



MINUTES
CITIZEN BOND COMMITTEE
FARMERS BRANCH COMMUNITY RECREATION CENTER
14050 HEARTSIDE PLACE
FARMERS BRANCH, TEXAS 75234
February 25, 2016
7:00 p.m.

Members Present: Chairperson Michelle Holmes, Tamara Cleghorn, Bronson Blackman, Rodger Cramer, Jorge Gonzalez, David Merritt, Joan O'Shea, John Speed, Michael Driskill, Martina De Los Santos, Marcus Miller, Meredith McLeod, Nic Rady, Vincent Montenegro, Tim Yarbrough

Members Absent: James Webb, Colin Eddy

Staff Present: Shawna Eikenberry, Management Analyst, Charles Cox, Managing Director of Finance and Internal Services

1. CALL TO ORDER

Chairperson Michelle Holmes called the meeting to order at 7:07 p.m.

2. APPROVAL OF THE MINUTES –

Motion made by Joan O'Shea to approve the minutes from the February 18, 2016 Citizen Bond Committee meeting. Motion seconded by Meredith MacLeod. *Motion approved unanimously.*

3. OVERVIEW OF MUNICIPAL BONDS

Charles Cox, Managing Director of Finance and Internal Services, presented the Long Range Improvement Program, Projects and Financing covering existing bonds, city debts, tax revenues and other budget considerations along with printed copies of his slides for later reference by the Committee. Mr. Cox reported that the City has three major operating funds: General Fund (the largest), Water and Sewer and Hotel/Motel Fund and provided a list of revenues and expenditures in each fund as well as outstanding property tax supported bonds expiring in 2019. Mr. Cox stated that the budget for long-term capital investment needs are sufficient for the next 7-8 years including \$475,000 annual increase for facility improvements but with our aging infrastructure the annual fund might need to be increased to \$1,000,000. He said no funds are designated at this time for projects like a completely integrated Trails Master Plan, creek revitalization or replacing aging Fire Station #2. During discussion Mr. Cox suggested to the Committee that as we consider any and all ideas for a bond issue, options like certificates of obligation or tax increment finance (TIF), may recommended for specific projects. Mr. Cox reminded the Committee that eminent domain cannot used for economic development, only for streets, water/sewer, schools and parks. Mr. Cox reported that the City debt service is below 20% and while the debt load is laddered to keep the tax rate level until all is phased down

72% of our tax supported debt will be retired in five years maintaining Farmers Branch's AA+ rating from Standard and Poor and Fitch. During discussion, the Committee stressed the importance of communicating a clear plan to Farmers Branch citizens when asking for their vote on a bond issue to promote a positive reception in light of the 2009 bond election failure.

4. SCHEDULE OF FUTURE MEETINGS –

The Citizen Bond Committee will meet Thursday, March 3 at 7 p.m., venue to be determined and Committee to be notified by Ms. Eikenberry.

ADJOURNMENT–

Motion to adjourn made by Rodger Cramer. Motion seconded by John Speed.

Motion approved unanimously.

The meeting adjourned at 8:47 p.m.


Chair

Attest:

Secretary