



Department of Finance
Quarterly Review

For the Period Ended December 31, 2017

Town of Addison

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Executive Dashboard - 1st Quarter, 2018 Fiscal Year

Financial Indicators

Positive variance compared to historical trends

Positive

Negative variance of 3%-5% and more than \$50,000 compared to historical trends

Warning

Negative variance of >5% and more than \$50,000 compared to historical trends

Negative

Key Revenue Sources	FY2018 Budget	Actual through 12/31/17	% Annual Budget
Ad Valorem Taxes - General Fund	\$ 15,724,469	\$ 4,460,069	28.36%
Non-Property Taxes - General Fund	14,660,000	3,349,394	22.85%
Hotel Tax	5,760,000	1,014,896	17.62%
Franchise Fees - General Fund	2,850,300	641,370	22.50%
Service/Permitting/License Fees - General Fund	2,439,020	794,639	32.58%
Rental Income - All Funds	5,328,000	1,267,498	23.79%
Fines and Penalties - All Funds	575,000	114,000	19.83%
Special Event Revenue - Hotel Fund	2,354,000	46,917	1.99%
Fuel Flowage Fees - Airport Fund	907,040	244,906	27.00%
Water and Sewer Charges - Utility Fund	11,167,226	2,123,685	19.02%

Key Expenditures	FY2018 Budget	Actual through 12/31/17	% Annual Budget
General Fund	\$ 37,566,437	\$ 8,137,838	21.66%
Hotel Fund	9,015,513	1,534,025	17.02%
Economic Development	1,773,570	332,536	18.75%
Airport Operations	5,194,156	1,112,381	21.42%
Utility Operations	12,340,667	2,779,661	22.52%

Executive Dashboard - 1st Quarter, 2018 Fiscal Year

Financial & Staffing Indicators

Personnel Information:

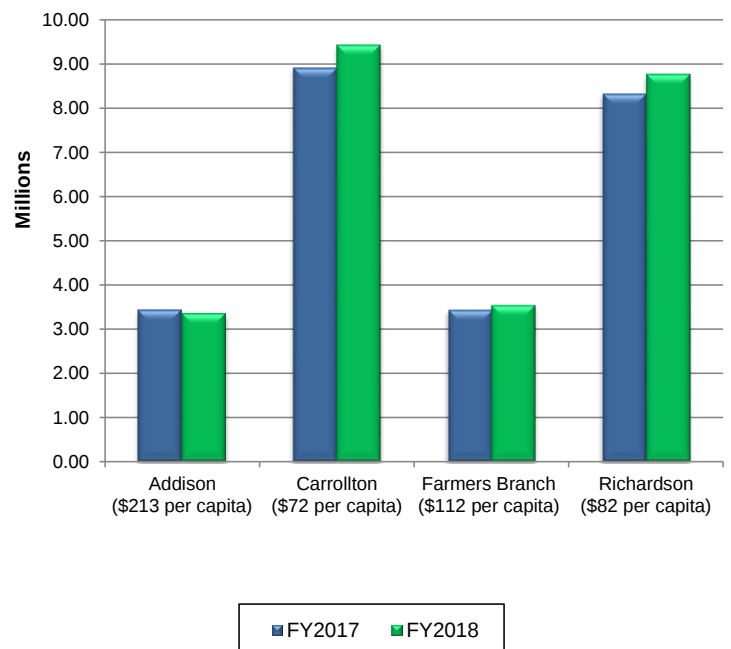
New Hires - Benefitted Positions			
	10/2017-12/2017		
Department	Part-Time Positions	Full-time positions	Total, 1st Qtr
Finance	0	3	3
Fire	0	1	1
Infrastructure	0	1	1
Police	0	1	1
Grand Total	0	6	6

Separations - Benefitted Positions			
	10/2017-12/2017		
Department	Part-Time Positions	Full-time positions	Total, 1st Qtr
City Manager	0	1	1
Conference Centre	0	1	1
Economic Development	0	1	1
Finance	0	3	3
Fire	0	1	1
Infrastructure	0	1	1
Police	0	2	2
Grand Total	0	10	10

Economic Development Incentives:

