City of Irving, Texas  FISCAL YEAR 2022-23

Budget and Strategic Planning Meeting

May 17-18, 2022
Day One – Tuesday, May 17, 2022

8:00 A.M. Breakfast

8:30 A.M  Meeting

A. Citizen Comments on Items listed on the Agenda

B. Action Items

1. Ordinance - Canvassing the Returns and Declaring the Results of the Regular Municipal Election Held on May 7, 2022; for the Purpose of Electing City Council Places One (1), Two (2) and Seven (7)

2. Administer Statement of Elected Officer and Oath of Office to Newly Elected Council Member Place 2 and Re-Elected Place 7

3. Ordinance - Ordering a Runoff Election to be Held on June 18, 2022, for the Purpose of Electing City Council Place 1; Designating the Place at Which Said Election is to be Held; Making Provisions for the Conduct of that Election

C. 2022 Resident Survey

D. Current Fiscal Year (FY) General Fund Update

E. Enterprise Funds Current Year Update and FY 23 Rate Projections

1. Water and Sewer
2. Municipal Drainage Utility
3. Solid Waste Services
F. Health Insurance
   1. Health Insurance Plans
   2. Health Insurance Fund

G. Pensions Update

H. Consolidated Fee Schedule Plan

I. American Rescue Plan Act (ARPA) Funding Update & Priorities Discussion

J. Economic Development and Economic Development Incentive Funds

K. Greater Irving Las Colinas Chamber Budget Request

L. Irving Hispanic Chamber Budget Request

M. Capital Improvement Program (CIP) and Debt Capacity Update

N. Five Year CIP Plan

O. Executive Session
   2. Economic Development Negotiations and Legal Advice – Project 21L33T - Open Meetings Act § 551.087 and § 551.071

Day Two – Wednesday, May 18, 2022

8:00 A.M. Breakfast

8:30 A.M. Meeting

P. Citizen Comments on Items listed on the Agenda

Q. Action Items
   1. Resolution - Approving Assignment Agreement and Estoppel Certificate Between the City of Irving, ARK Group of Irving, Inc., and Music Factory Portfolio L.P., Related to Assignment of the Entertainment Center Lease and Economic Development Incentive Agreement
   2. Resolution - Approving Recognition Agreement Between the City of Irving, Athene Annuity and Life Company, and Music Factory Portfolio L.P., Related to Assignment of the Entertainment Center and Recognizing Athene Annuity and Life Company as the Lender under the Entertainment Center Lease and Economic Development Incentive Agreement
3. Resolution - Approving Agreements Respecting Assignment and Assumption of Amended and Restated Parking Lease Agreement Between the City of Irving, PCPI UT Owner, LP, ARK Group of Irving, Inc., and Music Factory Portfolio L.P., Related to Parking at the Urban Towers Parking Garage in Connection with Operation of the Entertainment Center

R. Future in Focus

1. Property and Sales Tax Analysis
2. Revenue Trend
3. Expenditure Trend
4. Organizational Strategy
5. Future in Focus Department Presentations
6. Future in Focus Prioritization

S. Tax Rate Discussion

1. Senior and Disabled Exemption Increase

T. Solid Waste Services Collection Discussion

U. Aquatics and Recreation Vision

V. Citizen Input Summary

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 13, 2022 at 5:00 p.m.**, and remained so posted at least 72 hours before said meeting convened.

________________________________________
Shanae Jennings, City Secretary

___________________________
Date Notice Removed
C. 2022 Resident Survey

April 27, 2022

Introduction

• Conducted every 2 years
• Random sample of single-family and multifamily homes
  • 4,857 via USPS
    • Included QR code for ease of access
  • 9,973 via email
• Valid Responses: 1,547
• Response Rate: 10.4%
• Margin of Error: +/- 2.5%
### Quality of Life

<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>73%</td>
<td>70%</td>
</tr>
<tr>
<td>Irving as a Place to Raise Children</td>
<td>59%</td>
<td>60%</td>
</tr>
<tr>
<td>Irving as a Place to Work</td>
<td>72%</td>
<td>65%</td>
</tr>
<tr>
<td>Neighborhood as a Place to Live</td>
<td>75%</td>
<td>73%</td>
</tr>
<tr>
<td>Overall Quality of City Services</td>
<td>66%</td>
<td>67%</td>
</tr>
<tr>
<td>Overall Quality of Life</td>
<td>75%</td>
<td>73%</td>
</tr>
</tbody>
</table>

### Community Characteristics

<table>
<thead>
<tr>
<th>Category</th>
<th>Irving</th>
<th>Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job opportunities</td>
<td>61%</td>
<td>79%</td>
</tr>
<tr>
<td>Cultural event opportunities</td>
<td>60%</td>
<td>79%</td>
</tr>
<tr>
<td>Economic development/redevelopment</td>
<td>56%</td>
<td>64%</td>
</tr>
<tr>
<td>Opportunities to participate in community matters</td>
<td>56%</td>
<td></td>
</tr>
<tr>
<td>Appearance of the city</td>
<td>55%</td>
<td>49%</td>
</tr>
<tr>
<td>Recreational opportunities</td>
<td>54%</td>
<td></td>
</tr>
<tr>
<td>Shopping opportunities</td>
<td>39%</td>
<td></td>
</tr>
</tbody>
</table>
### Community Characteristics

**Maintenance and Appearance**

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
<th>Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>59%</td>
<td>Quality of code enforcement</td>
<td>46%</td>
</tr>
<tr>
<td>58%</td>
<td>Parking on yard</td>
<td>44%</td>
</tr>
<tr>
<td>57%</td>
<td>Exterior maintenance of structures</td>
<td>30%</td>
</tr>
<tr>
<td>55%</td>
<td>Cleanup of junk and debris</td>
<td>46%</td>
</tr>
<tr>
<td>55%</td>
<td>Maintenance of business property</td>
<td>57%</td>
</tr>
<tr>
<td>53%</td>
<td>Appearance of major streets and corridors</td>
<td>46%</td>
</tr>
<tr>
<td>46%</td>
<td>Pickup of litter</td>
<td>32%</td>
</tr>
</tbody>
</table>

Resident Priority

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### Public Safety

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
<th>Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>88%</td>
<td>Quality of fire services</td>
<td>91%</td>
</tr>
<tr>
<td>86%</td>
<td>Quality of ambulance services</td>
<td>85%</td>
</tr>
<tr>
<td>74%</td>
<td>Quality of police services</td>
<td>71%</td>
</tr>
<tr>
<td>62%</td>
<td>Efforts to prevent crime</td>
<td>38%</td>
</tr>
<tr>
<td>62%</td>
<td>Traffic enforcement</td>
<td>46%</td>
</tr>
<tr>
<td>52%</td>
<td>Visibility of police in neighborhoods</td>
<td>47%</td>
</tr>
<tr>
<td>49%</td>
<td>Visibility of police in retail areas</td>
<td>50%</td>
</tr>
<tr>
<td>46%</td>
<td>Adequacy of street lighting</td>
<td>48%</td>
</tr>
</tbody>
</table>

Resident Priority
Public Safety

Feelings of Safety

Percent "Very Safe" or "Safe"

- Safe in neighborhood during day: 94%
  - Benchmark 83%
- Safe in neighborhood in the evening: 77%
  - Benchmark 56%
- Safe in neighborhood park during day: 91%
  - Benchmark 57%
- Safe in neighborhood park in the evening: 62%
  - Benchmark 33%
- Safe from violent crimes: 80%
  - Benchmark 22%
- Safe from property crimes: 63%
  - Benchmark 14%

Quality of City Services

Community Services

Percent "Excellent" or "Good"

- Quality of libraries: 80%
  - Benchmark 89%
- Quality of Irving Arts Center: 73%
- Maintenance and landscaping of parks: 73%
- Quality of parks: 67%
- Quality of parks facilities: 66%
- Quality of recreation centers: 62%
- Variety of recreation center programs: 61%
- Quality of pool/aquatic facilities: 58%

Resident Priority
Quality of City Services

Public Works

Percent "Excellent" or "Good"

- **Condition of Major Streets**: 13 pts to 47%
  - Compared to low of 34% in 2016
  - Benchmark 40%

- **Traffic Management During Rush Hour**: 13 pts to 47%
  - Compared to low of 34% in 2016
  - Benchmark 47%

- **Condition of Traffic Signs and Roadway Striping**: 9 pts to 58%
  - Compared to low of 49% in 2018

- **Timing of Traffic Signals**: 9 pts to 51%
  - Compared to low of 42% in 2016
  - Benchmark 51%

- **Stormwater Drainage**: 8 pts to 66%
  - Compared to low of 58% in 2020
  - Benchmark 61%

- **Placement and Number of Streetlights**: 7 pts to 44%
  - Compared to low of 37% in 2016
  - Benchmark 52%

Other Priorities: Maintaining Streets and Condition of Neighborhood Sidewalks

- **Resident Priority**

Quality of City Services

Solid Waste Services

Percent "Excellent" or "Good"

- **Residential trash collection**: 73%
  - Benchmark 82%

- **Brush and bulky waste pickup**: 71%
  - Benchmark 75%

- **Overall quality of solid waste services**: 66%

- **Landfill**: 62%
  - Benchmark 80%

- **Residential curbside recycling**: 55%
  - Benchmark 79%

- **Household hazardous waste disposal**: 51%
  - Benchmark 50%
Communication

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

- City Website: 89% (Benchmark: 63%)
- City Spectrum: 87% (Benchmark: 51%)
- City Spectrum Digital: 81%
- City Spectrum Briefs: 78%
- Social Network: 77% (Benchmark: 63%)
- ICTN: 57%

Percent “Very Useful” or “Useful”

City Performance

Percent “Very Likely” or “Likely”

- Recommend living in Irving to someone who asks: 75%
- Remain living in Irving for the next five years: 79%

Recommend living in Irving to someone who asks.

Remain living in Irving for the next five years.
City Performance

Overall, how would you rate the quality of services provided by each of the following?

- U.S. Government: 36%
- Dallas County Government: 40%
- State of Texas: 44%
- City of Irving: 62%

Priorities

1. Street Maintenance and Condition
2. Business Development and Redevelopment
3. Police and Fire
4. Street Lighting
5. Code Enforcement
Questions?

- parks
- streets
- litter
- code
- potholes
- recycle
- trash
- development
- cars
- repair
- code
- enforcement
- police
- parking
- center
- stores
- water
- garbage
- neighborhood
- business
- fire
- roads
- maintain
- dining
- sidewalks
- bins
- carts
- animals
- fix
- maintenance
- traffic
- drainage
- crime
- cats
- shopping
- recreation
- housing
- improvement
- streetlighting
- restaurants
- sidewalks
- sidewalk
- sidewalks
Presentation Overview

• Review the actual performance of the General Fund
• The focus is on the year-to-date second quarter (March 2022) performance of revenues and expenditures against the same period last fiscal year (March 2021)
• FY 2022-23 Outlook
General Fund – Current Year

- The largest of the City’s four operating funds
- Provides for basic services like public safety, parks and recreation, public works, community and development services and administration
- Property taxes, sales taxes and franchise fees make up more than 86 percent of the fund’s total revenues
- Pension Obligation Bonds (POBs) were sold during the second quarter of FY 22
  - No prior fiscal year comparison
  - Skews percentages from FY 21

General Fund Revenues

- Total revenues of $255 million, or 77.1 percent of the amended budget compared to $162.6 million, or 69.8 percent of FY 2020-21 second quarter Year-To-Date (YTD) actual collections

<table>
<thead>
<tr>
<th>Revenue Type</th>
<th>March 2022</th>
<th>March 2021</th>
<th>$ Variance</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bond Proceeds</td>
<td>$86,220,000</td>
<td>$86,220,000</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Property Taxes</td>
<td>(117,641,777)</td>
<td>(116,021,513)</td>
<td>1.4%</td>
<td>1.4%</td>
</tr>
<tr>
<td>Sales Taxes</td>
<td>(37,233,435)</td>
<td>(24,621,996)</td>
<td>10.4%</td>
<td>10.4%</td>
</tr>
<tr>
<td>Franchise Fees</td>
<td>(9,118,914)</td>
<td>(6,344,856)</td>
<td>9.3%</td>
<td>9.3%</td>
</tr>
<tr>
<td>Zoning and Dev Fees</td>
<td>(1,273,266)</td>
<td>(1,105,095)</td>
<td>17.2%</td>
<td>17.2%</td>
</tr>
<tr>
<td>Fees and Permits</td>
<td>(1,829,521)</td>
<td>(7,766,377)</td>
<td>78.2%</td>
<td>78.2%</td>
</tr>
<tr>
<td>Fines</td>
<td>(1,939,713)</td>
<td>(1,562,021)</td>
<td>24.2%</td>
<td>24.2%</td>
</tr>
<tr>
<td>Charges for Services</td>
<td>(2,961,114)</td>
<td>(1,052,574)</td>
<td>190.2%</td>
<td>190.2%</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>(19,387)</td>
<td>(19,387)</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Investment Income</td>
<td>(1,455,382)</td>
<td>(1,291,175)</td>
<td>12.7%</td>
<td>12.7%</td>
</tr>
<tr>
<td>Transfer From</td>
<td>(4,269,130)</td>
<td>(4,474,011)</td>
<td>4.6%</td>
<td>4.6%</td>
</tr>
<tr>
<td><strong>Total General Fund Revenues</strong></td>
<td>$(255,001,445)</td>
<td>$(162,627,418)</td>
<td>$92,374,027</td>
<td>56.8%</td>
</tr>
</tbody>
</table>

General Fund Amended Budget: $330,808,836
YTD Revenues as a % of Budget: 77.1%
Property Tax Valuation

- FY 2021-22 Certified Valuation
  - $32.5 billion
  - 7.0% growth from 2021 supplemental valuation (3/21)
  - $478 million new construction
    - Residential $258.4 million/Commercial $218.8 million
- March 2022 – Supplemental EVR report
  - $32.04 billion

Property Taxes Second Quarter

- Property Tax collections of $117.7 million through second quarter YTD are 35.6 percent of budget compared to $116.1 million or 49.8 percent of last year's second quarter YTD collections
- Transferred more to the TIF Districts in FY 22 based on higher valuation

March 22 YTD compared to March 21 YTD
Property Tax Estimate

- FY 2021-22 Estimate
  - Revenues
    - General Fund projected above budget as of March 2022
    - Debt Service Fund on track with budget as of March 2022
    - TIF funds are projected above budget as of March 2022
- FY 2022-23 Preliminary Valuation
  - Continued strong growth
  - Based on DCAD initial estimates
  - Protests will be higher than previous year

Sales Tax Top Ten Industries FY 2020-21

<table>
<thead>
<tr>
<th>FY 20-21 Top Ten Industries</th>
<th>Total Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail Trade</td>
<td>22,566,039</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>10,593,730</td>
</tr>
<tr>
<td>Information</td>
<td>8,837,073</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>6,310,020</td>
</tr>
<tr>
<td>Utilities</td>
<td>6,273,518</td>
</tr>
<tr>
<td>Accommodation and Food Services</td>
<td>5,826,499</td>
</tr>
<tr>
<td>Professional, Scientific, and Technical Services</td>
<td>5,558,468</td>
</tr>
<tr>
<td>Construction</td>
<td>4,533,457</td>
</tr>
<tr>
<td>Administrative and Support and Waste Management</td>
<td>3,398,628</td>
</tr>
<tr>
<td>Real Estate and Rental and Leasing</td>
<td>2,554,412</td>
</tr>
</tbody>
</table>
### Top Ten Industries Annual Comparison

![Bar chart showing annual comparison of top ten industries.](chart1)

### Sales Tax Top Ten Year over Year Comparison

<table>
<thead>
<tr>
<th>Industry</th>
<th>FY 2020-21</th>
<th>FY 2019-20</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail Trade</td>
<td>22,546,039</td>
<td>18,654,213</td>
<td>15%</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>10,593,760</td>
<td>11,897,454</td>
<td>-9%</td>
</tr>
<tr>
<td>Information</td>
<td>8,587,073</td>
<td>5,312,415</td>
<td>54%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>8,789,666</td>
<td>5,519,970</td>
<td>58%</td>
</tr>
<tr>
<td>Utilities</td>
<td>6,273,518</td>
<td>5,372,816</td>
<td>15%</td>
</tr>
<tr>
<td>Accommodation and Food Services</td>
<td>5,926,699</td>
<td>4,814,528</td>
<td>23%</td>
</tr>
<tr>
<td>Professional, Scientific, and Technical Services</td>
<td>5,703,370</td>
<td>4,516,480</td>
<td>15%</td>
</tr>
<tr>
<td>Construction</td>
<td>5,516,480</td>
<td>4,516,480</td>
<td>0%</td>
</tr>
<tr>
<td>Administrative Support and Waste Management</td>
<td>6,571,412</td>
<td>6,571,412</td>
<td>0%</td>
</tr>
<tr>
<td>Real Estate and Rental and Leasing</td>
<td>2,354,412</td>
<td>2,354,412</td>
<td>0%</td>
</tr>
</tbody>
</table>

* Utilities – two new providers were added in FY 2020-21

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5/13/2022
Sales Tax Second Quarter

- Sales tax collections of $27.2 million through the second quarter YTD are 8.2 percent of the budget compared to $24.7 million or 10.6 percent of last year’s second quarter YTD collections.
- Received and audit adjustment of $1.3 million in January 2022 because an Irving company improperly sourced on a destination basis going back to 2017.
- February 2021 winter storm impacted prior year monthly collections.

