

# **BOND PACKAGE DEVELOPMENT OVERVIEW**

**CITIZENS' BOND COMMITTEE**

**MARCH 20, 2014**

# BOND PROGRAM PRINCIPLES



BOND ISSUANCE PROVIDES FOR SYSTEMATIC INVESTMENT IN CITY ASSETS FOR MAINTENANCE, STRENGTH, & GROWTH

SIMILAR PROCESS TO REGULAR HOMEOWNER MAINTENANCE & INVESTMENT IN PROPERTY

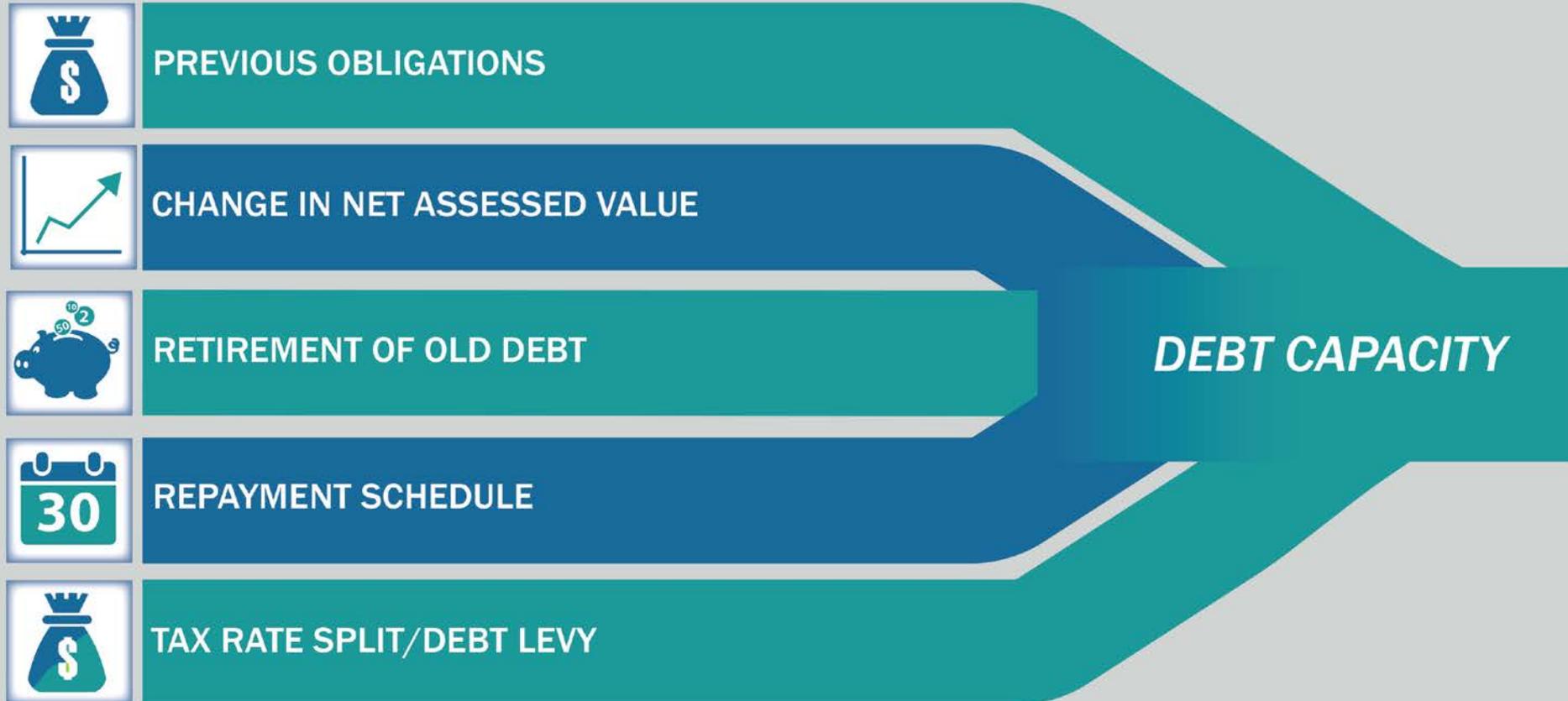


MAINTAINING & IMPROVING ASSETS YIELDS LASTING VALUE

CITY'S CONSERVATIVE FINANCIAL PRINCIPLES ALLOW FOR REGULAR BOND PROGRAMS (3-5 YEARS)

