

# Quarterly Financial Report Fiscal Year 2022 Second Quarter

May 16, 2022

The logo for ADDISON, featuring the word "ADDISON" in a bold, blue, sans-serif font centered within a white circle. The circle is set against a blue background that is part of a larger graphic design on the right side of the slide, which includes a white diagonal line and a grey triangular corner.

# Executive Dashboard – Key Revenue Sources

## Executive Dashboard - 2nd Quarter, 2022 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	FY2022 Budget	Actual through 3/31/22	% Annual Budget
Ad Valorem Taxes - General Fund	\$ 20,037,826	\$ 20,501,158	102.31%
Non-Property Taxes - General Fund	14,900,000	8,942,232	60.01%
Hotel Tax	4,155,000	1,743,337	41.96%
Franchise Fees - General Fund	2,105,000	1,196,554	56.84%
Service/Permitting/License Fees - General Fund	3,108,670	1,424,170	45.81%
Fines and Penalties - All Funds	320,000	176,905	55.28%
Special Event Revenue - Hotel Fund	1,155,500	266,736	23.08%
Fuel Flowage Fees - Airport Fund	1,026,272	727,124	70.85%
Water and Sewer Charges - Utility Fund	14,239,755	6,788,099	47.67%

<sup>(1)</sup> Hotel tax revenue has not been collected from all hoteliers

<sup>(2)</sup> Special Events are low due to the timing of events

# Executive Dashboard – Key Expenditures



## Executive Dashboard - 2nd Quarter, 2022 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 Expenditures	FY2022 Budget	Actual through 3/31/22	% Annual Budget
General Fund	\$ 40,731,996	\$ 18,677,008	45.85%
Hotel Fund	5,957,833	1,576,469	26.46%
Economic Development	2,010,012	614,979	30.60%
Airport Operations	5,199,386	2,512,047	48.31%
Utility Operations	14,676,255	7,493,122	51.06%

