

forward

M O M E N T U M



Town of Addison, Texas

BUDGET BOOK

2019-2020

budget cover

P A G E

town of addison | fiscal year 2019-2020

This budget will raise more revenue from property taxes than last year's budget by an amount of \$2,132,484 which is an 8.2 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 \$489,128.

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

FOR

Joe Chow | Mayor

Tom Braun | Mayor Pro Tempore

Lori Ward | Deputy Mayor Pro Tempore

Ivan Hughes | Council Member

Guillermo Quintanilla | Council Member

Paul Walden | Council Member

Marlin Willesen | Council Member

AGAINST

None

PRESENT & NOT VOTING

None

ABSENT

None

ADDISON[®]

**TOTAL DEBT OBLIGATION FOR
TOWN OF ADDISON SECURED
BY PROPERTY TAXES**

\$6,966,638

property tax rate comparison

	2019- 2020	2018- 2019
Property Tax Rate	\$0.583500/100	\$0.550000/100
Effective Tax Rate	\$0.552371/100	\$0.527064/100
Effective Maintenance & Operations Tax Rate	\$0.409028/100	\$0.380255/100
Rollback Tax Rate	\$0.591133/100	\$0.553323/100
Debt Rate	\$0.149383/100	\$0.142648/100

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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, 2019 and ending September 30, 2020. 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 2020 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 2020 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 2018. The ending balance of the actual year becomes the beginning balance

of the estimated fiscal year 2019. The estimated column reflects projected amounts compared to the amounts included in the original adopted budget for fiscal year 2019. The estimated ending fund balance of the prior fiscal year then becomes the beginning balance for the fiscal year 2020 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 2020. 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

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honorable mayor and members of the city council

I am pleased to present the fiscal year 2020 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, 2019 to September 30, 2020.

This budget allocates resources in alignment with the City Council's Strategic Pillars and fiscal year 2020 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).

While we continue to experience unprecedented growth in the North Texas area and enjoy the fruits of this abundance, we are also facing formidable challenges. The pressure to do more with less is constant, the competition for talent continues to be fierce, and the question of how we will address our infrastructure needs continues to loom. Additionally, the property tax revenue caps imposed on local governments as part of Senate Bill 2 (also known as the Texas Property Tax Reform and Transparency Act) that was passed during the most recent legislative session will significantly impact service delivery decisions made by communities going forward. In short, municipalities must prepare to operate in a new environment.

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 prosperity. We have plans in place to address:

- » How we fund and rebuild our infrastructure and facilities.
- » How we compensate our workforce in order to 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.

ongoing big issues

INFRASTRUCTURE PLANNING & MAINTENANCE

The fiscal year 2020 budget continues to build upon progress made in fiscal year 2019 to support the development of the Town’s comprehensive Asset Management Plan. We are using data from the Asset Management System to make informed decisions about how to invest our resources to address our infrastructure needs now and in the future. Progress on our Asset Management Plan is an iterative process, but we are already seeing the fruits of our proactive planning efforts with the development of an improved Capital Improvement Program (CIP) Budget that will align with our efforts to maintain our assets. The fiscal year 2020 budget includes an additional \$1.06 million for increased street and sidewalk maintenance projects and an additional \$800,000

to address projects identified as part of the Asset Management Plan. Information from the Asset Management System was also used to inform the Community Bond Advisory Committee’s recommendations related to bond projects that are being considered by the voters.

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 \$969,000 to fund a 4% merit pool for salary adjustments that are in line with the Town’s compensation philosophy that was adopted by the City Council. Additionally, \$128,000 has been budgeted for the continuation of the certification pay program that was implemented in fiscal year 2018.

CONTINUOUS IMPROVEMENT

This budget supports our 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 adopted budget:

- » Continuation of our work (year two) to review and update our land development code to ensure that our development regulations are conducive to delivering the high-quality developments that Addison is accustomed to in an environment where redevelopment is the new normal.



- » Implementation of a Computerized Maintenance Management System (CMMS) to effectively prioritize and manage projects and tasks identified as part of our Asset Management Plan.
- » A study to complete a Trails and Bicycle Path Master Plan as part of our implementation of the Parks, Recreation, and Open-Space Master Plan.
- » Continued implementation and further development of our long-range financial plan.

property values

Total assessed property values for fiscal year 2020 equal \$4,819,907,442, which equates to an increase of approximately \$94 million or 2% over the previous year. While property values increased over fiscal year 2019's valuations, protests of the Dallas Central Appraisal District's assessed values on commercial properties in Addison have impacted the rate of growth. The average taxable value for a single-family home in Addison is \$331,280, an increase of approximately \$11,698 or 3.7% from the previous year.

tax rate

The adopted fiscal year 2020 budget increases the Town's tax rate to 0.583500. The adopted tax rate is 0.007633 less than the rollback rate of 0.591133 and greater than the effective rate of \$0.552371. It is important to note that the Town's effective tax rate for fiscal year 2020 (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 \$0.550000 for fiscal year 2019. 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, \$0.434117 is dedicated to maintenance and operations and \$0.149383 is dedicated to debt service payment.

The debt service portion of the tax rate is increasing as a result of the issuance of certificates of obligation for the Midway Road Reconstruction Project and Vitruvian Development related road and well-sight improvements.

At a property tax rate of 0.583500, the municipal tax paid on the average single-family home will be approximately \$1,933.02 on an annual basis; an increase of \$175.32 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 \$39.1 million for fiscal year 2020, an increase of approximately 5.3% over last year. We project property tax revenues of approximately \$19.1 million, an increase of approximately 12.7% over the previous year's budgeted amount and sales tax revenues of approximately \$13.7 million, the same amount as fiscal year 2019.

General Fund operating expenditures are estimated at \$39.0 million, reflecting a 4.4% increase from the fiscal year 2019 budget. The available ending fund balance for the General Fund is projected to be approximately \$14.0 million, leaving 36.0% of operating reserves, which exceeds both the Town's policy of 25% and the City Council's goal of 30%.

This budget funds the following in the General Fund:

- » A Lieutenant in the Police Department to manage administrative matters related to internal affairs investigations, professional standards and departmental accreditation. 1.0 Full Time Equivalent position (FTE).
- » A Sergeant in the Police Department to manage community outreach and special events. – 1.0 FTE.
- » A Senior Environmental Health Inspector in Development Services. – 1.0 FTE.
- » An Administrative Battalion Chief in the Fire Department to provide additional administrative support. – 1.0 FTE.
- » An additional Electrician in the Parks and Recreation Department to replace the current contracted electrical work. – 1.0 FTE.
- » An additional Landscape Maintenance Crew, composed of one Parks Supervisor and two Groundskeepers, to replace the currently outsourced landscape work in the Parks and Recreation Department. – 3.0 FTE.

This budget includes an anticipated decrease, 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.

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 2020 are expected to total \$7.6 million. This is a decrease of approximately \$1.3 million or 14.9% (due largely to the elimination of Tasty Bucks at special



events) and budgeted operational expenses of approximately \$7.2 million. The available ending fund balance for the Hotel Fund is projected to be \$2.7 million, leaving 37.1% 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 expenditures in the Performing Arts Department are the grant to the WaterTower Theatre and the grant to Outcry Theatre.

This budget funds the following in new items for the Hotel Fund:

- » \$10,000 for Kaboom Town! fireworks display enhancement.
- » \$10,000 for increased WaterTower Theatre facility marketing collateral.
- » \$15,000 for an increased production budget for the Addison Theatre Centre.

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 2020 adjustments, effective October 1, 2019, will include an increase of 6.5% to water and sewer rates which equates to \$3.41 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 2020: 6%
- » October 2021: 2.5%
- » October 2022: 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 short-term staffing plan includes seven positions to be added in the Utility Fund between fiscal year 2019 and fiscal year 2022. The budget for fiscal year 2020 adds three of these positions:

- » A Water Quality Specialist – 1 Full-time Equivalent (FTE) Position.
- » Two Utility Operator II positions – (2 FTE) Positions.



The total Utility Fund revenues for fiscal year 2020 are expected to be approximately \$13.1 million, with budgeted operational expenses of \$13.1 million. The available ending fund balance for the Utility Fund is projected to be \$9.6 million. The projected end-of-year fund balance will maintain 73.1% 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 6.5% or \$3.41 per month for an average residential user of 5,000 gallons of water.
- » \$1,650,000 to fund a new sanitary sewer line to re-route sewer flows that currently enter the City of Farmers Branch sewer system in the Inwood Road area to Addison's sewer system at Midway Road. The project is budgeted from reserves in excess of 25% for fiscal year 2020.
- » \$138,000 for water system improvements (right of way).
- » \$25,000 for the design of a chlorine booster station.

A total of \$6.6 million in capital projects are adopted in the Utility Fund for fiscal year 2020. These projects are funded through a combination of authorized bond funds (\$4.8 million) and cash (\$1.813 million) 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 2020 are \$2.4 million with budgeted operational expenditures totaling \$1.5 million. The available ending fund balance for the Stormwater Fund is projected to be \$5.4 million, leaving 366.2% of operating expenditures, which exceeds the Town's policy of 25%.

Fees for the Stormwater Fund will increase this year 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 \$5.4 million in capital projects are adopted in the Stormwater Fund for fiscal year 2020. These projects are funded through a combination of authorized bond funds and cash from the Stormwater Fund. The most significant item is:

- » \$1,497,000 in cash funding for Stormwater Assessment Improvements.

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 (\$768,000).

Operating revenues for fiscal year 2020 are estimated at \$2 million. These revenue sources allow for budgeted operating expenses of \$1.9 million.

This budget funds the following new item from the Economic Development Fund:

- » \$30,000 for a destination marketing video.

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 \$5.7 million in fiscal year 2020 will allow for budgeted expenses of approximately \$5.6 million. The available ending fund balance for the Airport Fund is projected to be \$3.3 million, leaving 59.3% of operating expenditures, which exceeds the Town's policy of 25%.

Capital projects in the Airport Fund for fiscal year 2020 total \$8.5 million. The most significant items are:

- » \$5,700,000 to fund construction of a new airport customs facility (the remaining \$1,700,000 is scheduled to be spent in fiscal year 2021).
- » \$2,000,000 in general facility repairs and improvements (a description of the projects is contained in the fiscal year 2020 capital improvement budget).

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 2020, \$288,422 is scheduled to be generated by the IIF portion of the tax rate.

capital improvement budget

The adopted capital improvement budget for fiscal year 2020 is approximately \$41.5 million. Projects are funded by a combination of authorized bond funds and cash contributions. The capital improvement 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 2020 Capital Improvement Program (CIP) Budget also submitted to the City Council for consideration.



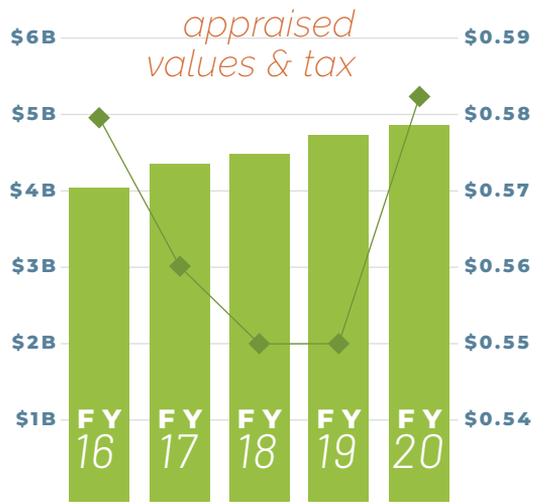
APPRAISED PROPERTY VALUES

PROPERTY TAX RATE (PER \$100 OF APPRAISED VALUE)

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 2020, \$4,015,400 will be transferred from cash reserves above the 30% Council goal for General Fund fund balance to this fund. Major expenditures in this fund in fiscal year 2020 include:

- » \$200,000 to fund the Town's effort to review and update our Land Development Code (Year 2 of 2).
- » \$170,000 to fund a contingency for emergency building repairs.
- » \$50,000 to continue addressing our records management needs.
- » \$10,000 to conduct a lease analysis to meet new financial regulatory standards.
- » \$800,000 to continue to fund projects as part of the implementation of the Asset Management Plan.
- » \$1,060,000 to continue to increase the resources allocated in our street maintenance activities.
- » \$451,500 to complete building updates to the Addison Athletic Club.
- » \$117,700 to complete a Trails and Bicycle Path Master Plan.
- » \$180,000 to replace the bay doors at both Fire Station 1 and 2.
- » \$113,000 to fund a fire station bay air filtration system.
- » \$68,200 to fund enhancements for the Addison Outdoors recreation program.
- » \$155,000 to fund replacement plantings and refurbishment of landscape areas.



- » \$25,000 to fund a compensation market update study.
- » \$75,000 to fund a mobile imagination playground.
- » \$40,000 to implement geo-tracking services for special event marketing and tourism.
- » \$36,000 to secure the administrative office at the Addison Athletic Club.

conclusion

This completes the highlights of the fiscal year 2020 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 Olivia Riley, Budget Manager Terri Doby, 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

statement

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; and
- » 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 the 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.

strategic pillars

ENTREPRENEURSHIP AND BUSINESS HUB

 Economic Development focus on attracting and retaining entrepreneurship and high-tech conferences

-  Host fall and spring Coworking Day in the Park
-  Develop new marketing collateral material and strategic marketing placements
-  Strengthen relationships with local hotels to seek support opportunities for high tech conferences
-  Execute the new Economic Development Strategic Plan

 Review Town Ordinances and regulations to modernize them and facilitate redevelopment

-  Continue the process of creating a Unified Development Code

 Create a specific channel for two-way communication with the business community

-  Strengthen Business Retention & Expansion Efforts:
 - » Target at least two company visits per month
 - » Host monthly meet-and-greet events at office buildings
 - » Support Metrocrest Chamber and Addison Business Association merger
 - » Organize targeted industry cluster group meetings
-  Produce an online survey for local businesses in spring 2020.

GOLD STANDARD IN CUSTOMER SERVICE

-  Promote and protect Addison Way
 -  Complete implementation of Energov Permitting and Inspection Customer Portal

GOLD STANDARD IN FINANCIAL HEALTH

-  Continue development and implementation of Long-Term Financial Plan
 -  Develop CIP program to include ADA Transition Plan and Asset Management Plan (AMP)

OPTIMIZE THE ADDISON BRAND

-  Define and promote Addison Identity.
 -  Onboard two new advertising agencies
 -  Launch a new Economic Development advertising campaign
 -  Complete the repair and modernization of the Addison Circle Fountain

EXCELLENCE IN ASSET MANAGEMENT

-  Implement the Asset Management Plan
 -  Asset Management Plan Implementation: Winnwood Bridge Repair, Belt Line Intersections at Beltway and Addison Road, and Arapaho Bridge Painting
 -  Complete a facility consolidation study

GOLD STANDARD IN PUBLIC SAFETY

-  Maximize use of cutting-edge technology to enhance public safety
 -  Install vehicle exhaust removal systems at both fire stations to improve firefighter health and safety
 -  Install License Plate Reader (LPR) and surveillance cameras as a pilot project
 -  Install Knox Key Secure Systems and vaults to protect assets and improve accountability
 -  Implement Records Management System (RMS)

EXCELLENCE IN TRANSPORTATION SYSTEMS

-  Promote Silver Line Development
 -  Release master developer solicitation and select a development partner
-  Improve all modes of transportation with infrastructure in acceptable condition and well-maintained
 -  Complete the Trails and Bicycle Path Master Plan
 -  Signal upgrades: Belt Line at Beltway and Belt Line at Addison Road

municipal tax rate

C O M P A R I S O N

RICHARDSON	0.6252
FARMERS BRANCH	0.6100
CARROLLTON	0.5950
IRVING	0.5941
COPPELL	0.5840
ADDISON	0.5835
MCKINNEY	0.5252
ALLEN	0.4980
PLANO	0.4482
FRISCO	0.4466
LEWISVILLE	0.4433
FLOWER MOUND	0.4390
GRAPEVINE	0.2843
UNIVERSITY PARK	0.2586

COMPARATIVE

tax

*for an average addison
single-family residence*

	FY 19	FY 20
Dallas County		
Market Value	\$420,916	\$430,659
Optional Homestead Exemption	20%	20%
Taxable Value	\$319,582	\$331,280
Tax Rate/\$100	0.253100	0.243100
Tax Levy	\$808.86	\$805.34
Dallas ISD		
Market Value	\$420,916	\$430,659
Optional Homestead Exemption	10%	10%
Taxable Value	\$319,582	\$331,280
Tax Rate/\$100	1.412035	1.310385
Tax Levy	\$4,512.61	\$4,341.04
Town of Addison		
Market Value	\$420,916	\$430,659
Optional Homestead Exemption	20%	20%
Taxable Value	\$319,582	\$331,280
Tax Rate/\$100	0.550000	0.583500
Tax Levy	\$1,757.70	\$1,933.02

TOTAL TAX LEVY **\$7,079.17** **\$7,079.40**

property

T A X

distribution calculations

FY2020 ADOPTED BUDGET

FY2020 Certified Tax Roll & Levy

Appraised Valuation (100%)	4,819,907,442
Rate per \$100	0.583500
Total Tax Levy	\$28,124,160
Percent of Current Collection	96.50%
Estimated Current Tax Collections	\$27,139,814

Summary of Tax Collections

Current Tax	\$27,139,814
Delinquent Tax	(70,700)
Penalty and Interest	90,700
Total Tax Levy	\$27,159,814

Distribution of Tax Rate

TAX RATE

% OF
TOTAL

AMOUNT

GENERAL

Current Tax			\$18,781,674
Delinquent Tax			(70,000)
Penalty and Interest			40,500
Total General Fund	\$0.4042	69.27%	18,752,174

ECON. DEV.

Current Tax			1,103,081
Delinquent Tax			-
Penalty and Interest			2,900
Total Economic Development Fund	\$0.0237	4.06%	1,105,981

IIF

Current Tax			288,422
Delinquent Tax			(700)
Penalty and Interest			700
Total Infrastructure Investment Fund	\$0.0062	1.06%	288,422

Total Operations & Maintenance **\$0.4341** **74.40%** **20,146,577**

DEBT SVC.

Current Tax			6,966,638
Delinquent Tax			-
Penalty and Interest			46,600
Total Debt Service Fund	\$0.1494	25.60%	7,013,238

TOTAL DISTRIBUTION

\$0.5835

100.00%

\$27,159,815

overview

FY2020 ADOPTED BUDGET

Governmental Funds

General Fund	39,058,696
Special Revenue Funds	
Hotel Fund	7,169,706
Economic Development Fund	1,870,331
Combined Grant Funds	13,700
Combined Other Funds	73,163
Self-Funded Project Fund	2,380,400
General Debt Service Fund	6,975,938

Proprietary Funds

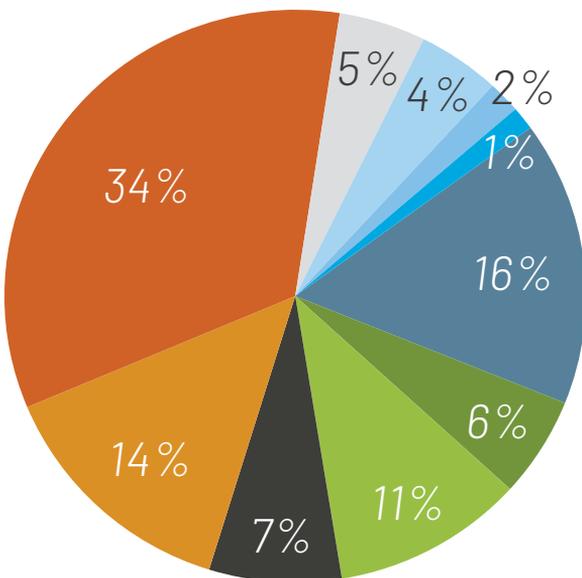
Airport Fund	5,635,675
Utility Fund	13,112,660
Stormwater Fund	1,487,771
Combined Replacement Funds	3,619,831

Capital Project Funds

Combined Bond Funds	32,113,083
Cash Reserve Funds	5,140,000
Streets Self-Fund Project Fund	830,000
Airport Capital Projects	3,452,500

TOTAL ALL FUNDS

\$122,933,454



all funds expenditures by type

- CAP. PROJ./OTHER USES
- GENERAL GOVT.
- TOURISM & ECON. DEV.
- UTILITIES
- DEBT SERVICE
- PUBLIC SAFETY
- URBAN DEV.
- STREETS
- AVIATION
- PARKS & REC.

staff

ORGANIZATION

*addison
citizens*

*mayor/city
council*

**CITY ATTORNEY
CITY PROSECUTOR
CITY JUDGE**

CITY SECRETARY

BOARDS/COMMISSIONS

city manager

FIRE

POLICE

HUMAN RESOURCES

*deputy city
manager*

FINANCE

MUNICIPAL COURT

MARKETING & COMM.

GENERAL SERVICES

SPECIAL EVENTS

ECON. DEV. & TOURISM

*deputy city
manager*

PUBLIC WORKS & ENG.

DEV. SERVICES

AIRPORT

PARKS & REC.

VOLUNTEER SERVICES

*executive director of
business performance
& innovation*

INFORMATION TECH.

S T A F F I N G

summary

FY2020 ADOPTED BUDGET	2017	2018	2019	2020	DIFF. 19-20
General Fund					
City Secretary	1.0	1.0	1.0	1.0	-
City Manager	5.5	5.5	5.5	6.5	1.0
Finance	13.0	13.0	13.0	13.0	-
General Services	4.8	5.5	5.5	5.5	-
Municipal Court	5.8	5.8	5.8	5.0	(0.8)
Human Resources	4.0	4.0	4.0	4.0	-
Information Technology	7.0	7.0	7.0	7.0	-
Police	71.0	71.0	72.0	74.0	2.0
Emergency Communications	-	-	-	-	-
Fire	56.0	57.0	57.0	58.0	1.0
Development Services	11.0	11.0	12.0	13.0	1.0
Streets	6.4	6.4	7.4	7.4	-
Parks	22.0	22.0	21.0	25.0	4.0
Recreation	15.7	15.7	15.7	15.7	-
Total General Fund	223.2	224.9	226.9	235.1	8.2
Hotel Fund	16.7	17.0	17.0	17.0	-
Economic Development Fund	4.0	4.0	4.0	4.0	-
Airport Fund	3.4	3.4	4.4	4.4	-
Utility Fund	19.2	19.2	22.2	25.2	3.0
Stormwater Fund	2.0	2.0	4.0	4.0	-
TOTAL ALL FUNDS	268.5	270.5	278.5	289.7	11.2

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

fund

S U M M A R I E S

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

	SPECIAL REVENUE FUNDS					COMB.
	GEN. FUND	HOTEL	ECON. DEV.	COMB. GRAN.	COMB. OTHER	DEBT SVC. FUNDS
BEGINNING FUND BALANCES	\$18,084	\$3,027	\$1,439	\$35	\$4,043	\$190
Revenues						
Ad valorem tax	18,752	-	1,106	-	-	7,013
Non-property taxes	14,840	5,540	-	-	-	-
Franchise fees	2,332	-	-	-	50	-
Licenses and permits	740	-	-	-	-	-
Intergovernmental	-	-	-	8	-	-
Service fees	1,967	1,298	51	-	-	-
Fines and penalties	352	-	-	-	30	-
Rental income	8	627	-	-	-	-
Interest and other income	103	105	30	0	5	16
Total Revenues	39,094	7,570	1,186	9	85	7,029
Transfers from other funds	-	-	768	-	4,015	-
Total Available Resources	57,178	10,596	3,394	43	8,143	7,219
Expenditures						
Personnel Services	25,208	1,830	479	-	23	-
Supplies	1,403	110	24	-	216	-
Maintenance	3,453	430	23	-	391	-
Contractual Services	7,510	4,665	1,327	14	1,043	4
Capital Replacement/Lease	1,411	74	17	-	-	-
Debt Service	-	-	-	-	-	6,972
Capital Outlay	73	60	-	-	781	-
Total Operational Expenditures	39,059	7,170	1,870	14	2,454	6,976
Transfers to other funds	4,060	768	-	-	-	-
Capital Improvements	-	-	-	-	2,146	-
Total Expenditures	43,119	7,938	1,870	14	4,600	6,976
ENDING FUND BALANCES	\$14,059	\$2,658	\$1,524	\$29	\$3,543	\$243

*Totals may not exactly match due to rounding.

All Funds Subject to Appropriation (Expressed in \$000's)*
 City Council FY2020 Adopted Annual Budget
 With Comparisons to FY2019 Estimates and FY2018 Actual

Total Revenues	78,653
Decrease in Fund Balance	2,745
TOTAL APPROPRIABLE FUNDS	\$81,398

CAP. PROJ. FUNDS	PROPRIETARY FUNDS				INT. SVC.	TOTAL ALL FUNDS		
IIF	AIRPT.	UTILITY	STORM WATER	COMB. REPL.	19-20 BUD.	18-19 EST.	17-18 ACT.	
\$4,698	\$5,258	\$11,386	\$5,713	\$6,113	\$59,987	\$64,026	\$57,002	
288	-	-	-	-	27,160	25,084	23,784	
-	-	-	-	-	20,380	21,953	23,149	
-	-	-	-	-	2,382	2,635	2,624	
-	-	-	-	-	740	799	1,406	
-	50	-	-	-	58	64	156	
-	1,054	13,028	2,350	2,045	21,791	22,181	20,634	
-	-	-	-	-	382	380	359	
-	4,509	-	-	-	5,144	6,058	5,109	
60	80	95	54	69	616	535	2,234	
348	5,693	13,123	2,404	2,114	78,653	79,689	79,454	
45	-	-	-	-	4,828	6,187	4,118	
5,092	10,951	24,508	8,117	8,227	143,468	149,902	140,575	
-	4712	265	304	-	30,580	28,800	25,928	
-	41	218	21	-	2,033	1,908	1,675	
-	53	496	211	-	5,058	8,257	6,587	
-	262	8,199	368	8	23,399	24,707	22,540	
-	217	332	-	-	2,051	2,148	1,599	
-	854	1,514	544	-	9,884	9,253	9,633	
-	3,737	90	40	3,612	8,393	2,641	1,719	
-	5,636	13,113	1,488	3,620	81,398	77,714	69,682	
-	-	-	-	-	4,828	6,187	4,118	
-	1,973	1,813	1,181	-	7,113	6,015	2,749	
-	7,608	14,926	2,669	3,620	93,339	89,916	76,549	
\$5,092	\$3,343	\$9,583	\$5,448	\$4,607	\$50,130	\$59,987	\$64,026	



general fund

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.

