

Capital Improvement Funding Plan and 2023 Bond Issuance

May 23rd, 2023

The logo for Addison, featuring the word "ADDISON" in a bold, blue, sans-serif font centered within a white circle. The circle is set against a blue background that is part of a larger graphic design on the right side of the slide, which includes a white diagonal line and a grey triangle in the top right corner.

Proposed 2023 Bond Issuance

- Total issuance in the amount of \$9,500,000
 - General Obligation (GO) Bonds in the amount of \$5,000,000
 - Certificates of Obligation (CO) in the amount of \$4,500,000
 - \$2,000,000 supported by property tax
 - \$2,500,000 supported by Airport Fund Revenue

Proposed 2023 General Obligation Bonds

- Total GO issuance in the amount of \$5,000,000
- Proposition B (Approved By Voters in 2019) - \$5,000,000
 - Reconstruction design of Monfort Drive (\$900,000) and Quorum Drive (\$4,100,000)

2023 GO Bonds Tax Rate Impact

Tax Rate Impact	Total	2023 GO's Per Bond Election	2023 GO's Projected	Savings (Deficit)
Proposition A	\$ 0.0353	\$ -	\$ -	\$ -
Proposition B	\$ 0.0450	\$ 0.0067	\$ 0.0066	\$ 0.0001
Proposition C	\$ 0.0100	\$ -	\$ -	\$ -
Proposition D	\$ 0.0113	\$ -	\$ -	\$ -
Proposition E	\$ 0.0015	\$ -	\$ -	\$ -
Totals	\$ 0.1031	\$ 0.0067	\$ 0.0066	\$ 0.0001
	Savings compared to 2019 bond election projections =			1.43%

2023 Proposed Certificates of Obligation

- Total CO issuance in the amount of \$4,500,000
- \$2,000,000 for the public infrastructure projects in Vitruvian Park
- \$2,500,000 for Airport Capital Improvement Projects supported by Airport revenue
 - \$1,500,000 – Jimmy Doolittle Drive
 - \$1,000,000 – Airport Service Roads

Tax Rate Impact from Bond Committee in 2019

Estimated I&S Tax Rate Impact⁽¹⁾⁽²⁾⁽³⁾

FYE	Existing	"Committed"	2019 Bond Propositions						Total All Props	Total Projected
			Prop A	Prop B	Prop C	Prop D	Prop E			
2019	\$ 0.1428	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.1428	
2020	0.1240	0.0258	-	-	-	-	-	-	0.1497	
2021	0.1200	0.0435	0.0026	-	0.0007	0.0028	0.0016	0.0077	0.1712	
2022	0.1146	0.0602	0.0212	-	0.0055	0.0093	0.0015	0.0375	0.2122	
2023	0.1108	0.0628	0.0351	0.0042	0.0053	0.0114	0.0015	0.0574	0.2311	
2024	0.1071	0.0656	0.0340	0.0205	0.0071	0.0109	0.0014	0.0738	0.2465	

Assumptions:

(1) Future Taxable Assessed Values assume 3.5% growth through 2038 as supplied by Town officials.

(2) Tax Collection Percentage: 96.5%

(3) Interest Rate Assumptions:

2019 Sales assume 3.00% (current rates plus 0.25%)

2020 Sales assume current rates plus 1.00% = 4.75%

2021 Sales and beyond assume current rates plus 1.25% = 5.00%

Tax Rate Impact Current Estimate

Estimated I&S Tax Rate Impact⁽¹⁾⁽²⁾⁽³⁾

FYE	Existing	"Committed"	Remaining 2019 Bond Propositions					Total All Props	Total Projected
			Prop A	Prop B	Prop C	Prop D			
2023	\$ 0.1647	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.1647	
2024	0.1529	0.0027	-	0.0066	-	-	0.0066	0.1622	

Assumptions:

(1) FYE 2023 is the Town's final TAV as provided by Dallas Central Appraisal District. Future values assume 8% growth in FY 2024 and 2.5% thereafter as supplied by Town officials.

(2) Tax Collection Percentage: 96.5% Tax Rate for FYE 2023 is actual. All other years are projections.

(3) Interest Rate Assumptions:

2023 Sales assume 4.75%

2024 Sales and beyond assume 5.00%

Timeline

- May 23rd - Present plan to the Council
- June 13th - City Council considers Ordinance authorizing Notice of Intent Publication for Certificates of Obligation
- June 19th - First Publication of Notice of Intent to Issue Certificates of Obligation
- June 26th - Second Publication of Notice of Intent to Issue Certificates of Obligation
- Week of July 10th – Ratings calls
- July 26th - Receive ratings
- August 8th - Hold competitive sale for the bonds (both GO and CO)
- August 8th - Present ordinance authorizing the sale to Council
- September 6th - Receive proceeds from bond sale