# Personnel Information

## Executive Dashboard - 2nd Quarter, 2022 Fiscal Year

### Staffing Indicators

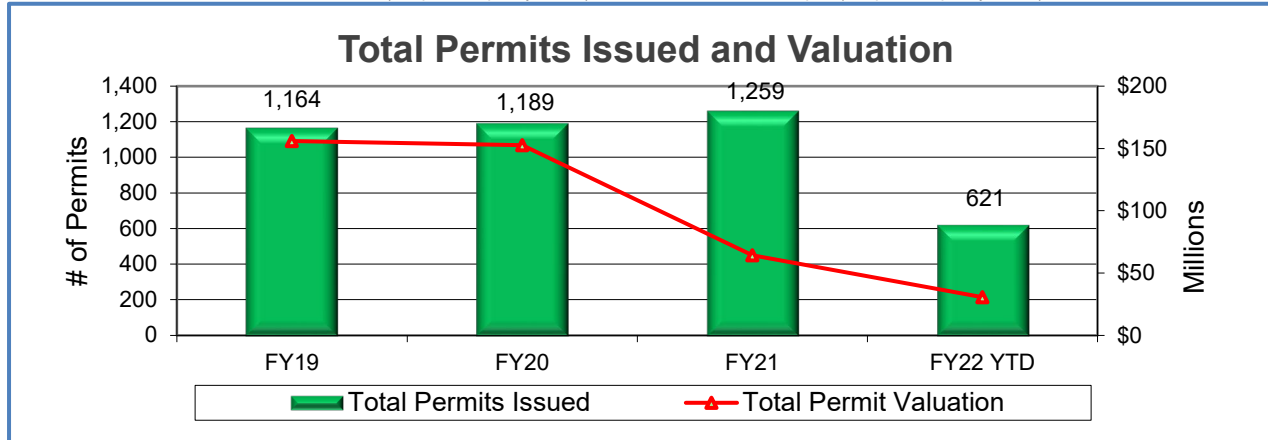
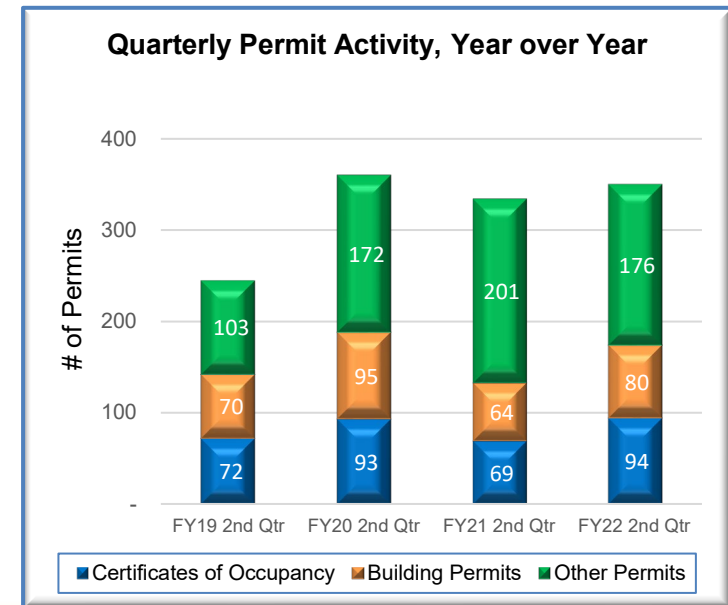
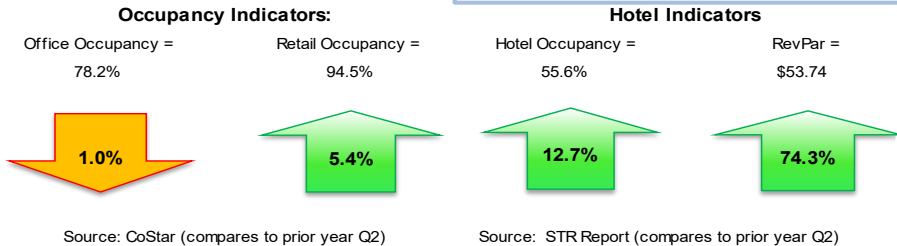
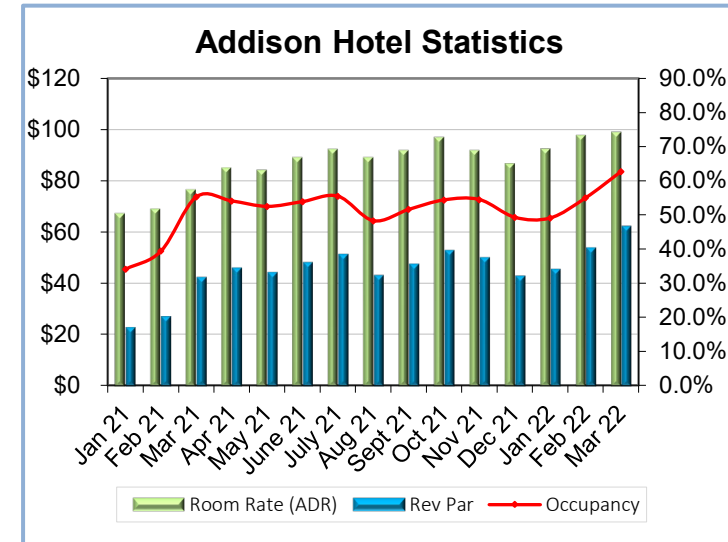
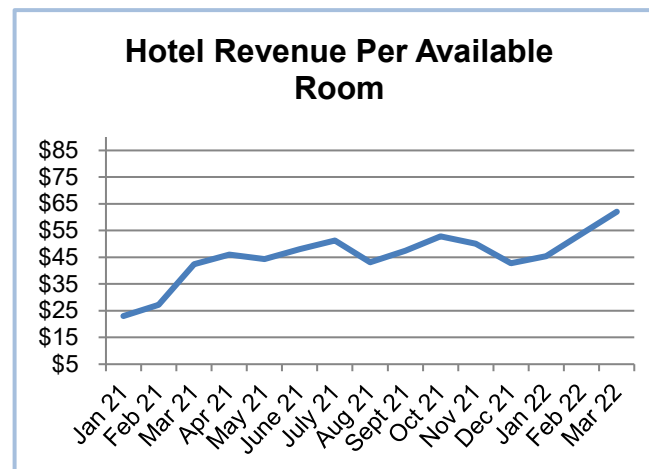
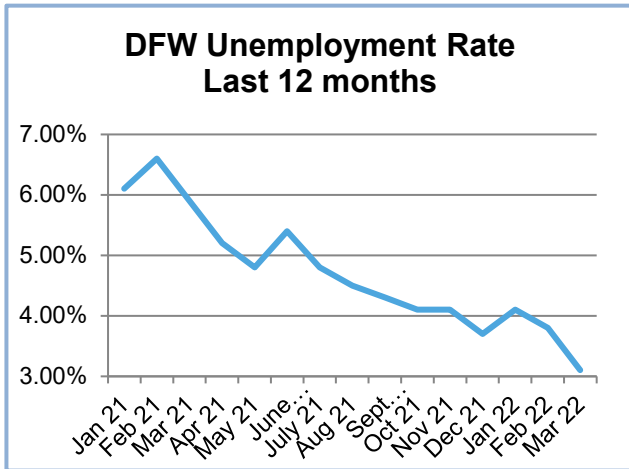
#### Personnel Information:

Separations - Benefitted Positions					New Hires - Benefitted Positions				
	01/2022-03/2022			FY2022		01/2022-03/2022			FY2022
Department	Part-Time Positions	Full-time positions	Total 2nd Qtr	YTD	Department	Part-Time Positions	Full-time positions	Total 2nd Qtr	YTD
Airport	0	0	0	0	Airport	0	0	0	0
City Manager	0	1	1	1	City Manager	0	0	0	0
Conference Centre	0	0	0	0	Conference Centre	0	0	0	0
Development Services	0	1	1	1	Development Services	0	0	0	1
Finance	0	1	1	2	Finance	0	1	1	1
Fire	0	1	1	1	Fire	0	0	0	0
General Services	0	0	0	0	General Services	0	0	0	0
Human Resources	0	1	1	2	Human Resources	0	2	2	2
Information Technology	0	0	0	0	Information Technology	0	1	1	1
Public Works	0	3	3	4	Public Works	0	1	1	2
Marketing & Communications	0	0	0	0	Marketing & Communications	0	0	0	0
Municipal Court	0	0	0	0	Municipal Court	0	0	0	0
Parks	0	4	4	5	Parks	0	2	2	5
Police	0	3	3	5	Police	0	0	0	3
Recreation	3	1	4	4	Recreation	1	1	2	3
Special Events	0	1	1	1	Special Events	0	1	1	1
Streets	0	0	0	1	Streets	0	0	0	5
<b>Grand Total</b>	<b>3</b>	<b>17</b>	<b>20</b>	<b>27</b>	<b>Grand Total</b>	<b>1</b>	<b>9</b>	<b>10</b>	<b>24</b>