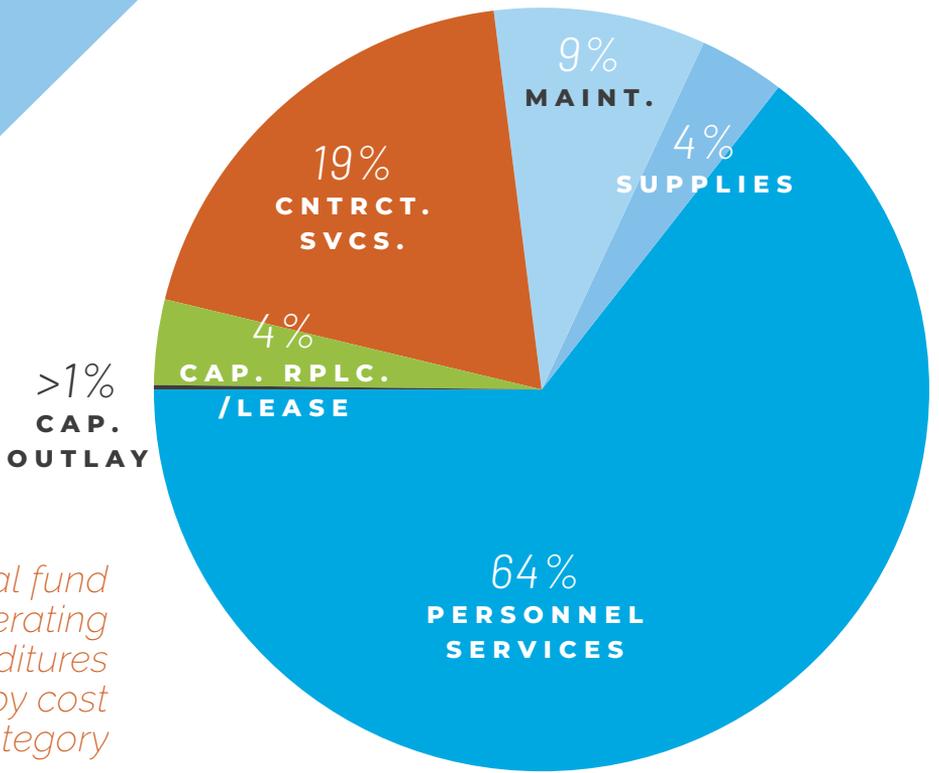
fund narrative

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.

general fund by major cost category

CATEGORY	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	21,896,480	23,726,320	23,668,164	25,208,310
Supplies	1,148,113	1,276,369	1,276,369	1,403,397
Maintenance	2,879,550	3,469,826	3,469,826	3,453,368
Contractual Services	7,020,944	7,456,130	7,514,286	7,504,948
Capital Replacement/Lease	1,410,809	1,478,344	1,478,344	1,410,673
Capital Outlay	150,716	28,000	28,000	73,000
TOTAL FUND BUDGET	\$34,506,612	\$37,434,989	\$37,434,989	\$39,053,696

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.



general fund operating expenditures by cost category

CONCLUDING FISCAL YEAR PERFORMANCE

Revenues for FY2019 are estimated to be \$39,027,766 which represents an increase of \$1,574,860 or 4.2 percent above FY2019 adopted budget revenues and is 3.0 percent below FY2018 actual revenues. The increase in estimated over budgeted FY2019 revenues is the result of increased in sales tax collections due to audits. Revenues collected from property taxes are expected to come in as budgeted.

Expenditures are expected to total \$37,434,989 in FY2019. The differences in revenues and a higher beginning fund balance contributed to an estimated ending fund balance of \$18,084,229, which is \$4,342,040 more than budgeted.

2019-2020 BUDGET NARRATIVE

There are four components that make up the Town's ad valorem tax rate of \$0.583500 per \$100 of appraised value: operations & maintenance, debt service, economic development and dedicated funding for the Infrastructure Investment Fund. A tax rate of \$0.404201 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 \$18,781,674. Other major tax revenues are sales taxes and alcoholic beverage taxes. Sales taxes and alcoholic beverage tax are projected to remain essentially flat from FY2019 to FY2020.

Total fund expenditures for the 2020 fiscal year have been appropriated at \$39,058,696 (excluding transfers) which is \$1,623,707 more than the FY2019 budget.

The ending fund balance of \$14,058,797 is 36.0 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 revenue¹.

¹Please refer to Appendix B for the Town's financial policies.

*general fund statement
of revenue & expenditures*

**ACT
17-18**

BEGINNING BALANCE **\$16,368,038**

Revenues

Ad valorem taxes	15,874,843
Non-property taxes	17,596,626
Franchise fees	2,566,839
Licenses and permits	1,404,035
Service fees	1,992,053
Fines and penalties	334,467
Interest earnings	333,190
Rental income	8,120
Other	193,357

Total Revenues **40,303,530**

Total Available Resources **56,671,568**

Expenditures

**GENERAL
GOVERNMENT**

City Secretary	180,167
City Manager	1,098,973
Finance	1,832,385
General Services	637,461
Municipal Court	623,809
Human Resources	629,992
Information Technology	1,865,571
Combined Services	1,186,403
City Council	312,580

**PUBLIC
SAFETY**

Police	8,726,035
Emergency Communications	1,375,968
Fire	7,713,285
Development Services	1,374,246
Streets	1,895,171

**PARKS
& REC**

Parks	3,381,066
Recreation	1,673,500

Total Expenditures **34,506,612**

Other Financing Sources (Uses)

Transfer to Other Funds 1,202,000

ENDING FUND BALANCE **\$20,962,956**

	BUD 18-19	EST 18-19	BUD 19-20
	\$17,832,687	\$20,962,956	\$18,084,229
	16,950,736	16,950,736	18,752,174
	14,900,000	16,423,000	14,840,000
	2,575,000	2,575,000	2,332,100
	798,800	798,800	740,200
	1,703,770	1,724,630	1,966,590
	320,000	351,000	352,000
	100,000	100,000	100,000
	6,600	6,600	7,600
	98,000	98,000	3,000
	37,452,906	39,027,766	39,093,664
	55,285,593	59,990,722	57,177,893
	180,089	180,089	207,783
	1,148,976	1,148,976	1,246,999
	1,820,814	1,820,814	1,849,829
	742,211	742,211	766,195
	737,885	737,885	739,563
	696,206	696,206	713,207
	2,100,593	2,100,593	2,220,737
	1,360,626	1,360,626	1,388,593
	341,507	341,507	346,811
	9,509,734	9,509,734	9,988,388
	1,383,152	1,383,152	1,432,188
	7,851,079	7,851,079	8,362,015
	1,611,844	1,611,844	1,626,900
	2,204,253	2,204,253	2,220,634
	3,882,652	3,882,652	4,044,545
	1,863,368	1,863,368	1,899,309
	37,434,989	37,434,989	39,053,696
	4,108,415	4,471,504	4,060,400
	\$13,742,189	\$18,084,229	\$14,063,797

*general fund statement
of revenues by source*

**ACT
17-18**

Ad valorem taxes	
Current taxes	15,904,272
Delinquent taxes	(73,767)
Penalty and interest	44,338
Non-property taxes	
Sales Tax	16,449,993
Alcoholic beverage tax	1,146,633
Franchise/right-of-way use fees	
Electric franchise	1,568,812
Gas franchise	229,319
Telecommunication access fees	468,770
Cable franchise	288,094
Street rental fee	11,844
Licenses and permits	
Business licenses and permits	117,157
Building and construction permits	1,286,878
Service fees	
General government	31
Public safety	975,404
Urban development	890
Streets and sanitation	412,898
Recreation	72,310
Interfund	530,520
Court fines	334,467
Interest earnings	333,192
Rental income	8,120
Recycling proceeds	11,407
Other	181,948
TOTAL REVENUES	\$40,303,530



BUD 18-19	EST 18-19	BUD 19-20
16,965,736	16,965,736	18,781,674
(45,000)	(45,000)	(70,000)
30,000	30,000	40,500
13,700,000	15,223,000	13,700,000
1,200,000	1,200,000	1,140,000
1,600,000	1,600,000	1,560,000
200,000	200,000	216,600
475,000	475,000	400,000
300,000	300,000	150,000
-	-	5,500
194,900	194,900	165,700
603,900	603,900	574,500
100	100	-
870,000	870,000	942,300
62,850	62,850	60,300
371,000	371,000	377,200
71,300	71,300	70,300
328,520	349,380	516,490
320,000	351,000	352,000
100,000	100,000	100,000
6,600	6,600	7,600
3,000	3,000	3,000
95,000	95,000	-
\$37,452,906	\$39,027,766	\$39,093,664

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 FY2019

- » 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 FY2020.

OBJECTIVES FOR FY2020

- » Identify initiatives that target 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 Chamber of Commerce (\$35,000)
- » Woven Health Clinic (\$5,000)
- » Metrocrest Social Services (\$66,120)
- » The Family Place (\$2,500)
- » Dallas Cat Lady (\$5,000)
- » Military Family Clinic – Metrocrest Services (\$5,000)

expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	28,734	29,483	29,483	29,483
Supplies	21,192	20,500	20,500	17,500
Maintenance	-	-	-	-
Contractual Services	259,274	288,260	288,260	296,991
Capital Replacement/Lease	3,380	3,264	3,264	2,837
Capital Outlay	-	-	-	-
TOTAL DEPT. BUDGET	\$312,580	\$341,507	\$341,507	\$346,811

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 FY2019

- » Filled multiple staff positions with quality personnel.
- » Worked with Economic Development, Parks and Recreation, and Special Events to develop strategic master plans.
- » Worked with Marketing and Communications to complete a resident survey.
- » Worked with Public Works and Engineering Services to complete and begin implementation of the Asset Management Plan.
- » Coordinated with multiple departments to establish the Citizen's Bond Committee and gather input on future bond election initiatives.

expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	908,802	951,447	924,447	1,061,103
Supplies	26,303	23,848	23,848	23,893
Maintenance	30,253	40,777	40,777	40,274
Contractual Services	119,828	113,922	140,922	110,333
Capital Replacement/Lease	13,787	18,982	18,982	11,396
Capital Outlay	-	-	-	-

TOTAL DEPT. BUDGET \$1,098,973 \$1,148,976 \$1,148,976 \$1,246,999

OBJECTIVES FOR FY2020

- » Lead initiatives that correlate with the top milestones identified by Council for FY2020.
- » Develop budget detail to improve efficiency and to lay the foundation for future budget initiatives.
- » Identify and implement new agenda management software and related processes.

staffing

	LEVEL	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
City Manager ¹	N/C	1.0	1.0	1.0	1.0
Deputy City Manager	48	2.0	2.0	2.0	2.0
Assistant to the City Manager	33	1.0	1.0	1.0	1.0
Management Assistant ²	25	0.0	0.0	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
TOTAL		5.5	5.5	6.5	6.5

¹ This position is not classified in the pay plan.

² This position was reclassified from a Deputy Court Clerk to a Management Assistant during FY2019.

secretary

department mission

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 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 FY2019

- » Streamlined and updated GovQA program.
- » Improved public and staff access to municipal records online and in LaserFiche by making complete legislative documents available.
- » Instituted inventory of all department records as the first step in instituting a New Records Management Plan.
- » Reviewed all documents stored in Laserfiche to ensure they are searchable and easily retrieved.
- » Established working relationships with Town Staff.

OBJECTIVES FOR FY2020

- » Provide in-house training for Staff to utilize full potential of various programs.
 - Utilize consultant (MCCi) for LaserFiche to assist staff with maximizing 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.
- » Reduce Staff response time on GovQA by half.
- » 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.



expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	62,877	94,889	94,889	122,583
Supplies	7,959	20,700	20,700	20,700
Maintenance	-	-	-	-
Contractual Services	109,331	64,500	64,500	64,500
Capital Replacement/Lease	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL DEPT. BUDGET	\$180,167	\$180,089	\$180,089	\$207,783

staffing

	LEVEL	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
City Secretary	33	1.0	1.0	1.0	1.0
TOTAL		1.0	1.0	1.0	1.0





C O M B I N E D services

department 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 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	38,376	7,642	7,642	7,642
Supplies	30,553	47,000	47,000	47,000
Maintenance	-	-	-	3,040
Contractual Services	1,117,474	1,305,984	1,305,984	1,330,911
Capital Replacement/Lease	-	-	-	-
Capital Outlay	-	-	-	-

TOTAL DEPT. BUDGET	\$1,186,403	\$1,360,626	\$1,360,626	\$1,388,593
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development

S E R V I C E S

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 FY2019

- » Building Inspection completed more than 1,500 plan reviews, issued almost 700 permits and completed more than 2,400 building inspections.
- » Increased the quality and standards for food service inspections.
- » Adopted the Addison Circle Special Area Study.
- » Finalized the demolition of the Super 8 Motel.

OBJECTIVES FOR FY2020

- » Complete Unified Development Code update.
- » Facilitate developer solicitation for Cotton Belt properties.
- » Coordinate with Dallas Area Rapid Transit (DART) and North Central Texas Council of Governments (NCTCOG) regarding Cotton Belt Rail and Trail construction.

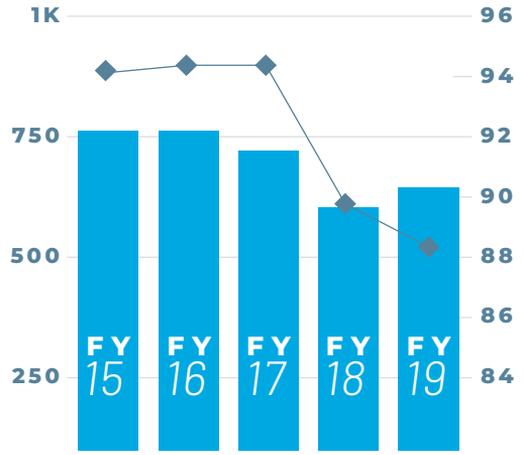
- » Expand use of the Enterprise Resource Planning software (EnerGov) throughout Town's various permitting processes.
- » Review pilot programs for short-term rentals and personal transport vehicles.



INSPECTIONS ■
AVG. SCORE ◆

number of food inspections & average scores

The department grades each food establishment for sanitary conditions. Any score higher than 80 is acceptable. Establishments with lower scores are given 24 hours to correct any deficiencies depending upon their size and grade history. Restaurants are inspected two to six times each year.



expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	966,109	1,213,052	1,181,896	1,285,120
Supplies	39,279	32,554	32,554	36,599
Maintenance	6,534	9,353	9,353	13,807
Contractual Services	321,315	312,545	343,701	223,587
Capital Replacement/Lease	41,009	44,340	44,340	32,787
Capital Outlay	-	-	-	35,000
TOTAL DEPT. BUDGET	\$1,374,246	\$1,611,844	\$1,611,844	\$1,626,900

staffing

	LEVEL	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Director of Dev. Services ²	43	0.0	0.0	1.0	1.0
Asst. Director of Dev. Services ²	40	1.0	1.0	0.0	0.0
Building Official	39	1.0	1.0	1.0	1.0
Dev. & Planning Mgr. ³	34	0.0	0.0	0.0	1.0
Environmental Health Mgr.	34	1.0	1.0	1.0	1.0
Senior Planner ³	30	1.0	1.0	1.0	0.0
Plans Examiner	26	1.0	1.0	1.0	1.0
Sr. Envir. Health Inspector ⁴	26	0.0	0.0	0.0	1.0
Code Enforcement Officer	24	1.0	1.0	1.0	1.0
Comb. Building Inspector	24	2.0	2.0	2.0	2.0
Envir. 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 ¹	17	0.0	1.0	1.0	1.0
TOTAL		11.0	12.0	12.0	13.0

¹ This position was added in FY2019.

² This position was reclassified in FY2019 from Assistant Director to Director.

³ This position was reclassified in FY2020 from Senior Planner to Development and Planning Manager.

⁴ This position was added in FY2020.

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 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	-	-	-	-
Supplies	-	-	-	-
Maintenance	32,342	26,643	26,643	52,752
Contractual Services	1,343,626	1,356,509	1,356,509	1,379,436
Capital Replacement/Lease	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL DEPT. BUDGET	\$1,375,968	\$1,383,152	\$1,383,152	\$1,432,188

finance

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.

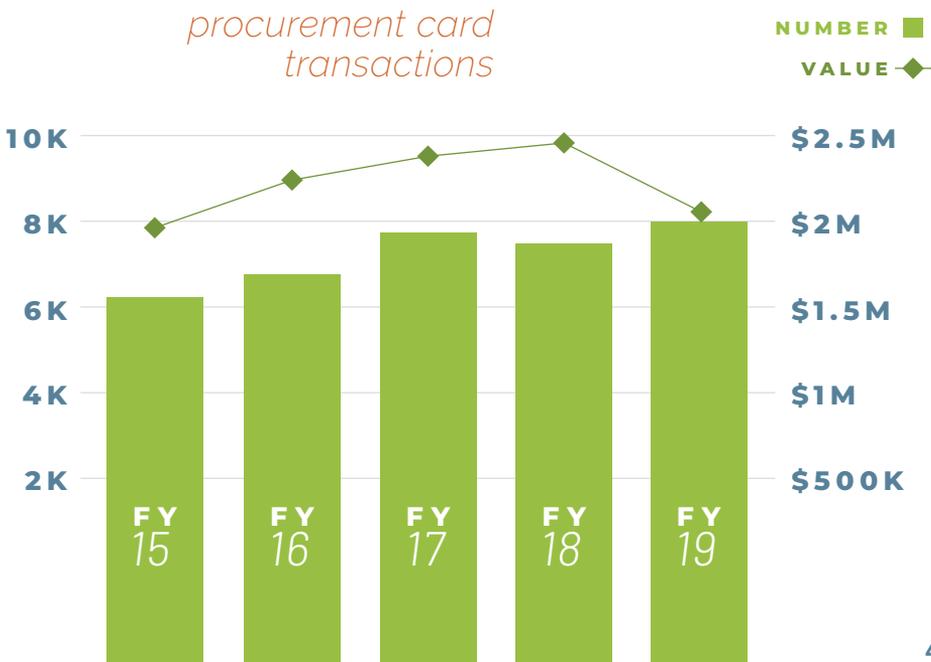
program narrative

ACCOMPLISHMENTS OF FY2019

- » Bond rating was upgraded by Moody's from Aa1 to Aaa (highest achievable rating).
- » Received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada (GFOA) for the 43rd consecutive year.
- » Received the Distinguished Budget Presentation Award from the GFOA for the 33rd consecutive year.

OBJECTIVES FOR FY2020

- » Implement Vendor Self Service so that vendors can easily update their information online.
- » Continue development of long-term financial plan and five-year capital improvements plan.
- » Complete inventory of Town leases for Governmental Accounting Standards Board (GASB) Statement 87: Leases implementation.



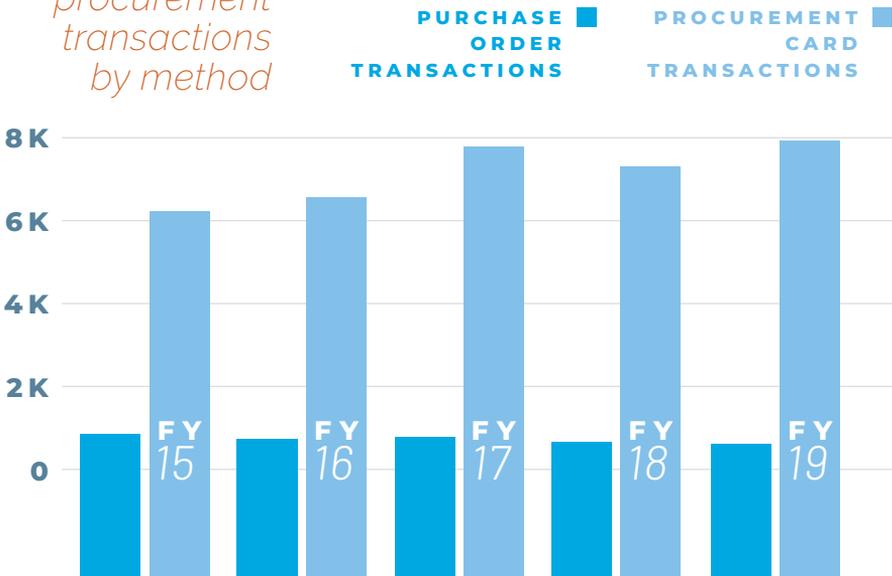
expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	1,148,145	1,303,557	1,303,557	1,344,127
Supplies	23,862	27,100	27,100	18,289
Maintenance	25,215	34,624	34,624	37,100
Contractual Services	585,254	409,851	409,851	420,396
Capital Replacement/Lease	49,909	45,682	45,682	29,917
Capital Outlay	-	-	-	-
TOTAL DEPT. BUDGET	\$1,832,385	\$1,820,814	\$1,820,814	\$1,849,829

staffing

	LEVEL	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Chief Financial Officer	45	1.0	1.0	1.0	1.0
Controller	40	1.0	1.0	1.0	1.0
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	31	2.0	2.0	2.0	2.0
Senior Budget Analyst	29	1.0	1.0	1.0	1.0
Accountant	27	1.0	1.0	2.0	2.0
Payroll Specialist	22	1.0	1.0	0.0	0.0
Accounting Specialist	21	3.0	3.0	3.0	3.0
TOTAL		13.0	13.0	13.0	13.0

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 FY2019

- » Received Council approval for capital purchase of a new Aircraft Rescue Fire-fighting apparatus to replace a 2001 Oshkosh T-1500 apparatus.
- » Recognized by the Texas Fire Chief's Association as a Texas Best Practices Fire Department.
- » Replaced all fire personal protective equipment as part of our cancer awareness and prevention program.
- » Replaced an end-of-life ambulance with a new ambulance.
- » Replaced an end-of-life utility vehicle with a more versatile squad.

- » Applied for Assistance to Firefighters Grant for a diesel exhaust removal system for both stations.

OBJECTIVES FOR FY2020

- » Address staffing needs.
- » Replace an end-of-life Special Events Cart with a new one.
- » Maintain a Class 1 ISO rating.
- » Maintain designation as Texas Best Practices agency.
- » Install new key retention systems in fire apparatus.
- » Continue to improve wellness and cancer awareness and prevention program.
- » Continue to seek innovative ways to improve our service levels.

expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	6,468,541	6,606,571	6,606,571	7,071,957
Supplies	247,149	252,595	252,595	262,629
Maintenance	298,384	258,145	258,145	267,392
Contractual Services	307,530	357,223	357,223	368,472
Capital Replacement/Lease	362,820	376,545	376,545	391,565
Capital Outlay	28,861	-	-	-
TOTAL DEPT. BUDGET	\$7,713,285	\$7,851,079	\$7,851,079	\$8,362,015



staffing

	LEVEL	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
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 - Admin. ¹	F8	0.0	0.0	0.0	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 Equip. 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 Chief	45	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
TOTAL		57.0	57.0	57.0	58.0

¹ This position was added in FY2020.



* Large Percentage of Loss was from the Super 8 Fire- \$2,200,000.

general

S E R V I C E S

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 FY2019

FACILITIES

- » Completed Year 1 of ADA Compliance Modifications.
- » Installed new fuel pumps and monitoring system.
- » Replaced Fire Station fire alarms.
- » Energy Management System (EMS) pilot program at Finance.

FLEET

- » Developed specifications, purchased and made-ready 13 replacement vehicles to include a Skeeter Fire apparatus and Fire pumper.
- » Engaged new fleet services vendor and further developed fleet analytic tracking methods.
- » Fleet availability 99.93%.
- » Awarded the DFW Clean Cities 2018 Bronze Fleet Award.

OBJECTIVES FOR FY2020

- » Establish an annual funding mechanism to address Town facility and equipment asset maintenance and replacement as outlined in the Facilities Assessment Plan.
- » Implement any approved Facilities-related bond projects.
- » Provide efficient response to maintenance work orders to enhance customer satisfaction.
- » Continue to utilize hybrid electric vehicles where applicable.
- » Coordinate and manage all facilities projects as approved.
- » Develop specifications, purchase and make-ready for 27 replacement vehicles

*fleet
downtime
(as a %
of time in
operation)*





expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	412,956	488,478	488,478	509,478
Supplies	20,005	21,398	21,398	21,443
Maintenance	103,241	91,461	91,461	95,649
Contractual Services	73,250	108,894	108,894	114,643
Capital Replacement/Lease	28,009	31,980	31,980	24,982
Capital Outlay	-	-	-	-
TOTAL DEPT. BUDGET	\$637,461	\$742,211	\$742,211	\$766,195

staffing

	LEVEL	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Director of General Services	41	1.0	1.0	1.0	1.0
Assistant Director ¹	38	1.0	0.0	0.0	0.0
Facilities Supervisor	27	1.0	1.0	1.0	1.0
Management Assistant	25	0.0	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
TOTAL		5.5	5.5	5.5	5.5

¹ This position was reclassified to a Management Assistant in FY2019.

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 FY2019

- » Launched new applicant tracking system that enhanced Town's ability to recruit the next generation of Addison employees while improving end user experience.
- » Implemented the second phase of the Town's compensation and classification study.
- » Enhanced the Town's employee recognition program to include additional staff and family friendly events to show appreciation for Addison employees.

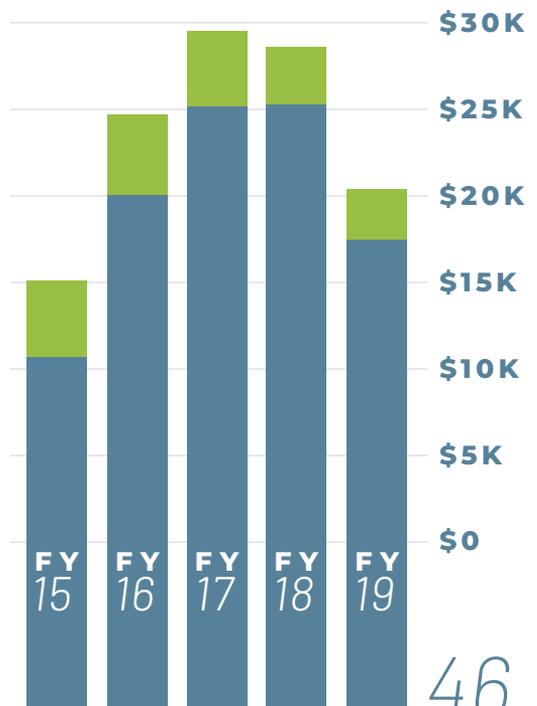
OBJECTIVES FOR FY2020

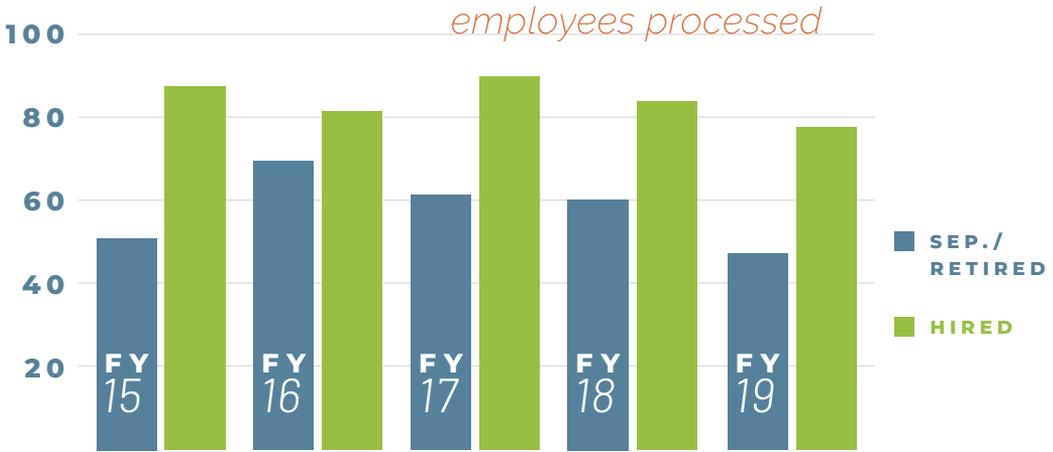
- » Continue to leverage human resources technology to communicate with applicants virtually.
- » Conduct direct pay market study of Town's comparison cities to evaluate pay competitiveness.
- » Review and implement comprehensive changes to the Town's medical insurance program that focuses on sustainability and choice.