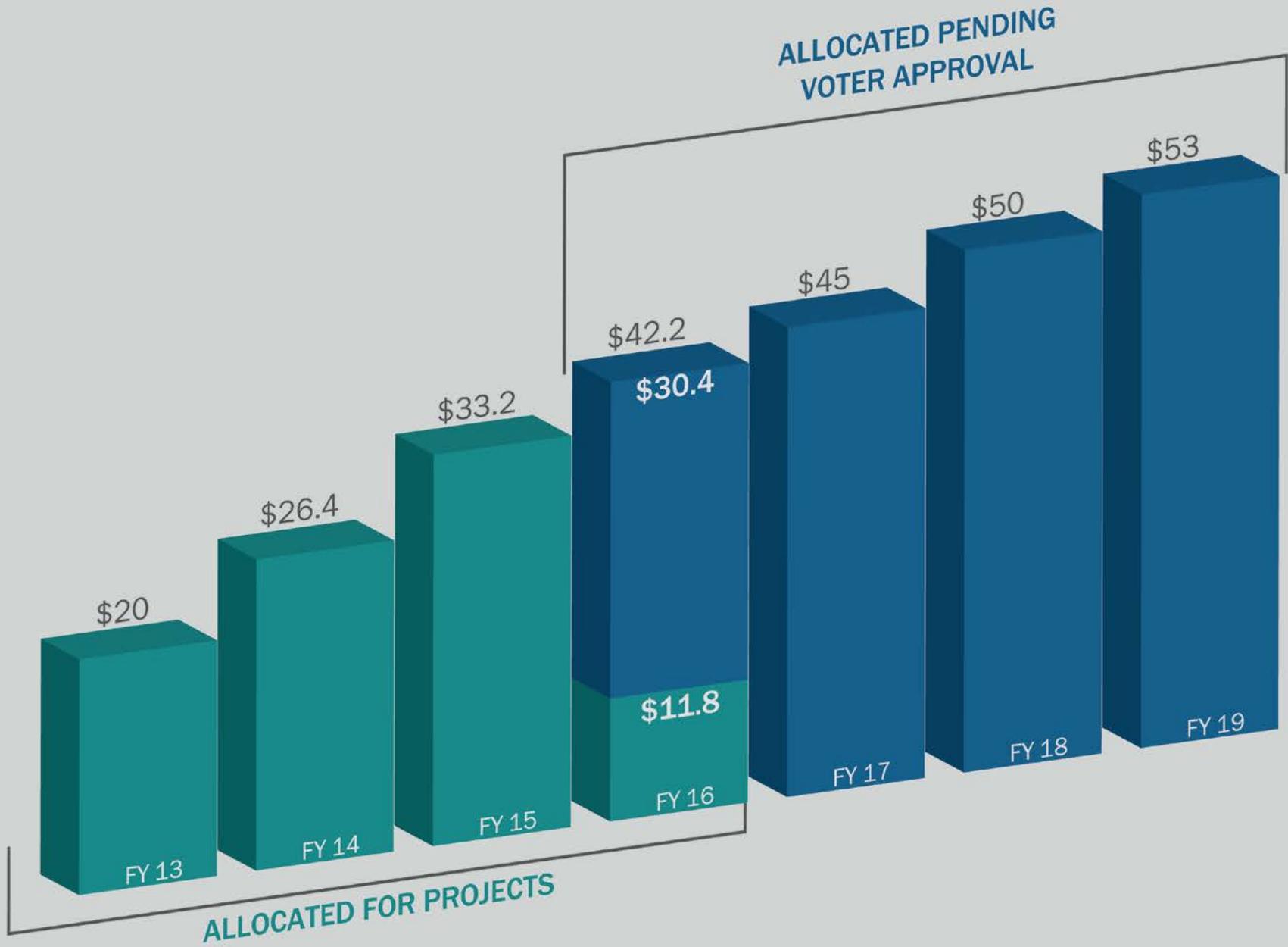
ASSETS MAINTAINED ON A SCHEDULE MAXIMIZES THEIR USEFUL LIFE

# FACTORS DETERMINING DEBT CAPACITY

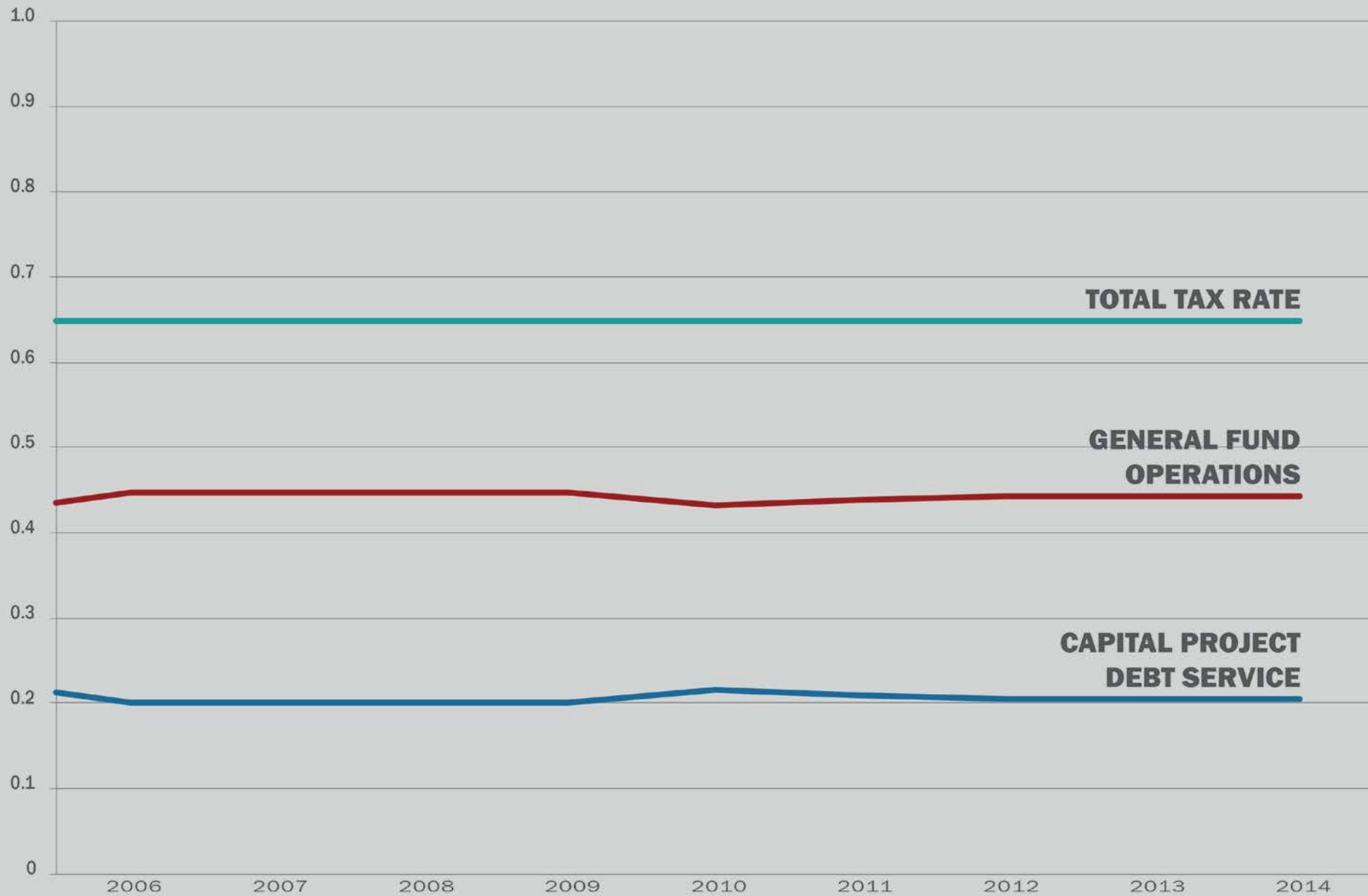


# DEBT CAPACITY

(IN MILLIONS OF DOLLARS)



# HISTORIC TAX RATE

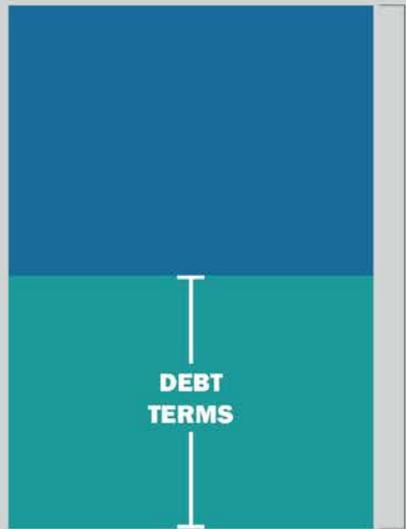


**WE ARE ABLE TO MAINTAIN STRATEGIC INVESTMENT IN OUR COMMUNITY WITH A CONSERVATIVE LEVEL OF DEBT.