City of Irving, Texas
FISCAL YEAR 2020-21

Budget and Strategic Plan Review
May 20, 2020
AGENDA
Irving City Council Budget and Strategic Plan Review
Wednesday, May 20, 2020 at 8:00 AM
City Hall, First Floor, Council Conference Room
825 West Irving Boulevard, Irving, TX 75060

A possible quorum of the Firemen’s Relief and Retirement Fund Board and the Supplemental Benefit Plan Administrative Board may be present at this meeting.

ALL TIMES WITH THE EXCEPTION FOR THE BEGINNING TIME, ARE APPROXIMATIONS ONLY. ITEMS MAY BE HEARD EARLIER OR LATER THAN LISTED ON THE AGENDA.

Members of the City Council and public may participate in the budget and strategic plan review by telephone conference or videoconference call, except executive session shall be by telephone conference only. Sign-in via telephone or online will be from 8:00 a.m. to 9:00 a.m. on May 20, 2020. All participants by telephone conference or videoconference will be able to speak when called upon, however video images of the citizen participants will not be available. The phone numbers to sign-in and participate are 1-888-475-4499 (Toll Free) or 1-877-853-5257 (Toll Free) or online at https://zoom.us/j/91119038182
Meeting ID: 911 1903 8182

8:00 A.M. Breakfast

8:30 A.M.  

EXECUTIVE SESSION

Legal Advice - Comptroller Rebate Ruling on the Entertainment Center & Convention Center Hotel Project - Open Meetings Act § 551.071

9:00 A.M. Meeting

A. Citizen Comments on Items listed on the Agenda

B. Action Items

1. Resolution -- Authorizing Any Appropriate Action as Necessary to Appeal the Determination of the Comptroller in Connection with the State Tax Rebates for the Entertainment Center; and Approving Addendum No. 1 to the Agreement with Bracewell LLP for Continued Legal Services in Connection with the Entertainment Center

2. Resolution -- Take Appropriate Action Concerning Declaration of Local Disaster for Public Health Emergency to Address COVID-19

This meeting can be adjourned and reconvened, if necessary, the following regular business day.

Any Item on this posted agenda could be discussed in executive session as long as it is within one of the permitted categories under sections 551.071 through 551.076 and section 551.087 of the Texas Government Code.

A member of the public may address the City Council regarding an item on the agenda either before or during the Council’s consideration of the item, upon being recognized by the presiding officer or the consent of the Council.

This facility is physically accessible and parking spaces for the disabled are available. Accommodations for people with disabilities are available upon request. Requests for accommodations must be made 48 hours prior to the meeting. Contact the City Secretary’s Office at 972-721-2493 or Relay Texas at 7-1-1 or 1-800-735-2988.
3. Resolution -- Authorizing the Submittal of a Substantial Amendment to the City of Irving 2019-2024 Consolidated Plan and the 2019-2020 Annual Action Plan to the U.S. Department of Housing and Urban Development for the Use of Federal Funds Relative to the Expenditure of CARES Act Community Development Block Grant Funds and Emergency Solutions Grant COVID Funds

C. Budget Context
   1. Current Fiscal Year Update
   2. Debt Service
   3. The Economy (Federal, State, Local)
   4. Comparative Costs of Municipal Services

D. Enterprise Funds
   1. Water and Sewer Operations and Rates Outlook
   2. Solid Waste Services Operations and Rates Outlook
   3. Municipal Drainage Utility Operations and Rates Outlook

E. General Fund
   1. Texas Legislative Action Impacting City Revenue and Operations
      a. Senate Bill 2 and Calculation of Property Tax Rates
   2. Economic Development Funding

F. Resident Survey Review

G. COVID-19 City Services Update
   1. Parks, Recreation, and Special Events
   2. Libraries
   3. Irving Convention and Visitor's Bureau
   4. Irving Arts Center
   5. Other City Services

H. New Strategic Plan

I. Council Priorities and Focus Areas
   1. Financial Sustainability
   2. Systematic Infrastructure Investment
   3. Vibrant Economy
   4. Service Excellence
   5. Inclusive and Collaborative Governance
   6. Talented and Energized Workforce

J. Fiscal Year (FY) 2020-21 Budget Calendar
K. Future Items
   - June 24 Budget and Strategic Plan Review
     1. Revenue Projections FY 2019-20
     2. Capital Improvement Program
   - July 22 Budget and Strategic Plan Review
     1. Revenue Projections FY 2020-21
     2. Employee Compensation

EXECUTIVE SESSION

L. If Necessary

CERTIFICATION

I, the undersigned authority, do hereby certify that this Notice of Meeting was posted on the Kiosk at the City Hall of the City of Irving, Texas, a place convenient and readily accessible to the general public at all times, and said Notice was posted by the following date and time: Friday, May 15, 2020 at 5:00 p.m., and remained so posted at least 72 hours before said meeting convened.

Shanae Jennings, City Secretary

Date Notice Removed
Overview

• Current FY Update and FY 2020-21 Outlook
  – General Fund
    • Revenues
    • Expenses
    • Personnel Impacts from COVID-19
  – Hotel Occupancy Tax Funds
• Conclusion
General Fund

Budget Review – Current Year

- Property value growth remains strong, but will likely fall for FY20-21
- Sales Tax revenue expected to plummet
- Interest rates near zero indefinitely
- Other revenues will be depressed due to potential collectability risks
Budget Review – Current Year

- Extended facility closures
- Employee furloughs and held vacancies
- Potential service level reductions
- Use of reserve balances and one-time uses to cover
- Structurally balanced budgets maintained

GF Projected Shortfall for FY19-20

<table>
<thead>
<tr>
<th></th>
<th>Revised Budget</th>
<th>Projection</th>
<th>Shortfall</th>
<th>Var %</th>
</tr>
</thead>
<tbody>
<tr>
<td>PROPERTY TAXES</td>
<td>$107,746,707</td>
<td>$106,260,868</td>
<td>$(1,485,839)</td>
<td>-1.38%</td>
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<tr>
<td>SALES TAXES</td>
<td>72,238,738</td>
<td>61,900,307</td>
<td>$(10,338,431)</td>
<td>-14.31%</td>
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<tr>
<td>FRANCHISE FEES</td>
<td>19,159,904</td>
<td>17,793,019</td>
<td>$(1,366,885)</td>
<td>-7.13%</td>
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<tr>
<td>ZONING AND DEV FEES</td>
<td>4,070,782</td>
<td>3,634,823</td>
<td>$(435,959)</td>
<td>-10.71%</td>
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<tr>
<td>FEES AND PERMITS</td>
<td>6,910,576</td>
<td>6,838,624</td>
<td>$(71,952)</td>
<td>-1.04%</td>
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<tr>
<td>FINES</td>
<td>5,551,652</td>
<td>4,738,918</td>
<td>$(812,734)</td>
<td>-14.64%</td>
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<tr>
<td>CHARGES FOR SERVICES</td>
<td>4,228,066</td>
<td>3,061,073</td>
<td>$(1,166,993)</td>
<td>-27.60%</td>
</tr>
<tr>
<td>INVESTMENT INCOME</td>
<td>1,941,800</td>
<td>1,352,395</td>
<td>$(589,405)</td>
<td>-30.35%</td>
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<tr>
<td>MISCELLANEOUS</td>
<td>3,026,617</td>
<td>2,929,766</td>
<td>$(96,851)</td>
<td>-3.20%</td>
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<tr>
<td>TRANSFER FROM</td>
<td>9,197,193</td>
<td>8,952,612</td>
<td>$(244,581)</td>
<td>-2.66%</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>$234,072,035</strong></td>
<td><strong>$217,462,405</strong></td>
<td><strong>($16,609,630)</strong></td>
<td><strong>-7.10%</strong></td>
</tr>
</tbody>
</table>

Repeat of estimate shared on April 16. Will provide new estimate in June.
General Fund Revenues

FY 2019-20 Total Budget Revenue $234,017,969

77% of General revenues come from Property Tax and Sales Tax

Property Tax Revenues

- Largest source of General Fund Revenues
- High percentage of commercial properties makes values sensitive to the national business cycle
- Property tax is based on January 1 values, so impact on COVID-19 will not be felt until January 1, 2021 and will impact FY20-21 Budget
Assessed Property Valuation History

2019-20 Taxable Values

- Total Value $28.4 billion  9.2% increase
- 71% of Property Tax values are from commercial properties
- 25% of BPP rebated for economic development incentives
Residential Tax Burden

Sales Tax

- March collections reported in May
  - 2.80% ($191,326) below budget projection
  - 10.14% ($748,945) below prior year actual
- June is the first month to see a full month of Shelter-in-Place receipts (April)
- Projection is Sales Tax will be depressed for the remaining months of the year, which will result in projected fiscal year collections of 85% of budget.
  - Extended business closures through May 8th
  - Soft non-essential business reopening with 25% limited capacity and other social distancing restrictions
- Too early to determine if decline is U-Shaped, V-Shaped, W-Shaped, or L shaped (the long checkmark)
- Potential collectability risks
Sales Tax Revenue Estimate

Sales Tax History

Great Recession

COVID-19

Property Tax and Sales Tax Percentage Change

Property Tax and Sales Tax Percentage Change

Great Recession

COVID-19
Sales Tax Category Analysis

- Sales Tax collections are diversified across major categories and taxpayers
- Major categories
  - Retail Trade – 25%
  - Information – 10%
  - Wholesale Trade – 8.4%
- Top Taxpayers
  - Top 10 taxpayers - $9.4 million or 14%
  - Top 20 taxpayers - $14.3 million or 21%
  - Top 25 taxpayers - $16.1 million or 24%

