

ADDISON®

the
**MARATHON
CONTINUES**

Budget COVER PAGE

This budget will raise more revenue from property taxes than last year's budget by an amount of \$1,170,929 which is a 4.04 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 \$392,800.



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

for	Joe Chow	Mayor
	Guillermo Quintanilla	Mayor Pro Tempore
	Paul Walden	Deputy Mayor Pro Tempore
	Tom Braun	Council Member
	Lori Ward	Council Member
	Kathryn Wheeler	Council Member
	Marlin Willeesen	Council Member

against	None
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present & not voting	None
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absent	None
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property tax rate comparison	2021-2022	2020-2021
Property Tax Rate	\$0.614660/100	\$0.608676/100
No New Revenue Tax Rate	\$0.548593/100	\$0.637851/100
No New Revenue Maintenance & Operations Tax Rate	\$0.398306/100	\$0.474921/100
Voter Approval Tax Rate	\$0.679498/100	\$0.701933/100
Debt Rate	\$0.173551/100	\$0.167567/100

TOTAL DEBT OBLIGATION FOR TOWN OF ADDISON SECURED BY PROPERTY TAXES	\$95,585,000
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table of CONTENTS

Introduction

How to Read this Document	1
Letter to Mayor & Council	3
Town of Addison Vision Statement	13
Fiscal Year 2022 Strategic Pillars	15
Municipal Tax Rate	17
Comparative Tax	18
Property Tax Distribution Calculations	19
Fund Overview	20
Staff Organization	21
Budgeted Departmental Staffing Summary	22
Fund Summaries	23
Ending Change in Fund Balance	25
Budgeted Funds Relationship Matrix	27

Financial / Operational

GENERAL FUND	29
General Fund Statement of Revenue & Expenditures	33
General Fund Statement of Revenues by Source	35
City Council Special Projects	37
City Manager's Office	38
City Secretary	39
Combined Services	41
Development Services	42
Emergency Communications	45
Finance	46
Fire	49
General Services	51
Human Resources	55
Information Technology	57
Municipal Court	60
Parks & Recreation: Parks	62
Parks & Recreation: Recreation	65
Police	68
Public Works & Engineering: Streets	70



HOTEL FUND 73

Hotel Fund Statement of Revenue & Expenditures 77

Communications & Marketing 79

Conference Centre 81

General Hotel Operations 83

Addison Theatre Centre 85

Performing Arts 86

Special Events 88

Special Events Operations 90

OTHER FUNDS 91

Debt Service Funds 93

Economic Development Fund 97

Grant Funds 103

Infrastructure Investment Fund 104

Other Special Revenue Funds 105

PROPRIETARY FUNDS 113

Airport Fund 115

Capital Replacement Fund 121

Facility Maintenance Fund 123

Information Technology Replacement Fund 124

Stormwater Fund 126

Utility Fund 129

Town Chronicle & Appendices

Addison Fast Facts 137

Addison Town Chronicle 139

Appendix A 141
The Budget Process

Appendix B 143
Financial Policies

Appendix C 151
Compensation Plan

Appendix D 153
Major Revenue Sources

Appendix E 161
Long-Term Financial Plans

Appendix F 173
Capital Projects Summary

Appendix G 183
Glossary of Terms

how to **READ THIS DOCUMENT**

WELCOME!

You are holding the published Town of Addison budget for the fiscal year beginning October 1, 2021 and ending September 30, 2022. 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 2022 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

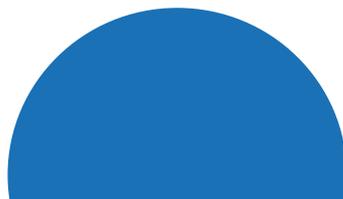
The document is divided into four major sections: Introduction, Financial/Operational, Town Chronicle, and Appendices. The Introduction section contains the City Manager's letter, which is addressed to the City Council and explains the major policies and issues which impacted the development of the fiscal year 2022 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 2020. The ending balance of the actual year becomes the beginning balance of

the estimated fiscal year 2021. The estimated column reflects projected amounts compared to the amounts included in the original adopted budget for fiscal year 2021. The estimated ending fund balance of the prior fiscal year then becomes the beginning balance for the fiscal year 2022 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 2022. Selected service levels for each department are presented graphically. Actual prior year data and estimated fiscal year 2020 data is used for graphs and charts. The funding for each department, as well as the unit's staffing, are summarized over a number of years.

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

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



letter to the **MAYOR & COUNCIL**

HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL,

I am pleased to present the fiscal year 2022 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, 2021 to September 30, 2022.

This budget allocates resources in alignment with the City Council's Strategic Pillars and Milestones for fiscal year 2022. The adopted budget conforms with our practice of providing Town employees with the resources required to deliver the excellent municipal services expected by Addison residents and businesses. This budget continues to maintain the conservative fiscal approach that has allowed Addison to achieve our sound financial position and stellar bond ratings (AAA from Standard and Poor's (S&P) and Aaa from Moody's).

Over the past several years, the Town has positioned itself to take advantage of unique growth opportunities while continuing to care for the existing community. While the

COVID-19 pandemic introduced a measure of economic uncertainty that is still impacting the economy, the Town of Addison remains well-positioned for future prosperity.

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

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

ONGOING BIG ISSUES **infrastructure planning & maintenance**

The fiscal year 2022 budget continues the progress the Town has made in using the comprehensive Asset Management Plan to make informed decisions about how to invest our resources to address our infrastructure needs now and in the future. In fiscal year 2020, Council adopted an Asset Management Policy for the Town, which established the scope and framework for the

Asset Management Plan. Using this policy as a guide, the Town continues to provide funding to support critical maintenance and infrastructure needs. To remain proactive in addressing these needs, the Town continues to improve upon the Capital Improvement Program (CIP) Budget, which includes \$47.2M in infrastructure and improvement projects for fiscal year 2022. The fiscal year 2022 budget also includes several bond-funded projects that were approved by voters as part of the November 2019 Bond Election. Information from the Asset Management System was used to inform the Community Bond Advisory Committee's recommendations related to the bond projects. This budget also includes the creation of a Facility Maintenance Fund to provide dedicated funding to maintain the Town's aging facilities, that operates similarly to the Capital Equipment Replacement Fund and Information Technology Replacement Fund.

adjustments and recovery

In fiscal year 2021, the Town implemented budgetary actions in response to the economic effects of the COVID-19 pandemic. This adopted budget reflects the need to continue some of these actions such as the Addison Conference Centre remaining closed. The adopted budget reflects that hotel occupancy tax will not fully recover in fiscal year 2022 while sales and mixed beverage taxes are estimated to return to pre-pandemic levels. Staff will continuously monitor the on-going economic effects of the pandemic and adjust accordingly.

In March of 2021, the federal government enacted legislation creating the American Recovery Plan Act Coronavirus Local Fiscal Recovery Fund (CLFRF). CLFRF provides funding for local governments to broadly respond to the COVID-19 public health emergency. Addison's estimated distribution



under this federal program is approximately \$4 million. The funds will be delivered to the Town in two tranches. The first tranche is anticipated in late fiscal year 2021. These funds will be utilized to mitigate revenue lost by the Town due to the pandemic and will be split evenly between the Hotel Fund and Self-Funded Projects Fund. The second tranche is scheduled to arrive one year later. The adopted budget reflects the application of the second tranche of funds, \$2.0 million, to mitigate revenue lost in the Hotel Fund due to the pandemic.

development and redevelopment opportunities

In fiscal year 2022, the Town plans continued progress on the selection and engagement of the Transit Oriented Development Master Developer for the property around the future Silver Line rail station. Additionally, the completion and adoption of the Unified Development Code (UDC) is scheduled to conclude during the fiscal year. The UDC is expected to assist in redevelopment efforts. Finally, the combined effects of the Midway Road Reconstruction Project and the Sam's Club Area Study will position that corridor for future redevelopment opportunities.

continuous improvement

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

- Continue efforts to optimize the MUNIS Enterprise Resource Planning (ERP) system to improve efficiency and internal controls.
- Continue to make improvements to comply with the Americans with Disabilities Act and implement strategies from the Parks, Recreation, and Open-Space Master Plan.
- Expand the License Plate Recognition system and optical camera system throughout Town.
- Conduct a Resident Survey.
- Implement the ABBYY Invoice Automation software to improve the processing of invoices while reducing staff time spent on this task.
- Continue beautification efforts including Belt Line Road medians east of the Dallas North Tollway and the replacement of landscaping damaged during the winter storm.



BOSQUE PARK

PROPERTY VALUES

On an annual basis, the Dallas Central Appraisal District provides the Town with a certified tax roll of all properties inside Addison's city limits. The certified taxable values for fiscal year 2022 equals \$5,075,396,106, which equates to an increase of approximately \$150 million or 3.0% from the previous year. Included in the certified taxable values are \$63,905,190 in new properties added to the tax roll between January 1, 2020 and December 31, 2020.

The average taxable value for a single-family home in Addison is \$349,637, an increase of approximately \$14,644 or 4.4% from the previous year.

TAX RATE

By law, tax calculations from the Dallas County Tax Office are based on the most current appraised values. State law allows a property owner to dispute the value of their property. As part of lawsuits related to these property owner disputes, Senate Bill 2, from the 2019 legislative session, allows a property owner's attorney to assign a value to properties that are being disputed from the prior year. The dispute can result in a difference in the certified appraised values from the

previous year. For example, the disputed values in Addison result in a decrease of the appraised values from fiscal year 2021 in an amount of \$569 million; a reduction from \$4.99 billion to \$4.42 billion. Due to this, the tax rate calculations are artificially lowered due to the appearance of an increase in property values from \$4.42 billion to \$5.08 billion, as opposed to changing from \$4.99 billion to \$5.08 billion.

The adopted fiscal year 2022 budget increases the Town's tax rate to \$0.614660 from \$0.608676. The calculated voter-approval tax rate is \$0.679498, with a no-new revenue tax rate of \$0.548593. The adopted tax rate exceeds the no-new revenue rate by \$0.066067, or 12.04%, primarily as a result of the properties subject to a court appeal from the prior year.

Of the total tax rate, \$0.441109 is dedicated to maintenance and operations, which is that same rate as fiscal year 2021 for maintenance and operations, and \$0.173551 is dedicated to debt service payments. The debt service portion of the tax rate is increasing as a result of the planned issuance of General Obligation Bonds that were approved by voters in the 2012 and 2019 Bond Elections.

The adopted tax rate allows the Town to continue to provide the excellent services that residents and businesses expect.

At a property tax rate of \$0.614660, the municipal tax paid on the average single-family home will be approximately \$2,149.08 on an annual basis, an increase of \$110.06 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 \$40.8 million for fiscal year 2022, an increase of 5.2% from the previous year's original

budget. We project property tax revenues of approximately \$20.0 million, an increase of approximately 3.6% over the previous year's original budgeted amount and sales tax revenues of approximately \$13.7 million, 11.1% more than the fiscal year 2021 original budget as the Town anticipates the continued recovery from the economic impact of COVID-19.

General Fund operating expenditures are estimated at \$40.7 million, reflecting a 5.2% increase from the original fiscal year 2021 budget. The available ending fund balance for the General Fund is projected to be approximately \$20.2 million, leaving 49.5% of operating reserves, which exceeds both the Town's policy of 25% and the City Council's goal of 30%.

This budget includes funding for the following in the General Fund:

- One additional Code Enforcement Officer to focus on zoning and landscape compliance while supporting ongoing property maintenance and enforcement activities – 1.0 Full Time Equivalent or FTE positions



This budget proposes the reallocation of 2.6 FTE from the General Fund to the Airport Fund (0.8 FTE), the Utility Fund (0.8 FTE), and the Drainage Fund (1.0 FTE) respectively to better align with their job functions and duties.

This adopted budget includes a 4% funding pool for employee merit increases as well as market adjustments. This budget assumes no increase, on a per employee basis, in the Town's group medical insurance premiums.

It is important to note that General Fund expected revenues exceed planned expenditures by \$28,000. The adopted property tax revenue equates to a 4.3% increase on existing properties over the prior fiscal year.

HOTEL FUND

The Hotel Fund collects funds from a 7% tax on hotel rooms rented in the Town of Addison. These funds are used to support projects that enhance and promote tourism, the arts, and the convention/hotel industry in Addison. The Hotel Fund has been the fund that has experienced the greatest financial impact as a result of the COVID-19 pandemic.

Fund revenues for fiscal year 2022 are expected to total \$7.4 million, an increase of approximately \$2.1 million, or 39.1%, with budgeted operational expenditures of approximately \$5.6 million. The primary reason for the increase in revenue is \$2.0 million from the American Recovery Plan Act Coronavirus Local Fiscal Recovery Fund (CLFRF) which is to be applied to recover lost revenue due to the pandemic. The available ending fund balance for the Hotel Fund is projected to be \$4.2 million, leaving 76.2% of operating reserves, which exceeds the Town's policy of 25%.

The Hotel Fund budget includes the costs associated with the Performing Arts Department. The remaining expenditures in the Performing Arts Department are the grants to the WaterTower Theatre and Outcry

Theatre, which are to remain at the same levels as the fiscal year 2021 budget.

In accordance with direction provided by Council during the June 8, 2021 work session, this adopted budget reflects the Addison Conference Centre remaining closed for the entirety of fiscal year 2022 to provide the Hotel Fund time to recover from the loss of hotel occupancy taxes that are a result of the effects of COVID-19.

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 2022 adjustments, effective October 1, 2021, will include an increase of 2.5% to water and sewer rates, which equates to \$1.49 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 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 budget for fiscal year 2022 proposes further allocation of a portion of four existing positions to better align with their job functions and duties as follows:

- Partial allocation of one Deputy City Manager – (.2 FTE) position
- Partial allocation of Controller – (.2 FTE) position
- Partial allocation of one Accounting Specialist – (.2 FTE) position
- Partial allocation of Talent Acquisition Partner – (.2 FTE) position

The total Utility Fund revenues for fiscal year 2022 are expected to be approximately \$14.4 million, with budgeted operational expenses of \$14.4 million. The available ending working capital for the Utility Fund is projected to be \$5.6 million. The projected end-of-year working capital will maintain 38.9% 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 2.5% or \$1.49 per month for an average residential user of 5,000 gallons of water.
- \$150,000 for one-time utility system repairs
- \$30,000 for state-mandated emergency preparedness plan for extreme weather conditions
- \$65,000 for Celestial Pump Station landscaping to match adjacent Town facilities

A total of \$3.7 million in capital projects are in the Utility Fund for fiscal year 2022. These projects are funded through a combination of authorized bond funds (\$3.6 million) and cash (\$0.1 million) from the Utility Fund. A list of projects can be found in the Capital Improvements Program budget included in this document and submitted for City Council consideration.

STORMWATER FUND

The Stormwater Fund is supported by drainage fees added to utility bills. The projected revenues for fiscal year 2022 are \$2.6 million, with budgeted operational expenses totaling \$1.6 million. The available ending working capital for the Stormwater Fund is projected to be \$8.9 million, leaving 575% of operating expenses, which exceeds the Town's policy of 25%.

Fees for the Stormwater Fund will increase this year 4.3% 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 \$1.6 million in capital projects are in the Stormwater Fund for fiscal year 2022. These projects are funded through a combination of authorized bond funds and cash from the Stormwater Fund. Details regarding these projects can be found in the Capital Improvements Program budget included in this document and submitted for City Council consideration. The most significant items include:

- \$400,000 for Winnwood Road Bridge Class Culvert Outlet Armoring
- \$1.15M for Rawhide Creek Basin Improvements – Les Lacs Area



ECONOMIC DEVELOPMENT FUND

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

- An allocation of a portion of the property tax rate equal to \$0.023716 (\$1.1 million)
- A transfer from the Hotel Fund to cover the Tourism Department activities (\$384,000)
- Service fees, interest, and other income (\$70,000)

Total revenues for fiscal year 2022 are estimated at \$1.6 million. From fiscal year 2015-2020, the Hotel Fund transferred a total of approximately \$270k in funds to support tourism activities that have not yet been expended. This budget proposes to utilize these funds to support tourism activities, including hotel support programs and advertising while reducing the transfer from the Hotel Fund in order to allow that fund more time to recover from the impact of COVID-19. These revenue sources, when coupled with previously unutilized funds transferred from the Hotel Fund and utilization of fund balance from this fund, allow for budgeted operating expenditures of approximately \$2 million.

AIRPORT FUND

The Airport Fund mainly receives revenues from rental income on Town-owned property and service fees to airport customers. Total projected revenues of approximately \$7.1 million in fiscal year 2022 will allow for budgeted operational expenses of approximately \$5.1 million. The available ending working capital for the Airport Fund is projected to be \$5.6 million, leaving 108.0% of operating expenses, which exceeds the Town's policy of 25%.

A total of \$7.4 million in capital projects are in the Airport Fund for fiscal year 2022. These projects are funded through a combination of authorized bond funds, grant funding, and cash from the Airport Fund including:

- \$7.3 million for improvements that will expand the Bravo/Golf Taxiways at Addison Airport





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 2022, \$298,989 is scheduled to be generated by the IIF portion of the tax rate.

A total of \$1.5 million in expenditures for traffic signal and ADA improvements are in the IIF for fiscal year 2022.

CAPITAL IMPROVEMENT BUDGET

The adopted Capital Improvement Program (CIP) budget for fiscal year 2022 is approximately \$47.2 million. Projects are funded by a combination of authorized bond funds, grant funding, and cash contributions. The CIP budget provides an all funds view of the Town's planned capital improvement expenditures on public infrastructure and facilities over the next five years.

For more information related to these capital projects, please reference the fiscal year 2022 CIP budget also submitted to the City Council for consideration.

SELF-FUNDED SPECIAL PROJECT FUND

The purpose of the Self-Funded Special Project Fund is to cash fund important one-time projects. The dollars for these one-time projects comes from positive budget variances in the General Fund transferred at year-end. The anticipated beginning fund balance for fiscal year 2022 is approximately \$3.0M and budgeted expenditures total \$706,515. Major expenditures in this fund in fiscal year 2022 include:

- \$25,000 funding for transit-oriented development special services consultants and other various projects.
- \$140,000 to continue special area studies for future land use in relation to the Town Comprehensive Plan.
- \$38,000 for tools, equipment, and computer hardware in support of adding one new Code Enforcement Officer position.
- \$27,000 to purchase an escape rope bail-out rescue system that provides firefighters emergency egress from multi-story buildings.
- \$125,000 funding to conduct the second phase of the Facilities Study.
- \$12,000 to contract with an employment law attorney to revise, review, and update the Town's employee handbook.



- \$25,000 to review the Town's 457 retirement plan with ICMA-RC/Mission Square.
- \$79,515 for the purchase of a vehicle, tools, and equipment in support of creating a new Parks' department trash and projects crew.
- \$141,000 to convert existing basketball court to multi-purpose court to allow for pickleball play at Les Lacs Park.
- \$66,000 for the Trail Master Plan implementation, including design for on-street bike lanes and multi-use paths including trailheads and amenities on Beltway Drive and to develop trail signage standards.
- \$25,000 to purchase forensics specialized hardware and software for the Police Department.

STREETS SELF-FUNDED PROJECT FUND

The purpose of the Streets Self-Funded Project Fund is to cash fund important one-time street repairs and capital improvements. Funding originally had been obtained by transfers from the General Fund to be utilized for the Belt Line 1.5 project, however, staff was able to utilize remaining bond proceeds to complete that project. Additionally, in fiscal years 2020 and 2021 one-time revenues have been received related to joint funding

agreements and sales of surplus land that have added to this fund. Major expenditures in this fund in fiscal year 2022 include:

- \$1,380,000 for Belt Line and Addison Road street maintenance.
- \$600,000 funding one-time costs for street maintenance and repairs of various locations.

CONCLUSION

This completes the highlights of the fiscal year 2022 budget. I believe this budget balances the desire to continue to deliver high-quality services with the need to address issues that are important to the future of Addison.

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

Respectfully submitted,



Wesley S. Pierson
City Manager

vision STATEMENT

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.

ADDISON





COUNCIL'S VALUES

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

The Council values:

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

COUNCIL'S PILLARS OF SUCCESS

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

- Innovative in Entrepreneurship and Business
- 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.

innovative in entrepreneurship and business

- ✧ Economic Development focus on attracting and retaining entrepreneurship, high-tech conferences, and Transit Oriented Development (TOD).
 - » Emphasize TOD and existing community assets in ED&T marketing efforts.
 - » Evaluate the Hotel Support Program and amend as needed to help attract high-tech conferences.
 - » Develop advertising targeting high-tech conferences and integrate ad placement in the tourism marketing campaign.
- ✧ Leverage the new Customs Facility to promote international travel use of the Airport.
 - » Develop new economic development ads promoting international general aviation travel into Addison Airport.
 - » Develop strategic ad placement campaign targeting flight schedulers, dispatchers, and decision-makers.
 - » Utilize available flight data to target international companies utilizing other airports in the region to attract them to Addison.
 - » Attend trade shows and conferences to promote the Airport and the new U.S. Customs facility.
- ✧ Leverage the use of the Airport to maximize business growth and expansion.
 - » Jimmy Doolittle Drive Reconstruction Project: Complete preliminary design work with cost estimates.
 - » Ensure that Airport tenants are included in local business retention and expansion efforts.
 - » Hold a grand opening event for the U.S. Customs facility to raise awareness and promote use of the facility.
 - » Negotiate agreements for the construction of new hangar space at 3 properties on the Airport.

excellence in asset management

- ✧ Implement the Asset Management Plan.
 - » Asset Management Plan Five-Year Financial Planning Model annual update.
 - » Continue Phase 2 of the Facility Consolidation Study by completing the financial analysis
 - » Surveyor Pump Station Electrical Upgrade Project: Complete design & begin construction of the upgrades.
 - » Lake Forest Drive Water and Sewer Improvements: Complete design and begin construction of the water and sewer improvements.
 - » Rawhide Creek Basin Improvement Project: Complete design and begin construction.
 - » Winnwood Bridge Armoring Project: Complete construction of the armoring project.
 - » Facilities Bond Projects: Complete Phase 1 HVAC, Roofing, Gun Range, and ADA projects.

gold standard in customer service

- ✧ Promote and protect Addison Way
 - » Conduct a Resident Survey.
 - » Implement COVID-19 related mandates on Municipal Court.
 - » Compensation Philosophy: Facilitate Council review, discussion, and decision making.
 - » Complete Addison Athletic Club renovations.
 - » Facilitate strategic planning efforts with code enforcement staff and update operating procedures.
 - » Execute EnerGov and Munis Hub upgrades, reconfigure EnerGov modules, and fully implement eReview system for planning and permit applications.

gold standard in financial health

- ✧ Continue development and implementation of Long-Term Financial Plan.
 - » Implementation of Abbyy Invoice Automation software.
 - » JPMorgan Chase single-use account implementation.
 - » Credit card processor change.
 - » Update Utility Fund rate model.



excellence in transportation systems

- ✧ Promote Silver Line Development
 - » Work with selected Master Developer and Town staff to complete master planning and Phase I zoning and development entitlements.
- ✧ Improve all modes of transportation with infrastructure in acceptable condition and well maintained
 - » Traffic signal improvements: Complete construction of Belt Line Road at Beltway Drive, Belt Line Road at Addison Road, and Addison Road at Sojourn.
 - » Complete pavement repairs of Belt Line Road and Addison Road.
 - » Conceptual design of Beltway Trail System to include on-street bike lanes.
 - » Conceptual design of standard park trail signage.
 - » Develop a policy for the installation of Master Plan compliant sidewalks and trails with reuse and redevelopment projects.
 - » Keller Springs Road Project: Begin construction.
 - » Bella Lane Extension Project: Begin construction.
 - » Airport Parkway Project: Complete design work.
 - » Midway Road Rehabilitation Project: Complete major utility work, northbound paving, and 3/4 of southbound paving south of the Belt Line Road.

gold standard in public safety

- ✧ Maximize use of cutting-edge technology to enhance public safety
 - » License Plate Reader (LPR) and security cameras Town-wide implementation.
 - » Upgrade/Replace the in-car video and body cameras.
 - » Jail Module Implementation.
 - » Purchase and implement Emergency Bailout System for firefighters.
 - » Chloramine Booster Station Project: Complete construction of the chloramine booster station.
 - » Implement compliance program in the Fire Department using certified third party to meet the State of Texas mandate on annual Advanced Gear Cleaning & Inspection.

optimize the addison brand

- ✧ Define and promote Addison Identity
 - » Create and promote Addison's first restaurant month.
 - » Upgrade the core infrastructure of the Town's broadcasting system and PEG channels.
 - » Celestial Pump Station Landscape Enhancement Project: Complete project.
 - » Install an Electronic Display Changeable Message Sign over Belt Line Road.
 - » Produce a full calendar of special events.
 - » Comprehensive Plan update: Develop a scope, retain a consultant, and begin work with a Comprehensive Plan Advisory Committee.

 PILLAR

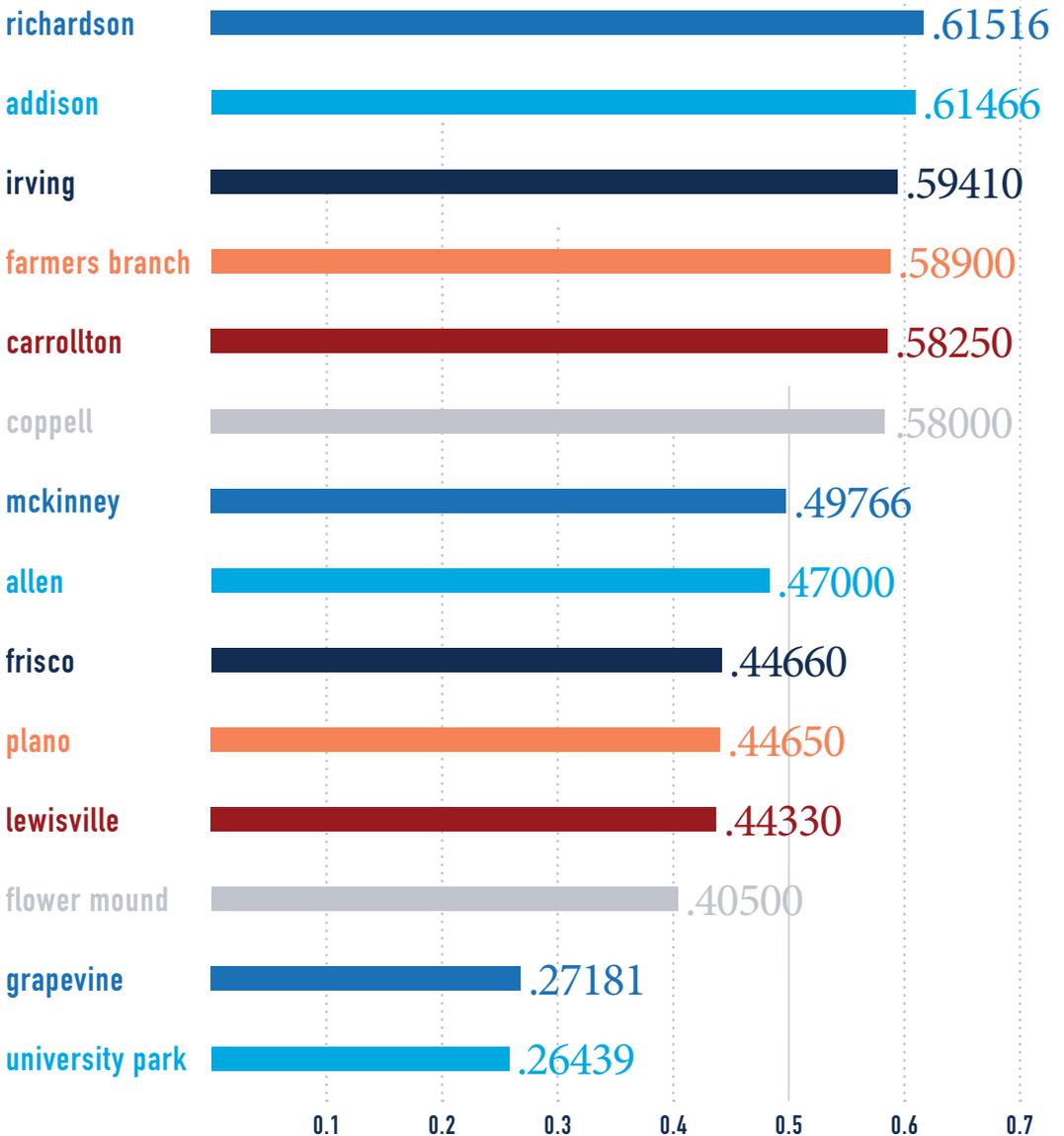
✧ MILESTONE

» INITIATIVE

fy2022

**STRATEGIC
PILLARS**

municipal TAX RATE COMPARISON



comparative TAX

for an average addison single-family residence	FY2021	FY2022
dallas county		
Market Value	\$432,871	\$450,399
Optional Homestead Exemption	20%	20%
Taxable Value	\$335,597	\$349,637
Tax Rate / \$100	0.239740	0.227946
TAX LEVY	\$804.56	\$796.98
dallas isd		
Market Value	\$432,871	\$450,399
Optional Homestead Exemption	10%	10%
Taxable Value	\$335,597	\$349,637
Tax Rate / \$100	1.296735	1.248235
TAX LEVY	\$4,351.80	\$4,364.29
town of addison		
Market Value	\$432,871	\$450,399
Optional Homestead Exemption	20%	20%
Taxable Value	\$335,597	\$349,637
Tax Rate / \$100	0.608676	0.61466
TAX LEVY	\$2,042.70	\$2,149.08
TOTAL TAX LEVY	\$7,199.06	\$7,310.35

property TAX

distribution calculations

fy2022 certified tax roll & levy

Appraised Valuation (100%)	5,075,396,106
Rate per \$100	0.614660
<i>Total Tax Levy</i>	<i>\$31,196,430</i>
Percent of Current Collection	96.50%
ESTIMATED CURRENT TAX COLLECTIONS	\$30,104,555

summary of tax collections

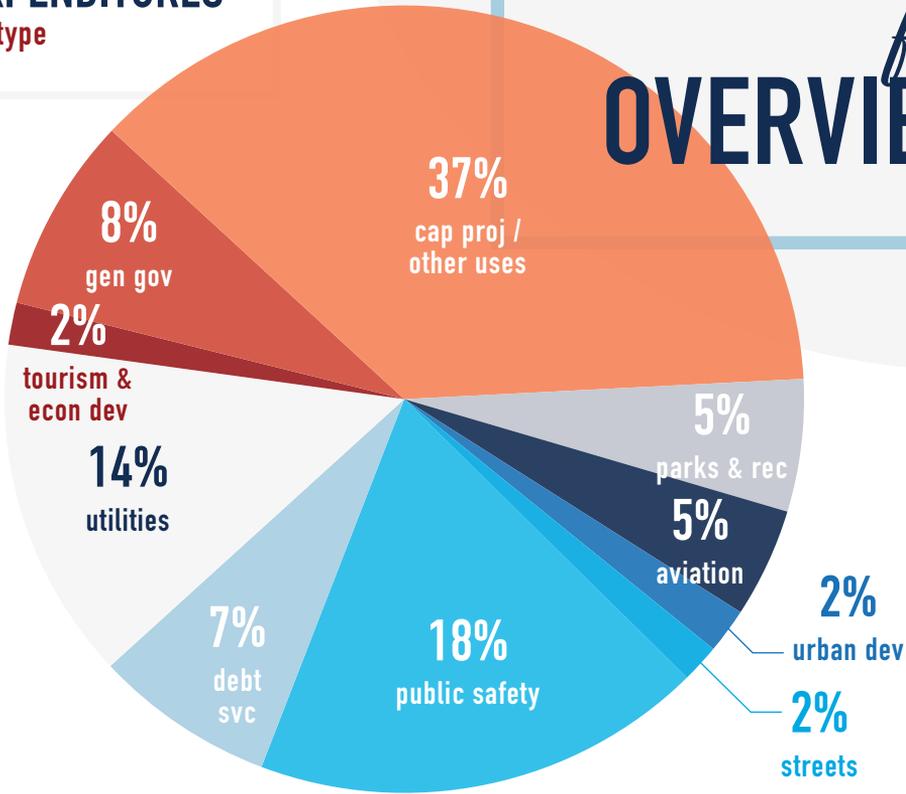
Current Tax	\$30,104,555
Delinquent Tax	(182,360)
Penalty and Interest	73,000
TOTAL FY2022 TAX COLLECTIONS	\$29,995,195

distribution of tax rate

	TAX RATE	% OF TOTAL	AMOUNT
general fund			
Current Tax			20,139,186
Delinquent Tax			(151,360)
Penalty and Interest			50,000
TOTAL GENERAL FUND	\$0.4112	66.90%	\$20,037,826
econ. dev. fund			
Current Tax			1,161,552
Delinquent Tax			(11,000)
Penalty and Interest			3,000
TOTAL ECONOMIC DEVELOPMENT FUND	\$0.0237	3.86%	\$1,153,552
infra. invest. fund			
Current Tax			303,710
Delinquent Tax			-
Penalty and Interest			-
TOTAL INFRASTRUCTURE INVESTMENT FUND	\$0.0062	1.01%	\$303,710
TOTAL OPERATIONS AND MAINTENANCE	\$0.4411	71.76%	\$21,495,088
debt svc. fund			
Current Tax			8,500,108
Delinquent Tax			(20,000)
Penalty and Interest			20,000
TOTAL DEBT SERVICE FUN	\$0.1736	28.24%	\$8,500,108
TOTAL DISTRIBUTION	\$0.6147	100.00%	\$29,995,196

all funds
EXPENDITURES
by type

fund
OVERVIEW



fund overview

FY2022

governmental fund

General Fund	40,731,996
Special Revenue Funds	
Hotel Fund	5,573,833
Economic Development Fund	2,010,012
Combined Grant Funds	13,700
Combined Other Funds	331,800
Self-Funded Project Fund	706,515
Streets Self-Fund Project Fund	1,980,000
General Debt Service Fund	8,500,186

proprietary funds

Airport Fund	5,199,386
Utility Fund	14,676,255
Stormwater Fund	1,627,634
Combined Replacement Funds	1,980,283

capital project funds

Combined Bond Funds	37,323,403
Cash Reserve Funds	4,031,561
Airport Capital Projects	5,840,530

TOTAL ALL FUNDS

\$130,527,094

CITIZENS OF
ADDISON

Mayor / City Council



ADDISON

staff

ORGANIZATION CHART

staffing SUMMARY

budgeted departmental staffing summary	2019	2020	2021	2022	DIFF 21-22
general fund					
City Secretary	1.0	1.0	1.0	1.0	-
City Manager	6.5	6.5	5.9	5.5	(0.4)
Finance	13.0	13.0	11.8	11.0	(0.8)
General Services	5.5	5.5	5.5	5.5	-
Municipal Court	5.0	5.0	5.0	5.0	-
Human Resources	4.0	4.0	3.4	3.0	(0.4)
Information Technology	7.0	7.0	7.0	7.0	-
Police	72.0	74.0	74.0	74.0	-
Emergency Communications	-	-	-	-	-
Fire	57.0	58.0	58.0	58.0	-
Development Services	12.1	13.1	13.1	14.1	1.0
Streets	7.4	7.4	7.4	6.4	(1.0)
Parks	25.0	25.0	25.0	25.0	-
Recreation	15.7	15.7	15.7	15.7	-
TOTAL GENERAL FUND	231.2	235.2	232.8	231.2	(1.6)
Hotel Fund	17.0	17.0	9.0	9.0	-
Economic Development Fund	4.0	4.0	4.0	4.0	-
Airport Fund	3.4	4.4	19.6	20.4	0.8
Utility Fund	22.2	25.2	27.4	28.2	0.8
Stormwater Fund	4.0	4.0	5.0	5.0	1.0
Capital Improvements Program	-	-	3.0	3.0	-
TOTAL ALL FUNDS	281.8	289.8	299.8	300.8	1.0

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

fund SUMMARIES

combo summary of revenues & expenditures & changes in fund balance

SPECIAL REVENUE FUNDS

COMBO

	GENERAL FUND	HOTEL	ECON DEV	COMBO GRANTS	COMBO OTHER	DEBT SVC FUNDS
BEGINNING BALANCES	\$20,150	\$2,784	\$1,719	\$51	\$9,426	\$402
revenues						
Ad valorem tax	20,038	-	1,154	-	-	8,500
Non-property taxes	14,900	4,155	-	-	-	-
Franchise fees	2,105	-	-	-	50	-
Licenses and permits	1,090	-	-	-	-	-
Intergovernmental	-	2,015	-	8	-	-
Service fees	2,018	1,156	60	-	-	-
Fines and penalties	245	-	-	-	28	-
Rental income	8	85	-	-	-	-
Interest and other income	356	10	10	-	8	3
TOTAL REVENUES	\$40,760	\$7,420	\$1,224	\$9	\$85	\$8,503
Transfers from other funds	-	-	384	-	-	-
Refunding Bond Proceeds	-	-	-	-	-	-
<i>Total Available Resources</i>	<i>60,910</i>	<i>10,204</i>	<i>3,327</i>	<i>59</i>	<i>9,512</i>	<i>8,905</i>
expenditures						
Personnel services	26,470	1,258	516	-	25	-
Supplies	1,438	57	20	-	100	-
Maintenance	3,576	342	30	-	2,007	-
Contractual services	7,839	3,787	1,431	14	421	5
Capital replacement/lease	1,302	131	13	-	-	-
Debt Service	-	-	-	-	-	8,495
Capital outlay	107	-	-	-	466	-
<i>Total Operating Expenditures</i>	<i>40,732</i>	<i>5,574</i>	<i>2,010</i>	<i>14</i>	<i>3,018</i>	<i>8,500</i>
Transfers to other funds	-	384	-	-	-	-
Capital improvements	-	-	-	-	-	-
One-time decision package	-	-	-	-	-	-
Payment to Escrow Agent	-	-	-	-	-	-
TOTAL EXPENDITURES	\$40,732	\$5,958	\$2,010	\$14	\$3,018	\$8,500
ENDING FUND BALANCES	\$20,178	\$4,246	\$1,317	\$46	\$6,493	\$404

CITY COUNCIL FY2022 ADOPTED ANNUAL BUDGET

with comparisons to fy2021 estimates
and fy2020 actual

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

*Totals may not exactly match due to rounding.

