

CITY COUNCIL WORK SESSION HANDOUTS

NOVEMBER 2, 2015

- I. REVIEW AND DISCUSS DART PROGRAMS AND TOPICS OF INTEREST
- II. REVIEW AND DISCUSS THE CITY COUNCIL GOALS FOR THE 2015 – 2017 COUNCIL TERM
- III. REVIEW AND DISCUSS THE YEAR-END FINANCIAL REPORT FOR THE FY 2014 – 2015 OPERATING BUDGET
- IV. REVIEW AND DISCUSS THE LEGAL REVIEW OF THE CODE OF ORDINANCES



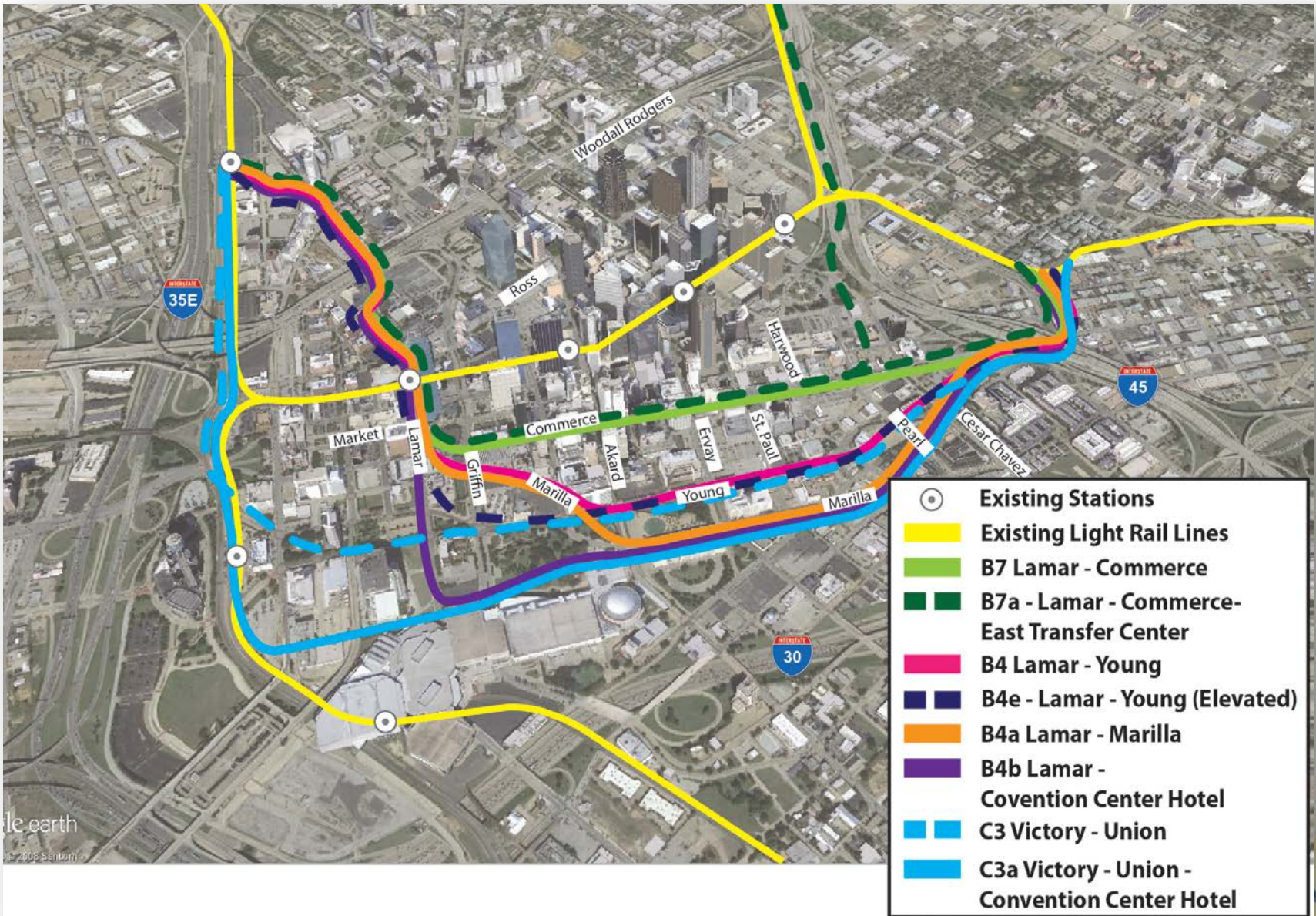
Briefing to the Richardson City Council

**Gary C. Thomas
President/Executive Director
DART**

November 2, 2015

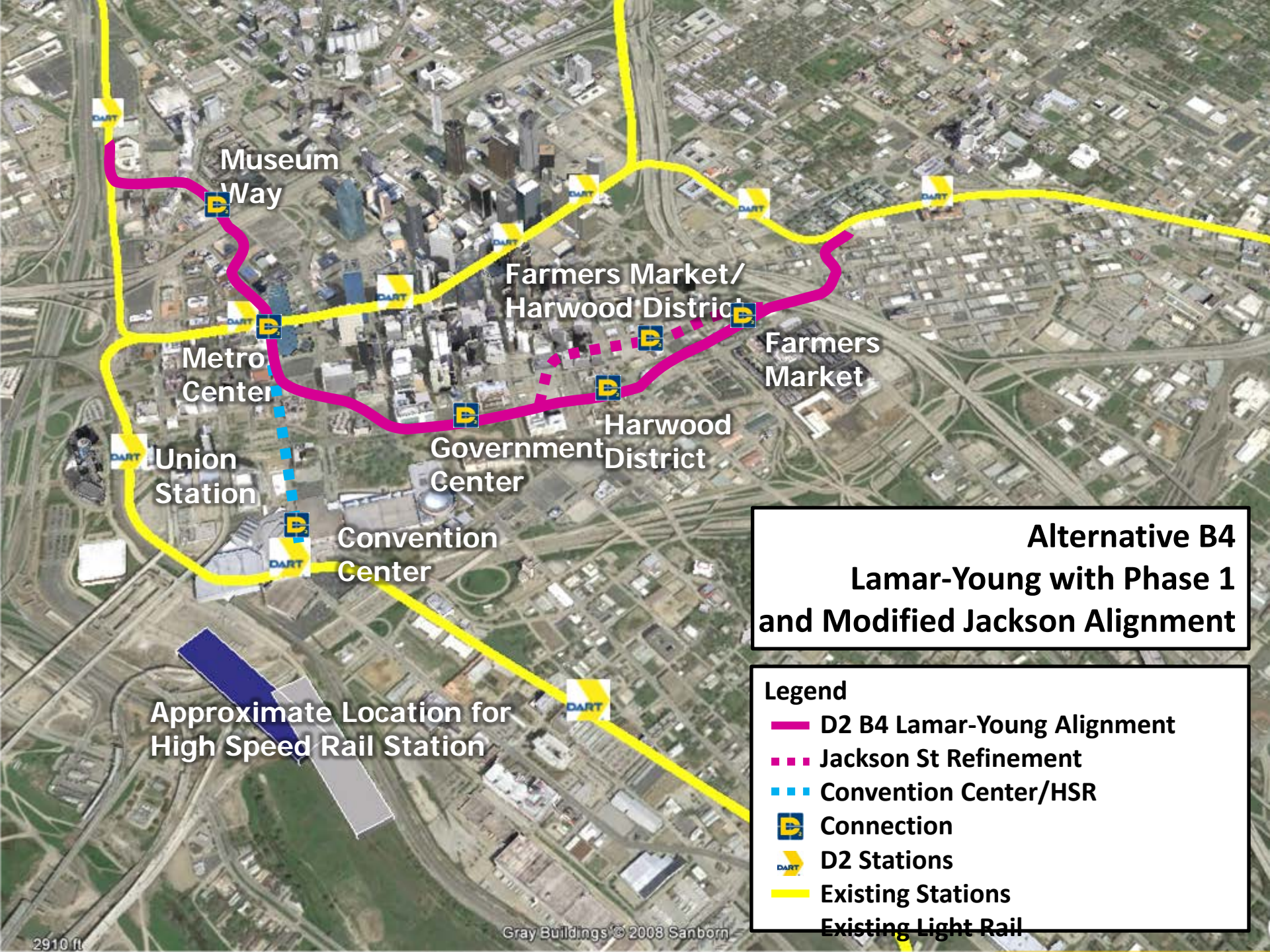


D2 Alternatives





le earth
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**Alternative B4
Lamar-Young with Phase 1
and Modified Jackson Alignment**

Legend

- D2 B4 Lamar-Young Alignment
- - - Jackson St Refinement
- - - Convention Center/HSR
-  Connection
-  D2 Stations
- Existing Stations
- Existing Light Rail

Approximate Location for High Speed Rail Station



214.979.1111
www.DART.org



City Council 2015-17 Statement of Goals

City Council Briefing: November 2, 2015



Overview

- On September 21st staff provided City Council a status report on the tactics associated with its 2013-15 Statement of Goals.
- On October 13th City Council met to “review and refresh” its Statement of Goals, which includes:
 - Role of Council
 - Rules of Engagement
 - Vision
 - Goals
 - Strategies
- This purpose of tonight’s briefing is to review the recommended enhancements in advance of the City Council considering formal adoption.



