

# **Review of Fire Station No.1 Program**

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# Questions from Last Meeting

- Traffic Incidents at Park Village and SH-5 – none since 2013
- Will both public works and fire use the Mid-site entrance off SH-5 –  
It is possible that TxDOT will require the closure of the existing entrance to add the new entrance
- Review and discuss items included in the estimate that would not potentially have a 30 year life
- Assessment of additional cost to move to Mid-site

# Questions from Last Meeting

- Items included in the construction estimate that would not potentially have a 30 year life:

<u>Item</u>	<u>Cost Estimate</u>
Specialties: dispensers, mirrors, etc.	\$ 43,755
SCBA Station	\$ 41,000
Food Service Equipment	\$ 39,259
Window Treatments	<u>\$ 5,535</u>
Total	\$129,549
Total Cash Funding proposed	\$1,200,000

# Questions from Last Meeting

- **Additional Cost to move to Mid site:**

The delta between the North and Mid sites from 8/18 estimates including, contingency/escalation/fees, was:

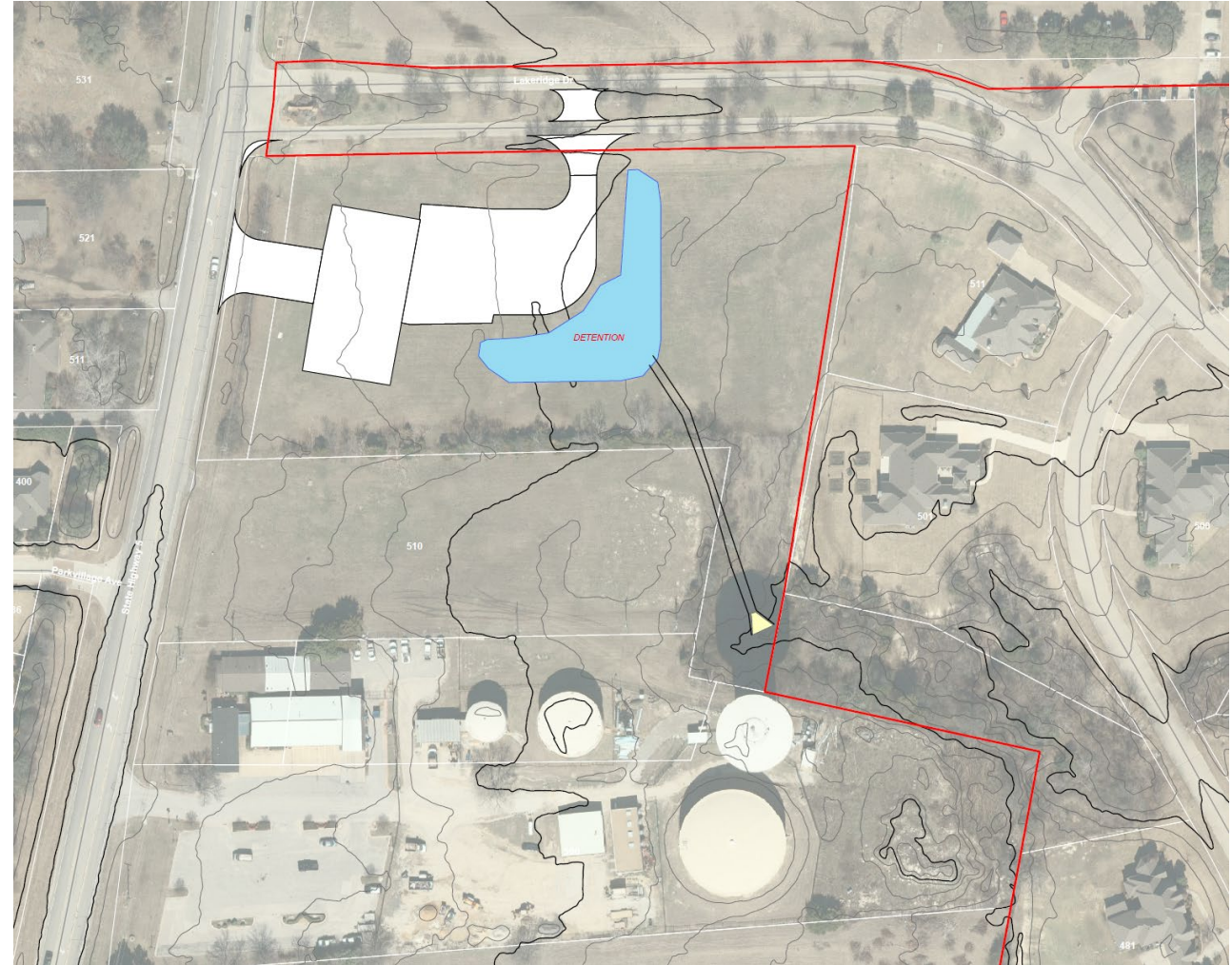
\$218,000 – primarily estimated earthwork including imported soil