Total Revenues 84,583
Decrease in Fund Balance (1,586)

TOTAL APPROPRIABLE FUNDS \$82,998

CAPITAL PROJ FUNDS	PROPRIETARY FUNDS			INTERNAL SERVICE	TOTAL ALL FUNDS			
	IIF	AIRPORT	UTILITY	STORM WATER	COMBO RPLC	2021-22 BUD	2020-21 EST	2019-20 ACT
	\$5,058	\$5,152	\$5,956	\$8,841	\$8,083	\$67,622	\$65,092	\$64,239
304	-	-	-	-	-	29,995	29,317	26,877
-	-	-	-	-	-	19,055	18,500	18,432
-	-	-	-	-	-	2,155	2,141	2,227
-	-	-	-	-	-	1,090	1,143	1,185
-	50	-	-	-	-	2,073	2,756	1,894
-	1,320	14,332	2,554	1,941	-	23,381	23,436	20,232
-	-	-	-	-	-	273	224	272
-	5,636	-	-	-	-	5,729	4,596	4,692
227	56	109	20	35	-	833	1,630	1,868
\$530	\$7,062	\$14,441	\$2,574	\$1,976	-	\$84,583	\$83,743	\$77,678
-	-	-	-	-	-	384	1,884	4,693
-	-	-	-	-	-	-	-	13,205
5,588	12,214	20,397	11,415	10,059	-	152,589	150,720	159,815
-	2,115	2,549	397	-	-	33,330	31,456	28,471
-	57	202	13	260	-	2,148	1,953	1,620
-	745	892	116	428	-	8,136	5,585	7,805
-	1,063	9,029	327	-	-	23,915	23,073	19,324
-	258	232	-	-	-	1,935	3,119	2,051
-	911	1,527	555	-	-	11,488	10,531	9,938
-	35	-	146	1,293	-	2,047	3,589	3,266
-	5,183	14,431	1,555	1,980	-	82,998	79,305	72,474
-	-	-	-	-	-	384	1,884	4,693
1,500	1,583	101	847	-	-	4,032	1,469	4,466
-	16	245	73	-	-	334	440	-
-	-	-	-	-	-	-	-	13,090
\$1,500	\$6,782	\$14,777	\$2,475	\$1,980	-	\$87,747	\$83,098	\$94,723
\$4,088	\$5,432	\$5,620	\$8,940	\$8,078	-	\$64,842	\$67,622	\$65,092

change in ending FUND BALANCE

change in ending fund balance	PROJ APPROP FUND BAL 9/30/21	PROJ APPROP FUND BAL 9/30/22	% CHANGE
general fund	\$20,149,761	\$20,177,761	0%
General Fund	20,149,761	20,177,761	0%
enterprise funds	\$19,949,829	\$19,991,617	0%
Airport Fund	5,152,471	5,431,861	5%
Stormwater Fund	8,840,951	8,939,849	1%
Utility Fund	5,956,407	5,619,907	-6%
special revenue funds	\$11,553,602	\$11,657,858	1%
Hotel Fund	2,783,500	4,246,003	53%
Economic Development Fund	1,718,980	1,316,520	-23%
Advanced Funding Grant Fund	50,784	45,584	-10%
Self-Funded Special Projects Fund	3,011,548	2,305,033	-23%
Justice Administration Fund	26,204	24,570	-6%
Child Safety Fund	102,712	112,212	9%
Court Technology Fund	24,821	7,101	-71%
Building Security Fund	34,591	17,600	-49%
Addison Grove Escrow Fund	3,131,722	3,133,722	0%
Public Safety Forfeiture Fund	66,074	2,925	-96%
PEG Fees Fund	200,596	42,096	-79%
General Obligation Debt Service Fund	402,070	404,492	1%
capital projects funds	\$5,057,729	\$4,088,106	-19%
Infrastructure Investment Fund	5,057,729	4,088,106	-19%
internal service funds	\$7,082,770	\$7,278,450	3%
Capital Replacement Fund	3,877,750	4,367,467	13%
Information Technology Replacement Fund	3,205,020	2,910,983	-9%
Facility Maintenance Fund	1,000,000	800,000	-20%

EXPLANATION OF CHANGES IN FUND BALANCE GREATER THAN 10%

hotel fund

The Hotel fund has budgeted revenues exceeding expenditures by \$1,462,503 as a result of funding from the federal government as a part of the American Recovery Plan Act Coronavirus Local Fiscal Recovery Fund (CLFRF). CLFRF provides funding for local governments to respond to the COVID-19 public health emergency.

economic development fund

The Economic Development fund has programmed to rollover remaining FY2021 hotel support program incentive funds for use in FY2022.

advanced funding grant fund

The Advanced Funding Grant fund has projected use of reserves for contractual services in FY2022.

self-funded special projects fund

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

court technology fund

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

building security fund

The Building Security fund has budgeted expenses exceeding revenues by \$16,991 due to a projected decrease in fines and penalties in FY2022.

public safety forfeiture funds

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

peg fees fund

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

infrastructure investment fund

The Infrastructure Investment Fund has programmed use of reserves for planned capital projects.

capital replacement fund

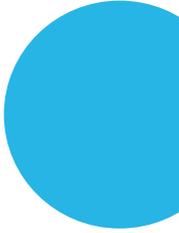
The Capital Replacement Fund has revenues exceeding expenditures by \$489,717 as a result of a decrease in capital outlay expenses, which are cyclical from year to year.

facility maintenance fund

The Facility Maintenance Fund was created in FY2021. This fund has programmed use of reserves for planned maintenance projects.



Budgeted FUNDS RELATIONSHIPS



budgeted funds relationships

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

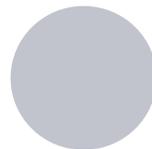


PROPRIETARY FUNDS

ENTERPRISE

INTERNAL
SERVICES

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







general
FUND

general FUND

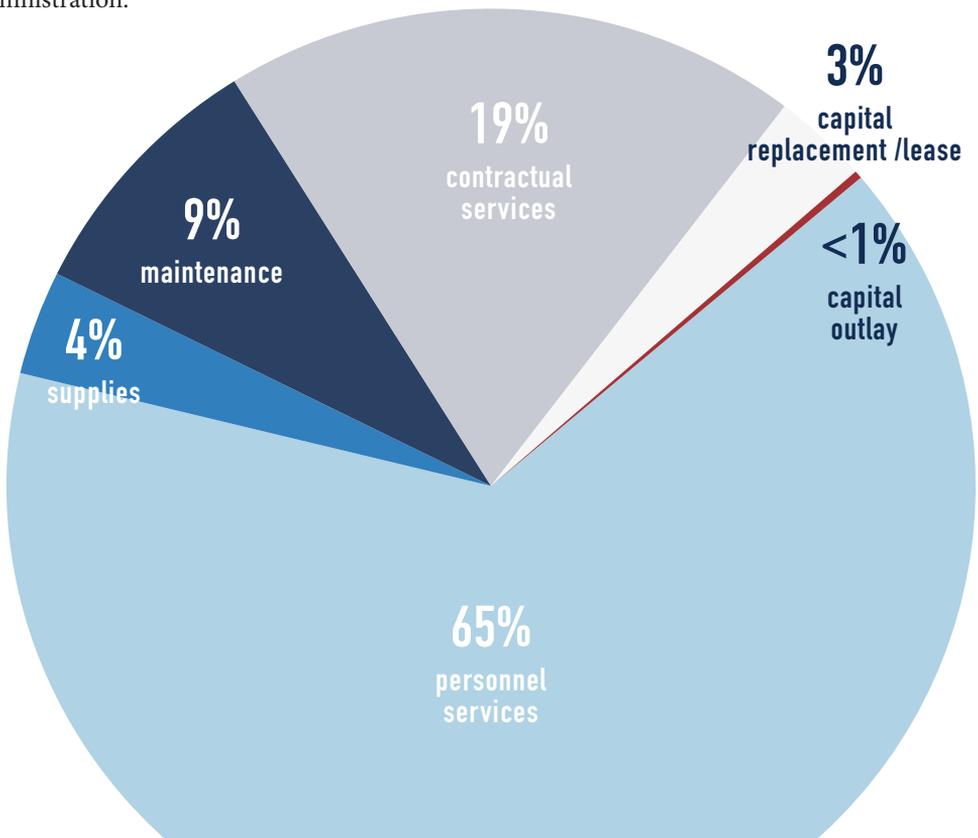
FUND NARRATIVE

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.

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.

operating EXPENDITURES by cost category





concluding fiscal year performance

Revenues for FY2021 are estimated to be \$40,921,881 which represents an increase of \$2,171,157 or 5.6 percent above FY2021 adopted budget revenues and is 2.8 percent above FY2020 actual revenues. The increase in estimated over budgeted FY2021 revenues is the result of higher than anticipated sales tax collections due to COVID-19 recovery. Revenues collected from property taxes are expected to come in \$419,602 more than budgeted.

Expenditures (excluding transfers) are expected to total \$39,406,559 in FY2021. The differences in revenues and a higher beginning fund balance contributed to an estimated ending fund balance of \$20,149,761, which is \$705,383 more than budgeted.

general fund by major cost category

CATEGORY	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	24,263,224	25,457,989	25,291,473	26,469,624
Supplies	1,072,579	1,547,943	1,313,949	1,437,825
Maintenance	2,896,017	3,609,470	3,539,966	3,576,374
Contractual Services	6,935,520	7,289,331	7,257,253	7,839,299
Capital Replacement/Lease	1,410,371	1,423,868	1,923,868	1,301,511
Capital Outlay	86,612	-	80,050	107,363
TOTAL FUND BUDGET	\$36,664,323	\$39,328,601	\$39,406,559	\$40,731,996

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.

2021–2022 budget narrative

There are four components that make up the Town’s ad valorem tax rate of \$0.614660 per \$100 of appraised value: operations & maintenance, debt service, economic development and dedicated funding for the Infrastructure Investment Fund. A tax rate of \$0.411192 is levied to generate revenues to fund the operations and maintenance activities budgeted in the General Fund. The revenue generated from this portion of the tax rate will increase in FY2021 to \$20,139,186. Other major tax revenues are sales taxes and alcoholic beverage taxes. Sales taxes and alcoholic beverage tax are projected to increase slightly from FY2021 to FY2022.

Total fund expenditures for the 2022 fiscal year have been appropriated at \$40,731,996 (excluding transfers) which is \$1,403,395 more than the 2021 fiscal year budget.

The ending fund balance of \$20,177,761 is 49.5 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.

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

general fund statement of revenue & expenditures

BEGINNING BALANCE

revenues

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

TOTAL REVENUES

Total Available Resources

expenditures

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

TOTAL EXPENDITURES

- Other Financing Sources (uses)
- Transfer to other funds

ENDING FUND BALANCE

ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
\$20,588,244	\$20,134,439	\$20,134,439	\$20,149,761
18,617,246	19,425,398	19,845,000	20,037,826
15,191,223	13,954,766	15,500,000	14,900,000
2,176,562	2,260,000	2,091,000	2,105,000
1,183,285	1,142,550	1,142,550	1,090,100
1,842,055	1,970,776	1,916,831	2,018,070
227,997	260,000	155,000	245,000
402,873	200,000	100,000	100,000
9,252	8,000	8,000	8,000
168,925	128,000	163,500	256,000
\$39,819,418	\$39,349,490	\$40,921,881	\$40,759,996
60,407,662	59,483,929	61,056,320	60,909,757
173,058	213,088	212,488	221,275
1,245,323	1,182,665	1,210,393	1,204,501
1,826,483	1,795,555	1,783,924	1,764,710
682,111	752,269	1,204,822	756,057
647,094	706,818	701,424	712,737
641,387	721,040	713,226	740,209
1,905,667	2,248,601	2,237,123	2,257,050
1,323,634	1,187,951	1,236,768	1,362,400
339,790	302,132	300,382	245,981
9,318,044	10,290,874	10,193,907	10,546,045
1,360,463	1,391,519	1,391,519	1,594,245
8,492,457	8,660,315	8,699,069	9,086,845
1,501,596	1,637,553	1,620,207	1,807,604
1,799,513	2,150,903	2,021,783	2,136,422
3,772,783	4,261,292	4,168,107	4,505,219
1,634,920	1,826,026	1,711,417	1,790,696
\$36,664,323	\$39,328,601	\$39,406,559	\$40,731,996
3,608,900	710,950	1,500,000	-
\$20,134,439	\$19,444,378	\$20,149,761	\$20,177,761



general fund statement of revenue by source

	ACT 19-20	BUD 20-21
Ad valorem taxes		
Current taxes	18,925,819	19,546,156
Delinquent taxes	(356,413)	(165,758)
Penalty and interest	47,840	45,000
non-property taxes		
Sales tax	14,302,624	12,330,000
Alcoholic beverage tax	888,599	1,026,000
franchise/right-of-way use fees		
Electric franchise	1,459,652	1,525,000
Gas franchise	204,919	205,000
Telecommunication access fees	316,471	400,000
Cable franchise	196,520	130,000
Street rental fee	(1,000)	-
licenses and permits		
Business licenses and permits	110,964	211,650
Building and construction permits	1,072,321	930,900
service fees		
General government	20	-
Public safety	892,713	984,945
Urban development	1,950	71,900
Streets and sanitation	395,968	445,700
Recreation	34,914	57,800
Interfund	516,490	410,431
Court fines	227,997	260,000
Interest earnings	402,873	200,000
Rental income	9,252	8,000
Recycling proceeds	162	3,000
Other	168,763	125,000
TOTAL REVENUES	\$39,819,418	\$38,750,724



EST 20-21	BUD 21-22
19,800,000	20,139,186
-	(151,360)
45,000	50,000
14,500,000	13,700,000
1,000,000	1,200,000
1,525,000	1,525,000
186,000	200,000
250,000	250,000
130,000	130,000
-	-
211,650	129,700
930,900	960,400
-	-
956,000	1,006,000
46,900	47,200
445,700	455,700
57,800	70,300
410,431	438,870
155,000	245,000
100,000	100,000
8,000	8,000
3,000	500
160,500	255,500

\$40,921,881

\$40,759,996

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 fy2021

- Communication/Transparency: Provided informative brochure for Charter Election and various other publications/videos on construction projects, health issues/concerns, weather and miscellaneous newsworthy items.
- Provided administrative support to the City Council.

objectives for fy2022

- Be responsive to the City Council and citizens' needs while ensuring transparency and trust.
- Provide up-to-date programs and equipment for ease in retrieving of information from website, on council agenda packets, etc.

non-profit funding

- Addison Arbor Foundation (\$50,000 + up to \$15,000 match)
- Metrocrest Social Services (\$66,120)
- Dallas Cat Lady (\$5,000)
- Metrocare Services (\$5,000)
- Outcry Theatre (\$2,500)
- The Family Place (\$2,500) (funded out of the Child Safety Fund)
- Woven Health Clinic (\$5,000)
- WaterTower Theatre (\$226,589 + \$100,000 match) (funded out of Hotel Fund)*

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

expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	27,487	29,483	27,733	27,603
Supplies	9,069	18,000	18,000	18,000
Maintenance	-	-	-	-
Contractual Services	300,397	251,727	251,727	200,378
Capital Replacement/Lease	2,837	2,922	2,922	-
Capital Outlay	-	-	-	-
TOTAL DEPT. BUDGET	\$339,790	\$302,132	\$300,382	\$245,981

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.

city manager's OFFICE

PROGRAM NARRATIVE

accomplishments of fy2021

- Streamlined agenda item review process
- CARES Act funding received / reporting completed
- Strategic Plan quarterly report format updated
- Non-Profit Organization Policy updated
- Compensation Study conducted / implemented
- Legislative session tracked / managed
- American Rescue Plan Act funding received / budgeted

objectives for fy2022

- Implement additional avenues for communications between the City Manager's Office and other departments
- Review the Town's mission, values, and vision statements and update as needed
- Strengthen the connections between the Council's Strategic Plan and departmental programs / projects

expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	1,093,193	999,752	1,047,966	1,041,622
Supplies	24,734	25,252	25,252	21,698
Maintenance	36,944	50,293	41,251	37,097
Contractual Services	79,056	95,972	84,528	87,696
Capital Replacement/Lease	11,396	11,396	11,396	16,388
Capital Outlay	-	-	-	-
TOTAL DEPARTMENT BUDGET	\$1,245,323	\$1,182,665	\$1,210,393	\$1,204,501

staffing	LEVEL	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
City Manager ¹	N/C	1.0	1.0	1.0	1.0
Deputy City Manager ²	49	2.0	1.4	1.4	1.0
Director of Admin Services	42	0.0	0.0	1.0	1.0
Assistant to the City Manager ³	33	1.0	1.0	0.0	0.0
Management Assistant	25	1.0	1.0	1.0	1.0
Volunteer Coordinator	24	0.5	0.5	0.5	0.5
Executive Assistant	22	1.0	1.0	1.0	1.0
TOTAL		6.5	5.9	5.9	5.5

¹ This position is not classified in the pay plan.

² This position has been reallocated to the Utility Fund (0.2 FTE) and Airport Fund (0.2 FTE) in FY2022. This position (1.0 FTE) is now fully allocated to the Utility Fund (0.5 FTE) and the Airport Fund (0.5 FTE) in FY 2022.

³ This position was reclassified from Assistant to the City Manager to Director of Administrative Services in FY 2021.

city SECRETARY

DEPARTMENT MISSION

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

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

expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	118,990	127,888	127,288	131,075
Supplies	2,677	10,950	10,950	10,950
Maintenance	-	-	-	-
Contractual Services	51,391	74,250	74,250	79,250
Capital Replacement/Lease	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL DEPARTMENT BUDGET	\$173,058	\$213,088	\$212,488	\$221,275

staffing	LEVEL	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
City Secretary	36	1.0	1.0	1.0	1.0
TOTAL		1.0	1.0	1.0	1.0

PROGRAM NARRATIVE

accomplishments of fy2021

- GovQA process and procedures updated and streamlined.
 - ▷ 718 public information requests processed in 2020 with 427 processed thru May 21
 - ▷ Old files reviewed and closed with only 25 records pending Attorney General response
- Continued to update records on LaserFiche and MCCI after adoption; provided public and staff access to municipal records; added policy tab in MCCI; added Conflict of Interest tab as required by State law.
- Updated State law references within the Code of Ordinances.
- Document storage and records reviewed for records retention compliance. Additional accomplishments:
 - ▷ Closed two off-site storage units saving \$166/month
 - ▷ Provided online recording with Dallas County Clerk's Office
 - ▷ Airport Department now paperless

objectives for fy2022

- Make City Secretary Department paperless.
- Conduct legal review of Code of Ordinances.
- Provide in-house training for Staff to utilize full potential of various programs.
- Reduce Staff response time on GovQA, provide monthly/quarterly reports to track response time. Add categories and facilitate re-directing requests.
- Develop good communications between Town departments, help assess their record needs, and find solutions to improve workflows, sharing of data, and work as a team for a common goal.



combined **SERVICES**

DEPARTMENT MISSION

The Combined Services department 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 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	68,166	-	60,100	60,000
Supplies	30,060	22,000	17,000	22,000
Maintenance	-	3,040	3,040	-
Contractual Services	1,225,408	1,162,911	1,156,628	1,280,400
Capital Replacement/Lease	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL DEPARTMENT BUDGET	\$1,323,634	\$1,187,951	\$1,236,768	\$1,362,400



development SERVICES

DEPARTMENT MISSION

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

PROGRAM NARRATIVE accomplishments of fy2021

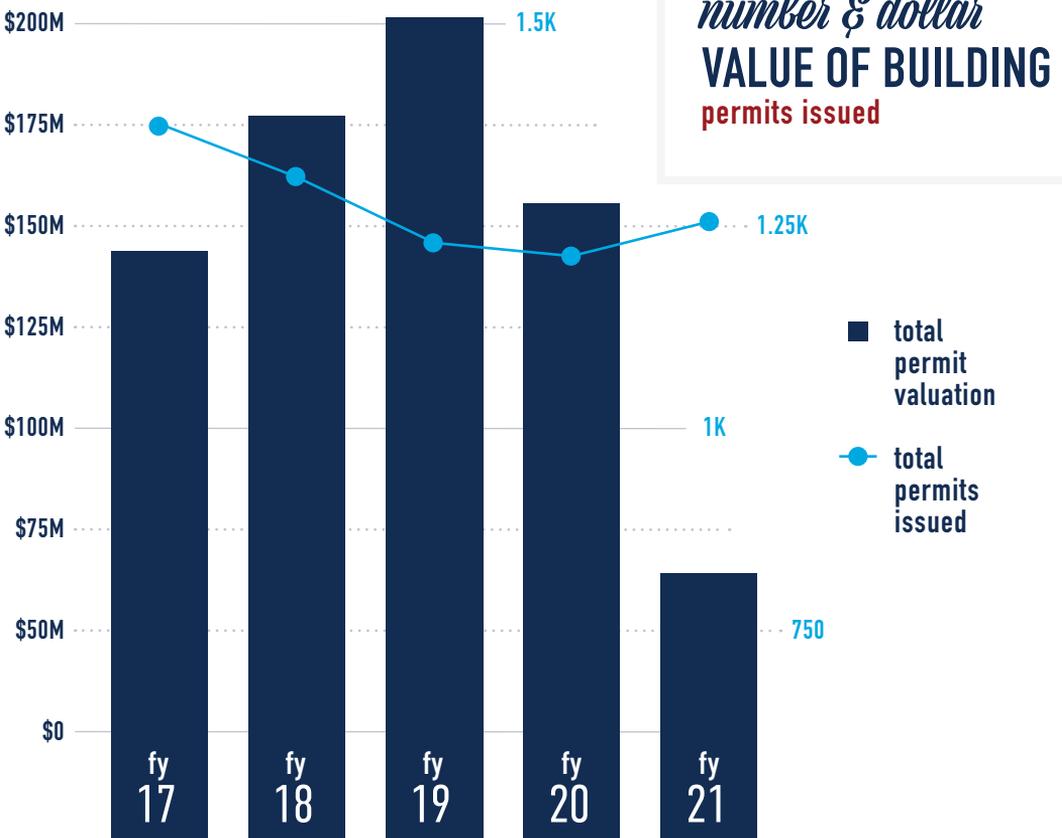
- Addressed urgent building safety needs following Texas freeze and Cortland apartment fire.
- Continued ongoing transition to electronic plan review.
- Addison employee elected as Treasurer of local ICC chapter.
- Conducted 156 emergency consultations in aftermath of the Texas freeze.
- Managed public health response to COVID-19 pandemic.
- Addison employee served as President for the National Environmental Health Association.
- Facilitated corrective action for major code and building safety violations at:
 - ▷ Crowne Plaza Hotel – freeze damage and maintenance
 - ▷ Budget Suites of America – bed bug mitigation and elevator repairs
 - ▷ Taco Bueno – major remodel
- Re-initiated Sam's Club Special Area Study.
- Developed and initiated completion plan for Unified Development Code (UDC) project.
- Conducted review and update of Planning & Zoning Rules and Procedures.
- Facilitated review and development of Transit Oriented Development (TOD) Master Developer solicitation.

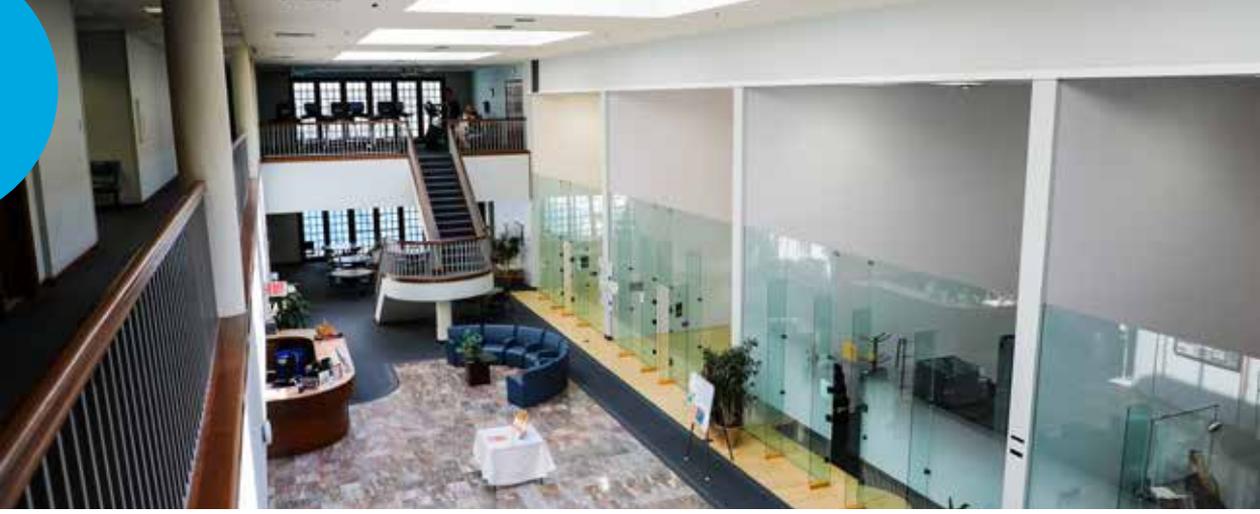
expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	1,255,911	1,308,314	1,299,604	1,461,091
Supplies	43,784	36,041	32,853	48,954
Maintenance	30,593	18,470	13,022	19,111
Contractual Services	119,921	241,686	241,686	240,754
Capital Replacement/Lease	32,787	33,042	33,042	37,694
Capital Outlay	18,600	-	-	-
TOTAL DEPARTMENT BUDGET	\$1,501,596	\$1,637,553	\$1,620,207	\$1,807,604

staffing	LEVEL	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Director of Development Services	44	1.0	1.0	1.0	1.0
Building Official	39	1.0	1.0	1.0	1.0
Development and Planning Manager	35	1.0	1.0	1.0	1.0
Environmental Health Manager	34	1.0	1.0	1.0	1.0
Senior Building Inspector	28	2.0	2.0	2.0	2.0
Plans Examiner	26	1.0	1.0	1.0	1.0
Senior Environmental Health Specialist	26	1.0	1.0	1.0	1.0
Environmental Health Specialist	25	1.0	1.0	1.0	1.0
Code Enforcement Officer ¹	24	1.0	1.0	1.0	2.0
Combination Building Inspector	24	0.1	0.1	0.1	0.1
Senior Permit Technician ²	24	0.0	0.0	0.0	1.0
Department Assistant	19	1.0	1.0	1.0	1.0
Permit Technician	19	1.0	1.0	1.0	0.0
Records Clerk	17	1.0	1.0	1.0	1.0
TOTAL		13.1	13.1	13.1	14.1

¹ A second Code Enforcement Officer (1.0 FTE) position was added in FY2022.

² This position was reclassified in FY2022 from Permit Technician to Senior Permit Technician.



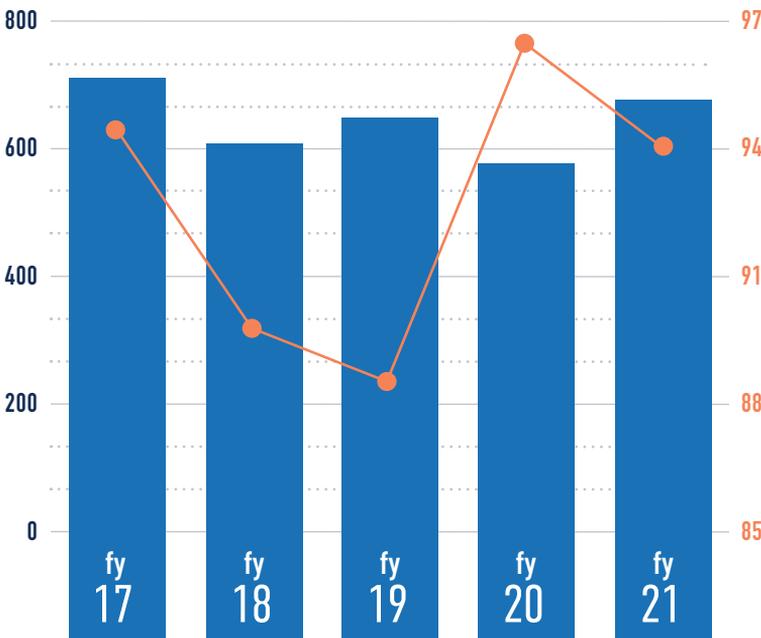


objectives for fy2022

- Complete Unified Development Code update.
- Implement latest EnerGov update and evaluate long-term viability of the system.
- Evaluate development review program and implement identified process improvements.
- Evaluate implementation status of the Comprehensive Plan and identify other long-range planning needs.
- Expand Code Enforcement service capacity to provide more proactive service approach.
- Facilitate master planning and entitlement process for the Silver Line TOD.
- Update department website, expand GIS capacity and programming, develop department annual report.

number of FOOD INSPECTIONS & average scores

- inspections
- average score



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.

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 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	-	-	-	-
Supplies	-	-	-	-
Maintenance	52,732	64,240	64,240	65,167
Contractual Services	1,307,731	1,327,279	1,327,279	1,529,078
Capital Replacement/Lease	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL DEPARTMENT BUDGET	\$1,360,463	\$1,391,519	\$1,391,519	\$1,594,245



FINANCE

DEPARTMENT MISSION

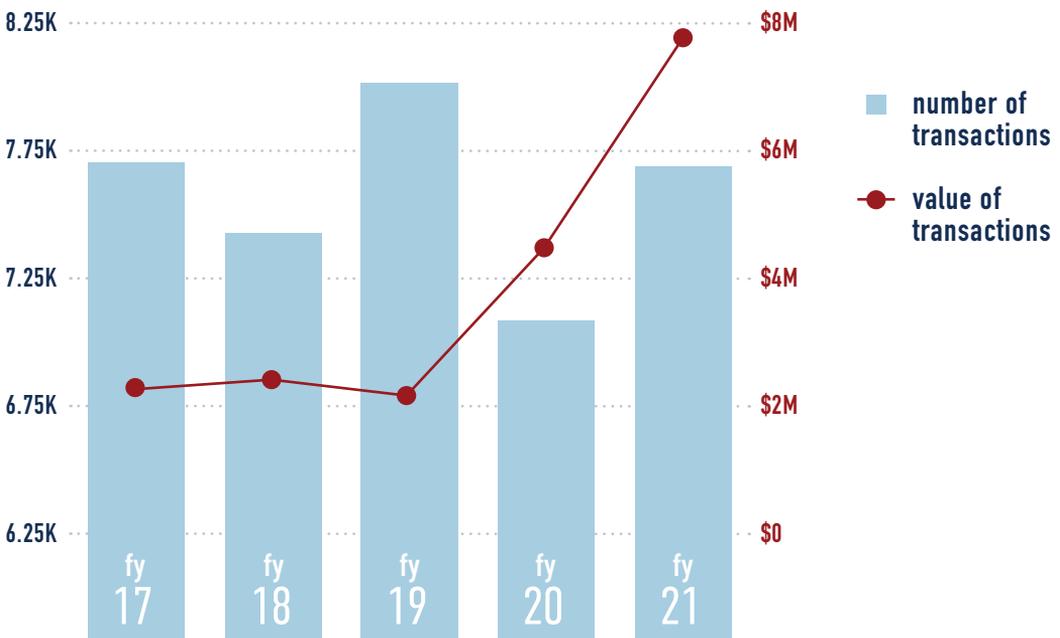
To optimally manage Addison's resources through its budgeting, purchasing, management analysis and financial reporting. This department encompasses treasury, investment management, risk management, accounts receivable and payable, payroll, and managing all the steps involved in debt financing. The Chief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

PROGRAM NARRATIVE accomplishments of fy2021

- Received the 44th consecutive Certificate of Achievement in Financial Reporting from the Government Finance Officers Association (GFOA) for our FY19 Annual Financial Report
- Completed the annual financial audit with no proposed or passed audit adjustments
- Received the 35th consecutive Distinguished Budget Presentation Award from GFOA for our FY21 Budget

- Received the 1st Certificate of Distinction from the Government Treasurers' Organization of Texas (GTOT) for our investment policy
- Implemented FloQast and improved efficiency and internal controls over the month-end close process
- Implemented debit block at Frost Bank
- Improved controls over Personnel Actions and Time Entry
- Closed out accounting and reporting to Dallas County for the CARES grant

procurement CARD transactions

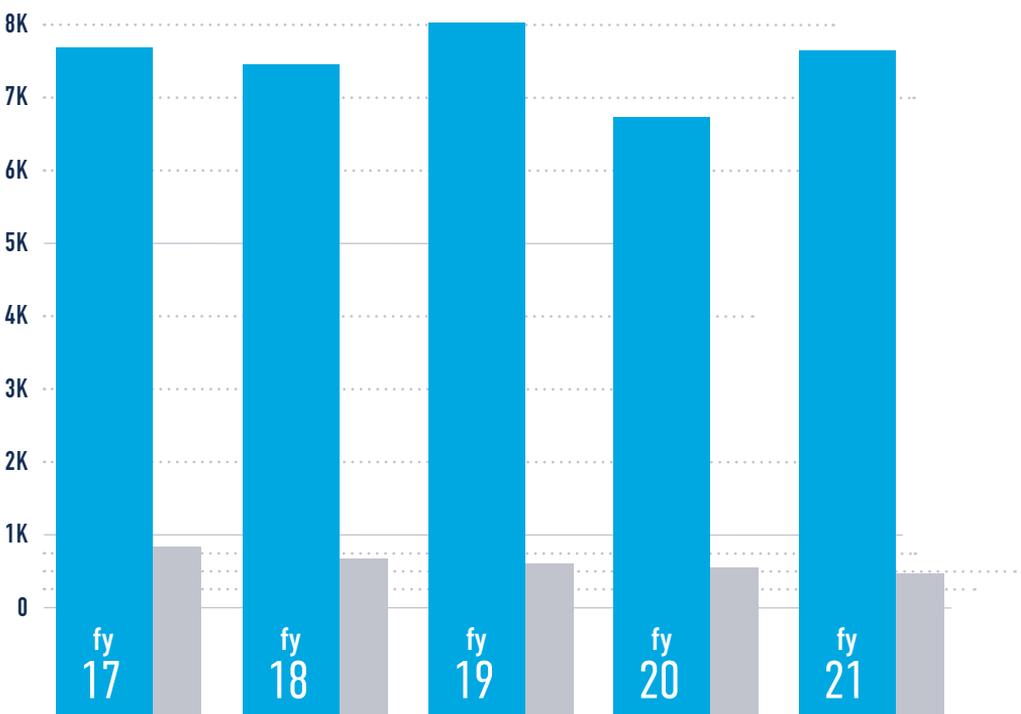




- Prepared the Town’s first Popular Annual Financial Report (PAFR)
- Participated in Governmental Accounting Standards Board (GASB) revenue and expense recognition field test to provide input over potential new accounting standards
- Implemented Amazon Business Account to gain business pricing, streamline the process, and improve internal controls over Amazon purchases
- Brought investment management in-house saving the Town in fees and increasing yield
- Renegotiated sales tax recovery contract with Avenu Analytics for a reduced fee
- Released audit service request for qualifications to ensure we are charged a fair and competitive fee for the next five years
- Increased PCard rebate from \$35k in 2020 to \$60k in 2021 with the rebate anticipated to be \$125k in 2022
- Generated personnel projections directly from Munis employee master file
- Added Budget and Accounting procedure documents and forms to Finance intranet page
- Grew program budgeting
- Assisted other departments with the financial impacts of COVID-19

procurement TRANSACTIONS by method

- procurement card transactions
- purchase order transactions



expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	1,117,265	1,217,984	1,207,921	1,194,879
Supplies	28,428	18,483	14,900	15,055
Maintenance	29,907	38,626	47,384	34,936
Contractual Services	620,966	490,545	483,802	491,531
Capital Replacement/Lease	29,917	29,917	29,917	28,309
Capital Outlay	-	-	-	-
TOTAL DEPARTMENT BUDGET	\$1,826,483	\$1,795,555	\$1,783,924	\$1,764,710

staffing	LEVEL	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Chief Financial Officer	45	1.0	1.0	1.0	1.0
Controller ¹	40	1.0	0.7	0.7	0.5
Accounting Manager	37	1.0	1.0	1.0	1.0
Budget Manager	37	1.0	1.0	1.0	1.0
Purchasing Manager	35	1.0	1.0	1.0	1.0
Accounting Supervisor ²	33	0.0	0.0	0.7	0.5
Senior Accountant	31	2.0	1.7	1.0	1.0
Senior Budget Analyst	30	1.0	1.0	1.0	1.0
Senior Treasury Analyst ³	30	0.0	0.0	1.0	1.0
Accountant	28	2.0	2.0	1.0	1.0
Accounting Specialist ⁴	21	3.0	2.4	2.4	2.0
TOTAL		13.0	11.8	11.8	11.0

¹ This position has been partially reallocated to the Utility Fund (0.2 FTE) in FY2022.

² This position has been partially reallocated to the Airport Fund (0.2 FTE) in FY 2022.

³ This position was reclassified from Accountant to Senior Treasury Analyst in FY 2021.

