AGENDA
Irving City Council Budget and Strategic Plan Review
Thursday, June 25, 2020 at 9:00 AM
City Hall, First Floor, Council Conference Room
825 West Irving Boulevard, Irving, TX 75060

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 8:30 a.m. to 9:30 a.m. on June 25, 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/92336407983 Meeting ID: 923 3640 7983

9:00 AM  Breakfast

9:30 AM  Meeting

 A. Citizen Comments on Items listed on the Agenda

 B. General Fund Revenue Update

 C. Capital Improvement Program (CIP) and 2020 Bond Sale Plans

  1. Water and Sewer CIP

  2. General CIP

  3. Municipal Drainage Utility (MDU) CIP

 D. 2020 Bond Election

 E. Long Term Financial Plan Update

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.
F. Resident Survey Review

G. Municipal Cost of Services

H. Review Budget Input Received From Residents

I. New Strategic Plan

J. 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

K. Future Items
   July 30 Budget and Strategic Plan Review
   1. Revenue Projections Fiscal Year (FY) 2020-21
   2. Employee Compensation

EXECUTIVE SESSION

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, June 19, 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
  – General Fund
    • Property Taxes
    • Sales Taxes
    • Franchise Fees
    • Zoning & Development Fees
    • Fines
    • Charges for Services
    • Investment Income
    • Miscellaneous
    • Transfers
• Summary
### 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>
</tr>
<tr>
<td>SALES TAXES</td>
<td>72,238,738</td>
<td>61,900,307</td>
<td>(10,338,431)</td>
<td>-14.31%</td>
</tr>
<tr>
<td>FRANCHISE FEES</td>
<td>19,159,904</td>
<td>17,793,019</td>
<td>(1,366,885)</td>
<td>-7.13%</td>
</tr>
<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>
</tr>
<tr>
<td>FEES AND PERMITS</td>
<td>6,910,576</td>
<td>6,838,624</td>
<td>(71,952)</td>
<td>-1.04%</td>
</tr>
<tr>
<td>FINES</td>
<td>5,551,652</td>
<td>4,738,918</td>
<td>(812,734)</td>
<td>-14.64%</td>
</tr>
<tr>
<td>CHARGES FOR SERVICES</td>
<td>4,229,066</td>
<td>3,051,073</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>
</tr>
<tr>
<td>MISCELLANEOUS</td>
<td>3,026,617</td>
<td>2,929,766</td>
<td>(96,851)</td>
<td>-3.20%</td>
</tr>
<tr>
<td>TRANSFER FROM</td>
<td>9,197,193</td>
<td>8,952,612</td>
<td>(244,581)</td>
<td>2.66%</td>
</tr>
</tbody>
</table>

**Total Revenues**

|                              | $234,072,035   | $217,462,405 | $(16,609,630) | -7.10%|

Repeat of estimate shared on April 16, 2020 and May 20, 2020

### GF Revised Projected Shortfall - FY19-20

<table>
<thead>
<tr>
<th></th>
<th>Revised Budget</th>
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</tr>
<tr>
<td>SALES TAXES</td>
<td>72,238,738</td>
<td>69,298,809</td>
<td>(2,939,929)</td>
<td>(10,338,431)</td>
<td>-4.07%</td>
</tr>
<tr>
<td>FRANCHISE FEES</td>
<td>19,159,904</td>
<td>18,211,698</td>
<td>(946,206)</td>
<td>(1,366,885)</td>
<td>-4.93%</td>
</tr>
<tr>
<td>ZONING AND DEV FEES</td>
<td>4,070,782</td>
<td>2,832,772</td>
<td>(1,238,055)</td>
<td>(435,959)</td>
<td>-30.41%</td>
</tr>
<tr>
<td>FEES AND PERMITS</td>
<td>5,551,652</td>
<td>3,051,073</td>
<td>(2,304,582)</td>
<td>(812,734)</td>
<td>-56.64%</td>
</tr>
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<td>1,941,800</td>
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<td>(244,581)</td>
<td>2.66%</td>
<td></td>
</tr>
</tbody>
</table>

**Total Revenues**

|                              | $234,072,035   | $225,120,275       | $(8,897,693)      | $(16,609,630)   | -3.80%        |

Revised Estimate as of June 18, 2020
Property Taxes

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
Property Tax Revenues

- Collected over 100% of Property Tax Budget
- Anticipated losses from property tax lawsuits ($300,000) not materialized
- Certified Roll for FY 2020-21 budget will be available July 25, 2020

Sales Taxes
Sales Tax

• April collections reported in June
  – 0.83% ($45,584) below budget projection
  – 1.5% ($83,025) below prior year actual
  – $38.8 million (54%) collected to date
• Losses due to business closures and restrictions and COVID-19 stay-at-home orders offset by increases from essential businesses, online retailers and restaurants that could easily pivot to modified business model of takeout and delivery service
• Federal stimulus payments received during April for many
• Individual accounts will be reviewed for trends when monthly detail is received

Sales Tax

• U.S. officially in a recession in February 2020
  – Still too early to determine recovery model
  – Expected continued recovery to begin with relaxing of social distancing orders
• Effects of recession, low oil prices and COVID-19 pandemic evident in other sources of revenue with double digit declines
  – Motor vehicle sales and rental taxes
  – Motor fuel taxes
  – Natural gas production tax
  – Oil production tax
  – Hotel Occupancy Tax
  – Alcoholic Beverage Taxes
Sales Tax Revenue Estimate

Property Tax and Sales Tax Percentage Change
Sales Tax Projected Range for FY 20

Sales Tax – Top 300 City Average and Comparative City Grouping
Sales Tax – Irving vs Top 300 City Average

Sales Tax compared to same Month in Prior Year

-12 -10 -8 -6 -4 -2 0 2 4 6 8 10 12
May June
Top 300 Average Irving

Sales Tax – Top 300 City Average and Comparative City Grouping

Sales Tax Received in June, for April Sales Activity

-30.00% -25.00% -20.00% -15.00% -10.00% -5.00% 0.00% 5.00% 10.00% 15.00%
Arlington Carrollton Dallas Denton Fort Worth Frisco Garland Grand Prairie Irving Lewisville McKinney Mesquite Plano Richardson
City Top 300 Average
General Fund Revenues Projection through September 30th based on 0% to 20% Reduction in Sales Tax