Executed Agreements	Amount Paid FY18	Total Incentives Committed
0	\$0	\$455,334

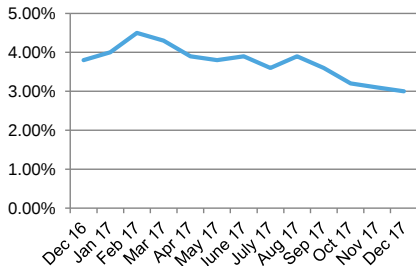
1st Quarter Sales Tax Comparison



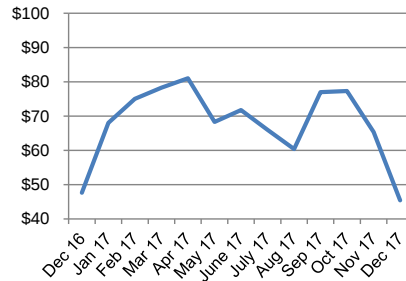
Executive Dashboard - 1st Quarter, 2018 Fiscal Year

Economic Indicators

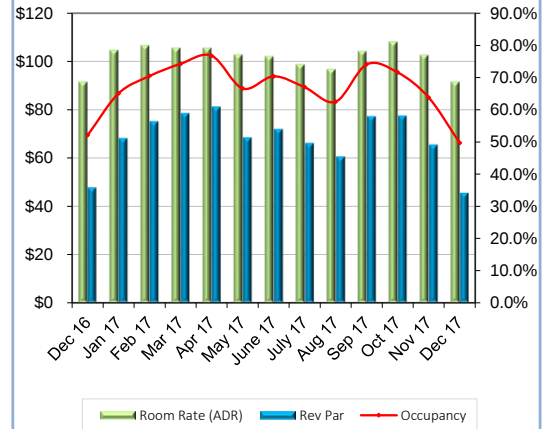
**DFW Unemployment Rate
Last 12 months**



**Hotel Revenue Per Available
Room**



Addison Hotel Statistics



Occupancy Indicators:

Office Occupancy =
83.4%

Retail Occupancy =
91.0%

Hotel Indicators

Hotel Occupancy =
61.7%

RevPar =
\$62.69

2.5%

3.5%

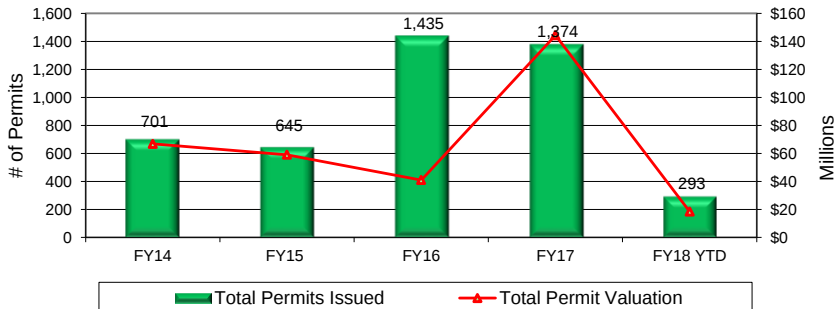
2.4%

2.6%

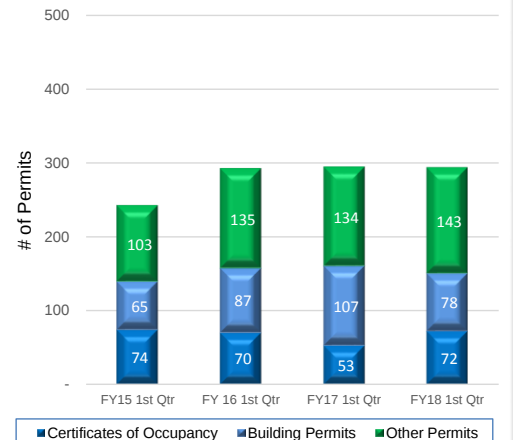
Source: CoStar (compares to prior year)

Source: STR Report (compares to prior year)