\$ 78,000 – reduction in paving from the original north site to the revised north site increased the delta to the mid site

\$296,000 - increased cost estimate for the mid site

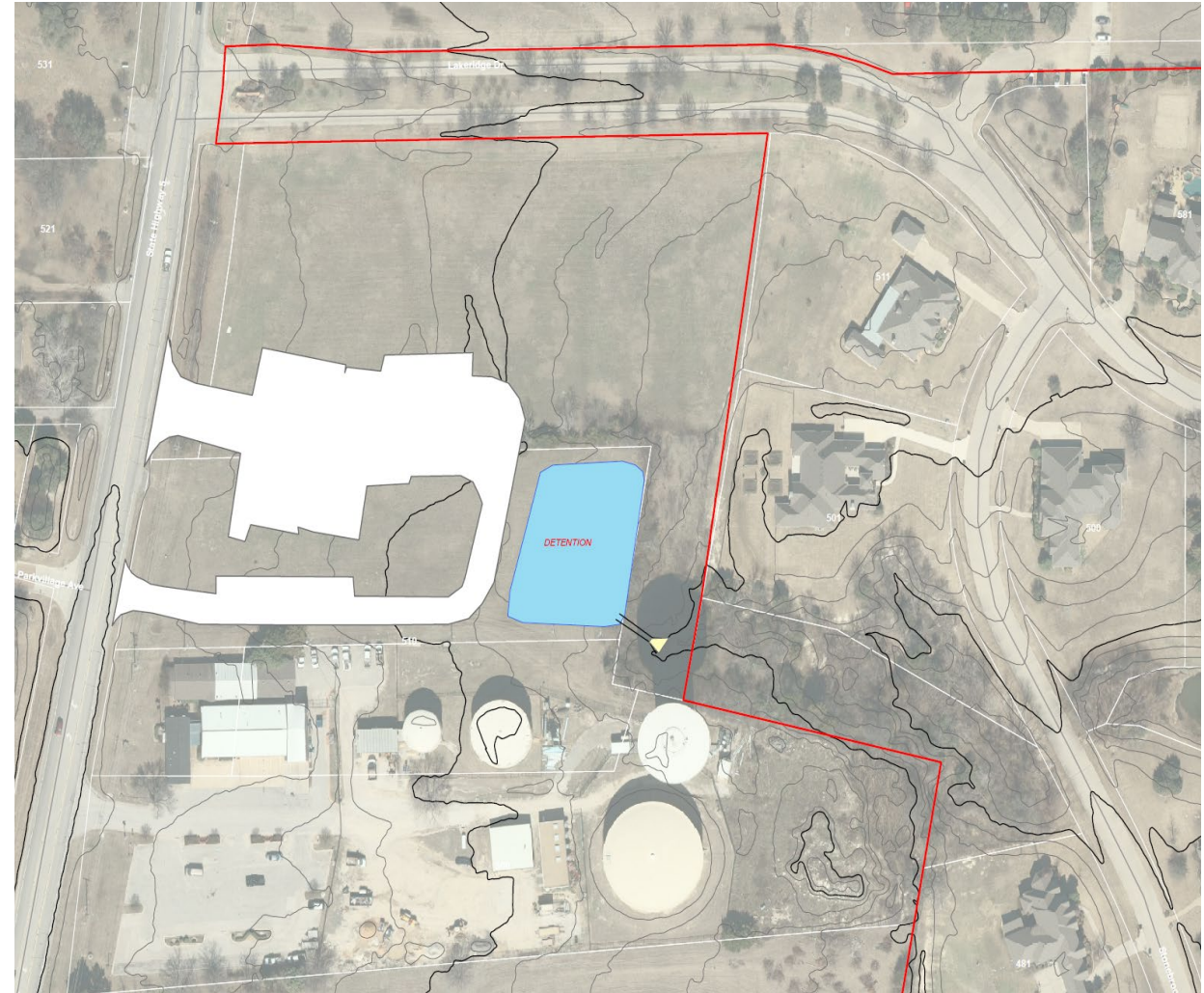
# Construction Options

- North site w/hardened bunker  
OR
- North site w/hardened conference area



# Construction Options

- Mid site w/hardened bunker  
OR
- Mid site w/hardened conference area



# Council Decisions

- Which area to Harden?
  - Bunker Area
  - Conference Room Area
  - Financial Consideration: Conference \$180K > Bunker
  