Sales Tax Distribution Table

- For FY 2017-18
- Does not include audit adjustments

<table>
<thead>
<tr>
<th>Major Categories</th>
<th>Total</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail Trade</td>
<td>17,446,295</td>
<td>24.93%</td>
</tr>
<tr>
<td>Information</td>
<td>7,059,142</td>
<td>10.09%</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>5,905,280</td>
<td>8.44%</td>
</tr>
<tr>
<td>Accommodation and Food Services</td>
<td>5,837,135</td>
<td>8.34%</td>
</tr>
<tr>
<td>Professional Services</td>
<td>4,987,560</td>
<td>6.55%</td>
</tr>
<tr>
<td>Construction</td>
<td>4,494,967</td>
<td>6.42%</td>
</tr>
<tr>
<td>Utilities</td>
<td>4,368,188</td>
<td>6.24%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>4,186,122</td>
<td>5.98%</td>
</tr>
<tr>
<td>Administrative</td>
<td>3,003,787</td>
<td>4.29%</td>
</tr>
<tr>
<td>Real Estate</td>
<td>2,791,931</td>
<td>3.98%</td>
</tr>
<tr>
<td>Finance and Insurance</td>
<td>1,777,605</td>
<td>2.54%</td>
</tr>
<tr>
<td>Other Services</td>
<td>1,313,843</td>
<td>1.88%</td>
</tr>
<tr>
<td>Public Administration</td>
<td>1,008,088</td>
<td>1.44%</td>
</tr>
<tr>
<td>Mining, Oil &amp; Gas</td>
<td>866,947</td>
<td>1.27%</td>
</tr>
<tr>
<td>Minor Categories</td>
<td>1,148,770</td>
<td>1.64%</td>
</tr>
<tr>
<td>Undefined</td>
<td>4,179,141</td>
<td>5.97%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>69,994,804</td>
<td>100.00%</td>
</tr>
</tbody>
</table>
Sales Tax Graph

Other Revenues

- Franchise Fees
  - Expect drop due to decreased business activity
- Interest Income
  - Reduction in Fed rates to 0%
- Disruption of operations
  - Municipal Court
  - Parks and Recreation
- Reduction in business activity
  - Planning and Inspections
  - Construction inspection fees
General Fund Expenditures

Use of Funds by Classification
$237,017,969
FY 2019-2020

General Fund Expenditures

Use of Funds by Service Type
$237,017,969
FY 2019-2020
FY 19-20 General Fund Response

- Steps available to address current year projected shortfall of $16.6 million (about 7% of annual budget)
  - Use of one-time revenues and other one-time uses
  - Vacancy Savings
  - Expenditure Cuts

Use of Fund Balance and Other One-Time Uses

- $7.7 million
  - Fund Balance Greater than 30% of Revenues
    - $3.1 million – As of 9/30/19
    - $3.3 million – tied to FY19-20 Revenue Shortfall
      - If revenues are lower, FB requirement is lower
  - Hold off on General Fund Transfer to Non-Bond CIP
    - $0.5 million
  - Reduction of Self Insurance Casualty Fund Transfer
    - Reduce all current year transfers by 25%
    - $0.8 million General Fund Impact
      - Other funds benefit by $0.2 million
      - Leaves $2.3 million unrestricted Fund Balance after estimated liability for unpaid claims
Vacancy Savings

• $3 million
  – Recognize excess Vacancy Savings
    • $1.5 million through February against budget
    • $1.5 million against projected March to September budget

Expenditure Cuts

• $6 million identified by departments - examples include
  – Delay hiring when possible
  – Furloughs
  – Reduction of Discretionary Operating Expense
    • Travel and Training
    • Economic Development Grants
    • Operational Costs associated with reduced services during Shelter-in-Place
    • Other Operational Costs as identified by Departments
COVID-19 Impact on Operations

• Police – Total Revised Budget $71.1 million
  – 613 Full Time, including 403 Civil Service
  – Crossing Guard program suspended for remainder of 2019-2020 school year
  – Postpone 50% Phase I and Phase II remaining hires

COVID-19 Impact on Operations

• Fire – Total Revised Budget $50.1 million
  – 380 Full Time, including 369 Civil Service
  – Reduction in Overtime
  – Reduction in Maintenance and Operations
COVID-19 Impact Operations

- Parks and Recreation – Revised Budget $18.6 million
  - 80 Parks, 8 Rec Centers, 9 Aquatic Facilities
  - Total Staff 372: 136 FT, 120 PT, 116 Seasonal
  - Suspended operations at recreation centers and aquatics facilities
  - Furloughed 109 Part Time employees
  - Golf Course reopened on May 1st with social distancing restrictions

COVID-19 Impact on Operations

- Libraries – Total Revised Budget $7.3 million
  - Total Staff 106: 62 FT and 44 PT
  - Extended closures at library facilities
    - Drive-thru drop-off and pickup service
## COVID-19 Costs Incurred

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages</td>
<td>$11,717</td>
</tr>
<tr>
<td>Overtime</td>
<td>$209,730</td>
</tr>
<tr>
<td>Benefits</td>
<td>$60,836</td>
</tr>
<tr>
<td>Total Personnel</td>
<td>$282,284</td>
</tr>
<tr>
<td>Supplies</td>
<td>$106,855</td>
</tr>
<tr>
<td>Outside Services</td>
<td>$11,662</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>$8,622</td>
</tr>
<tr>
<td>Total Operating</td>
<td>$127,139</td>
</tr>
<tr>
<td>Total Project Costs</td>
<td>$409,423</td>
</tr>
</tbody>
</table>

## Hotel Occupancy Tax Funds
HOT Revenues

- Special Revenue – Hotel Occupancy Tax
- 9% Tax collected per rental night
- Budgeted revenues of $27.8 million for FY 2019-20
  - FY 2018-19 revenues of $27.7 million were an increase of 4.5% from the prior year
- Funds:
  - Irving Convention and Visitors Bureau
  - Irving Arts Center
  - Museum
  - Convention Center
  - Entertainment Venue
  - Debt Service
  - Irving Convention Center Hotel

Allocation of HOT Revenues

- Allocation of the 5% tax - per City Ordinance:
  - 57% to Convention & Visitors Bureau
  - 35.5% to Arts Center
  - 1% to Preservation & Redevelopment
  - 2.5% to Heritage & Museum
  - 4.0% + Arts excess to Debt Service
- State Law annual limitation of Arts revenue:
  - Arts in Irving may receive up to 15% of the 7% HOT Tax plus $1.6 million
  - Excess has historically been used for HOT Debt Service
HOT Revenue Allocation

- Allocation of 9% HOT revenue

- Convention Center Hotel revenues are recorded separately from allocations to the various funds

HOT Projections – COVID-19 impact

- FY 2018-19 revenues of $27.7 million were an increase of 4.5% from the prior year
- Revised FY 2019-20 and 2020-21 revenues are based on 1st and 2nd quarter actuals and ICVB estimates of occupancy and average daily rate for the next six quarters.
Summary

• Revenue shortfalls in current year
• Uncertainty of how deep, how long and type of recovery
• Shortfall response for current year includes use of reserve balances, one-time uses and expenditure cuts
• Potential service level reductions

Questions
Debt Overview

- City issues long-term debt to pay for capital projects
  - Not used for operating expenses (e.g., salaries/benefits)
- City issues short-term debt to pay for equipment specific projects/purposes
  - Using Tax Notes to finance Fire equipment
  - Using Tax Notes to finance some IT replacements
- City has a complex debt structure
  - Debt is issued by several funds of the city
  - Each type of debt has its own self-supporting dedicated revenue stream
Types of Debt

• Types of city debt
  – General Obligation Debt
    • Pays for capital program for General Fund departments (Streets, Parks, Libraries, Fire, Police, Facilities, etc.)
    • A portion of Property Tax is dedicated to pay debt – $0.1200 per $100 in value
  – Revenue Debt
    • Pays for capital projects for city utilities (Water & Sewer, Municipal Drainage Utility, and Solid Waste Services)
    • Paid by revenues of the utility through its rates to customers

• Types of city debt
  – Hotel Occupancy Tax (HOT) Debt
    • Convention Center Debt
      – Primarily paid by 2% HOT allocation
      – Supported by General Debt Service Fund
    • Entertainment Venue Debt
      – Paid by dedicated 2% Brimer HOT allocation
    • Convention Center Hotel Debt
      – Paid by city HOT revenues and state rebates
  – Public Improvement District (PID) Debt
    • Paid only by properties in each PID through TIF revenues and a special PID assessment
Total Debt as of 9/30/2019

- Total Outstanding Principal: $695.7 million
- Property Tax funded debt represents 36% or $251.2 million
- *Other includes Convention Center, Entertainment Venue, Hotel, PIDs, MDU, etc.
  - Supported by dedicated revenues other than property tax rate

Questions
The Economy
One Dot does not Identify a Trend

- We still don’t know
  - How Deep
  - How Long
- Having data for only one month, and a partial month for Sales Tax and a partial quarter for Hotel Occupancy Tax, makes it difficult to identify trends.
- This presentation contains a variety of information from various sources so as to keep you informed of the monumental challenges before us. It is divided into two parts
  - The Actuals, or the Dots on a trend line
  - Thoughts and Projections by economists and others

Actuals

- Received in May
  - March Sales Tax
  - Hotel Occupancy Tax
- Statistics
  - Texas Unemployment
  - Transportation Security Administration (TSA)
  - U.S. Travel Association
  - State Comptroller Glenn Hegar
  - Cushman Wakefield
COVID-19 impact started in mid March, or about 50% into the Month

COVID-19 impact started in mid March, or about 85% into the Quarter
Texas March 2020 Unemployment Rate – Texas Tribune

**UNEMPLOYMENT RATE**

Texas' unemployment rate was **4.7%**

in March, up from 3.5% in February. It hasn't topped 4% since 2018.

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TSA Checkpoint Travel Numbers

Daily Air Travelers

![Graph showing daily air travelers from 2019 and 2020](image_url)
State Comptroller Glenn Hegar

- Texas Comptroller Glenn Hegar today said state sales tax revenue totaled $2.58 billion in April, 9.3 percent less than in April 2019, the steepest decline since January 2010.
- The effects of the March economic slowdown and falling oil prices were more evident in other sources of revenue in April 2020. Texas collected the following revenue from other major taxes:
  - motor vehicle sales and rental taxes — $164 million, down 45 percent from April 2019, the largest monthly drop on record in data going back to 1983;
  - motor fuel taxes — $284 million, down 12 percent from April 2019, the steepest drop since 1991;
  - natural gas production tax — $67 million, down 48 percent from April 2019;
  - oil production tax — $191 million, down 45 percent from April 2019;
  - hotel occupancy tax — $24 million, down 63 percent from April 2019, the deepest drop in data going back to 1990;
  - alcoholic beverage taxes — $57 million, down 55 percent from April 2019. Declines were driven by mixed beverage gross receipts and sales taxes, both of which were down more than 58 percent. Excise taxes on beer were up 16 percent from April 2019, while wine excise taxes were up 9 percent from April 2019.
Thoughts and Projections by Economists and Others

- S&P Global
- D Magazine
- Dr. Ray Perryman
- KC Matthews
- Dallas Morning News Headlines
The U.S. Jobs Market Is On The Brink

• Will businesses be around when quarantine is lifted?

