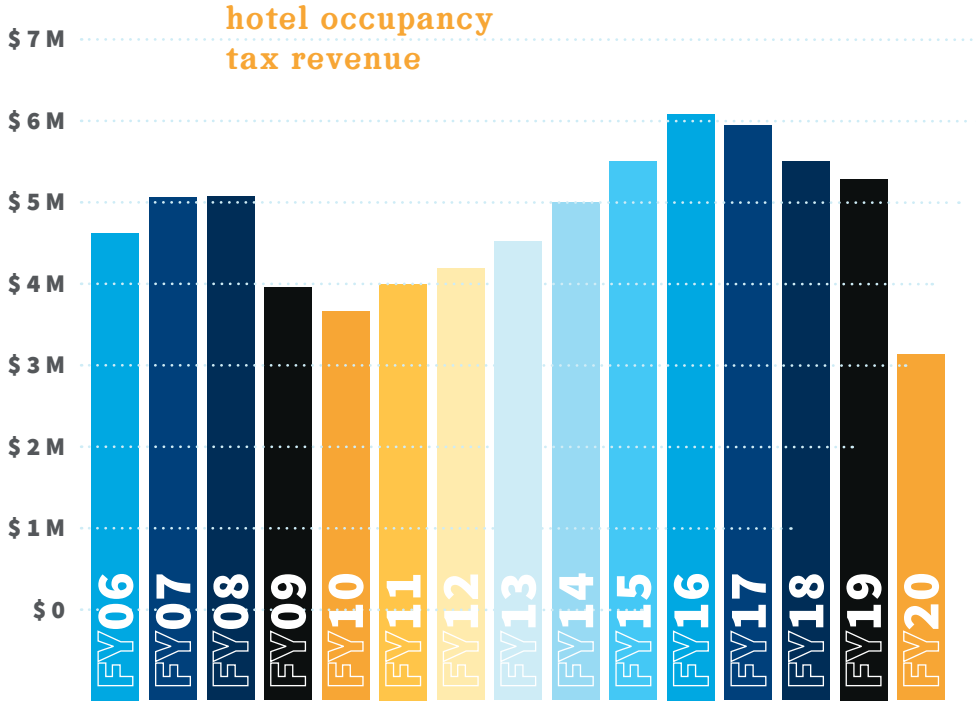
For the year ending September 30, 2021, Addison expects to receive \$12,330,000 in sales and use tax revenue. The Town's General Fund long-term plan assumes a 3 percent growth in sales tax for FY2022 through FY2025.

Cities also receive a share of the state's taxes on alcohol from the mixed beverage gross receipts tax and the mixed beverage sales tax. The mixed beverage sales tax is an additional sales tax is levied by the State of Texas on alcoholic beverages and applied against all mixed drinks and packaged liquor sold in the Town. Mixed beverages are taxed by the state at a rate of 6.7 percent of gross receipts by the holder of the alcohol permit. The city receives a 10.7143 percent share of the 6.7 percent, which works out to roughly 0.072 percent of the total price. In addition, a tax rate of 8.25 percent is imposed on each mixed beverage sold, prepared, or served by a permittee. Instead of the holder of the permit paying this tax, the customer pays the mixed beverage sales tax. As with the mixed beverage gross receipts tax, the city receives no less than a 10.7143 share of the 8.25 percent tax. That works out roughly to 0.088 of the total price.



Although Addison has almost 16,000 residents, its concentration of hotels and restaurants make it the 13th highest city in Texas for alcoholic beverage sales, surpassing Frisco with a population of 183,560 and Denton with a population of 134,460 (NCTCOG 2019 Population Estimates). Revenues from mixed beverage gross receipts tax combined with the mixed beverage sales tax are projected at \$1,026,000 for FY2021.





### hotel/motel occupancy tax

The occupancy tax is levied by both Addison and the State against a hotel or motel’s gross occupancy receipts on a monthly basis. The state collects its own hotel occupancy tax at the rate of 6 percent and plays no part in collecting or enforcing the Town’s hotel occupancy tax. The Town’s tax is 7 percent, the maximum allowed by law.

Hotel occupancy tax revenues are known as “dedicated revenues” as distinguished from general tax revenues. Dedicated revenues may only be spent on certain, statutorily-defined purposes. Under Texas law, local hotel occupancy tax can be used only to directly promote tourism and the convention and hotel industry. Proceeds should be spent on projects or events that result in visitors or attendees staying overnight in the community, generating more hotel occupancy tax.

For the year ending September 30, 2021, the Town hotel occupancy tax is budgeted at \$4,155,000, a \$1,385,000 decrease over FY2020. This is largely due to the COVID-19 pandemic. Social distancing requirements and shelter-in-place orders have decreased leisure tourism along with the cancellation of large conferences and special events. Significant forecast increases in hotel occupancy is not expected until 2022.



**percentage of fy2020  
hotel occupancy tax  
receipts by establishment**

<b>ESTABLISHMENT</b>	<b># OF RMS</b>	<b>% OF REV</b>
<b>FULL SERVICE</b>		
Marriott Quorum	547	18%
Renaissance	528	12%
Crowne Plaza <sup>1</sup>	428	5%
	<b>1,503</b>	
<b>EXTENDED STAY</b>		
Budget Suites	344	1%
Hawthorne Suites	70	1%
Marriott Residence Inn	150	4%
Hyatt House	132	4%
Homewood Suites	120	4%
Home2Suites	132	5%
Springhill Suites	159	5%
	<b>1,107</b>	
<b>BUSINESS MODERATE</b>		
Marriott Courtyard Quorum	176	6%
LaQuinta Inn	152	5%
Marriott Courtyard Midway	145	4%
Radisson – Addison	101	2%
Hilton Garden Inn	96	3%
Holiday Inn Express	97	3%
Holiday Inn Beltway	102	1%
Best Western Plus	84	3%
	<b>953</b>	
<b>ECONOMY</b>		
Motel 6	124	3%
Hamptom Inn	158	3%
Red Roof Inn	104	2%
Quality Suites North Galleria	78	2%
America’s Best Value Inn	60	1%
	<b>524</b>	
<b>TOTAL</b>	<b>4,087</b>	<b>100%</b>

<sup>1</sup>Crowne Plaza closed mid-year during FY2020. The total number of rooms reflect inventory beginning FY2020.

**franchise fees**

Franchise fees are the rental costs paid by utilities that use the Town’s rights-of-way or other town property to transmit their services. Rights of way, just like other land interests, are valuable to a city and cannot be given away to private companies free of charge. At present, electric, telecommunications, cable television and gas each have their own legal framework with regards to how the fee is calculated and assessed.

Compensation for use of rights-of-way and city land by electricity providers is based on kilowatt hours of electricity delivered within the city. The Town expects to receive \$1,525,000 in electric franchise fee payments in FY2021.

Franchise fees on telecommunication are calculated by multiplying the access line fee rate by the number of end use local exchange lines within the city. The FY2021 budget anticipates \$400,000 from telecommunication access line fees. This revenue source has seen significant decline in past years with the movement away from traditional land line telephone service.

In 2019, the legislature passed Senate Bill 1152, which authorizes a cable or phone company to stop paying lesser of cable franchise or telephone access line fees, whichever are less for the company statewide. For FY2021, cable franchise fees are budgeted at \$130,000, which is 13% less than the FY2020 budget and 50% less than the FY2019 budget.

Other franchise fees paid to Addison include natural gas and street rental fees. Gas franchise fees for FY2021 are budgeted at \$205,000.

## utility fees

Addison charges fees for the provision of water and sewer services to residents and businesses located within the Town. As an enterprise fund, the revenues charged should at a minimum cover the fund’s operating expenses and debt service, as well as any other policy goals defined by the City Council including funding for capital projects, capital replacement, and conservation efforts.

In reviewing the fiscal health of the Utility Fund during the FY2018 budget process, staff determined the need for an updated utility rate structure. A rate model consultant was engaged, and in January 2018, the City Council approved a utility rate policy to adopt utility rates that fully fund a short-term staffing plan and provide a mix of cash and bond funding for capital improvement projects. The FY2021 adjustments, effective October 1, 2020, included an increase of 6% to water and sewer rates, which equates to \$3.37 per month for an average residential user

of 5,000 gallons of water. Future increases to water and sewer rates included in the policy are:

- » October 2021: 2.5%
- » October 2022: 5%
- » October 2023: 3.5%

Staff will review the utility rate model on an annual basis to ensure the rate adjustments are in line with the needs identified in the new rate model adopted by the City Council.

For the 2021 budget year, the Town’s Utility Fund anticipates receiving \$7,502,499 from the sale of water and \$6,270,477 from sewer fees.

## stormwater fees

Addison charges a stormwater fee to fund the costs to build and maintain stormwater infrastructure such as curb and gutter repair, maintenance of stormwater structures, and the Town’s federally and state mandated stormwater quality management program. Additionally, the stormwater fee will fund the capital improvements to the Town’s drainage infrastructure. The Town’s Stormwater Fund anticipates receiving \$2,455,791 in stormwater fees in FY2021.

