



**TOWN OF SUNNYVALE
SUNNYVALE TOWN COUNCIL
SPECIAL MEETING
COUNCIL CHAMBERS
127 N. COLLINS RD.
MONDAY, AUGUST 15, 2016
6:00 P.M.**

CALL MEETING TO ORDER

Mayor calls the Workshop to order, state the date and time. State Councilmember's present and declare a quorum present.

1. DISCUSS PROPOSED FISCAL YEAR 2016-2017 OPERATING BUDGET.

ADJOURN

ALL LOCATIONS IDENTIFIED ARE IN THE TOWN OF SUNNYVALE UNLESS OTHERWISE INDICATED. FOR A DETAILED PROPERTY DESCRIPTION, PLEASE CONTACT THE BUILDING OFFICIAL AT TOWN HALL. ALL ITEMS ON THE AGENDA ARE FOR POSSIBLE DISCUSSION AND ACTION. PLEASE TURN OFF ALL TELEPHONES AND HANDHELD COMMUNICATION DEVICES WHILE IN ATTENDANCE AT THIS MEETING.

THE SUNNYVALE TOWN COUNCIL RESERVES THE RIGHT TO ADJOURN INTO EXECUTIVE SESSION AT ANY TIME DURING THE COURSE OF THIS MEETING TO DISCUSS ANY OF THE MATTERS LISTED ABOVE, AS AUTHORIZED BY TEXAS GOVERNMENT CODE SECTION 551.071 (CONSULTATION WITH ATTORNEY), 551.072 (DELIBERATION ABOUT REAL PROPERTY), 551.073 (DELIBERATIONS ABOUT GIFTS AND DONATIONS), 551.074 (PERSONNEL MATTERS), 551.076 (DELIBERATIONS ABOUT SECURITY DEVICES), AND 551.087 (ECONOMIC DEVELOPMENT).

THE TOWN OF SUNNYVALE IS COMMITTED TO COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT (ADA). REASONABLE ACCOMMODATIONS AND EQUAL ACCESS TO COMMUNICATIONS WILL BE PROVIDED TO THOSE WHO PROVIDE NOTICE TO THE DIRECTOR OF COMMUNITY SERVICES AT 972-226-7177 AT LEAST 48 HOURS PRIOR TO THE MEETING.

I HEREBY CERTIFY THAT THE FOREGOING NOTICE WAS POSTED ON AUGUST 12, 2016, IN THE FOLLOWING LOCATION AND REMAINED SO POSTED CONTINUOUSLY FOR AT LEAST 72 HOURS PRECEDING THE SCHEDULED TIME OF SAID MEETING:

TOWN HALL AT 127 N. COLLINS ROAD

LESLIE BLACK, TOWN SECRETARY

Tax Impact Analysis

Assumptions

- Taxable Assessed Valuation \uparrow 4.82% then decreasing to .50% by year 2041.
- \$4,676,000 proceeds Collins Road Phase 1 issued October 2016.
- \$12,400,000 proceeds Collins Road Phase 2 issued February 2021.
- No Dallas County participation on Phase 2.
- 45% of Tax Levy supports M&O expenses.
- 5% growth in expenses year over year.

Schedule 1 - 8.10.2016
Town of Sunnyvale, Texas

Tax Rate Impact Analysis

\$4,676,000 Proceeds (Collins Phase 1) - Series 2016 Certificates of Obligation - 20 year Repayment

\$12,400,000 Proceeds (Collins Phase 2) - Series 2021 Certificates of Obligation - 20 year Repayment

