



Addison City Council Special Meeting

September 3, 2024

Addison Conference Centre

15650 Addison Road

Addison, Texas 75001

Email comments may be submitted using the Public Comment Form located on Addison's website by 3:00 PM on the meeting day. The meeting will be live-streamed at www.addisontexas.net.

WORK SESSION

The Addison City Council will convene in the Acacia Room beginning at 4:30 PM.

1. **Call Meeting to Order and Announce that a Quorum is Present.**
2. **Pledge of Allegiance.** United States and Texas Flags
3. **Work Session Reports**
 - a. Discuss the Addison Theatre Centre.

COUNCIL MEETING

The Addison City Council will convene for a Council Meeting beginning at 5:30 PM in the Council Chambers.

1. **Public Comment.** The City Council invites citizens to address the City Council on any matter, including items on the agenda, except public hearings that are included on the agenda. Comments related to Public Hearings will be heard when the specific hearing starts. Citizen comments are limited to three (3) minutes, unless otherwise required by law. To address the Council, please fill out a City Council Appearance Card and submit it to a staff member prior to the Public Comment item on the agenda. The Council is not permitted to take any action or discuss any item not listed on the agenda. The Council may

choose to place the item on a future agenda.

2. **Public Hearings.**

- a. Hold a Public Hearing, present, and discuss the Town of Addison's Annual Budget for the fiscal year commencing October 1, 2024 and ending September 30, 2025.
- b. Hold a Public Hearing, present, and discuss the Town of Addison's proposed Property Tax Rate for the fiscal year commencing October 1, 2024 and ending September 30, 2025.

3. **Items of Community Interest.** The City Council will have this opportunity to address items of community interest, including: expressions of thanks, congratulations, or condolence; information regarding holiday schedules; an honorary or salutary recognition; a reminder about an upcoming event organized or sponsored by the Town of Addison; information regarding a social, ceremonial, or community event that was or will be attended by an Addison City Council member or an official; and, announcements involving an eminent threat to public health and safety in Addison that has arisen since posting this agenda.

4. **Adjourn Meeting.**

NOTE: The City Council reserves the right to meet in a Closed Meeting at any time during this meeting to discuss matters listed on the agenda, as authorized by the Texas Open Meetings Act, Texas Government Code, Chapter 551. Any decision held on such matters will be conducted in an Open Meeting following the conclusion of the Closed Meeting.

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.

Posted by: _____

Date posted: _____ Time posted: _____

Date removed from bulletin board: _____

Removed by: _____

City Council (FY24) - Special Budget

3. a.

Meeting Date: 09/03/2024

Department: Special Events

Key Focus Areas: Vibrant and Active Community

AGENDA CAPTION:

Discuss the Addison Theatre Centre.

BACKGROUND:

During the FY2024 Budget workshop, City Council discussed funding for the Addison Theatre Centre and agreed that a comprehensive study would be beneficial. The approved budget included funding to hire a consultant to assess the Theatre and develop a business plan. In January 2024, the Town engaged Odyssey Associates to conduct the study and create a plan. The study aimed to (1) develop a business plan to guide the future development and growth of the Addison Theatre Centre, (2) maximize the Theatre as a publicly owned asset to enhance its economic and community impact, and (3) conduct an in-depth review of current Theatre operations, including space usage, facilities management, and agreements with ongoing users.

From January to May 2024, Odyssey engaged with various stakeholders, including Town staff, City Council Members, and Theatre users, to gather input. This outreach involved multiple meetings with WaterTower Theatre (WTT), the resident theatre company, as a key stakeholder. At the May 28th Council meeting, Odyssey presented their findings and Council directed staff to begin implementing the study. The goals included revitalizing the Theatre by achieving 150 lit nights, developing a clear brand identity, and supporting diverse content providers.

Over the summer, Town staff and WTT representatives met to discuss a transition plan for the upcoming year and future years to align with the study's goals. Town staff will present a summary of these discussions, the transition plan for 2025, and the next steps to achieve the study's objectives beyond 2025.

Representatives from WaterTower Theatre and Outcry Theatre are expected to attend the upcoming Council meeting to provide a brief presentation on the proposed funding for FY25.

RECOMMENDATION:

Information only.

Attachments

Presentation - Addison Theatre Centre

ATC Business Plan 2024

ATC Business Plan Presentation

Addison Theatre Centre Update

September 3, 2024

Passion Hayes, Deputy City Manager





During the FY24 Budget workshop, **Council discussed Theatre funding and approved funding in the FY24 budget to hire a consultant to assess the Theatre and create a business plan.**

Odyssey Associates was hired in January as the consultant to conduct a study of the Addison Theatre Centre.

Town Strategic Plan Key Focus Area (KFA): Vibrant Active Community

- **Strategic Objective: Extend the resident and visitor experience by activating our community parks and Town assets.**
 - Complete the Addison Theatre Study and consider recommendations for the facility and programming.
 - Develop the Addison Circle Park Vision Plan and begin implementation of the plan.

PURPOSE OF THE STUDY:

1. Develop a business plan to guide the future development and growth of the Addison Theatre Centre.
2. Maximize the Theatre as a publicly owned asset to enhance its economic and community impact.
3. Conduct an in-depth review of current Theatre operations, including space usage, facilities management, and agreements with ongoing users.

ADDISON THEATRE CENTRE HISTORY

ADDISON

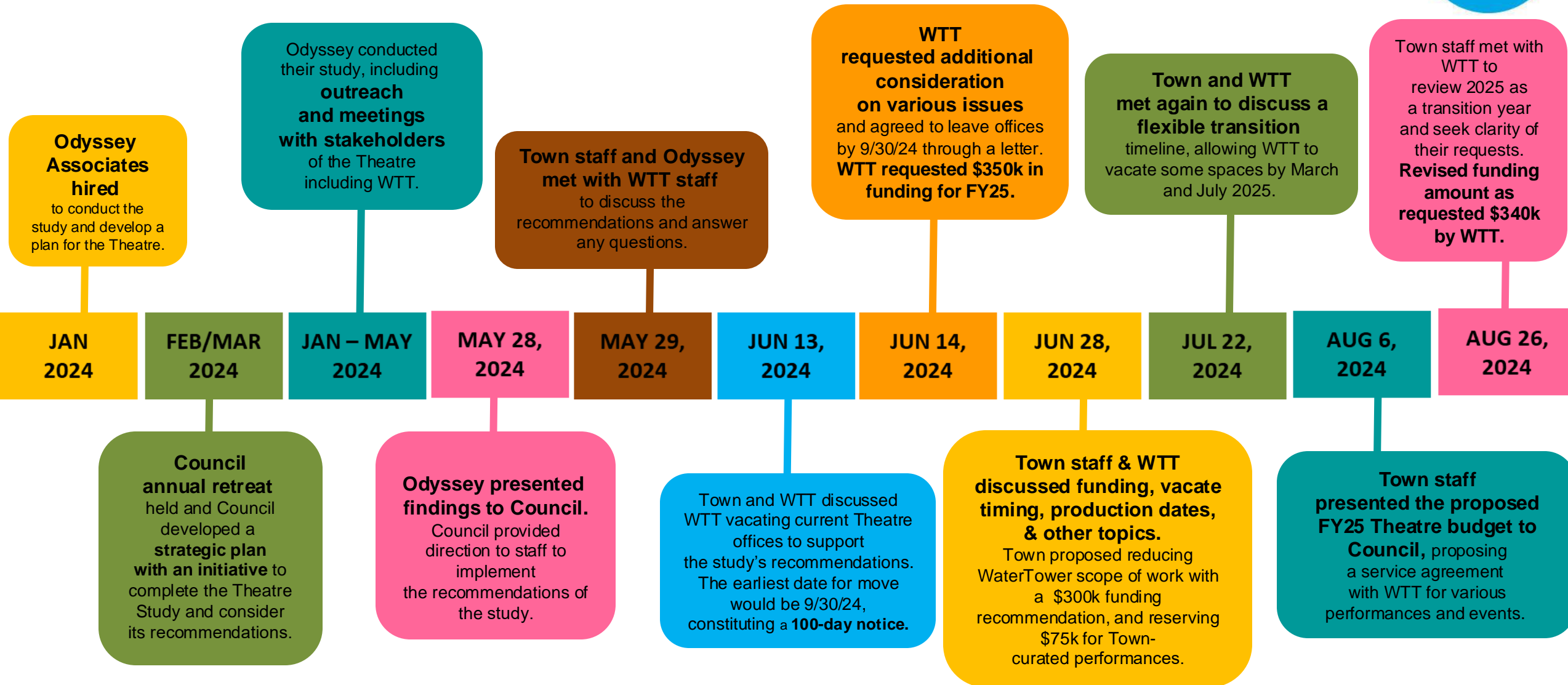


(Clockwise starting from left) Ann, WaterTower Theatre; *The Hobbit*, Outcry Theatre; *The Burlesque Nutcracker*, MBS Productions; *The Seagull*, Classics Theatre Project

- Opened in 1992, the **Addison Theatre Centre** is an *award-winning* distinct performing arts complex with a unique architectural character.
- WaterTower Theatre has been in residence at the Theatre Centre, producing a variety of plays and musicals. WaterTower remains integral to the success of the Addison Theatre Center.
- Other companies also produce at the Theatre Centre as well, including Classics Theatre Project, MBS Productions, and Outcry Theatre.

PROCESS TIMELINE

ADDISON



GOALS FROM THE STUDY

ADDISON

CENTRAL VISION:

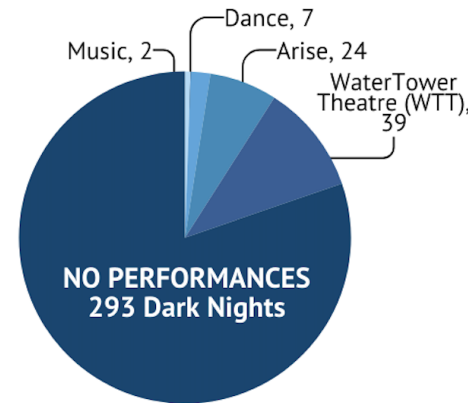
To revitalize the Addison Theatre Centre as a dynamic cultural hub that attracts diverse audiences and serves as a destination in its own right.

GOALS RECOMMENDED TO ACHIEVE THIS VISION:

1. 150 Lit Nights
2. Develop a clear brand identity for the Theatre
3. Redistribute resources for more inclusive usage by and support of a diverse array of content providers

Goal 1: 150 Lit Nights

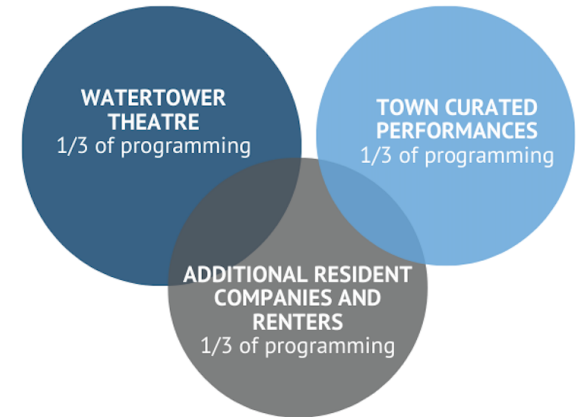
The availability of the Mainstage serves as a substantial opportunity for increased programming.



2023 Content Mix (72 Lit Nights)

Goal 2: Develop a clear brand identity for the ATC

- Develop a visual identity through a logo and other branding standards to rebrand the space.
- Require the use of that visual identity in contracting for all users.
- Replace public wayfinding to carry the new visual identity.



Goal Mainstage Usage

Goal 3: Redistribute resources for more inclusive usage by and support of a diverse array of content providers.

- Reimage scheduling of the Main Stage.
- Access to Support Spaces for all users.
- Expand the designation of resident companies.
- Relocate Town Staff to Theatre for better communication and supervision.

RECOMMENDATIONS FROM THEATRE STUDY

ADDISON



Recommendations from the study were grouped into **four** categories:

- Programming
- Marketing
- Town Staffing
- Facility Usage

RECOMMENDATIONS: PROGRAMMING

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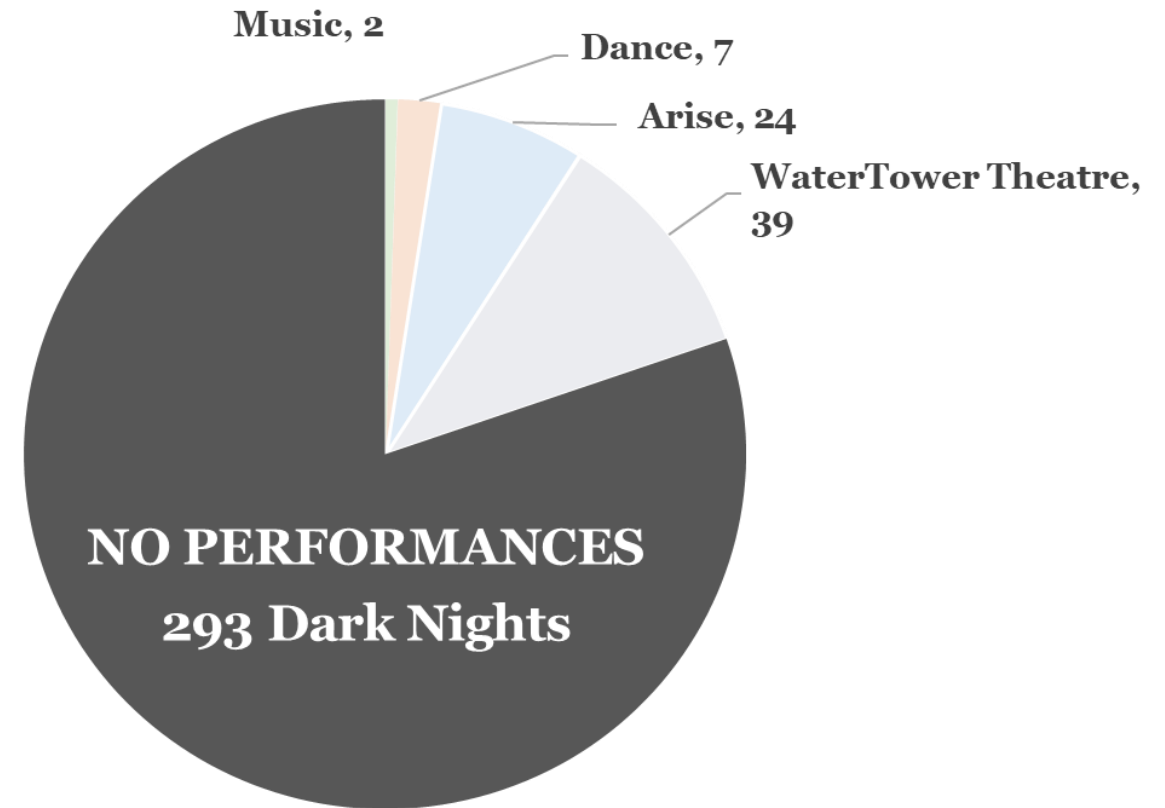
Availability of the **Mainstage** serves as a substantial opportunity for increased programming to achieve industry best practices of a *minimum* of 150 lit nights.

In 2023, the Mainstage had 293 Dark Nights.

RESULTS:

- Increased opportunity to drive Addison as a destination
- Increased Economic Impact for the Town (dining, hotels stays)
- Increased overall attendance/foot-traffic into the Theatre

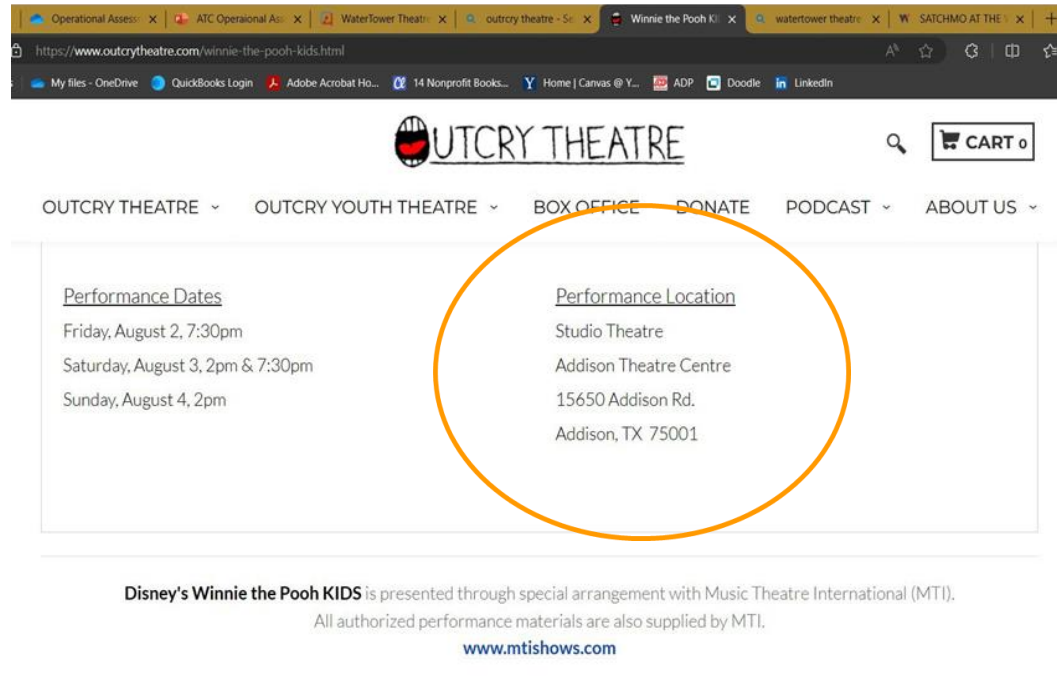
Mainstage Theatre: 2023 Content Mix (72 Lit Nights)



RECOMMENDATIONS: MARKETING

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The Theatre Centre will need **consistent branding standards** among users.



Additional staffing will be required to accommodate **increased activity.**

THEATRE CENTRE MANAGER

- **Develop action plan to accomplish goal of 150 lit nights.**
- Serve as the contractual liaison between facility users and the Town.
- Identify future renters to activate the Mainstage
- Curate additional content/signature events
- Supervise production staff

ADDITIONAL PRODUCTION PERSONNEL

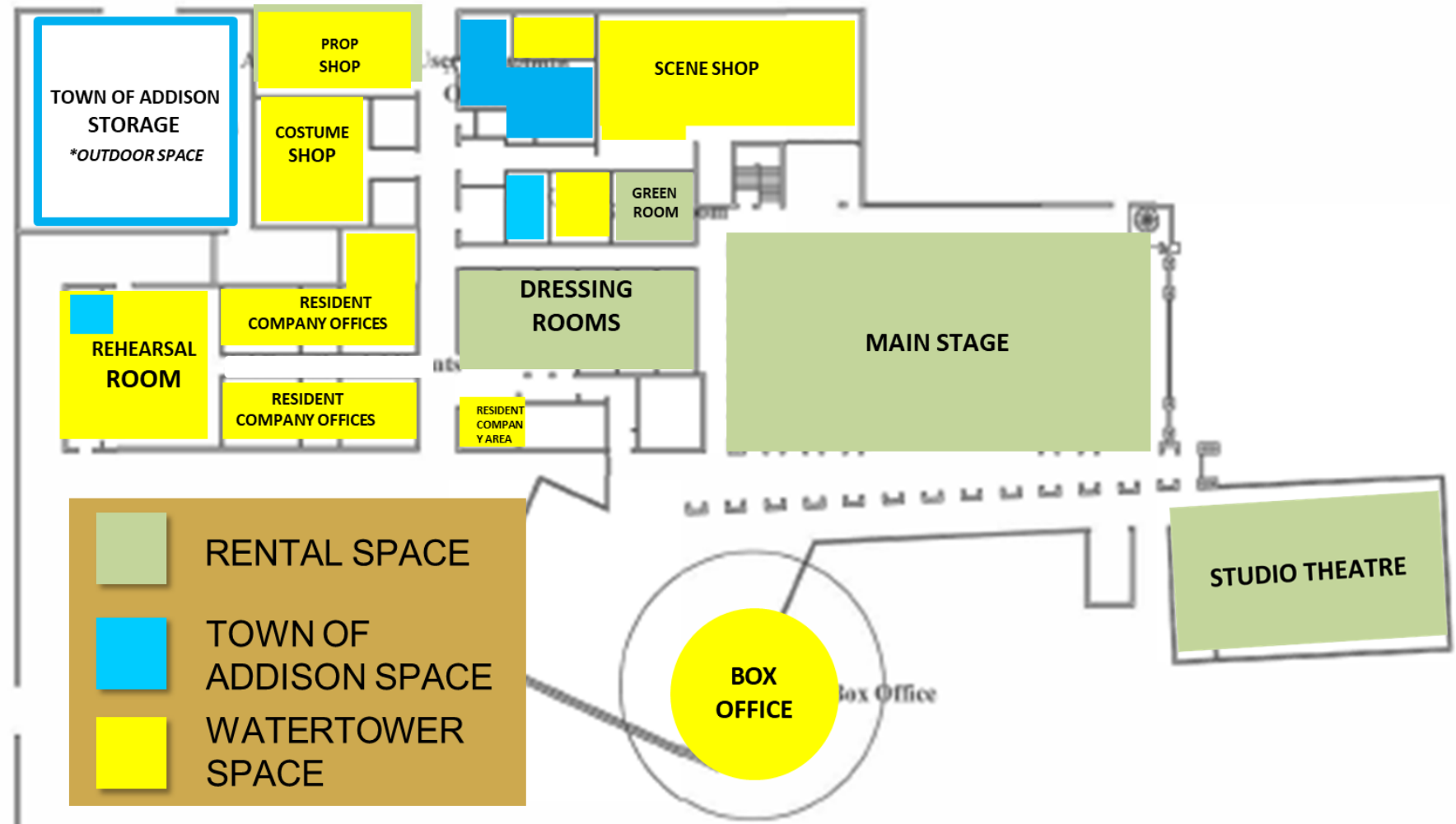
- Consider an increase in production staff members when 150 lit nights are achieved (target 2028).