## utility accounts & revenues by user type

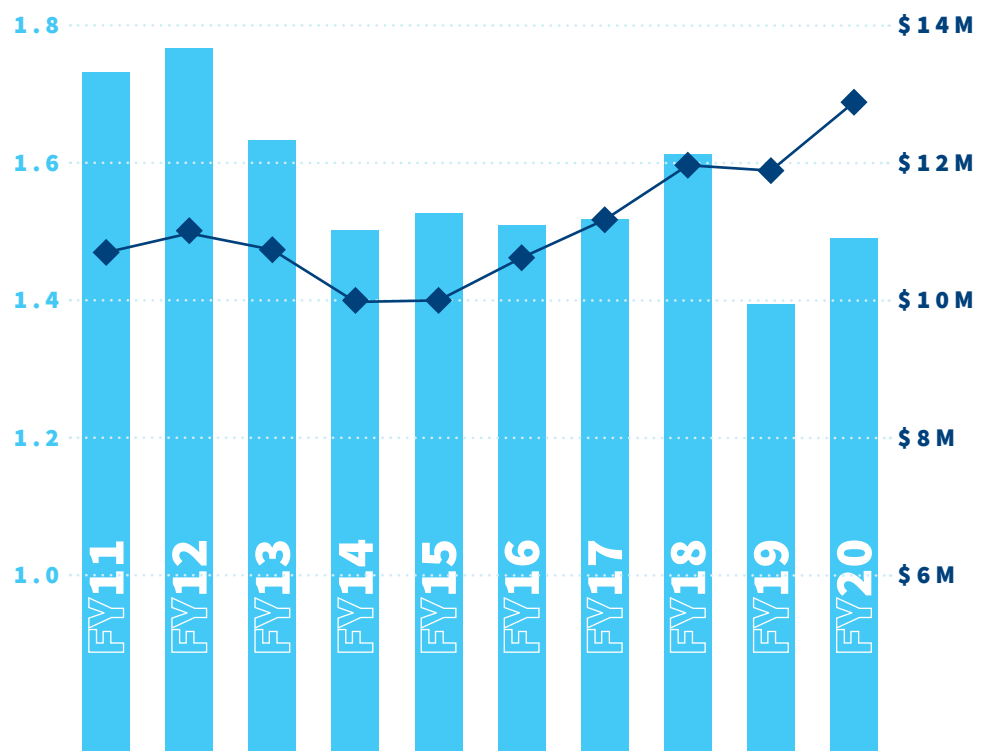
FY2019–2020 — WATER — SEWER

CUSTOMER CLASSIFICATION	# OF ACCTS	%	# OF ACCTS	%
Single Family	1,820	48.5%	1,817	68.2%
Multi-Family	153	4.1%	142	5.3%
Municipal/School	34	0.9%	31	1.2%
Irrigation	660	17.6%	-	0.0%
Hotel/Motel	33	0.9%	30	1.1%
Commercial	651	17.4%	635	23.8%
Fire Meter	388	10.3%	-	0.0%
Industrial	11	0.3%	11	0.4%
<b>TOTAL</b>	<b>3,750</b>	<b>100.0%</b>	<b>2,666</b>	<b>100.0%</b>



**water consumption  
(in billions of gallons)  
& water/sewer revenue**

- ◆ CONSUMPTION
- ◆ REVENUE



# APPENDIX E

# LONG-TERM

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## narrative

Long-term financial planning combines financial forecasting with strategizing. It is a highly collaborative process that considers future scenarios and helps governments navigate challenges. Long-term financial planning works best as part of an overall strategic plan. Financial forecasting is the process of projecting revenues and expenditures over a long-term period, using assumptions about economic conditions, future spending scenarios, and other salient variables. Financial planning uses forecasts to provide insight into future financial capacity so that strategies can be developed to achieve long-term sustainability in light of the Town's service objectives and financial challenges.

Plans have been developed for all of Addison's major operating funds: General, Hotel, Airport, Utility and Stormwater. Each plan presents the fund over seven FYs: one previous year actuals, an estimation of the current FY2020 budget, the adopted "base year" budget for FY2021, and four projected years. Many governments, including the Town of Addison, have a comprehensive long-term financial planning process because it stimulates discussion and engenders a long-range perspective for decision makers. It can be used as a tool to prevent financial challenges; it stimulates long-term and strategic thinking; it can give

consensus on long-term financial direction; and it is useful for communications with internal and external stakeholders.

Finally, the plans help the Town in absorbing the impact of economic booms and busts. Addison is particularly susceptible to economic fluctuations due to its dense commercial base. The Town has slightly more than 15,700 residents (2020 North Central Texas Council of Governments estimate) but because of its office buildings, hotels, restaurants, and shops, it is estimated that Addison serves a daytime population in excess of 125,000<sup>1</sup>. By establishing funding ceilings, revenue generated by an economic "boom" is added to fund balance so that funds are available to support city services when the inevitable economic "bust" arrives. This aspect of the plan is exercised in all five operating funds with the planning horizon beginning with FY2021. The FY2021 budget shows a healthy balance well above the 25 percent threshold for all operating funds.

These financial controls are premised on the principle of balancing Addison's budget. To ensure fiscal stability of the Towns' operations, Addison relies on a balanced budget to ensure responsible spending of public funds. A balanced budget occurs when the total sum of revenues collected in a FY is equal to its expenditures. This principle ensures adequate resources and funding to cover ongoing city operational expenditures.

<sup>1</sup> Please refer to the Town Chronicle, which discusses the Town's major qualities in context of urban populations.

# FINANCIAL PLANS

## general fund long-term plan

The plan reflects the following assumptions based on historic trends and knowledge of economic conditions present when the budget was developed:

1. Non-property taxes decreased 8.0 percent from FY2019 actual to the estimated FY2020 total. The FY2021 budget assumes no growth in sales tax compared to the FY2020 budget. The General Fund long-term plan assumes non-property tax revenues will grow 5% in FY 2022 and assumes 3% yearly growth from FY 2023 to FY2025.
2. Property tax revenue is dependent on two variables: appraised value and the tax rate. Property values for 2020 (used for the FY2021 levy) decreased 3.3 percent. From 2013 through 2020, values have increased a cumulative 33.5 percent. Addison's focus on expanding economic development efforts has improved economic conditions throughout the community and has helped spur the majority of new construction and redevelopment. The tax rate for FY2021 is 60.8676 cents per \$100 assessed values. The tax rate and appraised values will generate an additional \$1.8 million in revenue for the General Fund in FY2021. The General Fund long-term plan assumes no growth in property tax revenues for FY2021 and assumes 3.5 percent yearly growth from FY2022 to FY2025.
3. Service fees are expected to remain flat from FY2022 through FY2025. Major fees in this category include 911 fees, ambulance fees, and refuse collection fees.
4. All other revenues during the planning horizon are expected to remain flat.
5. More than two-thirds of the General Fund's expenditures are associated with employee compensation. The FY2021 budget for personnel services is \$461,650 more than the estimated FY2020 budget due to the funding of the 2% merit. The long-term plan assumes that Council will continue to award 3% merit increases in years FY2022 through FY2025.
6. The FY2021 budget assumed no increase per employee cost of healthcare as a result of plan negotiations. The long-term plan assumes increases of 5 percent in years FY2022 through FY2025.
7. The General Fund makes contributions to Addison's Capital Replacement and Information Technology Funds that essentially amortize capital equipment used by General Fund operations so that when the equipment needs to be replaced, resources have been accumulated to purchase replacement equipment.
8. All non-personnel operating expenditures for FY2023 through FY2025 are adjusted for a 2.6 percent inflationary increase. When Addison experiences revenues that do not support programs, departments will accommodate for this inflationary increase in supplies or contractual services through operational efficiencies or reductions to scope of services delivered to the public.

**general fund long-term  
financial plan**

	<b>ACT 18-19</b>	<b>EST 19-20</b>	<b>BASE BUD 20-21</b>	<b>YR 1 PROJ 21-22</b>
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<b>BEGINNING BALANCE</b>	<b>\$20,962,952</b>	<b>\$20,588,245</b>	<b>\$18,736,619</b>	<b>\$18,046,558</b>
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**REVENUES**

Ad valorem taxes	17,240,969	18,576,193	19,425,398	20,105,287
Non-property taxes	16,168,140	14,882,000	13,356,000	14,023,800
Franchise taxes	2,459,254	2,352,919	2,260,000	2,260,000
Licenses & permits	1,366,941	1,292,275	1,142,550	1,142,550
Service fees	1,797,735	1,943,335	1,970,276	1,970,276
Fines & penalties	376,362	260,000	260,000	260,000
Rental income	184,826	106,726	8,500	8,500
Interest & Other Income	657,724	516,860	328,000	328,000
<b>TOTAL REVENUES</b>	<b>\$40,251,950</b>	<b>\$39,930,308</b>	<b>\$38,750,724</b>	<b>\$40,098,413</b>

**EXPENDITURES**

Operating				
Personnel Services	23,005,719	24,451,339	24,912,989	25,594,262
Supplies	1,141,737	1,374,665	1,544,177	1,585,352
Maintenance	3,365,350	3,386,815	3,609,469	3,705,368
Contractual Services	7,025,903	7,461,442	7,239,332	7,483,985
Capital Replacement/Lease	138,441	86,600	-	-
Capital Outlay	1,478,003	1,410,673	1,423,868	1,460,889
<i>Total Operational Expenditures</i>	<i>\$36,155,153</i>	<i>\$38,171,534</i>	<i>\$38,729,836</i>	<i>\$39,829,855</i>
Fund transfer out	4,471,504	3,610,400	710,950	-
<b>TOTAL EXPENDITURES</b>	<b>\$40,626,657</b>	<b>\$41,781,934</b>	<b>\$39,440,786</b>	<b>\$39,829,855</b>

<b>ENDING FUND BALANCE</b>	<b>\$20,588,245</b>	<b>\$18,736,619</b>	<b>\$18,046,558</b>	<b>\$18,315,116</b>
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<b>END BAL AS A % OF EXPEND</b>	<b>56.9%</b>	<b>49.1%</b>	<b>46.6%</b>	<b>46.0%</b>
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**Debt Issuance Variable**

Beginning debt outstanding	\$99,154,616	\$91,445,178	\$84,618,636	\$77,866,728
Debt retired	7,709,438	6,826,542	6,751,908	5,768,894
Debt issued	-	-	-	-
<i>Ending Debt Outstanding</i>	<i>\$91,445,178</i>	<i>\$84,618,636</i>	<i>\$77,866,728</i>	<i>\$72,097,834</i>