Public Safety Sworn Positions	Budgeted FY 2022	Filled Positions	Percent Filled
Police	66	66	100%
Fire <sup>(1)</sup>	56	56	100%

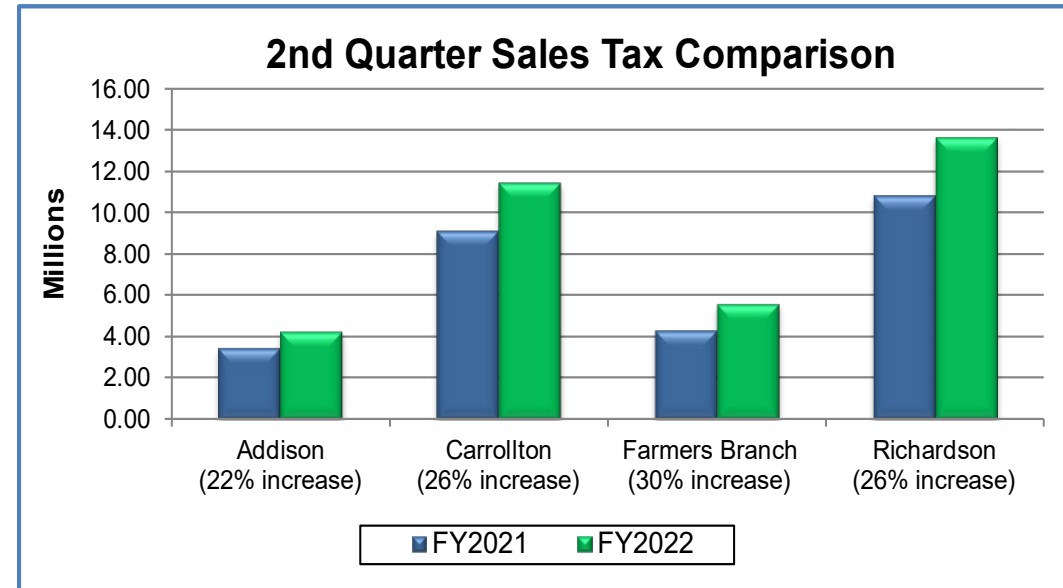
<sup>(1)</sup> FY2022 budget includes 56 budgeted sworn positions plus overfill of 1 Firefighter (F3) position