**

# FINANCIAL PRINCIPLES AND TRANSPARENCY

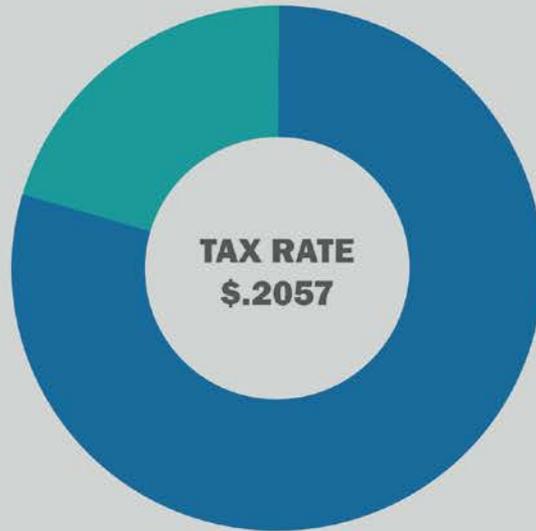
## DEBT TERMS

DEBT TERMS DO NOT EXCEED THE EXPECTED LIFE OF THE ASSET



USEFUL LIFE OF ASSET

## CURRENT TAX RATE FOR DEBT SERVICES



## GO BOND RATINGS

MOODY'S	S&P	FITCH
Aaa	<b>AAA</b>	AAA
<b>Aa</b>	AA	<b>AA</b>
A	A	A
Baa	BBB	BBB
Ba	BBB-	BB
B	BB+	B
Caa	BB	CCC
Ca	B	CC
C	CCC	C
	CC	D
	C	NR
	D	