**Tax Rate Variables**

	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>
Taxable values (thousands)	\$4,300,272	\$4,450,534	\$4,725,759	\$4,919,515.29
Maint. & Op. – General Fund	0.367041	0.404200	0.411192	0.411192
Maint. & Op. – Infrastructure Investment Fund	0.006201	0.006201	0.023716	0.023716
Maint. & Op. – Econ. Dev. Fund	0.023716	0.023716	0.006201	0.006201
Debt service fund rate	0.153042	0.149383	0.167567	0.167567
<i>Total</i>	<i>0.550000</i>	<i>0.583500</i>	<i>0.608676</i>	<i>0.608676</i>

<b>YR 2 PROJ 22-23</b>	<b>YR 3 PROJ 23-24</b>	<b>YR 4 PROJ 24-25</b>
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<b>\$18,315,116</b>	<b>\$18,507,687</b>	<b>\$18,623,870</b>
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20,808,972	21,537,286	22,291,091
14,444,514	14,877,849	15,324,185
2,260,000	2,260,000	2,260,000
1,142,550	1,142,550	1,142,550
1,970,276	1,970,276	1,970,276
260,000	260,000	260,000
8,500	8,500	8,500
328,000	328,000	328,000
<b>\$41,222,812</b>	<b>\$42,384,461</b>	<b>\$43,584,602</b>

26,424,522	27,282,811	28,170,127
1,626,571	1,668,862	1,712,252
3,801,707	3,900,552	4,001,966
7,678,568	7,878,211	8,083,045
-	-	-
1,498,872	1,537,842	1,577,826
<b>\$41,030,240</b>	<b>\$42,268,278</b>	<b>\$43,545,216</b>
-	-	-
<b>\$41,030,240</b>	<b>\$42,268,278</b>	<b>\$43,545,216</b>

<b>\$18,507,687</b>	<b>\$18,623,870</b>	<b>\$18,663,256</b>
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<b>45.1%</b>	<b>44.1%</b>	<b>42.9%</b>
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\$72,097,834	\$66,322,732	\$60,610,872
5,775,102	5,711,860	5,718,536
-	-	-
<b>\$66,322,732</b>	<b>\$60,610,872</b>	<b>\$54,892,336</b>

<b>FY23</b>	<b>FY24</b>	<b>FY25</b>
\$5,121,215	\$5,331,185	\$5,549,764
0.411192	0.411192	0.411192
0.023716	0.023716	0.023716
0.006201	0.006201	0.006201
0.167567	0.167567	0.167567
0.608676	0.608676	0.608676

Addison's Council has set a goal of maintaining the General Fund reserves at a level of 30 percent of operating expenditures. The FY2021 General Fund budget has a projected ending fund balance of 47 percent; additionally, the long-term plan assumes that fund balances will remain above 30 percent FY2022 through FY2025. Financial planning uses forecasts to provide insight into future financial capacity to meet service objectives and financial challenges. The long-term planning nature of the model will allow for steps to be taken to maintain the 30 percent fund balance goal.

## hotel fund long-term plan

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Addison's hotels cater to the business traveler and therefore are tied to the national and regional economies. The Hotel Fund has been the most impacted by the pandemic. With COVID-19, orders from the Dallas County Judge were issued pertaining to the closure of nonessential business, mask and social distancing requirements, and shelter-in-place orders to prevent the spread of the virus. Hotel occupancy rates have decreased but are expected to increase slowly over the next few years. The plan reflects the following assumptions:

1. Hotel occupancy tax revenue for the FY2021 budget is expected to increase from the estimated FY2020 numbers. For FY2022, revenues from tax are expected to increase 10 percent. For FY 2023, revenues from the tax are expected to increase 5 percent, and for FY2024 and FY2025 revenues from the tax are expected to increase at 3 percent per year. The original inventory of hotel rooms was 4,091 rooms, however, due to the closure of one hotel during FY2020 the inventory is currently 3,663 rooms.
2. All other revenues during the planning horizon are expected to remain flat.
3. The long-term plan assumes that Council will continue to award 3% merit increases in years FY2022 through FY2025.
4. The Hotel Fund will transfer \$384,000 in FY2021 to fund the Tourism department in the Economic Development Fund. This transfer is scheduled to continue throughout the forecast period and will increase as needed to fully fund the Tourism department.

## hotel special revenue fund long-term financial plan

### BEGINNING BALANCE

#### REVENUES

Hotel/Motel Occupancy Taxes (HOT)  
Proceeds from Special Events  
Conference Centre rental  
Theatre rental  
Interest & Other Income

#### TOTAL REVENUES

#### EXPENDITURES

Addison Theatre Centre  
Conference Centre  
General Hotel Operations  
Marketing  
Performing Arts  
Special Events  
Special Events Operations  
*Total Operating Expenditures*  
Fund transfer out  
Capital Projects (Cash Funded)

#### TOTAL EXPENDITURES

### ENDING FUND BALANCE

#### END BAL AS A % OF EXPEND

The FY2021 Hotel Fund budget has a projected ending fund balance of 32.6 percent; this percentage is above the 25 percent required by the Town's financial policies. However, the long-term plan assumes that fund balances will decrease below 25 percent in FY2022 and run out of fund balance in FY2024. Unlike other funds



ACT 18-19	EST 19-20	BASE BUD 20-21	YR 1 PROJ 21-22	YR 2 PROJ 22-23	YR 3 PROJ 23-24	YR 4 PROJ 24-25
\$4,122,535	\$3,468,059	\$2,285,310	\$1,780,156	\$885,321	\$52,751	\$(793,357)
5,427,585	3,000,000	4,155,000	4,570,500	4,799,025	4,942,996	5,091,286
1,206,764	109,172	1,104,500	1,115,545	1,126,700	1,137,967	1,149,347
523,710	256,007	-	550,000	566,500	583,495	601,000
78,316	60,000	23,810	24,048	24,289	24,531	24,777
118,410	86,315	50,100	50,601	51,107	51,618	52,134
<b>\$7,354,785</b>	<b>\$3,511,494</b>	<b>\$5,333,410</b>	<b>\$6,310,694</b>	<b>\$6,567,621</b>	<b>\$6,740,608</b>	<b>\$6,918,544</b>
291,298	348,036	318,877	328,443	338,297	348,446	358,899
956,507	938,776	200,977	1,000,000	1,030,000	1,060,900	1,092,727
142,763	85,527	154,125	159,464	164,516	169,737	175,132
962,526	1,013,214	1,113,915	1,169,929	1,202,009	1,234,986	1,268,888
437,900	500,000	329,089	357,132	381,557	393,004	404,794
2,579,212	543,817	2,405,808	2,469,788	2,535,474	2,602,912	2,672,149
903,337	846,912	931,773	952,773	980,339	1,008,732	1,037,978
<b>\$6,273,544</b>	<b>\$4,276,282</b>	<b>\$5,454,564</b>	<b>\$6,437,529</b>	<b>\$6,632,191</b>	<b>\$6,818,716</b>	<b>\$7,010,567</b>
715,000	384,000	\$384,000	768,000	768,000	768,000	768,000
1,020,717	33,960	-	-	-	-	-
<b>\$8,009,261</b>	<b>\$4,694,242</b>	<b>\$5,838,564</b>	<b>\$7,205,529</b>	<b>\$7,400,191</b>	<b>\$7,586,716</b>	<b>\$7,778,567</b>
<b>\$3,468,059</b>	<b>\$2,285,310</b>	<b>\$1,780,156</b>	<b>\$885,321</b>	<b>\$52,751</b>	<b>\$(793,357)</b>	<b>\$(1,653,381)</b>
<b>55.3%</b>	<b>53.4%</b>	<b>32.6%</b>	<b>13.8%</b>	<b>0.8%</b>	<b>-11.6%</b>	<b>-23.6%</b>

where expenditures are directly related to critical public services, hotel occupancy tax revenues are “dedicated revenues” that may only be spent on directly promoting tourism and the convention and hotel industry. The Town is monitoring these activities and they can be reduced should hotel occupancy taxes not grow in future years.

## airport fund long-term plan

The goal of the Airport Fund's plan is to generate sufficient revenues to support operating expenses, as well as to fund capital projects and minimize the issuance of debt. Also, the Airport Fund in recent years has been able to capitalize on the opportunity to continuously improve its infrastructure with federal and state matching grants.

1. Operating revenue decreased 7.0 percent from actual FY2019, excluding transfers, to re-estimated FY2020. The revenue projection from FY2023 through FY2025 is expected to remain flat.

