

City Council Work Session Handouts

August 22, 2016

- I. Review and Discuss Variance 16-04
- II. Review and Discuss the Dallas Area Rapid Transit (DART)/Cotton Belt Commuter Rail Service Plan (DART Presentation followed by Staff Presentation)

Public Hearing

- III. FY 2016-2017 Proposed Budget

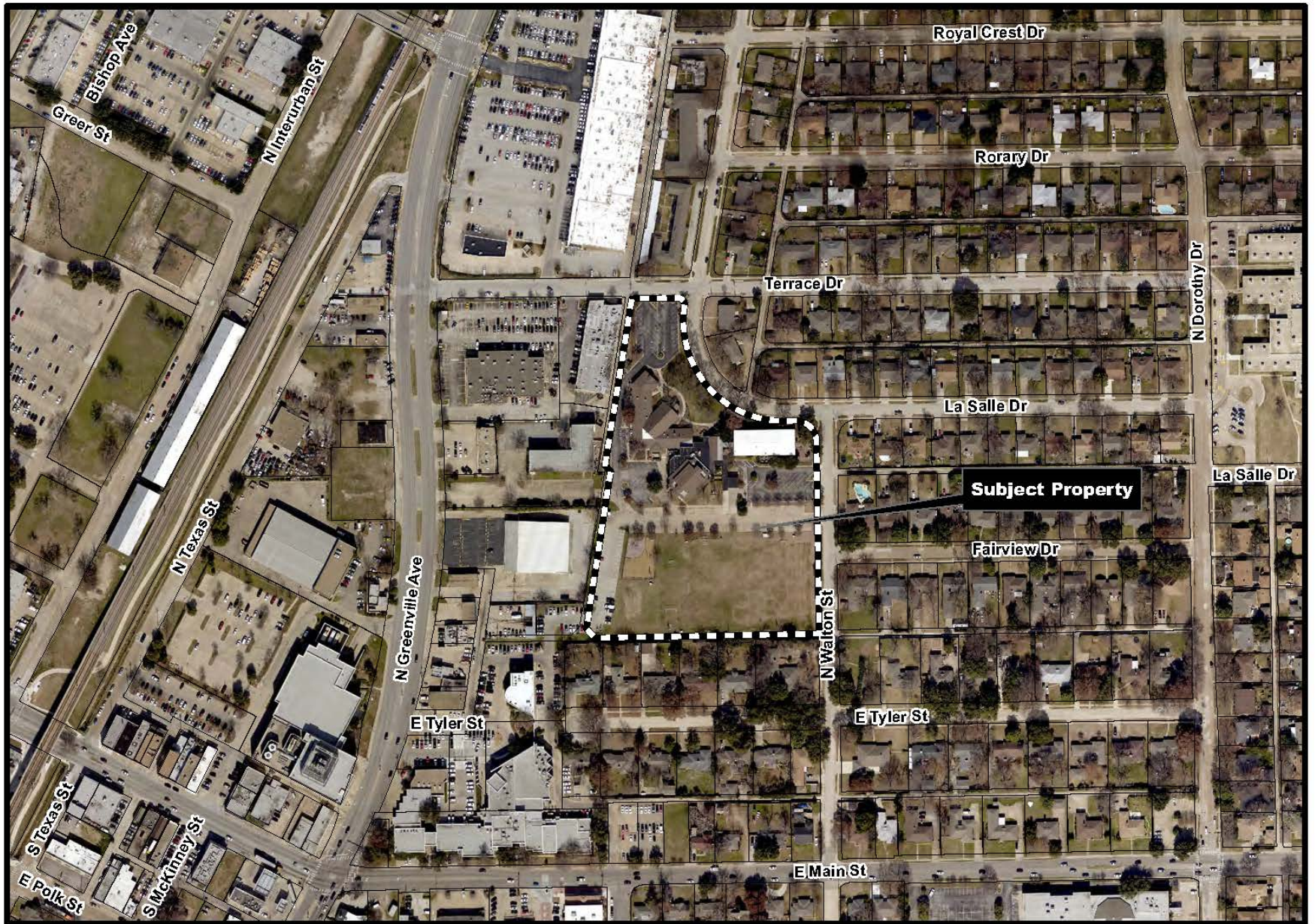


Agenda Item 7

Variance 16-04

First Presbyterian Church
271 N. Walton Street

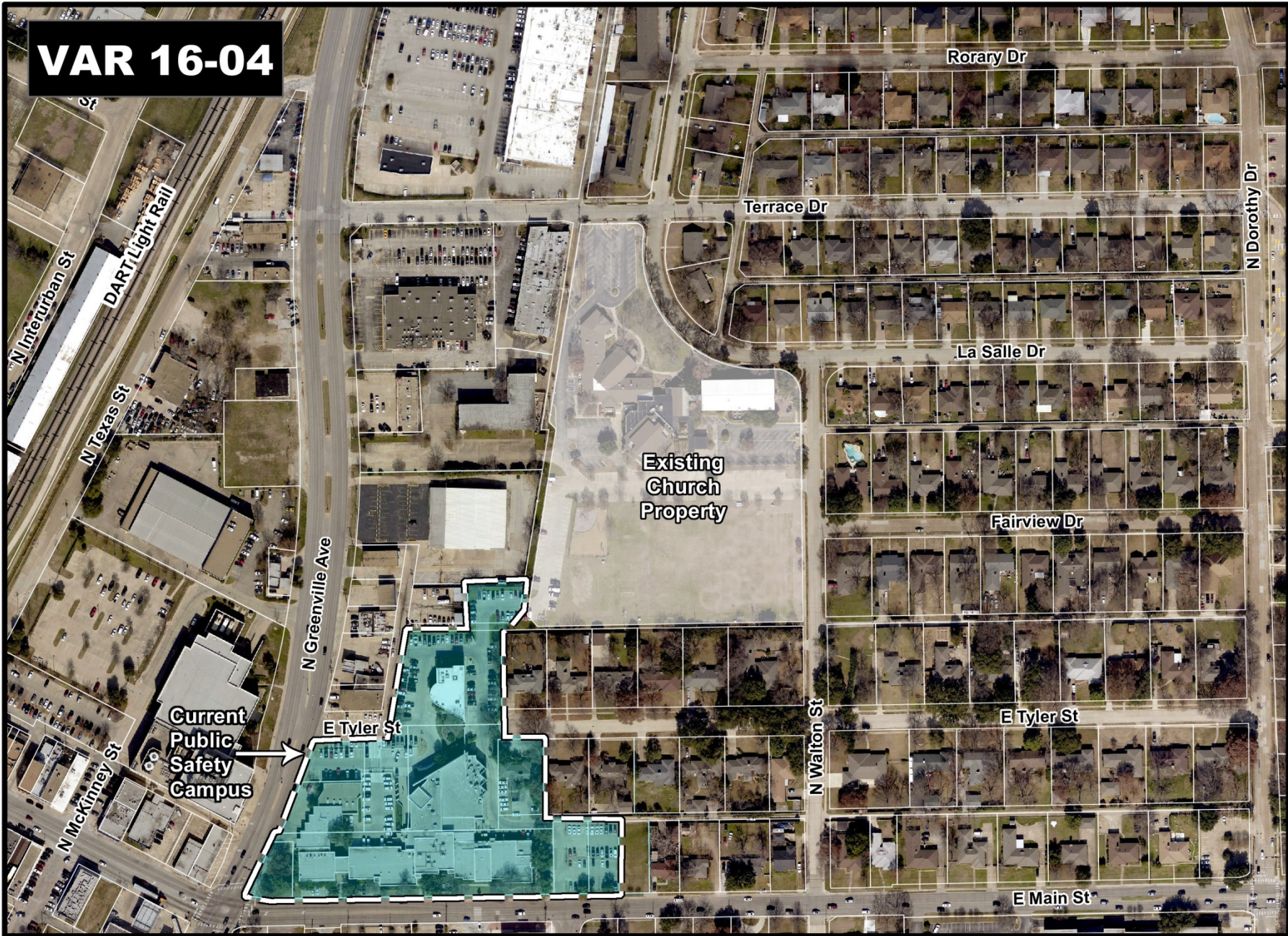




**VAR 16-04 First Presbyterian Church of Richardson
271 N. Walton Street**



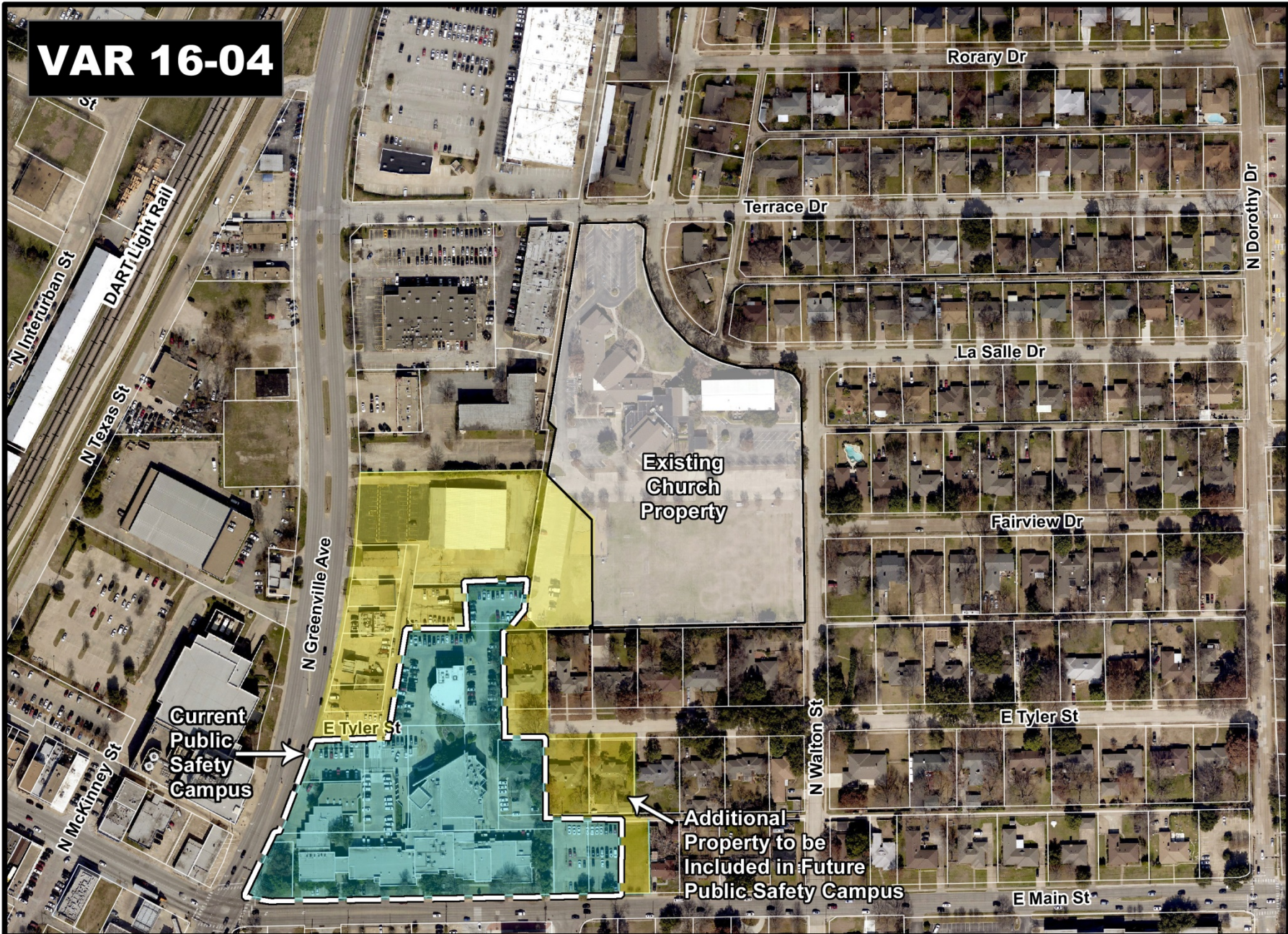
VAR 16-04



VAR 16-04 Exhibit
271 N. Walton Street



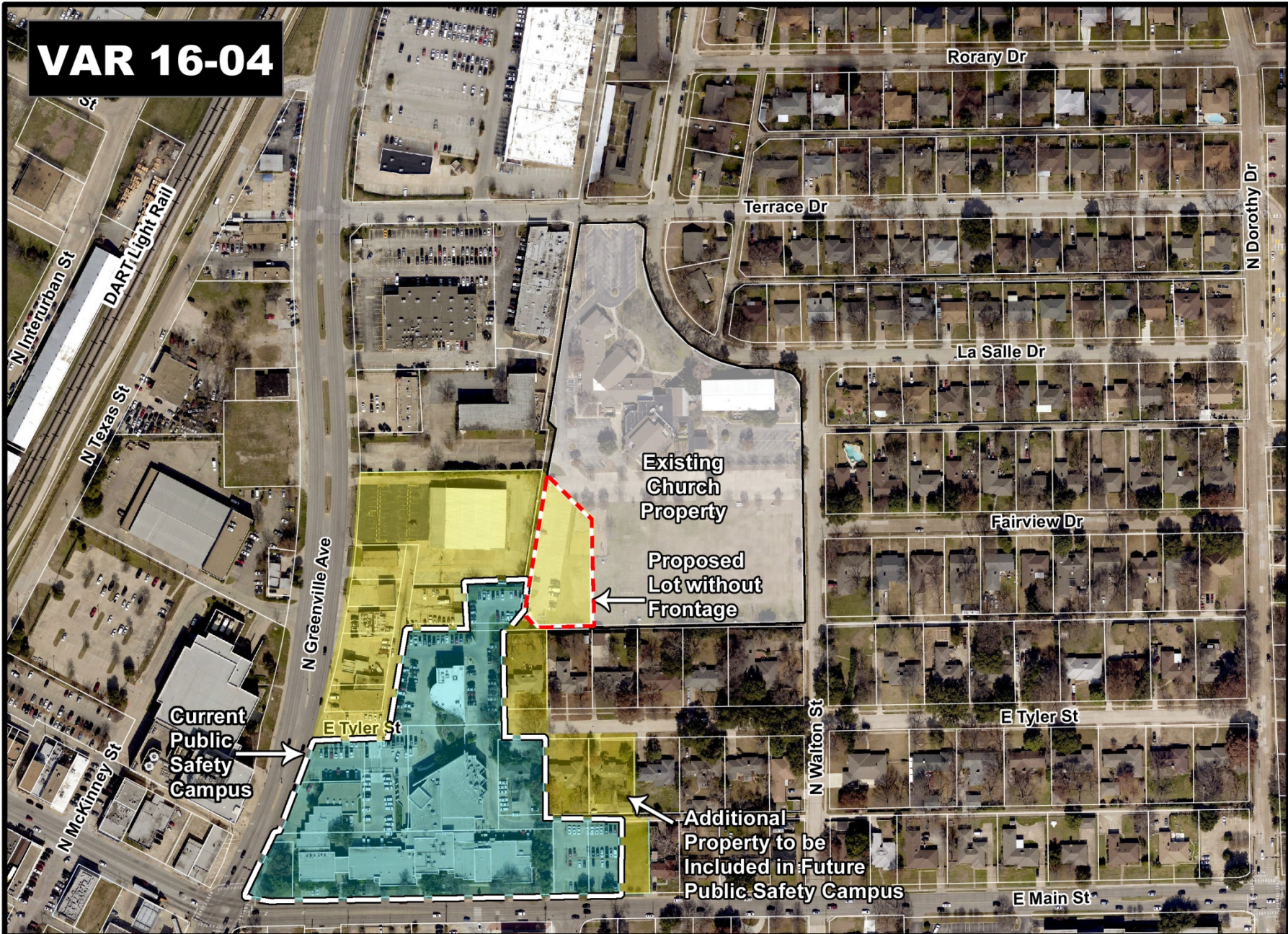
VAR 16-04



VAR 16-04 Exhibit
271 N. Walton Street



VAR 16-04



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271 N. Walton Street



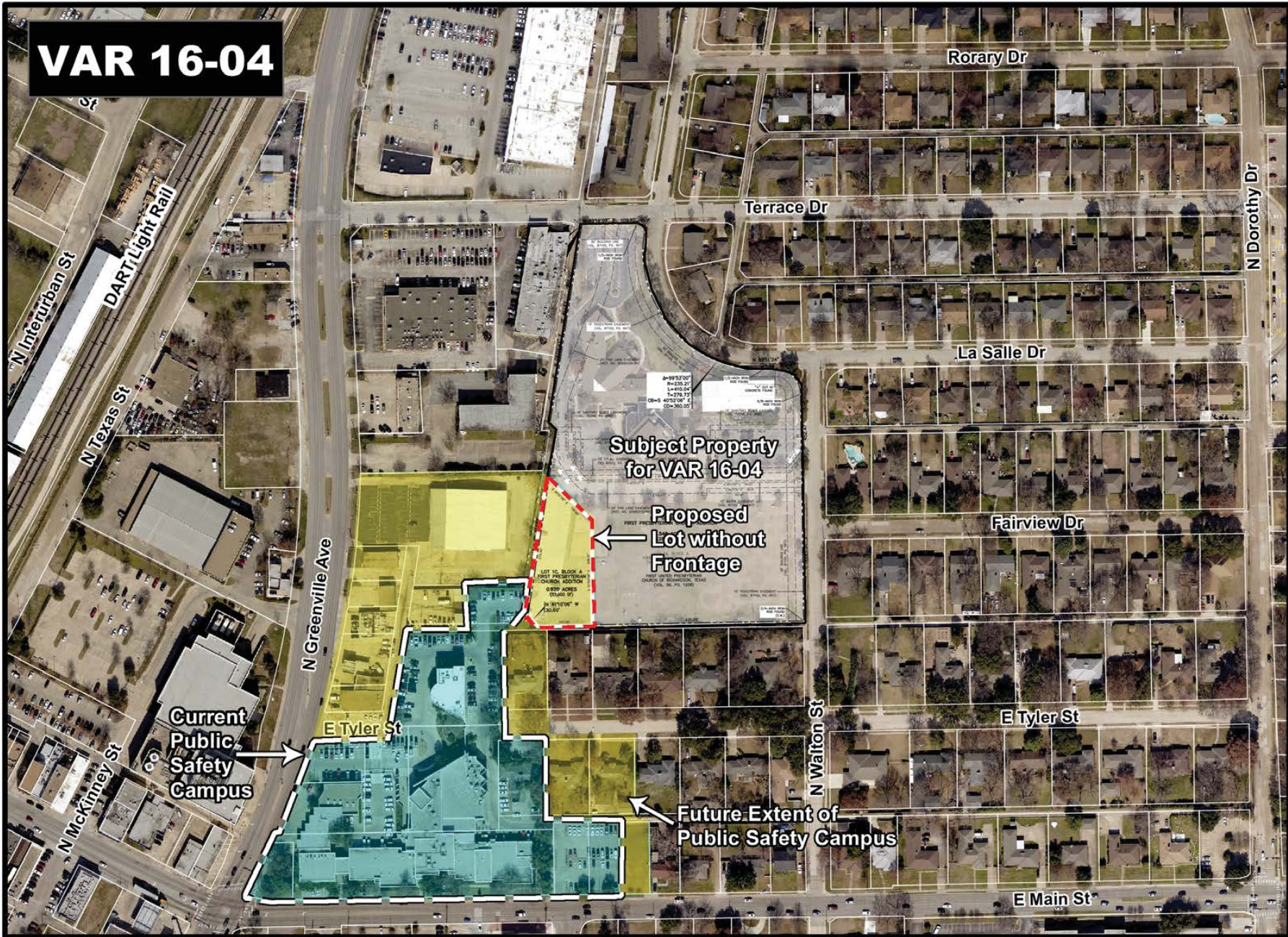
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VAR 16-04 Exhibit
271 N. Walton Street