March 22 YTD compared to March 21 YTD

Sales Tax Estimate

- FY 2021-22 collections exceeding expectations.
  - Estimated to be above budget.
  - Estimated to be above current year projection.
  - Losses due to business closures and restrictions offset by increases from essential businesses, online retailers, new vendors.
  - Restaurant and hospitality sectors hardest hit by pandemic, now showing strong recovery.
Franchise Fees

- The "rent" typically paid by Electric, Telecommunications, Water, Gas and Solid Waste companies for the use of public rights of way.
- Rates have remained relatively unchanged over the years except for telecommunications which changes every year, based on CPI.
- PILOT-Payment in Lieu of Taxes
  - A franchise fee charged by the general fund for water, sewer, and sanitation service.

Franchise Fees Second Quarter

- Franchise Fees of $9.1 million represent 2.8 percent of the budget compared to $8.3 million or 3.6 percent of last year's collections.
- Telecommunications franchise fees continue to decline as residents transition from landlines.
- Cable franchise fees for FY 21 and FY 22 reflect full year impact of HB 1152 which limited the amount of revenues municipalities can collect.

March 22 YTD compared to March 21 YTD
Other Revenues

- Other revenues of $14.8 million represent 4.5 percent of budget compared to $13.6 million or 5.8 percent of last year’s collections.
- Charges for services account for most of this increase due to increases in participation levels and facilities reopening.
- Other revenues continue to be below budget and current year projections but offset by tax revenue.

General Fund Revenue Outlook

- Property Tax revenue in excess of budget.
- Sales Tax revenue projected above budget.
- Other revenue below budget but offset by tax revenue.
- Limited facility closures due to staffing shortages:
  - Aquatics pools
    - Lee
    - Lively
    - Senter
- Rate of recovery dependent on continued economic recovery:
  - Building permits
  - Fines and fees
- Interest rates increased in March 2022:
  - Future increases planned through end of 2022.
### General Fund Expenditures

- **YTD operating expenditures** (excluding transfers out and bond sale charges) are $142.3 million or 39.4 percent of budget compared to $105.3 million or 29.8 percent of last year’s actuals.
- **Personnel** is up slightly from second quarter last year because of step/merit increases, class and compensation adjustment, and a COLA adjustment for general government and a market adjustment up to the 65th percentile for civil service.
- **Benefits** are lower than second quarter last year due to the transition to a new health care provider and the savings from the TMRS and SBP Pension Obligation Bonds (POBs).

### General Fund Expenditures

- **Other operating expenditures** are up from second quarter last year because facilities reopening, fuel increase and restoring some expenditures to pre-pandemic levels.
- **Debt service and bond sale charges** were recorded as a budget amendment in 2022.
- **Transfers out** are up $34.7 million compared to second quarter last fiscal year because of the following transfers of $27.4 million:
  - Transfer of excess fund balance to General Fund Non-Bond CIP - $18.5 million
  - Transfer for advance funding of contracts for capital projects to be reimbursed after the April bond sale - $8.9 million
General Fund Expenditures

General Fund Expenditures
as of March 2022

<table>
<thead>
<tr>
<th>Expenditure Type</th>
<th>March 2022</th>
<th>March 2021</th>
<th>$ Variance</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>SALARIES</td>
<td>61,470,057</td>
<td>61,410,642</td>
<td>329,415</td>
<td>0.5%</td>
</tr>
<tr>
<td>BENEFITS</td>
<td>18,683,174</td>
<td>18,863,447</td>
<td>(280,273)</td>
<td>-1.5%</td>
</tr>
<tr>
<td>SUPPLIES</td>
<td>2,759,221</td>
<td>2,023,160</td>
<td>736,061</td>
<td>36.4%</td>
</tr>
<tr>
<td>STRUCTURE MAINT</td>
<td>1,379,318</td>
<td>960,844</td>
<td>418,474</td>
<td>43.6%</td>
</tr>
<tr>
<td>EQUIPMENT MAINT</td>
<td>3,339,498</td>
<td>2,726,766</td>
<td>612,732</td>
<td>15.1%</td>
</tr>
<tr>
<td>UTILITIES</td>
<td>2,410,223</td>
<td>2,115,290</td>
<td>294,933</td>
<td>13.9%</td>
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<tr>
<td>OUTSIDE SERVICES</td>
<td>3,066,302</td>
<td>2,488,552</td>
<td>578,750</td>
<td>20.8%</td>
</tr>
<tr>
<td>TRAVEL/TRAINING</td>
<td>545,319</td>
<td>333,703</td>
<td>211,517</td>
<td>63.4%</td>
</tr>
<tr>
<td>CLAIMS AND INSURANCE</td>
<td>1,572,514</td>
<td>1,599,293</td>
<td>(26,779)</td>
<td>-1.7%</td>
</tr>
<tr>
<td>DEBT SERVICE CHARGES</td>
<td>870,151</td>
<td>-</td>
<td>870,151</td>
<td>100.0%</td>
</tr>
<tr>
<td>MISC. EXPENSES</td>
<td>288,532</td>
<td>207,896</td>
<td>80,636</td>
<td>38.6%</td>
</tr>
<tr>
<td>BOND PREMIUM TO ESCROW</td>
<td>79,647,475</td>
<td>-</td>
<td>79,647,475</td>
<td>100.0%</td>
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<tr>
<td>CAPITAL EXPENDITURES</td>
<td>133,977</td>
<td>71,691</td>
<td>62,286</td>
<td>86.9%</td>
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<tr>
<td>TRANSFERS OUT</td>
<td>47,427,547</td>
<td>12,763,525</td>
<td>34,664,022</td>
<td>271.5%</td>
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<tr>
<td>TOTAL GENERAL FUND EXPENDITURES</td>
<td>228,345,307</td>
<td>109,316,568</td>
<td>119,028,740</td>
<td>112.0%</td>
</tr>
</tbody>
</table>

General Fund Amended Budget:

<table>
<thead>
<tr>
<th>YTD Revenues as a % of Budget</th>
<th>March 2022</th>
<th>March 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>39.4%</td>
<td>39.9%</td>
</tr>
</tbody>
</table>

General Fund Expenditure Outlook

- Vacancies used to manage expenses to revenues
- Compensation and pension challenges addressed
  - Savings recognized from sale of POBs
- Operating costs subject to economic factors
  - Labor shortage
  - Inflation
  - Supply Chain
- No use of one-time funds for operations
- Balanced budget maintained
Continued strong residential and commercial growth
- Revenue growth limited by SB2
- FY 2022-23 revenue projected on track at current year actuals, which are above budget
  - Augmented by new construction
  - Regional growth remains strong
FY 2022-23 Other Revenues

- Sales Tax – expected to increase
- Cost of City Service fees – budget for normal activity
- Economic activity fees – budget based on current year actuals

Salary Projections

- Continue to fund Step and Merit raises for all employees
- Salary adjustments
  - 3% COLA for general government
  - 3.5% market adjustment for civil service
Projected Vacancy Savings

- **Vacancy Savings**
  - Estimated at 1.5% of FY 2021-22 projected salary and benefits, reflecting normal turnover savings

- **Excess vacancy savings**
  - Savings from vacant positions
  - Fully funded in budget
  - Provides capacity to absorb additional losses if revenue losses are worse than projections

Benefit Projections

- **Health Insurance**
  - New provider for FY 2021-22
    - Savings anticipated over life of contract
  - Medical and prescription cost trends rising

- **Pensions**
  - Fund General Government/Police pensions at actuarially defined contribution rates (ADC)- currently 17.03% prior to POB sale
    - TMRS – currently 14.53%
    - SBP – currently 2.50%
  - FRRF – maintain ADC rate – currently 26.05% prior to POB sale
**Operational Costs**

- Departmental budgets
  - Look to measured increases in expenses
    - Staff development and training
    - Inflation
    - Supply Chain
- Continued restoration of programs and activities

**Summary**

- Recovery of revenue shortfalls as a result of pandemic impact projected
  - Increase in commercial property values
  - Moderate growth in sales tax
  - Increases in program and activity revenues
- Avoid one-time revenue for operational funding
- Rate of recovery dependent on national economic strength
- Present a structurally balanced budget
Questions
Water Usage for FY2022 has been slightly above average
Capital Program Highlights

• Carbon Pump Station
  – Completed 60% Design Drawings

• Lake Chapman Projects
  – Princeton Pump Station Expansion
    • Hydraulic analysis and planning for needs
  – Discharge Facility Valve Replacement/Improvements
    • Designing valve replacement

• Pipeline Replacements
  – Hackberry/Cottonwood sewer replacement on Riverside
  – Need to increase replacements on overall water and wastewater systems
Staffing – Higher Vacancy Rates

• Position vacancies over the past year have ranged from about 15 to 25 (177 total positions)
• Currently showing 19 vacant positions
  – 11% overall for the department
  – Greater impact on field operations
• Entry-level field positions have been very difficult to fill
  – Over half of current vacancies
    • Maintenance Worker I
    • Utility Technician I
  – Lot of competition from similar paying jobs
• Engineering staff has also been very difficult to recruit

Material & Equipment Delivery Delays

• Chemicals for water testing
  – Difficult to keep in stock
• Pipe
  – PVC pipe delivery delays of 3 to 6 months
• Pipe Fittings
  – Various delays, 3 to 6 months
• Meter Infrastructure
  – Fixed network equipment delivery delays of 12 months or more
• Valves
  – Some sizes/types are 3 to 6 months
• Warehouse stock has really saved us so far, but maintaining inventories on hand is not always possible
Costs Are Rising

- Metal prices are up 20 to 30%
  - Pipe Fittings
  - Fire Hydrants
  - Clamps, service saddles
  - Meters and brass/copper fittings
  - Valves

- Chemicals are up over 10%

- Vehicles/Fuel
  - Continued price increases
  - Vehicle delivery delays

Water and Wastewater Rates

- NewGen Strategies and Solutions will update the five-year water and wastewater rate model once the budget is complete
  - Inflation assumptions need to be updated to reflect current trends
  - TRA and Dallas rates are generally available late June
  - Budget review with the City Manager late June
  - Updated model results should be available by late June or early July

- Five-year rate plan approved by City Council last year with up to a 4% rate increase each year, but we may not see the debt service coverage we need at this level due to continued price increases
<table>
<thead>
<tr>
<th>Questions or Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>
Overview

- Five Year Rate Plan
- Major Project Status
- Certificates of Obligation
Municipal Drainage Utility

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></td>
</tr>
<tr>
<td>FY19-20</td>
<td>6.00</td>
<td>6,400,000</td>
<td>1,775,684</td>
<td>*</td>
<td>15M</td>
</tr>
<tr>
<td>FY20-21</td>
<td>7.50</td>
<td>9,500,000</td>
<td>3,193,469</td>
<td>953,480</td>
<td>25M</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>20M</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>20M</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>20M</td>
</tr>
</tbody>
</table>

*First debt payment due in 2021.

Projects

• Wyche Park Detention Pond Modifications
  – Construction is 30% complete
  – Estimated to be completed by July 2022
Projects

- Embassy Channel Improvement
  - Design is at 95%
  - Advertising project for bid July 2022
- West Irving Creek Improvement – Phase I
  - Design is at 30%
  - Estimated construction start Fall 2023
- Brockbank Channel Improvement
  - Alignment Study is ongoing
  - Scheduled to begin design August 2022
- North Delaware Creek Improvement
  - Alignment Study is complete
  - Scheduled to begin design August 2022.

Certificates of Obligation

- 2022
  - West Irving Creek – Construction $20 M
    • Wyche Park to Story Road
- 2023
  - North Delaware Creek Construction $15 M
    • SH 183 to Henry Drive
  - Brockbank Channel Construction $ 5 M +
    • SH 183 to Goodyear Alley
Discussion
Overview

• Solid Waste Services revenue

• Solid Waste Services expenditures

• Going forward – FY 22/23 projects

• 5-year rate schedule
Solid Waste Services

• Enterprise Fund – self supporting
• Fees pay for:
  – Operations and maintenance
  – Equipment replacements
  – Infrastructure replacement and improvement projects at the landfill
• FY 21/22 budget is approximately $19 million

Solid Waste Services Budget

Landfill tipping, sale of capacity, & sanitation fee revenues comprise 98% of the total revenue
Solid Waste Services Budget

Benefits, equipment maintenance, salaries/wages, & motor vehicles comprise 95% of the expenses.

Current Year Financial Update

- FY 21/22 revenues are performing as expected
- However, landfill tipping fees and roll-off revenues are somewhat behind
- FY 21/22 expenditures are expected to be within budget
Going Forward – FY 22/23

• Collections
  – Continue route optimization – rotating routes every 3-months
  – Potential routing software implementation – pending pilot results

• Landfill
  – New maintenance facility
  – New citizens convenience center
  – New middle tract and west tract disposal cells
  – Drainage improvements

5-Year Rate Schedule

• Anticipate following the 5-year rate schedule established in last year’s Cost of Service Analysis & Council Resolution, Res-2021-346 approved on 9/16/21
• FY 22/23 – Proposing no solid waste residential rate increase
• FY 22/23 – Proposing a $50.00 roll-off rate increase across all three roll-off container sizes
## 5-Year Rate Schedule

<table>
<thead>
<tr>
<th></th>
<th>Current Rates</th>
<th>FY 22/23</th>
<th>FY 23/24</th>
<th>FY 24/25</th>
<th>FY 25/26</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Monthly Collection Rates</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential</td>
<td>$ 29.50</td>
<td>$ 29.50</td>
<td>$ 29.50</td>
<td>$ 30.25</td>
<td>$ 30.25</td>
</tr>
<tr>
<td>Senior Rate</td>
<td>$ 23.60</td>
<td>$ 23.60</td>
<td>$ 23.60</td>
<td>$ 24.20</td>
<td>$ 24.20</td>
</tr>
<tr>
<td>Commercial</td>
<td>$ 40.00</td>
<td>$ 40.00</td>
<td>$ 40.00</td>
<td>$ 41.00</td>
<td>$ 41.00</td>
</tr>
<tr>
<td><strong>Roll-Off Container Rates</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12 CY</td>
<td>$ 200.00</td>
<td>$ 250.00</td>
<td>$ 300.00</td>
<td>$ 350.00</td>
<td>$ 400.00</td>
</tr>
<tr>
<td>20 CY</td>
<td>$ 325.00</td>
<td>$ 350.00</td>
<td>$ 400.00</td>
<td>$ 450.00</td>
<td>$ 500.00</td>
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<tr>
<td>30 CY</td>
<td>$ 375.00</td>
<td>$ 425.00</td>
<td>$ 500.00</td>
<td>$ 550.00</td>
<td>$ 600.00</td>
</tr>
</tbody>
</table>

Source: Res-2021-346, approved 9/16/21

### Questions
### Cost vs Premiums

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Claims Cost</td>
<td>$23,506,000</td>
<td>$23,318,000</td>
<td>$24,562,000</td>
<td>$25,797,000</td>
</tr>
<tr>
<td>Total Cost</td>
<td>$26,392,000</td>
<td>$26,865,000</td>
<td>$27,776,000</td>
<td>$27,535,000*</td>
</tr>
<tr>
<td>Employee Contributions</td>
<td>$5,712,000</td>
<td>$6,237,000</td>
<td>$6,898,000</td>
<td>$5,689,736</td>
</tr>
</tbody>
</table>

*reduction in total cost is due to the change from Cigna to BCBS
Premium Increase