A	B	C	D	E			H	I		K	L		M	N
				Principal	Interest	Debt Service		Tax Supported Debt Service	Calculated I&S Tax Rate ⁽¹⁾		Series 2021 \$12,400,000 2/15/21 - 5.00% Debt Service	Tax Supported Debt Service		
			Existing Net Tax Supported Debt Service	Preliminary \$4,765,000 - Series 2016 10/13/2016 - 3.47%			less: Town Contribution or Cap. Interest	Aggregate Tax Supported Debt Service	Calculated I&S Tax Rate ⁽¹⁾	Preliminary Series 2021 \$12,400,000 2/15/21 - 5.00% Debt Service	Aggregate w/ Phase 2 Tax Supported Debt Service	Calculated I&S Tax Rate ⁽¹⁾		
FYE	Taxable Assessed Valuation	Growth		Principal	Interest	Debt Service								FYE
2016	\$ 924,290,314		\$ 670,668	\$ -	\$ -	\$ -	\$ -	\$ 670,668	0.0688		\$ 670,668	0.0688	2016	
2017	968,806,647	4.82%	691,361	-	133,908	133,908	180,927	646,542	0.0688		646,542	0.0688	2017	
2018	1,022,091,013	5.50%	697,882	-	162,010	162,010	177,789	682,103	0.0688		682,103	0.0688	2018	
2019	1,068,083,108	4.50%	416,618	133,000	139,715	294,715	-	711,333	0.0687		711,333	0.0687	2019	
2020	1,116,148,938	4.50%	408,986	150,000	154,870	304,870	-	713,856	0.0659		713,856	0.0659	2020	
2021	1,160,794,896	4.00%	420,071	145,000	149,855	294,855	-	714,926	0.0635	\$ -	714,926	0.0635	2021	
2022	1,207,226,691	4.00%	291,774	210,000	143,820	353,820	-	645,594	0.0551	834,123 ⁽²⁾	1,499,719	0.1281	2022	
2023	1,249,479,626	3.50%	295,627	215,000	136,593	351,593	-	647,222	0.0534	904,730	1,551,972	0.1281	2023	
2024	1,293,211,412	3.50%	300,065	220,000	129,200	349,200	-	649,265	0.0518	900,500	1,549,765	0.1235	2024	
2025	1,323,541,698	2.50%	305,782	220,000	121,720	341,720	-	647,502	0.0504	905,500	1,553,002	0.1208	2025	
2026	1,338,680,240	2.50%	311,993	220,000	114,240	334,240	-	646,235	0.0490	904,623	1,550,860	0.1177	2026	
2027	1,379,060,444	1.50%	310,691	230,000	106,590	336,590	-	647,281	0.0484	903,000	1,550,281	0.1159	2027	
2028	1,399,746,350	1.50%	311,233	240,000	98,600	338,600	-	649,835	0.0479	900,623	1,550,460	0.1142	2028	
2029	1,406,743,082	0.50%	84,562	310,000	89,250	399,250	-	483,812	0.0355	1,068,123	1,551,937	0.1137	2029	
2030	1,413,778,808	0.50%	83,282	320,000	78,540	398,540	-	481,822	0.0351	1,070,123	1,551,947	0.1132	2030	
2031	1,420,847,702	0.50%	83,692	330,000	67,490	397,490	-	481,182	0.0349	1,070,623	1,551,807	0.1126	2031	
2032	1,427,951,940	0.50%		340,000	56,100	396,100	-	396,100	0.0286	1,157,373	1,553,475	0.1122	2032	
2033	1,433,091,700	0.50%		350,000	44,370	394,370	-	394,370	0.0283	1,153,250	1,549,620	0.1113	2033	
2034	1,442,267,138	0.50%		365,000	32,213	397,213	-	397,213	0.0284	1,156,250	1,553,465	0.1110	2034	
2035	1,449,478,494	0.50%		375,000	19,633	394,633	-	394,633	0.0281	1,153,250	1,549,885	0.1102	2035	
2036	1,436,723,887	0.50%		390,000	6,630	396,630	-	396,630	0.0281	1,157,123	1,553,755	0.1100	2036	
2037	1,464,009,316	0.50%								1,132,373	1,132,375	0.0797	2037	
2038	1,471,329,364	0.50%								1,131,000	1,131,000	0.0792	2038	
2039	1,478,686,211	0.50%								1,127,373	1,127,375	0.0786	2039	
2040	1,486,079,643	0.50%								1,131,250	1,131,250	0.0785	2040	
2041	1,493,510,041	0.50%								1,127,500	1,127,500	0.0778	2041	
			\$ 3,684,492	\$ 4,765,000	\$ 2,007,333	\$ 6,772,333	\$ 358,716	\$ 12,098,130		\$ 20,912,730	\$ 33,010,880			

(1) Tax collection percentage: 97.0%. Actual FY 2016 tax rate.

