



# CITY OF MCKINNEY, TEXAS

## Agenda

### Reinvestment Zone Number Two

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Monday, August 15, 2016

5:00 PM

Council Chambers  
222 N. Tennessee Street  
McKinney, Texas 75069

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#### CALL TO ORDER

#### CONSENT ITEMS

This portion of the agenda consists of non-controversial or "housekeeping" items required by law. Items may be considered individually by any Commission member making such request prior to a motion and vote on the Consent items.

**16-814**     [Minutes of the Tax Increment Reinvestment Zone Number Two Meeting of January 19, 2016](#)

**Attachments:**     [Minutes](#)

#### REGULAR ITEMS

**16-815**     [Consider/Discuss/Act on the Fiscal Year 2016-2017 Annual Budget for Tax Increment Reinvestment Zone Two \(TIRZ No. 2 / Airport\)](#)

**Attachments:**     [Budget Update - TIRZ 2](#)

#### ADJOURN

Posted in accordance with the Texas Government Code, Chapter 551, on the 11th day of August, 2016 at or before 5:00 p.m.

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Sandy Hart, TRMC, MMC  
City Secretary

Accommodations and modifications for people with disabilities are available upon request. Requests should be made as far in advance as possible, but no less than 48 hours prior to the meeting. Call 972-547-2694 or email [contact-adacompliance@mckinneytexas.org](mailto:contact-adacompliance@mckinneytexas.org) with questions or for accommodations.

**16-814**



**TITLE:** Minutes of the Tax Increment Reinvestment Zone Number Two Meeting of  
January 19, 2016

**SUPPORTING MATERIALS:**

[Minutes](#)

## **REINVESTMENT ZONE NUMBER TWO**

**JANUARY 19, 2016**

The Reinvestment Zone Number Two of the City of McKinney, Texas met in regular session in the Council Chambers, 222 N. Tennessee Street, McKinney, Texas on January 19, 2016 at 5:15 p.m.

Board members Present: Chairman Travis Ussery, Board members: Roger Harris, Don Day, Chuck Branch, Brian Loughmiller, and Tracy Rath. Absent: Board members: Keith Self, Randy P. Pogue, and Rainey Rogers.

Staff Present: Interim City Manager Tom Muehlenbeck; City Attorney Mark Houser; City Secretary Sandy Hart; Chief Financial Officer Rodney Rhoades, Senior Financial Analyst Trevor Minyard; Planning Manager Matt Robinson; Assistant Director of Public Works Paul Sparkman; and Executive Director of Development Services Michael Quint.

There were two guests present.

Chairman Ussery called the meeting to order at 5:16 p.m. after determining a quorum present.

**16-078** Chairman Ussery called for Election of Vice Chair. Board members unanimously approved the motion by Board member Rath, seconded by Board member Loughmiller, to elect Chuck Branch as Vice Chairman.

Board members unanimously approved the motion by Board member Rath, seconded by Vice Chairman Branch, to approve the following consent item:

**16-079** Minutes of the Reinvestment Zone Number Two Meeting of September 1, 2015

**16-080** Chairman Ussery called for Consideration/Discussion/Action on Approving the 2015 Annual Report for Tax Increment Reinvestment Zone Number Two (TIRZ No. 2). Senior Financial Analyst Trevor Minyard stated that they are submitting the 2015 Annual Report for Board consideration. Mr. Minyard stated that after Board and City Council approval, it will be forwarded to all taxing entities and ultimately to the

State Comptroller's Office. Each year, the City's incremental value for ad valorem and sales tax within the TIRZ zone is deposited back into the TIRZ2 fund with 2010 being the base year. Fifty percent of the County's ad valorem value is deposited into the TIRZ2 fund. In 2015, the revenues came in at \$57,000 with one expenditure of \$4,500 for general administrative services in support of the zone with no on-going projects in TIRZ2. At the end of the 2015 reporting period, there is approximately \$1.6 million in fund balance. Board members unanimously approved the motion by Board member Harris, seconded by Vice Chairman Branch, to approve the 2015 Annual Report for Tax Increment Reinvestment Zone Number Two (TIRZ No. 2).

Board members unanimously approved the motion by Board member Harris, seconded by Board member Loughmiller, to adjourn. Chairman Ussery adjourned the meeting at 5:21 p.m.

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TRAVIS USSERY  
Chairman

ATTEST:

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Sandy Hart, TRMC, MMC  
City Secretary



16-815

**TITLE:** Consider/Discuss/Act on the Fiscal Year 2016-2017 Annual Budget for Tax Increment Reinvestment Zone Two (TIRZ No. 2 / Airport)

**COUNCIL GOAL:** Financially Sound Government

**MEETING DATE:** August 15, 2016

**DEPARTMENT:** Budget Department

**CONTACT:** Mark Holloway

**RECOMMENDED CITY COUNCIL ACTION:**

- Approval of FY17 Budget

**ITEM SUMMARY:**

- Expenditures are budgeted at \$25,000
- Planned revenues are \$473,913

**BACKGROUND INFORMATION:**

- TIRZ No. 2's reporting period was adjusted to match the city's fiscal year during the 2013 reporting period.

