



Post Office Box 9010 Addison, Texas  
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## AGENDA

### REGULAR MEETING OF THE CITY COUNCIL

AND / OR

### WORK SESSION OF THE CITY COUNCIL

6:30 PM

MAY 14, 2013

TOWN HALL

**ADDISON TOWN HALL, 5300 BELT LINE, DALLAS, TX 75254**

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### WORK SESSION

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Item  
#WS1 - Presentation and discussion regarding revenue-generating technology to be included in the Town's overall website project.

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Item  
#WS2 - Discussion of the Fiscal Year 2013 Second Quarter Financial Report as it relates to the Hotel Fund, and the mid-year results of the Hotel Fund operational strategies implemented by staff beginning in Fiscal Year 2013.

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**REGULAR MEETING**

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## **Pledge of Allegiance**

Item #R1- Announcements and Acknowledgements regarding Town and Council Events and Activities

Introduction of Employees

Discussion of Events/Meetings

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Item #R2- Consent Agenda.

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#2a- Approval of Minutes for the April 23, 2013 Work Session and Regular Council Meeting.

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Item #R3 Presentation of Certificates of Election and Administration of Oath of Office for newly elected Council members. The new Council members for 2013-2015 are:

Todd Meier, Blake Clemens, Bruce Arfsten, Chris DeFrancisco

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Item #R4 Presentation of a proclamation honoring Lupus Awareness Day.

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Item #R5 Presentation of a proclamation honoring Older Americans Month.

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Item #R6 Discussion, consideration and approval of an appointment of a member to the Board of Zoning Adjustment.

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Item #R7 **PUBLIC HEARING** Case 1666-SUP/Pollo Tropical. Public hearing, discussion, and consideration of approval of an ordinance changing the zoning on property located at 5290

Belt Line Road, which property is currently zoned LR – Local Retail, by approving for that property a Special Use Permit for a restaurant and a Special Use Permit for the sale of alcoholic beverages for on-premises consumption only, on application from Pollo Operations, represented by Mr. Christopher J. Crim of Bury and Partners.

**COMMISSION FINDINGS:** The Addison Planning and Zoning Commission, meeting in regular session on April 25, 2013, voted to approve the request for approval of an ordinance changing the zoning on property located at 5290 Belt Line Road, which property is currently zoned LR-Local Retail, by approving for that property a Special use Permit for a restaurant and a Special Use Permit for the sale of alcoholic beverages for on-premises consumption only, subject to the following conditions:

- 1 The parking lot restriping shall be completed prior to the issuance of a Certificate of Occupancy for the proposed Pollo Tropical.
- 1 The property owner shall submit a landscaping plan for the entire site that enhances the landscaping around the perimeter of the site and on the parking lot islands. The revised plan shall be subject to the final approval of the Parks Department.
- 1 The applicant shall not use any terms which denote alcoholic beverages in any exterior signs.

Voting Aye: Groce, Hewitt, Hughes, Oliver, Wheeler

Voting Nay: Stockard

Absent: Doherty

Attachment(s):

1. docket map, staff report, and commission findings

Recommendation:

Administration recommends approval.

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Item #R8 **PUBLIC HEARING.** Public hearing on feral/community cat colonies within the Town, and presentation and discussion of an update regarding the Town of Addison's response to feral/community cat colonies, research on leash laws for cats, and possible additional funding mechanisms for the Town's animal control services.

Attachment(s):

1. Leash, TNR Memo
  2. Pet Calendar
- 

Item #R9 Discussion and Consideration of an ordinance amending Chapter 62, Signs, of the Code of Ordinances of the Town of Addison, by adding an item (b) (Village on the Parkway) to Section 62-289 (Generally) of Article VI (Special Districts).

Attachment(s):

1. VOP Signs - Ordinance

Recommendation:

Administration recommends approval.

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Item #R10 - Presentation, discussion, and action regarding authorizing the City Manager to negotiate and execute for the Town, as tenant, a lease of office space described as Suite 160, 14683 Midway Road (within the development generally known as Office in the Park), comprised of approximately 3,478 rentable square feet and owned by 14671-14683

Midway Road LP.

Attachment(s):

1. Office in the Park Lease Documents

Recommendation:

Administration recommends approval.

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Item  
#R11 - Presentation of and discussion regarding the Quarterly Financial Report for the period ending March 31, 2013.

Attachment(s):

1. FY2013 2nd Quarter Report

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Item  
#ES1 - Closed (Executive) session of the Addison City Council pursuant to Section 551.074, Texas Government Code, to deliberate the evaluation of the City Manager.

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Adjourn Meeting

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Posted:

Chris Terry, 05/10/13, 5:00pm

**THE TOWN OF ADDISON IS ACCESSIBLE TO PERSONS WITH DISABILITIES. PLEASE CALL (972) 450-2819 AT LEAST 48 HOURS IN ADVANCE IF YOU NEED ASSISTANCE.**

## **Council Agenda Item: #WS1**

### **AGENDA CAPTION:**

Presentation and discussion regarding revenue-generating technology to be included in the Town's overall website project.

### **FINANCIAL IMPACT:**

The cost for procurement and implementation of the technology and services in this item will not exceed \$10,000 and were included in the budget for the Town's website project. However, the net financial impact will be positive due to the revenue-sharing pricing model, which is expected to generate a conservative estimate of \$50,000 in direct revenue to the Town.

The total investment is under \$25,000 which meets the threshold for procuring administratively.

### **BACKGROUND:**

Certain tourism components originally included in the Town's overall website redesign project were removed from the project scope. Of the items removed were a hotel booking engine, an online event ticketing solution; central reservation call center services; and an experience packaging component. Staff has conducted due diligence in identifying a best-of-breed tourism partner to provide the above technology and services.

### **RECOMMENDATION:**

### **COUNCIL GOALS:**

Mindful Stewardship of Town Resources, Define, measure, evaluate, and improve success for all Town businesses, Brand Protection and Enhancement, Look for Operational Efficiencies without cutting services, Explore new/other revenue sources

### **ATTACHMENTS:**

Description:

Type:

No Attachments Available

## **Council Agenda Item: #WS2**

**AGENDA CAPTION:**

Discussion of the Fiscal Year 2013 Second Quarter Financial Report as it relates to the Hotel Fund, and the mid-year results of the Hotel Fund operational strategies implemented by staff beginning in Fiscal Year 2013.

**FINANCIAL IMPACT:**

N/A

**BACKGROUND:**

To be provided.

**RECOMMENDATION:**

**COUNCIL GOALS:**

Create raving fans of the Addison Experience, Mindful Stewardship of Town Resources, Define, measure, evaluate, and improve success for all Town businesses, Brand Protection and Enhancement, Look for Operational Efficiencies without cutting services, Explore new/other revenue sources

**ATTACHMENTS:**

Description:

Type:

No Attachments Available

## Council Agenda Item: # R 2a

**AGENDA CAPTION:**

Approval of Minutes for the April 23, 2013 Work Session and Regular Council Meeting.

**FINANCIAL IMPACT:**

N/A

**BACKGROUND:**

N/A

**RECOMMENDATION:**

N/A

**COUNCIL GOALS:**

N/A

**ATTACHMENTS:**

Description:

 [April 23, 2013 Minutes](#)

Type:

Backup Material

**OFFICIAL ACTIONS OF THE ADDISON CITY  
COUNCIL  
WORK SESSION**

April 23, 2013

6:30 PM - Town Hall

Addison Town Hall, 5300 Belt Line, Dallas, TX 75254 (REVISED)

Upstairs Conference Room

Council Members Present:

Arfsten, Clemens, DeFrancisco, Gunther, Meier, Moore, Resnik

Absent:

None

**Work Session**

Item #WS1 - Discussion and consideration of approval authorizing the City Manager to execute a change order with Landmark Structures to remove, transport and store nine wind turbines in an amount not to exceed \$17,500.

Item #WS2 - Discussion, consideration, and approval of personnel additions to the City Manager's Office and the Addison Conference and Theatre Centre.

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Mayor-Todd Meier

Attest:

\_\_\_\_\_

City Secretary-Chris Terry

## **OFFICIAL ACTIONS OF THE ADDISON CITY COUNCIL REGULAR MEETING**

April 23, 2013

6:30 PM - Town Hall

Addison Town Hall, 5300 Belt Line, Dallas, TX 75254 (REVISED)

Chris Terry, 04/19/13, 6:00pm

Council Members Present:

Arfsten, Clemens, DeFrancisco, Gunther, Meier, Moore, Resnik

Absent:

None

### **REGULAR MEETING**

Item #R1 - Announcements and Acknowledgements regarding Town and Council Events and Activities

Item #R2 - Consent Agenda

#2a - Approval of Minutes for the April 9, 2013 Regular Council Meeting and April 11, 2013 Work Session and Special Meeting.

A motion to Approve was made by Council Member Blake Clemens. The motion was seconded by Council Member Neil Resnik.

The motion result was: Passed

Voting Aye: Arfsten, Clemens, DeFrancisco, Gunther, Meier, Moore, Resnik

Voting Nay: None

#2b - Approval of a resolution that authorizes the Town of Addison to be or remain a member of a 150-member city coalition known as the Oncor Cities Steering Committee (OSCS), including the assessment of a ten cent (\$0.10) per capita fee to fund the activities of OSCS.

A motion to Approve was made by Council Member Blake Clemens. The motion was seconded by Council Member Bruce Arfsten.

The motion result was: Passed

Voting Aye: Arfsten, Clemens, DeFrancisco, Gunther, Meier, Moore, Resnik

Voting Nay: None

Item #R3 - Presentation by Kevin Castello, Executive Director of the Baylor Angel Network, to Town Council in appreciation for the Town's support of the Accelerated Ventures Program.

Kevin Costello, Executive Director of the Baylor Angel Network, presented a plaque of appreciate to the City Council and Town of Addison for its partnership with the Accelerated Ventures program.

There was no action taken.

Item #R4 - PUBLIC HEARING. Public hearing on, and presentation, discussion and consideration of the annual approval of an ordinance of the Town establishing standards of care for youth recreation programs conducted by the Town for elementary age children ages 5 through 13; providing for compliance with Section 42.041(b)(14) of the Texas Human Resources Code.

Slade Strickland, Director of Parks and Recreation, spoke on this item.

A motion to Approve was made by Council Member Chris DeFrancisco.

The motion was seconded by Council Member Margie Gunther.

The motion result was: Passed

Voting Aye: Arfsten, Clemens, DeFrancisco, Gunther, Meier, Moore, Resnik

Voting Nay: None

Item #R5 - PUBLIC HEARING. Public hearing on, and presentation, discussion, and consideration of adoption of an Ordinance providing for the abandonment without warranty of the Town of Addison's easement interest in Sakowitz Drive for right-of-way (vehicular and pedestrian access) purposes only, and of approval of an easement granting utility and drainage rights to the Town in Sakowitz Drive.

A motion was made to approve by Council Member Arfsten and seconded by Council Member Moore subject to final approval of the City of Dallas's approval of an easement granting utility and drainage rights.

A motion to Approve was made by Council Member Bruce Arfsten.

The motion was seconded by Council Member Janelle Moore.

The motion result was: Passed

Voting Aye: Arfsten, Clemens, DeFrancisco, Gunther, Meier, Moore, Resnik

Voting Nay: None

Item #R6 - Presentation, discussion, and consideration of approval of a contract with Jesse James Creative, Inc. as the primary vendor for the Town of Addison's overall website redesign, and authorizing the City Manager (or his designee) to sign the contract.

Carrie Rice, Director of Marketing and Communications, spoke on this item.

A motion to Approve was made by Council Member Chris DeFrancisco.

The motion was seconded by Council Member Bruce Arfsten.

The motion result was: Passed

Voting Aye: Arfsten, Clemens, DeFrancisco, Gunther, Meier, Moore, Resnik  
Voting Nay: None

Item #R7 - Discussion and consideration of action regarding sponsorship of Addison residents and/or employees for the 25th class of Leadership Metrocrest.

The following Metrocrest 25th Class of Leadership participants spoke on this item: Reggie Carney, Ivan Hughes, Paul Spencer, Charles Goff.

A motion to Approve was made by Council Member Blake Clemens. The motion was seconded by Council Member Margie Gunther. The motion result was: Passed  
Voting Aye: Arfsten, Clemens, DeFrancisco, Gunther, Meier, Moore, Resnik  
Voting Nay: None

Item #R8 - Discussion and approval of contract for a replacement for communications center equipment related to the P25 Radio Project. We will purchase the equipment from Watson Corporation on HGAC contract EC07-11. Replacement costs not to exceed \$68,000.

Paul Spencer, Captain of the Addison Police Department, spoke on this item.

A motion to Approve was made by Council Member Neil Resnik. The motion was seconded by Council Member Chris DeFrancisco. The motion result was: Passed  
Voting Aye: Arfsten, Clemens, DeFrancisco, Gunther, Meier, Moore, Resnik  
Voting Nay: None

Item #R9 - Presentation, discussion, and consideration of approval of a multi-year Indefinite Delivery, Indefinite Quantities (IDIQ) Agreement with Jim Bowman Construction Co., L.P., of Plano, Texas in an amount not to exceed \$320,000 to perform maintenance activities related to street maintenance, and authorizing the City Manager (or his designee) to sign the Agreement.

A motion to Approve was made by Council Member Chris DeFrancisco.

The motion was seconded by Council Member Janelle Moore.

The motion result was: Passed

Voting Aye: Arfsten, Clemens, DeFrancisco, Gunther, Meier, Moore, Resnik

Voting Nay: None

Item #R10 - Presentation, discussion, and consideration of the approval of an agreement for engineering design for a mid-block ADA crossing at Beltway and Les Lacs with Grantham & Associates, Inc., in the amount of \$7,625.00, and authorizing the City Manager or his designee to sign the Agreement.

Council Member Resnik made an amended motion to approve this item subject to Council seeing the design of the project prior to construction. Council Member Clemens seconded the amended motion; the amendmend carried unanimously. The original motion was subsequently approved unanimously.

A motion to Approve was made by Council Member Neil Resnik.

The motion was seconded by Council Member Blake Clemens.

The motion result was: Passed

Voting Aye: Arfsten, Clemens, DeFrancisco, Gunther, Meier, Moore, Resnik

Voting Nay: None

Item #R11 - Presentation and Discussion regarding the Fiscal Year 2012-2013 Strategic Plan Update.

Charles Goff, Assistant to the City Manager, spoke on this item.

There was no action taken.

Item #R12 - Discussion and consideration of approval authorizing the City Manager to execute a change order with Landmark Structures to remove, transport and store nine wind turbines in an amount not to exceed \$17,500.

Mayor Meier made a motion to approve the item with the condition that the project be completed within ten days, beginning May 1st, and that Town Staff provide a status report of the project on the following Monday, April 29th, Special Meeting and Work Session of the City Council. Council Member Resnik seconded the motion.

A motion to Approve w/ Conditions was made by Mayor Todd Meier. The motion was seconded by Council Member Neil Resnik. The motion result was: Passed  
Voting Aye: Clemens, DeFrancisco, Gunther, Meier, Resnik  
Voting Nay: Arfsten, Moore

Item #R13 - Discussion, consideration, and approval of personnel additions to the City Manager's Office and the Addison Conference and Theatre Centre.

A motion to Approve was made by Council Member Blake Clemens. The motion was seconded by Council Member Neil Resnik. The motion result was: Passed  
Voting Aye: Arfsten, Clemens, DeFrancisco, Gunther, Meier, Moore, Resnik  
Voting Nay: None

Item #ES1 - Closed (Executive) session of the Addison City Council pursuant to Section 551.074, Texas Government Code, to deliberate the evaluation of the City Manager.

Council entered Executive Session at 9:37pm.

Council closed Executive Session at 10:32pm.

There was no action taken.

Item #R14 - Discussion and consideration of a Resolution approving compensation for the City Manager.

A motion to Approve was made by Council Member Blake Clemens.

The motion was seconded by Council Member Neil Resnik.

The motion result was: Passed

Voting Aye: Arfsten, Clemens, DeFrancisco, Gunther, Meier, Moore, Resnik

Voting Nay: None

\_\_\_\_\_

Mayor-Todd Meier

Attest:

\_\_\_\_\_

City Secretary-Chris Terry

## **Council Agenda Item: #R3**

**AGENDA CAPTION:**

Presentation of Certificates of Election and Administration of Oath of Office for newly elected Council members. The new Council members for 2013-2015 are:

Todd Meier, Blake Clemens, Bruce Arfsten, Chris DeFrancisco

**FINANCIAL IMPACT:**

N/A

**BACKGROUND:**

N/A

**RECOMMENDATION:**

**COUNCIL GOALS:**

N/A

**ATTACHMENTS:**

Description:

No Attachments Available

Type:

## Council Agenda Item: #R4

**AGENDA CAPTION:**

Presentation of a proclamation honoring Lupus Awareness Day.

**FINANCIAL IMPACT:**

N/A

**BACKGROUND:**

N/A

**RECOMMENDATION:**

**COUNCIL GOALS:**

N/A

**ATTACHMENTS:**

Description:

Type:

No Attachments Available

## **Council Agenda Item: #R5**

**AGENDA CAPTION:**

Presentation of a proclamation honoring Older Americans Month.

**FINANCIAL IMPACT:**

N/A

**BACKGROUND:**

N/A

**RECOMMENDATION:**

N/A

**COUNCIL GOALS:**

N/A

**ATTACHMENTS:**

Description:

Type:

No Attachments Available

## **Council Agenda Item: #R6**

**AGENDA CAPTION:**

Discussion, consideration and approval of an appointment of a member to the Board of Zoning Adjustment.

**FINANCIAL IMPACT:**

N/A

**BACKGROUND:**

Boardmember Gary Lorenz is moving out of the Town.  
Boardmember Lorenz was appointed by Councilmember Moore.

**RECOMMENDATION:**

**COUNCIL GOALS:**

N/A

**ATTACHMENTS:**

Description:

Type:

No Attachments Available

## Council Agenda Item: #R7

### AGENDA CAPTION:

**PUBLIC HEARING** Case 1666-SUP/Pollo Tropical. Public hearing, discussion, and consideration of approval of an ordinance changing the zoning on property located at 5290 Belt Line Road, which property is currently zoned LR – Local Retail, by approving for that property a Special Use Permit for a restaurant and a Special Use Permit for the sale of alcoholic beverages for on-premises consumption only, on application from Pollo Operations, represented by Mr. Christopher J. Crim of Bury and Partners.

**COMMISSION FINDINGS:** The Addison Planning and Zoning Commission, meeting in regular session on April 25, 2013, voted to approve the request for approval of an ordinance changing the zoning on property located at 5290 Belt Line Road, which property is currently zoned LR-Local Retail, by approving for that property a Special use Permit for a restaurant and a Special Use Permit for the sale of alcoholic beverages for on-premises consumption only, subject to the following conditions:

- <sup>1</sup> The parking lot restriping shall be completed prior to the issuance of a Certificate of Occupancy for the proposed Pollo Tropical.
- <sup>1</sup> The property owner shall submit a landscaping plan for the entire site that enhances the landscaping around the perimeter of the site and on the parking lot islands. The revised plan shall be subject to the final approval of the Parks Department.
- <sup>1</sup> The applicant shall not use any terms which denote alcoholic beverages in any exterior signs.

Voting Aye: Groce, Hewitt, Hughes, Oliver, Wheeler

Voting Nay: Stockard

Absent: Doherty

**FINANCIAL IMPACT:**

N/A

**BACKGROUND:**

N/A

**RECOMMENDATION:**

Administration recommends approval.

**COUNCIL GOALS:**

N/A

**ATTACHMENTS:**

Description:

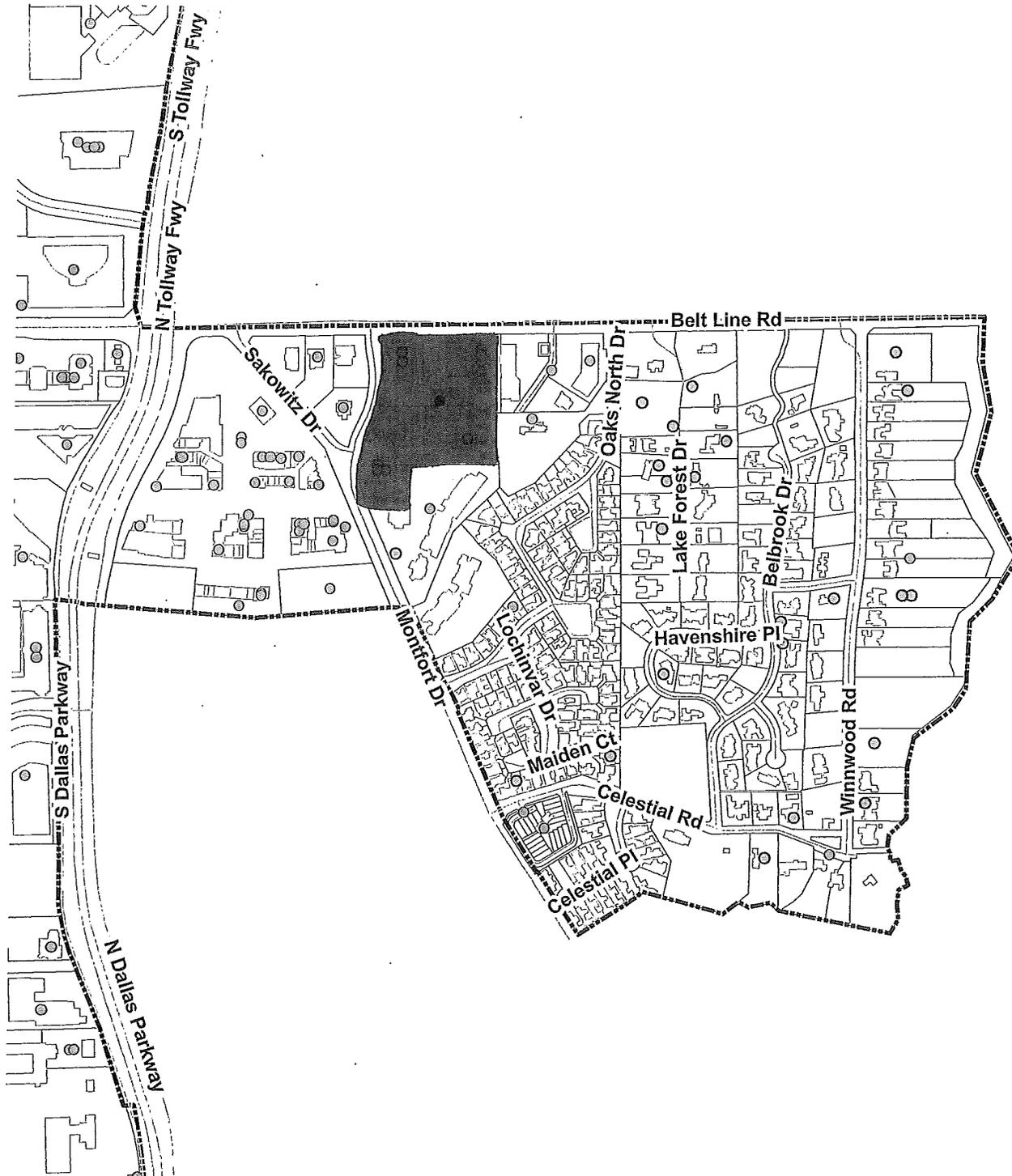
 [docket map, staff report, and commission findings](#)

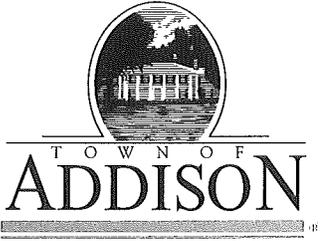
Type:

Cover Memo

# 1666-SUP

**PUBLIC HEARING** Case 1666-SUP/Pollo Tropical. Public hearing, discussion, and consideration of approval of an ordinance changing the zoning on property located at 5290 Belt Line Road, which property is currently zoned LR – Local Retail, by approving for that property a Special Use Permit for a restaurant and a Special Use Permit for the sale of alcoholic beverages for on-premises consumption only, on application from Pollo Operations, represented by Mr. Christopher J. Crim of Bury and Partners.





April 17, 2013

STAFF REPORT

RE: Case 1666-SUP/Pollo Tropical

LOCATION: 5290 Belt Line Road

REQUEST: Approval of a Special Use Permit for a restaurant and a Special Use Permit for the sale of alcoholic beverages for on-premises consumption only

APPLICANT: Pollo Operations, represented by Mr. Christopher J. Crim of Bury + Partners

DISCUSSION:

Background. This site is zoned LR – Local Retail. It is the site of the Prestonwood Place shopping center, a 133,551 square foot shopping center which contains lease space for 25 tenants. At this point, the owners of the shopping center are proposing to demolish the small Joe’s Keys kiosk building, and replace it with a 3,722 square-foot Pollo Tropical restaurant with both inside dining and drive-through service. Pollo Tropical is owned the Fiesta Restaurant Group, which also owns Taco Cabana. Fiesta Restaurant recently relocated its corporate offices from Miami, Florida to Addison, and it wants to build this Pollo Tropical as a flagship store that it will use to show off to potential franchisees.

Proposed Plan. The plans indicate a restaurant of 3,722 square feet of interior space, with no patio. Pollo Tropical is a fast food restaurant and will have a drive-thru window. The menu features roasted chicken and fresh vegetables with a South American flavor. The floor plan indicates food will be ordered at a counter and drinks will be self-service. Seating for approximately 90 customers will be provided through a combination of tables, stools at a counter, and booths. Pollo Tropical, like Taco Cabana, sells alcoholic beverages, so Pollo Tropical will require a Special Use Permit for the sale of alcoholic beverages for on-premises consumption only.

Facades. The proposed facades are 100% EIFS (Engineered Insulating Finish System) material with Spanish Clay Tile roof details and sun-cast stone medallion accents. The Center is zoned Local Retail, which requires that 80% of the exterior walls of all

structures shall be of masonry construction. It further defines "masonry" for a Local Retail district as brick veneer, stone veneer, or plate glass. However, it should be noted that the existing shopping center, with the exception of the SMART Learning building, has 100% EIFS facades. The current facades have been on the shopping center since the early 1980s, and the staff is not sure if there was a variance granted for the EIFS facades, or if the construction of the center preceded the zoning of the property to Local Retail. The EIFS facades proposed for Pollo Tropical can be approved through the SUP process.

Parking. According to the drawings submitted by the applicant, the owners are planning to restripe the parking in the shopping center to gain additional spaces. The shopping center contains a total of 141,060 square feet, including the proposed Pollo Tropical. It currently requires 661 parking spaces. After the re-striping, it will contain 739 parking spaces. The parking lot restriping should be completed prior to the completion of the Pollo Tropical building.

The parking requirement for the center is figured according to the use of each lease space. Some lease spaces, such as The Consignment Store, are figured at a ratio of 1/1,000. Office uses, such as the Smart Learning Center, are figured at a ratio of 1/300. Standard retailers are figured at a ratio of 1/200, and restaurants are figured at a ratio of 1/100.

The property owner has gained additional parking for the site by vacating the second floor of the SMART Learning building. The SMART Learning building was originally a Service Merchandise store, which had a showroom on the first floor and a warehouse for merchandise on the second floor. The second floor contains 32,853 square feet, which was figured at a 1/1,000 ratio. The space has never been re-leased since Service Merchandise closed, and at this point, the owners would like to gain an additional 32 spaces by closing off the space. However, the owners should be aware that they now cannot use or lease that second floor for any purpose.

In addition, the owners have had conversations with the staff about providing enough parking so that the Consignment Store, which occupies 12,625 square feet and is figured at a 1/1,000 ratio, could be converted back to standard retail at the 1/200 ratio should the Consignment Store close. The site does have enough parking to convert the Consignment Store space back to standard retail at a rate of 1/200.

The site has sufficient parking to add the Pollo Tropical use to the site. However, the property owners should be aware that they are abandoning the second floor of the SMART Learning building and will not be able to use it in the future.

Queuing and traffic circulation. The staff has discussed the queuing requirements for a drive-thru window with the applicant. The staff requires a queuing length of five cars, or 100 feet, back from the menu board. This site provides a queuing length of 7 cars, or 140 feet, back from the menu board.

The staff also requires a site with a drive-thru restaurant to have access to two streets so that traffic can filter into and out of the site. This site provides access to both Belt Line Road and Montfort Drive. It also has access, off of Montfort Drive, to the traffic signal at Belt Line and Montfort.

Landscaping. As the staff has noted, Pollo Tropical is proposing to add a pad site into an existing shopping center. When a center is significantly remodeled or expanded, the ordinance requires that the landscaping in the center be brought up to the current landscaping requirements. The center was built in the early 1980s, prior to Addison's landscaping requirements. The Town currently has a landscaping requirement of 20% of site. This site provides 3.6% landscaping. In addition, the site has no street trees along either Belt Line Road or Montfort Drive. The site does provide screening shrubs along Montfort and Belt Line. However, there are significant gaps in the street frontage landscaping, particularly adjacent to the Logan's Restaurant. The new site for Pollo Tropical will meet the 20% landscaping requirement within its perimeter; however, the total site will still fall short of the required 20%.

The staff realizes that the property cannot meet the landscaping requirements for the street buffers and overall site landscaping without taking out a significant number of parking spaces along both Belt Line Road and Montfort. However, the staff would like to see the applicant and property owner improve the existing landscaping by beefing up the planting areas that are on the site, including the landscaping in the parking lot islands. The staff recommends that the property owner submit a landscaping plan for the entire site that enhances the landscaping around the perimeter of the site and on the parking lot islands. The revised plan shall be subject to the final approval of the Parks Department.

Signs. The applicant showed Pollo Tropical signs on the proposed facades. The applicant should be aware that signs in Addison are governed by the Addison Sign ordinance and cannot be approved or disapproved through this process. The applicant should also be aware that the Town has a policy against using any terms, such as "bar", "tavern" or other terms which denote alcoholic beverages, in exterior signs.

#### RECOMMENDATION:

Staff feels that the development of a Pollo Tropical restaurant is a reasonable addition to this site. Staff recommends approval of an ordinance approving a Special Use Permit for a restaurant, and an ordinance approving a Special Use Permit for the sale of alcoholic beverages for on-premises consumption only, subject to the following condition:

-The parking lot restriping shall be completed prior to the issuance of a Certificate of Occupancy for the proposed Pollo Tropical.

-The property owner shall submit a landscaping plan for the entire site that enhances the landscaping around the perimeter of the site and on the parking lot islands. The revised plan shall be subject to the final approval of the Parks Department.

-The applicant shall not use any terms which denote alcoholic beverages in any exterior signs.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "C. MORAN". The signature is stylized with a large "C" and "M".

Carmen Moran  
Director of Development Services



WE'RE GLAD YOU'RE HERE

## Landscape Site Plan Review

April 17<sup>th</sup>, 2013

### Landscape Site Plan Review for 5290 Belt Line Road, Addison, Texas (Pollo Tropical)

#### Overall Site

- The overall site plan is proposing a total of approximately 3.6% landscaping. This number is significantly lower than the required 20%.
- The overall site has a landscape buffer of 5'. This width is significantly smaller than the required 20' landscape buffer.
  - o There are no street trees along either road.
  - o There are adequate shrubs in place north of the drive approach to Logan's (if missing shrubs are replaced). Additional landscaping is needed along Montfort adjacent to the Logan's pad site. (See pictures below)
- The overall parking plan shows existing landscape beds to be removed and replaced with reconstructed landscape islands. Totals for the interior landscape were not provided for the entire site making it difficult to determine if the minimum requirements were met.

#### Pollo Tropical Pad Site

- The 'Pollo Tropical' pad site is proposing a total of 21% site landscaping. This exceeds the minimum 20% requirement.
- The 'Pollo Tropical' pad site has a landscape buffer of 5' along Belt Line Road. This width is significantly smaller than the required 20' landscape buffer.
  - o There are no street trees existing or proposed along Belt Line Road.
  - o There are adequate shrubs in place to meet the requirements (if missing shrubs are replaced).
- The 'Pollo Tropical' pad site exceeds the 5% minimum requirement for interior planting areas by providing approximately 7.2%.
- The 'Pollo Tropical' pad site does not meet the parking lot perimeter screening (interior to the site) due to site limitations.

Panorama 1 – view looking north from Logan's



Panorama 2 – view looking northeast from center of site



Panorama 3 – view looking north at proposed 'Pollo Tropical' pad site



View looking east along 'Pollo Tropical' site



Typical view along Belt Line



Interior view of landscape islands in front of 'Smart Learning Center'



Typical view of landscape buffer along Montfort



View of landscape buffer adjacent to Logan's



View of landscape buffer adjacent to Logan's



Close-up view of landscape buffer adjacent to Logan's



Landscape Islands to be removed and re-constructed



Entry plantings along Montfort



**Landscape Areas**

	Total Square Footage	Landscape Required (20%)	Landscape Proposed	Total Landscape Percentage
Total Site *	471,094	94,219	16,906	3.6%
Pollo Tropical Pad Site	27,164	5,433	5,782	21.3%

**Interior Landscape Areas**

	Total Parking Area	Landscape Required (5%)	Landscape Proposed	Total Landscape Percentage
Total Site	Not Provided	-	-	-
Pollo Tropical Pad Site	20,181	1,009	1,453	7.2%

**Street Frontage and Parking Lot Screening (Overall Site)\*\***

Item	Length in LF (excluding approaches)	Trees Required	Trees Provided	Shrubs Required	Shrubs Provided
Street Frontage (Belt Line)	385	13	0	129	Adequate, if missing shrubs are replaced
Street Frontage (Montfort)	754	22	0	252	Additional landscaping required

**Street Frontage and Parking Lot Screening (Pollo Tropical Pad Site)\*\***

Item	Length in LF (excluding approaches)	Trees Required	Trees Provided	Shrubs Required	Shrubs Provided
Street Frontage (Belt Line)	133	4	0	45	Adequate, if missing shrubs are replaced
Street Frontage (Montfort)	-	-	-	-	-

\*The total site falls significantly short of the required 20% landscaping.

\*\*Street frontages do not meet the required 20' landscape buffer. Approximately 5' of landscape buffer provided.

\*\*\* Street frontage and Parking along Montfort is adequate (if missing shrubs are replaced) north of the Logan's pad site. Additional landscaping adjacent to Logan's is required.