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>Amount</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>5,905,289</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>4,587,560</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>4,309,189</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>3.99%</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>886,947</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>
</tbody>
</table>

69,964,804 100.00%

Sales Tax Graph

Sales Tax Major Categories

- Retail Trade: 25%
- Information: 10%
- Wholesale Trade: 8%
- Accommodation and Food Services: 8%
- Professional Services: 7%
- Construction: 6%
- Utilities: 6%
- Public Administration: 1%
- Other Services: 2%
- Finance and Insurance: 3%
- Real Estate: 4%
- Manufacturing: 6%
- Administrative: 4%
- Mining, Oil & Gas: 1%
- Minor Categories: 2%
- Undefined: 6%
Franchise Fees

- Franchise Fees
  - Expect drop due to decreased business activity
  - Electric is largest provider at 51% of budget
  - State law change
  - Consumer preferences change
  - $13.9 million collected to date

<table>
<thead>
<tr>
<th>Budget</th>
<th>April Projection</th>
<th>June Projection</th>
<th>Variance from April Projection</th>
<th>Variance from June Projection</th>
</tr>
</thead>
<tbody>
<tr>
<td>$19.2</td>
<td>$17.8</td>
<td>$18.2</td>
<td>-$1.4</td>
<td>-$1</td>
</tr>
</tbody>
</table>

(Amounts in shown in millions)
Zoning and Development Fees

- Expect drop due to decreased business activity
- Building Permits is largest revenue component
- Projected building permit value - just over $611 million
- $1.92 million collected to date

<table>
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<tr>
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<th>Variance from June Projection</th>
</tr>
</thead>
<tbody>
<tr>
<td>$4.1</td>
<td>$3.6</td>
<td>$2.8</td>
<td>-$0.5</td>
<td>-$1.3</td>
</tr>
</tbody>
</table>

(Amounts in shown in millions)
Fees and Permits

- Fees and Permits
  - Ambulance Fees ($2.5 million) and Emergency Medical Services Fee ($1.8 million) make up majority of revenue category
  - $4.9 million collected to date

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<th>Variance from June Projection</th>
</tr>
</thead>
<tbody>
<tr>
<td>$6.9</td>
<td>$6.8</td>
<td>$7.0</td>
<td>-$0.1</td>
<td>$0.1</td>
</tr>
</tbody>
</table>

(Amounts in shown in millions)
Fines

- Fines
  - Municipal Court Fines ($4.9 million) make up majority of revenue category
  - Continued decline in revenue
    - End user inability to pay
    - Court closures due to COVID-19 pandemic
      - Limitations mandated by Texas Supreme Court

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<th>June Projection</th>
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<th>Variance from June Projection</th>
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</thead>
<tbody>
<tr>
<td>$5.6</td>
<td>$4.7</td>
<td>$3.6</td>
<td>-$0.9</td>
<td>-$2.0</td>
</tr>
</tbody>
</table>

(Amounts in shown in millions)
Charges for Services

- Continued decline in revenue
  - Social distancing restriction closures in recreation, libraries and building rentals
  - Limited facilities reopening in June
  - Reopening continuance dependent on state and local social distancing restrictions and school district academic year

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<td>-$1.1</td>
<td>-$1.3</td>
</tr>
</tbody>
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(Amounts in shown in millions)
Investment Income

- Investment Income
  - Continued decline in revenue
    - Interest rates near zero indefinitely
    - Investment maturities lessened economic impact on income
    - Significant decline in revenue continuing in FY 21

<table>
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<th>Variance from June Projection</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1.9</td>
<td>$1.4</td>
<td>$1.4</td>
<td>-$0.5</td>
<td>-$0.5</td>
</tr>
</tbody>
</table>

(Amounts in shown in millions)
• Miscellaneous Income
  – Continued decline in revenue
    • Transportation Summit and Code Summit canceled due to social distancing restrictions
    • Facilities closure to the public limited collection of miscellaneous receipts such as copier and print fees, auction sales and wrecker services

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<tr>
<td>$3.0</td>
<td>$2.9</td>
<td>$2.6</td>
<td>-$0.1</td>
<td>-$0.4</td>
</tr>
</tbody>
</table>

(Amounts in shown in millions)
Transfers from Other Funds

- Transfers from Other Funds
  - All transfers expected to occur

<table>
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<tr>
<td>$9.2</td>
<td>$9.0</td>
<td>$9.2</td>
<td>-$0.2</td>
<td>$0.0</td>
</tr>
</tbody>
</table>

(Amounts in shown in millions)
FY 19-20 Revised General Fund Response

• Steps available to address current year projected shortfall of $8.9 million (3.8% of annual budget)
  – Expenditure cuts
  – Vacancy Savings
  – Contingency one-time uses

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
Vacancy Savings

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

Contingency 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
    • $.5 million
  – Reduction of Self Insurance Casualty Fund Transfer
    • Reduce all current year transfers by 25%
    • $.8 million General Fund Impact
      – Other funds benefit by $.2 million
      – Leaves $2.3 million unrestricted Fund Balance after estimated liability for unpaid claims
Summary

• Revenue shortfalls in current year but less than anticipated
• Uncertainty of how deep, how long and type of recovery
• Shortfall response for current year includes use of expenditures reductions, vacancy savings and one-time uses
• Potential service level reductions
• Rate of recovery dependent on future social distancing restrictions and public confidence

Questions
Overview

- Total Water and Sewer CIP - $31,380,000
  - $8,080,000 Water System Bonds
  - $9,600,000 Sewer System Bonds
  - $13,700,000 Non-Bond Cash Funded

- 43.7% of Total CIP will be cash funded
Water System Improvements

• Water Main Rehab and Replacements $8,525,000
  • $2,000,000 Road to the Future
  • $2,400,000 Irving Blvd
  • $4,125,000 End of Life and Miscellaneous Projects
• Pressure Improvements $180,000
• HPS Hypochlorite Tank Replacement $100,000
• Large Meter Replacements $500,000
• Advanced Metering Infrastructure $700,000
• Lake Chapman Facility Improvements $150,000