Rationale

- Strategically spending fund balance down and adding incremental increases to get to fund balance goal of between 25-50% of budgeted expenses
- 4th consecutive year of no premium increases
- Premium increase of 2% occurs in year 5
- Medical claims continue to escalate
- Fixed cost to the medical has decreased but will see increases in the future (i.e. stop loss insurance)
- Without increased premiums, the health fund will run into a deficit based on current actuarial assumptions

2% Increase to City per month

<table>
<thead>
<tr>
<th>Plan</th>
<th>Level</th>
<th>City Cost (current)</th>
<th>City Cost (proposed)</th>
<th>City Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blue Choice</td>
<td>EE</td>
<td>$649.78</td>
<td>$662.78</td>
<td>$13.00</td>
</tr>
<tr>
<td></td>
<td>EE + Spouse</td>
<td>$1,200.41</td>
<td>$1,224.42</td>
<td>$24.01</td>
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<tr>
<td></td>
<td>EE + Family</td>
<td>$1,734.68</td>
<td>$1,769.37</td>
<td>$34.69</td>
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<tr>
<td></td>
<td>EE + Children</td>
<td>$1,169.57</td>
<td>$1,192.96</td>
<td>$23.39</td>
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<tr>
<td>Blue Quality</td>
<td>EE</td>
<td>$564.21</td>
<td>$575.49</td>
<td>$11.28</td>
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<tr>
<td></td>
<td>EE + Spouse</td>
<td>$1,045.06</td>
<td>$1,065.96</td>
<td>$20.90</td>
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<tr>
<td></td>
<td>EE + Family</td>
<td>$1,511.72</td>
<td>$1,541.95</td>
<td>$30.23</td>
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<td></td>
<td>EE + Children</td>
<td>$1,018.37</td>
<td>$1,038.74</td>
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<tr>
<td>Blue Edge</td>
<td>EE</td>
<td>$419.06</td>
<td>$427.44</td>
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<td>$791.04</td>
<td>$806.86</td>
<td>$15.82</td>
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<td></td>
<td>EE + Family</td>
<td>$1,090.30</td>
<td>$1,112.11</td>
<td>$21.81</td>
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<tr>
<td></td>
<td>EE + Children</td>
<td>$737.84</td>
<td>$752.60</td>
<td>$14.76</td>
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</table>
### 2% Increase to Employee per month

<table>
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<tr>
<th>Plan</th>
<th>Level</th>
<th>Employee Cost (current)</th>
<th>Employee Cost (proposed)</th>
<th>Employee Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blue Choice</td>
<td>EE</td>
<td>$104.98</td>
<td>$107.08</td>
<td>$2.10</td>
</tr>
<tr>
<td></td>
<td>EE + Spouse</td>
<td>$369.49</td>
<td>$376.88</td>
<td>$7.39</td>
</tr>
<tr>
<td></td>
<td>EE + Family</td>
<td>$626.24</td>
<td>$638.76</td>
<td>$12.52</td>
</tr>
<tr>
<td></td>
<td>EE + Children</td>
<td>$354.74</td>
<td>$361.83</td>
<td>$7.09</td>
</tr>
<tr>
<td>Blue Quality</td>
<td>EE</td>
<td>$77.35</td>
<td>$78.92</td>
<td>$1.57</td>
</tr>
<tr>
<td></td>
<td>EE + Spouse</td>
<td>$289.37</td>
<td>$295.16</td>
<td>$5.79</td>
</tr>
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<td></td>
<td>EE + Family</td>
<td>$495.08</td>
<td>$504.98</td>
<td>$9.90</td>
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<tr>
<td></td>
<td>EE + Children</td>
<td>$277.56</td>
<td>$283.11</td>
<td>$5.55</td>
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<tr>
<td>Blue Edge</td>
<td>EE</td>
<td>$33.57</td>
<td>$34.24</td>
<td>$0.67</td>
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<tr>
<td></td>
<td>EE + Spouse</td>
<td>$164.02</td>
<td>$167.30</td>
<td>$3.28</td>
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<td></td>
<td>EE + Family</td>
<td>$268.95</td>
<td>$274.33</td>
<td>$5.38</td>
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<tr>
<td></td>
<td>EE + Children</td>
<td>$145.37</td>
<td>$148.28</td>
<td>$2.91</td>
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</tbody>
</table>
Health Fund

- Health Fund Status
- Benefit Value Advisor (BVA)
  - BVA + Member Rewards
- Employee Health Care Clinic (Care ATC)
- Expenditures from Health Fund
Historical Medical Costs

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>Projected 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Claims</td>
<td>$23,506,000</td>
<td>$23,318,000</td>
<td>$24,562,000</td>
<td>$12,898,572</td>
<td>$25,797,144</td>
</tr>
<tr>
<td>Fixed Cost</td>
<td>$2,886,000</td>
<td>$3,547,000</td>
<td>$3,214,000</td>
<td>$868,674</td>
<td>$1,737,348</td>
</tr>
<tr>
<td>Total</td>
<td>$26,392,000</td>
<td>$26,865,000</td>
<td>$27,776,000</td>
<td>$13,767,246</td>
<td>$27,534,492</td>
</tr>
</tbody>
</table>

Self-Insurance Fund Historical

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>*2019</th>
<th>2020</th>
<th>2021</th>
<th>Projected 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$27,305,499</td>
<td>$25,261,897</td>
<td>$26,029,275</td>
<td>$26,729,273</td>
<td>$27,802,596</td>
</tr>
<tr>
<td>Expenditure</td>
<td>$23,663,729</td>
<td>$26,684,605</td>
<td>$26,605,516</td>
<td>$29,371,864</td>
<td>$27,953,000</td>
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<tr>
<td>Difference</td>
<td>$3,641,770</td>
<td>$(1,422,708)</td>
<td>$(576,241)</td>
<td>$(2,642,591)</td>
<td>$(150,404)</td>
</tr>
</tbody>
</table>

*December 2019 city provided a premium holiday for all employees on their health insurance
Self-Insurance Fund Historical

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>Projected 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Balance</td>
<td>$12,819,893</td>
<td>$16,461,664</td>
<td>$15,038,957</td>
<td>$14,462,717</td>
<td>$11,820,126</td>
</tr>
<tr>
<td>Ending Balance</td>
<td>$16,461,664</td>
<td>$15,038,957</td>
<td>$14,462,717</td>
<td>$11,820,126</td>
<td>$11,669,722</td>
</tr>
</tbody>
</table>

Decrease of $4,791,942 in the last 5 years.

Benefits Value Advisor (BVA)

- Concierge white glove experience to assist members with
  - Education about their healthcare
  - Tools to make better decisions regarding their healthcare
  - Shopping for healthcare
  - Providing specific cost ranges
  - Provider search assistance
  - Coordinate referrals and scheduling appointments
BVA + Member Rewards

• Provides cash incentives for members utilizing the plan wisely.
  – i.e. Member needs a MRI. They call BVA to see the best place to receive the MRI. The “preferred” provider of the doctor may cost the member/plan $1500 for the MRI. BVA is able to find a location that is convenient for the member at a lesser cost of $500. Due to the member saving themselves and the plan $1000, they will receive a reward check in the mail paying them for being smart shoppers.

BVA + Member Rewards

• Top 3 shopping procedures (Jan – Mar)
  – MRI - 282
  – CT Scan - 124
  – Lab/Blood Work - 110

• Top 3 procedure savings (Jan – Mar)
  – MRI - $7,819
  – CT Scan - $6,944
  – Colonoscopy - $4,863

• Saved the Health Plan $26,478 dollars since October 2021.
Employee Health Care Clinic

• City contracts with a group called CareATC to provide a no cost (PPO plans) or low cost ($40 copay on HDHP) medical care at any shared clinic location.
• 6 shared clinic locations in North Texas (12 locations in Texas)
  – Additional locations in 9 other states

Employee Health Care Clinic

2021 Clinic Data
  – 2,707 visits completed
  – 766 unique patients served
  – 76% of patients seen were Employees/Retirees
  – 69% of visits were seen at the CareATC clinic location (82% of visits were employees/retirees)
    • 25% visits – Police
    • 10% visits – Water
    • 9 % visits – Fire
    • 8% visits – Parks and Recreation
Employee Health Care Clinic

Top Diagnosis for 2021
1. Hypertension (high blood pressure)
2. Hyperlipidemia (high cholesterol)
3. Acute Upper Respiratory infection
4. Counseling
5. Screenings
6. Acute pharyngitis (sore throat)
7. Immunizations
8. COVID-19
9. Generalized adult medical
10. Type 2 Diabetes

Expenditures from Health Fund

The following are paid from the Health Fund:
- Employer Paid Life Insurance
- Medical Claims
- Health Saving Account Seed Money
- Stop Loss Insurance
- Insurance Administration (BCBS)
- PlanSource Benefits Administration System
- Benefits Consultant (Holmes Murphy)
- Spending Accounts Administration Fees (FSA/HSA)
Expenditures from Health Fund

The following are paid from the Health Fund:
- Employee Assistance Program (Optum)
- First Responders Mental Health Program (ArmourUp)
- Employee Coaching for Care Givers (Cariloop)
- Daycare Assistance (Weecare)
- Affordable Care Act Reporting (Unify HR)
- COBRA Administration (Navia)

Questions?
G – Pensions Update
Budget & Strategic Plan Review
May 17-18, 2022

Glossary

• POB – Pension Obligation Bonds
• TMRS – Texas Municipal Retirement System
• SBP – Supplemental Benefit Plan
• FRRF – Fireman’s Relief and Retirement Fund
• UAAL – Unfunded Actuarially Accrued Liability
• TIC – True Interest Cost
Pension Obligation Bond Sale Results

• 2021 GO Pension Obligation Bonds
  – Fully funds the estimated UAAL for TMRS and SBP
  – Sold November 16, 2021
  – $86,220,000 principal  2.64% True Interest Cost
  – 20-year term
• 2022 GO Pension Obligation Bonds
  – Substantially funds the estimated UAAL for FRRF
  – Sold April 21, 2022
  – $80,785,000 principal  4.42% True Interest Cost
  – 25-year term

Budgeting for POBs

• Pension Obligation Bonds refinanced an existing liability at a lower rate
• Pension rates are (broadly) calculated on two rates
  – Normal cost – amount necessary to fund pensions for the current year
  – Prior Service cost – amount to fund unfunded pension liabilities from previous years
• The sale of POBs fully funded the prior service cost for TMRS and SBP and mostly funded the prior service cost for FRRF.
• Pension costs in the operating funds will only have to fund the normal cost in future years
• A portion of the pension savings will fund
  – POB debt service for the next twenty and twenty-five years
  – POB risk mitigation fund for the next three years
POB Debt Service

- Pension Bonds are included in General Debt Service
- A portion of the Maintenance and Operations rate will shift to Debt Service to pay the debt since the prior service costs have been funded (mostly) by the pension bonds
- Debt service on the two pension issues will total approximately $11 million per year over the next 18 years
  - The initial shift for FY 2022-23 will be just over 3 cents
  - While the debt payments are level, growth in the tax base will reduce the allocation to debt service, allowing the allocation to gradually shift back to Operations and Maintenance over time
POB Risk Mitigation Funds

• Set aside funds against the risk of economic or market risk of pension plans requiring additional contributions
• Use same asset smoothing models as the pension plans
  – TMRS  10-year smoothing
  – SBP  5-year smoothing
  – FRRF  5-year smoothing
• Fund ¼ of fund each year through budget transfers
  – TMRS/SBP  $1,105,406 approved 3/10/2022
  – FRRF  $1,209,245 next budget transfer
• Council resolution to designate fund balances as restricted on future agenda

Questions
Overview

- Background Information
- Consolidated Fee Schedule
- Approach and Strategy
- Timeline
- Next Steps
Background Information

• A number of city departments publish fee schedules for services such as development reviews, building and inspections, permits, use of parks and facilities, and more
• Some fees are approved by City Council and regulated by ordinances
• Other fees are determined by departments with approval from City Council
• There is not a central location that houses all the City’s fees

Consolidated Fee Schedule

• Benefits and Uses:
  – Provides a detailed schedule of services and its associated costs
  – Streamlines various fee schedules to eliminate outdated fees, inaccuracies, and incorporate updated fees
  – Identify revenue gaps
  – Convenient for residents and provides a “one-stop shop” for fees
Approach and Strategy

• Phased approach (tentative):
  – Phase 1 (FY23): Animal Services, Library, Parks and Recreation, and Planning
  – Phase 2 (FY24): Code Enforcement and Inspections
  – Phase 4 (FY26): Public Works departments
• Each department will catalog/update/modify existing and potential fees for services
• Identify which of those fees are regulated by ordinances
  – Work with the City Attorney’s Office to ensure ordinance language is appropriately updated and streamlined
• Utilize this Plan to analyze and discuss gaps between cost of service and revenue

Timeline

• May – July 2022:
  – Catalog/update/modify existing and potential fees for services
  – Create a Consolidated Fee Schedule with fees from Phase 1 departments
  – Update ordinance languages
• August 4, 2022: Present proposed Phase 1 Consolidated Fee Schedule at Audit and Finance Committee
• August 19, 2022: Present proposed Phase 1 Consolidated Fee Schedule at August Budget Retreat
• September 15, 2022: Adoption
Next Steps

- There are a small number of fees that require City Council approval prior to the adoption of the Consolidated Fee Schedule such as facility usage fees associated with Levy Plaza and Heritage Park

Questions/Discussion
Overview

- Background Information
- Recap of Eligible and Ineligible Uses
- Recap of City Manager’s Focus Areas and Recommended Projects Allocation for FY21-22
- Status of Projects
- City Manager’s Focus Areas for FY22-23
- Next Steps
Background Information

• Total Allocation: $54,277,494
• The City received $27,138,747 (50%) on June 17, 2021
  – Second tranche of dollars is expected in June 2022
• Funds must be obligated by December 31, 2024, and expended by December 31, 2026

Eligible Uses

• Eligible:
  – Support public health expenditures, by, for example, funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff
  – Address negative economic impacts caused by the public health emergency, including economic harms to workers, households, small businesses, impacted industries such as hospitality/tourism/hotel, and the public sector
  – Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic
  – Provide premium pay for essential workers, offering additional support to those who have and will bear the greatest health risks because of their service in critical infrastructure sectors
  – Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet
Ineligible Uses

• Ineligible:
  – **States and territories** may not use this funding to directly or indirectly offset a reduction in net tax revenue due to a change in law from March 3, 2021 through the last day of the fiscal year in which the funds provided have been spent
  – No recipient may use this funding to make a **direct** deposit to a pension fund, contributions to reserve funds, or debt service

Recap City Manager’s Focus Areas for FY21-22

• Utilize the first $27.1M to be spent in Fiscal Years 2021 and 2022
• For FY21:
  – Addressing negative economic impacts caused by COVID-19 to ICVB
  – Fund critical infrastructure maintenance, supplies, and capital equipment for Government Services
• For FY22:
  – Addressing negative economic impacts caused by COVID-19 to ICVB and IAC
  – Maintenance of Infrastructure
  – COVID grants and administration
  – Affordable Housing and Small Business Incentives
  – Miscellaneous one-time ARPA projects
  – ADA Infrastructure Compliance
City Manager’s Recommended Allocation for FY21-22

<table>
<thead>
<tr>
<th>Description</th>
<th>FY21</th>
<th>FY22</th>
</tr>
</thead>
<tbody>
<tr>
<td>ICVB</td>
<td>$3,017,904</td>
<td>$10,277,012</td>
</tr>
<tr>
<td>Arts</td>
<td>-</td>
<td>$1,451,542</td>
</tr>
<tr>
<td>Museum</td>
<td>-</td>
<td>$139,447</td>
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<tr>
<td>Preservation</td>
<td>-</td>
<td>$100,000</td>
</tr>
<tr>
<td>Critical Infrastructure Maintenance, Supplies,</td>
<td>$6,000,000</td>
<td>-</td>
</tr>
<tr>
<td>and Capital Equipment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ADA Compliance</td>
<td>-</td>
<td>$1,250,000</td>
</tr>
<tr>
<td>Small Business Grants</td>
<td>-</td>
<td>$2,713,874</td>
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<tr>
<td>HHS Administration</td>
<td>-</td>
<td>$150,000</td>
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<tr>
<td>ARPA One-Time Projects</td>
<td>-</td>
<td>$1,488,968</td>
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<tr>
<td>Affordable Housing Initiative</td>
<td>-</td>
<td>$250,000</td>
</tr>
<tr>
<td>Downtown Incentive</td>
<td>-</td>
<td>$300,000</td>
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<tr>
<td><strong>Subtotal</strong></td>
<td><strong>$9,017,904</strong></td>
<td><strong>$18,120,843</strong></td>
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</tbody>
</table>