Unemployment Rate Surge At Record Speed

Nine Years of Job Gains Wiped Out in Two Months!

Source: St. Louis FRED, 04 December 29, 2008: 04 March 14, 2020

S&P Global
Ratings

S&P Global

Unemployment Rate

Unemployment Rate Surge At Record Speed

Great Depression Peak

Downside Peak

Baseline Peak

% change

Source: Coronavirus Insights – Credits, economic, financial and sector implications
• “This is not a typical recession-type situation at all,” Perryman said. “A recession normally happens with some type of structural issue in the economy— the savings and loan crisis, the dot-com crisis, the most recent one, the mortgage crisis— it’s usually some structural issue we need to fix in the economy. This one is a health issue.”

• Perryman said we could expect to see “a big drop and a relatively rapid recovery, but not as rapid as a drop was.” That is what makes for his elongated checkmark rather than a true V or U.
D Magazine - KC Matthews
Chief Investment Officer at UMB Bank

• “Economic black swans are something that’s a surprise, that is unforecastable, and that has a material impact,” he said. “Clearly, [COVID-19 is] a black swan: it was extremely difficult to forecast that we would have some type of pandemic ... very much a surprise, and very much a material impact.”

• “I just don’t think you’re going to have that sharp recovery,” Matthews said. “It’ll be [a] jobless recovery as well. That’s where you get the upward sloping L. I think it’ll be modest recovery in the second half of 2020 and into 2021.”

Dallas Morning News – May 9, 2020

U.S. jobless rate spikes to 14.7%

Unemployment hits levels not seen since the Great Depression

WASHINGTON — The U.S. unemployment rate hit 14.7% in April, the highest rate since the Great Depression, as 20.5 million jobs vanished in the worst monthly loss on record. The figures are stark evidence of the damage the coronavirus has done to a shattered economy.

The losses, reported by the Labor Department on Friday, reflect what has become a severe recession caused by sudden business shutdowns in nearly every industry. Nearly all the job growth achieved during the 11-year recovery from the Great Recession has now been lost in one month.

The collapse of the job market has occurred with stunning speed. As recently as February, the unemployment rate was a five-decade low of 3.5%, and employers had added jobs for a record 113 straight months.

The vast majority of April’s

See JOBLESS Page 5A
• Front Page Headline – Home Sales Plunge
  – Shelter in place leads to 17% drop in sales from 2019 in North Texas
  – Median prices fell 14% in Irving
C4 – Municipal Cost of Services
Budget and Strategic Plan Review
May 20, 2020

Adopted Tax Rates for FY 2019-20
Combined Cost of City Services FY 2019-20

Municipal Combined Cost of City Service FY 2019-20

Questions
Current Initiatives and Challenges

- New billing system operational
- Proposed five-million gallon ground storage tank at Northgate Pump Station to meet future growth
- Urban Center Sanitary Sewer Projects
  - New Lift Station will be operational late 2020
  - Upstream Cottonwood, Hackberry sewer pipe replacements
  - Upstream University Hills sewer pipe replacement
- Many Other Ongoing System Improvements
  - Replacing over 4,000 meters annually
  - TXDOT Projects – Diamond Interchange utility relocations
  - Irving Blvd Project water and sewer replacements
  - Water and Sewer Master Plan Projects
  - Miscellaneous End-of-Life Pipe Replacements
Water Usage for FY19-20

Above Average to Average Water Usage for FY19-20

Revenue Collections

BILLED-COLLECTED-AR BALANCES

Past Due, 30 Days, 60 Days, Billed, Collected

D1-2
Impacts of COVID-19

- Initial increase in sewer backups
- Customer service receiving fewer phone calls and hitting close to 100% answer rate
  - Low water usage = lower bills
  - No water shutoffs for nonpayment
- Expecting phone calls to increase
  - New sewer charges going out
  - Water usage is picking up and bills increasing
- Expecting impacts to revenue collections if we continue current practice of no shutoffs for nonpayment

FY 2020-21 Budget

- Key Drivers
  - Pass-through costs from Trinity River Authority (wastewater treatment) and the City of Dallas (water treatment, water supply) will not be available until late June
  - Debt service and capital
  - Material cost increases
  - Transfers to other funds
  - Salaries and benefits
- Will most likely need a small rate increase to meet our debt service coverage factor goal
Summary

• Water usage (revenue) is tracking more like a normal year
• Revenue collections are tracking as expected through April 2020
• Will know more about the need for a FY20-21 rate increase in July

Questions or Comments
D2 – Solid Waste Services
Budget and Strategic Plan Review
May 20, 2020

Solid Waste Services

- Enterprise Fund – self supporting
- Fees pay for:
  - Operations and maintenance
  - Equipment replacements and lease-purchase payments
  - Infrastructure replacement and improvements at the landfill
- FY 19-20 budget is approx. $16 million
Current Year Operations
Financial Update

• Too early to measure impact of COVID-19 recession on solid waste revenues
  – Greater concern will be on cash flow and accounts receivable
  – Will provide update in June
• Expenditures are expected to be within budget

Going Forward

• Improve citizen drop-off options at the landfill (drop-off, recycling, reuse)
• Landfill life expectancy analysis will be initiated in the summer – Included in FY19-20 budget
• FY20-21 Business Plan Initiatives
  – Develop a 5-Year Master Plan for the landfill
  – Promote recycling and roll-off services
  – Review Solid Waste Ordinance
  – Route analysis and pilot route system software
Summary

• No solid waste rate increase
• Will provide revenue and expenditure estimates in June

Questions
Solid Waste Services

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  - Operations and maintenance
  - Equipment replacements and lease-purchase payments
  - Infrastructure replacement and improvements at the landfill
- FY 19-20 budget is approx. $16 million
Current Year Operations
Financial Update

• Too early to measure impact of COVID-19 recession on solid waste revenues
  – Greater concern will be on cash flow and accounts receivable
  – Will provide update in June
• Expenditures are expected to be within budget

Going Forward

• Improve citizen drop-off options at the landfill (drop-off, recycling, reuse)
• Landfill life expectancy analysis will be initiated in the summer – Included in FY19-20 budget
• FY20-21 Business Plan Initiatives
  – Develop a 5-Year Master Plan for the landfill
  – Promote recycling and roll-off services
  – Review Solid Waste Ordinance
  – Route analysis and pilot route system software
Summary

• No solid waste rate increase
• Will provide revenue and expenditure estimates in June

Questions
COVID 19 Impact

- Original 5 year plan for residential rate
  - $2.00 / mo increase (50% increase effective 2-1-20)
  - $1.50 /mo increase (years 2 thru 5)

- Proposal to modify MDU Rate Schedule
  - Due to economic uncertainty
  - No increase in rates next year (year 2)
  - Program becomes a 6 year plan
  - $1.50 / mo increase (years 3 thru 6)
  - Begin smaller drainage projects in year 1
Benefits of 6 Year Plan

- Reduces debt service expense in first two years
  - A lower value of debt issuance in early years of the program
  - Current FY debt issuance to cover design only of large channel projects
  - The time frame for design of the large channel projects is 1-2 years
  - Use cash capital to begin smaller drainage projects in Year 1
  - Bonds for construction issued in year 2 after completion of design and ready to bid
  - Timing of debt issuance more closely matches when the funds are needed for construction
- Current economic conditions will likely result in lower construction costs in the future

Rate Schedule

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>under 5,000 SF lot</td>
<td>$3.00</td>
<td>$4.50</td>
<td>$4.50</td>
<td>$5.63</td>
<td>$6.75</td>
<td>$7.88</td>
</tr>
<tr>
<td>over / &gt; 5,000 SF lot</td>
<td>$4.00</td>
<td>$6.00</td>
<td>$6.00</td>
<td>$7.50</td>
<td>$9.00</td>
<td>$10.50</td>
</tr>
<tr>
<td>Multi-Family</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>triplex / fourplex (per unit per month)</td>
<td>$10.48</td>
<td>$15.72</td>
<td>$15.72</td>
<td>$19.65</td>
<td>$23.58</td>
<td>$27.51</td>
</tr>
<tr>
<td>condominiums</td>
<td>$0.001</td>
<td>$0.0015</td>
<td>$0.0015</td>
<td>$0.001875</td>
<td>$0.00225</td>
<td>$0.002625</td>
</tr>
<tr>
<td>(impermeable land per SF per mo)</td>
<td>$0.001</td>
<td>$0.0015</td>
<td>$0.0015</td>
<td>$0.001875</td>
<td>$0.00225</td>
<td>$0.002625</td>
</tr>
<tr>
<td>apartments</td>
<td>$0.001</td>
<td>$0.0015</td>
<td>$0.0015</td>
<td>$0.001875</td>
<td>$0.00225</td>
<td>$0.002625</td>
</tr>
<tr>
<td>(impermeable land per SF per mo)</td>
<td>$0.001</td>
<td>$0.0015</td>
<td>$0.0015</td>
<td>$0.001875</td>
<td>$0.00225</td>
<td>$0.002625</td>
</tr>
<tr>
<td>Commercial</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>under 10,000 SF parcel</td>
<td>$9.00</td>
<td>$13.50</td>
<td>$13.50</td>
<td>$16.88</td>
<td>$20.25</td>
<td>$23.63</td>
</tr>
<tr>
<td>10,001 - 20,000 SF parcel</td>
<td>$18.00</td>
<td>$27.00</td>
<td>$27.00</td>
<td>$33.75</td>
<td>$40.50</td>
<td>$47.25</td>
</tr>
<tr>
<td>20,001 - 45,000 SF parcel</td>
<td>$36.00</td>
<td>$54.00</td>
<td>$54.00</td>
<td>$67.50</td>
<td>$81.00</td>
<td>$94.50</td>
</tr>
<tr>
<td>over 45,000 SF parcel</td>
<td>$0.001</td>
<td>$0.0015</td>
<td>$0.0015</td>
<td>$0.001875</td>
<td>$0.00225</td>
<td>$0.002625</td>
</tr>
</tbody>
</table>
# Six Year Proposed Plan