Water System Improvements

• Carbon Pump Station - $4,700,000
  • Fund design and part of construction
Water System Improvements

• Elevated Storage Tank (EST) Projects - $3,500,000
  • Walnut Hill EST Rehab and Kroger EST Demo

Sewer System Improvements

• Sewer Main Rehab and Replacements $13,025,000
  • $700,000 Road to the Future
  • $1,600,000 Irving Blvd
  • $4,000,000 Cottonwood Creek Golf Course
  • $2,000,000 Highway Crossing Replacements
  • $4,425,000 End of Life and Miscellaneous Projects
  • $300,000 Pipe Condition Assessments
Summary

• Overall Total CIP - $31,380,000
  
  • Water System CIP – $18,355,000
  
  • Total Sewer System CIP - $13,025,000
Capital Improvement Program
Budget and Strategic Plan Review

June 25, 2020

GO Bonds
Remaining Authorization

• After the July 2019 Council approved sale of $41 M in voter authorized General Obligation Bonds, the balance of unsold GO Bonds is $145,460,000
  – Streets $60,720,000
  – Parks $33,935,000
  – City Buildings $ 7,905,000
  – Fire $ 6,650,000
  – Gateway Bonds $26,250,000
  – Senior Center $10,000,000
GO Bonds
Reducing and Re-allocation of Street Bonds

- The current impacts to the budget revenues due to the COVID-19 Pandemic require that the General Obligation Bond Sale for FY 2019-20 be reduced from the originally planned $32.5 Million to $20 million
- This level of reduction is based on the sustainable revenues for the operations of the City while advancing capital funding for infrastructure projects
- Proposed bond sale reductions
  - Street Bonds - $15.550M reduced to $6.4M
  - Park Bonds - $11.450M reduced to $9.7M
  - Building Bonds - $3.6M reduced to $2.0M
  - Fire Bonds - $400K – no reduction
  - Gateway Bonds – $1.5M – no reduction
- After proposed FY 20 bond sale of $20 M, there will be a remaining authorization of $124,960,000 in 2006 bonds

Street Improvement Bond Fund
Street Project Re-allocations

- The planned reductions in the Street Bond sale for FY 19-20 can be offset for the current year due to the ongoing delays to two Road to the Future Projects because of real estate acquisition issues
- Bonds were originally sold in year 1 for two projects and they are currently in the bank. These two projects have been delayed due to the acquisition of Real Estate required to expand the roadway
  - Hardrock & Pioneer
  - Nursery Road
- These funds will be reallocated to other year 3 RTTF projects which are smaller projects which were scheduled to be funded in this year
- The funding for these two projects will be pushed back to years 4 and 5 to fund Hard Rock/Pioneer and Nursery Road projects
Road to the Future Projects
Re-allocations

<table>
<thead>
<tr>
<th>Bonds Sold in FY 18</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hardrock/Pioneer</td>
<td>$5,477,346</td>
</tr>
<tr>
<td>Nursery Road</td>
<td>$3,777,679</td>
</tr>
<tr>
<td>Total</td>
<td>$9,255,025</td>
</tr>
</tbody>
</table>

Reallocation of FY 18 Bond Sale Proceeds to Fund FY 20 RTTF Projects

<table>
<thead>
<tr>
<th>Project</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lindy Lane</td>
<td>$2,500,000</td>
</tr>
<tr>
<td>Cedar Drive</td>
<td>$950,000</td>
</tr>
<tr>
<td>Glenmore / Shepherd</td>
<td>$900,000</td>
</tr>
<tr>
<td>Neighborhood Street</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Reconstruction</td>
<td></td>
</tr>
<tr>
<td>Total Reallocation</td>
<td>$6,350,000</td>
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</tbody>
</table>

| Street Bond Reserve Fund  | $2,905,025   |

Street Improvement Bond Fund
Proposed FY 20 Bond Sale Reduction

<table>
<thead>
<tr>
<th>Reduction in FY 20 Bond Sale</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 20 RTTF projects</td>
<td>$6,350,000</td>
</tr>
<tr>
<td>Esters in-house design savings</td>
<td>$500,000</td>
</tr>
<tr>
<td>Regent in-house design savings</td>
<td>$800,000</td>
</tr>
<tr>
<td>Street Rehabilitation</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>Total Proposed Reduction</td>
<td>$9,150,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Street Improvement Projects remaining for FY20 Bond Funding</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street Rehabilitation (Overlay)</td>
<td>$4,500,000</td>
</tr>
<tr>
<td>ROW Acquisition</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Signals</td>
<td>$500,000</td>
</tr>
<tr>
<td>Street Lighting</td>
<td>$400,000</td>
</tr>
<tr>
<td>Total Street Bonds - $6.4 M</td>
<td></td>
</tr>
</tbody>
</table>
### Road to the Future
### Historical Spending

<table>
<thead>
<tr>
<th></th>
<th>GO Bond Funding</th>
<th>Non-Bond CIP</th>
<th>Road to the Future Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 16-17</td>
<td></td>
<td>$1,100,000</td>
<td>$1,100,000</td>
</tr>
<tr>
<td>FY 17-18</td>
<td>$24,200,000</td>
<td>$2,200,000</td>
<td>$26,400,000</td>
</tr>
<tr>
<td>FY 18-19</td>
<td>$22,650,000</td>
<td></td>
<td>$22,650,000</td>
</tr>
<tr>
<td>FY 19-20 (Proposed)</td>
<td>$6,400,000</td>
<td></td>
<td>$6,400,000</td>
</tr>
<tr>
<td>FY 20-21</td>
<td>$16,000,000</td>
<td></td>
<td>$17,750,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>+ $1,750,000 (FY 20 Reduction)</td>
<td></td>
</tr>
<tr>
<td>FY 21-22</td>
<td>$19,200,000</td>
<td></td>
<td>$26,600,000</td>
</tr>
<tr>
<td></td>
<td>+ $7,400,000 (FY 20 Reduction)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY 22-23</td>
<td>$8,270,000</td>
<td></td>
<td>$8,270,000</td>
</tr>
<tr>
<td>Total</td>
<td>$104,970,000</td>
<td>$3,300,000</td>
<td>$108,270,000</td>
</tr>
</tbody>
</table>