⁴ This position has been reallocated to the Utility Fund (0.2 FTE) and Airport Fund (0.2 FTE) in FY2022. This position (1.0 FTE) is now fully allocated to the Airport Fund (0.5 FTE) and the Utility Fund (0.5FTE) in FY 2022.

objectives for fy2022

- Implement Governmental Accounting Standards Board (GASB) Statement 87 and finalize policies and procedures for this standard
- Implement ABBYY to increase efficiency and internal control over the accounts payable process
- Implement Vendor Self Service
- Implement Employee Expense in Employee Self Service
- Fully implement Single Use Account from JPMorgan Chase
- Add program scoring to program-based budgeting
- Create a real-time database for CIP project activity
- Update revenue fee manual

FIRE

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 fy2021

- Amended the Ordinance for Emergency Ambulance Service Fee Schedule to increase revenues by an estimated \$23,445 per year.
- Amended the Town's Master fee Ordinance for plan review and inspection fees to increase revenues by an estimated \$15,000 per year.
- Reclassified Station 2 officers from Lieutenant to Captain to be consistent with comparison cities' satellite stations.
- Replaced our apparatus bay doors that were original to the building.
- Awarded \$180,952 from the Department of Homeland Security's Assistance to Firefighters Grant (AFG). Replaced entire inventory of our Self-Contained Breathing Apparatus with the award.
- Transitioned to online-only plan review.
- Maintained a Class 1 ISO rating.
- Maintained recognition with Texas Best Practices.
- Approved the adoption of the 2020 Amended Dallas County, Texas Multi-Jurisdiction Hazard Mitigation Plan.
- Replaced 6 end of life Lifepak15 defibrillators.

expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	7,332,360	7,409,413	7,451,338	7,747,282
Supplies	245,832	263,947	238,315	282,185
Maintenance	223,065	237,059	261,397	285,548
Contractual Services	299,635	349,226	347,349	395,179
Capital Replacement/Lease	391,565	400,670	400,670	376,651
Capital Outlay	-	-	-	-
TOTAL DEPARTMENT BUDGET	\$8,492,457	\$8,660,315	\$8,699,069	\$9,086,845

objectives for fy2022

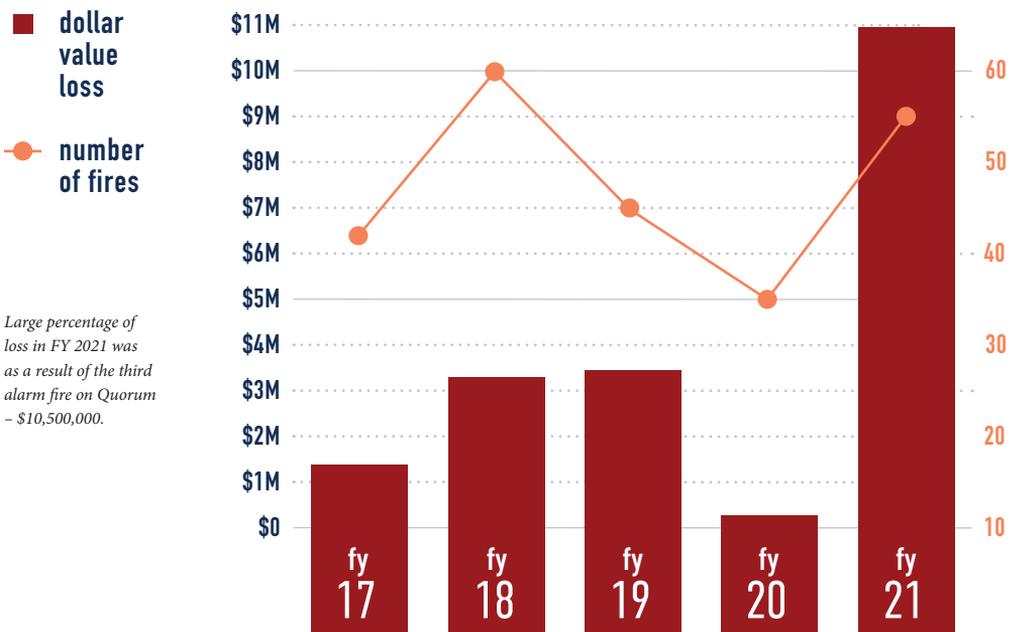
The Council's goals will be met by:

- Replacing end of life Prevention vehicle with a new one.
- Adjusting for increased cost of maintaining personal protective equipment (PPE) and EMS supplies.
- Making “bail-out” kits part of firefighter’s personal equipment.
- Maintaining a Class 1 ISO rating & Texas Best Practices.
- Where affordable, continue to strive to improve Wellness and Cancer Awareness/Prevention program.
- Continually seek innovative ways to improve our service levels.

staffing	LEVEL	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Fire Chief	45	1.0	1.0	1.0	1.0
Deputy Fire Chief	F9	1.0	1.0	1.0	1.0
Battalion Chief	F8	3.0	3.0	3.0	3.0
Battalion Chief - Administration	F8	0.0	1.0	1.0	1.0
Fire Marshal	F7	1.0	1.0	1.0	1.0
Fire Captain ¹	F6	3.0	3.0	6.0	6.0
Fire Lieutenant ¹	F5	6.0	6.0	3.0	3.0
Fire Equipment Operator/Paramedic	F4	9.0	9.0	9.0	9.0
Firefighter/Paramedic	F3	30.0	30.0	30.0	30.0
Fire Prevention Technician	F1	1.0	1.0	1.0	1.0
Fire Administrative Supervisor	26	1.0	1.0	1.0	1.0
Department Assistant	19	1.0	1.0	1.0	1.0
TOTAL		57.0	58.0	58.0	58.0

¹ In FY 2021 3.0 FTE Fire Lieutenant positions were reclassified to 3.0 FTE Fire Captain Positions.

number of FIRES & corresponding property loss



general **SERVICES**

DEPARTMENT MISSION

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

PROGRAM NARRATIVE **accomplishments of fy2021**

facilities

- Strong focus on customer service through work order satisfaction follow up calls, feedback meetings with departments and frequent project and work order updates. Our goal is continuous improvement.
- Responded to COVID-19 pandemic with increased cleaning, messaging, and supplies to keep staff and visitors safe and healthy.
- Better managed facilities through new Computerized Maintenance Management System (CMMS) and gain predictive analytics through IRIS.



- Installed touchless automatic doors at the entrance to the Athletic Club.
- Remodeled the public restrooms at Central Fire making them ADA compliant.
- Modernized and refurbished monument signs at the Service Center.
- Responded to numerous facilities and fuel issues and assured generators were fueled and operating during the winter storm.
- Refurbished Mondo floor at the Athletic Club.
- Started work on phase 1 of the facilities bond projects.
- Organized and implemented facility maintenance for the new Airport and Customs and Border Protection offices.

fleet

- Ordered and made ready 20 vehicles and equipment.
- Responded to 28 roadside calls (estimated based on 6-month totals).
- Conducted 996 preventative maintenance and scheduled maintenance repairs (estimated based on 6-month totals).
- Conducted 100 non-scheduled repairs (estimated based on 6-month totals).
- Fleet up time 98.5% goal 97% (estimated based on 6-month totals).

expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	483,227	505,349	500,240	492,629
Supplies	19,011	32,092	33,579	32,320
Maintenance	91,373	114,130	77,883	107,748
Contractual Services	63,518	75,416	67,838	68,381
Capital Replacement/Lease	24,982	25,282	525,282	54,979
Capital Outlay	-	-	-	-
TOTAL DEPARTMENT BUDGET	\$682,111	\$752,269	\$1,204,822	\$756,057

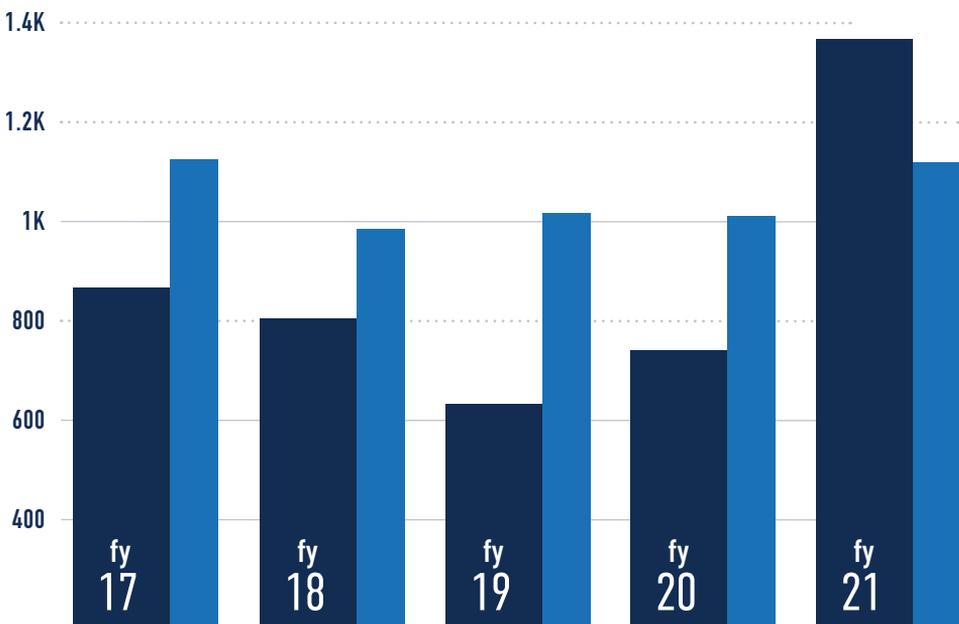
staffing	LEVEL	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Director of General Services	41	1.0	1.0	1.0	1.0
Facilities Supervisor	27	1.0	1.0	1.0	1.0
Management Assistant	25	1.0	1.0	1.0	1.0
Facilities Specialist	20	1.0	1.0	1.0	1.0
Department Assistant	19	0.5	0.5	0.5	0.5
Facilities Assistant	17	1.0	1.0	1.0	1.0
TOTAL		5.5	5.5	5.5	5.5

objectives for fy2022

- Continue to increase our customer service through quick completion time (4.5 days or less).
- Refine the customer service experience through the use of technology for better tracking and status updates.
- Increase preventative maintenance and self-identified maintenance to conduct repairs before they impact a customer's work environment.
- Update and fully implement the Asset Management software so we have reliable predictive analytics.
- Develop specifications to purchase 9 vehicles and equipment.
- Update the facilities and ADA side of IRIS and add in the fleet.
- Complete phase 1 of the bond projects.
- Coordinate and complete all approved facilities projects.

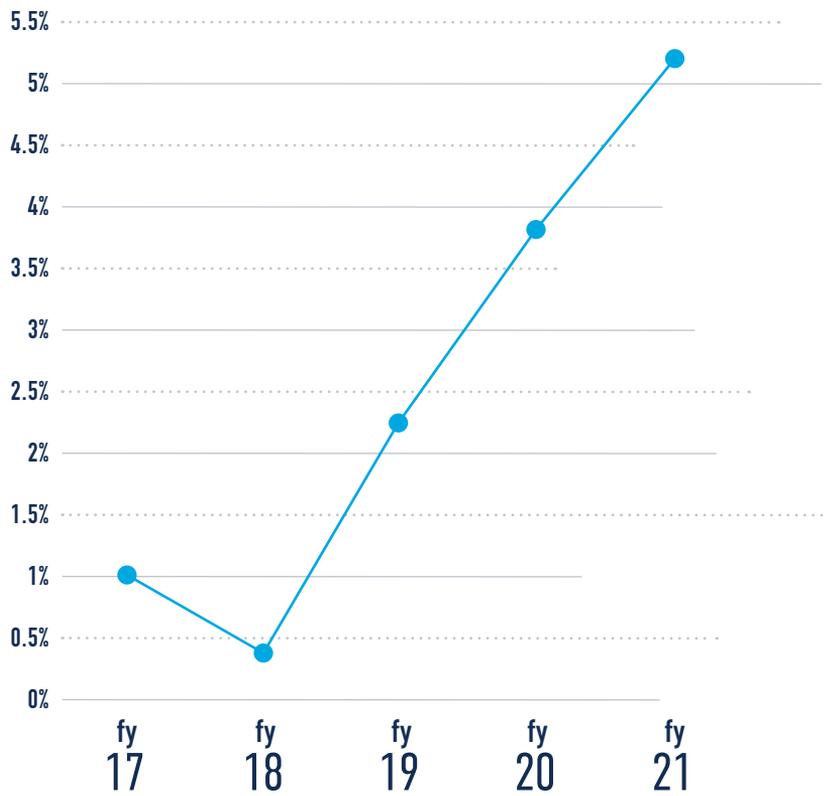
work **ORDERS** processed

- facilities
- fleet





fleet
DOWNTIME
(as a percentage
of time in
operation)



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 fy2021

- Led and implemented market study discussion and implementation process.
- Negotiated a 0% increase for health and dental insurance plans.
- Expanded Employee Appreciation and Recognition efforts during COVID-19.

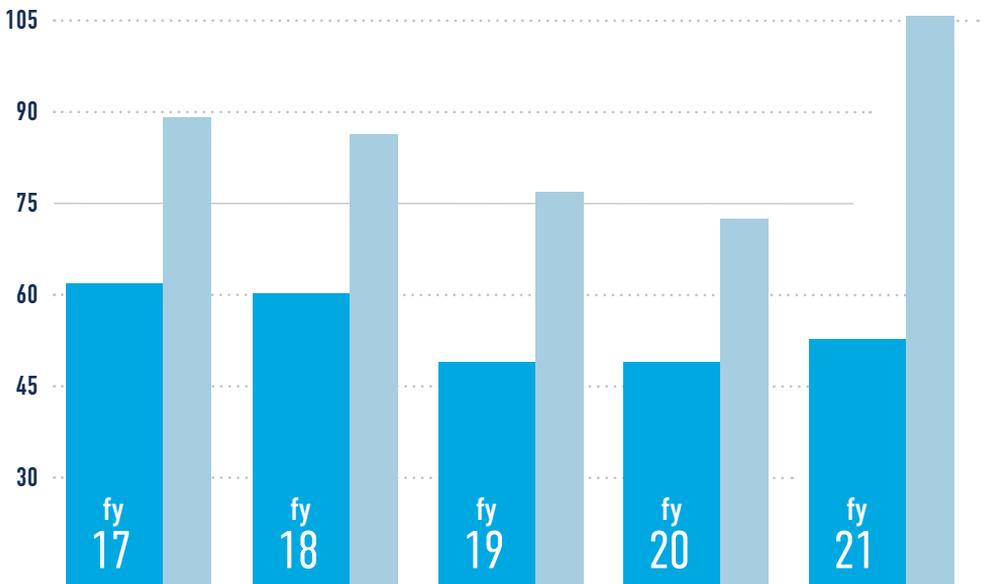
- Awarded Department of the year.
 - Efforts related to implementing federal Employee Coronavirus Protected Leave and ongoing coronavirus guidance and leadership.

objectives for fy2022

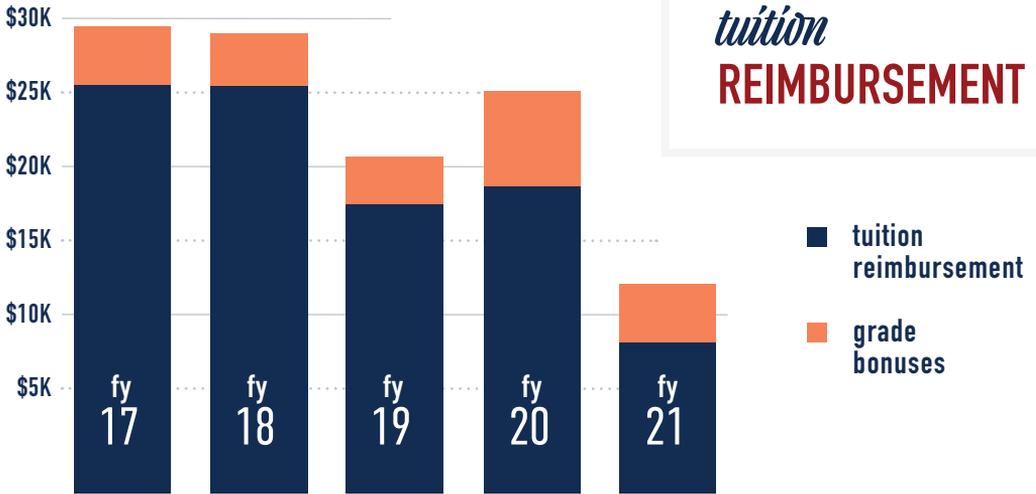
- Review and enhance Town’s 457 Deferred Compensation Plan Offering
- Facilitate organizational discussion of compensation philosophy
- Continue to provide ongoing coronavirus guidance and leadership
- Lead review of Town’s Employee Handbook for organizational and legal updates
- Implement new Town holiday (Martin Luther King Jr. Day) as part of Town’s Total Compensation Plan

employees PROCESSED

- separated/retired
- hired



tuition REIMBURSEMENT



expenditures

	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	499,044	480,990	473,176	458,753
Supplies	7,967	58,252	58,252	70,858
Maintenance	1,065	810	810	986
Contractual Services	124,030	171,707	171,707	199,401
Capital Replacement/Lease	9,281	9,281	9,281	10,211
Capital Outlay	-	-	-	-

TOTAL DEPARTMENT BUDGET	\$641,387	\$721,040	\$713,226	\$740,209
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staffing

	LEVEL	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Director of Human Resources	44	1.0	1.0	1.0	1.0
Total Rewards Business Partner	32	1.0	1.0	1.0	1.0
Talent Acquisition Partner ¹	28	1.0	0.4	0.4	0.0
Human Resources Coordinator	26	1.0	1.0	1.0	1.0

TOTAL	4.0	3.4	3.4	3.0
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¹ This position has been reallocated to the Utility Fund (0.2 FTE) and the Airport Fund (0.2 FTE) in FY 2022. This position is now fully allocated to the Utility Fund (0.5 FTE) and the Airport Fund (0.5 FTE) in FY 2022.

hires BY TYPE



information TECHNOLOGY

DEPARTMENT MISSION

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

PROGRAM NARRATIVE accomplishments of fy2021

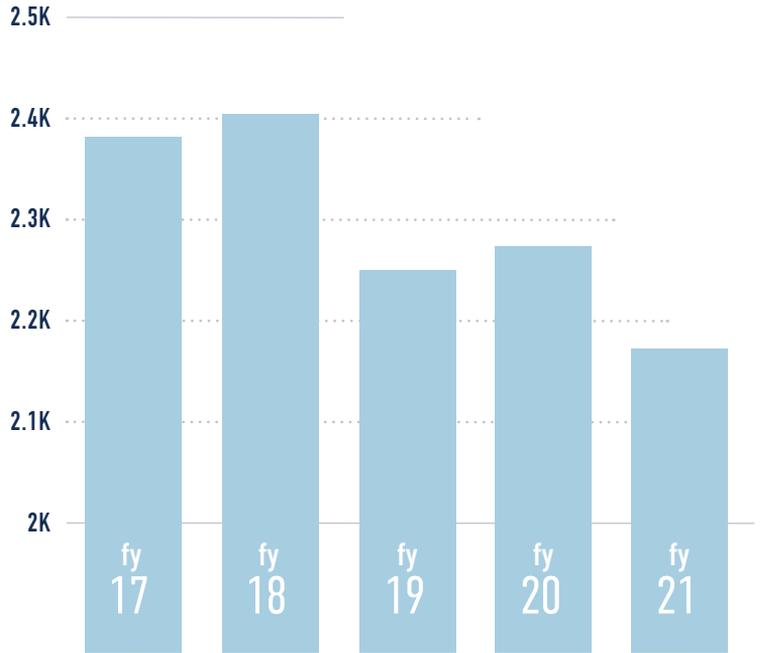
- Completed implementation of the CityWorks Airport module – Computerized Maintenance Management System (CMMS).
- Continued working with North Texas Emergency Communications Center (NTECC).
- Continued updating the GIS system.
- Began installation of an Overhead Sign over Belt Line Rd.
- Began installation of the phase II of License Plate Recognition (LPR) cameras town-wide – 60 cameras.

expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	1,152,693	1,156,431	1,159,053	1,239,603
Supplies	42,807	57,056	57,356	55,430
Maintenance	608,943	913,610	913,610	851,110
Contractual Services	70,418	90,698	76,298	93,015
Capital Replacement/Lease	30,806	30,806	30,806	17,892
Capital Outlay	-	-	-	-
TOTAL DEPARTMENT BUDGET	\$1,905,667	\$2,248,601	\$2,237,123	\$2,257,050

staffing	LEVEL	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Executive 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

- Completed phase I of digitizing and linking as-builds, plats, easements, and engineering drawings to the town enterprise GIS system.
- Began installation of 281 security cameras at the town facilities, parks, and trails.
- Completed integration of newly installed irrigation system.
- Expanded the Town's network services to newly established Addison airport department.
- Began testing the Munis v.2021 upgrade.
- Worked with Kayuga Solution to design ADA dashboard module.
- Began testing the Tyler Content Management (TCM) v.2021 upgrade.
- Began upgrading the Public, Educational, and Government access broadcasting system.
- Expeditiously implemented a safe and secure telecommuting environment during COVID-19 outbreak.
- Began testing the Tyler Cashiering v.2021 upgrade.
- Began testing the EnerGov v.2021 upgrade.

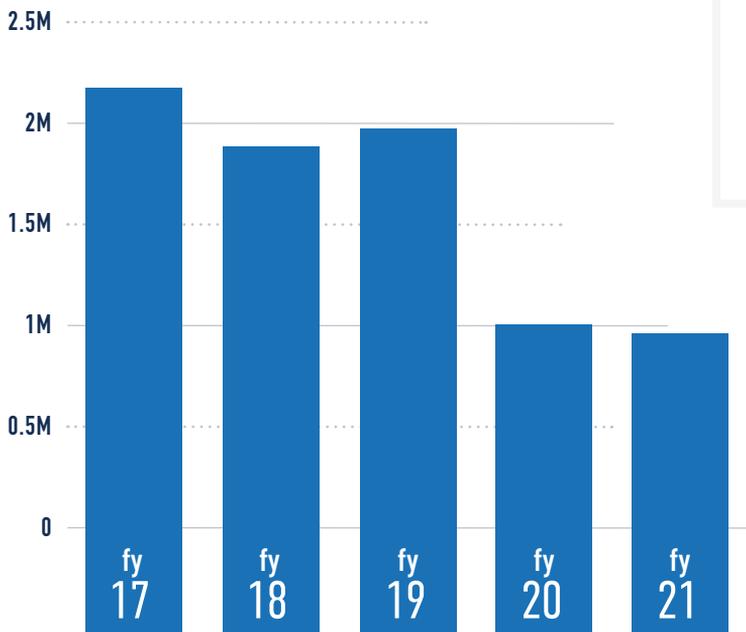
number of
SERVICE
calls





objectives for fy2022

- Continue working with NTECC.
- Continue upgrading the Public, Educational, and Government access broadcasting system.
- Implement Police Records Management System (RMS) Jail module.
- Upgrade the in-car video cameras.
- Upgrade the Mobile Data Computers (MDCs).
- Upgrade the body cameras.
- Upgrade the Munis v.2021.
- Upgrade the Tyler Content Management (TCM) v.2021.
- Upgrade the Tyler Cashiering v.2021.
- Upgrade the EnerGov v.2021.
- Continue deployment of the phase II of License Plate Recognition (LPR) cameras town-wide.
- Implement phase II of digitizing and linking as-buils, plats, easements, and engineering drawings to the town enterprise GIS system.
- Continue deployment of 281 security cameras at the town facilities, parks, and trails.
- Facilitate the CAD system upgrade and integration with the Town systems.



number of
UNIQUE
website visitors

Data includes pageviews for website and microsites.

DEPARTMENT MISSION

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

PROGRAM NARRATIVE accomplishments of fy2021

- Developed an online form for customers and attorneys to request information or set up video conferencing with the Judge.
- Continued to comply with mandates established by the Legislature and the Department of Justice regarding collections of fines and cost by considering the ability of the accused to pay those fines and cost if found guilty.
- Established e-Conferencing to allow virtual dockets with the Judge and Prosecutor. This permits customers to dispose of cases via a video conference on their computer or wireless device.
- Purged old warrants per the retention schedule.
- Scanned all open court files into our court software.

municipal COURT

objectives for fy2022

- Continue to utilize and improve technology to permit video conferences with the Judge and Prosecutor to resolve cases without appearing in person. Will process all paperwork through email.
- Continue to cross-train Court employees.
- Ensure that all employees stay up to date on continuing education.
- Evaluate new laws passed during the 2021 Texas Legislative Session to determine their impact on court procedures and implement necessary changes.

expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	494,217	510,807	505,413	516,729
Supplies	7,116	10,091	10,091	8,137
Maintenance	38,523	71,850	71,850	79,259
Contractual Services	78,226	85,058	85,058	81,439
Capital Replacement/Lease	29,012	29,012	29,012	27,173
Capital Outlay	-	-	-	-
TOTAL DEPARTMENT BUDGET	\$647,094	\$706,818	\$701,424	\$712,737

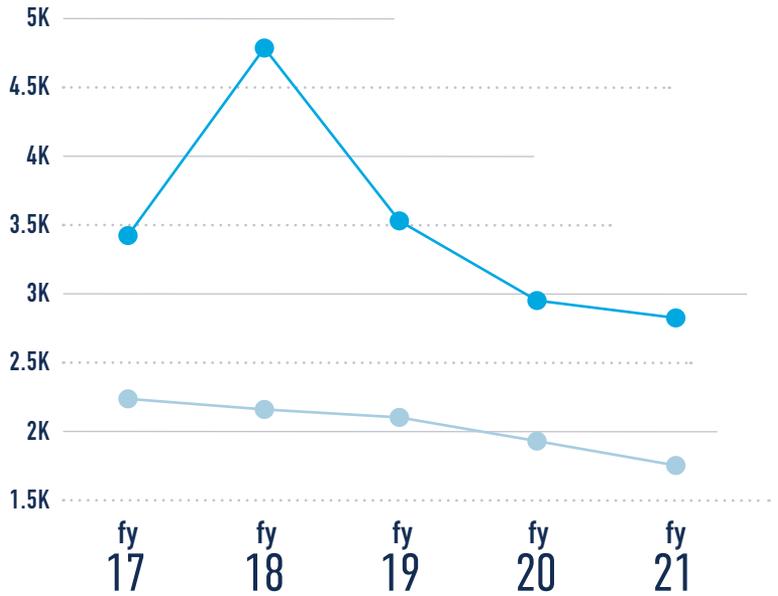
staffing	LEVEL	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Municipal Judge ¹	N/C	1.0	1.0	1.0	1.0
Municipal Court Administrator	35	1.0	1.0	1.0	1.0
Lead Court Clerk	22	1.0	1.0	1.0	1.0
Deputy Court Clerk	20	2.0	2.0	2.0	2.0
TOTAL		5.0	5.0	5.0	5.0

¹ This position is not classified in the pay plan.

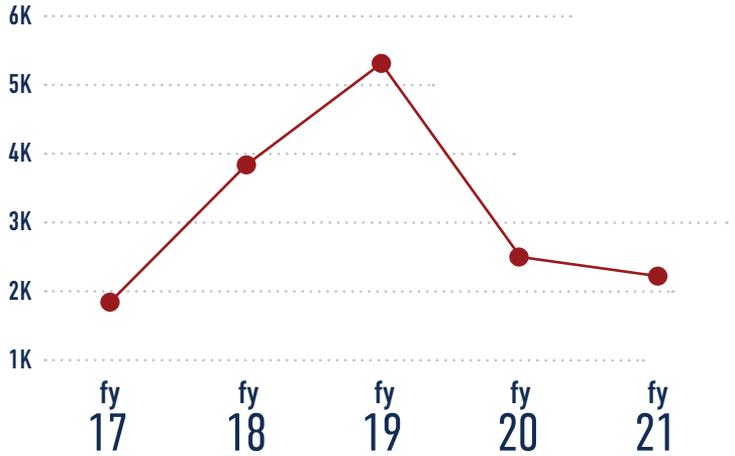
MUNICIPAL COURT

court
CASES

- cases scheduled
- cases heard

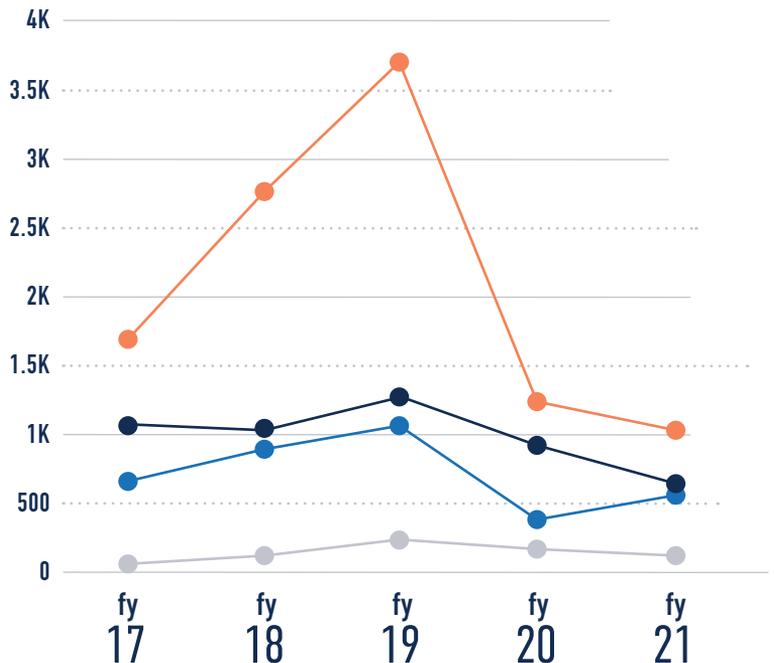


citations
ISSUED



violations
ISSUES
by type

- traffic
- parking
- state (includes FTA & VPTA charged)
- city ordinance (includes traffic ordinances as of 2/1/16)



parks & rec: **PARKS**

DEPARTMENT MISSION

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

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

PROGRAM NARRATIVE

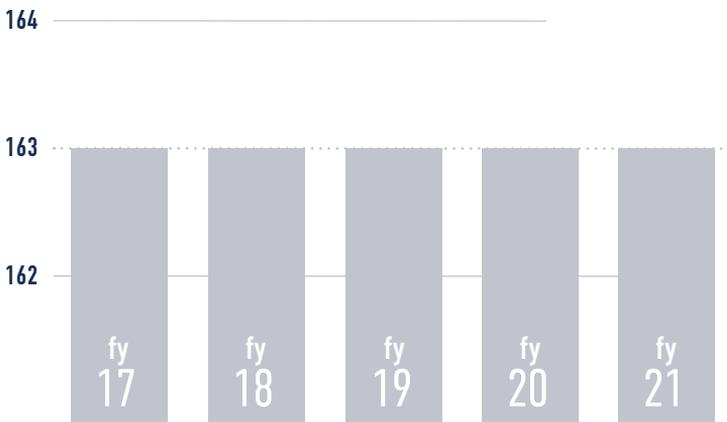
accomplishments of fy2021

- Presented Trails Master plan to Council for adoption.
- Trained staff on Work Order System to manage job flow and have created over 1,300 orders.
- Continued the implementation of the Asset Management Plan and replaced/repaired/maintained approximately \$295,000 in site furnishings, paving, signage, lights and masonry walls.
- Despite a slowdown caused by COVID-19, partnered with recreation to activate parks and programed events such as Coworking in the Park, Addison Outdoors Field Day and Imagination Playground Pop-ups.
- Identified grant funding opportunities for two Phase I Trails Master Plan Projects.
- Designed ADA improvements at Celestial Park and are awaiting funding. Planting improvements are currently underway.
- Developed a plan for a 5-year heavy tree pruning cycle. Actively working on the development of a tree replacement plan for Bosque Park.
- Reduced average time to close Fix It App request tickets from 13.687 to 9.051 days.
- Installed and configured central control irrigation system software. Irrigators began process of installing components.

expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	1,629,862	1,915,377	1,802,631	1,928,745
Supplies	284,138	462,047	336,979	363,102
Maintenance	713,891	810,783	811,033	798,525
Contractual Services	1,028,748	988,199	1,052,528	1,186,750
Capital Replacement/Lease	83,084	84,886	84,886	120,734
Capital Outlay	33,060	-	80,050	107,363
TOTAL DEPARTMENT BUDGET	\$3,772,783	\$4,261,292	\$4,168,107	\$4,505,219

objectives for fy2022

- Continue to implement central control irrigation system at North Addison, Quorum, Bosque, Spruill, Beckert, and Parkview Parks.
- Continue to restore landscape areas that have been impacted by increased shade caused by mature tree canopies at Quorum Park, Vitruvian Park Erosion Control, Beltway Medians, Les Lacs Park and Addison Circle Park.
- Continue to implement the Asset Management Plan with a focus on Les Lacs Park pavilion and playground tables, bollard replacement in Addison Circle District, and concrete repairs various parks trails.
- Form a Trash and Projects crew to address growing park demands. Crew would work Tuesday-Saturday, help with Imagination Playground programming and work on asset management projects.
- Continue to implement Parks, Recreation, and Open Space (PROS) Master Plan by:
 - ▷ Partnering with recreation to increase programing schedule to activate the northern edge of the park.
 - ▷ Implementing improvements in Addison Circle Park to activate the northern edge of the park.
 - ▷ Development of a conceptual plan for Town Park based on priorities identified in PROS.
 - ▷ Providing more pickleball opportunities to meet the growing demands of the sport.
- Continue to identify and apply for grant funding with a specific focus on:
 - ▷ Submission of Beltway Trail conceptual design for Texas Parks and Wildlife Grant request by February 1, 2022 (maximum grant amount \$200,000).
 - ▷ Submission of Town Park conceptual design for Texas Parks and Wildlife Grant request by October 1, 2021 (maximum grant amount \$750,000).
- Continue to develop and implement a Forestry Management Plan, specifically focusing on:
 - ▷ Updating trees in GIS that have been removed and including new trees that have been planted since the last tree survey was conducted.
 - ▷ Continue efforts to replace trees lost during the June 2020 storm.
 - ▷ Improving in-house processes for tree mitigation.
- Begin to implement the City-Wide Trails Master plan and develop conceptual plans for Beltway Road and Westgrove Road trail corridors.
- Improve response time to Fix it App requests and reduce response time from approximately 9 days to 7 days.



acres
MAINTAINED



staffing	LEVEL	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Director of Parks and Recreation	44	1.0	1.0	1.0	1.0
Parks Contracts and Forestry Manager	33	1.0	1.0	1.0	1.0
Parks Superintendent	33	1.0	1.0	1.0	1.0
Landscape Architect	32	1.0	1.0	1.0	1.0
Parks Supervisor ¹	27	4.0	4.0	4.0	5.0
Electrician	25	1.0	1.0	1.0	1.0
Management Assistant ²	25	0.0	0.0	0.0	1.0
Electrician Apprentice	23	1.0	1.0	1.0	1.0
Licensed Irrigator	21	3.0	3.0	3.0	3.0
Department Assistant	19	1.0	1.0	1.0	0.0
Groundskeeper - III	21	1.0	1.0	1.0	0.0
Groundskeeper - II	19	2.0	2.0	2.0	2.0
Groundskeeper - I	17	8.0	8.0	8.0	8.0
TOTAL		25.0	25.0	25.0	25.0

¹ This position was reclassified from Groundskeeper III to Parks Supervisor in FY 2022.

² This position was reclassified from Department Assistant to Management Assistant in FY 2022.

parks & rec: RECREATION

DEPARTMENT MISSION

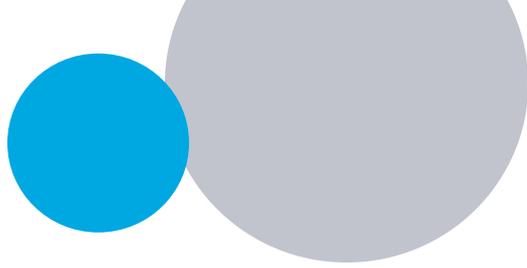
To preserve and enhance Addison's exceptional quality of life and work-life environment by maximizing the recreational, social, economic and environmental benefits of the community's award-winning parks, trails, green spaces and recreation facilities.