### Status of Projects

- As of 5/5/22, funds expended (includes encumbrances and requisitions): $14,763,078 or 54.4%

<table>
<thead>
<tr>
<th>Description</th>
<th>Revised Budget</th>
<th>Actuals</th>
<th>Encumbrances</th>
<th>Requisitions</th>
<th>Available/Budget</th>
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<tr>
<td>CRITICAL INFRASTRUCTURE MAINTENANCE, SUPPLIES,</td>
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<tr>
<td>AND CAPITAL EQUIPMENT</td>
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<td></td>
<td></td>
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<td>OPEN RECORDS SOFTWARE</td>
<td>$27,366</td>
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<td>TACTICAL ROBOT</td>
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<td>$0</td>
<td>$0</td>
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<td>FIRE STATION &amp; ROOF REPLACEMENT</td>
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<td>BUILDING MAINTENANCE DEPT. REQUESTS</td>
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<td>ADA COMPLIANCE</td>
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<td>$0</td>
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<td>ARPA DASHBOARD - ENVISIO</td>
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<td>SMALL BUSINESS GRANT</td>
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<td>AFFORDABLE HOUSING INITIATIVE</td>
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<td>DOWNTOWN INCENTIVE</td>
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<td>$0</td>
<td>$900,000</td>
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<td>ARPA 2022</td>
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<td>$0</td>
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<td>ARPA 2021</td>
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<td>$0</td>
<td>$0</td>
<td>$1,451,542</td>
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<tr>
<td>ARPA CVB 2021</td>
<td>$2,713,874</td>
<td>$2,713,874</td>
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<td>$0</td>
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<td>ARPA CVB 2022</td>
<td>$4,474,167</td>
<td>$2,663,167</td>
<td>$367,997</td>
<td>$62,857</td>
<td>$1,380,895</td>
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<td>HERITAGE AND MUSEUM</td>
<td>$139,447</td>
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<td>$0</td>
<td>$0</td>
<td>$139,447</td>
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<td>ARPA PRESERVATION FUND</td>
<td>$100,000</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$100,000</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$27,136,747</strong></td>
<td><strong>$13,310,631</strong></td>
<td><strong>$1,308,472</strong></td>
<td><strong>$294,052</strong></td>
<td><strong>$11,515,592</strong></td>
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</tbody>
</table>
City Manager’s Focus Areas for FY22-23

- Utilize the second $27.1M to:
  - Provide on-going affordable housing initiatives
  - Continue small business assistance
  - Continue ADA efforts
  - Support impacted industries such as the tourism, hospitality, and travel sectors relative to IAC and ICVB
  - Fund one-time city CIP projects
  - Support community/neighborhood projects
  - Fund additional eligible one-time miscellaneous expenses

Next Steps

- During the budget process, identify eligible projects and strategies that reflect and support the City Manager’s focus areas
- Develop a funding allocation plan
- Brief City Council at the August budget retreat
- For up-to-date information regarding ARPA projects, please visit the new ARPA public dashboard
## General Fund

<table>
<thead>
<tr>
<th>ED Operations (#21001)</th>
<th>ED Fund (#21008)</th>
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<tbody>
<tr>
<td><strong>Expenses:</strong></td>
<td><strong>Revenues:</strong></td>
</tr>
<tr>
<td>--Personnel Cost</td>
<td>--Rents/Leases</td>
</tr>
<tr>
<td>--Office Supplies</td>
<td>--Sale of City-owned properties</td>
</tr>
<tr>
<td>--Printing &amp; Postage</td>
<td>--Transfer from ED Operations</td>
</tr>
<tr>
<td>--Subscriptions</td>
<td>--Interest</td>
</tr>
<tr>
<td>--Professional Services</td>
<td></td>
</tr>
<tr>
<td>--Travel/Training</td>
<td></td>
</tr>
<tr>
<td>--Membership Dues</td>
<td></td>
</tr>
<tr>
<td>--Transfer to ED Fund</td>
<td></td>
</tr>
</tbody>
</table>

$52,167,053
ED Operations - Expenses

FY 20222 Adopted Budget

ED Fund - Revenues

FY 20222 Adopted Budget
ED Fund - Expenses

ED Incentives Fund

ED Incentive Fund (#2160)

Revenues:
--Property Taxes
--Sales Taxes
--State Sales Tax Revenue
--Interest

Expenses:
--Property Tax Rebates
--Sales Tax Rebates
--Economic Development Grants
ED Incentive Fund - Revenues

2022 Adopted Budget

- Current Ad Valorem Taxes: $18,586,024.00
- Sales Tax: $3,015,804.00
- Receipts from State: $278,114.00
- Transfer from General Fund: $1,335,841.00

ED Incentives Fund - Expenses

2022 Adopted Budget

- Economic Development Incentive: $23,786,854.00
Long Term Financial Plan

- **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.

TIF #1 “Ratchet-down”

- 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 Economic Development.
- Current FY21-22 is the third year of lower TIF 1 contributions, and $1,335,840 was budgeted in the Economic Development Incentives Fund.
- City Manager’s goal is to continue to budget half of the reduced TIF 1 contributions (i.e. the “ratchet down”) in the Economic Development Incentives Fund to equal that which 2 cents on the tax rate would generate.
ED Incentives Fund Revenue Projections

Long Term Financial Plan

• **Recommendation #6:** Any funds budgeted annually for Economic Development incentives but not spent will be retained in the Economic Development Incentives Fund Balance up to the first million dollars. Every dollar thereafter will be split 50/50 with the General Fund and the Economic Development Fund.
# City ED Funding Comparison

<table>
<thead>
<tr>
<th>City</th>
<th>Dedicated Economic Development Revenue Source</th>
<th>FY - 22 Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allen</td>
<td>1-cent Sales Tax</td>
<td>$22,686,380</td>
</tr>
<tr>
<td>Arlington</td>
<td>1/4-cent Sales Tax; Royalties from Gas</td>
<td>$16,166,798</td>
</tr>
<tr>
<td>Frisco</td>
<td>1-cent Sales Tax</td>
<td>$58,445,145</td>
</tr>
<tr>
<td>Grapevine</td>
<td>1/8-cent Sales Tax</td>
<td>$3,753,448</td>
</tr>
<tr>
<td>McKinney</td>
<td>1-cent Sales Tax</td>
<td>$35,852,050</td>
</tr>
<tr>
<td>Mesquite</td>
<td>1/2-cent Sales Tax</td>
<td>$11,857,600</td>
</tr>
<tr>
<td>Plano</td>
<td>2-cents Ad Valorem Tax</td>
<td>$9,434,847</td>
</tr>
<tr>
<td>Richardson</td>
<td>1/2-cent Ad Valorem Tax</td>
<td>$914,766</td>
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</table>
Proposed FY 2022-23 Bond Sales

- Based on five-year CIP plan presented in FY 2021-22 Adopted Budget
- Conflans Rd. funding advanced to current year

<table>
<thead>
<tr>
<th>Issue</th>
<th>Amount</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Obligation</td>
<td>$62,200,000</td>
<td>Completes several 2006 authorizations</td>
</tr>
<tr>
<td>Water &amp; Sewer Revenue</td>
<td>25,330,000</td>
<td>FY 2021-22 Budget 5-year plan</td>
</tr>
<tr>
<td>MDU C.O.</td>
<td>20,000,000</td>
<td>Drainage Solutions Year 4</td>
</tr>
<tr>
<td>Equipment Tax Note</td>
<td>855,000</td>
<td>Advance funded in May 2022</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$108,385,000</strong></td>
<td></td>
</tr>
</tbody>
</table>
Water & Sewer Capital Plan

- CIP funded by revenue bonds and pay-as-you-go-funding
  - Target 50%/50% or higher cash funding
  - FY 2022-23 – 60%/40% funding
- CIP is factored with operations, maintenance, and debt service when forecasting rates

Municipal Drainage Utility

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>6,400,000</td>
<td>1,775,684</td>
<td>*</td>
<td>15M</td>
</tr>
<tr>
<td>FY19-20</td>
<td>6.00</td>
<td>9,500,000</td>
<td>3,193,469</td>
<td>953,480</td>
<td>25M</td>
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<td>FY20-21</td>
<td>7.50</td>
<td>11,400,000</td>
<td>3,238,913</td>
<td>2,540,383</td>
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<td>FY21-22</td>
<td>9.00</td>
<td>13,300,000</td>
<td>3,588,537</td>
<td>3,809,724</td>
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<td>FY22-23</td>
<td>10.50</td>
<td>15,200,000</td>
<td>3,926,701</td>
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<td>FY23-24</td>
<td>12.00</td>
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<td></td>
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<tr>
<td></td>
<td></td>
<td>Total</td>
<td></td>
<td></td>
<td>100M</td>
</tr>
</tbody>
</table>

*First debt payment due in 2021.
MDU Debt Capacity

- Five-year plan of rate increases to finance both bond and pay-as-you-go projects
- Certificates of Obligation used instead of MDU revenue bonds
  - Debt still paid by MDU revenues
  - Lower interest rate
  - No reserve requirements: more funding to capital projects

Tax Notes

- Short-term General debt to finance heavy equipment
  - Fire Pumpers and Ladder Trucks
  - Five-year debt or less
  - Average ten-year useful life
- In recent years, tax notes have had lower financing costs than lease-purchase agreements
- Goal to cash fund all equipment purchases
General Debt Capacity Assumptions

• 2021 Bond Authorization
  – Complete in 10 years

• Debt Service Tax Rate
  – Maintain at 0.13 for CIP funding
  – 30-year funding for Public Safety Complex
  – 20-year funding for all other projects

• Property Tax Values
  – Assume 3% growth per year
  – Projected growth rate below 20-year average

Property Value History

![Graph showing property value history from 2001 to 2022.](image)

- 4.25% 20 Year %
- 6.86% 10 Year %
- 6.88% 5 Year %
Projected Revenue 2022-42

Revenue at 13 Cents for CIP

Debt Issuance 2022-32

<table>
<thead>
<tr>
<th>Year</th>
<th>20 year</th>
<th>30 year</th>
<th>Tax Notes</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>2022</td>
<td>72.15</td>
<td>18.50</td>
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<td>2023</td>
<td>62.20</td>
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<td>2024</td>
<td>40.00</td>
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<td>2025</td>
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<td>13.00</td>
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<td>55.00</td>
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<td>2031</td>
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<td>71.00</td>
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<tr>
<td>2032</td>
<td>40.00</td>
<td>29.00</td>
<td>2.00</td>
<td>71.00</td>
</tr>
</tbody>
</table>
Debt Issuance 2022-32

Existing and Future Debt
Debt Capacity Model

• Updated twice per year
• Assumes 4.0% interest rate on debt
  – 2021 GO interest rate 1.86%
  – 2022 GO interest rate 3.51%
• Flexibility to adjust debt sales to accommodate large projects
• Model has consistently underestimated the amount available for debt service

Questions
Overview

- Remaining 2006 GO Bond Authorization
- Recap FY 21-22 GO Bond Sale
- Proposed FY 22-23 GO Bond Sale
2006 GO Bonds

• After the 2022 sale of $33.27 in 2006 General Obligation Bonds, the balance of unsold 2006 GO Bonds is $56.19 M.

• Remaining 2006 authorization:
  - Streets $2,920,000
  - Parks $9,465,000
  - City Buildings $2,405,000
  - Gateway Initiatives $24,750,000
  - Senior Citizens Center $10,000,000
  - Fire Services $6,650,000
  - Total $56,190,000

• Gateway Initiatives must meet the following:
  - A public street, utility, or infrastructure
  - Supporting Economic Development program for industrial, commercial or retail business
  - Located in historic downtown or gateway area of the City

Capital Improvement Program

• 5-Year CIP Plans are maintained by management and staff; approved by Council
  - Projects for year FY23 are funded by the 2006 and 2021 Bond authorizations
  - Projects for FY24 to FY27 will be funded by the 2021 Bond authorization

• Projects are re-prioritized based on bi-annual review, Council requests, and citizen input

• Other factors may affect the plan such as the Long-Term Financial Plan, Road to the Future, and the capacity to sell debt
### FY21-FY22 GO Bond Sale Recap

#### 2006 General Obligation Bond Authorizations

**Road to the Future - Street Improvements**
- MacArthur - Metker to Byron Nelson Way: $4,500,000
- Regent Blvd. - Kinwest to Beltline: $7,500,000
- Esters - Twin Falls to Rochelle: $5,000,000
- Neighborhood Street Reconstruction - Water & Wastewater: $2,000,000
- Right-of-Way Acquisition and Franchise Utility Relocations: $1,350,000
- Signals: $375,000
- Streetlighting: $375,000
- Street Rehabilitation (mudjacking, overlay, panel replacement): $4,700,000

**Street Improvements Total** $25,800,000

**Park Improvements**
- Community/Neighborhood Park Development: $1,385,000
- Park Infrastructure Renovations/Improvements: $3,475,000
- Renovations to Park Facilities: $500,000
- Park Security - Lighting: $675,000

**Park Improvements Total** $6,035,000

**City Building Improvements**
- Rehabilitation of City Facilities: $1,435,000

**City Building Improvements Total** $1,435,000

#### 2021 General Obligation Bond Authorizations

**Road to the Future - Street Improvements**
- Conflans Rd. - Valley View to SH 161: $4,800,000

**Street Improvements Total** $4,800,000

**City Hall Complex Facilities**
- City Hall Complex: $1,000,000

**City Hall Complex Facilities Total** $1,000,000

**Human Services Facilities**
- Human Services Facility Improvements: $1,300,000

**Human Services Facilities Total** $1,300,000

**Police Services**
- Criminal Justice Center Renovations: $1,270,000

**Police Services Total** $1,270,000

**Park and Recreation Services**
- Southwest & Oak Meadows Park: $3,050,000
- Airport Property: $11,425,000
- Mustang Recreation Center Expansion Land: $5,385,000

**Park and Recreation Services Total** $19,860,000
## FY21-FY22 GO Bond Sale Recap

### 2021 General Obligation Bond Authorizations (Continued)

#### Information Technology Services
- **Mission - Critical Facilities Connectivity**
  - 2021: $5,000,000
  - **Total**: $5,000,000

#### Library Services
- **Existing Library Facility Improvements**
  - 2021: $2,000,000
  - Total: $650,000

#### Arts Center Facilities and Infrastructure
- **Arts Center Roof**
  - 2021: $3,000,000
  - **Total**: $3,000,000

#### Public Safety Joint Facilities
- **Driving Skills/Training Pad**
  - 2021: $5,023,750
  - **Total**: $3,566,250

**Total General Obligation Bond Program**
- **$90,650,000**

---

## 5 Year CIP Plan 2006 Authorization

### General Fund Capital Improvement Program

<table>
<thead>
<tr>
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<tr>
<td><strong>Prop 6: Library Services</strong></td>
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<td><strong>Prop 9: Library Services</strong></td>
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<td><strong>Prop 10: Joint Training Facility</strong></td>
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<td><strong>TOTAL GENERAL Obligation Authorizations</strong></td>
<td>4,600,000</td>
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FY 22-FY23 GO Bonds

**2006 Authorization**

<table>
<thead>
<tr>
<th>Prop</th>
<th>Category</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Prop-1</td>
<td>Streets</td>
<td>2.920 M</td>
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<tr>
<td>Prop-2</td>
<td>Parks</td>
<td>9.465 M</td>
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<tr>
<td>Prop-5</td>
<td>City Buildings</td>
<td>2.405 M</td>
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<td>Prop-7</td>
<td>Fire Services</td>
<td>6.650 M</td>
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<td></td>
<td><strong>TOTAL</strong></td>
<td><strong>21.440 M</strong></td>
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FY 22-FY23 GO Bonds

**2021 Authorization**

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<thead>
<tr>
<th>Prop</th>
<th>Category</th>
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<tbody>
<tr>
<td>Prop-A</td>
<td>Streets</td>
<td>17.705 M</td>
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<tr>
<td>Prop-B</td>
<td>City Hall Complex</td>
<td>2.000 M</td>
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<td>Prop-C</td>
<td>Operations &amp; Maint. Fac.</td>
<td>4.310 M</td>
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<td>Fleet Operations ($4.31M)</td>
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<td>Prop-E</td>
<td>Police Services</td>
<td>7.400 M</td>
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<td>Prop-F</td>
<td>Animal Services</td>
<td>0.600 M</td>
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<td>Prop-G</td>
<td>Fire Services</td>
<td>2.810 M</td>
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<td>Central Fire Station ($1.81M)</td>
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<td></td>
<td>Fire Station #8 ($1M)</td>
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<td>Prop-H</td>
<td>Parks</td>
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<td>Prop-I</td>
<td>Information Technology</td>
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<td>Prop-J</td>
<td>Library Services</td>
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<td>Prop-L</td>
<td>Public Safety Joint Facilities</td>
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<td><strong>TOTAL</strong></td>
<td><strong>40.76 M</strong></td>
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Discussion
R1-3 General Fund Tax Analysis and Revenue and Expense Trends
Budget and Strategic Planning Retreat
May 17-18, 2022

Historical Taxable Value

- Taxable Values have been projected to grow at an average rate of 7% from FY 18-22

![Graph showing historical taxable value growth from FY 18 to FY 22. The graph displays annual growth rates ranging from -6% to 11%.]
FY 18-27 Year Taxable Value Projection

Projected Growth FY18-27
Using 8% growth for FY 23

Ad Valorem Revenue

- Historically Ad Valorem Revenues have increased approximately 3% annually over the last 5 years and Taxable Values have increased 7% annually.
AD Valorem Projection with 3.5% Cap and New Construction FY18-27

Average Home Value FY18-22

Average Taxable Home Value
Debt Service Rate Comparison

• For FY 22 council adopted an increase to the Debt Service Rate to 0.13. The 1 cent increase in debt service is necessary to support the funding for the 2021 Bond Election to issue the authorized debt within a 10-year time frame.