TOTAL DEBT/TOTAL AD VALOREM TAX BASE:  
 $<2\%$



DEBT EXPENDITURES/(GENERAL FUND EXPENDITURES + DEBT SERVICE EXPENDITURES)  
 $<20\%$



TOTAL DEBT PER CAPITA

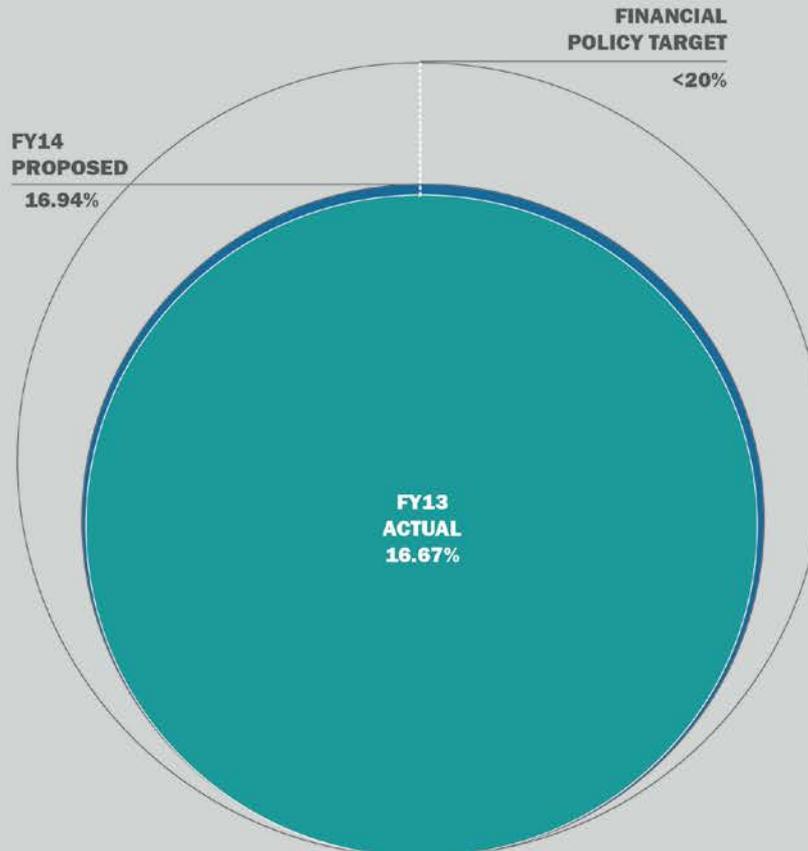
# KEY FINANCIAL POLICIES

## TREASURY PERFORMANCE MEASURES (YEAR'S END)

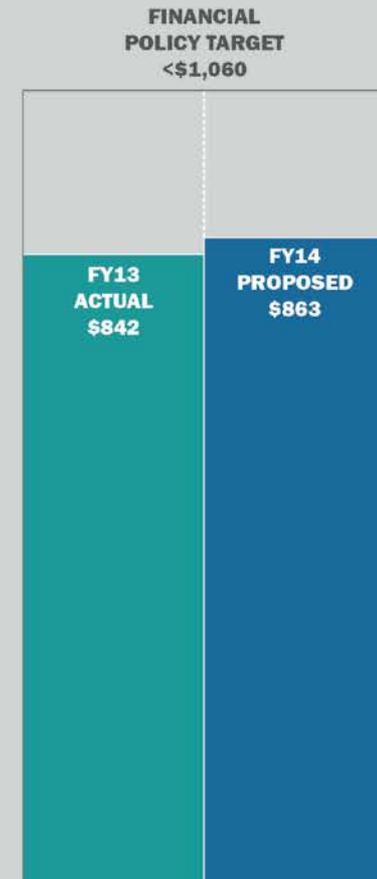
### NET DEBT TO ASSESSED VALUATION



### DEBT SERVICE EXPENDITURES TO TOTAL EXPENDITURES



### NET TAX-SUPPORTED DEBT PER CAPITA



# FINANCIAL PRINCIPLES AND TRANSPARENCY

## STRONG PRAISE FROM RATINGS AGENCIES

“Resilient tax base” and “Prudent financial policies.” - *Fitch Ratings*

“Strong debt management practices.” - *Moody's*

“Diverse and stable revenue stream.” - *S & P*

## NATIONAL PURCHASING INSTITUTE

ACHIEVEMENT OF EXCELLENCE IN PROCUREMENT AWARD FOR THE 10TH YEAR



## TEXAS COMPTROLLER

GOLD LEADERSHIP AWARD FOR FINANCIAL TRANSPARENCY FOR THE 4TH YEAR



## GOVERNMENT FINANCE OFFICERS ASSOCIATION

CERTIFICATE FOR OUTSTANDING ACHIEVEMENT IN POPULAR ANNUAL FINANCIAL REPORTING (PAFR) FOR THE 5TH YEAR



## GOVERNMENT FINANCE OFFICERS ASSOCIATION

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING (CAFR) FOR THE 35TH YEAR