- Which site for Construction?
  - North Site
  - Mid-Point Site
  - Financial Consideration: Mid-Point \$300K > North Site

# **Cost Alternatives and Related Debt Impacts**



# Options 1 & 2 Total Project Cost from Byrne January 9, 2019 with Issuance Costs and Mid Site Costs Added

<b>Option</b>	<b>Const. Cost</b>	<b>A/E &amp; Owner Cont. 9%</b>	<b>Supplemental Design Fees</b>	<b>Indirect Cost</b>	<b>Total</b>	<b>Estimated issuance Costs</b>	<b>Cost for Mid Site</b>	<b>Project Total</b>	
<u>North</u>									
1 conf.	\$7,421,956	\$667,976	\$250,000	\$160,000	\$8,499,932	\$200,000	\$8,699,932	\$8,700,000	
2 bunker	\$7,240,078	\$651,607	\$250,000	\$160,000	\$8,301,685	\$200,000	\$8,501,685	\$8,500,000	
<u>Mid</u>									
1a conf.							\$296,000	\$8,995,932	\$9,000,000
2a bunker							\$296,000	\$8,797,685	\$8,800,000

# Cost Alternatives and Debt Impacts

	<u>North site w/hardened bunker</u>	<u>North site w/hardened conference</u>	<u>Mid site w/hardened bunker</u>	<u>Mid site w/hardened conference</u>	Compare 20 Yr debt - high @ <u>4.18%</u>	Compare 20 Yr debt – low @ <u>4.18%</u>
<b>Total Project Cost</b>	<b>\$8,500,000</b>	<b>\$8,700,000</b>	<b>\$8,800,000</b>	<b>\$9,000,000</b>	<b>\$9,000,000</b>	<b>\$8,500,000</b>
<b>Subtract:</b>						
<b>Use of CDC Reserve Fund Balance</b>	<b>-\$300,000</b>	<b>-\$300,000</b>	<b>-\$300,000</b>	<b>-\$300,000</b>	<b>-\$300,000</b>	<b>-\$300,000</b>
<b>Use of Town Reserve Fund Balance</b>	<b>-\$900,000</b>	<b>-\$900,000</b>	<b>-\$900,000</b>	<b>-\$900,000</b>	<b>-\$900,000</b>	<b>-\$900,000</b>
<b>Total Amount of Bond Issuance</b>	<b>\$7,300,000</b>	<b>\$7,500,000</b>	<b>\$7,600,000</b>	<b>\$7,800,000</b>	<b>\$7,800,000</b>	<b>\$7,300,000</b>
<b>Annual Debt Service of Bond Issuance - 30 year debt including iss. Costs @ effective interest rate of 4.5%</b>	<b>\$447,000</b>	<b>\$459,000</b>	<b>\$465,000</b>	<b>\$478,000</b>	<b>\$577,000</b>	<b>\$540,000</b>

# Cost Alternatives and Debt Impacts

	North site w/hardened <u>bunker</u>	North site w/hardened <u>conference</u>	Mid site w/hardened <u>bunker</u>	Mid site w/hardened <u>conference</u>	Compare 20 Yr debt - <u>high</u>	Compare 20 Yr debt <u>- low</u>
<b>Annual Debt Service of Bond Issuance - 30 year debt including iss. Costs @ effective interest rate of 4.5%</b>	\$447,000	\$459,000	\$465,000	\$478,000	\$577,000	\$540,000
<b>Sources of Annual Debt Payments:</b>						
<b>CDC Funds</b>	-\$100,000	-\$100,000	-\$100,000	-\$100,000	-\$100,000	-\$100,000
<b>Tax Increment Financing (TIF) Funds</b>	-\$75,000	-\$75,000	-\$75,000	-\$75,000	-\$75,000	-\$75,000
<b>Remaining Debt Service Balance</b>	\$272,000	\$284,000	\$290,000	\$303,000	\$402,000	\$365,000
<b>General Fund Adjustments :</b>						
<b>Shift to Utility Fund</b>	-\$200,000	-\$200,000	-\$200,000	-\$200,000	-\$200,000	-\$200,000
<b>Deduction of Building Rental</b>	-\$44,000	-\$44,000	-\$44,000	-\$44,000	-\$44,000	-\$44,000
<b>Use of GF operating budget</b>	\$28,000	\$40,000	\$46,000	\$59,000	\$158,000	\$121,000
<b>OR</b>						
<b>Tax Increase (1 cent = app \$185,000)</b>	\$0.0015	\$0.0022	\$0.0025	\$0.0032	\$0.0085	\$0.0065