# Economic Indicators

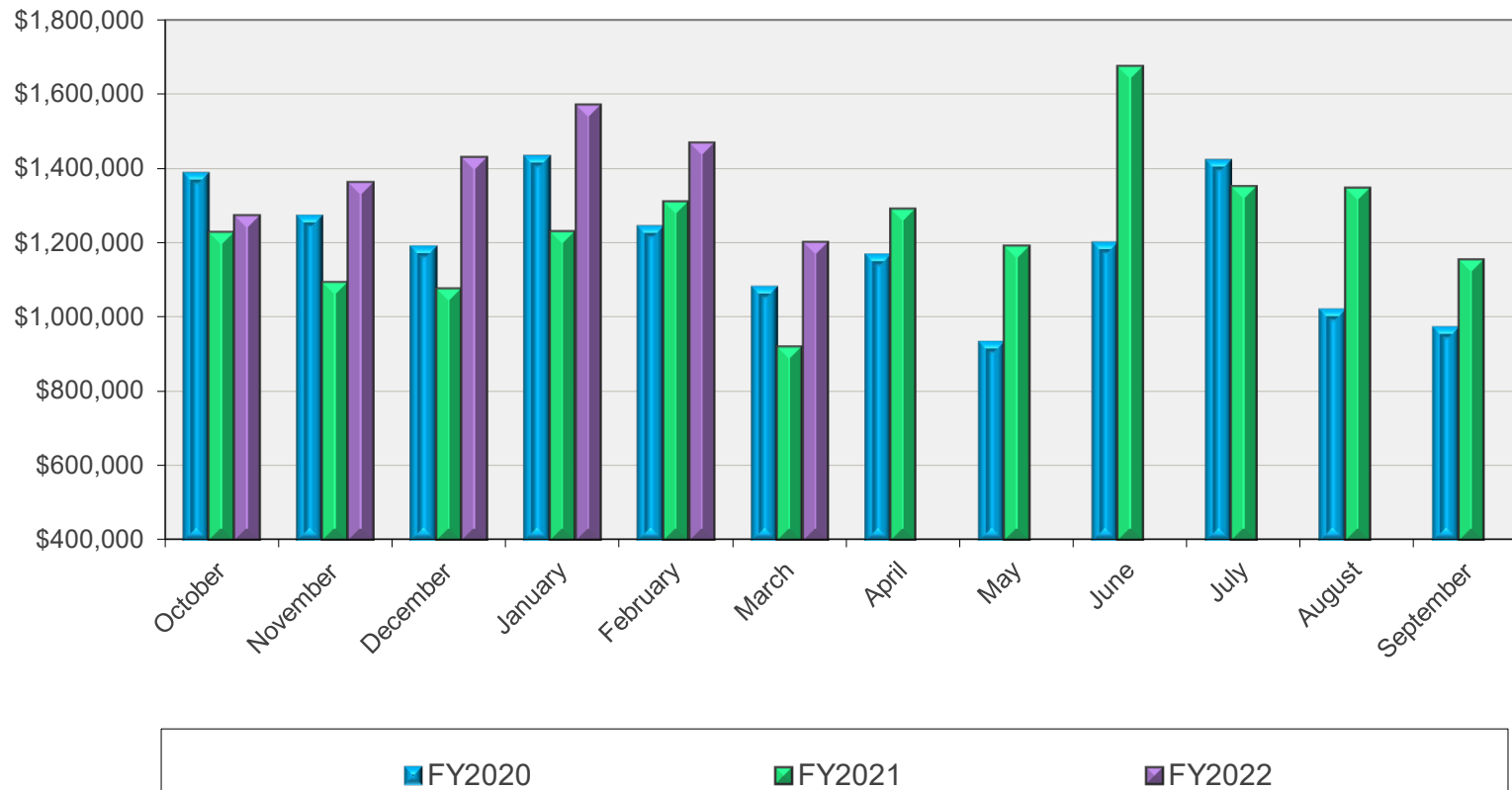


## Economic Development Incentives:

Executed Agreements	Amount Paid FY22	Total Incentives Committed
7	\$0	\$747,030



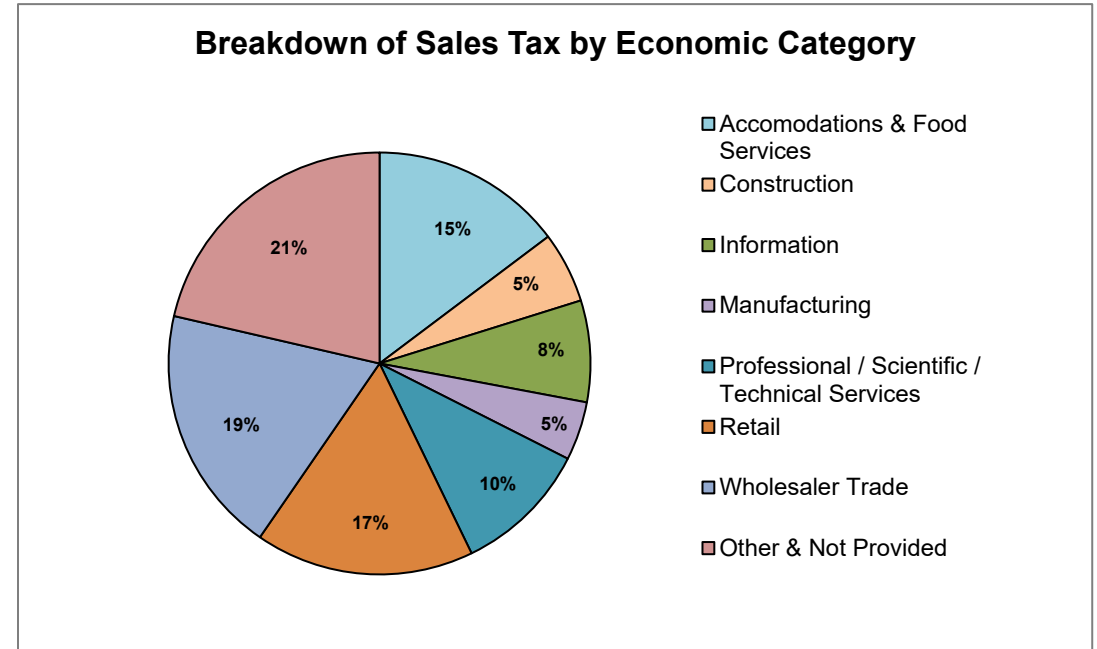
## Monthly Sales Tax Collections



# Sales Tax Collections

**TOWN OF ADDISON**  
**Schedule of Sales Tax Collections**  
*For the quarter ending March 31, 2022*

	<b>FY2022</b>	<b>% Change from</b>	<b>FY2021</b>
	<b>Monthly Collections</b>	<b>Prior Year</b>	<b>Monthly Collections</b>
October	\$ 1,273,977	3.6%	\$ 1,229,815
November	1,362,516	24.4%	1,095,667
December	1,430,169	32.8%	1,076,775
January	1,569,646	27.5%	1,231,161
February	1,467,367	11.8%	1,312,153
March	1,202,011	30.5%	921,263
April		-100.0%	1,291,548
May		-100.0%	1,191,232
June		-100.0%	1,674,956
July		-100.0%	1,352,619
August		-100.0%	1,347,683
September		-100.0%	1,156,406
	<b>\$ 8,305,686</b>		<b>\$ 14,881,277</b>
Budget:	13,700,000	60.6%	13,530,766