Role of Council

- The role of the council is to develop a long-term vision for the city, to develop policies necessary to achieve the vision, and to communicate with, seek input from, and be the voice for residents, businesses, and other stakeholders.
- The council will provide the direction, trust, and support necessary for the city manager to implement the operational aspects of our vision and be positive and resourceful advocates of the city.



Rules of Engagement

- At all times, and in all interactions, the council will work to find common ground in the best interest of the stakeholders.
- While executing our duties, we will be:
 - **Respectful** - Of differing ideas and opinions, and other people's time.
 - **Thoughtful** - We will listen thoroughly and evaluate on merit.
 - **Professional** - Punctual, focused, present, and prepared.
 - **Supportive** - Of each other, our city, our decisions, and our staff.
 - **Efficient** - With city resources, our time, and the time of others.



Vision

- **The City of Richardson is a clean, safe, vibrant, and inclusive community in which residents and businesses enjoy a high quality of life and are proud to call “home.”**



Vision - Continued

- All of our stakeholders enjoy superior, responsive city services. Our accessibility, and the quality and variety of our amenities, recreation opportunities, green spaces, housing options, education opportunities, retail choices, and transportation options are locally, nationally and globally recognized.
- We have a thriving, diverse business community whose success is supported by a superior infrastructure, access to a talented, well-educated, and engaged workforce, a business-friendly environment, and easy access to the North Texas region and the world



Goals

- For Richardson to be a place where people are proud to live, work, and engage in the community.
- To have stakeholders choose Richardson as the best place to invest.
- To effectively and efficiently manage city resources while maintaining and enhancing city services.
- To have clear, easy to understand processes and policies that make it easy to do business with the city.



Strategies

- Enhance the quality of life of our stakeholders
- Attract and retain targeted businesses and increase the number, quality, and variety of job opportunities throughout the city
- Strengthen property values
- Effective and efficient management of city finances
- Increase the sense of community
- Increase private participation and contributions



Strategies - Continued

- Improve communications
- Attract, develop, and retain quality city employees
- Improve customer experience in interactions with the city
- Appropriate use of technology and innovation
- Improve accessibility to the city
- Improve documentation, processes, structure, and services



Next Steps

- A resolution formally adopting 2015-17 Statement of Goals will be on the City Council's November 9th Agenda for consideration.
 - Communication plan to share the Statement of Goals to immediately follow.
- A list of proposed tactics for each strategy will be presented to City Council in mid-December.



2015-2017
Richardson City Council
Statement of Goals

Vision
The City of Richardson is a clean, safe, vibrant, and inclusive community in which residents and businesses enjoy a high quality of life and are proud to call “home.”

- All of our stakeholders enjoy superior, responsive city services. Our accessibility, and the quality and variety of our amenities, recreation opportunities, green spaces, housing options, education opportunities, retail choices, and transportation options are locally, nationally and globally recognized.
- We have a thriving, diverse business community whose success is supported by a superior infrastructure, access to a talented, well-educated, and engaged workforce, a business-friendly environment, and easy access to the North Texas region and the world.

Goals

For Richardson to be a place where people are proud to live, work, and engage in the community.

To have stakeholders choose Richardson as the best place to invest.

To effectively and efficiently manage city resources while maintaining and enhancing city services.

To have clear, easy to understand processes and policies that make it easy to do business with the city.

Strategies

- Enhance the quality of life of our stakeholders
- Attract and retain targeted businesses and increase the number, quality, and variety of job opportunities throughout the city
- Strengthen property values
- Effective and efficient management of city finances
- Increase the sense of community
- Increase private participation and contributions
- Improve communications
- Attract, develop, and retain quality city employees
- Improve customer experience in interactions with the city
- Appropriate use of technology and innovation
- Improve accessibility to the city
- Improve documentation, processes, structure, and services



City of Richardson

**Year End Financial Report
November 2, 2015
City Council Work Session**



Presentation Overview

- **Brief review of the 2014-2015 Budget Process**
- **Year End Financials across all operating funds . . .**
 - **General Fund**
 - **Water and Sewer Fund**
 - **Solid Waste Services Fund**
 - **Golf Fund**
 - **Hotel/Motel Tax Fund**
- **Focus is on year end performance of revenues and expenditures against last estimate of revenues and expenditures developed in June 2015. A comparative column is also included in the fund summaries comparing last year actual against this years unaudited actuals.**

2014-2015 Budget Process

May 2014 – Departments submitted requests

Jun – Aug 2014 – Budget Team reviewed requests and developed proposed budget

Aug 2014 – Budget submitted to City Council for review

Sept 2014 – City Council approved 2013-2014 Budget

Oct 2014 – 2014-2015 Fiscal Year began

May 2015 – Departments submitted year end estimates

June – Jul 2015 – Budget team reviewed year end estimates

July 2015 – Council Budget Retreat on both year-end estimates and 2015-2016

Proposed Budget

Sept 2015 – City Council approved Year End Estimates along with 2015-2016 Budget

Nov 2015 – Year End Financial Report provided

General Fund



Summary

| | A | B | C | D | D-A | D-B | D-C |
|-------------------------------------|-------------------|-------------------|----------------------|--------------------------------|---------------------------------|---------------------------------|------------------------------------|
| | ACTUAL 2013-14 | BUDGET 2014-15 | ESTIMATED 2014-15 | UNAUDITED ACTUAL 2014-15 | VARIANCE ACTUAL TO ACTUAL | VARIANCE ACTUAL TO BUDGET | VARIANCE ACTUAL TO ESTIMATED |
| Beginning Balance | \$17.4 M | \$17.6 M | \$18.9 M | \$18.9 M | \$1.5 M | \$1.3 M | - |
| Revenues | \$107.9 M | \$109.5 M | \$110.9 M | \$112.1 M | \$4.2 M | \$2.6 M | \$1.2 M |
| Expenditures & Transfers | \$106.4 M | \$109.1 M | \$111.4 M | \$111.6 M | \$5.2 M | \$2.5 M | \$0.2 M |
| Ending Balance | \$18.9 M | \$18.0 M | \$18.4 M | \$19.4 M | \$0.5 M | \$1.4 M | \$1.0 M |
| Days of Fund Balance | 62.43 | 60.09 | 60.23 | 60.65 | | | |