**FINANCIAL SUMMARY:**

- N/A

**BOARD OR COMMISSION RECOMMENDATION:**

- N/A

**SUPPORTING MATERIALS:**

[Budget Update - TIRZ 2](#)

TIRZ 2 Airport  
Budget Discussion  
City of McKinney  
August 15, 2016



# TIRZ 2 – Airport



## TIRZ2 AIRPORT FUND

STATEMENT OF REVENUES AND EXPENDITURES	Actual FY 13-14	Actual FY 14-15	Original FY 15-16	EOY Estimate FY 15-16	Proposed FY 16-17
<b>REVENUES</b>					
Property Taxes	\$ 80,509	\$ 7,292	\$ 100,637	\$ 100,637	\$ 156,500
Sales Tax	412,991	298,108	398,333	313,013	313,013
Interest Income	1,127	1,546	2,000	4,400	4,400
Donations / Contributions	-	-	-	-	-
Transfers from Other Funds	-	-	-	-	-
<b>Total Revenues</b>	<b>\$ 494,627</b>	<b>\$ 306,946</b>	<b>\$ 500,970</b>	<b>\$ 418,050</b>	<b>\$ 473,913</b>
<b>EXPENDITURES</b>					
Economic Incentive Payments	\$ -	\$ -	\$ -	\$ -	\$ -
Other	4,500	4,500	4,500	4,500	25,000
<b>Total Expenditures</b>	<b>\$ 4,500</b>	<b>\$ 4,500</b>	<b>\$ 4,500</b>	<b>\$ 4,500</b>	<b>\$ 25,000</b>
<b>NET INCOME</b>	<b>490,127</b>	<b>302,446</b>	<b>496,470</b>	<b>413,550</b>	<b>448,913</b>
<b>BEGINNING FUND BALANCE</b>	<b>820,808</b>	<b>1,310,935</b>	<b>1,613,381</b>	<b>1,613,381</b>	<b>2,026,931</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 1,310,935</b>	<b>\$ 1,613,381</b>	<b>\$ 2,109,851</b>	<b>\$ 2,026,931</b>	<b>\$ 2,475,844</b>

# TIRZ 2 – Airport

- **Notable Items-**

- G&A fee

- *\$25,000 for FY17*

- No other FY17 expenditures expected at this time

# TIRZ 2 – Airport

## Project Plan Status-

Project Plan Status				
<i>Allocation Type</i>	<i>Allocated Dollars</i>	<i>Dollars Spent</i>	<i>Allocation Remaining</i>	<i>Allocation % Remaining</i>
<i>Roadway Projects</i>	\$ 40,000,000.00	\$ -	\$ 40,000,000.00	100.00%
<i>Administration and Implementation</i>	1,000,000.00	38,500.00	961,500.00	96.15%
<b><i>Project Plan Total</i></b>	<b>\$ 41,000,000.00</b>	<b>\$ 38,500.00</b>	<b>\$ 40,961,500.00</b>	<b>99.91%</b>

# TIRZ 2 – Airport

- **2016 Annual Report Update-**
  - The 2016 annual report process will begin in November
    - (Sales tax for the 2016 fiscal year is not fully available until November)
  - Supplemental certified values for 2016 will likely result in a difference between reporting revenues and current budgeted revenues

# TIRZ 2 – Airport

## Ad Valorem Value History-

Reporting Year	Taxing Jurisdiction	2010 Base Value	Net Taxable Value	Captured Appraised Value
2011	City McKinney: 100%	117,434,971	130,583,890	13,148,919
	Collin County: 50%	117,560,491	130,639,693	13,079,202
2012	City McKinney: 100%	117,434,971	124,402,191	6,967,220
	Collin County: 50%	117,560,491	124,458,814	6,898,323
2013	City McKinney: 100%	117,434,971	120,491,438	3,056,467
	Collin County: 50%	117,560,491	120,787,945	3,227,454
2014*	City McKinney: 100%	117,424,971	125,522,528	8,097,557
	Collin County: 50%	117,486,311	127,136,438	9,650,127
2015	City McKinney: 100%	117,424,971	131,521,791	14,096,820
	Collin County: 50%	117,486,311	133,191,103	15,704,792
2016	City McKinney: 100%	117,424,971	139,771,359	22,346,388
	Collin County: 50%	117,486,311	140,785,493	23,299,182

*\*2010 Base Values recalculated by CCAD*

TIRZ 2 Airport  
Budget Discussion  
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