(2) Includes capitalized interest.

Maximum project I&S rate: 0.1281
Increase above FY 2016 I&S rate: 0.0593

FYE	Taxable Assessed Valuation	Current Rate	I&S Tax Rate	M&O Tax Rate	M&O Tax Revenue	I&S Tax Revenue	M&O Expenses 5% Growth	Prop. Tax Expense Coverage 45%	Tax Change			
2016	924290514	0.407962	0.0688	0.339207	3,135,258	635,496	7,443,539	3,349,593	0.339207	0.407962		
2017	968806647	0.407962	0.0688	0.339207	3,286,260	666,103	7,015,411	3,156,935	0.331381	0.400136	(0.008)	(27.39)
2018	1022091013	0.407962	0.0688	0.339207	3,467,004	702,739	7,366,182	3,314,782	0.324314	0.393069	(0.015)	(52.13)
2019	1068085108	0.407962	0.0688	0.339207	3,623,019	734,362	7,734,491	3,480,521	0.325865	0.394620	(0.013)	(46.70)
2020	1116148938	0.407962	0.0659	0.342062	3,817,921	735,542	8,121,215	3,654,547	0.327425	0.393325	(0.015)	(51.23)
2021	1160794896	0.407962	0.0635	0.344462	3,998,497	737,105	8,527,276	3,837,274	0.330573	0.394073	(0.014)	(48.61)
2022	1207226691	0.407962	0.1281	0.279862	3,378,569	1,546,457	8,953,640	4,029,138	0.333752	0.461852	0.054	188.61
2023	1249479626	0.407962	0.1281	0.279862	3,496,819	1,600,583	9,401,322	4,230,595	0.338589	0.466689	0.059	205.54
2024	1293211412	0.407962	0.1235	0.284462	3,678,695	1,597,116	9,871,388	4,442,125	0.343496	0.466996	0.059	206.62
2025	1325541698	0.407962	0.1208	0.287162	3,806,452	1,601,254	10,364,957	4,664,231	0.351874	0.472674	0.065	226.49
2026	1358680240	0.407962	0.1177	0.290262	3,943,732	1,599,167	10,883,205	4,897,442	0.360456	0.478156	0.070	245.68
2027	1379060444	0.407962	0.1159	0.292062	4,027,712	1,598,331	11,427,365	5,142,314	0.372885	0.488785	0.081	282.88
2028	1399746350	0.407962	0.1142	0.293762	4,111,923	1,598,510	11,998,734	5,399,430	0.385743	0.499943	0.092	321.94
2029	1406745082	0.407962	0.1137	0.294262	4,139,516	1,599,469	12,598,670	5,669,402	0.403016	0.516716	0.109	380.64
2030	1413778808	0.407962	0.1132	0.294762	4,167,283	1,600,398	13,228,604	5,952,872	0.421061	0.534261	0.126	442.05
2031	1420847702	0.407962	0.1126	0.295362	4,196,644	1,599,875	13,890,034	6,250,515	0.439915	0.552515	0.145	505.93
2032	1427951940	0.407962	0.1122	0.295762	4,223,339	1,602,162	14,584,536	6,563,041	0.459612	0.571812	0.164	573.48
2033	1435091700	0.407962	0.1113	0.296662	4,257,372	1,597,257	15,313,762	6,891,193	0.480192	0.591492	0.184	642.35
2034	1442267158	0.407962	0.111	0.296962	4,282,985	1,600,917	16,079,451	7,235,753	0.501693	0.612693	0.205	716.56
2035	1449478494	0.407962	0.1102	0.297762	4,315,996	1,597,325	16,883,423	7,597,540	0.524157	0.634357	0.226	792.38
2036	1456725887	0.407962	0.11	0.297962	4,340,490	1,602,398	17,727,594	7,977,417	0.547627	0.657627	0.250	873.83
2037	1464009516	0.407962	0.0797	0.328262	4,805,787	1,166,816	18,613,974	8,376,288	0.572147	0.651847	0.244	853.60
2038	1471329564	0.407962	0.0792	0.328762	4,837,173	1,165,293	19,544,673	8,795,103	0.597766	0.676966	0.269	941.51
2039	1478686211	0.407962	0.0786	0.329362	4,870,230	1,162,247	20,521,906	9,234,858	0.624531	0.703131	0.295	1,033.09
2040	1486079643	0.407962	0.0785	0.329462	4,896,068	1,166,573	21,548,002	9,696,601	0.652495	0.730995	0.323	1,130.62
2041	1493510041	0.407962	0.0778	0.330162	4,931,003	1,161,951	22,625,402	10,181,431	0.681712	0.759512	0.352	1,230.42
							Amended 15-16		Actual Rate	Actual Rate		
							Original Proposed 16-17		Effective 16-17	Proposed		