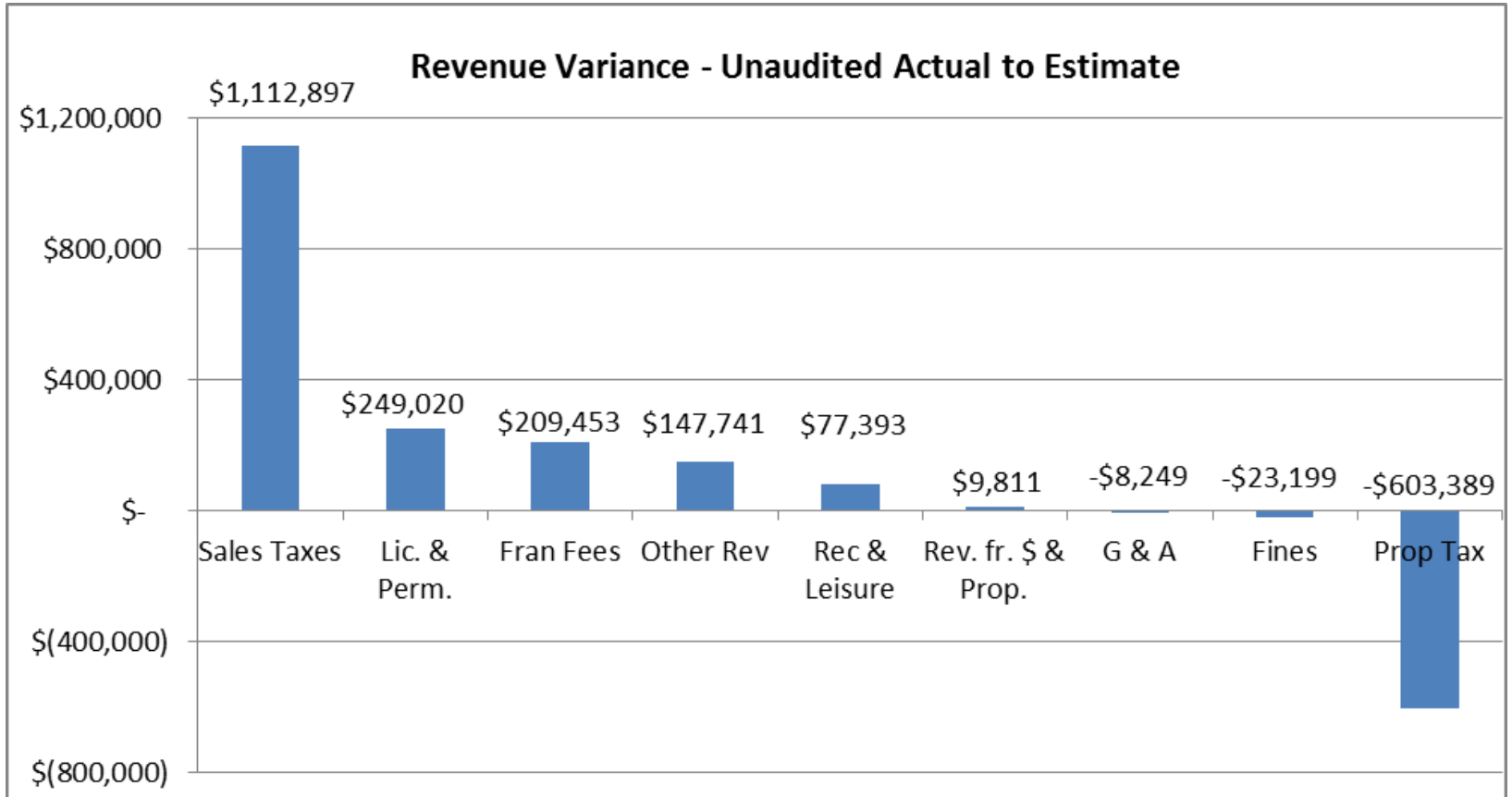
General Fund

Revenues

| | A | B | C | D | D-A | D-B | D-C |
|-------------------------------|----------------------|----------------------|----------------------|--------------------------------|---------------------------------|---------------------------------|------------------------------------|
| Revenue Source | ACTUAL 2013-14 | BUDGET 2014-15 | ESTIMATED 2014-15 | UNAUDITED ACTUAL 2014-15 | VARIANCE ACTUAL TO ACTUAL | VARIANCE ACTUAL TO BUDGET | VARIANCE ACTUAL TO ESTIMATED |
| General Property Taxes | \$38,529,678 | \$40,683,401 | \$40,305,768 | \$39,702,379 | \$1,172,701 | (\$981,022) | (\$603,389) |
| Franchise Fees | 14,753,325 | 15,246,937 | 15,149,693 | 15,359,146 | 605,821 | 112,209 | 209,453 |
| Sales and Other Business Taxe | 30,156,126 | 29,684,162 | 30,362,104 | 31,475,001 | 1,318,875 | 1,790,839 | 1,112,897 |
| License and Permits | 3,309,125 | 2,312,148 | 3,120,648 | 3,369,668 | 60,543 | 1,057,520 | 249,020 |
| Fines and Forfeits | 4,129,519 | 4,195,872 | 3,955,078 | 3,931,879 | (197,640) | (263,993) | (23,199) |
| Revenue From Money/Propert | 349,068 | 371,825 | 370,195 | 380,006 | 30,938 | 8,181 | 9,811 |
| Recreation and Leisure | 4,090,764 | 4,168,560 | 4,018,986 | 4,096,379 | 5,615 | (72,181) | 77,393 |
| Other Revenue | 4,376,846 | 4,213,243 | 4,819,187 | 4,966,928 | 590,082 | 753,685 | 147,741 |
| General & Administrative | 8,169,754 | 8,635,800 | 8,810,911 | 8,802,662 | 632,908 | 166,862 | (8,249) |
| Total Revenues | \$107,864,205 | \$109,511,949 | \$110,912,570 | \$112,084,048 | \$4,219,843 | \$2,572,099 | \$1,171,478 |

General Fund

Revenues



General Fund

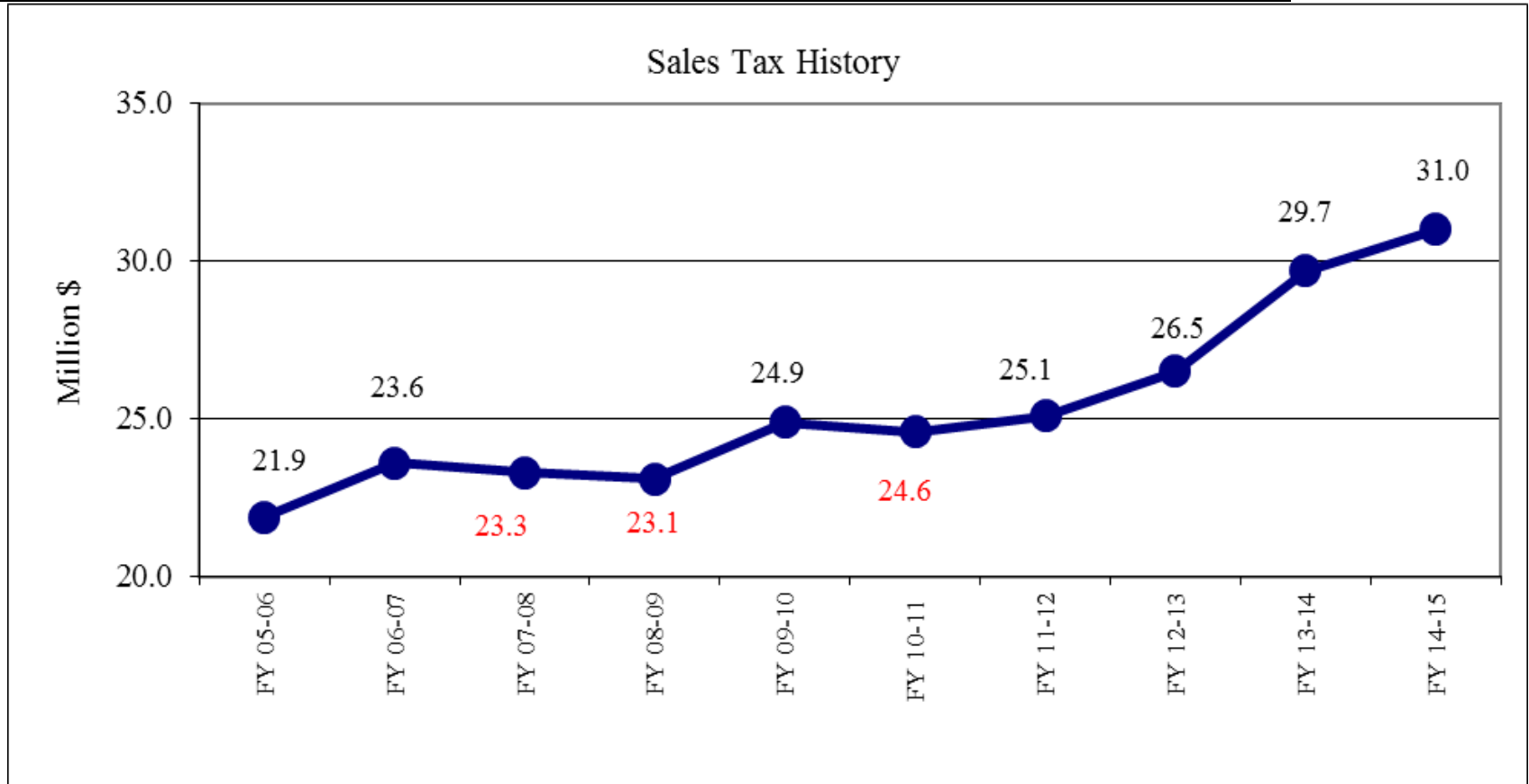
General Property Tax

- **General Fund Property Tax came in (\$603,000) or -1.5% below year end estimates.**
 - **As discussed at Budget Retreat, when the appraisal districts settle a value in dispute case it affects both O&M and Debt Service since each dollar is split between the two. Lower collections in operations mean lower collections in the debt fund. We then have to make up the shortage in the debt service fund by transferring more property taxes from the operating side.**

Sales Taxes

- **Sales and Other Business Taxes finished the year \$1.1 million over the year-end estimate of \$30.4 million.**
- **Sales Tax increased \$1.1 million ending the year at \$31.0 million. Compared to FY 2013-14, the increase equals \$1.3 million.**
- **The Mixed Beverage and Bingo tax finished the year (\$17,300) below the combined year end estimate of \$540,000.**

Sales Tax History



Note: These figures represent Sales Tax receipts alone. They do not include Other Business Taxes.

General Fund

License and Permits

- **The category increased \$249,000 over year-end estimate of \$3.1 million.**
- **Building Permits increased \$140,000 over estimates. As mentioned during Budget Retreat, on-going commercial and residential development continue to be a strong economic driver. The first place this activity shows itself is in the number and value of permits, both of which are up over last year.**
- **Minor increases and decreases in the remaining License and Permits account for rest of the category variance.**

Franchise Fees

- **Franchise Fees ended the year \$209,000 over year-end estimate.**
 - **The largest increase of \$167,000 was seen in the Electric Franchise Fees while increased water and sewer sales added another \$113,000 over year-end estimate.**
- **The remaining fees combined decreased (\$71,000) from year-end estimates totaling \$6.1 million.**

Remaining Revenues

- **The five remaining revenue categories, which combine for a total \$22.2 million in revenue increased \$203,000 from year end estimates.**