Total Permits Issued and Valuation



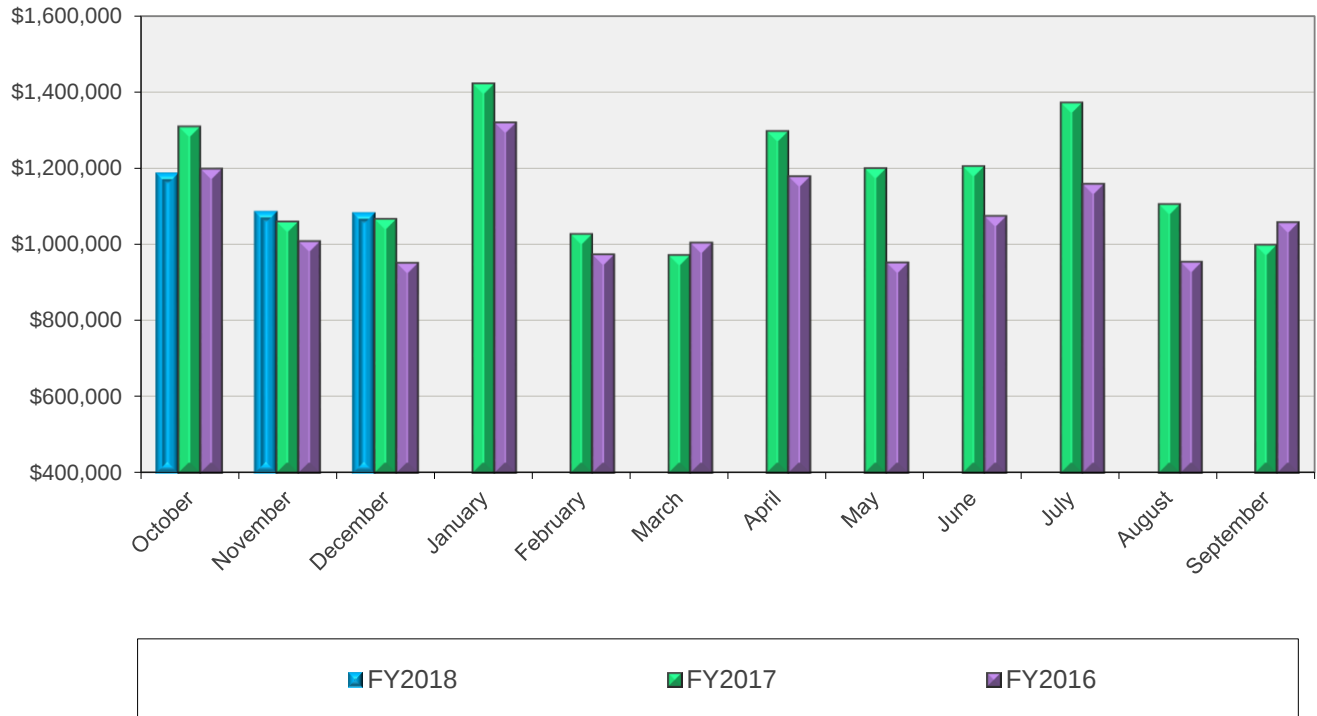
Quarterly Permit Activity, Year over Year



Executive Dashboard - 1st Quarter, 2018 Fiscal Year

Sales Tax Information

Monthly Sales Tax Collections





To: Wes Pierson, City Manager
From: Olivia Riley, Chief Financial Officer
Re: First Quarter Financial Review
Date: 2/19/2018

This is the first quarter report for the 2017-2018 fiscal year. Revenues and expenditures reflect activity from October 1, 2017 through December 31, 2017 or twenty-five percent of the fiscal year.

GENERAL FUND

- Fiscal year to date revenue totaled almost \$9.5 million, which is 26 percent of the overall budget amount. Total revenue is approximately \$445 thousand more than received in the first quarter of fiscal year 2017. Current year alcoholic beverage has not yet been distributed by the state.
- Fiscal year-to-date expenditures and transfers totaled approximately \$8.1 million, which is 21.7 percent of budget and \$102 thousand, or 1.3 percent more than spent in fiscal year 2017. All departments are on pace with or below their respective budgets.

HOTEL FUND

- Revenues through the first quarter totaled approximately \$1.2 million, an increase of \$43 thousand or 3.6 percent from the prior year. Hotel occupancy tax collections of more than \$1.0 million are \$11 thousand, or 3 percent less than at this time last year. Proceeds from Special Events are below budget due to the timing of events; all significant events occur between May and September.
- Hotel Fund expenditures of \$1.5 million are 17.0 percent of budget and \$388 thousand more than this time a year ago. Performing Arts is at 66 percent of budget; the first two grant payments have made to Water Tower Theatre. All other departments are below their respective budgets.