Does not included November 2014 Bond Authorized but unissued.

Fund Balance Analysis Assumptions

- M & O Rate = Effective Rate = .331381
- Original Proposed Expenses
- Does not included any supplemental
- Unassigned Fund Balance = \$4,112,105
- 214 Days
- Balanced budget

Effective Rate

Proposed 2016-2017 Budget

General Fund Balance Summary

	History	Budget	Proposed				
	2015 Actual	2016 Budget	2016-2017	% Change			
Beginning Fund Balance	4,484,644	5,175,184	4,754,335	-8%			
Revenues							
Operating Revenue	5,958,557	6,805,690	6,552,969	-4%			
Special Assessment	0	0	110,000				
Dallas County 50% Participation			266,000				
Transfer In From Assigned Funds							
Water Transfer In	25,000	25,000	25,000	0%	\$350,000	\$350,000	
4A Transfer In *	12,000	12,000	12,000	0%	\$3,500	\$3,500	
4B Transfer In	80,000	80,000	80,000	0%	0.407962	0.400136	0.007826
Total Revenues	6,075,557	6,922,690	7,045,969	2%	1,428	1,400	\$27
Expenditures							
Supplementals			0				
Operating Expenditures	6,123,166	6,943,539	6,655,411	-4%	968,806,847	968,806,847	
Transfer Out	0	500,000	360,000		9,688,068	9,688,068	
Total Expenditures	6,123,166	7,443,539	7,015,411	-6%	0.407962	0.400136	0.007826
Ending Fund Balance - Assigned	927,269	672,788	672,788	0%	3,833,793	3,760,249	73,544
Ending Fund Balance - Unassigned	3,509,766	3,981,547	4,112,105	3%			
Equivalent Operating Days (Total)	209	195	214				
Percent of Operating Expenses	57%	53%	59%				
Revenue Over/ (Under) Expenditures	(47,609)	(520,849)	30,558				

Fund Balance Analysis Assumptions

180 Days

- M & O Rate = Reduced Rate = .267012 ↓ .07¢
- Reduced revenues by reduction in tax rate.
- Original Proposed Expenses.
- Does not included any supplemental.
- Unassigned Fund Balance = \$3,459,161
- 180 Days
- Balanced budget with support from unassigned fund reserves.