Expenditures

| Expenditure Category | A | B | C | D | D-A | D-B | D-C |
|----------------------------------|----------------------|----------------------|----------------------|--------------------------------|---------------------------------|---------------------------------|------------------------------------|
| | ACTUAL 2013-14 | BUDGET 2014-15 | ESTIMATED 2014-15 | UNAUDITED ACTUAL 2014-15 | VARIANCE ACTUAL TO ACTUAL | VARIANCE ACTUAL TO BUDGET | VARIANCE ACTUAL TO ESTIMATED |
| Personal Services | \$76,944,159 | \$80,178,479 | \$ 78,672,142 | \$78,172,261 | \$1,228,102 | (\$2,006,218) | (\$499,881) |
| Professional Services | 7,098,469 | 7,393,219 | 8,119,294 | 7,250,757 | 152,288 | (142,462) | (868,537) |
| Maintenance | 3,218,705 | 3,740,135 | 3,872,126 | 3,380,976 | 162,271 | (359,159) | (491,150) |
| Contracts | 5,184,451 | 5,847,387 | 5,998,095 | 5,899,521 | 715,070 | 52,134 | (98,574) |
| Supplies | 9,168,931 | 8,917,978 | 9,034,368 | 8,896,672 | (272,259) | (21,306) | (137,696) |
| Capital | 13,194 | - | 169,733 | 166,691 | 153,497 | 166,691 | (3,042) |
| Street Rehabilitation | 1,838,494 | 2,169,563 | 2,169,563 | 2,169,563 | 331,069 | - | - |
| Special Projects | 1,500,000 | - | - | 1,500,000 | - | 1,500,000 | 1,500,000 |
| CoRPlan Supplement | 1,400,000 | - | 2,200,000 | 3,000,000 | 1,600,000 | 3,000,000 | 800,000 |
| Economic Dev. | - | 542,391 | 542,391 | 542,391 | 542,391 | - | - |
| Transfer - Golf Fund | - | 325,000 | 610,000 | 610,000 | 610,000 | 285,000 | - |
| Total Transfers & Exp | \$106,366,403 | \$109,114,152 | \$111,387,712 | \$111,588,832 | \$5,222,429 | \$2,474,680 | \$201,120 |

General Fund

Expenditures

- **Total Expenditures, excluding transfers, finished the year (\$2.1 million), or -2.0% below year-end estimate and (\$2.3 million) below original budget.**
- **Personal Services ended the year (\$500,000), or -0.6% below year end estimate due to vacancy and overtime savings across many departments.**
- **Professional Services ended with (\$869,000), or-10.7% savings under the estimate of \$8.1 million.**
 - **Capital Projects had (\$372,000) in savings for projects that were started but not complete by year-end. These funds have been encumbered for next year as the work is completed.**
 - **The remaining (\$496,000) savings is spread thinly across other departments in the fund.**

Expenditures

- **The Maintenance category came in (\$491,000) below estimate due to minor savings throughout the fund.**
- **Contracts came in (\$99,000) below its estimated position of \$6.0.**
- **Supplies finished the year with (\$138,000) in savings.**

Conclusion

- **Due to better than expected revenue and expenditure performance, \$1.5 million will be transferred to a General Fund special projects fund to assist in funding capital items and projects that would otherwise go unfunded.**
- **The supplemental funding for CORPlan is increased \$800,000 at year-end reflecting claims activity.**
- **These transfers are net of any fund balance requirement to maintain 60.65 days of fund balance.**

Water and Sewer Fund



Fund Summary

| | A | B | C | D | D-A | D-B | D-C |
|-------------------------------------|-------------------|-------------------|----------------------|--------------------------------|---------------------------------|---------------------------------|------------------------------------|
| | ACTUAL 2013-14 | BUDGET 2014-15 | ESTIMATED 2014-15 | UNAUDITED ACTUAL 2014-15 | VARIANCE ACTUAL TO ACTUAL | VARIANCE ACTUAL TO BUDGET | VARIANCE ACTUAL TO ESTIMATED |
| Beginning Balance | \$14.3 M | \$12.3 M | \$12.1 M | \$12.1 M | (\$2.2 M) | (\$0.2 M) | - |
| Revenues | \$51.3 M | \$59.9 M | \$57.9 M | \$60.3 M | \$9.0 M | \$0.4 M | \$2.5 M |
| Expenditures & Transfers | \$53.5 M | \$59.1 M | \$58.4 M | \$57.6 M | \$4.1 M | (\$1.5 M) | (\$0.7 M) |
| Ending Balance | \$12.1 M | \$13.0 M | \$11.6 M | \$14.8 M | \$2.7 M | \$1.7 M | \$3.2 M |
| Days of Fund Balance | 80.64 | 80.45 | 72.56 | 90.25 | | | |

Revenues

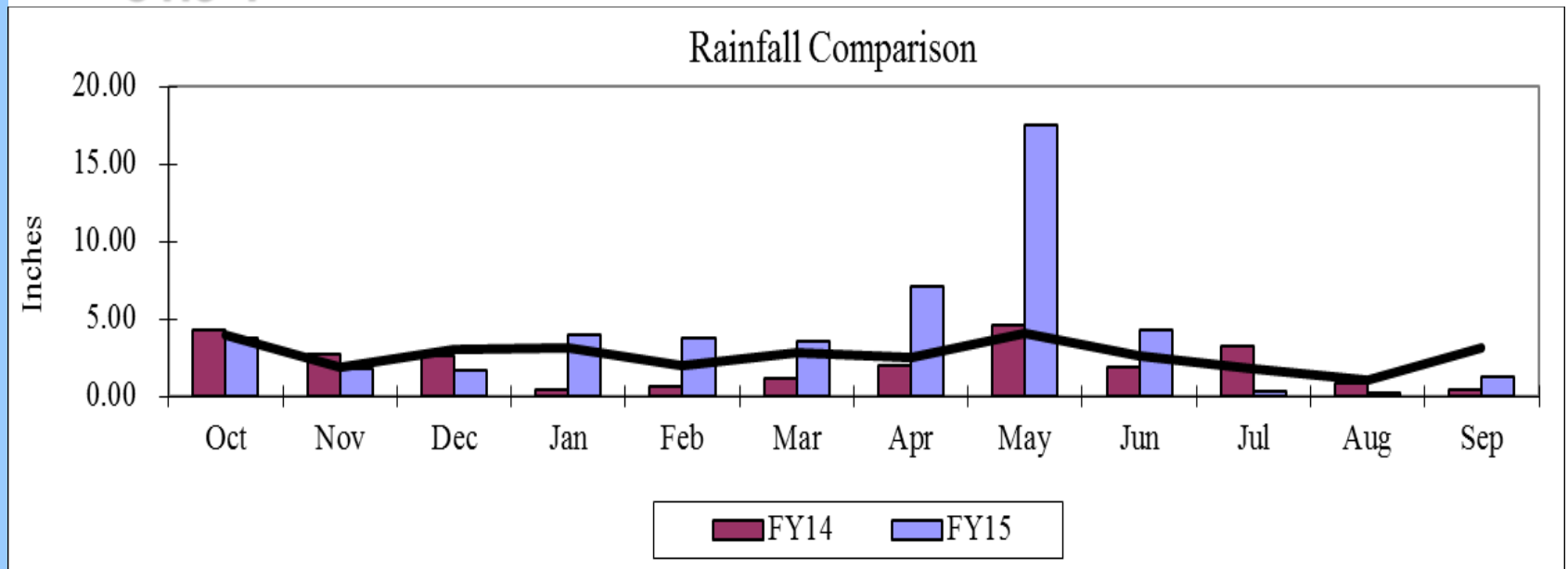
| Revenue Source | A | B | C | D | D-A | D-B | D-C |
|-----------------------|---------------------|---------------------|----------------------|--------------------------------|---------------------------------|---------------------------------|------------------------------------|
| | ACTUAL 2013-14 | BUDGET 2014-15 | ESTIMATED 2014-15 | UNAUDITED ACTUAL 2014-15 | VARIANCE ACTUAL TO ACTUAL | VARIANCE ACTUAL TO BUDGET | VARIANCE ACTUAL TO ESTIMATED |
| Water Sales & Charges | \$ 29,768,613 | \$ 37,208,985 | \$ 34,622,397 | \$ 36,487,229 | \$ 6,718,616 | \$ (721,756) | \$ 1,864,832 |
| Sewer Sales & Charges | 20,462,099 | 21,389,168 | 21,892,189 | 22,289,271 | 1,827,172 | 900,103 | 397,082 |
| Late Charges | 449,277 | 780,759 | 814,981 | 888,589 | 439,312 | 107,830 | 73,608 |
| Interest Earnings | 13,385 | 13,777 | 8,825 | 11,161 | (2,224) | (2,616) | 2,336 |
| Service Fees - Others | 44,372 | 42,282 | 51,642 | 46,049 | 1,677 | 3,767 | (5,593) |
| Installation Charges | 69,320 | 49,727 | 66,925 | 98,710 | 29,390 | 48,983 | 31,785 |
| Miscellaneous | 477,685 | 389,714 | 413,103 | 502,795 | 25,110 | 113,081 | 89,692 |
| Total Revenues | \$51,284,752 | \$59,874,411 | \$57,870,062 | \$60,323,804 | \$9,039,052 | \$449,393 | \$2,453,742 |

Revenues

- **Total revenues of \$60.3 million are \$2.5 million over year-end estimates.**
- **Water and Sewer Sales combined finished the year \$2.3 million over the year end estimate of \$56.5 million.**
- **Remaining revenue sources of \$1.5 million finished \$192,000 over estimate.**