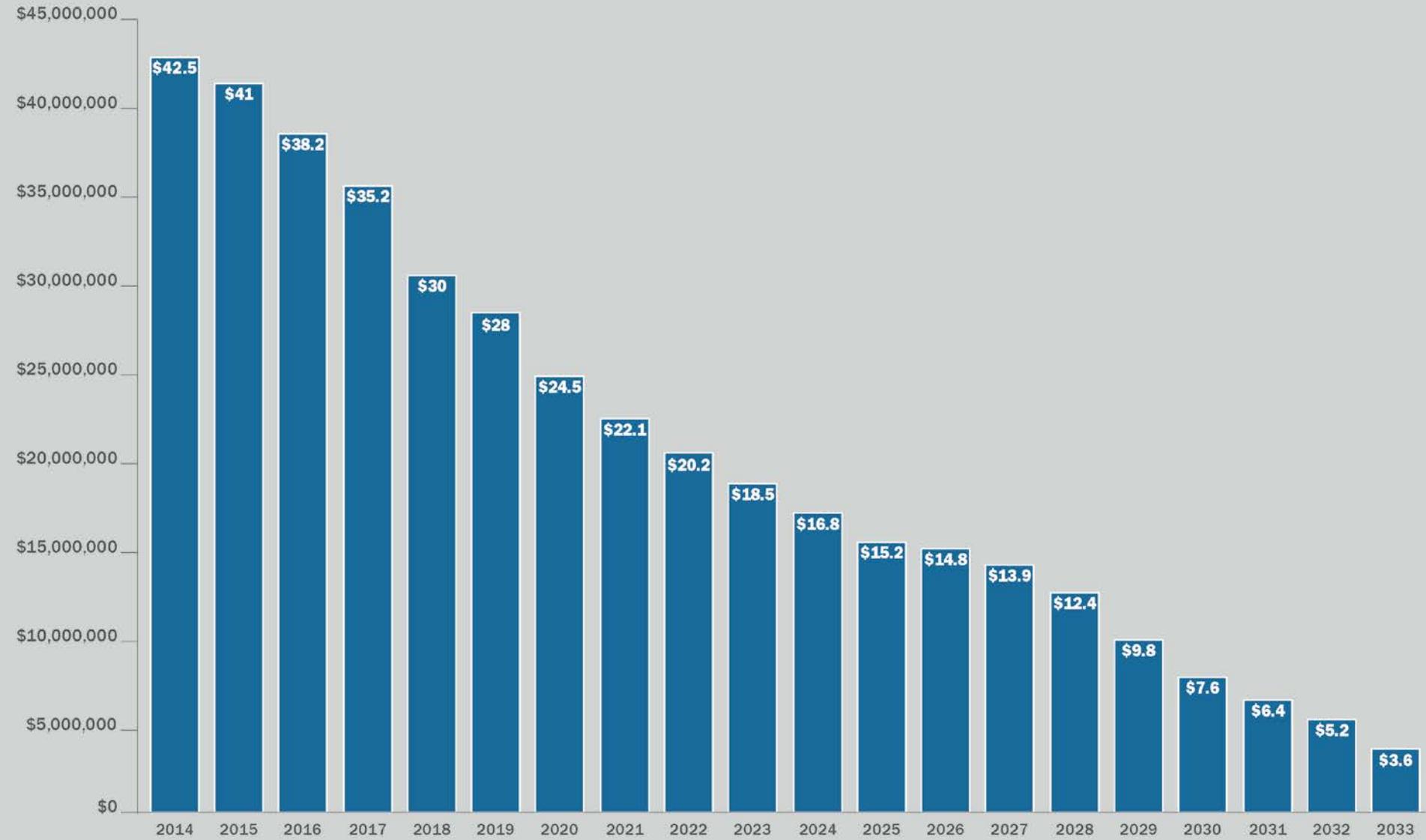
## GOVERNMENT FINANCE OFFICERS ASSOCIATION

DISTINGUISHED BUDGET PRESENTATION FOR THE 25TH YEAR



# PRINCIPAL REDUCTION OVER TIME

(IN MILLION DOLLARS)

