

**BUDGET & STRATEGIC PLANNING REVIEW OF THE IRVING CITY COUNCIL  
MEETING MINUTES  
May 20, 2015**

The Irving City Council met in special session at the South Irving Library at 601 Schulze Drive on May 20, 2015 and May 21, 2015 at approximately 8:35 a.m. The following members were present / absent:

<b>Attendee Name</b>	<b>Organization</b>	<b>Title</b>	<b>Status</b>	<b>Arrived</b>
Beth Van Duyne	Irving City Council	Mayor	Present	
John C. Danish	Irving City Council	Councilman	Present	
Allan Meagher	Irving City Council	Councilman	Absent	
Dennis Webb	Irving City Council	Councilman	Present	
Joe Putnam	Irving City Council	Councilman	Absent	
Oscar Ward	Irving City Council	Councilman	Present	
Brad M. LaMorgese	Irving City Council	Councilman	Present	
Gerald Farris	Irving City Council	Councilman	Present	
Wm David Palmer	Irving City Council	Councilman	Present	

**Wednesday, May 20, 2015**

8:00 a.m. Breakfast

8:45 a.m. A. Strategic Presentation

Chris Hillman, City Manager, kicked the budget retreat off defining his goals and introducing the city's strategic consultant, David Eisenlohr.

David Eisenlohr with Azimuth Group, outlined the proposed updates to the Strategic Plan based on Council's Strategic Planning meeting in February. He outlined the following Strategic Goals as set forth:

Goal 1: Financial Sustainability

Goal 2: Systemic Infrastructure Investment

Goal 3: Service Excellence

Goal 4: Vibrant Economy

Goal 5: Inclusive and Collaborative Governance

Goal 6: Talented and Energized Workforce

Council and staff discussed the goals and it was the consensus of the Council to move forward with the goals as proposed.

Council recommended adding under Goal 1 the following:

- a) Paying off debt
- b) Recycling alternatives

Council recommended adding under Goal 2 the following:

- a) Maintaining and expanding thoroughfares

No additions were added under Goal 3

Council recommended changing the wording under Goal 4 to the following:

- a) "Developing and maintaining vibrancy" of signature projects instead of "Completing signature projects"

Council recommended adding under Goal 5 the following:

- a) Rework goal 5 and intertwine it with Service Excellence
- b) Remove 5.3

No additions were added under Goal 6

## B. Setting the Stage/Budget Context

### 1. Current Fiscal Year Update

Bret Starr, Budget Administrator, detailed the current fiscal year standings; noting major revenues have exceeded pre-recessionary levels; costs have also increased and been absorbed. His presentation included information on property tax revenues, taxable values, sales tax revenue, general fund expenditures by classification and service type. He also updated the Council on current year revenue and expenditures and the FY15-16 outlook which projects an increase in property values and sales tax with significant cost drivers including: salary, pension rates, and insurance increases, transfer for Heritage debt service to \$2.5 million, economic development incentive agreements and equipment replacement and infrastructure maintenance funding. Additional information presented included proposed service enhancements related to Medic #1, Fire Station 12 and Twin Wells golf course, as well as departmental requested enhancements.

Council and staff discussed the debt service requirements, auditing health insurance, retiree health insurance premiums, projected total revenues for current and next year, and property value increases.

Mr. Starr described the Water and Sewer System fund, a self-supporting Enterprise Fund. He detailed Trinity River Authority (TRA) pass through cost increases, capital needs and operating increases. His current year update noted a potential reduction in water usage due to the heavy rain this spring. The FY15-16 outlook included an increase in water rates that will be recommended by the City Manager in the proposed budget.

Chris Hillman, City Manager, noted that the water and sewer rate model is not sustainable to cover the expenditure needs long term.

Mr. Starr outlined the Hotel Occupancy Tax (HOT) Fund projections and Municipal Drainage Utility (MDU) operations.

Maura Gast, Executive Director of the ICVB, detailed the HOT allocations related to the Convention Center and the ICVB budget. She noted that refinancing will be available in 2019.

### 2. Revenue Estimates

Revenue Estimate discussions were included in item No. B1.

3. Other Budgetary Related Updates

Jon Weist, Legislative Officer, discussed the state legislative issues that may impact the city's revenue options. He also noted there may be a constitutional amendment election requirement which may be set for September or the uniform date in November.

Council recessed at approximately 11:55 a.m. for lunch

Council reconvened at approximately 12:30 p.m.