Case 1666-SUP/Pollo Tropical  
April 29, 2013

COMMISSION FINDINGS:

The Addison Planning and Zoning Commission, meeting in regular session on April 25, 2013, voted to approve the request for approval of an ordinance changing the zoning on property located at 5290 Belt Line Road, which property is currently zoned LR-Local Retail, by approving for that property a Special use Permit for a restaurant and a Special Use Permit for the sale of alcoholic beverages for on-premises consumption only, subject to the following conditions:

-The parking lot restriping shall be completed prior to the issuance of a Certificate of Occupancy for the proposed Pollo Tropical.

-The property owner shall submit a landscaping plan for the entire site that enhances the landscaping around the perimeter of the site and on the parking lot islands. The revised plan shall be subject to the final approval of the Parks Department.

-The applicant shall not use any terms which denote alcoholic beverages in any exterior signs.

Voting Aye: Groce, Hewitt, Hughes, Oliver, Stockard, Wheeler

Voting Nay: none

Absent: Doherty

## Council Agenda Item: #R8

### **AGENDA CAPTION:**

**PUBLIC HEARING.** Public hearing on feral/community cat colonies within the Town, and presentation and discussion of an update regarding the Town of Addison's response to feral/community cat colonies, research on leash laws for cats, and possible additional funding mechanisms for the Town's animal control services.

### **FINANCIAL IMPACT:**

N/A

### **BACKGROUND:**

At the January 22, 2013 City Council meeting, several residents and feral/community cat sponsor representatives spoke to the Council regarding concerns for problems with roaming at-large and feral/community cats in Addison. The Council responded to these concerns by asking Staff to research the ways in which other communities regulate domestic and feral cat populations and then report to Council the findings.

Attached to this item are two memos detailing staff's findings while also including a possible funding mechanism through an annual Addison Pet Calendar that would support the Town's animal control operations, related programs and nonprofit entities.

### **RECOMMENDATION:**

N/A

### **COUNCIL GOALS:**

Mindful Stewardship of Town Resources, Maintain and enhance our unique culture of creativity and innovation, Brand Protection and Enhancement, Look for Operational Efficiencies without cutting services, Enhance Public Safety

### **ATTACHMENTS:**

Description:

📎 [Leash\\_TNR Memo](#)

📎 [Pet Calendar](#)

Type:

Cover Memo

Cover Memo



# MEMO

**To: The Honorable Mayor and Council**

**From: Mark Gooch**

**Re: Update on Leash Laws, Trap-Neuter-Return, and an Addison Pet Calendar**

**Date: May 9, 2013**

---

Mayor and Council:

Staff has conducted broad research on cat leash laws and Trap-Neuter-Release (TNR) programs, including online searches for trends, studies on overall effectiveness, working closely with multiple national and local feral cat and TNR authorities, and phone interviews with neighboring cities in D/FW (seventeen cities total) on their leash laws and the effectiveness it has on cats roaming at-large.

On May 14<sup>th</sup> the Town of Addison will have a Public Hearing during the Regular Agenda Meeting regarding an update to the City Council on the research completed on leash laws for cats and TNR programs for feral/community cats. Additionally, research was conducted on possible funding mechanisms to assist with animal control operations as well as TNR. Below is a brief summary of what staff will present and discuss with Council on May 14<sup>th</sup>.

### **Domestic Cats and Leash Laws**

Based on the research conducted, staff does not feel there is enough evidence necessitating an amendment to the current "Chapter 10 – Animals" of the Addison Code of Ordinances to include a specific leash law for cats. There are currently significant stipulations that require Addison pet owners to be compliant with the ordinances and enforcement procedures. There are several mechanisms in Section 10-52 of the Code that allow for Addison animal control to regulate cats roaming at-large—domestic, stray, feral—if one "causes a nuisance or hazard to the health or welfare of human or animal population." Essentially, whether a cat is on a leash or not, if it poses a nuisance or threat to anyone, it is in violation of the ordinance and can be trapped and picked up accordingly. Any perception that a nuisance animal cannot be regulated with the appropriate legal recourse in Addison is false. If a resident is having a problem with a nuisance animal, they can contact animal control to help resolve the issue.

Additionally, unlike dogs, cats by their very nature are not nearly as adaptable to leashes; presuming cats to be as easily restrained and compliant with a leash compared to dogs is unrealistic. Furthermore, enacting a leash law for cats could possibly require current cat owners the additional expense (time and financial) of training their cats to adapt to a leash or harness.

### **Trap-Neuter-Release Program for Feral/Community Cats**

TNR is supported by a majority of the leading national animal welfare organizations (e.g. ASPCA, Petco Foundation, Human Society of the United States, PetSmart Charities, Alley Cat Allies) as the most humane and effective approach to controlling the feral/community cat population, which impacts most urban and rural communities.

The ASPCA defines TNR as the following: *TNR is the method of humanely trapping feral cats, having them spayed or neutered and vaccinated against rabies, and then returning them to their colony to live out their lives. TNR also involves a colony caretaker who provides food and adequate shelter and monitors the cats' health. TNR has been shown to be the least costly, as well as the most efficient and humane way of stabilizing feral cat populations.*

Staff has worked closely with community cat caretakers, sponsor organizations, and the Town also co-sponsored a regional TNR seminar at the Conference Centre on March 3<sup>rd</sup>, which had close to 150 in attendance. Through these engagements and efforts, staff has a greater understanding of the inner workings of these programs, which have grown in number in various cities and counties (330 local governments and counting) and college campuses all over the United States.

A majority of the scientific research found online supports TNR as the most humane approach to controlling the community cat population. However, staff also found that some of the studies for and against TNR may have bias. Careful review was given to both sides of the issue, and staff has maintained a database of the various studies and will continue to monitor new research on the subject to help make future decisions. Regardless of possible bias, staff feels confident recommending the Town of Addison embrace the practice of TNR through a Resolution allowing the community cat sponsors (Feral Friends and Safer Stray and Feral Rescue) and the colony caretakers to operate in the Town to help control the population. The Town's animal control operations are not at a point where its resources can provide for adequate in-house administration of such a program. It is staff and animal control's preference, as well as that of some of the leading local, state, and national feral cat sponsor organizations, to support TNR in the community incrementally, starting with a Resolution. The City of Irving adopted a similar incremental approach a few years ago and has reported success. Irving animal control representatives also stated that a key component to the success of TNR is continually educating the public on the program while still enforcing the current ordinances to regulate nuisance animals and to promote the health and safety of the public accordingly.

#### **Addison Pet Calendar**

Staff has looked at a unique model to support the Town's animal control services and to help fund the TNR programs and the entities that implement them in the community. Please see the accompanying [Addison Wags, Meow, Love Pet Calendar](#) memo.

If you have a question that may require a more detailed response, I can be reached via email at [mgooch@addisontx.gov](mailto:mgooch@addisontx.gov) or by phone at 972-450-7021.

Regards,

Mark Gooch

Assistant to the City Manager

Town of Addison



## **Addison Wags, Meow, Love Pet Calendar**

### **OVERVIEW**

Addison is a HUGE pet Town. On any given day or night, in just about any Town park, you will find residents (and even some visitors) walking their beloved pooches...and their furry feline friends can be seen perched in windows of apartments and homes around Town.

### **OBJECTIVE**

The Town of Addison is looking for a community engagement project designed to bring residents together for a common cause—the love of our Addison pets!

### **TARGET AUDIENCES**

1. Addison Residents of all ages!
2. Pet lovers
3. Media

### **STRATEGY**

Suggestions for the community engagement project includes hosting an Addison Pet Calendar Contest, and then developing the annual pet calendar that would be populated with photos from Addison resident pet photo submissions (dogs and cats only). The contest will be a fundraiser, and appeal to a cross-section of the targeted audiences.

Our model for this project comes from the Greater Huntsville/Madison County, Alabama—an area with a population of approx. 330,000 that is supported by the Greater Huntsville Humane Society. The Greater Huntsville Humane Society manages several fundraisers each year. One of their most successful Public Relations awareness campaigns is an annual pet calendar contest that helps raise funds for their no-kill shelters, their spay/neuter and adoptions activities.

### **TACTICS**

The photo calendar contest revolves around three simple ideas. Have residents submit their pet photos (FREE), anyone can vote for their pet (\$1 per each vote), then whichever pet receives the most votes will be honored as the cover pet for our 2014 *Wag, Meow, Love* calendar. The cover pet also will be featured on the month of their owners choosing, and then the remaining eleven other pets will be featured in the other months.

The Addison Pet Calendar Contest could allow Addison to contribute to our Addison Animal Control department and our partners.

### **Photo Submissions and Voting**

Town Staff has identified two contest options for managing the entries, voting, and development of a possible Addison *Wag, Meow, Love* calendar. These are suggestions and ROI would need to be fully evaluated. Initial estimates suggest that, depending on the voting phase, and the number of purchased calendars, the Town might make \$8,000-\$10,000 the first year. By example, the Greater Huntsville Humane Society made approximately \$47,000 this year—simply by vote dollars alone.

### **Option One**

Option One would be done solely online—residents would enter their pet photo online, and then when voting opens, votes (and payment for votes) would be handled online as well. This could be done through an online portal microsite. This microsite would need to be developed, and could cost anywhere from \$1,000-\$2,000 to set up to receive entries and payment for votes. Perhaps this would be a good online service for the Addison Legacy Foundation?

- Entries would be submitted online.
- Once all entries have been assigned with a unique number, they would be catalogued in a photo gallery for the public to view—voting would begin.
- Once the contest begins, residents could submit votes for their favorite pet(s).
  - Each vote would cost \$1, and you can vote as often and for whichever pet(s) you'd like.
- There would be no limit to the number of votes a pet can receive.
- The photo receiving the most votes will be honored as the cover pet for our 2014 *Wag, Meow, Love* calendar.
- There will be 12 monthly feature photos in total. It may be possible to also include anywhere from 24- 48 weekly thumbnail photos, depending on the type of calendar template we decide to use.

### **Option Two**

Option Two would require significantly more planning, staffing, and logistics to run the contest.

- Submit actual photo to designated Addison Staff at a location TBD (poss. Visit Addison Gallery)
- Once the photos have been catalogued, each would be assigned a unique number, and then placed on viewing walls for the public to view—voting would begin.
- Each vote would cost \$1, and you can vote as often and for whichever pet you'd like.

- There would be no limit to the number of votes a pet can receive.
- The photo receiving the most votes will be honored as the cover pet for our 2014 *Wag, Meow, Love* calendar.
- There will be 12 monthly feature photos in total. It may be possible to also include anywhere from 24- 48 weekly thumbnail photos, depending on the type of calendar template we decide to use.

Below is an example of the Huntsville Humane Society voting “Leader Board” from 2013 (keep in mind, the “Totals” category numbers equates to dollars):

**The Greater Huntsville Humane Society**

Photo Contest Info • Enter Your Pet • Browse and Vote • View Leader Board • Rules • Volunteers

**HOT DOGS & COOL CATS**

# Leader Board

Contestant Rank Color Key: ■ Calendar Cover ■ Monthly Feature ■ Monthly Thumbnail ■ Not in Calendar

Rank	Petname	ENT#	Owner's Last Name	Owner's First Name	Totals
1	Lillie	#0130	Tribble	Luzy	4980
2	Miss Kitty	#0142	House & Glenda Waller	Sherry	4259
3	Miss Pearl	#0068	Shields	Cathy	2053
4	Jazzy	#0124	Sheaffer	Shelia	1902
5	Little Gray	#0050	Conrad	Cindy and Steve	1873
6	Paxton	#0307	Gates	Katey	1766
7	Dolly and Molly	#0063	Mayes	Ken and Donna	1519
8	Angel and Casey	#0061	Mayes	Donna	1515
9	Carmen	#0132	Koeleveld	Monique	1134
10	Smelly Ellie	#0065	Lohrer	Kristie	1125
11	Sophie	#0238	Harris	Mary	1116
12	Gertrude	#0241	Harris	Mary	1040
13	Zen	#0188	Vest	Victoria	882
14	Jake	#0025	Corp & Stratton	Karen & Lois	825
15	Swiffer	#0217	Bandas	Jennifer	786

## **Calendar Design, Pricing, and Selling**

There are several options for designing and printing a calendar. Conventional printing includes expensive design, layout, account management, etc., not to mention the actual printing costs for unknown quantities. Town Staff believes that creating a calendar online, using a template provided by reputable companies, is by far the most cost-effective way for this pet calendar project. This would not be our \$90k/year Town of Addison calendar—this would be far more cost efficient.

Online calendars can be ordered in any quantity, and reordered with a simple click of a reorder button. There are numerous companies who offer online calendar templates, paper quality and sizes to choose from, and the cost includes printing. We would be cutting out the middleman.

Online calendars are simple to design. Using a selected template, we would simply copy and paste an image to a page and crop and adjust sizing to fit the selected field. Repeat for each month with new pet image. After that, we simply click save, and then select the printing quality and quantity. Our orders will be processed and then delivered.

Pricing for the calendars varies based on the company, the template/size of the calendar, the quality of the paper, and the quantity of the order. The Town would take pre-paid orders for the calendars (adding on an extra \$5 per calendar ordered), and only order that quantity, therefore covering all development costs. The Town would combine the extra \$5 per ordered calendar with the money raised from the voting phase of the project and make a donation to the Feral Cat Society, or whichever charity is selected as the recipient. This charity could even change year-to-year.

On the following pages are examples of recognizable companies who offer several online calendar templates with pricing (printing included):

1. Costco Calendars (several templates and print qualities)

**Costco PHOTO CENTER** Order Prints! 0 Items

**NEW! Personalized Stationery & Cards**

[Upload](#) [Checkout](#)

[Home](#) [My Photos](#) [Store](#) [Image Gallery](#) [Group Rooms](#) [Order Status](#) [Sign-Up](#) [Login](#)

**photo products**

- 6x7½ photo greeting cards
- art & image gallery
- calendars
- canvas prints
- collage mousepads
- collage mugs
- collage prints
- disney gallery
- enlargements & poster boards
- framed enlargements
- greeting cards
- mousepad
- mugs
- notebooks
- notepads
- ornaments
- photo DVD
- photo throw
- photobooks
- postcards
- prints
- scrapbook size prints
- sports gallery
- stationery
- stickers
- t-shirts

## Calendars

### calendars

#### 8½ x 11 classic calendars

- Printed on durable, matte cardstock
- Choose your own page layouts
- Personalize dates with photos and captions
- Measures 8½" x 11" closed, 17" x 11" open
- Available for warehouse pick-up in 5-7 business days
- Available for mail back (delivered in 5-10 business days)

**\$9.99**

#### 11½ x 14 premium calendars

- Printed on premium cardstock
- Photo pages are laminated, date pages are matte
- Personalize dates with photos and captions
- Measures 11½" x 14" closed, 23" x 14" open
- Available for mail back only (delivered in 5-10 business days)

**\$17.99**



**Need help creating a calendar?**

[Click here](#) to view our step-by-step Calendar Tutorial

**create**



### **10 x 5 desktop calendars**

Start each day with a smile with personalized desktop calendars. Begin your calendar on any month, then add your favorite photos to the cover and every page. Choose from over 8 different themes, each with wallpapers and fonts designed to work together to present a professional and fun look. These calendars come with a stylish heavyweight black display stand and spiral binding. Desktop calendars are sold in bundles of 3, and are suitable for home or office décor, classrooms, hotels, or as unique gifts for friends and family.

**\$19.99 - 3-Pack**

**create**

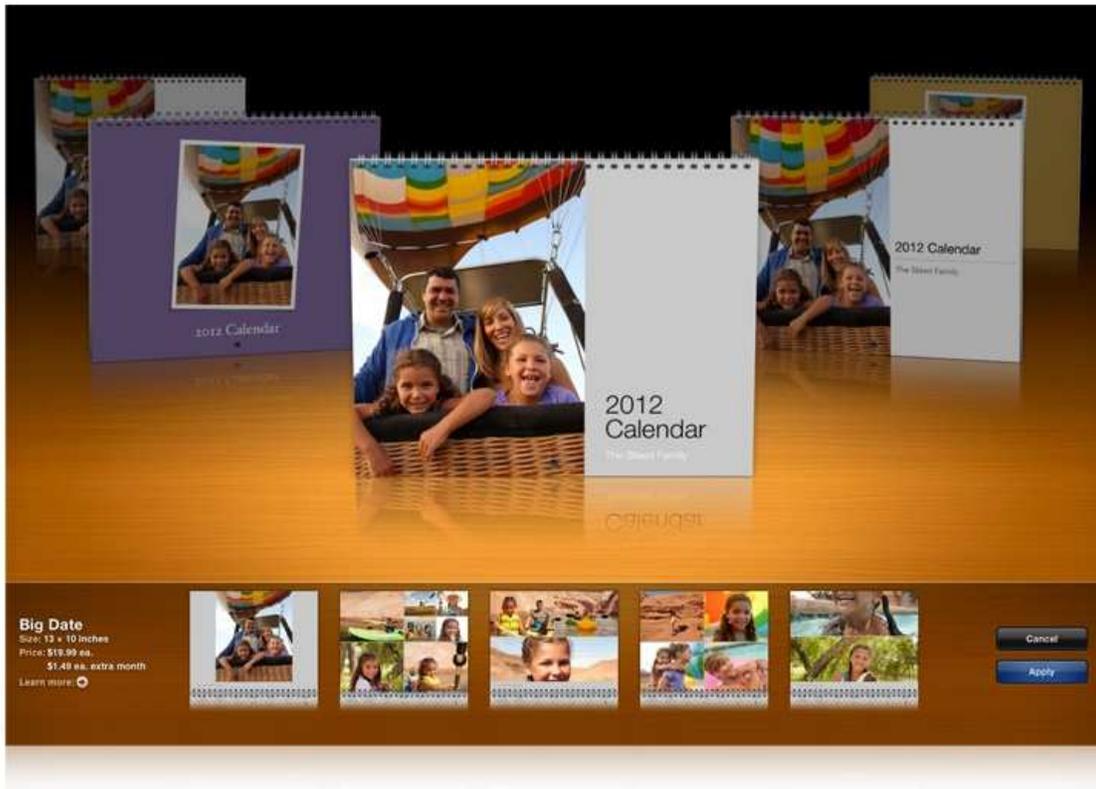
2. iPhoto Apple Calendar Option (on next page)

## Calendars. Every photo has its day.

Create your own 12-month calendars, 24-month calendars, or anything in between. You can commemorate birthdays, anniversaries, and special events by adding photos and captions to individual days. Import your iCal events and choose national holidays. With iPhoto '11, this will be your most memorable year yet.

### Calendars

<b>Size</b>	13x10.4 inches
<b>Months</b>	12 months
<b>Price</b>	\$19.99
<b>Additional months</b>	\$1.49, 24 max.



Easily build  
calendars



Add photos to  
special days



Import your  
iCal events

## **Council Agenda Item: #R9**

### **AGENDA CAPTION:**

Discussion and Consideration of an ordinance amending Chapter 62, Signs, of the Code of Ordinances of the Town of Addison, by adding an item (b) (Village on the Parkway) to Section 62-289 (Generally) of Article VI (Special Districts).

### **FINANCIAL IMPACT:**

N/A

### **BACKGROUND:**

The Town's standard sign ordinance cannot anticipate every situation on every property. Therefore, the Town creates Special Districts to handle large properties such as Addison Circle and Vitruvian Park. The Village on the Parkway is another property for which the standard sign ordinance is not a good fit, therefore, there was a Special District created for the Village on the Parkway in 1996. At this point, the developers would like to amend the Special District regulations to put a new set of regulations in place for the development.

The proposed regulations cover all signs that will be installed on the property including:

- <sup>1</sup> attached signs for the Whole Foods store,
- <sup>1</sup> attached signs for the AMC Theater,
- <sup>1</sup> the monument signs on the perimeter,
- <sup>1</sup> the attached signs for tenants,
- <sup>1</sup> the way-finding kiosks within the property.

The only signs that are not being proposed at this time are the large pylons signs that the applicant wants to install on the west side of the property at the north and south ends of the site (Exhibit B). Those signs are still in design and will be submitted at a later date.

### **RECOMMENDATION:**

Administration recommends approval.

### **COUNCIL GOALS:**

## Raise Property Values, Brand Protection and Enhancement

### ATTACHMENTS:

Description:

 [VOP Signs - Ordinance](#)

Type:

Backup Material

**TOWN OF ADDISON, TEXAS**

**ORDINANCE NO. 013-AAA**

**AN ORDINANCE OF THE TOWN OF ADDISON, TEXAS AMENDING CHAPTER 62, SIGNS, OF THE CODE OF ORDINANCES OF THE TOWN BY ADDING AN ITEM (b) (VILLAGE ON THE PARKWAY) TO SECTION 62-289 (GENERALLY) OF ARTICLE VI. (SPECIAL DISTRICTS); PROVIDING A SAVINGS CLAUSE; PROVIDING A PENALTY NOT TO EXCEED THE SUM OF FIVE HUNDRED DOLLARS FOR ANY OFFENSE, AND A SEPARATE OFFENSE SHALL BE DEEMED COMMITTED EACH DAY DURING OR ON WHICH A VIOLATION OCCURS OR CONTINUES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Town of Addison, Texas (the "City") desires to amend certain provisions of Chapter 62 of the City's Code of Ordinances relating to and regarding signs within the City; and

**WHEREAS**, the amendments set forth in this Ordinance to Chapter 62 are pursuant to investigation and analysis by the City, and are with a view of and to further the purposes and objectives set forth in Section 62-2 of the Code, including to promote the health, safety, welfare, convenience and enjoyment of the public, including among other things to promote the efficient transfer of information in sign messages and to protect the public welfare and to enhance the appearance and economic value of the landscape, and such amendments are to facilitate the avoidance of visual clutter that is potentially harmful to traffic and pedestrian safety, property values, business opportunities, and community appearance, and are to comply with applicable State law; and

**WHEREAS**, the City is authorized to provide for regulation of signs pursuant to State law, including, among others, Section 51.001, Tex. Loc. Gov. Code (authorizing a municipality to adopt an ordinance, rule or police regulation that is for the good government, peace, or order of the municipality or for the trade and commerce of the municipality) and Section 216.901 Tex. Loc. Gov. Code (authorizing a home rule municipality to license, regulate, control or prohibit the erection of signs or billboards), and pursuant to its authority as a home rule city under Article 11, Section 5 of the Texas Constitution and its Home Rule Charter; and

**WHEREAS**, the adoption of this Ordinance and the amendments set forth herein are for and in the best interests of the health, safety and welfare of the City and its citizens.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:**

Section 1. Incorporation of Recitals. The above and foregoing recitals and premises to this Ordinance are true and correct and are incorporated herein and made a part hereof for all purposes.

Section 2. Amendment. The Code of Ordinances of the Town of Addison, Texas (the "City") is hereby amended by amending certain sections and provisions of Chapter 62, Signs, thereof as set forth in Exhibit A attached hereto and incorporated herein for all purposes, and all other chapters, articles, sections, subsections, sentences, phrases and words of the said Code of Ordinances are not amended hereby.

Section 3. Savings; Repealer. This Ordinance shall be cumulative of all other ordinances of the City and shall not repeal any of the provisions of those ordinances except in those instances where the provisions of those ordinances are in direct conflict with the provisions of this Ordinance. Provided, however, that the repeal of such ordinances or parts of such ordinances, and the amendments and changes made by this Ordinance, shall not affect any right, property or claim which was or is vested in the City, or any act done, or right accruing or accrued, or established, or any suit, action or proceeding had or commenced before the time when this Ordinance shall take effect; nor shall said repeals, amendments or changes affect any offense committed, or any penalty or forfeiture incurred, or any suit or prosecution pending at the time when this Ordinance shall take effect under any of the ordinances or sections thereof so repealed, amended or changed; and to that extent and for that purpose the provisions of such ordinances or parts of such ordinances shall be deemed to remain and continue in full force and effect.

Section 4. Penalty. It shall be unlawful for any person, firm, corporation, or other business entity to violate any provision of this Ordinance, and any person, firm, corporation, or other business entity violating or failing to comply with any provision hereof shall be fined, upon conviction, in an amount of not more than Five Hundred and No/100 Dollars (\$500.00), and a separate offense shall be deemed committed each day during or on which a violation or failure occurs or continues.

Section 5. Severability. The provisions of this Ordinance are severable, and if any section or provision of this Ordinance or the application of any section or provision to any person, firm, corporation, entity, situation or circumstance is for any reason adjudged invalid or held unconstitutional by a court of competent jurisdiction, the same shall not affect the validity of any other section or provision of this Ordinance or the application of any other section or provision to any other person, firm, corporation, entity, situation or circumstance, and the City Council declares that it would have adopted the valid portions of this Ordinance adopted herein without the invalid or unconstitutional parts and to this end the provisions of this Ordinance adopted herein shall remain in full force and effect.

Section 6. Effective Date. This Ordinance shall become effective from and after its passage and approval and its publication as may be required by law (including, without limitation, the City Charter and the ordinances of the City).

**PASSED AND APPROVED** by the City Council of the Town of Addison, Texas this  
\_\_\_\_\_ day of \_\_\_\_\_, 2013

\_\_\_\_\_  
Todd Meier, Mayor

ATTEST:

By: \_\_\_\_\_  
Chris Terry, City Secretary

APPROVED AS TO FORM:

By: \_\_\_\_\_  
John Hill, City Attorney

Published: \_\_\_\_\_

**EXHIBIT A  
TO ORDINANCE NO. 013-AAA**

Chapter 62, Signs, of the Code of Ordinances (the "Code") of the Town of Addison, Texas is hereby amended by amending various sections of the said Code as set forth below and as follows:

- A. Section 62-289 item (b) of the Code is amended to read as follows:

**ARTICLE VI. SPECIAL DISTRICTS**

**Section 62-289      Generally**

- (b) Village on the Parkway (being that area shown in Fig. 62-289.A)

**STANDARDS FOR SIGNS**

1. Pylon Signs: Reserved.
2. Multi-tenant Monument Signs:
  - (a) Three multi-tenant monument shall be allowed containing sign panels for multiple tenants
  - (b) Shall be constructed as shown in Figure 62-289.C
  - (c) Shall be placed as shown in Figure 62-289.A
3. Single-tenant Monument Sign:
  - (a) One single-tenant monument sign shall be allowed.
  - (b) Shall be constructed as shown in Figure 62-289.D
  - (c) Shall be placed as shown in Figure 62-289.A
4. Grocery Tenant Signs:
  - (a) Grocery Tenant, is defined as tenant located in Block 1000 of Figure 62.289.A.
  - (b) Shall be allowed attached signs constructed as shown in Figure 62.289.E.
5. Health Club Tenant Signs:
  - (a) Health Club tenant is defined as tenant located in Block 600 of Figure 62.289 A.
  - (b) Shall be allowed attached signs constructed as shown in Figure 62.289.F.
6. Theatre Tenant Signs:
  - (a) Theatre Tenant is defined as tenant located in Block 200 of Figure 62.289.A.
  - (b) Shall be allowed attached signs constructed and placed as shown in Figure 62.289.G.
7. Attached Commercial Tenant Identification Signs:

- (a) Attached Commercial Tenant identification Signs shall include: Wall Signs and Flag Signs
  - (b) The maximum sign area per facade for all Attached Commercial Tenant Identification Signs is two (2) square feet of attached sign area per linear foot of facade.
8. Wall Sign:
- (a) Each commercial tenant may have one wall sign per facade.
  - (b) Maximum Area of a wall sign on each facade shall not exceed the maximum sign area per facade as defined in Section 62.289, (b), Section 6 (b).
  - (c) No wall sign shall have a length which exceeds 75% of tenant frontage.
  - (d) Individual letters and logos for wall signs shall not exceed 36" in height.
9. Flag Sign:
- (a) Each commercial tenant may have one Flag sign per facade in addition to one Wall Sign.
  - (b) The combined area for a Wall Sign and a Flag Sign shall not exceed the Maximum Area per facade for all Attached Commercial Tenant Identification Signs, as defined in Section 62.289, (b), Section 6 (b).
  - (c) Flag Signs mounted at the corner of a building shall count 50% of the sign area square footage toward the total square footage for each facade.
  - (d) Shall be constructed as shown in Figure 62.289.H.
  - (e) Shall not be constructed of cloth or other synthetic fabric material.
10. Signs on Awning:
- (a) Signs on the sloped surface of awnings are considered Wall Signs and shall be governed by the standards set forth for in Section 62.289 (b), Section 7. (Example of an awning sign shown in Figure 62.289.I).
  - (b) Signs on the valance of an awning (valance is defined as a vertical surface at the lower edge of an awning, not exceeding six (6") inches in height) are exempt from regulation. (Example shown in Figure 62.289.I).
11. Secondary Business Identification Sign:
- (a) Each Commercial tenant may have a maximum of two (2) additional secondary business identification signs selected from the following list:
    - 1. Secondary Blade sign: constructed and placed in accordance with Figure 62.289.J
    - 2. Secondary Wall Plaque sign: constructed and placed in accordance with Figure 62.289.K.
  - (b) The area of the Secondary Business Identification Signs shall not be included in the maximum allowable square footage per facade as defined in Sections 62.289 (b), Section 6 (b).
12. Window Sign: Signs in windows exempt from permitting requirements, and are not included in the maximum allowable square footage per facade, as defined in Section 62.289, (b), Section 6 (b), but are limited to not more than ten percent (10%)

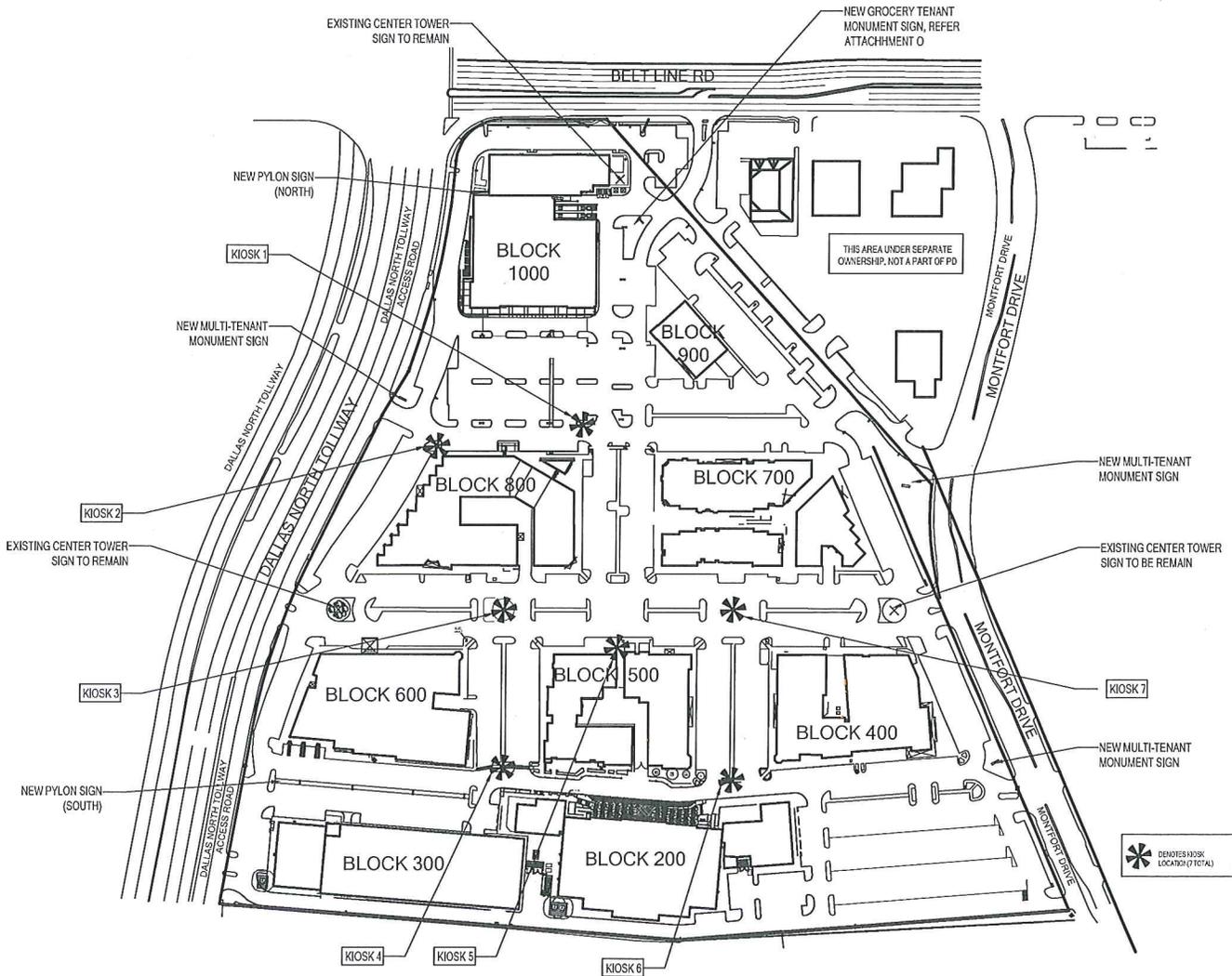
of the window area per façade.

13 Pole Mounted Banners

- (a) Shall only be of a Seasonal and Promotional type
- (b) Shall not contain any advertising or promotional messages for individual tenants
- (c) Shall be constructed as shown in Figure 62-289.L.