### airport fund long-term financial plan

	ACT 18-19	EST 19-20	BASE BUD 20-21	YR 1 PROJ 21-22
<b>BEGINNING BALANCE</b>	\$4,812,377	\$7,045,927	\$5,506,475	\$3,541,469
<b>REVENUES</b>				
Intergovernmental				
Operating Grants	-	1,360,000	50,000	50,000
Service fees				
Custom fees	103,306	138,000	158,107	170,000
Fuel flowage fees	1,019,452	562,000	625,043	630,000
Rental Income	5,488,112	4,300,000	4,305,960	4,458,103
Interest & Other Income	356,442	120,000	50,000	50,000
Transfers from Other Funds	-	700,000	-	-
<b>TOTAL REVENUES</b>	<b>\$6,967,312</b>	<b>\$7,180,000</b>	<b>\$5,189,110</b>	<b>\$5,358,103</b>
<b>EXPENDITURES</b>				
Operating				
Personnel Services	324,776	395,890	2,157,056	2,243,338
Supplies	33,600	41,000	61,900	63,138
Maintenance	2,839,070	3,361,528	479,730	489,325
Contractual Services	708,387	680,962	1,309,914	1,336,112
Capital Replacement/Lease	32,292	217,258	230,958	235,577
Debt Service	763,934	950,814	819,647	909,927
<i>Total Operating Expenditures</i>	<i>\$4,702,059</i>	<i>\$5,647,452</i>	<i>\$5,059,205</i>	<i>\$5,277,417</i>
One-time Decision Packages	-	-	51,000	-
Capital Projects (Cash Funded)	31,703	3,072,000	2,043,911	289,100
<b>TOTAL EXPENDITURES</b>	<b>\$4,733,762</b>	<b>\$8,719,452</b>	<b>\$7,154,116</b>	<b>\$5,566,517</b>
<b>ENDING WORKING CAPITAL</b>	<b>\$7,045,927</b>	<b>\$5,506,475</b>	<b>\$3,541,469</b>	<b>\$3,333,055</b>
<b>END BAL AS % OF OP EXPND</b>	<b>149.8%</b>	<b>97.5%</b>	<b>70.0%</b>	<b>63.2%</b>

2. The budget for personnel services pays for three Police Officers, a Management Assistant, an Airport Director, two Assistant Airport Directors, an Airport Maintenance Manager, an Airport Operations Manager, a Department Assistant, an Airport Maintenance Technician III, three Airport Maintenance Technician II, a Janitor/Maintenance Worker, an Asset Manager, a Leasing Manager, and an Airport Accounting Manager. The personnel services budget also pays for a portion of the Town's GIS Manager, a Human Resource Analyst, a Senior Accountant, and an Accounting Specialist. The budget in FY2021 includes a 2% merit pool. The long-term plan assumes that Council will continue to award 3% merit increases in years FY2022 through FY2025.

<b>YR 2 PROJ 22-23</b>	<b>YR 3 PROJ 23-24</b>	<b>YR 4 PROJ 24-25</b>
<b>\$3,333,055</b>	<b>\$2,676,671</b>	<b>\$2,353,339</b>

50,000	50,000	50,000
170,000	170,000	170,000
730,000	790,000	805,000
4,652,166	4,652,166	4,652,166
50,000	50,000	50,000
-	-	-
<b>\$5,652,166</b>	<b>\$5,712,166</b>	<b>\$5,727,166</b>

2,333,072	2,436,395	2,523,450
64,401	65,689	67,003
499,111	509,093	519,275
1,362,835	1,390,091	1,417,893
240,289	245,094	249,996
904,843	894,935	712,885
<b>\$5,404,550</b>	<b>\$5,531,297</b>	<b>\$5,490,503</b>
-	-	-
904,000	504,200	-
<b>\$6,308,550</b>	<b>\$6,035,497</b>	<b>\$5,490,503</b>

<b>\$2,676,671</b>	<b>\$2,353,339</b>	<b>\$2,590,003</b>
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<b>49.5%</b>	<b>42.5%</b>	<b>47.2%</b>
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3. All non-personnel operating expenditures for FY2022 through FY2025 are adjusted for a 2.0 percent inflationary increase.
4. The plan includes payment of the debt service associated with three debt issuances. In 2018 certificates of obligation were issued for construction of the new U.S. Customs and Border Protection facility. The 2013 certificates of obligation were issued for improvements to the airport's fuel farm and other various capital projects. The 2014 general obligation refunding bonds, which replaced the portion of 2004 combination tax and revenue certificates of obligation, were supported by the Airport Fund.
5. The plan projects expenditures exceeding revenues in FY2021 to fund one-time capital projects.

## utility fund long-term plan

Addison’s Utility Fund is an enterprise fund where operations are accounted for and financed in a manner similar to private business enterprises. The goal is that Addison’s water and wastewater utilities are operated so that the costs of providing the services to the public are financed through user charges.

Operating revenues are determined by the water and sewer rates as well as the volume of water sold and sewer treated. These revenues are highly influenced by weather patterns. Hot, dry summers result in high water sales, which to a certain extent also generate higher sewer revenues. Seasons of heavy precipitation, on the other hand, result in reduced water sales and the corresponding sewer revenues.

In FY2018, a review of the utility fund revealed the need to address long-term sustainability of the fund. In the recent past, annual Utility Fund rate increases only included the “pass-through costs” from the water and sewer providers and did not take into account increases in other operating costs. To rectify this issue, the Town hired a utility rate consultant to review the rate structure and to assist in creating a new rate model.

1. The FY2021 budget increases water and wastewater rates 6 percent as planned in the utility rate model. Rate increases of 2.5 percent are planned for FY2022, 5 percent in FY2023 and 3.5 percent in FY2024. The utility rate policy adopted by City Council during FY2018 will fully fund a staffing plan and provide a mix of cash and bond funding for capital projects. The utility rate model will be reviewed on an annual basis to ensure long-term sustainability.

2. Payments to other entities for the purchase of water and the treatment of sewage are expected to increase by an average of 5 percent per year. These assumptions are based primarily on expected growth of water rates from wholesale suppliers.

## utility fund long-term financial plan

### BEGINNING BALANCE

#### REVENUES

- Water sales
- Sewer charges
- Tap fees & other
- Interest & Other Income

#### TOTAL REVENUES

#### EXPENDITURES

- Personnel Services
- Supplies
- Maintenance
- Contractual Services
  - Water purchases
  - Wastewater treatment
  - Other services
- Capital Replacement/Lease
- Debt Service
- Capital Outlay
  - Total Operating Expenditures*
- One-time Decision Packages
- Capital Projects (Cash Funded)

#### TOTAL EXPENDITURES

### ENDING FUND BALANCE

### END BAL AS A % OF EXPEND

3. The FY2021 budget for personnel services is approximately \$238 thousand more than estimated for FY2020 due to the 2% merit pool and 2.2 additional full-time equivalents (FTEs). The long-term plan assumes that Council will continue to award 3% merit increases in years FY2022 through FY2025.
4. All non-personnel operating expenditures for FY2022 through FY2025 are adjusted for a 2.6 percent inflationary increase.

ACT 18-19	EST 19-20	BASE BUD 20-21	YR 1 PROJ 21-22	YR 2 PROJ 22-23	YR 3 PROJ 23-24	YR 4 PROJ 24-25
\$6,233,408	\$6,266,837	\$4,923,551	\$4,491,122	\$4,258,537	\$4,646,775	\$4,926,216
6,663,348	7,051,676	7,502,499	7,738,852	8,215,490	8,503,114	8,800,568
5,144,473	5,876,062	6,270,477	6,500,903	6,961,283	7,205,002	7,457,172
131,311	80,000	92,500	92,500	92,500	92,500	92,500
169,769	159,000	108,500	94,600	94,600	94,600	94,600
<b>\$12,108,901</b>	<b>\$13,166,738</b>	<b>\$13,973,976</b>	<b>\$14,426,855</b>	<b>\$15,363,873</b>	<b>\$15,895,216</b>	<b>\$16,444,840</b>
1,716,439	2,079,902	2,318,042	2,387,583	2,459,211	2,532,987	2,608,977
176,462	216,190	216,281	192,365	197,366	202,498	207,763
329,051	499,122	650,623	500,813	513,834	527,194	540,901
3,467,867	3,435,039	3,652,672	4,019,752	4,140,345	4,264,555	4,392,492
3,635,316	3,600,000	3,746,596	3,896,460	4,052,318	4,214,411	4,382,987
863,217	1,256,327	1,385,463	1,408,389	1,445,007	1,482,577	1,521,124
340,657	331,857	340,797	340,797	340,797	340,797	340,797
1,133,162	1,516,231	1,517,931	1,525,281	1,532,756	1,535,756	1,536,331
74,949	90,000	65,000	-	-	-	-
<b>11,737,120</b>	<b>13,024,668</b>	<b>13,893,405</b>	<b>14,271,440</b>	<b>14,681,635</b>	<b>15,100,775</b>	<b>15,531,372</b>
-	-	350,000	-	-	-	-
338,352	1,485,356	163,000	388,000	294,000	515,000	-
<b>\$12,075,472</b>	<b>\$14,510,024</b>	<b>\$14,406,405</b>	<b>\$14,659,440</b>	<b>\$14,975,635</b>	<b>\$15,615,775</b>	<b>\$15,531,372</b>
<b>\$6,266,837</b>	<b>\$4,923,551</b>	<b>\$4,491,122</b>	<b>\$4,258,537</b>	<b>\$4,646,775</b>	<b>\$4,926,216</b>	<b>\$5,839,684</b>
53.4%	37.8%	32.2%	29.8%	31.7%	32.6%	37.6%

## stormwater fund long-term financial plan

	ACT 18-19	EST 19-20	BASE BUD 20-21	YR 1 PROJ 21-22
<b>BEGINNING BALANCE</b>	\$5,240,798	\$6,468,607	\$7,159,183	\$6,058,031
<b>REVENUES</b>				
Licenses & Permits	2,387	2,000	-	-
Service fees				
Drainage fees	2,235,566	2,349,795	2,455,791	2,567,748
Interest & Other Income	156,778	120,000	40,000	40,000
<b>TOTAL REVENUES</b>	<b>\$2,394,731</b>	<b>\$2,471,795</b>	<b>\$2,495,791</b>	<b>\$2,607,748</b>
<b>EXPENDITURES</b>				
Personnel Services	275,422	303,972	313,093	325,617
Supplies	16,117	12,111	17,700	18,054
Maintenance	77,810	50,000	102,620	221,821
Contractual Services	179,173	205,490	310,224	360,211
Debt Service	546,916	542,616	542,266	545,141
Capital Outlay	21,035	72,787	-	-
<i>Total Operating Expenditures</i>	<i>\$1,116,473</i>	<i>\$1,186,976</i>	<i>\$1,285,903</i>	<i>\$1,470,844</i>
One-time Decision Packages	-	-	38,610	-
Capital Projects (Cash Funded)	50,449	594,243	2,272,430	1,664,000
<b>TOTAL EXPENDITURES</b>	<b>\$1,166,922</b>	<b>\$1,781,219</b>	<b>\$3,596,943</b>	<b>\$3,134,844</b>
<b>ENDING WORKING CAPITAL</b>	<b>\$6,468,607</b>	<b>\$7,159,183</b>	<b>\$6,058,031</b>	<b>\$5,530,935</b>
<b>END BAL AS % OF OP EXPND</b>	<b>579.4%</b>	<b>603.1%</b>	<b>471.1%</b>	<b>376.0%</b>

## stormwater fund long-term plan

Addison charges a stormwater fee to fund the costs to build and maintain stormwater infrastructure such as curb and gutter repair, maintenance of stormwater structures, and the Town's federally and state mandated stormwater quality management program. Additionally, the stormwater fee will fund capital improvements to the Town's drainage infrastructure. Features of the plan are as follows:

1. Operating revenue increased in FY2021 because stormwater fees will increase this year by 4.5% for each customer rate class. This increase is in keeping with the

Council-approved rate schedule instituted when the Council adopted the stormwater fee in September 2013. For FY2022, revenues are projected to increase based on Council-adopted fee schedule.

