

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

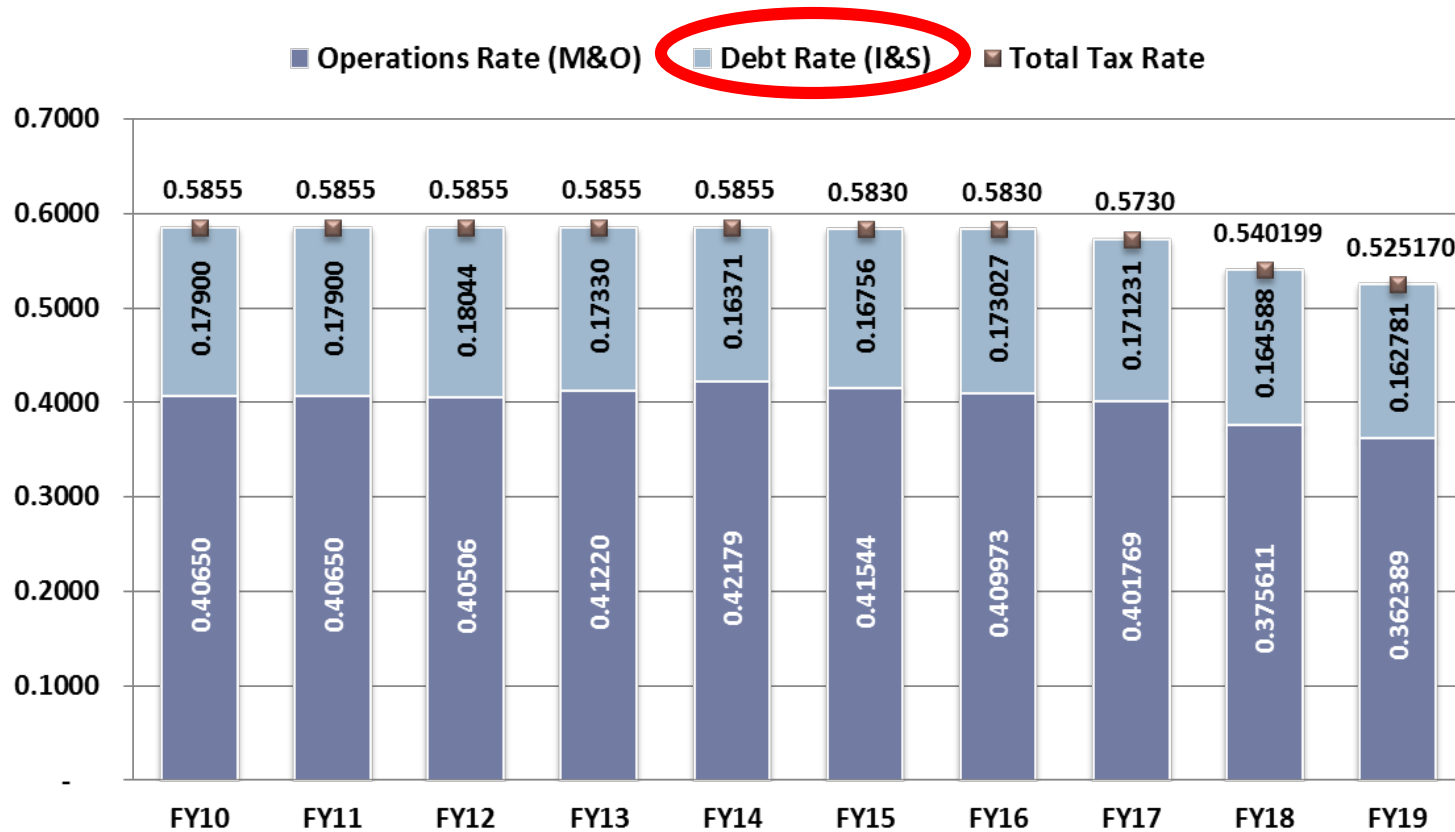
- Discuss Historical Long-Term Financial Plans
- Outline Current Debt Authorization Remaining
- Overview of Currently Identified Unfunded Projects
- Proposed Timeline & Next Steps
- Receive Feedback on Potential Bond Election & Next Steps