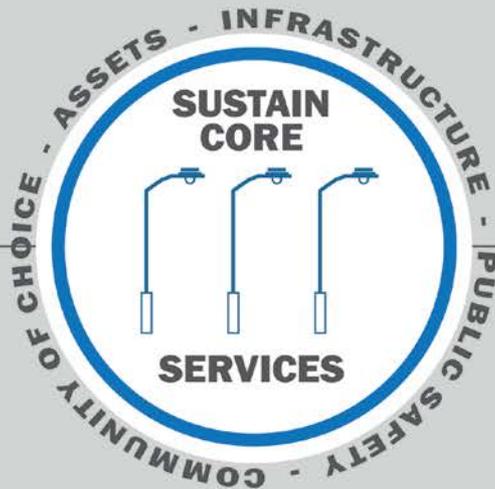


# CITIZENS' BOND COMMITTEE CHARGE AND RESPONSIBILITIES

## COMMITTEE CHARGE

TO RECOMMEND A PRIORITIZED LIST OF APPROXIMATELY  
\$190M IN CAPITAL PROJECTS TO CITY COUNCIL

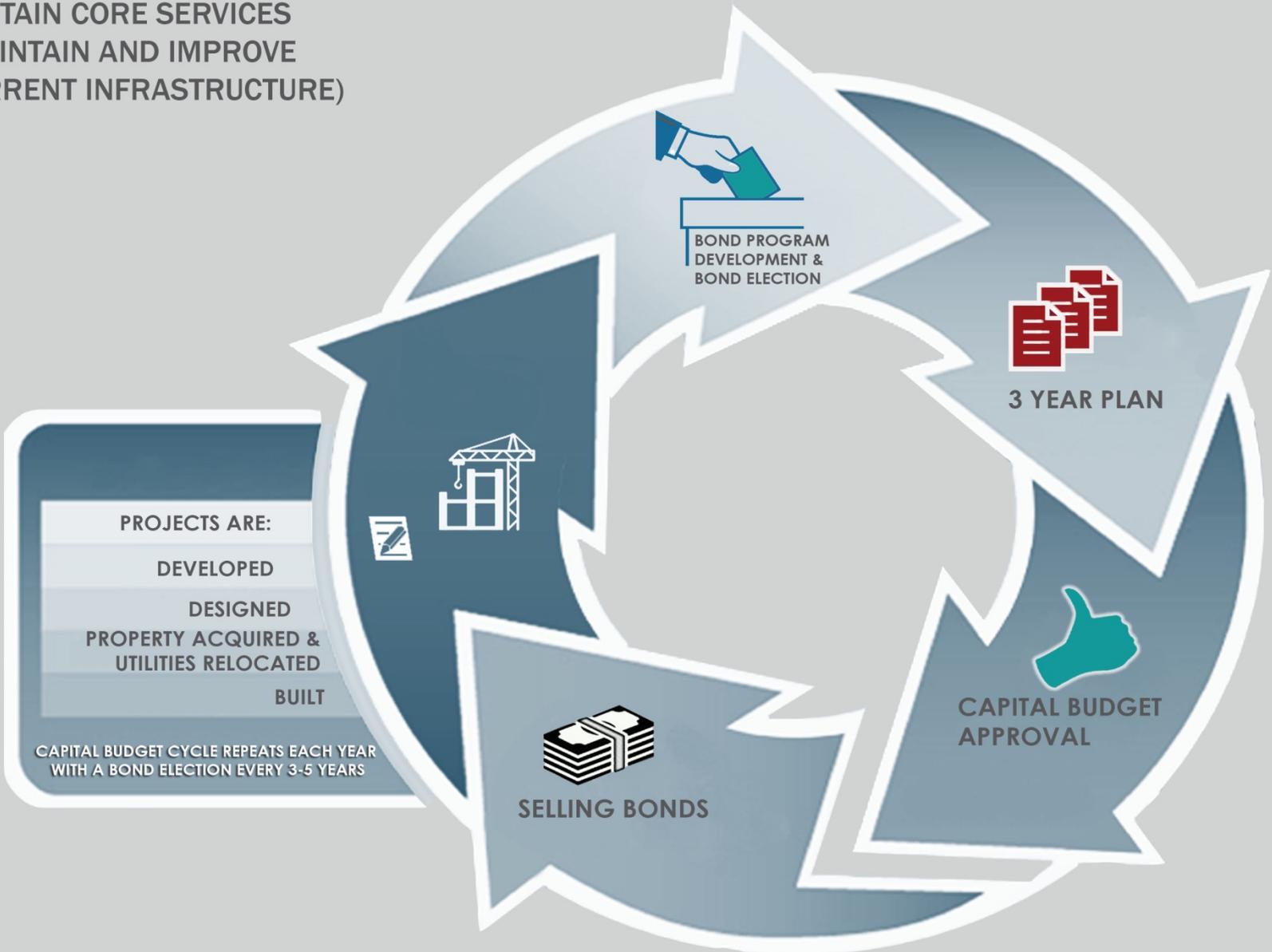
# 2014 CITY COUNCIL PRIORITIES



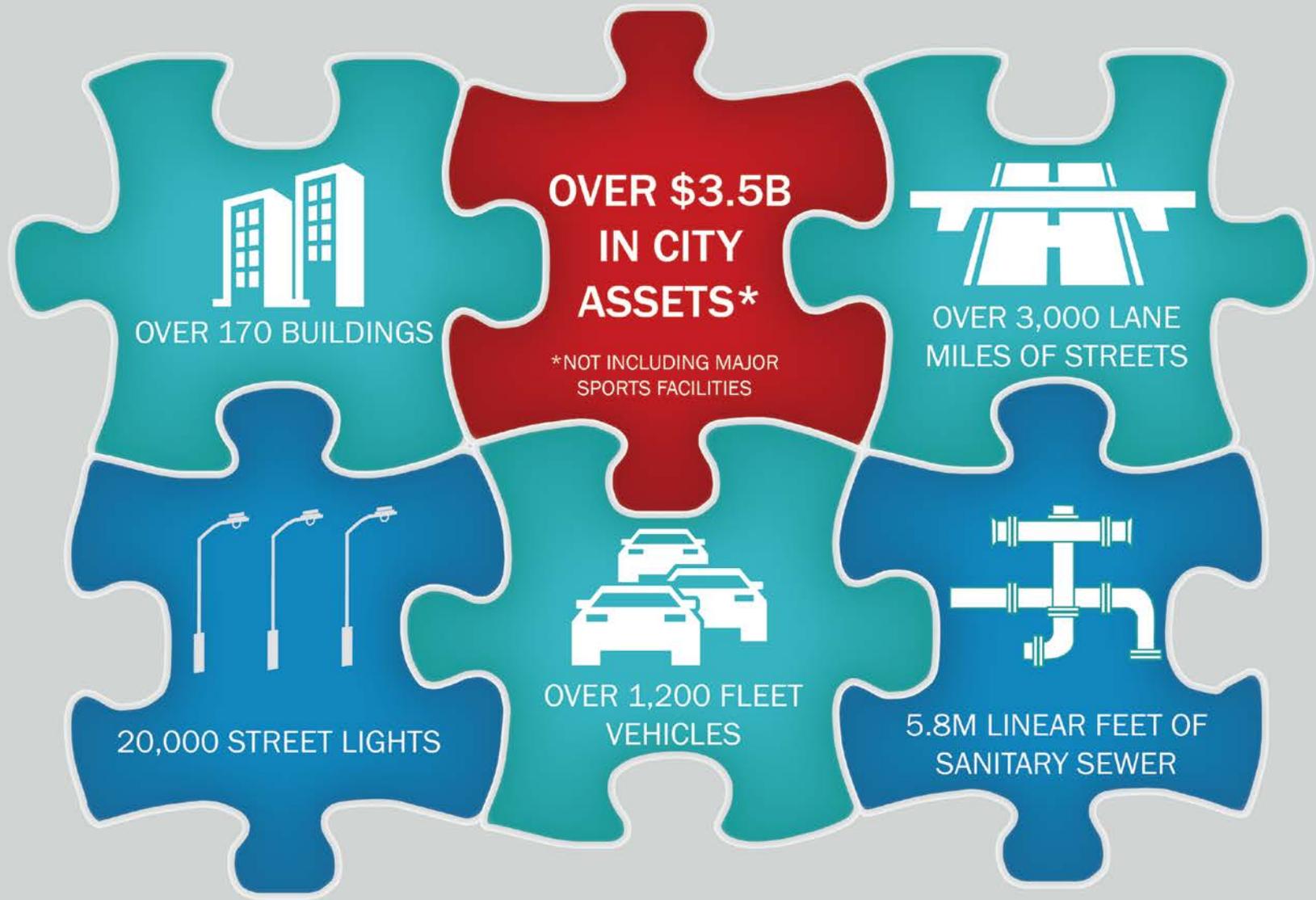


# CAPITAL PROGRAM CYCLE

CITY COUNCIL PRIORITY:  
SUSTAIN CORE SERVICES  
(MAINTAIN AND IMPROVE  
CURRENT INFRASTRUCTURE)