2. The long-term plan assumes that Council will continue to award 3% merit increases in years FY2022 through FY2025.
3. All non-personnel operating expenditures for FY2022 through FY2025 are adjusted for a 2.6 percent inflationary increase.
4. The plan projects expenditures exceeding revenues in FY2021 in order to fund one-time capital projects.

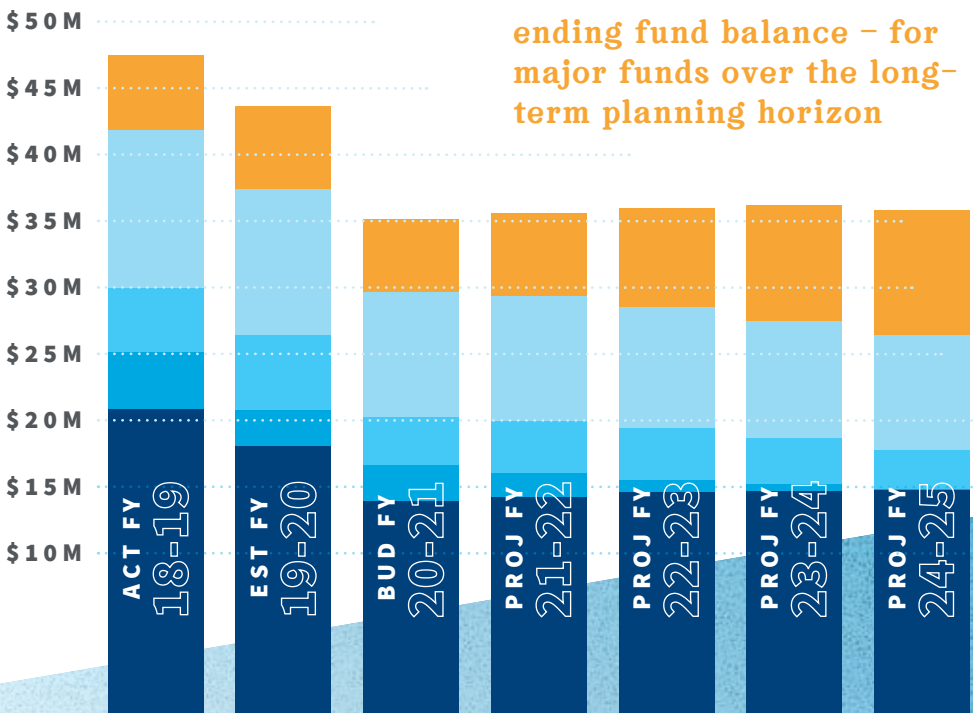
	YR 2 PROJ 22-23	YR 3 PROJ 23-24	YR 4 PROJ 24-25
	\$5,530,935	\$5,433,120	\$6,513,990
	-	-	-
	2,567,748	2,567,748	2,567,748
	40,000	40,000	40,000
	<b>\$2,607,748</b>	<b>\$2,607,748</b>	<b>\$2,607,748</b>
	338,641	352,187	366,275
	18,415	18,783	19,159
	227,589	233,506	239,577
	369,577	379,186	389,044
	545,341	543,216	545,216
	-	-	-
	\$1,499,563	\$1,526,878	\$1,559,271
	-	-	-
	1,206,000	-	-
	<b>\$2,705,563</b>	<b>\$1,526,878</b>	<b>\$1,559,271</b>
	\$5,433,120	\$6,513,990	\$7,562,467
	362.3%	426.6%	485.0%

The fund balance will provide a healthy reserve and allow for the planning of debt issuances. City Council goals for the Stormwater Fund include funding for capital projects and a federally and state mandated stormwater quality management program.

### capital project long-term plan

Included in this appendix is a financial statement that summarizes Addison’s capital improvement program over the five-year planning horizon. The statement reports the projected timing of the projects as well as the source of funding.

- ◆ GENERAL FUND
- ◆ HOTEL FUND
- ◆ AIRPORT FUND
- ◆ UTILITY FUND
- ◆ STORMWATER FUND



# APPENDIX F

# CAPITAL

# PROJECTS

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## **streets capital projects // bond funded (total: \$18.8m)**

### **MIDWAY ROAD (\$10.3M)**

- » Reconstruction to include replacement in kind of wet utilities, compliance with Americans with Disabilities Act (ADA) requirements, traffic signal upgrades, sidewalk, median, and lighting improvements along with inclusion of the new Master Transportation Plan standards.

### **KELLER SPRINGS RECONSTRUCTION (\$4M)**

- » Reconstruction of Keller Springs Road from Dallas North Tollway to Addison Road including replacing asphalt roadway with concrete, upsize existing facilities, installing Master Transportation Plan elements, acquiring right-of-way for medians, sidewalks, and landscaping, and replacing traffic signals.

### **VITRUVIAN DEVELOPMENT NEXT PHASE (\$3.9M)**

- » Continue build out of the planned development at Vitruvian and the associated public infrastructure.
- » In FY2020, public infrastructure construction involved the streetscape associated with Vitruvian West 2 and Vitruvian West 3.
- » The Town is also responsible for the design and construction of a well pad for a well into Trinity Aquifer at an estimated cost of \$250,000.
- » Phase IV, which is the extension of Bella Lane to Alpha Road, was started in FY2020 and will continue into FY2021.

### **BELT LINE ELECTRONIC SIGNAGE (\$483K)**

- » The Town currently purchases over-the-road vinyl banners for Town announcements. These funds provide a permanent electronic signage structure on Belt Line Road for Town announcements.
- » Proposition 1 was approved by the voters in 2012. In 2018, an engineering firm was hired by the Town to do a traffic study and make recommendations. Study has been completed.

### **VITRUVIAN WATER RIGHTS PERMIT COMPLIANCE (\$35K)**

- » Cost associated with securing an amended water rights permit and any fine from Texas Commission on Environmental Quality (TCEQ) associated with non-compliance.



# HIGHLIGHTS

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## public safety capital projects // bond funded (total: \$1.8m)

### LICENSE PLATE RECOGNITION SYSTEM EXPANSION (\$1.4M)

- » To provide city-wide wireless applications and secure network infrastructure for video, data and voice applications for the Town's first responders and the protection of certain infrastructure areas.
- » Typical applications are law enforcement, fire protection, medical services, intelligent traffic monitoring, and public transit systems.

### POLICE GUN RANGE AIR FILTRATION (\$360K)

- » Propose to separate the systems and install a High Efficiency Particulate Air (HEPA) filtration system that would filter out contaminants. The current HVAC system is shared with the adjacent exercise area.

### POLICE RECORDS MANAGEMENT SYSTEM (\$138K)

- » This system provides analytical resources for administrative, field and investigative staff. Users can quickly retrieve records and manage multiple involvements via a standardized interface, comprehensive database and superior data searching capabilities.

## parcs capital projects // combo cash & bond funded (total: \$2.1m)

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### PEDESTRIAN CONNECTIVITY - COTTON BELT/SILVER LINE (\$307K)

- » Enhancements to transit connectivity improvements between Addison and the surrounding region, including better bus connectivity to Vitruvian and rail service along the Cotton Belt corridor.

#### capital projects summary

LIFE TO  
DATE EXP

EST  
FY20  
BUD

FY21  
BUD

#### BOND FUNDED

##### Streets

Vitruvian Development Phase 5	4,550,889	75,000	-
Vitruvian Water Rights Permit Compliance	760,489	55,000	35,000
Vitruvian Development Phase 8	2,560,950	2,333	-
Vitruvian Development Next Phase	31,916	1,033,084	3,949,504
Belt Line Electronic Signage	16,810	-	483,190
Midway Road Reconstruction	2,835,177	6,000,000	10,375,861
Keller Springs Reconstruction	-	844,426	4,000,000
Quorum Drive Reconstruction	-	-	-
Montfort Drive Reconstruction	-	-	-
Airport Parkway Reconstruction	-	618,574	-

##### Parks

Pedestrian Connectivity - Cotton Belt/Silver Line	-	-	307,469
Pedestrian Connectivity - Quorum	43,490	-	-
Locker Room Reconfiguration	-	187,000	369,035
Gymnasium and Track Improvements	-	56,000	156,679
Pool Modernization	-	122,000	287,453
Trail Rehab, Expansion, Wayfinding	-	-	166,833
Les Lacs Water Well & Pond Piping System	-	-	-

##### Public Safety

License Plate Recognition System Expansion	615,430	-	1,384,570
Police Gun Range Air Filtration	-	-	360,000
Advanced Traffic Management System	-	600,000	-

##### General Services

Roof Replacements	-	60,000	2,930,000
HVAC Replacements	-	80,000	1,095,000
ADA Improvements	-	-	35,000

#### SUBTOTAL

\$11,415,151 \$9,733,417 \$25,935,594

**LOCKER ROOM  
RECONFIGURATION  
(\$369K)**

- » Renovation and reconfiguration of existing locker rooms, firewall improvements, and addition of family changing rooms.