# General Fund Revenue

CATEGORY	FY 2020-21 ACTUAL PRIOR YEAR	FY 2021-22 REVISED BUDGET	FY 2021-22 ACTUAL 2ND QTR	FY 2021-22 ACTUAL YTD	ACTUAL YTD as % of Budget
<b>Revenues:</b>					
Ad Valorem taxes:					
Current taxes	\$ 20,276,338	\$ 20,139,186	\$ 14,951,456	\$ 20,506,785	101.8%
Delinquent taxes	(159,726)	(151,360)	25,998	(41,949)	27.7% <sup>(1)</sup>
Penalty & interest	55,882	50,000	30,576	36,322	72.6%
Non-property taxes:					
Sales tax	14,881,277	13,700,000	4,239,023	8,305,686	60.6%
Alcoholic beverage tax	1,084,108	1,200,000	315,365	636,546	53.0%
Franchise / right-of-way use fees:					
Electric franchise	1,422,617	1,525,000	331,798	768,406	50.4%
Gas franchise	185,638	200,000	268,817	268,817	134.4%
Telecommunication access fees	211,969	250,000	46,463	95,548	38.2%
Cable franchise	126,482	130,000	31,583	63,783	49.1%
Street rental fees	-	-	-	-	0.0%
Licenses and permits:					
Business licenses and permits	175,825	129,700	34,535	61,660	47.5%
Building and construction permits	649,082	960,400	184,281	340,152	35.4%
Intergovernmental	1,000,000	-	3,982	3,982	0.0%
Service fees:					
General government	-	-	-	-	0.0%
Public safety	880,482	1,006,500	277,424	567,300	56.4%
Urban development	39,719	47,200	11,575	23,885	50.6%
Streets and sanitation	465,739	455,700	108,402	195,803	43.0%
Recreation	29,903	70,300	7,683	15,935	22.7%
Interfund	410,431	438,870	109,718	219,435	50.0%
Court fines	163,408	245,000	61,749	113,366	46.3%
Interest earnings	21,569	100,000	38,694	61,925	61.9%
Rental income	7,900	8,000	1,870	3,770	47.1%
Other	282,410	255,500	86,678	218,773	85.6%
<b>Total Revenues</b>	<b>42,211,054</b>	<b>40,759,996</b>	<b>21,167,668</b>	<b>32,465,930</b>	<b>79.7%</b>

<sup>(1)</sup> Represents prior year tax payment refunds

# General Fund Expenditures

CATEGORY	FY 2020-21 ACTUAL PRIOR YEAR	FY 2021-22 REVISED BUDGET	FY 2021-22 ACTUAL 2ND QTR	FY 2021-22 ACTUAL YTD	ACTUAL YTD as % of Budget
<b>Expenditures:</b>					
General Government:					
City Secretary	208,900	221,275	50,563	95,719	43.3%
City Manager	1,233,580	1,204,501	229,741	584,421	48.5%
Finance	1,821,579	1,764,710	387,207	818,186	46.4%
General Services	1,182,474	756,057	174,472	348,861	46.1%
Municipal Court	646,454	712,737	143,454	356,839	50.1%
Human Resources	670,310	740,209	149,471	302,350	40.8%
Information Technology	1,897,336	2,257,050	449,372	917,984	40.7%
Combined Services	1,073,544	1,362,400	168,164	467,291	34.3%
Council Projects	312,168	245,981	20,936	187,868	76.4% <sup>(1)</sup>
Public Safety:					
Police	10,288,614	10,546,045	2,373,272	4,967,726	47.1%
Emergency Communications	1,392,567	1,594,245	368,644	1,192,246	74.8% <sup>(2)</sup>
Fire	8,705,865	9,086,845	2,077,284	4,404,733	48.5%
Development Services	1,560,348	1,807,604	363,038	781,193	43.2%
Streets	1,951,588	2,136,422	345,433	629,649	29.5%
Parks and Recreation:					
Parks	4,066,372	4,505,219	883,323	2,007,593	44.6%
Recreation	1,629,169	1,790,696	312,553	614,349	34.3%
Other financing uses:					
Transfers to other funds	3,460,950	-	-	-	0.0%
<b>Total Expenditures</b>	<b>42,101,818</b>	<b>40,731,996</b>	<b>8,496,927</b>	<b>18,677,008</b>	<b>45.9%</b>
Net Change in Fund Balance	109,236	28,000	12,670,740	13,788,922	
<b>Fund Balance at Beginning of Year</b>	<b>20,134,439</b>	<b>20,243,675</b>		<b>20,243,675</b>	
<b>Fund Balance at End of Year</b>	<b>\$ 20,243,675</b>	<b>\$ 20,271,675</b>		<b>\$ 34,032,597</b>	