### Park Improvement Bond Fund

- **Campion Trails – Central Section**
  - Original targeted FY 20 Bond Sale $3,000,000
  - Proposed FY 20 Bond Sale $2,725,000
  - Proposed Reduction $275,000
  - Project timing allows for a 1 year deferral in a small percentage of this project’s bond sale

- **Lake Carolyn Promenade**
  - Fund with TIF in lieu of Bond Sale
  - Proposed Reduction $1,200,000

- **Park Security**
  - Original targeted FY 20 Bond Sale $500,000
  - Proposed FY 20 Bond Sale for Priority Projects $225,000
  - Proposed Reduction $275,000
## Park Improvement Bond Fund

### Proposed FY 20 Bond Sale Reduction

<table>
<thead>
<tr>
<th>Project</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Campion Trails</td>
<td>$275,000</td>
</tr>
<tr>
<td>Lake Carolyn Promenade</td>
<td>$1,200,000</td>
</tr>
<tr>
<td>Park Security</td>
<td>$275,000</td>
</tr>
<tr>
<td><strong>Total Proposed Reduction</strong></td>
<td>$1,750,000</td>
</tr>
</tbody>
</table>

### Park Projects remaining for FY20 Bond Funding - $9.7 Million

- Heritage Park - $4.5M
- Campion Trails – Central Section - $2.725M
- Neighborhood Park Development - $600K
- Park Security Lighting - $225K
- Park Infrastructure Renovations - $650K
- Park Facility Renovations - $1.0M

## City Building Improvement Bond Fund

- Original FY 20 program allocation was $2 M
- An additional $1.6 M was added to the FY 20 program since there was additional capacity at anticipated $32.5 M bond sale
- To meet this funding level, FY 21 projects were to be advanced to FY 20
- To support FY 20 reduction in bond sales, revert to original FY 20 allocation
City Building Improvement Bond Fund
Proposed FY 20 Bond Sale Reduction

Total Reduction $1,600,000
– HVAC Replacements

Building Improvement Projects remaining for FY20 Bond Funding
Criminal Justice Center HVAC $586,352
City Hall Exterior Weatherproofing $246,890
Jack D. Huffman Chiller Replacement $530,000
HVAC Replacements / Improvements $636,758
Total Building Bonds - $2.0 Million

Summary

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Total Amount Authorized</th>
<th>Amount Sold to Date</th>
<th>Original Anticipated FY 19-20 Sale</th>
<th>Proposed FY 19-20 Reduction</th>
<th>Proposed Reduced Sale FY 19-20</th>
<th>Total Remaining Authorization 1999 &amp; 2000 w/Reduced Sale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Streets</td>
<td>$117,025,000</td>
<td>$77,105,000</td>
<td>$15,510,000</td>
<td>$9,150,000</td>
<td>$6,400,000</td>
<td>$4,120,000</td>
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<tr>
<td>Drainage</td>
<td>$32,600,000</td>
<td>$32,600,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parks</td>
<td>$56,470,000</td>
<td>$25,040,000</td>
<td>$11,450,000</td>
<td>$1,750,000</td>
<td>$9,700,000</td>
<td>$21,735,000</td>
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<tr>
<td>Library</td>
<td>$18,200,000</td>
<td>$18,200,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City Buildings</td>
<td>$15,600,000</td>
<td>$7,095,000</td>
<td>$3,400,000</td>
<td>$1,600,000</td>
<td>$2,000,000</td>
<td>$5,905,000</td>
</tr>
<tr>
<td>Fire</td>
<td>$15,201,000</td>
<td>$8,655,000</td>
<td>- $400,000</td>
<td>-</td>
<td>$400,000</td>
<td>$6,200,000</td>
</tr>
<tr>
<td>Police</td>
<td>$15,000,000</td>
<td>$15,000,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Communications</td>
<td>$25,000,000</td>
<td>$25,000,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gateway</td>
<td>$10,000,000</td>
<td>$8,750,000</td>
<td>$1,500,000</td>
<td>-</td>
<td>$1,500,000</td>
<td>$24,750,000</td>
</tr>
<tr>
<td>Senior Citizens Center</td>
<td>$10,000,000</td>
<td>$10,000,000</td>
<td></td>
<td></td>
<td></td>
<td>$10,000,000</td>
</tr>
<tr>
<td>Total</td>
<td>$326,095,000</td>
<td>$181,045,000</td>
<td>$12,500,000</td>
<td>$12,500,000</td>
<td>$20,000,000</td>
<td>$124,040,000</td>
</tr>
</tbody>
</table>
Proposed FY 20-21
General Obligation Bond Sale

Road to the Future Street Improvements (Year 4)
- MacArthur: Metker to Byron Nelson $10,000,000
- Neighborhood Street Reconstruction $ 2,000,000
- Street Rehabilitation $ 4,000,000
  + FY 20 Reduction $1,750,000

Total Road to the Future $17,750,000

Proposed FY 20-21
General Obligation Bond Sale

Park Improvements
- Campion Trails $5,250,000
  FY 20 Reduction + $ 275,000
- Community / Neighborhood Park Development $ 370,000
- Park Security (FY 20 Reduction) + $ 275,000

Total Park Improvements $6,120,000
## Proposed FY 20-21
### General Obligation Bond Sale

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street Improvements</td>
<td></td>
</tr>
<tr>
<td>– Signals and Street Lighting</td>
<td>$600,000</td>
</tr>
<tr>
<td>City Buildings</td>
<td></td>
</tr>
<tr>
<td>– Rehabilitation of City Facilities</td>
<td>$2,065,000</td>
</tr>
<tr>
<td>– $1.6 M FY 20 Reduction moved to FY 22-23</td>
<td></td>
</tr>
<tr>
<td>Fire Services</td>
<td></td>
</tr>
<tr>
<td>– Fire Station 1</td>
<td>$4,690,000</td>
</tr>
<tr>
<td>Total Additional Projects</td>
<td>$7,355,000</td>
</tr>
<tr>
<td>Total GO Bonds</td>
<td>$31,225,000</td>
</tr>
<tr>
<td>Capacity as of June 2019</td>
<td>$32,500,000</td>
</tr>
</tbody>
</table>