<table>
<thead>
<tr>
<th>Year</th>
<th>Standard Residential Monthly Rate</th>
<th>Base Revenues</th>
<th>New Revenues For M&amp;O and Cash Funding</th>
<th>New Revenues For Debt Service</th>
<th>Annual Debt Issue at Level Annual Principal</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY18-19</td>
<td>4.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY19-20</td>
<td>6.00</td>
<td>5,192,196</td>
<td>839,495</td>
<td>*</td>
<td>7M</td>
</tr>
<tr>
<td>FY20-21</td>
<td>6.00</td>
<td>6,031,691</td>
<td>949,955</td>
<td>469,000</td>
<td>13 M</td>
</tr>
<tr>
<td>FY21-22</td>
<td>7.50</td>
<td>7,450,645</td>
<td>991,661</td>
<td>871,000</td>
<td>20M</td>
</tr>
<tr>
<td>FY22-23</td>
<td>9.00</td>
<td>9,313,307</td>
<td>522,661</td>
<td>1,340,000</td>
<td>20M</td>
</tr>
<tr>
<td>FY23-24</td>
<td>10.50</td>
<td>11,175,968</td>
<td>522,661</td>
<td>1,340,000</td>
<td>20M</td>
</tr>
<tr>
<td>FY24-25</td>
<td>12.00</td>
<td>13,038,629</td>
<td>522,661</td>
<td>1,340,000</td>
<td>20M</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>100M</td>
</tr>
</tbody>
</table>

*First debt payment due in 2021.
E1 – Legislative Impacts
Budget and Strategic Plan Review
May 20, 2020

Texas Legislative Action Impacting City Revenue and Operations
Overview

• COVID-19 Impact on Senate Bill 2 (SB2) Tax Rate Calculation
  – Tax Rate calculated at 8 percent rate
  – How does this impact the City?
  – History of Taxable Value – percent change
  – SB2 and certification of tax roll
  – Conclusion of SB2 Impact

COVID-19 Impact on Senate Bill 2 (SB2) Tax Rate Calculation

• Regarding taxes generated from existing properties, SB2
  – created the 3.5% voter-approval rate
  – contained provisions to allow use of an 8 percent rate if any part of the city is located in an area declared a disaster area
• Governor issued state wide disaster declaration March 13, 2020
• Council may direct its designated officer to calculate the voter approval rate at the 8 percent rate
  – Resolution at June 25 Council Meeting
• City of Irving’s designated officer is the Dallas County Tax Assessor/Collector.
Tax Rate Calculated at 8 Percent Rate

• The designated officer shall continue to calculate the voter-approval tax rate using 8% (instead of 3.5%) until the earlier of:
  1. the second tax year in which the total taxable value of property in the city exceeds the total taxable value of property taxable by the city on January 1st of the tax year in which the disaster occurred, or
  2. the third tax year after the tax year in which the disaster occurred.

How does this impact the City?

• It allows the 8% (instead of 3.5%) rate to be used in the voter approval rate calculation for up to a three year period.
• It could help recover some of the taxes lost by a decline in property values
• How much of a benefit the 8% rate would be depends on the particulars of our tax base and the tax rate the Council wants to adopt.
  – Not an automatic increase
    • We were governed by an 8% Rollback Rate for years and usually kept the same tax rate, even though it calculated to a much lower rate than 8%
History of Tax Rates

SB2 Impact on Certified Values

- SB2 amended the tax code
  - to allow the chief appraiser to provide an estimate of taxable value not later than July 25th if the certified appraisal roll is not complete and
  - the Tax Assessor/Collector will use the estimate of taxable value to calculate the voter-approval tax rate
Conclusion of SB 2 Impact

• As a generalization, it allows the City to increase its property tax revenue from FY20-21 from 3.5% to 8% on year over year properties
  – State Comptroller has not provided FY20-21 Tax Rate calculation
  – Irving calculation is influenced by its Tax Increment Financing Zones and Property Tax Abatements
  – Irving traditionally has adopted the same tax rate, so it may not benefit from the 8%
• Allows Tax Rate to be calculated using a certified estimate of values
• Too early to determine impact of COVID-19 on Tax Year 2021 values (values will not be available until July 2021)

Questions/Discussion
Overview

- City Economic Development Funding
  - TIFs
  - Economic Development Fund
  - Economic Development Incentive Fund
- Economic Development Incentive Policy
### City Economic Development Funding

<table>
<thead>
<tr>
<th>FY 19-20 General Fund Economic Development Contributions to:</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax increment Financing (TIF) Funds*</td>
<td>$1,438,067</td>
</tr>
<tr>
<td>Economic Development Fund</td>
<td>2,058,763</td>
</tr>
<tr>
<td>Economic Development Incentive Fund</td>
<td>14,877,565</td>
</tr>
<tr>
<td>Total</td>
<td>$18,374,395</td>
</tr>
</tbody>
</table>

* Includes a portion of TIFs 1, 2 and 6

### City’s Six TIF Funds

<table>
<thead>
<tr>
<th>Fund</th>
<th>FY19-20 ED Budgeted Contribution</th>
<th>FY19-20 Non-ED Budgeted Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>TIF 1 – Las Colinas</td>
<td>$1,357,062</td>
<td>$9,137,625</td>
</tr>
<tr>
<td>TIF 2 – Irving Boulevard</td>
<td>39,307</td>
<td>185,302</td>
</tr>
<tr>
<td>TIF 3 – Bridges of Las Colinas Public Improvement District</td>
<td>0</td>
<td>430,396</td>
</tr>
<tr>
<td>TIF 4 – Campion Hollows Public Improvement District</td>
<td>0</td>
<td>104,979</td>
</tr>
<tr>
<td>TIF 5 – Parkside Public Improvement District</td>
<td>0</td>
<td>743,259</td>
</tr>
<tr>
<td>TIF 6 – PUD 6</td>
<td>41,698</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>$1,438,067</td>
<td>$10,601,561</td>
</tr>
</tbody>
</table>
Economic Development Fund

• Economic Development Fund
  – Sub-fund of General Fund – rolls up into the General Fund in the Comprehensive Annual Financial Report (CAFR)
  – Revenues
    • Rent from city-owned properties
    • Theme towers lease
    • Sale of city-owned properties
    • Transfer from General Fund (for contracts with Irving-Las Colinas Chamber and Irving Hispanic Chamber)

Economic Development Fund

• Economic Development Fund, cont.
  – Expenditures
    • Maintenance for rental properties
    • Contracts for economic development services with chambers
    • Legal/consulting services, as needed, for economic development projects
    • Downtown and Corridor Enhancement grants

• Economic development services contracts
  – General Fund is not fully funding through transfer
  – Economic Development Fund paying $677,605 in FY 2019-20
Economic Development Fund

• Without an influx of additional funding, the Economic Development Fund will more than likely have a negative Fund Balance at the end of FY20-21

Economic Development (ED) Incentive Fund

• New fund created for FY 2019-20
  – Special Revenue Fund
    • Records property tax and sales tax revenues for economic development incentive agreement (EDIA) payments
  – Expenditures
    • Property tax, sales tax, and job grants
• Purpose
  – Record property and sales taxes related EDIAs
  – Record incentives paid
  – Reduces General Fund revenues, reducing fund balance requirements for bond rating
ED Incentive Fund

• Incentive revenues and payments previously recorded in General Fund
  – Revenues removed from General Fund
  – Expenditures removed from General Fund
• Unexpended incentives will no longer be transferred to Economic Development Fund, but will fall to fund balance of ED Incentive Fund for future use for incentives or development projects

Recent Policy Updates

• February 13, 2020, Council adopted
  – Guidelines and Criteria Governing Tax Abatement Agreements
  – Policy Statement on Local Economic Development and Business Stimulation Incentives
• The City has not yet identified a long-term dedicated funding source for economic development
Recap

• The City does not have dedicated revenues to address economic development incentives that are not funded by property tax or sales tax generated by the project
• Existing contracts and grant programs will create funding shortfalls in the Economic Development Fund

Discussion/Questions
E3 – Pensions
Budget and Strategic Plan Review
May 20, 2020

Overview

• Pension Plans
  – Texas Municipal Retirement System (TMRS)
  – Irving Supplemental Benefit Plan (SBP)
  – Firemen’s Relief and Retirement Fund (FRRF)

• Pension Plans Key Indicators

• Firemen’s Relief and Retirement Fund

• City’s Manager’s Recommendation

• FRRF Board Chairman’s Comments
Pension Plans Key Indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>TMRS</th>
<th>SBP</th>
<th>FRRF</th>
<th>Calculated Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>TPL - Total Pension Liability</td>
<td>766,588,675</td>
<td>85,874,241</td>
<td>296,815,791</td>
<td>1,149,278,707</td>
</tr>
<tr>
<td>FNP - Fiduciary Net Positions</td>
<td>665,855,340</td>
<td>58,112,359</td>
<td>195,301,301</td>
<td>919,269,000</td>
</tr>
<tr>
<td>NPL - Net Pension Liability*</td>
<td>100,733,335</td>
<td>27,761,882</td>
<td>101,514,490</td>
<td>230,009,707</td>
</tr>
<tr>
<td>FNP as % of TPL</td>
<td>86.86%</td>
<td>67.67%</td>
<td>65.80%</td>
<td>79.99%</td>
</tr>
<tr>
<td>Covered Payroll</td>
<td>105,577,597</td>
<td>105,124,301</td>
<td>33,831,773</td>
<td></td>
</tr>
<tr>
<td>NPL as % of Covered Payroll</td>
<td>95.41%</td>
<td>26.41%</td>
<td>300.06%</td>
<td></td>
</tr>
<tr>
<td>Remaining Amortization Period</td>
<td>27 years</td>
<td>32 years</td>
<td>Does not Amort</td>
<td></td>
</tr>
<tr>
<td>Projected Estimated Rate of Return</td>
<td>6.75%</td>
<td>6.75%</td>
<td>7.50%</td>
<td></td>
</tr>
</tbody>
</table>

* - Net Pension Liability is recorded on the Government Wide Statement of Net Position