VAR 16-04



VAR 16-04 Exhibit
271 N. Walton Street





Cotton Belt Regional Rail Corridor

Public Meetings

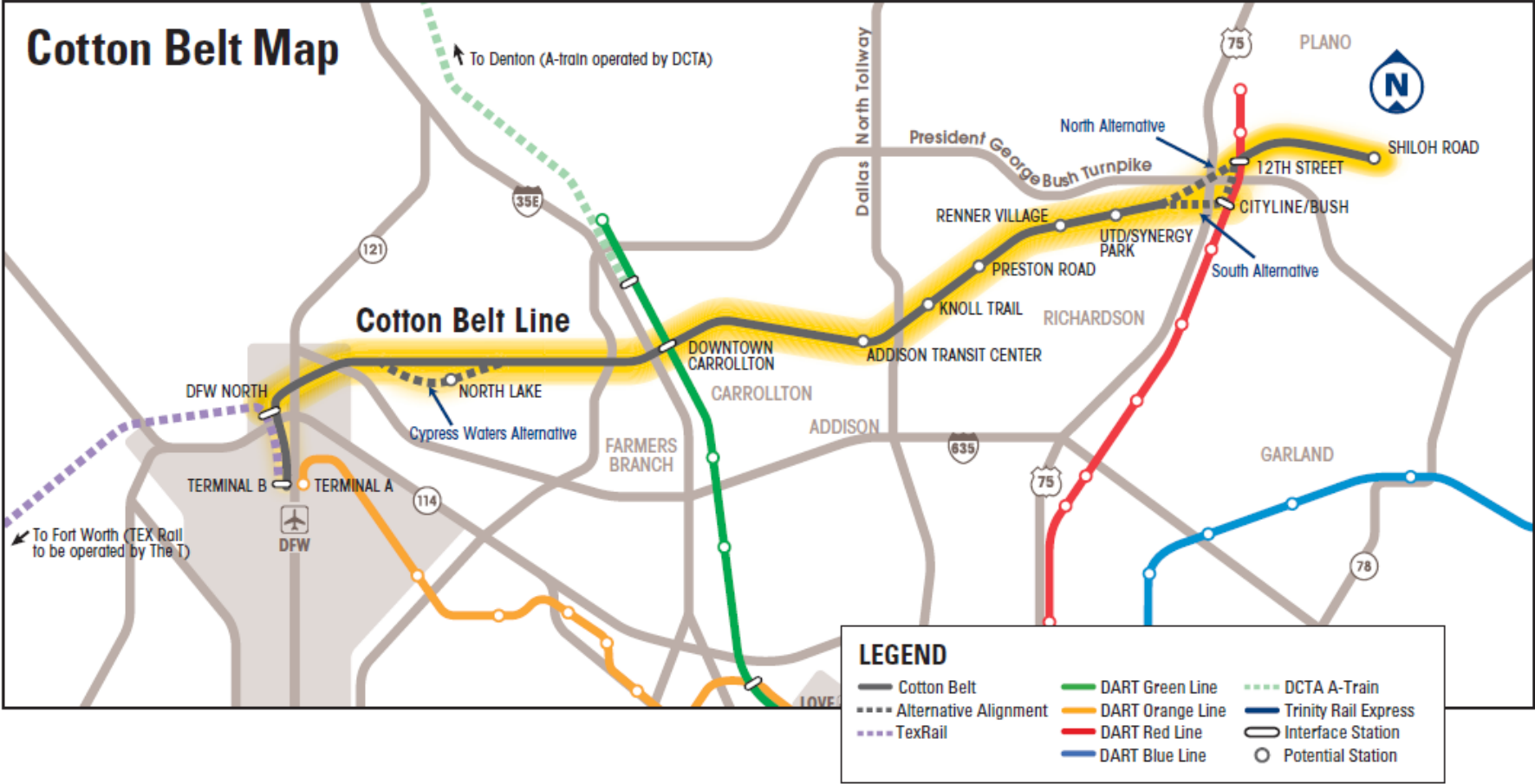
August 2016



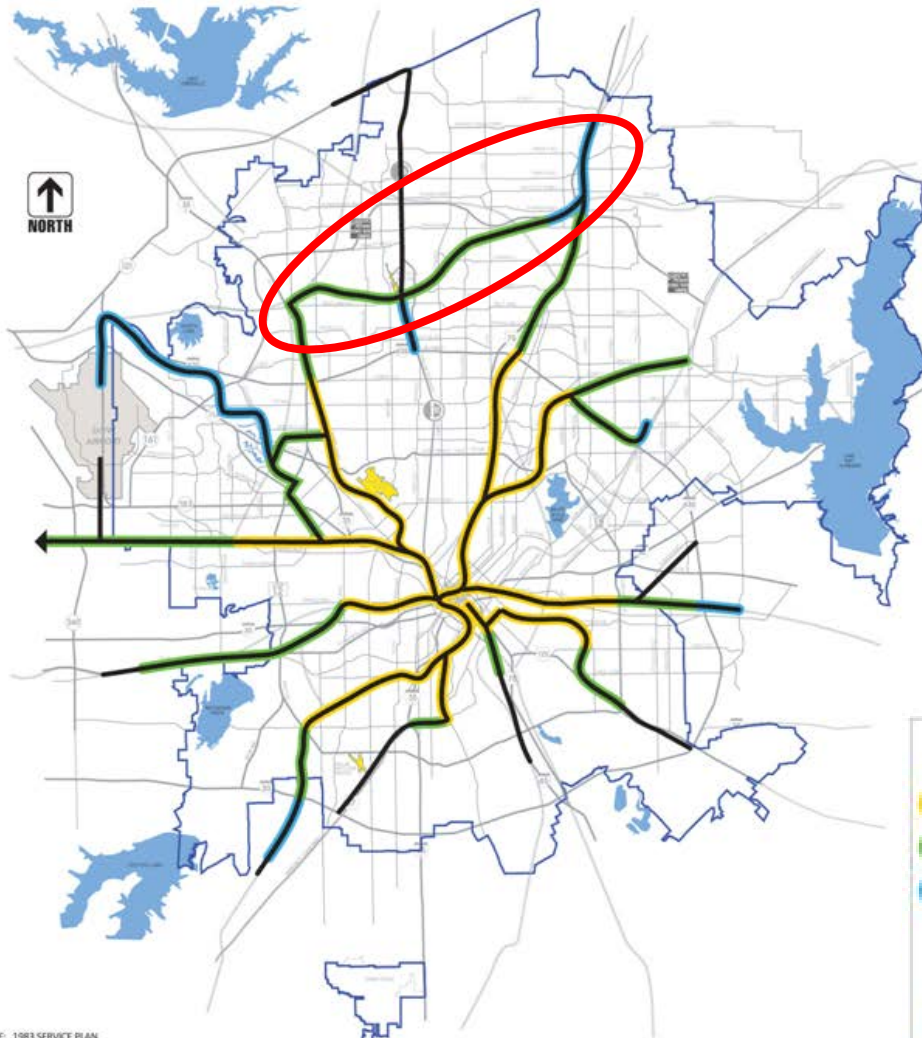
Cotton Belt Corridor

- Meeting Focus
 - Project History and Background
 - Project Definition/Scope
 - Proposed Project Schedule and Funding Sources
 - Next Steps for Project Development

Cotton Belt Corridor



1983 Service Plan



1983 Service Plan

- Basis of 1983 vote
- Program through 2010
- 160 miles of fixed guideway
- Phased approach with some potential future expansion identified
- Assumed long term bonds to finance program

SERVICE PLAN RAIL ALIGNMENTS

- PHASE 1 RAIL ALIGNMENT
- PHASE 2 RAIL ALIGNMENT
- PHASE 3 RAIL ALIGNMENT
- UNFUNDED EXTENSIONS
- RAILROAD CORRIDORS
- SERVICE AREA BOUNDARY

SOURCE: 1983 SERVICE PLAN
NOTES: ILLUSTRATIVE PURPOSES ONLY. ORIGINAL 1983 SERVICE PLAN MAP IS ON FILE AT DART. HOV AND OTHER TRANSIT FACILITIES NOT SHOWN.

Cotton Belt History

- April 1983: DART Final Service Plan
- Oct 1990: Corridor was purchased by DART
- Nov 1995: DART 2010 Transit System Plan
- Dec 1996: Mobility 2020 – The Metropolitan Transportation Plan (included in all subsequent updates)
- Oct 2006: DART 2030 Transit System Plan
 - Regional passenger rail by 2028
 - Extends from Red Line to DFW Airport

Regional Efforts

- Cotton Belt Corridor Conceptual Engineering and Funding Study (NCTCOG, 2010)
 - Conceptual Design of Corridor with potential stations
 - Provided Key element to identify funding sources
- MOU between DART and Regional Transportation Council (RTC) to implement rail service on the Cotton Belt Corridor (May 2010)
 - DART to plan, design and environmentally clear project
 - RTC to identify funding and develop a financial plan
 - This was the genesis of iFi (Innovative Finance Initiative)

Innovative Finance Initiative (iFi)

In order to implement Regional Rail on the Cotton Belt iFi attempted to:

- Identify revenue streams
- Identify funding sources
- Develop a funding strategy
- Develop a financing plan
- Pursue a Public/Private Proposal

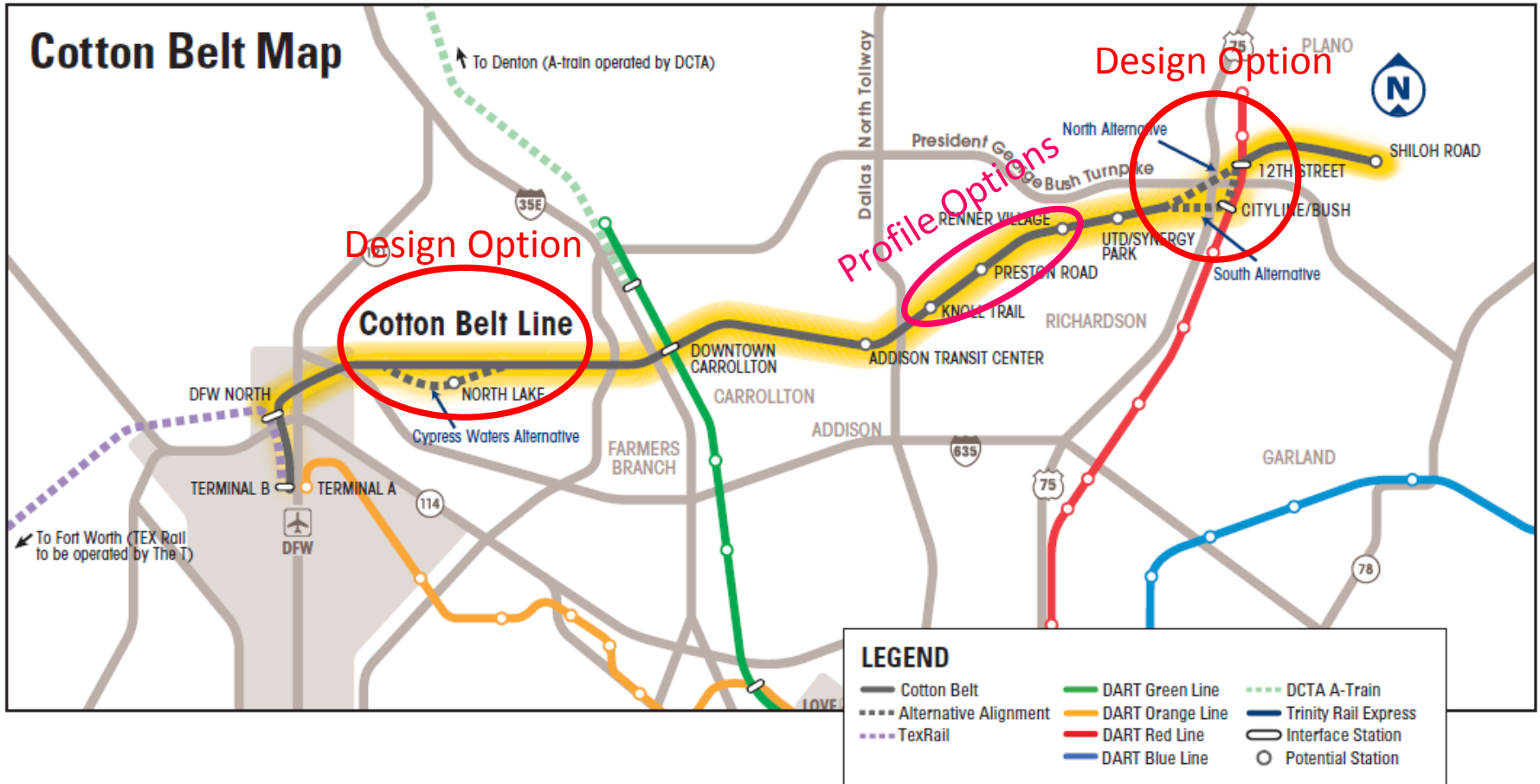
Environmental Efforts to Date

- In 2010, DART initiated the Cotton Belt Environmental Impact Statement (EIS) Process to support the iFi
 - Ultimately, iFi did not generate any firm proposals
- In late 2011, without any firm (iFi) funding proposals, the EIS process was suspended
- Subsequently, the Cotton Belt environmental effort evolved into Alternatives & Environmental Consideration Report (AEER – April 2014)

Alternatives & Environmental Consideration Report (AEER – April 2014)

- Identifies existing environmental conditions and potential impacts along the length of the Corridor: DFW to Red Line
- Design Options:
 - Cypress Waters Alternative
 - Red Line Interface North (No service to CityLine/Bush)
 - Red Line Interface South (Service to CityLine/Bush)
- Profile Options through North Dallas:
 - At-Grade
 - Shallow Trench
 - Tunnel
- Stations: Up to 11 Station Locations
- 5% Design of all Design Options, Profile Options and Stations
- Assumed DCTA-like Vehicle

Cotton Belt Corridor (AECR – April 2014)



Recent Considerations

- Most cities, along the corridor, have expressed a desire to advance regional rail service on the Cotton Belt
- March 2016: RTC adopted a policy position, as part of its long-range plan, that DART explore possibilities of expediting rail service in the Cotton Belt Corridor
- DART has explored potential funding scenarios that would allow advancement of the project

Proposed Scope

The proposed scope of the project is based on:

- Coordination with DART cities
- AECR Report (April 2014)
- Current 5% Design
- Earlier City of Dallas and DART Resolutions
- Financial Considerations