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

PROGRAM NARRATIVE accomplishments of fy2021

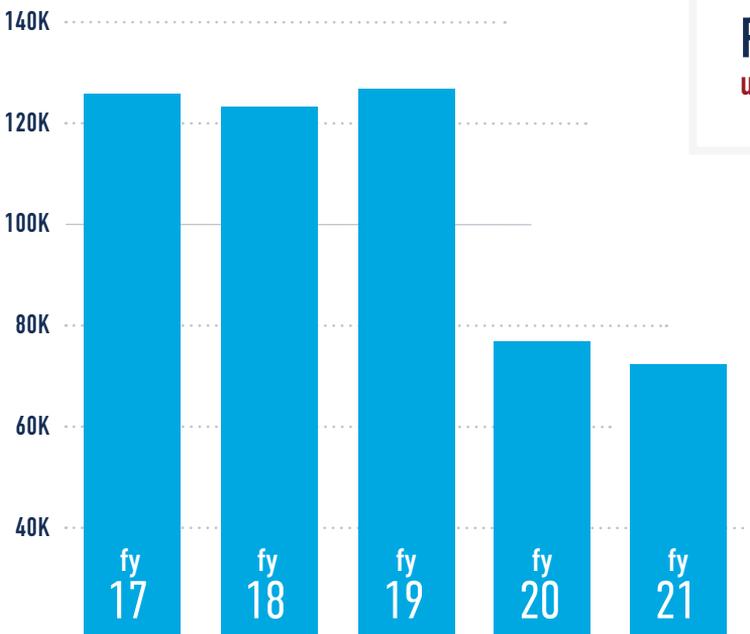
- Coordinated 20-30 Addison Outdoor classes per week.
- Held first annual Corporate Field Day.
- Oversaw the completion of construction drawings for building renovations. Construction drawings were issued for bid in July.
- Analyzed and improved sustainability plans for operations and maintenance of the AAC with a specific focus on developing plans for changing operation needs in light of COVID-19 and planned for opening back to normal operations. Staff also worked with General Services to work towards more proactive planning for building maintenance.

expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	936,312	1,021,410	1,020,479	1,017,816
Supplies	120,166	175,470	163,149	176,872
Maintenance	196,455	219,180	163,690	201,980
Contractual Services	294,003	350,055	304,188	357,301
Capital Replacement/Lease	59,161	59,911	59,911	36,727
Capital Outlay	28,823	-	-	-
TOTAL DEPARTMENT BUDGET	\$1,634,920	\$1,826,026	\$1,711,417	\$1,790,696



staffing	LEVEL	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Assistant Director of Recreation	38	1.0	1.0	1.0	1.0
Recreation Manager ¹	33	0.0	0.0	0.0	1.0
Recreation Supervisor	26	2.0	2.0	2.0	1.0
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

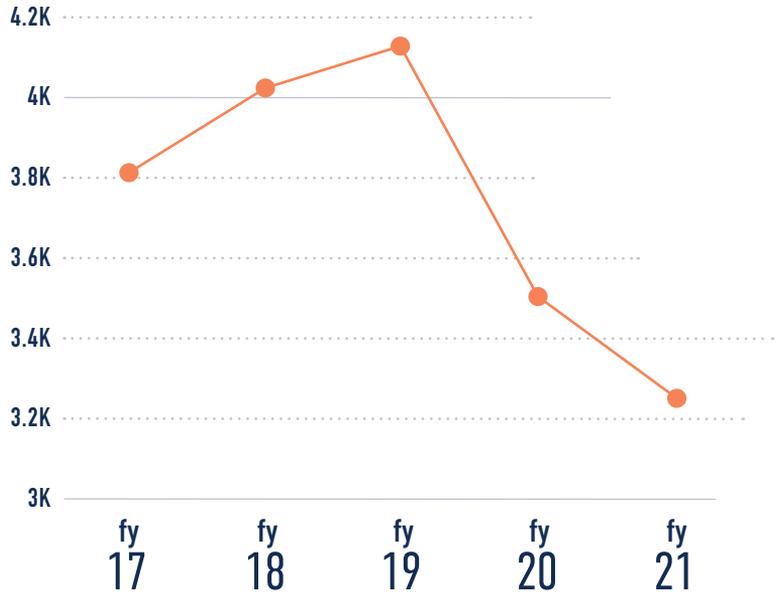
¹ This position was reclassified from Recreation Supervisor to Recreation Manager in FY 2022.



athletic club
FACILITY
usage (visits)

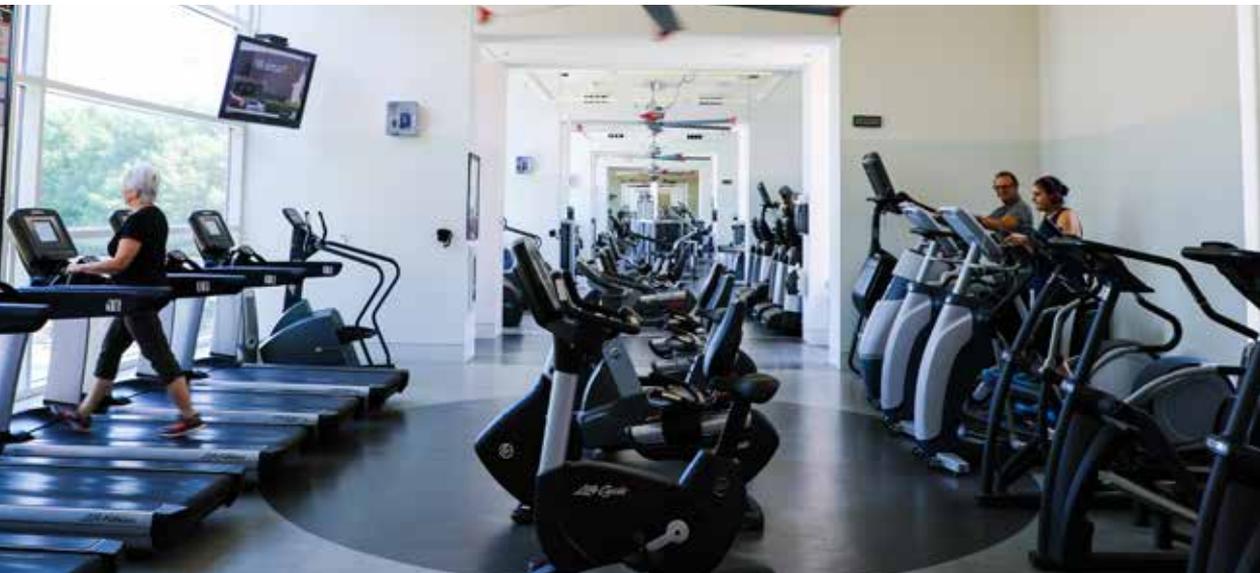
The temporary closure in FY2020, residents' concerns about COVID-19, and reduced hours of operation contributed to the reduction in usage.

active
MEMBERS



objectives for fy2022

- Oversee AAC Building Renovation while keeping the facility open and continuing to serve member’s needs.
- Renovations will expand the use of the stretching area in the fitness wing. Staff will look into ways to maximize the utilization of this space.
- Create a Recreation Manager position.
- Continue to grow and expand Addison Outdoors Programs.
- Expand participation of Corporate Field Day.
- Continue to analyze and improve sustainability plans for operation and maintenance of the AAC.
- Work with General Services to replace Hammer Strength weight equipment.
- Review potential additional revenue sources.
- Evaluate Covid protocols and see how they translate to safer and efficient operations when operations return to normal.



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.

POLICE

PROGRAM NARRATIVE accomplishments of fy2021

- Completed Mark 43 Record Management System
- Phase 2 of License Plate Recognition/Optical Camera System approved and funded
- Implemented approved positions from FY2020-2021; Professional Standards Lieutenant and Sergeant position over Special Events and Community Outreach
- Maintained a high-level of service during COVID pandemic
- Closing the gap on vacancies

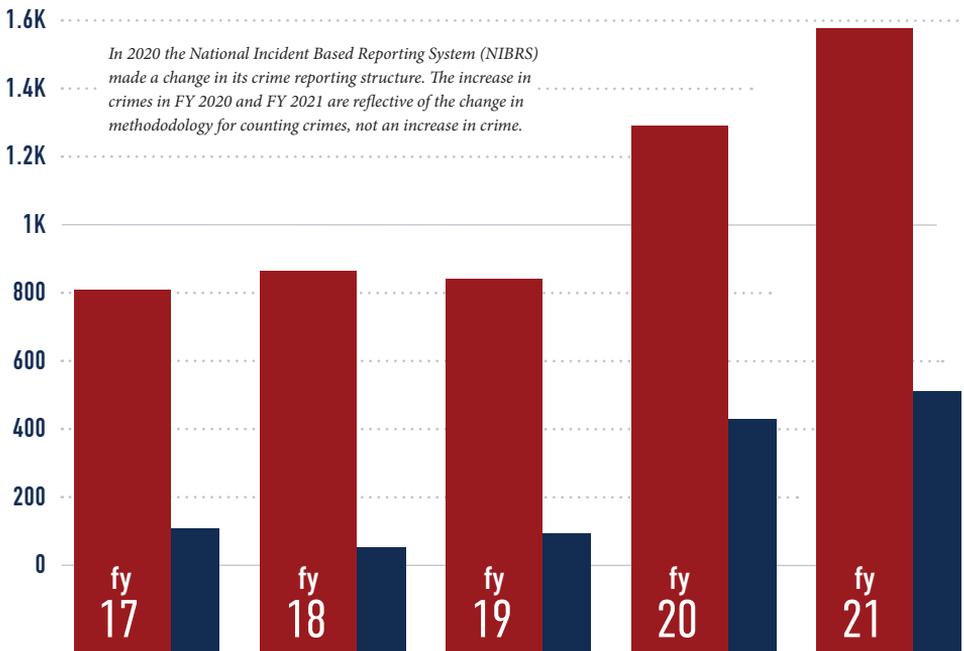
objectives for fy2022

- Replace In-Car and Body-Worn camera systems
- Assist NTECC in the replacement of CAD (Computer-aided Dispatch) System
- Rectify Animal Control office/storage space dilemma
- Continue to work with Metrocrest Social Services and partner cities to address homelessness and community mental health issues
- Complete firearms range ventilation project (approved bond project)
- Complete License Plate Recognition (LPR) Phase 2 project

historical ver

PROPERTY & PERSONS CRIMES

- crimes against property
- crimes against persons





expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	7,579,486	8,250,376	8,207,163	8,723,393
Supplies	171,171	309,712	257,683	267,174
Maintenance	313,668	253,879	254,369	275,607
Contractual Services	605,871	835,188	832,973	847,319
Capital Replacement/Lease	641,719	641,719	641,719	432,552
Capital Outlay	6,129	-	-	-
TOTAL DEPARTMENT BUDGET	\$9,318,044	\$10,290,874	\$10,193,907	\$10,546,045

staffing	LEVEL	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Police Chief	46	1.0	1.0	1.0	1.0
Assistant Police Chief	P6	1.0	1.0	1.0	1.0
Captain	P5	1.0	1.0	1.0	1.0
Lieutenant	P4	5.0	5.0	5.0	5.0
Sergeant	P3	8.0	8.0	8.0	8.0
Police Officer	P2	47.0	47.0	47.0	47.0
Police Records Supervisor	27	1.0	1.0	1.0	1.0
Animal Control Supervisor	26	1.0	1.0	1.0	1.0
Management Assistant ¹	25	0.0	0.0	0.0	1.0
Crime Analyst	25	1.0	1.0	1.0	1.0
Animal Control Officer	20	2.0	2.0	2.0	2.0
Property & Evidence Technician	20	1.0	1.0	1.0	1.0
Department Assistant	19	3.0	3.0	3.0	2.0
Police Records Clerk	17	2.0	2.0	2.0	2.0
TOTAL		74.0	74.0	74.0	74.0

¹ This position was reclassified from Department Assistant to Management Assistant in FY 2022.

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 fy2021

- Completed design of Airport Parkway and Keller Springs Road Bond Projects.
- Completed design of the Bella Lane Extension with Farmer's Branch and Dallas County College.
- Completed Advanced Traffic Management System (ATMS) with IT Department.
- Completed various sidewalk trip hazard (2,082 LF) repairs and pedestrian ramp replacements (16) in residential areas.
- Began construction on Midway Road.
- Completed construction of Morris Avenue and Quorum Drive Pedestrian Improvements.
- Developed new specifications and standards.
- Updated GIS to link as-built plans and existing infrastructure on an interactive map.

expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	475,011	524,415	401,368	428,404
Supplies	35,619	48,550	39,590	45,090
Maintenance	558,858	813,500	816,387	819,300
Contractual Services	666,201	699,414	699,414	701,427
Capital Replacement/Lease	63,824	65,024	65,024	142,201
Capital Outlay	-	-	-	-
TOTAL DEPARTMENT BUDGET	\$1,799,513	\$2,150,903	\$2,021,783	\$2,136,422



objectives for fy2022

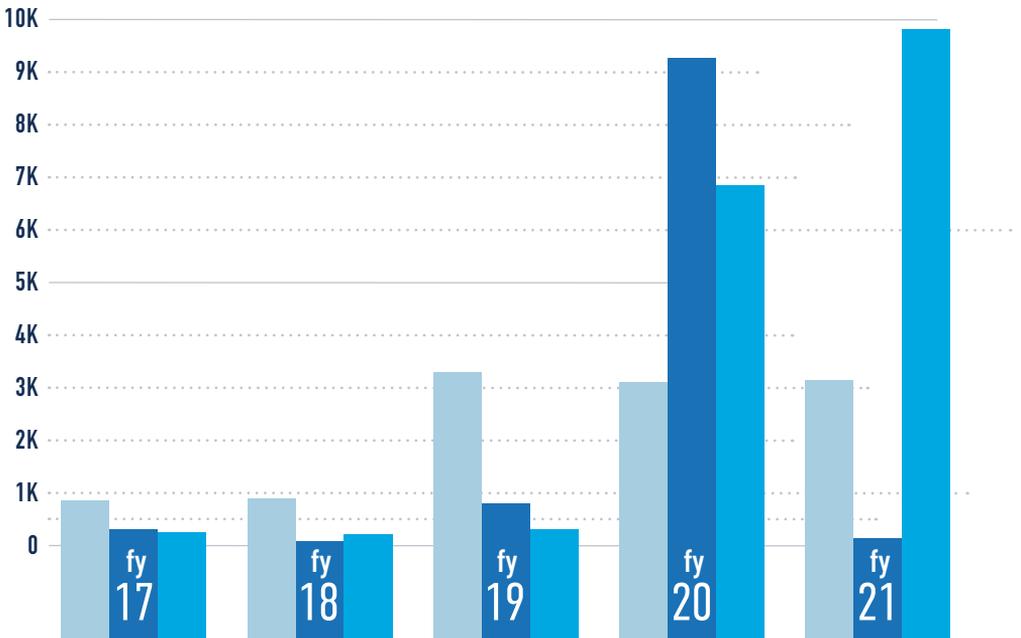
- Continue outstanding service on bulk trash service requests.
- Begin construction of Keller Springs Road.
- Begin construction of Bella Lane Extension.
- Install video detection upgrades for four signalized intersections.
- Begin construction of three traffic signals and ADA improvements on Belt Line Road and Addison Road

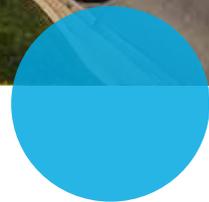
staffing	LEVEL	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Streets and Traffic Operations Manager	34	0.4	0.4	0.4	0.4
Street Maintenance Crew Leader	23	1.0	1.0	1.0	1.0
Signs and Signals Technician	22	2.0	2.0	2.0	2.0
Street Maintenance Worker ¹	17	4.0	4.0	4.0	3.0
TOTAL		7.4	7.4	7.4	6.4

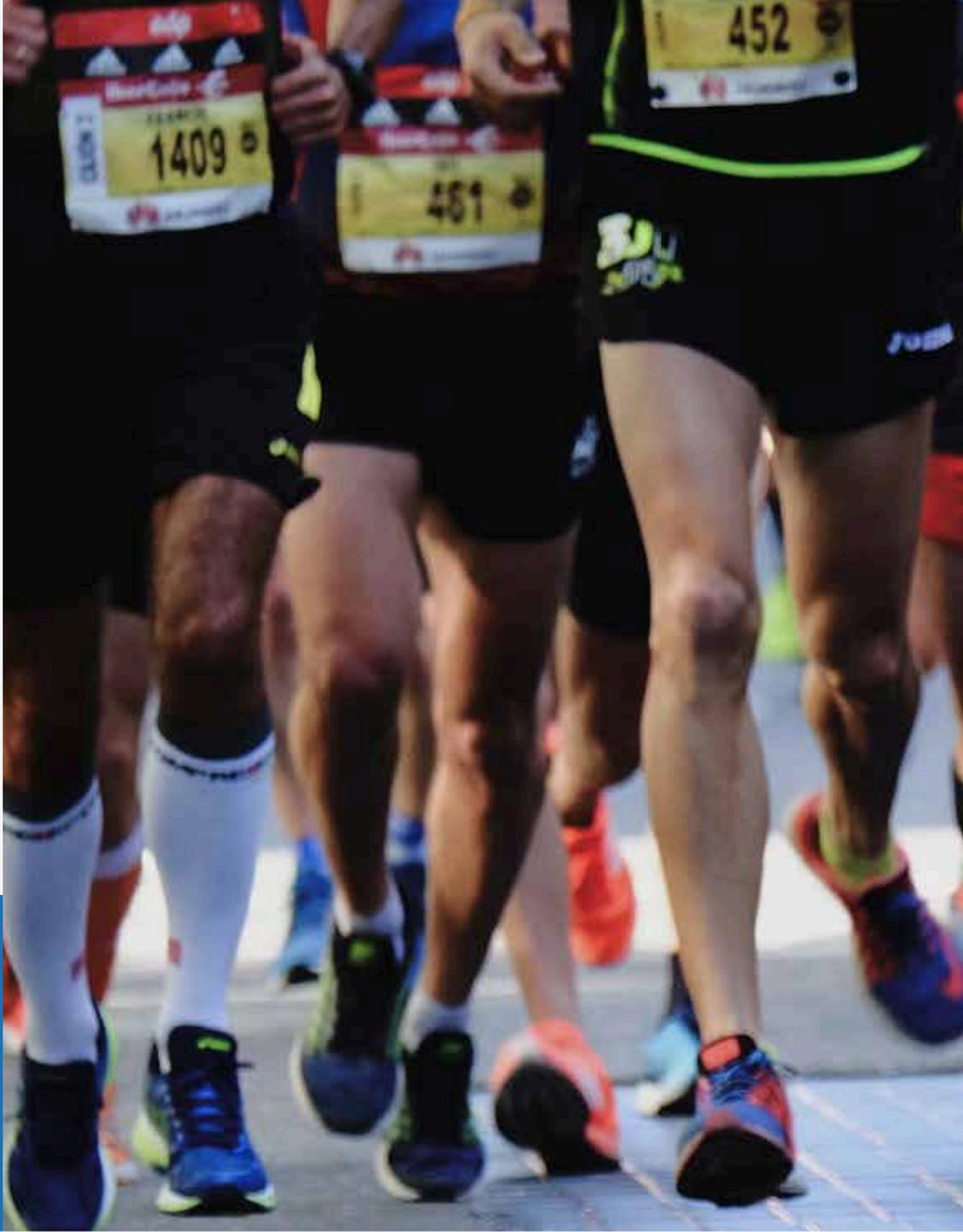
¹ This position has been fully allocated to the Stormwater Fund (1.0 FTE) in FY 2022.

Street
MAINTENANCE

- concrete repairs (sy)
- asphalt repairs (sy)
- lane marking replacements (lf, in 00's)









hotel
FUND

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 3,600 rooms) and which is restricted by State legislation to directly enhancing and promoting tourism and the convention and hotel industry.

FUND NARRATIVE

concluding fiscal year performance

At the time of budget adoption, FY2021 revenues were expected to total \$5,212,526. Hotel occupancy tax receipts are expected to decrease 7.4 percent from actual FY2020.

2021-2022 budget narrative

Fund Revenues for fiscal year 2022 are expected to total \$7.4 million, an increase of approximately \$2.1 million, or 39.1%. The primary reason for the increase in revenue is \$2.1 million from the American Recovery Plan Act Coronavirus Local Fiscal Recovery Fund (CLFRF) proposed to be applied to recover lost revenue due to the COVID-19 pandemic. The Hotel Fund budget for FY2022 anticipates hotel occupancy tax collections to remain flat from the FY2021 budget. Barring inclement weather during scheduled events, special event income is expected to generate approximately \$1.15 million. Rental income from Theatre Centre rental income is projected at \$85,000. The Addison Conference Centre will remain closed for the entirety of fiscal year 2022 in order to provide the Hotel Fund time to recover from the loss of hotel occupancy taxes that are as a result of the effects of the pandemic.

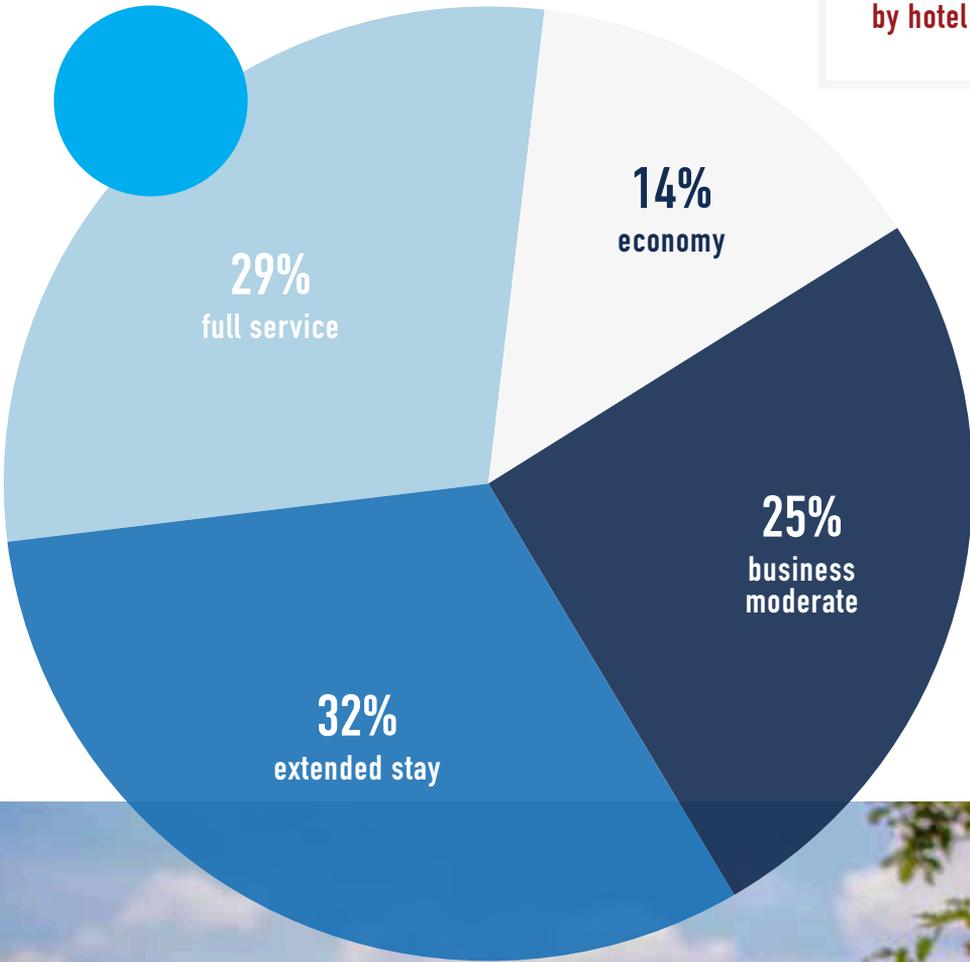
Total fund operating expenditures excluding transfers for FY2022 are budgeted at \$5,573,833, which represents a 2.2 percent increase over the FY2021 budget. The budget increase is the result of higher maintenance costs for Special Event Operations and a \$50,000 contribution from General Hotel Operations for the establishment of the Facility Maintenance Fund.

hotel fund by major cost category

CATEGORY	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	1,137,192	1,260,590	1,135,127	1,257,905
Supplies	58,730	59,592	35,392	57,005
Maintenance	307,679	288,487	284,127	341,543
Contractual Services	1,998,698	3,770,732	3,650,477	3,786,812
Capital Replacement/Lease	74,078	75,162	75,162	130,568
Capital Outlay	14,840	-	14,000	-
TOTAL FUND BUDGET	\$3,591,217	\$5,454,563	\$5,194,285	\$5,573,833

The Hotel Fund budget includes a transfer of \$384,000 to the Economic Development Fund for Tourism department expenses. Fund balance for FY2022 is projected to be \$4,246,003, which is 76.2 percent of operating expenditures and exceeds the minimum balance required by the Town's financial policies.

percentage
OF ROOMS
by hotel category



**hotel fund statement of
revenue & expenditures**

	ACT 19-20	BUD 20-21	EST 20-21
BEGINNING BALANCE	\$3,449,095	\$2,285,310	\$3,149,259
revenues			
Hotel/motel occupancy taxes	3,240,946	4,155,000	3,000,000
Proceeds from special events	107,030	1,104,500	1,104,500
Conference Centre rental	260,749	23,810	26,951
Theatre Centre rental	-	-	1,014,736
Interest earnings and other	98,418	50,100	66,339
TOTAL REVENUES	\$3,707,143	\$5,333,410	\$5,212,526
<i>Total Available Resources</i>	<i>7,156,238</i>	<i>7,618,720</i>	<i>8,361,785</i>
expenditures			
Addison Theatre Centre	246,578	318,876	256,722
Conference Centre	796,479	200,977	249,162
General Hotel Operations	55,828	154,125	34,143
Marketing	618,006	1,113,915	1,108,656
Performing Arts	505,000	329,089	329,089
Special Events	606,661	2,405,808	2,301,808
Special Events Operations	762,665	931,773	914,705
<i>Total Operational Expenditures</i>	<i>3,591,217</i>	<i>5,454,563</i>	<i>5,194,285</i>
Other Financing Sources (uses)			
Transfer to Hotel Debt Service	-	-	-
Transfer to Economic Development	384,000	384,000	384,000
Capital Projects (cash funded)			
Addison Circle Fountain Repair	31,762	-	14,000
TOTAL EXPENDITURES	\$4,006,979	\$5,838,563	\$5,592,285
ENDING FUND BALANCE	\$3,149,259	\$1,780,157	\$2,769,500



BUD
21-22

\$2,783,500

4,155,000
1,155,500
85,000
2,014,736
10,100
\$7,420,336
10,203,836

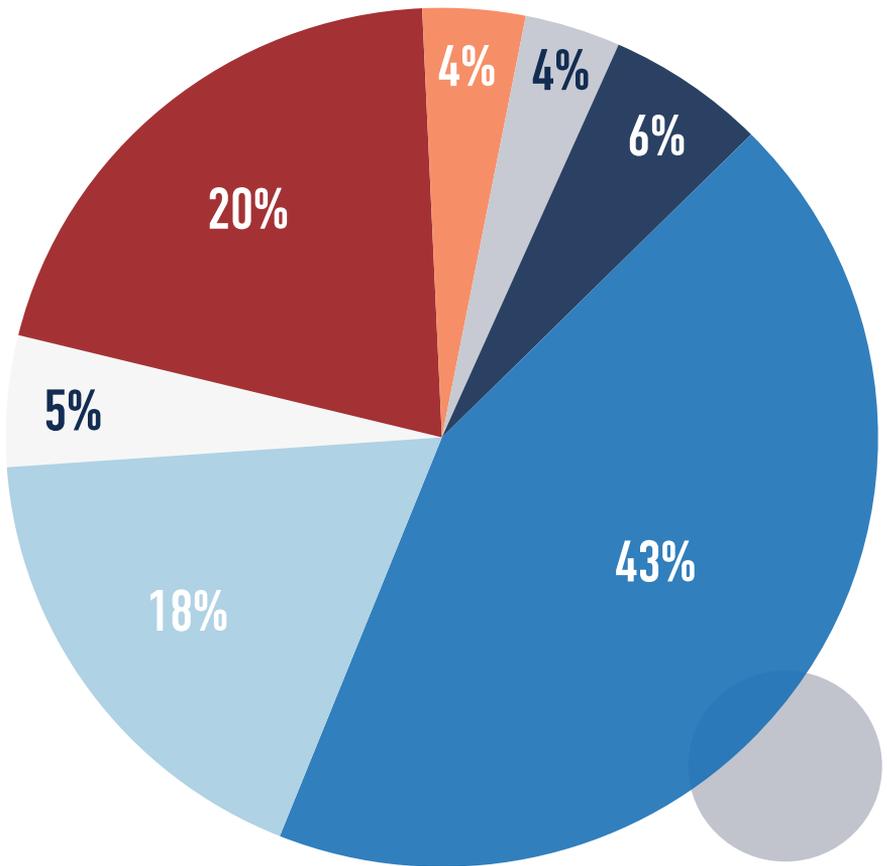
275,208
212,138
198,129
1,139,905
329,089
2,425,736
993,628
5,573,833
-
384,000
-

\$5,957,833

\$4,246,003

hotel fund
EXPENDITURES
by department

- theatre centre
- comm. & marketing
- conference centre
- general hotel op.
- performing arts
- special events
- special events op.



communications **AND 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 fy2021**

- Successfully promoted in-person special events.
- Won two Texas Association of Convention & Visitor Bureaus awards for tourism marketing campaigns.
- Hosted restaurant meeting to provide updates on Special Events, Restaurant Month, and Midway Road Construction.
- Together with Economic Development and Tourism (EDT), partnered with Chet Garner (The Daytripper) to organize a recon trip to Addison for future show filming, as well as major promotion of Addison's leisure aspects.



- Worked with EDT and The Barbershop Marketing on the creation and launch of “Life happens in Addison” marketing campaign.
- Completed a Request for Qualification for a crisis communications firm.
- Completed a Request for Qualification for a Special Events Marketing firm.
- Created Addison’s first Popular Annual Financial Report.
- Organized the first Town meeting since the pandemic began.
- Launched the Midway Road Revitalization marketing efforts, including creating a project mailing, website, and two videos.
- Worked with Development Services and Public Works and Engineering to promote Sustainability/Earth Day.
- Worked with Economic Development and Tourism to promote two Coworking Days in the park.
- Worked with Red Cross and Cortland Management company following the apartment fire.

- Hired new Marketing Specialist.
- Provided essential messaging to the community during the February winter storm.
- Shared COVID-19 public safety messaging throughout the year.
- Created 52 weekly newsletters and 12 tourism newsletters.

objectives for fy2022

- Focus on regaining lost business due to COVID-19.
- Continue to find new ways to stand out as a destination for leisure and business travel.
- Continue to focus on the leisure travel market to help supplement the corporate/business travel.
- Launch Addison’s first “Restaurant Month” with the EDT Department.
- Partner with influencers on the Mid-Tier level (50,000-500,000 followers).
- Update Special Event and Tourism Marketing Plans to align with new post-COVID direction.

expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	257,272	262,919	262,660	264,927
Supplies	1,857	2,766	2,766	2,533
Maintenance	3,735	2,855	2,855	2,246
Contractual Services	352,238	842,471	837,471	847,871
Capital Replacement/Lease	2,904	2,904	2,904	22,328
Capital Outlay	-	-	-	-
TOTAL DEPARTMENT BUDGET	\$618,006	\$1,113,915	\$1,108,656	\$1,139,905

staffing	LEVEL	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Director of Public Communications	42	1.0	1.0	1.0	1.0
Marketing and 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 meeting and tourism industry in Addison, providing a quality venue and supporting local hotels by generating overnight visits.

PROGRAM NARRATIVE accomplishments of fy2021

- Facility was closed to the public for the entirety of FY2021.
- Served as a voting location in November 2020 and May 2021, utilizing Special Events and Addison Theatre Centre staff.
- Provided a meeting and training space for Addison Staff.

expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	352,327	-	-	-
Supplies	29,393	2,500	2,500	4,500
Maintenance	110,864	61,060	80,500	90,500
Contractual Services	280,109	112,917	127,662	100,417
Capital Replacement/Lease	23,786	24,500	24,500	16,721
Capital Outlay	-	-	14,000	-
TOTAL DEPARTMENT BUDGET	\$796,479	\$200,977	\$249,162	\$212,138

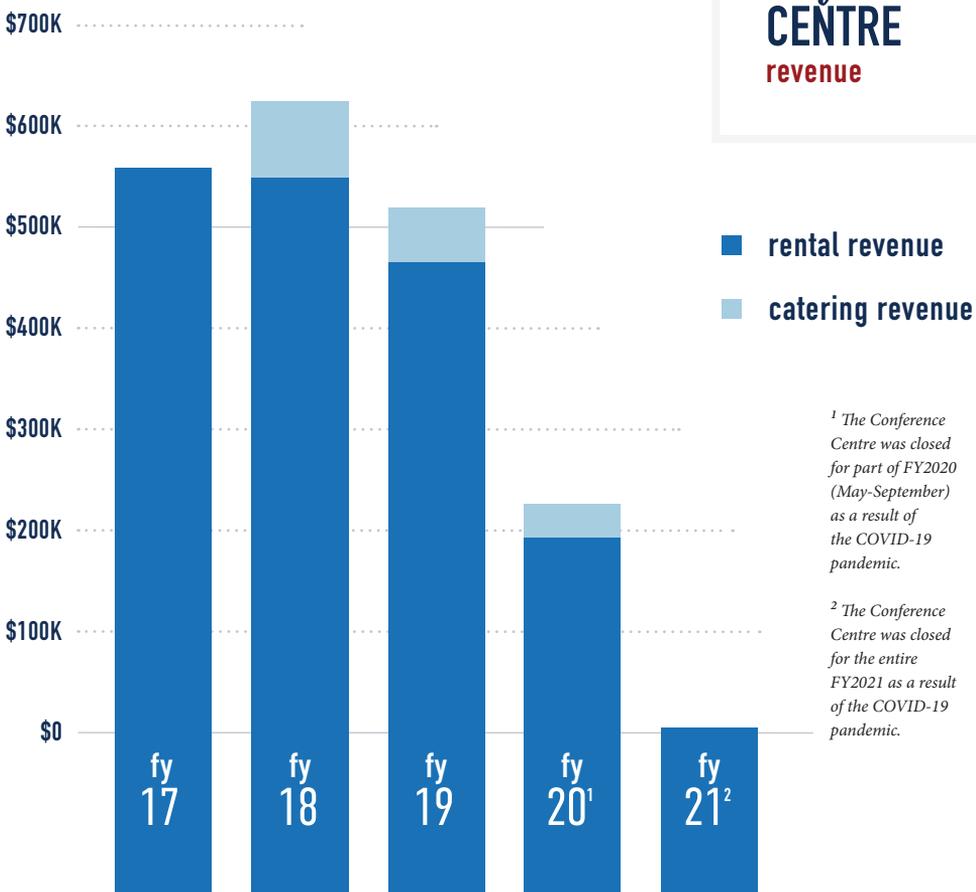
staffing	LEVEL	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Conference Centre Supervisor	31	1.0	0.0	0.0	0.0
Conference Centre Sales Coordinator	26	1.0	0.0	0.0	0.0
Conference Centre Events Coordinator	23	1.0	0.0	0.0	0.0
Senior Conference Centre Attendant	18	1.0	0.0	0.0	0.0
Audio Visual Technician	18	1.0	0.0	0.0	0.0
Office Assistant	16	1.0	0.0	0.0	0.0
Conference Centre Attendant	15	2.0	0.0	0.0	0.0
TOTAL		8.0	0.0	0.0	0.0

In FY2021 8.0 FTEs were eliminated due to the closure of the Conference Centre. The Conference Centre will remain closed through FY2022 in order to provide the Hotel Fund time to recover from the loss of hotel occupancy taxes as a result of the effects of COVID-19.



objectives for fy2022

- Continue to offer a meeting and training space for Addison staff.
- Be utilized for major festivals and events.
- Work with IT and General Services to minimize expenses during the extended closure.



general **HOTEL OPERATIONS**

DEPARTMENT MISSION

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

PROGRAM NARRATIVE

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

accomplishments of fy2021

- Coordinated with the City Manager's Office in updating the current non-profit organization funding process to align with Council's goal and vision for FY2022's process.
- Improved customer service with our outside security vendors by developing a payment process in coordination with both the Police Department and Special Events Department.

objectives for fy2022

- 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.

expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	32,743	117,368	586	111,372
Supplies	399	3,700	3,700	3,700
Maintenance	-	-	-	-
Contractual Services	22,686	33,057	29,857	33,057
Capital Replacement/Lease	-	-	-	50,000
Capital Outlay	-	-	-	-
TOTAL DEPARTMENT BUDGET	\$55,828	\$154,125	\$34,143	\$198,129

staffing	LEVEL	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Accounting Supervisor ¹	33	1.0	1.0	0.0	0.0
Senior Accountant	31	0.0	0.0	1.0	1.0
TOTAL		1.0	1.0	1.0	1.0

¹ In FY 2021 the Accounting Supervisor position (1.0 FTE) was moved to the General Fund and was reclassified to Senior Accountant.



addison THEATRE CENTRE



DEPARTMENT MISSION

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

PROGRAM NARRATIVE accomplishments of fy2021

- Worked with performance groups to execute bookings in compliance with state and federal COVID-19 guidelines, including distanced seating, enhanced cleaning, and filming shows for online viewing.

- Secured bookings from 6 new groups.
- Implemented a new booking software at a reduced cost with enhanced customer service features.
- Executed an internally-produced comedy series, Addison Laugh Fest.

objectives for fy2022

- Implement a venue marketing plan to enhance brand awareness, attendance and rentals.
- Develop new internally-produced performing arts productions.
- Continue to increase the number of performing arts organizations using the space and number of days booked.

expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	93,124	114,048	103,944	116,488
Supplies	17,546	30,250	7,800	27,000
Maintenance	49,115	73,916	50,116	47,371
Contractual Services	59,582	87,921	82,121	70,971
Capital Replacement/Lease	12,371	12,741	12,741	13,378
Capital Outlay	14,840	-	-	-
TOTAL DEPT. BUDGET	\$246,578	\$318,876	\$256,722	\$275,208

staffing	LEVEL	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Technical Specialist	31	1.0	1.0	1.0	1.0
Theatre Centre Attendant	15	0.5	0.5	0.5	0.5
TOTAL		1.5	1.5	1.5	1.5

performing ARTS

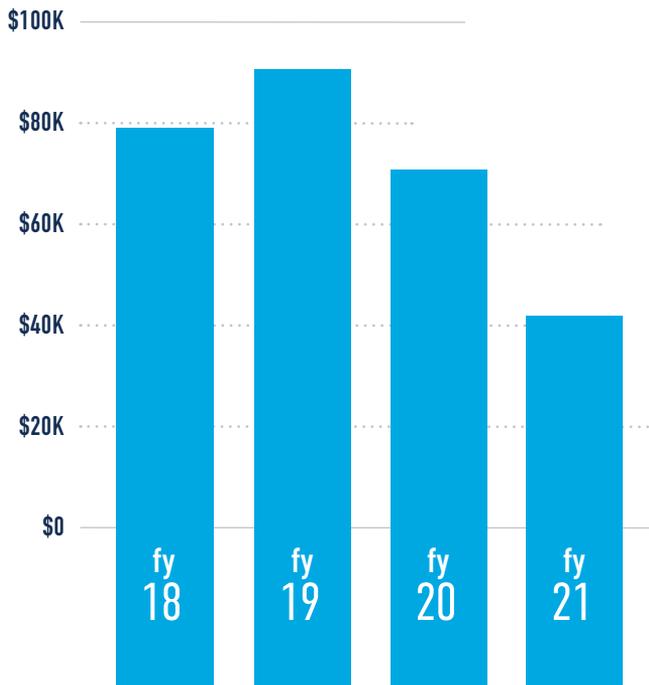
DEPARTMENT MISSION

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

expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	-	-	-	-
Supplies	-	-	-	-
Maintenance	-	-	-	-
Contractual Services	505,000	329,089	329,089	329,089
Capital Replacement/Lease	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL DEPARTMENT BUDGET	\$505,000	\$329,089	\$329,089	\$329,089

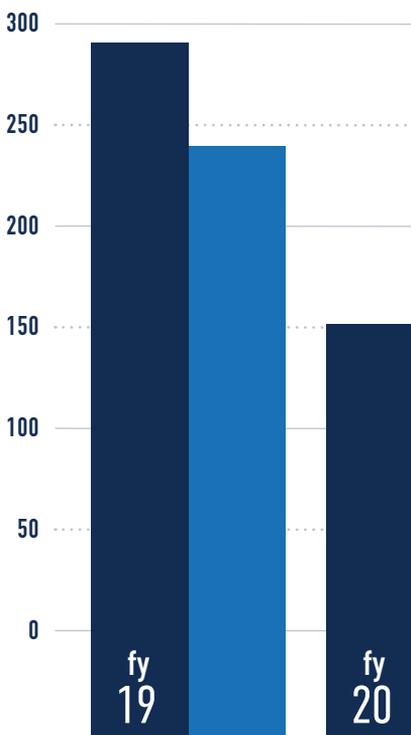
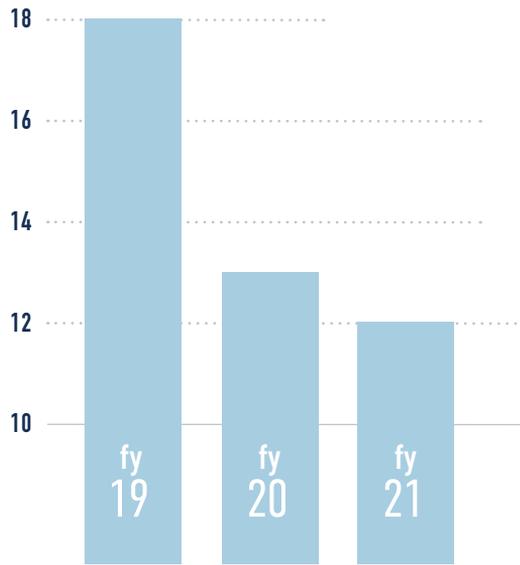
total RENTAL revenue

In FY2021 the WaterTower Theatre was provided \$48,000 as in-kind rent through the grant process in lieu of rental revenue.





number of
ORGANIZATIONS
renting space



total
RENTAL
days

- main stage
- studio theatre

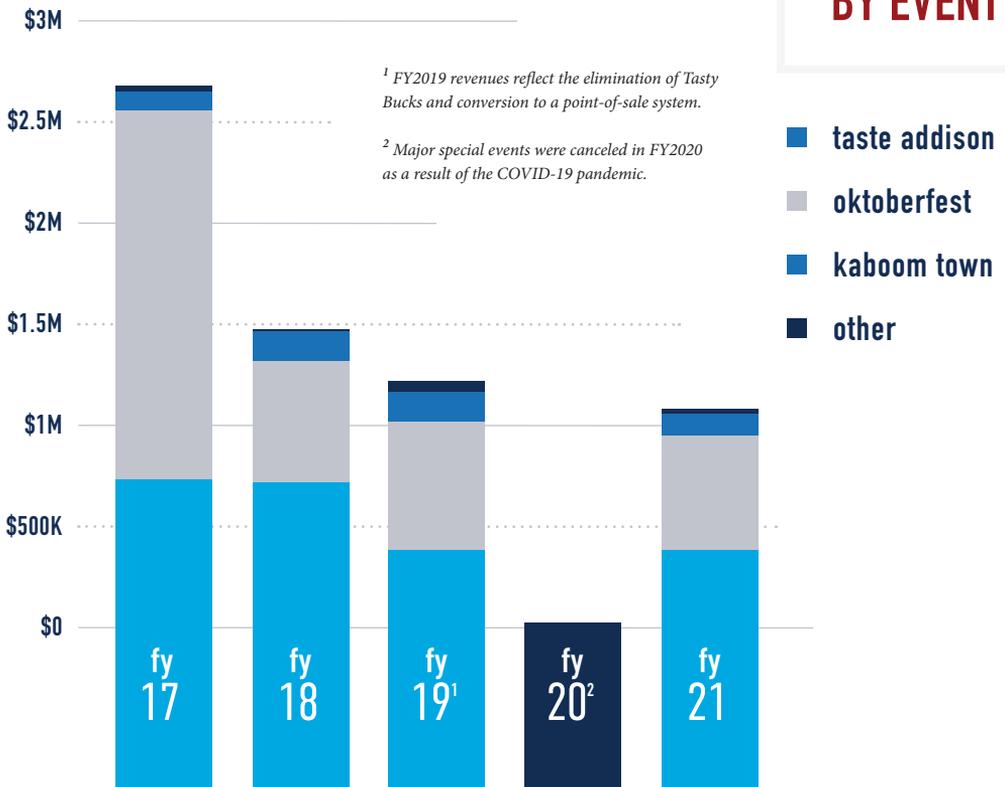
special EVENTS

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 fy2021

- Developed protocols to execute all budgeted special events while following CDC recommended guidelines to reduce the risk of COVID-19 for staff and attendees.
- Produced a successful outdoor Holiday in the Park event, normally held inside the Addison Conference Centre and produced by ACC staff.
- Addison After Dark event series returned for a 2nd year, with an average of over 1,000 attendees per month.
- Taste Addison saw an increase in attendance, restaurant participation, and hotel bookings, while coming in significantly under budget.