TUITION REIMB.

GRADE BONUSES

tuition reimbursement





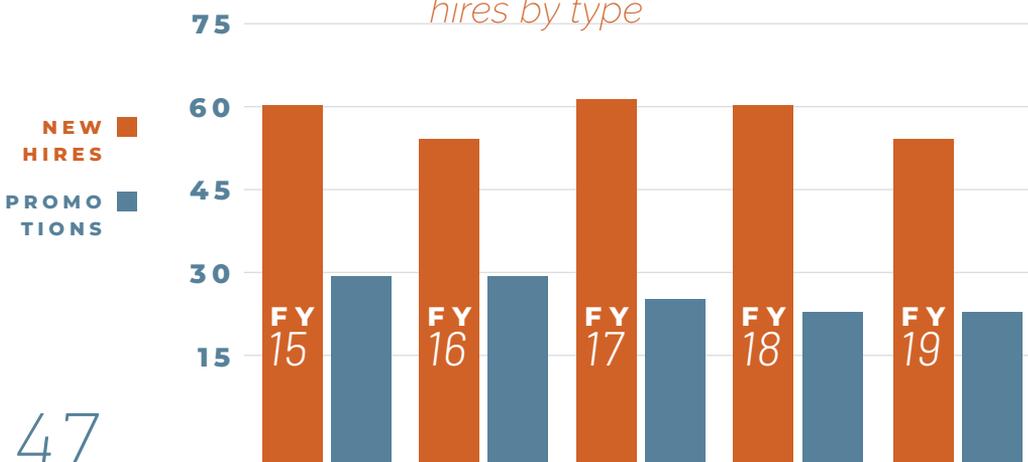
expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	440,865	485,000	485,000	504,112
Supplies	4,244	8,248	8,248	7,293
Maintenance	270	881	881	774
Contractual Services	172,769	190,233	190,233	191,747
Capital Replacement/Lease	11,844	11,844	11,844	9,281
Capital Outlay	-	-	-	-
TOTAL DEPT. BUDGET	\$629,992	\$696,206	\$696,206	\$713,207

staffing

	LEVEL	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
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	28	1.0	1.0	1.0	1.0
Human Resources Coordinator	26	1.0	1.0	1.0	1.0
TOTAL		4.0	4.0	4.0	4.0

hires by type



I N F O R M A T I O N

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 FY2019

- » Continued implementation of the Geographic Information System (GIS) gap analysis findings.
- » Continued implementation of the Addison Continuous Process Improvement Program (ACPIP).
- » Implemented a joint police Report Management System (RMS) with the City of Carrollton.
- » Deployed License Plate Reader (LPR) and optical cameras network pilot project at pre-defined locations.
- » Continued the implementation of the Enterprise Resource Planning (ERP) system.
- » Facilitated and managed the Town’s new website implementation.
- » Upgraded the phone system.
- » Completed our preliminary research and discovery to identify new and emerging technologies that we should consider for the replacement of the Town’s network equipment including both hardware and software.
- » Upgraded the Supervisory Control and Data Acquisition (SCADA) system.
- » Investigated and replaced the existing agenda management system.
- » Upgraded the digital citation system.
- » Upgraded the outdoor early warning siren system (6 locations).
- » Continued working with North Texas Emergency Communications Center (NTECC).
- » Began the implementation of Computerized Maintenance Management System (CMMS).
- » Completed a telecommunication audit.
- » Implemented an on-boarding system for Human Resources.
- » Implemented an access control system for the Police department.

staffing

	LEVEL	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
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
TOTAL		7.0	7.0	7.0	7.0

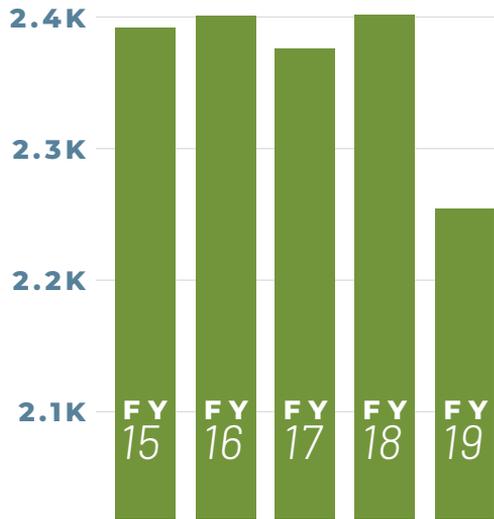
expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	1,069,999	1,095,829	1,095,829	1,138,212
Supplies	13,369	34,994	34,994	34,293
Maintenance	615,110	812,000	812,000	887,000
Contractual Services	91,432	127,894	127,894	130,426
Capital Replacement/Lease	42,781	29,876	29,876	30,806
Capital Outlay	32,880	-	-	-
TOTAL DEPT. BUDGET	\$1,865,571	\$2,100,593	\$2,100,593	\$2,220,737

OBJECTIVES FOR FY2020

- » Continue implementation of CMMS.
- » Complete implementation of the ACPIP.
- » Continue working with NTECC.
- » Continue updating the GIS system.
- » Upgrade the Town’s Local Area Network.
- » Expand the LPR and Optical cameras network Town-wide.
- » Continue fine tuning the RMS system.
- » Upgrade Town computers to Windows 10.
- » Upgrade Enterprise Resource Planning (ERP) system.
- » Evaluate benefits of implementing an Interactive Voice Response (IVR) system for the Development Services department.
- » Replace the Town’s Business Intelligence Open Data platform.
- » Complete reviewing, enhancing, and automating all departmental business processes with Laserfiche workflow module.
- » Design and create transactional, operational, and informational apps.

number of service calls



number of unique website visitors



*Data includes pageviews for website and microsities

municipal

C O U R T

department mission

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

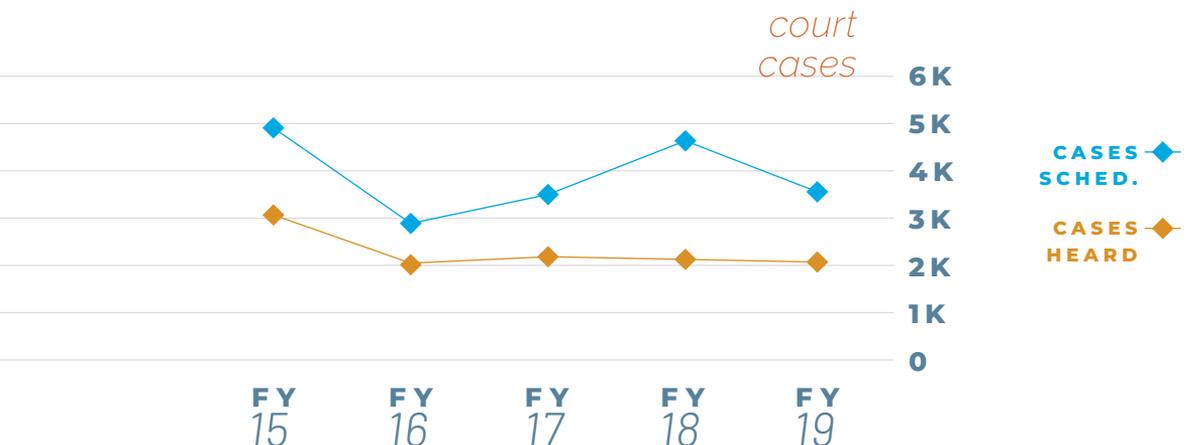
program narrative

ACCOMPLISHMENTS OF FY2019

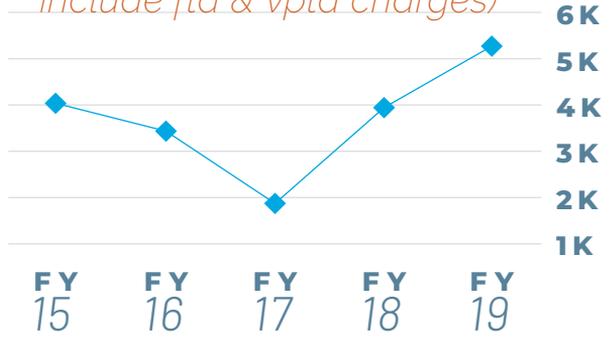
- » Certified and trained all court security personnel.
- » Installed a metal detector screener at the entrance to the Courtroom to enhance Court safety.
- » Increased physical security at the court clerk's window.
- » Continued to comply with mandates established by the Legislature and the Department 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-Court to allow video conferencing with the Judge. This permits customers to dispose of eligible cases via a video conference on their computer or wireless device.

OBJECTIVES FOR FY2020

- » Develop an online form for customers and attorneys to request court dates or information from the Court.
- » Evaluate new laws passed during the 2019 Texas Legislative Session to determine their impact on court procedures and implement necessary changes.
- » Expand window court to include video conferencing with the Judge to allow those customers who cannot come to court in person to dispose of their cases.



citations issued (doesn't include fta & vpta charges)



violations issues by type



expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	1,069,999	1,095,829	1,095,829	1,138,212
Supplies	13,369	34,994	34,994	34,293
Maintenance	615,110	812,000	812,000	887,000
Contractual Services	91,432	127,894	127,894	130,426
Capital Replacement/Lease	42,781	29,876	29,876	30,806
Capital Outlay	32,880	-	-	-
TOTAL DEPT. BUDGET	\$1,865,571	\$2,100,593	\$2,100,593	\$2,220,737

staffing

	LEVEL	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Municipal Judge ¹	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 ²	20	2.8	2.8	2.0	2.0
TOTAL		5.8	5.8	5.0	5.0

¹ This position is not classified in the pay plan.

² This position was reclassified to a Management Assistant in the City Manager's Office during FY2019.

P A R K S & R E C

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.

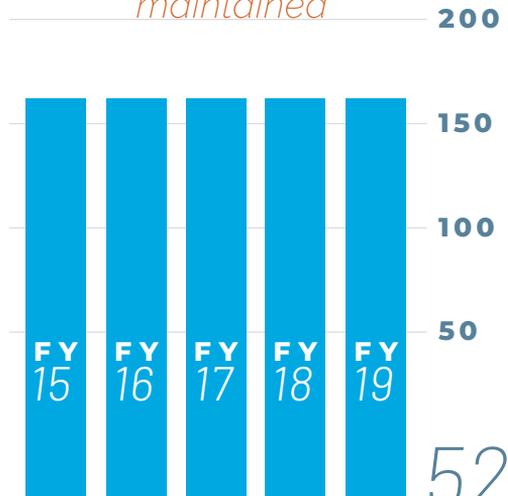
Parks is responsible for maintaining and stewarding 113+ acres of land that is comprised of 15 public parks, 5 greenbelts, 1 school recreation facility, and 65 acres of beautification areas and the associated fixed assets for each.

program narrative

ACCOMPLISHMENTS OF FY2019

- » Adoption of Parks, Recreation & Open Space Master Plan.
- » Adoption of Belt Line 1.5 schematic design.
- » Completion of Addison Circle Fountains renovation & modernization.
- » Trail planting along Loos Field, landscape refurbishments at Fire Station 1, North Addison Park, Lost in Wisconsin Sculpture, Celestial Road and Arapaho Road medians.

*acres
maintained*



OBJECTIVES FOR FY2020

- » Develop and move forward with an implementation strategy for the Parks, Recreation and Open Space Master Plan.
- » Complete Belt Line 1.5 enhancements between Marsh Lane and Midway Road.
- » Continue to implement the asset management plan.
- » Apply for Texas Parks & Wildlife Non-Urban Outdoor Recreation and Recreational Trails grants.
- » Identify and pursue other grant and funding opportunities.
- » Begin work to develop Trails and Bike Lane Master Plan.
- » Complete replacement of Winnwood Park gazebo and bridge.
- » Develop a vision to activate the northern edge of Addison Circle Park and begin implementation.
- » Implement landscape and Americans with Disabilities Act (ADA) improvements at Celestial Park.
- » Develop and implement a more detailed tree pruning and forestry management plan.
- » Improve response time to correct light outages.

expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	1,522,947	1,714,970	1,714,970	1,966,457
Supplies	241,646	220,616	220,616	346,303
Maintenance	660,619	971,348	971,348	736,913
Contractual Services	838,649	884,960	884,960	873,486
Capital Replacement/Lease	79,438	90,758	90,758	83,386
Capital Outlay	37,767	-	-	38,000

TOTAL DEPT. BUDGET \$3,381,066 \$3,882,652 \$3,882,652 \$4,044,545

staffing

	LEVEL	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Director of Parks & Recreation	43	1.0	1.0	1.0	1.0
Assistant Parks Director ²	38	1.0	1.0	0.0	0.0
Parks Contracts & Forestry Mgr.	33	1.0	1.0	1.0	1.0
Parks Superintendent	33	1.0	1.0	1.0	1.0
Landscape Architect ²	32	0.0	0.0	1.0	1.0
Parks Supervisor ³	25	3.0	3.0	3.0	4.0
Parks Maintenance Technician	24	1.0	1.0	1.0	1.0
Electrician ³	24	0.0	0.0	0.0	1.0
Licensed Irrigator	21	3.0	3.0	3.0	3.0
Groundskeeper - III ¹	21	2.0	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 ³	17	6.0	6.0	6.0	8.0
TOTAL		22.0	21.0	25.0	25.0

¹ This position was eliminated in FY2019.

³ This position was added in FY2020.

² This position was reclassified in FY2019 from Assistant Director to Landscape Architect.

P A R K S & R E C

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

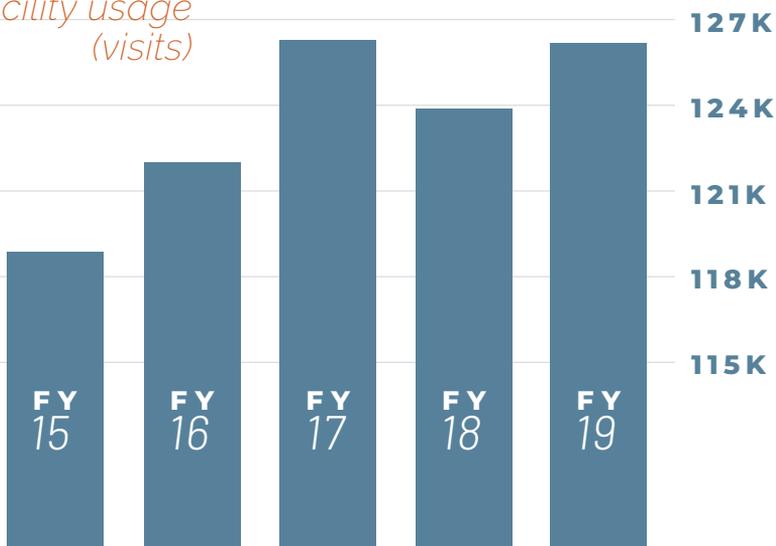
ACCOMPLISHMENTS OF FY2019

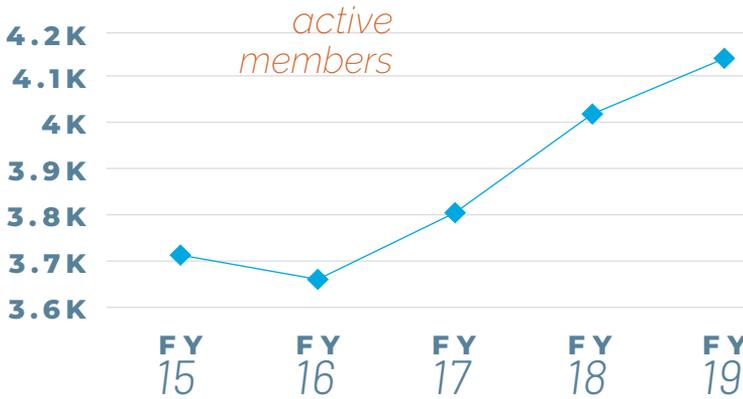
- » Development of Addison Outdoors program.
- » Addison Athletic Club Open House and Health Fair.
- » Completion of the Addison Athletic Club HVAC project.
- » Resurfacing of the indoor pool.
- » Replaced six treadmills.
- » Replaced the weight circuit.

OBJECTIVES FOR FY2020

- » Make progress modernizing and improving the facility.
- » Continue to grow Addison Outdoors program.
- » Review family & children's programming.
- » Review group exercise and adult fitness programming.

athletic club
facility usage
(visits)





expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	911,933	997,472	997,472	1,028,870
Supplies	153,210	179,232	179,232	180,971
Maintenance	208,702	206,559	206,559	208,628
Contractual Services	325,823	418,523	418,523	421,679
Capital Replacement/Lease	58,782	61,582	61,582	59,161
Capital Outlay	15,050	-	-	-
TOTAL DEPT. BUDGET	\$1,673,500	\$1,863,368	\$1,863,368	\$1,899,309

staffing

	LEVEL	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Asst. 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
TOTAL		15.7	15.7	15.7	15.7

police

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 FY2019

- » Selected Records Management System (RMS) vendor.
- » Completed firearms range rehabilitation.
- » Implemented License Plate Recognition (LPR) and optical cameras pilot project.
- » Grant awarded for \$95,000 to assist with National Incident Based System (NIBRS) transition by the Office of the Governor.
- » Peer support group and community mental health team in development.
- » Alarm calls decreased by 13% in the CRYWOLF program's first year.

OBJECTIVES FOR FY2020

- » Complete RMS project on-time and at or under budget.
- » Complete fleet purchase and buildout.
- » Activate peer support group and community mental health team.
- » Complete small, cosmetic renovations to interior of police building including common areas and breakroom and finish out jail space transition.
- » Continue to look for opportunities to build and maintain trust with citizens.
- » Additional LPR pilot program development.

expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	1,069,999	1,095,829	1,095,829	1,138,212
Supplies	13,369	34,994	34,994	34,293
Maintenance	615,110	812,000	812,000	887,000
Contractual Services	91,432	127,894	127,894	130,426
Capital Replacement/Lease	42,781	29,876	29,876	30,806
Capital Outlay	32,880	-	-	-
TOTAL DEPT. BUDGET	\$1,865,571	\$2,100,593	\$2,100,593	\$2,220,737

staffing

	LEVEL	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Assistant Police Chief	P6	1.0	1.0	1.0	1.0
Captain	P5	1.0	1.0	1.0	1.0
Lieutenant ²	P4	4.0	4.0	4.0	5.0
Sergeant ²	P3	7.0	7.0	7.0	8.0
Police Officer	P2	47.0	47.0	47.0	47.0
Police Chief	45	1.0	1.0	1.0	1.0
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 Tech ¹	20	0.0	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
TOTAL		71.0	72.0	72.0	74.0

¹ This position was added in FY2019.

² This position was added in FY2020.

historical ucr property & persons crimes



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 stormwater 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 FY2019

- » Hired new signs and signal technician.
- » Completed the traffic signal optimization project.
- » Completed 90% design of Midway Road Revitalization Project.
- » Completed design of Town Hall Drive and Lake Forest Drive.
- » Created 5-year streets maintenance plan.
- » Executed pavement Indefinite Delivery, Indefinite Quantity (IDIQ) contract.
- » Upgraded signal video detection at seven intersections.





OBJECTIVES FOR FY2020

- » Upgrade failing traffic signal communication system.
- » Begin construction of Midway Road Revitalization Project.
- » Continue and update street maintenance plan.

expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	440,105	544,692	544,692	550,129
Supplies	43,363	43,615	43,615	43,615
Maintenance	668,265	727,942	727,942	784,942
Contractual Services	642,798	792,879	792,879	778,124
Capital Replacement/Lease	64,482	67,125	67,125	63,824
Capital Outlay	36,158	28,000	28,000	-
TOTAL DEPT. BUDGET	\$1,895,171	\$2,204,253	\$2,204,253	\$2,220,634





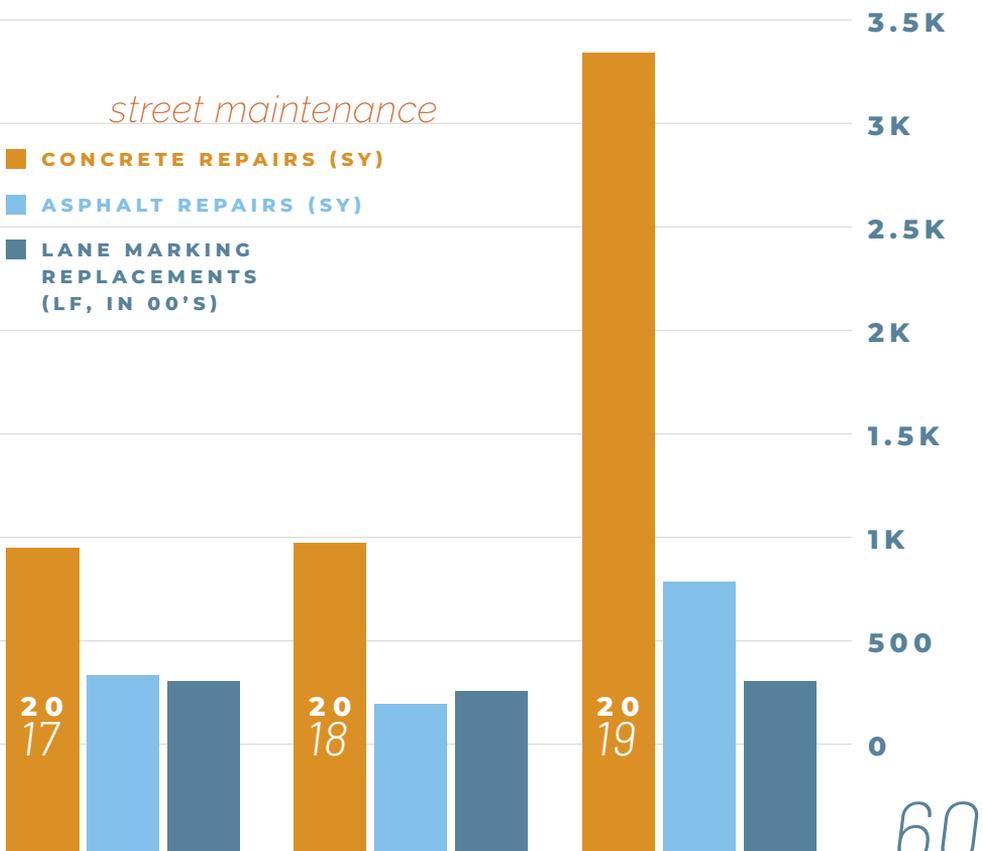
staffing

	LEVEL	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Streets & Stormwater Mgr.	34	0.4	0.4	0.4	0.4
Streets Maint. Supervisor	26	1.0	1.0	1.0	1.0
Street Maint. Crew Leader	23	1.0	1.0	1.0	1.0
Signs and Signals Technician ¹	22	1.0	2.0	2.0	2.0
Street Maintenance Worker	17	3.0	3.0	3.0	3.0
TOTAL		6.4	7.4	7.4	7.4

¹ This position was added in FY2019.

street maintenance

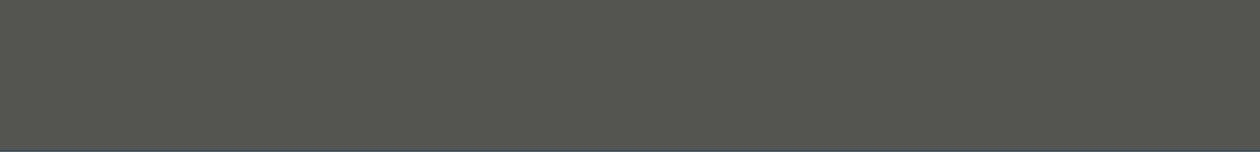
- CONCRETE REPAIRS (SY)
- ASPHALT REPAIRS (SY)
- LANE MARKING REPLACEMENTS (LF, IN 00'S)





*hotel
fund*

FINANCIAL / OPERATIONAL



hotel

FUND

fund description

The Hotel Fund accounts for the use of hotel/motel occupancy tax revenue generated by Addison's 23 hotels (representing over 4,000 rooms) and which is restricted by State legislation to directly enhancing and promoting tourism and the convention and hotel industry.

fund narrative

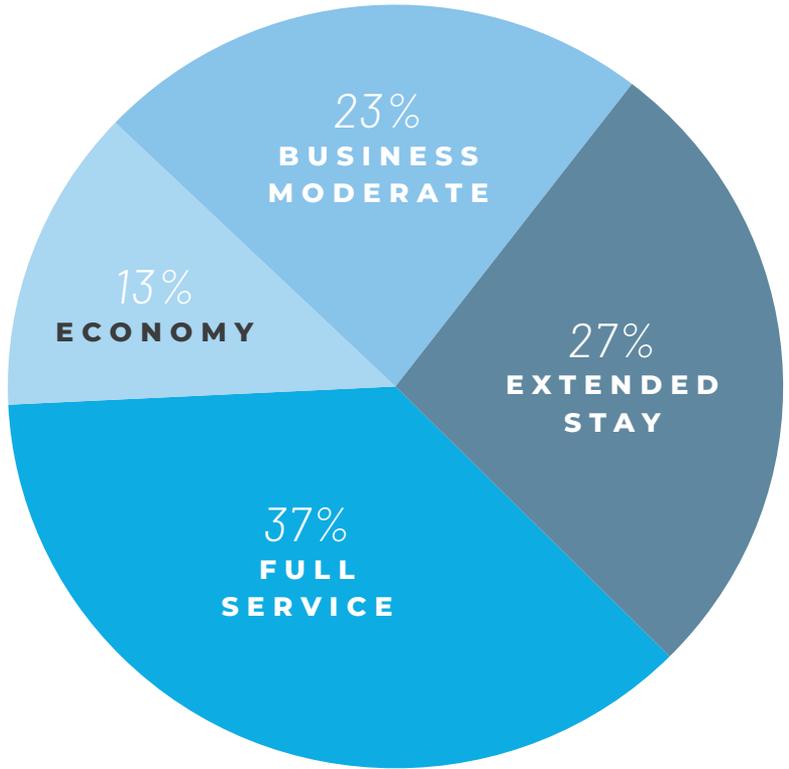
CONCLUDING FISCAL YEAR PERFORMANCE

At the time of budget adoption, FY2019 revenues were expected to total \$8,894,700, the amount budgeted. Hotel occupancy tax receipts are expected to decrease 0.4 percent from actual FY2018.

hotel fund by major cost category

CATEGORY	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	1,486,659	1,829,575	1,829,575	1,830,035
Supplies	95,880	111,966	111,966	110,349
Maintenance	377,119	428,547	428,547	430,199
Contractual Services	4,587,029	5,715,083	5,715,083	4,665,045
Capital Replacement/Lease	89,729	84,210	84,210	74,078
Capital Outlay	94,367	60,000	60,000	60,000
TOTAL FUND BUDGET	\$6,725,783	\$8,229,381	\$8,229,381	\$7,169,706

*percentage
of rooms
by hotel
category*



2019-2020 BUDGET NARRATIVE

The Hotel Fund budget for FY2020 anticipates hotel occupancy tax collections to increase \$10,000 from the FY2019 budget. Barring inclement weather during scheduled events, special event income is expected to generate approximately \$1.3 million. Rental income from the Conference Centre is projected at \$630,000, and the Theatre Centre rental income is projected at \$77,000.