<sup>(1)</sup> Includes primary NPO grant payment for non-profit grant funding

<sup>(2)</sup> NTECC operations contribution for 3rd quarter posted in period 6

# Hotel Fund

CATEGORY	FY 2020-21 ACTUAL PRIOR YEAR	FY 2021-22 REVISED BUDGET	FY 2021-22 ACTUAL 2ND QTR	FY 2021-22 ACTUAL YTD	ACTUAL YTD as % of Budget
<b>Revenues:</b>					
Hotel/Motel occupancy taxes	\$ 2,523,560	\$ 4,155,000	\$ 913,221	\$ 1,743,337	42.0% <sup>(1)</sup>
Proceeds from special events	897,005	1,155,500	163,707	266,736	23.1% <sup>(2)</sup>
Rental income	86,403	85,000	13,630	30,972	36.4%
Interest and miscellaneous	1,072,594	2,024,836	3,637	6,813	0.3%
<b>Total Revenues</b>	<b>4,579,563</b>	<b>7,420,336</b>	<b>1,094,194</b>	<b>2,047,858</b>	<b>27.6%</b>
<b>Expenditures:</b>					
Addison theatre centre	261,323	275,208	55,824	105,660	38.4%
Conference centre	242,199	212,138	31,014	80,073	37.7%
General hotel operations	23,085	198,129	47,557	80,565	40.7%
Marketing	859,612	1,139,905	132,010	288,341	25.3%
Performing arts	375,989	329,089	100,000	327,839	99.6% <sup>(3)</sup>
Special events	866,347	993,628	163,471	363,056	36.5% <sup>(2)</sup>
Special events operations	2,001,576	2,425,736	103,484	138,935	5.7%
Attractions Capital Projects	4,090	-	-	-	0.0%
Other financing uses:					
Transfer to Economic Development Fund	384,000	384,000	96,000	192,000	50.0%
<b>Total Expenditures</b>	<b>5,018,221</b>	<b>5,957,833</b>	<b>729,359</b>	<b>1,576,469</b>	<b>26.5%</b>
Net Change in Fund Balance	(438,658)	1,462,503	364,835	471,389	
<b>Fund Balance at Beginning of Year</b>	<b>3,149,259</b>	<b>2,710,601</b>		<b>2,710,601</b>	
<b>Fund Balance at End of Year</b>	<b>\$ 2,710,601</b>	<b>\$ 4,173,104</b>		<b>\$ 3,181,990</b>	

<sup>(1)</sup> Hotel tax collections have not been received by all hoteliers

<sup>(2)</sup> Special events revenues and expenses are low due to the timing of events

<sup>(3)</sup> Full NPO primary grant payment and matching funds for non-profit grant funding to Water Tower Theatre

# Economic Development Fund

CATEGORY	FY 2020-21 ACTUAL PRIOR YEAR	FY 2021-22 REVISED BUDGET	FY 2021-22 ACTUAL 2ND QTR	FY 2021-22 ACTUAL YTD	ACTUAL YTD as % of Budget
<b>Revenues:</b>					
Ad Valorem taxes:	\$ 1,163,539	\$ 1,153,552	\$ 865,606	\$ 1,182,429	102.5%
Business license fee	27,165	50,000	17,100	29,750	59.5%
Interest income and other	2,249	20,000	3,971	6,378	31.9%
Transfers from General/Hotel Fund	384,000	384,000	96,000	192,000	50.0%
<b>Total Revenues</b>	<b>1,576,953</b>	<b>1,607,552</b>	<b>982,678</b>	<b>1,410,557</b>	<b>87.7%</b>
<b>Expenditures:</b>					
Personnel services	496,773	516,217	118,718	251,566	48.7%
Supplies	10,551	20,301	1,609	3,814	18.8%
Maintenance	24,407	29,602	3,127	12,203	41.2%
Contractual services	984,838	1,430,520	182,085	340,709	23.8%
Debt Service	16,997	13,372	3,343	6,686	50.0%
<b>Total Expenditures</b>	<b>1,533,566</b>	<b>2,010,012</b>	<b>308,881</b>	<b>614,979</b>	<b>30.6%</b>
Net Change in Fund Balance	43,387	(402,460)	673,796	795,578	
<b>Fund Balance at Beginning of Year</b>	<b>1,968,832</b>	<b>2,012,219</b>		<b>2,012,219</b>	
<b>Fund Balance at End of Year</b>	<b>\$ 2,012,219</b>	<b>\$ 1,609,759</b>		<b>\$ 2,807,797</b>	

# Airport Fund

CATEGORY	FY 2020-21 ACTUAL PRIOR YEAR	FY 2021-22 REVISED BUDGET	FY 2021-22 ACTUAL 2ND QTR	FY 2021-22 ACTUAL YTD	ACTUAL YTD as % of Budget
<b>Operating Revenues:</b>					
Operating grants	\$ 107,000	\$ 50,000	\$ -	\$ -	0.0%
Service fees	108,408	294,000	29,601	56,238	19.1% <sup>(1)</sup>
Fuel flowage fees	1,064,377	1,026,272	337,280	727,124	70.9%
Rental income	4,415,499	5,635,534	1,302,832	2,410,936	42.8%
Interest income and other	168,982	56,040	34,105	62,250	111.1%
<b>Total Operating Revenues:</b>	<b>5,864,266</b>	<b>7,061,846</b>	<b>1,703,818</b>	<b>3,256,547</b>	<b>46.1%</b>
<b>Operating Expenses:</b>					
Personnel services	1,963,122	2,114,862	510,299	975,924	46.1%
Supplies	41,731	57,200	12,282	24,620	43.0%
Maintenance	368,803	745,119	82,691	167,859	22.5%
Contractual services	1,080,506	1,078,750	314,622	523,463	48.5%
Capital Replacement/Lease	467,258	257,928	64,482	128,964	50.0%
Debt service	749,767	910,527	616,083	683,029	75.0%
Capital Outlay	46,664	35,000	8,189	8,189	23.4%
<b>Total Operating Expenses:</b>	<b>4,717,851</b>	<b>5,199,386</b>	<b>1,608,647</b>	<b>2,512,047</b>	<b>48.3%</b>
Capital Projects (Cash Funded)	14,750	1,583,070	21,193	126,977	8.0%
<b>Total Expenses:</b>	<b>4,732,601</b>	<b>6,782,456</b>	<b>1,629,840</b>	<b>2,639,024</b>	<b>38.9%</b>
Net Change in Working Capital	1,131,665	279,390	73,978	617,523	
<b>Working Capital at Beginning of Year</b>	<b>5,711,003</b>	<b>6,842,668</b>		<b>6,842,668</b>	
<b>Working Capital at End of Year</b>	<b>\$ 6,842,668</b>	<b>\$ 7,122,058</b>		<b>\$ 7,460,191</b>	