- Addison Kaboom Town! generated more than twice as many hotel bookings than ever before, while coming in significantly under budget.
- Plans for Addison Oktoberfest include the introduction of a new children’s area, a third music stage, the return of Grammy-winning polka band Brave Combo, and other changes to enhance attendance and associated hotel occupancy.
- Supported other departments in producing events such as Coworking in the Park and Corporate Field Day.
- Worked with other departments to develop a revised event permitting process.

objectives for fy2022

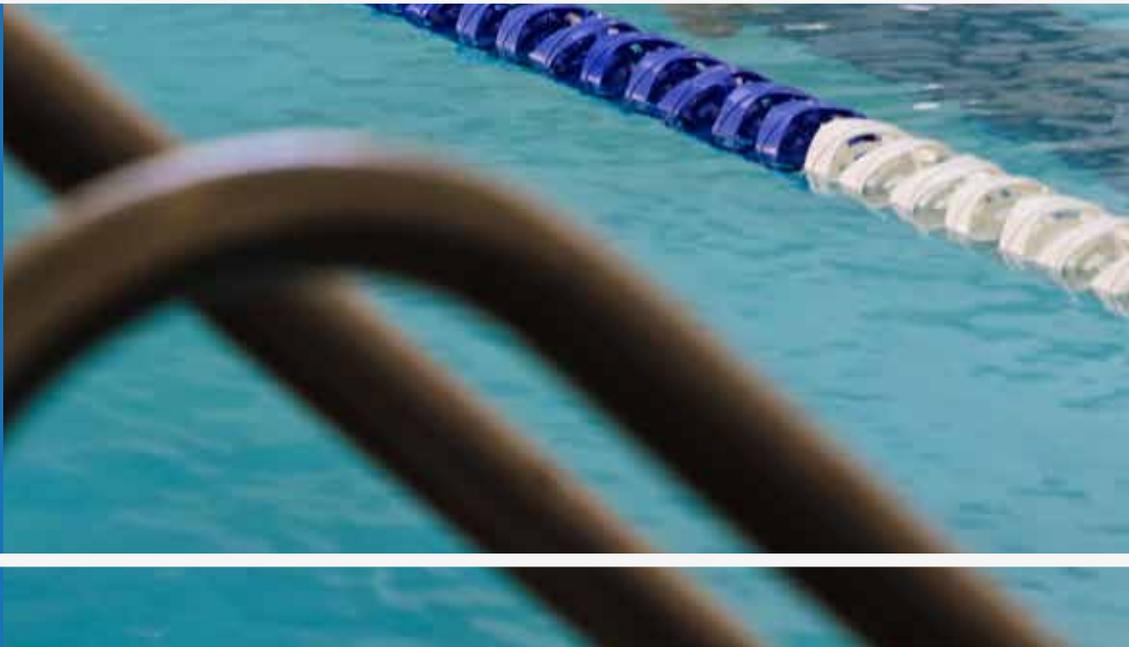
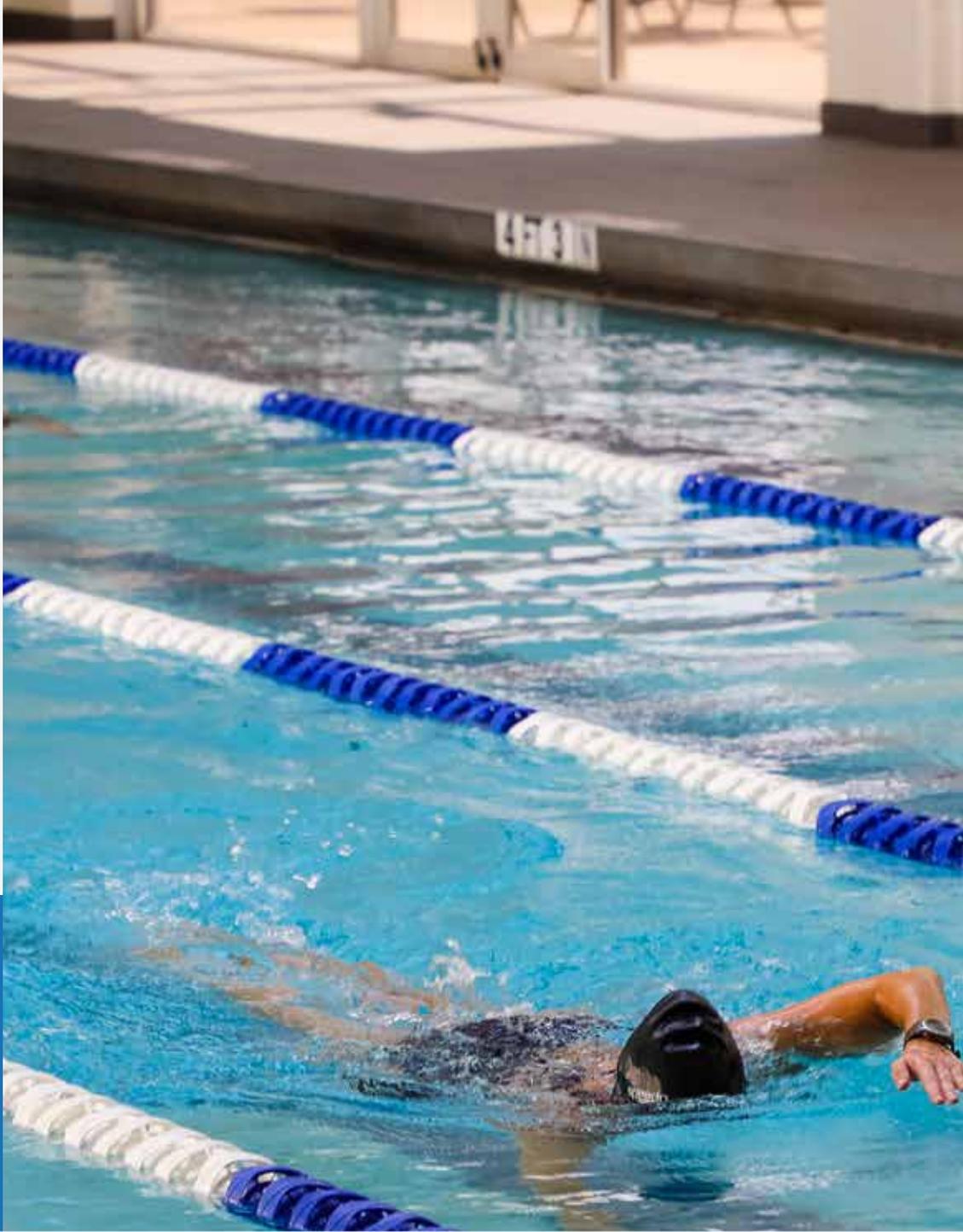
- Continued implementation of strategic plan goals, including:
 - Amending the existing event permitting ordinance and implementing an enhanced, centralized Special Event Permit process in coordination with other departments
 - Identifying and recruiting existing 3rd party events that would be a good fit for Addison Circle Park
 - Enhance health, risk and emergency management planning for all festivals
- Work to overcome the ongoing impacts of COVID-19 on sponsorship revenues by bringing execution of the sponsorship sales process in-house.
- Build event attendance back to pre-pandemic levels where appropriate.

expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	41,974	357,196	357,196	346,124
Supplies	-	-	-	-
Maintenance	-	-	-	-
Contractual Services	564,687	2,048,612	1,944,612	2,079,612
Capital Replacement/Lease	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL DEPARTMENT BUDGET	\$606,661	\$2,405,808	\$2,301,808	\$2,425,736

special EVENTS OPERATIONS

expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	359,752	409,059	410,741	418,994
Supplies	9,535	20,376	18,626	19,272
Maintenance	143,965	150,656	150,656	201,426
Contractual Services	214,396	316,665	299,665	325,795
Capital Replacement/Lease	35,017	35,017	35,017	28,141
Capital Outlay	-	-	-	-
TOTAL DEPARTMENT BUDGET	\$762,665	\$931,773	\$914,705	\$993,628

staffing	LEVEL	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Director of Special Events	41	1.0	1.0	1.0	1.0
Special Events Supervisor	31	1.0	1.0	1.0	1.0
Special Events Coordinator	25	2.0	2.0	2.0	2.0
Department Assistant	19	0.5	0.5	0.5	0.5
TOTAL		4.5	4.5	4.5	4.5





other
FUNDS

debt service FUNDS

GENERAL OBLIGATION DEBT SERVICE FUND

FUND DESCRIPTION

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

FUND NARRATIVE

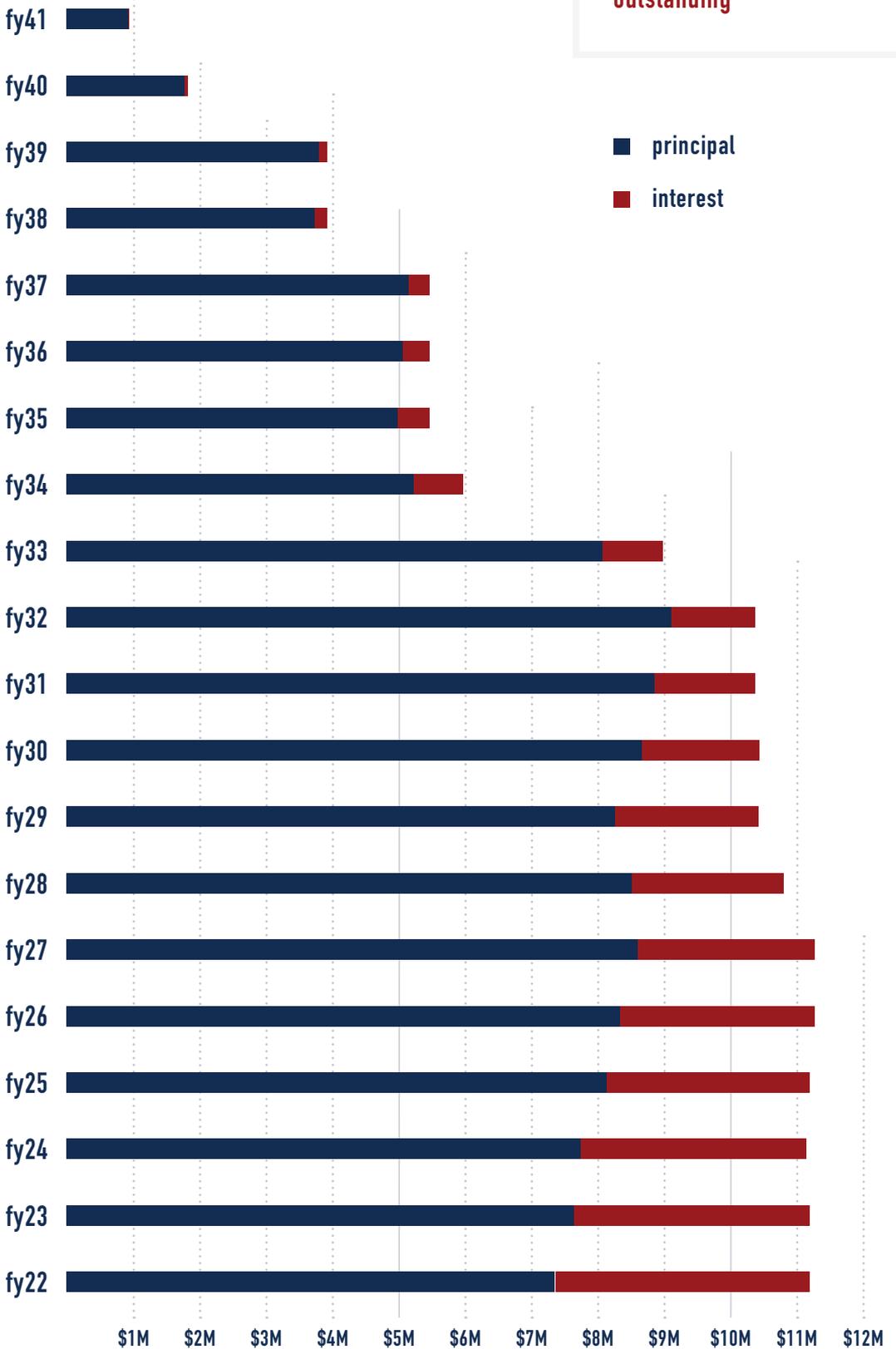
Current tax supported debt principal outstanding is approximately \$95.59 million. This amount includes general obligation bonds, general obligation refunding bonds, and certificates of obligation issued from 2012 through 2020. The projected FY2022 requirements are \$8,495,186. The total amount of outstanding tax supported debt represents 1.9% of taxable assessed value. \$15.14 million in General Obligation Bonds were issued August 11, 2020.

Addison’s legal capacity for additional debt is very large. The State of Texas limits the ad valorem tax rate to \$2.50 per \$100 valuation. Addison’s rate of \$0.614660 falls well under this limit. The following table reflects the allocation of the property tax levy between debt service and General Fund operations for FY2022 and previous years:

property tax levy

CATEGORY	2017-18	2018-19	2019-20	2020-21	2021-22
Debt Service	0.153042	0.142648	0.149383	0.167567	0.173551
O&M	0.396958	0.407352	0.434117	0.441109	0.441109
TOTAL	0.550000	0.550000	0.583500	0.608676	0.614660

general obligation
DEBT SERVICE
outstanding



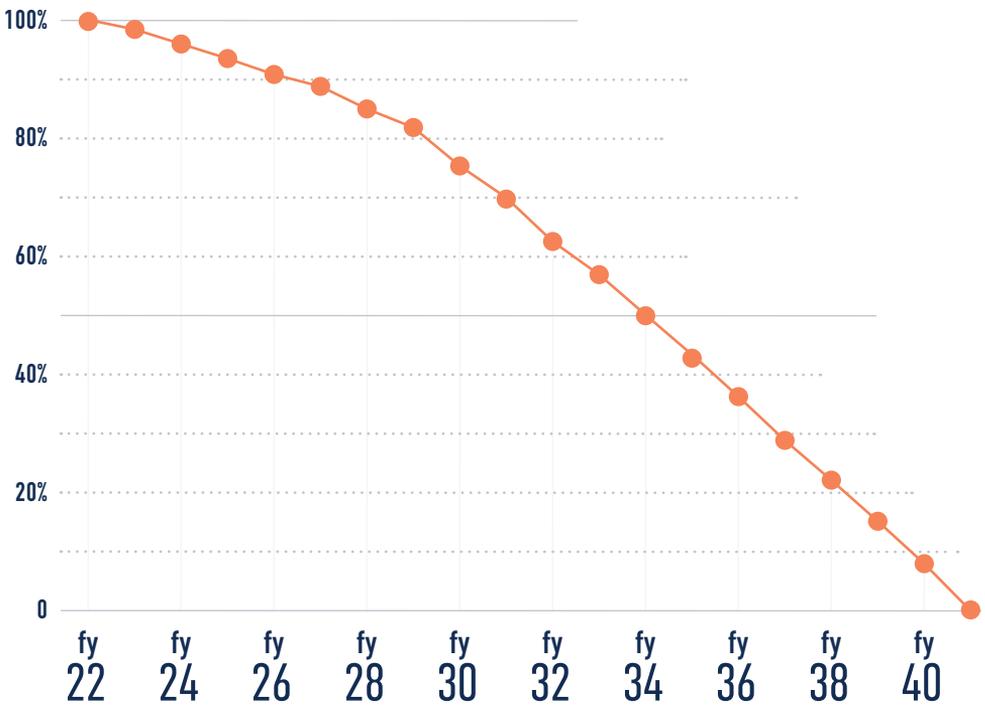
**general obligation debt service fund
statement of revenues & expenditures**

	ACT 19-20	BUD 20-21
BEGINNING BALANCE	\$17,993	\$10,458
revenues		
Ad valorem taxes	6,881,533	7,915,707
Interest earnings and other	19,601	16,000
<i>Total Operational Revenues</i>	<i>6,901,134</i>	<i>7,931,707</i>
Refunding Bond Proceeds	13,205,000	-
TOTAL REVENUES	\$20,106,134	\$7,931,707
<i>Total Resources Available</i>	<i>20,124,127</i>	<i>7,942,165</i>
expenditures		
Contractual services	4,351	5,000
Debt service	7,023,229	7,643,653
<i>Total Operational Expenditures</i>	<i>7,027,580</i>	<i>7,648,653</i>
Payment to Escrow Agent	13,090,212	-
TOTAL EXPENDITURES	\$20,117,792	\$7,648,653
ENDING FUND BALANCE	\$6,335	\$293,512



EST 20-21	BUD 21-22
\$6,335	\$402,070
8,050,338	8,500,108
1,000	2,500
8,051,338	8,502,608
-	-
\$8,051,338	\$8,502,608
8,057,673	8,904,678
5,000	5,000
7,650,603	8,495,186
7,655,603	8,500,186
-	-
\$7,655,603	\$8,500,186
\$402,070	\$404,492

percent cumulative
DEBT OUTSTANDING
until maturity



economic DEVELOPMENT FUND

FUND DESCRIPTION

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

FUND NARRATIVE

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

economic development fund statement of revenues & expenditures

BEGINNING BALANCE

revenues

Ad valorem taxes

Service fees

Interest and other income

Total Operational Revenue

Transfers from other funds

TOTAL REVENUES

Total Resources Available

expenditures

Personnel services

Supplies

Maintenance

Contractual services

Capital replacement/lease

Total Operational Expenditures

Transfers to other funds

TOTAL EXPENDITURES

ENDING FUND BALANCE



ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
\$1,797,019	\$1,797,844	\$1,968,832	\$1,718,980
1,092,347	1,127,348	1,127,348	1,153,552
47,043	60,000	60,000	60,000
34,160	48,000	2,000	10,000
1,173,550	1,235,348	1,189,348	1,223,552
384,000	384,000	384,000	384,000
\$1,557,550	\$1,619,348	\$1,573,348	\$1,607,552
3,354,569	3,417,192	3,542,180	3,326,532
479,218	491,120	490,720	516,217
8,506	20,932	9,201	20,301
19,393	29,450	24,149	29,602
861,623	1,430,153	1,250,970	1,430,520
16,997	48,160	48,160	13,372
1,385,737	2,019,815	1,823,200	2,010,012
-	-	-	-
\$1,385,737	\$2,019,815	\$1,823,200	\$2,010,012
\$1,968,832	\$1,397,377	\$1,718,980	\$1,316,520

ECONOMIC DEVELOPMENT DEPARTMENT

DEPARTMENT MISSION

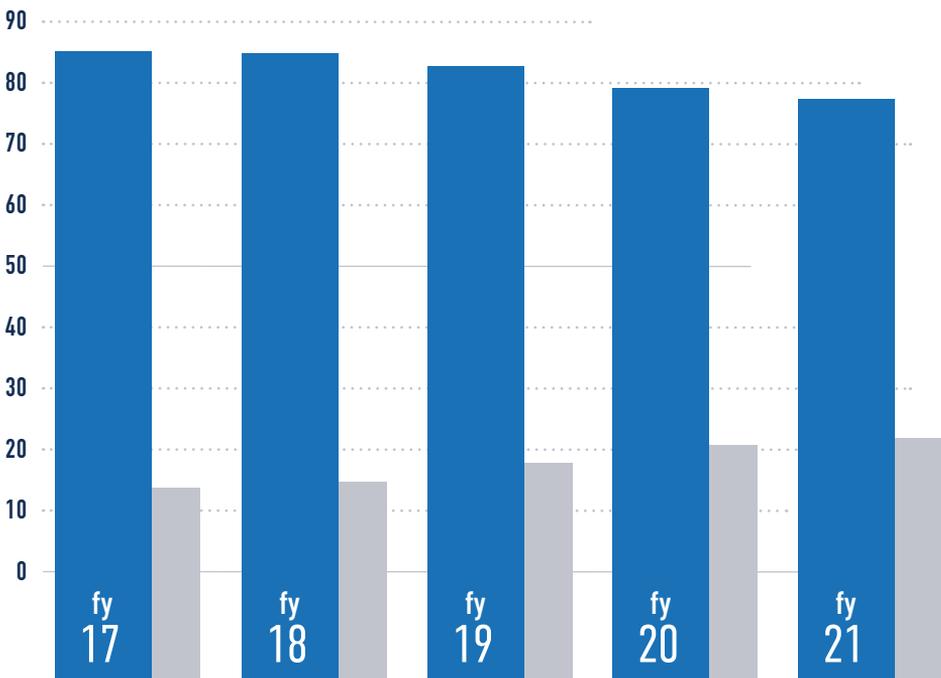
The mission of the Economic Development fund is to encourage economic prosperity and growth in the community and to improve the quality of life for citizens, corporate residents, and visitors by strengthening the community's economic competitive position and increase business and leisure travel to Addison.

PROGRAM NARRATIVE accomplishments of fy2021

- Launched new LinkedIn video campaign.
- Worked with marketing agency on the development of new creative ads.
- Provided support in the management of the grant service agreement with the Metrocrest Chamber.
- Hosted two Coworking Day in the Park events and supported Parks Department on First Annual Corporate Field Day.
- Created and managed Addison Cares Lease/Mortgage Assistance Grant Program and awarded \$125,000 in funding to local businesses impacted by the pandemic.
- Successfully negotiated incentive packages with ATW and Tyton Holdings for the relocation of their headquarter locations to Addison and provided support to Bank of America on their application for the Texas Enterprise Zone Program.
- Conducted Business Retention & Expansion Program (BREP) Survey to gauge impact of COVID-19 on local businesses.
- Provided support on the Addison Circle TOD project.

occupancy RATE

- office occupancy rate
- office vacancy rate



expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	399,044	406,996	406,666	431,212
Supplies	7,822	16,101	7,901	15,585
Maintenance	19,248	29,300	23,999	29,449
Contractual Services	428,619	683,728	659,899	704,777
Capital Replacement/Lease	15,279	42,809	42,809	9,715
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	\$870,012	\$1,178,934	\$1,141,274	\$1,190,738

staffing	LEVEL	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Director of Economic Development	46	1.0	1.0	1.0	1.0
Economic Development Manager	35	1.0	1.0	1.0	1.0
Economic Development Coordinator	20	1.0	1.0	1.0	1.0
TOTAL		3.0	3.0	3.0	3.0

objectives for fy2022

- Provided Addison economic update presentations to the Dallas Regional Chamber, World Affairs Council Board, and Addison Mid-Day Rotary.
- Participated in meetings with potential buyers of Village on the Parkway and the Crowne Plaza Hotel.
- Managed the annual Business Registration Process and provided support to local businesses on new online registration/payment portal.
- Responded to six proposals from economic development allies for corporate relocations/expansions.
- Align economic development strategic plan to meet the needs of local businesses post-COVID-19 pandemic.
- Strengthen relationships with stakeholders to support and strengthen entrepreneurial programs.
- Focus on programs and initiatives that will strengthen corporate recruitment efforts.
- Promote Addison Circle TOD Project to new corporate users and investors.
- Leverage the support of other Town Departments to enhance placemaking activities within the community, and redevelopment opportunities.



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 fy2021

- Won two Texas Association of Convention & Visitor Bureaus awards for tourism marketing campaigns.
- Produced an award-winning tourism promotional video.
- Hosted three hotelier meetings, two virtual and one hybrid.
- Addison Cares Hotel Grant Support Program was launched, applications evaluated, and grants totaling almost \$200,000 were awarded to seven local hotels.
- Hosted restaurant meeting to provide updates on Special Events, Restaurant Month, and Midway Road Construction.
- Worked with Special Events to streamline event hotel packages booking, tracking and redemption, which resulted in the most successful year on record for Taste Addison and Kaboom Town hotel packages.

- Partnered with Chet Garner (The Daytripper) to organize a recon trip to Addison for future show filming, as well as major promotion of Addison's leisure aspects.
- Worked with Town Marketing Department and The Barbershop Marketing on the creation and launch of "Life happens in Addison" marketing campaign.
- Worked closely with both full-service hotels to obtain and retain clients during the pandemic. This includes the Dallas Cup, OU Club of Dallas, The Sports Source, and the International Women's Conference, among others.
- Contracted with Bandwango, a digital platform to assist with our planned fall 2021 Restaurant Month.
- Responded to more than 50 meeting RFPs through CVENT.
- Provided consistent updates to hotels on the changes to the Governor's Executive Orders regarding COVID-19.

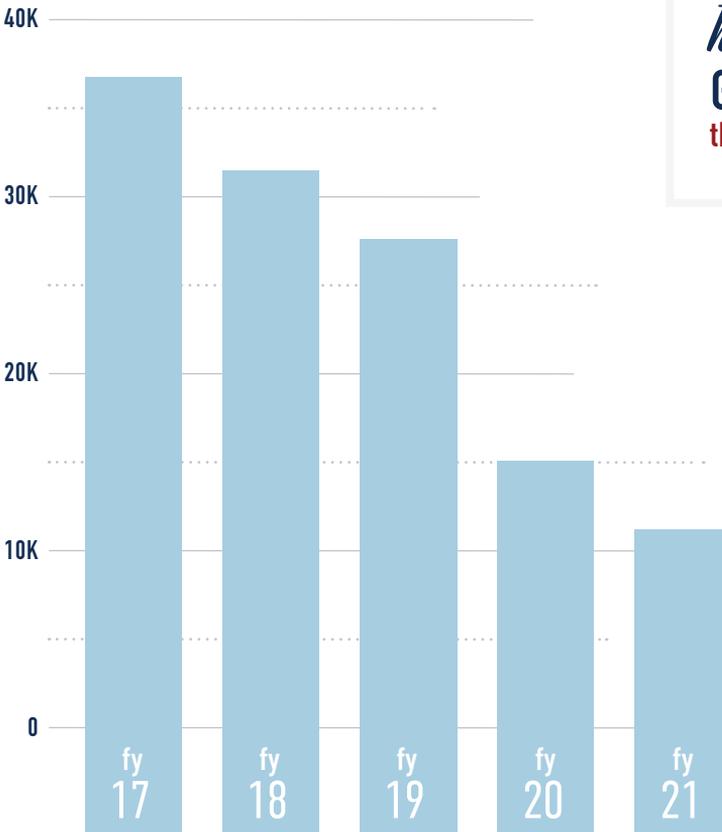
objectives for fy2022

- Focus on regaining lost business due to COVID-19.
- Continue to find new ways to stand out as a destination for leisure and business travel.
- Evaluate the Hotel Support Program funding distribution between Addison's two remaining full-service hotels.
- Create a new incentive program for Addison's select service hotels.
- Continue to focus on the leisure travel market to help supplement the corporate/business travel.
- Launch Addison's first "Restaurant Month" with the Town Marketing Department.
- Partner with influencers on the Mid-Tier level (50,000-500,000 followers).

expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	80,174	84,124	84,054	85,005
Supplies	684	4,831	1,300	4,716
Maintenance	145	150	150	153
Contractual Services	433,004	746,425	591,071	725,743
Capital Replacement/Lease	1,718	5,351	5,351	3,657
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	\$515,725	\$840,881	\$681,926	\$819,274

staffing	LEVEL	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Tourism Manager ¹	33	0.0	0.0	0.0	1.0
Tourism Coordinator	28	1.0	1.0	1.0	0.0
TOTAL		1.0	1.0	1.0	1.0

¹ This position was reclassified in FY 2022 from Tourism Coordinator to Tourism Manager.



hotel room nights
GENERATED BY
 the tourism department

The number of room nights generated has decreased as a result of cancellations related to COVID-19 and the closure of the Crowne Plaza Hotel.

grant FUNDS

FUND DESCRIPTION

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

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

FUND NARRATIVE

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

advanced funding grant fund statement of revenues & expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
BEGINNING BALANCE	\$38,432	\$38,833	\$49,251	\$50,784
revenues				
Intergovernmental	462,542	8,100	691,595	8,100
Interest and other income	9,334	400	400	400
TOTAL REVENUES	\$471,876	\$8,500	\$691,995	\$8,500
<i>Total Available Resources</i>	510,308	47,333	741,246	59,284
expenditures				
Personnel services	4,689	-	-	-
Supplies	103,704	-	87,164	-
Maintenance	-	-	7,940	-
Contractual services	352,664	13,700	380,133	13,700
Capital outlay	-	-	215,225	-
TOTAL EXPENDITURES	\$461,057	\$13,700	\$690,462	\$13,700
ENDING FUND BALANCE	\$49,251	\$33,633	\$50,784	\$45,584

infrastructure INVESTMENT FUND

FUND DESCRIPTION

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

FUND NARRATIVE

This fund was created in FY2015 to set aside resources for a reserve for years of economic decline, to cash-fund capital projects that would have otherwise been funded by debt financing, or to fund significant non-routine

capital outlay expenditures. The FY2022 budget allocates \$0.006201 of the property tax rate to fund the IIF for future appropriations. The FY2022 beginning fund balance in the Infrastructure Investment Fund is estimated to be \$5.1 million.

For FY 2022, planned expenditures for the Infrastructure Investment Fund total \$1.5 million. The projected fund balance at the end of FY2022 is approximately \$4.1 million.

infrastructure investment fund statement of revenues & expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
BEGINNING BALANCE	\$4,825,361	\$5,263,783	\$4,627,962	\$5,057,729
revenues				
Ad valorem taxes	285,615	294,767	294,767	303,710
Interest and other income	171,986	50,000	135,000	226,667
Transfers from other funds	45,000	-	-	-
TOTAL REVENUES	\$502,601	\$344,767	\$429,767	\$530,377
<i>Total Available Resources</i>	5,327,962	5,608,550	5,057,729	5,588,106
expenditures				
Transfer to Airport Fund	700,000	-	-	-
Capital Projects (cash funded)				
Traffic signal & ADA improvements	-	-	-	1,500,000
TOTAL EXPENDITURES	\$700,000	-	-	\$1,500,000
ENDING FUND BALANCE	\$4,627,962	\$5,608,550	\$5,057,729	\$4,088,106

other special REVENUE FUNDS

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 FY2022. The projected ending fund balance is \$3,133,722.

addison grove escrow fund statement of revenues & expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
BEGINNING BALANCE	\$3,081,141	\$3,129,141	\$3,130,222	\$3,131,722
revenues				
Interest and other income	49,081	25,000	1,500	2,000
Transfers from other funds	-	-	-	-
TOTAL REVENUES	\$49,081	\$25,000	\$1,500	\$2,000
<i>Total Available Resources</i>	3,130,222	3,154,141	3,131,722	3,133,722
expenditures				
Capital improvements	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
ENDING FUND BALANCE	\$3,130,222	\$3,154,141	\$3,131,722	\$3,133,722



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 FY2022, budgeted expenses total \$25,151 for bailiffs and other costs associated with security. The available ending fund balance is projected at \$17,600, leaving 70.0% of operating expenditures.

building security fund statement of revenues & expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
BEGINNING BALANCE	\$37,495	\$23,145	\$32,841	\$34,591
revenues				
Fines and penalties	6,396	11,000	11,000	7,410
Interest and other income	538	750	750	750
TOTAL REVENUES	\$6,934	\$11,750	\$11,750	\$8,160
<i>Total Available Resources</i>	<i>44,429</i>	<i>34,895</i>	<i>44,591</i>	<i>42,751</i>
expenditures				
Personnel services	11,588	25,100	10,000	25,151
Contractual services	-	-	-	-
TOTAL EXPENDITURES	\$11,588	\$25,100	\$10,000	\$25,151
ENDING FUND BALANCE	\$32,841	\$9,795	\$34,591	\$17,600



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 FY2022, 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 \$112,212, leaving 4488.5% of operating expenditures.

child safety fund statement of revenues & expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
BEGINNING BALANCE	\$90,717	\$87,917	\$110,712	\$102,712
revenues				
Fines and penalties	18,442	11,000	11,000	11,000
Interest and other income	1,553	1,000	1,000	1,000
TOTAL REVENUES	\$19,995	\$12,000	\$12,000	\$12,000
<i>Total Available Resources</i>	<i>110,712</i>	<i>99,917</i>	<i>122,712</i>	<i>114,712</i>
expenditures				
Supplies	-	20,000	20,000	-
Contractual services	-	-	-	2,500
TOTAL EXPENDITURES	-	\$20,000	\$20,000	\$2,500
ENDING FUND BALANCE	\$110,712	\$79,917	\$102,712	\$112,212



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 FY2022, budgeted expenses total \$25,000 for technology improvements at the Municipal Court. The available ending fund balance is projected at \$7,101, or 28.4% of operating expenditures.

court technology fund statement of revenues & expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
BEGINNING BALANCE	\$27,832	\$24,931	\$27,651	\$24,821
revenues				
Fines and penalties	7,145	6,670	6,670	6,780
Interest and other income	486	500	500	500
TOTAL REVENUES	\$7,631	\$7,170	\$7,170	\$7,280
<i>Total Available Resources</i>	35,463	32,101	34,821	32,101
expenditures				
Supplies	7,812	25,000	10,000	-
Contractual services	-	-	-	25,000
TOTAL EXPENDITURES	\$7,812	\$25,000	\$10,000	\$25,000
ENDING FUND BALANCE	\$27,651	\$7,101	\$24,821	\$7,101

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 FY2022, 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 \$24,570, leaving 491.4% of operating expenditures.

PEG FUND

FUND DESCRIPTION

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

FUND NARRATIVE

For FY2022, planned expenditures for the PEG fund total \$210,000. The projected ending fund balance is \$42,096, leaving 20.0% of operating expenditures.

justice administration fund statement of revenues & expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
BEGINNING BALANCE	\$23,829	\$22,578	\$27,994	\$26,204
revenues				
Fines and penalties	3,166	2,350	2,410	2,566
Interest and other income	999	800	800	800
TOTAL REVENUES	\$4,165	\$3,150	\$3,210	\$3,366
<i>Total Available Resources</i>	<i>27,994</i>	<i>25,728</i>	<i>31,204</i>	<i>29,570</i>
expenditures				
Supplies	-	4,000	4,000	4,000
Maintenance	-	1,000	1,000	1,000
TOTAL EXPENDITURES	-	\$5,000	\$5,000	\$5,000
ENDING FUND BALANCE	\$27,994	\$20,728	\$26,204	\$24,570

PUBLIC SAFETY FUND

FUND DESCRIPTION

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

agency after a budget for the expenditures of the proceeds has been submitted to the governing body of the municipality."