Total fund operating expenditures excluding transfers for FY2020 are budgeted at \$7,169,706, which represents a 12.9 percent decrease over the FY2019 budget. The budget decrease is the result of efficiencies in Special Events Operations moving to a point-of-sale system. The Hotel Fund budget includes a transfer of \$768,000 to the Economic Development Fund for Tourism department expenses. Fund balance for FY2020 is projected to be \$2,658,296, which is 37.1 percent of operating expenditures and exceeds the minimum balance required by the Town's financial policies.

hotel fund statement of revenue & expenditures

	ACT 17-18	BUD 18-19	EST 18-19
BEGINNING BALANCE	\$3,839,188	\$3,533,182	\$4,122,537
Revenues			
Hotel/motel occupancy taxes	5,552,084	5,530,000	5,530,000
Proceeds from special events	1,570,391	2,647,700	2,647,700
Conference Centre rental	629,278	620,000	620,000
Theatre Centre rental	77,992	80,000	80,000
Interest earnings and other	555,313	17,000	17,000
Total Revenues	8,385,058	8,894,700	8,894,700
Total Available Resources	12,224,246	12,427,882	13,017,237
Expenditures			
Addison Theatre Center	352,605	395,452	395,452
Conference Centre	1,027,977	1,100,052	1,100,052
General Hotel Operations	150,178	161,470	161,470
Marketing	922,818	1,083,888	1,083,888
Performing Arts	445,000	445,000	445,000
Special Events	2,889,450	4,060,994	4,060,994
Special Events Operations	937,755	982,525	982,525
Total Operational Expenditures	6,725,783	8,229,381	8,229,381
Other Financing Sources (Uses)			
Transfer to Hotel Debt Service	710,800	-	-
Transfer to Economic Development	610,000	715,000	715,000
Capital Projects (cash funded)			
Addison Circle Fountain Repair	55,126	785,000	1,046,354
Total Expenditures	8,101,709	9,729,381	9,990,735
ENDING FUND BALANCE	\$4,122,537	\$2,698,501	\$3,026,502



*hotel fund
expenditures
by department*

**BUD
19-20**

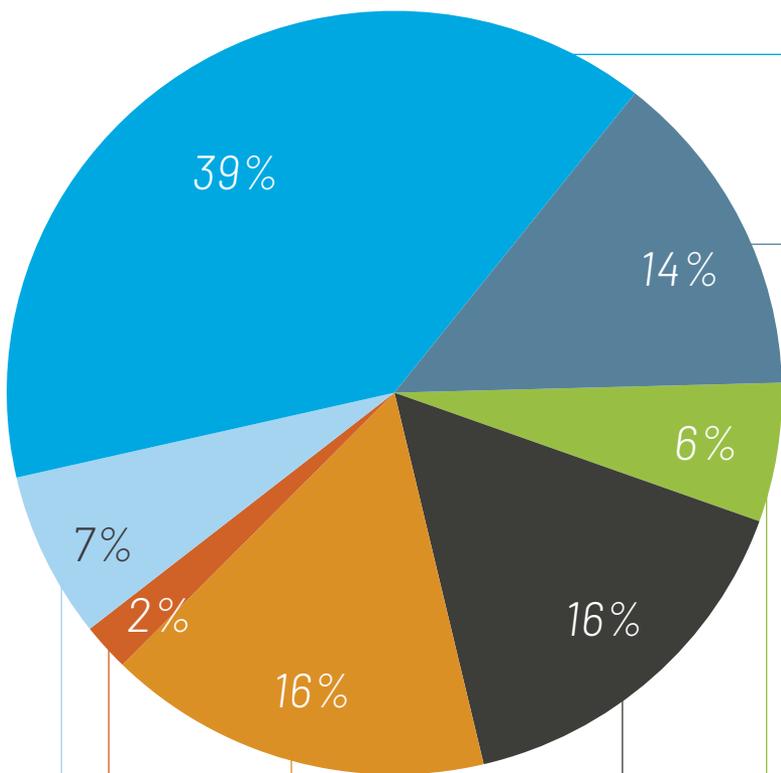
\$3,026,502

5,540,000
1,297,500
630,000
77,000
25,000
7,569,500
10,596,002

421,938
1,152,735
144,173
1,134,939
505,000
2,812,567
998,354
7,169,706

7,937,706

\$2,658,296



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.

program narrative

ACCOMPLISHMENTS OF FY2019

- » Launched a new Addison website including microsites for Visit Addison, Addison Conference and Theatre Centre, Airport, Police, Courts, and Economic Development.
- » Created a new website for AddisonAfterDark.com.
- » Completed the first resident survey in more than a decade.
- » Successfully hosted two Town meetings.
- » Expanded marketing efforts to the meeting planner segment to include print and digital ads in trade publications, geofencing planner conferences, and a CVENT upgraded profile, a lead generating platform which has provided an average of 2.5 RFPs per week.
- » Started meeting with hotel fund departments to create a more cohesive approach to marketing Addison as a destination.
- » Participated in the Addison Special Events strategic planning process.
- » Updated the Three-Year Strategic Communications Plan.
- » Completed an RFP process for the advertising agency for Economic Development and one for Special Events, Tourism and the Addison Conference and Theatre Centre.
- » Created collateral and videos to launch the new water billing platform.
- » Earned a TAMIO award for the Town's social media response to closing Oktoberfest.



OBJECTIVES FOR FY2020

- » In conjunction with Tourism, Special Events and the Addison Conference and Theatre Centre, develop Visit Addison Brand Pillars that will better position the framework for marketing Addison as a destination.
- » Develop a marketing plan for Visit Addison and each signature event.
- » Develop a content strategy plan and calendar to direct digital content creation with the inclusion of influencers and user-generated content.
- » Continue to work closely with the other hotel fund departments to build a cohesive Visit Addison brand.
- » Continue to incorporate more video content into our marketing strategy and grow Addison's YouTube channel.
- » Continue to build strong relationships with our hotel, restaurant and attraction partners.

<i>expenditures</i>	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	225,904	246,593	246,593	255,080
Supplies	1,826	2,748	2,748	2,793
Maintenance	232	1,841	1,841	2,675
Contractual Services	688,851	826,840	826,840	876,487
Capital Replacement/Lease	6,005	5,866	5,866	2,904
Capital Outlay	-	-	-	-
TOTAL DEPT. BUDGET	\$922,818	\$1,083,888	\$1,083,888	\$1,139,939

<i>staffing</i>	LEVEL	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Director of Public Comm.	41	1.0	1.0	1.0	1.0
Marketing & Comm. Specialist	27	1.0	1.0	1.0	1.0
TOTAL		2.0	2.0	2.0	2.0

conference centre

department mission

To promote the convention and tourism industry in Addison by offering exceptional service in a unique and architecturally-inspired meeting and event venue.

program narrative

ACCOMPLISHMENTS OF FY2019

- » Reached revenue goal.
- » Purchased and updated more audio and video equipment to keep us modern and competitive.
- » Introduced the new sole preferred caterer.

OBJECTIVES FOR FY2020

- » Implement a new marketing plan.
- » Building Assessment in coordination with General Services.
- » Revenue increase from FY2019.

\$700K

\$650K

\$600K

\$550K

\$500K

\$450K

rental
revenue

FY
15

FY
16

FY
17

FY
18

FY
19

6.9



expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	418,865	548,824	548,824	544,705
Supplies	40,058	45,499	45,499	45,115
Maintenance	137,081	169,753	169,753	168,562
Contractual Services	338,025	278,982	278,982	340,567
Capital Replacement/Lease	26,010	26,994	26,994	23,786
Capital Outlay	67,938	30,000	30,000	30,000
TOTAL DEPT. BUDGET	\$1,027,977	\$1,100,052	\$1,100,052	\$1,152,735

staffing

	LEVEL	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Conf. Ctr. Supervisor	31	1.0	1.0	1.0	1.0
Conf. Ctr. Sales Coordinator	26	1.0	1.0	1.0	1.0
Conf. Ctr. Events Coordinator	23	1.0	1.0	1.0	1.0
Sr. Conf. Ctr. Attendant	18	1.0	1.0	1.0	1.0
Audio Visual Technician	18	1.0	1.0	1.0	1.0
Office Assistant	16	1.0	1.0	1.0	1.0
Conf. Ctr. Attendant	15	2.5	2.5	2.5	2.5
TOTAL		8.5	8.5	8.5	8.5

general hotel

O P E R A T I O N S

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.

expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	92,574	103,573	103,573	107,136
Supplies	2,216	6,750	6,750	4,657
Maintenance	-	-	-	-
Contractual Services	55,388	51,147	51,147	32,380
Capital Replacement/Lease	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL DEPT. BUDGET	\$150,178	\$161,470	\$161,470	\$144,173

staffing

	LEVEL	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Accounting Supervisor	33	1.0	1.0	1.0	1.0
TOTAL		1.0	1.0	1.0	1.0

ACCOMPLISHMENTS OF FY2019

- » Seven hotel tax audits completed.
- » Transitioned hotel tax forms to an on-line process and the Citizen Self Service portal.
- » Assisted Special Events in new reporting utilizing point-of-sale system and updated Cash Management manual.
- » Implemented a quarterly Grant Use Review of non-profits by Town staff and the Community Partner Bureau members.

OBJECTIVES FOR FY2020

- » 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 organization grant funding are consistently followed.

addison theatre

C E N T R E

department mission

To enrich lives by hosting and producing exceptional performing arts. This is done in conjunction with WaterTower Theatre and other DFW arts organizations.

program narrative

ACCOMPLISHMENTS OF FY2019

- » Continued replacement of old sound equipment.
- » Replaced old seating element rails and steps.
- » Produced shows internally.
- » Continued to increase the variety of cliental.

OBJECTIVES FOR FY2020

- » Continue to replace and improve equipment in all spaces.
- » Increase the amount of new and exciting performing arts clients.
- » Create an identity as a rentable venue for performing arts.
- » Facilitate and assist with the needs of the resident company and non-resident companies.

expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	68,334	88,159	88,159	90,357
Supplies	27,035	33,250	33,250	33,250
Maintenance	120,315	112,115	112,115	112,969
Contractual Services	98,075	116,868	116,868	142,991
Capital Replacement/Lease	12,417	15,060	15,060	12,371
Capital Outlay	26,429	30,000	30,000	30,000
TOTAL DEPT. BUDGET	\$352,605	\$395,452	\$395,452	\$421,938

staffing

	LEVEL	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Technical Specialist	31	1.0	1.0	1.0	1.0
TOTAL		1.0	1.0	1.0	1.0

performing

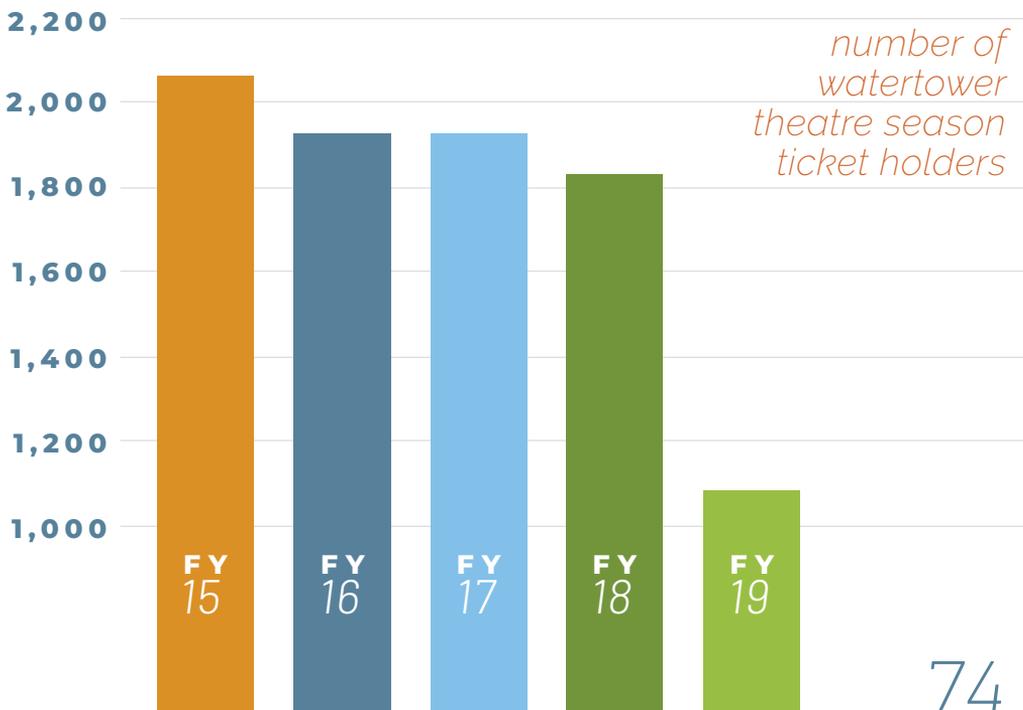
A R T S

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 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	-	-	-	-
Supplies	-	-	-	-
Maintenance	-	-	-	-
Contractual Services	445,000	445,000	445,000	505,000
Capital Replacement/Lease	-	-	-	-
Debt Service	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL DEPT. BUDGET	\$445,000	\$445,000	\$445,000	\$505,000



special

E V E N T S

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 FY2019

- » Completed a strategic planning process, along with Marketing, Economic Development, Tourism and the Addison Conference Centre. This provided a 5-year plan to grow Addison as a tourism and event destination.
- » Successfully transitioned food and beverage sales from Tasty Bucks to a point-of-sale software system.
- » Introduced Addison After Dark, a new event series replacing Summer Series, designed to increase attendance and expand the event calendar.
- » Moved Taste Addison to a new weekend, implemented multiple new enhancements, and partnered with new media organizations which led to increased coverage.
- » Enhanced Addison Kaboom Town! with a 7% increase in fireworks shells and new stage entertainment.
- » Revamped ticket pricing, hours and site layout of both Taste Addison and Addison Oktoberfest and introduced festival merchandise sales.

OBJECTIVES FOR FY2020

- » Focus on implementation of strategic plan goals, including:
 - Centralized, coordinated operation of tourism-focused activities.
 - Enhanced, centralized third-party permit process.
 - Expanded event social media presence and engagement.
 - Expanded Addison event calendar.
- » Continue to enhance and grow Taste Addison.
- » Work with Airport to ensure continued success of Addison Kaboom Town! airshow and fireworks display with new fixed based operator.



expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	307,993	418,819	418,819	396,455
Supplies	-	-	-	-
Maintenance	-	-	-	-
Contractual Services	2,581,457	3,642,175	3,642,175	2,416,112
Capital Replacement/Lease	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL DEPT. BUDGET	\$2,889,450	\$4,060,994	\$4,060,994	\$2,812,567

operations

expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	367,989	423,607	423,607	436,302
Supplies	24,745	23,719	23,719	24,534
Maintenance	119,491	144,838	144,838	145,993
Contractual Services	380,233	354,071	354,071	356,508
Capital Replacement/Lease	45,297	36,290	36,290	35,017
Capital Outlay	-	-	-	-
TOTAL DEPT. BUDGET	\$937,755	\$982,525	\$982,525	\$998,354

staffing

	LEVEL	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
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
TOTAL		4.5	4.5	4.5	4.5

- **FORK & CORK** ■ **OKTOBERFEST** ■ **OTHERS**
- **TASTE ADDISON** ■ **KABOOM TOWN!**



other funds

FINANCIAL / OPERATIONAL

debt service

F U N D S

general obligation

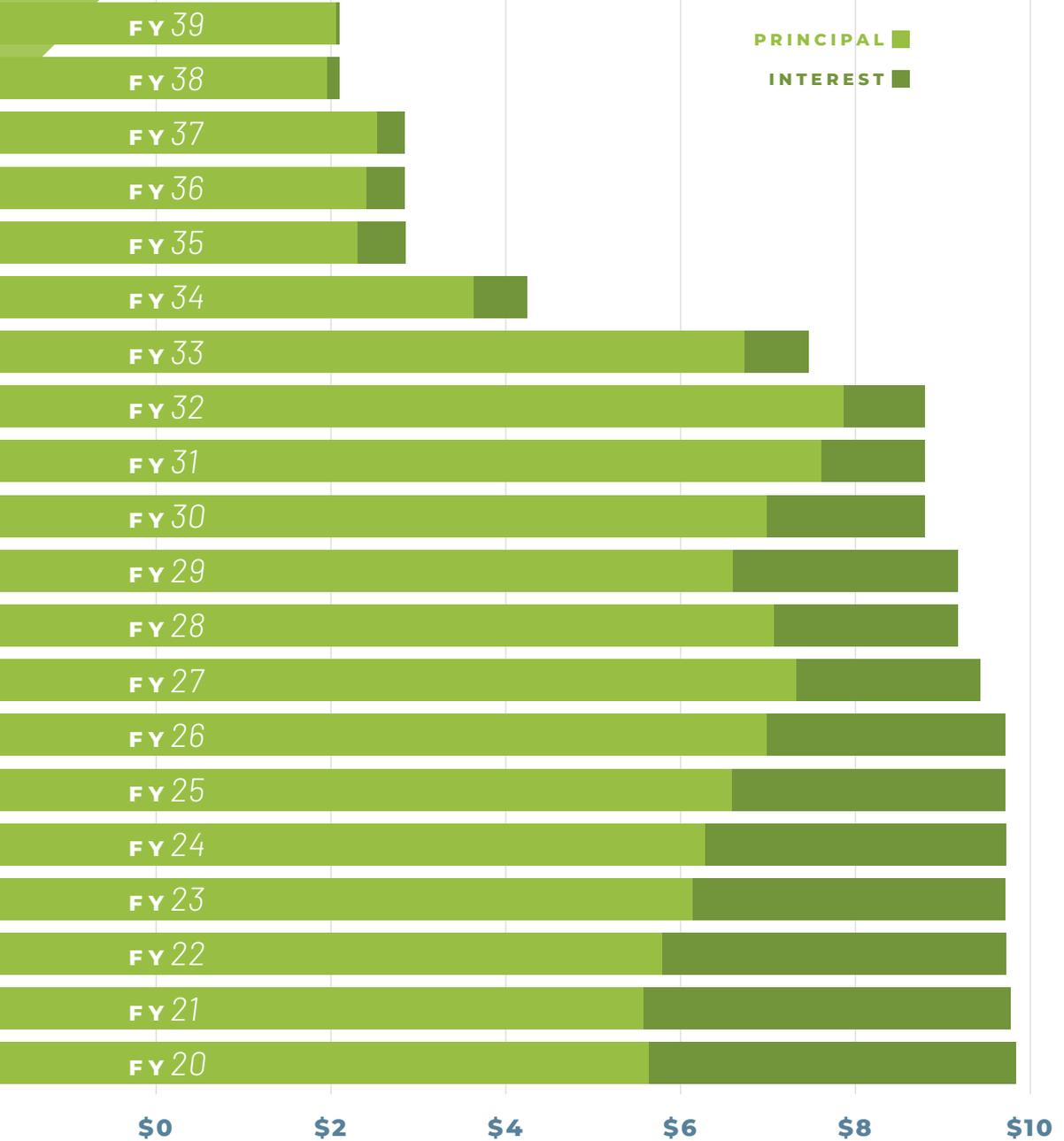
fund description

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 general obligation debt outstanding including principal and interest is approximately \$100 million. This amount includes general obligation refunded issues, certificates of obligation, and tax notes issued 2008 through 2019. The projected FY2020 requirements are estimated at \$6,966,638. The total amount of outstanding debt represents 2.1% of assessed value. \$16.9 million in Combination Tax and Revenue Certificates of Obligation were issued September 10, 2019.

*general obligation debt service
outstanding (in millions)*



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 \$0.583500 falls well under this limit. The following table reflects the allocation of the property tax levy between debt service and General Fund operations for FY2020 and previous years:

	2015 -16	2016 -17	2017 -18	2018 -19	2019 -20
Debt Service	0.202426	0.179257	0.153042	0.142648	0.149383
O & M	0.376724	0.381215	0.396958	0.407352	0.434117
TOTAL	0.579150	0.560472	0.550000	0.550000	0.583500



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

	ACT 17-18	BUD 18-19
BEGINNING BALANCE	\$370,527	\$398,027
Revenues		
Ad valorem taxes	6,615,686	6,769,908
Interest earnings and other	16,131	13,600
Total Revenues	6,631,817	6,783,508
Total Available Resources	7,002,344	7,181,535
Expenditures		
Contractual Services	3,739	2,000
Debt Service	6,830,070	6,760,208
Total Expenditures	6,833,809	6,762,208
ENDING FUND BALANCE	\$168,535	\$419,327



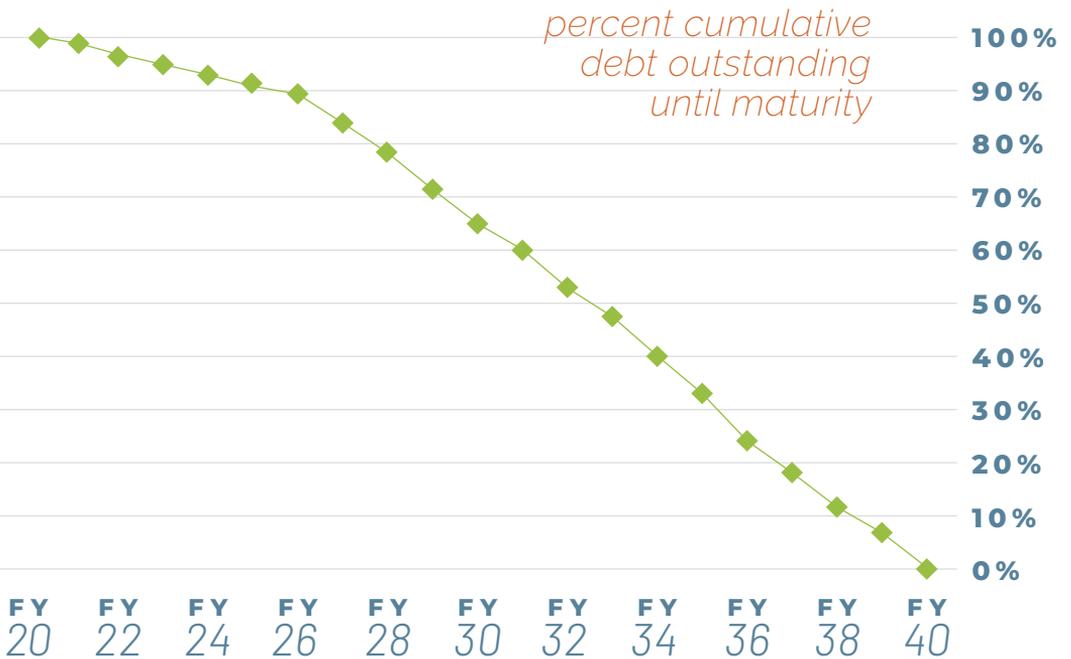


EST	BUD
18-19	19-20

\$168,535	\$189,835
-----------	-----------

6,769,908	7,013,238
13,600	16,000
6,783,508	7,029,238
6,952,043	7,219,073

2,000	9,300
6,760,208	6,966,638
6,762,208	6,975,938
\$189,835	\$243,135



economic development

F U N D

economic development fund statement of revenue & expenditures

	ACT 17-18	BUD 18-19
BEGINNING BALANCE	\$1,295,762	\$1,251,488
Revenues		
Ad valorem taxes	1,024,998	1,080,834
Service Fees	58,304	60,500
Interest earnings and other	23,162	7,000
Total Operational Revenue	1,106,464	1,148,334
Transfers from other funds	610,000	715,000
Total Revenues	1,716,464	1,863,334
Total Available Resources	3,012,226	3,114,822
Expenditures		
Personnel services	412,407	463,125
Supplies	16,200	23,604
Maintenance	16,980	22,866
Contractual Services	1,011,926	1,329,252
Capital replacement/lease	17,688	22,021
Total Operational Expenditures	1,475,201	1,860,868
Transfers to other funds	100,000	-
Total Expenditures	1,575,201	1,860,868
ENDING FUND BALANCE	\$1,437,025	\$1,253,954

	EST 18-19	BUD 19-20
	\$1,437,025	\$1,439,491
	1,080,834	1,105,981
	60,500	50,500
	7,000	30,000
	1,148,334	1,186,481
	715,000	768,000
	1,863,334	1,954,481
	3,300,359	3,393,972
	463,125	479,272
	23,604	23,645
	22,866	23,237
	1,329,252	1,327,180
	22,021	16,997
	1,860,868	1,870,331
	-	-
	1,860,868	1,870,331
	\$1,439,491	\$1,523,641

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 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 increasing business and leisure travel to Addison.

program narrative

ACCOMPLISHMENTS OF FY2019

- » Completed a new Economic Development Strategic Plan.
- » Launched a new Coworking in the Park Program.
- » Helped launch new economic development microsite with a stronger emphasis on up-to-date demographics and local data.
- » Managed service agreements with the World Affairs Council and Metrocrest Chamber of Commerce.
- » Conducted monthly meet and greet of-office building events.
- » Conducted thirty local company visits.
- » Responded to six corporate relocation proposals.