14. Kiosks Sign:

- (a) Kiosk signs with wayfinding and non-premises signage are exempt from permit.
- (b) Shall be constructed as shown in Figure 62-289.M.
- (c) Shall be placed as shown in Figure 62-289.A



62.289.A

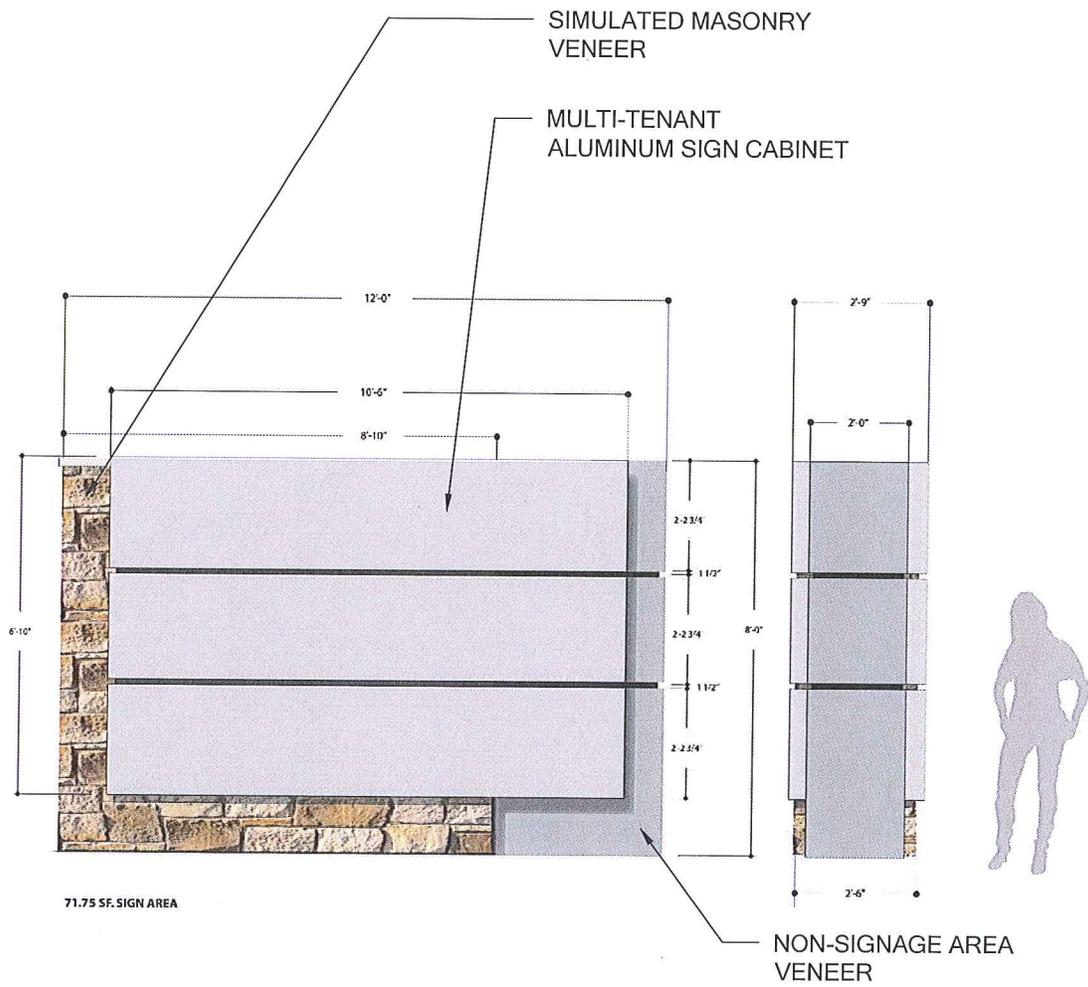
ATTACHMENT A  
SIGNAGE SITE PLAN

VILLAGE ON THE PARKWAY  
ADDISON, TEXAS  
05/02/13



(11013: VOTP Signage Exhibit - Revised 05.02.13.DWG)

Exhibit B Reserved for Pylon Signs

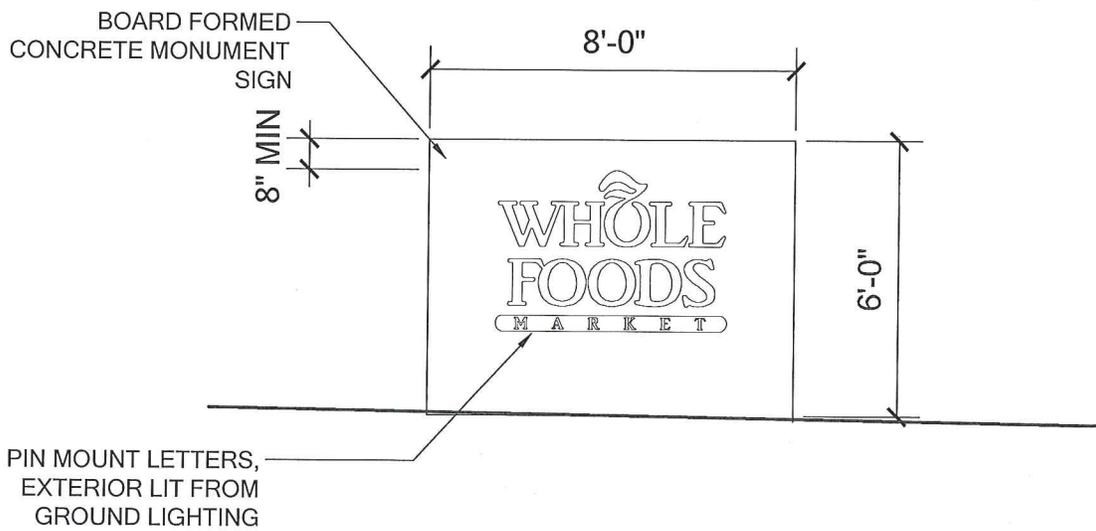


62.289.C

ATTACHMENT C  
TYPICAL MULTI-TENANT GROUND SIGN

VILLAGE ON THE PARKWAY  
ADDISON, TEXAS  
05/02/13





MONUMENT SIGN ELEVATION  
1/4" = 1'-0"

01

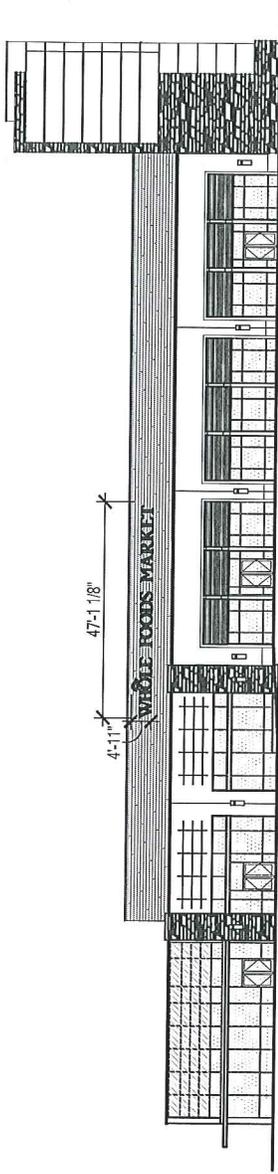
62.289.D

ATTACHMENT D  
WHOLE FOODS MONUMENT SIGN

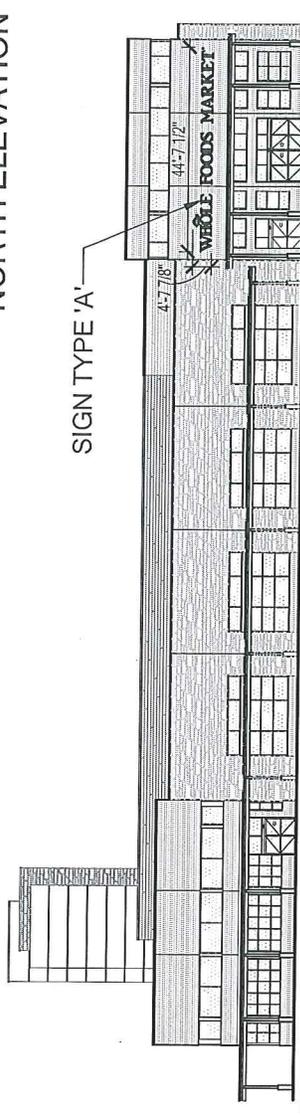
VILLAGE ON THE PARKWAY  
ADDISON, TEXAS  
05/02/13



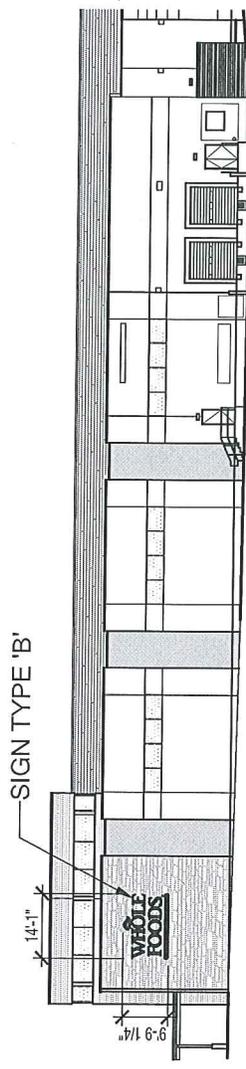
(11013: VOTP Signage Exhibit - Revised 05.02.13.DWG)



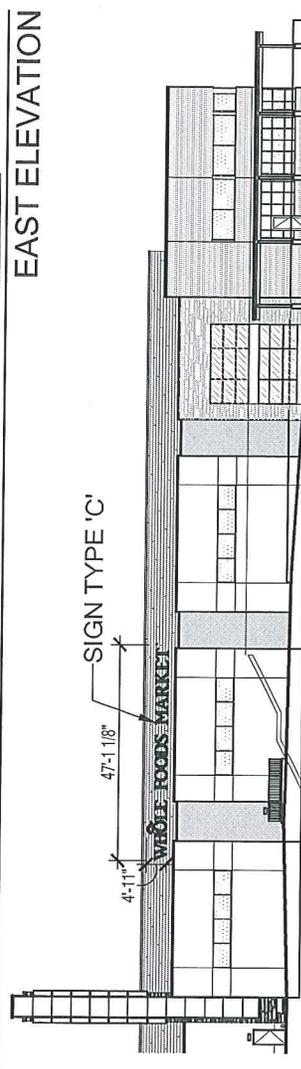
NORTH ELEVATION



SOUTH ELEVATION

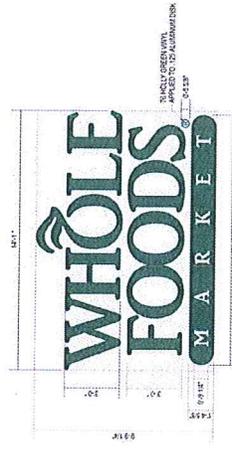


EAST ELEVATION



WEST ELEVATION

62.289.E



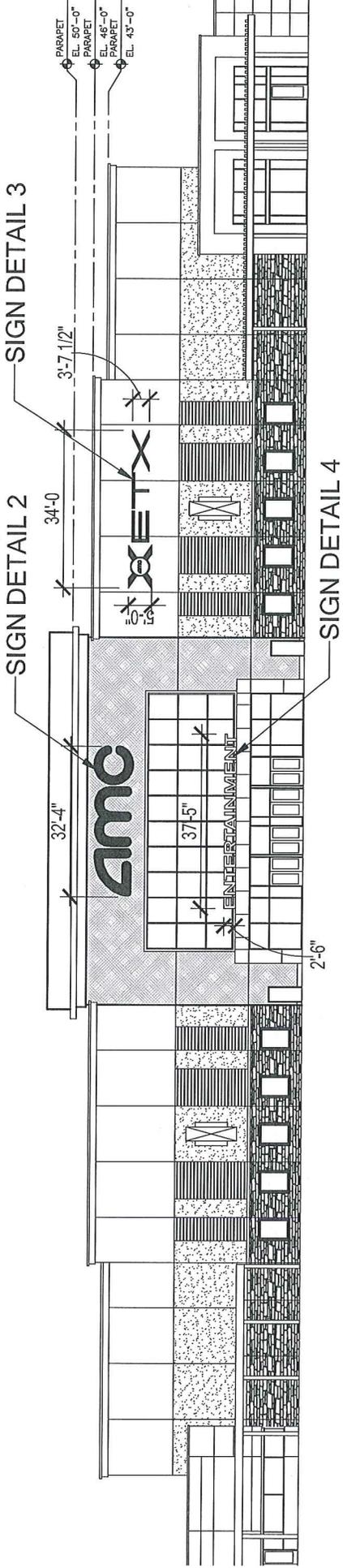


**A B** 4'-6" WHITE LED ILLUMINATED WALL SIGN

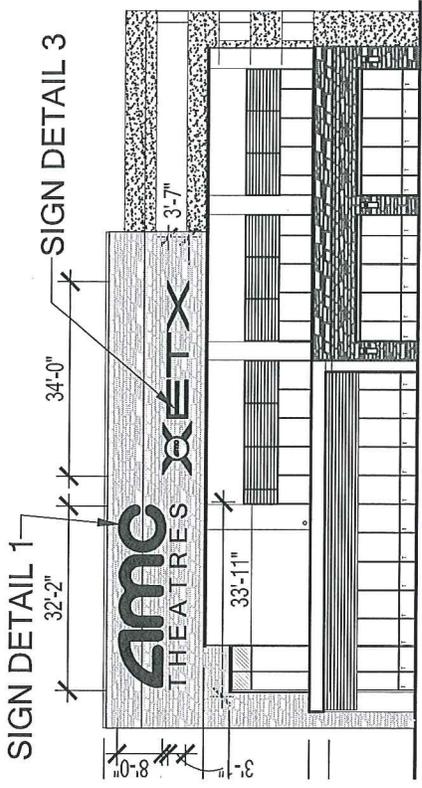


62.289.F

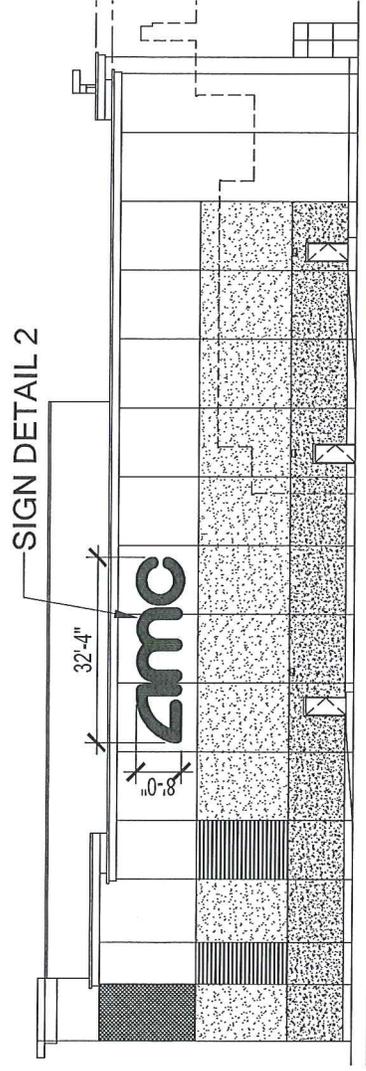




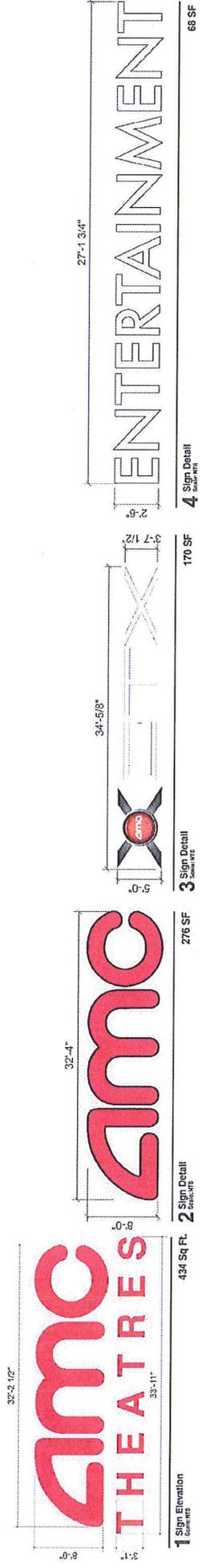
NORTH ELEVATION



WEST ELEVATION(GARAGE)



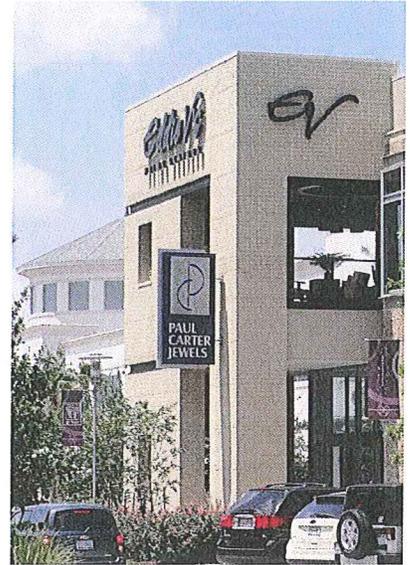
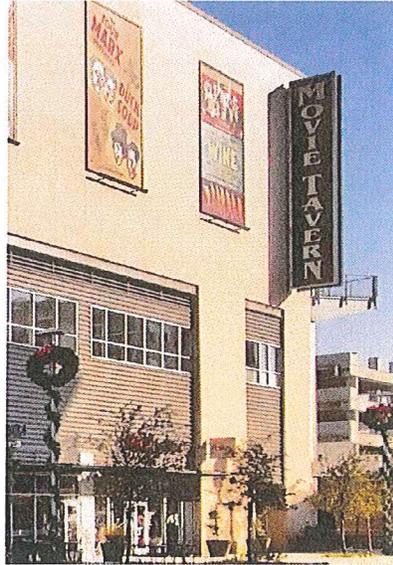
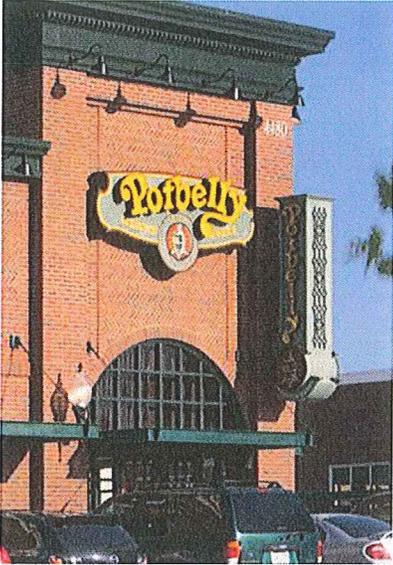
EAST ELEVATION



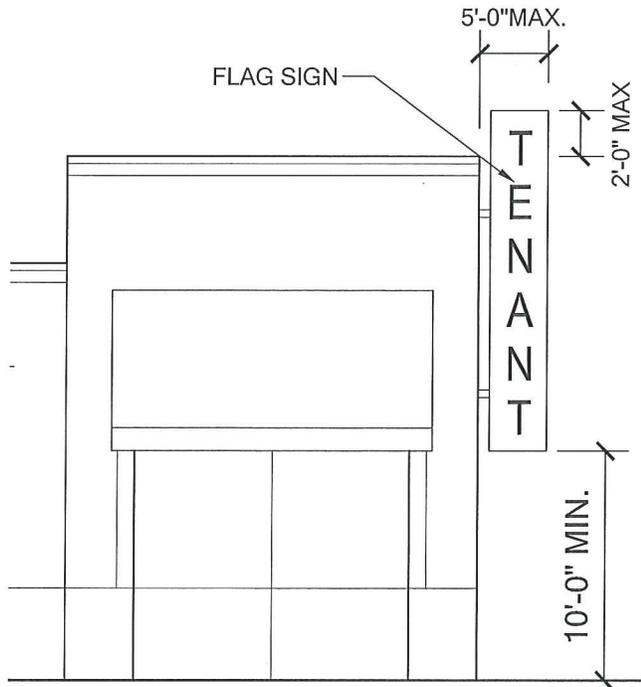
1 Sign Elevation 434 Sq Ft. 2 Sign Detail 276 SF  
 3 Sign Detail 170 SF  
 4 Sign Detail 68 SF

62.289.G



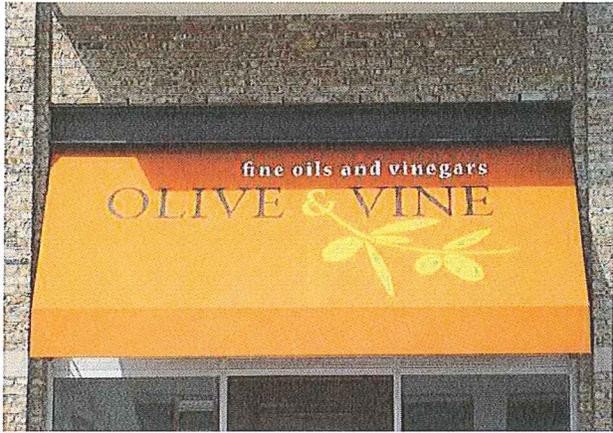


PRIMARY FLAG SIGN EXAMPLES

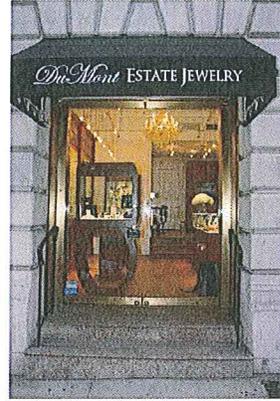


62.289.H

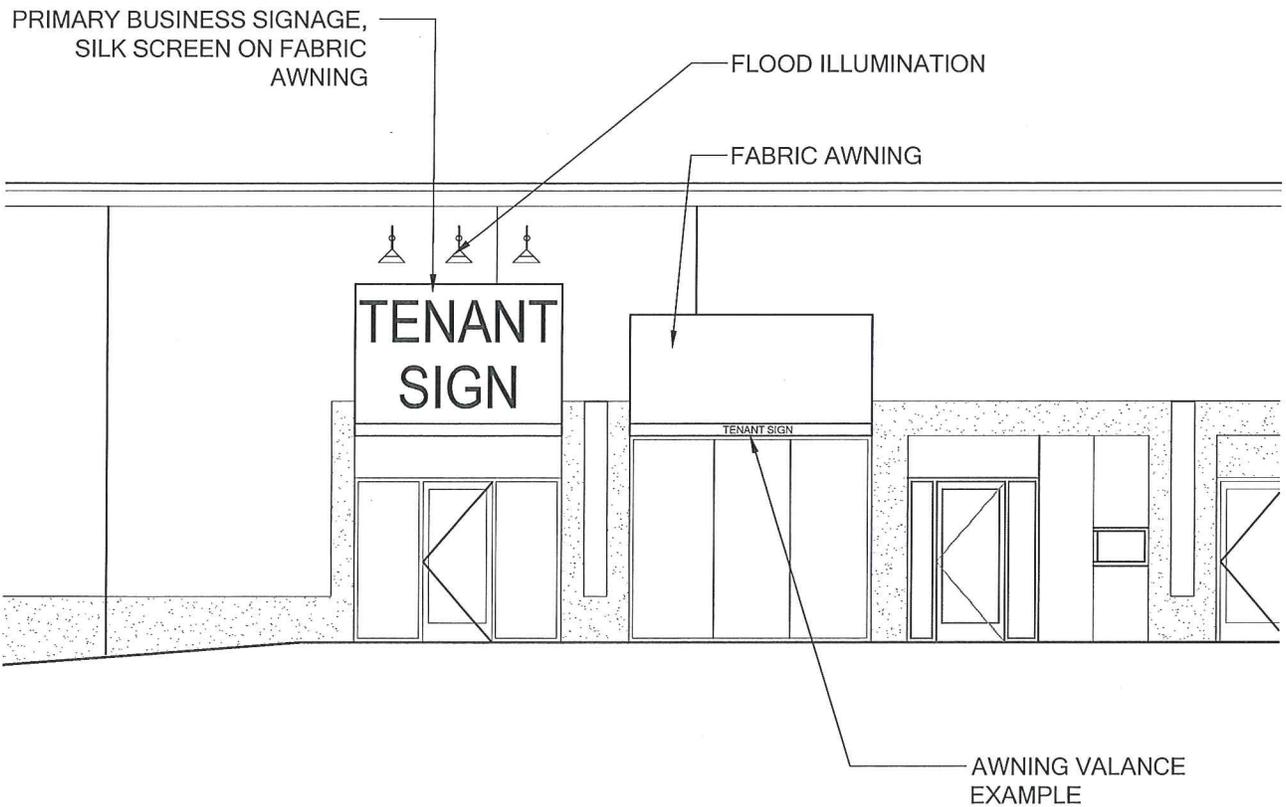




ATTACHED COMMERCIAL SIGN ON AWNING EXAMPLE

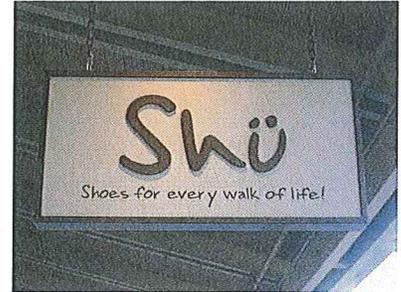
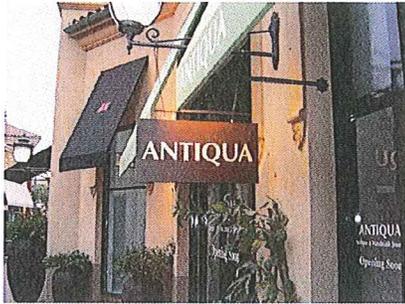


AWNING VALANCE EXAMPLE

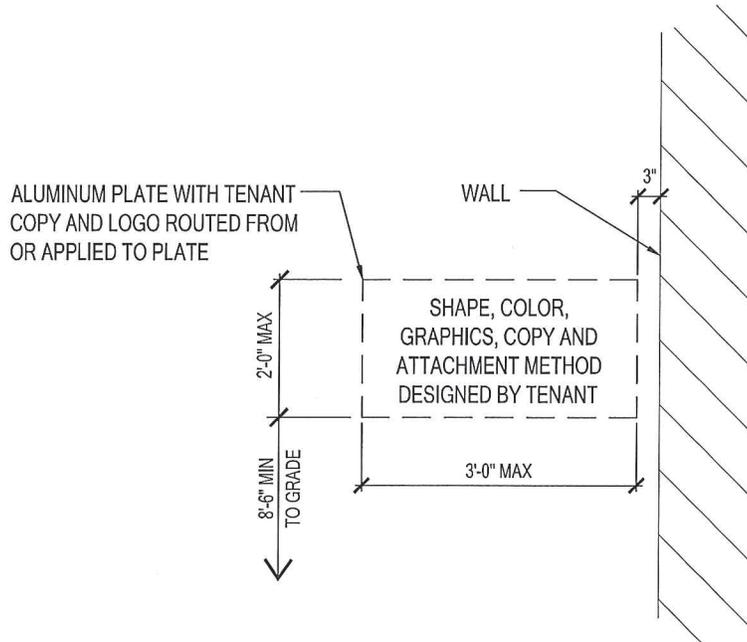


62.289.1





BLADE SIGN EXAMPLES



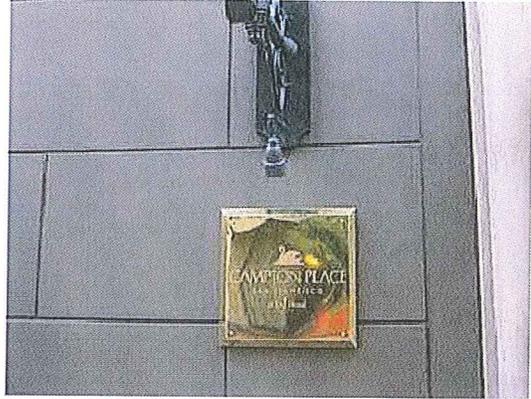
BLADE SIGN ELEVATION

Scale: 1/2" = 1'-0"

01

62.289.J





SECONDARY WALL PLAQUE SIGN EXAMPLE



62.289.K

ATTACHMENT K  
TYPICAL RETAIL WALL SIGN

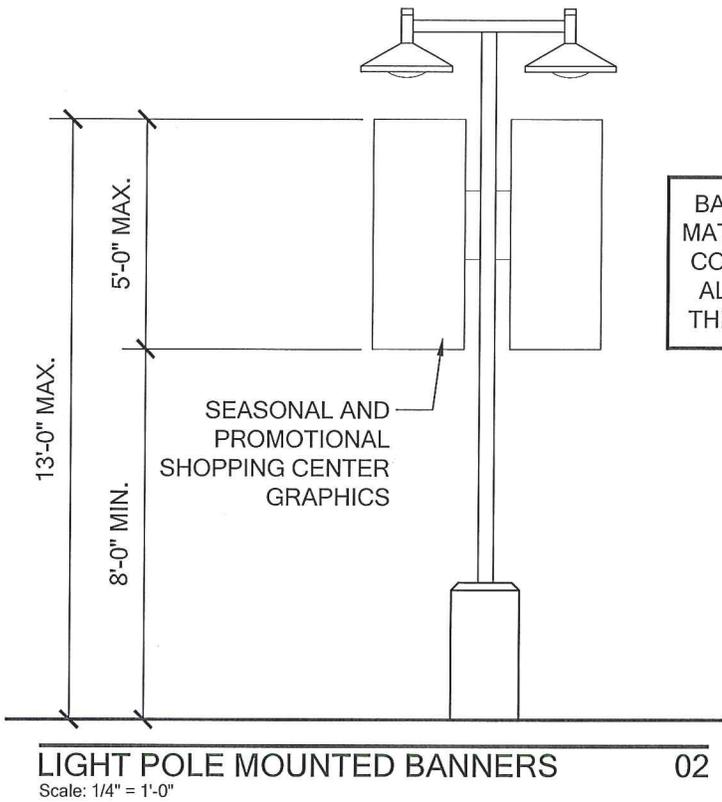
VILLAGE ON THE PARKWAY  
ADDISON, TEXAS  
05/02/13



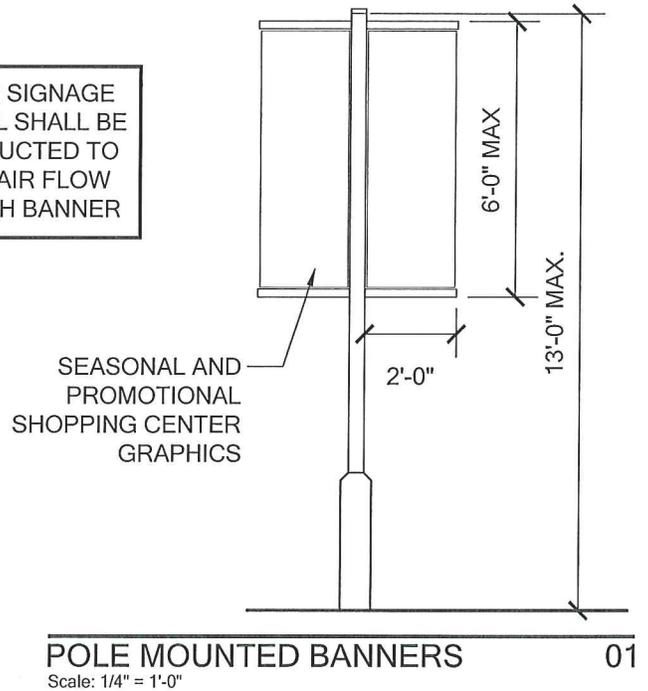
(11013: VOTP Signage Exhibit - Revised 05.02.13.DWG)



POLE MOUNTED BANNER EXAMPLES



BANNER SIGNAGE MATERIAL SHALL BE CONSTRUCTED TO ALLOW AIR FLOW THROUGH BANNER



62.289.L





62.289.M

ATTACHMENT M  
DETACHED NON-PREMISE KIOSK

VILLAGE ON THE PARKWAY  
ADDISON, TEXAS  
05/02/13



(11013: VOTP Signage Exhibit - Revised 05.02.13.DWG)

## Council Agenda Item: #R10

### **AGENDA CAPTION:**

Presentation, discussion, and action regarding authorizing the City Manager to negotiate and execute for the Town, as tenant, a lease of office space described as Suite 160, 14683 Midway Road (within the development generally known as Office in the Park), comprised of approximately 3,478 rentable square feet and owned by 14671-14683 Midway Road LP.

### **FINANCIAL IMPACT:**

There will be no financial impact for the lease in FY 2013 given that staff has negotiated a five-month lease abatement for the space. Lease payments begin in FY 2014. This item has been included as an MLS for FY 2014's Economic Development Budget.

### **BACKGROUND:**

Please see memo attached.

### **RECOMMENDATION:**

Administration recommends approval.

### **COUNCIL GOALS:**

Increase revenues by at least 10% while holding the tax rate to \$.58 or less and reserves to at least 30%, Create raving fans of the Addison Experience, Maintain and enhance our unique culture of creativity and innovation, Raise Property Values, Attract new businesses to Addison

### **ATTACHMENTS:**

Description:

 [Office in the Park Lease Documents](#)

Type:

Cover Memo

# MEMO

To: Addison Town Council  
City Manager

From: Orlando Campos, Director of Economic Development

Date: May 14, 2013

RE: Office in the Park Lease

The Economic Development Department is requesting consideration and action authorizing the City Manager to negotiate and execute a lease with "14671-14683 Midway Road LP" for 3,478 square feet of space at 14683 Midway Road in Addison. The location is commonly referred to as Office in the Park. This space will be the new home for the Town's Economic Development Department and house the business start-ups emanating from Baylor University's Accelerated Ventures Program.

On March 26, 2013 Town Council authorized the city manager to enter into negotiations with the landlord and owner for space at the property. For the last few weeks, negotiations ensued with a favorable proposal finally reached which you will find in the attached. The attached lease negotiations overview will highlight the updates made by the landlord to his original proposal. Staff is in support of the final proposal presented by the landlord and believes it is a mutually equitable. Staff recommends approval of the proposal and moving forward with an execution of the lease.

You will also find attached a copy of the lease presented to the Town by the landlord. Staff plans to work with our city attorney to negotiate the agreement before it is presented to our City Manager for final review and execution. The timeline is to have the Economic Development Department relocate from the Finance and Economic Development Department Building to the new space at Office in the Park by early June 2013 in anticipation of the student entrepreneurs that will relocate their business start-ups from Baylor University to Addison.