FACILITY USE (Current)

ADDISON

Town of Addison currently has:

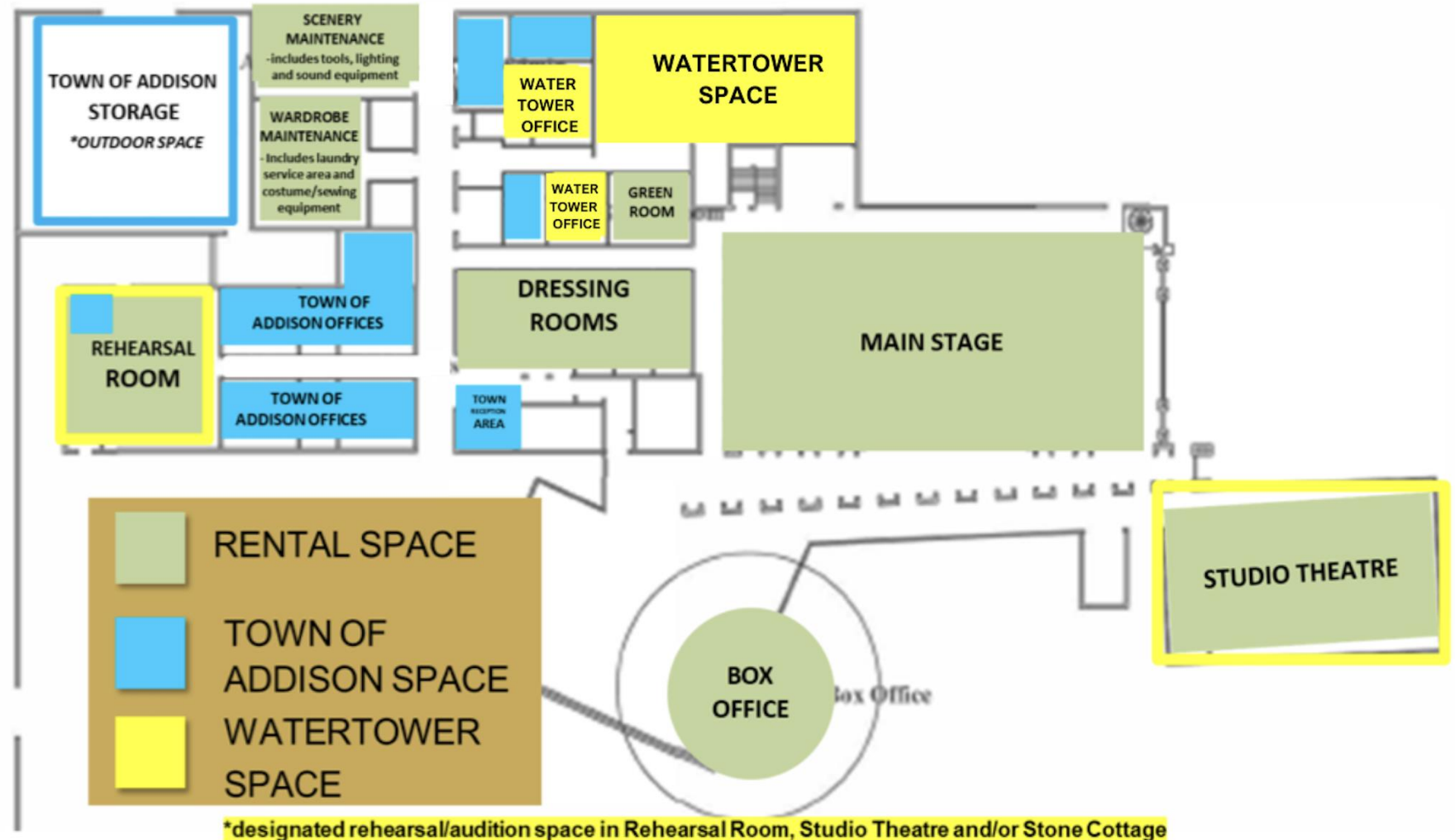
- No access to the Box Office (level 1 or 2) for renters
- No access to costume/prop shop for renters
- No access to rehearsal room or scene shop for renters



FACILITY USE (Proposed)

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- Town staff would move to the Theatre to provide an on-site presence
- Proposed facility use would provide other organizations access to spaces (costume/prop shop)
- WTT communicated their priority for space was a permanent office and rehearsal/audition space
 - Staff has identified rehearsal/audition space
 - Staff also offered WTT the opportunity to extend their stay in the current office space and they declined
 - Future, permanent office space for WTT has been identified as requested.



THEATRE CENTRE TRANSITION

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Phased transition and timeline:

2025	2026	2027-28	2029
<ul style="list-style-type: none">• WTT to provide at least 1/3 of the programming• Town-curated programming to be 1/3 of content• Theatre rebranding• Transfer main stage naming rights to the Town to enhance consistent branding on 12/31	<ul style="list-style-type: none">• WTT to provide at least 1/3 of programming• Consider one signature event• Transfer lobby naming rights to the Town on Feb. 28	<ul style="list-style-type: none">• WTT to provide at least 1/3 of programming• 150 lit nights with increase rentals from outside groups	<ul style="list-style-type: none">• Start to examine ticketing platform options• Start to examine concession operations

Collaborative Transition and Continued Partnership:

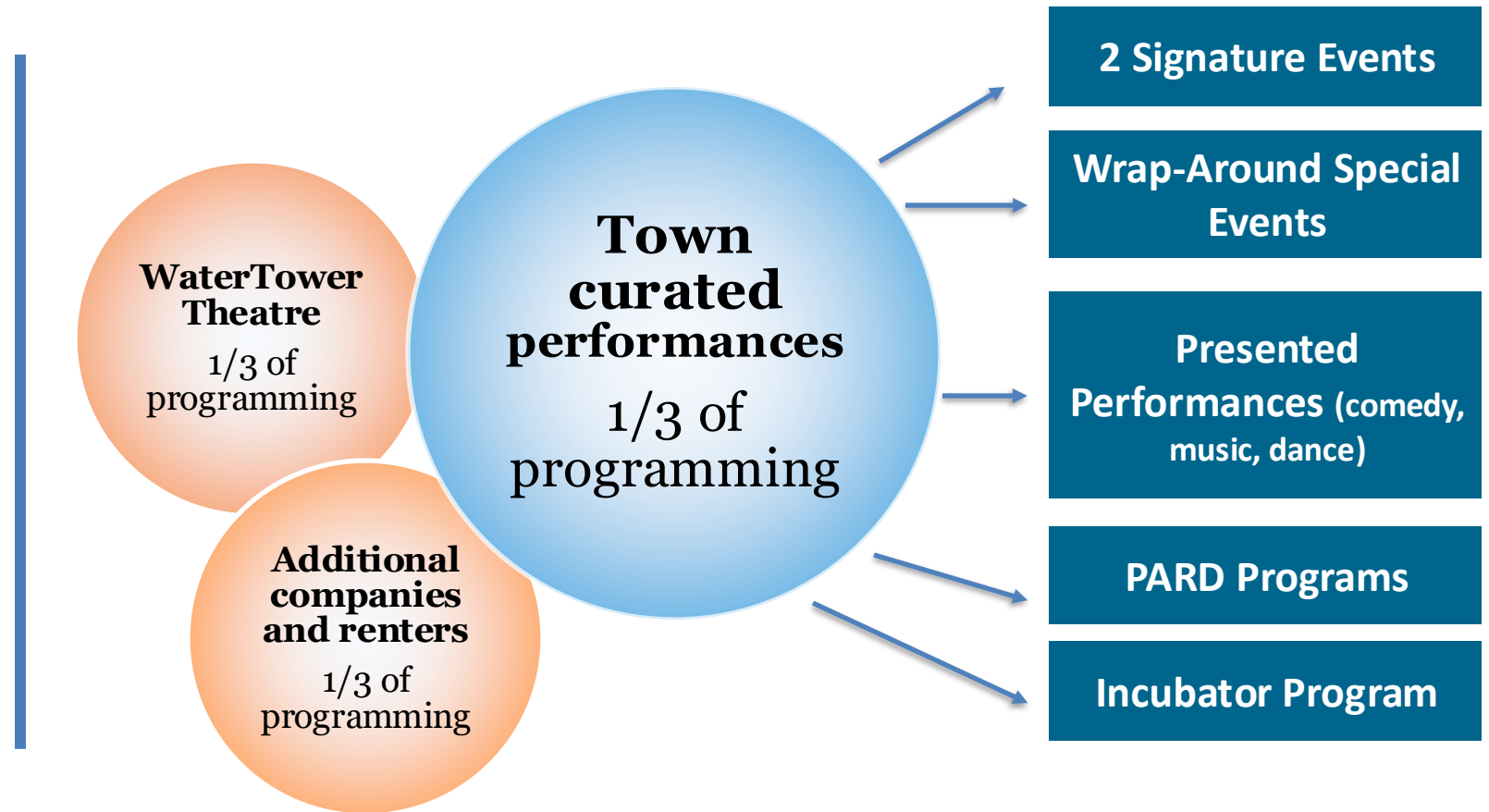
- The WaterTower Theatre (WTT) is a key partner for the Town and necessary for 1/3 of goal lit nights.
- Town staff are actively engaged with WTT to facilitate a smooth transition as the Town diversifies funding and usage of the Theatre to meet its business plan goals.
- 2025 will be a transition year and little will change around programming from the WTT and Town.
- Town staff is developing criteria for funding to support the arts to activate in the Theatre.

FUTURE GOALS: TOWN PROGRAMMING

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In 2025, the WaterTower Theatre will continue to provide 1/3 of the programming by way of (4) total productions.

Town staff will begin to explore programming opportunities to contribute to lit nights.



PROPOSED FUNDING FY24-25

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	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25
Outcry Theatre	---	\$5,000	\$2,500	\$2,500	\$2,500	\$5,000
WaterTower Theatre	\$437,900 Main Grant ----- <ul style="list-style-type: none"> • \$295,000 • Matching Funds \$142,900 • No in-kind 	\$500,000 Main Grant ----- <ul style="list-style-type: none"> • \$300,000 • Matching Funds \$200,000 • No in-kind 	\$375,000 Main Grant ----- <ul style="list-style-type: none"> • \$226,589 • Matching Funds \$100,000 • In-Kind Rent \$48,411 (\$16,400 Office, \$32,011 Production) 	\$425,000 Main Grant ----- <ul style="list-style-type: none"> • \$226,589 • Matching Funds \$100,000 • In-Kind Rent \$48,411 (\$16,400 Office, \$32,011 Production) 	\$425,000 Main Grant ----- <ul style="list-style-type: none"> • \$226,589 • Matching Funds \$150,000 • In-Kind Rent \$48,411 • (\$16,400 Office, \$32,011 Production) 	\$360,000 Service Agreement ----- <ul style="list-style-type: none"> • \$340k Cash Contribution (\$40k increase over proposed budget) • In-Kind Rent of \$20,000
Town Curated Programs	-----	-----	-----	-----	-----	\$35,000 Support Town Curated Programming Goal ----- <ul style="list-style-type: none"> • \$40k decrease from proposed budget

- **Limitations**

- State law limits use of hotel tax to a maximum of 15% for promotion of the arts
- The Town's proposed FY 2025 budget utilizes \$795,874 in hotel taxes for the arts which is just below than the maximum allowed of \$803,250

- **Opportunities**

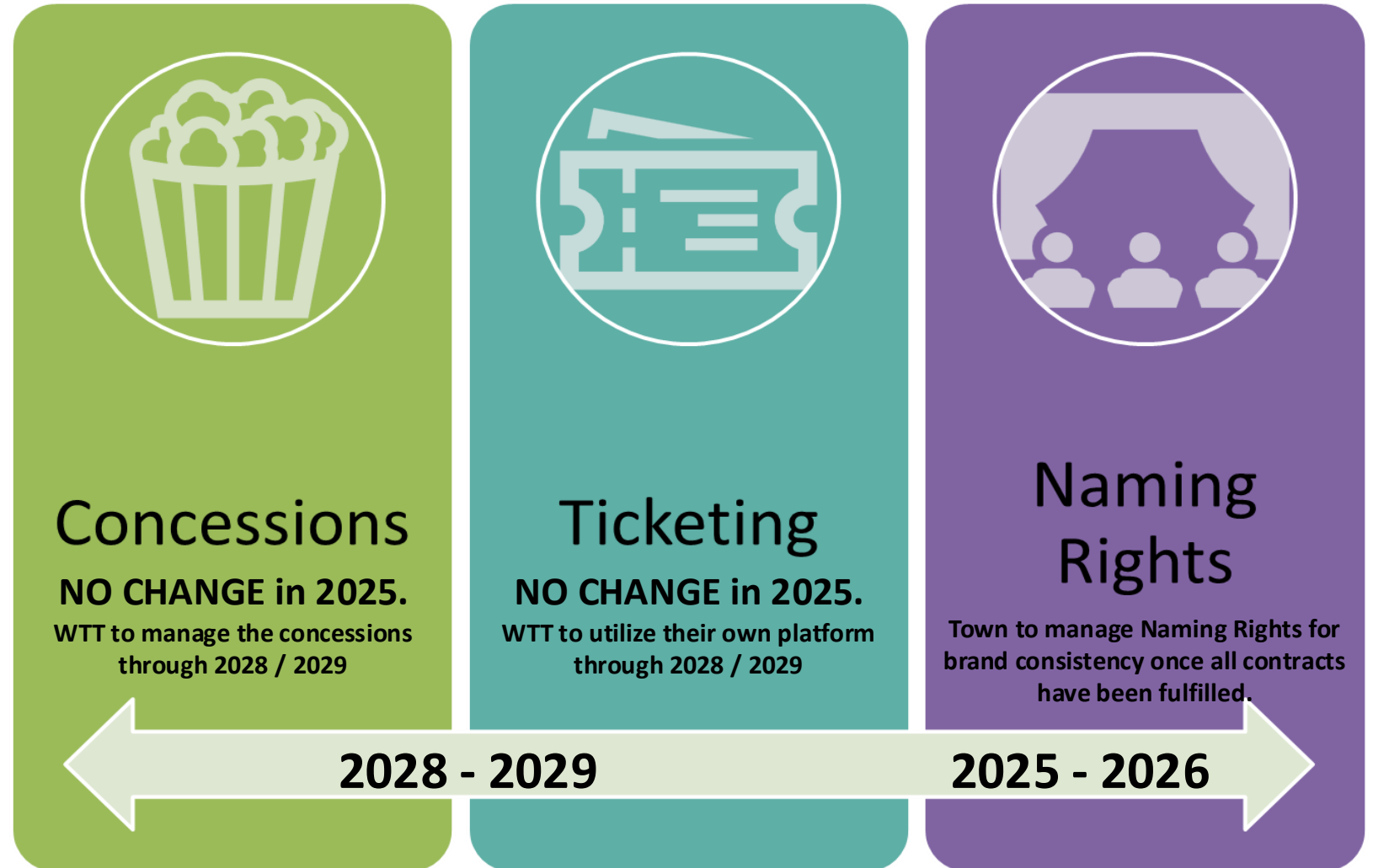
- Revenue generated by the arts can be reinvested into those programs without limitation
- Revenue from rentals and naming rights are examples of sources that could be reinvested

WATERTOWER REVENUE SOURCES (Additional)

ADDISON

WTT generates additional revenue from **Concessions, Ticketing and Naming Rights**.

The Town has proposed a **phased** transition through 2029.



FY25

- To begin implementing the study's recommendation, the FY25 funding process did not follow the Town's previous grant process.
 - Town staff will work with WTT on a services agreement for a scope of work that was structured in line with the recommendations of the study.

FY26 and Beyond

- Over the next year, staff will work with Council on **developing a process and criteria** to score, evaluate, and provide funding support to arts organizations.
 - Criteria to score should include **both economic impact and community impacts**.
 - Staff **recommends that Council form a subcommittee** to help develop this scoring and evaluation framework and for the subcommittee to participate in scoring future applications.



QUESTIONS?



Addison Theatre Centre Business Plan Study

PREPARED FOR:

Town of Addison, Texas
May 2024

Joshua Borenstein, Principal
Odyssey Associates

Lloyda Alicia Garrett, Principal
Axelerate Associates





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Executive Summary

The 30-year-old Addison Theatre Centre (“ATC”) is a unique performing arts venue designed by Dallas-based architect Gary Cunningham. The facility has three flexible performance spaces: the Terry Martin Mainstage (up to 210 seats), the Olmor Studio Theatre (up to 84 seats), and the Stone Cottage (up to 50 seats).

For years, the WaterTower Theatre (“WaterTower”) has served as ATC’s sole resident company and the primary provider of content for the Mainstage, with other local organizations offering programming in all three theatres around WaterTower’s schedule. However, WaterTower’s public performances on the Mainstage have decreased over time, causing that space to be closed to the public most of the year. Due to these circumstances, in January 2024 the Town of Addison retained Odyssey Associates in partnership with Axelerate Associates (“Odyssey”) to study ATC’s operations and provide a recommended business plan to maximize the use of this publicly owned asset with the objective of increasing its economic and community impact.

The operational assessment illuminated several key strengths and opportunities for ATC, including a competitive pricing structure, having few peers in its market category with the same level of resources, an outstanding location with ample parking, and availability to schedule additional programming at the facility. Given these characteristics, the ATC is well positioned to win the market category as the premier small performing arts complex in North Texas.

During this process, a central vision for this business plan became apparent:

To revitalize the Addison Theatre Centre as a dynamic cultural hub that attracts diverse audiences and serves as a destination in its own right.

There are three critical goals to realize this objective:

1. Achieve a minimum of 150 lit nights of varied content.
2. Develop a clear brand identity for the ATC.
3. Redistribute resources for more inclusive usage by and support of a diverse array of content providers.

To measure the progress of this plan, the following key performance indicators (KPIs) should be tracked on a quarterly basis:

- Number of lit nights.
- Diversity of users and programs offered.
- Number of attendees at performances.
- Location of ATC audience members.



Operational Assessment Summary

Odyssey designed and implemented an operational assessment process to understand the ATC's strengths, opportunities, aspirations, and desired results (known as a SOAR analysis). This scope of work included a review of key information through a background review of documents, a tour of the facilities, interviews with staff and Town officials, a programmatic analysis, benchmarking and competitive analyses against comparable facilities, and interviews with current and potential users of the space. The highlights of this analysis are in Figure 1 and detailed below.