# Overview of Town Debt

FY	Current debt -at year beginning	New Debt	Total debt - at year end	Population	Debt per capita	Total tax base	Tax base growth	Debt per \$100,000 of Tax Base
<b>Historical</b>							<b>Actual</b>	
FY10-11			\$23,859,823	7,270	\$3,263	\$1,133,693,705		\$2,092
FY11-12			\$27,229,941	7,390	\$3,685	\$1,184,547,832	4.49%	\$2,299
FY12-13			\$25,705,000	8,020	\$3,205	\$1,202,868,283	1.55%	\$2,137
FY13-14			\$27,409,999	8,310	\$3,298	\$1,243,355,179	3.37%	\$2,205
FY14-15			\$25,955,001	8,420	\$3,083	\$1,336,949,720	7.53%	\$1,941
FY15-16		Received AA+	\$29,955,001	8,490	\$3,480	\$1,436,726,297	7.46%	\$2,057
FY16-17			\$25,282,886	9,110	\$2,775	\$1,586,604,271	10.43%	\$1,594
FY 17-18			\$23,081,358	9,526	\$2,423	\$1,761,451,183	11.02%	\$1,310
<b>Current</b>								
FY18-19	\$23,081,358	\$6,525,000	\$27,537,097	9,900	\$2,782	\$1,939,288,515	10.10%	\$1,420
<b>Future</b>							<b>Estimated</b>	
FY19-20	\$21,012,097	\$7,500,000	\$32,615,393	10,287	\$3,170	\$1,978,074,285	2%	\$1,649
FY20-21	\$18,850,393		\$30,110,868	10,691	\$2,817	\$2,017,635,771	2%	\$1,492
FY21-22	\$16,690,868		\$27,425,000	11,110	\$2,469	\$2,057,988,486	2%	\$1,333
FY22-23	\$14,465,000		\$25,125,000	11,545	\$2,176	\$2,099,148,256	2%	\$1,197
FY23-24	\$12,635,000		\$22,755,000	11,998	\$1,897	\$2,141,131,221	2%	\$1,063
FY24-25	\$10,755,000		\$20,480,000	12,468	\$1,643	\$2,183,953,846	2%	\$938
FY25-26	\$8,980,000		\$18,170,000	12,957	\$1,402	\$2,227,632,923	2%	\$816
FY26-27	\$7,190,000		\$15,905,000	13,465	\$1,181	\$2,272,185,581	2%	\$700
FY27-28	\$5,485,000		\$14,035,000	13,993	\$1,003	\$2,317,629,293	2%	\$606

