



AGENDA
SPECIAL MEETING OF THE CITY COUNCIL
BUDGET DISCUSSION AND PUBLIC HEARING
September 6, 2016

ADDISON TOWN HALL

5300 BELT LINE RD., DALLAS, TX 75254
5:00 PM BUDGET DISCUSSION
7:30 PM PUBLIC HEARING

SPECIAL MEETING

1. Presentations, Review, Discussion, And Consider Action Needed Regarding The **Proposed Annual Budget For The Town Of Addison For Fiscal Year 2016-2017 (Beginning October 1, 2016 And Ending September 30, 2017), Including But Not Limited To The Utility Fund, Stormwater Fund, Airport Fund, Hotel Fund, Economic Development Fund, Information Technology Fund, Capital Replacement Fund, The General Fund And Underutilized Funding Sources.**
2. Hold A **Public Hearing Regarding The Town Of Addison's Proposed Property Tax Rate For The Fiscal Year Commencing October 1, 2016 And Ending September 30, 2017.**
3. Hold A **Public Hearing Regarding The Town of Addison's Annual Budget For The Fiscal Year Commencing October 1, 2016 And Ending September 30, 2017.**

Adjourn Meeting

NOTE: The City Council reserves the right to meet in Executive Session closed to the public at any time in the course of this meeting to discuss matters listed on the agenda, as authorized by the Texas Open Meetings Act, Texas Government Code, Chapter 551, including §551.071 (private consultation with the attorney for the City); §551.072 (purchase, exchange, lease or value of real property); §551.074 (personnel or to hear complaints against personnel); §551.076 (deployment, or specific occasions for implementation of security personnel or devices); and §551.087 (economic development negotiations). Any decision held on such matters will be taken or conducted in Open Session following the conclusion of the Executive Session.

Posted:

Laura Bell, 09/02/2016, no later than 5:00 pm

**THE TOWN OF ADDISON IS ACCESSIBLE TO PERSONS WITH DISABILITIES.
PLEASE CALL (972) 450-7017 AT LEAST
48 HOURS IN ADVANCE IF YOU NEED ASSISTANCE.**

AI-1862

Special Meeting-Tax Rate & Budget Public Hearing

Meeting Date: 09/06/2016

Department: City Manager

AGENDA CAPTION:

Presentations, Review, Discussion, And Consider Action Needed Regarding The **Proposed Annual Budget For The Town Of Addison For Fiscal Year 2016-2017 (Beginning October 1, 2016 And Ending September 30, 2017), Including But Not Limited To The Utility Fund, Stormwater Fund, Airport Fund, Hotel Fund, Economic Development Fund, Information Technology Fund, Capital Replacement Fund, The General Fund And Underutilized Funding Sources.**

BACKGROUND:

N/A

RECOMMENDATION:

N/A

AI-1828

Special Meeting-Tax Rate & Budget Public Hearing

Meeting Date: 09/06/2016

Department: Finance

AGENDA CAPTION:

Hold A **Public Hearing Regarding The Town Of Addison's Proposed Property Tax Rate For The Fiscal Year Commencing October 1, 2016 And Ending September 30, 2017.**

BACKGROUND:

This is the second of two public hearings regarding the proposed tax rate for the Town of Addison and will be held on September 6, 2016 at 7:30 pm in the Council Chambers. The first hearing was held on August 30, 2016.

The proposed property tax rate for fiscal year 2017 is \$0.560472 per \$100 of valuation. The proposed rate is made of the following components:

Tax Rate Component	Amount (per \$100 of valuation)
Maintenance & Operations: General Fund	\$0.351573
Maintenance & Operations: Economic Development	\$0.023716
Maintenance & Operations: Infrastructure Investment	\$0.005926
Interest & Sinking (Debt)	\$0.179257
Total Proposed Rate for Fiscal Year 2017	\$0.560472

The State's Truth-in-Taxation law also requires calculation and publication of each taxing entity's effective tax and rollback tax rate:

Tax Rate	Definition	Amount (per \$100 of valuation)
Effective Tax Rate	Rate needed to raise the same amount of property tax revenue for the Town from the same properties in 2016.	\$0.545760
Rollback Tax Rate	Highest tax rate that the Town may adopt before voters are entitled to petition for an election to limit the rate to the rollback rate.	\$0.562533

These rates were published in the August 12, 2016 edition of the Dallas Morning News. Included with this agenda item is a copy of the publication notice.

The City Manager's proposed budget recommends a property tax rate of \$0.560472 per \$100 valuation, which exceeds the effective tax rate. This proposed rate is \$0.018678 less than last year's adopted rate of \$0.579150 per \$100 of valuation.