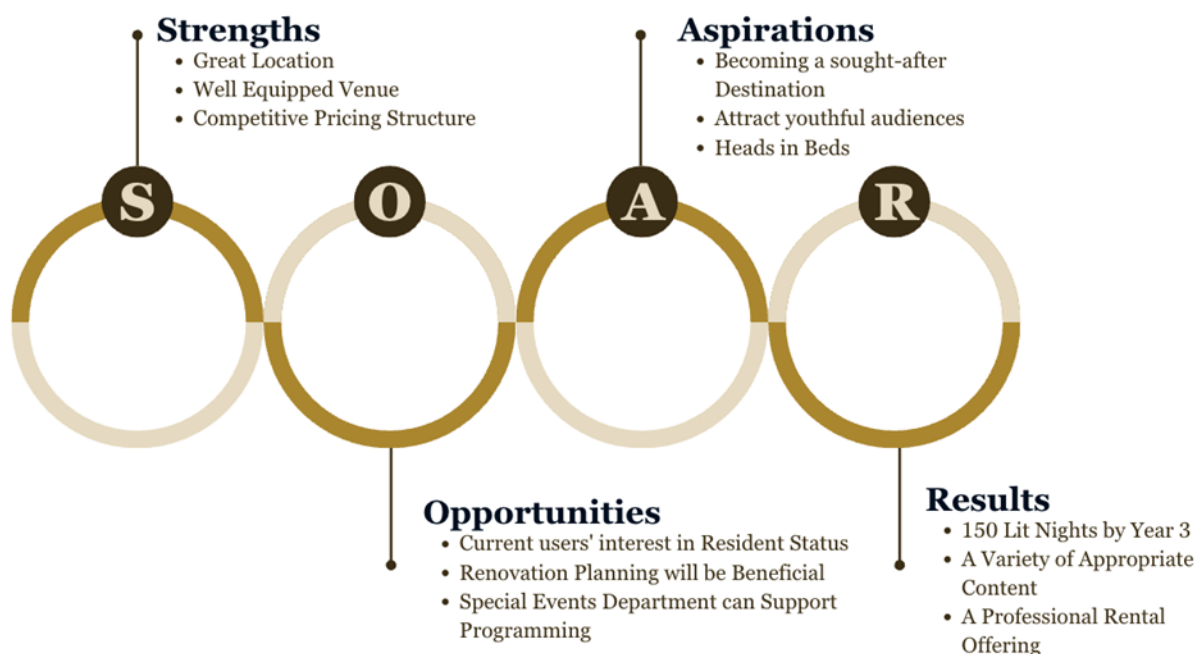


Figure 1: Summary of ATC's SOAR Analysis

1. **Competitive Advantages:** ATC offers competitive pricing as shown in Figure 2 for a comparatively well-equipped, professional venue located in a highly desirable area with ample parking and excellent dining options nearby. These advantages position ATC as an appealing choice for performers and patrons alike.
2. **Collection of Niche Small Venues:** ATC's performance spaces have lower seating capacities when compared to the overall market. However, when compared to publicly owned performance complexes, ATC's three performance spaces, particularly the Studio Theatre and the Stone Cottage stand out as well-equipped and attractive to smaller theatre companies and arts groups. The Mainstage's flexible seating arrangement can make it a particularly attractive space for a wide range of performances. Updated equipment, renovations, and attention to the upkeep of



the ATC will be important so it can compete with the recently renovated Coppell Centre offerings.

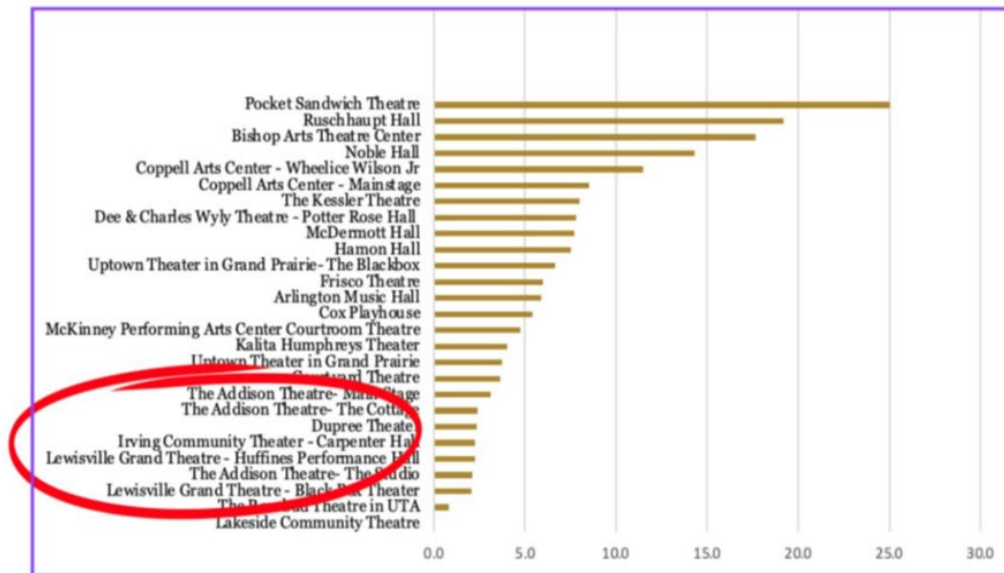


Figure 2: The Addison's Rate Per Seat in Comparison with competitors

- Mainstage Utilization:** Currently, the Mainstage has limited availability for public performances ("lit nights"), with only 72 nights open to the public and 293 dark nights (see Figure 4). Closer examination reveals that over 180 days in the Mainstage (i.e., six months) are reserved for scenic construction and technical rehearsals (Figure 5). This limited usage reduces ATC's economic and community impact but is an opportunity to make the space available for other content providers.

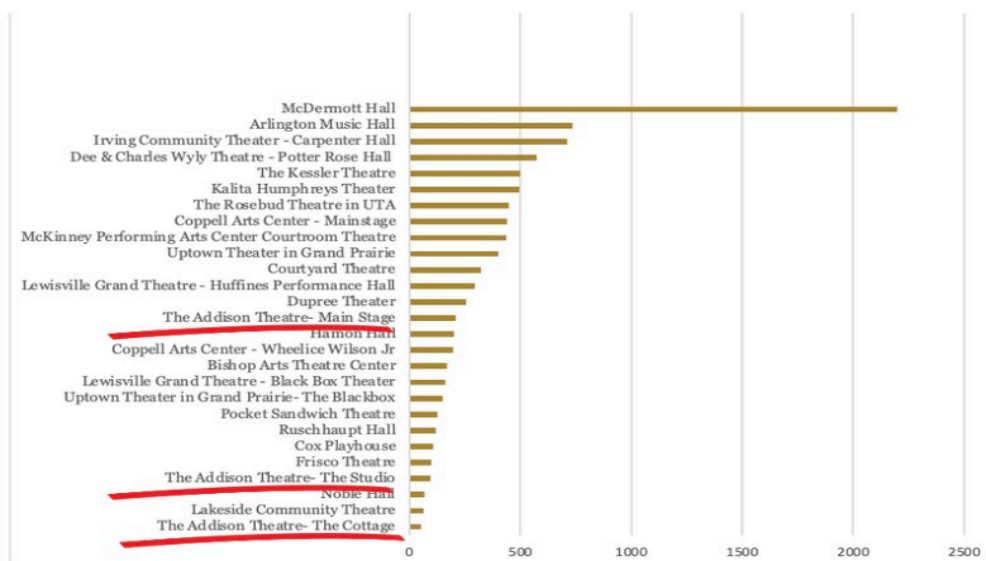


Figure 3: The Addison's Seating Capacity in Comparison with Competitors

- Positive Feedback for Staff:** Users and interviewees consistently praise ATC's staff and the special events department for their professionalism and responsiveness. Further, staff received



high praise for their willingness to train theatre company personnel in the technical aspects of theatre production, thus building capacity in the community. Empowering these individuals could significantly enhance ATC’s utilization and operational efficiency.

- 5. **Branding Challenges:** Not only does ATC lack a distinct visual identity, but most people conflate the ATC with WaterTower. Figure 6 illustrates how organizations list ATC without any visual distinction as well as show how public wayfinding exists that labels ATC as WaterTower instead of as the “Addison Theatre Centre.”

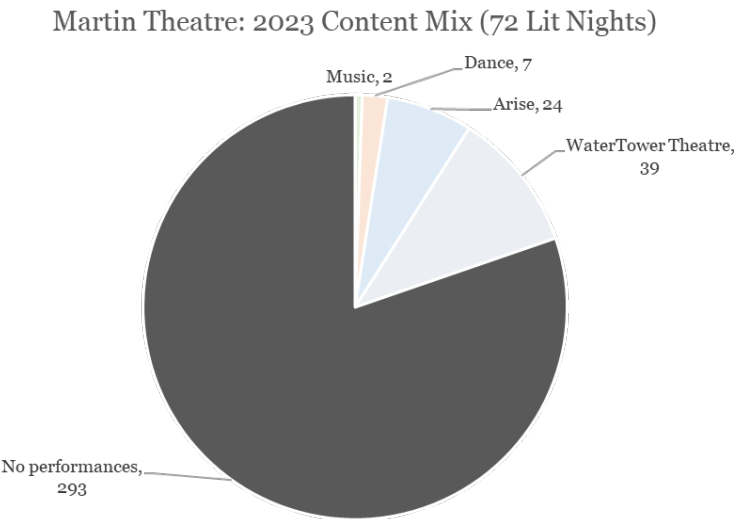


Figure 4: The Mainstage Lit Nights versus non-performance nights

- 6. **Scheduling Needs:** During interviews, users noted that they require longer lead times (ideally 9 – 12 months, and longer in some cases) for scheduling commitments to facilitate their planning processes. As a result, ATC can benefit from a standardized scheduling process and booking opportunities further in advance as part of its user agreement and policies.
- 7. **Infrastructure Issues:** The Theatre has not had major capital investments since its construction, resulting in challenges ranging from roof leaks, reduced efficiency and performance of the HVAC system to outdated equipment in the Mainstage. These issues should be addressed through eventual renovation to ensure optimal functionality and appeal to potential renters.

- 8. **Aspirations and Desired Results for ATC:** Addison officials and staff members consistently articulate a common vision for ATC, which is to be open to the public more frequently and offer a wide variety of content that can draw in audience members of all kinds of backgrounds that represents the diversity in the metroplex and beyond. There was consensus that increasing ATC’s economic and community impact was particularly important for Addison’s market position as a regional and entertainment destination. As a result, Odyssey has developed this recommended business plan based on these aspirations.

Month	Martin		
	Lit Nights	Other Use	No User
January	0	31	0
February	16	12	0
March	2	12	17
April	10	20	0
May	10	12	9
June	0	19	11
July	9	19	3
August	3	6	22
September	3	0	27
October	0	30	1
November	9	14	7
December	10	7	14
TOTALS	72	182	111

Figure 5: Mainstage Dates by Month and Usage

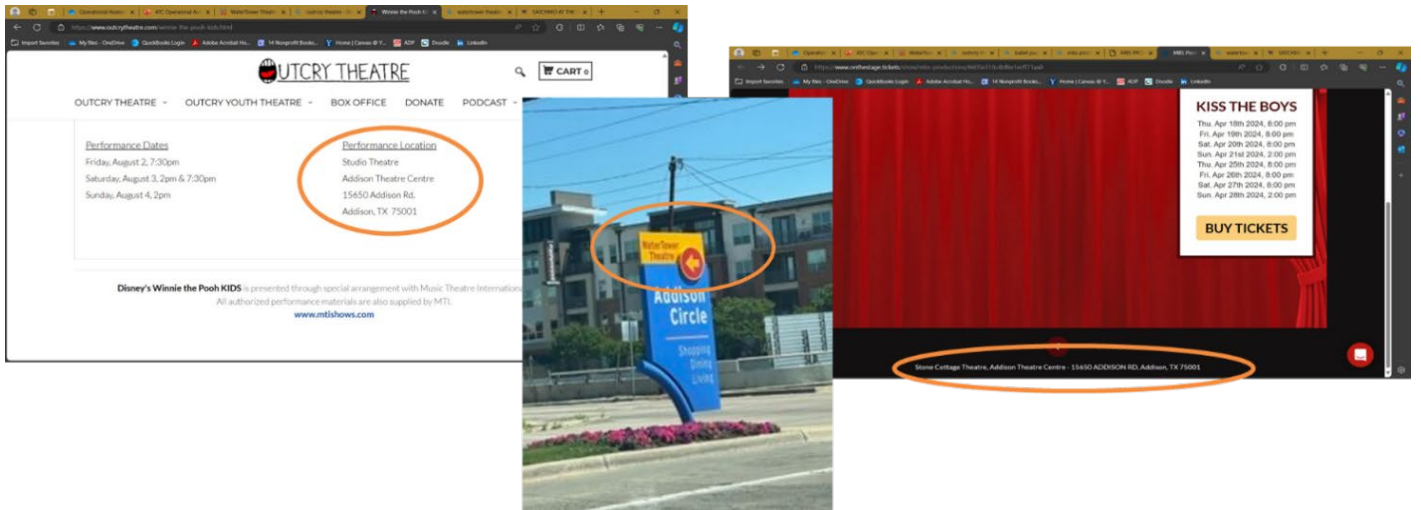


Figure 6: Representations of Addison Theatre Centre's Online and Way Finding



Vision, Goals, and Strategies

Vision

The vision of this plan is to revitalize the Addison Theatre Centre as a dynamic cultural hub that attracts diverse audiences and serves as a destination in its own right.

Goal #1: Achieve a minimum of 150 lit nights of varied content.

To achieve this goal, Odyssey proposes that ATC's programming comes from three groups of content providers:

1. **WaterTower:** The WaterTower Theatre is an important partner for the Town, and ATC is fortunate to have a resident company that has so many strengths. The company's work is well respected, and it has a devoted base of patrons. Most importantly, WaterTower is experiencing more success than many in retaining its audiences.¹ Its retention as a resident company could provide approximately 1/3 of the Mainstage's total lit nights and public programming.

2. **Addison Special Events Department:** Addison's vibrant special events department is an important asset to the Town and provides opportunities to expand ATC's offerings. Its leadership can program about 1/3 of the content on the Mainstage through three avenues:

Special Event Activity	# of Lit Nights
Taste: Workshops, Demonstrations, and Competitions	5
Kaboom Town: Concerts	4
Oktoberfest: Concerts	10
Holiday-related signature event	10
Spring signature event (early March)	10
Additional curated events	16
Possible total lit nights	55

Figure 7: Special Events Activities in ATC

- a. Programming that "wraps around" the Town's three major special events: Taste of Addison, Kaboom Town!, and Oktoberfest, as shown in Figure 7: This type of usage would diversify the special events department's offerings and expand ATC's visibility as a sought-after venue that is known for quality performances. Taste of Addison, Kaboom Town!, and Oktoberfest's established regional audiences can be introduced to the space through this collaborative approach.
- b. One to two "signature" events in the Mainstage that transforms ATC into a destination in its own right with high-quality programming contributing to Addison's economic vitality. The special events department can program one event on the Mainstage during the December holidays and one in the early spring. These events' details must be developed over time with the support of special events and new ATC programming staff.
- c. Curated content in which different types of live entertainment are presented on the Mainstage. Odyssey recommends that ATC experiment by programming up to 4 types of

¹ In its analysis of 233 organizations, SMU DataArts noted that 2023 attendance remained down 35% from pre-pandemic levels. By comparison, in 2023 WaterTower's percentage of capacity (a common attendance measure) was comparable to its 2019 season. (Source: SMU DataArts. "As Relief Funding Dwindles, Arts and Culture Seek New Revenue Sources." Accessed May 4, 2024: <https://culturaldata.org/national-trends-2024/funding-sources>)

offerings (e.g., stand-up comedy, singer-songwriters) up to 4 times per year to evaluate the market for audience potential (i.e., up to 16 times per year in total).

Figure 8 shows how this configuration of content would create 50 lit nights on the Mainstage.

Organization	# of Lit Nights
Accolade Theatre Company	16
Arise Studio	24
MBS Productions	16
Outcry Theatre	16
Possible Total Lit Nights	72

Figure 8: Possible lit nights from current ATC users

3. **Renters and New Resident Companies:** Additional users of the space can provide the remaining content. This mix can include current users of the Mainstage, current users of the Studio, and new programming partnerships with other performing groups. One way to ensure content is offered by other companies could be to expand resident company status to other organizations (more details about this recommendation are offered in goal #3). Figure 8 shows how this group of companies might provide content on the Mainstage.

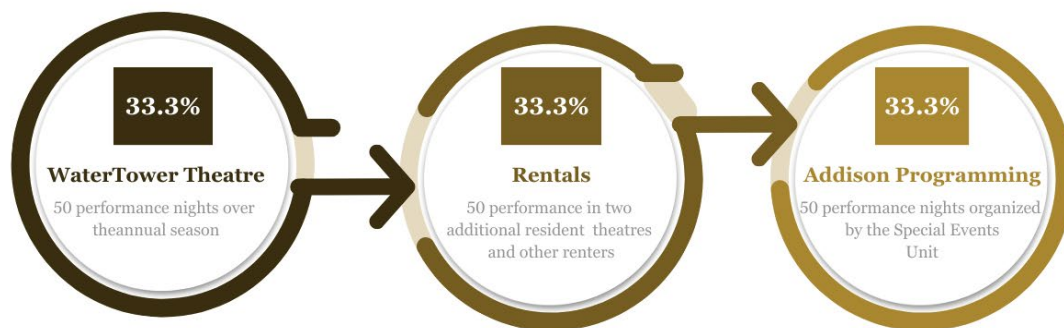


Figure 9: Breakdown of Programming plan by year 3

Tactical Implementation

Additional content will have to be phased in over the course of this plan. Odyssey recommends the following schedule:

- Plan Year 1
 - Produce and present wrap-around content in ATC to complement Taste of Addison, Kaboom Town!, and Oktober Fest.
 - Increase the number of rentals and other users to thirty-nine (39) lit nights of programming.
 - Present four (4) nights of curated content
- Plan Year 2
 - Produce one (1) of two (2) signature events
 - Increase the number of rentals to forty-four (44) lit nights or programming.
 - Present four (4) additional nights of curated content (i.e., eight (8) total)



- Plan Year 3
 - Add the second of two (2) signature events
 - Increase the number of rentals to fifty (50) lit night of programming.
 - Present four (4) additional nights of curated content (i.e., twelve (12) total)
- The flexible configuration of the Mainstage is a major strength of the ATC. However, this can serve as a barrier for smaller theatre companies who might be interested in renting the space. To ensure the ease of the Mainstage transfer process from use to use, each user agreement must require that the space be restored to a standard configuration (for example, a 210-seat proscenium style configuration) since the Mainstage can be flexibly laid out. In a renovation planning process, the ATC might wish to consider a semi-permanent deck to help make these transitions easier and more affordable for users, while retaining the flexibility of the space.
- While developing a content plan, it is crucial for the ATC to be incorporated as an opportunity in the Parks and Recreation plan for its programming aspirations, a process that was just beginning at the time of this writing.

Goal #2: Develop a clear brand identity for the ATC.

One of the key challenges identified in the operational assessment is the conflation of ATC's identity with that of WaterTower. Developing a distinct brand identity will help clarify ATC's independent presence and its role as a performing arts center, instead of its sole identity being the venue for WaterTower. This differentiation is crucial for attracting a broader range of users who may be hesitant to engage with the Theatre due to brand confusion. Part of this brand identity may mean changing ATC's name to the "Addison Cultural Centre," or the "Addison Cultural Arts Centre". This is a decision best made through a participatory market analysis process by a branding consultant.

This identity will be crucial for cohesive marketing and promotional efforts, allowing ATC to effectively target audiences. Consistent branding across various channels, including digital platforms, print materials, signage, and advertising, helps build brand awareness and fosters audience engagement. Success will be when people to ask themselves, "What is playing at The Addison Theatre this weekend?"

Tactical Implementation

- Hire a marketing consultant in year 1 to develop a branding and marketing plan as a priority.
- With that consultant, consider whether a renaming of the facility is the correct marketing strategy.
- Implement new contract requirements that require resident companies and other users to utilize the logo and other branding standards.
- Take over the naming opportunities for the facility's spaces once current agreements expire, so that sponsorship opportunities can be more effectively leveraged across the venue and in tandem with the special events department's programming.



- Include ATC in the formation of the Circle Park tourism district.
- Replace wayfinding that lists “WaterTower Theatre” as “Addison Theatre Centre” preferably with ATC’s new branding standards.
- With the consultant, consider the recommendation to create a separate website (e.g., addistontheatre.org) to reinforce ATC’s distinct identity and create a central location for audience members to learn about all the offerings.
- Invest in digital marketing to promote ATC, its new identity, and its offerings based on marketing consultant recommendations.

Goal #3: Redistribute resources for more inclusive usage and support for a diverse array of content providers.

As noted earlier, ATC’s Mainstage is predominantly used for production activities by WaterTower, limiting the availability of the space for public performances. This type of usage restricts access for other users, impacting the overall frequency and diversity of programming. As a result, the scheduling of the Mainstage should be completely reimagined, with priority placed on public performances and production activities such as set construction to mostly occur at alternate locations. That said, it is important to note that users will require time on the Mainstage for loading in physical productions and for technical rehearsals, up to one week for each (or two weeks total). Given that the current shop space at ATC is inadequate to build theatrical sets in their entirety, users will need to identify appropriate alternate spaces to build sets, and then receive adequate time to load-in physical productions prior to technical rehearsals (as noted earlier).