<sup>(1)</sup> Percentage is below the quarterly threshold but actuals are in line with historical trends

# Utility Fund

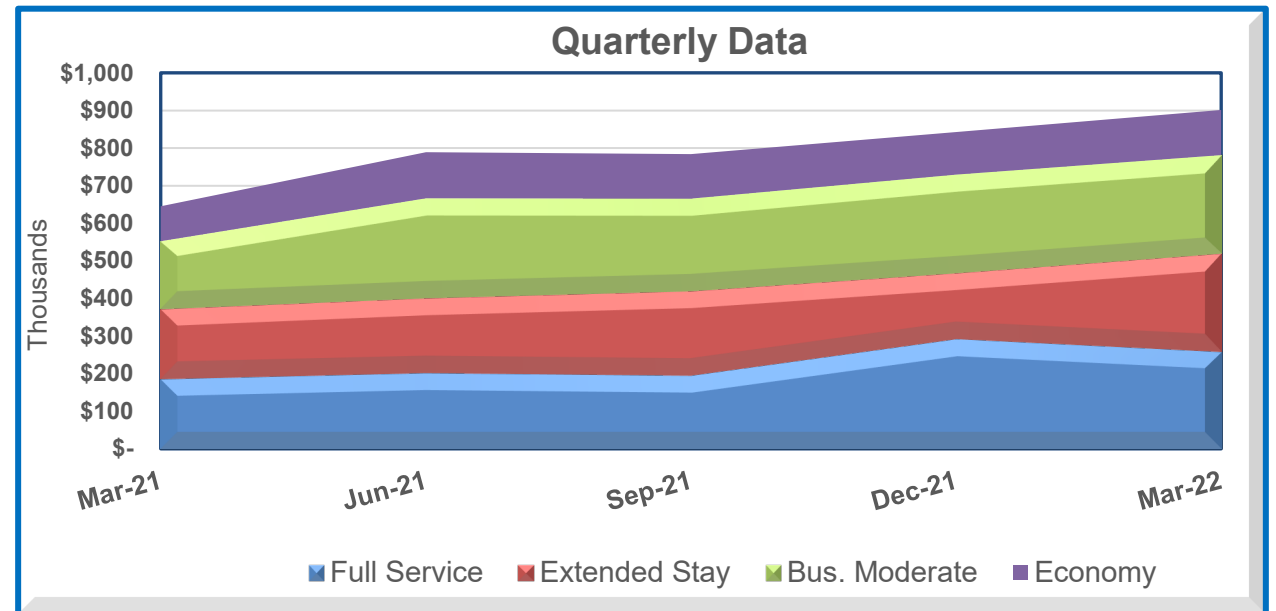
CATEGORY	FY 2020-21 ACTUAL PRIOR YEAR	FY 2021-22 REVISED BUDGET	FY 2021-22 ACTUAL 2ND QTR	FY 2021-22 ACTUAL YTD	ACTUAL YTD as % of Budget
<b>Operating revenues:</b>					
Water sales	\$ 7,518,421	\$ 7,738,852	\$ 1,538,830	\$ 3,700,961	47.8%
Sewer charges	5,808,866	6,500,903	1,471,246	3,087,138	47.5%
Tap fees	10,683	17,500	3,125	7,745	44.3%
Penalties	15,958	75,000	33,987	63,539	84.7%
Interest income and other	51,631	108,500	9,523	18,433	17.0%
<b>Total Operating Revenues:</b>	<b>13,405,558</b>	<b>14,440,755</b>	<b>3,056,711</b>	<b>6,877,816</b>	<b>47.6%</b>
<b>Operating expenses:</b>					
Personnel services	2,169,275	2,549,211	563,552	1,147,182	45.0%
Supplies	300,454	202,232	54,281	106,668	52.7%
Maintenance	527,646	1,107,356	68,368	259,516	23.4%
Contractual services					
Water purchases	3,242,450	4,224,277	1,151,334	2,211,749	52.4%
Wastewater treatment	3,486,904	3,727,622	967,965	1,850,942	49.7%
Other services	1,286,970	1,107,191	264,358	574,521	51.9%
Capital Replacement/Lease	581,857	231,584	57,896	115,792	50.0%
Debt service	1,517,681	1,526,782	1,226,391	1,226,752	80.3%
Capital outlay	142,533	-	-	-	0.0%
<b>Total Operating Expenses:</b>	<b>13,255,770</b>	<b>14,676,255</b>	<b>4,354,145</b>	<b>7,493,122</b>	<b>51.1%</b>
Capital Projects (Cash Funded)	87,037	101,000	-	-	0.0%
<b>Total Expenses:</b>	<b>13,342,807</b>	<b>14,777,255</b>	<b>4,354,145</b>	<b>7,493,122</b>	<b>50.7%</b>
Net Change in Working Capital	62,751	(336,500)	(1,297,434)	(615,306)	
<b>Working Capital at Beginning of Year</b>	<b>6,431,088</b>	<b>6,493,839</b>		<b>6,493,839</b>	
<b>Working Capital at End of Year</b>	<b>\$ 6,493,839</b>	<b>\$ 6,157,339</b>		<b>\$ 5,878,533</b>	