FUND NARRATIVE

In FY 2022, budgeted expenses for the Public Safety Fund total \$64,149. The available ending fund balance is projected at \$2,925.

peg fund statement of revenues & expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
BEGINNING BALANCE	\$303,147	\$359,147	\$359,096	\$200,596
revenues				
Franchise fees	50,805	50,000	50,000	50,000
Interest and other income	5,144	1,500	1,500	1,500
TOTAL REVENUES	\$55,949	\$51,500	\$51,500	\$51,500
<i>Total Available Resources</i>	<i>359,096</i>	<i>410,647</i>	<i>410,596</i>	<i>252,096</i>
expenditures				
Capital outlay	-	210,000	210,000	210,000
TOTAL EXPENDITURES	-	\$210,000	\$210,000	\$210,000
ENDING FUND BALANCE	\$359,096	\$200,647	\$200,596	\$42,096

public safety fund statement of revenues & expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
BEGINNING BALANCE	\$56,887	\$63,409	\$66,445	\$66,074
revenues				
Fines and penalties	8,603	-	37,500	-
Interest and other income	955	1,000	1,000	1,000
TOTAL REVENUES	\$9,558	\$1,000	\$38,500	\$1,000
<i>Total Available Resources</i>	<i>66,445</i>	<i>64,409</i>	<i>104,945</i>	<i>67,074</i>
expenditures				
Supplies	-	64,409	38,871	64,149
Contractual services	-	-	-	-
TOTAL EXPENDITURES	-	\$64,409	\$38,871	\$64,149
ENDING FUND BALANCE	\$66,445	-	\$66,074	\$2,925

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 FY2022 include:

- Special Services Consultants \$25,000
- Long Range Planning Services \$140,000
- Vehicle and Equipment for Code Enforcement Officer \$38,000
- Bail Out Rescue System \$27,000
- Facility Study and Consolidation \$125,000
- Beltway Trail Master Plan Implementation \$66,000
- Employee Handbook Update \$12,000
- Deferred Compensation Plan Review \$25,000
- Vehicle and Equipment for Trash & Projects Crew \$79,515
- Les Lacs Park Court Conversion \$141,000
- Forensics Computer Hardware/Software \$25,000

self-funded special project fund statement of revenues & expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
BEGINNING BALANCE	\$1,045,461	\$2,103,089	\$1,995,596	\$3,011,548
revenues				
Interest and other income	183,796	-	1,000	-
Intergovernmental	-	-	1,000,000	-
Transfers from other funds	3,563,900	710,950	1,500,000	-
TOTAL REVENUES	\$3,747,696	\$710,950	\$2,501,000	-
<i>Total Available Resources</i>	<i>4,793,157</i>	<i>2,814,039</i>	<i>4,496,596</i>	<i>3,011,548</i>
expenditures				
Supplies	46,969	131,900	131,300	31,800
Maintenance	881,031	318,150	318,150	26,000
Contractual services	621,220	579,242	579,242	393,000
Capital outlay	1,248,341	456,356	456,356	255,715
Capital improvements	-	-	-	-
TOTAL EXPENDITURES	\$2,797,561	\$1,485,648	\$1,485,048	\$706,515
ENDING FUND BALANCE	\$1,995,596	\$1,328,391	\$3,011,548	\$2,305,033

streets self-funded projects fund statement of revenues & expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
BEGINNING BALANCE	\$1,641,511	\$1,641,511	\$1,776,312	\$2,827,966
revenues				
Interest and other income	134,801	-	1,051,654	-
TOTAL REVENUES	\$134,801	-	\$1,051,654	-
<i>Total Available Resources</i>	<i>1,776,312</i>	<i>1,641,511</i>	<i>2,827,966</i>	<i>2,827,966</i>
expenditures				
Maintenance	-	-	-	1,980,000
TOTAL EXPENDITURES	-	-	-	\$1,980,000
ENDING FUND BALANCE	\$1,776,312	\$1,641,511	\$2,827,966	\$847,966





A photograph of a tennis player on a court. The player is in the foreground, wearing a light blue shirt and orange shorts, with their right arm raised. In the background, a large white water tower with a blue band and the word 'ADDISON' in white capital letters is visible. The sky is clear blue, and there are stadium lights on the right. A large orange semi-circle is overlaid on the bottom half of the image, containing the text 'proprietary FUNDS'. A white horizontal line is also present, with a light blue circle on the left side.

ADDISON

proprietary
FUNDS

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

FUND NARRATIVE

From its opening in October 1957 through 1976, Addison Airport was privately owned and operated. In 1976, the Town of Addison acquired the airport at the urging of and with financial assistance from the FAA. At that time, the Town elected to leave the management and operations of the airport in the hands of Henry Stuart, Airport Manager since the opening of the airport in 1957, and his company Addison Airport of Texas, Inc. (AATI). AATI operated the airport through the end of 2000, after which a joint venture of Washington Group International (WGI) and The Staubach Companies assumed control. The joint venture – known as the Washington-Staubach Addison Airport Venture (WSAAV) – managed and operated the airport under contract to the Town from January 1, 2001 through September 30, 2010. Towards the end of WSAAV's tenure, the Town began negotiating separate contracts with their successor companies (URS Energy & Construction for Airport Operator services, and SAMI Management, Inc. for Real Estate operator services); those contracts became effective October 1, 2010, with the same personnel from the joint venture continuing to manage and operate the airport. In spring of 2020, the Town of Addison elected to early terminate the Airport Operating Agreement with AECOM (formerly URS Energy & Construction) and to allow the Real Estate Operator Agreement with SAMI Management, Inc. to expire, with both contracts ending on September 30, 2020. Effective October 1, 2020, all of the former AECOM and SAMI staff became Town of Addison employees. Now, for the first time in its 63-year history, Addison Airport is owned by the Town of Addison and operated by Addison municipal employees.

Airport staff—who are now all Town of Addison employees—perform all functions directly associated with the management, operation, and maintenance of the airport and related facilities. Staff also develops the capital improvement program and obtains capital grant funding from the FAA and the Texas Department of Transportation (TxDOT) Aviation Division. Grant funding is essential for the ongoing capital improvement of the airport. Airport staff also perform all real estate functions, including rental of Addison facilities and the management of ground leases, as well as the billing and collection of all revenue related to rentals, leases, fuel flowage fees, and miscellaneous income.

concluding fiscal year performance

Operating revenue for FY2021 is projected to total \$5,464,067, a 5.3 percent increase from the original budget of \$5,189,110. Operating expenses are estimated to total \$5,182,080, which is \$122,875 more than budgeted, due to providing seed money to the newly created facility maintenance fund in the amount of \$250,000.

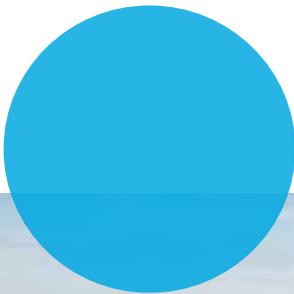
2021–2022 budget narrative

For FY2022, the budget anticipates operating revenue of \$7,061,846, a 36.1 percent increase from the FY2021 budget. The projected increase is based on conservative assumptions regarding anticipated fuel flowage fee revenue and rental income stemming from the opening of the Galaxy fixed-base operator.

VISION

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

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



PROGRAM NARRATIVE

accomplishments of fy2021

- Successfully transitioned airport staff from contract employees to direct employment with the Town of Addison
- Completed construction of the new U.S. Customs & Border Protection / Airport Administration building and moved airport administrative staff into the facility
- Coordinated with Black Forest Ventures on construction of the \$26+ million Galaxy FBO, which will open for business in Fall 2021

airport fund statement of income

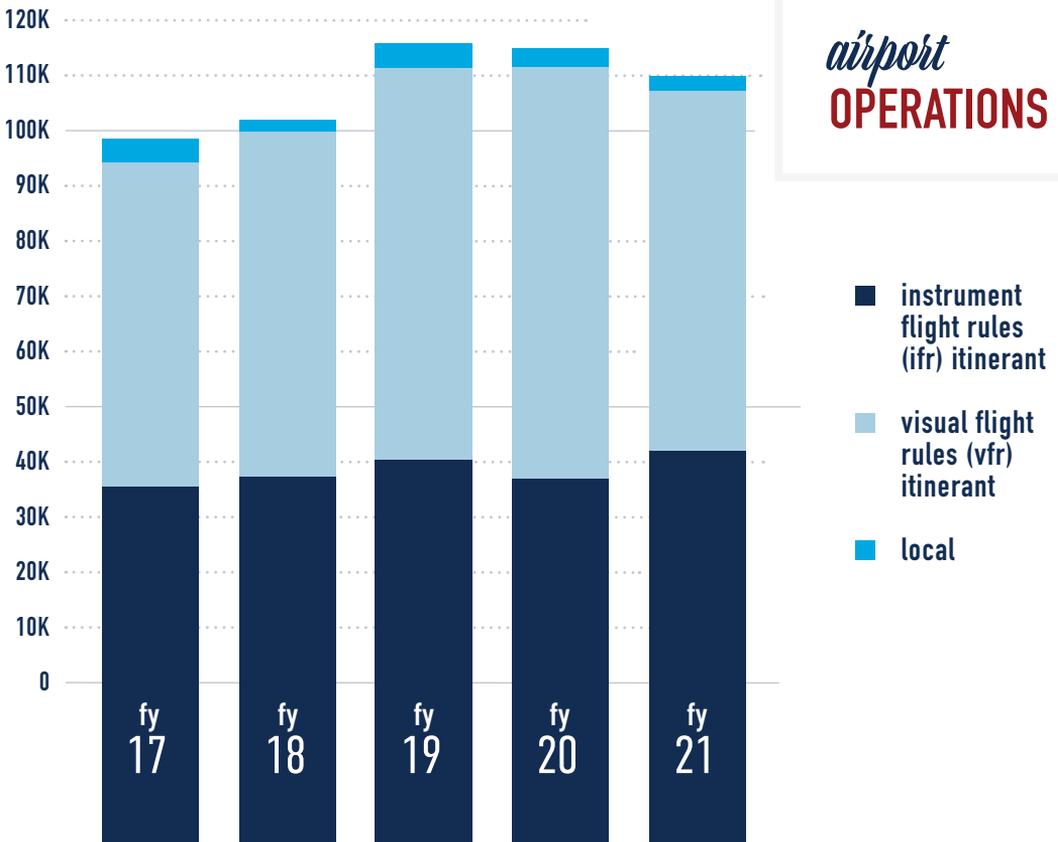
	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
BEGINNING BALANCE	\$7,264,401	\$6,511,884	\$6,134,545	\$5,152,471
revenues				
Intergovernmental				
Operating grants	1,431,219	50,000	50,000	50,000
Services fees	971,011	783,150	1,058,107	1,320,272
Rental income	4,421,924	4,305,960	4,305,960	5,635,534
Interest and other income	161,323	50,000	50,000	56,040
Transfers from other funds	700,000	-	-	-
TOTAL REVENUES	\$7,685,477	\$5,189,110	\$5,464,067	\$7,061,846
<i>Total Resources Available</i>	<i>14,949,878</i>	<i>11,700,994</i>	<i>11,598,612</i>	<i>12,214,317</i>
expenditures				
Personnel services	356,381	2,157,056	2,025,461	2,114,862
Supplies	40,793	61,900	52,291	57,200
Maintenance	69,292	479,730	660,860	745,119
Contractual services	279,244	1,309,914	1,142,863	1,062,750
Capital replacement/lease	217,258	230,958	480,958	257,928
Debt service	855,123	819,647	819,647	910,527
Capital outlay	-	-	-	35,000
Operator contract – maintenance	3,060,383	-	-	-
Operator contract – other	396,815	-	-	-
<i>Total Operational Expenditures</i>	<i>5,275,289</i>	<i>5,059,205</i>	<i>5,182,080</i>	<i>5,183,386</i>
One-time decision packages	-	51,000	51,000	16,000
Capital improvements	3,540,044	2,103,911	1,213,061	1,583,070
TOTAL EXPENDITURES	\$8,815,333	\$7,214,116	\$6,446,141	\$6,782,456
ENDING FUND BALANCE	\$6,134,545	\$4,486,878	\$5,152,471	\$5,431,861

- Released three Request for Qualifications (RFQ) for redevelopment sites in March 2021, with responses due June 1, 2021; evaluated responses
- Facilitated the sale and assignment of the 16051 Addison Road ground lease to Tyton Holdings, helping to bring a new business (with two aircraft) to the Town of Addison
- Negotiated new leases and assisted with an economic development agreement for Aerospace Quality Research & Development (AQRD) to expand its operations here in Addison
- Received 100% federally funded CARES Act Airport Improvement Program (AIP) grant of \$1,475,000 to fund Runway 15/33 and Taxiway Alpha pavement preservation work and Runway Re-designation (change from Runway 15/33 to 16/34); commenced construction
- Received AIP Grant for Preliminary Engineering Report (PER) for full-length extension of Taxiway Bravo and design of Phase 1 extension of Taxiway Bravo

- Received Coronavirus Response and Relief Supplemental Appropriations Act (CRSSAA) grant funding of \$57,000 established by the Airport Coronavirus Response Grant Program (ACRGP) to support airport operations
- Kept the airport open and operating safely throughout the February 2021 winter storm
- Airport staff passed more than 3,750 days without an OSHA recordable injury (over 10 years of safe working)

objectives for fy2022

- Complete Preliminary Engineering Report (PER) and design of Phase 1 Taxiway Bravo extension, secure FAA / TX-DOT grant for construction
- Continue to manage ground lease reversions and redevelopment opportunities consistent with the Airport Master Plan
- Begin execution of plan to fund rehabilitation of airport access streets (Jimmy Doolittle, Claire Chennault, Glenn Curtiss)
- Ensure smooth transition of U.S. Customs operations to the new facility, along with implementation of Customs user fees



staffing	LEVEL	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Deputy City Manager ¹	49	0.0	0.3	0.3	0.5
Airport Director	44	0.0	1.0	1.0	1.0
Airport Assistant Director	40	0.0	2.0	2.0	2.0
GIS Manager	37	0.4	0.4	0.4	0.4
Asset Manager	35	0.0	1.0	1.0	1.0
Airport Maintenance Manager	34	0.0	1.0	1.0	1.0
Airport Operations Manager	34	0.0	1.0	1.0	1.0
Airport Accounting Manager	33	0.0	1.0	1.0	1.0
Accounting Supervisor ¹	33	0.0	0.3	0.3	0.5
Leasing Manager	29	0.0	1.0	1.0	1.0
Talent Acquisition Partner ¹	28	0.0	0.3	0.3	0.5
Management Assistant	25	1.0	1.0	1.0	1.0
Police Officer	P2	3.0	3.0	3.0	3.0
Accounting Specialist - CIP ¹	21	0.0	0.3	0.3	0.5
Airport Maintenance Technician III	20	0.0	1.0	1.0	1.0
Airport Maintenance Technician II	19	0.0	3.0	3.0	3.0
Department Assistant	19	0.0	1.0	1.0	1.0
Janitorial & Light Maintenance Worker	17	0.0	1.0	1.0	1.0
TOTAL		4.4	19.6	19.6	20.4

¹ This position has been partially reallocated to the Airport Fund (0.2 FTE) in FY2022.



8M

7M

6M

5M

4M

3M

2M

1M

0



fuel
FLOWAGE

- jet-a
- avgas

REVENUE

- real estate
- fuel flowage
- other

In FY 2019, the Airport received a one-time installment of rent for \$1M from Galaxy as a negotiated term of their ground lease. Galaxy will begin paying regular rental monthly installments this December totaling approximately \$450K annually.

\$7M

\$6M

\$5M

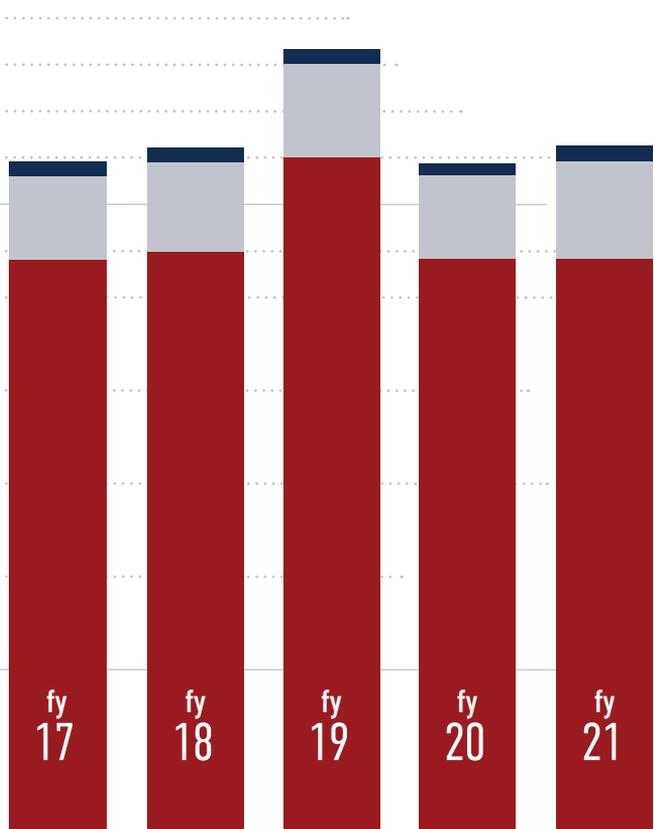
\$4M

\$3M

\$2M

\$1M

\$0



capital REPLACEMENT FUND

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

FUND NARRATIVE

Estimated expenses in FY2021 were primarily associated with the following purchases:

- Airport – (2) Grasshopper Lawn Mowers (\$25,400)
- Airport – Ford F250 Extended Cab (\$43,000)
- Airport – Ford F750 Super Duty (\$80,000)
- Airport – Toyota Highlander (\$45,000)
- Fire – Ford F-350 XLT Ext Cab- Battalion (\$100,000)
- Fire – Frazer Ambulance (\$286,850)
- Fire – Self Contained Breathing Apparatus (\$82,668)
- Fire – STRYKER Cardiac Monitor (\$175,137)
- Parks – Ford F150 Crew Cab (\$31,940)
- Parks – Ford F350 Crew Cab (\$36,063)
- Parks – Ford F350 Crew Cab (\$49,308)
- Parks – Ford F350 Extended Cab (\$59,871)
- Parks – John Deere 835 Gator w/ Sprayer

(\$27,587)

- Parks – John Deere 835 XUV Gator (\$25,190)
- Police – Patrol Vehicles (\$135,000)
- Police – Ford F250 Animal Control Unit (\$60,000)
- Streets – Ford F350 Extended Cab (\$30,551)
- Utilities – Ford F150 (\$36,000)
- Utilities – Ford F250 (\$42,421)
- Utilities – Ford F350 (\$43,130)

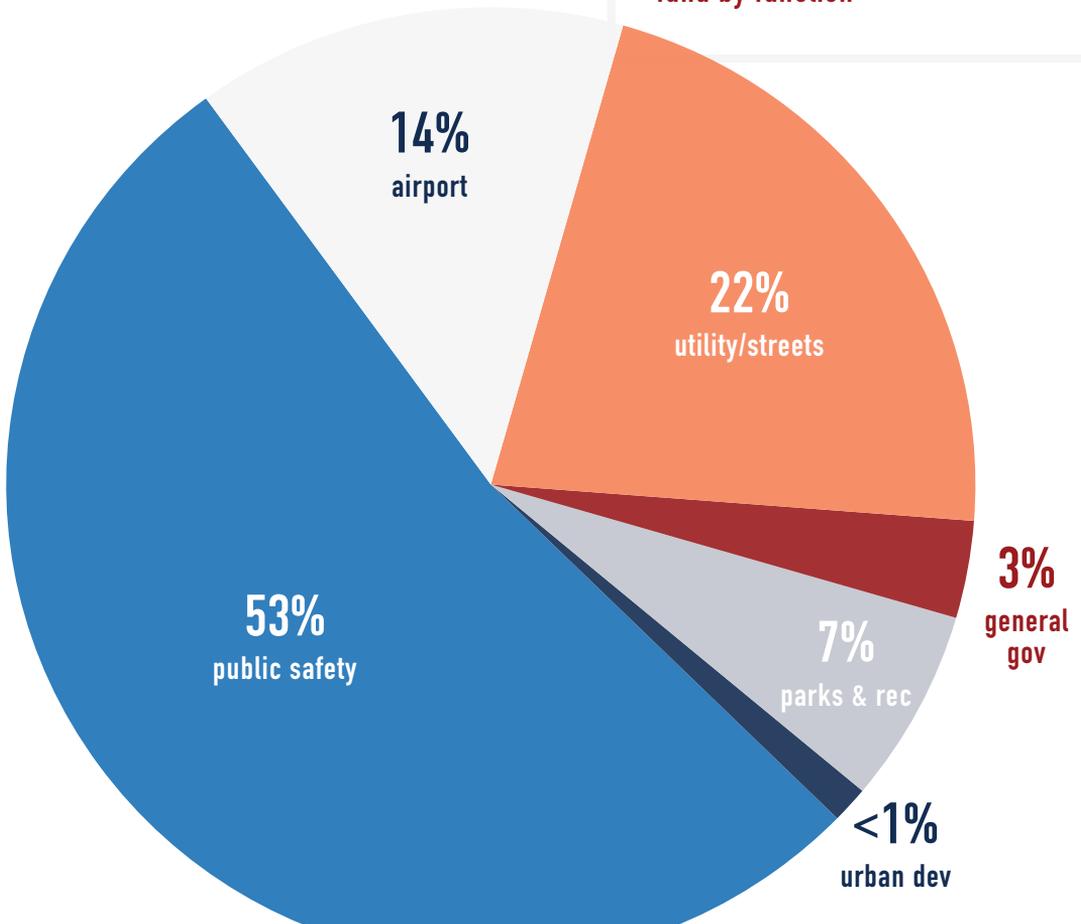
Equipment purchases included in the FY2022 budget include:

- Development Services – F150 Supercab (\$32,100)
- Fire – Ford Interceptor (\$48,000)
- General Services – F150 Crew Cab (\$39,100)
- General Services – F250 Service Body (\$59,500)
- Parks – Ford F350 Extended Cab (\$58,350)
- Police – Motorcycles (\$60,000)
- Recreation – Life Fitness Weight Circuit (\$61,500)
- Streets – Backhoe (\$54,000)
- Streets – Ford F750 Aerial Body (\$165,033)
- Utilities – Ford F150 (\$32,700)
- Utilities – Pipehunter Vacuum Truck (\$150,000)

**capital equipment replacement fund
statement of income**

	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
BEGINNING BALANCE	\$3,437,569	\$3,755,225	\$3,759,469	\$3,877,750
revenues				
Service fees				
Department contributions	1,288,000	1,288,000	1,288,000	1,215,000
Interest and other income	187,048	40,000	246,897	35,000
TOTAL REVENUES	\$1,475,048	\$1,328,000	\$1,534,897	\$1,250,000
<i>Total Resources Available</i>	<i>4,912,617</i>	<i>5,083,225</i>	<i>5,294,366</i>	<i>5,127,750</i>
expenditures				
Maintenance	-	-	-	-
Contractual services	4,765	4,500	4,500	-
Capital outlay	1,148,383	1,616,443	1,412,616	760,283
TOTAL EXPENDITURES	\$1,153,148	\$1,620,943	\$1,417,116	\$760,283
ENDING FUND BALANCE	\$3,759,469	\$3,462,282	\$3,877,250	\$4,367,467

contributions to the
CAPITAL REPLACEMENT
fund by function



facility MAINTENANCE FUND

This fund was established to provide dedicated funding to maintain the Town's aging facilities through planned maintenance and emergency repairs. Resources are acquired through charges to operating departments. The charges are guided by the Asset Management Plan and determined on an as-needed basis.

FUND NARRATIVE

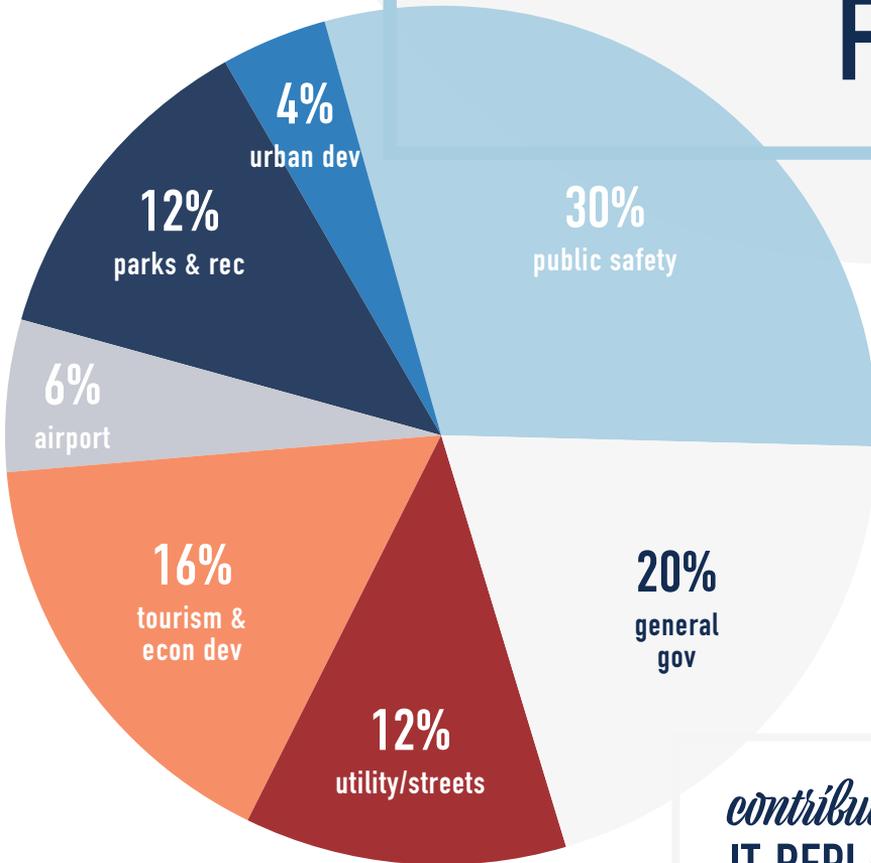
Maintenance projects included in the FY 2022 budget include:

- Fire Station 2 Restroom Accessibility (\$15,500)
- Vitruvian Restrooms Cracking Repair (\$40,000)
- Central Fire Cast Stone Repair (\$55,000)
- Athletic Club Monument Sign (\$7,000)

facility maintenance fund statement of income

	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
BEGINNING BALANCE	-	-	-	\$1,000,000
revenues				
Service fees				
Department contributions	-	-	1,000,000	150,000
Interest and other income	-	-	-	-
TOTAL REVENUES	-	-	\$1,000,000	\$150,000
<i>Total Resources Available</i>	-	-	1,000,000	1,150,000
expenditures				
Maintenance	-	-	-	327,500
Contractual outlay	-	-	-	22,500
TOTAL EXPENDITURES	-	-	-	\$350,000
ENDING FUND BALANCE	-	-	\$1,000,000	\$800,000

information technology **REPLACEMENT FUND**



contributions to the
IT REPLACEMENT
fund by function

FUND DESCRIPTION

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

FUND NARRATIVE

Estimated expenses in FY2021 were:

- Shared Network Equipment (\$700,000)
- Shared Upgrade Monitoring Cameras (\$370,000)
- Police Taser Update (\$60,000)
- Replace Mobile Device Computers (\$10,000)
- GPS Device (\$10,000)

Scheduled purchases through FY2022 are:

- Replace Mobile Device Computers (\$260,000)
- Microsoft Licenses Upgrade (\$100,000)
- In-car video and bodycam system upgrades (\$510,000)



information technology replacement fund statement of income

	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
BEGINNING BALANCE	\$3,561,600	\$2,521,653	\$3,598,147	\$3,205,020
revenues				
Services fees				
Department contributions	756,863	756,863	756,863	575,963
Interest and other income	358	5,000	10	-
TOTAL REVENUES	\$757,221	\$761,863	\$756,873	\$575,963
<i>Total Resources Available</i>	<i>4,318,821</i>	<i>3,283,516</i>	<i>4,355,020</i>	<i>3,780,983</i>
expenditures				
Supplies	52,704	-	-	260,000
Maintenance	14,719	-	-	100,000
Contractual services	18,309	-	-	-
Capital outlay	634,942	1,650,000	1,150,000	510,000
TOTAL EXPENDITURES	\$720,674	\$1,650,000	\$1,150,000	\$870,000
ENDING FUND BALANCE	\$3,598,147	\$1,633,516	\$3,205,020	\$2,910,983

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.

staffing	LEVEL	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
GIS Manager	37	0.3	0.3	0.3	0.3
Stormwater & Operations Manager ¹	34	1.0	1.0	1.0	1.0
Streets & Traffic Operations Manager	34	0.3	0.3	0.3	0.3
Billing Supervisor	28	0.2	0.2	0.2	0.2
Stormwater Operator	23	2.0	2.0	2.0	2.0
Accounting Specialist - UB	21	0.2	0.2	0.2	0.2
Street Maintenance Worker ¹	17	0.0	0.0	0.0	1.0
TOTAL		4.0	4.0	4.0	5.0

¹ This position (1.0 FTE) was moved from the General Fund to the Stormwater Fund in FY 2022.

stormwater fund statement of income	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
BEGINNING BALANCE	\$6,441,685	\$7,159,183	\$7,753,641	\$8,840,951
revenues				
Service fees				
Drainage fees	2,320,434	2,455,791	2,455,791	2,554,023
Interest and other income	110,961	40,000	4,000	20,000
TOTAL REVENUES	\$2,431,395	\$2,495,791	\$2,459,791	\$2,574,023
<i>Total Available Resources</i>	8,873,080	9,654,974	10,213,432	11,414,974
expenditures				
Personnel services	275,450	313,093	311,912	396,777
Supplies	13,239	17,700	16,555	13,000
Maintenance	32,637	102,620	102,564	116,240
Contractual services	173,065	310,224	310,224	327,351
Debt service	543,141	542,266	542,616	555,266
Capital outlay	48,254	-	-	146,000
<i>Total Operational Expenditures</i>	1,085,786	1,285,903	1,283,871	1,554,634
One-time decision packages	-	38,610	38,610	73,000
Transfers to other funds	-	-	-	-
Capital improvements	33,383	2,272,430	50,000	847,491
TOTAL EXPENDITURES	\$1,119,169	\$3,596,943	\$1,372,481	\$2,475,125
ENDING FUND BALANCE	\$7,753,911	\$6,058,031	\$8,840,951	\$8,939,849

concluding fiscal year performance

Operating revenues for FY2021 are projected to total \$2,459,791, which is approximately \$36 thousand less than the budget for FY2021 and \$28 thousand more than was generated in FY2020. Operating expenses in FY2021 are projected to be \$2 thousand less than budgeted amounts. The anticipated ending fund balance for FY2021 is projected at \$8,840,951.

2021-2022 budget narrative

FY2022 budgeted operating revenues are projected at \$2,574,023, an increase of \$142 thousand from actual FY2020. The FY2022 budget incorporates the 2.5 percent rate increase as planned in the 2013 stormwater fee ordinance. Operating expenses are budgeted at \$1,554,634. Also included in the FY2022 budget is cash funding of \$847 thousand for capital projects.

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 fy2021

- Compiled detailed stormwater reports for various types of illicit discharges.
- Hosted Earth Day and Sustainability Day events at the Service Center.
- Cleared debris from over 100 inlets.
- Began design of the Rawhide Creek Basin Improvements. Anticipate design completion in February 2022.
- Began design of Winnwood Bridge Armoring Project. Anticipate design completion in August of 2021.
- Completed Vitruvian Well construction.
- Repaired ponding issues and 7 damaged inlet tops.
- Completed post construction Best Management Practices per TCEQ requirements.

objectives for fy2022

- Complete design and begin construction in summer of 2022 on Rawhide Creek Basin Improvements.
- Complete construction of the Winnwood Bridge armoring project.
- Continue inlet repair program.
- Continue to monitor and perform inspections of stormwater infrastructure.



utility FUND

FUND DESCRIPTION

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

FUND NARRATIVE concluding fiscal year performance

Operating revenues for FY2021 are projected to total \$13,853,976, which is \$120 thousand less than the budget for FY2021 and \$827 thousand more than was generated in FY2020. Operating expenses in FY2021 are projected to be \$154 thousand less than budgeted amounts. The anticipated ending fund balance for FY2021 is projected at \$5,956,407.

utility fund statement of income

BEGINNING BALANCE

revenues

Service fees

- Water sales
- Sewer charges
- Tap fees & other

Fines and penalties

Interest and other income

TOTAL REVENUES

Total Resources Available

expenditures

Personnel services

Supplies

Maintenance

Contractual services

- Water purchases
- Wastewater treatment
- Other services

Capital replacement/lease

Debt services

Capital outlay

Total Operating Expenditures

One-time decision packages

Capital improvements

TOTAL EXPENDITURES

ENDING FUND BALANCE

ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
\$6,509,475	\$4,923,551	\$6,383,618	\$5,956,407
7,460,287	7,502,499	7,502,499	7,738,852
5,380,789	6,270,477	6,270,477	6,500,903
21,565	17,500	17,500	17,500
36,448	75,000	5,000	75,000
127,436	108,500	58,500	108,500
\$13,026,525	\$13,973,976	\$13,853,976	\$14,440,755
19,536,000	18,897,527	20,237,594	20,397,162
1,943,252	2,318,042	2,191,297	2,549,211
214,536	216,281	234,221	202,232
524,182	650,623	647,298	892,356
3,506,330	3,652,672	3,652,672	4,224,277
3,427,714	3,746,596	3,746,596	3,727,622
743,773	1,385,463	1,093,374	1,077,191
331,857	340,797	590,797	231,584
1,516,118	1,517,932	1,517,932	1,526,782
84,269	65,000	65,000	-
12,292,031	13,893,406	13,739,187	14,431,255
-	350,000	350,000	245,000
860,351	163,000	192,000	101,000
\$13,152,382	\$14,406,406	\$14,281,187	\$14,777,255
\$6,383,618	\$4,491,121	\$5,956,407	\$5,619,907

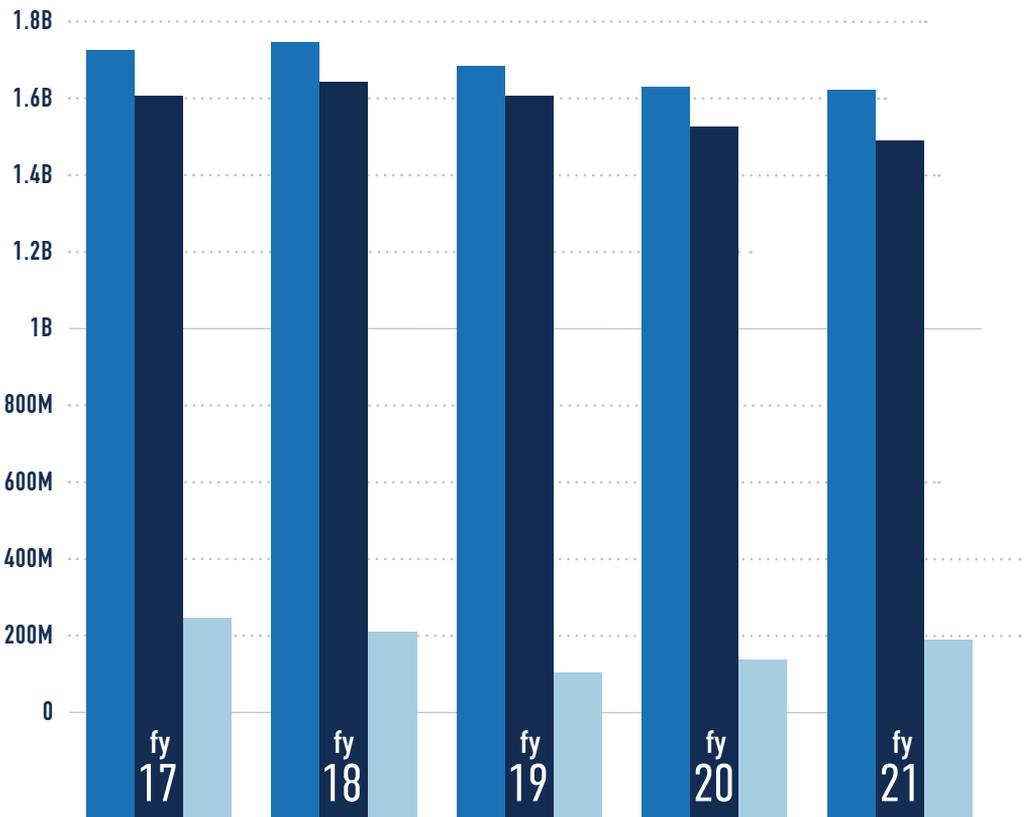


2021-2022 budget narrative

FY2022 budgeted operating revenues are projected at \$14,440,755, an increase of \$466 thousand from the FY2021 budget. Operating expenses are budgeted at \$14,431,255, an increase of \$537 thousand over the FY2021 budget. Also included in the FY2022 budget is cash funding of \$101 thousand for cash-funded capital projects.

water AUDIT

- water purchased
- water sold
- non-revenue water





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 fy2021

- Added airport to internal billing and removed stormwater fees on government town accounts
- Automated the exception calculations for utility billing in Munis

objectives for fy2022

- Update water and sewer rate study

expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	112,514	162,634	159,634	197,311
Supplies	13,224	15,800	15,800	15,500
Contractual Services	110,231	120,775	120,775	164,500
TOTAL DEPARTMENT BUDGET	\$235,969	\$299,209	\$296,209	\$377,311

staffing	LEVEL	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Controller ¹	40	0.0	0.3	0.3	0.5
Utility Billing Supervisor	28	0.8	0.8	0.8	0.8
Accounting Specialist	21	0.8	0.8	0.8	0.8
TOTAL		1.6	1.9	1.9	2.1

¹ This position has been partially reallocated to the Utility Fund (0.2 FTE) in FY2022.

UTILITY OPERATIONS

DEPARTMENT DESCRIPTION

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

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

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

PROGRAM NARRATIVE accomplishments of fy2021

- Completed construction of the Basin I Sanitary Sewer Reroute Project.
- Completion of the Celestial GST Rehabilitation Project.
- Completed design of the Chloramine Booster Station Project.
- Completed design of Kellway Liftstation Bypass project.
- Began design of Lake Forest Drive water and sewer improvements.
- Updated GIS to link as-built plans of existing infrastructure on an interactive map.