• Beginning in FY22-23 the debt service tax rate will be increasing to fund the debt service associated with the pension obligation bonds. This is a shift of the existing operating expenses from maintenance and operations to debt service. The portion of debt service allocated to the CIP will be maintained at 0.13. The total tax rate will not be impacted by this shift.

Total Available Funds

<table>
<thead>
<tr>
<th>Total Available Ad Valorem Revenue</th>
<th>Millions</th>
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<tr>
<td>23</td>
<td>$127</td>
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<tr>
<td>24</td>
<td>$137</td>
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<td>25</td>
<td>$148</td>
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<tr>
<td>26</td>
<td>$160</td>
</tr>
<tr>
<td>27</td>
<td>$173</td>
</tr>
</tbody>
</table>

- Total M&O GF Net
- Other Obligations
Sales Tax grew on average 3% from FY18-22. Due to the uncertainty of the ongoing effects pandemic and inflation we are projecting a 4% increase for FY23 and FY24 and leveling off to 2% thereafter.

Public Safety expenses have been increasing annually on average 4.9% which is higher than the projected growth rates of Sales and Ad Valorem Tax.
General Fund Expenses

- Public safety expenditures to maintain current service levels are equal to an estimated 65% of revenue the over the next 5 years. This does not include potential future in focus expenditures.

10 Year Revenue Projection with Cap
Potential Overall

- Over a 10-year period, Public Safety expenses are projected to account for 50% of the GF Revenue.

Conclusion

- Public Safety usage of the General Fund Revenues are generally in sync with the increase in revenue we received.
- Although, we are increasing debt service contributions, it will be offset by an anticipated $20 million savings due to decreased pension obligation.
- However, as time progresses any revenue collection limits will hinder the equitable disbursements of resources throughout the city.
Trends Summary

Agenda

• Revenue Projection Summary
• Expenditure Projection
• Tax Rate Strategy
• Summary
Revenue Projections

- Property Tax
  - FY 2023 - 6.0% based on current year growth and anticipated development
  - FY 2024 & forward – 5% growth per year
- Sales Tax
  - FY 2023 and FY 24 projected 4% increase due to past trends
  - FY 2025 & forward – projected flat with 2% increase
- Other Revenues
  - Projecting a 2% increase per year going forward

Expenditure Trends

- The largest components of expenditures are salaries and benefits.
  - Salary growth - 3 percent per year
  - Benefits - 2 percent per year
- Operating expenditures
  - (supplies, maintenance, outside services, training, and utilities)
  - Projected increase of 3 percent per year.
- Capital expenditures have no reliable pattern
- Transfers out of the General Fund have increased, as the city has begun right-sizing some of its internal services funds to adequately fund technology and equipment needs.
Future in Focus – Operational Expenditures

- Personnel
  - 130 Additional Positions (93 public safety related)
- Website redesign, neighborhood program revitalization initiative
- Small business incentives, corridor enhancement incentives, land bank purchases
- New software and technological enhancements
- Vehicles and Equipment

Future Major Capital Expenditures

Operating Costs of Major Capital Improvements
- Central Fire Station
  - Personnel, Vehicles, Equipment
- Mustang Recreation Center Expansion
  - Equipment, Maintenance, Utilities
- Maintenance, Utilities, and Custodial for Expanded Facilities
FY 2023-27
Property Tax and
Operational Enhancements
Proposed Strategy

Tax Rate Strategy

• Use base revenue increases to fund cost increases for existing service levels
• Alternate between No-New-Taxes and 3.5% Rollback rates to provide tax relief to residents
• Seek voter approval for significant expenditures tied to major capital projects and service level expansions
  – Central Fire Station and Medic 8
  – Public Safety operational increases, Mustang Recreation Center expansion, and Parks Maintenance
  – Future Projects
    • Senter Recreation Center expansion
    • New Library
    • Animal Care Campus expansion
## Summary

- Base expenditure increases are projected to exceed baseline revenue growth over the next five years
- Future in Focus identified additional operating needs across General Fund departments
- Several 2021 Bond Authorization projects have significant personnel and operating cost increases
- SB 2 and other proposed legislative changes limit revenue growth potential
- Tax Rate strategy provides a framework to fund projected operational increases with voter approval
- Next steps are to prioritize operational increases and timing of service expansions while identifying funding sources

## Questions
Strategic Plan

- Created in February 2015
- Strategic Goals:
  - Financial Sustainability
  - Systematic Infrastructure Investment
  - Vibrant Economy
  - Service Excellence
  - Inclusive and Collaborative Governance
  - Talented and Energized Workforce
Why do we need a new plan?

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

CITY OF IRVING ORGANIZATIONAL STRATEGY

Future in Focus serves as the city's operational strategic plan framework for all services and works in tandem with the city's 5-year capital plans, City Council priorities and annual budget.

VIBRANT ECONOMY
Support strategic development and investment, including revitalization of targeted areas.
Support business retention and recruitment.
Effectively plan and manage land use.
Market Irving as a destination.

INFRASTRUCTURE INVESTMENT
Maintain roads, sidewalks, and transportation infrastructure.
Maintain water, wastewater, and drainage infrastructure.
Provide an adequate water supply now and in the future.
Support strategic investment in city facilities.

SENSE OF COMMUNITY
Provide exceptional recreational, cultural, and educational opportunities.
Actively engage and communicate with the community.
Foster a culture of diversity and inclusion.

GOVERNMENT SUSTAINABILITY
Protect the city's financial integrity and solvency.
Recruit, retain and develop a qualified, competent and diverse workforce.
Improve efficiency through data, technology and thoughtful, innovative approaches.
Ensure government transparency.

SAFE AND BEAUTIFUL CITY
Safeguard public safety, security and health.
Improve property conditions and overall appearance of the city.
Promote environmental stewardship.

VISION: Irving will be the model for safe and beautiful neighborhoods, a vibrant economy, and exceptional recreational, cultural and educational opportunities.
MISSION: Deliver exceptional services and promote a high quality of life for residents, visitors and businesses.
VALUES: We have PRIDE in all that we do. We are Professional, Responsible, Innovative, Dependable and Ethical.
Public Facing Dashboard

Future in Focus

The City of Irving is guiding its future growth and development with Future in Focus, which consists of five focus areas and 18 operating strategies. This plan is based on input from city council and all levels of city leadership as well as key stakeholders, including our residents and members of the business community. Future in Focus encompasses key initiatives that will help the city to stay focused on what matters most, achieve our vision and mission, and create a positive and meaningful impact on the community we serve.

We are pleased to share the dashboard which showcases progress towards Future in Focus initiatives and highlights key performance data focusing on a vibrant economy, affordable investments, a sense of community, government sustainability, and a safe and beautiful city. More extensive data can be found on the comprehensive Future in Focus Report Card.

Notable initiatives and initiatives that were completed under prior plans. However, additional information as well as details of significant year-end results can be found here.
## Current 5-Year Service Level Needs

### Personnel Needs

<table>
<thead>
<tr>
<th>Role</th>
<th>Number</th>
<th>Need Description</th>
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<tbody>
<tr>
<td>Dispatcher</td>
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<td>Designated IC requirements</td>
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<tr>
<td>Central FS</td>
<td>18</td>
<td>Response time requirements for Heritage Dist.</td>
</tr>
<tr>
<td>Medic 8</td>
<td>9</td>
<td>Increased EMS calls in Entertainment District</td>
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<tr>
<td>PIO</td>
<td>1</td>
<td>Needs for IFD to communicate with community</td>
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<tr>
<td>Recruitment Team</td>
<td>3</td>
<td>Increase diversity within the fire dept.</td>
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<tr>
<td>Dispatcher</td>
<td>4</td>
<td>Account for increased workload due to text to 911</td>
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<tr>
<td>4th FF on Trucks</td>
<td>14</td>
<td>Safety and Responsibilities on Truck Co.</td>
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<tr>
<td>53</td>
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### Capital Needs

- Central Fire Station
- Fire Station 8 Relocation/Rebuild
- Driving Skills Pad
Addressing Service Level Needs for FY 21-22 (Year 1)

Challenges facing firefighter safety and meeting unfunded mandate:

- NFPA 1221- Requires there to be a single dedicated dispatcher for all incidents with an Incident Commander.
- IFD averaged 7.7 incidents that required an Incident Commander per day
- These incidents averaged 16 hours per day

Solution was to fund 4 FTE’s: 4 Dispatchers funded to meet these challenges and safety concerns
The only modification to service level needs presented in January 2022 presentation is an EMS staff position in fire administration. Some of their duties would include:

1. Compliance Officer for various entities (local, state & federal)
2. Contracts
3. Coordinator for county and state deployments
4. Quality Control
5. Protocol Compliance
6. Open Records, etc...
Proposed Assignment of Service Level Needs: Proposals and Justification

- FY 2022-2023 (Year 2): Recruitment Team, PIO and EMS staff (5); Start construction on Central Fire Station, design Fire Station 8
- FY 2023-2024 (Year 3): Medic 8 (9); Start construction on Fire Station 8 at its new location
- FY 2024-2025 (Year 4): Central FS personnel (18 – funded)
- FY 2025-2026 (Year 5): 4th firefighter position on 3 remaining Truck companies (14); If needed based on text to 911 call volume (4) Dispatchers.
Personnel

- Dispatchers – 6
- Animal Care Technicians – 4
- Veterinary Technician – 1
- Mental Health Clinicians – 2
- Lead Records Clerk – 1
- Public Safety Officers – 7
- Crime Analysts – 8
- RMS/JMS Systems Support Specialist – 1
- Computer Forensics Specialist – 1
- Counselor I – 1
- Reclass Counselor I positions (GG17->GG19)
- Jail Manager – 1
- Youth Services Clinician – 2
- Counseling Services Manager – 1
- Media Affairs Coordinator – 1
- Trap & Release Case Manager – 1
- Animal Services Dispatcher – 1
- Police Sergeants – 6
- Police Lieutenants – 1
Current 5-Year Service Level Needs

**Capital**
- Gun Range
- Driving Skills Pad
- CJC Renovations
- ALERRT Training Facility
- Property/Evidence Building
- Animal Campus Expansion
- Vehicle Storage Facility
- Joint Training Academy
- North Admin Building
- IT Needs - $5.8 million
- Elementary SRO Vehicle – 1
- SRO Sergeant Vehicle – 1
- Commercial Vehicle Enforcement Vehicle – 1
- Crimes Against Children Investigators Vehicle – 2
Addressing Service Level Needs for FY 21-22 (Year 1)

- Generator replacement Police/Fire Training Academy
- Parking lot improvements North Station & Training Academy
- Shower repairs North Station
- Upgrade exterior lighting North Station
- Shower/locker room renovation Training Academy
- Paint/carpet/new lockers North Station
- Jail flooring re-finishing
- Floor resurfacing Animal Care Campus
- Replace kennel glass Animal Care Campus
- Interior disinfection Animal Care Campus
Modifications to Service Level Needs

**Personnel**
- Youth Services Clinician – 2
- Counseling Services Manager – 1
- Media Affairs Coordinator – 1
- Trap & Release Case Manager – 1
- Reclass Counselor I positions - (GG17->GG19)
- Veterinary Technician – 1
- Animal Services Dispatcher – 1
Modifications to Service Level Needs

**Capital**
- SRO Sergeant Vehicle – 1
- Commercial Vehicle Enforcement Vehicle – 1
- Crimes Against Children Investigators Vehicle – 2
- Bear (Armored Tactical Vehicle) – 1
Proposed Assignment of Service Level Needs: Proposals and Justification

• FY 2022-2023 (Year 2):
  - Public Safety Officers – 2 (talent development and citizen response)
  - Animal Care Technician – 1 (increased workload/attrition)
  - Lead Records Clerk – 1 (increased workload)
  - Crime Analysts – 2 (ability to address crime without adding sworn staffing)
  - RMS/JMS Support Specialist – 1 (assist in report development)
  - Counselor I – 1 (increased workload)
  - Dispatcher – 2 (increased workload with Text to 911)
  - Police Lieutenant – 1 (full-time oversight for policy and procedure)
  - Police Sergeants – 3 (2 for supervision of impact shifts / 1 for additional workload in Professional Standards)

• FY 2023-2024 (Year 3):
  - Public Safety Officers – 2 (talent development and citizen response)
  - Animal Care Technician – 1 (increased workload/attrition)
  - Crime Analysts – 2 (ability to address crime without adding sworn staffing)
  - Civilian Computer Forensics Specialist – 1 (assist sworn staff with case management)
  - Dispatcher – 2 (increased workload with Text to 911)
  - Youth Services Clinician – 1
  - Animal Services Trap and Release Program Manager – 1
  - Police Sergeants – 1 (1 SRO)
Proposed Assignment of Service Level Needs: Proposals and Justification

- **FY 2024-2025 (Year 4):**
  - Public Safety Officers – 2 (talent development and citizen response)
  - Animal Care Technician – 1 (increased workload/attrition)
  - Mental Health Clinician – 1 (fully staff 4 teams)
  - Records Clerk – 1 (increased workload)
  - Crime Analysts – 2 (ability to address crime without adding sworn staffing)
  - RMS/JMS Support Specialist – 1 (assist in report development)
  - Counselor I – 1 (increased workload)
  - Dispatcher – 2 (increased workload with Text to 911)
  - Youth Services Clinician – 1
  - Counseling Services Manager – 1
  - Police Lieutenant – 1 (full-time oversight for policy and procedure)
  - Police Sergeants – 1 (supervision for Gang Unit)

- **FY 2025-2026 (Year 5):**
  - Public Safety Officers – 1 (talent development and citizen response)
  - Animal Care Technician – 1 (increased workload/attrition)
  - Mental Health Clinician – 1 (fully staff 4 teams)
  - Crime Analysts – 2 (ability to address crime without adding sworn staffing)
  - Jail Manager – 1 (provide civilian oversight to jail staff)
  - Media Affairs Coordinator – 1
  - Police Sergeant – 1 (supervision for K9 unit)
IRVING FUTURE IN FOCUS

Financial Services
Current 5-Year Service Level Needs

Technology
- Implement Caseware budget book software for final budget documents

Staffing
- Two positions added in FY 2020-21 for new Bond program
  - Accountant and Purchasing Agent
  - Partially funded from bond proceeds
- No additional staffing needs within current 5-year plan

Operations
- Process Improvements
- No additional service enhancements
Addressing Service Level Needs for FY 21-22 (Year 1)

• Staff and System Development and Redundancy
  – Eliminate single points of failure in personnel and processes
  – Provide resiliency for natural disasters and unforeseen events

• Financial Internship program
  – Partnership with Irving ISD
  – Expose students to municipal financial operations
  – Develop job skills and create interest in municipal finance careers
Modifications to Service Level Needs

• Space planning
  – Consolidation of Financial Services staff into one or two areas
    • Public facing (Purchasing, Accounts Receivable, Public Improvement District collections, Cash Deposits)
    • Internal facing (Accounting, Accounts Payable, Payroll, Treasury, Budget, Compliance Audit)
Proposed Assignment of Service Level
Needs: Proposals and Justification