**Office in the Park  
Space Negotiations Overview  
14683 Midway Road, Suite 106**

<b><u>Proposal Item</u></b>	<b><u>Original Proposal</u></b>			<b><u>Negotiated Outcome</u></b>		
<i>Lease Terms</i>	<u>Months</u>	<u>Rate</u>	<u>Monthly Rent</u>	<u>Months</u>	<u>Rate</u>	<u>Monthly Rent</u>
	1-2	\$00.00 psf	\$00.00	1-5	\$00.00 psf	\$00.00
	3-26	\$12.50 psf	\$3,623.34	6-29	\$12.00 psf	\$3,478.00
	27-38	\$13.00 psf	\$3,768.28	30-41	\$12.50 psf	\$3,622.92
	39-50	\$13.50 psf	\$3,913.21	42-53	\$13.00 psf	\$3,767.83
	51-62	\$14.00 psf	\$4,058.15	54-65	\$13.50 psf	\$3,912.75
<i>Termination Option</i>	None			The tenant shall have the right to terminate the lease after 36 months of paid rent by delivering no less than three (3) months written notice to landlord of such intent. Tenant will pay landlord's unamortized leasing costs (such as TI's and commission) and a two months penalty equal to the then current base rental at termination if such a right is exercised. Tenant also has the right to terminate if Tenant does not budget and appropriate funds each fiscal year to make payments under the lease.		
<i>Renewal Option</i>	Tenant shall have one (1) five (5) year renewal options with one hundred eight (180) days notice.			Tenant shall have one (1) five (5) year renewal options at the then prevailing market rate for comparable buildings with one hundred eight (180) days notice.		
<i>Right of First Refusal</i>	Tenant shall have a one (1) time right of first refusal on the adjacent vacancy that is approximately 2,658 rsf. Tenant shall have five (5) days to respond to a bona fide offer submitted by a prospective tenant. At 5:00pm on the fifth (5 <sup>th</sup> ) day this right shall expire.			Tenant shall have a one (1) time right of first refusal on the adjacent vacancy that is approximately 2,658 rsf. Tenant shall have five (5) business days to respond to a bona fide offer submitted by a prospective tenant. At 5:00pm on the fifth (5 <sup>th</sup> ) business day this right shall expire.		
<i>Operating Expenses</i>	The above stated rates include base year operating expenses. Tenant's pay their pro-rata share of operating expense increases in excess of 2013 amounts ("Expense Stop").			The above stated rates include base year operating expenses. Tenant's pay their pro-rata share of operating expense increases in excess of 2013 amounts ("Expense Stop"). Controllable operating expenses shall be capped at 4% per anum.		

<i>Signage</i>	Tenant, at it's own expense, shall have the right to install signage in two (2) slots on both sides of the monument sign.	Tenant, shall have the right to install tenant's own monument signage with tenant's identity on both sides of such sign. Landlord and tenant shall agree on the exact location and design of such monument signage. Landlord shall agree to provide an allowance up to \$3,000.00 for all costs associated with the monument sign. Tenant shall be responsible for all costs exceeding the sign allowance.
<i>Security Deposit</i>	\$4,058.15	\$3,912.75 (amount equal to last month's rent).
<i>Acceptance</i>	This proposal is not binding on either party. Landlord reserves the right to change or withdraw this proposal at any time.	This proposal is not binding on either party, and is expressly conditioned upon and subject to the Project owner (Landlord) and the Town of Addison (Tenant) entering into a mutually satisfactory written lease of the Premises. Landlord and Tenant each reserves the right to change or withdraw this proposal at any time.

OFFICE LEASE AGREEMENT

1. Definitions and Basic Provisions.

(a) "Base Year" means 2013.

(b) "Commencement Date" means \_\_\_\_\_, 2013.

(c) "Expense Stop" means \$ \_\_\_\_\_ per rentable square foot within the Premises.

(d) "First Month Rent" means \$ \_\_\_\_\_ (paid at lease execution).

(e) "Fixed Base Rent" means:  
\_\_\_\_\_, 201\_\_ -- \_\_\_\_\_, 201\_\_ \$ \_\_\_\_\_/month  
\_\_\_\_\_, 201\_\_ -- \_\_\_\_\_, 201\_\_ \$ \_\_\_\_\_/month

(f) "Landlord:" 14671-14683 Midway Road LP, a Texas limited partnership.  
\_\_\_\_\_  
\_\_\_\_\_

(g) "Lease Term" means a period of \_\_\_\_\_ (\_\_) months commencing on \_\_\_\_\_, 2013 (the "Commencement Date") and ending on \_\_\_\_\_, 20\_\_.

(h) "Permitted Use" is general office.

(i) "Premises" means approximately \_\_\_\_\_ rentable square feet located in Suite No. shown and designated on the attached Exhibit A in Office in the Park (the "Building") located on the tract of land in Addison, Dallas County, Texas more particularly described on the attached Exhibit B (the "Land").

(j) "Rent" means all amounts due from Tenant to Landlord under this Lease including, without limitation, Fixed Base Rent, Operating Expenses, late charges, interest, attorney's fees and all other amounts now or hereafter due Landlord under the Lease.

(k) "Security Deposit" is \$ \_\_\_\_\_.

(l) "Tenant:" \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Grant and Lease Term. Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Premises for the Lease Term unless sooner terminated as provided herein, to be used and occupied by Tenant only for the Permitted Use. If this Lease is executed before the Premises become vacant, or otherwise available and ready for occupancy, or if any present tenant or occupant of the Premises holds over and Landlord cannot acquire possession of the Premises prior to the Commencement Date, Landlord shall not be in default of this Lease and Tenant shall accept possession of the Premises at such time as Landlord tenders possession and such date shall be deemed to be the Commencement Date and this Lease shall continue for the same number of months as specified in the Lease Term. The Commencement Date shall not be extended for the completion of any installations or improvements to the Premises which in any manner exceeded or are in addition to the Landlord's work described on the attached Exhibit C (the "Finish Work"), if any, regardless of whether such items are installed or constructed by Landlord or by Tenant. The parties agree to sign a writing confirming the actual Commencement Date if it is other than the date specified in paragraph 1(b).

Landlord covenants that, upon Tenant's payment of the Rent required hereunder and its performance of all of the terms and conditions of this Lease, Tenant's peaceful and quiet enjoyment of its leasehold interest shall not be disturbed by Landlord or anyone properly claiming a superior right by, through or under Landlord.

3. Rent and other Payments/Late Payment Charge. Tenant agrees to pay Landlord all Rent including, without limitation, Fixed Basic Rent as specified in paragraph 1(e). The obligation of Tenant to pay Rent is an independent covenant and, except as set forth in paragraphs 11(a) and 32(d), no act or circumstance whatsoever, including, without limitation, any breach by Landlord, shall release or excuse Tenant's obligation to timely pay Rent. The First Month Rent is due and payable on the execution hereof and the Fixed Base Rent is due and payable in advance on the first day of each succeeding month during the Lease Term. Rent for any fractional month at the beginning or end of this Lease shall be prorated. In addition to Rent, Tenant shall pay Landlord all charges for any services, goods or materials furnished by Landlord at Tenant's request which are not required to be furnished by Landlord under this Lease within 30 days after Landlord renders a statement to Tenant. If any installment of Fixed Month Rent is not paid within ten days of the due date, Tenant shall pay a late charge of five percent.

Notwithstanding anything in this Lease stated or implied to the contrary, Tenant's obligation to pay Fixed Base Rent and all other charges, fees and amounts owing to Landlord is subject to Tenant's annual budgeting and appropriation of funds by Tenant to make such payment. Tenant therefore retains the continuing right to terminate this Lease if Tenant does not, for any fiscal year of Tenant (October 1 through September 30), budget and appropriate funds to make all payments under this Lease; Tenant's exercise of such right of termination must be by written notice given to Landlord on or before September 1 of any calendar year during the Lease Term, and such termination shall be effective on the September 30 of such calendar year.

4. Security Deposit. The Security Deposit is not an advance payment of Rent. If Tenant is late in making any payment of Fixed Month Rent, Tenant shall, upon Landlord's request, increase the Security Deposit to a sum double the original amount of the Security Deposit. Upon an Event of Default, Landlord may, without prejudice to any other remedy or notice to Tenant, use the Security Deposit towards any unpaid Fixed Month Rent. Following any application of the Security Deposit, Tenant shall pay to Landlord on demand an amount sufficient to restore the Security Deposit. If Tenant is not then in default hereunder, any remaining balance of the Security Deposit shall be returned to Tenant upon expiration of the Lease Term but Landlord shall have the right to use the remaining balance for cleaning and repairing the Premises if Tenant fails to deliver the Premises in the condition required by this Lease.

5. Construction/No Warranty.

(a) Landlord shall with reasonable diligence prosecute the completion of any Finish Work. The Finish Work shall be performed in a good and workmanlike manner and to Tenant's reasonable satisfaction. Any installations or improvements to the Premises which exceed or are in addition to the Finish Work, if any, shall be at Tenant's request or by Tenant with Landlord's prior written approval, and Tenant agrees to pay for such items upon demand. Landlord retains absolute control over the exterior appearance of the Building and the exterior of the Premises as viewed from public halls and passageways and Tenant shall not, without Landlord's prior written consent (which, for installations within the Premises, shall not unreasonably be withheld), install any lighting, decorations, painting, drapes, window coverings, blinds, shades, lettering, placards or advertising of any type which can be viewed from the exterior of the Building.

(b) Tenant's possession of the Premises shall be conclusive evidence that Tenant has inspected the Premises and accepted the Premises as being in good and satisfactory condition, suitable for the purposes intended by Tenant. **TENANT ACKNOWLEDGES AND AGREES THAT LANDLORD HAS MADE NO, AND TENANT IS NOT RELYING UPON ANY, REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, AS TO THE HABITABILITY, SUITABILITY, ZONING QUALITY, CONDITION OR FITNESS OF THE PREMISES (INCLUDING, WITHOUT LIMITATION, ANY FINISH WORK OR OTHER IMPROVEMENTS THEREON) AND ANY AND ALL SUCH WARRANTIES, EXPRESS OR IMPLIED, ARE HEREBY DISCLAIMED TENANT ACCEPTS THE PREMISES "AS-IS" AND WITH ALL FAULTS AND TENANT WAIVES ANY DEFECTS IN THE PREMISES AND ANY CLAIMS ARISING THEREFROM AND EXCEPT FOR ANY FINISH WORK, LANDLORD HAS NO OBLIGATION TO MAKE ANY IMPROVEMENTS OR REPAIRS WHATSOEVER TO THE PREMISES.**

6. Services by Landlord. Landlord will furnish (in a manner comparable to high quality office buildings in proximity to the Building) to the Premises (a) air conditioning, both heating and cooling, from 7:00 a.m. to 8:00 p.m. on weekdays and from 7:00 a.m. to 2:00 p.m. on Saturday (except on holidays) and at such temperatures and in such amounts as may

be considered by Landlord to be reasonably required for comfortable use and occupancy under normal business operations (and in any event at least consistent with the standard for temperature and amounts as furnished in other office buildings of comparable quality in the Town of Addison, Texas); If Tenant requires air conditioning at any time other than the hours and the days specified above, Tenant shall deliver a written request to the superintendent of the Building before 3:00 p.m. of the business day preceding the extra usage, and for such service Tenant shall pay Landlord as additional Rent within five days after receipt of a bill, the sum of \$\_\_\_\_\_ per hour per floor (subject to proportionate adjustments to reflect increases or decreases in labor and utility costs), (b) cold water (at the normal temperature of the supply of water to the Building) for lavatory and toilet purposes and hot water (from the regular Building supply at prevailing temperatures) for lavatory purposes, (c) restroom facilities (including handicap restroom facilities), (d) electric lighting for all public areas and special service areas of the Building in the manner and to the extent deemed by Landlord to be reasonable and standard including replacement of Building standard light bulbs and tubes, (e) janitor and maid service to the Premises on weekdays other than holidays, (f) exterior window washing and parking areas, exterior walkways and general landscape cleaning and maintenance, (g) non-exclusive passenger elevator service sufficient for ingress and egress to the Premises, (h) routine maintenance of electric lighting and replacement of light bulbs and ballasts in Common Areas and the parking lot, (i) light and fluorescent bulb replacements for light fixtures in the Premises (to be paid for by Tenant), (j) Landlord shall issue to Tenant access control devices or codes allowing Tenant access to the Building during other than Normal Business Hours, (k) snow and ice removal, when necessary, (including sanding or salting of all drive or parking areas and exterior walkways), (l) vermin and pest control, (m) fire sprinkler systems.

For purposes hereof, "holidays" means only New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the Friday immediately following Thanksgiving Day, Christmas Eve, and Christmas Day, and "Normal Business Hours" means from 7:00 a.m. to 8:00 p.m. on weekdays (Monday through Friday) and from 7:00 a.m. to 2:00 p.m. on Saturday (except on holidays).

7. Common Area. The "Common Area" of the Building shall be the part of the Building and Land designated by Landlord for the common use of all tenants including, without limitation, halls, lobbies, delivery passages, drinking fountains, parking areas, and restrooms, which shall be subject to Landlord's sole management and control and shall be operated and maintained as Landlord shall determine. Landlord reserves the right to change from time to time the dimensions and location of the Common Area. Tenant, its employees, subtenants, and invitees shall have the nonexclusive right to use the Common Area subject to the Rules and Regulations (so called herein and attached hereto as Exhibit D). Tenant shall not solicit business or display merchandise within any Common Area, distribute handbills or take any action which would interfere with the rights of other persons to use the Common Area. Landlord may temporarily close any part of the Common Area for such periods of time as may be reasonably necessary to make repairs or alterations.

8. Adjustment of Rent.

(a) If, during any calendar year following the Base Year, the Operating Expenses (defined below) per square foot of rentable space in the Premises (obtained by dividing the total annual Operating Expenses by the total net rentable area of the Building) exceeds the Expense Stop per square foot, Tenant shall pay to Landlord, in accordance with Paragraph 8(b), below, and as additional Rent, an amount equal to the annual Operating Expenses per rentable square foot in excess of the Expense Stop multiplied by the number of rentable square feet stated in paragraph 1(i) above ("Additional Rent"). Any payment made with respect to the calendar year in which this Lease commences or terminates that is a partial year shall be prorated. Landlord may at its option make reasonable monthly or other periodic charges based upon the estimated increase in annual Operating Expenses.

Likewise, if during any calendar year following the Base Year, the Operating Expenses (defined below) per square foot of rentable space in the Premises (obtained by dividing the total annual Operating Expenses by the total net rentable area of the Building) is less than the Expense Stop per square foot, Landlord shall pay to Tenant in accordance with Paragraph 8(b), below, an amount equal to the annual Operating Expenses per rentable square foot that is less than the Expense Stop multiplied by the number of rentable square feet stated in paragraph 1(i) above.

On or before July 1 of each year while this Lease is in effect, Landlord shall provide to Tenant a written good faith estimate of the Additional Rent to be due by Tenant for the following calendar year (or portion thereof). During each calendar year or partial calendar year after the Base Year, Tenant may pay to Landlord, in advance concurrently with each monthly installment of Fixed Basic Rent, an amount equal to the estimated Additional Rent for such calendar year

or part thereof divided by the number of months therein. Any amounts paid based on such an estimate shall be subject to adjustment as herein provided when actual Operating Expenses are available for each calendar year.

“Operating Expenses” means and includes, without limitation, any and all costs of management, operation and maintenance of any type whatsoever of the Premises, the Building, (including the Common Area) or the Land incurred by Landlord and which Landlord is legally obligated to pay, including, without limitation, wages, salaries, benefits and other related payroll expenses (which wages, salaries, benefits, and other payroll expenses must either be for management which is (i) on site with the management fee to be reasonable and not to exceed the market rate or (ii) off-site and the management fee shall not exceed 3% of the Fixed Base Rent); utility charges; sewage charges; all insurance premiums (but no charges for insurance will be included that reflects increased premiums due to any act or omission of any other tenant of the Building for which Landlord would be entitled to reimbursement from such tenant); real estate ad valorem taxes, special assessments and any taxes in lieu of ad valorem taxes (together with the Personal Property Taxes, “Taxes”); accounting and legal fees incurred in connection with the operation and maintenance of the Building and the Land; janitorial and cleaning services; elevator services; licenses, permits and inspection fees; heating and cooling; maintenance, paint, landscaping, security, inspection, labor and supplies; lighting tubes, bulbs and fixtures; extermination; repairs and replacements including a reasonable allowance for Landlord's overhead costs and for depreciation of maintenance equipment, capital improvements, any and all general personal property taxes (“Personal Property Taxes”) levied against any items necessary for the management and operation of the Building (including the Common Area) or the Land, but such Operating Expenses shall not include costs attributable to the ownership of the Premises, Building (including the Common Area), and Land, including but not limited to the depreciation of the acquisition cost of the Building (including, without limitation, its contents or components) or Land or Landlord's mortgage payments. Tenant agrees that the foregoing method of calculating its share of Operating Expenses meets the requirements of Section 93.012 of the Texas Property Code.

Notwithstanding the foregoing, Operating Expenses do not and shall not include:

Any capital expenditures, including any capital replacements, capital repairs or capital improvements made to the Land or Building or Building systems, that are not primarily for the purpose of reducing operating costs (and all such costs shall be amortized over the reasonable life of the capital investment items (in accordance with generally accepted accounting principles), plus interest on the un-amortized or un-depreciated balance at 2% over the prime rate published in THE WALL STREET JOURNAL on, or on the publication date nearest, the date on which the cost was incurred);

Any sums levied on or incurred by Landlord relating to rents or revenues received from any source(s) or a franchise tax or margin tax (including the Texas margin tax levied pursuant to House Bill 3 as signed into law on May 18, 2006, as amended and supplemented from time to time, and any other business tax imposed under Texas Tax Code Chapter 171 and any successor statutory provision), assessment, or charge based, in whole or in part, upon such rents or revenues for the Building or Land;

Expenses for the preparation, alteration, or repair of space or other work which Landlord performs for any tenant or prospective tenant of the Building, other than Tenant;

Expenses for insurable casualties, except for Landlord's insurance deductible;

Expenses incurred in leasing or obtaining new tenants or retaining existing tenants, such as, but not limited to, leasing commissions, rent concessions, advertising or promotion;

Interest, amortization or other costs associated with any mortgages, loans or any refinancing of the Building or Land, bad debt loss, rent loss or reserves for either of them;

Cost of any items for which Landlord is actually reimbursed by condemnation proceeds or by warranty;

Expenses incurred for any necessary replacement that is under warranty;

Any cost associated with the business income of the Building or Land, including accounting and legal fees relating to ownership, construction, leasing, sale or litigation;

The cost of correcting defects in the construction of the Building or in Building equipment;

Landlord's general overhead expenses not related to the Building;

Cost incurred in the removal or abatement of asbestos or other hazardous substances within the Building or Land;

Cost of any new service offered by Landlord subsequent to the Commencement Date without Tenant's prior written consent; and

Landlord's income taxes, and penalties, interest, and attorneys fees on any Taxes.

(b) By March 1 of each calendar year, Landlord shall furnish to Tenant a statement of actual Operating Expenses, including the actual Operating Expenses applicable to the Premises determined as set forth in Paragraph 8(a) above, for the previous calendar year (the "Operating Expenses Statement"). If Tenant's estimated payments of Operating Expenses (if any) under this Paragraph 8 for the year covered by the Operating Expenses Statement exceed actual Operating Expenses applicable to the Premises (determined as set forth in Paragraph 8(a) above) as indicated in the Operating Expenses Statement, then Landlord shall credit or reimburse Tenant for such excess within 30 days after Landlord furnishes the Operating Expenses Statement to Tenant; likewise, if Tenant's estimated payments of Operating Expenses under this Paragraph 8 for such year are less than the actual Operating Expenses applicable to the Premises (determined as set forth in Paragraph 8(a) above) as indicated in the Operating Expenses Statement, then Tenant shall promptly pay Landlord such deficiency within 30 days after Landlord furnishes the Operating Expenses Statement to Tenant. The provisions of this subparagraph (b) shall survive the expiration or earlier termination of this Lease.

(c) Tenant may, from time to time upon twenty-one (21) days advance notice, audit and inspect Landlord's books and records with respect to charges imposed under this Paragraph 8. Tenant's audit or inspection shall be conducted in the Town of Addison, Texas (where Landlord shall provide its books and records) and shall be conducted during normal business hours (8:00 a.m. to 5:00 p.m., Monday through Friday, excluding holidays) for the preceding two (2) calendar years. Such audit shall be at Tenant's expense, unless such audit proves that Tenant has overpaid such charges by two percent (2%) or more for the period audited or any portion thereof, in which event Landlord shall reimburse Tenant's reasonable actual audit cost and related expenses. Landlord or Tenant shall promptly make any payment to correct any error proven to exist in connection with any audit under this subparagraph (c). The provisions of this subparagraph (c) shall survive the expiration or earlier termination of this Lease.

9. Tenant's Electricity Charge. Landlord will furnish sufficient power for lighting and standard office equipment or machines of low electrical consumption, but not including electricity for equipment or special lighting in excess of Building standard or which require voltage of more than 110 volts single phase. If Tenant has excess requirements for electricity, Tenant shall give Landlord written notice of Tenant's requirements, and Landlord, at Tenant's expense to be reimbursed to Landlord as additional Rent upon demand, will make reasonable efforts to supply such service through the then existing feeders servicing the Building. Landlord may also, at its sole option and upon giving Tenant at least 60 days prior written notice, install a separate electricity meter(s), at Tenant's expense (such expense being the actual cost to Landlord of such installation) to be reimbursed to Landlord as additional Rent upon demand. If Tenant has excess electricity requirements for which Landlord does not elect to install separate meter(s), Landlord shall determine the amount of electricity to be allocated to Tenant based on the power requirements of any such equipment, machines or special lighting. If Tenant does not agree with the allocation, Tenant may require Landlord to install a separate meter at Tenant's sole expense (such expense being the actual cost to Landlord of such installation) by giving written notice to Landlord (the cost of such separate meter shall be paid to Landlord in advance by Tenant). Landlord shall not be liable to Tenant for any failure or defect in the supply or character of electricity furnished to the Premises unless such failure is caused by any act or omission of Landlord. All replacement lighting tubes and bulbs required in Building standard fixtures in the Premises will be furnished and installed by Landlord. If Tenant's heat-generating computers or other equipment affect the temperatures otherwise maintained by the air conditioning system, Landlord may install supplemental air conditioning in the Premises and the cost thereof (being the actual cost incurred by Landlord), including the cost of installation, operation, use and maintenance shall be paid as additional Rent by Tenant to Landlord on demand. Tenant agrees that at all times its use of electric current shall never intentionally exceed the capacity of existing feeders to the Building, the risers or wiring installations.

10. Service Interruptions. Landlord does not warrant that the services provided for in paragraphs 8 and 9 above will be free from any slow-down, interruption or stoppage caused by the maintenance, repair, substitution, renewal, replacement or improvement of any of the equipment involved in the furnishing of any such services or caused by changes of services, alterations, strikes, lock-outs, labor controversies, fuel shortages, accidents, acts of God, the elements or any other cause, but Landlord shall use reasonable efforts to restore any services required of it that becomes unavailable; however no such slow-down, interruption or stoppage of any services shall constitute an eviction, actual or constructive, of Tenant nor, except as provided in the next sentence, shall Tenant be entitled to any abatement of Rent or relieved from any of its obligations hereunder. If, however, Tenant is prevented from using the Premises because of the unavailability of any such services for a period of 2 consecutive business days following Landlord's receipt from Tenant of a written notice regarding such unavailability, the restoration of which is within Landlord's reasonable control, and such unavailability was not caused by Tenant or a governmental directive, then Tenant shall, as its exclusive remedy be entitled to a full abatement of Rent for each consecutive day after such 2-day period that Tenant is so prevented from using the Premises, or Tenant may elect to terminate this Lease by issuance of written termination notice to Landlord at any time while Tenant is prevented from using the Premises due to the unavailability of such service.

11. Repairs.

(a) Landlord shall keep the Common Area in a clean and neat condition and in good repair and condition. Subject to paragraph 11(b) below, Landlord shall make all necessary repairs, within a reasonable period following receipt of notice from Tenant, to the roof, exterior walls, exterior doors, exterior locks on exterior doors and windows of the Building and to the Common Areas. There shall be no abatement of Rent and no liability of Landlord by reason of any injury to or interference with Tenant's business arising from the making of any repairs, alterations or improvements to any portion of the Premises or the Building. If any repairs, replacements or maintenance required on the part of Landlord hereunder are not accomplished within 10 days after written notice to Landlord from Tenant (or, in the event of emergency, such shorter notice as is reasonable under the circumstances), Tenant may, at its option, perform such repairs, replacements or maintenance, and in such event Tenant may offset and deduct from all sums and amounts owing to Landlord except only for Fixed Base Rent, all costs associated with such repairs, replacements or maintenance, plus an administrative fee equal to fifteen percent (15%) of such costs.

(b) Tenant, at its sole expense, (i) shall keep the Premises and all fixtures contained therein in a safe, clean and neat condition and (ii) shall bear the cost of maintenance and repair by contractors reasonably approved by Landlord of all facilities which are not expressly required to be maintained or repaired by Landlord and which are located in or outside of and which serve only the Premises including, without limitation, lavatory, toilet, wash basin and kitchen facilities and supplemental heating and air conditioning systems including all plumbing connected to such facilities or systems, installed by or on behalf of Tenant or existing in the Premises at the time of Landlord's delivery of the Premises to Tenant. Tenant shall pay for the cost of any repairs to the Premises or the Building arising from any negligence or misconduct of Tenant or any of its assignees, subtenants, employees or their respective agents, representatives, contractors or other persons permitted in or invited to the Premises or the Building by Tenant. If Tenant fails to make such repairs or replacements within fifteen days after written notice from Landlord, Landlord may at its option make such repairs or replacements and Tenant shall upon demand pay Landlord for the reasonable cost thereof plus an administrative fee of fifteen percent of such cost.

12. Assignment and Subletting.

(a) Except as provided in subparagraph (c) below, Tenant shall not, without Landlord's prior written consent, assign this Lease or any interest herein or sublet any part of the Premises.

(b) Except as provided in subparagraph (c) below, if Tenant desires to assign or sublet all or any part of the Premises, Tenant shall give Landlord written notice of such desire, and Landlord shall have the option, within 10 days after Tenant gives written notice of its desire to assign or sublet, of reacquiring the portion of the Premises which Tenant desires to assign or sublet by giving Tenant written notice of such reacquisition (and if Landlord fails to give such written notice, Landlord's option shall have expired and Landlord shall be deemed to have consented to such assignment or subletting). Upon Landlord reacquiring the Premises, the lease thereon shall terminate as of the time the Premises are reacquired by Landlord, leased to a new tenant, or are otherwise occupied by Landlord, whichever comes first. If Landlord consents to an assignment or sublease, such consent shall not relieve the Tenant of its obligation to comply with this Lease including, without limitation, payment of all Rent and other amounts due hereunder.

(c) As of the Commencement Date, Tenant is leasing the Premises in conjunction with Tenant's objective of promoting economic development, including its participation with Baylor University in a program called Accelerated Ventures ("Accelerated Ventures Program"). In connection with the Accelerated Ventures Program, Tenant will sublease a portion of the Premises to business start-ups for general office purposes. Notwithstanding subparagraphs (a) or (b) of this Paragraph 12 (and without Tenant having to comply therewith), Landlord acknowledges that Tenant may sublease the Premises to such business start-ups and consents to such subleases.

(c) Landlord shall have the right to transfer and assign, in whole or in part, any of its rights under this Lease and in the Premises, the Building and Land and shall be released from its obligations under this Lease to the extent of such transfer or assignment arising after the date of such transfer or assignment, provided that the transferee or assignee assumes in writing Landlord's obligations hereunder arising from and after the transfer or assignment date and provided that Landlord promptly delivers a copy thereof to Tenant.

13. Alterations/Additions. Tenant shall not make any alterations or additions to the Premises without the prior written consent of Landlord. Upon termination of this Lease, Tenant shall, if Landlord so elects, remove all alterations, additions, improvements and attached furniture and trade fixtures erected or installed by Tenant with the consent of Landlord and restore the Premises to their original condition (subject to ordinary wear and tear and to casualty damage), otherwise, such items shall be delivered to Landlord with the Premises. All unattached and/or movable furniture, personal property, and trade fixtures installed or provided by or for Tenant may be removed by Tenant prior to termination of this Lease if Tenant so elects, and shall be so removed if requested by Landlord. All such removals and restoration shall be accomplished in a good workmanlike manner so as not to damage the Premises or the Building, and Tenant agrees to repair any damage caused to the Premises and the Building by such removal. If Tenant fails to remove all personal property and trade fixtures, then Landlord is authorized to seize such property, notify Tenant at Tenant's last known address of the seizure and sell or otherwise dispose of the property as Landlord, in its sole discretion, deems appropriate. All proceeds of sale shall first be applied to charges for removal, storage and sale as may be determined by the Landlord. Alterations, improvements and additions to the Premises requested by Tenant shall be in accordance with plans and specifications which have been previously submitted to and approved in writing by Landlord. Except as otherwise provided for in this Lease, all work shall be performed at Tenant's expense and accomplished either by Landlord or by reputable insured contractors and subcontractors approved in writing by Landlord in its sole discretion.

14. Liens. Tenant will not permit any lien or liens to be placed upon the Premises, the Building or the Land. If any lien is filed based upon any act or omission of Tenant, Tenant shall have the lien discharged of record within ten days after the filing of the lien. If Tenant fails to timely discharge the lien, then, in addition to any other right or remedy of Landlord, Landlord may, but shall not be obligated to, discharge the lien either by paying the amount claimed to be due, by cash deposit in court or by a bond. Any amount paid by Landlord for any of the foregoing, or for the satisfaction of any other lien not caused by Landlord, and all reasonable attorneys fees and other expenses of Landlord, with interest thereon at the rate of eight percent per annum from the date of payment shall be paid by Tenant to Landlord on demand.

15. Use of the Premises. Tenant will not occupy or use, nor permit any portion of the Premises to be occupied or used, for any business or purpose except the Permitted Use or for any other business or purpose which is unlawful or deemed to be disreputable in any manner including, without limitation, extra hazardous risk or intentionally permitting anything to be done which will in any way increase the rate of insurance on the Building or the Land. If, by reason of any acts or omissions of Tenant which Landlord has not approved or to which it has not consented, there is any increase in the rate of insurance, then Tenant shall pay such increase to Landlord upon demand as additional Rent.

16. Governmental Requirement.

(a) Tenant will maintain the Premises in a clean and safe condition and comply with all laws, ordinances, orders, rules and regulations regarding the use, condition or occupancy of the Premises. Tenant will conduct its business and control its agents, employees and invitees in such manner as not to create any nuisance or unreasonable interference with, unreasonably annoy or unreasonably disturb other tenants or Landlord.

Landlord will maintain the Building (save and except the Premises) and Land in a clean and safe condition and in compliance with all laws, ordinances, orders, codes, standards, rules and regulations regarding the use, condition or occupancy of the same. Landlord will conduct its business and control its agents, employees and invitees, and other

tenants, in such manner as not to create any nuisance or unreasonable interference with, unreasonably annoy or unreasonably disturb Tenant. Landlord shall at all times comply with all applicable laws, ordinances, orders, rules, codes, standards, and regulations.

(b) Tenant shall not use any portion of the Premises for the placement, storage, manufacture, disposal or handling of any hazardous materials unless Tenant complies with all applicable environmental laws.

17. Tenant's Insurance.

(a) Tenant shall, at its sole cost and expense, maintain throughout the Lease Term a policy or policies of insurance insuring Tenant against any and all liability for injury to or death of a person and for damage to or destruction of property occasioned by or arising out of or in connection with the use or occupancy of the Premises, the Building or the Land or by the condition of the Premises, the Building or the Land with a combined single limit of \$1,000,000.00 for bodily injury and property damage, and to be written by an insurance company or companies satisfactory to Landlord and licensed to do business in Texas (and Landlord agrees that the Texas Municipal League Intergovernmental Risk Pool is satisfactory to Landlord) with Landlord named as an additional insured or indemnitee. Each policy shall require insurance company to notify Landlord at least twenty days prior to cancellation of such insurance. The policies or duly executed certificates of insurance shall promptly be delivered to Landlord at least thirty days prior to the expiration of the policies. If Tenant fails to comply with the foregoing insurance requirements, Landlord may obtain such insurance and Tenant shall pay as additional Rent to Landlord on demand the reasonable cost thereof plus interest at the rate of eight percent per annum from the date of payment by Landlord until repaid by Tenant.

19. Waiver of Subrogation. Each party waives any claim against the other party, or anyone claiming through or under them, by way of subrogation or otherwise, for any and all loss or damage to any of its property (**whether or not such loss or damage is caused by the fault or negligence of the other party**), which loss or damage is covered by the insurance. These waivers shall be in addition to, and not in limitation of, any other waiver or release contained in this Lease with respect to any loss or damage to property of the parties. Each of Landlord and Tenant shall immediately give its respective insurance company written notice of these mutual waivers and shall have the insurance policies endorsed, if necessary, to include or acknowledge these waivers.

20. Subordination/Attornment/Estoppel.

(a) This Lease shall be subordinate to any deed of trust, mortgage or other security instrument (a "Mortgage") that now or hereafter covers all or any part of the Premises (the mortgagee under any Mortgage is referred to as "Landlord's Mortgagee"), including any modifications, renewals or extensions of such Mortgage. Notwithstanding the foregoing, Tenant agrees that any such Landlord's Mortgagee shall have the right at any time to subordinate a Mortgage to this Lease on such terms and subject to such conditions as Landlord's Mortgagee may deem appropriate in its sole discretion. Tenant agrees to execute such further instruments subordinating this Lease or attorning to the Landlord's Mortgagee, that are in form and content acceptable to Tenant, within ten days of Landlord's request.

As of the Commencement Date, Landlord represents that all of the holders of mortgages, ground or underlying leases and security instruments are set forth in Exhibit "  " attached hereto and incorporated herein (each an "Existing Lender"), and Tenant shall be entitled to rely on such Exhibit until such time as Landlord shall have notified and informed Tenant in writing of any change thereto, and thereafter Tenant shall be entitled to rely upon the latest information regarding such names and addresses that has been provided to Tenant by Landlord.

(b) Tenant shall attorn to any party succeeding to Landlord's interest in the Premises, whether by purchase, foreclosure, deed in lieu of foreclosure, power of sale, or otherwise and shall execute such agreements confirming the attornment as such party may reasonably request and that are in form and content acceptable to Tenant.

(c) Tenant shall not seek to enforce any remedy it may have for any default on the part of the Landlord without first giving written notice by certified mail, return receipt requested, specifying the default in reasonable detail, to any Landlord's Mortgagee whose address has been given to Tenant, and affording such Landlord's Mortgagee a reasonable opportunity (but in any event within a time period that is no longer than Landlord has herein to cure a default after notice, and subject to the terms and conditions of this Lease) to perform Landlord's obligations hereunder.

(d) Tenant agrees that, within ten days of request by Landlord, from time to time, it will execute one or more customary tenant estoppel certificates that are in form and content acceptable to Tenant.