- Developed new specifications and standards for all Public Works Divisions.
- Maintained Addison's exceptional customer service while dealing with the COVID Pandemic and historic weather events.
- Updated the current Code of Ordinances Sec.82-97 Cross Connection Control as well as implemented a new process for our Backflow Data management to further assist with protecting our Public Water System.
- Completed the EPA required Risk & Resilience Assessment (Due by June 30, 2021).

objectives for fy2022

- Complete construction of the Chloramine Booster Station Project.
- Replace Pump #2 at Surveyor Pump Station.
- Replace outdated electrical components at Surveyor Pump Station.
- Complete the EPA required Emergency Response Plan (Due by Dec. 2021).
- Enhance the landscaping around Celestial Pump Station and bring it up to Addison standards.
- Complete design of Lake Forest Drive water and sewer improvements.
- Create and develop a valve maintenance program.
- Create and develop a Request for Proposals for facilities pump repair and maintenance.
- Complete Emergency Preparedness Plans for Senate Bill 3.

expenditures	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Personnel Services	1,830,738	2,155,408	2,031,663	2,351,900
Supplies	201,312	200,481	218,421	186,732
Maintenance	524,182	650,623	647,298	892,356
Contractual Services	633,542	1,264,688	972,599	912,691
Capital Replacement/Lease	331,857	340,797	590,797	231,584
Capital Outlay	84,269	65,000	65,000	-
One-time decision packages	-	350,000	350,000	245,000
TOTAL DEPARTMENT BUDGET	\$3,605,900	\$5,026,997	\$4,875,778	\$4,820,263

staffing	LEVEL	ACT 19-20	BUD 20-21	EST 20-21	BUD 21-22
Deputy City Manager ¹	49	0.0	0.3	0.3	0.5
Director of Public Works & Engineering	45	1.0	1.0	1.0	1.0
Assistant Director of Infrastructure Services	40	1.0	1.0	1.0	1.0
Capital Improvement Project Manager	36	1.0	1.0	1.0	1.0
GIS Manager	36	0.3	0.3	0.3	0.3
Streets and Traffic Operations Manager	34	0.3	0.3	0.3	0.3
Utilities Manager	34	2.0	2.0	2.0	2.0
Talent Acquisition Partner ¹	28	0.0	0.3	0.3	0.5
Line Maintenance Utility Supervisor	28	0.0	1.0	1.0	1.0
Water Quality Utility Supervisor	28	0.0	1.0	1.0	1.0
Senior Construction Inspector	26	0.0	1.0	1.0	1.0
Construction Inspector	24	3.0	2.0	2.0	2.0
Utility Crew Leader	24	1.0	1.0	1.0	1.0
Water Quality Specialist	23	2.0	2.0	2.0	2.0
Utility Operator III	21	4.0	4.0	3.0	3.0
Accounting Specialist CIP ¹	21	0.0	0.3	0.3	0.5
Utility Operator II	19	2.0	1.0	1.0	1.0
Department Assistant	19	1.0	1.0	1.0	1.0
Utility Operator I	18	5.0	5.0	6.0	6.0
TOTAL		23.6	25.5	25.5	26.1

¹ This position has been partially reallocated to the Utility Fund (0.2 FTE) in FY 2022.



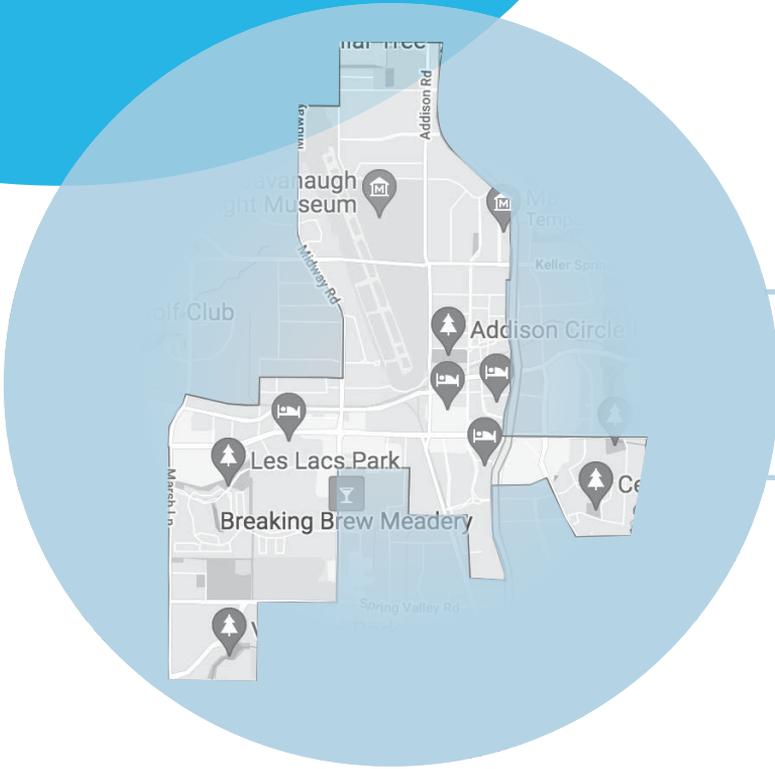


town chronicle &
APPENDICES

addison FAST FACTS

 **16,320**
2021 population¹

 **5,075,396,106**
2021 assessed value



4.38
square
miles

2,981.6
population per
square mile²

 **32.2 YEARS**
median age⁴

66,566
total employment
in addison³

56.3%
education level (persons with a
bachelor's degree, age 25 and above)²

¹ 2021 North Central Texas Council of Governments Estimate

² 2019 US Census Quick Facts

³ NCTCOG 2014 Employment Estimates City

⁴ 2010-2019 American Community Survey, US Census



1,382
number of
single-family
residences⁵

19.6%
owner-occupied
housing unit rate²

\$ 74,986
median
household
income⁶

TOP 10 EMPLOYERS IN ADDISON⁷

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

TOP 10 PROPERTY TAX PAYERS (FY2021)⁸

- Post Apartment Homes LP
- FPG Colonnade LP
- Savoye 2 LLC
- Mary Kay Inc
- COP Spectrum Center LLC
- DCO Realty Inc
- Fiori LLC
- VOP Partners LLC
- Woodbranch 14555 LLC
- Gaedeke Holdings II LTD

⁵ Dallas Central Appraisal District

⁶ 2019 American Community Survey, US Census

⁷ Source: North Central Texas Council of Governments

⁸ Source: Dallas County Tax Office

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 16,320 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 3,600 rooms and over 180 restaurants, or an average of 46 per square mile.



With its concentration of commercial and retail development, Addison is strongly influenced by the region's economic climate. Much attention is given to the occupancy rates of buildings in Addison. Addison's office occupancy rate reached nearly 78% and retail occupancy exceeded 91% in 2021. The town experienced a 3.0 percent increase in taxable property values for the 2021 certified levy compared to the 2020 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.

appendix a: **THE BUDGET PROCESS**

1 **fy2022 budget kickoff** **MARCH 2021**

City Manager presents the Town with budget guidance. Departments review their budget and tie to Council priorities identified by Strategic Pillars & Milestones.

2 **budget requests submitted & reviewed** **APRIL 30, 2021**

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 2021**

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 2021

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 estimated tax rolls received

JULY 23, 2021

Certified estimated appraisal rolls from the Dallas Central Appraisal District are received showing taxable values of \$5,075,396,106.

6

fy2022 city manager's proposed budget

JULY 30, 2021

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 \$130,910,401 and a tax rate of 61.5105 cents.

7

work session with council

AUGUST 4, 2021

Council attends FY2022 Budget Retreat to discuss various aspects of the City Manager's proposed budget.

8

publish notice of proposed tax rate

AUGUST 27, 2021

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 no new revenue tax rate is calculated to be 54.8593 cents with a voter approval rate of 67.9498 cents.

9

public hearings held

SEPTEMBER 7 & 14, 2021

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

10

council adopts the fy2022 budget

SEPTEMBER 14, 2021

Council approves ordinances adopting the budget for the fiscal year beginning October 1, 2021 with total appropriations of \$130,911,094 and a tax rate of 61.4660 cents.

11

fy2022 budget document is published

DECEMBER 2021

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 2021–SEPTEMBER 2022

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



appendix b: FINANCIAL POLICIES

INTRODUCTION

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

ANNUAL BUDGET

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

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

4. At least one public hearing shall be conducted before the City Council, allowing interested citizens to express their opinions concerning items of expenditure, giving their reasons for wishing to increase or decrease any items of expense. The notice of hearing shall be published in the official newspaper of the Town not less than 15 days or more than 30 days following date of notice.
5. Following the public hearing, the City Council shall analyze the budget, making any additions or deletions which they feel appropriate, and shall, at least three days prior to the beginning of the next fiscal year, adopt the budget by a favorable majority vote. If the City Council fails to adopt the budget, the Town shall continue to operate under the existing budget until such time as the City Council adopts a budget for the ensuing fiscal year.
6. On final adoption, the budget shall be in effect for the budget year. Final adoption of the budget by the City Council shall constitute the official appropriations for the current year and shall constitute the basis of the official levy of the property tax. Under conditions which may arise, the City Council may amend or change the budget to provide for any additional expense.
7. The annual budget document shall be published in a format that satisfies all criteria

established by the Government Finance Officers Association's Distinguished Budget Program. The final budget document shall be published no later than 90 days following the date of the budget's adoption by the City Council.

basis of accounting and budgeting

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



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

BUDGET ADMINISTRATION

1. All expenses of the Town shall be made in accordance with the adopted annual budget. The department level is the legal level of control enacted by the Town Charter. Budgetary control is maintained at the individual expenditure account level by the review of all requisitions of estimated purchase amounts prior to the release of purchase orders to vendors.
2. The following represents the Town's budget amendment policy delineating responsibility and authority for the amendment process. Transfers between expenditure accounts in one department may occur with the approval of the Chief Financial Officer (CFO). Transfers between operating departments may occur with the approval of the City Manager and CFO provided that a department's total budget is not changed by more than five percent. Transfers between funds or transfers between departments that change a department's total budget by more than five percent must be accomplished by budget amendment approved by the City Council. Budget amendments calling for new fund appropriations must also be approved by the City Council.

FINANCIAL REPORTING

1. Following the conclusion of the fiscal year, the Town's CFO shall cause to be prepared an Annual Comprehensive Financial Report 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 Annual Comprehensive Financial Report shall show the status of the Town's finances on the basis of GAAP. The Annual Comprehensive Financial Report 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 Annual Comprehensive Financial Report'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 Annual Comprehensive Financial Report 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. Personnel 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 "Aaa" (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 Annual Comprehensive Financial Report.

LONG-TERM FINANCIAL PLANS

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

FACILITY CONSTRUCTION

best value methods for entering into contract

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

associated with civil engineering construction, or (ii) buildings or structures that are incidental to projects that are primarily civil engineering construction projects.

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

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

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



appendix c: COMPENSATION PLAN

MERIT 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 FY2022 budget is \$1.15 million to fund a 4% merit pool for salary adjustments that are in line with the Town's compensation philosophy. Council defined "better than average" as 1% better than the average pay of the Town's comparison cities.

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.

police department

LEVEL	BASE SALARY	TOP SALARY
P1-N	61,558	-
P2-N	69,279	89,417
P3-N	96,693	105,857
P4-E	110,785	121,184
P5-E	119,005	132,299
P6-E	132,862	159,428

WAGE AND SALARY SCALE

N = Non-Exempt Position (hourly)

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

E = Exempt Position (salaried)

Not eligible for overtime wages.

P = Police, Non-Exempt Position (hourly)

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

F = Fire, Non-Exempt Position (hourly)

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

departments

LEVEL	BASE SALARY	TOP SALARY
10-N	22,735	34,104
11-N	23,872	35,808
12-N	25,067	37,600
13-N	26,318	39,479
14-N	27,636	41,453
15-N	29,018	43,526
16-N	30,467	45,702
17-N	31,991	47,987
18-N	33,592	50,386
19-N	35,271	52,907
20-N	37,035	55,551
21-N	38,886	58,329
22-N	40,831	61,245
23-N	42,871	64,308
24-N	45,015	67,523
25-N	47,266	70,899
25-E	47,266	70,899
26-N	49,630	74,444
26-E	49,630	74,444
27-E	52,111	78,166
28-E	54,716	82,075
29-E	57,453	86,179
30-E	60,325	90,488
31-E	63,341	95,012
32-E	66,508	99,762
33-E	69,834	104,750
34-E	73,325	109,988
35-E	76,992	115,488
36-E	80,841	121,262
37-E	84,883	127,325
38-E	89,128	133,691
39-E	93,584	140,376
40-E	98,263	147,395
41-E	103,176	154,764
42-E	108,335	162,503
43-E	113,752	170,627
44-E	119,439	179,159
45-E	125,411	188,117
46-E	131,682	197,523
47-E	138,266	207,399
48-E	145,179	217,769
49-E	152,438	228,657
50-E	160,060	240,090

fire department

LEVEL	BASE SALARY	TOP SALARY
F1-N	60,428	75,899
F2-N	60,427	-
F3-N	68,052	85,013
F4-N	86,113	92,318
F5-N	98,658	102,918
F6-N	106,044	113,115
F7-E	115,679	139,524
F8-N	120,576	129,249
F9-E	129,986	159,271

appendix d: MAJOR REVENUE SOURCES

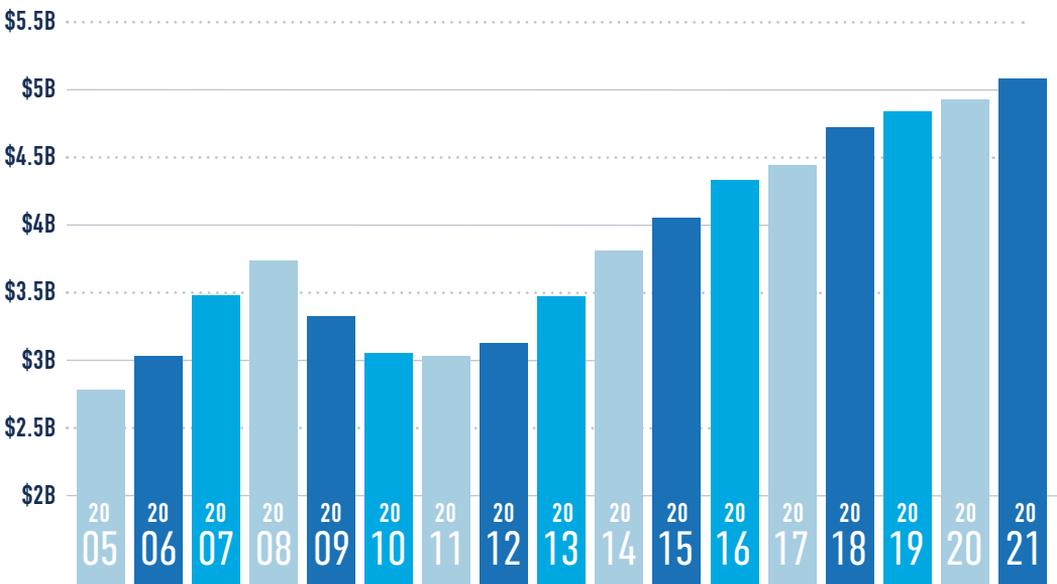
The revenue sources described in this section account for \$67,962,974 or 80 percent of Addison’s total operating revenues (excluding interfund transfers).

PROPERTY TAXES

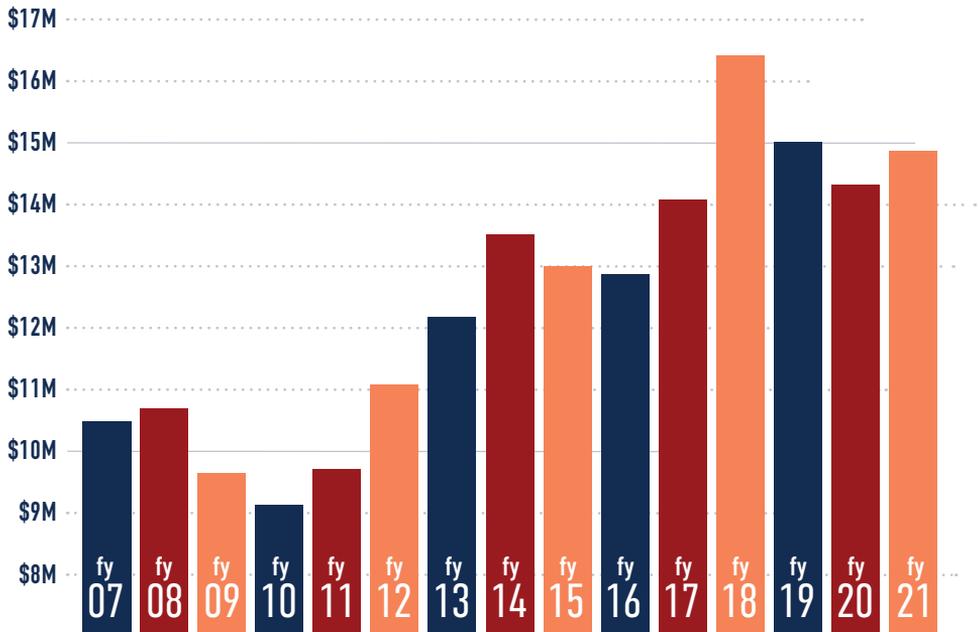
In Texas, property taxes are often the primary source of revenue for local governments. Local governments set tax rates and collect property taxes that are used to provide local services including schools, streets and roads, police and fire protection and many other services.

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

assessed valuation of
TAXABLE PROPERTY
as of January 1st of levy year



sales tax REVENUE



The assessed taxable value for the roll as of January 1, 2021, upon which the FY2022 levy is based, is \$5,075,396,106. In new construction, Addison has experienced a slowdown in growth over last year. New construction is valued at \$63,905,190 on the 2021 certified tax roll, which is a decrease of 25 percent over the previous year. Addison has experienced growth in economic development but recognizes that the local economy is cyclical. The Town continues to realize increased values, particularly those related to the Vitruvian Park, and expects continued growth as the nation’s economy continues to improve.¹

Property taxes are levied through two rates: the maintenance and operations (M&O) rate and the interest and sinking (I&S) rate, which is dedicated to debt service. If the M&O tax rate, adjusted for new improvements, exceeds the no new revenue rate (the rate needed to raise the same amount of revenue as the prior year) by more than 3.5 percent, the Town must hold an automatic election. The tax rate that equates to an 3.5 percent increase above the prior year rate is known as the “voter approval

rate”. The FY2022 tax rate adopted by Addison is less than the calculated 67.9498¢ voter approval rate. The tax rate for the year ending September 30, 2022 is 61.4660¢ per \$100 of valuation, of which 44.1109¢ is allocated for general government maintenance and operations and 17.3551¢ is allocated for retirement of general obligation long-term debt. Of the 44.1109¢ allocated for operations and maintenance, 2.3716¢ is committed to economic development and 0.6201¢ is committed to the Infrastructure Investment Fund.

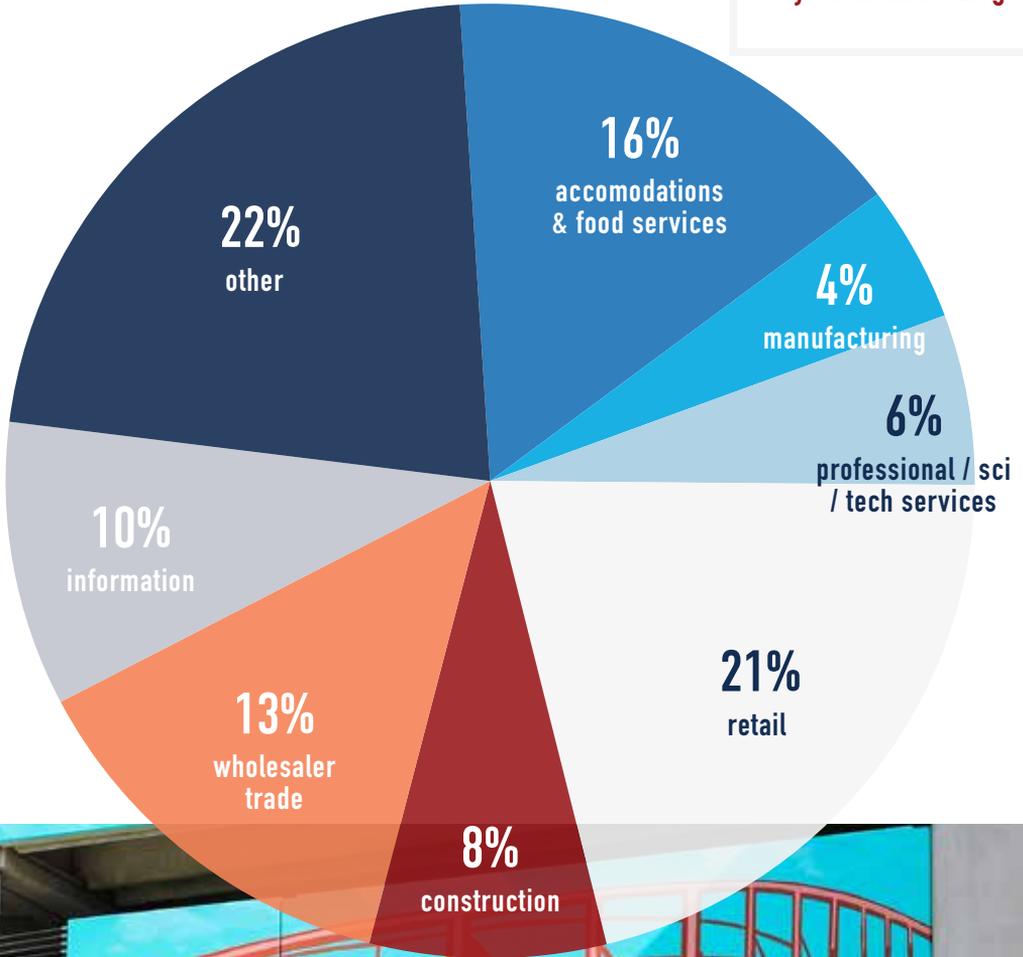
Taxes are due January 31st following the October 1st levy date and are considered delinquent after January 31st of each year. Based upon historical collection trends, current tax collections for the year ending September 30, 2022 are estimated to be 96.5 percent of the levy and will generate \$30,104,556 in revenues.

SALES TAX

The total sales tax in Addison is 8.25 percent of goods or services sold within the Town’s boundaries. The tax is collected by businesses making the sale and is remitted to the State’s

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

Breakdown of
FY2021 SALES TAX
by economic category



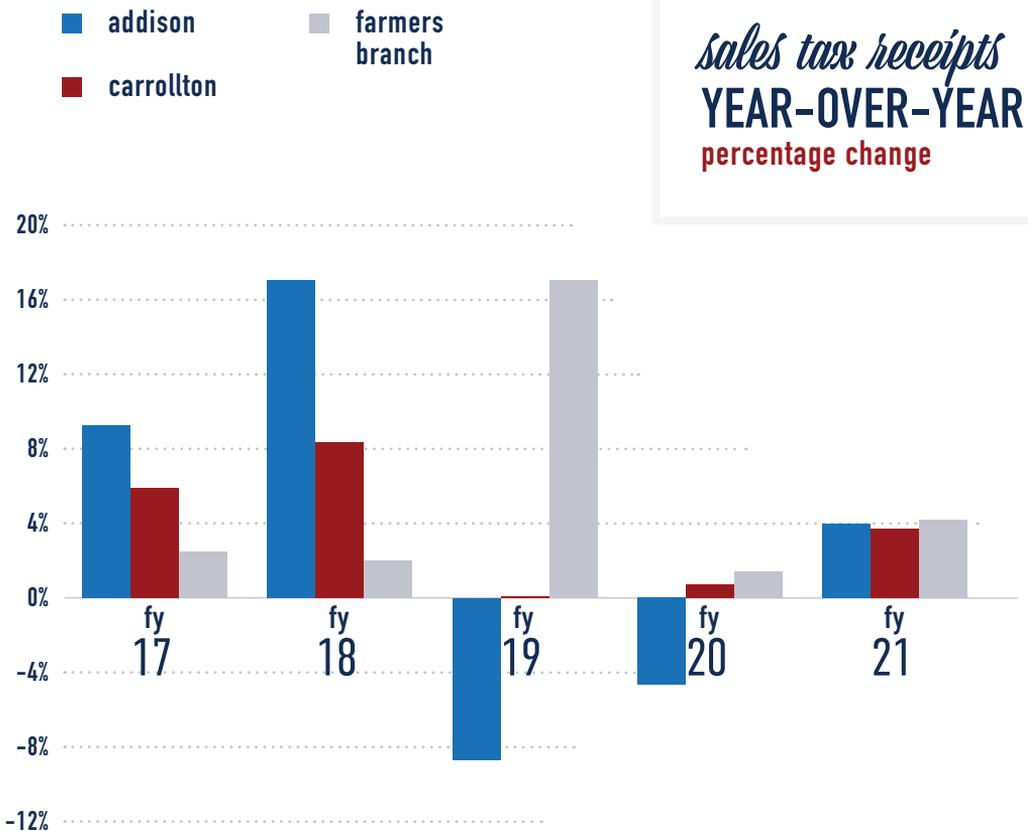
Comptroller of Public Accounts on a monthly, or and in some cases, a quarterly basis. Of the 8.25 percent tax, the State retains 6.25 percent and distributes 1 percent to the Town of Addison and 1 percent to Dallas Area Rapid Transit (DART). The State distributes tax proceeds to local entities within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

For the year ending September 30, 2022, Addison expects to receive \$13,700,000 in sales and use tax revenue. The Town's General Fund long-term plan assumes a 3.0 percent growth in sales tax for FY2023 through FY2025.

Cities also receive a share of the state's taxes on alcohol from the mixed beverage gross receipts tax and the mixed beverage sales tax. The mixed beverage sales tax is an additional sales tax is levied by the State of Texas on alcoholic beverages and applied against all mixed drinks and packaged liquor sold in the Town. Mixed beverages are taxed by the state

at a rate of 6.7 percent of gross receipts by the holder of the alcohol permit. The city receives a 10.7143 percent share of the 6.7 percent, which works out to roughly 0.072 percent of the total price. In addition, a tax rate of 8.25 percent is imposed on each mixed beverage sold, prepared, or served by a permittee. Instead of the holder of the permit paying this tax, the customer pays the mixed beverage sales tax. As with the mixed beverage gross receipts tax, the city receives no less than a 10.7143 share of the 8.25 percent tax. That works out roughly to 0.088 of the total price.

Although Addison has 16,320 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 206,610 and Denton with a population of 141,000 (NCTCOG 2021 Population Estimates). Revenues from mixed beverage gross receipts tax combined with the mixed beverage sales tax are projected at \$1,200,000 for FY2022.



HOTEL/MOTEL OCCUPANCY TAX

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

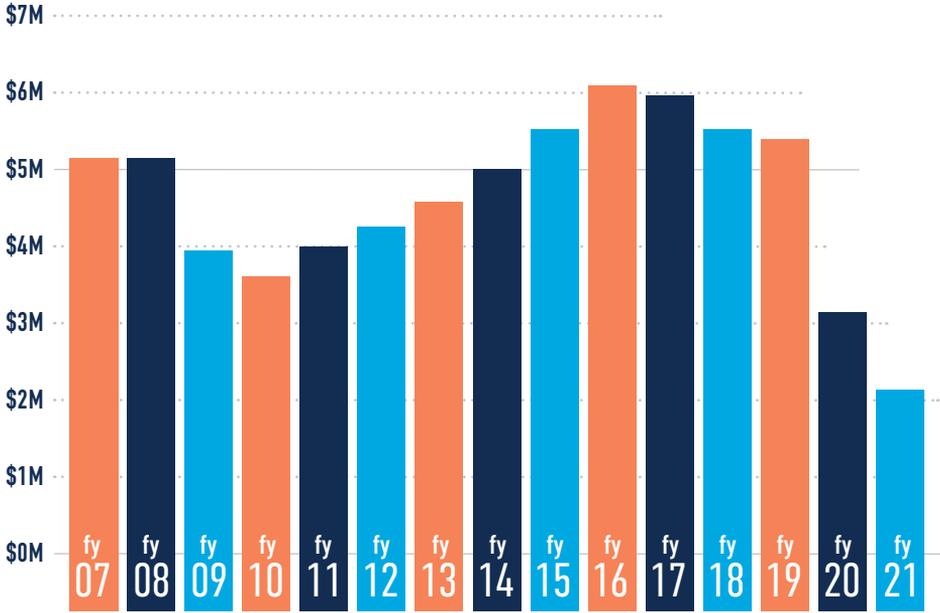
Hotel occupancy tax revenues are known as "dedicated revenues" as distinguished from general tax revenues. Dedicated revenues may only be spent on certain, statutorily-defined purposes. Under Texas law, local hotel occupancy tax can be used only to directly promote tourism and the convention and hotel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

For the year ending September 30, 2022, the Town hotel occupancy tax is budgeted at \$4,155,000, remaining flat from FY 2021. This is largely due to the COVID-19 pandemic. Addison's market relies heavily on business travel, which many companies still have a moratorium on. Significant forecast increases in hotel occupancy is not expected until 2023.

percentage of fy2021 hotel occupancy tax receipts by establishment

ESTABLISHMENT	# OF ROOMS	% OF REV
full service		
Marriott Quorum	547	15%
Renaissance	528	14%
	1,075	
extended stay		
Budget Suites	344	9%
Hawthorne Suites	70	2%
Mainstay Suites	70	2%
Marriott Residence Inn	150	4%
Hyatt House	132	4%
Homewood Suites	120	3%
Home2Suites	132	4%
Springhill Suites	159	4%
	1,177	
business moderate		
Marriott Courtyard Quorum	176	5%
LaQuinta Inn	152	4%
Marriott Courtyard Midway	145	4%
Radisson – Addison	101	3%
Hilton Garden Inn	96	3%
Holiday Inn Express	97	3%
Holiday Inn Beltway	102	3%
Best Western Plus	84	2%
	953	
economy		
Motel 6	127	3%
Hampton Inn	158	4%
Red Roof Inn	105	3%
Quality Suites North Galleria	78	2%
America's Best Value Inn	60	2%
	528	
TOTAL	3,733	100%

hotel
OCCUPANCY
 tax revenue



FRANCHISE FEES

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

Compensation for use of rights-of-way and city land by electricity providers is based on kilowatt hours of electricity delivered within the city. The Town expects to receive \$1,525,000 in electric franchise fee payments in FY2022.

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 FY2022 budget anticipates \$250,000 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 the lesser of cable franchise or telephone access line fees, whichever are less for the company statewide. For FY2022, cable franchise fees are budgeted at \$130,000, which is flat from the FY2021 budget and 13% less than the FY2020 budget.

Other franchise fees paid to Addison include natural gas and street rental fees. Gas franchise fees for FY2022 are budgeted at \$200,000.

utility accounts by user type

FY 20-21 CUSTOMER CLASSIFICATION	WATER		SEWER	
	# OF ACCTS	PERCENT	# OF ACCTS	PERCENT
Single Family	1,830	48.3%	1,826	68.0%
Multi-Family	155	4.1%	144	5.4%
Municipal / School	34	0.9%	31	1.2%
Irrigation	667	17.6%	-	0.0%
Hotel / Motel	33	0.9%	30	1.1%
Commercial	661	17.4%	642	23.9%
Fire Meter	400	10.6%	-	0.0%
Industrial	11	0.3%	11	0.4%
TOTAL	3,791	100%	2,684	100%

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 FY2022 adjustments, effective October 1, 2021, included an increase of 2.5% to water and sewer rates, which equates to \$1.49 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 2022: 2.5%
- October 2023: 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 2022 budget year, the Town’s Utility Fund anticipates receiving \$7,738,852 from the sale of water and \$6,500,903 from sewer fees.



STORMWATER FEES

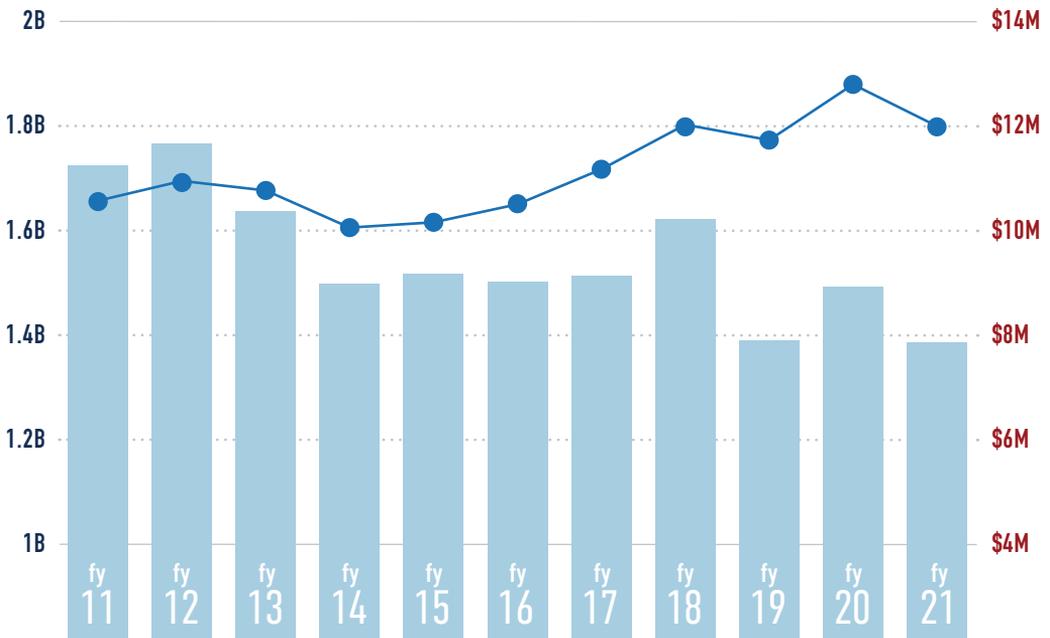
Addison charges a stormwater fee to fund the costs to build and maintain stormwater infrastructure such as curb and gutter repair, maintenance of stormwater structures, and the Town's federally and state mandated stormwater quality management program.

Additionally, the stormwater fee will fund the capital improvements to the Town's drainage infrastructure. The Town's Stormwater Fund anticipates receiving \$2,554,023 in stormwater fees in FY2022.

water consumption & WATER/SEWER revenue

- consumption (in gallons)
- revenue

FY2021 reflects an estimate as it has not closed as of publication date.



appendix e: **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 FY2021 budget, the adopted "base year" budget for FY2022, 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 16,320 residents (2021 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 125,000¹. 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 FY2022. The FY2022 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'

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

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 8.0 percent from FY2020 actual to the estimated FY2021 total. The FY2022 budget assumes 1.25% growth in sales tax compared to the FY2021 budget. The General Fund long-term plan assumes non-property tax revenues will grow 5% in FY 2023 and assumes 3% yearly growth from FY 2024 to FY2026.
2. Property tax revenue is dependent on two variables: appraised value and the tax rate. Property values for 2021 (used for the FY2022 levy) increased 3 percent. From 2014 through 2021, values have increased a cumulative 33.4 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 FY2022 is 61.4660 cents per \$100 assessed values. The tax rate and appraised values will generate an additional \$1.2 million in revenue for the General Fund in FY2022. The General Fund long-term plan assumes 3.5 percent growth in property tax revenues for FY2022 and assumes 3.5 percent yearly growth from FY2023 to FY2026.
3. Service fees are expected to remain flat from FY2023 through FY2026. Major fees in this category include 911 fees, ambulance fees, and refuse collection fees.





general fund long-term financial plan

	ACT 19-20	EST 20-21	BUD 21-22	YR 1 22-23
BEGINNING BALANCE	\$20,588,244	\$20,134,439	\$20,149,761	\$20,177,761
revenues				
Ad valorem taxes	18,617,246	19,845,000	20,037,826	20,739,150
Non-property taxes	15,191,223	15,500,000	14,900,000	15,198,000
Franchise fees	2,176,562	2,091,000	2,105,000	2,126,050
Licenses and permits	1,183,285	1,142,550	1,090,100	1,101,001
Service fees	1,842,055	1,916,831	2,018,070	2,038,251
Fines and penalties	227,997	155,000	245,000	247,450
Rental income	9,252	8,000	8,000	8,000
Interest and other income	571,798	263,500	356,000	359,560
TOTAL REVENUES	\$39,819,418	\$40,921,881	\$40,759,996	\$41,817,542
expenditures				
Operating				
Personnel services	24,263,224	25,291,473	26,469,624	27,263,713
Supplies	1,072,579	1,313,949	1,437,825	1,452,203
Maintenance	2,896,017	3,539,966	3,576,374	3,612,138
Contractual services	6,935,520	7,257,253	7,839,299	7,917,692
Capital replacement/lease	1,410,371	1,923,868	1,301,511	1,460,889
Capital outlay	86,612	80,050	107,363	-
<i>Total Operating Expenditures</i>	<i>36,664,323</i>	<i>39,406,559</i>	<i>40,731,996</i>	<i>41,706,634</i>
Fund transfer out	3,608,900	1,500,000	-	-
TOTAL EXPENDITURES	\$40,273,223	\$40,906,559	\$40,731,996	\$41,706,634
ENDING FUND BALANCE	\$20,134,439	\$20,149,761	\$20,177,761	\$20,288,668
ENDING BALANCE AS A % OF EXP	54.9%	51.1%	49.5%	48.6%



	YR 2 23-24	YR 3 24-25	YR 4 25-26
	\$20,288,668	\$20,502,495	\$20,824,491
	21,465,020	22,216,296	22,993,866
	15,501,960	15,811,999	16,128,239
	2,147,311	2,168,784	2,190,471
	1,112,011	1,123,131	1,134,362
	2,058,633	2,079,220	2,100,012
	249,925	252,424	254,948
	8,161	8,242	8,325
	363,156	366,787	370,455
	\$42,906,176	\$44,026,883	\$45,180,679
	28,081,624	28,924,073	29,791,795
	1,466,725	1,481,393	1,496,206
	3,648,259	3,684,742	3,721,589
	7,996,869	8,076,838	8,157,606
	1,498,872	1,537,842	1,577,826
	-	-	-
	42,692,349	43,704,887	44,745,023
	-	-	-
	\$42,692,349	\$43,704,887	\$44,745,023
	\$20,502,495	\$20,824,491	\$21,260,146
	48.0%	47.6%	47.5%

- All other revenues during the planning horizon are expected to remain flat.
- More than two-thirds of the General Fund's expenditures are associated with employee compensation. The FY2022 budget for personnel services is \$1,178,151 more than the estimated FY2021 budget due to the funding of the 4% merit pool. The long-term plan assumes that Council will continue to award 3% merit increases in years FY2023 through FY2026.
- The FY2022 budget assumed no increase per employee cost of healthcare as a result of plan negotiations. The long-term plan assumes increases of 5 percent in years FY2023 through FY2026.
- 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.
- All non-personnel operating expenditures for FY2023 through FY2026 are adjusted for a 1.2 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. The FY2022 General Fund budget has a projected ending fund balance of 49.5 percent; additionally, the long-term plan assumes that fund balances will remain above 30 percent FY2023 through FY2026. Financial planning uses forecasts to provide insight into future financial capacity to meet service objectives and financial challenges. The long-term planning nature of the model will allow for steps to be taken to maintain the 30 percent fund balance goal.