- » Negotiated and renewed TreeHouse of-office lease.
- » Staff participation in Leadership Metrocrest.
- » Staff participation in North Central Texas Council of Governments Economic Development District Board.

OBJECTIVES FOR FY2020

- » Develop and implement work plan that correlates to the new Economic Development Strategic Plan goals.
- » Launch new economic development marketing campaign.
- » Develop a stronger online survey portal for local businesses to provide input.
- » Evaluate incentive program beneficial to redevelopment efforts.

expenditures

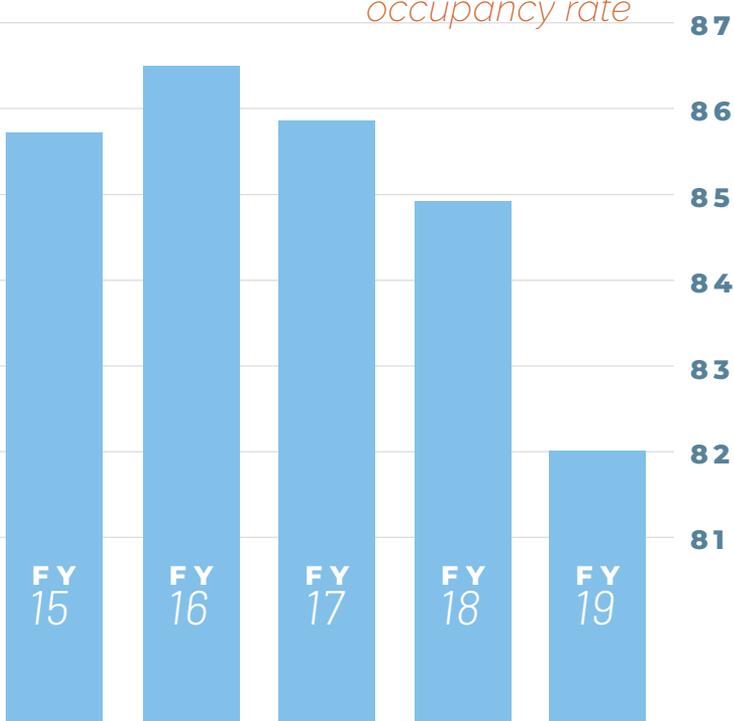
	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	341,671	384,209	384,209	397,820
Supplies	13,806	18,709	18,709	18,709
Maintenance	16,980	22,866	22,866	23,091
Contractual Services	544,889	700,287	700,287	647,477
Capital Replacement/Lease	15,894	22,021	22,021	15,279
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	\$933,240	\$1,148,092	\$1,148,092	\$1,102,376

staffing

	LEVEL	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Director of Econ. Dev.	45	1.0	1.0	1.0	1.0
Econ. Dev. Manager	35	1.0	1.0	1.0	1.0
Econ. Dev. Coordinator ¹	20	0.0	0.0	1.0	1.0
Department Assistant ¹	19	1.0	1.0	0.0	0.0
TOTAL		3.0	3.0	3.0	3.0

¹ This position was reclassified from a Department Assistant to an Economic Development Coordinator during FY2019.

occupancy rate





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 FY2019

- » Created new content for the Visit Addison website, including details on meeting planning.
- » Expanded our marketing efforts to the meeting planner segment to include digital and print advertising in meeting planner trade publications, geofencing planner conferences, and a CVENT upgraded profile (a lead generating platform which has provided an average of 2.5 RFPs per week).
- » Stronger emphasis placed on meeting with hotel fund departments to create a more cohesive approach to marketing Addison as a destination.

OBJECTIVES FOR FY2020

- » In conjunction with the Marketing Department, continue developing Visit Addison Brand Pillars that will better position the framework for marketing Addison as a destination.
- » Continue to work closely with the other hotel funds departments to build a cohesive Visit Addison brand.
- » Incorporate more video content into our marketing strategy.
- » Continue to build strong relationships with our hotel, restaurant, and attraction partners.

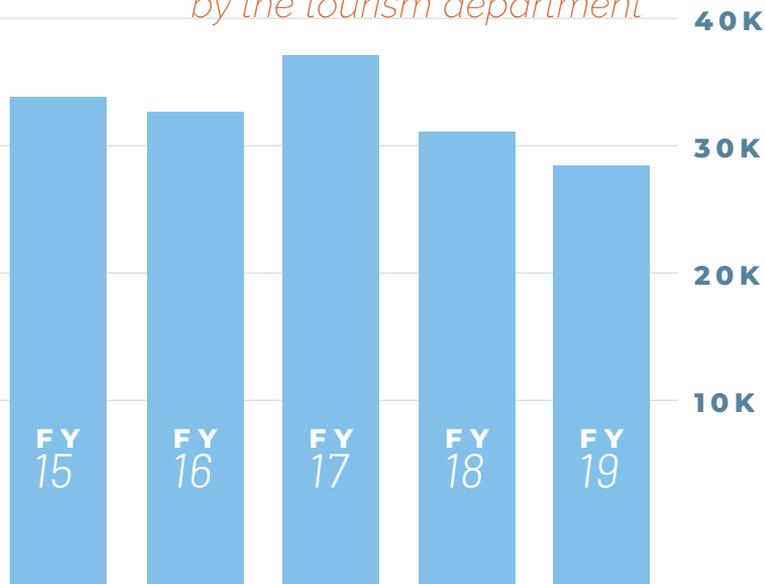
expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	70,736	78,916	78,916	81,452
Supplies	2,394	4,895	4,895	4,936
Maintenance	-	-	-	146
Contractual Services	467,037	628,965	628,965	679,703
Capital Replacement/Lease	1,794	-	-	1,718
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	\$541,961	\$712,776	\$712,776	\$767,955

staffing

	LEVEL	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Tourism Coordinator	28	1.0	1.0	1.0	1.0
TOTAL		1.0	1.0	1.0	1.0

*hotel room nights generated
by the tourism department*



grant

F U N D S

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.

<i>statement of revenue & expenditures</i>	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
BEGINNING BALANCE	\$31,058	\$31,059	\$34,167	\$34,667
Revenues				
Intergovernmental	106,322	14,000	14,000	8,100
Interest and other income	758	200	200	400
Total Revenues	107,080	14,200	14,200	8,500
Total Available Resources	138,138	45,259	48,367	43,167
Expenditures				
Personnel services	8,000	-	-	-
Supplies	19,742	-	-	-
Contractual services	10,903	13,700	13,700	13,700
Capital outlay	65,326	-	-	-
Total Expenditures	103,971	13,700	13,700	13,700
ENDING FUND BALANCE	\$34,167	\$31,559	\$34,667	\$29,467

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.

would have otherwise been funded by debt financing, or to fund significant non-routine capital outlay expenditures. The FY2020 budget allocates \$0.006201 of the property tax rate to fund the IIF for future appropriations. The FY2020 beginning fund balance in the Infrastructure Investment Fund is estimated to be almost \$4.7 million.

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

No new projects are planned in FY2020. The projected fund balance at the end of FY2020 is approximately \$5.4 million.

statement of revenue & expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
BEGINNING BALANCE	\$5,152,351	\$3,914,024	\$4,585,191	\$4,698,143
Revenues				
Ad valorem taxes	268,143	282,641	282,641	288,422
Interest and other income	67,936	20,000	20,000	60,000
Transfers from other funds	-	1,000,000	1,000,000	45,000
Total Revenues	336,079	1,302,641	1,302,641	393,422
Total Available Resources	5,488,430	5,216,665	5,887,832	5,091,565
Expenditures				
ADA Transition Plan	91,530	-	-	-
Park Playground Struc. & Resurface	70,398	-	-	-
Belt Line Road Streetscape	73,381	-	126,619	-
Public Safety Facility Improvements	167,930	-	563,070	-
Total Expenditures	403,239	-	689,689	-
Transfer out to Ad. Grove Escrow Fund	500,000	500,000	500,000	-
ENDING FUND BALANCE	\$34,167	\$31,559	\$34,667	\$29,467

other special revenue

F U N D S

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 FY2020. The projected ending fund balance is \$3,019,186.

statement of revenue & expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
BEGINNING BALANCE	\$1,000,000	\$2,000,000	\$2,019,186	\$3,019,186
Revenues				
Interest and other income	19,186	-	-	-
Transfers from other funds	1,000,000	1,000,000	1,000,000	-
Total Revenues	1,019,186	1,000,000	1,000,000	-
Total Available Resources	2,019,186	3,000,000	3,019,186	3,019,186
Expenditures				
Capital improvements	-	-	-	-
Total Expenditures	-	-	-	-
ENDING FUND BALANCE	\$2,019,186	\$3,000,000	\$3,019,186	\$3,019,186

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 FY2020, budgeted expenses are for bailiffs and other costs associated with security. The available ending fund balance is projected at \$22,018, leaving 95.1% of operating expenditures.

statement of revenue & expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
BEGINNING BALANCE	\$53,583	\$40,453	\$46,844	\$34,181
Revenues				
Fines and penalties	8,241	7,000	10,100	10,500
Interest and other income	689	400	400	500
Total Revenues	8,930	7,400	10,500	11,000
Total Available Resources	62,513	47,853	57,344	45,181
Expenditures				
Personnel services	15,669	23,163	23,163	23,163
Contractual services	-	-	-	-
Total Expenditures	15,669	23,163	23,163	23,163
ENDING FUND BALANCE	\$46,844	\$24,690	\$34,181	\$22,018

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 FY2020, 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 \$56,684, leaving 283% of operating expenditures.

statement of revenue & expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
BEGINNING BALANCE	\$86,908	\$80,306	\$84,284	\$70,284
Revenues				
Fines and penalties	3,473	2,800	5,400	5,500
Interest and other income	1,189	600	600	900
Total Revenues	4,662	3,400	6,000	6,400
Total Available Resources	91,570	83,706	90,284	76,684
Expenditures				
Supplies	4,405	20,000	20,000	20,000
Contractual services	2,881	-	-	-
Total Expenditures	7,286	20,000	20,000	20,000
ENDING FUND BALANCE	\$84,284	\$63,706	\$70,284	\$56,684



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 FY2020, budgeted expenses are for municipal court software. The available ending fund balance is projected at \$11,170, or 44.7% of operating expenditures.

statement of revenue & expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
BEGINNING BALANCE	\$74,667	\$33,267	\$33,370	\$22,070
Revenues				
Fines and penalties	10,995	9,500	13,100	13,500
Interest and other income	657	600	600	600
Total Revenues	11,652	10,100	13,700	14,100
Total Available Resources	86,319	43,367	47,070	36,170
Expenditures				
Supplies	52,949	25,000	25,000	25,000
Contractual services	-	-	-	-
Total Expenditures	52,949	25,000	25,000	25,000
ENDING FUND BALANCE	\$33,370	\$18,367	\$22,070	\$11,170

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 FY2020, 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 \$15,322, leaving 306% of operating expenditures.

statement of revenue & expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
BEGINNING BALANCE	\$21,850	\$12,951	\$23,222	\$19,222
Revenues				
Fines and penalties	613	500	500	500
Interest and other income	759	500	500	600
Total Revenues	1,372	1,000	1,000	1,000
Total Available Resources	23,222	13,951	24,222	20,322
Expenditures				
Supplies	-	4,000	4,000	4,000
Maintenance	-	1,000	1,000	1,000
Contractual services	-	-	-	-
Total Expenditures	-	5,000	5,000	5,000
ENDING FUND BALANCE	\$23,222	\$8,951	\$19,222	\$15,322

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

No expenditures are planned for the PEG Fund in FY2020. The projected ending fund balance is \$354,542.

statement of revenue & expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
BEGINNING BALANCE	\$191,575	\$248,625	\$242,042	\$303,042
Revenues				
Franchise fees	57,619	60,000	60,000	50,000
Interest and other income	2,984	1,000	1,000	1,500
Total Revenues	60,603	61,000	61,000	51,500
Total Available Resources	252,178	309,625	303,042	354,542
Expenditures				
Capital outlay	10,136	-	-	-
Total Expenditures	10,136	-	-	-
ENDING FUND BALANCE	\$242,042	\$309,625	\$303,042	\$354,542

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

No expenditures are planned for the Public Safety Fund in FY2020. The available ending fund balance is projected at \$24,124.

statement of revenue & expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
BEGINNING BALANCE	\$46,900	\$40,100	\$48,524	\$23,724
Revenues				
Fines and penalties	948	-	-	-
Interest and other income	676	200	200	400
Total Revenues	1,624	200	200	400
Total Available Resources	48,524	40,300	48,724	24,124
Expenditures				
Supplies	-	25,000	25,000	-
Contractual services	-	-	-	-
Total Expenditures	-	25,000	25,000	-
ENDING FUND BALANCE	\$48,524	\$15,300	\$23,724	\$24,124

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 FY2020 include:

- » \$200,000 to fund the Town's effort to review and update our Land Development Code (Year 2 of 2).
- » \$170,000 to fund a contingency for emergency building repairs.
- » \$50,000 to continue addressing our records management needs.
- » \$10,000 to conduct a lease analysis to meet new financial regulatory standards.
- » \$850,000 to continue to fund projects as part of the implementation of the Asset Management Plan.
- » \$1,060,000 to continue to increase the resources allocated for street maintenance activities.
- » \$451,500 to complete building updates to the Addison Athletic Club.
- » \$117,700 to complete a Trails and Bicycle Path Master Plan.
- » \$180,000 to replace the bay doors at both Fire Station 1 and 2.
- » \$113,000 to fund a fire station bay air filtration system.
- » \$68,200 to fund enhancements for the Addison Outdoors recreation program.
- » \$155,000 to fund replacement plantings and refurbishment of landscape areas.
- » \$25,000 to fund a compensation market update study.
- » \$75,000 to fund a mobile imagination playground.
- » \$40,000 to implement geo-tracking services for special event marketing and tourism.
- » \$125,000 for the Computer Maintenance Management System (CMMS).
- » \$36,000 to secure the administrative office at the Addison Athletic Club.
- » \$300,000 for public safety communications capital improvement costs to North Texas Emergency Communications Center (NTECC).
- » \$24,000 for Fire apparatus key retention systems and medical vaults.
- » \$125,000 to fund a Development Services special area study.
- » \$65,000 to fund heavy tree pruning in the Addison Circle District.
- » \$286,000 to renovate the Town Hall bridge and the boardwalk and gazebo at Winnwood Park.

self-funded project fund (continued)

<i>statement of revenue & expenditures</i>	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
BEGINNING BALANCE	\$1,535,820	\$1,573,520	\$1,516,049	\$551,138
Revenues				
Interest and other income	19,933	-	-	-
Transfers from other funds	1,302,000	3,108,415	3,471,504	4,015,400
Total Revenues	1,321,933	3,108,415	3,471,504	4,015,400
Total Available Resources	2,857,753	4,681,935	4,987,553	4,566,538
Expenditures				
Supplies	-	29,855	29,855	167,200
Maintenance	-	166,560	322,560	390,000
Contractual services	667,157	1,816,500	1,276,411	1,042,700
Capital outlay	166,425	354,500	235,500	780,500
Capital improvements	508,122	2,208,000	2,572,089	2,146,000
Total Expenditures	1,341,704	4,575,415	4,436,415	4,526,400
ENDING FUND BALANCE	\$1,516,049	\$106,520	\$551,138	\$40,138





proprietary funds

FINANCIAL / OPERATIONAL

airport

FUND

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 ranked by the Federal Aviation Administration (FAA) as one of the busiest airports of its kind; it is also designated by the FAA as a Reliever to DFW International. The airport is used extensively by corporate executives who wish to conduct business in offices located in the North Dallas area. The airport's operations are financed and operated in a manner like private business enterprises where costs of providing services to the public are financed primarily through rentals, leases, and user charges.

staffing

	LEVEL	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Police Officer	P2	3.0	3.0	3.0	3.0
GIS Manager	36	0.4	0.4	0.4	0.4
Management Assistant ¹	25	0.0	1.0	1.0	1.0
TOTAL		3.4	4.4	4.4	4.4

¹ This position was added in FY2019.

fund narrative

Addison contracts with private operators for operation and maintenance of the airport. For operations, the contractor is AECOM, formerly URS Energy & Construction (URS). AECOM performs all functions directly associated with the management, operation, and maintenance of the airport and related facilities. AECOM is also responsible for developing, in coordination with the Town, a capital improvement program and obtaining capital grant funding from the FAA and the Texas Department of Transportation (TxDOT) Aviation Division. All real estate functions, including rental of Addison facilities and the management of ground leases, have been contracted to SAMI Management, Inc. (SAMI). SAMI is also responsible for the billing and collection of all revenue related to rentals, leases, fuel flowage fees, and miscellaneous income.

Under the terms of the two agreements, AECOM will submit each year to Addison a budget that will fund all airport and real estate functions. All expenditures will be made in accordance with the budget as approved by the City Council. These operating expenditures are supported with revenue generated by the airport. Each company is compensated for their services with AECOM receiving an annual base management fee of \$170,000 plus 2.5 percent of revenue collected in excess of \$4 million. SAMI receives an annual base management fee of \$120,000 with financial incentives for realizing increased revenues from the airport.

CONCLUDING FISCAL YEAR PERFORMANCE

Operating revenue for FY2019 is projected to total \$6,658,936, a 22 percent increase from the original budget of \$5,443,946. Operating expenses are estimated at \$5,423,862, which is \$152, 710 less than budgeted.

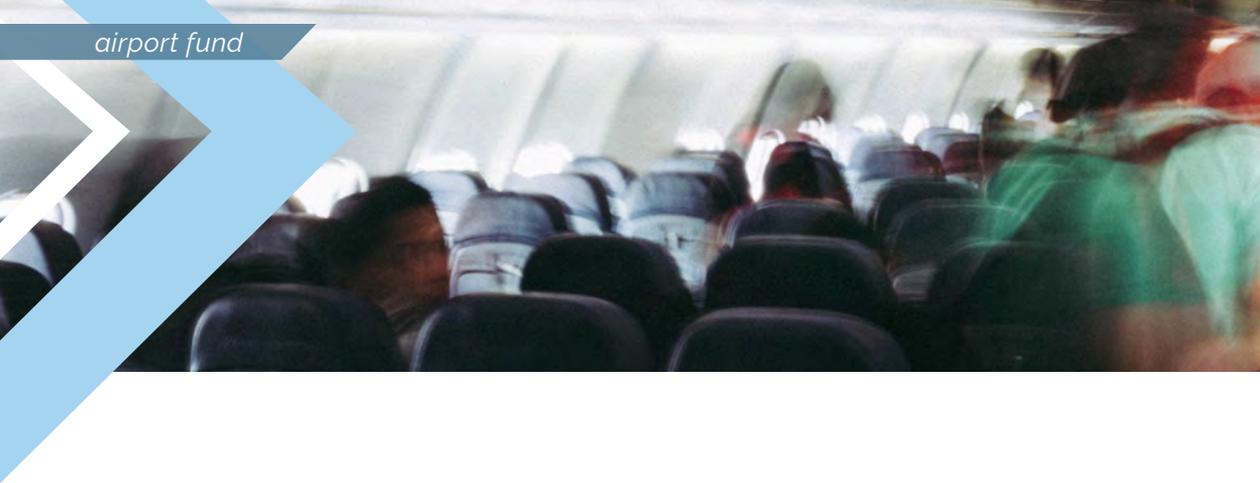
2019-2020 BUDGET NARRATIVE

For FY2020, the budget anticipates operating revenue of \$5,693,000, a 4 percent increase from the FY2019 budget.

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.



airport fund statement of income

ACT
17-18 **BUD**
18-19

BEGINNING BALANCE

\$5,037,537 **\$4,475,490**

Revenues

Intergovernmental

 Operating grants

50,000 50,000

Service fees

1,102,841 1,062,791

Rental income

4,473,583 4,306,655

Interest and other income

719,627 24,500

Total Revenues

6,346,051 **5,443,946**

Total Available Resources

11,383,588 **9,919,436**

Expenditures

Personnel services

378,066 446,673

Supplies

11,795 40,000

Maintenance

36,482 53,000

Contractual services

194,042 249,308

Capital replacement/lease

26,823 222,292

Debt service

588,112 902,466

Capital outlay

279,034 -

Operator contract - maintenance

2,793,948 3,255,453

Operator contract - other

452,169 407,380

Total Operational Expenditures

4,760,471 **5,576,572**

Capital improvements

1,768,828 2,681,479

Total Expenditures

6,529,299 **8,258,051**

ENDING FUND BALANCE

\$4,854,289 **\$1,661,385**



	EST 18-19	BUD 19-20
	\$4,854,289	\$5,258,363
	50,000	50,000
	1,163,215	1,054,000
	5,421,221	4,509,000
	24,500	80,000
	6,658,936	5,693,000
	11,513,225	10,951,363
	446,673	470,762
	40,000	41,000
	53,000	53,441
	249,308	261,983
	222,292	217,258
	749,756	853,910
	-	-
	3,255,453	3,308,028
	407,380	429,293
	5,423,862	5,635,675
	831,000	1,972,500
	6,254,862	7,608,175
	\$5,258,363	\$3,343,188

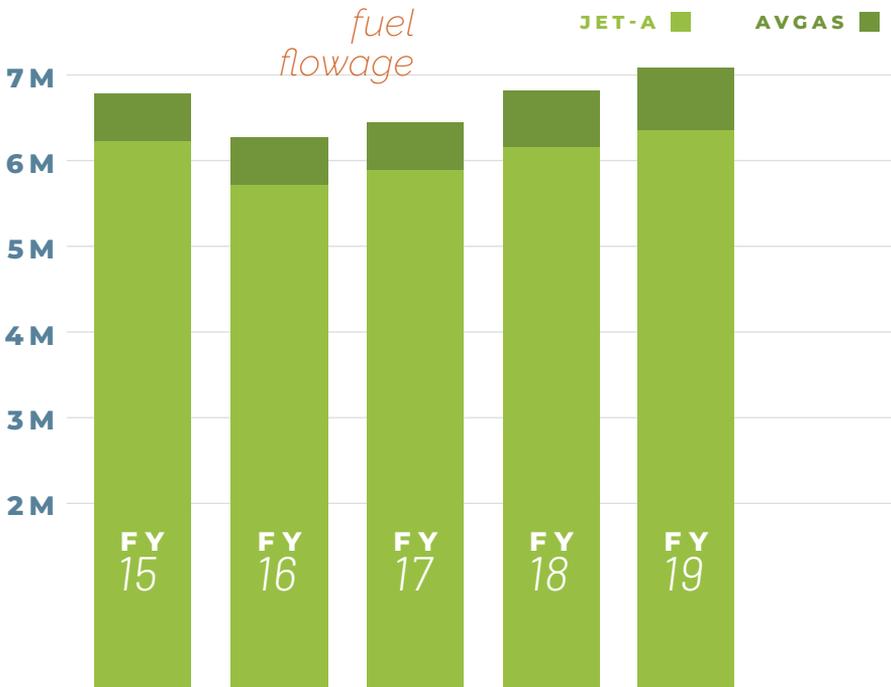
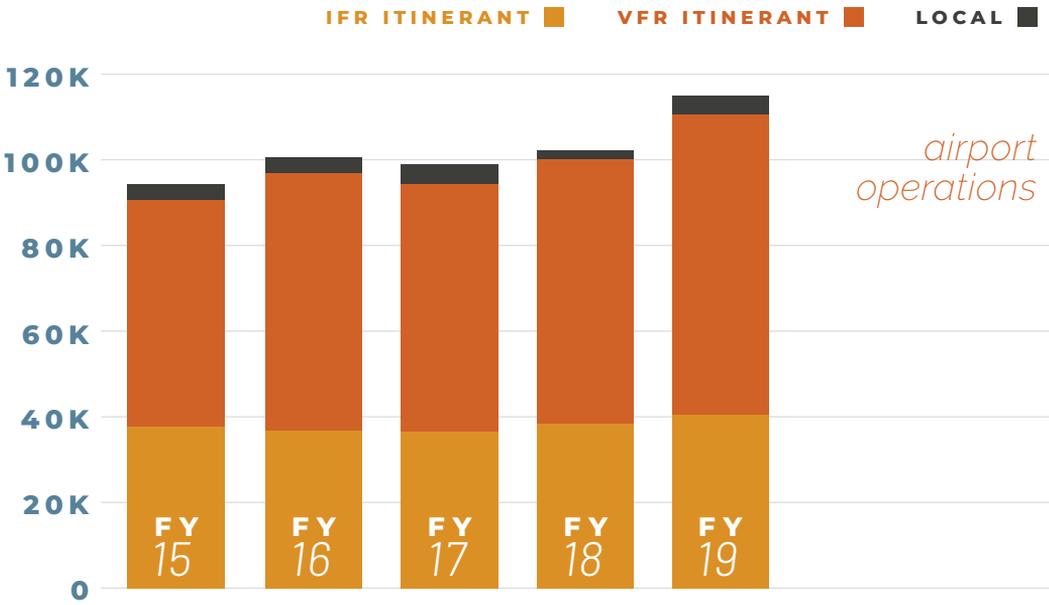
program narrative

**ACCOMPLISHMENTS OF
FY2019**

- » Execution of ground lease with Black Forest Ventures for redevelopment of the southeast quadrant.
- » Demolition of hangar at 4553 Jimmy Doolittle to make way for new Customs & Border Protection facility.
- » Airport staff reached a safety milestone and have now gone over 3,000 days without an OSHA recordable accident.

OBJECTIVES FOR FY2020

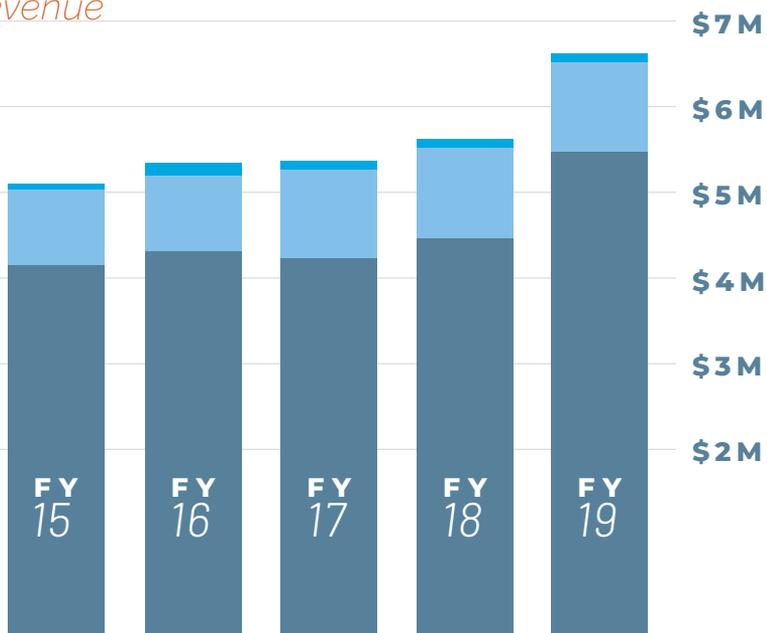
- » Develop a plan to fund rehabilitation of airport access streets (Jimmy Doolittle, Claire Chennault, Glenn Curtiss).
- » Change access point on Dooley Road to allow for future development on the west side of the Airport.
- » Update Minimum Standards to promote business and aeronautical activities while complying with Federal Aviation Administration rules and guidelines.
- » Update to Chapter 14 of the Town Ordinance to provide clarification of local codes.