Firemen’s Relief & Retirement Fund (FRRF)

- Will not Amortize
- Based on a January 1, 2019 Actuary Analysis, needs an 8% adjustment in order to provide a 40 year amortization period
- Can be achieved by a combination of:
  - Changes to actuarial assumptions
  - Change in contribution rates
    - City
    - FRRF Member
  - Reduction of benefits
City Manager’s Recommendation

• Increase City’s Contribution rate by 3%, from 16.75% of payroll to 19.75% of payroll
  – Because of the COVID-19 Recession impact on General Fund revenues, consider delaying effective date from January 1, 2021 to April 1, 2021
  – Based on FRRF members voting to decrease benefits and/or increase contributions
• Since 8% is needed to obtain the 40 year amortization period, the increase of the City’s Contribution rate by 3% leaves a funding gap of 5%

40 Year Amortization Period

• The 8% adjustment will provide a 40 year Amortization period
  – Pension Review Board (PRB) recommends 30 year Amortization period.
  – PRB has presented legislation in 2019 to require 30 years. Legislation has not passed, but we expect PRB to present again in future years
  – Rating agencies have expressed concern about amortization periods.
• The FRRF may need additional funding in future years
F - 2020 Resident Survey Results
Budget and Strategic Plan Review
May 20, 2020

Introduction

• Conducted every 2 years
• Random sample of single-family and multifamily homes
  • 4,892 via USPS
  • 9,997 via email
• Valid Responses: 2,059
• Response Rate: 13.8%
• Margin of Error: +/- 2.0%
Quality of Life

Percent "Excellent" or "Good"

<table>
<thead>
<tr>
<th>Category</th>
<th>Irving</th>
<th>Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Irving as a Place to Live</td>
<td>77%</td>
<td>72%</td>
</tr>
<tr>
<td>Irving as a Place to Work</td>
<td>77%</td>
<td>64%</td>
</tr>
<tr>
<td>Overall Quality of City Services</td>
<td>73%</td>
<td>70%</td>
</tr>
<tr>
<td>Neighborhood as a Place to Live</td>
<td>73%</td>
<td></td>
</tr>
<tr>
<td>Overall Quality of Life</td>
<td>73%</td>
<td>79%</td>
</tr>
<tr>
<td>Irving as a Place to Raise Children</td>
<td>59%</td>
<td>65%</td>
</tr>
</tbody>
</table>

Community Characteristics

Percent "Excellent" or "Good"

<table>
<thead>
<tr>
<th>Category</th>
<th>Irving</th>
<th>Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultural event opportunities</td>
<td>65%</td>
<td></td>
</tr>
<tr>
<td>Development and redevelopment</td>
<td>63%</td>
<td></td>
</tr>
<tr>
<td>Job opportunities</td>
<td>66%</td>
<td></td>
</tr>
<tr>
<td>Opportunities to participate in community matters</td>
<td>64%</td>
<td></td>
</tr>
<tr>
<td>Recreational opportunities</td>
<td>62%</td>
<td>79%</td>
</tr>
<tr>
<td>Appearance of the city</td>
<td>58%</td>
<td>58%</td>
</tr>
<tr>
<td>Shopping opportunities</td>
<td>38%</td>
<td></td>
</tr>
</tbody>
</table>
### Community Characteristics

#### Maintenance and Appearance

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
<th>Resident Priority</th>
</tr>
</thead>
<tbody>
<tr>
<td>62%</td>
<td>Quality of code enforcement</td>
<td></td>
</tr>
<tr>
<td>63%</td>
<td>Cleanup of junk and debris</td>
<td>✨ Benchmark 50%</td>
</tr>
<tr>
<td>61%</td>
<td>Parking in the yard</td>
<td></td>
</tr>
<tr>
<td>61%</td>
<td>Exterior maintenance of structures</td>
<td>✨ Benchmark 36%</td>
</tr>
<tr>
<td>56%</td>
<td>Maintenance of business property</td>
<td></td>
</tr>
<tr>
<td>54%</td>
<td>Appearance of streets and corridors</td>
<td>✨ Resident Priority</td>
</tr>
<tr>
<td>51%</td>
<td>Pickup of Litter</td>
<td></td>
</tr>
</tbody>
</table>

### Public Safety

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
<th>Resident Priority</th>
</tr>
</thead>
<tbody>
<tr>
<td>89%</td>
<td>Quality of fire services</td>
<td></td>
</tr>
<tr>
<td>88%</td>
<td>Quality of ambulance services</td>
<td>✨ Benchmark 80%</td>
</tr>
<tr>
<td>79%</td>
<td>Quality of police services</td>
<td></td>
</tr>
<tr>
<td>70%</td>
<td>Efforts to prevent crime</td>
<td>✨ Benchmark 53%</td>
</tr>
<tr>
<td>66%</td>
<td>Traffic enforcement</td>
<td></td>
</tr>
<tr>
<td>62%</td>
<td>Quality of animal services</td>
<td></td>
</tr>
<tr>
<td>54%</td>
<td>Visibility of police in neighborhoods</td>
<td>✨ Resident Priority</td>
</tr>
<tr>
<td>47%</td>
<td>Adequacy of street lighting</td>
<td></td>
</tr>
</tbody>
</table>
Public Safety

Feelings of Safety

- Neighborhood during day: 95% (Benchmark: 81%)
- Neighborhood park during day: 92% (Benchmark: 63%)
- Neighborhood in the evening: 78% (Benchmark: 48%)
- Neighborhood park in the evening: 62% (Benchmark: 28%)

Quality of City Services

Community Services

<table>
<thead>
<tr>
<th>Percent &quot;Excellent&quot; or &quot;Good&quot;</th>
<th>Priority Item</th>
</tr>
</thead>
<tbody>
<tr>
<td>83% Overall quality of libraries</td>
<td>Benchmark 82%</td>
</tr>
<tr>
<td>76% Overall quality of Irving Arts Center</td>
<td>Benchmark 72%</td>
</tr>
<tr>
<td>75% Maintenance/landscaping of city parks</td>
<td>Benchmark 72%</td>
</tr>
<tr>
<td>72% Miles of walking trails</td>
<td>Benchmark 56%</td>
</tr>
<tr>
<td>71% Overall quality of parks</td>
<td>Benchmark 79%</td>
</tr>
<tr>
<td>70% Quality of parks facilities</td>
<td>Benchmark 56%</td>
</tr>
<tr>
<td>67% Overall quality of recreation centers</td>
<td>Benchmark 79%</td>
</tr>
<tr>
<td>64% Quality of aquatic facilities</td>
<td>Benchmark 72%</td>
</tr>
</tbody>
</table>
Quality of City Services

Public Works

Percent “Excellent” or “Good”

<table>
<thead>
<tr>
<th>Rate public works services in the following areas:</th>
<th>2012</th>
<th>2014</th>
<th>2016</th>
<th>2018</th>
<th>2020</th>
<th>2 Year Change</th>
<th>Multi-year Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Condition of major streets</td>
<td>49%</td>
<td>49%</td>
<td>34%</td>
<td>37%</td>
<td>45%</td>
<td>8</td>
<td>-4</td>
</tr>
<tr>
<td>Condition of sidewalks in YOUR neighborhood</td>
<td>49%</td>
<td>48%</td>
<td>41%</td>
<td>40%</td>
<td>43%</td>
<td>3</td>
<td>-6</td>
</tr>
<tr>
<td>Condition of streets in YOUR neighborhood</td>
<td>53%</td>
<td>51%</td>
<td>44%</td>
<td>42%</td>
<td>46%</td>
<td>4</td>
<td>-7</td>
</tr>
<tr>
<td>Condition of traffic signs and roadway striping</td>
<td>59%</td>
<td>58%</td>
<td>51%</td>
<td>49%</td>
<td>56%</td>
<td>7</td>
<td>-3</td>
</tr>
<tr>
<td>Maintaining streets (filling potholes, smoothing bumps)</td>
<td>38%</td>
<td>36%</td>
<td>27%</td>
<td>28%</td>
<td>31%</td>
<td>3</td>
<td>-7</td>
</tr>
<tr>
<td>Placement and number of streetlights</td>
<td>43%</td>
<td>44%</td>
<td>37%</td>
<td>38%</td>
<td>43%</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>Reliability of your water service</td>
<td>81%</td>
<td>81%</td>
<td>78%</td>
<td>78%</td>
<td>81%</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>Stormwater drainage</td>
<td>65%</td>
<td>68%</td>
<td>60%</td>
<td>63%</td>
<td>58%</td>
<td>-5</td>
<td>-7</td>
</tr>
<tr>
<td>Street sweeping</td>
<td>53%</td>
<td>52%</td>
<td>47%</td>
<td>50%</td>
<td>49%</td>
<td>-3</td>
<td>-4</td>
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<tr>
<td>Timing of traffic signals</td>
<td>45%</td>
<td>47%</td>
<td>42%</td>
<td>45%</td>
<td>47%</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Traffic management during rush hour</td>
<td>40%</td>
<td>40%</td>
<td>34%</td>
<td>36%</td>
<td>40%</td>
<td>4</td>
<td>0</td>
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Public Works Priority Item

Quality of City Services

Solid Waste Services

Percent “Excellent” or “Good”

<table>
<thead>
<tr>
<th>Quality of Solid Waste Services</th>
<th>Irving</th>
<th>Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brush and Bulky Waste</td>
<td>Irving</td>
<td>Benchmark</td>
</tr>
<tr>
<td>Trash Collection</td>
<td>Irving</td>
<td>Benchmark</td>
</tr>
<tr>
<td>Quality of Solid Waste Services</td>
<td>Irving</td>
<td>Benchmark</td>
</tr>
<tr>
<td>Curbside Recycling</td>
<td>Irving</td>
<td>Benchmark</td>
</tr>
<tr>
<td>Landfill</td>
<td>Irving</td>
<td>Benchmark</td>
</tr>
<tr>
<td>Hazardous Waste Disposal</td>
<td>Irving</td>
<td>Benchmark</td>
</tr>
</tbody>
</table>

Solid Waste Services Priority Item
Knowledge - 74%
Made me feel valued as a resident - 67%
Professionalism - 72%
Promptness - 68%
Willingness to help - 70%
Overall service - 69%

Aggregate Score - 70%

City Performance

Value of services for the taxes paid to the city.
Iving: 49%
Benchmark: 44%

Overall direction that the city is taking.
Iving: 57%
Benchmark: 49%

Job city does at welcoming resident involvement.
Iving: 49%
Benchmark: 36%

Percent "Excellent" or "Good"
**City Performance**

Percent "Very Likely" or "Likely"

- Recommend living in Irving to someone who asks: 79%
- Remain living in Irving for the next five years: 83%

**City Performance**

Percent "Excellent" or "Good"

- Overall, how would you rate the quality of services provided by each of the following?
  - U.S. Government: 38%
  - Dallas County Government: 39%
  - State of Texas: 52%
  - City of Irving: 68%
**Communication**

Rate the usefulness of the following in finding out about city services and programs.