C. Presentations during Lunch

1. Greater Irving-Las Colinas Chamber of Commerce

Beth Bowman, President/CEO of the Greater Irving-Las Colinas Chamber of Commerce, presented the current year successes and future expectations; including retaining Michaels and Chuck E. Cheese headquarters and bringing in Whole Foods Market. She discussed the transition opportunities available at locations like the former Texas Stadium site and Carpenter Ranch and large office space potential. She also presented trends related to business relocation decision making, which includes skilled labor, oil price uncertainty, infrastructure, water planning and economic incentives. She detailed the Chamber's FY15-16 priorities, including: using resources wisely, long-range planning, effective partnership with the City of Irving and leveraging Irving's people and culture.

Council and the Chamber staff discussed promoting the school system and the diversity of the city.

2. Irving Hispanic Chamber of Commerce

Mary Ann Kellam, President/CEO of the Irving Hispanic Chamber of Commerce, presented the current year results and future expectations of the Hispanic Chamber which includes: education outreach, leadership development, and small business development and retention. She confirmed that the city's contract equals 46% of the Chamber's budget and the Hispanic Chamber works closely and in conjunction with the Irving Chamber.

D. Capital Needs/CIP Plan

Casey Tate, Capital Improvement Program Director, described the infrastructure needs throughout the city as it relates to the CIP Five-year Plan as well as long-range 10-year project requests. He detailed the bond funds available and authorized in the 1999 and 2006 bond programs.

Council and staff discussed the options to use TIF funds for public infrastructure and street improvements.

Council recessed at approximately 2:30 p.m.

Council reconvened from recess at approximately 2:45 p.m.

E. Department Outlooks

1. Department Needs and Issues

Larry Boyd, Police Chief, detailed the needs of the Police Department.

Victor Conley, Fire Chief, identified the needs of the Fire Department.

Todd Reck, Water Utilities Director, outlined the needs of the Water Department.

Dan Vedral, Traffic & Transportation Director, identified the needs of the Transportation Department.

Brenda Haney, Solid Waste Services Director, described the needs of the Solid Waste Services Department.

Chris Hooper, Building & Equipment Services Director, detailed the needs of the Building & Equipment Services Department.

Ray Cerda, Parks & Recreation Director, explained the needs of the Parks & Recreation Department.

Council recessed the Budget and Strategic Plan Review meeting at 4:30 p.m. for the day.

2. Strategic and Business Plan Initiatives

Strategic and business plan initiatives for each department were discussed in item E1.

**Thursday, May 21, 2015**

Mayor Van Duynes reconvened the Budget and Strategic Plan Review meeting at approximately 8:37 a.m. on May 21, 2015 at the South Irving Library, 601 Schulze Drive, Irving, Texas 75060.

8:30 a.m. F. Long Term Financial Plan Update/Policy Discussion

Ryan Adams, Assistant to the City Manager, and Jeff Litchfield, Finance Director, presented an update on the formation of the long term financial plan.

Council and staff discussed the policy decisions needed by Council to move forward in the creation of the long term plan. The City Manager's official recommendation is to maintain the current tax rate, which would be a 5% increase in revenue.

Council recessed at approximately 10:50 a.m. for a short break.

Council reconvened at approximately 11:13 a.m.

G. Department Outlooks

Casey Tate, Capital Improvement Program Director, described the needs of the Capital Improvement Program Department.

Susan Rose, Communications Director, outlined the needs of the Communications Department.

Doug Janeway, Acting Economic Development Director, described the needs of the Economic Development Department.

Gary Miller, Inspections Director, outlined the needs of the Inspections Department.

Steve Reed, Planning Director, detailed the needs of the Planning Department.

Teresa Adrian, Code Enforcement Director, explained the needs of the Code Enforcement Department.

Christine Dobson, Library Services Director, identified the needs of the Library Services Department.

Leisha Meine-Bailey, Information Technology Director, described the needs of the IT Department.

Wayne Lambert, Municipal Court Services Director, explained the needs of the Municipal Courts Department.

Jeff Litchfield, Finance Director, outlined the needs of the Financial Services Department.

Ike Obi, Human Resources Director, detailed the needs of the HR Department.

Ryan Adams, Assistant to the City Manager, described the needs of the City Manager's Office and Performance Team.

Charles Anderson, City Attorney, identified the needs of the City Attorney's Office.

Shanae Jennings, City Secretary, explained the needs of the City Secretary's Office and City Council budgets.

Maura Gast, Executive Director of the Irving Convention & Visitor's Bureau, outlined the needs of the ICVB.

Richard Huff, Executive Director of the Arts Center, described the needs of the Arts Center.

H. Wrap-up

Chris Hillman, City Manager, concluded the meeting, noting that staff will use the feedback provided to create the proposed departmental budgets that will be presented to Council in August.

The meeting was adjourned at approximately 1:45 p.m.

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Beth Van Duyne, Mayor

ATTEST:

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Shanae Jennings, TRMC  
City Secretary