- REAL ESTATE
- FUEL FLOWAGE
- OTHER

revenue



capital replacement

F U N D

The Capital Replacement 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. 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

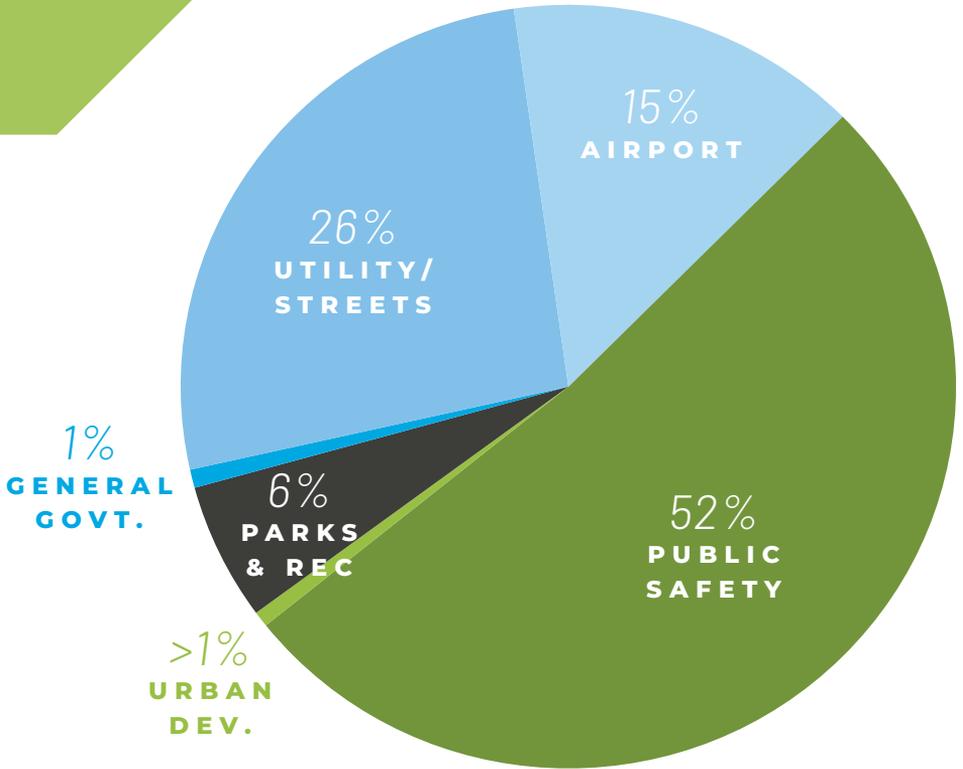
Expenses in FY2019 were primarily associated with the following purchases:

- » General Services - Fuel pump system (\$70,000)
- » Fire - Pumper truck (\$155,000)
- » Fire - Utility vehicle (\$227,300)
- » Fire - 2 Thermal imaging cameras (\$13,594)
- » Police - Criminal Investigations Division truck (\$27,000)
- » Police - Quartermaster truck (\$27,000)
- » Police - Criminal Investigations Division sedan (\$27,000)
- » Parks - Ford F350 crew cab truck (\$37,900)
- » Parks - Ford F250 crew cab truck (\$36,000)
- » Recreation - Life Fitness weight circuit (\$103,500)
- » Recreation - 8 Treadmills (\$47,700)
- » Airport - Half-ton truck (\$31,000)
- » Utilities - Ford F250 truck (\$50,000)

Equipment purchases included in the FY2020 budget include:

- » Police - Ford Interceptor PPV (\$61,000)
- » Police - 18 Patrol vehicles (\$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)

contributions
to the capital
replacement
fund by function



statement of income

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
BEGINNING BALANCE	\$2,685,054	\$2,606,941	\$3,110,609	\$3,591,615
Revenues				
Service fees				
Department contributions	800,000	1,288,000	1,288,000	1,288,000
Interest and other income	215,229	50,000	50,000	60,000
Total Revenues	1,015,229	1,338,000	1,338,000	1,348,000
Total Available Resources	3,700,283	3,944,941	4,448,609	4,939,615
Expenditures				
Maintenance	-	-	-	-
Contractual services	4,007	4,000	4,000	4,000
Capital outlay	585,667	872,882	852,994	1,684,831
Total Expenditures	589,674	876,882	856,994	1,688,831
ENDING FUND BALANCE	\$3,110,609	\$3,068,059	\$3,591,615	\$3,250,784

information technology

R E P L A C E M E N T F U N D

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

Expenses in FY2019 were:

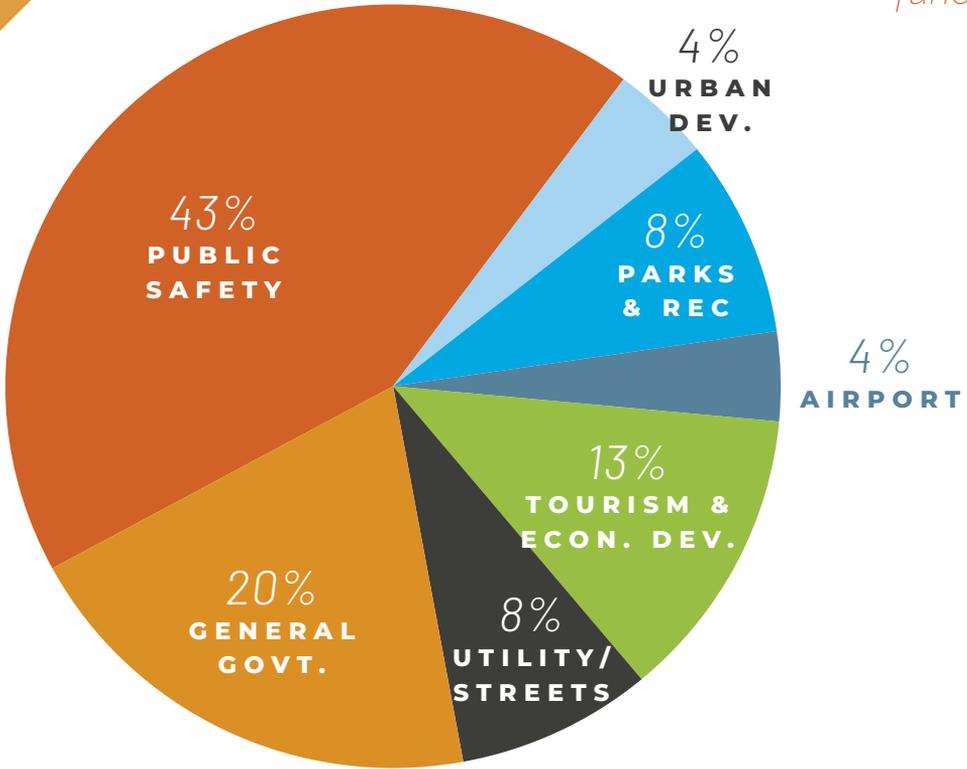
- » Enterprise resource planning (ERP) financial system software (\$500,000)
- » Document/record/agenda management software (\$70,000)
- » Digital citation system (\$100,000)
- » Business Intelligence application (\$50,000)
- » Utility Supervisory Control and Data Acquisition (SCADA) System (\$70,000)
- » Police in-car video and body cameras (\$103,000)
- » Police Records Management System (\$300,000)
- » Development Services Permit and inspection Interactive Voice Response (IVR) phone system (\$75,000)

- » Outdoor warning sirens (\$150,000)

Scheduled purchases through FY2020 are:

- » 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)

contributions
to the
information
technology
replacement
fund by
function



statement of income

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
BEGINNING BALANCE	\$2,593,490	\$2,543,014	\$3,083,129	\$2,521,653
Revenues				
Service fees				
Department contributions	793,822	853,524	853,524	756,863
Interest and other income	47,972	7,000	7,000	8,800
Total Revenues	841,794	860,524	860,524	765,663
Total Available Resources	3,435,284	3,403,538	3,943,653	3,287,316
Expenditures				
Supplies	169,517	-	103,000	-
Maintenance	40,056	-	-	-
Contractual services	44,190	4,000	4,000	4,000
Capital outlay	98,392	1,418,000	1,315,000	1,927,000
Total Expenditures	352,155	1,422,000	1,422,000	1,931,000
ENDING FUND BALANCE	\$3,083,129	\$1,981,538	\$2,521,653	\$1,356,316

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 FY2019 are projected to total \$2,273,799, which approximately \$109 thousand more than the budget for FY2019 and \$68,000 less than was generated in FY2018. Operating expenses in FY2019 are projected to be \$40,000 less than budgeted amounts. The anticipated ending fund balance for FY2019 is projected at \$5,713,480.

2019-2020 BUDGET NARRATIVE

FY2020 budgeted operating revenues are projected at \$2,403,695, an increase of \$62,000 from actual FY2018. The FY2020 budget incorporates the five percent rate increase as planned in the 2013 stormwater fee ordinance. Operating expenses are budgeted at \$1,487,771. Also included in the FY2020 budget is cash funding of \$1.18 million for capital projects.

statement of income

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
BEGINNING BALANCE	\$4,064,547	\$5,149,726	\$5,417,133	\$5,713,480
Revenues				
Service fees				
Drainage fees	2,137,942	2,134,800	2,243,799	2,349,795
Interest and other income	203,768	30,000	30,000	53,900
Total Revenues	2,341,710	2,164,800	2,273,799	2,403,695
Total Available Resources	6,406,257	7,314,526	7,690,932	8,117,175
Expenditures				
Personnel services	157,845	312,464	312,464	304,134
Supplies	8,084	41,597	41,597	20,597
Maintenance	84,131	216,200	216,200	210,700
Contractual services	189,334	351,083	351,083	367,874
Debt service	522,210	546,108	546,108	544,466
Capital outlay	13,760	50,000	10,000	40,000
Total Expenditures	975,364	1,517,452	1,477,452	1,487,771
Transfers to other funds	-	500,000	500,000	-
Capital improvements	989,124	4,202,452	1,977,452	2,668,771
Total Expenditures	5,417,133	3,112,074	5,713,480	5,448,404
ENDING FUND BALANCE	\$5,417,133	\$3,112,074	\$5,713,480	\$5,448,404

staffing

	LEVEL	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Streets & Stormwater Manager	34	0.3	0.3	0.3	0.3
GIS Manager	36	0.3	0.3	0.3	0.3
Billing Supervisor	26	0.2	0.2	0.2	0.2
Management Assistant	25	1.0	1.0	1.0	1.0
Stormwater Operator ¹	22	0.0	2.0	2.0	2.0
Accounting Specialist	21	0.0	0.2	0.2	0.2
TOTAL		2.0	4.0	4.0	4.0

¹ These positions were added in FY2019.

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 FY2019

- » Hired two new stormwater operators.
- » Construction of Sherlock Drive drainage improvements.
- » Began design and construction of Oaks North Drive drainage improvements.
- » Inspected 600 inlets and outfalls, 2,000 feet of pipe, and removed over 25 square yards of debris from the drainage system.
- » Management of the stormwater permit and municipal separate storm sewer systems (MS4) in an ever-changing regulatory environment.

OBJECTIVES FOR FY2020

- » Complete construction of Oaks North Drive drainage improvements.
- » Continue to catch up on deferred maintenance.
- » Continue inspections, trace illicit discharges, and verify locations of stormwater infrastructure in GIS.



utility

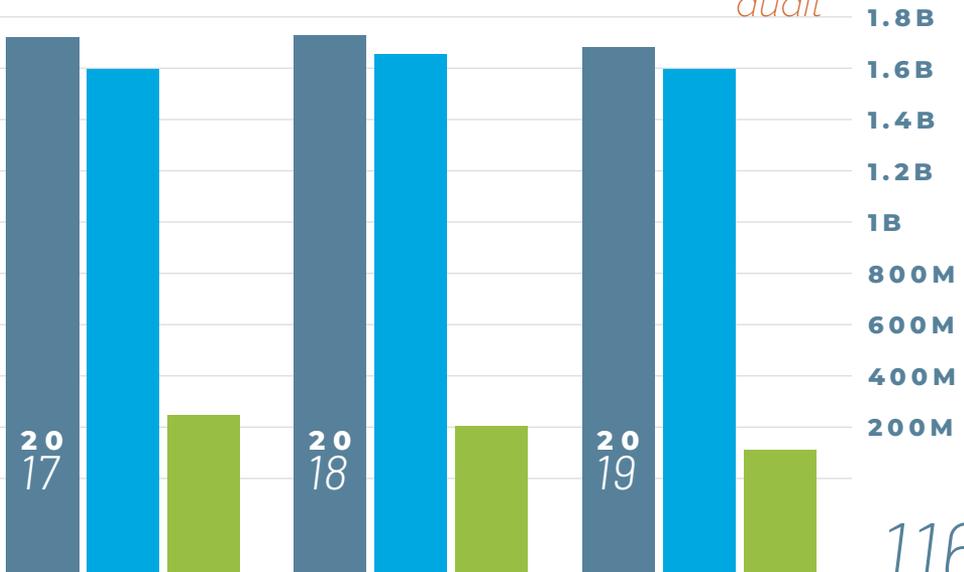
FUND

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.

- WATER PURCHASED
- WATER SOLD
- NON-REVENUE WATER

water audit





utility fund statement of income

	ACT 17-18	BUD 18-19
BEGINNING BALANCE	\$12,061,540	\$12,491,072
Revenues		
Service fees		
Water sales	6,997,055	6,998,344
Sewer charges	5,073,338	5,585,953
Tap fees & other	18,496	25,275
Fines and penalties	89,342	75,000
Interest and other income	225,792	79,600
Total Revenues	12,404,023	12,764,172
Total Available Resources	24,465,563	25,255,244
Expenditures		
Personnel services	1,578,303	2,057,126
Supplies	147,849	208,040
Maintenance	358,293	487,177
Contractual services		
Water purchases	3,871,343	3,519,797
Wastewater treatment	3,341,843	2,978,229
Other services	1,138,549	1,247,802
Capital replacement/lease	54,394	340,657
Debt service	982,597	1,056,684
Capital outlay	255,351	140,000
Total Expenditures	11,728,522	12,035,512
Transfer to Addison Grove Fund	500,000	-
Transfers to Capital Equipment Fund	-	-
Capital improvements	-	2,600,000
Total Expenditures	12,228,522	14,635,512
ENDING FUND BALANCE	\$12,237,041	\$10,619,732



EST 18-19	BUD 19-20
\$12,237,041	\$11,385,841

6,605,912	7,051,676
5,493,943	5,876,062
25,275	25,275
75,000	75,000
94,600	94,600
12,294,730	13,122,613
24,531,771	24,508,454

2,057,126	2,264,720
208,040	217,990
487,177	495,622

3,395,144	3,435,039
3,197,300	3,373,435
1,247,802	1,390,199
340,657	331,857
1,196,684	1,513,798
140,000	90,000
12,269,930	13,112,660

-	-
-	-
876,000	1,813,000
13,145,930	14,925,660

\$11,385,841	\$9,582,794
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fund narrative CONCLUDING FISCAL YEAR PERFORMANCE

Operating revenues for FY2019 are projected to total \$12,294,730, which is \$469,442 less than the budget for FY2019 and \$109 thousand less than was generated in FY2018. Operating expenses in FY2019 are projected to be \$234,418 more than budgeted amounts. The anticipated ending fund balance for FY2019 is projected at \$11,385,841.

2019-2020 BUDGET NARRATIVE

FY2020 budgeted operating revenues are projected at \$13,122,613, an increase of \$718,590 from actual FY2018. Operating expenses are budgeted at \$13,112,660, an increase of \$1,077,148 over the FY2019 budget. Also included in the FY2020 budget is cash funding of \$1.81 million for capital projects.



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.

expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	1,578,303	1,926,109	1,926,109	2,129,246
Supplies	147,849	195,300	195,300	203,390
Maintenance	358,293	487,177	487,177	495,622
Contractual Services	1,138,549	1,156,177	1,156,177	1,268,224
Capital Replacement/Lease	54,394	340,657	340,657	331,857
Capital Outlay	255,351	140,000	140,000	90,000
TOTAL DEPT. BUDGET	\$3,532,739	\$4,245,420	\$4,245,420	\$4,518,339

program narrative

ACCOMPLISHMENTS OF FY2019

- » Completed Surveyor Ground Storage Tank improvements.
- » Completed Prestonwood Boulevard and Dooley Road water main replacements.
- » Implemented a fire hydrant inspection contract.
- » Received an ISO Class 1 Rating.
- » Completed Kellway Lift Station electrical improvements.
- » Completed Surveyor Pump #1 pump and motor replacement.
- » Completed design of Basin I Sanitary Sewer Reroute project.

OBJECTIVES FOR FY2020

- » Complete the Kellway Lift Station Bypass Project.
- » Complete construction of Basin I Sanitary Sewer Reroute project.
- » Complete chlorine booster stations at Celestial and Surveyor ground storage tanks.
- » Complete Celestial ground storage tank rehabilitation.
- » Implement wastewater main line regular maintenance program.
- » Implement water main valve regular maintenance program.

staffing

	LEVEL	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Dir. of Public Works & Eng.	45	1.0	1.0	1.0	1.0
Asst. Dir. of Infr. Services	40	1.0	1.0	1.0	1.0
Capital Imp. Project Manager ¹	36	0.0	1.0	1.0	1.0
GIS Manager	36	0.3	0.3	0.3	0.3
Streets & Stormwater Mgr.	34	0.3	0.3	0.3	0.3
Utilities Manager	34	2.0	2.0	2.0	2.0
Utility Billing Supervisor ²	26	0.8	0.0	0.0	0.0
Construction Inspector ¹	24	2.0	3.0	3.0	3.0
Utility Crew Leader ¹	24	0.0	1.0	1.0	1.0
Water Quality Specialist ³	22	1.0	1.0	1.0	2.0
Utility Operator III	21	7.0	7.0	4.0	4.0
Accounting Specialist ²	21	0.8	0.0	0.0	0.0
Utility Operator II ⁴	19	1.0	1.0	0.0	2.0
Department Assistant	19	1.0	1.0	1.0	1.0
Utility Operator I	17	1.0	1.0	5.0	5.0
TOTAL		19.2	20.6	20.6	23.6

¹ This position was added in FY2019.

² This position was moved to the new Utility Billing Department.

³ This position was added in FY2020.

⁴ Two positions were 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 FY2019

- » 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 Employee 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 FY2020

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



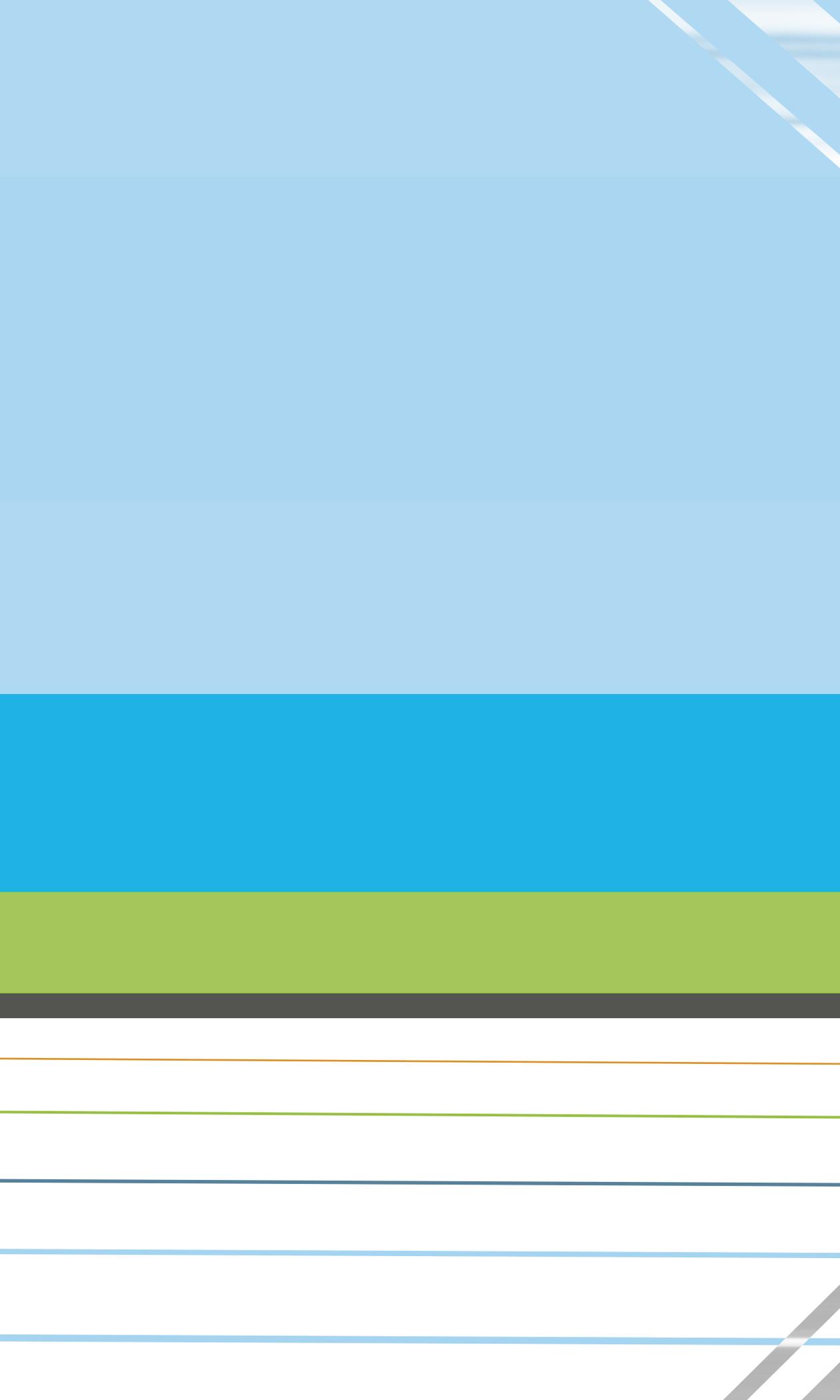
expenditures

	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Personnel Services	-	131,017	131,017	135,474
Supplies	-	12,740	12,740	14,600
Contractual Services	-	91,625	91,625	121,975
TOTAL DEPT. BUDGET	-	\$235,382	\$235,382	\$272,049

staffing

	LEVEL	ACT 17-18	BUD 18-19	EST 18-19	BUD 19-20
Utility Billing Supervisor ¹	26	0.0	0.8	0.8	0.8
Accounting Specialist ¹	21	0.0	0.8	0.8	0.8
TOTAL		0.0	1.6	1.6	1.6

¹ This position was moved from Utility Operations to the new Utility Billing Department in FY2019.





*town
chronicle*

& APPENDICES

fast facts

top 10 employers in addison

- » 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

**Source: North Central Texas Council of Governments*

top 10 property tax payers (fy2019)

- » FPG Colonnade LP
- » Post Apartment Homes LP
- » Savoye 2 LLC
- » Mary Kay Inc.
- » 5100 Belt Line Road Investors LLC
- » COP Spectrum Center LLC
- » Fiori LLC
- » GS Addison Circle LLC
- » DCO Realty Inc
- » Gaedeke Holdings IX LLC

**Source: Dallas County Tax Office*



2019 POPULATION¹ 15,790

2019 ASSESSED VALUE \$4,819,907,442

MEDIAN AGE² 32.9 years

MEDIAN HOUSEHOLD INCOME³ \$73,813 

OF SINGLE-FAMILY RESIDENCES⁴ 1,388

OWNER-OCCUPIED HOUSING UNIT RATE⁵ 20.1%

TOTAL EMPLOYMENT IN ADDISON⁶ 66,566



SQUARE MILES 4.3

POPULATION PER SQUARE MILE⁵ 2,981.5

EDUCATION LEVEL 58.3%

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

¹2019 North Central Texas Council of Governments Estimate

²2013-2017 American Community Survey, US Census

³2017 American Community Survey, US Census

⁴Dallas Central Appraisal District

⁵2018 US Census Quick Facts

⁶NCTCOG 2014 Small Area Employment Estimate

ADDISON

town chronicle

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 23 hotels with over 4,000 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 exceeded 80% and retail occupancy exceeded 90% in 2019. The town experienced a 2 percent increase in taxable property values for the 2020 certified levy compared to the 2019 certified levy.

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.

the budget process

1>> *schedules distributed to city council*

MAY, 2019 City Manager presents Council with budget schedule. Council reviews goals and vision to determine whether these goals should be revised.

2>> *budget requests submitted & reviewed*

JUNE 1, 2019 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.

3>> *work sessions with city manager*

JUNE, 2019 A series of meetings are conducted by the City Manager's Office with individual departments to discuss each department's budget requests.

4>> *preliminary budget discussions*

JULY, 2019 A series of discussions are conducted by the City Manager's Office and Budget team to go over information included in the proposed budget.

5>> *certified tax rolls received*

JULY 25, 2019 Certified appraisal rolls from the Dallas Central Appraisal District are received showing taxable values of \$4,819,907,442.

6>> *fy2020 city manager's proposed budget*

JULY 31, 2019 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 \$122,853,334 and a tax rate of 59.1133 cents.

7>> *publish notice of proposed tax rate*

AUGUST 16, 2019 Upon receipt of the certified appraisal rolls, the Dallas County Tax Assessor/Collector performs the net effective tax rate calculation as required by State Law. The net effective tax rate is calculated to be 55.2371 cents with a rollback rate of 59.1133 cents.

8>> *work sessions with council*

AUGUST, 2019 Council attends two-day FY2020 Budget Retreat to discuss various aspects of the City Manager's proposed budget.

9>> *public hearings held*

AUGUST 27 & SEPTEMBER 3, 2018 Following the required newspaper notice, public hearings on the tax rate and budget are conducted.

