

**SPECIAL MEETING OF THE IRVING CITY COUNCIL
FINAL MEETING MINUTES
May 25, 2016**

The Irving City Council met in special session at the Irving Convention Center, 500 W. Las Colinas Blvd., Irving, Texas 75039 on May 25, 2016 at approximately 8:45 p.m. The following members were present / absent:

Attendee Name	Organization	Title	Status	Arrived
Beth Van Duyne	Irving City Council	Mayor	Present	
John C. Danish	Irving City Council	Councilman	Present	
Allan Meagher	Irving City Council	Councilman	Present	
Dennis Webb	Irving City Council	Councilman	Present	
Phil Riddle	Irving City Council	Councilman	Present	
Oscar Ward	Irving City Council	Councilman	Present	
Brad M. LaMorgese	Irving City Council	Councilman	Present	12:05 PM
Kyle Taylor	Irving City Council	Councilman	Present	
Wm David Palmer	Irving City Council	Councilman	Present	

Wednesday, May 25

Council discussed the items out of order with the goal to complete the budget and strategic plan review meeting in one day. The order below is based on the published agenda, not the order in which the items were presented.

8:00 A.M. Breakfast

A. Strategic Plan Update

This item was not discussed and will be rescheduled for a future work session agenda.

B. Resident Survey Results

Brittany Pulley, Management Analyst, described the results of the resident survey; noting that the survey is conducted every other year, this one in March of 2016. The survey was sent via mail and email, and it was a random sample.

Overall, quality of life in Irving was ranked 66%. Priorities expressed, in order of desire, were: Streets, Corridor Enhancements, Development/Redevelopment, Street Lighting and Police/Fire.

C. Budget Context - Setting the Stage

1. Current Fiscal Year Update

Bret Starr, Budget Administrator, detailed the current fiscal year standings; noting property value growth remains strong, other revenues however are slowing as the growth rate declines. There has been an increase in services and need for equipment replacement, as

well as facility and infrastructure maintenance and replacement. The City does have a structurally balanced budget.

2. FY 2016-17 Outlook

Bret Starr, Budget Administrator, outlined the FY 2016-17 projections, which included significant cost drivers of a full year funding for Fire Station #12, full year implementation of mid-year salary increases for those fire station personnel, health insurance increases, evaluation of cost and timing of future market adjustments, projected increase in pension rates, transfers of new growth to TIF districts and economic development incentive agreements. General fund revenues are cyclical and expenditures are at 53.4% of the budget currently and are projected to be favorable at end of the fiscal year.

3. Capital Outlook

Casey Tate, Capital Improvement Program Director, described the capital needs for the next fiscal year. The outlook included a target of \$3 million in additional funding identified under the development plan approved by the Council. It is recommended that there are no re-allocations to the existing CIP, no issuance of additional debt, and allocate pay-go funding in accordance with the long term financial plan recommendation #9, which is a portion in FY 2015-16 and a portion in FY 2016-17.

D. Department Presentations

Department presentations were not discussed at this meeting and will be rescheduled for future work session meetings.

E. Long Term Financial Plan Recommendations

1. Vehicle and Equipment Replacement Fund (Recommendation 4)

Jeff Litchfield, Chief Financial Officer, presented staff's recommendation related to the Vehicle and Equipment Replacement Fund.

2. Reserves and Surplus (Recommendations 1, 2, & 9)

Jeff Litchfield, Chief Financial Officer, described staff's policy recommendations related to reserves and surplus.

3. Minimize Debt Service Spike (Recommendation 10)

Jeff Litchfield, Chief Financial Officer, presented staff's recommendation on how to minimize the debt service spike. He recommended refinancing the convention center debt once callable in 2019; front-loading of principal in new GO issues prior to 2020; and considering the benefits of refinancing existing GO debt.

4. Employee Compensation and Benefits (Recommendation 8)

Rick DeOrdio, Strategic Resources Supervisor, outlined the employee compensation and benefits long term policy recommendation.

5. Economic Development Funding (Recommendations 5 & 6)

Scott Connell, Economic Development Director, described staff's recommendation for long term economic development funding. It was recommended that any funds budgeted for economic development incentives, but not spent, will be rolled into the Economic Development fund.

F. Water Utility Rate Discussion (Recommendation 3)

Todd Reck, Water Utilities Director, presented staff's recommendation for a 7% water rate increase for FY 16-17.

G. Solid Waste Services Rate Discussion

Brenda Haney, Solid Waste Services Director, detailed staff's recommendation for a preliminary estimated rate increase of approximately 30% of the solid waste for FY 16-17. This includes personnel and equipment. Council and staff discussed the rate increase. There was a lengthy discussion regarding vehicle replacement funding and how the city is incredibly behind in the funding for those vehicles, and this has resulted in severe shortages to maintenance and upkeep of utility vehicles.

H. EMS Fee

Bret Starr, Budget Administrator, outlined the current EMS fee revenues and fees. The council would like staff to evaluate a way to increase EMS fees in order to offset the fees for EMS service currently on the water bills.

I. Property Tax Exemption for 65 and Older

Bret Starr, Budget Administrator, described the property tax exemption for 65 and older currently in place, which is 30%, and the significance if the exemption was to increase to a firm dollar amount.

Council is happy with the status quo as it is currently set.

Council recessed at approximately 11:45 a.m. for lunch.

Council reconvened at approximately 12:10 p.m.

J. Funding for Streets and Property Tax Rate (Recommendation 7)

Mr. Hillman asked the Mayor and Council what else they wanted to discuss so that it can be addressed in the budget.

Responses included:

Knowing what needs to be measured by Moody's in order to decrease spending.

Texas Musicians Museum

The Vallencia Hotel

Northshores Update

ICSC meeting update

Fire Training Center and what additional funds can move that along

Water development plan and where the city rests on that level

Salary increases each year and staffing levels

Town hall meetings be held to explain why financial requests impact their services levels

Have ICTN breakdown a presentation/video of budget presentations and discussions

Airport Property and their sales tax allocations

K. Executive Session

There was no need for the executive session to be held.

1. Economic Development Negotiations, Real Estate, and Legal Advice - Convention Center Hotel - Open Meetings Act§ 551.087, § 551.072, and§ 551.071

The Mayor and Council finished the strategic planning meeting in one day, so they did not convene on Thursday, May 26.

The meeting was adjourned at approximately 3:08 p.m.

Beth Van Duyne, Mayor

ATTEST:

Shanae Jennings, TRMC
City Secretary