

# Potential Bond Election Discussion

City of McKinney  
October 1, 2018



# McKINNEY FIRST

## CITY COUNCIL GOALS & STRATEGIES



**DIRECTION FOR STRATEGIC &  
ECONOMIC GROWTH**



**FINANCIALLY SOUND GOVERNMENT**



**OPERATIONAL EXCELLENCE**



**ENHANCE THE QUALITY OF LIFE  
IN McKINNEY**



**MAXIMIZE THE DEVELOPMENT POTENTIAL  
OF THE McKINNEY NATIONAL AIRPORT**



**SAFE & SECURE COMMUNITY**

# Goals For Presentation

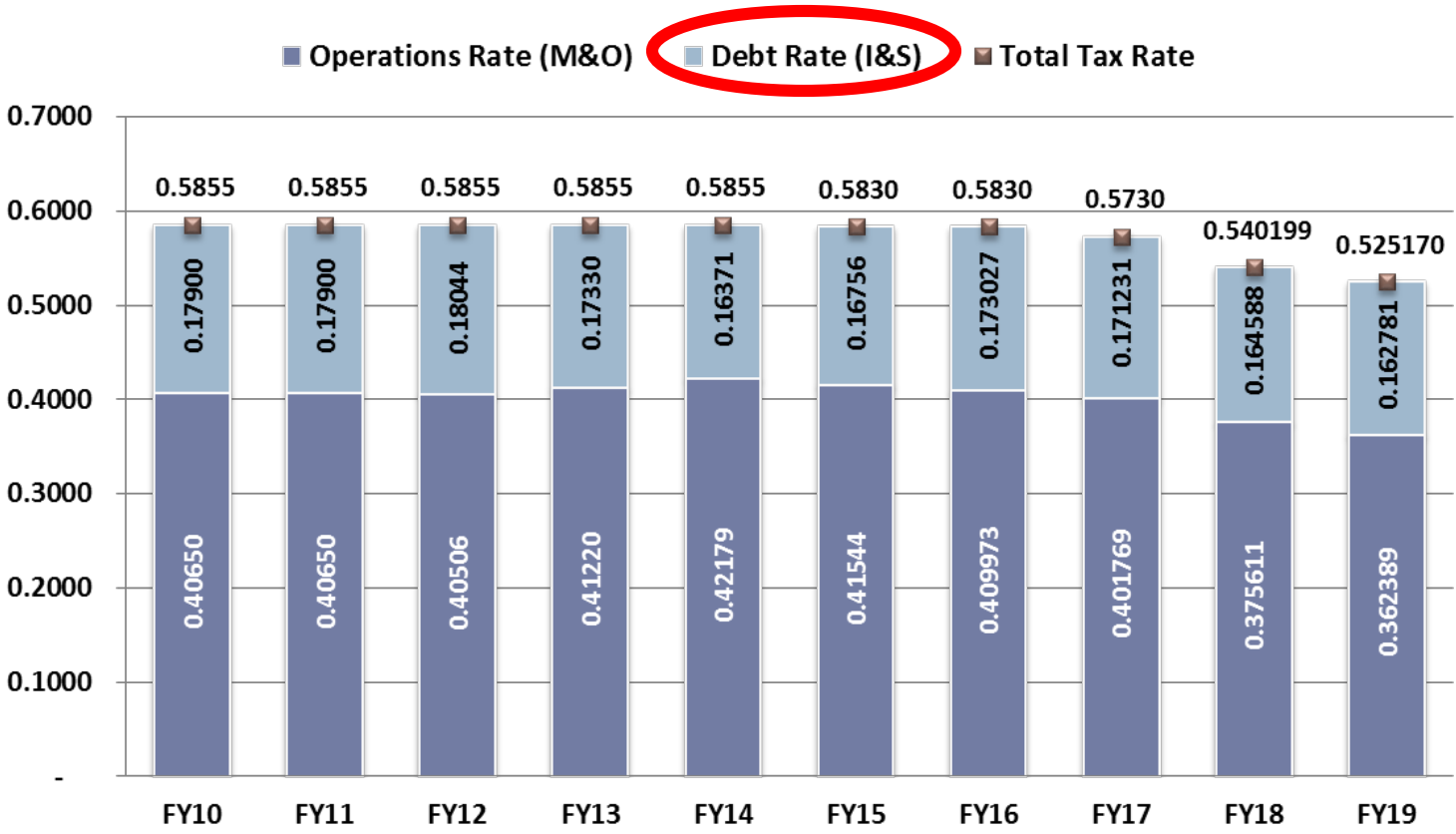
- Discuss Historical Long-Term Financial Plans
- Outline Current Debt Authorization Remaining
- Overview of Currently Identified Unfunded Projects
- Proposed Timeline & Next Steps
- Receive Feedback on Potential Bond Election & Next Steps