- FY 2022-2023 (Year 2): None
- FY 2023-2024 (Year 3): None
- FY 2024-2025 (Year 4): None
- FY 2025-2026 (Year 5): None
Economic Development
Current 5-Year Service Level Needs

• Small Business Programs
  – Create a small businesses database
  – Develop incentive programs for small business

• Heritage District
  – Create a new land-bank program
  – Increase funding for professional services (appraisals, surveys, etc.)
  – Increase funding for the Corridor Enhancement and Downtown Façade programs

• PUD #6/TIRZ #6
  – Finalize the project and financing plan for TIRZ #6
  – Add staffing to support redevelopment of PUD #6

• Update Irving's Economic Development Strategic Plan
Addressing Service Level Needs for FY 21-22 (Year 1)

• Small Business Programs
  – Developed data base of Irving small businesses from various sources (Chambers, Reference USA, Water Bills, CO records, etc.)
  – Survey sent to all identified small businesses and promoted through various communication media and by our Chamber partners
  – Identified ARPA funds to support a new small business grant program
  – In process of filling vacant Economic Development Coordinator position to lead small business effort
  – Relocated the Irving Hispanic Chamber to the Jack Huffman building and provided newly remodeled office space to support their operations

• Heritage District
  – Staff reorganization to focus on redevelopment and other city priorities
  – ARPA funds allocated to temporarily increase funding for the Corridor Enhancement Incentives program

• As a result of reorganization, new position added to provide needed administrative support
• Issued RFP to for an updated Economic Development Strategic Plan
  – Proposals will be reviewed by City and our economic development partners
Modifications to Service Level Needs

• Acquire project management software to assist with tracking deadlines/milestones of ED agreements and contracts
• Develop marketing plan for the disposal and redevelopment of the former stadium site
• Potential cost increase for renewal of the Irving Las Colinas Chamber, Sister Cities, and Irving Hispanic Chamber service contracts
• Provide office space, equipment and furnishings for new administrative support staff
• Reclass existing Economic Development Coordinator position to Sr. Economic Development Coordinator and assign additional duties to support PUD #6
• Consolidate oversight responsibilities for Urban Center P3's and related contracts (Toyota Music Factory, Westin Convention Center Hotel, Texican, and Gables Water Street)
• Additional staffing to support TIF #1 projects and Economic Development Research
Proposed Assignment of Service Level Needs: Proposals and Justification

• FY 2022-2023 (Year 2):
  – Reclass existing Economic Development Coordinator position to Sr. Economic Development Coordinator and assign additional duties to support PUD #6
  – Acquire and implement new project management software
  – Develop marketing plan for sale and redevelopment of former stadium site

• FY 2023-2024 (Year 3):
  – Finalize TIRZ #6 Project and Financing Plan
  – New Economic Development Project Coordinator position to oversee TIF #1 funded ED projects (i.e. Northshore, CHRISTUS, Hotel Indigo) - (1 FTE)

• FY 2024-2025 (Year 4):
  – New Research Coordinator position to develop and provide timely economic data to the Economic Development Coordinators, City Manager’s Office, Finance, Communications, Chamber of Commerce, and Texas Comptroller’s Office - (1 FTE)

• FY 2025-2026 (Year 5):
  – New Updated ED Strategic Plan (FY 2028-FY 2032)
Questions/Discussions
Current 5-Year Service Level Needs

Technology
   – Transition to new Management Software for improved tracking and reporting

Staffing
   – Staff Training/Development
   – Adjust multi-family staffing levels to meet service demands

Operations
   – Process Improvements
   – More frequent monitoring of lower performing properties
   – Sustain previous strategic/business initiatives
   – Reestablish community and educational outreach activities
Addressing Service Level Needs for FY 21-22 (Year 1)

Technology
- Municipal Government Online is live with case management and reporting improvements- finalizing migration from Trakit in May

Staffing
- Lead officer for short-term rentals recruitment to post in June
- Vacant positions (Building Standards and Property Maintenance) recruiting now

Operations
- Current year initiative on trash and litter underway
- Previous initiatives regarding underperforming subdistricts and after-hours proactivity continue
Modifications to Service Level Needs

Technology
– Explore alternative powered vehicles (Hydrogen/Electric/Hybrid)

Staffing
– Monitor case-loads and multi-family unit construction to project for additional future officer/inspector needs

Operations
– Training/certifying new staff
– Enhanced initiative related to litter and trash
– Further refinement of the process and response to lower performing areas/habitual violators
Proposed Assignment of Service Level Needs: Proposals and Justification

- FY 2022-2023 (Year 2):
  - Training/certification funding
  - Further refinement of the process and response to lower performing areas/habitual violators *(no new funding)*

- FY 2023-2024 (Year 3):
  - Enhanced initiative related to litter and trash
  - Explore alternative powered vehicles (Hydrogen/Electric/Hybrid) for fleet replacement
  - Possible new code officer (1 FTE)*

- FY 2024-2025 (Year 4):
  - Possible new multi-family inspector (1 FTE)*

- FY 2025-2026 (Year 5):
  - Nothing projected beyond FY 24/25

* Based on project cases/multi-family units increases
Questions/Discussions

Code Enforcement

Delivering excellent service aimed at maintaining Irving as safe, healthy, and attractive
Planning
Current 5-Year Service Level Needs

- Small assistance funds for implementation of Neighborhood Planning program
- Restore training funds for commissioners and staff
- Software: scenario mapping and zoning tools
- Notifications and Municode formatting costs for text amendments
- Professional services for fiscal analysis of land use
- New zoning plan reviewer for building permits
Addressing Service Level Needs for FY 21-22 (Year 1)

• Identified and began contact with first neighborhood planning area
• Received chapter updates for Comprehensive Plan; compiled and edited to prepare for adoption
• Completed research, drafting of ordinance, and multiple presentations toward amendments of alcohol regulations
• Completed hotel regulations amendments
• Presented possible amendments for detached units in the Heritage Crossing District
• Prepared and presented options for carport regulations
• Prepared and submitted amendments for auto repair, outside storage and temporary uses for review by the CAO; several other amendments being drafted
• Three P&Z commissioners and two staff attended National American Planning Association conference; two staff attended the Texas APA conference
Modifications to Service Level Needs

- Programming services for zoning case batch map generation
- Bluebeam license upgrades (5) for use within new MGO permit system
- Sketchup license upgrade for area scenario planning
- Evaluation of zoning and platting fee structure to remain at median of market (revenue increase)
Proposed Assignment of Service Level Needs: Proposals and Justification

• FY 2022-2023 (Year 2):
  – Complete first Neighborhood Plan; identify and initiate future neighborhood(s)
  – Complete Neighborhood Empowerment Program (NEZ) policy and adoption of first NEZ area
  – Contract one-time programming services for zoning case batch map generation
  – Purchase Bluebeam license upgrades (5) for use within new MGO permit system
  – Purchase Sketchup license upgrade for area scenario planning
  – Evaluate zoning and platting fee structure to remain at median of market (revenue increase)

• FY 2023-2024 (Year 3):
  – Add position of zoning plans examiner to implement formal integration of zoning in the building permit plan review process - (1 FTE)

• FY 2024-2025 (Year 4):
  – Contract for fiscal analysis services for relationship of land use and return on investment (ROI)

• FY 2025-2026 (Year 5):
  – Incorporate specific needs of aging population into Comprehensive Plan and join AARP Livable Communities Age-Friendly Network (no new funding necessary)
Current 5-Year Service Level Needs

Housing and Community Development

• Add an additional manager or senior supervisor to assist in managing programs
• Additional office space that accommodates entire staff in one location
• Case Management Software replacement
• Additional funding unrestricted sources
Addressing Service Level Needs for FY 21-22 (Year 1)

**Housing and Community Development**

- Created and hired Community Development Programs Supervisor to manage programs
- Identified office space to accommodate entire staff
  - Working with Building Services on future move
- Created IT Project Request and identified funding
  - Working with IT to create RFP
Modifications to Service Level Needs

Housing and Community Development
• Created new temporary Housing Advocate positions mid-year to assist with COVID fund expenditures
Proposed Assignment of Service Level Needs: Proposals and Justification

Housing and Community Development

• FY 2022-2023 (Year 2):
  – Increase headcount by one (1) FTE in the general fund to support housing initiatives such as implementing Multi-Family Rehab Program, creating LIHTC policies, reinstating the Housing Finance Corporation, developing program for purchase of tax-foreclosure properties, and leveraging outside funding sources to expand current programs
  – Allocate unrestricted funding to increase job function flexibility

• FY 2023-2024 (Year 3):
  – Increase headcount by one (1) FTE in general fund to support additional housing initiatives such as implementing single-family rental rehab program, expanding current homeowner rehab program, and creating an Employer Assisted Housing program
  – Increase unrestricted funding for future community development programs
  – Increase funding for affordable housing initiatives

• FY 2024-2025 (Year 4):
  – Increase headcount by one (1) FTE in the general fund to support with Community Development/Affordable Housing initiatives (exploring partnerships with Community Development Financial Institutions (CDFI) to create housing choice loan products targeting low- and moderate-homeowners
  – Increase funding for affordable housing initiatives such CDFI Loan Program

• FY 2025-2026 (Year 5):
  – Increase funding to expand affordable housing initiatives
Redevelopment

• Downtown Redevelopment efforts were under Economic Development's Future In Focus
  – Create a new land-bank program
  – Increase funding for professional services (appraisals, surveys, etc.)
  – Increase funding for the Corridor Enhancement and Downtown Façade programs
Redevelopment

- Earmarked ARPA funds for Downtown Incentive Programs
Redevelopment

• Staff reorganization that resulted in the creation of the Housing and Redevelopment Division to provide adequate structure and support for both priorities
• Created new Downtown Coordinator position mid-year to assist with Downtown redevelopment efforts
Proposed Assignment of Service Level Needs: Proposals and Justification

Redevelopment

• FY 2022-2023 (Year 2): "Capacity and Relationship Building"
  – Develop Main Street Pedestrian Enhancement Pilot Program
  – Update and Standardize Façade Improvement Programs
  – Develop structure and funding for Redevelopment Land Bank Program
    • Create Purchase Strategy, Research & Analyze Properties
  – Establish Downtown Business Association - Year 1: Focus on relationship building
  – Develop and Fund placemaking/tactical urbanism/public art initiatives for downtown
  – Coordinate with CIP for 2nd Street Reconstruction: Identify funding for Design and Award Contract
  – Integrate Housing Plan Recommendations into Downtown Housing Development Strategy
    • Rental Market, Affordability Strategy, For Sale Housing
  – Develop Local-serving retail strategy
    • Step 1: Develop and grow network with real estate developers & retail/restaurant groups & gather market data
Proposed Assignment of Service Level Needs: Proposals and Justification

**Redevelopment**

- FY 2023-2024 (Year 3): "Testing the Waters"
  - Increase headcount by one (1) FTE to assist with Redevelopment Initiatives
  - Fund and Implement Main Street Pedestrian Enhancement Pilot
  - Increase rounds and funding for Façade Improvement Programs
  - Implement Land Bank Program
  - Establish Downtown Business Association - Year 2: Assist in Development/Creation
  - Implement and fund for placemaking/tactical urbanism/public art initiatives (Increase # of events / establish mural program)
  - Coordinate with CIP for 2nd Street Reconstruction: Move into Design Phase and Identify Funding for Construction
  - Coordinate with Housing & Community Development, Implement Downtown Housing Strategy Development
  - Implement Local-serving retail strategy
    - Step 2: In partnership with Chambers, initiate retail recruitment efforts
  - Texas Downtown Association (TDA) – Downtown Assessment
  - Research and determine mechanism to fund ongoing maintenance, programming, and other downtown initiatives (e.g., Business Improvement District/Community Development Corporation/Public Improvement District)
  - Complete Parking Study to assess current future needs based on growth
Redevelopment

• FY 2024-2025 (Year 4): "Year of Growth"
  – Assessment and Evaluation of Main Street Pedestrian Enhancement & Land Bank Program
  – Establish Downtown Business Association – Year 3: Monitor, Assist, and Partner
  – Increase funding for placemaking/tactical urbanism & public art initiatives
    • 1 new program event & 1 new public art initiative
  – Coordinate with CIP for 2nd Street Reconstruction: Construction Phase/Communication Campaign
  – Coordinate with Communications for Downtown Branding and Marketing Plan
  – Implement Downtown Assessment Recommendations: Short-Term Strategies
  – Create and Implement Downtown Funding Tool
  – Fund & Implement new Parking Strategies
Proposed Assignment of Service Level Needs: Proposals and Justification

Redevelopment

- FY 2025-2026 (Year 5): "Evaluate and Adjust"
  - Increase headcount by one (1) FTE to Assist with Redevelopment Initiatives
    - New Event programming
    - Branding and Marketing Plan
  - Implement Downtown Assessment Recommendations – Short- and Mid-term Strategies
  - Coordinate with CIP for 2nd Street Reconstruction: Construction & Communication Campaign
Questions/Discussions
Current 5-Year Service Level Needs

Technology
– Transition to new Management Software for improved tracking and reporting

Staffing
– Continue training/developing staff for stability; consistency and succession
– Streamline processes for cost/time savings
– Train inspectors to perform combination inspections
– Train plans examiners to perform combination plan review (MEP)
– Conduct fee study for assuring cost recovery
– Maintain competitiveness

Operations
– Increase availability of code related information & Simplifying Code for Homeowners
– Boost educational outreach for contractors and homeowners
– Streamline the use of virtual inspections
Addressing Service Level Needs for FY 21-22 (Year 1)

- Completed transition to new Permit Tracking Software for improved tracking and reporting
- Developing strategy to train inspectors to perform combination inspections
- Performing fee comparison study to identify where we are in the market
Modifications to Service Level Needs

• Need for additional Plan Review Staff
• Need for additional Health Inspection Staff
Proposed Assignment of Service Level Needs: Proposals and Justification

- **FY 2022-2023 (Year 2):**
  - Plan Review Staff (2FTE's) - Additional Plan Review Staff is requested to support new projects and initiatives

- **FY 2023-2024 (Year 3):**
  - Senior Health Inspector (1 FTE) – Additional Health Inspector will provide support to the Health Plan review and Health Inspection division

- **FY 2024-2025 (Year 4):**
- **FY 2025-2026 (Year 5):**
Questions/Discussions
Capital Improvement Program
# Current 5-Year Service Level Needs

<table>
<thead>
<tr>
<th>Role</th>
<th>Year</th>
<th>Role</th>
<th>Year</th>
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<tbody>
<tr>
<td>Sr. Engineering Inspector</td>
<td>2022</td>
<td>HVAC Technician</td>
<td>2022</td>
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<tr>
<td>Engineering Inspector</td>
<td>2022, 2024</td>
<td>Facility Maintenance Tech</td>
<td>2022</td>
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<td>Real Estate Specialist</td>
<td>2022</td>
<td>Engr Information Specialist</td>
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<tr>
<td>Administrative Assistant</td>
<td>2024</td>
<td>Project Manager</td>
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<td>Development Administrator</td>
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<td>Survey Field Technician</td>
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<td>Survey Crew Assistant</td>
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<td>Survey Technician</td>
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<tr>
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<td>Franchise Utility Inspector</td>
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<tr>
<td>Civil Engineer</td>
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<td>Sr. Landscape Architect</td>
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<tr>
<td>Section Chief</td>
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<td>Landscape Architect</td>
<td>2025</td>
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## Current 5-Year Service Level Needs - MDU

<table>
<thead>
<tr>
<th>Position</th>
<th>Year</th>
<th>Successor</th>
<th>Year</th>
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<tbody>
<tr>
<td>MDU Programs Analyst</td>
<td>2022</td>
<td>Civil Engineer</td>
<td>2024</td>
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<tr>
<td>Sr. Engineering Technician</td>
<td>2022</td>
<td>MDU Programs Educator</td>
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<td>Senior Engineering Inspector</td>
<td>2022</td>
<td>MDU Operations Supervisor</td>
<td>2024</td>
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<td>Engineering Inspector</td>
<td>2022</td>
<td>Equipment Mechanic</td>
<td>2024</td>
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<tr>
<td>Crew Leader</td>
<td>2022</td>
<td>Sr. Equipment Operator</td>
<td>2024</td>
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<tr>
<td>Sr. Equipment Operator</td>
<td>2022</td>
<td>Crew Leader</td>
<td>2025</td>
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<tr>
<td>Maintenance Worker II</td>
<td>2023</td>
<td>Equipment Operator</td>
<td>2025</td>
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<td>Equipment Operator</td>
<td>2023</td>
<td>Maintenance Worker II</td>
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<tr>
<td>Maintenance Worker I</td>
<td>2023</td>
<td>Utility Shop Coordinator</td>
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<tr>
<td>Sr. Equipment Operator</td>
<td>2023</td>
<td>MDU Administrative Asst</td>
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<tr>
<td>Crew Leader</td>
<td>2023</td>
<td>Equipment Operator</td>
<td>2026</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Maintenance Worker I</td>
<td>2026</td>
</tr>
</tbody>
</table>
Addressing Service Level Needs for FY 21-22 (Year 1)