In addition to increased access to the Mainstage for performances, users will also need support spaces. Therefore, they will require access to the backstage areas, including the green room and dressing rooms, as well as access to a costume shop and small woodshop / props shop so that alterations and repairs can be made during technical rehearsals and performances. Further, front-of-house management including the box office and concessions must be addressed to

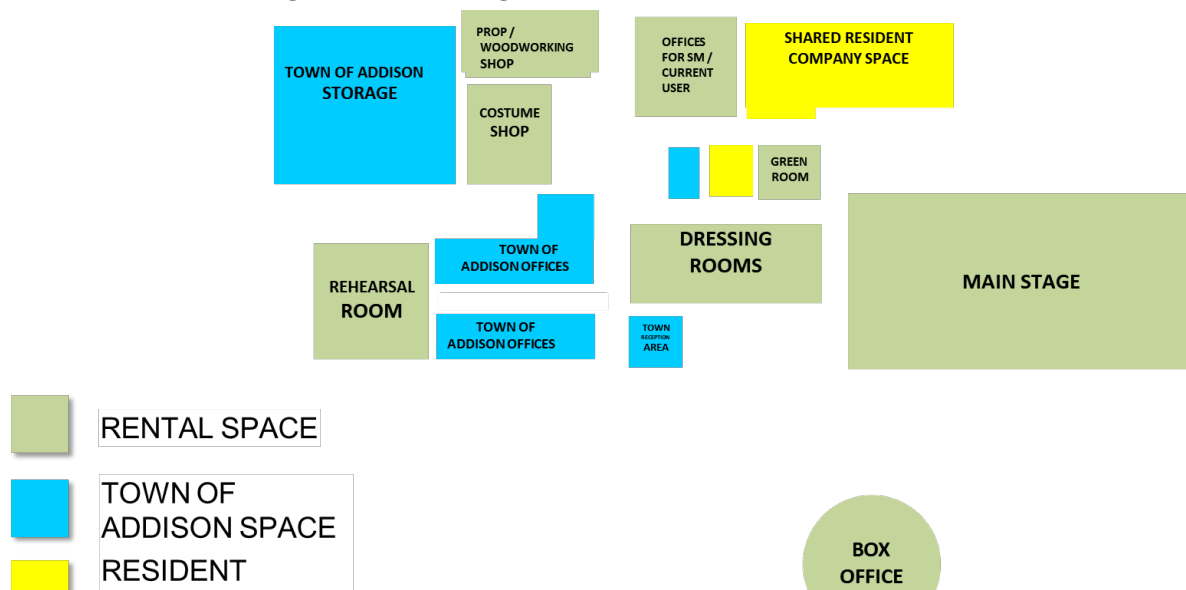


Figure 10: Repurposing of ATC spaces



ensure equal access for all users and a standardized experience for all audiences. Figure 10 offers a proposed repurposing of ATC spaces.

As alluded to earlier in this plan, the designation of resident companies should be expanded to more organizations. Ideally, resident companies should produce different kinds of work from each other to attract all types of audiences. Therefore, resident company status should be granted in a way that ensures performances at ATC in aggregate have broad appeal. All resident companies should receive benefits equally, and they may include the following:

- Priority access to scheduling after the special events department determines what it will use for its programming.
- Financial support from the Town of Addison perhaps funding each organization at a minimum 10% of its total operating budget.²
- Providing training in lighting and sound equipment usage and other technical support.
- Subsidized rental rates on space usage.
- Shared office space within ATC.

In exchange, resident companies should be required to provide a minimum of ten lit nights in their first year of their residency, fifteen in the second, and twenty by the third.

Finally, should this plan's goals be accomplished, two-thirds of all content will either be overseen or produced by the special events department. As a result, special events staff members should have their offices located within ATC. Their physical presence in the facility will allow for better communication among groups and offer better supervision of activity and personnel.

Tactical Implementation

- To provide the same front of house experience for the audiences of all users, ATC should issue an RFP in year one to identify a vendor to provide food and beverage at every public performance (users should still manage their own merchandising sales, which is a standard industry practice).
- ATC should begin conversations with current users of the Mainstage and Studio Theatres to talk about the path to becoming a resident company. These users are Accolade Theatre Company, Ballet Papillion, Classics Theatre Project, MBS Productions, Outcry Theatre,

² Evaluation of the Town's grantmaking process was outside of the scope of this study. However, Odyssey offers the following observation about grantmaking:

- There are only a limited pool of funds available for the Town to support ATC and arts organizations, as a maximum of 15% of the revenues from the hotel tax are restricted for this purpose.
- Municipal and county support of arts and culture organizations is a typical practice nationwide.
- WaterTower is a critical partner, and Town funding is currently instrumental in its ongoing sustainability.
- Yet, if there are going to be other resident companies, they should have equitable access to available funding.
- Finally, all funding recipients have to be held accountable for delivering on their contractual obligations, including using branding standards and meeting programming guarantees.



and Six O'Clock Dance with the aim of adding two new resident companies by the end of year two.

- To ensure equitable use, ATC should develop a user policy and new user agreements through a consultative process that considers legal implications, theatre regulations and requirements, user responsibilities, and ATC support. This policy must include user responsibilities for move-in, production days, performance nights and move-out. This process should begin in year one.
- Create a plan for support space usage including backstage, dressing rooms, and office spaces to ensure access for all theatre companies and identify space for special events and ATC staff. This plan should include a review of the facility maintenance processes to ensure it is adequate and that funds are budgeted.
- Collaborate with WaterTower to ensure a smooth transition from their current usage to this new arrangement, including assisting them as necessary to identify new production and administrative space.

Beyond the Plan

This business plan only charts out the next three years. That said, there are some strategies and tactics that ATC should implement four to five years from now:

1. ATC should conduct a master architectural plan to guide a major renovation of the facility.
 - While this plan cannot be developed and funded in three years of the business plan, it is critical to the development of ATC as a regional draw for visitors and should be a critical component of long-term planning. The Coppell Arts Centre, a Town asset as well, was renovated in the last two years. This large capital investment has supported its recognition as a leading venue in north Texas.
2. Re-evaluate rental pricing.
 - While current rental pricing is an attractive draw for users of the space and should be maintained through the life of the business plan, the pricing structure will need to be adjusted within the next four to five years as they are significantly lower than current pricing models by comparable theatre spaces.
3. Explore fundraising opportunities.
 - The Coppell Arts Center provides a model for fundraising that the ATC can consider. A foundation has been set up to support the center as a Town asset and they have been able to secure private sector funding, as well as institutional and individual donors. This also allows for community participation in the management of the space.
4. Consider consolidating box office into one operation.
 - Currently, users of the space are using their own low-cost ticketing systems. The box office space is only accessible to WaterTower. While a cost-effective standardized alternative may not be available during this business plan's time period, this important factor should eventually be addressed as ATC moves towards equitable use of the facilities.



Key Performance Indicators

Establishing performance metrics will be key for success. To measure progress towards these goals, Odyssey recommends that the Town of Addison track the following key performance indicators (KPIs) quarterly.

During this process, the team explored the following key performance indicators or key measures of success.

1. **Achieve a minimum of 150 lit nights of varied content in the Mainstage Theatre:**

Year	Lit Nights
Baseline	72
Plan Year 1	105
Plan Year 2	129
Plan Year 3	150

Figure 11: Proposed lit nights by year

Achieving 365 lit nights is not possible, as the facility will need to be closed to the public for loading in physical productions, technical rehearsals, loading out physical productions, and facility maintenance. There are also holidays on which it will not be sensible or practical to hold performances (for example, Thanksgiving or Christmas Day). The minimum amount of healthy activity is 150 lit nights, and Odyssey recommends the targets over the next three years in figure 11.

2. **Diversity of programs offered:** The amount of programming at ATC is not the only measure of success. It is also critical that ATC offer a breadth of programming to attract diverse audiences and highlight a wide spectrum of performing arts experiences.

A varied program lineup enhances audience engagement, fosters inclusivity, and supports the Theatre's mission to serve as a regional cultural hub. It can also serve to attract a variety of audience members, such as families with culturally specific audiences and young professionals. To achieve this end, Odyssey recommends the targets outlined in figure 12.

Content	Baseline	Plan Year 1	Plan Year 2	Plan Year 3
WaterTower Theatre	39	43	47	50
Renters / New Resident Companies	33	39	45	50
Special Events: Wraparound Programming	0	19	19	19
Special Events: New "Signature" Events	0	0	10	20
Special Events: Curated Content	0	4	8	11
TOTALS	72	105	129	150

Figure 12: Diversity of Program by Content Provider

3. **Number of attendees at performances:** This KPI measures the growth or expansion of ATC's audience base. At the risk of stating the obvious, if people are not attending performances at ATC, it is generating neither economic nor community impact. Acknowledging that some content will achieve a high volume of sales, and some will not, Odyssey recommends a target of 60% capacity for the Mainstage (N.B. this is total capacity, not paid capacity, as some content is likely to be free of charge). This KPI will also allow Addison to evaluate the success of programming, providing a basis to replace content that is not meeting attendance expectations.

Odyssey recommends the attendance targets in figure 13.



Year	# of Lit Nights	Target Attendance Per Lit Night	Target Annual Attendance
Baseline	72	137	9,100
Plan Year 1	105	137	13,200
Plan Year 2	129	137	16,300
Plan Year 3	150	137	18,900

Figure 13: Target Annual Attendance

4. **Increase in the number of out-of-town attendees:** One of the key objectives of ATC is to attract people from surrounding communities to Addison. As a KPI, Odyssey recommends that ATC set as a target at least 30% of all attendees coming from surrounding towns and cities, as illustrated in figure 14.

Using these KPIs to evaluate progress will allow the Town to manage the implementation of the business plan and to course correct where needed. Continuous evaluation and adjustment ensure the Theatre remains responsive to community needs and market dynamics, sustaining its role as a dynamic cultural hub.

Year	# of Lit Nights	Target Annual Attendance	Target Out of Town Attendance
Baseline	72	9,100	2,700
Plan Year 1	105	13,200	4,000
Plan Year 2	129	16,300	4,900
Plan Year 3	150	18,900	5,700

Figure 14: Target Out of Town Attendance



Implementation Timeline and Deliverables

Phase One

- a. Deliverable: Enhance Programming Diversity
 - Special Events utilizes the space for annual events
 - Bookings for programming in the theatre space commence
 - Rental lit nights increased to 39
 - Present 4 nights of curated content
 - A Theatre Centre Manager is recruited and contracted
- b. Deliverable: Develop a Clear Brand Identity and Cultivate Strategic Marketing Partnerships
 - Marketing consultant is hired
 - Marketing plan is completed
 - Implementation of marketing and renaming plan begins
- c. Deliverable: Optimize Venue Utilization
 - Usage policy is completed
 - Space usage plan is completed
 - WTT is in alignment with usage policy
- d. Deliverable: Invest in facility upgrades and maintenance
 - Maintenance review and plan completed

Phase Two

- a. Deliverable: Enhance Programming Diversity
 - The Theatre confirms the first of two signature events annually
- b. Deliverable: Develop a Clear Brand Identity and Cultivate Strategic Marketing Partnerships
 - Implementation of marketing and renaming plan continues
- c. Deliverable: Optimize Venue Utilization
 - The first of two new resident companies begin the onboarding process
 - The first of two new resident companies are in alignment with usage policy
 - Concessions provider is contracted
- d. Deliverable: Invest in Facility Upgrades and Maintenance
 - Budgetary allocation is secured

Phase Three

- a. Deliverable: Enhance Programming Diversity
 - A Programming Manager is recruited and contracted
- b. Deliverable: Develop a Clear Brand Identity and Cultivate Strategic Marketing Partnerships
 - Implementation of Marketing and Renaming Plan continues
 - The ATC is named as a venue in the Circle District tourist zone
- c. Deliverable: Optimize Venue Utilization
 - The second of two new resident companies begin the onboarding process
 - The second of two new resident companies are in alignment with usage policy



Addison Theatre Centre Study

May 2024

Guide the future development and growth of the Addison Theatre Centre as a Town asset

- Current operations – facility management by Town staff and community users
- Current use of space – agreements, rental structure & fees
- Industry standards – strategies for multi-year implementation

Odyssey Associates is a consulting practice advising on fundraising and strategy for arts and culture organizations and initiatives.

25+ years of experience as an arts executive, consultant, and trustee.

Faculty member at the Yale School of Drama.

Led the Tony Award-winning Long Wharf Theatre.

Representative clients include:

Writers Theatre (IL)
Connecticut General Assembly
Gaston County Museum of Arts and History (NC)



**Joshua Borenstein,
Principal**



**Lloydia Alicia Garrett,
Associate Consultant**

20+ years of experience as a consultant, theatre producer and artist, and public official (Guyana).

Ph.D. candidate at Ohio University.

Representative clients include:

Goodspeed Musicals (CT)
White Heron Theatre Company (MA)

Opened in 1992, the Addison Theatre Centre is an award-winning distinct performing arts complex with a unique architectural character.



(Clockwise starting from left) Ann, WaterTower Theatre; *The Hobbit*, Outcry Theatre; *The Burlesque Nutcracker*, MBS Productions; *The Seagull*, Classics Theatre Project

- WaterTower Theatre has been in residence at the Theatre Centre, producing a variety plays and musicals.
- Other companies also produce at the Theatre Centre as well, including Classics Theatre Project, MBS Productions, and Outcry Theatre.

INCLUDED:

- Comprehensive organizational assessment
- Staff engagement in developing the plan

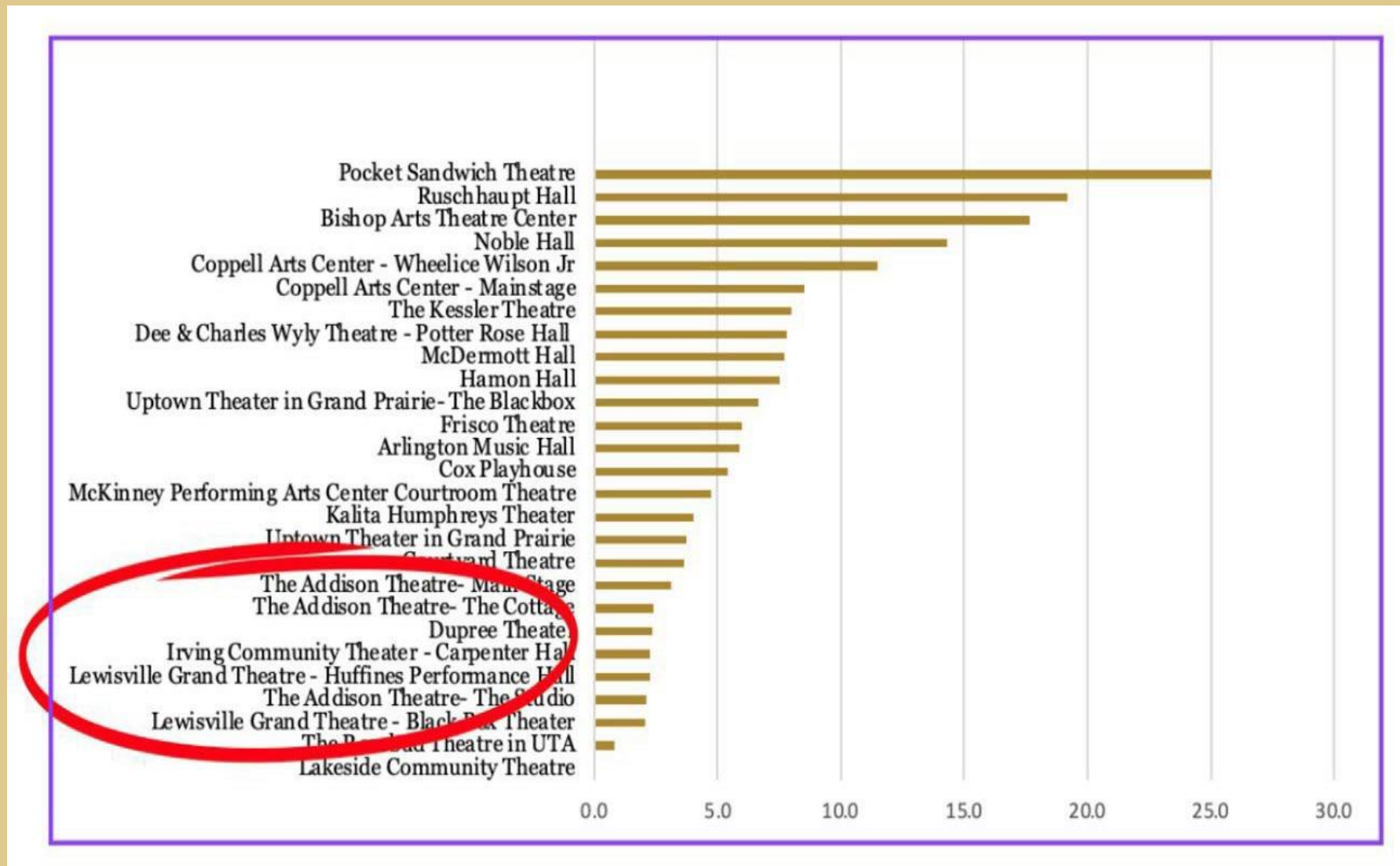


STRENGTHS	OPPORTUNITIES	ASPIRATIONS	RESULTS
<ul style="list-style-type: none"> • Great location • Well-equipped venue • Competitive pricing structure • WaterTower's programming 	<ul style="list-style-type: none"> • Can build off of the 72 lit nights which you have now • Additional users' interest in resident status • Special Events Department can support programming 	<ul style="list-style-type: none"> • Become a sought-after destination • Attract diverse audiences • Regional draw • Be a catalyst for the area from restaurants on Belt Line to the Circle 	<ul style="list-style-type: none"> • 150 lit nights by year 3 • Variety of appropriate content • Professional rental offerings

The Theatre Centre has *few peers* in terms of resources, equipment, and availability.

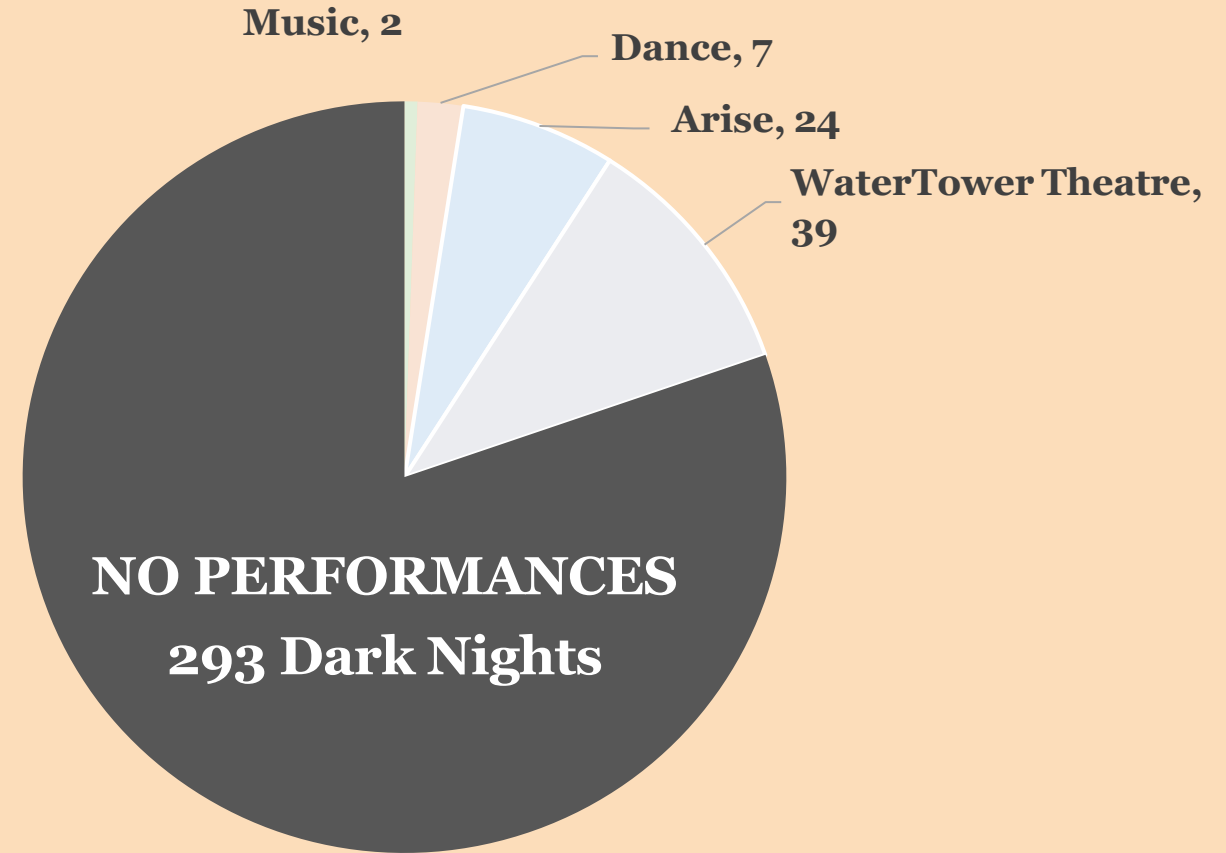
- The venue is well-equipped for small companies
- The Theatre Centre's staff gets high marks
- Location, location, location -- (with parking!)