The average home value for the Town of Addison is \$287,033 which generate a tax bill of \$1,608.74. Last year the average home value was \$268,491 which generated a tax bill of \$1,554.97. The average tax payer would pay about \$53.77 more in property taxes than last year. (Individual taxes may increase or decrease depending on the change in the taxable value of your property).

The final vote on the property tax rate and adoption of the FY2017 budget is scheduled on September 13, 2016 in the Council Chambers at 7:30 pm.

RECOMMENDATION:

N/A

Attachments

Notice of Proposed Property Tax Rate

NOTICE OF 2016 TAX YEAR PROPOSED PROPERTY TAX RATE FOR TOWN OF ADDISON

A tax rate of \$0.560472 per \$100 valuation has been proposed for adoption by the governing body of Town of Addison. This rate exceeds the lower of the effective or rollback tax rate, and state law requires that two public hearings be held by the governing body before adopting the proposed tax rate.

The governing body of Town of Addison proposes to use revenue attributable to the tax rate increase for the purpose of maintenance and operations necessary to provide the same service level as prior year.

PROPOSED TAX RATE	\$0.560472 per \$100
PRECEDING YEAR'S TAX RATE	\$0.579150 per \$100
EFFECTIVE TAX RATE	\$0.545760 per \$100
ROLLBACK TAX RATE	\$0.562533 per \$100

The effective tax rate is the total tax rate needed to raise the same amount of property tax revenue for Town of Addison from the same properties in both the 2015 tax year and the 2016 tax year.

The rollback tax rate is the highest tax rate that Town of Addison may adopt before voters are entitled to petition for an election to limit the rate that may be approved to the rollback rate.

YOUR TAXES OWED UNDER ANY OF THE ABOVE RATES CAN BE CALCULATED AS
FOLLOWS:

$$\text{property tax amount} = (\text{rate}) \times (\text{taxable value of your property}) / 100$$

For assistance or detailed information about tax calculations, please contact:

John R. Ames, PCC CTA
Dallas County Tax Assessor/Collector
5350 Belt Line Road, Addison, TX
214-653-7100
TNTHelp@dallascounty.org
www.dallascounty.org

You are urged to attend and express your views at the following public hearings on the proposed tax rate:

First Hearing: August 30, 2016 at 7:30pm at 5300 Belt Line Road, Addison TX.

Second Hearing: September 6, 2016 at 7:30pm at 5300 Belt Line Road, Addison TX.

AI-1829

Special Meeting-Tax Rate & Budget Public Hearing

Meeting Date: 09/06/2016

Department: Finance

AGENDA CAPTION:

Hold A **Public Hearing Regarding The Town of Addison's Annual Budget For The Fiscal Year Commencing October 1, 2016 And Ending September 30, 2017.**

BACKGROUND:

This is a public hearing regarding the Town of Addison's Annual Budget for Fiscal Year 2017 (FY2017).

The proposed FY2017 budget requests an appropriation of \$108 million. Listed below is a breakdown of funds:

Fund	Amount
General	\$35,239,240
Hotel	7,731,972
Debt Service Combined	8,424,938
Economic Development	2,028,919
Infrastructure Investment	1,563,106
Airport	6,587,434
Utilitiy	15,604,674
Stormwater	4,579,562
Combined Replacement	3,450,126
Combined Grants	34,875
Combined Special Revenues	1,427,582
Capital Projects	21,380,430
Total	\$108,052,858

Significant items included in the proposed budget include:

- Revenues for all funds total approximately \$74.3 million, a net increase of almost \$4.1 million compared to FY2016. Primary revenues sources are property tax (\$23.8 million), sales tax (13.4 million), hotel occupancy tax (\$6 million) and utility service fees (10.7 million).
- Staffing level of 275.3 Full-time Equivalent (FTE) positions. This is an increase of 5.7 FTE's over FY2016.
- Employee compensation allocation of approximately \$825 thousand for merit increases. This provides an average merit increase of 4 percent.

- Modified Service Levels of \$1.4 million. These programs enhance operations and the quality of service provided to the community. Significant programs include: Major facility maintenance for Conference Center (\$428 thousand), and the addition of 5.7 FTE's (Planner, Fountain Technician, GIS Analyst, Marketing Specialist, Conference Center Sales Consultant and Fire Inspector).
- Capital projects of \$33.7 million. Significant projects include: Belt Line Road utility undergrounding (\$12.3 million), Midway Road design (\$1.6 million), airport improvements (\$1.5 million) and utility water and sewer improvements (\$4.6 million).
- Establishment of the Addison Grove Incentive Escrow Fund in the amount of \$1 million. This fund accumulates monies for payments due to the developer once established criteria are met. The first payment is expected in FY2018.

The proposed property tax rate for FY2017 is \$0.560472 per \$100 of valuation. This rate exceeds the effective tax rate of \$.545760. This proposed rate is \$0.018678 less than last year's adopted rate of \$0.579150 per \$100 of valuation.