	<b>FY22 BUD</b>	<b>FY23 BUD</b>	<b>FY24 BUD</b>
-	-	-	-
35,000	35,000		35,000
-	-	-	-
-	-	-	-
-	-	-	-
12,000,000	9,645,000		-
8,567,000	-		-
3,160,000	-	23,142,000	
-	900,000	6,400,000	
-	8,270,000		-
-	-	-	-
-	-	489,409	
1,000,000	-		-
250,000	-		-
600,000	-		-
245,892	-		-
69,108	1,265,000	1,948,002	
-	-	-	-
-	-	-	-
-	-	-	-
1,010,000	-		-
360,000	-		-
1,465,000	-		-
<b>\$28,762,000</b>	<b>\$20,115,000</b>	<b>\$32,014,411</b>	

**POOL MODERNIZATION  
(\$287K)**

- » Add Ultra-Violet filtration system for the inside and outside pools, replacement of indoor pool hot tub to address leaks and ADA access, addition of a shade structure to the outdoor pool area, and replacement of the children's water play elements.

**GYMNASIUM AND TRACK  
IMPROVEMENTS (\$156K)**

- » Replace lighting with energy-efficient LED lighting, replace safety railing and basketball goals and resurface the track at the Addison Athletic Club.

**TRAIL REHAB, EXPANSION,  
WAYFINDING (\$166K)**

- » Addition of wayfinding elements and distance markers on Redding, Arapaho, Les Lacs, White Rock Creek and Beltway Trails.
- » Refurbish Redding Linear Trail by replacing deteriorating wood retaining walls, address ADA issues, and improve drainage.
- » Additionally, extend Redding Linear Trail to future trail along Midway Road, add pedestrian way stop at Les Lacs Park and Belt Line Road, and add shaded outdoor fitness station adjacent to Les Lacs Park.

## capital projects summary continued

	LIFE TO DATE EXP	EST FY20 BUD	FY21 BUD
<b>COMBO CASH &amp; BOND FUNDED</b>			
Parks			
Belt Line Road Phase 1.5	35,197	2,164,803	-
<b>SUBTOTAL</b>	<b>\$35,197</b>	<b>\$2,164,803</b>	<b>-</b>
<b>COMBO BOND FUNDED &amp; GRANT FUNDED</b>			
Public Safety			
Police Record Management System	4,773,048	183,100	138,852
<b>SUBTOTAL</b>	<b>\$4,773,048</b>	<b>\$183,100</b>	<b>\$138,852</b>
<b>SELF-FUNDED SPECIAL PROJECTS FUND</b>			
Enhanced Street Maintenance	373,885	1,060,000	200,000
Signal Repair at Addison Road and Beltline Road	-	-	92,000
Asset Management Implementation	259,947	800,000	-
Bridge and Gazebo Renovations	-	286,000	-
Celestial Park Improvements	-	-	102,500
Indoor Pool Resurfacing	75,867	-	-
Athletic Center Renovations	1,204,259	-	-
<b>SUBTOTAL</b>	<b>\$1,913,958</b>	<b>\$2,146,000</b>	<b>\$394,500</b>

### self-funded special projects fund // cash funded (total: \$913k)

#### TRANSIT-ORIENTED DEVELOPMENT AT ADDISON CIRCLE (\$318K)

- » To continue the Town's efforts to facilitate construction of the DART Silver Line. These funds will help with plan review, quiet zone applications, consulting fees, and due diligence tasks.

#### ENHANCED STREET MAINTENANCE (\$200K)

- » Increase the resources allocated to street maintenance activities.

#### SPECIAL AREA STUDY (\$140K)

- » The Comprehensive Plan calls for the completion of various Special Area Studies to seek community input to develop a vision for future development within the study area.

#### CELESTIAL PARK IMPROVEMENTS (\$102K)

- » To enhance safety lighting at night, vegetate bare areas to prevent soil erosion, improve the beauty of the park and help reduce maintenance concerns caused by flooding.

FY22 BUD	FY23 BUD	FY24 BUD
-------------	-------------	-------------

-	-	-
-	-	-

-	-	-
-	-	-

-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-

**SIGNAL REPAIR AT  
ADDISON ROAD AND  
BELTLINE ROAD (\$92K)**

- » To fund the repair of the signal light at Addison Road and Beltline Road.

**BALLISTIC GEAR (\$30K)**

- » To purchase bullet resistant gear to include vests, helmets and rescue packs. Fire personnel will be better able to access patients and provide immediate lifesaving applications or triage. The gear provides a recommended level of protection for our employees that may be put into harm's way and will allow the fire department to actively participate in training, drills and exercises.

**NEIGHBORHOOD SECURITY  
IN EAST ADDISON (\$27K)**

- » To fund increased neighborhood security in East Addison.

**SMOKE DETECTOR BATTERY  
REPLACEMENT PROGRAM  
(\$3K)**

- » To purchase and install 10-year batteries in residential smoke detectors which will improve efficiency and reduce liability.

**airport capital projects  
// combination bonds,  
cash & grant funds (total:  
\$3.3m)**

**CUSTOMS FACILITY  
CONSTRUCTION (\$2.6M)**

- » As a Customs and Border Protection user fee airport, the Town is fully responsible for the cost of the construction of a Customs and Border Protection facility. Customs has notified the Town that the current facility is not in compliance. In order to remain in the program, the facility must be updated and brought into compliance.

**FACILITY REPAIRS AND  
IMPROVEMENTS (\$427K)**

- » In order to continue to lease city-owned property at market rates, systems must be repaired and improved in accordance with Best Management Practices.
- » FY2021 funding includes roof replacements for T-hangars B1, B2, and B3, furnace replacement at 4310 Wiley Post, upgrading electricity to code at T-hangars R3 and R4, and reconstruction of the office at 4581 Claire Chennault including demolition and exterior paint.

**BRAVO/GOLF TAXIWAY  
IMPROVEMENTS (\$200K)**

- » Extend Taxiway B north from Taxiway F to Taxiway G; extend Taxiway G west from the Runway to Taxiway B; extend Taxiway B south to connect with south end of Runway; construct westside vehicle service road.
- » To give access to more than 4 acres of developable land on the airport westside.
- » To improve traffic flow and safety.

**ADA REPAIRS &  
IMPROVEMENTS (\$31K)**

- » Scheduled Americans with Disabilities Act (ADA) repairs and improvements per 2018 ADA Improvement Plan.

**utilities capital projects  
// combination cash  
& bond funded (total:  
\$4.9m)**

**CELESTIAL GROUND  
STORAGE TANK  
REHABILITATION DESIGN  
(\$1.7M)**

- » Improvements to interior, exterior, and ventilation system of the Celestial ground storage tank.
- » Project was identified in the 2014 evaluation and assessment of the Town’s elevated and ground water storage facilities.

**WATER SYSTEM  
IMPROVEMENTS (\$1.4M)**

- » Design, replacement or rehabilitation of potable water lines as identified in the 2015 Water System Evaluation. Also includes various water quality improvements.
- » FY2020 projects included replacing a water main at Beltway Drive and Belt Line Road and upsizing a water main at Lake Forest Drive.

- » FY2021 projects include upsizing a water main on the northeast corner of Addison Road and Westgrove Drive, and upsizing and completing the water main loop around Excel Parkway and Addison Road.
- » Projects were prioritized using a comprehensive water model and based on the consequence of failure and the risk of failure.

**capital projects summary  
continued**

**AIRPORT // COMBO BONDS, CASH &  
GRANT FUNDED**

- Customs Facility Construction
- Bravo/Golf Taxiway Improvements
- Airport Access & Security Improvements
- Runway 15/33 Redesignation & Taxiway Alpha Rejuvenation
- Airport Wayfinding Signage
- East Vehicle Service Road Realignment/Reconstruction
- Fuel Farm Exit Lane
- Environmental Site Remediation
- Fuel Road Reconstruction at George Haddaway Drive
- Facility Repairs and Improvements
- ADA Repairs and Improvements
- Aircraft Rescue Firefighting Vehicle

**SUBTOTAL**

**UTILITIES // COMBO CASH & BOND  
FUNDED**

- Celestial Ground Storage Tank Rehabilitation
- Kellway Lift Station Rehabilitation & Repair
- Utility Plant Facilities and Pumps
- Water System Improvements
- Chlorine Booster Station
- Sanitary Sewer Line Replacement / Rehab
- Basin I Sanitary Sewer Re-route

**SUBTOTAL**

## CHLORINE BOOSTER STATION (\$1M)

- » Design and build two Chlorine Booster Stations at Celestial and Surveyor Ground Storage Tanks. These Booster Stations will have the capability to adjust water chemistry as necessary to maintain the Town's water supply within stated requirements.

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## KELLWAY LIFT STATION REHABILITATION AND REPAIR (\$594K)

- » Improvement projects for the Kellway Lift Station as determined through the 2017 Kellway Lift Station Assessment and Evaluation.
- » Projects include regulatory compliance projects, electrical improvements, bypass pumping installation, pump improvements, and communication and control systems improvements.
- » Improvements will take place over several fiscal years.