<table>
<thead>
<tr>
<th>Service</th>
<th>Rating</th>
<th>Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Website</td>
<td>90%</td>
<td>High 72%</td>
</tr>
<tr>
<td>City Spectrum</td>
<td>89%</td>
<td>42%</td>
</tr>
<tr>
<td>City Spectrum Digital</td>
<td>81%</td>
<td></td>
</tr>
<tr>
<td>City Spectrum Briefs</td>
<td>80%</td>
<td></td>
</tr>
<tr>
<td>Social Network</td>
<td>76%</td>
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</tr>
<tr>
<td>ICTN</td>
<td>60%</td>
<td></td>
</tr>
</tbody>
</table>

Percent “Very Useful” or “Useful”

**Priorities**

- Street Maintenance and Condition
- Business Development and Redevelopment
- Police and Fire
- Street Lighting
- Sidewalks
Questions
G – COVID-19 Impact
Budget and Strategic Plan Review
May 20, 2020

Departments with Significant Service Impacts

• Parks, Recreation and Special Events
• Libraries
• Irving Convention and Visitor’s Bureau
• Irving Arts Center
• Other City Services
Discussion/Questions
G1 – Parks, Recreation and Special Events
Budget and
Strategic Plan Review
May 20, 2020

Independence Day
Celebration Update
May 20, 2020
Timeline of Production

What Other Cities are Doing

- City of Allen – Fireworks only and moving shoot site
- City of Bedford – Cancelled entire July 4th plans including fireworks
- City of The Colony – Cancelled parade and all festivities except for fireworks show
- City of Coppell – Final decisions haven’t been made
- City of Garland – Cancelled all festivities but waiting on final decision on fireworks show
- City of Grand Prairie – Doesn’t have a July 4th event planned
- City of Grapevine – Limited space for viewing and fireworks only on July 4th
- City of Hurst – Cancelled entire July 4th plans including fireworks
- City of Lewisville – Cancelled entire July 4th plans including fireworks
- City of Plano – Fireworks only
- Town of Addison – Final decision hasn’t been made
Proposed Plan for 2020

Due to timeline and safety concerns of COVID-19, the recommendation would be to:

- Cancel Parade due to social distancing requirements
- Hold a virtual concert prior to the Fireworks Show
- Hold fireworks show as planned
  - No other on site activities planned at this time
  - Will determine feasibility of on site viewing while promoting social distancing
  - Working with vendor to find the best launch area on Lake Carolyn to optimize viewing from remote locations
  - Recommend viewing locations through Spectrum, social media, ICTN, and advertising

Questions?
The COVID-19 Coronavirus Pandemic has had a dramatic impact on all departmental services, but in particular aquatics offerings. (47) PT life guards were furloughed and seasonal hiring was discontinued, when the outbreak began in North Texas. While off season repairs and renovations have continued, the seasonal offerings to our patrons have remained uncertain.
User Impacts to Consider

- User Capacity per session
  - “25%” with potential to increase as guidelines permit.
- New admission procedures
  - Advanced registration
  - Traffic flow plans
  - Irving Residents only
- No locker room or showers usage
  - Restroom use only
- Safety protocols
  - Mask recommendations (except in water)
    - Dependent on State or County orders
  - Physical distance guidelines

Staff Impacts to Consider

- New protocols for emergency response
- New protocols for disinfection and cleaning
- Safety of Staff in high traffic/touch/interaction areas
- Availability and inventory of additional PPE and Disinfectants
- How to complete training that requires physical contact and proximity
- Availability of staff may potentially alter operations
- Will focus on using permanent staff to fill operational needs in lieu of seasonal staff we use traditionally to cover facilities
- Same staff will work both indoor and outdoor facilities
In an aquatic environment

This is not your first responder  
This is

Option For Indoor Facilities

Heritage and North Lake Natatorium

- Weekdays Only
  - Monday through Thursday
- Limited Hours/Sessions
- Reduced Capacity
- Closures for enhanced sanitation/disinfection
- Fitness Activities Only
- Irving Residents Only
- Anticipated opening early June
Option For Outdoor Facilities

West Irving and Cimarron Aquatic Centers Only
• Weekends Only  
  – Friday through Sunday
• Limited Hours/Sessions
• Reduced Capacity
• Closures for enhanced Sanitation/Disinfection
• Irving Residents Only
• Anticipated opening early June

Traditional In-ground Pools

• Due to staffing limitations, we will not be operating our traditional in-ground pools for the 2020 swim season
• This includes:
  – Senter Park
  – Lively Pointe Park
  – Lee Park
• Spray parks will be opened once we open up playgrounds and basketball courts
  – Northwest Spray Park
  – Southwest Spray Park
Cities with postponed openings

- City of Allen – Plan on Opening Pools June 8.
- City of Arlington – Plan on Opening Pools Mid June.
- City of Farmers Branch – Plans to open indoor and outdoor by second or third week of June.
- Town of Flower Mound – Cancelled lessons and teams. Possible indoor limited open in July.
- City of Garland – Unsure.
- City of Grand Prairie – Epic Waters on Memorial Day. Summit, The Epic, and seasonal uncertain.
- City of Grapevine – Plans to open in June.
- City of McKinney – Plans to open Apex June 1
- City of Plano – Plans to open June 8.
- City of Richardson – May open all seasonal pools by July 1.
- City of University Park – Planning on limited open Mid June.

Cities not opening

- City of Bedford – Closed seasonal pools for the summer.
- City of Coppell – Outdoor pool would not open. Unsure regarding indoor.
- City of Hurst – Will not open seasonal pools and water parks.
- City of Lewisville – Seasonal pools and water parks closed.
- City of Rockwall – Not opening pools.
- City of White Settlement – Not Opening pool.
Aquatic Questions
Impacts of COVID-19 Recreation Division

**March 23, 2020** - All recreation facilities were closed. All organized athletic co-sponsored youth and adult leagues, rentals, and recreation classes were cancelled following the social gathering limitations as well as social distance of 6 feet.

**April 20, 2020** - The City of Irving furloughed over 60 part-time employees from the recreation division and froze hiring of all seasonal employees.

**Early June 2020** – We plan to re-open the recreation centers in a limited capacity. The number of centers and operational hours will be based upon available staff. A return to operations will be follow federal, state, and local Guidelines.
Return to Operations Plan

Registration

- You must be an IPAR members to register for programs and camps through ActiveNet.
- Membership can be obtained online or in-person.
- You must be an Irving resident.
- There will be NO open, free play time.
- Camp, Fitness Center usage, and programs will have limited space.
- Customers not adhering to these rules and guidelines will not be able to participate or allowed to return.

Return to Operations Plan

Registration List

<table>
<thead>
<tr>
<th>1st a.m.</th>
<th>Weight Room</th>
<th>June 1-6</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Monday</td>
<td>Tuesday</td>
</tr>
<tr>
<td>1</td>
<td>Joe Moses</td>
<td>Joe Moses</td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
<td></td>
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<tr>
<td>4</td>
<td></td>
<td></td>
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<td>5</td>
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<tr>
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<td></td>
</tr>
<tr>
<td>10</td>
<td></td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>1st a.m.</th>
<th>Weight Room</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Monday</td>
</tr>
<tr>
<td>1</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
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<tr>
<td>4</td>
<td></td>
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<td>7</td>
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<tr>
<td>8</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td></td>
</tr>
</tbody>
</table>
Return to Operations Plan

The Recreation Division will operate at a capacity of 25% in line with guidelines from the federal, state and local government. The Centers will close several times during operational hours for cleaning.

Operational Hours for these facilities are:
- Monday – Friday: 10 a.m. – 7 p.m.
- Saturday: 9 a.m. – 5 p.m.
- Sunday: Closed

Summer Camp Hours (if held):
- Monday – Friday: 7 a.m. – 6 p.m.

Lively Pointe Youth Center Hours:
- Teen Programs:
  - Monday – Friday: 2 p.m. – 6 p.m.
  - Saturday & Sunday: Closed
- Therapeutic Programs:
  - Monday – Friday: 9 a.m. – 1 p.m.
  - Saturday & Sunday: Closed

Heritage Senior Center will remain closed in compliance with federal, state, and local Guidelines.

*Senior meal program and wellness calls will continue
Increased Safety Measures & Cleaning Procedures

The City of Irving will focus on safety measures and cleaning procedures as we move into the return to operation phases:

- There will be one entrance and one exit
- Hand sanitizing units available for the members to use throughout the facility
- The locker rooms and showers will remain closed. Restroom only access
- Masks are recommended to be worn inside of the facilities, but not during exercise
- Members using the weight room must wear their own full length gloves
- At the entry point, all members entering the facility will have their temperature taken by an IPAR staff. If member has a fever of 99 or higher, they will be asked to leave
- Members will be asked to scan their own IPAR card at check-in for a contactless access
- Centers will be closed several times a day for deep cleaning

Complexity of Reopening

- Not all recreation centers will be able to open this summer
- Staff is still working on strategy and analysis on which facilities can operate
- Factors impacting decision include:
  - Staffing levels
  - Governor and/or County Judge Orders
  - Ability to safely operate Programs/Summer Camp
- Staff will update Council once a recommendation is ready
Recreation Questions
G2 – Library
Budget and
Strategic Plan Review

May 20, 2020

Library Service Stages

• Stage 0 (March 24): Library facilities closed; digital resources and email/online chat assistance available
• Stage 1 (May 1): Staff working in buildings on special projects, virtual programming and online assistance
• Stage 2 (May 6): Curbside and drive-through delivery of library materials
• Stage 3 (June 1): Limited service by appointment
• Stage 4: (date TBD) Limited service by capacity
• Stage 5: (date TBD) Walk-in service at normal capacity; limited programming
### Stage 3: Limited Service (June 1)

- Public computer use by appointment; limited number of computers available to maintain social distancing. Computer assistance provided via online chat and screen sharing to maintain social distancing.
- Browsing/Collection use by appointment; self-service checkout required. No in-building use of resources.
- Curbside and Drive-through service continue.
- Walk-up use allowed if prior appointments do not exhaust capacity.
- East Irving Library and Learning Center remains closed due to difficulty in social distancing in a small facility.
- Masks required for customers and staff.
- Limited hours: M-Th, 10-7, Fr/Sat, 10-6, Sun: closed.