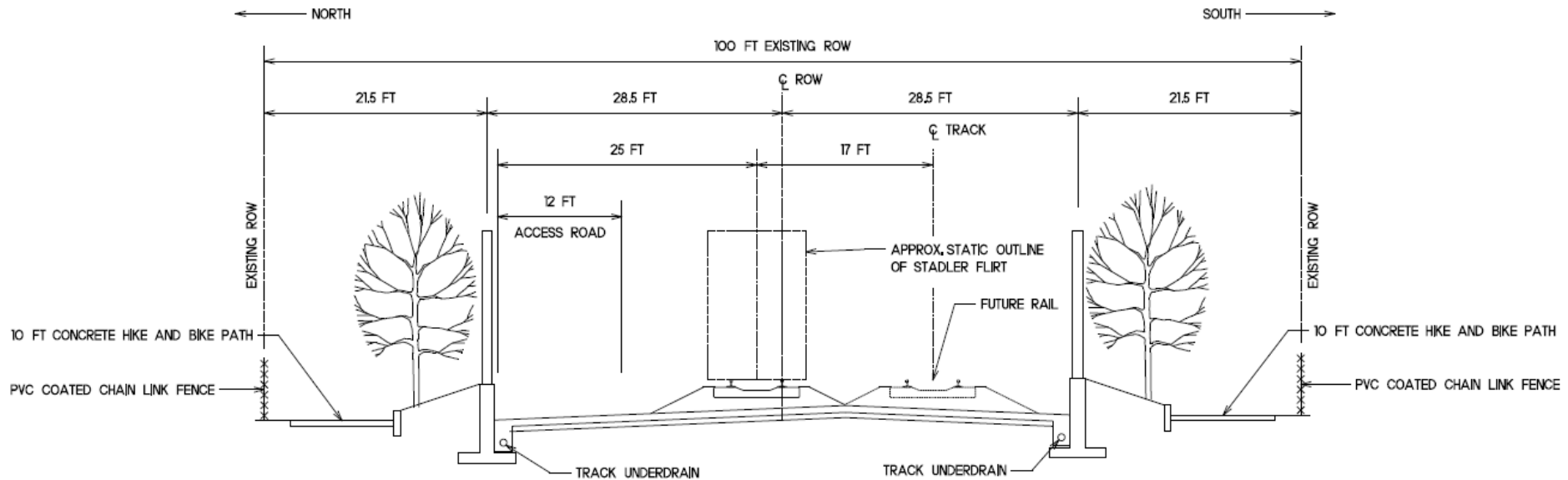
Proposed Scope

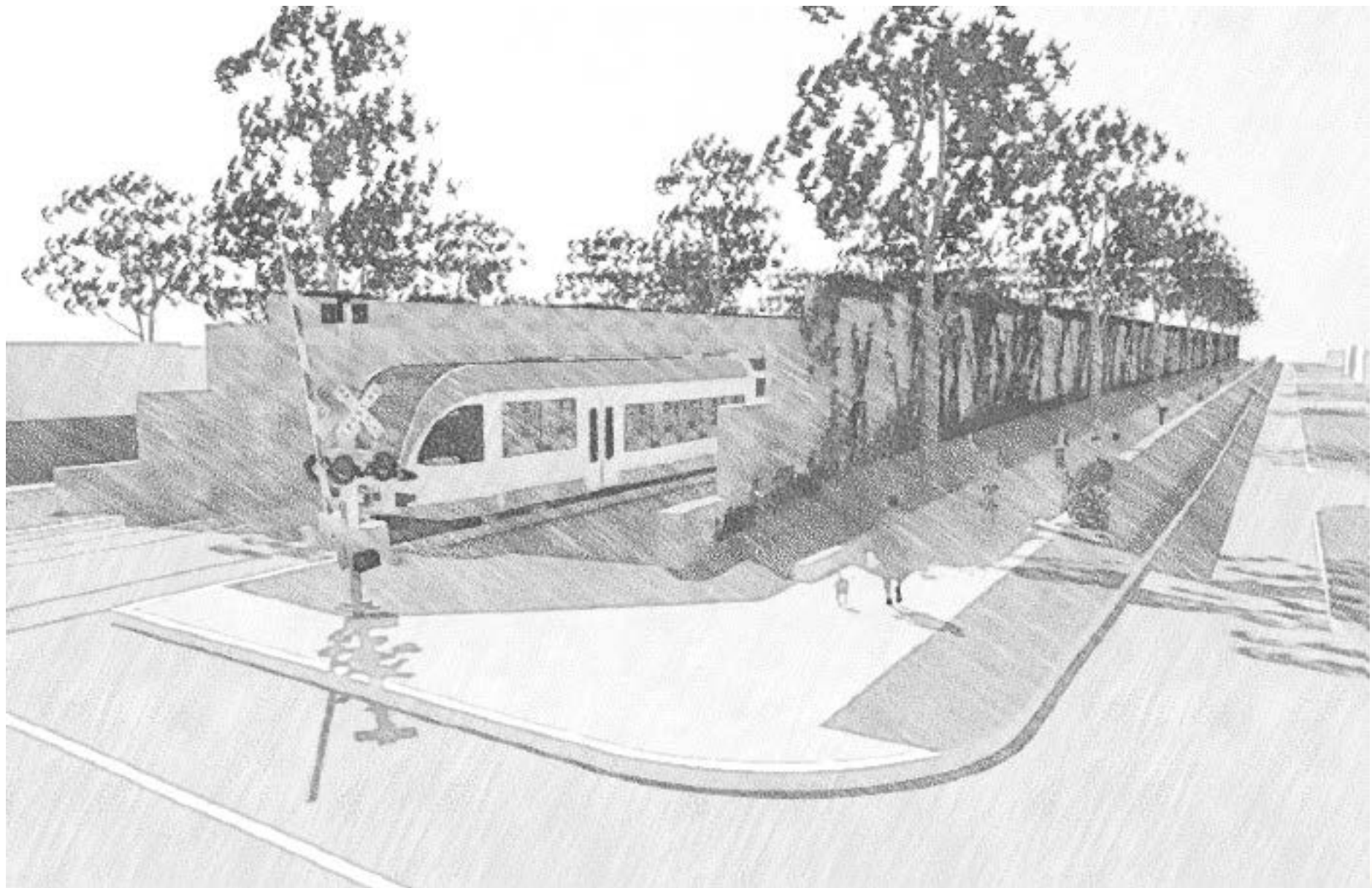
- Plano to DFW Airport
 - Includes South Alternative to CityLine/Bush
 - Includes Cypress Water Design Option
- Single track with passing tracks; double track stations
 - Future expansion to double track
- Up to 11 Stations (TBD during project development)
- 30 minute peak headways
 - Future 20 minute peak headways
- Regional Rail Vehicle
- Betterments along the corridor



Conceptual Typical Section

(May vary depending on site specific conditions)





Financial Considerations

- The Cotton Belt was reintroduced in the FY 2016 Financial Plan with service beginning in 2035
- The Cotton Belt is proposed to be accelerated in FY 2017 Financial Plan with service beginning in 2022
- Initial budget of \$994M is assumed
 - based on single track, at-grade concept
 - budget will be refined as scope is further defined
- The accelerated project has been determined by DART Financial Staff to be financially viable and has been proposed for inclusion in the FY 2017 Financial Plan

Cotton Belt Funding (\$M)

Plano - DFW Level D/S	2017	2018	2019	2020	2021	5-Year Total	20-Year Total
Sources							
Cotton Belt Capital Grants - RTC	\$0	\$25	\$25	\$25	\$25	\$100	\$100
Cotton Belt Capital Grants - UAFP	0	0	3	0	0	\$3	\$3
Addison Contribution	0	0	5	0	0	\$5	\$5
Fare Revenues	0	0	0	0	0	\$0	\$72
Advertising Revenues	0	0	0	0	0	\$0	\$4
Federal Revenues	0	0	0	0	0	\$0	\$29
Naming Rights	0	0	0	0	0	\$0	\$9
Richardson TIF	0	0	0	0	0	\$0	\$18
Plano TIF	0	0	0	0	0	\$0	\$15
Cypress Waters	0	0	0	0	0	\$0	\$15
Coppell ~1/6-Cent	0	0	0	0	0	\$0	\$51
Debt Issuance	0	0	350	370	274	\$994	\$994
Total Sources	\$0	\$25	\$383	\$395	\$299	\$1,102	\$1,316
Uses							
Construction Cost	\$25	\$75	\$200	\$300	\$300	\$900	\$994
	0	0	0	0	0	\$0	\$0
Operating Expenses	0	0	0	0	10	\$10	\$330
Capital Maintenance	0	0	0	0	0	\$0	\$35
Debt Service Principal	0	0	0	0	0	\$0	\$270
Debt Service Interest	0	0	3	22	30	\$54	\$463
Total Uses	\$25	\$75	\$203	\$322	\$340	\$964	\$2,093
DART Annual Requirement			\$3	\$22	\$40	\$64	\$885

Next Steps

- Approval of FY 2017 Financial Plan with accelerated Cotton Belt schedule
- Resume Environmental and Engineering effort
- Resume coordination efforts with stakeholders & public

Cotton Belt Corridor

- DART has established an email address for receiving comments on the project:

CottonBelt@DART.org

- Additional information on the Cotton Belt, including the AEER can be found at:

www.DART.org/CottonBelt



214.979.1111
www.DART.org



Cotton Belt Regional Rail Update

City Council Briefing

August 22, 2016



Presentation Outline

- Richardson Perspective
- Transactional Infrastructure
- Base Project Components
- DART Community Meetings
- Richardson Station Areas
- City TIF Funding Strategy
- Terms of Support
- Next Steps



Richardson Perspective

- Richardson has always played a significant role in fostering regional mobility
- Cotton Belt corridor expands Richardson's access to the regional multi-modal transportation network
- Multi-modal regional access long valued as an essential component of Richardson's success and continuing sustainability - *Road, Rail, and Trail*
- Richardson has invested significant time and resources to assure Transactional Infrastructure is in place to leverage investment and improve quality of life



Transactional Infrastructure Timeline

2009 - UT Dallas Station Master Plan completed

2010 - Preliminary ROW alignment established

2011 - Parliament / Caruth TOD zoning adopted

2011 - TIF 2 & TIF 3 created

2011 - ROW survey & gift agreements finalized

2013 - ROW secured

2015 – TCR Alexan development approved with
Cotton Belt connection accommodated



Cotton Belt Base Project Components

- Rail service with quiet zones at at-grade crossings, 20-30 minute headways, and “single seat” ride
- North and south alternative routes evaluation
- UT Dallas Station/Rutford Avenue at-grade crossing
- Trail by rail along corridor
- US 75 bridge crossing
- Corridor aesthetic design elements
- Possible new grade separation locations at Custer Parkway and Alma Road



DART Community Meetings

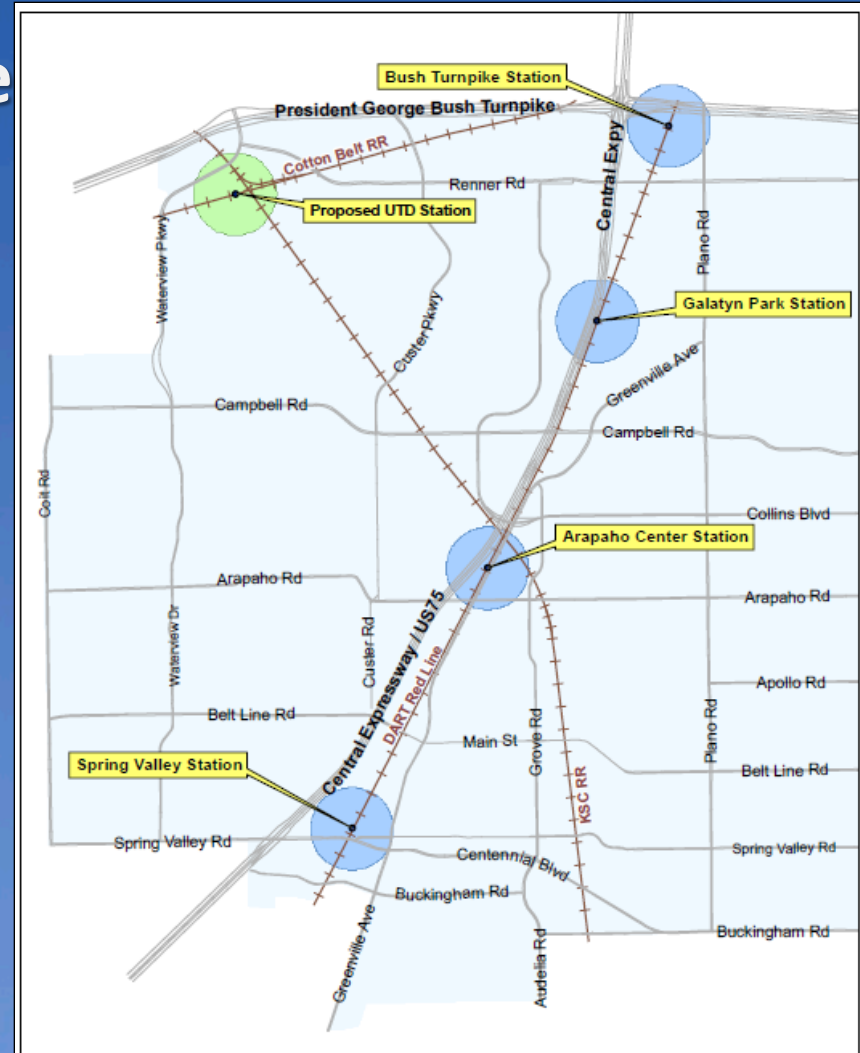
- August 24, 2016 • 6:30 pm** **Richardson Civic Center**
- August 25, 2016 • 6:30 pm** **Addison Conference Centre**
- August 29, 2016 • 7:00 pm** **Parkhill Junior High School, Dallas**
- August 30, 2016 • 6:30 pm** **Event 1013, Plano**
- August 31, 2016 • 6:30 pm** **DFW Airport Marriott, Irving**
- August 31, 2016 • 6:30 pm** **Plaza Arts Center, Carrollton**



Richardson Rail Stations

- Existing and prospective rail station interfaces:
- LRT Red Line
 - Spring Valley Station
 - Arapaho Central Station
 - Galatyn Park Station
 - CityLine/Bush Station*
- Cotton Belt
 - UT Dallas Station
 - CityLine/Bush Station*