LIFE TO DATE EXP	EST FY20 BUD	FY21 BUD	FY22 BUD	FY23 BUD	FY24 BUD
905,700	6,500,000	2,640,411	-	-	-
-	-	200,000	700,000	7,500,000	-
-	-	-	-	124,000	1,122,000
-	1,475,000	-	-	-	-
-	-	-	-	-	28,000
-	720,000	-	-	-	-
-	115,000	-	-	-	-
-	100,000	-	-	-	-
-	791,000	-	-	-	-
213,828	576,000	427,000	136,800	10,000	320,000
-	70,000	31,500	82,300	132,000	44,000
-	700,000	-	-	-	-
<b>\$1,119,528</b>	<b>\$11,047,000</b>	<b>\$3,298,911</b>	<b>\$919,100</b>	<b>\$7,766,000</b>	<b>\$1,514,000</b>

77,098	122,902	1,740,000	-	-	-
419,538	577,707	594,243	-	-	-
-	170,000	205,000	187,000	225,000	-
1,029,517	567,000	1,380,000	1,152,000	767,000	1,380,000
-	225,000	1,037,000	-	-	-
-	-	-	647,000	606,000	1,017,000
237,382	2,063,618	-	-	-	-
<b>\$1,763,535</b>	<b>\$3,726,227</b>	<b>\$4,956,243</b>	<b>\$1,986,000</b>	<b>\$1,598,000</b>	<b>\$2,397,000</b>

**UTILITY PLANT FACILITIES AND PUMPS (\$205K)**

- » Improvements to utility plant facilities that will increase the overall efficiency of the water system.
- » Improvements will be made to pumps, motors, generators, piping and electrical panels.
- » One pump at Surveyor Pump Station was replaced in FY2019 and a pump at Celestial Pump Station was scheduled to be replaced in FY2020.
- » Capital projects have been identified using information from assessments that were done in 2014. These improvements are needed to extend the life of these facilities, pumps, motors, and associated equipment to ensure an adequate supply of water.

**capital projects summary  
continued**

	LIFE TO DATE EXP	EST FY20 BUD	FY21 BUD
<b>STORMWATER // COMBO CASH &amp; BOND FUNDED</b>			
Stormwater Assessment Basin Improvements	64,209	1,354,265	2,790,000
Sherlock - Winter Park Drive Improvements	1,567,437	74,806	-
Vitruvian Pond Dredging	611,875	552,111	-
<b>SUBTOTAL</b>	<b>\$2,243,521</b>	<b>\$1,981,182</b>	<b>\$2,790,000</b>
<b>HOTEL FUND</b>			
Addison Circle Fountain Repair & Modernization	1,094,806	30,000	-
<b>SUBTOTAL</b>	<b>\$1,094,806</b>	<b>\$30,000</b>	<b>-</b>
<b>INFRASTRUCTURE INVESTMENT FUND</b>			
ADA Transition Plan	91,530	-	-
Park Playground Structure Resurface	70,398	-	-
Belt Line Road Streetscape	161,766	-	-
Public Safety Facility Improvements	742,384	-	-
Transfer to Addison Grove Escrow Fund	1,000,000	-	-
<b>SUBTOTAL</b>	<b>\$2,066,078</b>	<b>-</b>	<b>-</b>
<b>TOTAL CAPITAL PROJECTS</b>	<b>\$26,424,822</b>	<b>\$31,011,729</b>	<b>\$37,514,100</b>



## stormwater capital projects // combination cash & bond funded (total: \$2.8m)

### STORMWATER ASSESSMENT BASIN IMPROVEMENTS (\$ 2 . 8 M )

- » Design and construction of stormwater system improvements as identified in the city-wide Storm Water Drainage Assessment.
- » Projects were identified by utilizing a comprehensive storm water model and then prioritized based on the potential risk. The plan identified 85 areas of concern for future monitoring and 13 serious problem areas.
- » FY2020 projects included construction of Oaks North Drive and the diversion and enlargement work on Bellbrook Drive.
- » FY2021 projects are Maiden Court diversion work and the Waterside Court, Waterford Drive and Les Lacs Avenue parallel and relief system.

## general capital improvements // bond funded (total: \$4.0m)

### ADA IMPROVEMENTS (\$ 3 5 K )

- » Improvements are needed to address Americans with Disabilities Act compliance.

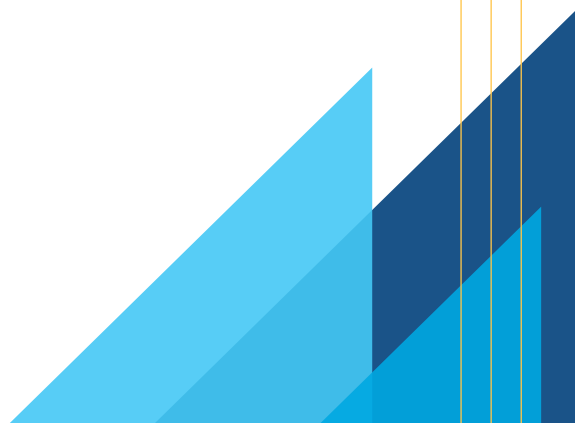
### HVAC REPLACEMENTS (\$ 1 . 1 M )

- » Replacements of the heating, ventilation, and air conditioning (HVAC) system to existing municipal buildings.

### ROOF REPLACEMENTS (\$ 2 . 9 M )

- » Replace 15-to 30-year-old roofs that have deferred maintenance issues on existing municipal buildings.

FY22 BUD	FY23 BUD	FY24 BUD
1,664,000	1,206,000	-
-	-	-
-	-	-
<b>\$1,664,000</b>	<b>\$1,206,000</b>	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
<b>\$33,331,100</b>	<b>\$30,685,000</b>	<b>\$35,925,411</b>



# APPENDIX G

# GLOSSARY

# OF TERMS

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## accounts payable

A liability account reflecting the amount of open accounts owed to private persons or organizations for goods and services received by a government (but not including amounts due to other funds of the same government or to other governments).

## accounts receivable

An asset account reflecting amounts owed from private persons or organizations for goods or services furnished by a government.

## accrual accounting

Recognition of the financial effects of transactions, events and circumstances in the period(s) when they occur regardless of when the cash is received or paid.

## ada

(A D A) Acronym for Americans with Disabilities Act.

## ad valorem

Latin for “according to the value of.” Refers to the tax assessed against real (land and building) and personal (equipment and furniture) property.

## amortization

Payment of principal plus interest over a fixed period of time.

## appropriation

A legal authorization granted by a legislative body (City Council) to make expenditures and incur obligation for designated purposes.

## arbitrage

The interest earnings derived from invested bond proceeds or debt service fund balances.

## assessed valuation

A valuation set upon real estate or other property by a government as a basis for levying taxes.

181–182	<b>a, b, c</b>
183–184	<b>d, e, f, g</b>
185–186	<b>m, n, o, p, r, s</b>
187	<b>t, v</b>

## B

### balance sheet

The basic financial statement which discloses the assets, liabilities and equities of an entity at a specific date in conformity with Generally Accepted Accounting Principles (GAAP).

### balanced budget

Annual financial plan in which expenses do not exceed revenues.

### bond

A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date(s).

### budget

A plan of financial operation embodying an estimate of proposed expenditures for any given period and the proposed means of financing them.

## C

### capital expenditures

Funds used to acquire or upgrade physical assets such as property, industrial buildings or equipment.

### capital improvement program budget

(CIP) Construction projects or very large capital purchases designed to improve and maintain the value of the city's assets, usually separate from the operating budget.

### capital outlays

Expenditures which result in the acquisition of or addition to fixed assets which are individually priced at more than \$5,000.

### capital replacement/lease

A cost category which typically reflects costs associated with the acquisition of capital equipment. Category also includes department contributions to the Capital Replacement and Information Technology Replacement Funds.

### certificates of obligation

(COS) Similar to general obligation bonds except the certificates do not require voter approval.

### contractual services

The costs related to services performed for the Town by individuals, businesses, or utilities.

### cost

The amount of money or other consideration exchanged for property or services. Costs may be incurred even before the money is paid; that is, as soon as liability is incurred. Ultimately, however, money or other consideration must be given in exchange.

## current assets

Those assets which are available or can be made readily available to finance current operations or to pay current liabilities. Those assets which will be used up or converted into cash within one year. Some examples are cash, temporary investments, and tax receivables which will be collected within one year.

## current liabilities

Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed, or refunded within one year.



## dart

(DART) Acronym for Dallas Area Rapid Transit, a mass transit authority serving the Dallas Metroplex which is funded through a 1 percent sales tax levied in participating cities.

## dcad

(DCAD) Acronym for Dallas Central Appraisal District, an agency that is responsible for appraising property for the purpose of ad valorem property tax assessment on behalf of the 61 local governing bodies in Dallas County.

## decision package

A decision package represents an increase or decrease in a department's scope of service or funding levels. A decision package may be a request for additional funding submitted by a department during the budget process for new or expanding programs or services.

## debt service

The City's obligation to pay the principal and interest of all bonds or other debt instruments according to a pre-determined schedule.

## delinquent taxes

Taxes remaining unpaid on or after the date on which a penalty for nonpayment is attached.

## depreciation

Change in the value of assets (equipment, buildings, etc. with a useful life of five years or more) due to use of the assets.

## disd

(DISD) Acronym for Dallas Independent School District, which serves most of Addison.

## dwu

(DWU) Acronym for Dallas Water Utilities, Addison's wholesale water supplier.



## encumbrances

Commitments related to unperformed contracts for goods and services used in budgeting. Encumbrances are not expenditures or liabilities but represent the estimated amount of expenditures ultimately to result if unperformed contracts in process are completed.

## enterprise fund

A governmental accounting fund in which the services provided are financed and operated similarly to those of private business. The rates of these services are established to insure that revenues are adequate to meet all necessary expenditures.

## exempt

Personnel not eligible to receive overtime pay and who are expected to work as necessary to complete their job assignments. Compensatory time-off, as partial compensation for overtime hours worked, may be allowed by the respective department head.

## expenditures

Decreases in net financial resources. Expenditures include current operating expenses which require the current or future use of net current assets, debt service, and capital outlays.