**The Theatre
Centre's
competitive
pricing is a
market
advantage.**



**Availability of
the Mainstage
serves as a
substantial
opportunity for
increased
programming.**

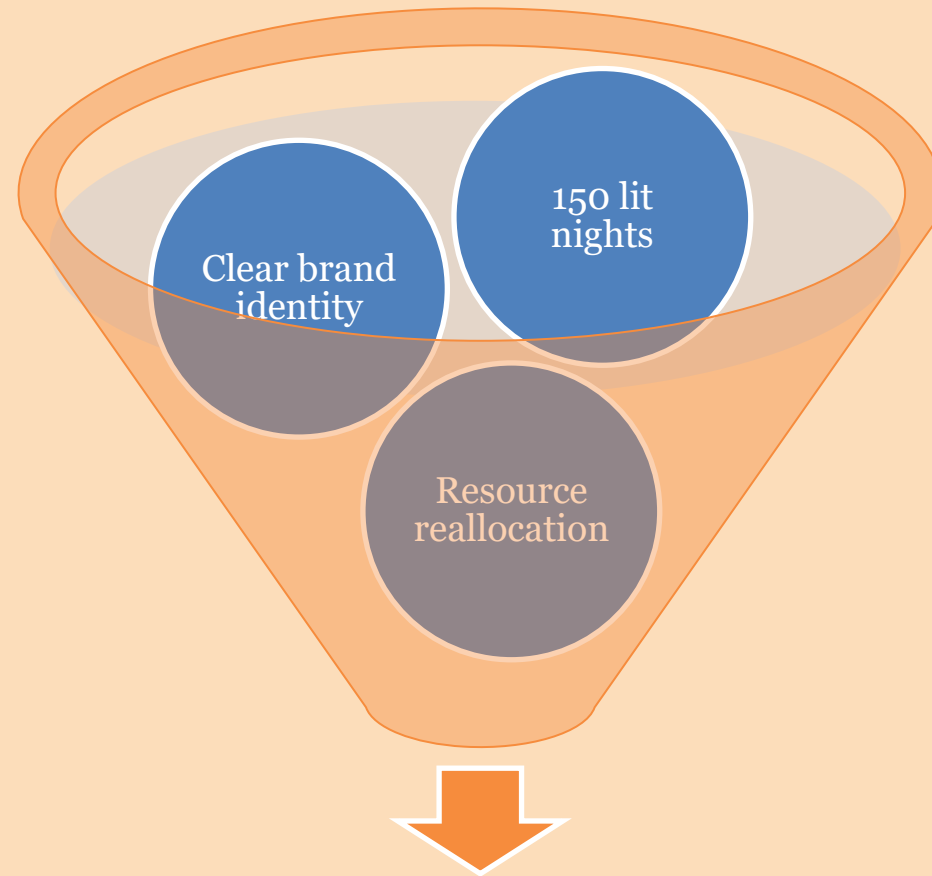
**Mainstage Theatre:
2023 Content Mix (72 Lit Nights)**



**Stakeholders
articulated
what the
Theatre Centre
could be.**

*To revitalize the Addison Theatre
Centre as a dynamic cultural hub
that attracts diverse audiences
and serves as a destination in its
own right.*

Three goals were consistently articulated as top priorities.



A revitalized Theatre Centre

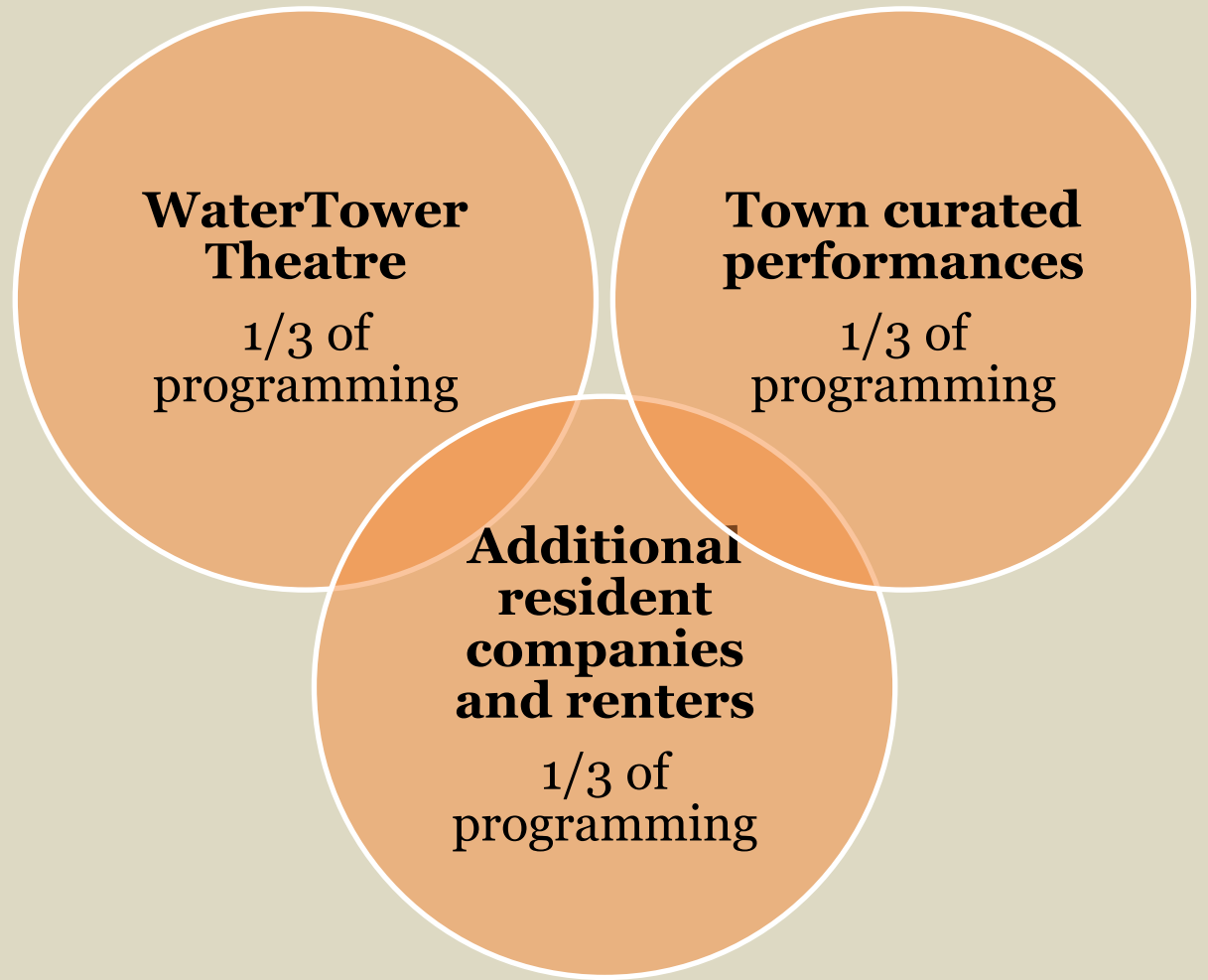
Barriers that prevent this vision of the Addison Theatre Centre.

1. Expansive use of the theatre for pre-production activity.
2. Awareness of space offerings and available dates.
3. Absence of standard configuration in the Mainstage

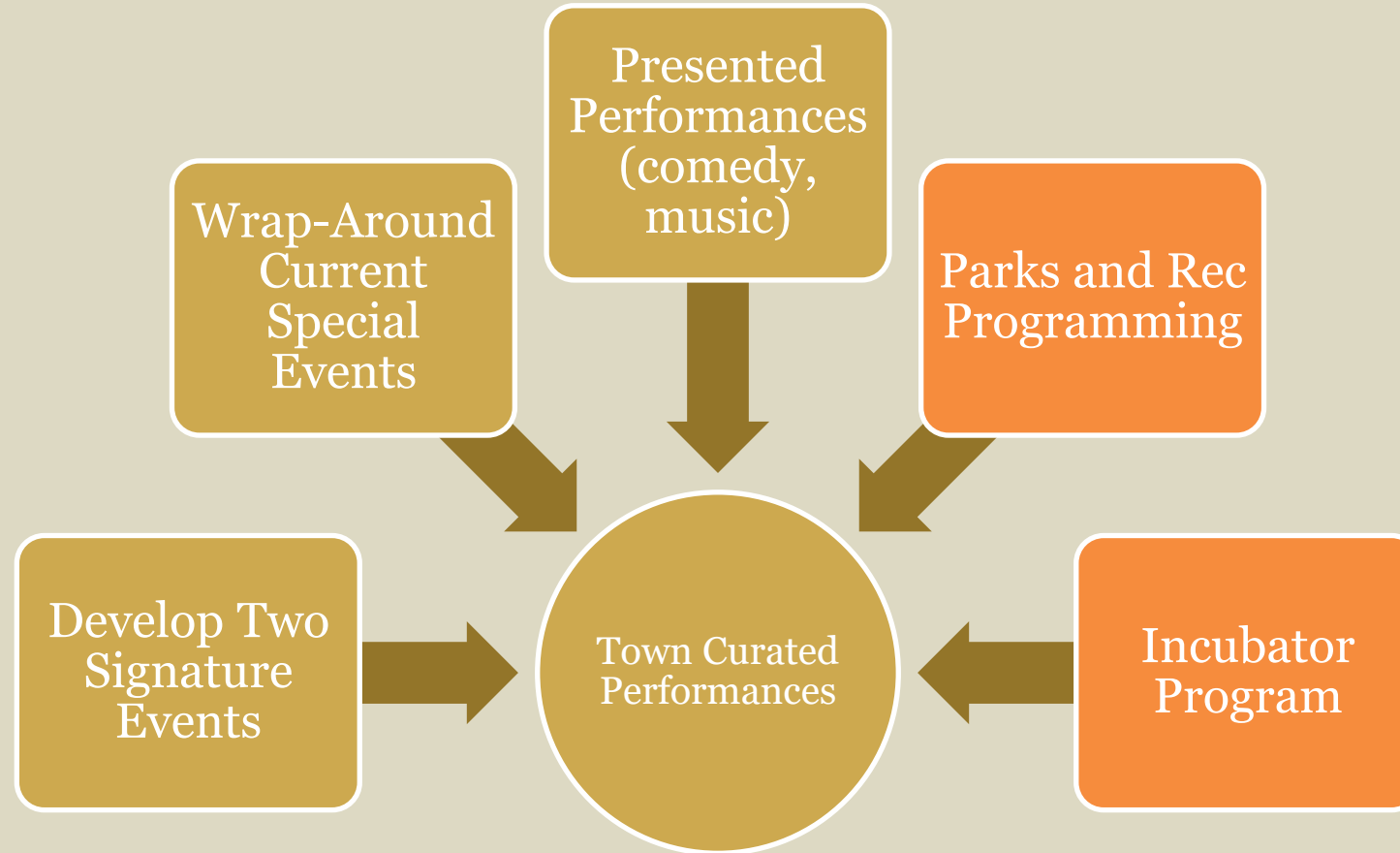
**Our
recommendations
can be grouped into
four categories**

- PROGRAMMING
- MARKETING
- TOWN STAFFING
- FACILITY USAGE

The business plan is built on a strategy for the Theatre Centre to be the premier small venue for professional organizations



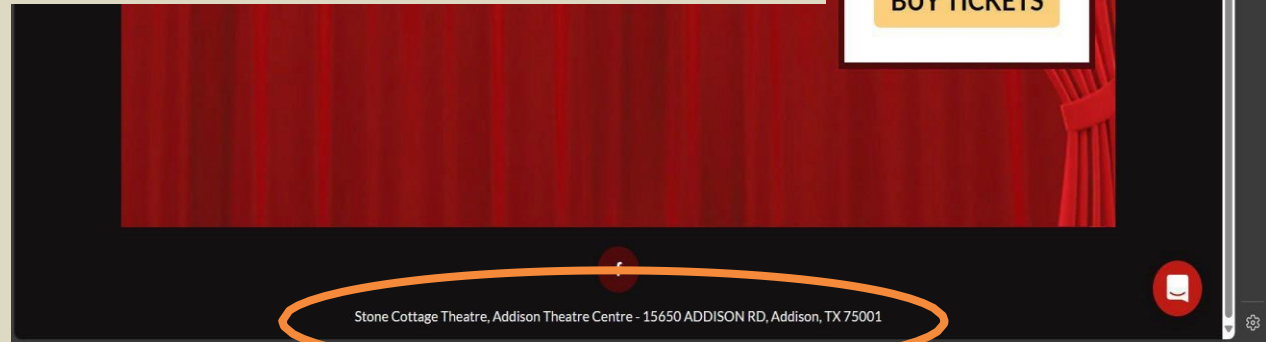
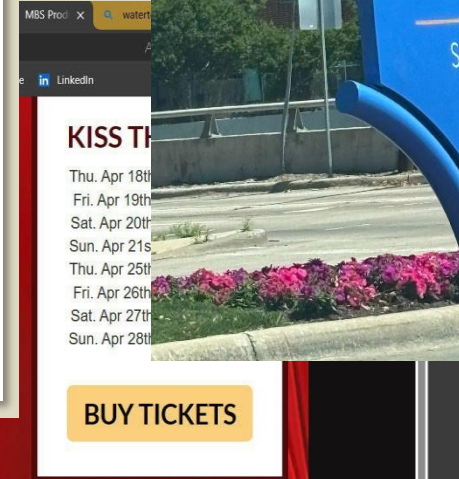
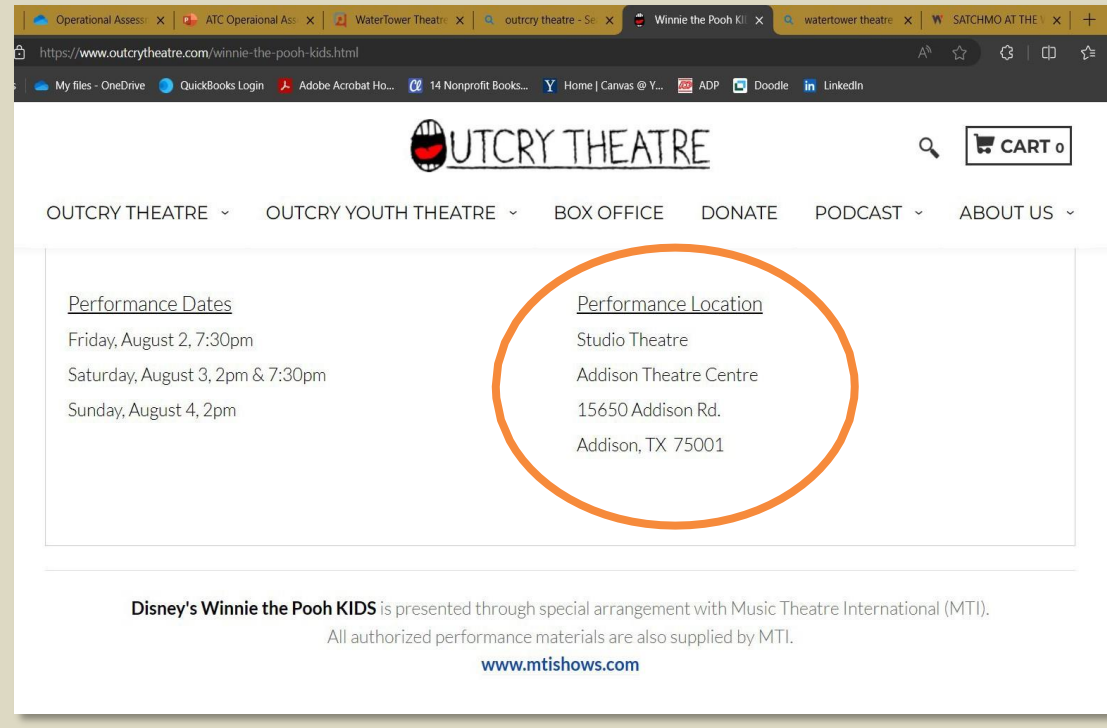
Town programming can come from a combination of expanded current activities and new content.



Current users of the Studio space could perform in the Mainstage if production activity was reduced.

Date	January		
	Martin	Studio	Cottage
1	Prod	No User	No User
2	Prod	No User	No User
3	Prod	No User	No User
4	Prod	No User	No User
5	Prod	No User	No User
6	Prod	No User	No User
7	Prod	No User	No User
8	Prod	Prod	No User
9	Prod	Prod	No User
10	Prod	Prod	No User
11	Prod	Prod	No User
12	Prod	Prod	No User
13	Prod	Perf	No User
14	Prod	Perf	No User
15	Prod	Perf	No User
16	Prod	Dark	No User
17	Prod	Dark	No User
18	Prod	Dark	No User
19	Prod	Dark	No User
20	Prod	Perf	No User
21	Prod	Perf	No User
22	Prod	Perf	No User
23	Prod	No User	No User
24	Prod	No User	No User
25	Prod	No User	No User
26	Prod	No User	No User
27	Prod	No User	No User
28	Prod	No User	No User
29	Prod	No User	No User
30	Prod	No User	No User
31	Prod	No User	No User

**The Theatre
Centre will
need
consistent
branding
standards
among users.**



Action steps to address this challenge in the first year.

- Explore renaming the facility to encompass all arts – i.e. The Addison; Addison *Cultural* Centre.
- Develop a visual identity through a logo and other branding standards.
- Require the use of that visual identity in contracting for all users.
- Replace public wayfinding to carry the new visual identity.

Additional staffing will be required to accommodate this increased activity.