* *Intermodal Connection*



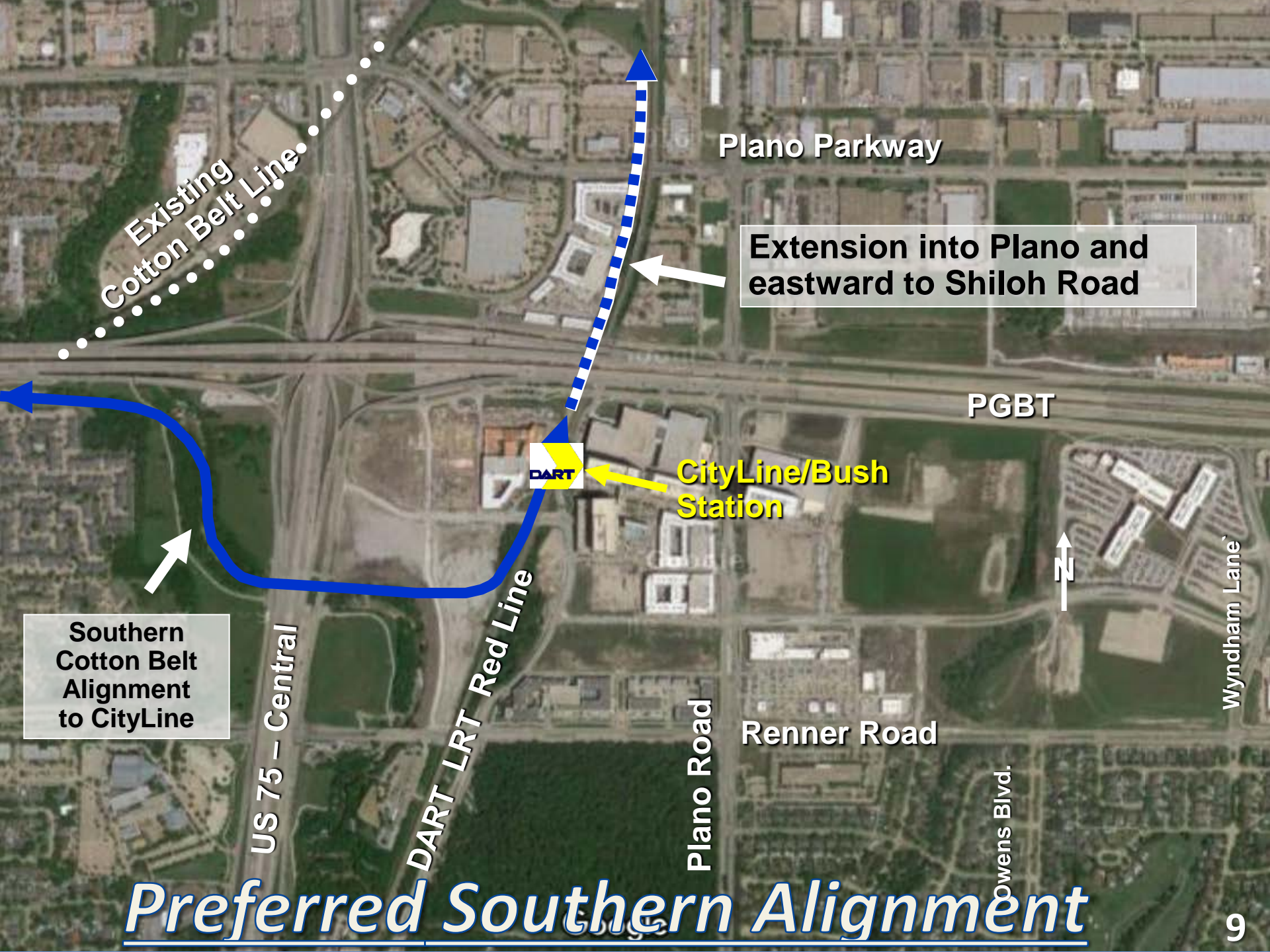
City of Richardson
DART Light Rail Stations



CityLine/Bush Station

- CityLine/Bush Station will be a key critical intermodal transfer point to Red Line that further enhances transit-oriented development
- Cotton Belt rail access sought through cooperative efforts for a Southern Alignment into the station
- Majority of needed ROW for the Southern Alignment already dedicated





Existing Cotton Belt Line

Plano Parkway

Extension into Plano and eastward to Shiloh Road

PGBT



CityLine/Bush Station

Southern Cotton Belt Alignment to CityLine

US 75 - Central

DART LRT Red Line

Plano Road

Renner Road

Howens Blvd.