10>> *preliminary budget discussions*

SEPTEMBER 10, 2018 Council approves ordinances adopting the budget for the fiscal year beginning October 1, 2019 with total appropriations of \$122,933,454 and a tax rate of 58.3500 cents.

11>> *fy2020 budget document is published*

DECEMBER, 2019 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*

OCTOBER, 2019 - SEPTEMBER, 2020 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.

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.

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.

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.
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.

revenues

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
2. 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.
3. 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.
4. 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.
5. Supply expenditures shall be sufficient for ensuring the optimal productivity of Town employees.
6. 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.



7. 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.
8. 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.
9. Capital improvement is defined as an enhancement that exceeds \$25,000 and has a useful life of at least ten years.
10. 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.
11. 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.
 - f. The use or implementation of any such methods shall comply in all respects with Chapter 271, Subchapter 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.



compensation plan

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 to 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 dept.

LEVEL	BASE \$	TOP \$
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 dept.

LEVEL	BASE \$	TOP \$
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

wage
& salary
scale

merit and 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.

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 FY2020 budget is \$969,000 to fund a 4% merit pool for salary adjustments that are in line with the Town's compensation philosophy.

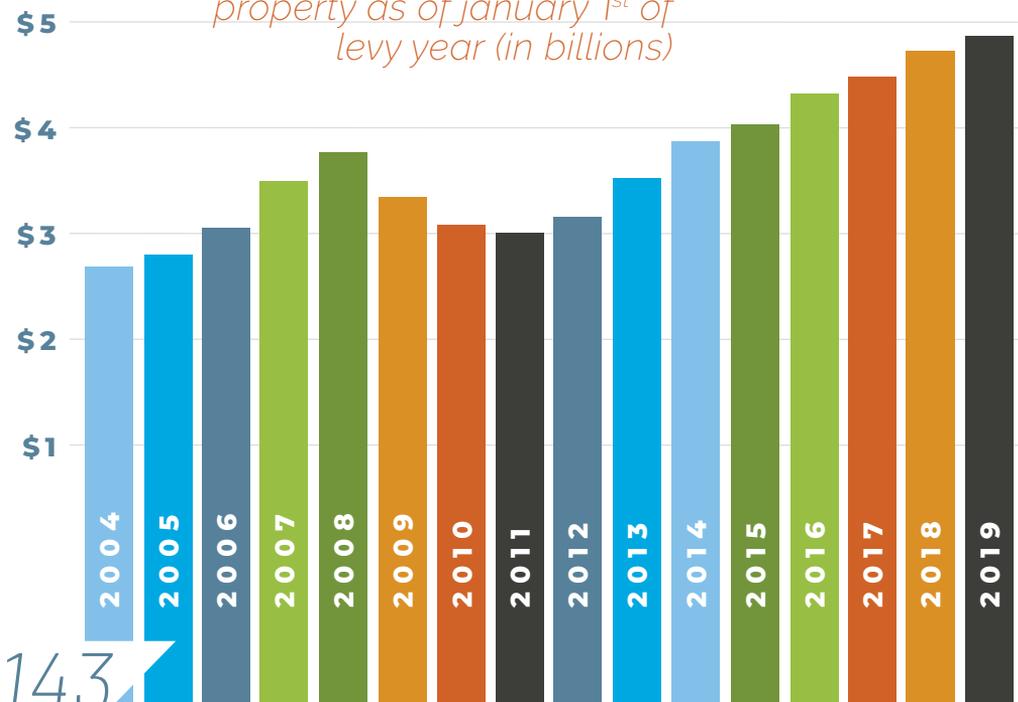
Promotions generally result in an immediate salary increase of at least 5 percent without regard to the date of the last increase. New employees who have yet to complete their initial trial periods by October 1 will be eligible for an increase at the completion of their trial periods, which lasts a minimum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

LEVEL	BASE \$	TOP \$
5-N	17,435	26,150
6-N	18,306	27,458
7-N	19,221	28,831
8-N	20,182	30,272
9-N	21,191	31,787
10-N	22,250	33,376
11-N	23,363	35,044
12-N	24,532	36,797
13-N	25,757	38,636
14-N	27,046	40,568
15-N	28,398	42,596
16-N	29,817	44,726
17-N	31,308	46,962
18-N	32,874	49,311
19-N	34,518	51,777
20-N	36,244	54,365
21-N	38,056	57,084
22-N	39,959	59,937
23-N	41,956	62,935
24-N	44,054	66,082
25-N	46,257	69,385
25-E	46,257	69,385
26-N	48,570	72,854
26-E	48,570	72,854
27-E	50,998	76,497
28-E	53,548	80,322
29-E	56,226	84,339
30-E	59,037	88,555
31-E	61,989	92,983
32-E	65,088	97,632
33-E	68,343	102,514
34-E	71,760	107,640
35-E	75,348	113,022
36-E	79,115	118,673
37-E	83,071	124,606
38-E	87,225	130,837
39-E	91,586	137,379
40-E	96,165	144,247
41-E	100,973	151,460
42-E	106,022	159,033
43-E	111,323	166,984
44-E	116,889	175,334
45-E	122,734	184,100
46-E	128,870	193,305
47-E	135,314	202,971
48-E	142,079	213,119
49-E	149,183	223,775
50-E	156,642	234,964

major revenue sources

The revenue sources described in this section account for \$65,199,448 or 83 percent of Addison's total operating revenues (excluding interfund transfers).

assessed valuation of taxable property as of January 1st of levy year (in billions)



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, 2019, upon which the FY2020 levy is based, is \$4,819,907,442. In new construction, Addison has experienced significant growth over last year. New construction is valued at \$83,826,620 on the 2019 certified tax roll, which is an increase of 33.3 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 improve¹.

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 effective 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 effective 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 "rollback rate". The FY2020 tax rate adopted by Addison is less than the calculated 59.1133¢ rollback rate. The tax rate for the year ending September 30, 2020 is 58.3500¢ per \$100 of valuation, of which 43.4117¢ is allocated for general government maintenance and operations and 14.9383¢ is allocated for retirement of general obligation long-term debt. Of the 43.4117¢ allocated for operations and maintenance, 2.3716¢ is committed to economic development and 0.6201¢ is committed to the Infrastructure Investment Fund.

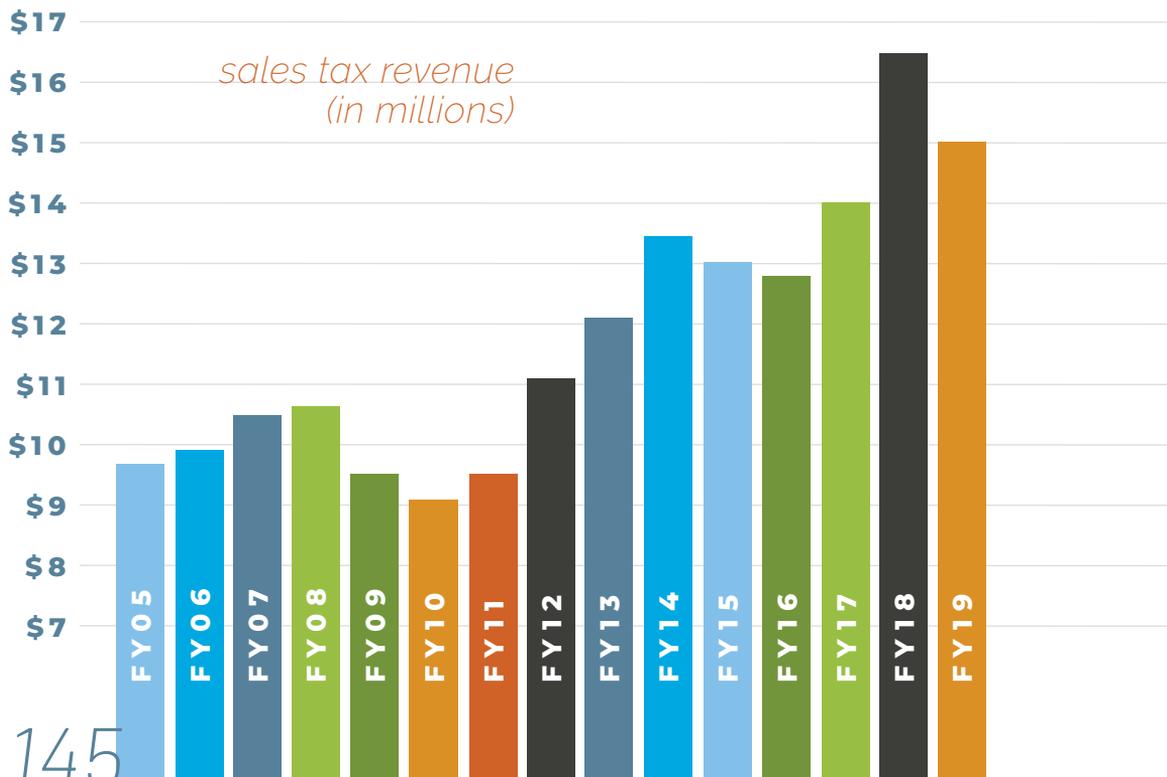
Taxes are due January 31st following the October 1st levy date and are considered delinquent after January 31st of each year. Based upon historical collection trends, current tax collections for the year ending September 30, 2020 are estimated to be 96.5 percent of the levy and will generate \$27,139,814 in revenues.

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

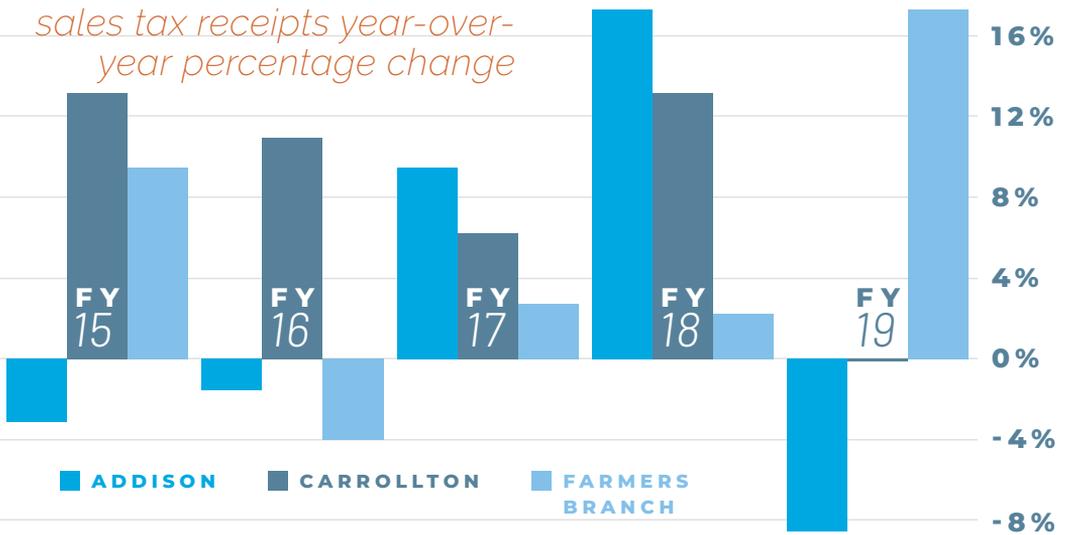
sales tax

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, 2020, Addison expects to receive \$13,700,000 in sales and use tax revenue, the same as the FY2019 budget. The Town's General Fund long-term plan assumes a 2 percent growth in sales tax for FY2021 through FY2024.



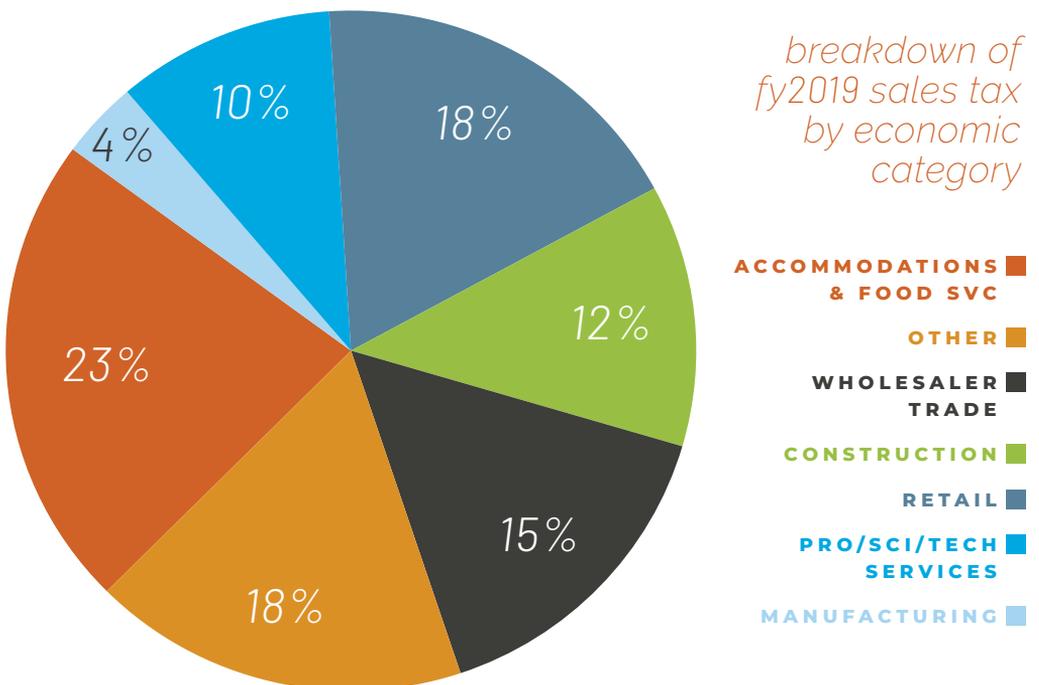
sales tax receipts year-over-year percentage change



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 \$1,140,000 for FY2020.



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 project or events that result in visitors or attendees staying overnight in the community, generating more hotel occupancy tax.

For the year ending September 30, 2020, the Town hotel occupancy tax is budgeted at \$5,540,000, a \$10,000 increase over FY2019.



percentage of fy2019 hotel occupancy tax receipts by establishment

ESTAB.	# OF ROOMS	% OF REV.
Full Service		
Marriott Quorum	547	17%
Renaissance	528	14%
Crowne Plaza	428	8%
	1,503	
Extended Stay		
Budget Suites	344	0%
Hawthorne Suites	70	1%
Marriott Residence Inn	150	5%
Hyatt House	132	3%
Homewood Suites	120	4%
Home2Suites	132	6%
Springhill Suites	159	5%
	1,107	
Bus. Moderate		
Marriott Courtyard Quorum	176	7%
LaQuinta Inn	152	4%
Marriott Courtyard Midway	145	4%
Radisson - Addison	101	3%
Hilton Garden Inn	96	4%
Holiday Inn Express	97	3%
Holiday Inn Beltway	102	0%
Best Western Plus	84	2%
	953	
Economy		
Motel 6	127	2%
Hampton Inn	158	4%
Red Roof Inn	105	2%
Quality Suites North Galleria	78	2%
America's Best Value Inn	60	0%
	528	
Total	4,091	100%

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 \$1,560,000 in electric franchise fee payments in FY2020.

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 FY2020 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 state-wide. For FY2020, cable franchise fees are budgeted at \$150,000, which is 50% less than the FY2019 budget.

Other franchise fees paid to Addison include natural gas and street rental fees. Gas franchise fees for FY2020 are budgeted at \$216,600.

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 FY2020 adjustments,

effective October 1, 2019, will include an increase of 6.5% to water and sewer rates, which equates to \$3.41 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 2020: 6%
- » October 2021: 2.5%
- » October 2022: 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 2020 budget year, the Town's Utility Fund anticipates receiving \$7,051,676 from the sale of water and \$5,867,062 from sewer fees.

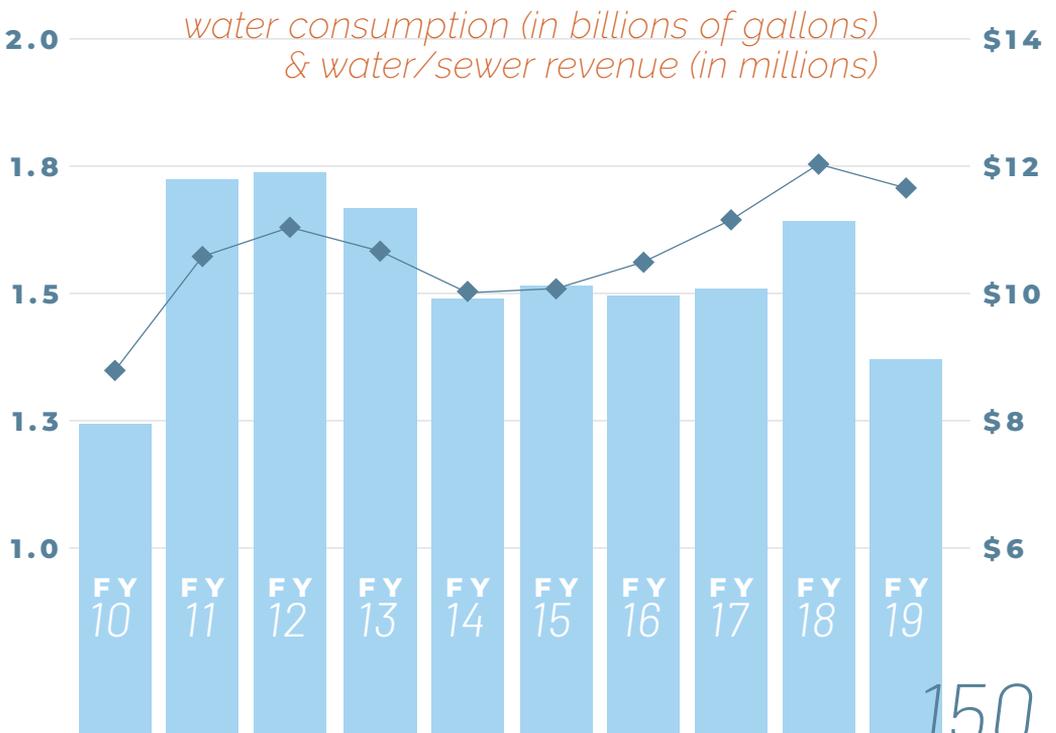


utility accounts and revenues by user type

CUSTOMER CLASSIFICATION	WATER		SEWER	
	# OF ACCTS.	%	# OF ACCTS.	%
Single Family	1,786	48.8%	1,782	67.8%
Multi-Family	137	3.7%	137	5.2%
Municipal/School	31	0.8%	30	1.1%
Irrigation	648	17.7%	-	0.0%
Hotel/Motel	32	0.9%	31	1.2%
Commercial	647	17.7%	636	24.2%
Fire Meter	368	10.1%	-	0.0%
Industrial	11	0.3%	11	0.4%
TOTAL	3,660	100.0%	2,627	100.0%

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 \$2,349,795 in stormwater fees in FY2020.



long-term financial plans

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 FY2019 budget, the adopted "base year" budget for FY2020, 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 (2019 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 125,000.¹ 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 FY2020. The FY2020 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.

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 6.7 percent from FY2018 actual to the estimated

FY2019 total. The FY2020 budget assumes no growth in sales tax compared to the FY2019 budget. The projected years of FY2021 through FY2024 assume modest 3 percent annual increases.

2. Property tax revenue is dependent on two variables: appraised value and the tax rate. Property values for 2019 (used for the FY2020 levy) increased 2 percent. From FY2013 through FY2020, values have increased a cumulative 53.8 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 FY2020 is 58.3500 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 FY2020. The General Fund long-term plan assumes property tax revenues will grow 10.6 percent in FY2020 and assumes 3.5 percent yearly growth from FY2021 to FY2024.
3. Service fees are expected to grow 2 percent from FY2021 through FY2024. 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 FY2020 budget for personnel services is \$1.5 million more than the estimated FY2019 budget due to the funding of the 4% merit pool and 8.2 additional full-time equivalents (FTEs). The long-term plan assumes that Council will continue to award 3% merit increases in years FY2021 through FY2024.

¹Please refer to the *Town Chronicle*, which discusses the Town’s major qualities in context of urban populations.

6. The FY2020 budget assumed a decrease in per employee cost of healthcare as a result of plan design changes. The long-term plan assumes increases of 5 percent in years FY2021 through FY2024.
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 FY2021 through FY2024 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.

Addison's Council has set a goal of maintaining the General Fund reserves at a level of 30 percent of operating expenditures. In FY2019, the Town received one-time proceeds from audits of sales tax collections and is allowing most of those dollars to remain in fund balance. The FY2020 General Fund budget has a projected ending fund balance of 36 percent; additionally, the long-term plan assumes that fund balances will remain above 30 percent FY2021 through FY2024. 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.

general fund long-term financial plan

BEGINNING BALANCE

Revenues

- Ad valorem taxes
- Non-property taxes
- Franchise fees
- Licenses and permits
- Service fees
- Fines and penalties
- Rental income
- Interest earnings

Total Revenues

Expenditures

- Operating
 - Personnel services
 - Supplies
 - Maintenance
 - Contractual services
 - Capital replacement/lease
 - Capital outlay
 - Fund transfer out

Total Expenditures

ENDING FUND BALANCE

END. BAL. AS % OF EXPND.

Debt issuance variable

- Beginning debt outstanding
 - Debt retired
 - Debt issued

Ending debt outstanding

Tax rate variables

- Taxable values (thousands)
 - Maint. & Operations - General Fund
 - Maint. & Operations - IIF
 - Maint. & Operations - Econ. Dev. Fund
- Debt service fund rate

Total

ACT 17-18	EST 18-19	BUD 19-20	YR 1 PROJ 20-21	YR 2 PROJ 21-22	YR 3 PROJ 22-23	YR 4 PROJ 23-24
\$16,368,034	\$20,962,952	\$18,084,225	\$14,058,793	\$14,156,324	\$14,273,279	\$14,375,287

15,874,843	16,950,736	18,752,174	19,408,500	20,087,798	20,790,871	21,518,551
17,596,626	16,423,000	14,840,000	15,285,200	15,743,756	16,179,786	16,665,179
2,566,839	2,575,000	2,332,100	2,332,100	2,332,100	2,332,100	2,332,100
1,404,035	798,800	740,200	740,200	740,200	740,200	740,200
1,992,053	1,724,630	1,966,590	2,005,922	2,046,040	2,086,961	2,086,961
334,467	351,000	352,000	352,000	352,000	352,000	352,000
8,120	6,600	7,600	7,600	7,600	7,600	7,600
526,547	198,000	103,000	103,000	103,000	103,000	103,000
40,303,530	39,027,766	39,093,664	40,234,522	41,412,494	42,592,517	43,805,591

21,896,480	23,668,164	25,208,310	26,010,070	26,838,724	27,695,223	28,580,549
1,148,113	1,276,369	1,403,397	1,439,885	1,477,322	1,515,733	1,555,142
2,879,550	3,469,826	3,453,368	3,543,156	3,635,278	3,729,795	3,826,769
7,020,944	7,514,286	7,509,948	7,705,207	7,905,542	8,111,086	8,321,974
1,410,809	1,478,344	1,410,673	1,410,673	1,410,673	1,410,673	1,410,673
150,716	28,000	73,000	28,000	28,000	28,000	28,000
1,202,000	4,471,504	4,060,400	-	-	-	-
35,708,612	41,906,493	43,119,096	40,136,990	41,295,539	42,490,509	43,723,108

\$20,962,952	\$18,084,225	\$14,058,793	\$14,156,324	\$14,273,279	\$14,375,287	\$14,457,771
60.8%	48.3%	36.0%	35.3%	34.6%	33.8%	33.1%

99,154,616	91,445,178	84,618,636	95,721,086	88,819,009	81,982,099	75,134,513
7,709,438	6,826,542	6,897,550	6,902,077	6,836,910	6,847,586	6,842,184
-	-	18,000,000	-	-	-	-
91,445,178	84,618,636	95,721,086	88,819,009	81,982,099	75,134,513	68,292,329

FY18	FY19	FY20	FY21	FY22	FY23	FY24
4,450,534	4,725,759	4,819,907	4,988,604	5,163,205	5,343,917	5,530,954
0.367041	0.377435	0.404200	0.410522	0.416600	0.421018	0.425583
0.006201	0.006201	0.006201	0.006201	0.006201	0.006201	0.006201
0.023716	0.023716	0.023716	0.023716	0.023716	0.023716	0.023716
0.153042	0.142648	0.149383	0.143061	0.136983	0.132565	0.128000
0.550000	0.550000	0.583500	0.583500	0.583500	0.583500	0.583500

hotel fund long-term plan

Addison’s hotels cater to the business traveler and therefore are tied to the national and regional economies. Currently, investors are rushing to add more hotel rooms to the North Texas landscape. With so much new supply coming into the market, hotel occupancy rates are expected to take a slight dip for the next year. The plan reflects the following assumptions:

1. Hotel occupancy tax revenue for the FY2020 budget is expected to be essentially flat from the estimated FY2019 numbers. For the FY2021 through FY2024 planning period, revenues from the tax are expected to increase at 2 percent per year. The inventory of hotel rooms is currently 4,091 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 FY2021 through FY2024.

hotel special revenue fund long-term financial plan

	ACT 17-18	EST 18-19	BUD 19-20
BEGINNING BALANCE	\$3,839,186	\$4,122,535	\$3,026,500
Revenues			
Hotel/motel occupancy taxes (HOT)	5,552,084	5,530,000	5,540,000
Proceeds from special events	1,570,391	2,647,700	1,297,500
Conference Centre rental	629,278	620,000	630,000
Theatre Rental	77,992	80,000	77,000
Interest and other	555,313	17,000	25,000
Total Revenues	8,385,058	8,894,700	7,569,500
Expenditures			
Addison Theatre Centre	352,605	395,452	421,938
Conference Centre	1,027,977	1,100,052	1,152,734
General Hotel Operations	150,178	161,470	144,173
Marketing	922,818	1,083,888	1,134,939
Performing Arts	445,000	445,000	505,000
Special Events	2,889,450	4,060,994	2,812,567
Special Events Operations	937,755	982,525	998,354
Fund transfer out	1,320,800	715,000	768,000
Capital Projects (Cash Funded)	55,126	1,046,354	-
Total Expenditures	8,101,709	9,990,735	7,937,705
ENDING FUND BALANCE	\$4,122,535	\$3,026,500	\$2,658,296
END. BAL. AS % OF EXPND.	60.8%	32.6%	37.1%

4. The Hotel Fund will transfer \$768,000 in FY2020 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.

The FY2020 Hotel Fund budget has a projected ending fund balance of 37.1 percent; this percentage is above the 25 percent required by the Town’s financial policies. Additionally, the long-term plan assumes that fund balances will remain above 25 percent in FY2021. Unlike other funds 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. These activities can be reduced should hotel occupancy taxes not grow in future years.