Based on the proposed tax rate, the average home value for the Town of Addison is \$287,033 which generate a tax bill of \$1,608.74. Last year the average home value was \$268,491 which generated a tax bill of \$1,554.97. The average tax payer would pay about \$53.77 more in property taxes than last year. (Individual taxes may increase or decrease depending on the change in the taxable value of your property).

The Town charter requires the Council to state the date and place for a public hearing regarding the budget and this information is to be placed into the official newspaper of the Town. The Council, in a Council meeting on August 8, 2016, set the date and time of the public hearing to be September 6, 2016 at 7:30 pm in Council Chambers. This notice was published in the Dallas Morning News on Friday, August 12, 2016. Included with this agenda item is a copy of the publication.

RECOMMENDATION:

N/A

Attachments

Schedule of FTE's

Public Hearing Notice

FY2017 Budget Summary

TOWN OF ADDISON
BUDGETED DEPARTMENTAL STAFFING SUMMARY

City Council Adopted 2016-17 Annual Budget With Comparisons to 2015-16 Adopted Budget

	Fiscal Years Ending September 30					Difference
	2013	2014	2015	2016	2017	16-17
General Fund:						
City Secretary	-	-	-	-	1.0	1.0
City Manager	7.0	8.5	8.5	7.5	5.5	(2.0)
Finance	9.0	9.7	9.7	13.0	13.0	-
General Services	5.0	5.0	5.0	5.0	6.0	1.0
Municipal Court	5.4	5.7	5.7	5.7	5.7	-
Human Resources	5.2	3.3	3.3	4.0	4.0	-
Information Technology	7.0	7.0	7.0	7.0	7.0	-
Police	73.8	75.3	79.8	79.8	79.8	-
Emergency Communications	13.5	14.5	14.5	-	-	-
Fire	52.3	55.3	55.3	55.3	56.0	0.7
Development Services	7.2	7.2	7.2	7.2	10.2	3.0
Code Enforcement	-	-	2.0	2.0	-	(2.0)
Streets	5.0	5.4	5.4	5.4	6.4	1.0
Parks	21.0	21.0	21.0	22.0	22.0	-
Recreation	14.6	15.1	15.1	15.1	15.1	-
Total General Fund	<u>226.0</u>	<u>233.0</u>	<u>239.5</u>	<u>229.0</u>	<u>231.7</u>	<u>2.7</u>
Hotel Fund	16.0	17.0	14.8	14.3	16.3	2.0
Economic Development Fund	2.0	3.0	4.0	4.0	4.0	-
Airport Fund	3.0	3.0	3.0	3.0	3.4	0.4
Utility Fund	18.0	18.3	16.6	17.6	17.9	0.3
Stormwater Fund	-	1.4	1.7	1.7	2.0	0.3
TOTAL ALL FUNDS	<u><u>265.0</u></u>	<u><u>275.7</u></u>	<u><u>279.6</u></u>	<u><u>269.6</u></u>	<u><u>275.3</u></u>	<u><u>5.7</u></u>

All positions are shown as full-time equivalent (FTE).

Jennings, City of Dallas,
City Attorney's Office,
1500 Marilla St., Room
7DN, Dallas, TX 75201,
(214) 670-3509.

**Notice of Public Hearing
on Fiscal Year 2017
Annual Budget**

The Town of Addison will hold a public hearing on the Town's annual budget for the fiscal year beginning October 1, 2016 and ending September 30, 2017. The public hearing will be conducted at a special meeting of the City Council at 7:30 p.m. on Tuesday, September 6, 2016 in the Council Chambers located at Addison Town Hall, 5300 Belt Line Road. The Town of Addison is accessible to persons with disabilities. Please call 972-450-2819 at least 48 hours in advance of the meeting if you need assistance. The budget document is on file with the City Secretary and is available for public inspection.

This budget will raise more total property taxes than last year's budget by \$738,499 or 3.16 percent, and of that amount \$146,436 is tax revenue to be raised from new property added to the tax roll this year.

has a value. Also,
health risks to the
recommend puppy
kittens are at least
weeks old before th
sold. Use caution v
responding to pet
involve unusual pe
plans or require lon
distance shipping.
pet from a trustwor
source. If purchas
private party or be
to see where the pe
ensure the environ
clean and healthy o
table breeders will
ways provide detai
logical information
health guarantee. Y
encouraged to repo
pected in humane co
and animal abuse/r
the Humane Society
your local authoritie

Cats

Maine Coon KI
Gentle Giant
Raised Under
Pure Bred C
Reg'd. 817-233

TOWN OF ADDISON
COMBINED SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ALL FUNDS SUBJECT TO APPROPRIATION

City Council Adopted FY2017 Annual Budget With Comparisons to FY2016 Adopted Budget