(e) Notwithstanding the foregoing, Landlord shall furnish to Tenant, within 10 days from the Commencement Date, Subordination, Non-Disturbance and Attornment Agreements ("SNDAs") in recordable form from each Existing Lender, in form and content acceptable to Tenant. Further, Landlord shall furnish to Tenant, within 10 days from the date of execution of new loans to lenders or of other instruments that encumber the Premises, Building or Land after the Effective Date, SNDA in recordable form from each of such lenders or holders or beneficiaries of such other instruments, in form and content acceptable to Tenant. Failure of Landlord to furnish SNDA within the time provided shall be an event of default and shall allow Tenant to terminate this Lease at any time after expiration of the 10-day period, but before Landlord cures the default and furnishes the SNDA to Tenant. In the event of such termination, Landlord shall immediately return to Tenant the Security Deposit (if applicable) and the prorated amount representing advance payment of Rent (if any) and all other charges paid in advance to Landlord. This provision shall survive termination of the Lease.

21. Rules and Regulations. Tenant and Tenant's agents, employees and invitees will comply with all of the Rules and Regulations attached to this Lease as Exhibit "D". Landlord shall at all times have the right to reasonably change the Rules and Regulations as Landlord deems reasonably advisable, but Tenant shall not be bound by any such changes until Landlord has given written notice of such changes to Tenant.

22. Access to Premises. Landlord, its agents and representatives may enter the Premises upon first giving Tenant reasonable notice (and in case of repairs necessitated by an emergency condition, without prior notice, but in such instance, promptly following entry into the Premises, Landlord shall notify Tenant of such entry and the nature of the emergency) at all reasonable hours to inspect or make repairs or alterations or show to prospective purchasers, tenants or lenders.

23. Eminent Domain/Damages. If the Premises are taken or condemned, in whole or in part, then this Lease Term shall, at the option of each of Landlord and Tenant, cease and terminate, and Tenant shall have no claim whatsoever to the condemnation award.

24. Casualty. If the Building is totally destroyed by fire, tornado or other casualty or if the Premises or the Building is so damaged that rebuilding or repairs cannot be completed within ninety days after the date of such damage, Landlord or Tenant may, at its option, terminate this Lease, in which event the Rent shall be abated during the unexpired Lease Term effective with the date of such damage. If the Building or the Premises is damaged by fire, tornado or other casualty covered by Landlord's insurance, but only to such extent that rebuilding or repairs can be completed within ninety days after the date of such damage, or if the damage is more serious and Landlord or Tenant does not elect to terminate this Lease, in either such event Landlord shall within thirty days after the date of such damage commence to rebuild or repair the Building and the Premises to substantially the same condition as existed immediately prior to the casualty, except that Landlord shall not be required to rebuild, repair or replace any furniture, equipment (including computer hardware or software), fixtures and other improvements placed by Tenant or other tenants within the Building or the Premises. Landlord shall allow Tenant a fair diminution of Rent during the time the Premises are unfit for occupancy. In the event any mortgagee under a deed of trust, security agreement or mortgage on the Building requires the insurance proceeds be used to retire the mortgage debt, Landlord shall have no obligation to rebuild and this Lease shall terminate upon notice to Tenant. Any insurance which may be carried by Landlord or Tenant against loss or damage to the Building or the Premises shall be for the sole benefit of the party carrying such insurance and Landlord's entire obligation to rebuild or restore shall be limited to the extent of any available insurance proceeds. Landlord shall have no obligation to insure Tenant's contents, business disruption or loss of profits or business.

25. Holding Over. If Tenant holds over the Premises, or any part thereof, after the expiration of the Lease Term, such holding over shall constitute a month to month tenancy at a rental equal to the rental paid for the last month of the Lease Term including not only the Fixed Basic Rent (plus fifty percent thereof) but also Operating Expenses.

26. Personal Property Taxes. Tenant shall be liable for taxes levied or assessed against personal property, furniture or fixtures in the Premises that are owned or leased by Tenant.

27. Default.

(a) Each of the following shall be an "Event of Default:"

(i) Tenant fails to pay any installment of Rent when due and such failure continues for a period of ten days after Landlord has given written notice to Tenant of such failure;

(ii) Tenant fails to comply with any term, provision or other covenant or agreement in this Lease, other than the payment of Rent, and fails to cure such failure within fifteen days after Landlord has given written notice to Tenant of such failure;

(iii) Tenant or any guarantor of Tenant's obligations makes an assignment for the benefit of creditors;

(iv) a receiver or trustee shall be appointed for all or substantially all of the assets of Tenant or any guarantor of Tenant's obligations and such receivership shall not be terminated or stayed within thirty days; (v)

and

(v) Tenant's failure to remove, within ten days notice, of any lien placed upon the Building or any part thereof, including the Premises, as described in Paragraph 14, above.

(b) Upon the occurrence of an Event of Default and in addition to all other rights and remedies available to Landlord under applicable law, Landlord shall have the option to pursue any one or more of the following remedies without any notice or demand whatsoever:

(i) terminate this Lease by a written instrument signed by Landlord in which event Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which it may have for possession or damages, enter upon and take possession and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof without being liable for prosecution or any claim for damages;

(ii) terminate Tenant's right to possession of the Premises, without terminating this Lease, in which event Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which it may have for possession or damages, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof without being liable for any damages and Tenant agrees to pay to Landlord, on demand, all reasonable loss and damage which Landlord may suffer by reason of such termination, whether through inability to re-let the Premises on satisfactory terms or otherwise provided;

(iii) enter upon the Premises, without terminating this Lease or Tenant's right to possession and without being liable for prosecution or any claim for damages therefor, and do whatever Tenant is obligated to do under this Lease, and Tenant agrees to reimburse Landlord on demand for any reasonable expenses which Landlord may incur in effecting compliance with Tenant's obligations under this Lease, plus an administrative fee equal to fifteen percent of any such expenses and Tenant further agrees that Landlord shall not be liable for any damages resulting to the Tenant for such action; or

(iv) allow Tenant to remain in the Premises and bring suit against Tenant to collect the monthly Rents and other charges provided in this Lease as they accrue. Landlord shall have a right to allow such deficiencies of monthly Rents and other charges provided in this Lease to accumulate and to bring an action on several or all of the accrued deficiencies at one time. Any such suit shall not prejudice in any way the right of Landlord to bring a similar action for any subsequent deficiency or deficiencies.

(c) The following provisions shall also apply to an Event of Default:

(i) Landlord and Tenant shall each use commercially reasonable efforts to mitigate any damages resulting from a default of the other party under this Lease.

(ii) Landlord's obligation to mitigate damages after an Event of Default by Tenant shall be satisfied in full if Landlord attempts to lease the Premises to another tenant (a "Substitute Tenant") in accordance with the following criteria:

(A) Landlord shall have no obligation to solicit or entertain negotiations with any other prospective tenant for the Premises until Landlord obtains full and complete possession of the Premises.

(B) Landlord shall not be obligated to lease the Premises to a Substitute Tenant for a rental less than the current fair market rental then prevailing for similar space, nor shall Landlord be obligated to enter into a new lease under other terms and conditions that are unacceptable to Landlord under Landlord's then current leasing policies for comparable space.

(C) Landlord shall not be obligated to enter into a lease with any proposed Substitute Tenant (a "Substitute Lease") which does not have, in Landlord's reasonable opinion, sufficient financial resources or operating experience to operate the Premises in a first-class manner.

(D) Landlord shall not be required to expend any amount of money to alter, remodel or otherwise make the Premises suitable for use by a proposed Substitute Tenant unless:

(aa) Tenant pays any such sum to Landlord in advance of Landlord's execution of a Substitute Lease with such Substitute Tenant (which payment shall not be in lieu of any damages or other sums to which Landlord may be entitled as a result of Tenant's default under this Lease), or a Substitute Lease provides for Substitute Tenant to pay any such sum; or

(bb) Landlord, in Landlord's sole discretion, determines that any such expenditure is financially justified in connection with entering into any such Substitute Lease.

(d) All rights and remedies of Landlord under this Lease or otherwise available by law are cumulative and the exercise of one or more rights or remedies shall not preclude or waive the right to the exercise of any other.

(e) Any payment due under this Lease not paid within ten days after the date herein specified to be paid shall bear interest from the date such payment is due to the date of actual payment at the lesser of eight-percent per annum or the maximum lawful rate.

(f) If, within any twelve month period, Tenant fails to timely make two payments of Rent or any two such payments are returned for insufficient funds, then, in addition to any other available remedy, Landlord may require all future payments to be made by cashier's check or money order.

28. Landlord's Default.

(a) Landlord shall be in default under this Lease if Landlord has not commenced and cured any failure of Landlord to perform its obligations under this Lease within ten days after the receipt by Landlord of written notice from Tenant of such failure. In such event, Tenant may (i) terminate this Lease, (ii) remedy the default by any necessary action, and Landlord shall, upon demand by Tenant, reimburse Tenant all sums expended in connection therewith, and/or may (iii) pursue any right or remedy that may be available to Tenant by law, in equity, or otherwise. All rights and remedies of Tenant under this Lease or otherwise available by law, in equity, or otherwise, are cumulative and the exercise of one or more rights or remedies shall not preclude or waive the right to the exercise of any other.

29. No Waiver. The receipt by Landlord of Rent with knowledge of the breach of any covenant contained in this Lease shall not be deemed a waiver of such breach. The receipt by Landlord of rent from any assignee, subtenant or occupant of the Premises shall not be a consent to any assignment and subletting of this Lease. Any such waiver by Landlord must be signed by Landlord. Any waiver by Tenant of any term or provision of this Lease, or of any law, rule, or regulation must be in writing and signed by an authorized representative of Tenant.

30. Waiver of Landlord's Lien. Landlord waives all contractual, statutory and constitutional liens held by Landlord on Tenant's personal property, goods, equipment, inventory, furnishings, chattels, accounts and assets ("Tenant's Property") to secure the obligations of Tenant under this Lease.

31. Miscellaneous.

(a) No Brokers. Landlord and Tenant each warrant to the other that it has not dealt with any broker or agent in connection with the negotiation or execution of this Lease. Landlord and Tenant each agree to indemnify the other against all costs, expenses, attorneys' fees, and other liability for commissions or other compensation claimed by any other broker or agent claiming by, through or under the indemnifying party.

(b) Force Majeure. If Landlord is delayed in complying with its obligations or duties under this Lease due to circumstances or events beyond Landlord's reasonable control (and which, by the exercise of due diligence, Landlord is unable to prevent), including without limitation, strikes, riots, acts of God, shortages of labor or materials, war, governmental laws, regulations, or restrictions or any other causes of any kind whatsoever beyond the reasonable control of Landlord (and which, by the exercise of due diligence, Landlord is unable to prevent), then Landlord's performance thereof shall be excused for such period of delay. If Tenant is delayed in complying with its obligations or duties under this Lease due to circumstances or events beyond Tenant's reasonable control (and which, by the exercise of due diligence, Tenant is unable to prevent), including without limitation, strikes, riots, acts of God, shortages of labor or materials, war, governmental laws, regulations, or restrictions or any other causes of any kind whatsoever beyond the reasonable control of Tenant (and which, by the exercise of due diligence, Tenant is unable to prevent), then Tenant's performance thereof shall be excused for such period of delay.

(c) Notices. All notices and other communications given by one party to the other under this Lease shall be in writing, addressed to the party at the address provided in the Definitions and Basic Provisions, and shall be by one of the following: (a) mailed by first class, United States Mail, postage prepaid, certified, with return receipt requested, (b) hand delivered by courier to the intended address, or (c) the next business day if sent by overnight courier. Notice sent by certified mail shall be effective three business days after being deposited in the United States Mail and all other notices shall be effective upon delivery.

(d) Severability. If any provision of this Lease is unenforceable under applicable law, the remainder of this Lease shall not be affected.

(e) Amendments/Binding Effect; No Third Party Beneficiaries. This Lease may not be amended except by a written instrument signed by the party against whom enforcement is sought. This Lease shall inure to the benefit of and be binding upon the parties hereto, and upon their respective successors and permitted assigns. This Lease and each of its provisions are solely for the benefit of the parties hereto and are not intended to and do not create or grant any rights, contractual or otherwise, to any third person or entity.

(f) Joint and Several Liability. If there is more than one Tenant, the obligations of Tenant shall be joint and several.

(g) Recording. Tenant shall not record or permit to be recorded in the records of the county where the Premises are located this Lease or any memorandum of lease.

(h) Time of Essence; Headings; "Includes"; No Waiver of Immunity. Time is of the essence to this Lease. Paragraph and subparagraph headings are for convenience only and shall not be used in interpretation of this Lease. For purposes of this Lease, "includes" and "including" are terms of enlargement and not of limitation or exclusive enumeration, and use of the terms does not create a presumption that components not expressed are excluded.

Notwithstanding any other provision of this Agreement, nothing in this Agreement shall or may be deemed to be, or shall or may be construed to be, a waiver or relinquishment of any immunity, defense, or tort limitation to which Tenant, its officials, officers, employees, representatives, and agents are or may be entitled, including, without limitation, any waiver of immunity to suit.

(i) Governing Law. This Agreement shall be governed by and enforced under the laws of Texas, without regard to choice of law rules of any jurisdiction. Venue for any action, suit, or proceeding under this Lease

shall lie exclusively in Dallas County, Texas, and each party hereto consents to the jurisdiction of the courts located therein.

(j) Authority. The person executing this Lease on behalf of each of Landlord and Tenant hereby represents and warrants that the person is duly authorized and empowered to execute this Lease on behalf of the respective party.

(k) Approval. Any approval or consent of Landlord or Tenant required under this Lease must be signed by Landlord.

(l) No Offer. The submission of this Lease by Landlord to Tenant for examination shall not constitute as an offer to lease the Premises. Landlord shall not be bound and Tenant shall not have any rights under this Lease unless and until Landlord executes this Lease and delivers it to Tenant.

(m) Exhibits. The following attached exhibits are incorporated herein.

- Exhibit A- Premises
- Exhibit B- Legal Description
- Exhibit C- Finish Work
- Exhibit D Rules and Regulations
- Exhibit E- Renewal Option

(n) Entire Agreement. This Lease, including the attached exhibits, constitutes the entire agreement between Landlord and Tenant regarding the subject matter hereof and supersedes all oral statements and prior writings. Except for those set forth in this Lease, no representations, warranties or agreements have been made by Landlord or Tenant or anyone acting on behalf of Landlord or Tenant with respect to this Lease.

(o) Counterparts. This Lease may be executed in counterparts which shall constitute the same document.

(p) Special Provisions.

(i) \_\_\_\_\_ All parking at the Building is surface and is unreserved. It is available for Tenant's use at a ratio of four spaces per one thousand rentable square feet leased.

(ii) \_\_\_\_\_

(iii) \_\_\_\_\_

LANDLORD  
14671-14683 MIDWAY ROAD LP  
by: Midway Devcor-EY LLC, its general partner

By: \_\_\_\_\_  
\_\_\_\_\_

Date: \_\_\_\_\_

Tenant

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

EXHIBIT A

PREMISES

EXHIBIT B

LEGAL DESCRIPTION

BEING a tract of land situated in the Thomas L. Chenoweth Survey, Abstract No. 173, City of Addison, Dallas County, Texas, and being all of Office in the Park Addition, an Addition to the City of Addison, Dallas County, Texas, according to the Map thereof recorded in Volume 78118, Page 1, Deed Records, Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a point in the West line of Midway Road (100 feet wide), said point being the Northeast corner of Tract No. Two of Littlebrook No. 1, an Addition to the City of Addison, according to the plat thereof recorded in Volume 77093, Page 2372, Deed Records, Dallas County, Texas, said point also being the most Easterly Southeast corner of said Office in the Park Addition, a

1/2 inch iron rod found for corner;

THENCE South 89 degrees 26 minutes 54 seconds West, leaving the said West line of Midway Road and proceeding with the North line of Tract No. Two of Littlebrook No. 1, a distance of 436.0 feet to the Northwest corner of said Tract No. Two, an "X" found in concrete corner;

THENCE South 00 degrees 16 minutes 00 seconds East with the West line of said Tract No. Two, a distance of 975.00 feet to a point in the North line of a Dallas Power and Light Company's 100 foot ROW, a 1/2 inch iron rod found for corner;

THENCE South 89 degrees 26 minutes 54 seconds West with the North line of said Dallas Power and Light Company's 100 foot ROW, same being the South line of Office in the Park Addition, a distance of 422.72 feet (429.73 feet per plat) to the Southeast corner of Midway Meadows Addition, an Addition to the City of Addison, Texas, according to the plat thereof recorded in Volume 79206, Page 1546, Deed Records, Dallas County, Texas, a 1/2 inch iron rod found for corner;

THENCE North 00 degrees 42 minutes 18 seconds West with the common line of said addition, a distance of 715.11 feet (North 00 degrees 08 minutes 39 seconds West, 715.17 feet per plat) , a 1/2 inch rod found for corner;

THENCE South 89 degrees 55 minutes 31 second East with the North line of said Office in the Park Addition, a distance of 864.19 feet to a point in the west line of Midway Road, a 1/2 inch iron rod found for corner;

THENCE: South 00 degrees 16 minutes 00 seconds East with the West line of Midway Road, a distance of 430.71 feet to the PLACE OF BEGINNING and containing 11.2967 acres of land or 492,084 square feet of land, more or less.

EXHIBIT C  
FINISH WORK

## EXHIBIT D

### RULES AND REGULATIONS

The following rules and regulations shall apply to the Premises, the Building, the parking lots and the appurtenances thereto:

1. Sidewalks, doorways, vestibules, halls, stairways and other similar areas shall not be obstructed by tenants or used by any tenant for purposes other than ingress and egress to and from their respective leased premises and for going from one to another part of the Building.
2. Plumbing, fixtures and appliances shall be used only for the purposes for which designed, and no sweepings, rubbish, rags or other unsuitable material shall be thrown or deposited therein. Damage resulting to any such fixtures or appliances from misuse by a tenant or its agents, employees or invitees, shall be paid by such tenant.
3. No signs, advertisements or notices shall be painted or affixed on or to any windows or doors or other part of the Property without the prior written consent of Landlord, which shall not be unreasonably withheld. No curtains or other window treatments shall be placed between the glass and the Building standard window treatments.
4. Landlord may provide and maintain an initial directory for all tenants in the main lobby of the Building and any changes and/or additions shall be in the Landlord's discretion and at the cost of \$50.00 per line.
5. Landlord shall provide all door locks in each tenant's leased premises, at the cost of such tenant, and no tenant shall place any additional door locks in its leased premises without landlord's prior written consent. Landlord shall furnish to each tenant a reasonable number of keys to such tenant's leased premises, at such tenant's cost.
6. Movement in or out of the Building of furniture or office equipment or dispatch or receipt by tenants of any bulky material, merchandise or materials which require use of elevators or stairways, or movement through the Building entrances or lobby shall be conducted under Landlord's supervision with prior written notice by Tenant, and at such times and in such a manner as Landlord may reasonably require. Each tenant assumes all risks of and shall be liable for all damage to articles moved and injury to persons or public engaged or not engaged in connection with carrying out this service for such tenant. Tenant must provide Landlord with a Certificate of Insurance in such amount as reasonably required by Landlord, and naming Landlord as an additional, named insured before Tenant shall move any furniture, files, office equipment or other items into or out of the Building or Premises.
7. Landlord may prescribe weight limitations and determine the locations for safes and other heavy equipment or items, which shall in all cases be placed in the Building so as to distribute weight in a manner acceptable to Landlord which may include the use of such supporting devices as Landlord may require. All damages to the Building caused by the installation or removal of any property of a tenant, or done by a tenant's property while in the Building, shall be repaired at the expense of such tenant.
8. Corridor doors, when not in use, shall be kept closed. Nothing shall be swept or thrown into the corridors, halls, elevator shafts or stairways. No birds or animals (other than dogs used by the visually impaired) shall be brought into or kept in, on or about any tenant's leased premises. No portion of any tenant's leased premises shall at any time be used or occupied as sleeping or lodging quarters.
9. Tenant shall cooperate with Landlord's employees in keeping its leased premises neat and clean. Tenants shall not employ any person for the purpose of such cleaning other than the Building's cleaning and maintenance personnel.
11. Tenant shall not make or permit any vibration or improper, objectionable, loud, excessive or unpleasant noises or odors in the Building or otherwise unreasonably interfere in any way with other tenants or persons having business with them.
12. No machinery of any kind (other than normal office equipment) shall be operated by any tenant on its leased area without Landlord's prior written consent, nor shall any tenant use or keep in the Building any flammable or explosive fluid or substance.

13. Landlord will not be responsible for lost or stolen personal property, equipment, money or jewelry from Tenant's area or public rooms regardless of whether such loss occurs when area is locked against entry or not. It is Tenant's sole responsibility to obtain property insurance to protect Tenant from theft, fire, damage, and other casualty to person or property in, on, upon or adjacent to the Premises and the Building. TENANT UNDERSTAND AND AGREES THAT LANDLORD SHALL NOT BE RESPONSIBLE FOR THE UNFORESEEABLE CRIMINAL ACTS OF THIRD PARTIES.

14. No vending or dispensing machines of any kind may be maintained in any leased premises without the prior written permission of Landlord.

15. Tenant shall not conduct any activity on or about the Premises or Building which will draw pickets, demonstrators, or the like.

16. All vehicles are to be currently licensed, in good operating condition, parked for business purposes having to do with Tenant's business operated in the Premises, parked within designated parking spaces, one vehicle to each space. No vehicle shall be parked as a "billboard" vehicle in the parking lot. Any vehicle parked improperly may be towed away. Tenant, Tenant's agents, employees, vendors and customers who do not operate or park their vehicles as required shall subject the vehicle to being towed at the expense of the owner or driver. Landlord may place a "boot" on the vehicle to immobilize it and may levy a charge of \$50.00 to remove the "boot."

EXHIBIT E

RENEWAL OPTION

Provided Tenant is not in default hereunder, Tenant shall have the right to renew this Lease for additional year term(s) (the "Renewal Term") provided that Tenant must exercise its option to renew by delivery of written notice to Landlord on or before 120 days prior to the expiration of the then current term. Tenant's failure to timely deliver the notice of exercise shall cause the option to renew to automatically terminate and be null and void. The Base Rent for the Renewal Term shall be per month. All other terms and conditions of this Lease shall remain the same during the Renewal Term.

## Council Agenda Item: #R11

**AGENDA CAPTION:**

Presentation of and discussion regarding the Quarterly Financial Report for the period ending March 31, 2013.

**FINANCIAL IMPACT:**

N/A

**BACKGROUND:**

The Town of Addison's financial policies require the publication of a financial report within sixty days of the end of a fiscal quarter.

**RECOMMENDATION:**

N/A

**COUNCIL GOALS:**

Mindful Stewardship of Town Resources

**ATTACHMENTS:**

Description:

 [FY2013 2nd Quarter Report](#)

Type:

Backup Material

Department of Financial & Strategic Services  
*Quarterly Review*

*For the Period Ended March 31, 2013*

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*Town of Addison  
March 2013*

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FY13 Budget Amendment Detail.....	Exhibit C
First Southwest Portfolio Report and Statement of Compliance.....	Attached

## **How to Read This Document**

### **Welcome!**

You are holding the internal Town of Addison quarterly review document for the period ending March 31, 2013. This document has been specially prepared to help you, the reader, learn of the year-to-date performance of major funds affecting the Addison community. Although you receive relevant figures of the Town's finances from these pages, the quarterly report has been designed to provide a brief overview for elected officials and Town staff only, with information pertaining to the production and performance of certain individual Town operations. The document is also designed as a communications device in which information is conveyed verbally and graphically.

### **Report Format**

The document is divided into three major sections: Introduction, Financial and Attachments. The Introduction section contains the Memorandum to the City Manager, from the Chief Financial Officer, which explains the revenue/expenditure activity for the Town's four major funds (General, Hotel, Airport, Utility), as well as a report on the cash and investments for the period. This section also contains the executive dashboards, which are graphical slides used to organize and display key performance indicators in a format that is easy to read and interpret. The dashboards serve as a starting point from which the reader can get a sense of the big picture, or snapshot of the current status, before plowing deeper into data.

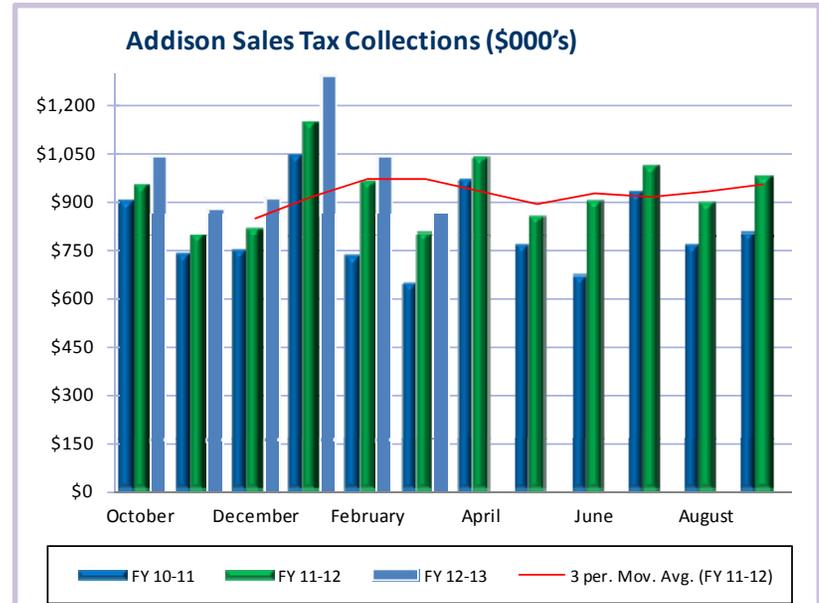
The Financial section displays the quantitative aspects of the Town's organization. Like many local governments, the Town uses the fund method of accounting. Simply stated, a fund is a unit of the Town which tracks the application of various public resources. For example, the Hotel Fund is established to track the use of hotel/motel occupancy tax. Most people are particularly interested in the General Fund which comprises most of the Town's operations like Police, Fire, and Parks. Financial statement summaries, including the adopted 2012-2013 budget, are presented for each fund. The statements show the fund's financial condition for the specific quarter, as well as the year-to-date totals and a comparison to prior fiscal year numbers. Also included in this section are additional collections related statements, which more fully illustrate various major tax revenue sources, cash receipts/disbursements information, and the Town's collateral summary. The section ends with a glossary of terms.

Finally, any relevant attachments are presented in a separate section towards the end of the document, and are used to more fully describe appropriate detail not included in the quarterly review. Currently, these attachments represent investment data from the Town's financial advisors, First Southwest Co., including the portfolio report and compliance statement for the same time period, as well as detail to any budget amendments for the year.

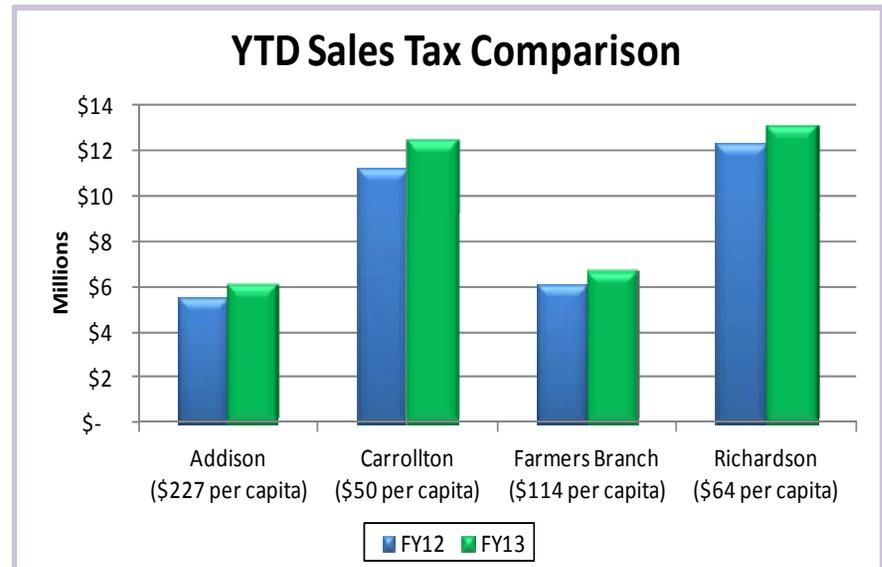
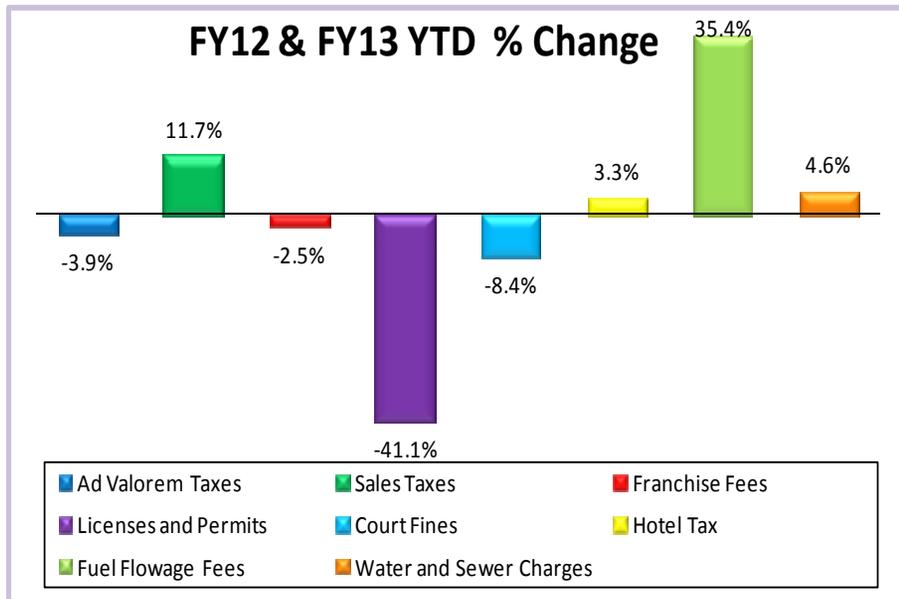
# Executive Dashboard – 2nd Quarter, 2013 Fiscal Year

## Financial Indicators

Key Revenue Sources	FY13 Budget	Actual through 3/31/13	% Annual Budget
Ad Valorem Taxes	\$ 10,483,730	\$ 10,422,292	99.41%
Sales Taxes	\$ 11,560,010	\$ 6,304,753	54.54%
Hotel Tax	\$ 4,200,000	\$ 2,133,990	50.81%
Franchise Fees	\$ 2,724,690	\$ 1,471,565	54.01%
Service/Permitting/License Fees	\$ 3,777,000	\$ 1,171,626	31.02%
Rental, Interest and Other Income	\$ 5,747,700	\$ 3,133,909	54.52%
Fuel Flowage Fees	\$ 679,250	\$ 386,578	56.91%
Water and Sewer Charges	\$ 10,661,520	\$ 4,060,880	38.09%



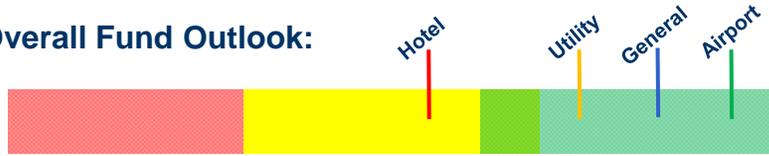
2nd Quarter – 50% of FY 2013 Completed



# Executive Dashboard – 2nd Quarter, 2013 Fiscal Year

## Financial Indicators

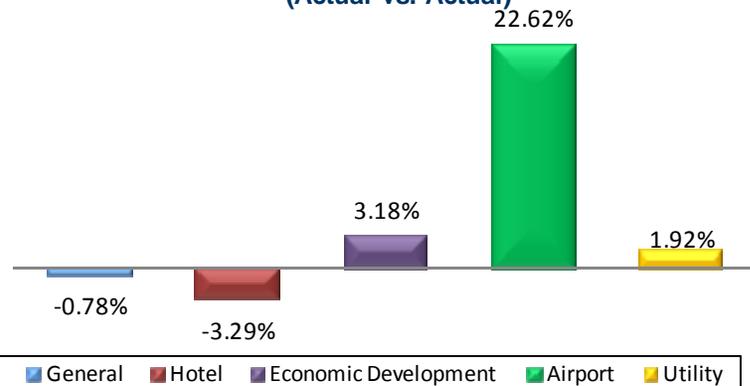
### Overall Fund Outlook:



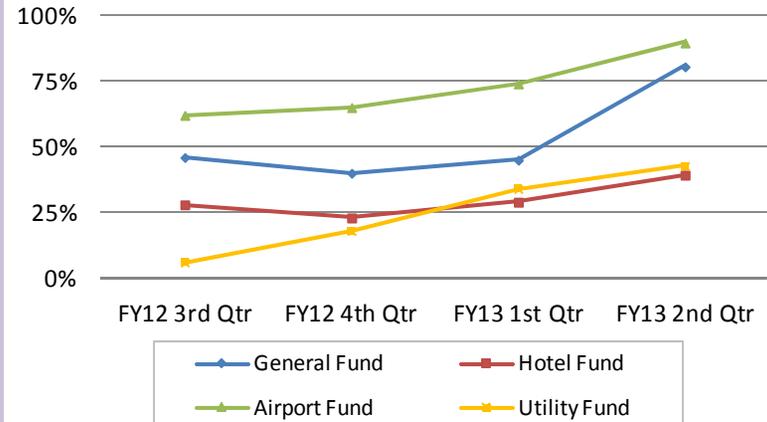
Key Expenditures	FY13 Budget	FY13 YTD 3/31/13 Actual	% Annual Budget
General Fund	\$ 29,547,500	\$ 12,591,276	42.61%
Hotel Fund	\$ 7,264,880	\$ 2,569,407	35.37%
Economic Development	\$ 788,490	\$ 260,420	33.03%
Airport Operations	\$ 4,144,500	\$ 1,634,016	39.43%
Utility Operations	\$ 11,747,360	\$ 3,736,949	31.81%

2nd Quarter – 50% of FY 2013 Completed

### FY12 & FY13 YTD % Change (Actual vs. Actual)



### Ending Fund Balance - Four Major Funds



### Q2 FY13 Budget Amendments:

Amendment	Amount	Fund
Please see <i>Exhibit C</i> in the Attachments section of this document.		