AIRPORT FUND

- Operating revenue through the first quarter totaled approximately \$1.4 million, compared to \$1.4 million in the prior year.
- Year-to-date operating expenses amounted to just over \$1.1 million, resulting in operating income of \$283 thousand.

UTILITY FUND

- Operating revenue through the first quarter totaled almost \$2.2 million, compared to \$2.0 million in the prior year. This is an increase of 9.5 percent, the result of increased water and sewer rates adopted in the FY2018 budget.
- Operating expenses through the first quarter totaled nearly \$2.8 million, an increase of 35.3 percent over the first quarter of 2017. The increase is the result of the increased cost charged by our water and wastewater treatment providers.

STORMWATER FUND

- Operating revenue through the first quarter totaled almost \$400 thousand, slightly higher than the prior year.
- Operating expenses through the first quarter totaled approximately \$78 thousand, compared to \$40 thousand in the prior year.

Positive variance compared to historical trends

Negative variance of 3%-5% and more than \$50,000 compared to historical trends

Negative variance of >5% and more than \$50,000 compared to historical trends

Positive

Warning

Negative

TOWN OF ADDISON
GENERAL FUND
FY 2018 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET
With Comparative Information from Prior Fiscal Year

CATEGORY	FY 2016-17 ACTUAL PRIOR YEAR	FY 2017-18 REVISED BUDGET	FY 2017-18 ACTUAL 1ST QTR	ACTUAL YTD as % of Budget
Revenues:				
Ad Valorem taxes:				
Current taxes	\$ 14,702,022	\$ 15,753,469	\$ 4,456,844	28.3%
Delinquent taxes	(4,428)	(58,000)	1,798	-3.1%
Penalty & interest	44,923	29,000	1,427	4.9%
Non-property taxes:				
Sales tax	14,032,616	13,400,000	3,349,394	25.0%
Alcoholic beverage tax	1,229,708	1,260,000	-	0.0%
Franchise / right-of-way use fees:				
Electric franchise	1,536,852	1,675,000	449,086	26.8%
Gas franchise	203,779	217,400	-	0.0%
Telecommunication access fees	545,932	636,500	119,027	18.7%
Cable franchise	314,966	316,400	73,257	23.2%
Street rental fees	-	5,000	-	0.0%
Licenses and permits:				
Business licenses and permits	200,681	137,300	27,398	20.0%
Building and construction permits	1,024,692	627,000	383,783	61.2%
Service fees:				
General government	152	500	-	0.0%
Public safety	974,327	785,200	150,162	19.1%
Urban development	2,950	3,000	50	1.7%
Streets and sanitation	391,126	282,200	85,214	30.2%
Recreation	83,336	73,300	15,402	21.0%
Interfund	348,910	530,520	132,630	25.0%
Court fines	426,144	500,000	86,514	17.3%
Interest earnings	168,959	70,000	48,543	69.3%
Rental income	77,330	175,000	1,810	1.0%
Other	3,519,157	78,000	93,722	120.2%
Total Revenues	39,824,134	36,496,789	9,476,061	26.0%

Positive variance compared to historical trends
 Negative variance of 3%-5% and more than \$50,000 compared to historical trends
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TOWN OF ADDISON
 GENERAL FUND
 FY 2018 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET
With Comparative Information from Prior Fiscal Year

CATEGORY	FY 2016-17 ACTUAL PRIOR YEAR	FY 2017-18 REVISED BUDGET	FY 2017-18 ACTUAL 1ST QTR	ACTUAL YTD as % of Budget
Expenditures:				
General Government:				
City secretary	130,631	200,071	46,682	23.3%
City manager	1,039,257	1,122,398	246,823	22.0%
Finance	1,682,923	1,772,042	413,810	23.4%
General services	788,332	720,103	123,924	17.2%
Municipal court	631,182	652,165	133,612	20.5%
Human resources	625,665	677,438	132,434	19.5%
Information technology	1,796,615	2,028,630	409,927	20.2%
Combined services	866,597	1,672,262	603,999	36.1%
Council projects	292,823	346,924	156,667	45.2%
Public safety:				
Police	8,410,582	9,112,629	1,949,727	21.4%
Emergency communications	1,340,668	1,459,046	336,019	23.0%
Fire	7,176,401	7,355,247	1,686,652	22.9%
Development services	1,158,970	1,502,265	270,455	18.0%
Streets	1,942,585	2,106,357	264,605	12.6%
Parks and Recreation:				
Parks	3,307,065	3,837,739	764,278	19.9%
Recreation	1,713,906	1,894,121	321,474	17.0%
Other financing uses:				
Transfers to other funds	3,442,676	1,107,000	276,750	25.0%
Total Expenditures	36,346,878	37,566,437	8,137,838	21.7%
Net Change in Fund Balance	3,477,256	(1,069,648)	1,338,223	
Fund Balance at Beginning of Year	12,890,799	14,000,978	16,368,055	43.6%
Fund Balance at End of Year	\$ 16,368,055	\$ 12,931,330	\$ 17,706,278	217.6%