## Proposed FY 20-21
### General Other Funding

### Non-Bond CIP

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street Improvements</td>
<td></td>
</tr>
<tr>
<td>Deed Georeferencing</td>
<td>$70,000</td>
</tr>
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</table>

### Tax Notes

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Safety</td>
<td></td>
</tr>
<tr>
<td>(2) Fire Pumpers</td>
<td>$1,500,000</td>
</tr>
</tbody>
</table>

C2-8
Questions
C3 - Municipal Drainage Utility (MDU)
Budget and Strategic Planning Review
June 25, 2020

May Meeting Re-Cap
Council Direction

• Staff was directed to continue with Original 5 year plan for MDU rate increases
  – $2.00 / mo increase (50% increase effective 2-1-20)
  – $1.50 /mo increase (years 2 thru 5)
• Council deemed drainage program to be a priority
On-going Operations Improvements
3006 W 11th St.

- Resident concerned about channel capacity during large rain events, the short term fix was to remove vegetation and sediment to promote flow.

Rogers Channel Void

- This channelized section of West Irving Creek developed a void space behind the channel wall which was likely caused by surface runoff. In order to prevent further damage, the void has been filled with a mix of dirt and small rocks to stabilize the wall of the channel.
Fritz Park Natural Spring

- The natural spring that flows into Delaware Creek via Fritz Park was not being maintained. The removal of vegetation was primarily for beautification of the spring, but also facilitated the pedestrian crossing through the spring area of the disc golf course.

2406 LaSalle Dr.

- There was localized flooding in the resident’s backyard and surrounding park area. One of the surface drains was blocked with debris which was removed along with a rip-rap apron enhancement to prevent further blockages and reduce ponding.
Beltline Rd. at Hwy 114

- This storm inlet was becoming inundated with sediment and debris during storm events which facilitates localized flooding. The inlet and surrounding area was cleaned and enhanced with a rip-rap apron and a geotextile border to prevent further sedimentation.

Dry Branch and Cross Country Trail

- The drainage channel behind this community was overgrown with vegetation on the gabion stabilized channel, greatly increasing sedimentation. Vegetation was removed to promote flow and reduce sediment loading in this section of the channel.
Neighborhood Projects in Process

- Post Oak drainage improvement $469,145
  - Concrete channel to increase capacity to 100 year rain event
- Cooper Street $150,325
  - Resolve street flooding
- Steeplechase Drive $78,400
  - Repair storm pipe that was causing ponding of water in yards
- Northgate Drive $58,932
  - Resolve ponding water in drainage easement

New MDU Staff

- New Staff in process of hiring
  - MDU Administrator
  - Senior Civil Engineer
  - Civil Engineer
  - Engineering Technicians (2)
- Focus of design staff will be on small to medium size projects
FY 2020-2021 Bond Sale

- FY 2019-2020 Bond Sale reduced to $15 M
- Current FY is 75% complete
- This level of funding allows projects to begin this FY and be available early next FY
- FY 2020-2021 Bond Sale would be increased to $25 M
  - Priority to fund the construction of large drainage projects
- Overall program remains $100 M over 5 years

Five Year Plan

<table>
<thead>
<tr>
<th>Year</th>
<th>Standard Residential Monthly Rate</th>
<th>Total Revenues</th>
<th>Cash Funding For Non-Bond CIP</th>
<th>Cumulative 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>15M</td>
</tr>
<tr>
<td>FY19-20</td>
<td>6.00</td>
<td>6,400,000</td>
<td>1,775,684</td>
<td>*</td>
<td>25 M</td>
</tr>
<tr>
<td>FY20-21</td>
<td>7.50</td>
<td>9,500,000</td>
<td>3,193,469</td>
<td>953,4800</td>
<td>20 M</td>
</tr>
<tr>
<td>FY21-22</td>
<td>9.00</td>
<td>11,400,000</td>
<td>3,238,913</td>
<td>2,540,383</td>
<td>20 M</td>
</tr>
<tr>
<td>FY22-23</td>
<td>10.50</td>
<td>13,300,000</td>
<td>3,588,537</td>
<td>3,809,724</td>
<td>20 M</td>
</tr>
<tr>
<td>FY23-24</td>
<td>12.00</td>
<td>15,200,000</td>
<td>3,926,701</td>
<td>5,076,473</td>
<td>20 M</td>
</tr>
</tbody>
</table>

Total 100M

*First debt payment due in 2021.
FY 2020 – 2021
Major Channel Design

• $6,720,000
  – West Irving Creek
  – Brockbank Channel
  – Lindy Lane Outfall
  – Delaware Creek (North of Hwy 183)

• Process to hire engineering firms for these projects is in process
  – June: Issue Request for Qualifications
  – August: Evaluation and recommendation of award

FY 2020- 2021
Major Drainage Improvements

• $3,500,000

• Pioneer: Delaware Creek to O’Conner
  – Drainage for Cedar Dr. RTTF project
  – Drainage for Carroll / Delaware RTTF project

• South Irving Heights at Shady Grove
  – Address localized street flooding

• Design by in-house staff
FY 2020-2021
Neighborhood Drainage

• $4,780,000
• Sample Projects
  – West Irving Creek Debris Interceptor
  – Timber View Drainage
  – Parkwood Place Drainage
  – Shadow Lane @ Fulton Road

Project Related Questions
Municipal Drainage Utility
Bond Sale Structure

• MDU projects will be funded using Combination Tax and Revenue Certificates of Obligation (CO) Bonds
• Advantages of using CO’s
  — Lower interest rate caused by Aaa rating
  — Does not require
    • Separate Bond Rating
    • Debt Service Reserve
    • Separate Annual Disclosures

Bond Sale Key Dates

• June 25 - Certificates of Obligation Resolution
• August 20 - Parameter Ordinance
• September 1 – Bond Sale
2020 MDU CO Debt Repayment Options

• When debt is issued, there are multiple ways to retire, or pay back the funds that were borrowed. Two of the most popular repayment methods are:
  – Equal Principal Repayment
  – Level Annual Debt Service Repayment