### Economic Development Incentives:

Executed Agreements	Amount Paid FY13	Total Incentives Committed
2	\$20,000	\$203,500

# Executive Dashboard – 2nd Quarter, 2013 Fiscal Year

## Economic Indicators

### Hotel Indicators:

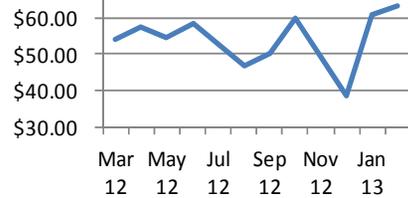
Hotel Occupancy

RevPAR



Source: STR Report

Hotel Rev Per Available Room  
Last 12 months



### Occupancy Indicators:

Office Occupancy

Retail Occupancy

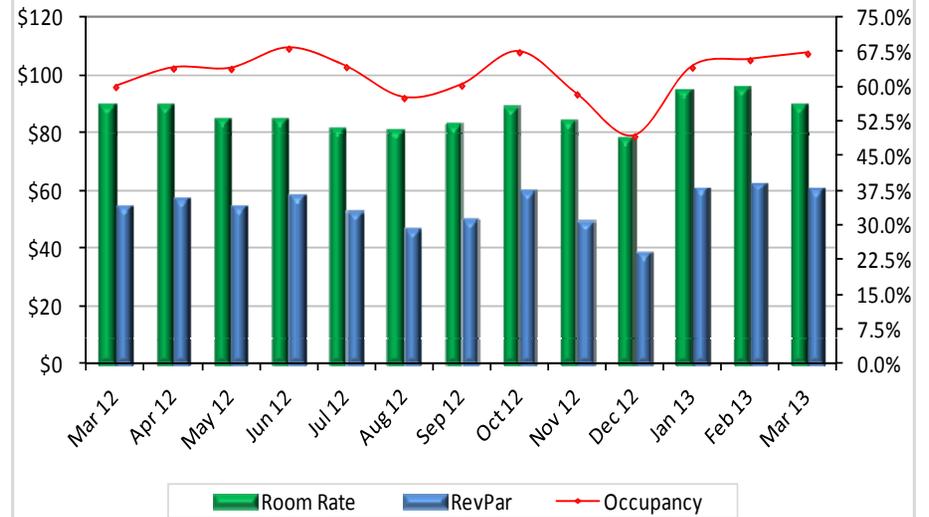


Source: Xceligent

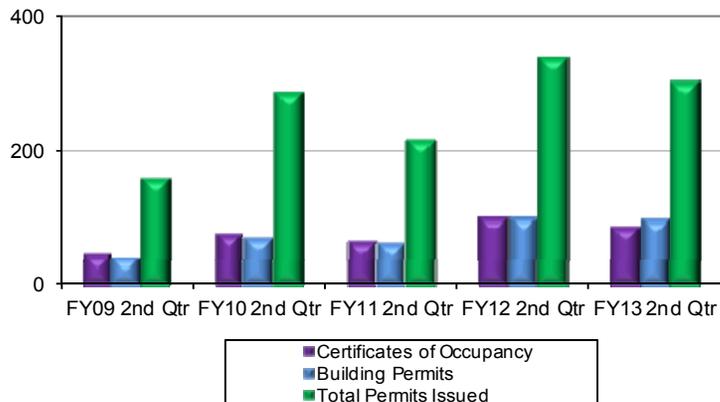
DFW Unemployment Rate  
Last 12 months



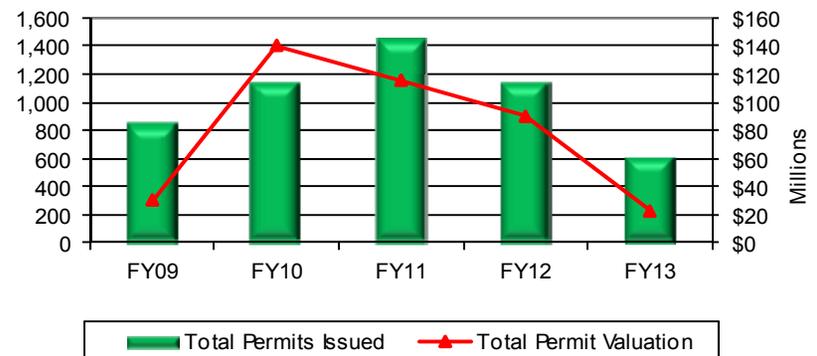
Addison Hotel Statistics



Quarterly Permit Activity



Total Permits Issued and Valuation





# MEMO

**To: Ron Whitehead, City Manager**  
**From: Eric Cannon, CPA, Chief Financial Officer**  
**Re: Second Quarter Financial Review**  
**Date: April 17, 2013**

This is the second quarter report for the 2012-2013 fiscal year. Revenues and expenditures reflect activity from October 1, 2012 through March 31, 2013.

## GENERAL FUND

- Revenues for the quarter ended March 31, 2013 totaled \$20 million, which is approximately \$100 thousand or .5% more than received this time last year. Property tax collections are slightly behind the prior year collections but are still projected to meet budget. Sales tax collections total \$6.1 million, a 12% increase over the previous year. This increase illustrates a two year trend that seems to indicate an improving local economy. Alcoholic beverage tax looks to be underperforming; however, the Town has only received one of the four quarter payments, the town is expecting to meet (ABT ) budgeted revenues. The increase in “other” revenue is attributed to proceeds from the Town’s auction of property. Rental income has experienced an increase due to the Town receiving several months of FY12 payments in the current period.
- Second quarter expenditures totaled \$12.6 million, which is 42.6% of budget and \$99k or 1% less than spent this time last year. All departments appear to be on pace with budget. Council Projects has spent 88% of budgeted expenditures due to the payment of non-profit grant funding in the fall.

## HOTEL FUND

- In the second quarter months, the report indicates revenues totaled \$2.7 million, a decrease of \$28,000 from this time last year. However, the Hotel occupancy tax (HOT) revenue for FY 2012 includes collections for six months, while the FY 2013 revenue reflects collections for five months. As of the date of this report, March payments were not received. Hotel occupancy tax collections are continuing to improve and through the first six months of FY 2013, collections are \$67,000, or 3% greater than the first six months of FY 2012. The other revenue categories are either on pace or slightly behind their budgeted numbers. Proceeds from Special Events are expected to increase as the event season approaches.
- Hotel fund expenditures of \$2.6 million are 32.4% of budget and \$87k less than this time a year ago. All departments appear to be on pace with budget.

## **AIRPORT FUND**

- Operating revenue through two quarters totaled \$2.3 million, significantly more than the previous year because the FY12 report reflects just five months of income compared to the FY13 report which includes six months of income.
- Through two quarters operating expenses amounted to \$1.5 million, resulting in net income of \$806k. The FY2013 budget anticipates \$21k in expenditures for the Town's maintenance, to date \$26 has been expended, which is 123.4% of budget. This can be attributed to the Airport Fund's IT contribution. It was discovered that this contribution was not included in the FY13 budget. This overage will be absorbed by other savings within the operating budget, or potentially result in a budget amendment at yearend, in the amount of \$12,100.

## **UTILITY FUND**

- Through the first two quarters, the fund recorded \$4.1 million in operating revenues, a \$140k increase from the year before. The increased revenue is attributed to a slight increase in the volume of water sold.
- Operating expenses totaled \$3.3 million, bringing net income to \$740k. Working capital increased \$228k due to a combination of increased operating revenues and decreased expenses through the first six months of operations.

## **CASH AND INVESTMENT REPORT**

- Cash for all funds as of March 31, 2013 totaled \$76.6 million, an increase of approximately \$3.6 million from the previous quarter. The increase is attributable to the receipt of ad valorem and sales tax payments.
- The Town's average investment yield to maturity at the end of March was 0.296 percent, a decrease from the previous quarter's yield of 0.023 percent. This yield is higher than the TexPool benchmark of 0.105 percent. The average weighted maturity decreased from 222 days to 193 days.
- As recommended by First Southwest Asset Management, we have invested in commercial paper up to the maximum threshold set in the Town's investment policy. In addition, we will continue to seek out CDs and callable agency securities in order to maximize yields. Finally, with interest rates expected to remain extremely low through the end 2015, we will look to extend the portfolio's duration to the extent cash flows allows.

**TOWN OF ADDISON**  
**EXECUTIVE SUMMARY OF MAJOR OPERATING FUNDS FOR THE QUARTER ENDED MARCH 31, 2013**  
 UNAUDITED ACTUAL AMOUNTS COMPARED TO THE 2014 ADOPTED BUDGET  
 With Comparative Information from Prior Fiscal Year

	General Fund			Hotel Fund			Airport Fund			Utility Fund			Total Major Operating Funds*		
	Budget	Actual	PY Actual	Budget	Actual	PY Actual	Budget	Actual	PY Actual	Budget	Actual	PY Actual	Budget	Actual	PY Actual
<b>RESOURCES</b>															
Ad Valorem Tax	\$ 10,483,730	\$ 10,422,292	\$ 10,847,048	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,483,730	\$ 10,422,292	\$ 10,847,048
Non-Property Tax	11,560,010	6,304,753	5,645,882	4,200,000	2,133,990	1,681,214	-	-	-	-	-	-	15,760,010	8,438,743	7,327,096
Franchise Fees	2,724,690	1,471,565	1,509,005	-	-	-	-	-	-	-	-	-	2,724,690	1,471,565	1,509,005
Service/Permitting/License Fees	2,160,500	1,018,319	1,242,323	1,716,250	189,311	347,937	-	-	308,189	10,648,020	4,024,876	3,922,055	14,524,770	5,232,506	5,820,504
Rental, Interest and Other Income	1,237,230	759,058	666,729	895,040	428,599	365,958	4,174,430	2,332,722	1,498,463	34,000	108	(30,862)	6,340,700	3,520,487	2,500,288
Transfers and Other Sources	50,000	25,000	-	-	-	-	-	-	-	-	-	-	50,000	25,000	-
<b>Total Resources</b>	<b>28,216,160</b>	<b>20,000,987</b>	<b>19,910,987</b>	<b>6,811,290</b>	<b>2,751,900</b>	<b>2,395,109</b>	<b>4,174,430</b>	<b>2,332,722</b>	<b>1,806,653</b>	<b>10,682,020</b>	<b>4,024,984</b>	<b>3,891,192</b>	<b>49,883,900</b>	<b>29,110,593</b>	<b>28,003,941</b>
<b>APPLICATION OF RESOURCES</b>															
Personal Services	18,925,910	8,345,206	8,491,458	1,565,630	653,825	659,007	366,530	178,574	173,492	1,386,020	633,821	609,013	22,244,090	9,811,426	9,932,969
Supplies and Materials	1,411,490	592,687	579,325	246,940	95,264	96,041	62,600	6,364	6,905	129,870	46,907	45,566	1,850,900	741,222	727,837
Maintenance	2,844,320	1,003,994	803,329	487,840	202,125	203,711	2,363,320	933,403	743,669	428,280	103,461	135,939	6,123,760	2,242,983	1,886,648
Contractual Services	5,087,960	2,037,592	2,240,772	4,268,370	1,270,143	1,323,704	839,060	407,734	320,448	6,057,670	2,530,494	2,537,003	16,253,060	6,245,963	6,421,927
Capital Equipment Amortization	1,223,820	-	542,005	76,100	38,050	28,250	-	-	-	-	-	-	1,299,920	38,050	570,255
Capital Equipment/Projects	54,000	611,797	33,092	-	-	11,064	118,000	52,999	79,089	435,000	179,905	2,764,036	607,000	844,701	2,887,281
Transfers and Other Uses**	-	-	-	620,000	310,000	335,000	394,990	54,942	45,407	3,310,520	335,361	1,641,936	4,325,510	607,303	2,022,343
<b>Total Application of Resources</b>	<b>29,547,500</b>	<b>12,591,276</b>	<b>12,689,982</b>	<b>7,264,880</b>	<b>2,569,407</b>	<b>2,656,776</b>	<b>4,144,500</b>	<b>1,634,016</b>	<b>1,369,009</b>	<b>11,747,360</b>	<b>3,736,949</b>	<b>7,733,493</b>	<b>52,704,240</b>	<b>20,531,648</b>	<b>24,449,261</b>
<b>Net Change in Fund Balances</b>	<b>\$ (1,331,340)</b>	<b>\$ 7,409,711</b>	<b>\$ 7,221,005</b>	<b>\$ (453,590)</b>	<b>\$ 182,493</b>	<b>\$ (261,667)</b>	<b>\$ 29,930</b>	<b>\$ 698,706</b>	<b>\$ 437,643</b>	<b>\$ (1,065,340)</b>	<b>\$ 288,035</b>	<b>\$ (3,842,301)</b>	<b>\$ (2,820,340)</b>	<b>\$ 8,578,945</b>	<b>\$ 3,554,681</b>

**Notes:**

\* Totals may not exactly match due to rounding.

\*\* Transfers and other uses includes interfund transfers and retirement of debt in the Airport and Utility funds.

**TOWN OF ADDISON**  
**GENERAL FUND**  
**FY 2013 QUARTERLY STATEMENT OF REVENUES COMPARED TO BUDGET**  
*With Comparative Information from Prior Fiscal Year*

Category	FY2012-13				FY2011-12	
	Budget	2nd Quarter	Year-to-Date	YTD as % of Budget	Year-to-Date	YTD as % of Budget
Ad Valorem taxes:						
Current taxes	\$ 10,452,740	\$ 7,485,085	\$ 10,395,114	99.4%	\$ 10,765,066	99.6%
Delinquent taxes	11,620	(3,658)	6,980	60.1%	54,597	91.7%
Penalty & interest	19,370	17,344	20,198	104.3%	27,384	62.1%
Non-property taxes:						
Sales tax	10,744,010	3,214,293	6,107,411	56.8%	5,453,780	49.8%
Alcoholic beverage tax	816,000	197,342	197,342	24.2%	192,102	26.0%
Franchise / right-of-way use fees:						
Electric franchise	1,555,500	344,687	798,922	51.4%	822,783	53.4%
Gas franchise	208,650	171,849	171,849	82.4%	204,559	95.1%
Telecommunication access fees	663,000	165,278	332,915	50.2%	332,684	50.4%
Cable franchise	290,540	84,247	166,629	57.4%	145,478	64.7%
Street rental fees	7,000	-	1,250	17.9%	3,500	50.0%
Licenses and permits:						
Business licenses and permits	179,740	27,669	65,675	36.5%	66,872	39.0%
Building and construction permits	544,750	166,820	282,051	51.8%	523,615	69.2%
Service fees:						
General government	500	51	164	32.8%	185	0.4%
Public safety	763,460	213,425	355,210	46.5%	360,893	48.4%
Urban development	3,000	330	1,410	47.0%	690	23.0%
Streets and sanitation	379,320	96,034	171,375	45.2%	169,023	50.1%
Recreation	64,400	15,419	29,769	46.2%	28,894	33.3%
Interfund	225,330	56,332	112,665	50.0%	92,150	50.0%
Court fines	1,047,000	264,129	506,518	48.4%	553,067	51.8%
Interest earnings	5,000	3,753	3,095	61.9%	5,535	18.4%
Rental income	137,500	75,000	123,958	90.2%	64,237	42.0%
Other	47,730	(202)	125,487	262.9%	43,890	58.0%
Other financing sources:						
Transfer from Hotel fund	50,000	25,000	25,000	50.0%	-	0.0%
<b>Total Revenues</b>	<b>\$ 28,216,160</b>	<b>\$ 12,620,227</b>	<b>\$ 20,000,987</b>	<b>70.9%</b>	<b>\$ 19,910,987</b>	<b>68.9%</b>

**TOWN OF ADDISON**  
**GENERAL FUND**  
**FY 2013 QUARTERLY STATEMENT OF EXPENDITURES COMPARED TO BUDGET**  
*With Comparative Information from Prior Fiscal Year*

Category	FY2012-13				FY2011-12	
	Budget	2nd Quarter	Year-to-Date	YTD as % of Budget	Year-to-Date	YTD as % of Budget
General Government:						
City manager	\$ 1,233,820	\$ 233,701	\$ 488,650	39.6%	\$ 597,556	48.8%
Financial & strategic services	950,540	251,670	468,581	49.3%	402,882	42.6%
General services	918,710	134,207	248,771	27.1%	348,367	39.4%
Municipal court	519,470	105,627	202,181	38.9%	218,947	43.6%
Human resources	620,590	101,491	199,840	32.2%	274,097	49.6%
Information technology	1,695,990	260,615	528,486	31.2%	681,053	52.8%
Combined services	646,980	147,559	297,966	46.1%	295,599	47.9%
Council projects	379,420	97,577	333,564	87.9%	201,760	67.4%
Public safety:						
Police	7,679,130	1,730,550	3,589,913	46.7%	3,539,066	47.8%
Emergency communications	1,251,770	318,939	492,357	39.3%	477,458	36.8%
Fire	6,073,100	1,409,837	2,831,793	46.6%	2,786,427	47.4%
Development services	984,930	207,336	430,953	43.8%	425,420	47.1%
Streets	1,811,450	458,545	672,178	37.1%	652,140	38.6%
Parks and Recreation:						
Parks	3,225,990	648,896	1,154,080	35.8%	1,170,685	39.3%
Recreation	1,555,610	349,100	651,964	41.9%	618,526	41.8%
Other financing uses:						
Transfers	-	-	-	N/A	-	0.0%
<b>Total Expenditures</b>	<b>\$ 29,547,500</b>	<b>\$ 6,455,650</b>	<b>\$ 12,591,277</b>	<b>42.6%</b>	<b>\$ 12,689,982</b>	<b>45.5%</b>

# TOWN OF ADDISON

## HOTEL FUND

### FY 2013 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET

*With Comparative Information from Prior Fiscal Year*

Category	FY2012-13				FY2011-12	
	Budget	2nd Quarter	Year-to-Date	YTD as % of Budget	Year-to-Date	YTD as % of Budget
<b>Revenues:</b>						
Hotel/Motel occupancy taxes	\$ 4,200,000	\$ 1,073,288	\$ 2,133,990	50.8%	\$ 1,681,214	40.0%
Proceeds from special events	1,716,250	141,035	189,311	11.0%	347,937	20.2%
Conference centre rental	603,290	173,488	273,333	45.3%	231,788	45.1%
Visit Addison rental	230,000	67,177	116,728	50.8%	91,819	52.5%
Theatre centre rental	70,000	21,946	33,219	47.5%	37,944	48.6%
Interest and miscellaneous	(8,250)	3,322	5,319	-64.5%	4,407	24.8%
<b>Total Revenues</b>	<b>6,811,290</b>	<b>1,480,256</b>	<b>2,751,900</b>	<b>40.4%</b>	<b>\$ 2,395,109</b>	<b>35.7%</b>
<b>Expenditures and other uses:</b>						
Visitor services	1,008,600	201,600	378,821	37.6%	372,395	35.3%
Visit Addison	570,690	159,098	244,739	42.9%	258,731	42.4%
Marketing	995,860	145,191	316,566	31.8%	256,354	33.6%
Special events	2,544,930	220,384	556,348	21.9%	678,829	27.4%
Conference centre	1,690,840	227,519	462,625	27.4%	453,856	41.3%
Performing arts	505,460	25,202	300,309	59.4%	301,611	53.6%
<b>Other financing uses:</b>						
Transfer to debt serv & general funds	620,000	167,500	310,000	50.0%	335,000	50.0%
<b>Total Expenditures and Other Uses</b>	<b>\$ 7,936,380</b>	<b>\$ 1,146,494</b>	<b>\$ 2,569,408</b>	<b>32.4%</b>	<b>\$ 2,656,776</b>	<b>36.7%</b>

**NOTES:**

1) Amounts spent by special event

Public Relations	\$ 332,750	\$ 108,078	\$ 108,078	32.5%	\$ 83,136	26.4%
Oktoberfest	575,000	23,162	9,937	1.7%	7,287	1.4%
Kaboom Town	287,880	1,335	5,335	1.9%	2,750	1.0%
Calendar	3,000	1,800	1,800	60.0%	19,396	64.7%
Hotel Support Program	200,000	43,284	43,284	21.6%	51,045	25.5%
Taste Addison	622,000	18,710	20,210	3.2%	4,256	0.7%
Shakespeare Festival	46,500	15,500	48,646	104.6%	48,002	103.2%
Summer Jazz Festival	44,320	1,335	4,529	10.2%	152	0.3%
WorldFest	234,350	18,158	171,623	73.2%	185,384	82.6%
Book Fair	-	-	1,055	0.0%	1,730	59.7%
Weekend to Wipe Out Cancer	13,000	-	111	0.9%	-	0.0%
Vitruvian Park Events	70,000	2,515	2,515	3.6%	138,667	150.7%
<b>TOTAL</b>	<b>\$ 2,428,800</b>	<b>\$ 233,877</b>	<b>\$ 417,123</b>	<b>17.2%</b>	<b>\$ 541,804</b>	<b>22.9%</b>

Note: Only includes five months of sales tax collections.

**TOWN OF ADDISON**  
**ECONOMIC DEVELOPMENT FUND**  
**FY 2013 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET**  
*With Comparative Information from Prior Fiscal Year*

Category	FY2012-13				FY2011-12	
	Budget	2nd Quarter	Year-to-Date	YTD as % of Budget	Year-to-Date	YTD as % of Budget
<b>Revenues:</b>						
<b>Ad Valorem taxes:</b>						
Current taxes	\$ 698,300	\$ 500,000	\$ 694,403	99.4%	\$ 548,076	99.8%
Delinquent taxes	780	(244)	459	58.8%	15	3.1%
Penalty & interest	1,290	1,159	1,344	104.2%	1,039	107.1%
Business license fee	85,000	56,300	59,200	69.6%	56,850	66.9%
Interest income and other	1,500	1,051	1,352	90.1%	794	158.8%
<b>Total Revenues and Other Sources</b>	<b>786,870</b>	<b>558,266</b>	<b>756,758</b>	<b>96.2%</b>	<b>606,774</b>	<b>95.4%</b>
<b>Expenditures:</b>						
Personal services	192,140	53,950	102,052	53.1%	66,379	48.8%
Supplies	15,000	5,893	10,347	69.0%	4,625	40.5%
Maintenance	9,090	-	1,391	15.3%	-	0.0%
Contractual services	566,890	97,142	143,945	25.4%	180,030	30.1%
Capital replacement/lease	5,370	1,342	2,685	50.0%	1,350	50.0%
<b>Total Expenditures</b>	<b>\$ 788,490</b>	<b>\$ 158,327</b>	<b>\$ 260,420</b>	<b>33.0%</b>	<b>\$ 252,384</b>	<b>33.5%</b>

**TOWN OF ADDISON**  
**STORM WATER FUND**  
**FY 2013 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET**  
*With Comparative Information from Prior Fiscal Year*

Category	FY2012-13				FY2011-12	
	Budget	2nd Quarter	Year-to-Date	YTD as % of Budget	Year-to-Date	YTD as % of Budget
<b>Revenues:</b>						
Stormwater fees	\$ -	\$ 367,004	\$ 367,004	0.0%	\$ -	0.0%
Interest earnings and other	-	51	51	0.0%	-	0.0%
<b>Total Revenues</b>	<b>-</b>	<b>367,055</b>	<b>367,055</b>	<b>0.0%</b>	<b>-</b>	<b>0.0%</b>
<b>Expenditures:</b>						
Personal services	-	2,588	2,588	0.0%	-	0.0%
Contractual services	-	4,200	4,200	0.0%	-	0.0%
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ 6,788</b>	<b>\$ 6,788</b>	<b>0.0%</b>	<b>\$ -</b>	<b>0.0%</b>

**TOWN OF ADDISON**  
**ADVANCED FUNDING GRANT FUND**  
**FY 2013 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET**  
*With Comparative Information from Prior Fiscal Year*

Category	FY2012-13				FY2011-12	
	Budget	2nd Quarter	Year-to-Date	YTD as % of Budget	Year-to-Date	YTD as % of Budget
<b>Revenues:</b>						
Intergovernmental	\$ -	\$ 1,200	\$ 2,400	0.0%	\$ 3,360	0.0%
Interest earnings and other	-	11	23	0.0%	475	11.9%
<b>Total Revenues</b>	<b>-</b>	<b>1,211</b>	<b>2,423</b>	<b>0.0%</b>	<b>3,835</b>	<b>95.9%</b>
<b>Expenditures:</b>						
Contractual services	-	-	-	0.0%	144	0.8%
Construction and equipment	-	-	-	0.0%	-	0.0%
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>	<b>\$ 144</b>	<b>0.8%</b>

**TOWN OF ADDISON**  
**REIMBURSEMENT GRANT FUND**  
**FY 2013 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET**  
*With Comparative Information from Prior Fiscal Year*

Category	FY2012-13				FY2011-12	
	Budget	2nd Quarter	Year-to-Date	YTD as % of Budget	Year-to-Date	YTD as % of Budget
<b>Revenues:</b>						
Intergovernmental	\$ -	\$ -	\$ 948	0.0%	\$ 12,454	0.9%
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>948</b>	<b>0.0%</b>	<b>12,454</b>	<b>0.9%</b>
<b>Expenditures:</b>						
Personal services	-	-	-	0.0%	533	10.7%
Supplies	-	-	-	0.0%	6,093	60.9%
Contractual services	-	-	-	0.0%	-	0.0%
Construction and equipment	-	-	-	0.0%	41,207	735.8%
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>	<b>\$ 47,833</b>	<b>191.3%</b>

**TOWN OF ADDISON**  
**AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) GRANT FUND**  
**FY 2013 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET**  
*With Comparative Information from Prior Fiscal Year*

Category	FY2012-13				FY2011-12	
	Budget	2nd Quarter	Year-to-Date	YTD as % of Budget	Year-to-Date	YTD as % of Budget
<b>Revenues:</b>						
Intergovernmental	\$ -	\$ 52,178	\$ 141,050	0.0%	\$ 55,199	29.4%
Total Revenues	<u>-</u>	<u>52,178</u>	<u>141,050</u>	0.0%	<u>55,199</u>	<u>29.4%</u>
<b>Expenditures:</b>						
Personal services	-	62,751	62,751	0.0%	55,199	29.1%
Supplies	-	-	-	0.0%	1,586	0.0%
Contractual services	-	-	-	0.0%	-	0.0%
Construction and equipment	-	-	-	0.0%	-	0.0%
Total Expenditures	<u>\$ -</u>	<u>\$ 62,751</u>	<u>\$ 62,751</u>	0.0%	<u>\$ 56,785</u>	<u>8.1%</u>

**TOWN OF ADDISON**  
**2012 CAPITAL PROJECT FUND**  
**FY 2013 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET**  
*With Comparative Information from Prior Fiscal Year*

Category	FY2012-13				FY2011-12	
	Budget	2nd Quarter	Year-to-Date	YTD as % of Budget	Year-to-Date	YTD as % of Budget
<b>Revenues:</b>						
Interest income and other	\$ -	\$ 49,426	\$ 49,426	0.0%	\$ 8,607	0.0%
Total Revenues	<u>-</u>	<u>49,426</u>	<u>49,426</u>	0.0%	<u>8,607</u>	<u>0.0%</u>
<b>Expenditures:</b>						
Engineering and contractual services	-	57,110	57,110	0.0%	-	0.0%
Construction and equipment	-	-	-	0.0%	-	0.0%
Total Expenditures	<u>\$ -</u>	<u>\$ 57,110</u>	<u>\$ 57,110</u>	0.0%	<u>\$ -</u>	<u>0.0%</u>

**TOWN OF ADDISON**  
**STREET CAPITAL PROJECT FUND**  
**FY 2013 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET**  
*With Comparative Information from Prior Fiscal Year*

Category	FY2012-13				FY2011-12	
	Budget	2nd Quarter	Year-to-Date	YTD as % of Budget	Year-to-Date	YTD as % of Budget
<b>Revenues:</b>						
Interest income and other	\$ 2,500	\$ 848	\$ 1,873	74.9%	\$ 2,668	41.1%
Total Revenues	<u>2,500</u>	<u>848</u>	<u>1,873</u>	74.9%	<u>2,668</u>	<u>41.1%</u>
<b>Expenditures:</b>						
Engineering and contractual services	-	13,115	52,827	0.0%	-	0.0%
Construction and equipment	1,294,350	-	-	0.0%	-	0.0%
Total Expenditures	<u>\$ 1,294,350</u>	<u>\$ 13,115</u>	<u>\$ 52,827</u>	4.1%	<u>\$ -</u>	<u>0.0%</u>

**TOWN OF ADDISON**  
**PARKS CAPITAL PROJECT FUND**  
**FY 2013 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET**  
*With Comparative Information from Prior Fiscal Year*

Category	FY2012-13				FY2011-12	
	Budget	2nd Quarter	Year-to-Date	YTD as % of Budget	Year-to-Date	YTD as % of Budget
<b>Revenues:</b>						
Interest income and other	\$ -	\$ 1	\$ 52	0.0%	\$ 7,123	18.6%
<b>Other financing sources:</b>						
Transfer from General Fund	-	-	-	0.0%	-	0.0%
<b>Total Revenues</b>	<b>-</b>	<b>1</b>	<b>52</b>	<b>0.0%</b>	<b>7,123</b>	<b>18.6%</b>
<b>Expenditures:</b>						
Maintenance	-	11,181	106,516	0.0%	-	0.0%
Engineering and contractual services	-	1,376	1,376		9,421	0.0%
Construction and equipment	75,000	-	-	0.0%	83,715	58.7%
<b>Total Expenditures</b>	<b>\$ 75,000</b>	<b>\$ 12,557</b>	<b>\$ 107,892</b>	<b>143.9%</b>	<b>\$ 93,135</b>	<b>65.4%</b>

**TOWN OF ADDISON**  
**2002 CAPITAL PROJECT FUND**  
**FY 2013 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET**  
*With Comparative Information from Prior Fiscal Year*

Category	FY2012-13				FY2011-12	
	Budget	2nd Quarter	Year-to-Date	YTD as % of Budget	Year-to-Date	YTD as % of Budget
<b>Revenues:</b>						
Interest earnings and other	\$ -	\$ 5	\$ 17	0.0%	\$ 1,005	96.7%
<b>Total Revenues</b>	<b>-</b>	<b>5</b>	<b>17</b>	<b>0.0%</b>	<b>1,005</b>	<b>96.7%</b>
<b>Expenditures:</b>						
Engineering and contractual services	-	-	-	0.0%	104,457	100.0%
Construction and equipment	-	-	-	0.0%	745,338	100.0%
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>	<b>\$ 849,795</b>	<b>100.0%</b>

**TOWN OF ADDISON**  
**2004 CAPITAL PROJECT FUND**  
**FY 2013 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET**  
*With Comparative Information from Prior Fiscal Year*

Category	FY2012-13				FY2011-12	
	Budget	2nd Quarter	Year-to-Date	YTD as % of Budget	Year-to-Date	YTD as % of Budget
<b>Revenues:</b>						
Interest earnings and other	\$ -	\$ -	\$ -	0.0%	\$ 696	46.4%
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>\$ 696</b>	<b>46.4%</b>
<b>Expenditures:</b>						
Contractual services	-	-	-	0.0%	-	0.0%
Construction and equipment	-	-	-		283,005	
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>	<b>\$ 283,005</b>	<b>64.2%</b>

Note: This fund was closed as of 9/30/2012

**TOWN OF ADDISON**  
**2006 CAPITAL PROJECT FUND**  
**FY 2013 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET**  
*With Comparative Information from Prior Fiscal Year*

Category	FY2012-13				FY2011-12	
	Budget	2nd Quarter	Year-to-Date	YTD as % of Budget	Year-to-Date	YTD as % of Budget
<b>Revenues:</b>						
Interest earnings and other	\$ 500	\$ 232	\$ 501	100.2%	\$ 427	42.7%
Total Revenues	<u>500</u>	<u>232</u>	<u>501</u>	100.2%	<u>\$ 427</u>	42.7%
<b>Expenditures:</b>						
Maintenance	354,640	-	-	0.0%	-	0.0%
Construction and equipment	-	-	-	0.0%	84,866	
Total Expenditures	<u>\$ 354,640</u>	<u>\$ -</u>	<u>\$ -</u>	0.0%	<u>\$ -</u>	0.0%

**TOWN OF ADDISON**  
**2008 CAPITAL PROJECT FUND**  
**FY 2013 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET**  
*With Comparative Information from Prior Fiscal Year*

Category	FY2012-13				FY2011-12	
	Budget	2nd Quarter	Year-to-Date	YTD as % of Budget	Year-to-Date	YTD as % of Budget
<b>Revenues:</b>						
Interest earnings and other	\$ 9,000	\$ 2,505	\$ 5,543	61.6%	\$ 11,047	6.6%
Total Revenues	<u>9,000</u>	<u>2,505</u>	<u>5,543</u>	61.6%	<u>11,047</u>	6.6%
<b>Expenditures:</b>						
Engineering and contractual services	-	38,696	47,718	0.0%	287,345	42.2%
Construction and equipment	1,725,000	33,038	319,013	18.5%	692,865	41.3%
Total Expenditures	<u>\$ 1,725,000</u>	<u>\$ 71,734</u>	<u>\$ 366,731</u>	21.3%	<u>\$ 980,210</u>	41.6%

**AIRPORT FUND**  
**FY 2013 QUARTERLY STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES TO WORKING CAPITAL COMPARED TO BUDGET**  
*With Comparative Information from Prior Fiscal Year*

Category	FY2012-13				FY2011-12	
	Budget	2nd Quarter	Year-to-Date	YTD as % of Budget	Year-to-Date	YTD as % of Budget
<b>Operating revenues:</b>						
Operating grants	\$ 50,000	\$ -	\$ 33,016	66.0%	\$ -	0.0%
Fuel flowage fees	679,250	242,354	386,578	56.9%	285,549	41.4%
Rental	3,363,080	1,203,795	1,884,202	56.0%	1,483,558	41.9%
User fees	52,300	17,568	25,804	49.3%	22,640	34.5%
Other income	-	2,017	3,122	0.0%	11,083	107.6%
<b>Total operating revenues</b>	<b>4,144,630</b>	<b>1,465,734</b>	<b>2,332,722</b>	<b>56.3%</b>	<b>1,802,830</b>	<b>41.4%</b>
<b>Operating expenses:</b>						
Town - Personal services	366,530	82,687	178,574	48.7%	173,492	53.6%
Town - Supplies	62,600	5,962	6,364	10.2%	6,905	11.0%
Town - Maintenance	21,000	15,047	25,906	123.4%	22,383	67.2%
Town - Contractual services	543,850	127,394	211,522	38.9%	190,518	35.0%
Grant - Maintenance	100,000	-	1,860	1.9%	18,650	18.7%
Operator operation & maintenance	2,242,320	576,758	905,637	40.4%	702,636	31.6%
Operator service contract	295,210	103,665	196,212	66.5%	129,930	42.6%
<b>Total operating expenses</b>	<b>3,631,510</b>	<b>911,513</b>	<b>1,526,075</b>	<b>42.0%</b>	<b>1,244,513</b>	<b>34.7%</b>
<b>Net operating income</b>	<b>513,120</b>	<b>554,221</b>	<b>806,647</b>	<b>157.2%</b>	<b>558,318</b>	<b>73.2%</b>
<b>Non-Operating revenues (expenses):</b>						
Interest earnings and other	29,800	(1,621)	-	0.0%	3,822	17.9%
Interest on debt, fiscal fees & other	(104,990)	(54,942)	(54,942)	52.3%	(57,545)	50.0%
<b>Total non-operating revenues (expenses)</b>	<b>(75,190)</b>	<b>(56,563)</b>	<b>(54,942)</b>	<b>73.1%</b>	<b>(53,723)</b>	<b>57.3%</b>
<b>Net income (excluding depreciation)</b>	<b>\$ 437,930</b>	<b>\$ 497,658</b>	<b>\$ 751,705</b>	<b>171.6%</b>	<b>\$ 504,595</b>	<b>75.4%</b>
<b>CHANGES IN WORKING CAPITAL</b>						
<b>Net income (excluding depreciation)</b>	<b>\$ 437,930</b>	<b>\$ 497,658</b>	<b>\$ 751,705</b>	<b>171.6%</b>	<b>\$ 504,595</b>	<b>75.4%</b>
<b>Sources (uses) of working capital:</b>						
Retirement of long-term debt	(290,000)	(290,000)	(290,000)	100.0%	(137,500)	50.0%
Net additions to fixed assets with grants	(98,000)	-	(9,999)	10.2%	(990)	0.1%
Other net additions to fixed assets	(20,000)	(43,000)	(43,000)	215.0%	(78,099)	130.2%
<b>Net sources (uses) of working capital</b>	<b>(408,000)</b>	<b>(333,000)</b>	<b>(342,999)</b>	<b>84.1%</b>	<b>(216,589)</b>	<b>17.6%</b>
<b>Net increase (decrease) in working capital</b>	<b>29,930</b>	<b>164,658</b>	<b>408,706</b>	<b>1365.5%</b>	<b>288,005</b>	<b>-51.1%</b>
<b>Beginning working capital</b>	<b>1,539,664</b>	<b>1,539,664</b>	<b>1,539,664</b>	<b>100.0%</b>	<b>1,511,564</b>	<b>71.9%</b>
<b>Ending working capital</b>	<b>\$ 1,569,594</b>	<b>\$ 1,704,322</b>	<b>\$ 1,948,370</b>	<b>124.1%</b>	<b>\$ 1,799,569</b>	<b>116.9%</b>

**NOTES:**

1) Current year operating revenues and operator expenses reflect six months of data. FY2012 operating revenues and operator expenses reflect only two months of data from airport operator due to reporting delay.