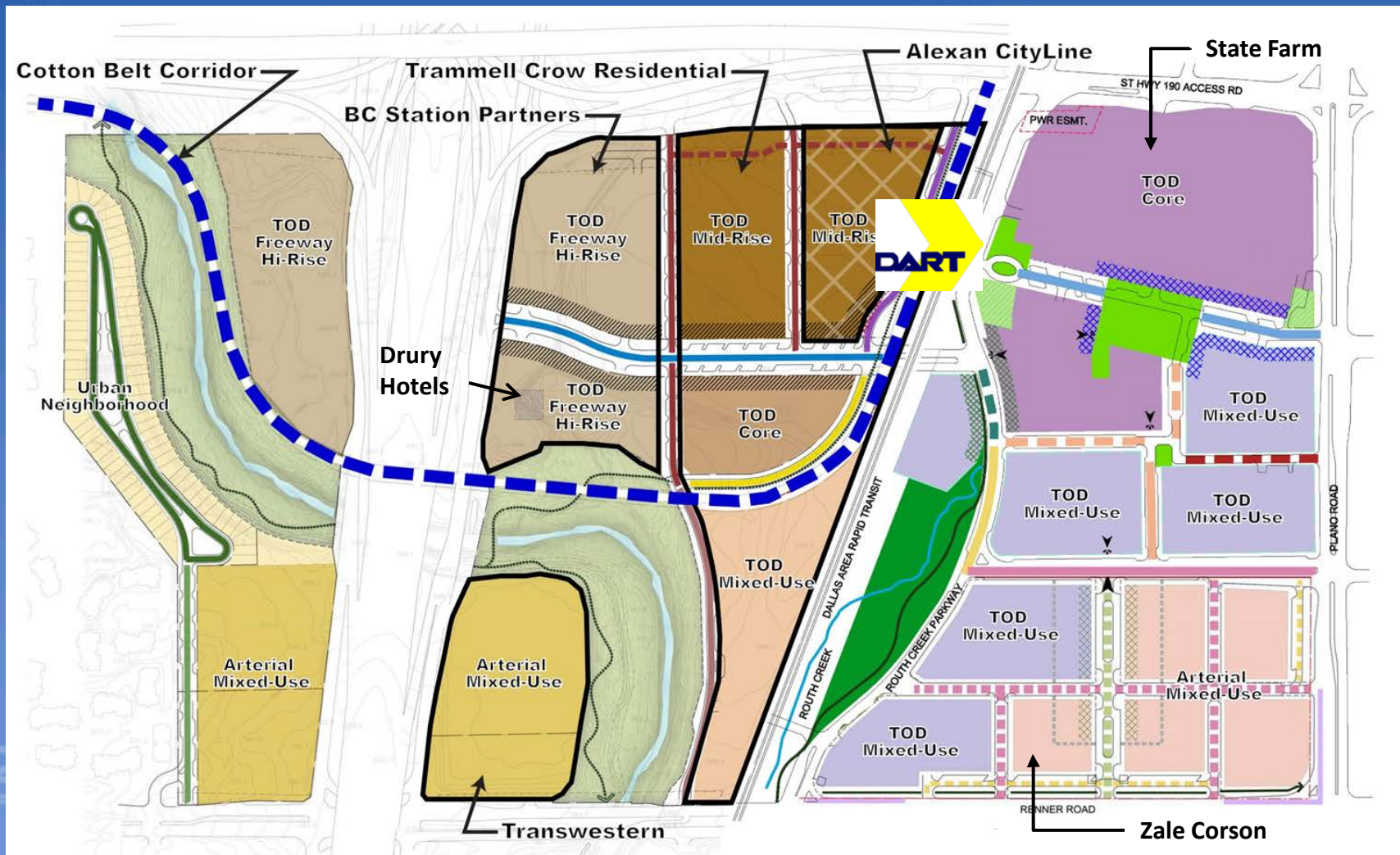
Wyndham Lane



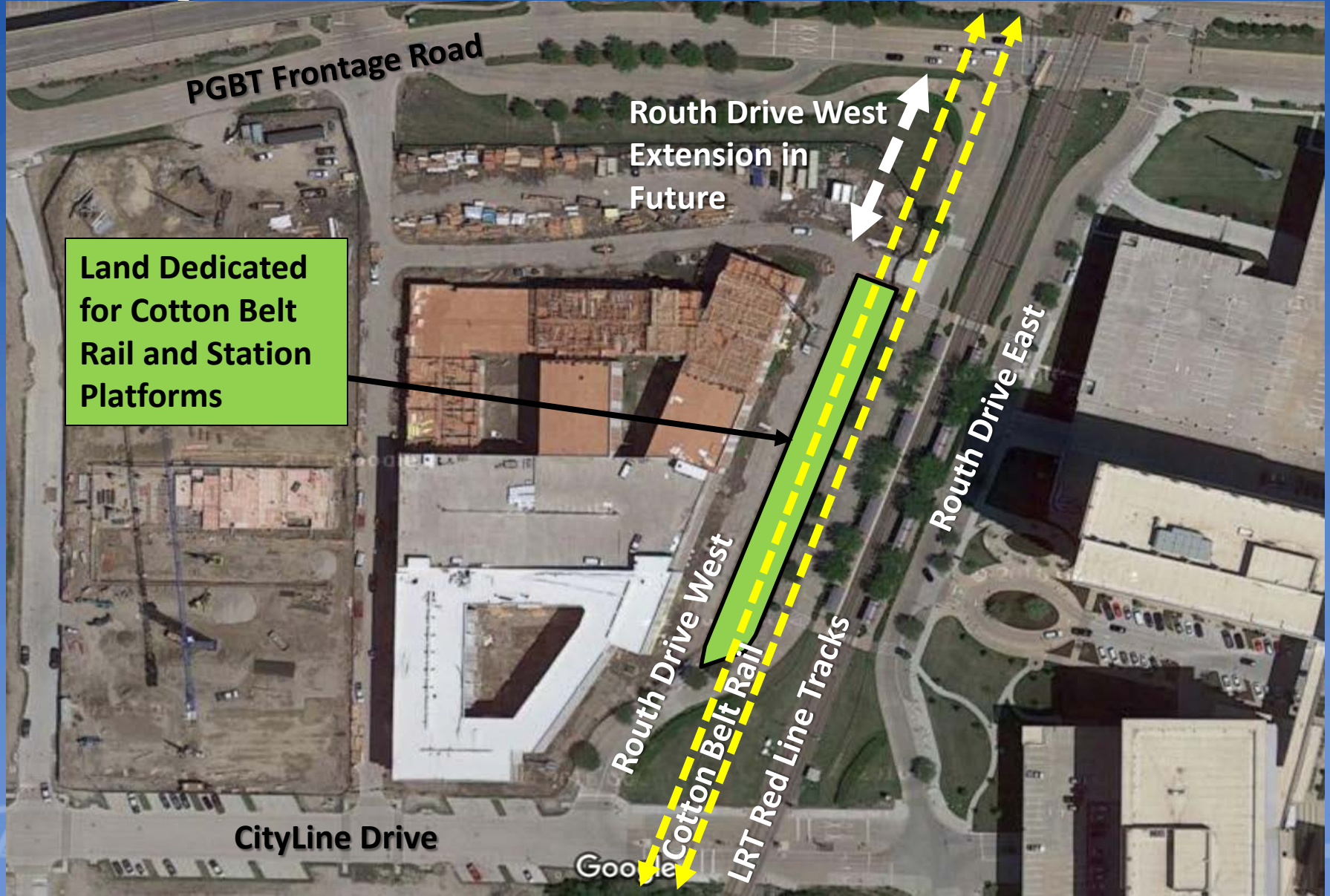
Preferred Southern Alignment

Cotton Belt Connection to CityLine/Bush Station

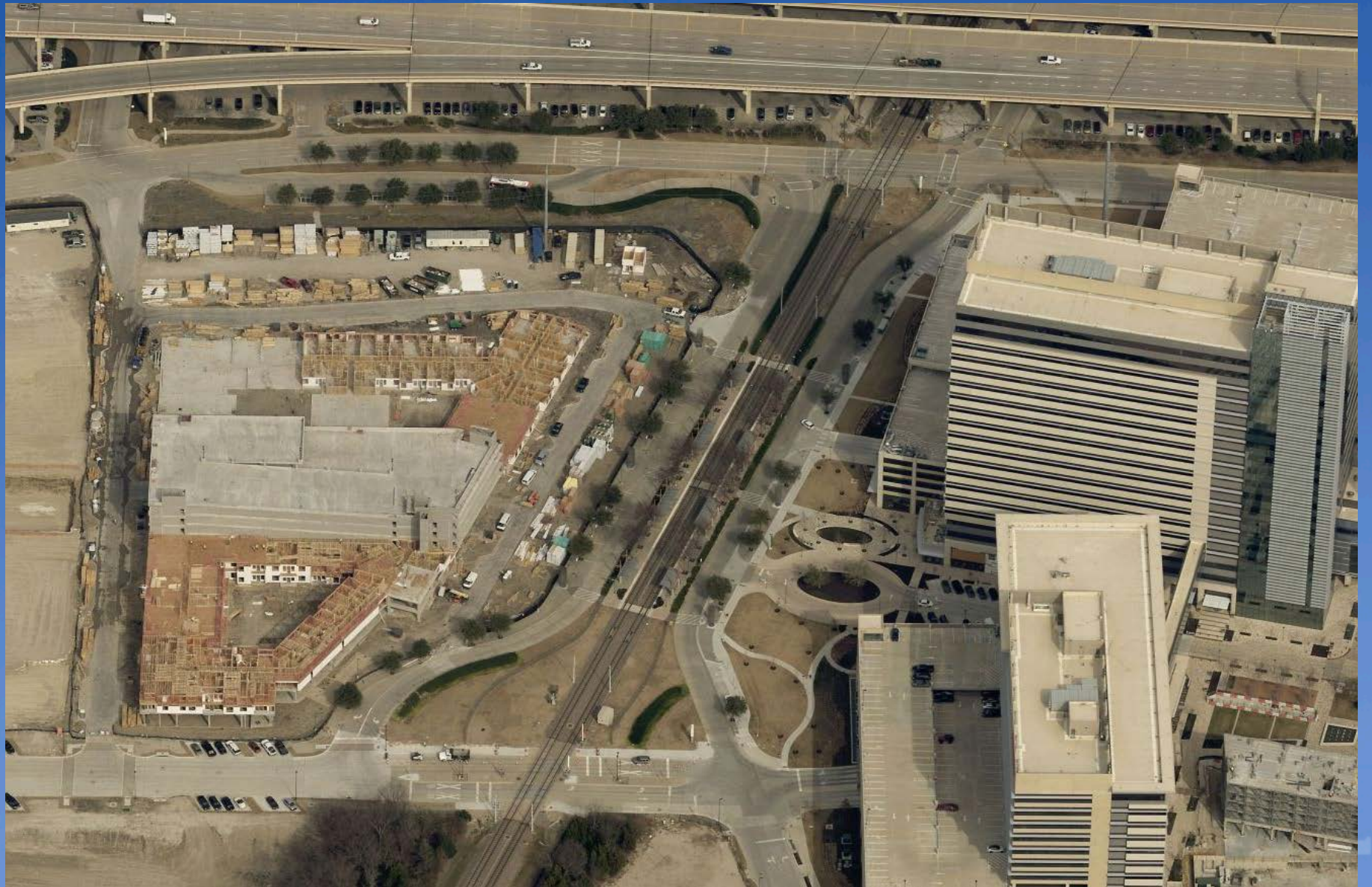
3 Zoning Codes – Caruth East & West of US75; Bush Central between DART & Plano Rd
(CityLine development also extends east of Plano Road)



CityLine Station Accommodation



CityLine Station Accommodation



CityLine Station Accommodation





UT Dallas Station Area

- **2009 Master Plan: Richardson and UT Dallas joint project**
 - Examined station, land use, and circulation based on university and community needs
 - Higher density campus and market rate housing, retail, office, event center, hotels, parking garages
 - Promotes northern growth of campus and adds unique rail access for regional university access
- **Northside Phase 1 zoning approved May, 2014**
- **Northside Phase 2 zoning in process**
- **At-grade Rutford Avenue crossing and connection between Synergy and Waterview for station and campus circulation**
- **Cotton Belt trail connections to station and UT Dallas campus**



Northside at UTD

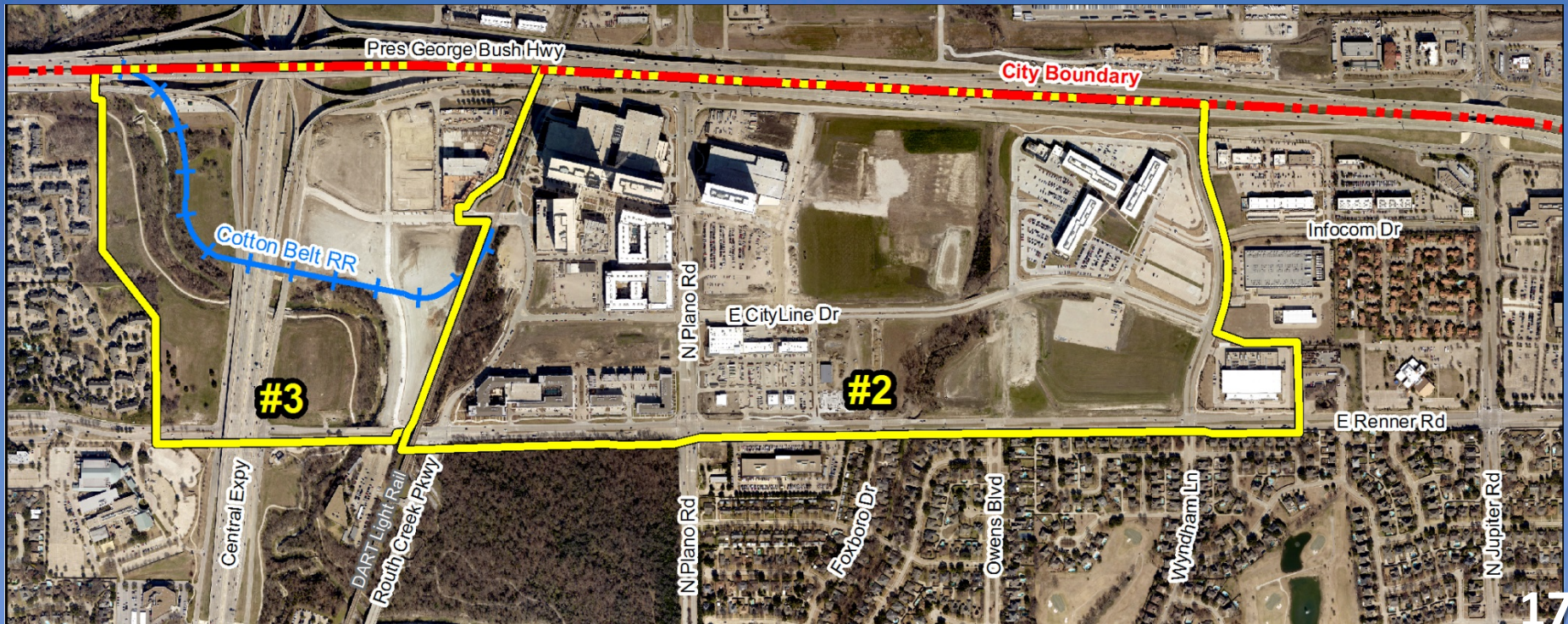


TIF Funding Strategy



Tax Increment Financing Support

- Created separate TIF Zones 2 & 3 in Nov. 2011
- 25 year TIF Zones that expire Dec 31, 2036



TIF Support Structure

Property Taxes generated from the new value or “Incremental Value” for Real Property in the TIF Zones can be used for development purposes

TIF Revenue/Increment Distribution

- 66.67% to TIF Funds for development
- 33.33% to City General Fund

Existing Development Agreements

- TIF 2: Entire 211 acres – December 2012
- TIF 3: 54 acres east of US 75 – March 2015



TIF Cotton Belt Support

Development agreements direct a portion of TIF increment to the Cotton Belt project when an agreement is entered into for the project

TIF Increment Distribution

	Before Cotton Belt	After Cotton Belt Agmt
TIF Development	66.67%	55.00%
Cotton Belt	0.00%	11.67%
City General Fund	33.33%	33.33%
Total	100.00%	100.00%



TIF Cotton Belt Support Revenue Projection

Estimated revenue projection is based on:

- 11.67% Increment & completion of both TIF Zones in 2036
- Estimate will change over time as real property tax values increase/decrease and if the property tax rate changes
- DART may modify for their planning purposes

TIF Zone	Revenue Projection
#2	\$16.4 million
#3	\$ 5.1 million
Total	\$21.5million

Source: TIF Project & Financing Plans



Terms of Support

Use TIF revenues of \$21.5 million provided that:

- All base project components included
- Southern alignment to CityLine/Bush Station
- “Single seat” ride for entire corridor
- Service begins in 2022
- Single project from DFW to Shiloh Road with potential for multiple contracts



Next Steps

- Council consensus on TIF funding strategy
- Support DART's efforts to facilitate service
- City support at DART community meetings