	General Fund	Special Revenue Funds				Capital Project Funds			Proprietary Funds				TOTAL	
		Hotel	Economic Development	Combined Grants	Combined Other	Combined Debt Service	Infrastructure Investment	Combined Bonds	Airport	Utility	Stormwater	Combined Replacement	2016-17	2015-16
BEGINNING BALANCES	\$ 11,646,301	\$ 3,644,081	\$ 660,126	\$ 27,494	\$ 1,577,630	\$ 2,996,571	\$ 3,782,383	\$ 29,217,284	\$ 3,323,963	\$ 10,069,003	\$ 8,481,643	\$ 5,713,948	\$ 81,140,428	\$ 77,919,000
REVENUES:														
Ad valorem tax	14,856,615	-	1,001,252	-	-	7,723,294	250,313	-	-	-	-	-	23,831,474	23,376,000
Non-property taxes	14,660,000	6,000,000	-	-	-	-	-	-	-	-	-	-	20,660,000	18,675,000
Franchise fees	2,870,300	-	-	-	-	-	-	-	-	-	-	-	2,870,300	2,680,000
Licenses and permits	845,800	-	-	-	-	-	-	-	-	-	-	-	845,800	820,000
Intergovernmental	-	-	-	15,901	-	-	-	-	221,293	-	-	-	237,194	50,000
Service fees	1,493,100	2,691,200	67,000	-	-	-	-	-	932,380	10,637,000	1,850,000	1,550,000	19,220,680	18,104,000
Fines and penalties	675,000	-	-	-	109,610	-	-	-	-	75,000	-	-	859,610	903,000
Rental income	175,000	789,240	-	-	-	-	-	-	4,346,485	-	-	-	5,310,725	5,262,000
Interest & other income	140,000	17,000	6,100	200	1,950	12,000	5,000	125,900	24,500	(31,400)	67,700	71,800	440,750	316,000
TOTAL REVENUES	35,715,815	9,497,440	1,074,352	16,101	111,560	7,735,294	255,313	125,900	5,524,658	10,680,600	1,917,700	1,621,800	74,276,533	70,186,000
Transfers from other funds	-	-	973,000	-	1,000,000	711,500	-	-	-	-	-	-	2,684,500	1,272,000
TOTAL AVAILABLE RESOURCES	47,362,116	13,141,521	2,707,478	43,595	2,689,190	11,443,365	4,037,696	29,343,184	8,848,621	20,749,603	10,399,343	7,335,748	158,101,461	149,377,000
EXPENDITURES:														
General Government	9,548,721	-	-	34,875	-	-	-	-	-	-	-	3,450,126	13,033,722	10,898,415
Public Safety	17,098,983	-	-	-	232,082	-	-	-	-	-	-	-	17,331,065	16,693,361
Urban Development	1,386,767	-	-	-	-	-	-	-	-	-	-	-	1,386,767	1,384,293
Streets	1,748,127	-	-	-	-	-	-	-	-	-	-	-	1,748,127	2,060,482
Parks & Recreation	5,456,641	-	-	-	-	-	-	-	-	-	-	-	5,456,641	5,115,813
Tourism & Economic Development	-	7,731,972	2,028,919	-	-	-	-	-	-	-	-	-	9,760,891	7,492,341
Aviation	-	-	-	-	-	-	-	-	4,402,100	-	-	-	4,402,100	4,225,261
Utilities	-	-	-	-	-	-	-	-	-	9,772,316	742,796	-	10,515,112	9,729,536
Debt service	-	-	-	-	-	8,424,938	-	-	587,016	1,070,358	544,266	-	10,626,578	11,109,532
Capital projects and other uses	-	-	-	-	1,195,500	-	1,563,106	21,380,430	1,598,317	4,762,000	3,292,500	-	33,791,853	41,108,407
TOTAL EXPENDITURES	35,239,240	7,731,972	2,028,919	34,875	1,427,582	8,424,938	1,563,106	21,380,430	6,587,434	15,604,674	4,579,562	3,450,126	108,052,858	109,817,441
Transfers to other funds	(425,000)	(1,259,500)	-	-	-	-	(500,000)	-	-	(500,000)	-	-	(2,684,500)	(1,272,124)
Net Change in Fund Balance	51,575	505,968	18,433	(18,774)	(316,022)	21,856	(1,807,793)	(21,254,530)	(1,062,776)	(5,424,074)	(2,661,862)	(1,828,326)	(33,776,325)	(39,631,565)
ENDING FUND BALANCES	\$ 11,697,876	\$ 4,150,050	\$ 678,559	\$ 8,720	\$ 1,261,608	\$ 3,018,427	\$ 1,974,590	\$ 7,962,754	\$ 2,261,187	\$ 4,644,929	\$ 5,819,781	\$ 3,885,622	\$ 47,364,103	\$ 38,287,435