THEATRE CENTRE MANAGER

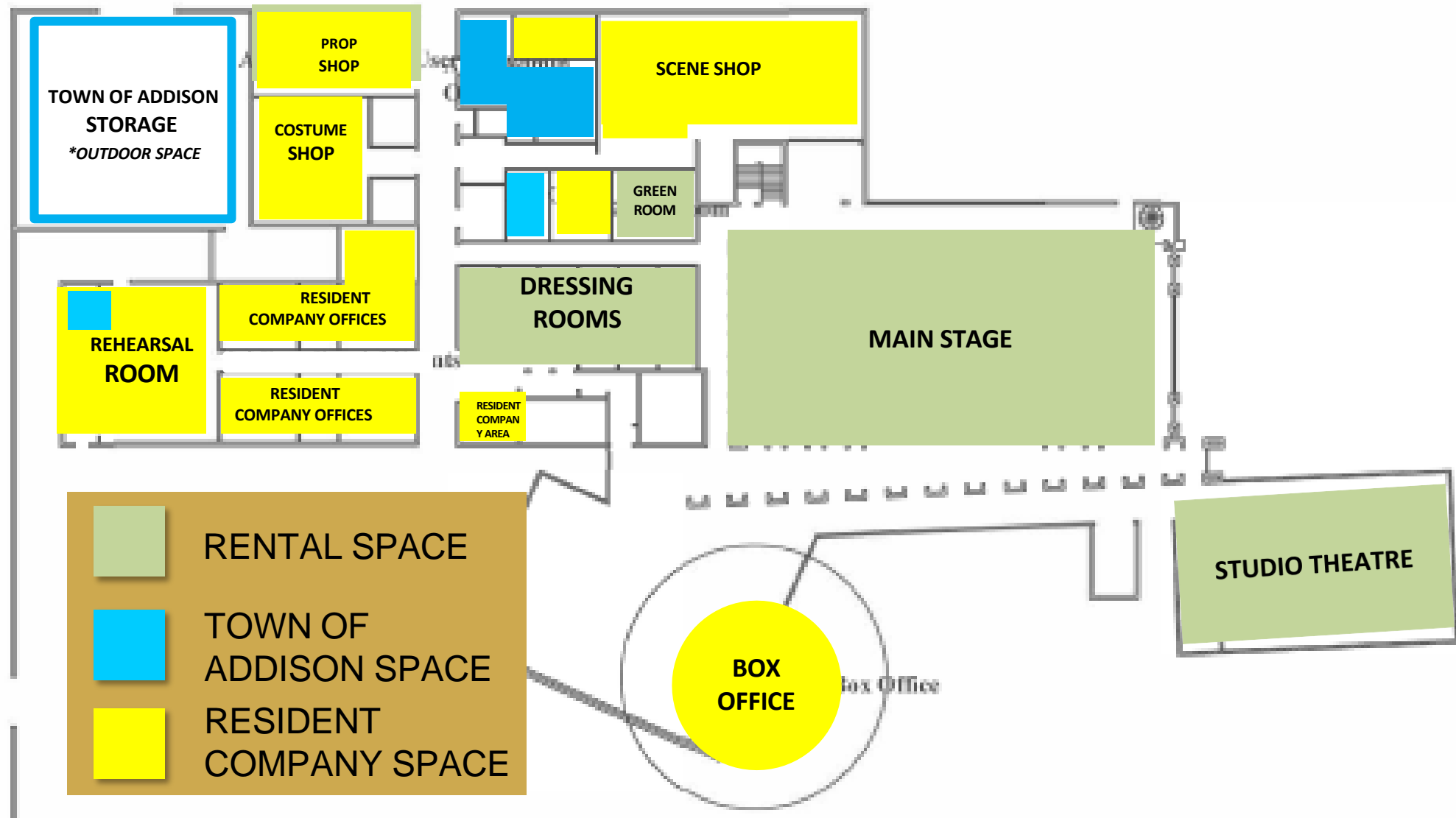
- Serve as the contractual liaison between facility users and the Town.
- Identify renters
- Curate additional content/signature events
- Supervise production staff

ADDITIONAL PRODUCTION PERSONNEL

- Increase to three production staff members

Town of Addison currently has:

- Little storage
- No access to the Box Office (level 1 or 2) for renters
- No access to costume/prop shop for renters
- No access to rehearsal room or scene shop for renters

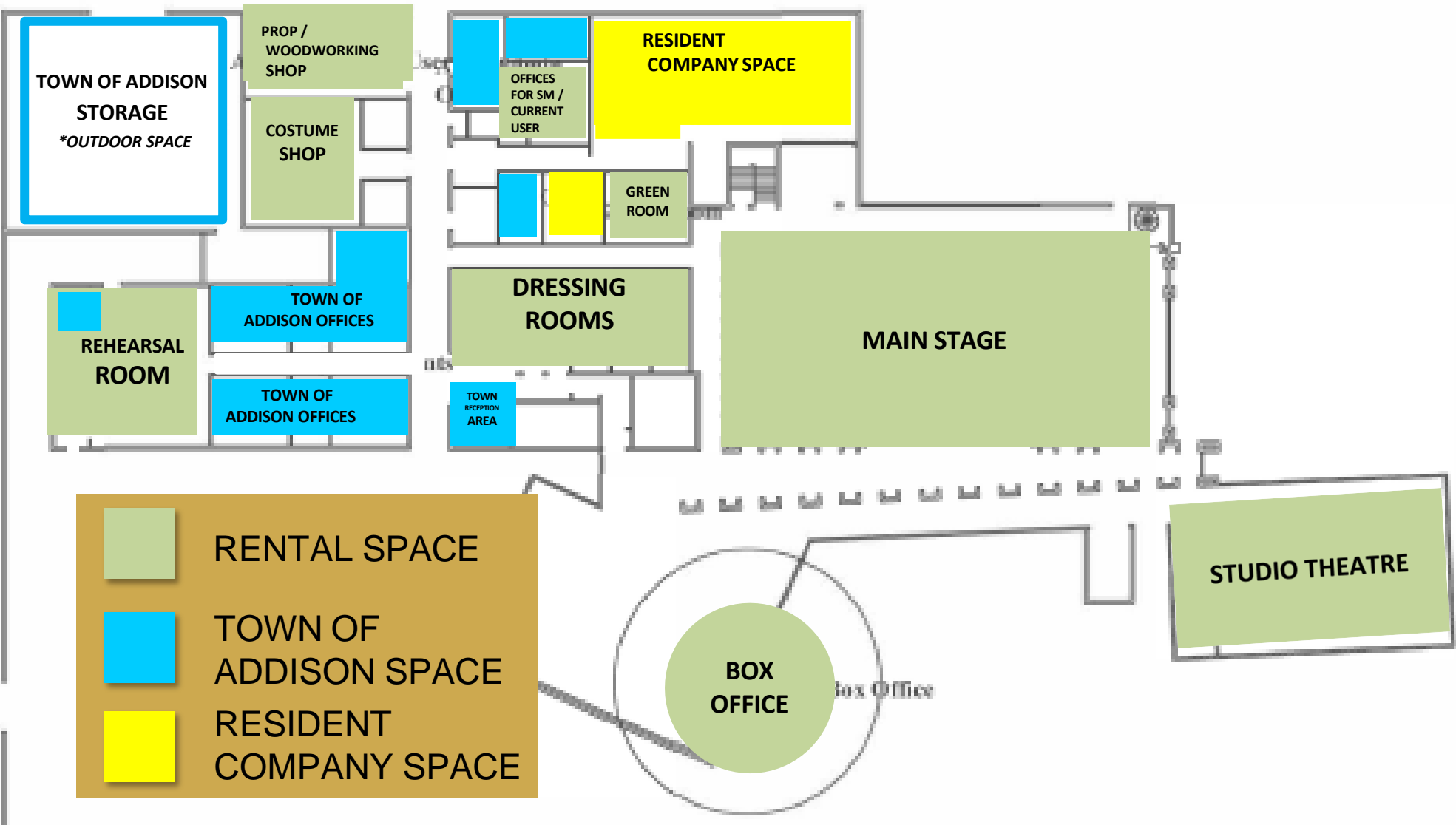


Town of Addison should manage the following areas to be made available to all users:

- Box Office
- Rehearsal Room
- Costume Shop
- Prop Shop

To manage the facility and oversee activity, the Town of Addison should occupy:

- Reception Area
- Theatre Offices



Assessment of grantmaking was not part of this scope of work, but some key themes arose out of this work.

- Limited pool of funds – only 15% of the hotel tax revenues may be used to support arts organizations.
- Municipal and county support of arts and culture organizations is a typical practice.
- WaterTower is a critical partner, and Town funding is currently instrumental in its ongoing sustainability.
- If there are going to be other resident companies, they should have equitable access to available funding.

	FY19	FY20	FY21	FY22	FY23
Outcry Theatre	---	\$5,000	\$2,500	\$2,500	\$2,500
WaterTower Theatre	\$437,900 <ul style="list-style-type: none"> • Main Grant \$295,000 • Matching Funds \$142,900 • No in-kind 	\$500,000 <ul style="list-style-type: none"> • Main Grant \$300,000 • Matching Funds \$200,000 • No in-kind 	\$375,000 <ul style="list-style-type: none"> • Main Grant \$226,589 • Matching Funds \$100,000 • In-Kind Rent \$48,411 (\$16,400 Office, \$32,011 Production) 	\$375,000 <ul style="list-style-type: none"> • Main Grant \$226,589 • Matching Funds \$100,000 • In-Kind Rent \$48,411 (\$16,400 Office, \$32,011 Production) 	\$425,000 <ul style="list-style-type: none"> • Main Grant \$226,589 • Matching Funds \$150,000 • In-Kind Rent \$48,411 (\$16,400 Office, \$32,011 Production)

Strategies and tactics that ATC should implement over the 4 - 5 years

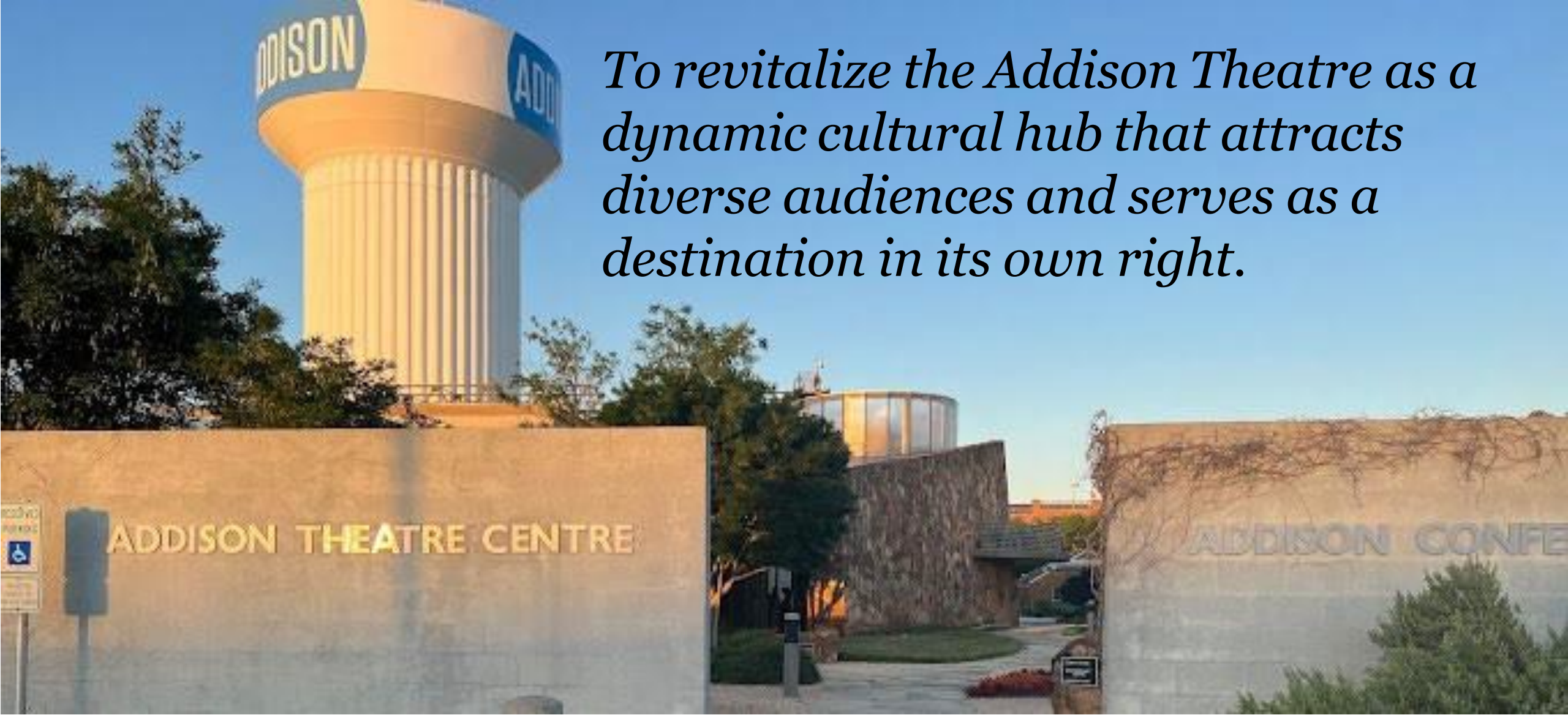
- MAJOR INFRASTRUCTURAL DEVELOPMENT/RENOVATIONS
- RE-EVALUATE RENTAL PRICING
- GRANTS AND SPONSORSHIPS
- BOX OFFICE CONSOLIDATION

Areas where additional Town support will be critical.

- Full brand development – possible outside firm for support of Town team
- Financial investment for facility renovation and update of Main Stage equipment
- Consider including the Theatre in the continued formation of tourist district in Circle Park area

**Our
recommended
plan begins
with these
first five steps.**

- Develop a marketing strategy to rebrand the space
- Begin reappropriation facility space to equitable and frequent use of the Town's asset
- Implement the special event department's programming for 2024 - 2025
- Lead efforts for a diverse range of programming
- Develop new contract provisions to make transitions from user to user more efficient and cost effective



To revitalize the Addison Theatre as a dynamic cultural hub that attracts diverse audiences and serves as a destination in its own right.

City Council (FY24) - Special Budget

2. a.

Meeting Date: 09/03/2024

Department: Finance

Pillars: Gold Standard in Financial Health

Milestones: Continue development and implementation of the Long-Term Financial Plan

AGENDA CAPTION:

Hold a Public Hearing, present, and discuss the Town of Addison's Annual Budget for the fiscal year commencing October 1, 2024 and ending September 30, 2025.

BACKGROUND:

This is the first public hearing regarding the Town of Addison's Annual Budget for Fiscal Year (FY) 2025. The proposed FY 2025 budget requests an appropriation of \$114,733,281 consisting of \$102,924,148 for operating expenditures, \$10,447,675 for capital improvements, \$972,958 for transfers, and \$388,500 for one-time decision packages. Listed below is a breakdown of funds:

Fund	Expenditure Amount
General	\$50,269,389
Hotel	7,546,596
Debt Service Combined	11,818,279
Economic Development	1,477,263
Infrastructure Investment	1,500,000
Airport	11,222,071
Utility	18,721,537
Stormwater	3,308,001
Combined Replacement	3,280,600
Combined Grants	20,000
Combined Special Revenues	5,569,545
Total	\$114,733,281

Significant items in the proposed operating budget include:

- Revenues for all funds total \$108,587,156 an increase of \$0.68 million compared to the FY 2024 budget. Primary revenue sources are property tax (\$37.93 million), sales tax (\$16.17 million), hotel occupancy tax (\$5.35 million), interest and other income (\$5.66 million), rental income

(\$5.90 million), and service fees (\$28.85 million).

- Staffing level of 322.6 Full-time Equivalent (FTE) positions. This is an increase of 3.3 FTE's over FY 2024.
- An employee compensation pool of 4% is included in the proposed budget as well as an increase of 5% for health insurance.

Significant decision packages include:

- \$50,000 for Day Porter Services for Town Facilities
- \$14,400 for Police Officer-in-Charge Pay
- \$10,000 for Police Field Training Officer Pay
- \$10,000 for Police Community Outreach
- \$76,236 for the addition of two City observed holidays
- (\$4,000) for Development Services Abatement Services
- \$2,700 for Recreation Programming
- \$27,986 to make the Volunteer Coordinator a full-time position – 0.3 Full Time Equivalent position
- \$108,247 for a Tourism Coordinator position funded by TPID Administrative Fees – 1.0 Full Time Equivalent position
- \$116,560 for a Senior Communications Specialist position offset by increased hotel taxes from the TPID creation - 1.0 Full Time Equivalent position
- \$138,409 for a Theatre Manager position as recommended by the Theatre vision study - 1.0 Full Time Equivalent position
- \$30,000 for major Theatre projects funding
- Kellway Pump Station Maintenance - \$175,000
- \$25,000 for a contracted Flood Plain Administrator
- \$163,375 for a Construction Inspector – 1.0 Full Time Equivalent Position
- \$110,000 for Airport GIS Contractual Services
- \$37,000 for an Airport vehicle replacement
- \$15,000 for EMS training
- \$196,000 for Parks Planned Asset Replacement
- \$30,000 for mental health screenings for Fire Department
- \$100,000 for Neighborhood Vitality Grant Funding
- \$156,000 for Local Trail Connection and Park Schematic Design
- \$248,000 for Wayfinding Signage Master Plan

The FY 2025 proposed five-year capital improvements budget totals \$51.02 million. Significant projects include:

- Vitruvian West Streetscape and Bella Lane Extension (\$0.90 million)
- Improvements to Existing Buildings (\$0.62 million)
- Keller Springs Reconstruction (\$8.00 million)
- Les Lacs Pond Improvements (\$4.38 million)

- Vitruvian Park Phase 6, Block 301, 302, and 303 Improvements (\$1.90 million)
- Quorum Drive Reconstruction (\$10.00 million)
- Monfort Drive Reconstruction (\$4.19 million)
- Beltway Drive Trail (\$1.70 million)
- Airport Road Reconstruction (\$3.40 million)
- North Texas Emergency Communications (NTECC) Facility (\$0.20 million)
- AAC Outdoor Pool Restrooms/Perimeter Fence Renovations (\$0.60 million)
- Westgrove & Quorum Bicycle Lanes and Airport Viewing Area (\$0.56 million)
- Police and Courts Facility (\$3.50 million)
- Severine Center Lobby Renovations (\$0.23 million)
- Arapaho Road/Surveyor Boulevard and Systemwide Traffic Signal Improvements (\$0.22 million)
- Conference Center Renovations (\$1.50 million)
- AMI Water Meter Modernization (\$3.15 million)
- Celestial Pump Station Bathroom Addition (\$0.05 million)
- Addison Circle Tower Driveway (\$0.23 million)
- Reconstruction of Jimmy Doolittle Drive (\$1.00 million),
- Eastside Airport Service Road Reconstruction (\$1.49 million),
- Airport Regulated Garbage Utility Building (\$0.28 million),
- Airport Fuel Storage Expansion (\$3.37 million)
- 4533 Glenn Curtiss (U2) Road Replacement (\$0.15 million).

Texas Local Government Code (LGC) Sec. 102.006 requires the governing body of a municipality to hold a public hearing on the proposed budget and provide for public notice of the date, time, and location of the hearing. This notice was published in the Dallas Morning News on Friday, August 23, 2024.

A second public hearing will be held before the budget is considered for adoption on September 10, 2024 at 7:00 pm at the Addison Conference Center located at 15650 Addison Road, Addison, Texas 75001.

The Fiscal Year 2025 proposed budget can be found at the following link on the Town's website: <https://addisontexas.net/finance/budget>

RECOMMENDATION:

Information only, no action required.

Attachments

Presentation - Fiscal Year 2025 Budget Public Hearing #1



Building BLOCKS *of Tomorrow*

September 3, 2024

1st Budget Public
Hearing

Steven Glickman, CFO

PROPOSED BUDGET

Changes



- **General Fund**
 - Metrocrest Services increased \$23,068 for homelessness outreach
 - Increased sales tax revenue \$15,000 to maintain a structurally sound budget

- **Economic Development Fund**
 - Removed the Employee Meal Voucher Program - \$200,000

STAFFING

Summary



	2021	2022	2023	2024	2025
General Fund	232.8	231.2	234.7	243.0	240.5
Hotel Fund	9.0	9.0	10.5	11.5	14.8
Economic Dev. Fund	4.0	4.0	4.0	3.0	3.0
Airport Fund	19.6	20.4	20.4	20.6	22.1
Utility Fund	27.4	28.2	28.2	28.7	28.7
Stormwater Fund	4.0	5.0	5.0	8.5	9.5
Capital Proj. Fund	3.0	3.0	4.0	4.0	4.0
TOTAL	299.8	300.8	306.8	319.3	322.6

DECISION PACKAGES

General Fund



Department	Program Title	FTEs	Recurring Costs	One-Time Costs	Revenue/ Cost Offset	Net Total Cost
Police	Officer-in-Charge (OIC) Pay	-	\$14,400	\$-	\$-	\$14,400
Police	Field Training Officer (FTO) Pay	-	\$10,000	\$-	\$-	\$10,000
Police	Community Outreach	-	\$10,000	\$-	\$-	\$10,000
Human Resources ⁽¹⁾	Add Two City Observed Holidays	-	\$76,236	\$-	\$-	\$76,236
Fire	Vehicle Mounted and Helmet Cameras (Recurring Cost)	-	\$2,000	\$-	\$-	\$2,000
Development Services	Abatement Services	-	\$36,000	\$-	(\$40,000)	(\$4,000)
Recreation	Recreation Programming	-	\$17,500	\$-	(\$14,800)	\$2,700
General Services	Day Porter Services	-	\$50,000	\$-	\$-	\$50,000
TOTAL		-	\$214,136	\$-	(\$54,800)	\$159,336

⁽¹⁾ Overtime budgeted in Police and Fire Department's FY2025 budget.