### Stage 4: Limited Building Capacity

- Building capacity monitored at entrance to ensure social distancing; masks required for customers and staff.
- Limited public computer use continues with assistance provided via online chat and screen sharing to maintain social distancing.
- Browsing/Collection limited by building capacity specifications; self-service checkout required.
- In-building use of resources allowed.
- Drive-through service continues at South and Valley Ranch; curbside stops at West.
- East Irving Library and Learning Center remains closed.
- Limited hours: M-Th, 10-7, Fr/Sat, 10-6, Sun: closed.
Anticipated Challenges

- Providing curbside and drive-up delivery is extremely staff intensive
- Library collection materials will be handled as customers are browsing
- Quarantining returned materials for 72 hours will require more space as business levels increase
- Computer users often need hands-on assistance
Occupancy Changes by Week

<table>
<thead>
<tr>
<th>Week</th>
<th>Occupancy Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan 20</td>
<td>64.8%</td>
</tr>
<tr>
<td>20 Feb</td>
<td>68.1%</td>
</tr>
<tr>
<td>w/o Mar 1</td>
<td>67.4%</td>
</tr>
<tr>
<td>w/o Mar 8</td>
<td>58.0%</td>
</tr>
<tr>
<td>w/o Mar 15</td>
<td>33.0%</td>
</tr>
<tr>
<td>w/o Mar 21</td>
<td>25.5%</td>
</tr>
<tr>
<td>w/o Mar 29</td>
<td>22.5%</td>
</tr>
<tr>
<td>w/o Mar 5</td>
<td>21.4%</td>
</tr>
<tr>
<td>w/o Apr 12</td>
<td>22.1%</td>
</tr>
<tr>
<td>w/o Apr 19</td>
<td>23.7%</td>
</tr>
<tr>
<td>w/o Apr 26</td>
<td>24.5%</td>
</tr>
<tr>
<td>w/o May 3</td>
<td>24.3%</td>
</tr>
</tbody>
</table>

ADR Changes by Week

<table>
<thead>
<tr>
<th>Week</th>
<th>ADR Change</th>
</tr>
</thead>
<tbody>
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<td>$0.00</td>
</tr>
<tr>
<td>Feb. 20</td>
<td>$20.00</td>
</tr>
<tr>
<td>w/o Mar 1</td>
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<td>w/o Apr 9</td>
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<tr>
<td>w/o May 3</td>
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</tr>
</tbody>
</table>
Cash Flow & Funding Challenges

- **ICVB**
  - Utilizing all reserve funds to maintain cash flow
  - HOT funds received quarterly, not considered delinquent until one-quarter delinquent
    - Jan-Mar funds due mid-May
      - 2/3 of this quarter were very good; still some large hotels that have not yet remitted
    - April-June funds due mid-August
      - Anticipating minimal revenues at best
    - Jul-Sep funds due mid-November
      - Anticipating some recovery

- **ICC**
  - Event cancellations, postponements, re-bookings, new bookings
  - Facility still being maintained & protected

Financial Position –
Reserves Used, Minimal HOT Receipts Q2
Other Resource Options

- Line of credit
- Traditional Bank Loan
  - ASM/SMG Parent Company – capital project access potential vs FFE investment with contract renewal
- CARES Act Programs
  - ICVB currently not eligible for most due to status as gov’t agency or city population size
    - ICC as government agent also not eligible
  - MAY be some access through Economic Adjustment Assistance Programs (EAA)
  - Clarifications or addl legislation coming that MAY resolve that, esp for Paycheck Protection Program (PPP loans) if parameters change
    - New House draft includes 501©6s, but not government CVBs
    - Loans with existing banking relationships (City: Bank of America)
    - Issues re state law in Texas may pose challenges regardless

Current Initiatives

- Maintaining core operations for ICVB and ICC
  - Sales and Marketing efforts continue
    - Focus remains on priming the pump and filling the pipeline
    - Support the visitor economy elements that remain open
  - Facility improvements and maintenance projects continue
  - Working with area peers and industry partners on GBAC for third-party certification of standards
- Clients and partners needing clarity in orders for re-openings and gatherings
  - What is the difference between 100 people socially distanced:
    - In a movie theatre vs a hotel meeting room?
    - In a restaurant vs a hotel banquet space?
G4 – Arts and Culture
Budget and
Strategic Plan Review
May 20, 2020

COVID- 19 RESPONSE

DEPARTMENT OF ARTS AND CULTURE
RETURN TO WORK PLAN

**PHASE 1: JUNE 1st LIMITED OFFICE OPENING BY APPOINTMENT M-F, 8A-5P & EVENTS TBD**

- Those who are able to work from home ("telecommuting") and continue to be in good standing with their performance will continue to do so.
- For those who are designated to Return to the Office, you may do so with the approval of your Manager provided you meet the following criteria:
  - You have not had exposure to someone with Covid-19 or are not personally experiencing any symptoms associated with Covid-19 or any other infectious disease as identified with the CDC within 14 days of returning to the office
  - You have not traveled internationally or to areas with high risk within 14 days of returning to the office
  - You are able to comply with all state and local requirements, such as the usage of face mask coverings
  - You are able to maintain social distancing in your commute to the office

---

**Phase 1: Office Protocol**

- IAC Staff working on site will have temperature screenings logged at the beginning of each shift and are required to wear masks in common areas and when leaving personal offices until further notice. Temperature must be 100.0 or less.
- Social distance guidelines will be followed throughout the facility and movement in the administrative offices and public spaces will follow clockwise routes (to the left).
- IAC Staff scheduled in event spaces will assist in frequent disinfecting of door handles, elevator buttons and other high-touch areas and will assisting visitors in observing social distancing and directional movement instructions throughout the facility.
- IAC Employees are not permitted to use other employees’ phone, desks, offices, and other equipment
- IAC Staff will be responsible for wiping down their workspaces at the beginning and end of each shift (desktops, keyboards, phones, and door handles) with cleaning products provided by IAC.
- In person interactions in close proximity are limited
- Use of virtual meetings is encouraged
- If a meeting of 2 or more takes place in person, face masks must be worn. Following these meetings all tables, desks, equipment, furniture and chairs must be wiped clean prior to leaving
- The use of common areas, including break rooms, is not permitted except for the storage of meals in refrigerators. Non-exempt employees who choose to take their meal periods at their workstations are still expected to take uninterrupted meal periods as policies dictate
- Vending machines, coffee maker, ice machines will not be available during at this time.
- IAC will offer one building entrance point – Carpenter entrance
- There will be one set of doors for entrance and another set for exit.
Phase 1: Visitor Guidelines

- External visitors (including family members but excluding normal delivery personnel) are not permitted during this time.
- Resident organization representatives requiring access are required to make an appointment.
- Irving Arts Board members requiring access are requested to make an appointment.
- Volunteers and contractors working on site and all visitors will have temperature screenings upon entry and be required to wear masks until further notice.

Phase 1: Event Guidelines

- No indoor events will be scheduled during this phase.
- Social distancing will be observed.
- If exterior events require that the restrooms be accessible, extra FOH personnel will be scheduled to monitor restroom capacity and assist with social distance rules and keep high touch areas clean.
- No concessions will be allowed.
- Event personnel and client vendors should maintain at least 6 feet separation from other individuals. Temperature screenings and masks are required.
RETURN TO WORK PLAN

• **PHASE 2: JULY - AUGUST OFFICE & GALLERY REOPENING & EVENTS TBD**
  • Telecommuting continues to be encouraged and is acceptable for those in good standing with continuing needs such as child care or personal risks identified.
  • Those who are designated to return to the office may do so provided that they meet the same criteria as identified in Phase 1.

---

Phase 2: Office Protocol

• Similar guidelines as outlined in Phase 1 with these adjustments
• The use of common areas, including break rooms, is permitted provided that all surfaces and handles are cleaned at least 3 times per day
• The use of shared refreshment machines is permitted provided that all surfaces are cleaned at least 3 times per day
Phase 2: Visitor Guidelines

• Masks will be recommended.
• Social distancing requirements remain in place.
• Gallery visitors will be allowed at whatever percent is allowed per the governor’s current executive order.
• A single entrance/exit on the Carpenter side will be maintained.

Phase 2: Event Guidelines

• Patrons will be notified by email of all venue rules before arriving at the venue and an announcement will be made before each show starts.
• Social distancing in theaters – Keep at least two empty seats (or six feet separation) between parties in any row, except as follows:
  • Two or more members of the same household can sit adjacent to one another, with two seats (or six feet separation) empty on either side.
  • Two individuals who are not members of the same household but who are attending together can sit adjacent to one another, with two seats (or six feet separation) empty on either side.
  • Every other row vacant
  • All theatre events will be ticketed GA so that social distancing guidelines may be followed.
  • Extra FOH personnel will be scheduled to monitor restroom capacity and assist with social distance rules and keep high touch areas clean.
  • No concessions will be allowed.
  • Event personnel and client vendors should maintain at least 6 feet separation from other individuals. Temperature screenings and masks are required.
  • Scheduled exit from Back to Front. At the conclusion of the event, patrons nearest the exits should leave first, by row or section, in order to clear space for patrons further inside to follow. Patrons will be notified by email before arriving at the venue and an announcement will be made pre-show. FOH and security will direct patrons when to exit and assist them in complying with social distancing requirements until they are in their vehicles or otherwise outside the venue doors. (Patrons arrive at different times so entering is not so problematic...)
RETURN TO WORK PLAN

• PHASE 3: SEPTEMBER 8TH  RETURN TO NORMAL OPERATING HOURS
• All employees are permitted to return to the office
• All meeting spaces, common areas, and breakrooms are open for use with no restrictions
• All visitor restrictions are lifted.
• Decisions about social distancing requirements and cleaning protocols will be reviewed and determined prior to September 8.
• By applying the necessary precautions and proactive planning, IAC is confident we can provide a safe work environment and meet the business needs of those we serve.
• We will continue to monitor the situation and keep you informed. Thank you for helping us ensure the safety and respect for one another while maintaining the trust of our clients and patrons.