# Tax Rate & Financial Plans



# Property Tax Rate



# Historic Long Term Planning Initiatives

- City has created 2 plans with a 10 year horizon
  - General Obligation Debt Service Plan
  - General Fund Plan
- General Obligation Debt Service Plan
  - Outlines total debt capacity
  - Generally maintains I&S rate



# Current Authorization



# 2019-2023 Voter Authorized Debt Remaining

- Total 2015 Voter Authorization: \$100,300,000
- Total Remaining Voter Authorization: \$54,220,000
- \$40.9M Next Two Fiscal Years

Project Area	Budget 2018-19	Projected 2019-20	Projected 2020-21	Projected 2021-22	Projected 2022-23
Streets/Traffic	18,000,000	13,400,000	0	0	0
Parks	0	0	0	0	0
Public Safety	0	9,500,000	0	10,000,000	0
Facilities	0	0	0	0	0
Drainage	0	0	0	0	3,320,000
Information Technology	0	0	0	0	0
<b>Total Voter Authorized Planned</b>	<b>\$ 18,000,000</b>	<b>\$ 22,900,000</b>	<b>\$ -</b>	<b>\$ 10,000,000</b>	<b>\$ 3,320,000</b>

\$40.9 M





# Unfunded Project Areas & Bonding Capacity



# Preliminary Unfunded Projects

## Estimated Total Unfunded:

- \$477,000,000 – 39 Projects

## Major Unfunded Projects:

- Municipal Complex
- \$60M+ in Streets
- Apex Improvements & Expansion
- New Senior Center
- Public Works Complex
- Gray Branch Community Park Phase 1