**UTILITY FUND**  
**FY 2013 QUARTERLY STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES TO WORKING CAPITAL COMPARED TO BUDGET**  
*With Comparative Information from Prior Fiscal Year*

Category	FY2012-13				FY2011-12	
	Budget	2nd Quarter	Year-to-Date	YTD as % of Budget	Year-to-Date	YTD as % of Budget
<b>Operating revenues:</b>						
Water sales	\$ 5,933,820	\$ 1,014,586	\$ 2,108,988	35.5%	\$ 2,016,862	33.0%
Sewer charges	4,644,200	1,099,583	1,915,888	41.3%	1,865,865	39.5%
Tap fees	10,000	1,235	1,270	12.7%	5,505	55.1%
Penalties	73,500	15,968	34,734	47.3%	33,823	46.0%
Total operating revenues	<u>10,661,520</u>	<u>2,131,372</u>	<u>4,060,880</u>	38.1%	<u>3,922,055</u>	35.9%
<b>Operating expenses:</b>						
Water purchases	2,955,200	806,000	1,300,673	44.0%	1,190,075	41.9%
Wastewater treatment	2,279,460	566,263	905,791	39.7%	985,657	48.0%
Utility operations	2,721,410	600,425	1,114,636	41.0%	1,082,809	39.3%
Total operating expenses	<u>7,956,070</u>	<u>1,972,688</u>	<u>3,321,100</u>	41.7%	<u>3,258,542</u>	42.6%
Net operating income	<u>2,705,450</u>	<u>158,684</u>	<u>739,780</u>	27.3%	<u>663,513</u>	20.2%
<b>Non-Operating revenues (expenses):</b>						
Interest earnings and other	20,500	(41,554)	(35,896)	-175.1%	(21,278)	42.9%
Interest on debt, fiscal fees & other	(395,970)	(224,505)	(224,505)	56.7%	(229,915)	50.0%
Total non-operating revenues (expenses)	<u>(375,470)</u>	<u>(266,059)</u>	<u>(260,401)</u>	69.4%	<u>(251,193)</u>	49.3%
Net income (excluding depreciation)	<u>\$ 2,329,980</u>	<u>\$ (107,375)</u>	<u>\$ 479,379</u>	20.6%	<u>\$ 412,319</u>	14.9%
<b>CHANGES IN WORKING CAPITAL</b>						
Net income (excluding depreciation)	<u>\$ 2,329,980</u>	<u>\$ (107,375)</u>	<u>\$ 479,379</u>	20.6%	<u>\$ 412,319</u>	14.9%
<b>Sources (uses) of working capital:</b>						
Retirement of long-term debt	(2,878,840)	-	-	0.0%	(1,377,400)	50.0%
Transfer of debt proceeds	-	-	-	0.0%	500,000	27.5%
Net additions to fixed assets	<u>(516,480)</u>	<u>(14,722)</u>	<u>(191,343)</u>	37.0%	<u>(1,710,915)</u>	73.4%
Net sources (uses) of working capital	<u>(3,395,320)</u>	<u>(14,722)</u>	<u>(191,343)</u>	5.6%	<u>(2,588,315)</u>	79.2%
Net increase (decrease) in working capital	(1,065,340)	(122,097)	288,036	-27.0%	(2,175,996)	440.3%
<b>Beginning working capital</b>	<u>2,315,121</u>	<u>2,315,121</u>	<u>2,315,121</u>	100.0%	<u>2,723,494</u>	96.9%
<b>Ending working capital</b>	<u>\$ 1,249,781</u>	<u>\$ 2,193,024</u>	<u>\$ 2,603,157</u>	208.3%	<u>\$ 547,499</u>	23.6%

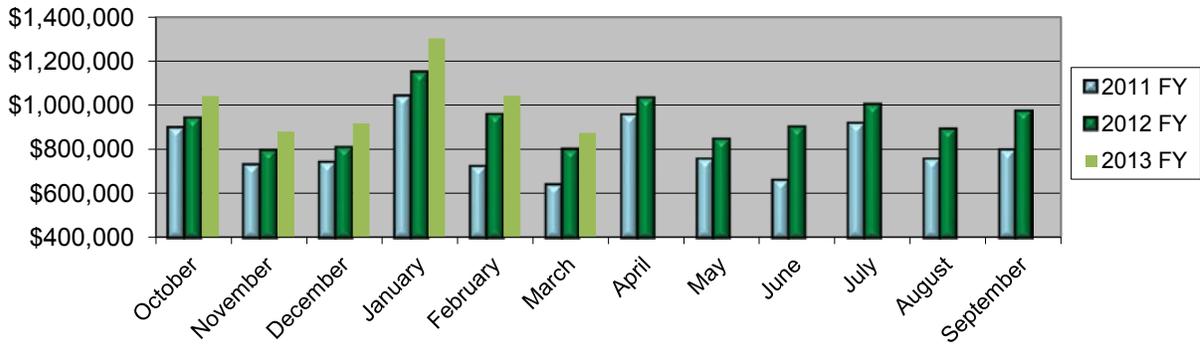
# TOWN OF ADDISON

## Schedule of Sales Tax Collections and Related Analyses

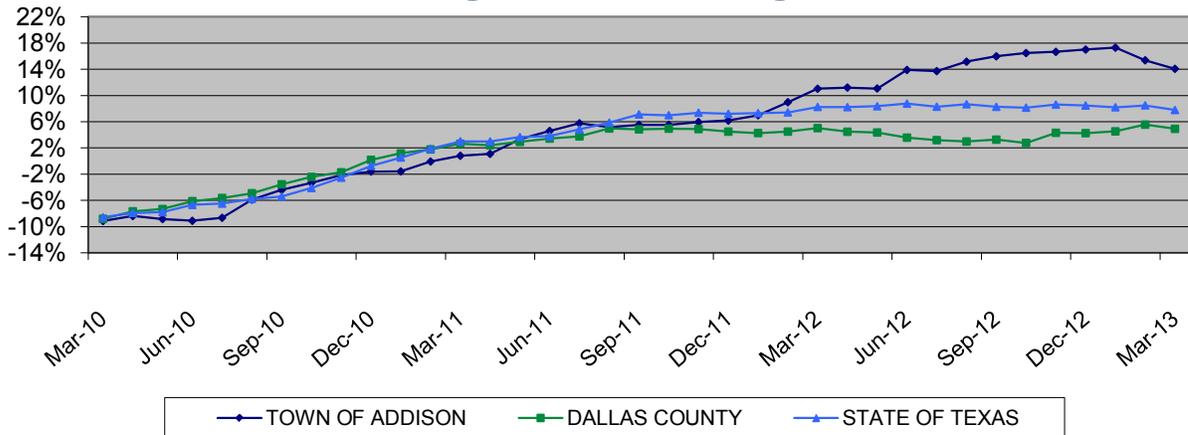
*For the period ending March 31, 2013*

	TOWN OF ADDISON				DALLAS COUNTY		STATE OF TEXAS	
	2012-13 Collections		% Change from Prior Year		% Change from Prior Year		% Change from Prior Year	
	Monthly	Cumulative	Monthly	Cumulative	Monthly	Cumulative	Monthly	Cumulative
October	\$ 1,041,298	\$ 1,041,298	15.6%	15.6%	-0.7%	2.8%	4.1%	8.1%
November	879,908	1,921,206	20.1%	17.6%	18.6%	4.3%	14.2%	8.6%
December	916,410	2,837,616	23.2%	19.4%	2.3%	4.3%	6.6%	8.5%
January	1,302,675	4,140,291	24.8%	21.0%	4.1%	4.5%	3.6%	8.2%
February	1,042,663	5,182,954	43.7%	25.0%	15.5%	5.6%	11.5%	8.5%
March	873,231	6,056,185	35.9%	26.5%	2.6%	4.9%	6.6%	7.8%
April								
May								
June								
July								
August								
September								
Budget 12-13:		\$ 10,744,010						
Projected Year End		\$ 23,657,463						

### Monthly Sales Tax Collections

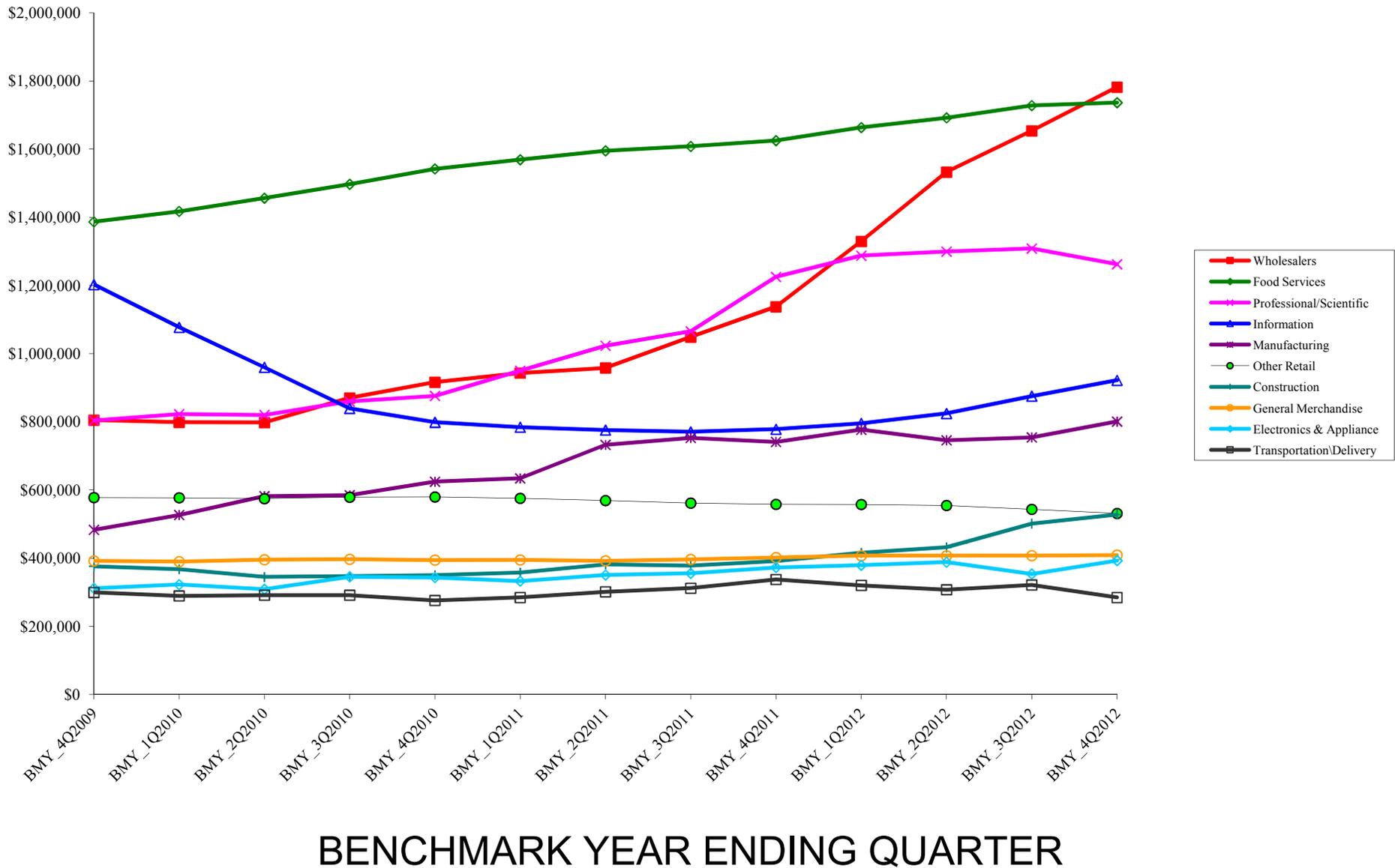


### Rolling 12-Month Averages



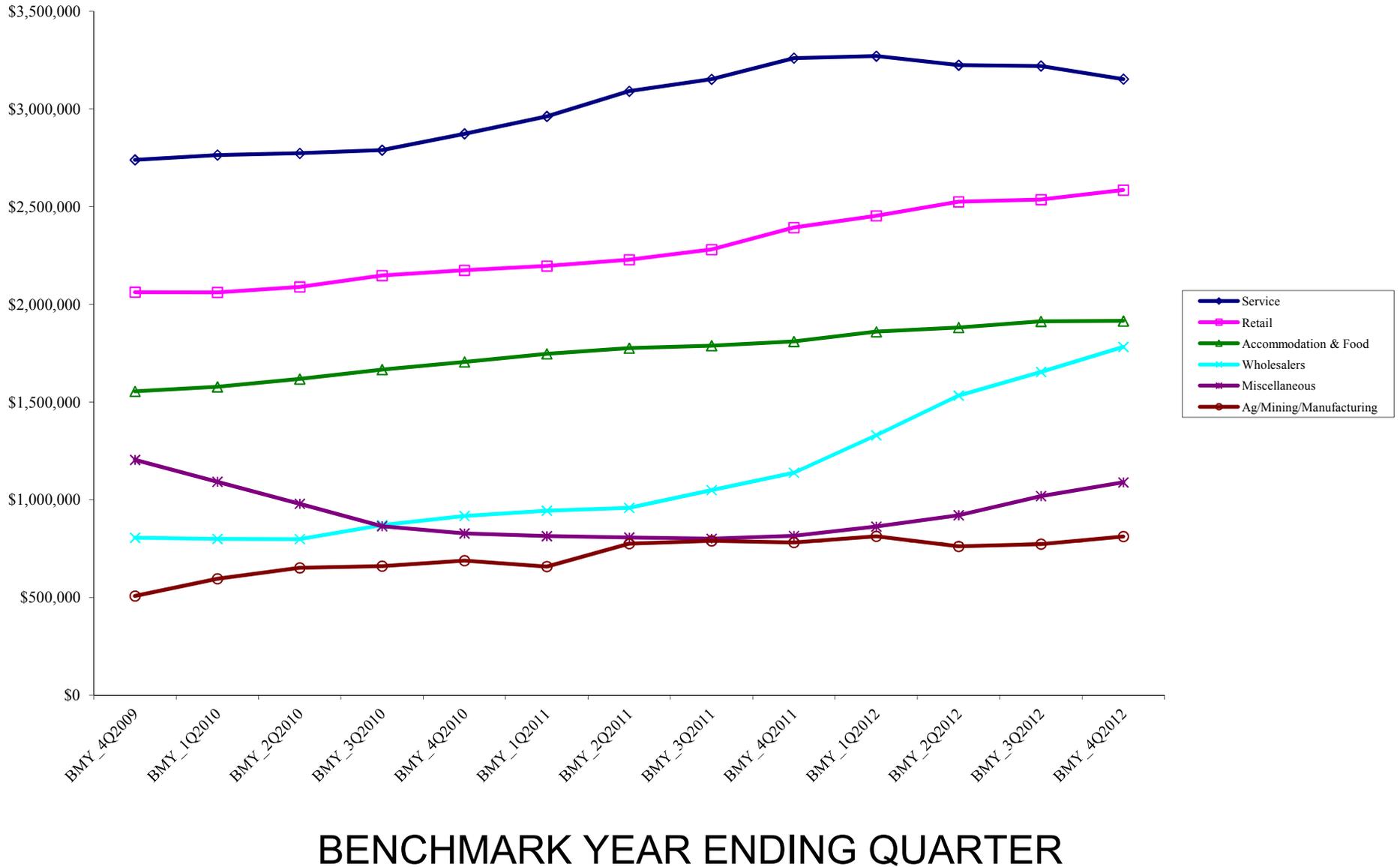
# TOWN OF ADDISON

## SALES TAX FROM TEN LARGEST BUSINESS SEGMENTS



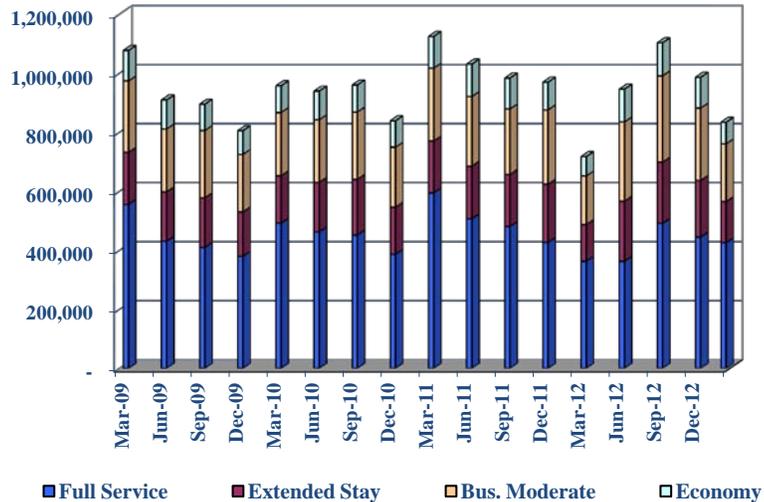
# TOWN OF ADDISON

## SALES TAX BY ECONOMIC CATEGORY



**TOWN OF ADDISON HOTEL OCCUPANCY TAX COLLECTION**  
**Hotels By Service Type for the Quarter and Year-to-Date Ended February 28, 2013**  
*With Comparative Information from Prior Fiscal Year*

	Rooms		January & February 2013		13 to 12 % Diff.	YTD FY 13		13 to 12 % Diff.
	Number	Percentage	Amount	Percentage		Amount	Percentage	
<b>Full Service</b>								
Marriott Quorum	535	14%	\$ 156,403	19%	17%	\$ 334,522	18%	20%
Intercontinental	532	13%	183,625	22%	19%	345,442	19%	4%
Crowne Plaza	429	11%	85,730	10%	15%	190,380	10%	7%
	<u>1,496</u>	<u>38%</u>	<u>425,758</u>	<u>51%</u>		<u>870,343</u>	<u>48%</u>	
<b>Extended Stay</b>								
Budget Suites	344	9%	992	0%	-50%	4,455	0%	-37%
Hawthorne Suites	70	2%	9,920	1%	-1%	25,714	1%	15%
Marriott Residence	150	4%	23,670	3%	-26%	65,314	4%	-16%
Summerfield Suites	132	3%	29,001	3%	37%	67,280	4%	43%
Homewood Suites	128	3%	33,532	4%	21%	79,791	4%	9%
Springhill Suites	159	4%	42,234	5%	33%	88,902	5%	-5%
	<u>983</u>	<u>25%</u>	<u>139,349</u>	<u>17%</u>		<u>331,456</u>	<u>18%</u>	
<b>Business Moderate</b>								
Marriott Courtyard Quorum	176	4%	54,108	6%	22%	114,187	6%	-5%
LaQuinta Inn	152	4%	22,007	3%	8%	55,100	3%	17%
Marriott Courtyard Proton	145	4%	34,711	4%	26%	71,308	4%	-9%
Holiday Inn Express	102	3%	24,501	3%	20%	59,390	3%	15%
Hilton Garden Inn	96	2%	30,254	4%	2%	72,633	4%	8%
Holiday Inn - Arapaho	101	3%	18,177	2%	12%	41,269	2%	8%
Comfort Inn	86	2%	11,864	1%	92%	26,758	1%	95%
	<u>858</u>	<u>22%</u>	<u>195,622</u>	<u>23%</u>		<u>440,646</u>	<u>24%</u>	
<b>Economy</b>								
Motel 6	126	3%	10,309	1%	-10%	27,167	1%	-5%
Hampton Inn	159	4%	36,435	4%	22%	86,766	5%	21%
Quality Inn	115	3%	6,440	1%	13%	15,580	1%	10%
Comfort Suites	78	2%	12,669	2%	15%	29,061	2%	8%
Super 8	78	2%	5,936	1%	12%	14,276	1%	14%
Best Value	60	2%	1,081	0%	-51%	4,480	0%	-17%
	<u>616</u>	<u>16%</u>	<u>72,870</u>	<u>9%</u>		<u>177,330</u>	<u>10%</u>	
<b>TOTAL</b>	<u>3,953</u>	<u>100%</u>	<u>\$ 833,599</u>	<u>100%</u>	<u>16%</u>	<u>\$ 1,819,776</u>	<u>100%</u>	<u>8%</u>



**TOWN OF ADDISON**  
**INTERIM STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**  
*For the Quarter Ending March 31, 2013*

Fund	Balance 12/31/2012	Quarter Receipts	Quarter Disbursements	Balance 3/31/2013
<b>General Fund</b>	\$ 12,555,007	\$ 20,708,414	\$ 15,172,292	\$ 18,091,129
<b>Special Revenue Funds:</b>				
Hotel	1,522,322	1,922,760	1,015,125	2,429,957
Economic Development	613,160	1,071,821	671,941	1,013,040
Public Safety	20,167	1,278	899	20,546
Municipal Court	428,636	209,264	224,814	413,086
Storm Water Fund	-	267,659	41,417	226,242
Advanced Funding Grant	15,944	1,211	-	17,155
Reimbursement Grant	(233,688)	633,647	633,647	(233,688)
ARRA Grant	2,958	564,561	575,133	(7,614)
<b>Debt Service Funds:</b>				
G. O. Bonds	3,143,658	9,945,852	10,539,458	2,550,052
Hotel Revenue Bonds	904,744	142,901	656,913	390,732
<b>Capital Projects Funds:</b>				
Streets	1,308,284	848	13,114	1,296,018
Parks	10,961	1	12,556	(1,594)
2002 G.O. Bonds	7,997	5	-	8,002
2004 G.O. Bonds	-	-	-	-
2006 G.O. Bonds	354,743	232	-	354,975
2008 C.O. Bonds	3,872,836	24,431	102,684	3,794,583
2012 C.O. Bonds	34,987,501	22,865	57,110	34,953,256
<b>Enterprise Funds:</b>				
Utility	6,011,476	2,536,865	5,398,447	3,149,894
Airport	2,265,436	1,415,223	1,447,162	2,233,497
<b>Internal Service Funds:</b>				
Capital Replacement	3,562,364	149,222	22,589	3,688,997
Information Technology	2,994,212	189,477	619	3,183,070
<b>TOTAL - ALL FUNDS</b>	<b>\$ 74,348,718</b>	<b>\$ 39,808,537</b>	<b>\$ 36,585,920</b>	<b>\$ 77,571,335</b>

Note: Cash inflows and outflows represent revenues, expenditures, and investment transactions.

<b>INVESTMENTS BY MATURITY AND TYPE</b>				
<i>For the Quarter Ending March 31, 2013</i>				
	Type	% of Portfolio	Yield to Maturity	Amount
	Pools	34.09%	0.11%	\$ 26,125,879
	Agencies	33.02%	0.36%	25,306,435
	Bank CD's	5.90%	0.59%	4,525,060
	Treasuries	0.00%	0.00%	-
	Commercial Paper	26.98%	0.39%	20,679,044
<b>Total Investments</b>		<b>99.99%</b>	<b>0.30%</b>	<b>76,636,418</b>
	Accrued Interest Earnings			145,298
	Demand Deposits			1,187,396
<b>TOTAL</b>				<b>\$ 77,969,112</b>

**COLLATERAL SUMMARY**

The first and most important objective for public funds investments is safety of assets. Therefore, all non-government security investments and bank accounts in excess of FDIC coverage must be secured by collateral. The bank balances and investments are monitored on a regular basis for appropriate coverage by marking the collateral to market. Collateral levels are adjusted to secure the varying levels of receipts throughout the fiscal year.

**Town of Addison  
Collateral Analysis  
Demand Deposit Cash  
March 31, 2013**

19

<b>Pledging Institution</b>	<b>Safekeeping Location</b>	<b>Account Title</b>	<b>Pledged Security Description</b>	<b>Security Par Value</b>	<b>Market Value</b>	<b>FDIC Insurance</b>	<b>Ending Bank Balance</b>	<b>Difference Over(Under)</b>
Frost Bank	Federal Reserve	Operating	GNMA due 9/15/2024	\$ 9,681,158	\$ 10,387,879			
Frost Bank	Federal Reserve	Operating	GNMA due 9/15/2025	3,828,568	4,108,053			
				<u>\$ 13,509,726</u>	<u>\$ 14,495,932</u>	<u>\$ 1,887,084</u>	<u>\$ 1,637,084</u>	<u>\$ 14,745,932</u>

## Glossary of Terms

### A

*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.

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

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

*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.

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

*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.

### D

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

## **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.

*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**

*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.

*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 difference between governmental fund assets and liabilities, also referred to as fund equity.

*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. The term FY2011 denotes the fiscal year beginning October 1, 2011 and ending September 30, 2012.

## **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.

*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* – Accounting system in which revenues are recognized and recorded in the accounts when they are measurable, available and collectible in the fiscal year.

*Modified Level of Service* – A modified level of service represents an increase or decrease in a department’s scope of service or funding levels. A modified level of service may be a request for additional funding submitted by a department during the budget process for new or expanding programs or services, or it may be the elimination of a position in a department. Modified levels of service are highlighted in the department narratives in alternate color text.

## **O**

*Operating Expenditure* – Expenditure on an existing item of property or equipment that is not a capital expenditure.

*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**

*Personal Services* – The costs associated with compensating employees for their labor.

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

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

*Purchase Order (PO)* – A document which authorizes the delivery of specified merchandise or the rendering of certain services and the making of a charge for them.

## **R**

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

## **S**

*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.

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

## **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.

## **W**

*Working Capital* – The amount of current assets which exceeds current liabilities.

**TOWN OF ADDISON**  
**DETAIL OF APPROVED FY 12-13 BUDGET AMENDMENTS**

Fund / Category	Revenues and Other Funding Sources/Uses	Expenditures						Total Department
		Personal Services	Supplies	Maintenance	Contractual Services	Capital Outlay		
<b>General Fund / Revenues and Other Sources</b>								
Increase in beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Decrease in fund reserves - Interfund loan to Hotel fund	(649,000)	-	-	-	-	-	-	-
<b>Total General Fund Revenues and Other Sources</b>	<b>\$ (649,000)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Hotel Fund / Revenues and Other Sources</b>								
Decrease in beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund loan from General Fund	649,000	-	-	-	-	-	-	-
<b>Total Hotel Fund Revenues and Other Sources</b>	<b>\$ 649,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Hotel Fund / Conference Centre</b>								
New HVAC System	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	649,000	\$ 649,000
<b>Total Visit Addison</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>649,000</b>	<b>\$ 649,000</b>
<b>Hotel Fund / Special Events</b>								
Increase for Festival Consulting Agreement	\$ -	\$ -	\$ -	\$ -	\$ -	22,500	\$ -	22,500
<b>Total Special Events</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>22,500</b>	<b>\$ -</b>	<b>22,500</b>
<b>Information Technology Internal Service Fund</b>								
Increase in beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures related to consolidated dispatch	-	-	-	-	-	-	369,213	369,213
<b>Total Information Technology Internal Service Fund</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>369,213</b>	<b>\$ 369,213</b>

**Town of Addison**

*Addison!*

**For the Quarter Ended**

**March 31, 2013**

### Report Name

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Certification Page
Executive Summary
Benchmark Comparison
Detail of Security Holdings
Change in Value
Earned Income
Investment Transactions
Amortization and Accretion
Projected Fixed Income Cash Flows

#### MARKET RECAP:

For the moment, modest economic growth coupled with aggressive Fed monetary policy is overpowering a number of headwinds, including higher taxes, lower government spending and a renewed concern about the situation in Europe. The so called sequester spending cuts officially went into effect on March 1st, as Congress failed to reach agreement on an alternative. Economists expect these cuts to be a significant drag on economic growth as the year progresses, but they also generally believe the economy is now strong enough to overcome it. Instead of 3% growth, perhaps we are looking at something closer to 2%. Headlines in Europe have entered the fray once again as plans to rescue the Cyprus banking system included the confiscation of depositors' funds. This has raised the prospect that similar plans could be applied to banks in other troubled Euro-zone nations, called into question the safety of the system, and fanned fears of crippling bank runs.

Here in the U.S., the month kicked off with a somewhat better than expected February employment report, which showed an increase of 236k jobs and a decline in the unemployment rate from 7.9% to 7.7%. Unfortunately, January data was revised lower and about half of the decrease in the unemployment rate was attributed to a decline in the workforce, taking some of the luster off the report. Retail sales, boosted by higher gas prices, jumped 1.1% in February, the largest rise in five months. While the headline was impressive, if gas prices had not risen so sharply, the increase would have been about half as large. The final revision to fourth quarter 2012 GDP boosted economic growth to 0.4%, a definite improvement from the originally reported *minus* 0.1%. Encouragingly, optimism seems to be on the rise, leading both the DOW and the S&P 500 to record highs in March. While economic conditions have improved, growth is tepid at best, unemployment remains unacceptably high, and risks abound. That has led the Fed to reaffirm its commitment to current monetary policy, and despite a more lively internal debate, there is no real indication that policy is likely to change anytime soon.



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**For the Quarter Ended  
March 31, 2013**

This report is prepared for the **Town of Addison** (the "Entity") in accordance with Chapter 2256 of the Texas Public Funds Investment Act ("PFIA"). Section 2256.023(a) of the PFIA states that: "Not less than quarterly, the investment officer shall prepare and submit to the governing body of the entity a written report of the investment transactions for all funds covered by this chapter for the preceding reporting period." This report is signed by the Entity's investment officers and includes the disclosures required in the PFIA. To the extent possible, market prices have been obtained from independent pricing sources.

The investment portfolio complied with the PFIA and the Entity's approved Investment Policy and Strategy throughout the period. All investment transactions made in the portfolio during this period were made on behalf of the Entity and were made in full compliance with the PFIA and the approved Investment Policy.