- Sr. Engineering Inspector
  - Shared cost between General Fund and MDU
- Engineering Inspector
  - Shared cost between General Fund and MDU
Addressing Service Level Needs for FY 21-22 (Year1)

MDU

- MDU Programs Supervisor
- Sr. Engineering Technician
- Sr. Engineering Inspector  
  – Shared cost with General Fund
- Engineering Inspector  
  – Shared cost with General Fund
- Crew Leader
- Sr. Equipment Operator
• Centralization of Engineering Production
• MDU Operations and Engineering
  – Re-evaluation eliminated 14 positions from 5-year plan
  – Move 2 positions up from FY24 to FY23
  – Add 2 seasonal interns
• Franchise Utility Support
  – Move from FY24 to FY23
• Civil Engineer / Development Reviews
Proposed Assignment of Service Level
Needs: Proposals and Justification

• FY 2022-2023 (Year 2): General Fund
  – (2) Engineering Technicians (Water Utilities design)
    • Water Utilities goal of improving to 15 miles per year of W/WW improvements
  – Project Management for Vertical Construction
    • 2021 Bond Authorization for facility construction and renovation
    • Upon re-evaluation of the CIP organization, propose the following:
      – Utilize vacant Assistant Director position for focus on vertical construction
      – Change this Project Management position to fill the Centralized Engineering Production Supervisor position
• FY 2022-2023 (Year 2): General Fund
  – Building Services
    Custodial Section Chief
    • Span of control in number of custodians exceeds single Supervisor capacity
    • 18 hours/day custodial coverage exceeds single Supervisor capacity
  Part-time Delivery: Book run for Library Operations
  • Allows Facility Mechanic to focus on facility maintenance
  – Franchise Utility Inspector
    • Franchise permits are increasing an average of 18% per year
  – Civil Engineer / Development Review
    • Plan presented to TNR on May 5, 2022
Proposed Assignment of Service Level Needs: Proposals and Justification

• FY 2022-2023 (Year 2): MDU
  – Operations Supervisor (Section Chief)
  – Crew Leader
    • To support the growth in MDU Operations staff
  – Two Utility Vehicles for Operations Supervisor & Crew Leader
  – Graduate Engineer
    • Increasing number of projects to support neighborhood drainage and capital projects
  – (2) Interns
    • Seasonal staff to support MDU Operations, Compliance, and Engineering
Proposed Assignment of Service Level Needs: Proposals and Justification

• FY 2023-2024 (Year 3):
  – Engineering Inspector
    • Increasing value of construction and private development projects
  – Sr. Engineering Technician (Water Utilities Design)
    • To exceed 15 miles per year of water and wastewater improvements
  – Sr. Civil Engineer – Road to the Future
    • Project management for construction
    • Value of RTTF construction at any one time expected to exceed $50 M
Proposed Assignment of Service Level Needs: Proposals and Justification

• FY 2023-2024 (Year 3):
  – Survey Field Technician
  – Survey Crew Assistant
  – Survey Technician
    • Support on-going RTTF, Drainage, Utility Improvement initiatives
  – Development Services Specialist
    • Increasing number of utility Connection permits, public infrastructure permits, water meter requests
Proposed Assignment of Service Level Needs: Proposals and Justification

- FY 2024-2025 (Year 4):
  - Sr. Landscape Architect
  - Landscape Architect
    - 2021 Bond Authorization for Park projects
- FY 2025-2026 (Year 5):
  - Civil Engineer (Water Utilities design)
    - To exceed 15 miles per year of water and wastewater improvements
Questions/Discussions
Traffic and Transportation
Current 5-Year Service Level Needs

- Road to the Future Years 6-10
- Complete Irving Interchange Project
- Complete Conflans Project
- Work with TxDOT on SH 183, Loop 12, and SH 114 Projects
- Complete Citywide Bike Plan
- Implementation of Connected Vehicle Technology into the Traffic Operations Center
- Expand CityWorks Work Order Management System
Addressing Service Level Needs for FY 21-22 (Year 1)

- Approved and filled one small paint crew for specialized pavement markings.
  - 1 Crew Leader position
  - 1 Maintenance Worker I
  - 1 Crew Cab Truck
Modifications to Service Level Needs

• Reclassify the Street Support Specialist to Street Maintenance, Repair & Operations (MRO) Crew Leader to improve and expand the ability to respond to ongoing specialized maintenance needs of Streets’ equipment and special projects.
• Add Maintenance Worker II to augment and support the MRO Crew Leader.
• Reclass Crew Leader/Trainer to Street Supervisor (new CDL Trainer, new federal requirement).
Proposed Assignment of Service Level Needs: Proposals and Justification

• FY 2022-2023 (Year 2):
  – Concrete Crew (5)
  – Asphalt Lay-Down Machine (Road and Alley)
  – Asphalt Milling Machine (Road and Alley)
  – Reclass Street Support Specialist to MRO Crew Leader
    • Add Maintenance Worker II
  – Reclass Crew Leader/Trainer to Street Supervisor (new CDL Trainer)
    • Add Crew Leader
Proposed Assignment of Service Level Needs: Proposals and Justification

- FY 2023-2024 (Year 3)
  - Asphalt Crew (12) Phase I
- FY 2024-2025 (Year 4)
  - Asphalt Crew (10) Phase II
- FY 2025-2026 (Year 5)
  - Sign Technicians (2)
  - Pothole Crew (2) and Equipment
Questions/Discussions
Current 5-Year Service Level Needs

• **Water Supply System** - Expand and Improve
  – Expand capacity to transport Lake Ralph Hall Water Supply for UTRWD
  – Assess quality of blended reuse water and Elm Fork Trinity River water as a future water supply enhancement
  – Continue steps to develop new water supplies in the Sulphur River Basin
  – Assess condition of Chapman Lake Water Supply Pipeline

• **Water Conservation** - Enhance leak detection and programs

• **Infrastructure** – Increase annual pipe replacements to 15 miles total in the water and wastewater systems (about 1% replacement rate or 100-yr life cycle)

• **Regulatory** - Implement Lead and Copper Rule Revision (LCRR)

• **Cybersecurity** – Continued assessments/improvements for the SCADA operations network
Addressing Service Level Needs for FY 21-22 (Year 1)

• Water Supply
  – Approved and filled new Engineering Manager position to lead water supply system projects and coordinate with UTRWD and NTMWD
  – Contracted with Black and Veatch to help plan and design facilities to expand and improve the water supply delivery system
  – Completed Year 1 of the sampling and testing program for the water reuse feasibility project
  – Evaluating projects for future water supplies in the Sulphur River Basin

• Regulatory
  – Approved and filled Compliance Specialist position to coordinate assessments of service line materials for the LCRR
  – Started building the inventory of material types for water service lines
Modifications to Service Level Needs

• Development Plan Review and Project Management
  – Add a Civil Engineer to the FY 2022-23 budget to improve ability to respond to development reviews and assist with in-house design/construction of water main replacements
  – Plan was presented at the May 5th TNR Committee Meeting

• Reduce Abandoned Call Rate in Customer Service
  – Add Customer Service Representative to the FY 2023-24 budget

• Reclass one to two existing position(s) to focus on training for CDL licensing and TCEQ water and wastewater system licensing

• Reclass a Pumping Supervisor position to a Manager level position to oversee and lead all pumping operations
Proposed Assignment of Service Level Needs: Proposals and Justification

• FY 2022-2023 (Year 2):
  – Add Civil Engineer for development review and project management
  – Add Compliance Technician to assist with LCRR
  – Add Compliance Specialist to manage an increased number of industries permitted for their wastewater discharge (Industrial Pretreatment Program)
  – Reclass existing position(s) to lead in-house CDL and TCEQ required training
  – Reclass Pumping Supervisor position to a Manager level position to lead all pumping operations
  – Reclass Office Supervisor position to a Water Utilities Coordinator due to additional budgeting, payroll and project duties
Proposed Assignment of Service Level
Needs: Proposals and Justification

• FY 2023-2024 (Year 3):
  – Add Water Conservation Coordinator to update plans and improve programs
  – Add a Technician to assist with increased water distribution sampling and flushing
  – Add Customer Service Rep to the call center to improve abandoned call rate

• FY 2024-2025 (Year 4):
  – Add Leak Detection Technician

• FY 2025-2026 (Year 5):
  – Add a Technician to assist with increased water distribution sampling and flushing
Questions/Discussions
Current 5-Year Service Level Needs

- Collections
  - Route optimization
  - Collection software pilot

- Landfill
  - New citizen's convenience center
  - New maintenance facility
  - New cell construction (west tract & middle tract)
  - Drainage improvements
  - Future landfill options
Addressing Service Level Needs for FY 21-22 (Year 1)

• Collections
  – Route optimization – Project is complete, implemented April 4, 2022
    • 22 trash routes
    • 4 recycling routes
    • 4 brush/bulky routes
    • Route sizes are balanced so each route is approximately the same size
  – Collection software pilot – Project is underway, began April 4, 2022
    • Vendor: Routeware, 60-day pilot
    • 4 rear-load trucks and 1 roll-off truck
    • Anticipated pilot completion - June 2022
Addressing Service Level Needs for FY 21-22 (Year 1)

- **Landfill**
  - New citizen's convenience center
    - Survey and geotech complete
    - Design work underway
  - New maintenance facility
    - Survey and geotech complete
    - Design work underway
  - New cell construction (west tract & middle tract)
    - Survey work underway
    - Design work planned for Summer '22 through Winter '22
  - Drainage improvements
    - Initial design complete
    - Final design complete in Summer '22
    - Construction planned in coordination with new cell construction
  - Future landfill planning options
    - Identifying potential options
Modifications to Service Level Needs

• Initially, the landfill drainage improvements were a stand-alone project; however, to gain economies of scale the drainage improvements will be combined with the cell construction project.

• Need for project management responsibilities regarding landfill projects.

• Critical need to examine our current trash collection method and evaluate automated trash/recycling collections as staffing levels have not improved and are negatively impacting service delivery and customer satisfaction.
Proposed Assignment of Service Level Needs: Proposals and Justification

• FY 2022-2023 (Year 2):
  – New Citizen's Convenience Center – Allows for all-weather access and increases safety for residents
  – New Maintenance Facility – Current maintenance facility needs to be rebuilt and is in the west tract where waste is planned to be disposed
  – New Disposal Cells (middle and west tract) & Drainage Improvements – this will need to be bond funded
  – Reclassify Environmental Compliance Administrator's responsibilities to include project management – Operational efficiencies
  – Reclassify Equipment Coordinator position to include safety officer and department CDL training duties
  – With Council approval, retain a consultant to evaluate current manual collections model and automated trash/recycling collections model. Identify needs & impacts, develop costs & pricing structure, and verify transition plan to automated trash/recycling collections over the next 5-years
\begin{itemize}
\item FY 2023-2024 (Year 3):
  \begin{itemize}
  \item New Disposal Cells (middle and west tract) & Drainage Improvements
  \begin{itemize}
  \item Continue construction of new disposal cells and drainage improvement work – estimated completion in late '24
  \end{itemize}
  \item Implementation of service delivery model recommendation
  \end{itemize}
\item FY 2024-2025 (Year 4):
  \begin{itemize}
  \item Complete any delayed projects (weather, supply chain, etc.)
  \item Perform another needs assessment in both collections and landfill operations/develop projects
  \item Implementation of service delivery model recommendation
  \end{itemize}
\item FY 2025-2026 (Year 5):
  \begin{itemize}
  \item Begin implementation of projects identified in Year 4
  \item Implementation of service delivery model recommendation
  \end{itemize}
\end{itemize}
Current 5-Year Service Level Needs

- New Website
- ICTN Building Renovation
- Neighborhood Program Revitalization Initiative
- Resident Engagement Tool – *Your Irving Voice*
- D&I Initiative Support – Marketing, Advertising & Community Collaboration
- Report a Concern Program – Pilot Program
- Social Media Archiving
- ADA Compliance
Addressing Service Level Needs for FY 21-22 (Year 1)

- ICTN Building Renovation
  - Completed
    • Furniture, Badge Reader, Structural/Environmental Assessment, HVAC Testing and Cleaning
  - Upcoming
    • Painting, Flooring, HVAC Assessment & Duct Realignment
- Resident Engagement Tool – *Your Irving Voice*
  - Completed
    • Research/Evaluation, Develop Guidelines, Project Evaluation/Development, Website Design
  - Upcoming
    • Finalize Website, Present to Leadership/Council, Launch in July
- Social Media Archiving for All City Departments
  - Completed March 2
Modifications to Service Level Needs

• ICTN Building
  – Complete Renovation, Paint Exterior

• Media Monitoring Service
  – Currently Out for RFP, Savings from Social Media Archiving

• Report a Concern Program
  – Pilot Program, Exploring 311 Platform on MyGovOnline (MGO)

• Print Shop
  – Oldest Equipment Purchased in 1994 and 2000
Proposed Assignment of Service Level Needs: Proposals and Justification

• FY 2022-2023 (Year 2)
  – ICTN Building Supplementals: Complete Renovation and Paint Exterior
  – Report a Concern/311/CRM
• FY 2023-2024 (Year 3)
  – New Website
  – Neighborhood Services Program Grant Funding, Marketing
  – ADA Compliance
• FY 2024-2025 (Year 4)
  – D&I Initiative
• FY 2025-2026 (Year 5)
  – Print Shop Equipment Replacement
Questions/Discussions
Current 5-Year Service Level Needs

• Case backlog due to COVID
  – Increase in hearings/mail-out notices
  – Increase in Professional Services: Alternative Judges

• Electronic documents/workflow

• Expand "Virtual Court" options

• Personnel: City Marshal (Building Security)

• Court Security Enhancements (5-Year Plan)
  – Year 2
Addressing Service Level Needs for FY 21-22 (Year 1)

• Addressed backlog of pending cases as a result of COVID.
  – Number of Cases: 27,382

• Expanded use of electronic document signing through Adobe's DocuSign solution.
  – In-Process: Pre-Trial Hearings
  – Upcoming: Magistation

• Enhanced security measures based on the Court's 5-year Security Plan:
  – Facilitation of Active Shooter Exercise in partnership with the IPD
  – Installation of additional duress buttons
  – Application of security film on exterior perimeter
Modifications to Service Level Needs

• Personnel Needs:
  – Fill current vacancies
    • Chief City Marshal
    • Court Clerk (7)
  – Emphasize opportunities for development/retention of current team members

• Customer Engagement Tools

• Utilization of Legislative Authority
Proposed Assignment of Service Level Needs: Proposals and Justification

- **FY 2022-2023 (Year 2):**
  - Building Renovations
  - Court Recording Equipment: Courtroom 1
  - Court Security Enhancements, Y3
  - Continuation of Virtual Court expansion

- **FY 2023-2024 (Year 3):**
  - Update the building's "Night-Drop" area
  - Court Recording Equipment: Courtroom 2
  - Courtroom 3 Conversion: Virtual Court
  - Court Security Enhancements, Y4
Proposed Assignment of Service Level
Needs: Proposals and Justification

• FY 2024-2025 (Year 4):
  – Evaluate current court software
  – Court Security Enhancements, Y5

• FY 2025-2026 (Year 5):
  – Update Court Security Plan
Questions/Discussions
Current 5-Year Service Level Needs

• Personnel Needs:
  – 3 FTEs
    • Human Resources Information System Technician (HRIS)
    • Risk Management Administrator
    • Risk Management Specialist

• Program Needs:
  – Risk Management Information System
Addressing Service Level Needs for FY 21-22 (Year 1)

• Added 1 FTE - HRIS Technician Position
• Implementing Risk Management Information System
• Blue Cross Blue Shield (BCBS) Wellness Coordinator onboarded
• Launched ILEAD - Leadership Academy
• A variety of projects and initiatives completed with the addition of mid-year staffing adjustments for Year 1 of Future in Focus.
Modifications to Service Level Needs