# Comparison of Town Debt

Fairview	2018 Population	FY 17-18 Tax Rate	FY 17-18 Tax Base	2018 % Growth Rate	FY 17-18 Total Debt Ending	Debt per \$100,000 of Tax Base	Debt per Capita	Total Tax Base per Capita
FY 17-18	9,526	0.359999	\$1,761,451,183	4.50%	\$23,081,358	\$1,310	\$2,423	\$184,910
FY 18-19	9,900	0.349709	\$1,939,288,515		\$27,537,097	\$1,420	\$2,782	\$195,888
FY 19-20 Est	10,287		\$1,978,074,285		\$32,615,393	\$1,649	\$3,170	\$192,289
<b>Comparisons</b>								
Anna	13,690	0.601288	\$891,474,571	10.49%	\$27,920,250	\$3,132	\$2,039	\$65,119
Celina	13,090	0.645000	\$1,080,755,891	26.96%	\$55,175,001	\$5,105	\$4,215	\$82,563
Colleyville	25,010	0.333834	\$4,875,661,443	1.54%	\$13,860,000	\$284	\$554	\$194,948
Corinth	21,030	0.536860	\$1,952,654,794	1.11%	\$34,030,000	\$1,743	\$1,618	\$92,851
Forney	20,280	0.621111	\$1,455,633,995	9.09%	\$57,305,000	\$3,937	\$2,826	\$71,777
Lucas	7,710	0.317948	\$1,003,893,835	9.67%	\$18,885,000	\$1,881	\$2,449	\$130,207
Melissa	9,580	0.610000	\$854,436,617	8.25%	\$57,498,750	\$6,729	\$6,002	\$89,190
Murphy	20,010	0.500000	\$2,273,747,250	0.15%	\$33,795,000	\$1,486	\$1,689	\$113,631
Prosper	22,650	0.520000	\$3,114,007,223	12.35%	\$54,056,400	\$1,736	\$2,387	\$137,484
Princeton	10,560	0.689890	\$603,265,014	11.63%	\$25,950,000	\$4,302	\$2,457	\$57,127
Sachse	24,720	0.747279	\$2,158,595,689	3.22%	\$58,420,000	\$2,706	\$2,363	\$87,322
Southlake	29,580	0.462000	\$7,174,076,731	2.42%	\$77,082,592	\$1,074	\$2,606	\$242,531
Trophy Club	11,370	0.451442	\$1,685,669,364	1.07%	\$23,518,000	\$1,395	\$2,068	\$148,256
<b>Average</b>						<b>\$2,732</b>	<b>\$2,560</b>	<b>\$116,385</b>

# Impacts to General Fund Reserves

<b>\$9,437,332</b>	<b>Projected FY18-19 Expenses</b>
<b>\$4,354,739</b>	<b>Projected FY18-19 Fund Balance</b>
<b>\$2,359,333</b>	<b>Minimum Fund Balance 25% of annual expenditures established by policy</b>
<b>\$3,303,066</b>	<b>Recommended to maintain 35% working balance and to preserve bond rating</b>
<b>\$900,000</b>	<b>Proposed Use of Fund Balance</b>
<b>\$3,454,739</b>	<b>Fund Balance Remaining</b>

# **Impacts to CDC Budget**

**\$795,000**      **Projected FY18-19 Revenues**

**\$742,841**      **Projected FY18-19 Expenses (including 380 payment)**

**\$1,202,827**      **Projected FY18-19 Fund Balance**

**\$300,000**      **Proposed Use of Fund Balance**

**\$902,827**      **Fund Balance Remaining**

## **Impacts to CDC Operating Budget**

**\$100,000**      **Proposed Use of CDC Operating Funds**

# Impacts to Tax Increment (TIF) Budget

\$269,500

Projected FY18-19 Revenues

\$0

Projected FY18-19 Expenses

\$451,740

Projected FY18-19 Fund Balance

## History of TIF Fund:

\$44,387

FY 16-17 Revenues

\$137,853

FY17-18 Revenues

\$269,500

Projected FY18-19 Revenues

-\$75,000

Proposed Annual Use of TIF Funds for Debt Service

\$194,500

Annual Remaining Revenues at Current Levels



# Impacts to Tax Increment (TIF) Budget

Planned growth within the TIF -

Wooded Creek

Apple Crossing

\$61,330,000

Anticipated New Residential Value

\$8,000,000

24 Hour, New Strip Center, Sleep Number, Racetrack

\$69,330,000

Total Anticipated New Value

\$194,500

Annual Revenues at Current Levels

\$118,255

Anticipated Planned Growth Revenue

\$312,755

Anticipated Annual TIF Revenue

# **Council Decision**

- Consider approval of the Resolution calling the May 4 bond election

# Proposed Proposition

- Shall the Town Council of the Town of Fairview, Texas, be authorized to issue and sell the bonds of said Town in the aggregate principal amount of \$[\_\_\_], for the public purpose of constructing, improving and equipping a new fire station, with said bonds to be issued in one or more series, to mature serially or otherwise not to exceed 30 years from their date, and bear interest at such rate or rates, not to exceed the limits prescribed by law at the time of issuance, and to be sold at such price or prices, as the Town Council in its discretion shall determine; and shall there be levied and pledged, assessed and collected annually ad valorem taxes on all taxable property in said Town in an amount sufficient to pay the annual interest on said bonds and provide a sinking fund to pay said bonds at maturity?