Positive variance compared to historical trends
 Negative variance of 3%-5% and more than \$50,000 compared to historical trends
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 Warning
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TOWN OF ADDISON
 HOTEL FUND
 FY 2018 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET
With Comparative Information from Prior Fiscal Year

CATEGORY	FY 2016-17 ACTUAL PRIOR YEAR	FY 2017-18 REVISED BUDGET	FY 2017-18 ACTUAL 1ST QTR	ACTUAL YTD as % of Budget
Revenues:				
Hotel/Motel occupancy taxes	\$ 5,954,703	\$ 5,760,000	\$ 1,014,896	17.6%
Proceeds from special events	2,617,265	2,354,000	46,917	2.0%
Conference centre rental	630,538	678,000	147,360	21.7%
Theatre centre rental	70,747	120,000	16,249	13.5%
Interest and miscellaneous	34,301	17,000	6,791	39.9%
Total Revenues	9,307,554	8,929,000	1,232,213	13.8%
Expenditures:				
Conference centre	1,211,293	1,118,361	207,164	18.5%
Marketing	964,987	1,068,418	162,940	15.3%
Special events operations	-	974,087	234,064	24.0%
Special events	4,491,069	3,439,378	217,441	6.3%
Addison theatre centre	376,971	408,822	58,571	14.3%
Performing arts	444,923	447,000	295,000	66.0%
General hotel operations	106,167	238,647	28,645	12.0%
Other financing uses:				
Transfer to debt serv & ED funds	1,259,500	1,320,800	330,200	25.0%
Total Expenditures	8,854,910	9,015,513	1,534,025	17.0%
Net Change in Fund Balance	452,644	(86,513)	(301,812)	
Fund Balance at Beginning of Year	3,386,414	3,558,972	3,839,058	42.6%
Fund Balance at End of Year	\$ 3,839,058	\$ 3,472,459	\$ 3,537,246	230.6%

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TOWN OF ADDISON
ECONOMIC DEVELOPMENT FUND
FY 2018 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET
With Comparative Information from Prior Fiscal Year

CATEGORY	FY 2016-17 ACTUAL PRIOR YEAR	FY 2017-18 REVISED BUDGET	FY 2017-18 ACTUAL 1ST QTR	ACTUAL YTD as % of Budget
Revenues:				
Ad Valorem taxes:	\$ 994,498	\$ 1,015,359	\$ 287,975	28.4%
Business license fee	60,181	67,000	450	0.7%
Interest income and other	12,318	14,100	3,333	23.6%
Transfers from General/Hotel Fund	973,000	610,000	152,500	25.0%
Total Revenues	2,039,997	1,706,459	444,258	26.0%
Expenditures:				
Personnel services	409,190	441,302	98,090	22.2%
Supplies	27,319	23,409	3,333	14.2%
Maintenance	18,187	23,175	2,779	12.0%
Contractual services	1,270,046	1,167,996	198,912	17.0%
Capital replacement/lease	23,006	17,688	4,422	25.0%
Other financing uses:				
Transfers to other funds	-	100,000	25,000	25.0%
Total Expenditures	1,747,748	1,773,570	332,536	18.7%
Net Change in Fund Balance	292,249	(67,111)	111,722	
Fund Balance at Beginning of Year	1,003,514	989,411	1,295,763	73.1%
Fund Balance at End of Year	\$ 1,295,763	\$ 922,300	\$ 1,407,485	423.3%

Positive variance compared to historical trends
 Negative variance of 3%-5% and more than \$50,000 compared to historical trends
 Negative variance of >5% and more than \$50,000 compared to historical trends

Positive
 Warning
 Negative

AIRPORT FUND
FY 2018 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET
With Comparative Information from Prior Fiscal Year