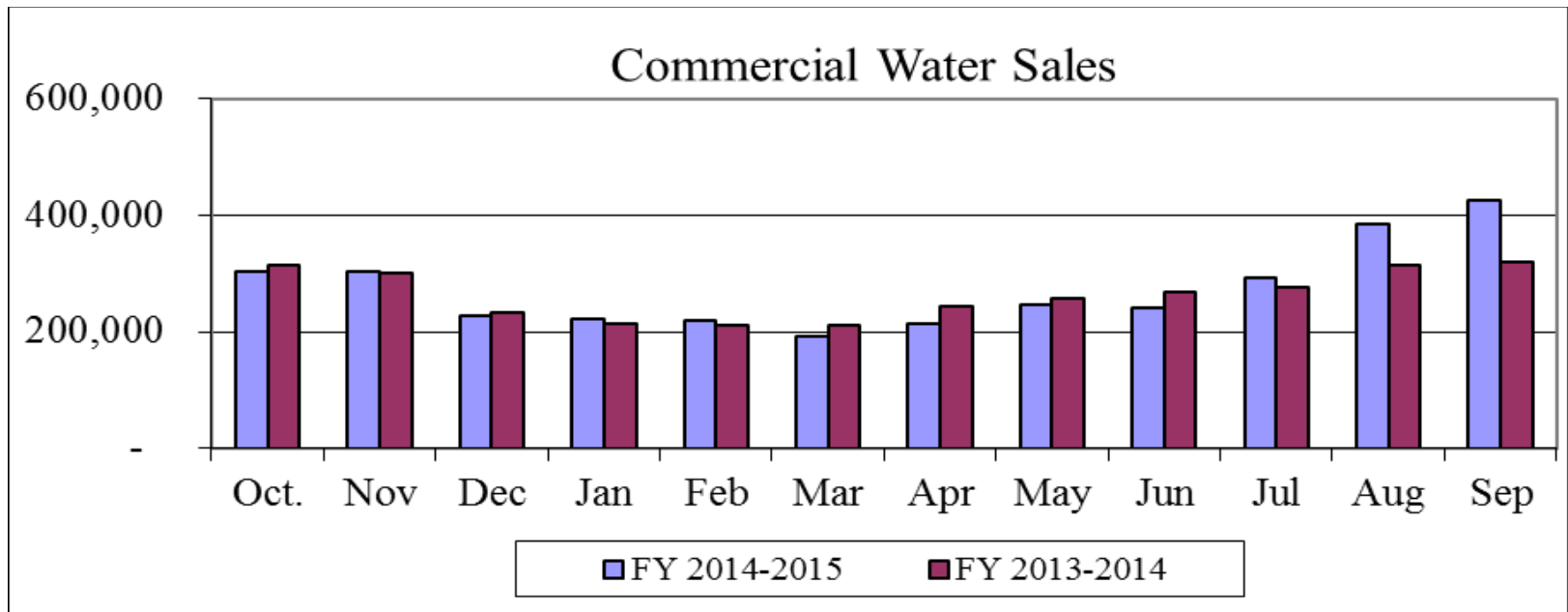
Revenues

- The City received 49.2” of rain in FY 2014-15, compared to the 24.7” in the previous year and the five-year average of 31.9”.

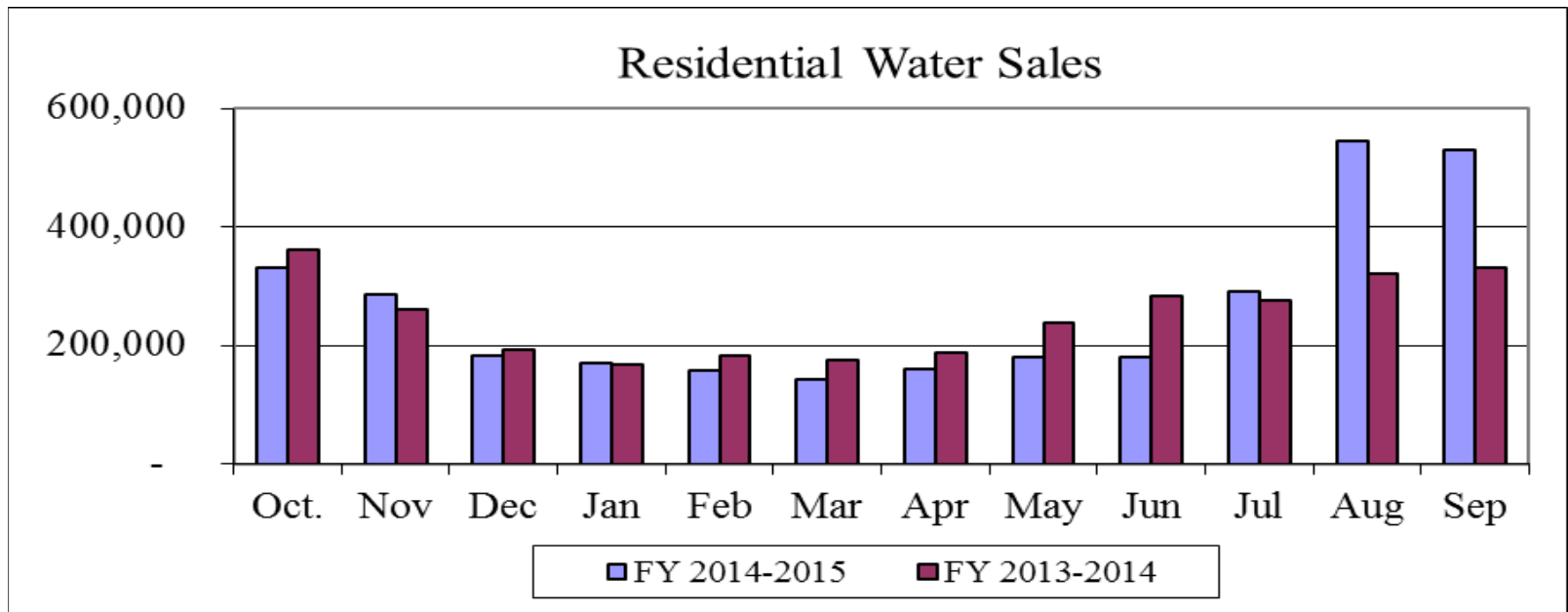


Revenues

- The following charts indicate Commercial and Residential Water Sales compared to last year.