Discussion/Questions
H – New Strategic Plan
Budget and
Strategic Plan Review
May 20, 2020

Background

• Created in February 2015
• Strategic Goals:
  – Financial Sustainability
  – Systematic Infrastructure Investment
  – Vibrant Economy
  – Service Excellence
  – Inclusive and Collaborative Governance
  – Talented and Energized Workforce
What is strategic planning?

- A systematic process to identify why our local government exists, whom it serves, what benefits are derived from our services, and the vision our administration has regarding how residents’ needs can be best served.

Why do we need one?

- Yields results
- Provides management tool
- Fosters agility
- Responds to stakeholder needs
- Narrows communication gap
- Creates accountability
Mission

- Deliver exceptional services and promote a high quality of life for residents, visitors and businesses.

Vision

- Irving will be the model for safe and beautiful neighborhoods, a vibrant economy, and exceptional recreational, cultural and educational opportunities.
Who should be involved?

- Mayor and Council
- City Management
- Department Directors
- Key Stakeholders

Questions?
### J - FY 2020-21 Budget Calendar

<table>
<thead>
<tr>
<th>Date</th>
<th>Responsibility</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 1 - May 1, 2020</td>
<td>DCAD</td>
<td>Chief appraisers mail notices of appraised value individual homeowners. §25.19 Tax Code</td>
</tr>
<tr>
<td>April 1, 2020</td>
<td>Council</td>
<td>City Council Work Session</td>
</tr>
<tr>
<td>April 2, 2020</td>
<td>Council</td>
<td>City Council Meeting</td>
</tr>
<tr>
<td>April 16, 2020</td>
<td>Council</td>
<td>City Council Work Session</td>
</tr>
<tr>
<td></td>
<td></td>
<td>City Council Meeting</td>
</tr>
<tr>
<td>April 30, 2020</td>
<td>DCAD</td>
<td>Chief appraisers prepare and certify the estimate of the taxable value of property to tax assessors. 26.01(e) Tax Code</td>
</tr>
<tr>
<td>May 6, 2020</td>
<td>Council</td>
<td>City Council Work Session</td>
</tr>
<tr>
<td>May 7, 2020</td>
<td>Council</td>
<td>City Council Meeting</td>
</tr>
<tr>
<td>May 13, 2020</td>
<td>Budget</td>
<td>Preliminary Tax Roll Issued by DCAD</td>
</tr>
<tr>
<td><strong>May 20, 2020</strong></td>
<td><strong>Budget</strong></td>
<td><strong>Budget &amp; Strategic Plan Review for City Council Part I</strong></td>
</tr>
<tr>
<td></td>
<td><strong>City Managers Office</strong></td>
<td><strong>Departments</strong></td>
</tr>
<tr>
<td>June 3, 2020</td>
<td>Council</td>
<td>City Council Work Session</td>
</tr>
</tbody>
</table>
### J - FY 2020-21 Budget Calendar

<table>
<thead>
<tr>
<th>Date</th>
<th>Responsibility</th>
<th>Event Description</th>
</tr>
</thead>
</table>
| June 4, 2020    | Council        | City Council Meeting  
|                 |                | Public Hearing #1 on 2020-21 Budget                                                |
| June 24, 2020   | Council        | Audit and Finance Committee                                                       |
|                 | Management     | Budget & Strategic Plan Review for City Council Part II                           |
|                 |                | City Council Work Session                                                          |
| June 25, 2020   | Council        | Public Hearing #2 on 2020-21 Budget                                                |
|                 |                | CDBG Budget Adoption/Action Plan Adoption                                          |
|                 |                | Consider Resolution instructing Tax Assessor/Collector to use 8% voter approval rate |
| July 15, 2020   | Council        | City Council Work Session                                                          |
|                 |                | Budget Amendment                                                                   |
| July 16, 2020   | Council        | City Council Meeting                                                              |
| July 20, 2020   | DCAD           | Deadline for chief appraiser to certify rolls to taxing units.                    |
|                 |                | 26.01(a) Tax Code  
|                 |                | Certification of anticipated collection rate by collector.                       |
|                 |                | 26.04(b) Tax Code  
<p>|                 |                | Calculation of no-new-revenue tax rate and voter-approval tax rate by City.      |
|                 |                | 26.04(c) Tax Code                                                               |
| July 20 - August 30, 2020 | DCAD | Deadline for ARB to approve appraisal records. 41.12 Tax Code                  |
| July 25, 2020   | DCAD           | Certified Tax Roll due (DCAD) 26.01(a) Tax Code                                    |
| July 29, 2020   | Budget         | City Council Work Session Budget Briefing                                         |
|                 |                | (Review of Certified Tax Roll)                                                    |
|                 |                | Submission of no-new-revenue tax rate and voter-approval tax rate to City Council. |
|                 |                | 26.04(e) Tax Code                                                               |
| July 30, 2020   | Council        | City Council Meeting                                                              |</p>
<table>
<thead>
<tr>
<th>Date</th>
<th>Responsibility</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aug. 7, 2020</td>
<td>Budget</td>
<td>Deliver preliminary budget to City Council and City Secretary's Office</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(Public copy of budget must be on file 30 days prior to adoption)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>LGC 102.005 (b) Council requests delivery two weeks prior to Budget Retreat</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Include Statement of Tax Rate Increase if Proposed Budget increases tax revenues from prior year</td>
</tr>
<tr>
<td></td>
<td></td>
<td>CSO must post budget on City’s website. 102.005(c) Loc Govt Code</td>
</tr>
<tr>
<td>Aug. 17, 2020</td>
<td>Council</td>
<td>Last day to adopt tax rate and order election if adopted rate exceeds voter-approval tax rate</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Suspended if Disaster Declaration SB 2</td>
</tr>
<tr>
<td>Aug. 19, 2020</td>
<td>Council</td>
<td>City Council Budget Retreat</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Resolution on Proposal to Consider Tax Rate on Future Agenda 26.06(b) Tax Code</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Schedule calling public hearings on Budget 102.006 (a) Loc Govt Code</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Schedule calling public hearings on Tax Rate - 2 public hearings required on tax rate. 26.05(d) Tax Code</td>
</tr>
<tr>
<td>Aug. 20, 2020</td>
<td>Council</td>
<td>City Council Work Session</td>
</tr>
<tr>
<td></td>
<td></td>
<td>City Council Meeting</td>
</tr>
<tr>
<td>Aug. 24, 2020</td>
<td>Budget</td>
<td>Publish Notice of Public Hearing on Tax Increase in paper and on website. Deadline for publishing is before 9/1/20 and must include:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- statement of tax calculation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- time, date, and location of two public hearings</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- 2021 Proposed Tax Rate</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- 2021 Adopted Tax Rate</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- 2021 Proposed Tax Rate and 2021 Effective Tax Rate</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Get notice reviewed by Legal</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Publish Notice of Public Hearing on Proposed Budget in paper and on website per publication guidelines of Local Government Code Chapter 102.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Per TML, Include an action item for Council to vote on after the hearing</td>
</tr>
<tr>
<td>Sept. 2, 2020</td>
<td>Council</td>
<td>City Council Work Session</td>
</tr>
</tbody>
</table>
### J - FY 2020-21 Budget Calendar

<table>
<thead>
<tr>
<th>Date</th>
<th>Responsibility</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sept. 3, 2020</td>
<td>Council Budget</td>
<td>Public Hearing #1 on 2020-21 Budget and Tax Rate 26.06(a) Tax Code</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(Necessary if proposed tax rate exceeds Effective Rate)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Final Budget Adjustment</td>
</tr>
<tr>
<td>Sept. 10, 2020</td>
<td>Council</td>
<td>Public Hearing #2 on 2020-21 Budget and Tax Rate <strong>(Special Called Hearing)</strong> 26.06(a) Tax Code</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(Necessary if proposed tax rate exceeds No-new-revenue tax rate)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Announce date and time of vote on Tax Rate and Budget</td>
</tr>
<tr>
<td>Aug. 13, 2020</td>
<td>Council</td>
<td>Budget Amendment</td>
</tr>
<tr>
<td>Sept. 16, 2020</td>
<td>Council</td>
<td>City Council Work Session</td>
</tr>
<tr>
<td>Sept. 17, 2020</td>
<td>Council</td>
<td><strong>Adoption of the FY 2020-21 Budget and Tax Rate</strong></td>
</tr>
<tr>
<td>Sept. 30, 2020</td>
<td>Council</td>
<td>Last day to adopt tax rate that is equal to or less than the voter-approval tax rate</td>
</tr>
<tr>
<td>Oct. 7, 2020</td>
<td>Council</td>
<td>City Council Work Session</td>
</tr>
<tr>
<td>Oct. 8, 2020</td>
<td>Council</td>
<td>City Council Meeting</td>
</tr>
<tr>
<td>Oct. 21, 2020</td>
<td>Council</td>
<td>City Council Work Session</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Audit and Finance Committee Meeting</td>
</tr>
<tr>
<td>Oct. 22, 2020</td>
<td>Council</td>
<td>City Council Meeting</td>
</tr>
<tr>
<td>Nov. 3, 2020</td>
<td>Council</td>
<td><strong>Automatic tax rate election</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Municipal Elections</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Bond Election</strong></td>
</tr>
<tr>
<td>Nov. 11, 2020</td>
<td>Council</td>
<td>City Council Work Session</td>
</tr>
<tr>
<td>Nov. 12, 2020</td>
<td>Council</td>
<td>City Council Meeting</td>
</tr>
<tr>
<td>Nov. 15, 2020</td>
<td>Budget</td>
<td>Publish Budget on website and distribute hard copies</td>
</tr>
<tr>
<td></td>
<td></td>
<td>File printed budget with City Secretary's Office</td>
</tr>
</tbody>
</table>