CATEGORY	FY 2016-17 ACTUAL PRIOR YEAR	FY 2017-18 REVISED BUDGET	FY 2017-18 ACTUAL 1ST QTR	ACTUAL YTD as % of Budget
Operating Revenues:				
Operating grants	\$ 50,000	\$ 50,000	\$ -	0.0%
Customs fees	131,689	152,960	29,735	19.4%
Fuel flowage fees	924,328	907,040	244,906	27.0%
Rental income	4,369,905	4,355,000	1,102,079	25.3%
Interest income and other	112,921	24,500	18,276	74.6%
Total Operating Revenues:	5,588,843	5,489,500	1,394,996	25.4%
Operating Expenses:				
Town - Personnel services	353,000	423,447	96,143	22.7%
Town - Supplies	41,859	40,000	2,070	5.2%
Town - Maintenance	152,701	48,000	5,678	11.8%
Town - Contractual services	221,565	263,154	76,050	28.9%
Town - Capital Replacement/Lease	27,878	26,823	6,706	25.0%
Town - Debt service	580,331	592,972	-	0.0%
Operator - Operations and maintenance	2,802,952	3,405,903	803,380	23.6%
Operator - Service contract	429,675	393,857	122,354	31.1%
Total Operating Expenses:	4,609,961	5,194,156	1,112,381	21.4%
Net Change in Fund Balance	978,882	295,344	282,615	
Fund Balance at Beginning of Year	2,407,024	3,200,576	3,385,906	65.2%
Fund Balance at End of Year	\$ 3,385,906	\$ 3,495,920	\$ 3,668,521	329.8%

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UTILITY FUND
FY 2018 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET
With Comparative Information from Prior Fiscal Year

CATEGORY	FY 2016-17 ACTUAL PRIOR YEAR	FY 2017-18 REVISED BUDGET	FY 2017-18 ACTUAL 1ST QTR	ACTUAL YTD as % of Budget
Operating revenues:				
Water sales	\$ 6,261,005	\$ 6,286,823	\$ 1,236,117	19.7%
Sewer charges	4,595,090	4,880,403	887,568	18.2%
Tap fees	53,375	7,000	4,875	69.6%
Penalties	73,283	75,000	27,486	36.6%
Interest income and other	159,362	94,600	1,338	1.4%
Total Operating Revenues:	11,142,115	11,343,826	2,157,384	19.0%
Operating expenses:				
Personnel services	1,521,054	1,659,385	353,184	21.3%
Supplies	126,573	142,149	28,831	20.3%
Maintenance	365,823	490,803	28,249	5.8%
Contractual services				
Water purchases	3,444,692	3,926,500	997,383	25.4%
Wastewater treatment	2,625,588	2,842,330	898,061	31.6%
Other services	854,204	1,372,934	335,354	24.4%
Capital Replacement/Lease	56,759	54,394	13,599	25.0%
Debt service	989,789	1,077,172	-	0.0%
Capital outlay	10,768	275,000	-	0.0%
Other financing uses:				
Transfers to other funds	800,000	500,000	125,000	25.0%
Total Operating Expenses:	10,795,250	12,340,667	2,779,661	22.5%
Net Change in Fund Balance	346,865	(996,841)	(622,277)	
Fund Balance at Beginning of Year	8,165,448	7,811,879	8,512,313	69.0%
Fund Balance at End of Year	\$ 8,512,313	\$ 6,815,038	\$ 7,890,036	283.8%

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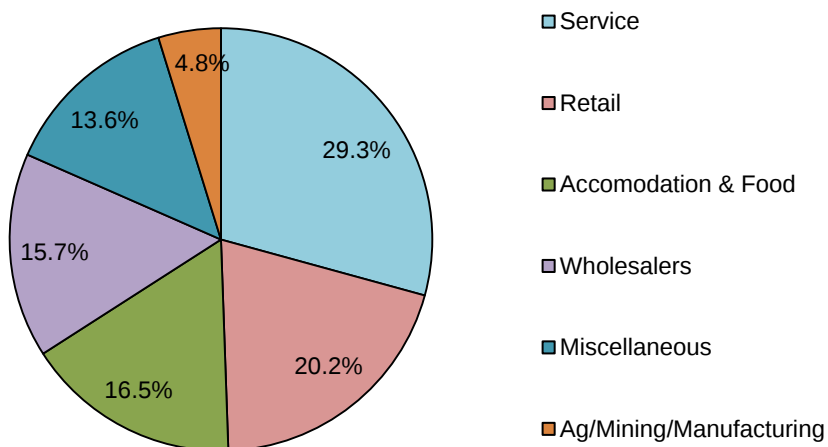
STORMWATER UTILITY FUND
 FY 2018 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET
With Comparative Information from Prior Fiscal Year