- Coordinate with DART design details including trail, grade separations, and aesthetics
- Provide Council briefing updates as needed



Direction 16-17: *The Intersection of Opportunity and Mission*

2016-2017 Fiscal Year
City of Richardson, Texas
Municipal Budget Presentation



City Council Budget Presentation
August 22, 2016

Still True for 16-17:

Stacked Initiatives, Sustained Attention

- The key themes of recent budgets continue to be:
 - Enhanced infrastructure maintenance
 - Public Safety facility and staff enhancements
 - Economic Development funding
 - Enhanced customer and City experiences



Strong Budget Support to the Key Initiatives

- Reduce tax rate by a full cent to \$0.62516/\$100 valuation
 - A \$1.3 million reduction in tax revenue
- Commit to Maintenance.
 - Move to 2.5 pennies dedicated to Street Maintenance
 - Dedication of a ½ penny of the tax rate to an Alley Rehabilitation program
 - Sustain Year 4 Strategies for key maintenance activities: walls, bridges, markings, etc.
 - Increased water distribution and sewer collection systems maintenance strategies
 - New initiatives for facilities and aquatics maintenance
- Continue with Police and Fire Staffing Initiatives
- Increasing resources for Economic Development dedication to 8/10 of a penny
- Accelerate and consolidate the Police/Fire Campus redevelopment in a timely/single project



FY 2016-2017 Combined Budget

Combined Budget				
	2015-2016 Estimated	2016-2017 Budget	Est./Bud.	%
Beginning Fund Balances	\$53,802,836	\$54,286,732	\$483,896	0.9%
Revenues	\$239,919,942	\$255,983,192	\$16,063,250	6.7%
Expenditures	\$239,436,046	\$251,064,930	\$11,628,884	4.9%
Ending Fund Balances	\$54,286,732	\$59,204,994	\$4,918,262	9.1%

FY 2016-2017 General Fund

General Fund Budget				
	2015-2016 Estimated	2016-2017 Budget	Est./Bud.	%
Beginning Fund Balances	\$19,303,680	\$20,128,412	\$824,732	4.3%
Revenues	\$119,914,671	\$123,442,420	\$3,527,749	2.9%
Expenditures	\$119,089,939	\$123,279,216	\$4,189,277	3.5%
Ending Fund Balances	\$20,128,412	\$20,291,615	\$163,203	0.8%

FY 2016-2017

General Fund Revenue Overview

- \$3,528,000 or 2.9% increase
 - Property Taxes increase \$4,388,000
 - Franchise Fees increase \$467,000
 - Sales Tax decrease (\$402,000)
 - License and Permits decrease (\$1.0 million)
 - Remaining Revenues increase \$114,000

Required Budget Narrative:

“This budget will raise more total property taxes than last year’s budget by \$9,528,563 (12.18%) and of that amount \$1,120,018 is tax raised from new property added to the tax roll this year.”

- This specific language is required by the Local Government Code, section 102.005(b). This calculation represents a comparison of certified tax rolls and ***includes*** TIF values. In practice, appraised value in the TIF areas are segregated into separate funds and not included in the General Fund O&M and Debt portions of property tax revenue.
- This revenue is generated through growth in new value and the reappraisal of existing properties.