# Current Bonding Capacity



# Current Debt Ratios

## Current Debt-to-AV Ratio:

- Approximately 1.5%
  - Allen: 0.8%
  - Frisco: 1.8%
  - Plano: 1.2%

## Current Debt-per-Capita:

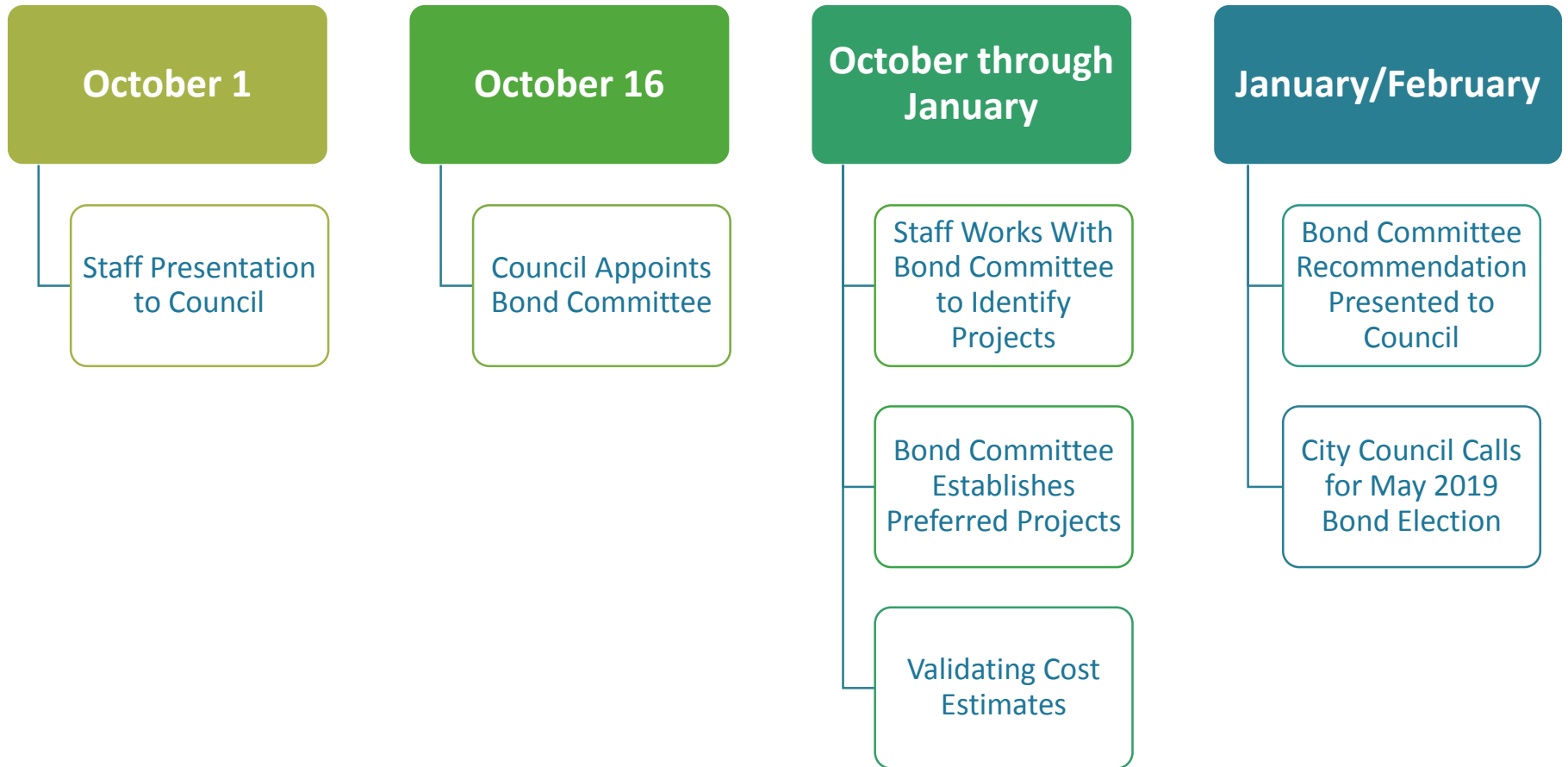
- \$1,679
  - Allen: \$1,044
  - Frisco: \$2,727
  - Plano: \$1,800



# Proposed Timeline & Next Steps



# Potential Bond Program Calendar



# Establishment of Bond Committee

- City Council Appointed
  - E.g. Each Council Member Nominates 5 Bond Committee Candidates to Establish 35 Members
- Committee Structure
  - E.g. “Public Safety,” “Recreation,” “Facilities,” and/or “Executive” Sub-Committees
- Regularly Scheduled Working Meetings
  - Staff to Present Various Identified Unfunded Projects
  - Open to the Public



# Bond Committee Reports to Council

- Bond Committee Gives Presentation of Recommendations to Council
- Council Discussion Regarding Recommendations
  - City Council Sets Final Slate of Projects
- Council Directs Staff to Prepare for Calling of Bond Election





# Council Calls for Bond Election

- At Council's Direction, Staff Confers with Bond Counsel on Bond Proposition Language
- Structure of Election Ballot Propositions Developed by Bond Counsel
- Call for Bond Election Must Occur 77-Days Prior to Election



# Community & City Involvement Prior to Election

## ▪ Community Members

- Serve on Bond Committee
- Support bond initiatives by:
  - Developing Political Action Committees
  - Social and Traditional Media Campaigns
  - Presenting to Various Community Groups

## ▪ City Staff

- Support and Present to Bond Committee
- Provide Objective Information to Voters on Bond Proposal through:
  - Video Media
  - Printed Media
  - Presentations



# Council Feedback & Direction