HOTEL FUND LONG-TERM PLAN

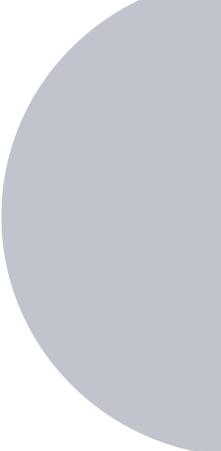
Addison’s hotels cater to the business traveler and therefore are tied to the national and regional economies. The Hotel Fund has been the most impacted by the pandemic. With COVID-19, orders from the Dallas County Judge were issued pertaining to the closure of nonessential business, mask and social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

1. Hotel occupancy tax revenue for the FY2022 budget is expected to increase from the estimated FY2021 numbers. For FY2022, revenues from the tax are expected to increase 39 percent. The primary reason for the increase in revenue is \$2.0 million from the American Recovery Plan Act Coronavirus Local Fiscal Recovery Fund (CLFRF) to be applied to recover lost revenue due to the pandemic. For FY 2023, revenues from the tax are expected to increase 10 percent, then increase at 7.5 percent for FY 2024, 5 percent for FY 2025, and 2.5% for FY 2026. The inventory of hotel rooms is currently 3,733 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 FY2023 through FY2026.
4. The Hotel Fund will transfer \$384,000 in FY2022 to fund the Tourism department in the Economic Development Fund. This transfer will increase to \$768,000 in FY 2023 and is scheduled to continue throughout the forecast period to fully fund the Tourism department.

The FY2022 Hotel Fund budget has a projected ending fund balance of 76.2 percent; this percentage is above the 25 percent required by the Town’s financial policies. Additionally, the long-term plan assumes that fund balances

hotel fund long-term financial plan	ACT 19-20
BEGINNING BALANCE	\$3,449,095
revenues	
Hotel/motel occupancy taxes	3,240,946
Proceeds from special events	107,030
Conference Centre rental	233,183
Theatre Centre rental	51,465
Intergovernmental - Federal	-
Interest and other income	74,519
TOTAL REVENUES	\$3,707,143
expenditures	
Addison Theatre Centre	246,578
Conference Centre	796,479
General Hotel Operations	55,828
Marketing	618,006
Performing Arts	505,000
Special Events	606,661
Special Events Operations	762,665
<i>Total Operating Expenditures</i>	<i>3,591,217</i>
Fund transfer out	384,000
Capital Projects (cash funded)	31,762
TOTAL EXPENDITURES	\$4,006,979
ENDING FUND BALANCE	\$3,149,259
ENDING BALANCE AS A % OF EXP	87.7%

will remain above 25 percent throughout the forecast period. 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. The Town is monitoring these activities and they can be reduced should hotel occupancy taxes not grow in future years.



	EST 20-21	BUD 21-22	YR 1 22-23	YR 2 23-24	YR 3 24-25	YR 4 25-26
	\$3,149,259	\$2,783,500	\$4,246,003	\$3,615,189	\$3,225,977	\$2,979,094
	3,000,000	4,155,000	4,570,500	4,913,288	5,158,952	5,287,926
	1,104,500	1,155,500	1,115,545	1,126,700	1,137,967	1,149,347
	-	-	-	-	-	-
	26,951	85,000	85,850	86,709	87,576	88,451
	1,014,736	2,014,736	-	-	-	-
	66,339	10,100	50,601	51,107	51,618	52,134
	\$5,212,526	\$7,420,336	\$5,822,496	\$6,177,803	\$6,436,113	\$6,577,858
	256,722	275,208	280,712	286,326	292,053	297,894
	235,162	212,138	216,381	220,708	225,123	229,625
	34,143	198,129	202,092	206,133	210,256	214,461
	1,108,656	1,139,905	1,162,703	1,185,957	1,209,676	1,233,870
	329,089	329,089	335,671	342,384	349,232	356,217
	2,301,808	2,425,736	2,474,251	2,523,736	2,574,210	2,625,695
	914,705	993,628	1,013,501	1,033,771	1,054,446	1,075,535
	5,180,285	5,573,833	5,685,310	5,799,016	5,914,996	6,033,296
	384,000	384,000	768,000	768,000	768,000	768,000
	14,000	-	-	-	-	-
	\$5,578,285	\$5,957,833	\$6,453,310	\$6,567,016	\$6,682,996	\$6,801,296
	\$2,783,500	\$4,246,003	\$3,615,189	\$3,225,977	\$2,979,094	\$2,755,656
	53.7%	76.2%	63.6%	55.6%	50.4%	45.7%

AIRPORT FUND LONG-TERM PLAN

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

1. Operating revenue decreased 3.0 percent from actual FY2020, excluding transfers, to re-estimated FY2021. The revenue projection from FY2023 through FY2026 is expected to remain flat.
2. The budget for personnel services pays for three Police Officers, a Management Assistant, an Airport Director, two Assistant Airport Directors, an Airport Maintenance Manager, an Airport Operations Manager, a Department Assistant, an Airport Maintenance Technician III, three Airport Maintenance Technician II, a Janitor/Maintenance Worker, an Asset Manager, a Leasing Manager, an Airport Accounting Manager. The personnel services budget also pays for a portion of the Town’s GIS Manager, a Deputy City Manager, a Talent Acquisition Partner, an Accounting Supervisor, and an Accounting Specialist. The budget in FY2022 includes a 4% merit pool. The long-term plan assumes that Council will continue to award 3% merit increases in years FY2023 through FY2026.
3. All non-personnel operating expenditures for FY2023 through FY2026 are adjusted for a 2.0 percent inflationary increase.

airport fund long-term financial plan

ACT
19-20

BEGINNING BALANCE \$7,264,401

revenues

Intergovernmental	
Operating grants	1,431,219
Service fees	
Customs fees	103,234
Fuel flowage fees	867,778
Rental income	4,421,924
Interest and other income	161,323
Transfers from other funds	700,000
TOTAL REVENUES	\$7,685,478

expenditures

Operating	
Personnel services	356,381
Supplies	40,793
Maintenance	3,129,675
Contractual services	676,059
Capital replacement/lease	217,258
Debt service	855,123
<i>Total Operating Expenditures</i>	<i>5,275,289</i>
One-time decision packages	-
Capital Projects (cash funded)	3,540,044
TOTAL EXPENDITURES	\$8,815,333

ENDING FUND BALANCE \$6,134,546

ENDING BALANCE AS A % OF EXP 116.3%

4. The plan includes payment of the debt service associated with four 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

EST 20-21	BUD 21-22	YR 1 22-23	YR 2 23-24	YR 3 24-25	YR 4 25-26
\$6,134,546	\$5,242,972	\$6,290,897	\$8,063,211	\$9,288,800	\$11,088,147
50,000	50,000	50,000	50,000	50,000	50,000
158,107	294,000	294,000	294,000	294,000	294,000
900,000	1,026,272	1,057,060	1,088,772	1,121,435	1,155,078
4,305,960	5,635,534	5,635,534	5,635,534	5,635,534	5,635,534
50,000	56,040	56,600	57,166	57,738	58,315
-	-	-	-	-	-
\$5,464,067	\$7,061,846	\$7,093,195	\$7,125,472	\$7,158,707	\$7,192,928
2,025,461	2,114,862	2,199,456	2,287,435	2,378,932	2,474,089
52,291	57,200	58,344	59,511	60,701	61,915
660,860	745,119	760,021	775,222	790,726	806,541
1,142,863	1,062,750	1,084,005	1,105,685	1,127,799	1,150,355
480,958	292,928	298,787	304,762	310,858	317,075
819,647	910,527	905,843	895,935	713,885	716,210
5,182,080	5,183,386	5,306,456	5,428,550	5,382,901	5,526,185
51,000	16,000	-	-	-	-
1,213,061	1,583,070	104,700	564,200	72,000	-
\$6,446,141	\$6,782,456	\$5,411,156	\$5,992,750	\$5,454,901	\$5,526,185
\$5,152,472	\$5,431,862	\$7,113,900	\$8,246,623	\$9,950,429	\$11,617,172
99.4%	104.8%	134.1%	151.9%	184.9%	210.2%

replaced the portion of 2004 combination tax and revenue certificates of obligation, were supported by the Airport Fund. In 2021, general obligation refunding bonds were issued for street improvements of Keller Springs Road and Airport Parkway.

5. The plan projects revenues exceeding expenditures in FY2022 with funding for one-time capital projects included.



utility fund long-term financial plan

	ACT 19-20	EST 20-21	BUD 21-22	YR 1 22-23
BEGINNING BALANCE	\$6,509,475	\$6,383,617	\$5,956,407	\$5,619,907
revenues				
Water sales	7,460,287	7,502,499	7,738,852	8,125,795
Sewer charges	5,380,789	6,270,477	6,500,903	6,825,948
Tap fees & other	65,069	22,500	103,500	103,500
Interest and other income	120,379	58,500	97,500	97,500
TOTAL REVENUES	\$13,026,524	\$13,853,976	\$14,440,755	\$15,152,743
expenditures				
Personnel services	1,943,252	2,191,297	2,549,211	2,625,687
Supplies	214,536	234,221	202,232	208,299
Maintenance	524,182	647,298	892,356	901,280
Contractual services				
Water purchases	3,506,330	3,652,672	4,224,277	4,435,491
Wastewater treatment	3,427,714	3,746,596	3,727,622	3,914,003
Other services	743,773	1,093,374	1,077,191	1,087,963
Capital replacement/lease	331,857	590,797	231,584	231,584
Debt service	1,516,118	1,517,931	1,526,782	1,532,756
Capital outlay	84,269	65,000	-	-
<i>Total Operating Expenditures</i>	<i>12,292,031</i>	<i>13,739,186</i>	<i>14,431,255</i>	<i>14,937,063</i>
One-time decision packages	-	350,000	245,000	-
Capital Projects (cash funded)	860,351	192,000	101,000	199,000
TOTAL EXPENDITURES	\$13,152,382	\$14,281,186	\$14,777,255	\$15,136,063
ENDING FUND BALANCE	\$6,383,617	\$5,956,407	\$5,619,907	\$5,636,587
ENDING BALANCE AS A % OF EXP	51.9%	43.4%	38.9%	37.7%

UTILITY FUND LONG-TERM PLAN

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

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

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

1. The FY2022 budget increases water and wastewater rates 2.5 percent as planned in the utility rate model. A rate increase of 5 percent is planned for FY2023. The utility rate policy adopted by City Council during FY2018 will fully fund a staffing plan and provide a mix of cash and bond funding for capital projects. The utility rate model will be reviewed on an annual basis to ensure long-term sustainability.
2. Payments to other entities for the purchase of water and the treatment of sewage are expected to increase by an average of 5 percent per year. These assumptions are based primarily on expected growth of water rates from wholesale suppliers.
3. The FY2022 budget for personnel services is approximately \$358 thousand more than estimated for FY2021 due to the 4% merit pool and 0.6 additional full-time equivalents (FTEs). The long-term plan assumes that Council will continue to award 3% merit increases in years FY2023 through FY2026.
4. All non-personnel operating expenditures for FY2023 through FY2026 are adjusted for a 4 percent inflationary increase.

	YR 2 23-24	YR 3 24-25	YR 4 25-26
	\$5,636,587	\$5,382,093	\$5,457,355
	8,532,084	8,958,689	9,406,623
	7,167,246	7,525,608	7,901,888
	103,500	103,500	103,500
	97,500	97,500	97,500
	\$15,900,330	\$16,685,296	\$17,509,511
	2,704,458	2,785,592	2,869,159
	214,548	220,984	227,614
	910,292	919,395	928,589
	4,657,265	4,890,129	5,134,635
	4,109,703	4,315,188	4,530,948
	1,098,843	1,109,831	1,120,929
	231,584	231,584	231,584
	1,985,131	1,986,331	1,992,831
	-	-	-
	15,911,824	16,459,034	17,036,290
	-	-	-
	243,000	151,000	-
	\$16,154,824	\$16,610,034	\$17,036,290
	\$5,382,093	\$5,457,355	\$5,930,576
	33.8%	33.2%	34.8%

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 FY2022 because stormwater fees will increase this year by 4.3% 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 FY2023, revenues are projected to increase based on Council-adopted fee schedule.
2. The long-term plan assumes that Council will continue to award 3% merit increases in years FY2023 through FY2026.
3. All non-personnel operating expenditures for FY2023 through FY2026 are adjusted for a 3 percent inflationary increase.
4. The plan projects revenues exceeding expenditures in FY2022 with funding for one-time capital projects included.

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.

ending fund balance – 4 MAJOR FUNDS over the long-term planning horizon

- general fund
- hotel fund
- airport fund
- utility fund
- stormwater fund

stormwater fund long-term financial plan ACT 19-20

BEGINNING BALANCE	\$6,441,685
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revenues

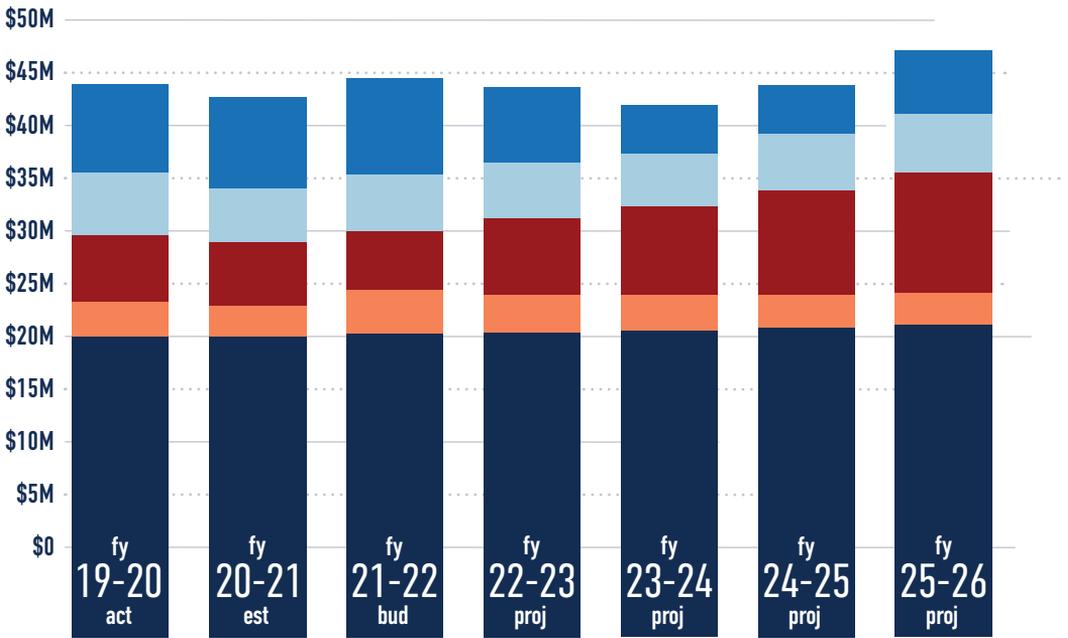
Licenses and permits	1,916
Service fees	
Drainage fees	2,320,434
Interest and other income	109,045
TOTAL REVENUES	\$2,431,395

expenditures

Personnel services	275,450
Supplies	13,239
Maintenance	32,637
Contractual services	173,065
Capital replacement/lease	-
Debt service	543,141
Capital outlay	48,524
<i>Total Operating Expenditures</i>	<i>1,086,056</i>
One-time decision packages	-
Capital Projects (cash funded)	33,383
TOTAL EXPENDITURES	\$1,119,439

ENDING FUND BALANCE	\$7,753,641
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ENDING BALANCE AS A % OF EXP	713.9%
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EST 20-21	BUD 21-22	YR 1 22-23	YR 2 23-24	YR 3 24-25	YR 4 25-26
\$7,753,641	\$8,840,951	\$8,939,849	\$7,123,441	\$4,598,253	\$4,571,103

-	-	-	-	-	-
2,455,791	2,554,023	2,554,023	2,554,023	2,554,023	2,554,023
4,000	20,000	20,000	20,000	20,000	20,000
\$2,459,791	\$2,574,023	\$2,574,023	\$2,574,023	\$2,574,023	\$2,574,023

311,912	396,777	412,648	429,154	446,320	464,173
16,555	13,000	13,260	13,525	13,796	14,072
102,564	116,240	221,821	227,589	233,506	239,577
310,224	327,351	360,211	369,577	379,186	389,044
-	10,000	10,000	10,000	10,000	10,000
542,616	545,266	545,491	543,366	545,366	545,366
-	146,000	-	-	-	-
1,283,871	1,554,634	1,563,431	1,593,210	1,628,173	1,662,232
38,610	73,000	-	-	-	-
50,000	847,491	2,827,000	3,506,000	973,000	-
\$1,372,481	\$2,475,125	\$4,390,431	\$5,099,210	\$2,601,173	\$1,662,232

\$8,840,951	\$8,939,849	\$7,123,441	\$4,598,253	\$4,571,103	\$5,482,894
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688.6%	575.0%	455.6%	288.6%	280.0%	329.9%
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appendix f: CAPITAL PROJECTS HIGHLIGHTS

STREETS CAPITAL PROJECTS – BOND FUNDED (TOTAL: \$26M) midway road (\$15.8m)

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

keller springs reconstruction (\$8.0m)

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



vitruvian west streetscape & bella lane extension (\$2.2M)

- Continue build out of the planned development at Vitruvian and the associated public infrastructure. In FY2021, public infrastructure construction was the streetscape associated with Vitruvian West 2 and Vitruvian West 3. The Town was 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 anticipated to start in FY2021 and be completed in FY 2022.

vitruvian water rights permit compliance (\$35k)

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

PARKS CAPITAL PROJECTS – BOND FUNDED (TOTAL: \$2.8M)

locker room reconfiguration (\$1.1m)

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

pool modernization (\$695k)

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

gymnasium and track improvements (\$293k)

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

trail rehab, expansion, wayfinding (\$413k)

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

les lacs water well & pond piping system (\$69k)

- Replacement of concrete edge and pond liner, ADA improvements, enhancements to the lake edge that is a combination of natural, concrete, and stone edges, landscape beds and rain garden, retaining walls, fountain lights, and tree up-lights.

vitruvian park phase 9, block 701 (\$193k)

- Demolition and paving improvements, water and sewer improvements, street lighting, and landscape improvements for Vitruvian Park Phase 9, Block 701 (Townhomes).



capital projects summary	LIFE TO DATE EXP	EST FY21 BUD	FY22 BUD
BOND FUNDED			
streets			
Vitruvian Water Rights Permit Compliance	1,129,978	35,000	35,000
Belt Line Electronic Signage	16,810	483,190	-
Midway Road Reconstruction	4,320,973	8,375,861	15,784,204
Keller Springs Reconstruction	466,722	1,405,634	8,027,644
Quorum Drive Reconstruction	-	-	-
Montfort Drive Reconstruction	-	-	-
Airport Parkway Reconstruction	344,144	299,430	-
Vitruvian West Streetscape & Bella Lane Extension	220,260	1,565,000	2,185,000
parks			
Pedestrian Connectivity - Cotton Belt/Silver Line	-	307,469	-
Locker Room Reconfiguration	42,075	369,035	1,144,925
Gymnasium and Track Improvements	12,600	156,679	293,400
Pool Modernization	27,450	287,453	694,550
Trail Rehab, Expansion, Wayfinding	-	-	412,725
Les Lacs Water Well & Pond Piping System	-	-	69,108
Vitruvian Park Phase 9, Block 701	-	-	193,483
public safety			
License Plate Recognition System Expansion	616,388	1,000,000	383,612
Police Gun Range Air Filtration	-	100,000	260,000
Advanced Traffic Management System	562,659	37,341	-
general services			
Roof Replacements	13,500	796,500	2,390,000
HVAC Replacements	54,661	525,339	700,000
ADA Improvements	-	35,000	465,000
SUBTOTAL	\$7,828,220	\$15,778,931	\$33,038,651
BOND FUNDED & GRANT FUNDED			
public safety			
Police Record Management System	5,004,824	90,176	-
SUBTOTAL	\$5,004,824	\$90,176	-
COMBINATION CASH & BOND FUNDED			
parks			
Belt Line Road Phase 1.5	1,791,930	264,137	-
Pedestrian Connectivity - Quorum	43,490	-	-
SUBTOTAL	\$1,835,420	\$264,137	-

	FY23 BUD	FY24 BUD	FY25 BUD
	35,000	35,000	35,000
	-	-	-
	10,375,000	2,000,000	-
	3,000,000	-	-
	3,160,000	10,000,000	13,142,000
	900,000	3,400,000	3,000,000
	1,500,000	7,256,426	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	1,265,000	1,948,000	-
	841,230	-	-
	-	-	-
	-	-	-
	-	-	-
	800,000	-	-
	255,000	-	-
	1,000,000	-	-
	\$23,131,230	\$24,639,426	\$16,177,000
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	39,409	450,000
	-	\$39,409	\$450,000

PUBLIC SAFETY CAPITAL PROJECTS – BOND FUNDED (TOTAL: \$644K)

license plate recognition system expansion (\$384k)

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

police gun range air filtration (\$260k)

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

GENERAL SERVICES CAPITAL PROJECTS – BOND FUNDED (TOTAL: \$3.6M)

roof replacements (\$2.4m)

- Replace 15-to 30-year-old roofs that have deferred maintenance issues on existing municipal buildings. Replace all related roof elements including decking, flashing, joints, and coping.

hvac replacements (\$700k)

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

ada improvements (\$465k)

- To provide improvements which are needed to address Americans with Disabilities Act compliance including parking lot modifications, locker room improvements, and Pavilion ramps.

AIRPORT CAPITAL PROJECTS – COMBINATION BONDS, CASH & GRANT FUNDS (TOTAL: \$7.4M)
facility repairs and improvements (\$137K)

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

bravo/golf taxiway improvements (\$7.3m)

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

ada repairs and improvements (\$32k)

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

UTILITIES CAPITAL PROJECTS – COMBINATION CASH & BOND FUNDED (TOTAL: \$3.7M)

chlorine booster station (\$500k)

- 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.

capital projects summary continued

COMBINATION BONDS, CASH & GRANT FUNDED

airport

- Customs Facility Construction
- Bravo/Golf Taxiway Improvements
- Airport Access & Security Improvements
- Runway 15/33 Redes. & Taxiway Alpha Rejuve.
- Airport Wayfinding Signage
- Facility Repairs and Improvements
- ADA Repairs and Improvements

SUBTOTAL

COMBINATION CASH & BOND FUNDED

utilities

- Celestial Ground Storage Tank Rehabilitation
- Kellway Lift Station Rehabilitation & Repair
- Chlorine Booster Station
- Basin I Sanitary Sewer Re-route
- Marsh Ln/Spring Valley Rd Water Main Replc.
- Lake Forest Drive Utility Improvements
- Addison Rd/Westgrove Dr Water Main Replc.
- Excel Pkwy/Addison Rd Water Main Upsizing
- New Water Main Loop - Excel Pkwy / Addison Rd
- Beltway Dr/Belt Line Rd Water Main Replc.
- Sydney Dr/Marsh Ln Water Main Upsizing
- Lindbergh Dr Water Main Upsizing
- Water Main Upsizing From Belt Line Rd/George Bush Elem.
- Pipe Bursting - Julian St to Addison Cir
- Excel Pkwy/Addison Rd Sewer Improvements
- Addison Rd/Belt Line Rd and Addison Rd/Edwin Lewis Dr Sewer Improvements
- Quorum Dr/Belt Line Rd Sewer Improvements
- Rive Ln Sewer Improvements
- Wiley Post Rd/Midway Rd Sewer Improvements
- Surveyor Pumpstation Pump #2 Replc.
- Celestial Pumpstation Pump #3 Replc.
- Celestial Pumpstation Pump #1 Replc.
- Surveyor Pump Station Electrical Upgrades

SUBTOTAL

LIFE TO DATE EXP	EST FY21 BUD	FY22 BUD	FY23 BUD	FY24 BUD	FY25 BUD
7,101,662	2,944,449	-	-	-	-
-	805,000	7,255,300	-	-	-
-	-	-	124,000	1,122,000	-
-	1,575,000	-	-	-	-
-	-	-	-	-	28,000
585,766	427,000	136,800	10,000	320,000	-
-	70,000	31,500	82,300	132,000	44,000
\$7,687,428	\$5,821,449	\$7,423,600	\$216,300	\$1,574,000	\$72,000

82,377	1,457,623	-	-	-	-
338,050	577,707	594,243	-	-	-
196,143	537,000	500,000	-	-	-
2,167,136	167,000	-	-	-	-
-	-	567,000	-	-	-
-	-	1,199,000	-	-	-
-	-	-	691,000	-	-
-	-	-	142,000	-	-
-	-	-	319,000	-	-
-	-	-	-	787,000	-
-	-	-	-	767,000	-
-	-	-	-	2,250,000	-
-	-	-	-	-	1,380,000
-	-	416,000	-	-	-
-	-	-	231,000	-	-
-	-	-	281,000	-	-
-	-	-	325,000	-	-
-	-	-	-	884,000	-
-	-	-	-	-	133,000
-	-	187,000	-	-	-
-	-	-	225,000	-	-
-	-	-	-	205,000	-
-	-	220,000	760,000	-	-
\$2,783,706	\$2,739,330	\$3,683,243	\$2,974,000	\$4,893,000	\$1,513,000

kellway lift station rehabilitation and repair (\$594k)

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

utility plant facilities and pumps (\$205k)

- Improvements to utility plant facilities that will increase the overall efficiency of the water system.
- Improvements will be made to pumps, motors, generators, piping and electrical panels.

- One pump at Surveyor Pump Station was replaced in FY2019 and a pump at Celestial Pump Station was scheduled to be replaced in FY2020.
- Capital projects have been identified using information from assessments that were done in 2014. These improvements are needed to extend the life of these facilities, pumps, motors, and associated equipment to ensure an adequate supply of water.

marsh lane/spring valley road water main replacement (\$567k)

- Replacing an 8-inch cast iron (CI) water main installed in 1970 with an 8-inch polyvinyl chloride (PVC) pipe along the intersection of Marsh Lane and Spring Valley Road.
- Due to its age, the Town experiences significant leakage, water pressure issues, and maintenance requests on this water line.

capital projects summary continued	LIFE TO DATE EXP	EST FY21 BUD	FY22 BUD
COMBINATION CASH & BOND FUNDED			
stormwater			
Rawhide Creek Basin Improvements - Les Lacs Area	-	200,000	1,150,000
Whiterock Creek Basin Improvements - Bellbrook Dr	-	-	-
Farmers Branch Basin Improvements - LeGrande Dr	-	-	-
Whiterock Creek Basin Improvements - Maiden Ct	-	-	-
Whiterock Creek Basin Improvements - Montfort Dr	-	-	-
Automated Flood Alert System	-	-	-
Winnwood Rd Bridge Class Culvert Outlet Armoring	-	50,000	400,000
SUBTOTAL	-	\$250,000	\$1,550,000

lake forest drive utility improvements (\$1.2m)

- Replacing 1,300 feet of 6-inch cast iron (CI) water main and 1,047 feet of clay wastewater main with 8-inch polyvinyl chloride (PVC) pipes along Lake Forest Drive.
- The water line exceeds the maximum allowable velocity at 1,000 gallons per minute and the wastewater main is nearing the end of its lifecycle.

pipe bursting - julian street to addison circle (\$416k)

- Pipe burst 1,000 linear feet of 8-inch pipe to 12-inches at a depth of 10 to 14 feet.
- The 2017 Sanitary Sewer System Evaluation identified sewer infrastructure that needs replacement or rehabilitation. Projects were prioritized using a comprehensive sewer model and based on the consequence of failure and the risk of failure.

surveyor pumpstation pump #2 replacement (\$187k)

- Replacement of pump #2 at the Surveyor Pumpstation.
- 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.

surveyor pump station electrical upgrades (\$220k)

- Overhaul of the electrical components that control Surveyor Pump Station.
- The electrical system and Surveyor Pump Station is over forty years old. These electrical components are the highest risk of failure at the pump station.
- There are no longer parts available for some of the current components and would require significant upgrades if they were to fail.

STORMWATER CAPITAL PROJECTS – COMBINATION CASH & BOND FUNDED (TOTAL: \$1.6M)

rawhide creek basin improvements – les lacs area (\$1.2m)

- This project includes the design of drainage improvements along the residential streets of Waterside Court, Waterford Drive, Les Lacs Avenue, Beau Park Lane, and Brookwood Lane.
- The drainage improvements will follow the trail south from Brookwood Lane and run west along the linear park connecting to the existing storm drain system at Marsh Lane.

winnwood road bridge class culvert outlet armoring (\$400k)

- Construction of a new riprap concrete apron to protect against further scouring and undermining of the wing and toe walls.

	FY23 BUD	FY24 BUD	FY25 BUD
	2,000,000	-	-
	-	2,900,000	-
	827,000	-	-
	-	606,000	-
	-	-	136,000
	-	-	837,000
	-	-	-
	\$2,827,000	\$3,506,000	\$973,000



**INFRASTRUCTURE INVESTMENT
FUND PROJECTS – CASH
FUNDED (\$1.5M)**
traffic signal & ada improvements

- Traffic signal and ADA pedestrian ramp improvements at the intersections of Belt Line Road and Addison Road, Belt Line Road and Beltway Road, and Addison Road and Sojourn Drive.
- This includes a complete replacement and redesign of the traffic signals and ramps at the intersections.
- These improvements were identified in the asset management plan and the ADA transition plan.

capital projects summary continued

hotel fund

Addison Circle Fountain Repair & Modernization

SUBTOTAL

CASH FUNDED

infrastructure investment fund

Traffic Signal & ADA Improvements

SUBTOTAL

TOTAL CAPITAL PROJECTS





LIFE TO DATE EXP	EST FY21 BUD	FY22 BUD	FY23 BUD	FY24 BUD	FY25 BUD
1,126,567	14,000	-	-	-	-
\$1,126,567	\$14,000	-	-	-	-
-	-	1,500,000	-	-	-
-	-	\$1,500,000	-	-	-
\$26,266,165	\$24,958,023	\$47,195,494	\$29,148,530	\$34,651,835	\$19,185,000

appendix g: **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.

acrgp

Acronym for Airport Coronavirus Response Grant Program

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.

arpa

Acronym for American Rescue Plan Act, an act enacted by Congress and signed into law by the President to provide economic relief during the coronavirus pandemic.

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.

cares act

The Coronavirus Aid, Relief, and Economic Security Act or, CARES Act, was passed by Congress on signed into law on March 27, 2020 and provided fast and direct economic assistance for American workers, families, small businesses, and industries. The CARES Act implemented a variety of programs to address issues related to the onset of the COVID-19 pandemic.

certificates of obligation (cos)

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

clfrf

Acronym for the Coronavirus Local Fiscal Recovery Funds which under Title IX of the American Rescue Plan Act of 2021, the CLFRF were created. This is a \$350 billion appropriation used to make payments for specified uses to states, Tribal governments, territories, and units of local government. Funding is allocation based on population and provides substantial flexibility for each government to meet local needs. These funds can also be used to make necessary investment in water, sewer, and broadband infrastructure.

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.

crrsaa

The Coronavirus Response and Relief Supplemental Appropriations Act, signed into law on December 27, 2020, includes nearly \$2 billion in funds to be awarded as economic relief to eligible U.S. airports and eligible concessions at those airports to prevent, prepare for, and respond to the coronavirus disease 2019 (COVID-19) pandemic.

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.

dcad

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

decision package

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

debt service

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

delinquent taxes

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



depreciation

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

disd

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.

nnr

Acronym for No-New-Revenue Rate. Previously referred to as the effective tax rate, this is the tax rate that would provide a taxing authority approximately the same amount of revenue it received the previous year on properties taxed in both years. This tax rate is expressed in dollars per \$100 of taxable value calculated.

non-exempt

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

ntta

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**request for proposal (rfp)**

A solicitation requesting a submittal of a proposal in response to the required scope of services that usually includes some form of cost proposal. An RFP requires published evaluation criteria. Price may be negotiated with firms to ensure the best value for the organization and may include a provision for the negotiation of Best and Final Offers. This may be a single step or multi-step process.

request for qualifications (rfq)

Used to allow firms and individuals the opportunity to propose demonstrated competence and qualifications for the type of professional services to be performed at fair and reasonable prices.

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**slip lining**

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.

tod

Acronym for Transit-Oriented Development. References the creation of compact, walkable, pedestrian-oriented, mixed-use communities centered around high-quality train systems.

tra

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

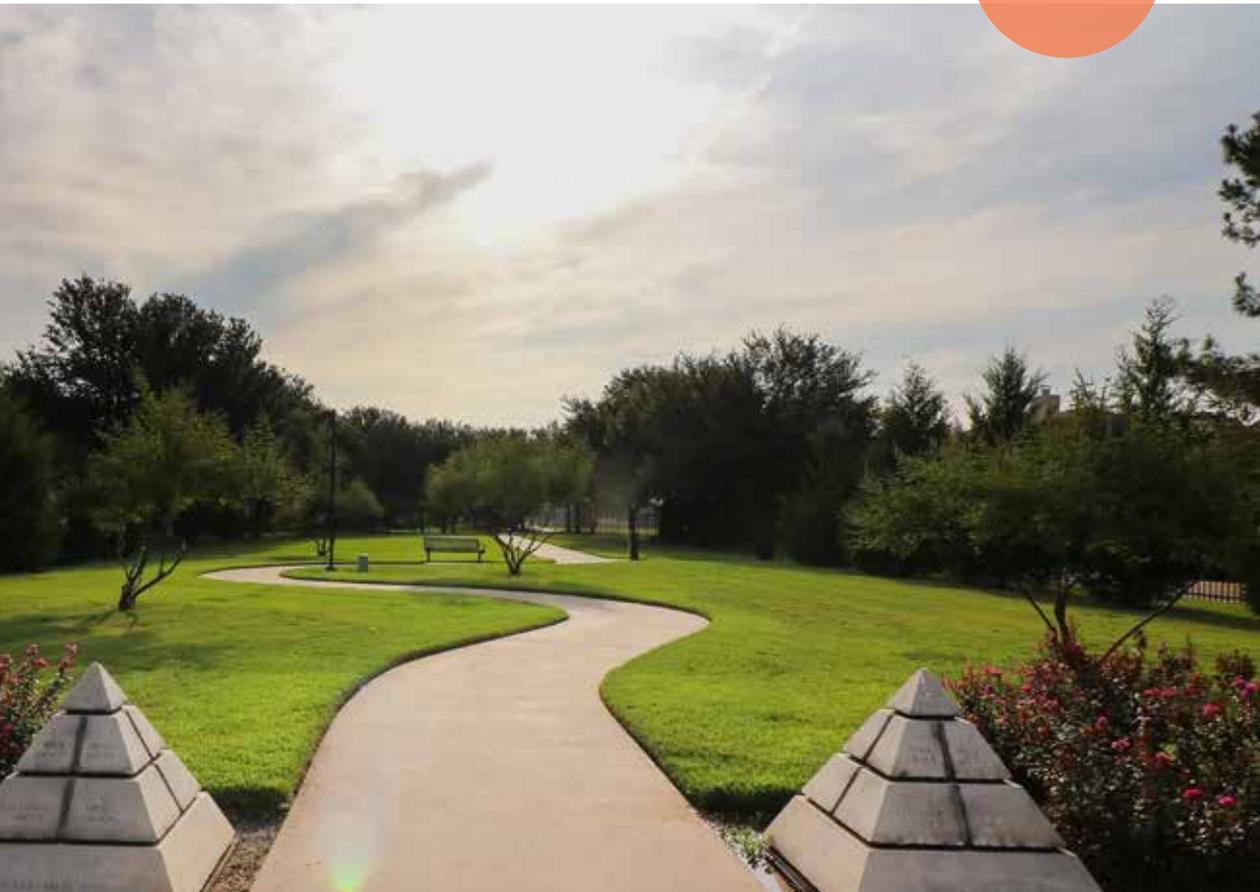
txdot

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

V

var

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



gfoa AWARD

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, 2020. 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, 2020. 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 01, 2020

Christopher P. Morill

Executive Director

town STAFF & CONSULTANTS

mayor & council	NAME	PROFESSION	TERM OF OFFICE
Mayor	Joe Chow	<i>Restaurant Owner</i>	05/21-05/23
Mayor Pro Tempore	Guillermo Quintanilla	<i>Mechanical Designer</i>	05/20-05/22
Deputy Mayor Pro Tempore	Paul Walden	<i>Commercial Insurance Underwriting</i>	05/20-05/22
Council Member	Lori Ward	<i>Branch Manager</i>	05/21-05/23
Council Member	Tom Braun	<i>General Contractor</i>	05/21-05/23
Council Member	Kathryn Wheeler	<i>Interior Designer</i>	05/21-05/23
Council Member	Marlin Willesen	<i>Communications (Self Employed)</i>	05/20-05/22

consultants	NAME & POSITION	CONTACT
Auditors	BKD CPAs & Advisors	972-702-8262
Bond Counsel	Bracewell, LLP – <i>Julie Partain</i>	214-758-1606
City Attorney	Wood Banowsky, LLC – <i>Whitt Wyatt</i>	972-762-6418
Financial Advisors	Hilltop Securites Inc. – <i>Adam LanCarte</i>	817-332-9710

town staff

	NAME & POSITION	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	Bill Hawley – <i>Director</i>	972-450-7016
Development Services	Ken Schmidt – <i>Director</i>	972-450-7027
Economic Development	Orlando Campos – <i>Director</i>	972-450-7034
Finance	Steven Glickman – <i>Chief Financial Officer</i>	972-450-7050
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>Executive Director of Business Performance</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 and Engineering	Shannon Hicks – <i>Director</i>	972-450-2878
Special Events	Jasmine Lee – <i>Director</i>	972-450-6221

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