Property Tax Increase Explained: \$9.5 million

Increase in Property Tax Revenue **\$ 9,528,563**

Item Description	Amount	Remaining Increase
Tax Increment Financing Fund #1 Increase	\$ 690,569	\$ 8,837,994
Tax Increment Financing Fund #2 Increase	961,273	7,876,721
Tax Increment Financing Fund #3 Increase	56,019	7,820,702

Public Safety Initiatives		
Debt Service - Public Safety Campus Acceleration	3,661,607	
Full year impact of new Public Safety Positions hired in FY16 (3 Fire Fighters, 4 APO and 1 Evidence Tech)	700,000	
Additional 2% pay plan increase for Public Safety	693,734	
Year Two Body Camera Agreement	161,430	
Partial Yr. FY 17 Funding for 3 APO's and 1 Fire Mgt Tech	88,000	
Sub Total Public Safety Initiatives	\$ 5,304,771	2,515,931

Street/Alley Rehabilitation Initiatives		
Street Rehab \$0.02 value increase	287,354	
Street Rehab Supplement	652,542	
Alley Rehabilitation	652,542	
Sub Total Street/Alley Rehabilitation Initiatives	\$ 1,592,438	923,493

Increase in Economic Development Dedication **347,183** **576,310**

General Maintenance		
Cottonwood Pool Pump House and Bath House Rehabilitation	198,830	
General PARD Facility Maintenance	81,030	
Traffic signal systems, markings and street light maintenance	40,000	
Sub Total General Maintenance	\$ 319,860	256,450

Library Books	100,100		156,350
Electricity and Natural Gas	115,950	\$	40,400

2016 Certified Tax Roll Comparison

2016 Certified Tax Roll Comparisons	
August 2016	
Entity	% Change
Richardson CCAD	17.61%
Frisco	14.92%
Richardson Total	14.23%
McKinney	12.59%
Richardson DCAD	12.14%
Collin County	11.98%
Garland	11.28%
Grand Prairie	11.02%
Allen	10.28%
Dallas County	10.12%
Dallas	10.04%
Mesquite	9.62%
Fort Worth	9.36%
Plano	9.28%
Irving	8.36%
Carrollton	7.74%
Arlington	6.90%

Assessed Valuation

- Total assessed valuation assumes a 14.2% increase in certified assessed valuation plus \$51.9 Million of “Values in Dispute”, that could be added to the certified roll once the cases have been finalized and allows for deduction of the Tax Increment Financing Districts values of (\$991.6 million).

	2015	2016	% Difference
Certified	\$12,248,037,292	\$13,990,521,446	14.2%
Values In Dispute	\$73,115,057	\$51,898,700	(29.0%)
Tax Increment Financing District 1	(\$390,724,254)	(\$507,436,918)	29.9%
Tax Increment Financing District 2	(\$306,204,021)	(\$464,866,265)	51.8%
Tax Increment Financing District 3	(\$10,156,750)	(\$19,280,075)	89.8%
Taxable Value for General Fund Debt and O/M	\$11,614,067,324	\$13,050,836,888	12.4%

Property Tax Rate		
	2015-2016	2016-2017
Operations & Maintenance (O & M)	\$0.38031	\$0.37031
Debt Service	\$0.25485	\$0.25485
Total	\$0.63516	\$0.62516

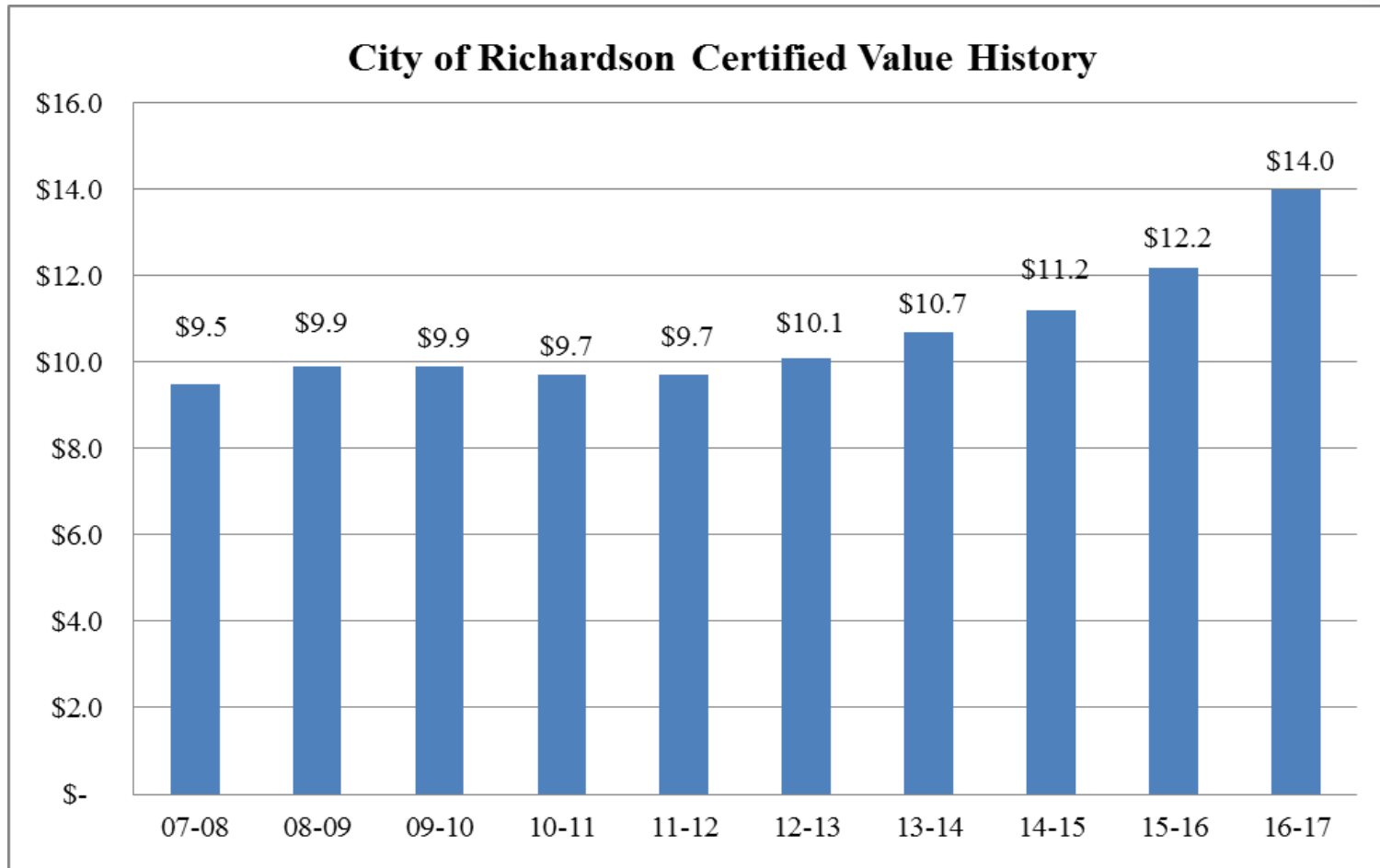
Tax Rate Calculations

2016-2017 Tax Rate Calculations			
	Rate	Difference	Revenue
2016-2017 Rate	\$0.62516	-	-
Rollback Rate	\$0.63570	\$0.01054	\$1,375,558
Effective Rate	\$0.57794	(\$0.04722)	(\$6,162,605)

- The tax rate adoption ordinance will refer to what is “effectively an 8.17 percent increase in the tax rate”. This is the percent change of the proposed tax rate (\$0.62516) above the effective rate (\$0.57794).

2015-2016 Tax Rate Calculations			
	Rate	Difference	Revenue
2015-2016 Rate	\$0.63516	-	-
Rollback Rate	\$0.63659	\$0.00143	\$166,081
Effective Rate	\$0.60638	(\$0.02878)	(\$3,342,529)

FY 2016-2017 Assessed Valuation



Percent of Total Value

Percent of Total Value				
Tax Year	Residential	Commercial	BPP	Total
2016	41%	39%	20%	100%
2015	42%	40%	18%	100%
2014	43%	39%	18%	100%
2013	44%	37%	19%	100%
2012	46%	36%	18%	100%
2011	48%	34%	18%	100%
2010	49%	34%	17%	100%
2009	47%	36%	17%	100%
2008	48%	36%	16%	100%
2007	49%	36%	15%	100%
2006	50%	35%	15%	100%
2005	52%	32%	16%	100%

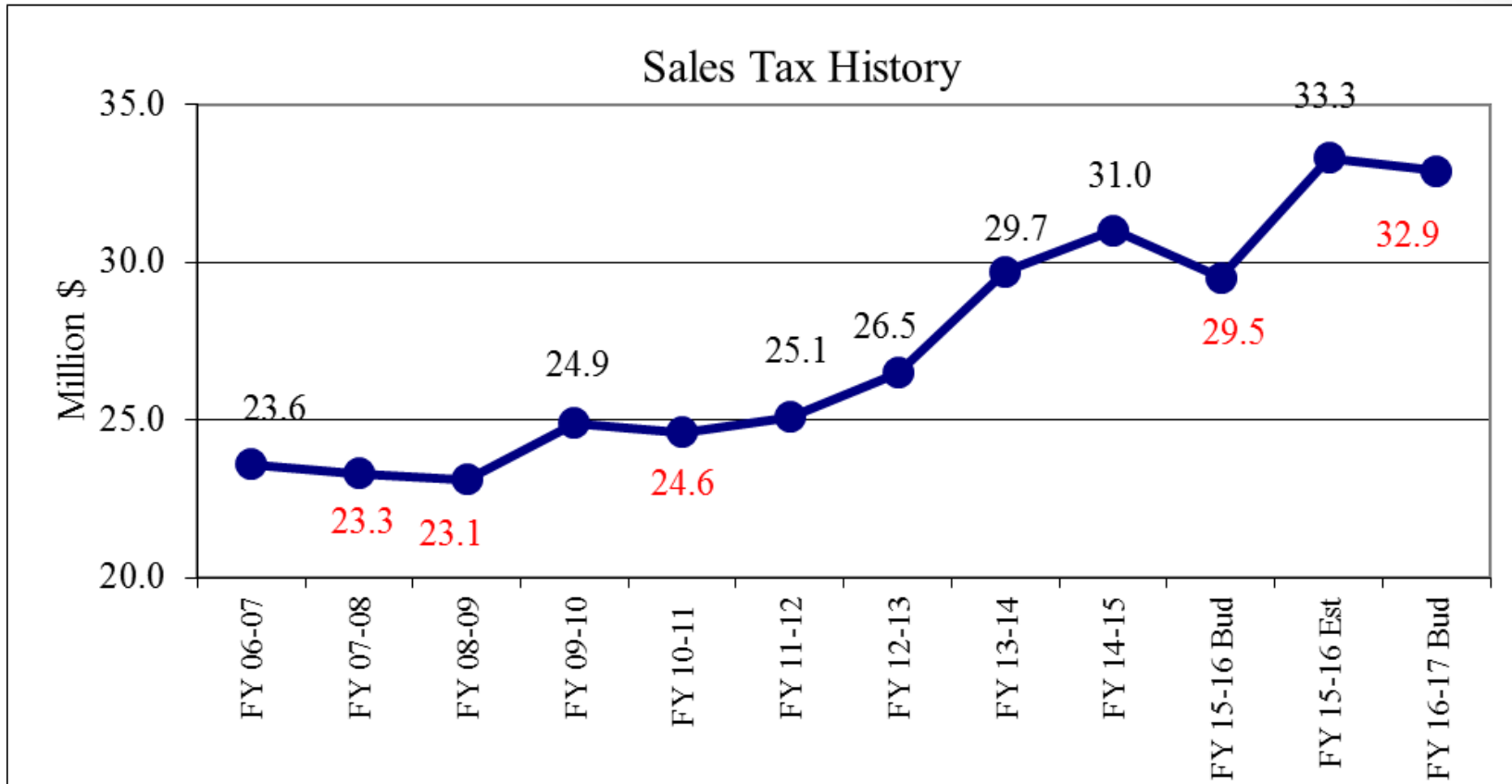
Change In Residential Market Valuations

Number Residential Properties Affected by Valuation				
	2015-2016		2016-2017	
Impact	# Properties	% of Total Res. Properties	# Properties	% of Total Res. Properties
No Change	5,494	19.5%	1,846	6.48%
Decrease	1,206	4.3%	405	1.42%
Increase 0% - 5%	8,587	30.4%	4,115	14.44%
Increase 6% - 10%	6,742	23.9%	7,637	26.80%
Increase >10%	6,180	21.9%	14,490	50.86%
Total Res. Properties	28,209	100.0%	28,493	100.0%