DECISION PACKAGES

Hotel Fund



ADDISON

Department	Program Title	FTEs	Recurring Costs	One-Time Costs	Revenue/ Cost Offset	Net Total Cost
Special Events	Part-Time to Full-Time Volunteer Coordinator	0.30	\$27,986	\$-	\$-	\$27,986
Tourism	Tourism Coordinator	1.00	\$108,247	\$-	(\$150,000)	(\$41,753)
Theatre Centre	Theatre Manager	1.00	\$138,409	\$250	\$-	\$138,659
Theatre Centre	Major Theatre Capital Funding	-	\$30,000	\$-	\$-	\$30,000
Marketing	Senior Communications Specialist	1.00	\$116,560	\$2,700	(\$105,000)	\$14,260
	TOTAL	3.30	\$421,202	\$2,950	(\$255,000)	\$169,152

DECISION PACKAGES

Self-Funded Special Projects Fund



Department	Program Title	FTEs	Recurring Costs	One-Time Costs	Revenue/ Cost Offset	Net Total Cost
Fire	Mental Health Screening for AFD Members	-	\$30,000	-	-	\$30,000
Fire	Recurring Utilization of TASSPP Funds for EMS Training	-	\$15,000	-	-	\$15,000
Development Services	Neighborhood Vitality Grant Funding	-	\$-	\$100,000	\$-	\$100,000
Parks	Parks Planned Asset Replacement	-	\$-	\$196,000	\$-	\$196,000
Parks	Wayfinding Signage	-	\$-	248,900	\$-	\$248,900
Parks	Local Trail & Park Schematic Design– Montfort Dr.	-	\$-	\$156,000	\$-	\$156,000
	TOTAL	-	\$45,000	\$700,900	\$-	\$745,900

DECISION PACKAGES

Streets Self-Funded Projects Fund



Department	Program Title	FTEs	Recurring Costs	One-Time Costs	Revenue/ Cost Offset	Net Total Cost
Streets	Belt Line and Addison Rd. Crack Seal	-	\$-	\$375,000	\$-	\$375,000
Streets	Master Transportation Plan Update	-	\$-	\$130,000	\$-	\$130,000
Streets	Town-Wide Traffic Counts	-	\$-	\$65,000	\$-	\$65,000
Streets	Streets Preventative Maintenance	-	\$-	\$125,000	\$-	\$125,000
	TOTAL	-	\$-	\$695,000	\$-	\$695,000

DECISION PACKAGES

Enterprise Funds



Fund	Program Title	FTEs	Recurring Costs	One-Time Costs	Revenue/ Cost Offset	Net Total Cost
Airport Fund	Airport GIS Contract	-	\$-	\$110,000	\$-	\$110,000
Airport Fund	Airport Vehicle Replacement	-	\$-	\$37,000	\$-	\$37,000
Stormwater Fund	Construction Inspector	1.00	\$96,875	\$66,500	\$-	\$163,375
Stormwater Fund	Floodplain Administrator (Outsourced)	-	\$25,000	\$-	\$-	\$25,000
Utility Fund	Kellway Pump Station Maintenance Work	-	\$-	\$175,000	\$-	\$175,000
	TOTAL	1.00	\$121,875	\$388,500	\$-	\$510,375

DECISION PACKAGES

Internal Service Funds



Fund	Program Title	FTEs	Recurring Costs	One-Time Costs	Revenue/ Cost Offset	Net Total Cost
IT Replacement Fund (General Services)	Security Enhancements	-	\$-	\$150,000	\$-	\$150,000
IT Replacement Fund (Fire)	Vehicle and Helmet Mounted Cameras	-	\$-	\$25,000	\$-	\$25,000
IT Replacement Fund (Recreation)	Install Public Address and Music System	-	\$-	\$80,000	\$-	\$80,000
	TOTAL	-	\$-	\$255,000	\$-	\$255,000

CAPITAL IMPROVEMENT PROGRAM

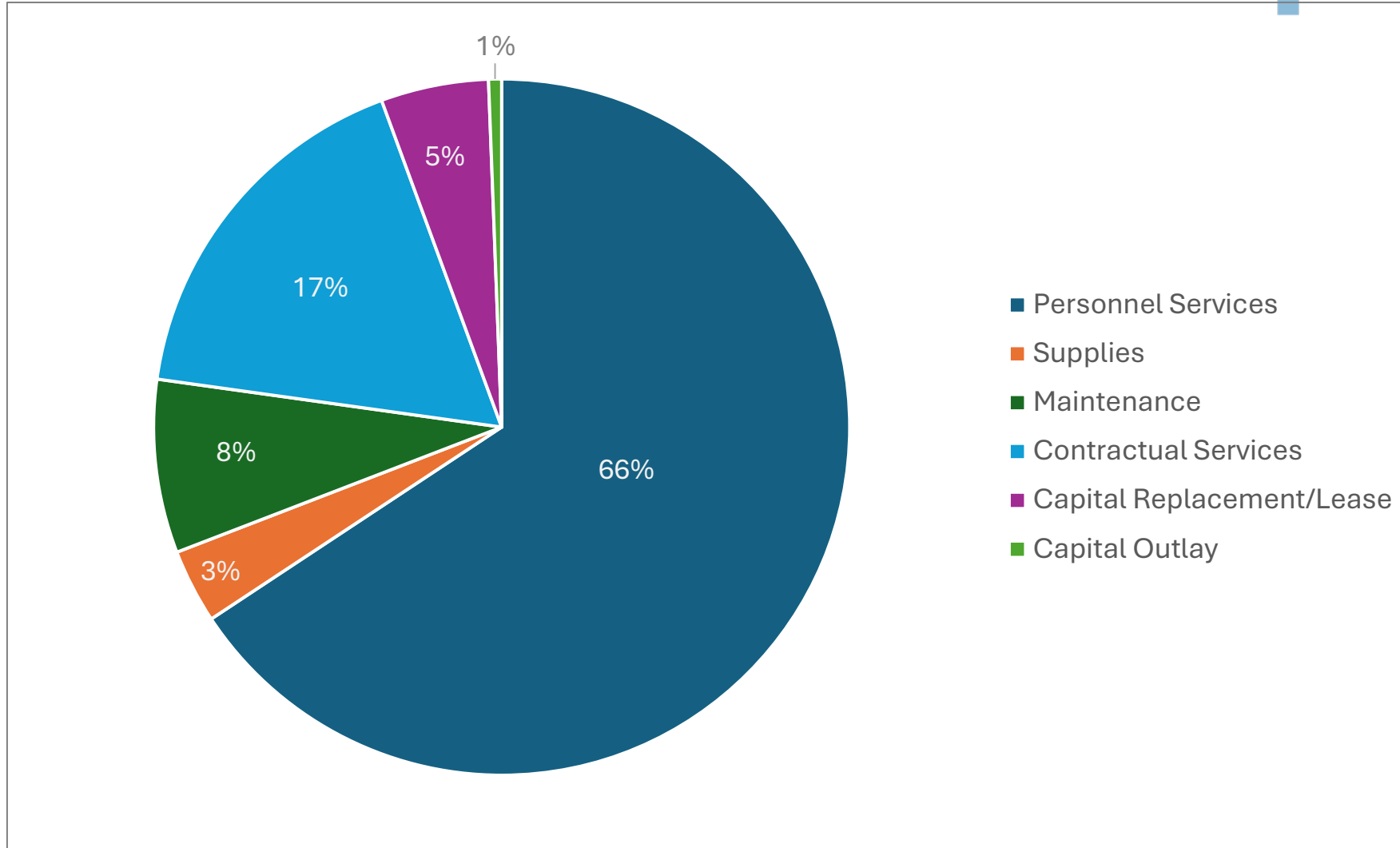
Requests



Department	Program Title	Proposed FY25	Proposed FY26	Proposed FY27	Project Total
Parks	Westgrove & Quorum Bicycle Lanes and Airport Viewing Area	\$563,900	\$1,600,000	-	\$2,163,900
Recreation	AAC Outdoor Pool Restrooms/Perimeter Fence Renovations	\$60,000	\$216,300	-	\$276,300
Airport	4533 Glenn Curtiss (U2) Roof Replacement	\$150,000	-	-	\$150,000
Airport	Airport Fuel Storage Expansion	\$3,336,000	\$11,334,000	-	\$14,670,000
Utilities	AMI Water Meter Modernization	\$3,150,000	-	-	\$3,150,000
Utilities	Celestial Pump Station Bathroom Addition	\$45,000	-	-	\$45,000
Utilities	ACT Access Driveway	\$225,000	-	-	\$225,000
	TOTAL	\$7,529,900	\$13,150,300	-	\$20,680,200

GENERAL FUND EXPENDITURES

by Type



GENERAL FUND

Budget



	Actual 2022-23	Budget 2023-24	Estimated 2023-24	Budget 2024-25
BEGINNING BALANCES	\$ 20,515,381	\$ 20,682,959	\$ 20,682,959	\$ 20,799,755
REVENUES:				
Ad valorem Taxes	\$ 22,739,622	\$ 24,841,151	\$ 24,841,151	\$ 25,465,206
Non-Property Taxes	18,022,335	16,500,000	17,800,000	17,465,000
Franchise Fees	2,125,941	2,060,000	2,092,659	2,055,000
Licenses and Permits	1,219,541	1,109,500	1,385,500	1,210,700
Service Fees	2,132,772	2,442,350	2,274,495	2,726,319
Fines and Penalties	391,711	330,000	330,000	335,000
Rental Income	8,340	8,600	8,600	8,600
Interest and Other Income	513,924	872,500	1,251,785	1,007,500
TOTAL OPERATIONAL REVENUE	\$ 47,154,186	\$ 48,164,101	\$ 49,984,190	\$ 50,273,325
Transfers from other funds	4,469	-	-	-
Other Financing Sources - Leases	113,522	-	-	-
TOTAL REVENUES	\$ 47,272,177	\$ 48,164,101	\$ 49,984,190	\$ 50,273,325
TOTAL AVAILABLE RESOURCES	\$ 67,787,558	\$ 68,847,060	\$ 70,667,149	\$ 71,073,080

GENERAL FUND

Budget



	Actual 2022-23	Budget 2023-24	Estimated 2023-24	Budget 2024-25
EXPENDITURES:				
Personnel Services	\$ 28,162,382	\$ 31,772,445	\$ 31,505,889	\$ 33,016,516
Supplies	1,694,706	1,599,271	1,621,676	1,728,719
Maintenance	3,429,870	3,915,817	3,823,237	4,047,164
Contractual Services	8,564,114	8,601,805	8,441,723	8,660,210
Capital Replacement / Lease	1,798,774	2,136,863	2,118,511	2,513,511
Capital Outlay	415,821	129,663	356,358	303,269
Debt Service	38,932	-	-	-
TOTAL OPERATIONAL EXPENDITURES	\$ 44,104,599	\$ 48,155,864	\$ 47,867,394	\$ 50,269,389
Transfer to Self-Funded Projects Fund	3,000,000	-	2,000,000	-
TOTAL EXPENDITURES	\$ 47,104,599	\$ 48,155,864	\$ 49,867,394	\$ 50,269,389
NET INCREASE/(DECREASE)	\$ 167,578	\$ 8,237	\$ 116,796	\$ 3,936
ENDING FUND BALANCES	\$ 20,682,959	\$ 20,691,196	\$ 20,799,755	\$ 20,803,691
Fund Balance Percentage	46.9%	43.0%	43.5%	41.4%

HOTEL FUND

Budget



	Actual 2022-23	Budget 2023-24	Estimated 2023-24	Budget 2024-25
BEGINNING BALANCES	\$ 4,641,300	\$ 4,106,831	\$ 5,330,207	\$ 5,294,485
REVENUES:				
Hotel/Motel Occupancy Taxes	\$ 5,683,639	\$ 5,250,000	\$ 5,250,000	\$ 5,355,000
Proceeds from Special Events	1,222,856	1,127,000	1,127,000	1,616,000
Rental Income	145,534	70,000	90,000	160,000
Interest Earnings and Other	41,714	75,100	150,100	275,000
TOTAL OPERATIONAL REVENUE	\$ 7,093,743	\$ 6,522,100	\$ 6,617,100	\$ 7,406,000
TOTAL REVENUES	\$ 7,093,743	\$ 6,522,100	\$ 6,617,100	\$ 7,406,000
TOTAL AVAILABLE RESOURCES	\$ 11,735,043	\$ 10,628,931	\$ 11,947,307	\$ 12,700,485
EXPENDITURES:				
Marketing and Tourism	\$ 999,701	\$ 1,715,393	\$ 1,712,378	\$ 1,989,451
Addison Theatre Centre	758,959	701,541	698,866	915,874
Major Special Events	2,529,784	2,715,937	2,715,937	2,720,572
Special Events Operations	798,549	954,888	931,453	1,135,478
Vitruvian Events	185,000	185,000	185,000	185,000
General Hotel Operations	364,843	463,302	409,188	600,221
TOTAL OPERATIONAL EXPENDITURES	\$ 5,636,836	\$ 6,736,061	\$ 6,652,822	\$ 7,546,596
Transfer to Economic Development Fund	768,000	-	-	-
TOTAL EXPENDITURES	\$ 6,404,836	\$ 6,736,061	\$ 6,652,822	\$ 7,546,596
ENDING FUND BALANCES	\$ 5,330,207	\$ 3,892,870	\$ 5,294,485	\$ 5,153,889
Fund Balance Percentage	94.6%	57.8%	79.6%	68.3%

AIRPORT

Fund

ADDISON

	Actual 2022-23	Budget 2023-24	Estimated 2023-24	Budget 2024-25
BEGINNING WORKING CAPITAL	\$ 8,118,409	\$ 6,537,015	\$ 8,396,470	\$ 8,173,656
REVENUES:				
Intergovernmental	\$ 50,000	\$ 50,000	\$ 136,133	\$ 2,671,260
Service Fees	1,357,603	1,394,180	1,394,900	1,654,660
Rental Income	5,618,212	5,686,105	5,698,025	5,733,487
Interest and Other Income	262,033	125,000	476,214	220,700
TOTAL OPERATIONAL REVENUE	<u>\$ 7,287,848</u>	<u>\$ 7,255,285</u>	<u>\$ 7,705,272</u>	<u>\$ 10,280,107</u>
 TOTAL AVAILABLE RESOURCES	 <u>\$ 15,406,257</u>	 <u>\$ 13,792,300</u>	 <u>\$ 16,101,742</u>	 <u>\$ 18,453,763</u>
EXPENSES:				
Personnel Services	\$ 2,498,561	\$ 2,735,486	\$ 2,735,486	\$ 2,964,581
Supplies	41,994	36,587	31,217	55,873
Maintenance	688,500	750,462	714,890	693,126
Contractual Services	1,027,345	1,376,399	1,374,988	1,507,327
Capital Replacement / Lease	232,928	157,928	157,928	242,928
Debt Service	708,067	1,073,541	1,073,541	874,709
Capital Outlay	-	-	-	-
TOTAL OPERATIONAL EXPENSES	<u>\$ 5,197,395</u>	<u>\$ 6,130,403</u>	<u>\$ 6,088,050</u>	<u>\$ 6,338,544</u>
 Transfer to Debt Service Fund	 508,966	 469,344	 469,344	 528,527

AIRPORT

Fund

ADDISON

	Actual 2022-23	Budget 2023-24	Estimated 2023-24	Budget 2024-25
Capital Projects (Cash Funded)				
Bravo/Golf Taxiway Improvements	1,067,528	-	-	-
Runway 15/33 Redesignation / Taxiway Alpha Rejuv.	-	-	85,250	-
Facility Repairs and Improvements	-	-	-	-
Airport Regulated Garbage Utility Building	-	275,000	-	275,000
West Perimeter Fencing Improvemnts	-	65,500	65,500	-
Wiley Post Building Improvements	-	120,000	120,000	-
Wiley Post Parking Lot Reconstruction	-	150,000	150,000	-
Metal Hangar Roof Replacements	-	-	170,170	-
Developer Participation Agreement - Sky Squared	-	-	315,000	-
Developer Participation Agreement - Atlantic Aviation	-	625,860	-	-
Developer Participation Agreement - Sky Harbour	-	75,000	250,000	-
Developer Participation Agreement - Tango Whiskey	-	250,000	-	250,000
Developer Participation Agreement - Million Air	-	-	-	250,000
Developer Participation Agreement - Westgrove Air Plaza	-	-	-	250,000
Airport Fuel Storage Expansion	89,460	-	198,800	2,000,000
License Plate Recognition and Optical Camera System Expansion	25,410	-	-	-
Jimmy Doolittle Drive Reconstruction	121,028	-	15,972	-
Eastside Airport Service Road Reconstruction	-	-	-	1,033,000
4533 Glenn Curtiss (U2) Roof Replacement	-	-	-	150,000
TOTAL EXPENSES	\$ 7,009,787	\$ 8,161,107	\$ 7,928,086	\$ 11,222,071
ENDING WORKING CAPITAL	\$ 8,396,470	\$ 5,631,193	\$ 8,173,656	\$ 7,231,692
Working Capital Percentage	161.6%	91.9%	134.3%	114.1%

STORMWATER

Fund

ADDISON

	Actual 2022-23	Budget 2023-24	Estimated 2023-24	Budget 2024-25
BEGINNING WORKING CAPITAL	\$ 9,449,966	\$ 8,101,159	\$ 8,657,555	\$ 7,808,368
REVENUES:				
Licenses and Permits	\$ 2,550	\$ -	\$ -	\$ -
Drainage Fees	2,548,749	2,575,000	2,575,000	2,600,000
Interest and Other Income	262,282	150,000	250,000	200,000
TOTAL OPERATIONAL REVENUE	\$ 2,813,581	\$ 2,725,000	\$ 2,825,000	\$ 2,800,000
TOTAL AVAILABLE RESOURCES	\$ 12,263,547	\$ 10,826,159	\$ 11,482,555	\$ 10,608,368
EXPENSES:				
Personnel Services	\$ 431,595	\$ 741,366	\$ 741,366	\$ 942,468
Supplies	49,558	38,999	29,900	30,400
Maintenance	331,020	615,052	614,358	620,549
Contractual Services	333,979	214,846	214,846	257,200
Capital Replacement / Lease	10,000	25,000	25,000	50,000
Debt Service	493,199	489,590	489,590	896,453
Capital Outlay	58,866	-	-	-
TOTAL OPERATIONAL EXPENSES	\$ 1,708,217	\$ 2,124,853	\$ 2,115,060	\$ 2,797,070
Transfer to Debt Service Fund	400,439	406,196	406,196	444,431
One-Time Decision Packages	-	1,061,000	1,061,000	66,500
Capital Projects (Cash Funded)				
Rawhide Creek Basin Improvements - Les Lacs Area	1,327,427	-	91,931	-
Keller Springs Reconstruction	-	2,800,000	-	-
Winnwood Road Bridge Class Culvert Outlet Armoring	169,909	-	-	-
TOTAL EXPENSES	\$ 3,605,992	\$ 6,392,049	\$ 3,674,187	\$ 3,308,001
ENDING WORKING CAPITAL	\$ 8,657,555	\$ 4,434,110	\$ 7,808,368	\$ 7,300,367
Working Capital Percentage	506.8%	208.7%	369.2%	261.0%

UTILITY

Fund



ADDISON

	Actual 2022-23	Budget 2023-24	Estimated 2023-24	Budget 2024-25
BEGINNING WORKING CAPITAL	\$ 7,056,949	\$ 7,164,062	\$ 8,430,079	\$ 8,906,359
REVENUES:				
Water Sales	\$ 9,437,297	\$ 8,832,590	\$ 8,930,630	\$ 9,440,658
Sewer Charges	6,647,135	7,011,910	7,100,399	7,505,903
Tap Fees & Other	119,263	10,324	50,000	50,000
Penalties	118,932	93,711	105,000	105,000
Interest and Other Income	256,270	157,422	257,422	232,422
TOTAL OPERATIONAL REVENUE	\$ 16,578,897	\$ 16,105,957	\$ 16,443,451	\$ 17,333,983
TOTAL AVAILABLE RESOURCES	\$ 23,635,846	\$ 23,270,019	\$ 24,873,530	\$ 26,240,342
EXPENSES:				
Personnel Services	\$ 2,637,852	\$ 3,048,220	\$ 2,870,560	\$ 3,202,074
Supplies	221,181	238,671	237,930	227,105
Maintenance	999,166	925,922	997,874	1,167,009
Contractual Services				
Water Purchases	4,424,647	4,620,482	4,620,482	4,976,098
Wastewater Treatment	3,909,952	3,950,773	3,950,773	4,310,865
Other Services	1,280,065	1,282,972	1,338,798	1,529,332
Capital Replacement / Lease	206,584	206,584	206,584	166,584
Debt Service	1,526,320	1,744,170	1,744,170	1,747,470
Capital Outlay	-	-	-	-
TOTAL OPERATIONAL EXPENSES	\$ 15,205,767	\$ 16,017,794	\$ 15,967,171	\$ 17,326,537
One-Time Decision Packages	-	175,000	-	175,000
Capital Projects (Cash Funded)				
Beltway Drive/Belt Line Road Water Main Replacement	-	79,000	-	-
AMI Water Meter Modernization	-	-	-	950,000
Celestial Pump Station Bathroom Addition	-	-	-	45,000
Addison Circle Tower Driveway	-	-	-	225,000
TOTAL EXPENSES	\$ 15,205,767	\$ 16,271,794	\$ 15,967,171	\$ 18,721,537
ENDING WORKING CAPITAL	\$ 8,430,079	\$ 6,998,225	\$ 8,906,359	\$ 7,518,805
Working Capital Percentage	55.4%	43.7%	55.8%	43.4%