# CITY ASSETS



**OVER \$3.5B  
IN CITY  
ASSETS\***

\*NOT INCLUDING MAJOR  
SPORTS FACILITIES

OVER 170 BUILDINGS

OVER 3,000 LANE  
MILES OF STREETS

20,000 STREET LIGHTS

OVER 1,200 FLEET  
VEHICLES

5.8M LINEAR FEET OF  
SANITARY SEWER



# FUNDING SOURCES FOR CAPITAL PROJECTS

**VOTER APPROVED  
SALES TAX**

**BONDS**

**SITE-BASED  
INCENTIVES**

**COMMUNITY  
DEVELOPMENT BLOCK  
GRANT FUNDS**

**PARK  
FEES**

**STORM  
WATER  
FEES**

**IMPACT  
FEES**

# CITIZENS' BOND COMMITTEE RESOURCES

CITY OF ARLINGTON  
BUSINESS PLAN  
APPLICATION

PARKS  
MASTER  
PLAN

THOROUGHFARE  
DEVELOPMENT  
PLAN

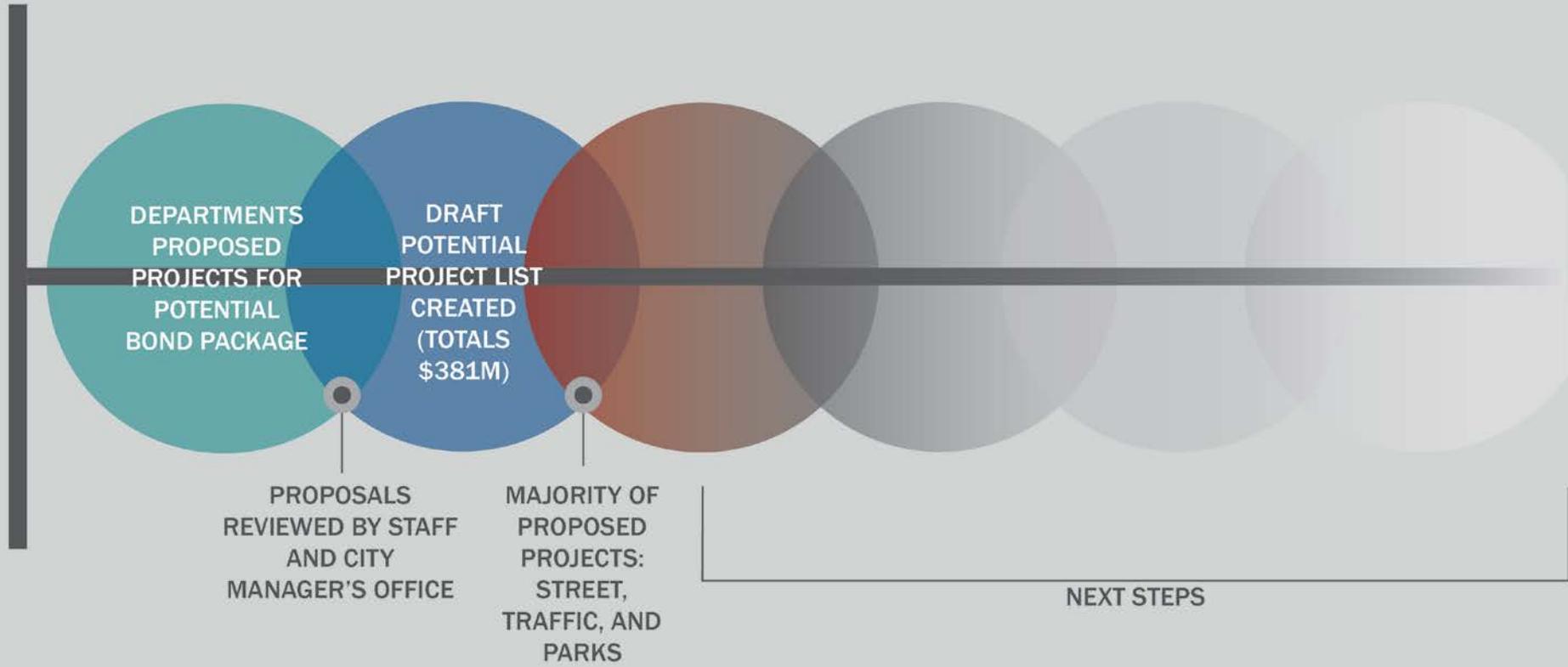
HIKE AND BIKE  
PLAN



# SUMMARY: THOROUGHFARE DEVELOPMENT PLAN AND PARKS MASTER PLAN

	PARKS MASTER PLAN HIGHLIGHTS		THOROUGHFARE DEVELOPMENT PLAN
	ADOPTED	PENDING UPDATE	
<b>INVEST</b>	RECREATION CENTERS AND EXISTING PARKS		REGULAR MAINTENANCE AND ROADWAY REBUILD
<b>CONSTRUCT</b>		(ADD TO) RIVER LEGACY TRAIL	243 ADDITIONAL LANE MILES BY 2030 TO ACCOMODATE CITY GROWTH
<b>DEVELOP</b>	LINEAR AND NEIGHBORHOOD PARKS	MULTI-GENERATIONAL RECREATION CENTER AND SOUTH EAST RECREATION CENTER	
<b>REPLACE</b>		HUGH SMITH RECREATION CENTER	
<b>RENOVATE</b>	LINEAR AND NEIGHBORHOOD PARKS	HAROLD PATTERSON SPORTS CENTER AND DITTO GOLF COURSE	
<b>ACQUIRE</b>	LINEAR AND NEIGHBORHOOD PARKS		

# PROCESS TO DATE



DEPARTMENTS  
PROPOSED  
PROJECTS FOR  
POTENTIAL  
BOND PACKAGE

DRAFT  
POTENTIAL  
PROJECT LIST  
CREATED  
(TOTALS  
\$381M)