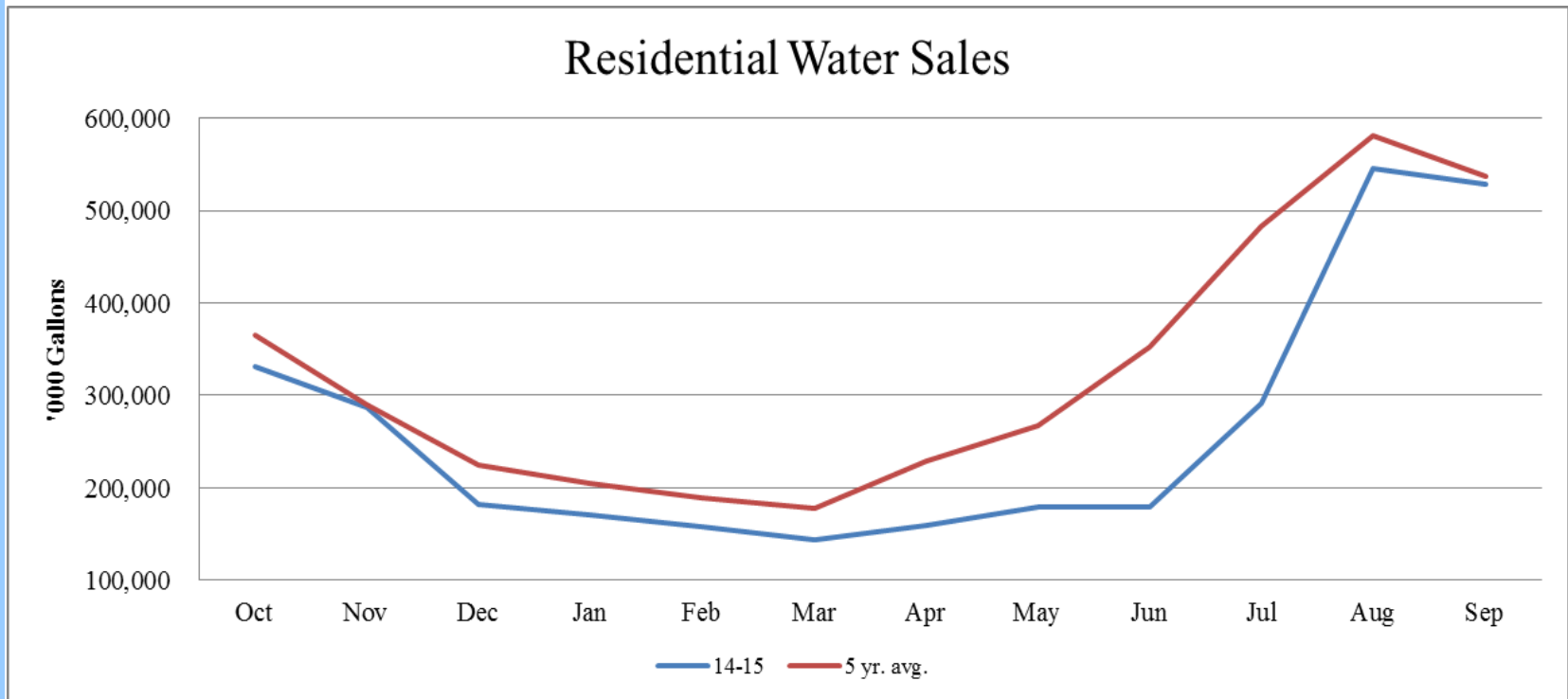


Revenues

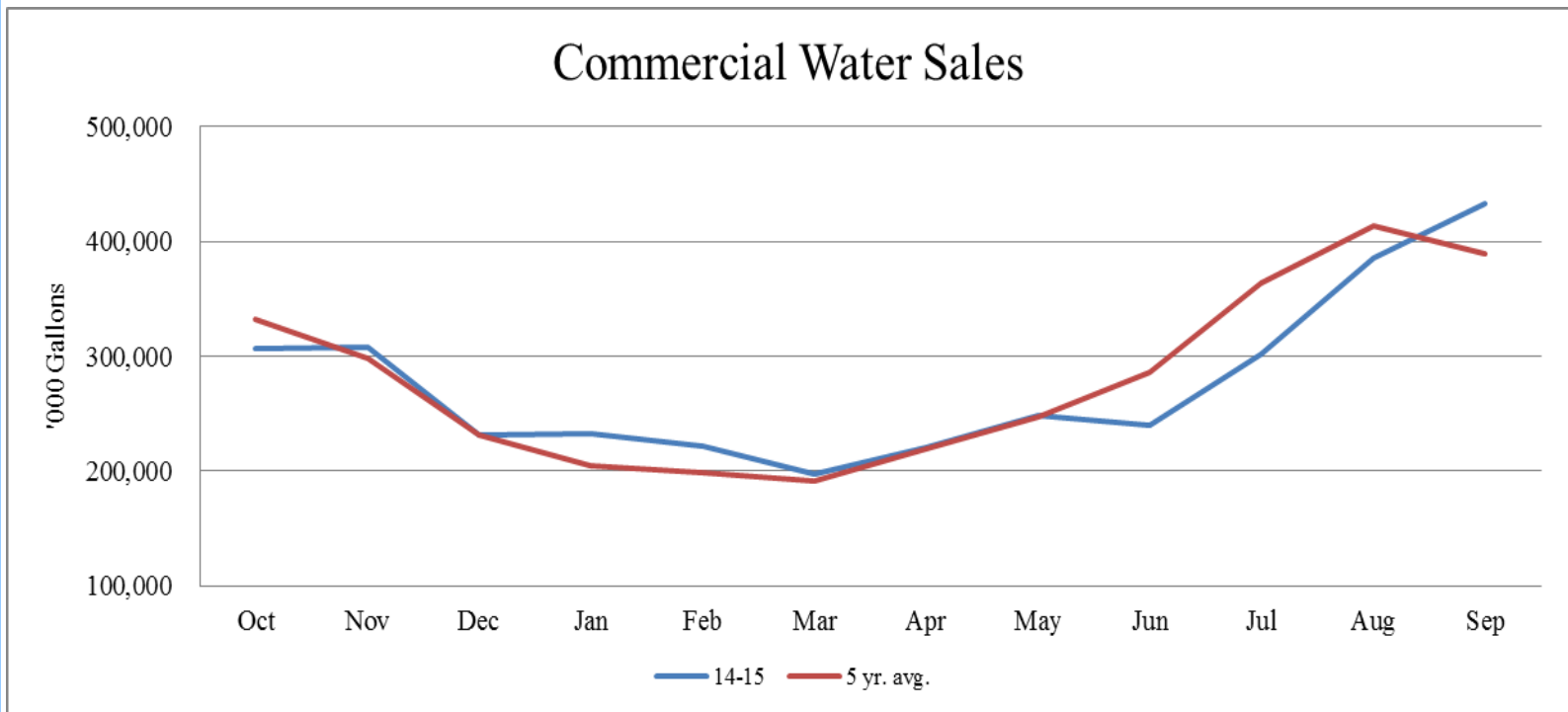


Water and Sewer Fund

Residential Water Consumption



Commercial Water Consumption



Water and Sewer Fund

Total Expenditures & Transfers

| Expenditure Category | A | B | C | D | D-A | D-B | D-C |
|-----------------------------------|---------------------|---------------------|----------------------|--------------------------------|---------------------------------|---------------------------------|------------------------------------|
| | ACTUAL 2013-14 | BUDGET 2014-15 | ESTIMATED 2014-15 | UNAUDITED ACTUAL 2014-15 | VARIANCE ACTUAL TO ACTUAL | VARIANCE ACTUAL TO BUDGET | VARIANCE ACTUAL TO ESTIMATED |
| Personal Services | \$6,215,382 | \$6,246,782 | \$5,916,411 | \$5,833,064 | (\$382,318) | (\$413,718) | (\$83,347) |
| Professional Services | 539,719 | 1,151,689 | 1,156,908 | 925,440 | 385,721 | (226,249) | (231,468) |
| Maintenance | 32,552,035 | 36,204,494 | 35,873,067 | 34,612,748 | 2,060,713 | (1,591,746) | (1,260,319) |
| Contracts | 706,640 | 691,085 | 716,628 | 871,726 | 165,086 | 180,641 | 155,098 |
| Supplies | 1,041,865 | 1,116,856 | 1,067,252 | 1,193,361 | 151,496 | 76,505 | 126,109 |
| Capital | 455,651 | 1,044,900 | 1,051,375 | 586,994 | 131,343 | (457,906) | (464,381) |
| G & A | 3,879,623 | 3,945,574 | 3,945,574 | 3,879,623 | - | (65,951) | (65,951) |
| Franchise Fee | 2,511,536 | 2,929,908 | 2,825,729 | 2,938,825 | 427,289 | 8,917 | 113,096 |
| BABIC | 466,666 | 466,666 | 466,666 | 466,666 | - | - | - |
| Debt Service | 5,150,000 | 5,340,000 | 5,340,000 | 5,340,000 | 190,000 | - | - |
| Special Projects | - | - | - | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| Total Transfers & Exp. | \$53,519,117 | \$59,137,954 | \$58,359,610 | \$57,648,447 | \$4,129,330 | (\$1,489,507) | (\$711,163) |

Water and Sewer Fund

Total Expenditures & Transfers

- **Total expenditures, excluding transfers, ended the year (\$1.8 million) below year end estimates.**
- **Personal Services of \$5.8 million were (\$83,000) below year-end estimate.**
- **Professional Services recognized savings of (\$231,000) across several departments.**

Total Expenditures & Transfers

- **The Maintenance Category, which includes among other items, the cost of wholesale water and sewer treatment services, came in (\$1.3 million) under estimates.**
 - **Wholesale water costs of \$20.8 million include a rebate of (\$1.9 million) based on \$0.51 per 1,000 gallons of unused water.**
 - **Sewer treatment costs of \$12.2 million are (\$329,000) below the year-end estimates of \$12.5 million.**

Water and Sewer Services Expenditures

| | A | B | C | D | D-A | D-B | D-C |
|------------------------------|---------------------|---------------------|----------------------|--------------------------------|---------------------------------|---------------------------------|------------------------------------|
| | ACTUAL 2013-14 | BUDGET 2014-15 | ESTIMATED 2014-15 | UNAUDITED ACTUAL 2014-15 | VARIANCE ACTUAL TO ACTUAL | VARIANCE ACTUAL TO BUDGET | VARIANCE ACTUAL TO ESTIMATED |
| NTMWD Water | \$ 18,974,257 | \$ 21,699,782 | \$ 21,699,782 | \$20,750,908 | \$1,776,651 | (\$948,874) | (\$948,874) |
| NTMWD Regional Sewer | 4,451,787 | 5,359,000 | 4,969,237 | 4,763,972 | 312,185 | (595,028) | (205,265) |
| NTMWD Upper East Fork | 1,910,299 | 2,268,000 | 2,243,205 | 2,141,157 | 230,858 | (126,843) | (102,048) |
| Dallas Sewer | 2,323,995 | 2,500,000 | 2,500,000 | 2,496,552 | 172,557 | (3,448) | (3,448) |
| Garland Sewer | 2,781,924 | 2,800,000 | 2,800,000 | 2,781,924 | - | (18,076) | (18,076) |
| Tot Water & Sewer | \$30,442,262 | \$34,626,782 | \$34,212,224 | \$32,934,512 | \$2,492,250 | (\$1,692,270) | (\$1,277,712) |

Water and Sewer Fund

Total Expenditures & Transfers

- **The remaining categories, excluding Special Projects, combine for an additional (\$89,000) savings from the estimated budget of \$15.4 million.**
 - **Due to positive revenue and expenditure performance, \$1.0 million will be transferred to a special projects fund to enhance reinvestment in the City's water and wastewater infrastructure management strategies.**
- **The fund finishes the year with 90.25 days of fund balance, in full compliance with the adopted financial policy of 90 days.**

Solid Waste Services Fund



Fund Summary

| | A | B | C | D | D-A | D-B | D-C |
|--------------------------|-------------------|-------------------|----------------------|--------------------------------|---------------------------------|---------------------------------|------------------------------------|
| | ACTUAL 2013-14 | BUDGET 2014-15 | ESTIMATED 2014-15 | UNAUDITED ACTUAL 2014-15 | VARIANCE ACTUAL TO ACTUAL | VARIANCE ACTUAL TO BUDGET | VARIANCE ACTUAL TO ESTIMATED |
| Beginning Balance | \$3.7 M | \$3.6 M | \$4.2 M | \$4.2 M | \$0.4 M | \$0.6 M | - |
| Revenues | \$12.8 M | \$12.8 M | \$13.0 M | \$13.2 M | \$0.4 M | \$0.4 M | \$0.2 M |
| Expenditures & Transfers | \$12.3 M | \$13.0 M | \$13.3 M | \$13.2 M | \$0.8 M | \$0.1 M | (\$0.1 M) |
| Ending Balance | \$4.2 M | \$3.3 M | \$3.9 M | \$4.2 M | - | \$0.9 M | \$0.3M |
| Days of Fund Balance | 123.56 | 93.28 | 107.37 | 115.91 | | | |