CIP

Summary



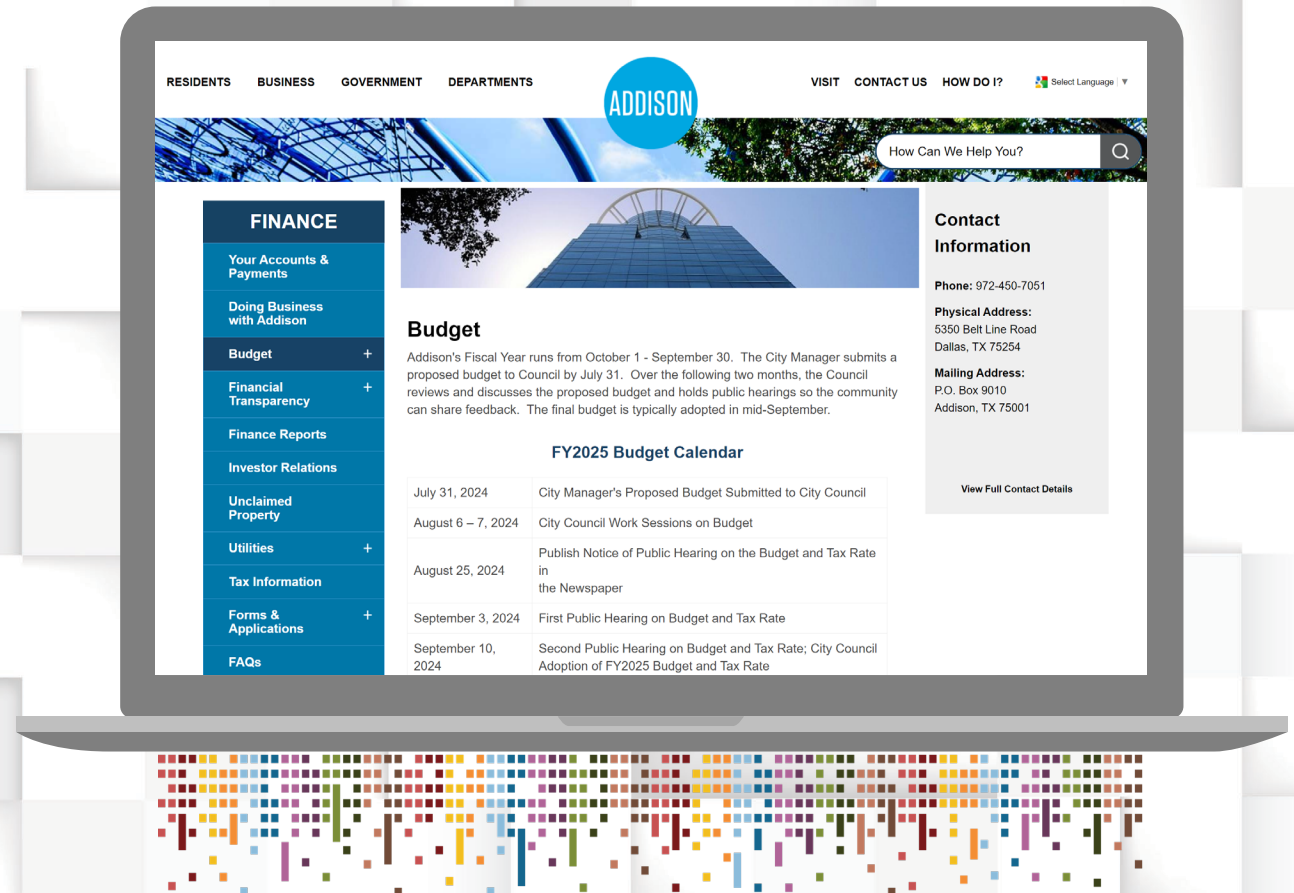
	Estimated 2023-24	Budget 2024-25	Budget 2025-26	Budget 2026-27	Budget 2027-28	Project Total
FUNDS						
General Obligation & Cert. of Obligation	\$25,132,162	\$11,138,239	\$37,331,109	\$32,827,706	\$ 7,000,000	\$113,429,216
State Infrastructure Bank Loans	-	22,187,000	22,413,000	-	-	44,600,000
Self-Funded Special Projects Fund	184,210	507,200	393,800	-	-	1,085,210
Streets Self-Funded Fund	500,000	3,519,675	4,320,000	-	-	8,339,675
General Grant Funds	-	-	3,243,450	-	-	3,243,450
Infrastructure Investment Fund	2,441,073	1,500,000	-	-	-	3,941,073
Utility Certificates of Obligation	3,379,333	2,200,000	1,153,600	900,000	2,987,800	10,620,733
Utility Fund Cash Reserves	-	1,220,000	155,000	-	166,000	1,541,000
Stormwater Certificates of Obligation	40,369	2,500,000	2,800,000	-	-	5,340,369
Stormwater Fund Cash Reserves	91,931	-	-	-	-	91,931
Airport Fund Certificates of Obligation	1,050,000	2,786,000	10,039,000	-	-	13,875,000
Airport Fund Grant Funds	11,082,752	-	108,000	1,008,000	-	12,198,752
Airport Fund Cash Reserves	716,232	3,458,000	1,307,000	112,000	-	5,593,232
TOTAL	\$ 44,618,062	\$ 51,016,114	\$ 83,263,959	\$ 34,847,706	\$ 10,153,800	\$ 223,899,641

TOWN OF ADDISON

FY 2024-25 Budget

For more information visit the Town of
Addison Budget webpage.

<https://addisontexas.net/finance/budget>



QUESTIONS?



City Council (FY24) - Special Budget

2. b.

Meeting Date: 09/03/2024
Department: Finance
Pillars: Gold Standard in Financial Health
Milestones: Continue development and implementation of the Long-Term Financial Plan

AGENDA CAPTION:

Hold a Public Hearing, present, and discuss the Town of Addison's proposed Property Tax Rate for the fiscal year commencing October 1, 2024 and ending September 30, 2025.

BACKGROUND:

This is the first of two public hearings regarding the proposed tax rate for the Town of Addison. The second public hearing will be held on September 10, 2024, at a meeting that commences at 7:00 pm at the Addison Conference Center.

The proposed property tax rate for the Fiscal Year 2025 is \$0.609822 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	\$0.409905
Maintenance & Operations: Economic Development	\$0.023716
Maintenance & Operations: Infrastructure Investment	\$0.006201
Interest & Sinking (Debt)	\$0.170000
Total Proposed Rate for the FY 2025	\$0.609822

The State's Truth-in-Taxation law also requires calculation and publication of each taxing entity's no-new revenue tax rate, voter-approval tax rate, and de minimus rate:

Tax Rate	Definition	Amount (per \$100 of valuation)
No-New Revenue Tax Rate	The no-new-revenue tax rate is the tax rate for the 2024 tax year that will raise the same amount of property tax revenue for Town of Addison from the same properties in both the 2023 tax year and the 2024 tax year.	\$0.589261
Voter-Approval Tax Rate	The voter-approval tax rate is the highest tax rate that Town of Addison may adopt without holding an election to seek voter approval of the rate, unless the de minimis rate for Town of Addison exceeds the voter-approval tax rate for Town of Addison.	\$0.633851
De Minimis Rate	The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate for Town of Addison, the rate that will raise \$500,000, and the current debt rate for Town of Addison.	\$0.626309

Notice of this public hearing was published in the Dallas Morning News on August 23, 2024. Included with this agenda item is a copy of the publication notice.

The proposed budget recommends a property tax rate of \$0.609822 per \$100 valuation, which exceeds the no-new revenue tax rate. This proposed rate is the same rate that was adopted for fiscal years 2023 and 2024.

The average taxable home value for the Town of Addison is \$474,475, which generates a tax bill of \$2,893.45. Last year, the average taxable home value was \$426,338 which generated a tax bill of \$2,599.90. The average single-family residential taxpayer would pay about \$293.55 more in property taxes than last year. Individual taxes may increase or decrease depending on the change in the taxable value of each property.

Of the total tax rate, \$0.439822 is dedicated to maintenance and operations, which is a decrease of over one cent from the Fiscal Year 2024 tax rate for maintenance and operations, and \$0.170000 is dedicated to debt service payments. The debt service portion of the tax rate is increasing due to the issuance of Certificates of Obligations and loans from the State Infrastructure Bank which are replacing funding that was approved by voters in the 2019 Bond Election at a lower borrowing cost.

The City Council is scheduled to consider adoption of the proposed tax rate and budget on September 10, 2024, during a meeting of the Council to be held at the Addison Conference Center at 7:00 pm.

RECOMMENDATION:

Information only, no action required.

Attachments

Presentation - Fiscal Year 2025 Tax Rate Public Hearing #1
Notice of Public Hearing Advertisement



Building BLOCKS *of Tomorrow*

September 3, 2024

1st Tax Rate Public
Hearing

Steven Glickman, CFO

IMPORTANT DATES

Tax Rate & Budget Adoption



Key Dates	Council Action
Friday, Aug. 23 rd & Thursday, Aug. 29 th	Publish notice of hearing on tax rate
Tuesday, Sept. 3 rd	1 st Public hearing on Tax Rate and Budget
Tuesday, Sept. 10 th	2 nd Public hearing on Tax Rate and Budget
Tuesday, Sept. 10 th	Adoption of FY2023 Budget and Tax Rate
Tuesday, Oct. 1 st	Begin Fiscal Year



- **Tax Rate**
 - M&O Rate – Maintenance and Operations Rate, General Fund, Infrastructure Investment Fund, Economic Development Fund
 - I&S Rate – Interest and Sinking Rate, also referred to as debt rate, General Government debt service
- **No-New-Revenue:** Calculated rate that would provide the City with about the same amount of revenue it received in the year before on properties taxed in both years. If property values rise, the NNR tax rate goes down and vice versa.
- **Voter Approval Rate:** Calculated maximum rate allowed by law without voter approval.

Certified Taxable Value FY2025 ~\$6.48B

Certified Taxable Value FY2024 ~\$6.16B

Proposed Property Tax Rate

FY2025 \$.609822/100

Current Property Tax Rate

FY2024 \$.609822/100

TAX RATE

Information



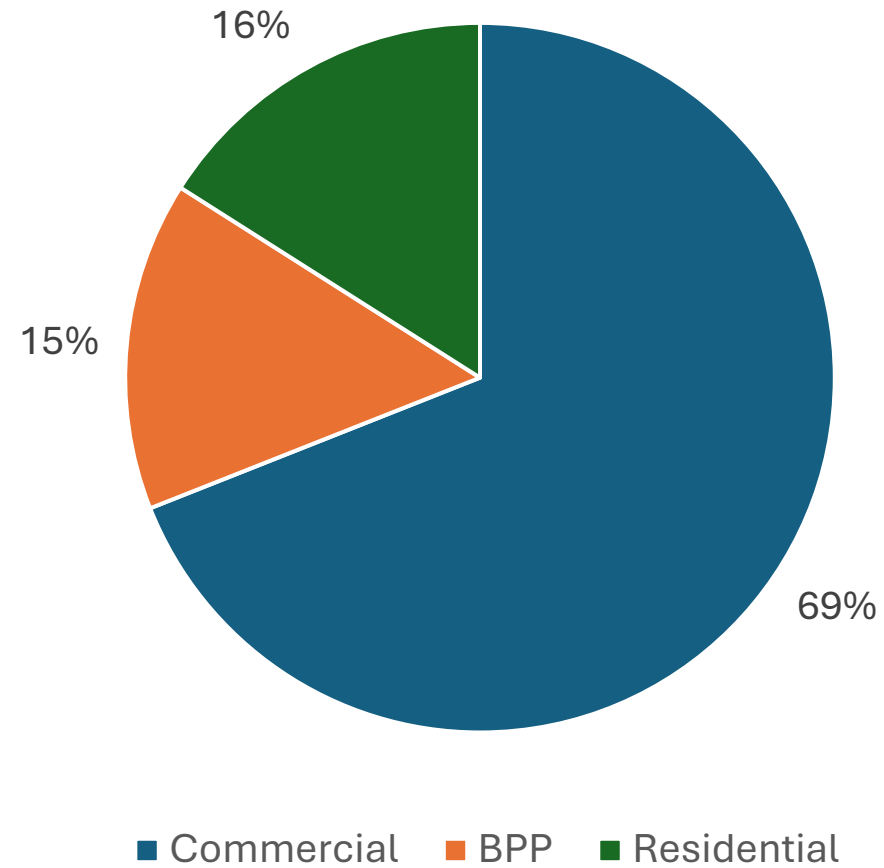
ADDISON

	FY2024	FY2025	Difference
No-New-Revenue	\$0.562728/100	\$0.589261/100	\$0.026533/100
Voter-Approval	\$0.636365/100	\$0.633851/100	(\$0.002514)/100
Adopted/Proposed	\$0.609822/100	\$0.609822/100	-

Additionally, the Town offers a 20% general homestead exemption and a \$60,000 exemption for seniors and \$60,000 for disabled persons.

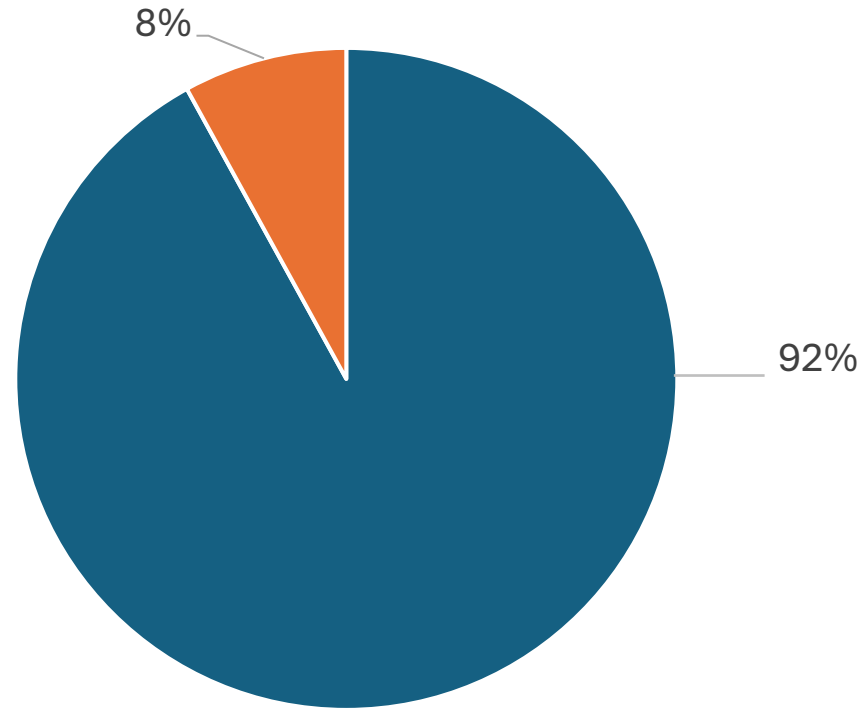
PROPERTY TAX-PAYER DISTRIBUTION

In Addison (Percentage)



RESIDENTIAL PROPERTY TAX PORTION

Of General Fund Revenue

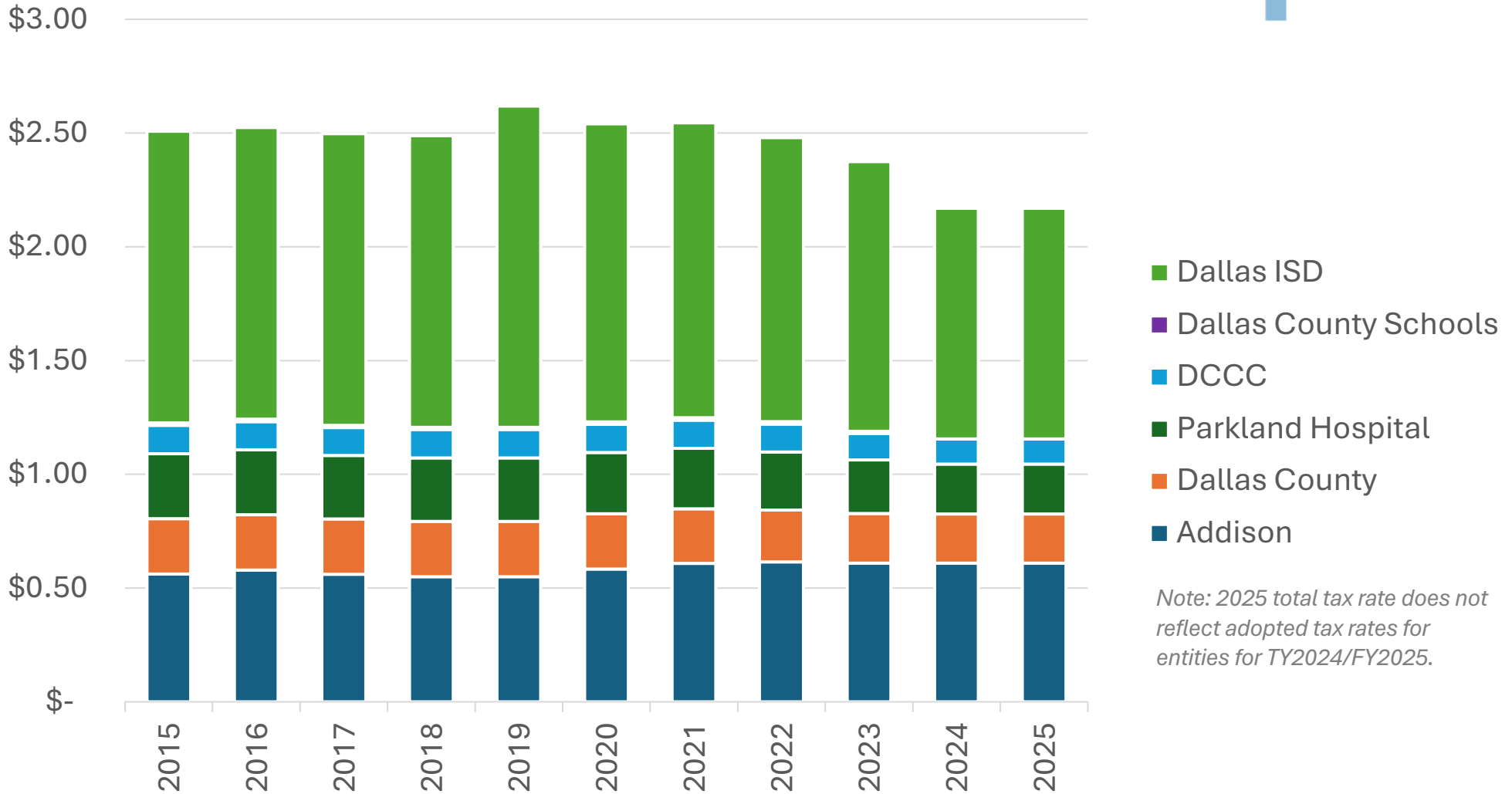


■ All Other Revenue ■ Residential Property Tax

TOTAL TAX RATE

In Addison

ADDISON



Note: 2025 total tax rate does not reflect adopted tax rates for entities for TY2024/FY2025.

IMPACT ON

Average Homeowner



ADDISON

	FY2024	FY2025	Increase
Property Tax	\$216.66	\$241.12	\$24.46
Water (5,000 gallons)	\$28.37	\$29.93	\$1.56
Sewer (5,000 gallons)	\$38.77	\$40.91	\$2.14
Total Average Monthly Increase			\$28.16

QUESTIONS?



Customer:	TOWN OF ADDISON PURCHASING	Customer Account:	100007649
Ad Order #:	0001875529	PO Number:	
Sales Rep:	David Ferster	Order Taker:	David Ferster

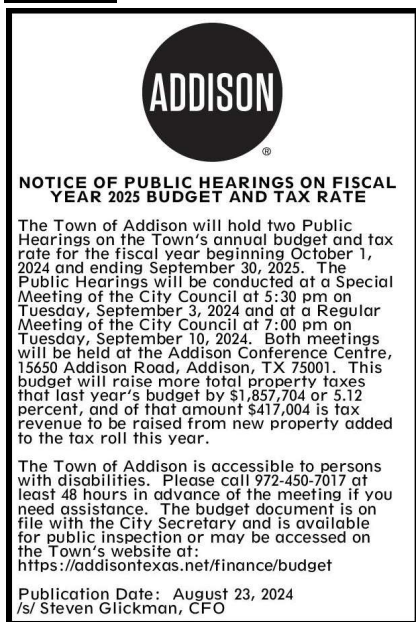
Net Amount:	\$385.75	Tax Amount:	\$0.00	Total Amount:	\$385.75
Payment Method:	Check/Money Order	Payment Amount:	\$0.00	Amount Due:	\$385.75

Ad Order #: 0001875529

Ad Number: 0001875529-01

Color: **Ad Size:** 2 X 45.00 Li

Ad Content



Run Dates		Product	Placement/Classification - Position
Publish Date: 08/23/2024	Stop Date: 08/23/2024	Dallas Morning News	Legals Bids Notices - LN Legal Notices
Publish Date: 08/23/2024	Stop Date: 08/29/2024	DallasNews.com	Legals Bids Notices - LN Legal Notices