Average Senior Home Value

Average Senior Home Value Statistics						
Tax Year	Qualifying Parcels	% Change From Year to Year	Senior Exempt.	Average Senior Home Market Value	% Change From Year to Year	% of Total Value
2016	7,883	2.37%	\$70,000	\$229,526	13.52%	30.50%
2015	7,700	1.36%	\$60,000	\$202,187	7.98%	29.68%
2014	7,597	2.23%	\$60,000	\$187,251	3.88%	32.04%
2013	7,431	2.17%	\$55,000	\$180,265	0.93%	30.51%
2012	7,273	4.32%	\$55,000	\$178,609	-0.10%	30.79%
2011	6,972	3.00%	\$55,000	\$178,788	0.40%	30.76%
2010	6,769	3.14%	\$55,000	\$178,079	-0.49%	30.89%
2009	6,563	4.14%	\$55,000	\$178,961	0.49%	30.73%
2008	6,302	3.40%	\$55,000	\$178,094	2.60%	30.88%
2007	6,095	2.90%	\$50,000	\$173,581	2.95%	28.80%
2006	5,923	3.24%	\$50,000	\$168,609	2.98%	29.65%
2005	5,737	1.90%	\$30,000	\$163,726	5.19%	18.32%

Sales and Other Business Taxes



FY 2016-2017

General Fund Expenditures

Classification of General Fund Expenditures		
	Proposed Budget	Percent of Total
<u>Operating Expenditures</u>		
Personal Services	\$ 89,252,071	72.40%
Professional Services	9,393,342	7.62%
Maintenance	4,198,991	3.41%
Contracts	6,712,029	5.44%
Supplies	8,564,635	6.95%
Capital	198,830	0.16%
<u>Total Operating Expenditures</u>	\$ 118,319,898	95.98%
Transfers Out	\$ 4,959,318	4.02%
<u>Total Operating Expenditures and Transfers</u>	\$ 123,279,216	100.00%

Key Budget Elements for 2016-2017: Public Safety Initiatives

- The FY 2016-2017 Budget includes several efforts to enhance public safety resources including:
 - Acceleration of capital funding for public safety campus projects that were approved in the 2015 Bond Program
 - Additional funding now includes Fire Station 1
 - Funding for body cameras and related technology
 - Enhanced staffing resources for both Fire & Police departments in the FY 2016-2017 budget:
 - Three patrol officers
 - Fire management code technician
 - Competitive compensation support:
 - Includes merit based step program
 - Merit based, market adjustment of 2%



Key Budget Elements for 2016-2017: Maintenance Activities - General Fund

Streets

Proposed budget includes 2.5 cents of property tax for:

- Two collector streets, three neighborhoods zones and a preventive maintenance program

Screening Walls & Bridge Railings

Proposed budget includes funding for:

- Ten bridges will be repaired and enhanced
- City owned walls, entry features and bridges will be painted and washed on a rotational basis

Traffic Signs & Pavement Markings

Proposed budget includes funding for:

- Small street name signs in two zones
- Markings on streets repaired via rehab program
- Updating one bike lane and adding one mile of bike lane

Initiate a New Alley Maintenance Initiative

- Provide new ½ penny of property tax for alley repair



Key Budget Elements for 2016-2017: Maintenance Activities – General Fund

	FY13-FY14 Actual	FY 14-15 Actual	FY15-FY16 Actual	FY16-FY17 Proposed
Street Maintenance Strategy	\$1,985,000	\$2,465,000	\$2,616,000	\$3,262,709
Alley Rehabilitation	-	-	-	\$652,542
Misc. Street and Alley Concrete Repair	\$476,274	\$664,051	\$995,000	\$552,500
Screening Walls	\$120,000	\$120,000	\$50,000	\$40,000
Bridge Railings	\$225,000	\$320,000	\$300,000	\$300,000
Pavement Markings	\$250,000*	\$300,000*	\$350,000*	\$400,000*
Street Name Sign Replacement	\$100,000*	\$100,000*	\$100,000*	\$100,000*
TOTAL	\$3,156,274	\$3,969,051	\$4,411,000	\$5,307,751

* Includes funding from the Traffic Safety Fund

Key Budget Elements for 2016-2017: Maintenance Activities - Facilities and Aquatics

Facilities Services Renewal/Replacement Strategy:

The FY2016-2017 Proposed Budget includes funding for:

- Preventative maintenance/service Contracts/corrective maintenance
- Facility condition assessment
- HVAC system unit replacements
- Eisemann Center improvements

Aquatics Maintenance Strategy:

The FY 2016-2017 Proposed Budget includes funding for:

- Aquatics maintenance needs
- Aquatics reinvestment items



Key Budget Elements for 2016-2017: Maintenance Activities - Facilities & Aquatics

	FY 14-15 Budget	FY15-FY16 Projected	FY16-17 Proposed
Facilities – General Fund	\$373,000	\$513,000	\$699,000
Facilities – Hotel Fund	\$200,000	\$530,000	\$377,841
Aquatics – Operations	\$28,000	\$47,868	\$238,530
Aquatics – Short-Term Debt	\$44,000	\$46,350	\$162,900
TOTAL	\$645,000	\$1,137,218	\$1,478,271

FY 2016-2017

General Fund Expenditures

- Total Expenditures and Transfers for the General Fund are projected at \$123.3 million or 3.5% over year end estimates.
 - **Personal Services** – Increase \$6.5m and include a full year of initiatives begun last year and:
 - Movement within approved pay plan ranges = \$875,000
 - Market Adjustment for Public Safety = \$694,000
 - **Professional Services** decreases (\$307,000) or -3.2%
 - **Maintenance** increases \$178,000 or 4.4%
 - **Contracts** increases \$467,000 or 7.5%
 - **Supplies** decreases (\$504,000) or -5.6%
 - **Capital** increases \$82,000 or 69.7%

FY 2016-2017

General Fund Expenditures

- ***Economic Development*** – Increases to 8/10 of a penny dedicated to economic development, an increase of 2/10 cent or approximately \$347,000 from year end.
- **Fund Balance** – The proposed budget ends the year at the Council prescribed 60.1 days of fund balance.
- **Capital Requests** – Funding of capital equipment will be handled through the use of short-term C.O.'s.

2015 GO Bond Program & CO Supplement

- This budget accelerates the annual GO bond issuance amounts for the Police Campus and adds a CO supplement to include the design and construction of Fire Station #1 for a fully complete Public Safety Campus
- Provides for construction to begin in the fall of 2017 as opposed to the fall of 2020 as proposed in the original bond issuance plan.

Fiscal Year Issued	Advanced Serial Sale Issuances	Fire Station #1 & Advanced Serial Sales	Difference
2015-2016	8,500,000	8,500,000	0
2016-2017	20,340,000	38,140,000	17,800,000
2017-2018	40,915,000	44,615,000	3,700,000
2018-2019	18,115,000	20,315,000	2,200,000
2019-2020	14,940,000	14,940,000	0
2020-2021	12,190,000	12,190,000	0
Total	115,000,000	138,700,000	23,700,000

FY 2016-2017 Capital Improvement Plan

Series 2017: 2016-2017 Debt Issuance Program – All Funds

Amount	Bond Type	Purpose	Debt Service
\$2.9 million	C.O.	General Fund Capital Equipment – 4 yr.	General Debt Service
\$1.0 million	C.O.	Information Technology Equipment – 4 yr.	General Debt Service
\$1.05 million	C.O.	General Fund Fire Equipment – 8 yr.	General Debt Service
\$6.1 million	C.O.	Streets & Drainage Supplement – 20 yr.	General Debt Service
\$17.8 million	C.O.	Public Safety Campus Supplement – 15 to 20 yr.	General Debt Service
\$20.34 million	G.O.	2015 G.O. Bond Program (Yr 2 Projects) – 20 yr.	General Debt Service
\$3.825 million	C.O.	Water and Sewer C.I.P. – 15 to 20 yrs.	Utility Fund Debt Service
\$0.94 million	C.O.	Solid Waste Services Capital Equipment – 8 yr.	Solid Waste Debt Service
\$ 53.955 million	Total		

FY 2016-2017

Water and Sewer Fund Revenues

- On June 6, 2016, the Executive Director of the North Texas Municipal Water District gave Council an update on the District's Water Supply Plan and other initiatives.
 - A copy of that presentation and video of his remarks are available on-line at www.cor.net.
- This budget is built on:
 - The cost increase for wholesale water, wastewater and maintenance needs presented by the District
 - An increased emphasis on the City's CMOM program aimed at addressing aging infrastructure through enhanced inflow and infiltration (I&I) abatement efforts and general system maintenance
- Projected revenues for FY 2016-2017 are based on an 8.25% rate increase for both the water and sewer retail rates. The increase would go into effect with the first billing in November of 2016.

FY 2016-2017

Water and Sewer Fund Expenditures

- Expenditures and Transfers are proposed at \$70.5 million representing an increase of \$5.6 million or 8.6% over year-end estimates.
 - Together, the wholesale cost of water and sewer treatment services account for \$41.7 million or 59.1% of the total expenses.
 - This proposal sets aside \$3.6 million in operational funds (an increase of \$2.6 million from year-end) to continue the CMOM work begun last year.
 - Centennial Water Tower rehabilitation for \$1.3m. (CO funded)
 - New line installation, meter and valve replacement as well as system-wide renewal/rehabilitation projects for \$2.6m (CO funded)
- The debt service transfer increases \$76,000 to \$5.6 million to cover debt obligations for this fund.
- Fund Balance is projected at 90.3 days in compliance with the Council approved policy of 90 days.

FY 2016-2017

Solid Waste Fund Revenues

- Total revenues are projected to be \$1.3 million over year-end estimates.
- Residential Collections include a proposed \$3 per month increase from the current \$18 per month to the proposed \$21 per month. The Senior Discount remains at 26% or a total proposed of \$15.56 per month.
- Commercial Collections Fees are expected to increase 5.6% or \$416,000 from year end estimates. This represents a 10% increase in both Open Top and Compactor service as well as a 3% increase in Front Load fees.

FY 2016-2017

Solid Waste Fund Expenditures

- Total expenditures and transfers are proposed at \$14.6 million, an increase of \$856,000 or 6.2% over the year-end estimate of \$13.8 million.
- The Debt Service Transfer of \$1.5 million is \$235,000 higher than year-end estimate and represents the current payment due on equipment debt issuance.
- FY 2016-2017 fund balance is proposed at 94.4 days. This achieves the goal established in the adopted financial policy of “60 days building towards 90”.

FY 2016-2017 Golf Fund

- Revenues for the Golf Fund are projected at \$2.4 million for FY 2016-2017 representing an increase of \$199,000 or 9.2% over year-end.
- Total Expenditures and Transfers for the Golf Fund are proposed at \$2.2 million, an increase of \$160,000 from year-end.
- Given the projected revenue and expenditure performance, the fund balance should end the year with 63.7 days, 3.7 days in excess of the Council approved “30 building to 60” days.

FY 2016-2017

Hotel/Motel Tax Fund

- Total Revenues for the Hotel/Motel Tax Fund are projected at \$7.0 million for next year, reflecting a 7.9% increase in overall revenues.
- Total Expenditures and Transfers for 2016-2017 are proposed at \$6.8 million reflecting a \$1,700 increase from current year-end expenditures.

Homeowner Impact of 2016-2017 Budget

- As submitted, this budget will have the following impacts to the average homeowner in the City of Richardson
 - Property tax increase as a result of higher valuation and decreased tax rate = **\$107**
 - Water and Sewer Rate change = **\$81**
 - Solid Waste change = **\$36**
 - Total impact to average homeowner = **\$224 per year**
- Over 65 and Disabled Persons exemption
 - Property tax increase as a result of higher valuation, \$10,000 exemption increase and decreased tax rate = **\$82**
 - Water and Sewer Rate change = **\$81**
 - Solid Waste change = **\$27**
 - Total impact for Over 65 and Disabled Persons = **\$190 per year**

Summary

- The 2016-17 budget will be the **fourth** year of an intensive focus on enhanced infrastructure maintenance.
- Prior budgets initiated articulate plans and dedicated funding strategies to foster enhanced street, traffic, and roadside amenity maintenance.
 - This 2016-17 budget adds the next year in this initiative and significantly enhances the plan for water/sewer utility infrastructure.
 - This plan continues to be strong on enhanced infrastructure maintenance, Public Safety facility and staff enhancements, Economic Development funding and enhanced customer and City experiences while balancing:
 - Reducing the tax rate for our residents and businesses
 - Continuing to reinvest in the City's infrastructure
 - Increasing Public Safety resources

Next Steps

- Further opportunities to provide access and to gain public input are scheduled before final adoption.
 - Council Budget Work Session – Web/Cable Access
 - Web, City Secretary & Library copies of the filed budget provided
 - Public Hearing on the Property Tax Rate/Budget on August 22, 2016 – Web/Cable Access
 - Tax Rate Public Hearing on August 29, 2016
 - Budget Adoption on September 12, 2016