Equal Principal Repayment

• This method takes the amount being borrowed and pays the same amount of principal each year.
• For example, a $20 million bond issue would have $1 million of principal repaid each year.
• This method requires larger payments in the early years and lower payments in later years.
• Because the principal is retired earlier, the overall interest is lower. This results in lower total debt service than the Level Annual Debt Service Repayment method.
Level Annual Debt Service Repayment

- This method takes the amount being borrowed and calculates annual debt service payments that are about the same amount each year.
  - This method is similar to how a traditional home mortgage is paid.
- When compared to the equal principal method, this method:
  - Results in less cash needed to pay debt service in the early years
  - But requires greater debt service over the life of the bonds

Comparing the two methods

Annual Debt Service on $100 million in bonds issued over the five year MDU Capital Program

- Equal Principal
- Level Annual Debt Service
Cumulative Difference between the two methods

Cumulative difference in Debt Service payments on $100 million in bonds issued over the five year MDU Capital Program

- Level Annual Debt Service requires less cash in early years, but more cash overall.

- Equal Principal repayment
  - Will save money over the life of the bonds
  - Will provide less cash for drainage projects

- Level Annual Debt Service would provide an additional $6.3 million to cash fund projects in the first 10 years, but require an additional $5.3 in cash flow over the 24 year life of the bonds.
Bond Sale Questions
Overview

- Propositions
- Debt Service Tax Rate
Propositions included in the Bond Election called by Council on February 13, 2020

**Proposition:**

- A - Street and Transportation Improvements: $207,800,000
- B - City Hall Complex Facilities and Infrastructure: $9,200,000
- C - Field Operations Facilities and Infrastructure: $10,200,000
- D - Human Services Facilities and Infrastructure: $1,300,000
- E - Police Services: $29,900,000
- F - Animal Care Services: $5,800,000
- G - Fire Services: $34,300,000
- H - Park and Recreation Services: $78,300,000
- I - Information Technology Services: $10,700,000
- J - Library Services: $20,200,000
- K - Irving Arts Center: $3,000,000
- L - Public Safety Campus: $152,700,000

**Total:** $563,400,000

---

**Debt Service Tax Rate**

- Bond Capacity projection was based on increasing Debt Service Tax Rate from 12 cents to
  - 12.5 cents in FY20-21
  - 13 cents in FY21-22
- In February, we believed those rates could be obtained without an increase in the overall tax rate, however
  - The state-wide disaster declaration due to COVID-19 gives Council the option to set the rollback rate at 8%
    - That gives Irving flexibility to maintain the current tax rate of 0.5941 if the increase on existing properties falls between 3.5% and 8%
    - Decision needs to be made at July 16, 2020 Council meeting
Direction/Questions
The recommendations which follow are the result of eight meetings or discussions with the Audit & Finance committee and were presented to the City Council on August 3, 2016.

New slides were added May 31, 2020 to provide the current status of each recommendation.
Reserves

Recommendation 1 and 9

Amend financial practices to achieve a General Fund reserve target of 28% in FY17, with the city working toward a plan to achieve General Fund reserves of 30% within three years.

May 31, 2020 Update

Achieved

• The General Fund Reserve amounts were:
  • 30.05% in FY17
  • 31.17% in FY18
  • 32.62% in FY19
Reserves

Recommendation 1 & 9, continued

- End of fiscal year General Fund surplus (revenues over expenditures), as confirmed and finalized by the annual audit, should be applied toward achieving the City’s General Fund reserve target prior to other priorities. Excess surplus should be allocated to any of the following funds, with priorities and amounts being defined by City Council and staff:
  - Contribution to the Vehicle and Equipment Replacement Fund to offset any underfunding;
  - Non-Bond Capital Improvement Program (CIP) Fund;
  - Economic Development Funds;
  - Information Technology Infrastructure Fund; and
  - Tax Rate Decrease

If there is a Fund Reserve deficit, Fund Balances from the four funds would be moved to the General Fund to improve the Reserve Target.

May 31, 2020 Update

Achieved

- The following amounts were transferred as a result of achieving the targeted General Fund Fund Balance of 30% of Revenues
  - FY17 – excess less than $60,000, no transfer
  - FY18 - $1,616,331 to the Non-Bond CIP Fund
  - FY19 – excess of $3,104,897 retained in the General Fund to address COVID-19 impact
Reserves

**Recommendation 2**

Implement a budgetary practice that builds toward the budgeting of the full costs of personnel without the recognition of “vacancy savings.”

**May 31, 2020 Update**

**Not Achieved**

- Have included vacancy savings in each budget as follows:
  - 1.11% in FY18
  - 1.86% in FY19
  - 1.50% in FY20
Recommendation 3

Amend financial practices to achieve a Water/Sewer Fund debt coverage ratio of 1.7x-2.0x of the maximum annual debt service and adopt water/sewer rates that are sufficient to achieve the ratio target by fiscal year 2020.

May 31, 2020 Update

Achieved

- The coverages were:
  - 1.82x in FY17
  - 2.05x in FY18
  - 1.53X in FY19
    - Water usage dropped 7.1% from FY18 to FY19 due to high rainfall during typically high usage months
Vehicle and Equipment Replacement Fund (VERF)

Recommendation 4
Make the following changes to practices related to the VERF:

a) Account for Water Utilities and Solid Waste Services vehicle and equipment replacements within their respective enterprise funds;
b) Develop criteria defining which vehicles and equipment should be included in the VERF;
c) Provide annual funding that allows vehicles to be replaced at the end of their useful lives.

May 31, 2020 Update

Achieved

• Water and Solid Waste vehicles are accounted for within their funds
• List of units in the VERF was solidified
• Annual funding at a level to sustain routine replacements
  • $3,192,317 in FY17
  • $3,604,837 in FY18
  • $5,836,685 in FY19
  • FY19 also included $2,868,444 in Lease Purchase and Tax Note payments, bringing the total VERF amount to $8,705,129
Economic Development (ED) Funding

**Recommendation 5**
Secure sustainable and long-term economic development funding through an annual consideration of revenues that are used to encourage the development and redevelopment of property.