Revenues

| | A | B | C | D | D-A | D-B | D-C |
|-------------------------|---------------------|---------------------|----------------------|--------------------------------|---------------------------------|---------------------------------|------------------------------------|
| | ACTUAL 2013-14 | BUDGET 2014-15 | ESTIMATED 2014-15 | UNAUDITED ACTUAL 2014-15 | VARIANCE ACTUAL TO ACTUAL | VARIANCE ACTUAL TO BUDGET | VARIANCE ACTUAL TO ESTIMATED |
| Residential Collections | \$5,181,346 | \$5,198,147 | \$5,207,129 | \$5,191,488 | \$10,142 | (\$6,659) | (\$15,641) |
| Commercial Collections | 6,706,260 | 6,841,316 | 7,025,646 | 7,245,716 | 539,456 | 404,400 | 220,070 |
| BABIC Program | 466,666 | 466,666 | 466,666 | 466,666 | - | - | - |
| Other Revenue | 402,349 | 265,606 | 274,284 | 257,474 | (144,875) | (8,132) | (16,810) |
| Interest Income | 2,694 | 2,143 | 4,938 | 6,814 | 4,120 | 4,671 | 1,876 |
| Total Revenues | \$12,759,315 | \$12,773,879 | \$12,978,663 | \$13,168,158 | \$408,843 | \$394,279 | \$189,495 |

Solid Waste Services Fund

Revenues

- **Total revenues finished the year \$189,000 over year-end estimates of \$13.0 million.**
- **Residential revenues were (\$16,000) below estimated year-end position.**
- **Commercial Collections finished the year \$220,000 over estimate.**
 - **Including \$323,000 of Construction and Demolition program revenues.**
- **Remaining revenues of \$731,000 were (\$15,000) below estimates.**

Total Expenditures & Transfers

| | ACTUAL 2013-14 | BUDGET 2014-15 | ESTIMATED 2014-15 | UNAUDITED ACTUAL 2014-15 | VARIANCE ACTUAL TO ACTUAL | VARIANCE ACTUAL TO BUDGET | VARIANCE ACTUAL TO ESTIMATED |
|--------------------------------|---------------------|---------------------|----------------------|--------------------------------|---------------------------------|---------------------------------|------------------------------------|
| Personal Services | \$4,176,297 | \$4,387,277 | \$4,262,826 | \$4,399,037 | \$222,740 | \$11,760 | \$136,211 |
| Professional Services | 181,800 | 22,570 | 18,352 | 32,667 | (149,133) | 10,097 | 14,315 |
| Maintenance | 3,221,804 | 3,894,710 | 4,182,199 | 3,973,279 | 751,475 | 78,569 | (208,920) |
| Contracts | 314,458 | 294,402 | 332,585 | 362,271 | 47,813 | 67,869 | 29,686 |
| Supplies | 230,378 | 285,080 | 290,002 | 247,523 | 17,145 | (37,557) | (42,479) |
| Capital | - | - | - | - | - | - | - |
| G & A Transfer | 2,122,106 | 2,154,283 | 2,154,283 | 2,122,106 | - | (32,177) | (32,177) |
| Franchise Fee | 594,380 | 601,973 | 611,639 | 621,861 | 27,481 | 19,888 | 10,222 |
| Debt Service | 1,490,975 | 1,402,865 | 1,402,865 | 1,402,865 | (88,110) | - | - |
| Total Exp and Transfers | \$12,332,198 | \$13,043,160 | \$13,254,751 | \$13,161,609 | \$829,411 | \$118,449 | (\$93,142) |

Solid Waste Services Fund

Total Expenditures & Transfers

- Total Expenditures and Transfers, ended the year (\$93,000) below estimates of \$13.3 million.
- The Maintenance category recognized savings of (\$209,000) ending the year at \$4.0 million.
 - Actual disposal costs of \$36.12 per ton were (\$2.13) or - 5.56% lower than original NTMWD estimates. In addition, the City's total tonnage of 102,357 amounted to only 16.7% of the total for the 5 member cities.

Total Expenditures & Transfers

- **With combined expenses of \$9.2 million, all other expenditure categories finished the year \$116,000 over year-end estimates.**
- **Solid Waste will end the year with 115.9 days in fund balance, or 25.9 days in excess of the Council approved policy of “90 Days”.**

Golf Fund



Fund Summary

| | A | B | C | D | D-A | D-B | D-C |
|-------------------------------------|-------------------|-------------------|----------------------|--------------------------------|---------------------------------|---------------------------------|------------------------------------|
| | ACTUAL 2013-14 | BUDGET 2014-15 | ESTIMATED 2014-15 | UNAUDITED ACTUAL 2014-15 | VARIANCE ACTUAL TO ACTUAL | VARIANCE ACTUAL TO BUDGET | VARIANCE ACTUAL TO ESTIMATED |
| Beginning Balance | \$0.2 M | \$0.3 M | \$0.3 M | \$0.3 M | \$0.1 M | (\$0.1 M) | - |
| Revenues | \$2.2 M | \$1.9 M | \$1.8 M | \$1.8 M | (\$0.3 M) | - | - |
| Expenditures & Transfers | \$2.1 M | \$2.1 M | \$2.0 M | \$1.9 M | (\$0.2 M) | (\$0.2 M) | (\$0.1 M) |
| Ending Balance | \$0.3 M | \$0.1 M | \$0.1 M | \$0.2 M | (\$0.1 M) | \$0.1 M | \$0.1 M |
| Days of Fund Balance | 43.32 | 12.71 | 19.23 | 33.66 | | | |

Revenues

| | A | B | C | D | D-A | D-B | D-C |
|---|--------------------|--------------------|----------------------|--------------------------------|---------------------------------|---------------------------------|------------------------------------|
| | ACTUAL 2013-14 | BUDGET 2014-15 | ESTIMATED 2014-15 | UNAUDITED ACTUAL 2014-15 | VARIANCE ACTUAL TO ACTUAL | VARIANCE ACTUAL TO BUDGET | VARIANCE ACTUAL TO ESTIMATED |
| Green Fees | \$1,347,471 | \$1,099,308 | \$836,431 | \$860,644 | (\$486,827) | (\$238,664) | \$24,213 |
| Cart Fees | 437,081 | 358,333 | 317,000 | 286,067 | (151,014) | (72,266) | (30,933) |
| Restaurant | 34,754 | 27,376 | 21,888 | 25,421 | (9,333) | (1,955) | 3,533 |
| Merchandise Sales | 13,620 | 11,398 | 9,381 | 9,913 | (3,707) | (1,485) | 532 |
| Driving Range | 28,249 | 29,000 | 23,805 | 23,999 | (4,250) | (5,001) | 194 |
| Lessons | 8,382 | 5,969 | 9,939 | 8,602 | 220 | 2,633 | (1,337) |
| Miscellaneous | 53,382 | 18,963 | 7,320 | 13,440 | (39,942) | (5,523) | 6,120 |
| Transfer In - Capital Projects/.Equip | 260,000 | - | - | - | (260,000) | - | - |
| Transfer In - General Fund | - | 325,000 | 610,000 | 610,000 | 610,000 | 285,000 | - |
| Interest Earnings | 100 | 78 | 131 | 149 | 49 | 71 | 18 |
| Total Expenditures and Transfers | \$2,183,039 | \$1,875,426 | \$1,835,895 | \$1,838,235 | (\$344,804) | (\$37,191) | \$2,340 |

Golf Fund

Revenues

- **Green Fees finished the year \$24,000 over year-end estimates of \$836,000.**
- **Cart Fees decreased (\$31,000) from estimate.**
- **Remaining revenues totaling \$692,000 were \$9,000 over estimates.**

Total Expenditures & Transfers

| | A | B | C | D | D-A | D-B | D-C |
|---|--------------------|--------------------|----------------------|--------------------------------|---------------------------------|---------------------------------|------------------------------------|
| | ACTUAL 2013-14 | BUDGET 2014-15 | ESTIMATED 2014-15 | UNAUDITED ACTUAL 2014-15 | VARIANCE ACTUAL TO ACTUAL | VARIANCE ACTUAL TO BUDGET | VARIANCE ACTUAL TO ESTIMATED |
| Personal Services | \$1,001,823 | \$983,288 | \$975,980 | \$977,115 | (\$24,708) | (\$6,173) | \$1,135 |
| Professional Services | 236,498 | 246,563 | 242,205 | 231,656 | (4,842) | (14,907) | (10,549) |
| Maintenance | 277,420 | 252,688 | 194,000 | 189,476 | (87,944) | (63,212) | (4,524) |
| Contracts | 120,513 | 135,177 | 108,120 | 90,032 | (30,481) | (45,145) | (18,088) |
| Supplies | 355,051 | 392,500 | 367,500 | 329,828 | (25,223) | (62,672) | (37,672) |
| Capital | 40,203 | - | - | - | (40,203) | - | - |
| G & A | 94,175 | 95,939 | 95,939 | 95,939 | 1,764 | - | - |
| Total Expenditures and Transfers | \$2,125,683 | \$2,106,155 | \$1,983,744 | \$1,914,046 | (\$211,637) | (\$192,109) | (\$69,698) |

Expenditures

- **Total Expenditures finished the year (\$70,000) below the year-end estimate.**
- **The fund will end the year with 33.66 days in fund balance in compliance with the adopted financial policy of “30 building to 60 days”.**