180 Days

Proposed 2016-2017 Budget

General Fund Balance Summary

	History	Budget	Proposed	
	2015 Actual	2016 Budget	Budget	% Change
Beginning Fund Balance	4,484,644	5,175,184	4,754,335	-8%
Revenues				
Operating Revenue	5,958,557	6,805,690	5,900,025	-13%
Special Assessment	0	0	110,000	
Dallas County 50% Participation			266,000	
Transfer In From Assigned Funds				
Water Transfer In	25,000	25,000	25,000	0%
4A Transfer In *	12,000	12,000	12,000	0%
4B Transfer In	80,000	80,000	80,000	0%
Total Revenues	6,075,557	6,922,690	6,393,025	-8%
Expenditures				
Supplementals			0	
Operating Expenditures	6,123,166	6,943,539	6,655,411	-4%
Transfer Out	0	500,000	360,000	
Total Expenditures	6,123,166	7,443,539	7,015,411	-6%
Ending Fund Balance - Assigned	927,269	672,788	672,788	0%
Ending Fund Balance - Unassigned	3,509,766	3,981,547	3,459,161	-13%

Equivalent Operating Days (Total)	209	195	180	
Percent of Operating Expenses	57%	53%	49%	Tax Rate

Revenue Over/ (Under) Expenditures	(47,609)	(520,849)	(622,386)	0.267012	\$350,000	\$350,000	
				<u>0.068755</u>	\$3,500	\$3,500	
				0.335767	0.407962	0.335767	0.072195
							\$
					\$ 1,428	\$ 1,175	253

Fund Balance Analysis Assumptions

200 Days

- M & O Rate = Reduced Rate = .307268 ↓ .03¢
- Reduced revenues by reduction in tax rate.
- Original Proposed Expenses.
- Does not included any supplemental.
- Unassigned Fund Balance = \$3,849,161
- Balanced budget with support from unassigned fund reserves.

200 Days

Proposed 2016-2017 Budget

General Fund Balance Summary

	History	Budget	Proposed				
	2015 Actual	2016 Budget	Budget 2016-2017	% Change			
Beginning Fund Balance	4,484,644	5,175,184	4,754,335	-8%			
Revenues							
Operating Revenue	5,958,557	6,805,690	6,290,025	-8%			
Special Assessment	0	0	110,000				
Dallas County 50% Participation			266,000				
Transfer In From Assigned Funds							
Water Transfer In	25,000	25,000	25,000	0%			
4A Transfer In *	12,000	12,000	12,000	0%			
4B Transfer In	80,000	80,000	80,000	0%			
Total Revenues	6,075,557	6,922,690	6,783,025	-2%			
Expenditures							
Supplementals			0				
Operating Expenditures	6,123,166	6,943,539	6,655,411	-4%			
Transfer Out	0	500,000	360,000				
Total Expenditures	6,123,166	7,443,539	7,015,411	-6%			
Ending Fund Balance - Assigned	927,269	672,788	672,788	0%			
Ending Fund Balance - Unassigned	3,509,766	3,981,547	3,849,161	-3%			
Equivalent Operating Days (Total)	209	195	200				
Percent of Operating Expenses	57%	53%	55%		Tax Rate		
Revenue Over/ (Under) Expenditures	(47,609)	(520,849)	(232,386)	0.307268	\$350,000	\$350,000	
				<u>0.068755</u>	\$3,500	\$3,500	
				0.376023	0.407962	0.376023	
						0.031939	
						\$	
					\$ 1,428	\$ 1,316	112

Possible Project List Funded with Current Fund Balance Reserves

- Completion of Water Tower vs issuing Nov. 2014 Bond.
Not included in supplemental form. \$641,700
- Merit Increase 2016-2017. \$ 22,641
- A/C Equipment replacement plan. \$ 20,000
- ESRI Geographic Information System \$ 14,500
- New Lobby Chairs (4) \$ 2,000
- Board/Commissions Annual Dinner \$ 2,000
- Commercial Plat/Plan File Cabiners (3) \$ 3,700
- EASI File Cabinet \$ 2,600
- Addition Personnel Fire Department TBD