## F

### faa

( **F A A** ) Acronym for Federal Aviation Administration, an operating mode of the United States Department of Transportation which regulates aerospace.

### fixed assets

Assets of a long-term character, which are intended to continue to be held or used, such as land, buildings, improvements other than buildings, machinery and equipment.

### franchise

A special privilege granted by a government permitting the continuing use of public property, such as city streets, and usually involving the elements of monopoly and regulation.

### fte

( **F T E** ) Acronym for full-time equivalent, a measurement of staffing. One FTE is a 40-hour per week position. A part-time position working 20 hours per week or a temporary full-time position working six months would be a 0.5 FTE.

### fund

A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities of balances, and charges therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

### fund balance

The excess in a fund of current assets over current liabilities; sometimes called working capital in enterprise funds. A negative fund balance is often referred to as a deficit.

## fy

( **F Y** ) Acronym for fiscal year, a 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations. The Town of Addison's fiscal year begins October 1st and ends the following September 30th.

## G

### gaap

( **G A A P** ) Acronym for Generally Accepted Accounting Principles, which are a collection of rules and procedures that set the basis for the fair presentation of financial statements. The accounting and reporting policies of the Town conform to the GAAP applicable to state and local governments.

### gasb

( **G A S B** ) Acronym for Government Accounting Standards Board, an independent, non-profit agency responsible for the promulgation of accounting and financial reporting procedures for governmental entities.

### general fund

The fund used to account for all financial resources except those required to be accounted for in another fund. This fund includes most of the basic operating services such as fire and police protection, health services, parks and recreation, street maintenance, and general administration.

## general obligation bonds

Bonds for the payment of which the full faith and credit of the issuing government is pledged. In issuing its general obligation bonds, the Town of Addison pledges to levy whatever property tax is needed to repay the bonds for a particular year. Bonds cannot be issued without voter approval and are usually issued with maturities of between 15 and 30 years.

## gis

**(GIS)** Acronym for Geographic Information System which is any system that captures, stores, analyzes, manages, and presents data that are linked to location.

## gfoa

**(GFOA)** Acronym for Government Finance Officers Association.

## governmental funds

Those funds through which most governmental functions typically are financed. The acquisition, use, and financial resources and the related current liabilities are accounted for through governmental funds (General, Special Revenue, Capital Projects, and Debt Service Funds).

## M

## maintenance

The upkeep of physical properties in condition for use of occupancy. Examples are the inspection of equipment to detect defects and the making of repairs.

## modified accrual accounting

A basis of accounting in which expenditures are accrued but revenues are accounted for when they are measurable and available to pay current liabilities. This accounting technique is a combination of cash and accrual accounting since expenditures are immediately incurred as a liability while revenues are not recorded until they are measurable and available to pay current liabilities. This type of accounting basis is conservative and is recommended as the standard for most governmental funds.

## N

## nctcog

**(NCTCOG)** Acronym for the North Central Texas Council of Governments, which is a voluntary association of, by, and for local governments, established to assist local governments in planning for common needs, cooperating for mutual benefit, and coordinating for sound regional development.

## no-new-revenue rate

**(NNR)** Previously referred to as the effective tax rate, this is the tax rate that would provide a taxing authority approximately the same amount of revenue it received the previous year on properties taxed in both years. This tax rate is expressed in dollars per \$100 of taxable value calculated.

## non-exempt

Personnel eligible to receive overtime pay when overtime work has been authorized or requested by the supervisor.

## ntta

**(NTTA)** Acronym for the North Texas Tollway Authority, which manages the Dallas North Tollway and the Addison Airport Toll Tunnel, which both run through Addison.

## **ntecc**

**( N T E C C )** Acronym for the North Texas Emergency Communications Center, which provides emergency communications services to the cities of Addison, Carrollton, Coppell and Farmers Branch.



## **operating expenditure**

These expenditures are ongoing costs related to running a program or system associated with daily operations.

## **ordinance**

A formal legislative enactment by the governing body of a municipality. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies. The difference between an ordinance and a resolution is that the latter requires less legal formality and has a lower legal status. Revenue raising measures, such as the imposition of taxes, special assessments and service charges, usually require ordinances.



## **pvc**

**( P V C )** Acronym for polyvinyl chloride, a plastic compound used for water and sewer pipes.

## **personnel services**

The costs associated with compensating employees for their labor.

## **p-card**

Acronym for procurement card, a Town-issued credit card which allows employees to make small purchases in a cost-effective manner.

## **proprietary fund**

Operation that operates like a private commercial operation, in which services are financed through user charges and expenditures include the full cost of operations.

## **purchase order**

**( P O )** A document which authorizes the delivery of specified merchandise or the rendering of certain services and the making of a charge for them.



## **revenues**

Increases in net financial resources. Revenues include the receipt of assets for goods sold or services provided in the current reporting period, intergovernmental grants, and interest income.



## **sliplining**

The process of restoring deteriorated sewer (wastewater) lines. The process involves inserting a “sock” of special material through the length of line, which, when filled with hot water, cures to produce a hard, seamless pipe.

## **special assessment**

A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

## **special revenue fund**

A fund used to account for the proceeds of specific revenue sources that are legally restricted or formally committed to expenditures for specified purposes.

## streetscape

The amenities of a street including landscaping, lighting, hardscape elements such as plazas, fountains, pedestrian walkways/trails/crosswalks, decorative paving and enhanced signage found within or near the street.

## supplies

A cost category for minor items (individually priced at less than \$5,000) required by departments to conduct their operations.

## sustainability

Practices that meet the needs of the present without compromising the ability of future generations to meet their needs.



## taxes

Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessment.

## tceq

(TCEQ) Acronym for Texas Commission on Environmental Quality, a state agency responsible for enforcing federal and state environmental laws.

## tmrs

(TMRS) Acronym for Texas Municipal Retirement System.

## tra

(TRA) Acronym for Trinity River Authority, Addison's primary sewer treatment provider.

## txdot

(TXDOT) Acronym for Texas Department of Transportation, a state agency responsible for administering Addison Airport's FAA capital grants.



## voter-approval rate

(VAR) Previously referred to as the rollback tax rate, the voter-approval tax rate is the maximum tax rate above the no-new-revenue tax rate that is allowed by law before voters must approve that new tax rate. This tax rate is expressed in dollars per \$100 of taxable value calculated.





# GFOA AWARD

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The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the **TOWN OF ADDISON, TEXAS**, for its annual budget for the fiscal year beginning **OCTOBER 1, 2019**. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements and we are submitting it to GFOA to determine its eligibility for another award.

The Town was also awarded a Certificate of Achievement for Excellence in Financial Reporting by GFOA for its comprehensive annual financial report (CAFR) for the fiscal year ending September 30, 2019. The certificate is the highest form of recognition for excellence in state and local government financial reporting.

Together the award and the certificate are evidence of the Finance department's dedication to producing documents which effectively communicate the Town's financial condition to elected officials, city administrators and the general public.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Town of Addison  
Texas**

For the Fiscal Year Beginning

**October 1, 2019**

*Christopher P. Morrill*

Executive Director



# TOWN STAFF & CONSULTANTS

191

## mayor & council

	NAME	PROFESSION	TERM OF OFFICE
Mayor	<i>Joe Chow</i>	Restaurant Owner	05/19-05/21
Mayor Pro Tempore	<i>Lori Ward</i>	Branch Manager	05/19-05/21
Deputy Mayor Pro Tempore	<i>Guillermo Quintanilla</i>	Mechanical Designer	05/20-05/22
Council Member	<i>Tom Braun</i>	General Contractor	05/19-05/21
Council Member	<i>Ivan Hughes</i>	Retired	05/19-05/21
Council Member	<i>Paul Walden</i>	Commercial Insurance Underwriting	05/20-05/22
Council Member	<i>Marlin Willesen</i>	Retired	05/20-05/22

## consultants

	NAME	CONTACT
Auditors	BKD CPAs & Advisors	972-702-8262
Bond Counsel	Bracewell & Giuliani, LLP // <i>Julie Partain</i>	214-758-1606
City Attorney	Messer, Fort & McDonald // <i>Brenda McDonald</i>	972-668-6400
Financial Advisors	Hilltop Securites Inc. // <i>Adam LanCarte</i>	817-332-9710

## town staff

	NAME	CONTACT
Mayor's Office	<i>Joe Chow // Mayor</i>	972-450-7000
City Secretary	<i>Irma Parker // City Secretary</i>	972-450-7017
City Manager's Office	<i>Wes Pierson // City Manager</i>	972-450-7037
City Manager's Office	<i>John Crawford // Deputy City Manager</i>	972-450-7036
City Manager's Office	<i>Ashley Mitchell // Deputy City Manager</i>	972-450-7010
City Manager's Office	<i>Hamid Khaleghipour // Executive Director of Business Performance and Innovation</i>	972-450-2868
Development Services	<i>Vacant // Director</i>	972-450-7027
Economic Development	<i>Orlando Campos // Director</i>	972-450-7034
Finance	<i>Steven Glickman // Chief Financial Officer</i>	972-450-7050
Fire	<i>David Jones // Fire Chief</i>	972-450-7201
General Services	<i>Rob Bourestom // Director</i>	972-450-6203
Human Resources	<i>Passion Hayes // Director</i>	972-450-2817
Information Technology	<i>Hamid Khaleghipour // Director</i>	972-450-2868
Marketing & Comm	<i>Mary Rosenbleeth // Director</i>	972-450-7032
Parks & Recreation	<i>Janna Tidwell // Director</i>	972-450-2869
Police	<i>Paul Spencer // Police Chief</i>	972-450-7100
Public Works & Engr	<i>Shannon Hicks // Director</i>	972-450-2878
Special Events	<i>Jasmine Lee // Director</i>	972-450-6221

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