**Officer Names and Titles:**

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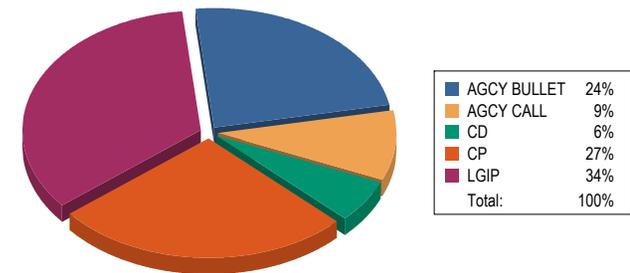
**Account Summary**

**Allocation by Security Type**

Beginning Values as of 12/31/12

Ending Values as of 03/31/13

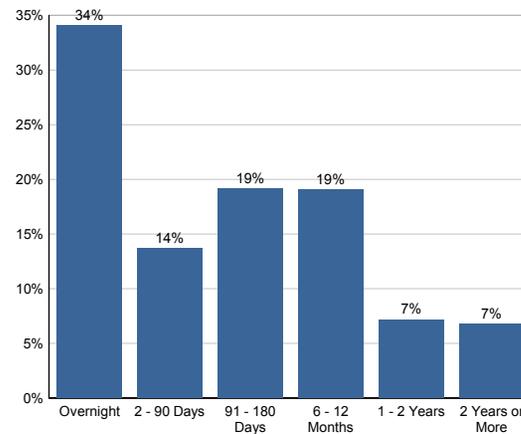
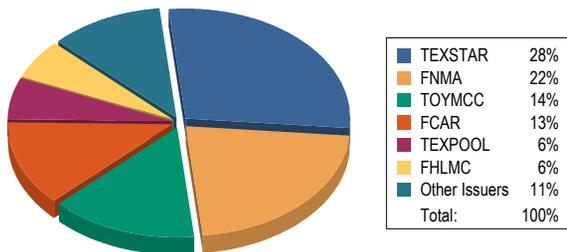
Par Value	72,736,921.95	76,407,938.69
Market Value	73,044,263.45	76,667,803.29
Book Value	73,016,023.74	76,636,417.90
Unrealized Gain / Loss	28,239.71	31,385.39
<b>Market Value %</b>	<b>100.42%</b>	<b>100.34%</b>
Weighted Avg. YTW	0.307%	0.282%
Weighted Avg. YTM	0.319%	0.296%



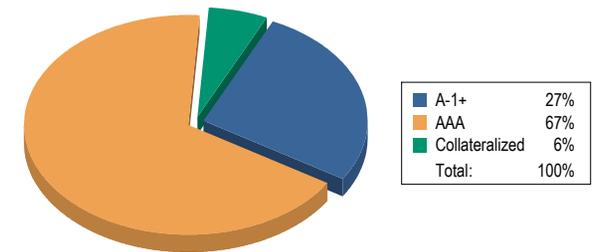
**Allocation by Issuer**

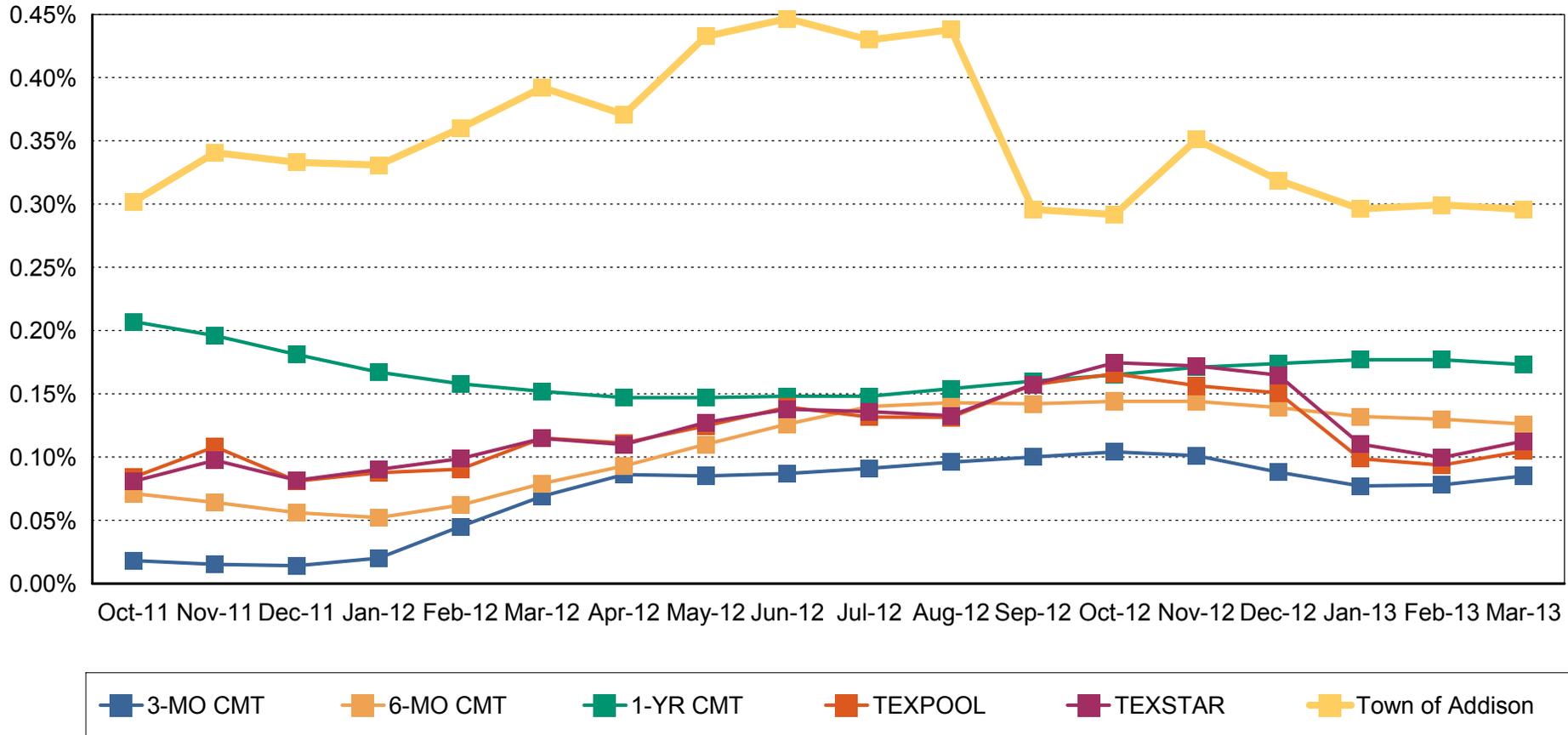
**Maturity Distribution %**

**Credit Quality**



**Weighted Average Days to Maturity: 193**





**Note 1:** CMT stands for Constant Maturity Treasury. This data is published in Federal Reserve Statistical Release H.15 and represents an average of all actively traded Treasury securities having that time remaining until maturity. This is a standard industry benchmark for Treasury securities. The CMT benchmarks are moving averages. The 3-month CMT is the daily average for the previous 3 months, the 6-month CMT is the daily average for the previous 6 months, and the 1-year and 2-year CMT's are the daily averages for the previous 12-months.

**Note 2:** Benchmark data for TexPool is the monthly average yield.

**Note 3:** Benchmark data for TexSTAR is the monthly average yield.



**Town of Addison**  
**Detail of Security Holdings**  
 As of 03/31/2013

CUSIP	Settle Date	Sec. Type	Sec. Description	CPN	Mty Date	Next Call	Call Type	Par Value	Purch Price	Orig Cost	Book Value	Mkt Price	Market Value	Days to Mty	Days to Call	YTM	YTW
<b>Pooled Funds</b>																	
TEXPOOL		LGIP	TexPool					4,605,746.74	100.000	4,605,746.74	4,605,746.74	100.000	4,605,746.74	1		0.105	0.105
TEXSTAR		LGIP	TexSTAR					21,520,131.94	100.000	21,520,131.94	21,520,131.94	100.000	21,520,131.94	1		0.113	0.113
89233GR24	12/03/12	CP - DISC	Toyota Mtr Cr		04/02/13			4,000,000.00	99.920	3,996,800.00	3,999,973.32	99.999	3,999,972.00	2		0.240	0.240
CD-2270	10/07/11	CD	ViewPoint Bk CD	0.599	04/08/13			2,522,247.73	100.000	2,522,247.73	2,522,247.73	100.000	2,522,247.73	8		0.599	0.599
3024A0SA4	08/15/12	CP - DISC	FCAR Owner Trust		05/10/13			1,000,000.00	99.576	995,756.67	999,382.50	99.976	999,756.00	40		0.572	0.572
89233GSF4	11/16/12	CP - DISC	Toyota Mtr Cr		05/15/13			3,000,000.00	99.855	2,995,650.00	2,998,936.68	99.976	2,999,289.00	45		0.290	0.290
89233GUC8	10/16/12	CP - DISC	Toyota Mtr Cr		07/12/13			3,000,000.00	99.768	2,993,050.83	2,997,365.01	99.934	2,998,026.00	103		0.311	0.311
3024A0V69	11/09/12	CP - DISC	FCAR Owner Trust		08/06/13			8,700,000.00	99.625	8,667,375.00	8,684,654.16	99.897	8,691,030.30	128		0.502	0.502
313376WB7	08/20/12	AGCY BULET	FHLB	0.280	08/13/13			2,000,000.00	100.046	2,000,920.00	2,000,344.24	100.060	2,001,200.00	135		0.233	0.233
89233GWH5	12/21/12	CP - DISC	Toyota Mtr Cr		09/17/13			1,000,000.00	99.798	997,975.00	998,732.50	99.877	998,772.00	170		0.271	0.271
3134G3BF6	03/27/12	AGCY BULET	FHLMC	0.625	12/23/13			1,000,000.00	100.356	1,003,560.00	1,001,493.20	100.310	1,003,100.00	267		0.419	0.419
31398AVD1	11/07/12	AGCY BULET	FNMA	2.750	02/05/14			11,350,000.00	103.097	11,701,509.50	11,588,643.74	102.240	11,604,240.00	311		0.256	0.256
313379LM9	07/24/12	AGCY BULET	FHLB	0.350	02/25/14			2,000,000.00	100.127	2,002,540.00	2,001,442.46	100.150	2,003,000.00	331		0.270	0.270
3134G3YW4	08/28/12	AGCY BULET	FHLMC	0.375	08/28/14			1,500,000.00	100.092	1,501,374.00	1,500,971.58	100.180	1,502,700.00	515		0.329	0.329
CD-6693-1	12/10/12	CD	Comerica Bk CD	0.570	12/19/14			2,002,812.28	100.000	2,002,812.28	2,002,812.28	100.000	2,002,812.28	628		0.570	0.570
3134G3PD6	01/10/13	AGCY CALL	FHLMC	0.550	02/27/15	02/27/14	ONE TIME	2,000,000.00	100.282	2,005,638.00	2,004,517.82	100.290	2,005,800.00	698	333	0.417	0.300
3135G0LB7	05/30/12	AGCY CALL	FNMA	1.000	05/29/15	05/29/13	QRTLY	2,500,000.00	100.500	2,512,500.00	2,502,022.00	100.130	2,503,250.00	789	59	0.831	0.497
3135G0TT0	01/29/13	AGCY CALL	FNMA	0.500	01/29/16	01/29/14	QRTLY	2,707,000.00	100.000	2,707,000.00	2,707,000.00	99.990	2,706,729.30	1,034	304	0.500	0.500
<b>Total for Pooled Funds</b>								<b>76,407,938.69</b>	<b>100.433</b>	<b>76,732,587.69</b>	<b>76,636,417.90</b>	<b>100.346</b>	<b>76,667,803.29</b>	<b>193</b>		<b>0.296</b>	<b>0.282</b>
<b>Total for Town of Addison</b>								<b>76,407,938.69</b>	<b>100.433</b>	<b>76,732,587.69</b>	<b>76,636,417.90</b>	<b>100.346</b>	<b>76,667,803.29</b>	<b>193</b>		<b>0.296</b>	<b>0.282</b>



**Town of Addison**  
**Change in Value**  
 From 12/31/2012 to 03/31/2013

CUSIP	Security Type	Security Description	12/31/12 Book Value	Cost of Purchases	Maturities / Calls / Sales	Amortization / Accretion	Realized Gain/(Loss)	03/31/13 Book Value	12/31/12 Market Value	03/31/13 Market Value	Change in Mkt Value
<b>Pooled Funds</b>											
TEXPOOL	LGIP	TexPool	4,604,621.34	1,125.40	0.00	0.00	0.00	4,605,746.74	4,604,621.34	4,605,746.74	1,125.40
TEXSTAR	LGIP	TexSTAR	18,512,600.47	5,505,895.60	(2,498,364.13)	0.00	0.00	21,520,131.94	18,512,600.47	21,520,131.94	3,007,531.47
CD-6693	CD	Comerica Bk CD 0.570 12/10/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CD-8993-2	CD	Comerica Bk CD 0.560 01/21/13	2,051,173.96	0.00	(2,051,173.96)	0.00	0.00	0.00	2,051,173.96	0.00	(2,051,173.96)
89233GR24	CP - DISC	Toyota Mtr Cr 0.000 04/02/13	3,997,573.32	0.00	0.00	2,400.00	0.00	3,999,973.32	3,997,648.00	3,999,972.00	2,324.00
CD-2270	CD	ViewPoint Bk CD 0.599 04/08/13	2,518,526.18	3,721.55	0.00	0.00	0.00	2,522,247.73	2,518,526.18	2,522,247.73	3,721.55
3024A0SA4	CP - DISC	FCAR Owner Trust 0.000 05/10/13	997,957.50	0.00	0.00	1,425.00	0.00	999,382.50	998,664.00	999,756.00	1,092.00
89233GSF4	CP - DISC	Toyota Mtr Cr 0.000 05/15/13	2,996,761.68	0.00	0.00	2,175.00	0.00	2,998,936.68	2,997,075.00	2,999,289.00	2,214.00
89233GUC8	CP - DISC	Toyota Mtr Cr 0.000 07/12/13	2,995,040.01	0.00	0.00	2,325.00	0.00	2,997,365.01	2,995,335.00	2,998,026.00	2,691.00
3024A0V69	CP - DISC	FCAR Owner Trust 0.000 08/06/13	8,673,779.16	0.00	0.00	10,875.00	0.00	8,684,654.16	8,676,292.50	8,691,030.30	14,737.80
313376WB7	AGCY BULET	FHLB 0.280 08/13/13	2,000,578.80	0.00	0.00	(234.56)	0.00	2,000,344.24	2,001,200.00	2,001,200.00	0.00
89233GWH5	CP - DISC	Toyota Mtr Cr 0.000 09/17/13	998,057.50	0.00	0.00	675.00	0.00	998,732.50	997,617.00	998,772.00	1,155.00
3134G3BF6	AGCY BULET	FHLMC 0.625 12/23/13	1,002,005.39	0.00	0.00	(512.19)	0.00	1,001,493.20	1,004,000.00	1,003,100.00	(900.00)
31398AVD1	AGCY BULET	FNMA 2.750 02/05/14	11,659,206.46	0.00	0.00	(70,562.72)	0.00	11,588,643.74	11,674,610.00	11,604,240.00	(70,370.00)
313379LM9	AGCY BULET	FHLB 0.350 02/25/14	2,001,842.52	0.00	0.00	(400.06)	0.00	2,001,442.46	2,003,400.00	2,003,000.00	(400.00)
3134G3YW4	AGCY BULET	FHLMC 0.375 08/28/14	1,501,139.85	0.00	0.00	(168.27)	0.00	1,500,971.58	1,502,700.00	1,502,700.00	0.00
313380JV0	AGCY CALL	FHLB 0.400 12/04/14	2,000,000.00	0.00	(2,000,000.00)	0.00	0.00	0.00	2,000,800.00	0.00	(2,000,800.00)
CD-6693-1	CD	Comerica Bk CD 0.570 12/19/14	2,000,000.00	2,812.28	0.00	0.00	0.00	2,002,812.28	2,000,000.00	2,002,812.28	2,812.28
3134G3PD6	AGCY CALL	FHLMC 0.550 02/27/15	0.00	2,005,638.00	0.00	(1,120.18)	0.00	2,004,517.82	0.00	2,005,800.00	2,005,800.00
3135G0LB7	AGCY CALL	FNMA 1.000 05/29/15	2,505,159.60	0.00	0.00	(3,137.60)	0.00	2,502,022.00	2,508,000.00	2,503,250.00	(4,750.00)
3135G0TT0	AGCY CALL	FNMA 0.500 01/29/16	0.00	2,707,000.00	0.00	0.00	0.00	2,707,000.00	0.00	2,706,729.30	2,706,729.30
<b>Total for Pooled Funds</b>			<b>73,016,023.74</b>	<b>10,226,192.83</b>	<b>(6,549,538.09)</b>	<b>(56,260.58)</b>	<b>0.00</b>	<b>76,636,417.90</b>	<b>73,044,263.45</b>	<b>76,667,803.29</b>	<b>3,623,539.84</b>
<b>Total for Town of Addison</b>			<b>73,016,023.74</b>	<b>10,226,192.83</b>	<b>(6,549,538.09)</b>	<b>(56,260.58)</b>	<b>0.00</b>	<b>76,636,417.90</b>	<b>73,044,263.45</b>	<b>76,667,803.29</b>	<b>3,623,539.84</b>



**Town of Addison**  
**Earned Income**  
 From 12/31/2012 to 03/31/2013

CUSIP	Security Type	Security Description	Beg. Accrued	Interest Earned	Interest Rec'd / Sold / Matured	Interest Purchased	Ending Accrued	Disc Accr / Prem Amort	Net Income
<b>Pooled Funds</b>									
TEXPOOL	LGIP	TexPool	0.00	1,125.40	1,125.40	0.00	0.00	0.00	1,125.40
TEXSTAR	LGIP	TexSTAR	0.00	5,531.47	5,531.47	0.00	0.00	0.00	5,531.47
CD-8993-2	CD	Comerica Bk CD 0.560 01/21/13	345.22	692.21	1,037.43	0.00	0.00	0.00	692.21
89233GR24	CP - DISC	Toyota Mtr Cr 0.000 04/02/13	0.00	0.00	0.00	0.00	0.00	2,400.00	2,400.00
CD-2270	CD	ViewPoint Bk CD 0.599 04/08/13	41.22	3,721.72	3,721.55	0.00	41.39	0.00	3,721.72
3024A0SA4	CP - DISC	FCAR Owner Trust 0.000 05/10/13	0.00	0.00	0.00	0.00	0.00	1,425.00	1,425.00
89233GSF4	CP - DISC	Toyota Mtr Cr 0.000 05/15/13	0.00	0.00	0.00	0.00	0.00	2,175.00	2,175.00
89233GUC8	CP - DISC	Toyota Mtr Cr 0.000 07/12/13	0.00	0.00	0.00	0.00	0.00	2,325.00	2,325.00
3024A0V69	CP - DISC	FCAR Owner Trust 0.000 08/06/13	0.00	0.00	0.00	0.00	0.00	10,875.00	10,875.00
313376WB7	AGCY BULET	FHLB 0.280 08/13/13	2,146.67	1,400.00	2,800.00	0.00	746.67	(234.56)	1,165.44
89233GWH5	CP - DISC	Toyota Mtr Cr 0.000 09/17/13	0.00	0.00	0.00	0.00	0.00	675.00	675.00
3134G3BF6	AGCY BULET	FHLMC 0.625 12/23/13	138.89	1,562.50	0.00	0.00	1,701.39	(512.19)	1,050.31
31398AVD1	AGCY BULET	FNMA 2.750 02/05/14	126,584.03	78,031.25	156,062.50	0.00	48,552.78	(70,562.72)	7,468.53
313379LM9	AGCY BULET	FHLB 0.350 02/25/14	2,450.00	1,750.00	3,500.00	0.00	700.00	(400.06)	1,349.94
3134G3YW4	AGCY BULET	FHLMC 0.375 08/28/14	1,921.88	1,375.00	2,812.50	0.00	484.38	(168.27)	1,206.73
313380JV0	AGCY CALL	FHLB 0.400 12/04/14	600.00	1,400.00	2,000.00	0.00	0.00	0.00	1,400.00
CD-6693-1	CD	Comerica Bk CD 0.570 12/19/14	406.03	2,812.85	2,812.28	0.00	406.60	0.00	2,812.85
3134G3PD6	AGCY CALL	FHLMC 0.550 02/27/15	0.00	2,475.00	5,500.00	(4,063.89)	1,038.89	(1,120.18)	1,354.82
3135G0LB7	AGCY CALL	FNMA 1.000 05/29/15	2,222.22	6,250.00	0.00	0.00	8,472.22	(3,137.60)	3,112.40
3135G0TT0	AGCY CALL	FNMA 0.500 01/29/16	0.00	2,331.03	0.00	0.00	2,331.03	0.00	2,331.03
<b>Total for Pooled Funds</b>			<b>136,856.16</b>	<b>110,458.43</b>	<b>186,903.13</b>	<b>(4,063.89)</b>	<b>64,475.35</b>	<b>(56,260.58)</b>	<b>54,197.85</b>
<b>Total for Town of Addison</b>			<b>136,856.16</b>	<b>110,458.43</b>	<b>186,903.13</b>	<b>(4,063.89)</b>	<b>64,475.35</b>	<b>(56,260.58)</b>	<b>54,197.85</b>



**Town of Addison**  
**Investment Transactions**  
 From 01/01/2013 to 03/31/2013

Trade Date	Settle Date	CUSIP	Security Type	Security Description	Coupon	Mty Date	Call Date	Par Value	Price	Principal Amount	Int Purchased / Received	Total Amount	Realized Gain / Loss	YTM	YTW
<b>Pooled Funds</b>															
<b>Calls</b>															
03/04/13	03/04/13	313380JV0	AGCY CALL	FHLB	0.400	12/04/14	03/04/13	2,000,000.00	100.000	2,000,000.00	2,000.00	2,002,000.00		0.400	0.400
<b>Total for: Calls</b>								<b>2,000,000.00</b>		<b>2,000,000.00</b>	<b>2,000.00</b>	<b>2,002,000.00</b>		<b>0.400</b>	<b>0.400</b>
<b>Maturities</b>															
01/21/13	01/21/13	CD-8993-2	CD	Comerica Bk CD	0.560	01/21/13		2,051,173.96	100.000	2,051,173.96	0.00	2,051,173.96		0.561	
<b>Total for: Maturities</b>								<b>2,051,173.96</b>		<b>2,051,173.96</b>	<b>0.00</b>	<b>2,051,173.96</b>		<b>0.561</b>	
<b>Purchases</b>															
01/09/13	01/10/13	3134G3PD6	AGCY CALL	FHLMC	0.550	02/27/15	02/27/14	2,000,000.00	100.282	2,005,638.00	4,063.89	2,009,701.89		0.417	0.300
01/23/13	01/29/13	3135G0TTO	AGCY CALL	FNMA	0.500	01/29/16	01/29/14	2,707,000.00	100.000	2,707,000.00	0.00	2,707,000.00		0.500	0.500
<b>Total for: Purchases</b>								<b>4,707,000.00</b>		<b>4,712,638.00</b>	<b>4,063.89</b>	<b>4,716,701.89</b>		<b>0.465</b>	<b>0.415</b>
<b>Income Payments</b>															
02/28/12	02/28/13	CD-2270	CD	ViewPoint Bk CD	0.599	04/08/13				0.00	1,157.88	1,157.88			
01/08/13	01/19/13	CD-6693-1	CD	Comerica Bk CD	0.570	12/19/14				0.00	968.22	968.22			
01/19/13	01/21/13	CD-8993-2	CD	Comerica Bk CD	0.560	01/21/13				0.00	1,037.43	1,037.43			
01/31/13	01/31/13	CD-2270	CD	ViewPoint Bk CD	0.599	04/08/13				0.00	1,281.16	1,281.16			
02/05/13	02/05/13	31398AVD1	AGCY BULET	FNMA	2.750	02/05/14				0.00	156,062.50	156,062.50			
02/08/13	02/19/13	CD-6693-1	CD	Comerica Bk CD	0.570	12/19/14				0.00	968.69	968.69			
02/13/13	02/13/13	313376WB7	AGCY BULET	FHLB	0.280	08/13/13				0.00	2,800.00	2,800.00			
02/25/13	02/25/13	313379LM9	AGCY BULET	FHLB	0.350	02/25/14				0.00	3,500.00	3,500.00			
02/27/13	02/27/13	3134G3PD6	AGCY CALL	FHLMC	0.550	02/27/15				0.00	5,500.00	5,500.00			
02/28/13	02/28/13	3134G3YW4	AGCY BULET	FHLMC	0.375	08/28/14				0.00	2,812.50	2,812.50			
03/08/13	03/19/13	CD-6693-1	CD	Comerica Bk CD	0.570	12/19/14				0.00	875.37	875.37			
03/31/13	03/31/13	CD-2270	CD	ViewPoint Bk CD	0.599	04/08/13				0.00	1,282.51	1,282.51			
<b>Total for: Income Payments</b>										<b>0.00</b>	<b>178,246.26</b>	<b>178,246.26</b>			
<b>Capitalized Interest</b>															



**Town of Addison**  
**Investment Transactions**  
 From 01/01/2013 to 03/31/2013

Trade Date	Settle Date	CUSIP	Security Type	Security Description	Coupon	Mty Date	Call Date	Par Value	Price	Principal Amount	Int Purchased / Received	Total Amount	Realized Gain / Loss	YTM	YTW
<b>Pooled Funds</b>															
<b>Capitalized Interest</b>															
01/19/13	01/19/13	CD-6693-1	CD	Comerica Bk CD	0.570	12/19/14		968.22	100.000	968.22	0.00	968.22			
01/31/13	01/31/13	CD-2270	CD	ViewPoint Bk CD	0.599	04/08/13		1,281.16	100.000	1,281.16	0.00	1,281.16			
02/19/13	02/19/13	CD-6693-1	CD	Comerica Bk CD	0.570	12/19/14		968.69	100.000	968.69	0.00	968.69			
02/28/13	02/28/13	CD-2270	CD	ViewPoint Bk CD	0.599	04/08/13		1,157.88	100.000	1,157.88	0.00	1,157.88			
03/08/13	03/08/13	CD-6693-1	CD	Comerica Bk CD	0.570	12/19/14		875.37	100.000	875.37	0.00	875.37			
03/31/13	03/31/13	CD-2270	CD	ViewPoint Bk CD	0.599	04/08/13		1,282.51	100.000	1,282.51	0.00	1,282.51			
<b>Total for: Capitalized Interest</b>								<b>6,533.83</b>		<b>6,533.83</b>	<b>0.00</b>	<b>6,533.83</b>			



**Town of Addison**  
**Investment Transactions**  
 From 01/01/2013 to 03/31/2013

Trade Date	Settle Date	CUSIP	Security Type	Security Description	Coupon	Mty Date	Call Date	Par Value	Price	Principal Amount	Int Purchased / Received	Total Amount	Realized Gain / Loss	YTM	YTW
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**Total for All Portfolios**

Transaction Type	Quantity	Total Amount	Realized G/L	YTM	YTW
Total Calls	2,000,000.00	2,002,000.00		0.400	0.400
Total Maturities	2,051,173.96	2,051,173.96		0.561	
Total Purchases	4,707,000.00	4,716,701.89		0.465	0.415
Total Income Payments	0.00	178,246.26			
Total Capitalized Interest	6,533.83	6,533.83			



**Town of Addison**  
**Amortization and Accretion**  
 From 12/31/2012 to 03/31/2013

CUSIP	Settle Date	Security Type	Security Description	Next Call Date	Purchase Qty	Orig Price	Original Cost	Amrt/Accr for Period	Total Amrt/Accr Since Purch	Remaining Disc / Prem	Book Value
<b>Pooled Funds</b>											
CD-6693	09/08/11	CD	Comerica Bk CD 0.570 12/10/12		0.00	100.000	0.00	0.00	0.00	0.00	0.00
CD-8993-2	01/19/12	CD	Comerica Bk CD 0.560 01/21/13		0.00	100.000	0.00	0.00	0.00	0.00	0.00
89233GR24	12/03/12	CP - DISC	Toyota Mtr Cr 0.000 04/02/13		4,000,000.00	99.920	3,996,800.00	2,400.00	3,173.32	26.68	3,999,973.32
CD-2270	10/07/11	CD	ViewPoint Bk CD 0.599 04/08/13		2,522,247.73	100.000	2,522,247.73	0.00	0.00	0.00	2,522,247.73
3024A0SA4	08/15/12	CP - DISC	FCAR Owner Trust 0.000 05/10/13		1,000,000.00	99.576	995,756.67	1,425.00	3,625.83	617.50	999,382.50
89233GSF4	11/16/12	CP - DISC	Toyota Mtr Cr 0.000 05/15/13		3,000,000.00	99.855	2,995,650.00	2,175.00	3,286.68	1,063.32	2,998,936.68
89233GUC8	10/16/12	CP - DISC	Toyota Mtr Cr 0.000 07/12/13		3,000,000.00	99.768	2,993,050.83	2,325.00	4,314.18	2,634.99	2,997,365.01
3024A0V69	11/09/12	CP - DISC	FCAR Owner Trust 0.000 08/06/13		8,700,000.00	99.625	8,667,375.00	10,875.00	17,279.16	15,345.84	8,684,654.16
313376WB7	08/20/12	AGCY BULET	FHLB 0.280 08/13/13		2,000,000.00	100.046	2,000,920.00	(234.56)	(575.76)	(344.24)	2,000,344.24
89233GWH5	12/21/12	CP - DISC	Toyota Mtr Cr 0.000 09/17/13		1,000,000.00	99.798	997,975.00	675.00	757.50	1,267.50	998,732.50
3134G3BF6	03/27/12	AGCY BULET	FHLMC 0.625 12/23/13		1,000,000.00	100.356	1,003,560.00	(512.19)	(2,066.80)	(1,493.20)	1,001,493.20
31398AVD1	11/07/12	AGCY BULET	FNMA 2.750 02/05/14		11,350,000.00	103.097	11,701,509.50	(70,562.72)	(112,865.76)	(238,643.74)	11,588,643.74
313379LM9	07/24/12	AGCY BULET	FHLB 0.350 02/25/14		2,000,000.00	100.127	2,002,540.00	(400.06)	(1,097.54)	(1,442.46)	2,001,442.46
3134G3YW4	08/28/12	AGCY BULET	FHLMC 0.375 08/28/14		1,500,000.00	100.092	1,501,374.00	(168.27)	(402.42)	(971.58)	1,500,971.58
313380JV0	09/12/12	AGCY CALL	FHLB 0.400 12/04/14		0.00	100.000	0.00	0.00	0.00	0.00	0.00
CD-6693-1	12/10/12	CD	Comerica Bk CD 0.570 12/19/14		2,002,812.28	100.000	2,002,812.28	0.00	0.00	0.00	2,002,812.28
3134G3PD6	01/10/13	AGCY CALL	FHLMC 0.550 02/27/15	02/27/14	2,000,000.00	100.282	2,005,638.00	(1,120.18)	(1,120.18)	(4,517.82)	2,004,517.82
3135G0LB7	05/30/12	AGCY CALL	FNMA 1.000 05/29/15	05/29/13	2,500,000.00	100.500	2,512,500.00	(3,137.60)	(10,478.00)	(2,022.00)	2,502,022.00
3135G0TT0	01/29/13	AGCY CALL	FNMA 0.500 01/29/16	01/29/14	2,707,000.00	100.000	2,707,000.00	0.00	0.00	0.00	2,707,000.00
<b>Total for Pooled Funds</b>					<b>50,282,060.01</b>		<b>50,606,709.01</b>	<b>(56,260.58)</b>	<b>(96,169.79)</b>	<b>(228,479.21)</b>	<b>50,510,539.22</b>
<b>Total for Town of Addison</b>					<b>50,282,060.01</b>		<b>50,606,709.01</b>	<b>(56,260.58)</b>	<b>(96,169.79)</b>	<b>(228,479.21)</b>	<b>50,510,539.22</b>



**Town of Addison**  
**Projected Cash Flows**  
*Cash Flows for next 180 days from 03/31/2013*

CUSIP	Security Type	Security Description	Pay Date	Interest	Principal	Total Amount
<b>Pooled Funds</b>						
89233GR24	CP - DISC	Toyota Mtr Cr 0.000 04/02/13	04/02/13	0.00	4,000,000.00	4,000,000.00
CD-2270	CD	ViewPoint Bk CD 0.599 04/08/13	04/08/13	331.14	2,522,247.73	2,522,578.87
CD-6693-1	CD	Comerica Bk CD 0.570 12/19/14	04/19/13	969.58	0.00	969.58
3024A0SA4	CP - DISC	FCAR Owner Trust 0.000 05/10/13	05/10/13	0.00	1,000,000.00	1,000,000.00
89233GSF4	CP - DISC	Toyota Mtr Cr 0.000 05/15/13	05/15/13	0.00	3,000,000.00	3,000,000.00
CD-6693-1	CD	Comerica Bk CD 0.570 12/19/14	05/19/13	938.30	0.00	938.30
CD-6693-1	CD	Comerica Bk CD 0.570 12/19/14	06/19/13	969.58	0.00	969.58
3134G3BF6	AGCY BULET	FHLMC 0.625 12/23/13	06/23/13	3,125.00	0.00	3,125.00
89233GUC8	CP - DISC	Toyota Mtr Cr 0.000 07/12/13	07/12/13	0.00	3,000,000.00	3,000,000.00
CD-6693-1	CD	Comerica Bk CD 0.570 12/19/14	07/19/13	938.30	0.00	938.30
3135G0TT0	AGCY CALL	FNMA 0.500 01/29/16	07/29/13	6,767.50	0.00	6,767.50
31398AVD1	AGCY BULET	FNMA 2.750 02/05/14	08/05/13	156,062.50	0.00	156,062.50
3024A0V69	CP - DISC	FCAR Owner Trust 0.000 08/06/13	08/06/13	0.00	8,700,000.00	8,700,000.00
313376WB7	AGCY BULET	FHLB 0.280 08/13/13	08/13/13	2,800.00	2,000,000.00	2,002,800.00
CD-6693-1	CD	Comerica Bk CD 0.570 12/19/14	08/19/13	969.58	0.00	969.58
313379LM9	AGCY BULET	FHLB 0.350 02/25/14	08/25/13	3,500.00	0.00	3,500.00
3134G3PD6	AGCY CALL	FHLMC 0.550 02/27/15	08/27/13	5,500.00	0.00	5,500.00
3134G3YW4	AGCY BULET	FHLMC 0.375 08/28/14	08/28/13	2,812.50	0.00	2,812.50
89233GWH5	CP - DISC	Toyota Mtr Cr 0.000 09/17/13	09/17/13	0.00	1,000,000.00	1,000,000.00
CD-6693-1	CD	Comerica Bk CD 0.570 12/19/14	09/19/13	969.58	0.00	969.58
<b>Total for Pooled Funds</b>				<b>186,653.56</b>	<b>25,222,247.73</b>	<b>25,408,901.29</b>



**Town of Addison**  
**Projected Cash Flows**  
*Cash Flows for next 180 days from 03/31/2013*

CUSIP	Security Type	Security Description	Pay Date	Interest	Principal	Total Amount
<b>Total for All Portfolios</b>						
			April 2013	1,300.72	6,522,247.73	6,523,548.45
			May 2013	938.30	4,000,000.00	4,000,938.30
			June 2013	4,094.58	0.00	4,094.58
			July 2013	7,705.80	3,000,000.00	3,007,705.80
			August 2013	171,644.58	10,700,000.00	10,871,644.58
			September 2013	969.58	1,000,000.00	1,000,969.58
<b>Total Projected Cash Flows for Town of Addison</b>				<b>186,653.56</b>	<b>25,222,247.73</b>	<b>25,408,901.29</b>

## **Council Agenda Item: #ES1**

**AGENDA CAPTION:**

Closed (Executive) session of the Addison City Council pursuant to Section 551.074, Texas Government Code, to deliberate the evaluation of the City Manager.

**FINANCIAL IMPACT:**

N/A

**BACKGROUND:**

N/A

**RECOMMENDATION:**

**COUNCIL GOALS:**

Continue to attract, hire, develop, and retain great employees

**ATTACHMENTS:**

Description:

Type:

No Attachments Available