**May 31, 2020 Update**

**Partially Achieved**
- In 2018, the City extended the term of Tax Increment Reinvestment Zone #1 (TIF 1).
  - The City lowered its contribution to TIF 1 and is dedicating half of the amount retained for ED
  - FY19-20 is the first year of lower contributions, and $537,647 is budgeted to be used for ED.
- City Manager’s goal is to continue to use half of the reduced TIF 1 contributions (i.e. the ratchet down) as ED revenues to equal that which 2 cents on the tax rate would generate.
Recommendation 6

Any funds budgeted annually for Economic Development incentives but not spent will be rolled into the Economic Development Fund up to the first million dollars. Every dollar thereafter will be split 50/50 with the General Fund and the Economic Development Fund.

May 31, 2020 Update

Achieved

- Funds moved to the Economic Development Fund in response to this recommendation are as follows:
  - $384,504 in FY17
  - $888,306 in FY18
  - $1,023,696 in FY19
Infrastructure Funding

Recommendation 7
To increase funding for street repairs and construction:

1. Continue the current plan to use $32.6 million of Voter Approved Bonds over the 5 year period FY17 to FY21 for Street projects.
2. Dedicate capacity in excess of current projections to Street projects. Plan to issue $30 million in additional bonds over the 4 year period FY18 to FY21, which will provide a total of $62.6 million for Street projects.
3. If additional capacity is desired, dedicate 1 cent of the tax rate to support a $21.5 million Street Bond Issue, bringing the 5 year period FY17 to FY21 total for Street Projects to $84.1 million.

May 31, 2020 Update

Achieved

• The $100 million Road To The Future program was implemented.
• Other City projects include:
  • $20 million for Irving Blvd
  • $700,000 for DART
• Other State projects include:
  • $355 million Diamond Interchange
  • $50 million Signature Bridge
Compensation

**Recommendation 8**

Explore sustainable practices that continue to ensure competitive pay and benefits for all employees

---

**May 31, 2020 Update**

**Achieved - Ongoing**

- Salaries remain competitive with benchmark cities
- Benefits continue to be competitive as well
  - Health Insurance costs held stable for FY 18, 19, and 20
  - Added new Programs
    - Employee Health Clinic
    - Cancer screening
    - Coronary screening (to begin in July)
    - Pharmacogenetics testing (to begin in July)
    - Responder Health
- Benefit costs are monitored monthly and evaluated with the city’s health care consultants to maintain a sustainable and affordable benefit package from year to year
Other Recommendations

**Recommendation 10**

Minimize the spike in I&S debt service requirements in FY 2020 through FY 2023 by:

1. Refinancing the Convention Center Debt once callable in 2019;
2. Front-loading of principal in new GO issues prior to 2020; and
3. Considering the benefits of refinancing of existing GO debt.

May 31, 2020 Update

**Achieved**

- Debt was structured following the three recommendations
  - 1 - $54 million in debt savings associated with the refunding of the Convention Center Debt
  - 2 – new debt was structured to provide reduced principal payments during the 4 year spike period
  - 3 - $5.3 million in refunding savings were achieved with General Obligation Bonds
Questions/Discussion
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

#### Irving as a Place to Live
- **Irving:** 77%
- **Benchmark:** 72%

#### Neighborhood as a Place to Live
- **Irving:** 73%

#### Irving as a Place to Work
- **Irving:** 77%
- **Benchmark:** 64%

#### Overall Quality of Life
- **Irving:** 73%

#### Irving as a Place to Raise Children
- **Irving:** 77%
- **Benchmark:** 65%

#### Overall Quality of City Services
- **Irving:** 73%
- **Benchmark:** 70%

### 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></td>
</tr>
<tr>
<td>Appearance of the city</td>
<td>58%</td>
<td></td>
</tr>
<tr>
<td>Shopping opportunities</td>
<td>38%</td>
<td></td>
</tr>
</tbody>
</table>

**Benchmark:**
- Cultural event opportunities: 79%
- Development and redevelopment: 58%
## Community Characteristics

### Maintenance and Appearance

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
<th>Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>62%</td>
<td>Quality of code enforcement</td>
<td>46%</td>
</tr>
<tr>
<td>63%</td>
<td>Cleanup of junk and debris</td>
<td></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>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></td>
</tr>
<tr>
<td>51%</td>
<td>Pickup of Litter</td>
<td></td>
</tr>
</tbody>
</table>

- Quality of code enforcement: 62%
- Cleanup of junk and debris: 63%
- Parking in the yard: 61%
- Exterior maintenance of structures: 61%
- Maintenance of business property: 56%
- Appearance of streets and corridors: 54%
- Pickup of Litter: 51%

### Public Safety

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
<th>Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>89%</td>
<td>Quality of fire services</td>
<td>90%</td>
</tr>
<tr>
<td>88%</td>
<td>Quality of ambulance services</td>
<td>80%</td>
</tr>
<tr>
<td>79%</td>
<td>Quality of police services</td>
<td>73%</td>
</tr>
<tr>
<td>70%</td>
<td>Efforts to prevent crime</td>
<td>53%</td>
</tr>
<tr>
<td>66%</td>
<td>Traffic enforcement</td>
<td>50%</td>
</tr>
<tr>
<td>62%</td>
<td>Quality of animal services</td>
<td>53%</td>
</tr>
<tr>
<td>54%</td>
<td>Visibility of police in neighborhoods</td>
<td></td>
</tr>
<tr>
<td>47%</td>
<td>Adequacy of street lighting</td>
<td>43%</td>
</tr>
</tbody>
</table>

- Quality of fire services: 89%
- Quality of ambulance services: 88%
- Quality of police services: 79%
- Efforts to prevent crime: 70%
- Traffic enforcement: 66%
- Quality of animal services: 62%
- Visibility of police in neighborhoods: 54%
- Adequacy of street lighting: 47%