# Stormwater Utility Fund

CATEGORY	FY 2020-21 ACTUAL PRIOR YEAR	FY 2021-22 REVISED BUDGET	FY 2021-22 ACTUAL 2ND QTR	FY 2021-22 ACTUAL YTD	ACTUAL YTD as % of Budget
<b>Operating revenues:</b>					
Drainage Fees	\$ 2,457,241	\$ 2,554,023	\$ 642,780	\$ 1,310,616	51.3%
Interest income and other	94,662	20,000	12,707	24,467	122.3%
<b>Total Operating Revenues:</b>	<b>2,551,902</b>	<b>2,574,023</b>	<b>655,486</b>	<b>1,335,084</b>	<b>51.9%</b>
<b>Operating expenses</b>					
Personnel services	324,658	396,777	79,612	168,640	42.5%
Supplies	11,637	31,000	863	2,727	8.8%
Maintenance	59,377	151,240	786	42,219	27.9%
Contractual services	256,804	327,351	79,823	102,595	31.3%
Debt service	591,396	555,266	454,954	457,454	82.4%
Capital outlay	32,720	166,000	29,457	29,457	17.7%
<b>Total Operating Expenses:</b>	<b>1,276,591</b>	<b>1,627,634</b>	<b>645,496</b>	<b>803,091</b>	<b>49.3%</b>
Capital Projects (Cash Funded)	23,256	847,491	6,599	17,099	2.0%
<b>Total Expenses:</b>	<b>1,299,847</b>	<b>2,475,125</b>	<b>652,094</b>	<b>820,189</b>	<b>33.1%</b>
Net Change in Working Capital	1,252,055	98,898	3,392	514,894	
<b>Working Capital at Beginning of Year</b>	<b>7,734,397</b>	<b>8,986,452</b>		<b>8,986,452</b>	
<b>Working Capital at End of Year</b>	<b>\$ 8,986,452</b>	<b>\$ 9,085,350</b>		<b>\$ 9,501,346</b>	

# Hotel Occupancy Tax Collections

	Rooms		Jan. - Mar. 2022		22 to 21
	Number	%	Amount	%	% Diff.
<b>Full Service</b>					
Marriott Quorum	547	15%	\$ 161,774	18%	112%
<sup>(1)</sup> Renaissance	528	14%	96,288	11%	217%
	1,075	29%	258,061	29%	39%
<b>Extended Stay</b>					
Budget Suites	344	9%	10,376	1%	52%
Mainstay Suites	70	2%	10,500	1%	19%
<sup>(1)</sup> Marriott Residence Inn	150	4%	40,962	5%	23%
<sup>(1)</sup> Hyatt House	132	4%	29,282	3%	171%
Homewood Suites	120	3%	45,634	5%	26%
Home2Suites	132	4%	73,006	8%	49%
Springhill Suites	159	4%	51,108	6%	31%
	1,107	30%	260,868	29%	40%
<b>Business Moderate</b>					
Marriott Courtyard Quorum	176	5%	67,080	7%	178%
<sup>(1)</sup> LaQuinta Inn	152	4%	21,569	2%	-42%
Marriott Courtyard Midway	145	4%	42,875	5%	113%
Radisson - Addison	101	3%	27,678	3%	50%
Hilton Garden Inn	96	3%	39,202	4%	39%
Holiday Inn Express	97	3%	36,787	4%	25%
<sup>(1)</sup> Holiday Inn Beltway	102	3%	-	0%	0%
Best Western Plus	84	2%	27,478	3%	23%
	953	26%	262,670	29%	46%
<b>Economy</b>					
Motel 6	127	3%	34,114	4%	9%
Hampton Inn	158	4%	26,634	3%	34%
Red Roof Inn	105	3%	31,463	3%	42%
Quality Suites North/Galleria	78	2%	19,934	2%	40%
America's Best Value Inn	60	2%	7,915	1%	50%
	528	14%	120,060	13%	29%
<b>TOTAL</b>	<b>3,663</b>	<b>100%</b>	<b>901,659</b>	<b>100%</b>	<b>40%</b>



<sup>(1)</sup> Not yet received one or more payments for the quarter



## TOWN OF ADDISON Investments

*For the quarter ending March 31, 2022*

	<b>Book Value</b>	<b>Market Value</b>	<b>Interest Revenue</b>	<b>Weighted Average Yield- to-Maturity</b>
<b>3/31/2022</b>	128,974,071	125,467,231	175,283	0.72%
<b>12/31/2021</b>	120,896,570	120,014,074	150,182	0.54%
<b>Change</b>	8,077,500	5,453,157	25,101	0.17%
<b>% Change</b>	6.68%	4.54%	16.71%	32.13%