Hotel/Motel Tax Fund



Fund Summary

| | A | B | C | D | D-A | D-B | D-C |
|-------------------|-------------------|-------------------|----------------------|--------------------------------|---------------------------------|---------------------------------|------------------------------------|
| | ACTUAL 2013-14 | BUDGET 2014-15 | ESTIMATED 2014-15 | UNAUDITED ACTUAL 2014-15 | VARIANCE ACTUAL TO ACTUAL | VARIANCE ACTUAL TO BUDGET | VARIANCE ACTUAL TO ESTIMATED |
| Beginning Balance | \$1.2 M | \$1.3 M | \$1.9 M | \$1.9 M | \$0.7 M | \$0.6 M | - |
| Revenues | \$5.9 M | \$6.0 M | \$5.8 M | \$6.0 M | \$0.1 M | - | \$0.2 M |
| Expenditures | \$5.1 M | \$5.9 M | \$6.0 M | \$5.7 M | \$0.6 M | (\$0.2 M) | (\$0.3 M) |
| Ending Balance | \$1.9 M | \$1.4 M | \$1.8 M | \$2.2 M | \$0.3 M | \$0.8 M | \$0.4 M |

Hotel/Motel Tax Fund

Revenues

| | A | B | C | D | D-A | D-B | D-C |
|-----------------------|---------------------------|---------------------------|------------------------------|---|--|--|---|
| | ACTUAL 2013-14 | BUDGET 2014-15 | ESTIMATED 2014-15 | UNAUDITED ACTUAL 2014-15 | VARIANCE ACTUAL TO ACTUAL | VARIANCE ACTUAL TO BUDGET | VARIANCE ACTUAL TO ESTIMATED |
| Tax Revenues | \$3,665,107 | \$3,677,926 | \$3,933,409 | \$3,939,532 | 274,425 | 261,606 | 6,123 |
| Parking Fees | 229,778 | 226,300 | 195,275 | 190,407 | (39,371) | (35,893) | (4,868) |
| Eisemann Center | 2,016,946 | 2,086,692 | 1,697,069 | 1,830,133 | (186,813) | (256,559) | 133,064 |
| Interest Income | 1,971 | 1,351 | 3,458 | 5,125 | 3,154 | 3,774 | 1,667 |
| Total Revenues | \$5,913,802 | \$5,992,269 | \$5,829,211 | \$5,965,196 | \$51,394 | (\$27,073) | \$135,985 |

Hotel/Motel Tax Fund

Revenues

- **Total revenues finished the year \$136,000 over year-end estimates.**
- **Hotel occupancy taxes ended the year \$6,000 over the estimate \$3.9 M.**
- **Eisemann Center revenues and Parking Fees finished the year \$128,000 over mid-year estimates.**

Total Expenditures & Transfers

| | A | B | C | D | D-A | D-B | D-C |
|---|--------------------|--------------------|----------------------|--------------------------------|---------------------------------|---------------------------------|------------------------------------|
| | ACTUAL 2013-14 | BUDGET 2014-15 | ESTIMATED 2014-15 | UNAUDITED ACTUAL 2014-15 | VARIANCE ACTUAL TO ACTUAL | VARIANCE ACTUAL TO BUDGET | VARIANCE ACTUAL TO ESTIMATED |
| Operating Expenditures | \$4,236,505 | \$4,628,442 | \$4,531,951 | \$4,372,660 | \$136,155 | (\$255,782) | (\$159,291) |
| Other Uses | 415,086 | 492,400 | 648,635 | 541,404 | 126,318 | 49,004 | (107,231) |
| Transfer To General Fund - CVB | 246,000 | 415,004 | 440,115 | 412,316 | 166,316 | (2,688) | (27,799) |
| G & A | 250,000 | 350,000 | 350,000 | 350,000 | 100,000 | - | - |
| Total Expenditures and Transfers | \$5,147,591 | \$5,885,846 | \$5,970,701 | \$5,676,380 | \$528,789 | (\$209,466) | (\$294,321) |

Hotel/Motel Tax Fund

Total Expenditures & Transfers

- **Total Expenditures and Transfers are (\$294,000) below year-end estimate.**
- **Eisemann Center operating expenditures finished the year (\$151,000) below the year-end estimates.**
 - **Eisemann operations contributing (\$125,000) of that savings.**
 - **Eisemann Presents an additional (\$26,000) in cost containment.**
- **The Parking Garage finished (\$8,000) under year-end estimates.**
- **Convention and Visitors Bureau transfer was reduced (\$28,000) to match expenditures in the General Fund.**

City of Richardson

**Year End Financial Report
November 2, 2015
City Council Work Session**





Legal Review of Code of Ordinances

November 2, 2015

Council Goal

- To have clear, easy to understand processes and policies that make it easy to do business with the City
 - Improve documentation, processes, structure, and services
 - Conduct a comprehensive review of the Code of Ordinances

History

- The City contracts with Municipal Code Corporation (MCC) for the Code of Ordinances
 - Only Code Company for the City – contract since 1964
 - Original Code of Ordinances adopted 1966
 - Last Recodification was 1992

Background

- **What is a Code of Ordinances? (The Code)**
 - The compilation of a city's ordinances that are of a general or permanent nature into a manuscript that is categorized and classified by type
- **Process for Updating the Code**
 - Qualifying ordinances are sent to MCC upon approval by the City Council to be included in supplemental pages that are distributed annually
 - The online version is updated in odd months as needed
 - Comprehensive Legal Review is recommended every 5-15 years depending on the number of ordinances passed and the extent to which state statutes changed since the last review
 - MCC reviews the Code for conflicts as ordinances are added through the supplement service

Legal Review Process

Scope of Review

- Review is conducted by MCC attorneys
- The Code is reviewed chapter by chapter for inconsistencies, internal conflicts, obsolete sections, proper grammar and spelling, antiquated wording, and general state and federal law conflicts
- Final Report identifies any issues and provides recommendations for rectifying findings
- Conference is conducted with City Staff, City Attorney, and MCC to review recommendations
- Recommendations chosen for action can be incorporated into the Code by adoption of an amendatory ordinance(s)

Legal Review Process

Findings

- Only 18 Sections were identified for amendments
 - Update State Law References (8)
 - Conform to State Law (4)
 - Clarify Language (2)
 - Update Reference to International Codes (2)
 - Consistent with Comprehensive Zoning Ordinance (1)
 - Delete Obsolete Language (1)

Findings

Update State Law References (8)

- **Section 2-186** – Complaint; pleading
- **Section 9-3** – Statutory authorization
- **Section 12-2** – 9-1-1 Emergency service fee
- **Sections 14-77, 14-80, and 14-81** – Abandoned motor vehicles
- **Section 22-11** – Neighborhood electric vehicles and motor-assisted scooters
- **Section 22-147** – Parking for disabled persons

Example of Change

Sec. 9-3. - Statutory authorization.

The state legislature has in V.T.C.A., **Water Code § 16.311**, delegated the responsibility to local governmental units to adopt regulations designed to minimize flood losses. Therefore, the city council does ordain that the following provisions shall constitute the flood damage prevention regulations of the city.

The state legislature has in V.T.C.A., **Water Code § 16.315**, delegated the responsibility to local governmental units to adopt regulations designed to minimize flood losses. Therefore, the city council does ordain that the following provisions shall constitute the flood damage prevention regulations of the city. 7

Findings

Conform to State Law (4)

- **Section 5-10** – Duty of owners and persons in control and protection of animals
- **Section 7-2** - Definitions
- **Section 14-61** – Definitions
- **Section 14-125** – Owner responsibility

Example of Change

Sec. 14-61. –Definitions

Antique auto means passenger cars or trucks that were manufactured in 1925 or before, or which become 35 or more years old.

Antique auto means passenger cars or trucks that are at least 25 years old.

Findings

Clarify Language (2)

- **Section 1-1** – How Code designated and cited
- **Section 12-32** – Penalty and interest

Example of Change

Sec. 1-1. - How Code designated and cited.

The ordinances embraced in this and the following chapters and sections shall constitute and be designated the "Code of Ordinances, City of Richardson, Texas," and may be so cited.

The ordinances embraced in this and the following chapters and sections shall constitute and be designated the "Code of Ordinances, City of Richardson, Texas," and may be so cited. **This Code shall also be known as the Richardson City Code.**

Findings

Update Reference to International Codes (2)

- **Section 6-440** – Construction and maintenance requirements
- **Section 6-460** – Construction and maintenance requirements

Example of Change

Updated reference to the 2012 International Building Code, as amended

Consistent with Comprehensive Zoning Ordinance (1)

- **Section 6-442** – Restrictions and limitations

Example of Change

- (1) No such antenna system shall be more than **99 feet** in height.
- (1) No such antenna system shall be more than **125 feet** in height.

Delete Obsolete Language (1)

- **Section 12-29** – Monthly payment and report (**Chapter 12, Licenses, Taxation and Miscellaneous Business Regulations, Article II. – Hotel Occupancy Tax**)

Example of Change

Provided however, that all payments and reporting due for the fourth quarter months of 2010 (October—December) shall be due to the city on January 20, 2011. **(DELETED)**

Next Steps

- Council Feedback
- **November 9** – Council Approval of Ordinance amending the Code of Ordinances
- Changes will be updated on the web version
- Changes to the printed Code of Ordinances will be updated with the next supplement