	YR 1 PROJ 20-21	YR 2 PROJ 21-22	YR 3 PROJ 22-23	YR 4 PROJ 23-24
	\$2,658,296	\$2,246,168	\$1,726,283	\$1,094,673
	5,650,800	5,763,816	5,879,092	5,996,674
	1,297,500	1,297,500	1,297,500	1,297,500
	630,000	630,000	630,000	630,000
	77,000	77,000	77,000	77,000
	25,000	25,000	25,000	25,000
	7,680,300	7,793,316	7,908,592	8,026,174
	402,417	413,192	424,273	435,669
	1,155,513	1,189,324	1,224,201	1,260,182
	148,596	153,159	157,869	162,730
	1,165,703	1,197,324	1,229,827	1,263,236
	518,130	531,601	545,423	559,604
	2,887,280	2,963,982	3,042,728	3,123,572
	1,026,054	1,054,587	1,083,978	1,114,256
	788,736	810,032	831,903	854,364
	-	-	-	-
	8,092,427	8,313,201	8,540,203	8,773,613
	\$2,246,168	\$1,726,283	\$1,094,673	\$347,234
	30.8%	23.0%	14.2%	4.4%

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 increased 4.9 percent from actual FY2018 to re-estimated FY2019. The revenue projection from FY2020 through FY2024 is expected to remain flat.
2. The budget for personnel services pays for three Police Officers, a Management Assistant and a portion of the Town’s GIS Manager. The budget in FY2020 includes a 4% merit pool. The long-term plan assumes that Council will continue to award 3% merit increases in years FY2021 through FY2024.
3. All non-personnel operating expenditures for FY2021 through FY2024 are adjusted for a 2.6 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 FY2020 to fund one-time capital projects.

airport fund long-term financial plan

BEGINNING BALANCE

Revenues

- Ad valorem taxes
- Non-property taxes
- Franchise fees
- Licenses and permits
- Intergovernmental
 - Operating grants
- Service Fees
 - Customs Fees
 - Fuel flowage fees
- Fines and Penalties
- Rental Income
- Interest and Other Income

Total Revenues

Expenditures

- Operating
 - Personnel services
 - Supplies
 - Maintenance
 - Town Maintenance
 - Maintenance Contract
 - Contractual services
 - Town Contractual Services
 - Operator Contract
 - Capital replacement/lease
 - Debt Service
 - Capital outlay
 - Capital Projects (Cash Funded)

Total Expenditures

ENDING FUND BALANCE

END. BAL. AS % OF EXPND.



	ACT 17-18	EST 18-19	BUD 19-20	YR 1 PROJ 20-21	YR 2 PROJ 21-22	YR 3 PROJ 22-23	YR 4 PROJ 23-24
	\$5,037,537	\$4,854,289	\$5,258,363	\$3,343,189	\$3,417,260	\$3,365,630	\$3,186,202
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	50,000	50,000	50,000	50,000	50,000	50,000	50,000
	127,023	138,387	138,000	138,000	138,000	138,000	138,000
	975,818	1,024,828	916,000	916,000	916,000	916,000	916,000
	-	-	-	-	-	-	-
	4,473,583	5,421,221	4,509,000	4,509,000	4,509,000	4,509,000	4,509,000
	719,627	24,500	80,000	80,000	80,000	80,000	80,000
	6,346,051	6,658,936	5,693,000	5,693,000	5,693,000	5,693,000	5,693,000
	378,066	446,673	470,762	485,079	499,839	515,057	530,747
	11,795	40,000	41,000	42,066	43,160	44,282	45,433
	36,482	53,000	53,441	54,830	56,256	57,719	59,219
	2,793,948	3,255,453	3,308,028	3,394,037	3,482,282	3,572,821	3,665,714
	194,042	249,308	261,983	268,795	275,783	282,954	290,310
	452,169	407,380	429,293	440,455	451,906	463,656	475,711
	26,823	222,292	217,258	217,258	217,258	217,258	217,258
	588,112	749,756	853,910	716,410	718,146	718,682	714,363
	279,034	-	-	-	-	-	-
	1,768,828	831,000	1,972,500	-	-	-	-
	6,529,299	6,254,862	7,608,175	5,618,929	5,744,630	5,872,428	5,998,757
	\$4,854,289	\$5,258,363	\$3,343,189	\$3,417,260	\$3,365,630	\$3,186,202	\$2,880,445
	74.3%	84.1%	43.9%	60.8%	58.6%	54.3%	48.0%

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.

utility fund long-term financial plan

	ACT 17-18	EST 18-19	BUD 19-20
BEGINNING BALANCE	\$12,061,540	\$12,237,041	\$11,385,841
Revenues			
Ad valorem taxes	-	-	-
Non-property taxes	-	-	-
Franchise fees	-	-	-
Licenses and permits	-	-	-
Intergovernmental	-	-	-
Service Fees			
Water Sales	6,997,055	6,605,912	7,051,676
Sewer Charges	5,073,338	5,493,943	5,876,062
Tap Fees & Other	18,496	100,275	100,275
Fines and Penalties	89,342	-	-
Interest and Other Income	225,792	94,600	94,600
Total Revenues	12,404,023	12,294,730	13,122,613
Expenditures			
Personnel services	1,578,303	2,057,126	2,264,719
Supplies	147,849	208,040	217,990
Maintenance	358,293	487,177	495,622
Contractual services			
Water Purchases	3,871,343	3,395,144	3,435,039
Wastewater Treatment	3,341,843	3,197,300	3,373,435
Other Services	1,138,549	1,247,802	1,390,199
Capital replacement/lease	54,394	340,657	331,857
Debt Service	982,597	1,196,684	1,513,798
Capital Outlay	255,351	140,000	90,000
Fund transfer out	500,000	-	-
Capital Projects (Cash Funded)	-	876,000	1,813,000
Total Expenditures	12,228,522	13,145,930	14,925,659
ENDING FUND BALANCE	\$12,237,041	\$11,385,841	\$9,582,795
END. BAL. AS % OF EXPND.	104.3%	86.6%	64.2%

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 FY2020 budget increases water and wastewater rates 6.5 percent as planned in the utility rate model. Rate increases of 6 percent are planned for FY2021, 2.5 percent in FY2022, 5 percent in FY2023 and 3.5 percent in FY2024. The utility rate policy adopted by City Council

YR 1 PROJ 20-21	YR 2 PROJ 21-22	YR 3 PROJ 22-23	YR 4 PROJ 23-24
-----------------------	-----------------------	-----------------------	-----------------------

\$9,582,795 \$9,759,383 \$9,492,976 \$9,267,661

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

7,526,309 7,661,534 8,044,544 8,326,196
 6,306,336 6,384,350 6,703,614 6,938,319
 100,275 100,275 100,275 100,275
 - - - -
 94,600 94,600 94,600 94,600
14,027,520 14,240,759 14,943,033 15,459,390

2,332,876 2,403,140 2,475,576 2,550,255
 223,658 229,473 235,439 241,561
 508,508 521,729 535,294 549,212

3,645,427 3,866,165 4,059,473 4,262,447
 3,863,763 4,167,473 4,497,421 4,856,022
 1,426,344 1,463,429 1,501,478 1,540,517
 331,857 331,857 331,857 331,857
 1,518,499 1,523,900 1,531,809 1,537,192

- - - -
 - - - -
 - - - -
13,850,932 14,507,166 15,168,349 15,869,062

\$9,759,383 \$9,492,976 \$9,267,661 \$8,857,989

70.5% 65.4% 61.1% 55.8%

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.
3. The FY2020 budget for personnel services is approximately \$200 thousand more than estimated for FY2019 due to the 4% merit pool and 3 additional full-time equivalents (FTEs). The long-term plan assumes that Council will continue to award 3% merit increases in years FY2021 through FY2024.
4. All non-personnel operating expenditures for FY2021 through FY2024 are adjusted for a 2.6 percent inflationary increase.

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 FY2020 because stormwater fees will increase this year by 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 FY2021 and FY2022, revenues are projected to increase each year based on Council-adopted fee schedule.
2. The long-term plan assumes that Council will continue to award 3% merit increases in years FY2021 through FY2024.
3. All non-personnel operating expenditures for FY2021 through FY2024 are adjusted for a 2.6 percent inflationary increase.
4. The plan projects expenditures exceeding revenues in FY2020 in order to fund one-time capital projects.

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.

stormwater fund long-term financial plan

BEGINNING BALANCE

Revenues

- Ad valorem taxes
- Non-property taxes
- Franchise fees
- Licenses and permits
- Intergovernmental
- Service Fees
 - Drainage Fees
- Fines and Penalties
- Rental Income
- Interest and Other Income

Total Revenues

Expenditures

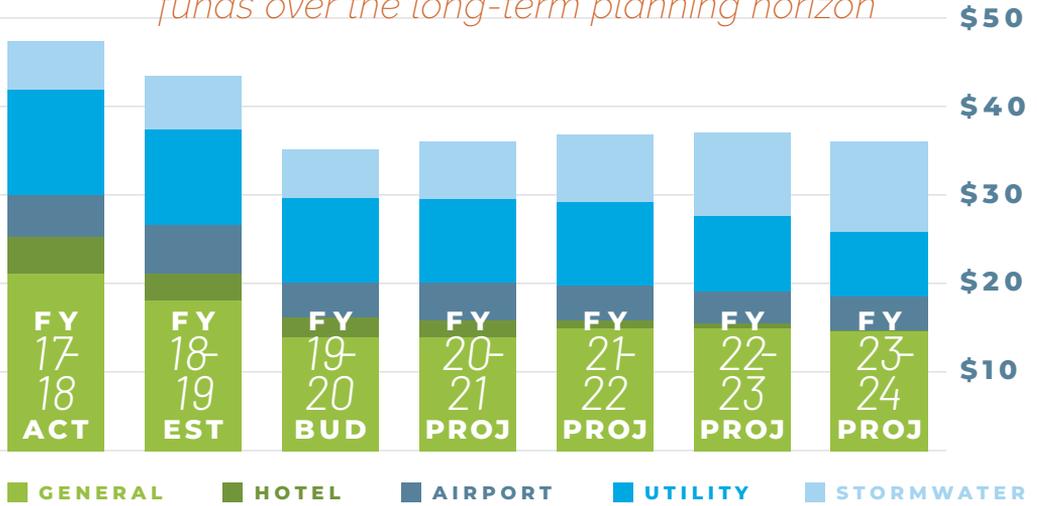
- Personnel services
- Supplies
- Maintenance
- Contractual services
- Capital replacement/lease
- Debt Service
- Capital outlay
- Fund transfer out
- Capital Projects (Cash Funded)

Total Expenditures

ENDING FUND BALANCE

END. BAL. AS % OF EXPND.

ending fund balance (in millions) – four major funds over the long-term planning horizon



ACT 17-18	EST 18-19	BUD 19-20	YR 1 PROJ 20-21	YR 2 PROJ 21-22	YR 3 PROJ 22-23	YR 4 PROJ 23-24
\$4,064,547	\$5,417,133	\$5,713,480	\$5,448,405	\$6,484,530	\$7,604,470	\$8,697,737

-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,170	-	-	-	-	-	-
-	-	-	-	-	-	-
2,137,942	2,243,799	2,349,795	2,455,791	2,567,748	2,567,748	2,567,748
-	-	-	-	-	-	-
-	-	-	-	-	-	-
201,598	30,000	53,900	53,900	53,900	53,900	53,900
2,341,710	2,273,799	2,403,695	2,509,691	2,621,648	2,621,648	2,621,648

157,845	312,464	304,134	314,226	324,670	335,479	346,667
8,084	41,597	20,597	21,133	21,682	22,246	22,824
84,131	216,200	210,700	216,178	221,799	227,566	233,482
189,334	351,083	367,874	377,439	387,252	397,321	407,651
-	-	-	-	-	-	-
522,210	546,108	544,466	544,591	546,305	545,769	542,913
13,760	10,000	40,000	-	-	-	-
-	500,000	-	-	-	-	-
13,760	-	1,181,000	-	-	-	-
989,124	1,977,452	2,668,771	1,473,566	1,501,708	1,528,380	1,553,538

\$5,417,133	\$5,713,480	\$5,448,405	\$6,484,530	\$7,604,470	\$8,697,737	\$9,765,847
547.7%	386.7%	366.2%	440.1%	506.4%	569.1%	628.6%

capital projects highlights

streets capital projects – bond funded (total: \$18.1m)

VITRUVIAN WATER RIGHTS PERMIT COMPLIANCE (\$35K)

- » Cost associated with securing an amended water rights permit and any fine from TCEQ associated with non-compliance.

VITRUVIAN DEVELOPMENT NEXT PHASE (\$2.6M)

- » Continue build out of the planned development at Vitruvian and the associated public infrastructure.
- » In FY2020, public infrastructure construction will be 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, is also anticipated to start in FY2020.

BELT LINE ELECTRONIC SIGNAGE (\$0.5M)

- » 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. The study has been completed.

MIDWAY ROAD (\$15.0M)

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

*public safety capital projects –
bond funded (total: \$1.7m)*

POLICE RECORDS MANAGEMENT SYSTEM (\$0.3M)

- » New system will allow Addison Police Department to collect, store and access critical information gathered during an incident or investigation.
- » 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.

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.

*parks capital projects –
combination cash & bond funded (total: \$2.1m)*

BELT LINE ROAD PHASE 1.5 (\$2.1M)

- » Belt Line Road Phase 1.5 is the enhancement phase of the Belt Line project between Marsh and Midway. It includes landscaping, irrigation, signage, small amounts of paving, seating, litter receptacles and bus stops. The masterplan for the enhancements builds on the Addison Brand.

capital projects summary

	TO DATE EXP	EST FY19 BUD	FY20 BUD
Bond Funded			
Streets			
Vitruvian Development Phase 5	4,473,209	75,000	-
Vitruvian Water Rights Permit Compliance	601,324	55,000	35,000
Vitruvian Development Phase 8	1,523,518	1,097,000	-
Vitruvian Development Next Phase	-	-	2,591,000
Belt Line Road Utility Relocation	17,869,607	113,658	-
Belt Line Road Overlay	2,125,246	-	-
Belt Line Electronic Signage	-	13,400	486,600
Midway Road Reconstruction	1,426,370	1,957,928	15,000,000
Parks			
Pedestrian Connectivity - Qorum	-	-	-
Public Safety			
Police Record Management System	4,812	183,100	325,200
License Plate Recognition System Expansion	15,600	600,000	1,384,400
Subtotal	28,039,686	4,095,086	19,822,200
Combination Cash & Bond Funded			
Parks			
Belt Line Road Phase 1.5	-	70,000	2,130,000
Subtotal	-	70,000	2,130,000
Self-Funded Special Projects Fund			
Addison Athletic Club Renovations	137,360	1,405,089	-
Asset Management Implementation	-	387,000	800,000
Enhanced Street Maintenance	-	600,000	1,060,000
Dome Park	254,962	-	-
Outdoor Pool Filters	115,800	-	-
Town Hall Bridge & Winnwood Park Gazebo Reno.	-	-	286,000
Addison Athletic Club Indoor Pool Resurfacing	-	180,000	-
Subtotal	508,122	2,572,089	2,146,000

FY21 BUD	FY22 BUD	FY23 BUD
-	-	-
35,000	35,000	35,000
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
11,500,000	11,500,000	-
-	-	466,500
-	-	-
-	-	-
11,535,000	11,535,000	501,500

self-funded special projects fund – cash funded (total: \$2.1m)

ASSET MANAGEMENT IMPLEMENTATION (\$0.8M)

» Resources to address projects identified as part of the Asset Management Plan.

ENHANCED STREET MAINTENANCE (\$1.0M)

» Increase the resources allocated to street maintenance activities.

TOWN HALL BRIDGE AND WINNWOOD PARK GAZEBO RENOVATIONS (\$0.3M)

» The gazebo at Winnwood Park and the bridge at Town Hall are aging facilities made of wood.

» These facilities are icons for the Addison Brand. They are often utilized for photo shoots and weddings. Improving the safety and aesthetics of these facilities will be a benefit for the Town.

airport capital projects – combination bonds, cash & grant funds (total: \$8.5m)

CUSTOMS FACILITY CONSTRUCTION (\$5.7M)

» 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.

airport cip, continued

BRAVO/GOLF TAXIWAY IMPROVEMENTS (\$0.2M)

- » 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.

AIRPORT WAYFINDING SIGNAGE (\$28K)

- » Design directional wayfinding signage.

ENVIRONMENTAL SITE REMEDIATION (\$0.1M)

- » Phase II Environmental Site Assessment investigation for the Collins Hangars.

EAST VEHICLE SERVICE ROAD REALIGNMENT / RECONSTRUCTION (\$0.7M)

- » Realignment and reconstruction of the airport vehicle service road on the east side of Taxiway Alpha at the Southeast Quadrant Development including relocating the Fuel Farm Exit at Addison Road and other minor pavement repairs.

FUEL ROAD RECONSTRUCTION AT GEORGE HADDAWAY DRIVE (\$0.8M)

- » On-airport refueler trucks currently use Taxilane Quebec to access the fuel farm. Taxilane Quebec is to be eliminated, requiring a new route to the fuel farm for refueler trucks.
- » George Haddaway Drive is to be repurposed as the fuel farm access road. George Haddaway Drive will be reconstructed to accommodate 5,000-gallon refueler trucks, and the airfield access gate will be moved closer to Addison Road.

capital projects summary continued

Airport - Combination Bonds, Cash & Grant Funded

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

Subtotal

TO DATE EXP	EST FY19 BUD	FY20 BUD	FY21 BUD	FY22 BUD	FY23 BUD
666,710	301,000	5,668,176	1,689,392	-	-
-	-	200,000	700,000	7,500,000	-
-	-	-	-	124,000	1,122,000
-	-	-	1,500,000	-	-
-	-	28,000	-	-	-
-	-	100,000	-	-	-
-	-	720,000	-	-	-
-	115,000	-	-	-	-
-	38,000	753,000	-	-	-
213,828	576,000	320,000	136,800	10,000	320,000
-	-	-	-	-	-
-	70,000	31,500	82,300	132,000	44,000
-	-	700,000	-	-	-
880,538	1,132,000	8,520,676	4,108,492	7,766,000	1,486,000

FACILITY REPAIRS AND IMPROVEMENTS (\$0.3M)

- » In order to continue to lease city-owned property at market rates, systems must be repaired and improved in accordance with Best Management Practices.
- » FY2020 funding includes a new roof for the Bravo t-hangar, reconstruction of the office at 4581 Claire Chennault, furnace replacement at 4310 Wiley Post, and the Collins Hangar remediation.

ADA REPAIRS AND IMPROVEMENTS (\$32K)

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

AIRCRAFT RESCUE FIREFIGHTING TRUCK (\$0.7M)

- » Purchase an Aircraft Rescue Firefighting vehicle (ARFF) to replace current end of life apparatus that is eighteen years old.

utilities capital projects – combination cash & bond funded (total: \$6.6m)

CELESTIAL GROUND STORAGE TANK REHABILITATION DESIGN (\$1.7K)

- » 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.

UTILITY PLANT FACILITIES AND PUMPS (\$0.2M)

- » 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 is 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.

WATER SYSTEM IMPROVEMENTS (\$1.4M)

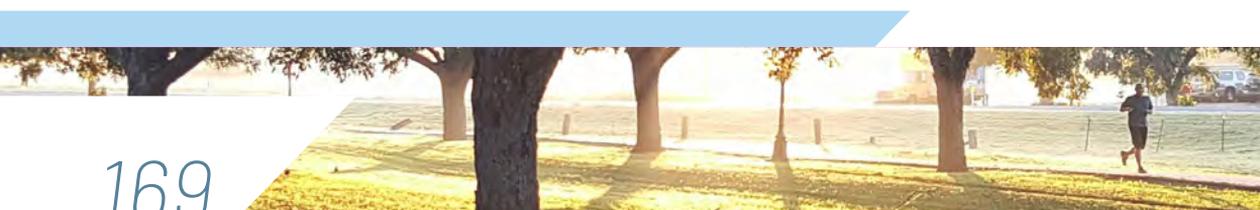
- » Design, replacement or rehabilitation of potable water lines as identified in the 2015 Water System Evaluation. Also includes various water quality improvements.
- » FY2020 projects include replacing a water main at Beltway Drive and Belt Line Road and upsizing a water main at Lake Forest Drive.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

Utilities - Comb. Cash & Bond Funded

- Surveyor Ground Storage Tank Rehab.
- Celestial Ground Storage Tank Rehab.
- Utility Plant Facilities and Pumps
- Water System Improvements
- Chlorine Booster Station
- Kellway Lift Station Rehab. & Repair
- Sanitary Sewer Line Replacement & Rehab.
- Basin I Sanitary Sewer Reroute

Subtotal



CHLORINE BOOSTER STATION (\$1.0M)

- » 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.

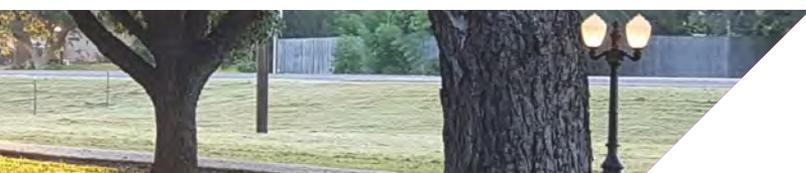
KELLWAY LIFT STATION REHABILITATION AND REPAIR (\$0.6M)

- » 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.

BASIN I SANITARY SEWER REROUTE (\$1.7M)

- » Design and construction on a reroute of unmetered sanitary sewer flows located in the sanitary sewer Basin I (Inwood Road area). A new sewer line will be installed to move those flows west to tie into the Midway Road area.
- » Farmers Branch has requested that Addison remedy the unmetered sanitary sewer flows that enter into Farmers Branch’s system. The Town evaluated several options, and the reroute option was selected.

TO DATE EXP	EST FY19 BUD	FY20 BUD	FY21 BUD	FY22 BUD	FY23 BUD
2,796,225	22,372	-	-	-	-
-	200,000	1,740,000	-	-	-
-	170,000	205,000	187,000	225,000	-
538,938	567,000	1,380,000	1,152,000	767,000	1,380,000
-	225,000	1,037,000	-	-	-
143,074	273,000	577,707	597,707	-	-
-	-	-	647,000	606,000	1,017,000
-	-	-	-	-	-
3,478,237	2,108,372	6,589,707	2,583,707	1,598,000	2,397,000



capital projects
summary continued

	TO DATE EXP	EST FY19 BUD	FY20 BUD
Stormwater - Combination Cash & Bond Funded			
Stormwater Assessment Basin Improvements	13,760	50,000	1,497,000
Les Lacs Water Well & Pond Piping System	439,110	54,240	-
Sherlock - Winter Park Drive Improvements	421,902	1,278,098	-
Vitruvian Pond Dredging	24,170	1,683,830	-
Subtotal	898,942	3,066,168	1,497,000
Hotel Fund			
Addison Circle Fountain Repair and Modernization	55,126	1,046,354	-
Subtotal	55,126	1,046,354	-
Infrastructure Investment Fund			
ADA Transition Plan	91,530	-	-
Park Playground Structure Resurface	70,398	-	-
Belt Line Road Streetscape	73,381	126,619	-
Public Safety Facility Improvements	167,930	563,070	-
Subtotal	403,239	689,689	-
TOTAL CAPITAL PROJECTS	\$34,263,890	\$14,849,758	\$41,535,583



**FY21
BUD** **FY22
BUD** **FY23
BUD**

2,790,000 1,664,000 1,206,000

- - -
- - -
- - -

2,790,000 **1,664,000** **1,206,000**

- - -
- - -

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

\$21,017,199 **\$22,563,000** **\$5,590,500**

stormwater capital projects – combination cash & bond funded (total: \$1.5m)

STORMWATER ASSESSMENT BASIN IMPROVEMENTS (\$1.5M)

- » 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 include 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.

glossary of terms

a

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

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.

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.

d

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.

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

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

DWU

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

e

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

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

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

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**

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

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

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

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

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.

NON-EXEMPT

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

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

Acronym for the North Texas Emergency Communications Center, which provides emergency communications services to the cities of Addison, Carrollton, Coppell and Farmers Branch.

o

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.

p

PVC

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 (PO)

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

r

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.

S

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.

t

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

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

TMRS

Acronym for Texas Municipal Retirement System.

TRA

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

TXDOT

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



award

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, 2018**. 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, 2018. 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, 2018

Christopher P. Morrill

Executive Director

town staff &

CONSULTANTS

mayor & council

	NAME	PROFESSION	TERM OF OFFICE
Mayor	Joe Chow	Restaurant Owner	05/19-05/21
Mayor Pro Tempore	Tom Braun	General Contractor	05/19-05/21
Deputy Mayor Pro Tempore	Lori Ward	Sales and Marketing	05/19-05/21
Council Member	Ivan Hughes	Retired	05/19-05/21
Council Member	Guillermo Quintanilla	Mechanical Designer	05/18-05/20
Council Member	Paul Walden	Commercial Insurance Underwriting	05/18-05/20
Council Member	Marlin Willesen	Retired	05/18-05/20

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>	214-672-2170
Financial Advisors	First Southwest, Co. - <i>David Medanich</i>	817-332-9710

town staff

	NAME	CONTACT
Mayor's Office	Joe Chow – <i>Mayor</i>	972-450-7000
City Secretary	Irma Parker – <i>City Secretary</i>	972-450-7017
City Manager's Office	Wes Pierson – <i>City Manager</i>	972-450-7037
City Manager's Office	John Crawford – <i>Deputy City Manager</i>	972-450-7036
City Manager's Office	Ashley Mitchell – <i>Deputy City Manager</i>	972-450-7010
City Manager's Office	Hamid Khaleghipour – <i>Executive Director of Business Performance & Innovation</i>	972-450-2868
Development Services	Charles Goff – <i>Director</i>	972-450-7027
Economic Development	Orlando Campos – <i>Director</i>	972-450-7034
Finance	Vacant – <i>Chief Financial Officer</i>	972-450-7051
Fire	David Jones – <i>Fire Chief</i>	972-450-7201
General Services	Rob Bourestom – <i>Director</i>	972-450-6203
Human Resources	Passion Hayes – <i>Director</i>	972-450-2817
Information Technology	Hamid Khaleghipour – <i>Director</i>	972-450-2868
Marketing & Communications	Mary Rosenbleeth – <i>Director</i>	972-450-7032
Parks & Recreation	Janna Tidwell – <i>Director</i>	972-450-2869
Police	Paul Spencer – <i>Police Chief</i>	972-450-7100
Public Works & Engineering	Lisa Pyles – <i>Director</i>	972-450-2878
Special Events	Jasmine Lee – <i>Director</i>	972-450-6221

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