---

*Percent "Excellent" or "Good"*
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>Overall quality of libraries</th>
<th>Overall quality of Irving Arts Center</th>
<th>Maintenance/landscaping of city parks</th>
<th>Miles of walking trails</th>
<th>Overall quality of parks</th>
<th>Quality of parks facilities</th>
<th>Overall quality of recreation centers</th>
<th>Quality of aquatic facilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>83%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>76%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>75%</td>
<td></td>
<td></td>
<td>★</td>
<td></td>
<td></td>
<td></td>
<td>★</td>
<td></td>
</tr>
<tr>
<td>72%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>★</td>
</tr>
<tr>
<td>71%</td>
<td>★</td>
<td></td>
<td></td>
<td></td>
<td>★</td>
<td></td>
<td>★</td>
<td>★</td>
</tr>
<tr>
<td>70%</td>
<td>★</td>
<td></td>
<td></td>
<td>★</td>
<td>★</td>
<td></td>
<td></td>
<td>★</td>
</tr>
<tr>
<td>67%</td>
<td>★</td>
<td>★</td>
<td></td>
<td>★</td>
<td>★</td>
<td>★</td>
<td></td>
<td>★</td>
</tr>
<tr>
<td>64%</td>
<td>★</td>
<td>★</td>
<td>★</td>
<td>★</td>
<td>★</td>
<td>★</td>
<td>★</td>
<td>★</td>
</tr>
</tbody>
</table>

Priority Item
## 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>
</tr>
<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>
</tr>
</tbody>
</table>

---

### Solid Waste Services

**Percent "Excellent" or "Good"**

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

- **Priority Item**

<table>
<thead>
<tr>
<th>Service</th>
<th>Irving</th>
<th>Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brush and Bulky Waste</td>
<td>82%</td>
<td>71%</td>
</tr>
<tr>
<td>Trash Collection</td>
<td>83%</td>
<td>78%</td>
</tr>
<tr>
<td>Curbside Recycling</td>
<td>83%</td>
<td>78%</td>
</tr>
<tr>
<td>Landfill</td>
<td>83%</td>
<td>78%</td>
</tr>
<tr>
<td>Hazardous Waste Disposal</td>
<td>60%</td>
<td>77%</td>
</tr>
</tbody>
</table>

**Priority Item**

---

F-5
City Performance

Percent "Excellent" or "Good"

- **Knowledge**: 74%
  - Benchmark: 67%
- **Made me feel valued as a resident**: 67%
  - Benchmark: 74%
- **Professionalism**: 72%
  - Benchmark: 65%
- **Promptness**: 68%
  - Benchmark: 67%
- **Willingness to help**: 70%
  - Benchmark: 67%
- **Overall service**: 69%
  - Benchmark: 67%

**Aggregate Score**: 70%

City Performance

Percent "Excellent" or "Good"

- **Value of services for the taxes paid to the city**: Irving 49%, Benchmark 44%
- **Overall direction that the city is taking**: Irving 57%, Benchmark 49%
- **Job city does at welcoming resident involvement**: Irving 49%, Benchmark 36%
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>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Website</td>
<td>90%</td>
</tr>
<tr>
<td>City Spectrum</td>
<td>89%</td>
</tr>
<tr>
<td>City Spectrum Digital</td>
<td>81%</td>
</tr>
<tr>
<td>City Spectrum Briefs</td>
<td>80%</td>
</tr>
<tr>
<td>Social Network</td>
<td>76%</td>
</tr>
<tr>
<td>ICTN</td>
<td>60%</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 – Municipal Cost of Services
Budget and Strategic Plan Review Pt. II
June 25, 2020

Taxable Value FY19-20
Typical Municipal Services Bill

Typical Monthly Municipal Services Bill - Residential

<table>
<thead>
<tr>
<th>Water Typical Residential Bill</th>
<th>Solid Waste Residential Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Service Charge</td>
<td>Trash and Recycling</td>
</tr>
<tr>
<td>10,000 Gallons Water</td>
<td>$24.42</td>
</tr>
<tr>
<td>Water Subtotal</td>
<td>Sales Tax</td>
</tr>
<tr>
<td>$44.71</td>
<td>$2.01</td>
</tr>
<tr>
<td>Sewer Service Charge</td>
<td>Energy Charge</td>
</tr>
<tr>
<td>$7.18</td>
<td>$</td>
</tr>
<tr>
<td>8,000 Gallons Sewer</td>
<td>Franchise Fee</td>
</tr>
<tr>
<td>$23.16</td>
<td>$0.49</td>
</tr>
<tr>
<td>Sewer Subtotal</td>
<td>Total Solid Waste Bill</td>
</tr>
<tr>
<td>$30.34</td>
<td>$26.92</td>
</tr>
<tr>
<td>Franchise Fee</td>
<td></td>
</tr>
<tr>
<td>$1.50</td>
<td></td>
</tr>
<tr>
<td>Total Water/Sewer Bill</td>
<td></td>
</tr>
<tr>
<td>$76.55</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Drainage Residential Bill</th>
<th>EMS Residential Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drainage Fee</td>
<td>EMS Fee</td>
</tr>
<tr>
<td>$6.00</td>
<td>$1.50</td>
</tr>
<tr>
<td>Total Drainage Bill</td>
<td>Total EMS Bill</td>
</tr>
<tr>
<td>$6.00</td>
<td>$1.50</td>
</tr>
</tbody>
</table>

**TYPICAL MONTHLY MUNICIPAL SERVICES BILL**  $110.97
Total Cost of City Services

Municipal Combined Cost of City Service FY 2019-20

How is your Money Spent?

How Each Tax Dollar is Spent

G-3
Questions
Public Input Sources

- Email notices sent to the City Secretary’s Office
- Ask the Budget Fiscal Friends (BFFs)
- Public Input Hearings
  - Public Hearing #1 – June 4, 2020
    - No comments
  - Public Hearing #2 – June 25, 2020
Resident Input May 19, 2020

• Letter from a Resident on May 19, 2020
  – The letter from the resident concerns DCAD and property appraisal values for the upcoming fiscal year
  – The resident does not want new projects
  – Wants to see a reduced budget, focus on basic and essential items (police, fire, etc.)
  – Wants property tax relief

Resident Input May 30, 2020

• Email from a resident on May 30, 2020
  – Email concerns the tax rate and revenue collection for Irving
  – Wants Irving City Council to adopt a lower tax rate due to DCAD not offering property tax relief
Questions
I – New Strategic Plan
Budget and 
Strategic Plan Review

June 25, 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
Basic Strategic Plan Elements

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