PROPOSALS  
REVIEWED BY STAFF  
AND CITY  
MANAGER'S OFFICE

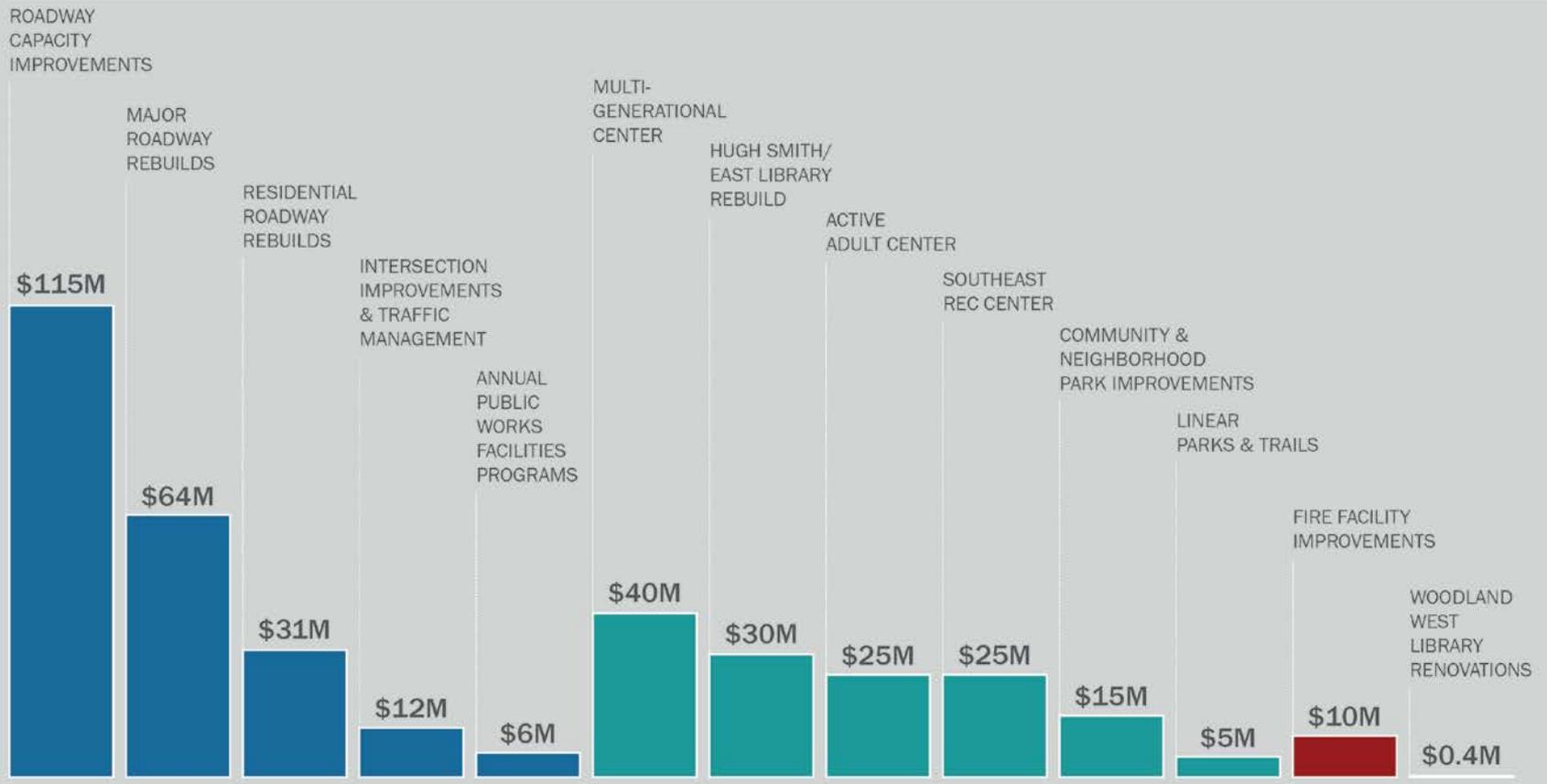
MAJORITY OF  
PROPOSED  
PROJECTS:  
STREET,  
TRAFFIC, AND  
PARKS

NEXT STEPS

# PRELIMINARY BOND PROJECT INFORMATION

\$190M\*

## MAJOR PROJECTS UNDER CONSIDERATION



\*EXPECTED CAPACITY FOR AN UPCOMING 4-YEAR BOND PROGRAM

## COMMITTEE SCHEDULE

### MARCH

**Thursday, March 20, 6 P.M.**

Bond Election and Project Prioritization Process Overview

**Thursday, March 27, 6 P.M.**

Public Works and Transportation Proposed Projects

### APRIL

**Thursday, April 3, 6 P.M.**

Parks and Recreation Proposed Projects

**Thursday, April 10, 6 P.M.**

Remaining Proposed Projects

**Friday, April 11, 8 a.m.-1:30 P.M.**

Tour of Project Locations and Facilities

**Tuesday, April 15, 6 P.M.**

Public Meeting: Project Prioritization Process Overview

**Thursday, April 17, 6 P.M.**

Project Prioritization

**Thursday, April 24, 6 P.M.**

Project Prioritization, contd

### MAY

**Thursday, May 15, 6 P.M.**

Final Recommendations

**Thursday, May 22, 6 P.M.**

Public Meeting: Final Recommendations

**Tuesday, May 27**

Final Project List Presented to Council for Consideration/Discussion

### JUNE

**Tuesday, June 10**

Council Approves Final Bond Package

### JULY

**TBD**

Voter Guided Bond Propositions Developed

### AUGUST

**Tuesday, August 19**

City Council Calls Elections for November 4

### NOVEMBER

**Tuesday, November 4**

Election Day

### MARCH

**Thursday, March 27**

Committee will hear about project specifics from each department, will ask questions, and have an opportunity to add projects not yet considered

### APRIL

**April 3 & 10**

Committee will hear about project specifics from each department, will ask questions, and have an opportunity to add projects not yet considered.

**April 11**

Tour of selected facilities

**April 15**

Public meeting to introduce potential projects, foster community discussion, and receive input

**April 17 & 24**

Prioritization - Work on ranking and eliminating projects to approach the \$190M target

### JUNE

**June 10**

Council reviews bond project list put forth by committee

**June 24**

Council approves final project list.

### MAY

**May 15**

Final recommendations are determined

**May 22**

Public meeting to present final recommendations

**May 27**

Council reviews bond project list put forth by committee

## COMMITTEE PROCESS & COMMUNICATION

# NEXT STEPS

