

Comprehensive Annual Financial Report
Fiscal Year Ended September 30, 2019

City of McKinney - McKinney Community
Development Corporation

**CITY OF MCKINNEY, TEXAS
BALANCE SHEET
MCKINNEY COMMUNITY DEVELOPMENT CORPORATION
DISCRETELY PRESENTED COMPONENT UNITS
SEPTEMBER 30, 2019**

	McKinney Community Development Corporation
ASSETS	
Cash and cash equivalents	\$ 54,298,826
Investments	3,130,157
Accounts receivable	2,541,501
Accrued interest receivable	23,565
Prepaid items	2,977
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Total Assets	\$ 59,997,026
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LIABILITIES	
Accounts payable	\$ 9,582
Other accrued liabilities	10,790
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Total Liabilities	20,372
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FUND BALANCE	
Nonspendable	
Prepaid items	2,977
Unrestricted	59,973,677
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Total Fund Balance	59,976,654
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Total Liabilities and Fund Balance	\$ 59,997,026
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**CITY OF MCKINNEY, TEXAS
RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
MCKINNEY COMMUNITY DEVELOPMENT CORPORATION
DISCRETELY PRESENTED COMPONENT UNITS
SEPTEMBER 30, 2019**

Total fund balance – MCDC balance sheet	\$ 59,976,654
Amounts reported for governmental activities in the statement of net position are different because:	
Bonds payable are not reported in the funds.	(20,390,000)
Accrued interest is not reported in the funds.	(88,904)
Accrued liabilities for compensated absences are not reflected in the fund financial statements.	(40,405)
Deferred outflows of resources and deferred inflows of resources represent flows of resources which relate to future periods and, therefore, are not reported in the fund financial statements. Deferred outflows and deferred inflows of resources consist of:	
Deferred pension outflows (GASB 68)	46,804
Deferred OPEB outflows (GASB 75)	2,432
Deferred pension inflows (GASB 68)	(2,273)
Net pension and total OPEB liabilities are not reported in the funds.	(146,458)
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. Capital assets are reported in the government-wide financial statements, net of accumulated depreciation.	764,489
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 40,122,339</u></u>

**CITY OF MCKINNEY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
MCKINNEY COMMUNITY DEVELOPMENT CORPORATION
DISCRETELY PRESENTED COMPONENT UNITS
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	McKinney Community Development Corporation
REVENUES	
Sales and use taxes	\$ 14,251,055
Miscellaneous income	400
Investment income	<u>1,376,011</u>
Total Revenues	<u>15,627,466</u>
EXPENDITURES	
Community development	3,788,342
Debt Service:	
Principal retirement	990,000
Interest and fiscal charges	<u>731,192</u>
Total Expenditures	<u>5,509,534</u>
Excess of revenues over expenditures	10,117,932
OTHER FINANCING SOURCES (USES)	
Proceeds on sale of assets	<u>908,494</u>
Total other financing sources (uses)	<u>908,494</u>
Net Change in Fund Balance	11,026,426
Fund Balance, Beginning of Year	<u>48,950,228</u>
Fund Balance, End of Year	<u>\$ 59,976,654</u>

**CITY OF MCKINNEY, TEXAS
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO
 THE STATEMENT OF ACTIVITIES
 MCKINNEY COMMUNITY DEVELOPMENT CORPORATION
 DISCRETELY PRESENTED COMPONENT UNITS
 FOR THE YEAR ENDED SEPTEMBER 30, 2019**

Net change in Fund Balances – total governmental funds	\$ 11,026,426
Amounts reported for governmental activities in the statement of activities are different because:	
Proceeds from sale of properties are reported gross in the fund financial statements, but are reported net of historic cost in the government-wide financial statements.	(5,928,608)
Current year long-term debt principal payments are expenditures in the fund financial statements but are shown as reductions in long-term debt in the government-wide financial statements.	990,000
Interest is accrued on outstanding debt in the government-wide statements, whereas in the fund financial statements, an interest expenditure is reported when due.	2,445
Current year changes in the long-term liability for compensated absences do not require the use of current financial resources; therefore, they are not reported as expenditures in governmental funds.	(2,004)
Governmental funds do not report depreciation since it does not require the use of current financial resources.	(130,921)
Pension and OPEB expense are reported as the amount paid in the funds, but incorporates deferred outflows and deferred inflows in the government-wide financial statements.	(10,635)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 5,946,703</u></u>

**CITY OF MCKINNEY, TEXAS
STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS
SEPTEMBER 30, 2019**

	McKinney Economic Dev. Corp	McKinney Community Dev. Corp	McKinney Convention & Visitors Bureau	McKinney Main Street Corporation	Total
ASSETS					
Cash and cash equivalents	\$ 8,939,397	\$ 54,298,826	\$ 66,310	\$ 928,844	\$ 64,233,377
Investments	4,003,960	3,130,157	-	-	7,134,117
Receivables (net of allowance for uncollectibles)	2,571,145	2,565,066	-	1,390	5,137,601
Prepaid items	5,528	2,977	3,800	17,189	29,494
Restricted assets- cash and cash equivalents	1,790,687	-	-	-	1,790,687
Capital assets, non depreciable	66,905,887	630,953	-	-	67,536,840
Capital assets, net of accumulated depreciation	30,353	133,536	-	52,715	216,604
Total Assets	84,246,957	60,761,515	70,110	1,000,138	146,078,720
DEFERRED OUTFLOWS OF RESOURCES					
Deferred pension outflows	290,582	46,804	85,420	-	422,806
Deferred OPEB outflows	15,099	2,432	4,438	-	21,969
Deferred charge on refunding	61,874	-	-	-	61,874
Total Deferred Outflows of Resources	367,555	49,236	89,858	-	506,649
LIABILITIES					
Accounts payable	92,240	9,582	9,995	686,725	798,542
Other accrued liabilities	38,974	10,790	15,836	-	65,600
Accrued interest payable	75,391	88,904	-	-	164,295
Noncurrent liabilities					
Due within one year					
Compensated absences	5,082	2,558	4,086	-	11,726
Bonds payable	3,015,000	1,010,000	-	-	4,025,000
Due in more than one year					
Compensated absences	75,197	37,847	60,458	-	173,502
Bonds payable	23,730,000	19,380,000	-	-	43,110,000
Net pension liability	686,178	110,520	201,710	-	998,408
Total OPEB liability	223,126	35,938	65,591	-	324,655
Total Liabilities	27,941,188	20,686,139	357,676	686,725	49,671,728
DEFERRED INFLOWS OF RESOURCES					
Deferred pension inflows	14,112	2,273	4,148	-	20,533
Total Deferred Inflows of Resources	14,112	2,273	4,148	-	20,533
NET POSITION					
Net investment in capital assets	41,778,098	(19,625,512)	-	52,715	22,205,301
Restricted for debt service	1,790,687	-	-	-	1,790,687
Unrestricted	13,090,427	59,747,851	(201,856)	260,698	72,897,120
Total Net Position	\$ 56,659,212	\$ 40,122,339	\$ (201,856)	\$ 313,413	\$ 96,893,108

The accompanying notes to the basic financial statements are an integral part of this statement.