CATEGORY	FY 2016-17 ACTUAL PRIOR YEAR	FY 2017-18 REVISED BUDGET	FY 2017-18 ACTUAL 1ST QTR	ACTUAL YTD as % of Budget
Operating revenues:				
Drainage Fees	\$ 2,034,101	\$ 1,950,000	\$ 379,673	19.5%
Interest income and other	93,785	67,700	10,612	15.7%
Total Operating Revenues:	2,127,886	2,017,700	390,285	19.3%
Operating expenses				
Personnel services	115,163	158,023	34,589	21.9%
Supplies	4,449	23,200	4,628	19.9%
Maintenance	123,754	222,200	14,205	6.4%
Contractual services	118,755	341,027	24,760	7.3%
Debt service	514,077	541,561	-	0.0%
Total Operating Expenses:	876,198	1,286,011	78,182	6.1%
Net Change in Fund Balance	1,251,688	731,689	312,103	
Fund Balance at Beginning of Year	3,756,553	4,625,539	5,008,241	389.4%
Fund Balance at End of Year	\$ 5,008,241	\$ 5,357,228	\$ 5,320,344	6805.1%

TOWN OF ADDISON
Schedule of Sales Tax Collections
For the quarter ending December 31, 2017

	FY2018 Monthly Collections	% Change from Prior Year	FY2017 Monthly Collections
October	\$ 1,184,668	-9.5%	\$ 1,309,129
November	1,084,154	2.3%	1,059,533
December	1,080,572	1.3%	1,066,606
January			1,421,424
February			1,027,098
March			971,913
April			1,296,871
May			1,199,541
June			1,204,870
July			1,371,537
August			1,105,558
September			998,537
	\$ 3,349,394		\$ 14,032,616
Budget:	13,400,000	25.0%	13,400,000

Breakdown of Sales Tax by Economic Category



TOWN OF ADDISON
HOTEL OCCUPANCY TAX COLLECTION
Hotels By Service Type for the Quarter and Year-to-Date Ended December 31, 2017
With Comparative Information from Prior Fiscal Year

	Rooms		Oct - Dec 2017		18 to 17 % Diff.
	Number	%	Amount	%	
Full Service					
Marriott Quorum	547	14%	\$ 189,188	19%	3%
Intercontinental	528	13%	150,331	15%	-13%
Crowne Plaza	428	11%	116,763	12%	-9%
	1,503	37%	456,282	45%	-6%
Extended Stay					
Budget Suites	344	9%	2,664	0%	101%
Hawthorn Suites	70	2%	13,685	1%	-15%
Marriott Residence Inn	150	4%	37,484	4%	-11%
Hyatt House	132	3%	35,685	4%	-17%
Homewood Suites	120	3%	36,880	4%	-11%
Home2Suites	132	3%	44,294	4%	0%
Springhill Suites	159	4%	48,877	5%	0%
	1,107	27%	219,571	22%	14%
Business Moderate					
Marriott Courtyard Quorum	176	4%	66,407	7%	5%
LaQuinta Inn	152	4%	33,257	3%	5%
Marriott Courtyard Proton	145	4%	40,954	4%	-5%
Radisson - Addison	101	2%	28,567	3%	0%
Hilton Garden Inn	96	2%	37,688	4%	1%
Holiday Inn Express	102	3%	12,183	1%	-59%
Best Western Plus	85	2%	21,417	2%	-1%
	857	21%	240,474	24%	-6%
Economy					
Motel 6	124	3%	15,062	1%	-16%
Hampton Inn	158	4%	40,645	4%	-14%
Red Roof Inn	105	3%	18,846	2%	-9%
Quality Suites North/Galleria	78	2%	14,254	1%	2%
Super 8	65	2%	5,342	1%	-20%
America's Best Value Inn	50	1%	4,421	0%	-3%
	580	14%	98,570	10%	-11%
TOTAL	4,047	100%	\$ 1,014,896	100%	-3%