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
Total Voter Authorized Planned	\$ 18,000,000	\$ 22,900,000	\$ -	\$ 10,000,000	\$ 3,320,000

\$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:

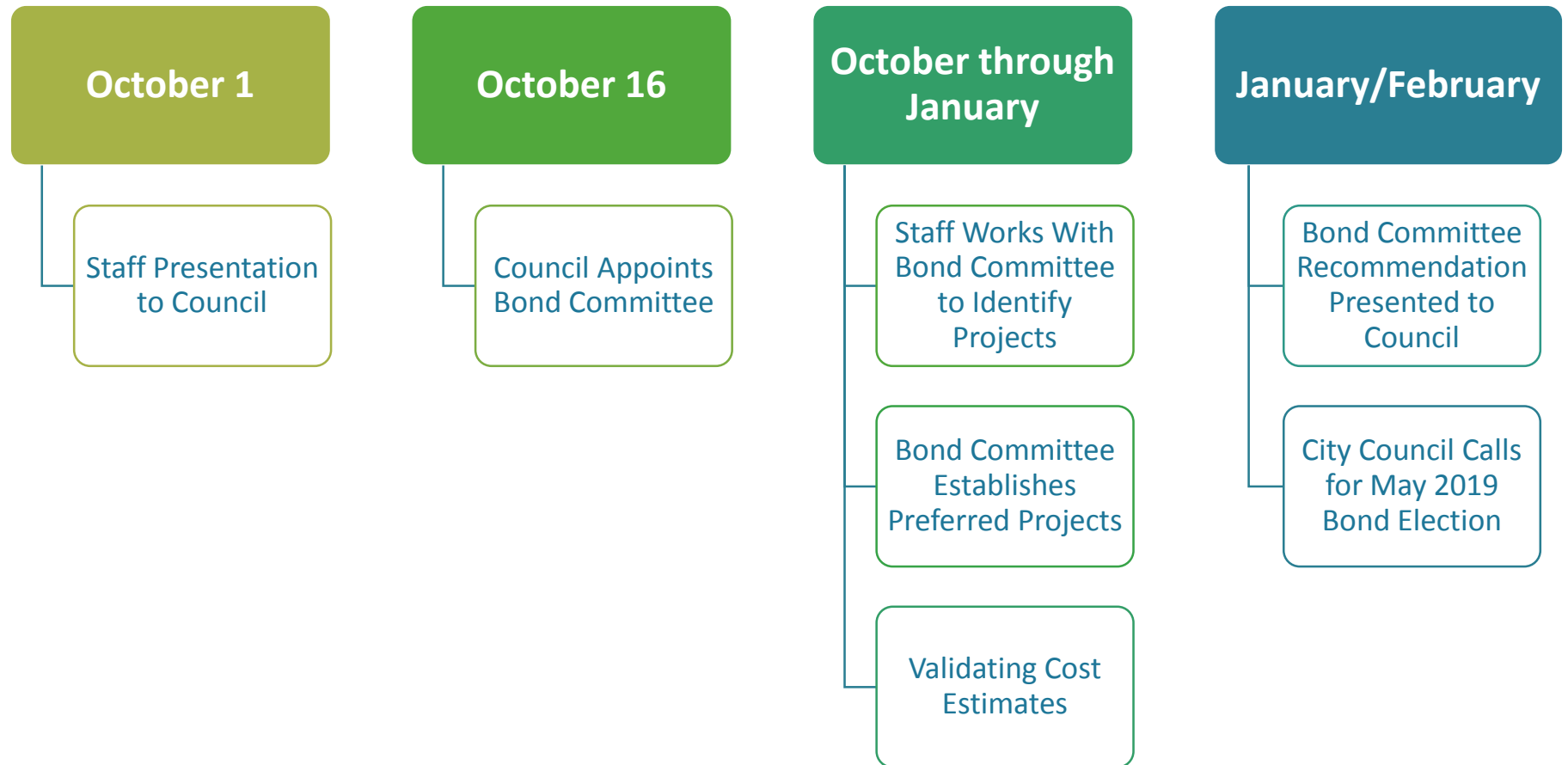
- \$1,679
 - Allen: \$1,044
 - Frisco: \$2,727
 - Plano: \$1,800



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