• Mid-Year Staff Adjustments
  – 1 FTE – HR Assistant (payroll)
  – .5 FTE – HR Intern

• Deploying benefits administration system August 2022

• Implementing Retirement Health Savings Accounts and other pre-65 retiree benefit enhancements FY2022
Proposed Assignment of Service Level Needs: Proposals and Justification

• FY 2022-2023 (Year 2):
  – Addition of Office Supervisor Position
  – Addition of Risk Management Administrator
• FY 2023-2024 (Year 3):
  – Addition of Risk Management Specialist
• FY 2024-2025 (Year 4):
  – Addition of Talent Development Coordinator
Proposed Assignment of Service Level Needs:
Proposals and Justification

- FY 2025-2026 (Year 5):
  - Addition of Compensation Analyst

NOTE: Office space for additional staff is needed-this to be addressed in space utilization study
Current 5-Year Service Level Needs

- Obtain clear direction from council for aquatic facilities
- Obtain council approval of updated ordinance and rate schedules
- Complete land acquisition
- Finalize design for Southwest Park renovation
- Additional staff to address expanding operational needs
Addressing Service Level Needs for FY 21-22 (Year 1)

• Major Accomplishments
  – Heritage Park Re-development Project
  – Aquatics Feasibility Study
  – West Park Playground Replacement
  – Georgia Farrow and Senter Park Recreation Renovations

• Projects/Initiatives Underway
  – Southwest Park design
  – Negotiating land purchases
  – Park Improvements; Lanotte, Oak Meadows, Southwest and Keeler Parks
  – Rodeo Park Playground Replacement
  – Irving Golf Club Improvements
  – Aquatic Filtration System Replacements

• 6 PT positions approved for Evening & Weekend Maintenance
Modifications to Service Level Needs

• Staffing Levels
  – Contract mowing
  – Aquatic and Recreation unfilled positions
  – Converting PT positions to FT
Proposed Assignment of Service Level Needs: Proposals and Justification

• FY 2022-2023 (Year 2):
  • Complete Southwest Park and Oak Meadow renovations and Keeler Park development
  • Finalize land acquisitions
• FY 2023-2024 (Year 3):
  • Add Urban Center/Williams Square Maintenance Coordinator
  • Add Irrigators
  • Complete Recreation center feasibility study
• FY 2024-2025 (Year 4):
  • Add an additional maintenance crew with completion of Campion Trails
  • Add Marketing/Social Media Coordinator position methods
• FY 2025-2026 (Year 5):
Current 5-Year Service Level Needs

**Personnel Needs:**
- Grants Librarian: upgrade PT to FT

**Capital Needs:**
- Urban Center Branch Library
- Automated Materials Handler
- East Learning Center Remodel

**IT/Programming Needs:**
- Complete the three-year Build a Maker Movement
- Expand Digital Collections
- Enhance Technology/Efficiency
- New Shelving/Furniture (four-year project - ARPA)
- Programming supplies/contracts
Addressing Service Level Needs for FY 21-22 (Year 1)

Completed:
• Technology/Efficiency
  – Hotspots available at South Irving Library
  – AWE Children's Learning Stations installed at South and Valley Ranch
  – Digital Collection increase.

In process:
• Technology/Efficiency:
  – Radio Frequency Identification (RFID) conversion and purchase of self-service checkout equipment
  – Build a Maker Movement – ordered van and ordering Makerspace materials for West
  – Purchasing Chromebooks with Locker
  – Upgrading fax/scan service solution at all locations
• East Learning Center Remodel in process
• Purchasing new shelving & furniture for Valley Ranch
Modifications to Service Level Needs

- Create Library Strategic Plan 2022-25
- Completion of the Programming (MiYGO) Van pushed to FY2022-23 due to supply chain delays
- Add Collection HQ data analysis
- Reclassify PT grant writer to FT in 2023-24
- Added 3.7 million CIP Bond funded building enhancements.
- Urban Center Library Branch: Bond-approved (10-year outlook)
Proposed Assignment of Service Level Needs: Proposals and Justification

• FY 2022-2023 (Year 2):
  – Finalize three-year Strategic Plan
  – Implement programming (MiYGO) van
  – Technology/Efficiency
    • Install Automated Material Handler at Valley Ranch
    • Credit card readers and cell repeaters
  – Purchase new shelving / furniture for West Irving Library
  – Increase digital collection funding based on customer demand
  – Incorporate Collection HQ to formalize data analysis and selection of the collection
Proposed Assignment of Service Level Needs: Proposals and Justification

- **FY 2023-2024 (Year 3):**
  - Install 24-hour library kiosks within community.
  - Reclassify Grant writer PT to FT.
  - Purchase new shelving / furniture for South Irving Library.
  - Incorporate a new Integrated Library System to replace Polaris
  - Strategic Plan 2022-2025 initiatives

- **FY 2024-2025 (Year 4):**
  - Strategic Plan 2022-2025 initiatives

- **FY 2025-2026 (Year 5):**
  - New Library location planning
Current 5-Year Service Level Needs

• Last year, the City Manager’s Office did not identify any personnel or major capital needs for the next five years.
Addressing Service Level Needs for FY 21-22 (Year 1)

• Since no service level needs were identified, the City Manager’s Office was able to complete a variety of projects and initiatives with current resources for Year 1 of Future in Focus
Modifications to Service Level Needs

• Creation of the Strategic Services division
• Alignment of the Public Safety Wellness Unit under Strategic Services
• Need for additional administrative support
• Need for additional office space for staff
Proposed Assignment of Service Level Needs: Proposals and Justification

• FY 2022-2023 (Year 2):
  – Management Analyst (CMO) – Additional administrative staff is requested to support new projects and initiatives
  – Engagement Coordinator (IPO) – This position will administer and manage on-going community engagement programs such as Irving 360, 2.0, and Irving Ambassadors
  – Office space for additional staff
  – Complete PSWU facility remodel

• FY 2023-2024 (Year 3):
  – Office Assistant (PSWU) – This position will provide administrative support to the Wellness Unit

• FY 2024-2025 (Year 4):
  – Management Intern (CMO) – This position will assist the CMO in a variety of administrative functions while providing experience and development opportunities for an upcoming local government professional

• FY 2025-2026 (Year 5):
Questions/Discussions
Current 5-Year Service Level Needs

- New Boards database
- Implement citywide electronic records policy
- Internal audit of city records to locate all paper and electronic records for each department (disaster recovery and e-policy)
- Online public portal to provide more public access to resolutions and ordinances passed by Council
- Implement new online open records management program
To be completed in Year 1

• New Boards database

• Implement new online open records management program (JustFOIA)
Modifications to Service Level Needs

- New laptops for council members
- Update to office space in Records building
- Pending the May 2023 Charter election- a possible increase of council members may yield the need for one additional administrative support staff.
- Relocation of City Council meeting space that is currently within the CSO to be moved adjacent to the CSO
Proposed Assignment of Service Level Needs: Proposals and Justification

- FY 2022-2023 (Year 2): n/a
- FY 2023-2024 (Year 3): n/a
- FY 2024-2025 (Year 4): One Executive Assistant- Administrative support to the Asst. to the City Secretary, if Council is increased
- FY 2025-2026 (Year 5): n/a
Questions/Discussions
Current 5-Year Service Level Needs

• Last year, the City Attorney’s Office did not identify any personnel or major capital needs for the next five years.
Since no service level needs were identified, the City Attorney’s Office was able to complete a variety of projects and initiatives with current resources for Year 1 of Future in Focus.
Modifications to Service Level Needs

• Enhanced staffing due to increasing number of capital improvement projects and to support succession planning efforts
• Need for recruitment and development opportunities for those interested in municipal law
• Need for additional administrative support
• FY 2022-2023 (Year 2):
  – Legal Intern: This position will assist the CAO with legal research and support while providing experience and development opportunities for a law student interested in municipal law.

• FY 2023-2024 (Year 3):
  – Assistant City Attorney I (Real Estate): This position will provide support and assistance to the City’s CIP Team.

• FY 2024-2025 (Year 4):
  – Legal Assistant: This position will provide administrative support to the CAO’s Transactional and Litigation Teams.

• FY 2025-2026 (Year 5):
  – Assistant City Attorney I (Litigation & Employment): This position will provide support and assistance to the CAO’s Litigation and Employment Teams.
Current 5-Year Service Level Focus Areas

• Maintaining and Upgrading Department Facilities to Sustain and Increase Earned Income Potential
• Developing and Implementing a Plan for Growth, Stability and Financial Sustainability
• Empowering Leadership and Staff for Successful Solutions
• Fostering and Expanding Audience Engagement through Outreach, Partnerships and Collaboration
Addressing Service Level Needs for FY 21-22 (Year 1)

Maintaining and Upgrading Facilities
- Irving Arts Center
  - Lobby Elevator Replacement
  - Back of House Elevator Replacement
  - LED Lighting Retrofit for Main Offices
  - LED Lighting Retrofit for Basement/Dressing Rooms
- Irving Archives and Museum
  - Grand Opening of Irving Archives and Museum – November 2021
  - Redesign and Reinstallation of the Mustangs of Las Colinas Museum
- Preservation and Redevelopment
  - Restoration of all three buildings at Jackie Townsell Bear Creek Heritage Center
  - Redesign and Reinstallation of the Masonic Lodge Exhibition

Implementation Plan for Stability and Growth and Empowering Staff
- Department of Arts and Culture
  - Strategic Planning Consultant to work on a three-year strategic and implementation plan with special attention given to fundraising for Irving Archives and Museum and revenue generation for Irving Arts Center

Fostering and Expanding Audiences
- Department of Arts and Culture
  - Created 2 Part Time positions for Grant Writers
- Irving Archives and Museum
  - Hired a Guest Services Coordinator/Weekend Manager
Modifications to Service Level Needs

Irving Arts Center
- Senior Staff Retirement - Beginning in December of 2022
- Preparation for the redistribution of $1.6 mm in September of 2026

Irving Archives and Museum
- Develop a robust and diverse fundraising portfolio to ensure future financial stability for the Museums
- Reopening of Mustangs of Las Colinas Museum and Visitors Center

Preservation and Redevelopment
- Increase in the number of facilities
  - New renovated Jackie Townsell Bear Creek Heritage Center
  - New acquired Gilbert House – assessment to begin as soon as City takes official ownership of the property
Proposed Assignment of Service Level
Needs: Proposals and Justification

• FY 2022-2023 (Year 2):
  – IAC: Roof, HVAC Units, Dressing Room Remodel
  – PRESERVATION: Redesign and Reinstallation of J.O Davis House Exhibition

• FY 2023-2024 (Year 3):
  – IAC: LED Lighting Retrofit – Carpenter Hall and Dupree Theater

• FY 2024-2025 (Year 4):
  – IAC – Replacement of Orchestra Shell in Carpenter Hall
  – IAC – Replacement of Orchestra Lift in Carpenter Hall and Dupree

• FY 2025-2026 (Year 5):
THANK YOU
Current 5-Year Service Level Needs

• All service level needs are driven by funding needs relative to the reduced projections for hotel occupancy tax revenues and the allocation of the final tranche of American Rescue Plan Act (ARPA) funds to Irving.

• Service levels are determined by availability of funds for sales & service initiatives, marketing & communications initiatives, convention center operations & capital, etc.

• Operating & Catastrophic reserve funds must be rebuilt to protect future needs.
  – ARPA funds cannot be utilized to fund reserves.
  – The more that HOT funds that can be utilized for reserves, the sooner reserves can be stabilized.

• Service levels will remain extremely limited without the supplement of ARPA funding.
  – Hotel tax projections will cover salaries, community-facing initiatives and a limited portion of the convention center’s capital needs.

• Succession planning remains a key concern
  – More than half the staff is retirement-eligible, several with “dates certain” in mind.
Addressing Service Level Needs for FY 21-22 (Year 1)

• The significant supplement of ARPA funds allowed the following primary service needs to be addressed in FY 21-22:
  – Start to re-build various reserve funds
  – Funding Convention Center operating subsidy
  – Funding Convention Center Capital Improvements (per 20-year rolling plan), including garages
  – Funding All Sales & Services Initiatives
    • Trade shows
    • Sales calls
    • Business Development Incentive Program Funds
    • Contract staffing
    • Host Texas Society of Association Executives
  – Funding All Marketing/Communications Initiatives
    • Website/s relaunched
    • Digital marketing campaigns & trade media advertising
    • Collateral redevelopment
    • South by Southwest (SXSW) Activation
    • Various promotions
    • ClubCorp Classic Media Hosting
    • Public/Media Relations efforts
    • Contract Staffing
  – Funding Cyber-Security Initiatives
  – Funding Staff Training & Development
• Pending the requested allocation of ARPA funds for 2022-23, 2023-24 and 2024-25, ICVB will be able to:
  – Prioritize the rebuilding of Reserve Funds with Hotel Occupancy Tax revenues, to be replenished (and sustainable) by FY 2025-26
    • Fund Balance Goal: $2,000,000
    • Catastrophic Reserve Fund Goal: $5,000,000
    • ICC CIP Reserve Fund Goal: $3,000,000
    • Computer Reserve Fund Goal: $300,000
  – Use ARPA funds for all eligible programming in order to keep the visitor pipeline full
    • Convention center operating subsidy and capital needs, including garages
    • All Sales & Services initiatives, which will generate hotel occupancy tax revenues, as well as other revenues
    • All Marketing & Communications initiatives, which will generate hotel occupancy tax revenues, as well as other revenues
    • All Cyber-Security/IT infrastructure needs
    • Staff Certifications, Training & Development
Proposed Assignment of Service Level Needs: Proposals and Justification

- FY 2022-2023 (Year 2) – Pending ARPA Allocations
  - Continue to rebuild reserve funds.
  - TPID Consultant
  - Contract for Lobbyist on Irving HOT sunset (September 2026) during 2023 Texas legislative session.
  - All Sales & Marketing Initiatives
  - Digital Content Contractor: This position will provide digital content (primarily photography and videography of Irving venues and events).
  - Sales Contractor: This position will provide sales development and support in targeted markets.
  - ICC CIP & Operating Subsidy

- FY 2023-2024 (Year 3) – Pending ARPA Allocations
  - Continue to rebuild reserve funds.
  - All Sales & Marketing Initiatives
  - Digital Content Contractor: This position will provide digital content (primarily photography and videography of Irving venues and events).
  - Sales Contractor: This position will provide sales development and support in targeted markets.
  - TPID Coordinator*: This position will provide support and assistance to the Tourism Public Improvement District Board (assumes passage of initiative) and coordinate staff work on initiatives.
  - TPID Program Specialist*: This position will implement the various TPID program initiatives in conjunction with the ICVB Sales & Marketing Departments.
  - ICC CIP & Operating Subsidy

*Expenses ultimately would be funded by TPID funds.
Proposed Assignment of Service Level Needs: Proposals and Justification

- **FY 2024-2025 (Year 4) – Pending ARPA Allocations**
  - Continue to rebuild reserve funds.
  - Contract for Lobbyist on Irving HOT sunset (September 2026) during 2025 Texas legislative session.
  - All Sales & Marketing Initiatives
  - Digital Content Manager (Staff position): This position will provide digital content (primarily photography and videography of Irving venues and events).
  - National Sales Manager (Staff position): This position will be responsible for either half of the Association Market or a portion of the Corporate Market, pending market status at the time.
  - ICC CIP & Operating Subsidy

- **FY 2025-2026 (Year 5) – Pending ARPA Allocations**
  - ICC CIP & Operating Subsidy

*Expenses ultimately would be funded by TPID funds.*
S–Tax Rate Discussion
Budget & Strategic Plan Review
May 17-18, 2022

Tax Rate Discussion

• Tax Rate and Value Discussion
• Over 65/Disabled Exemption
Taxable Values and Tax Rate Discussion

Tax Rate Terms

- **Maintenance and Operations** (M&O) Rate – the portion of the tax rate allocated to fund general operations (General Fund)
- **Interest and Sinking** (I&S) Rate – the portion of the tax rate allocated to debt service
- **No New Revenue Rate** (NNRR) – the rate that provides the same amount of revenue on existing properties as the previous year (replaces the Effective Tax Rate)
- **Voter Approval Rate** (VAR) – the rate where an election must be held to exceed the rate. (replaces the Rollback Rate)
  - This rate is 3.5% above the NNRR + the current year’s I&S rate
  - Prior to 2017’s SB2, the Rollback rate was 8% above the effective rate + the current year’s I&S rate
Aviall (Boeing) BPP Increase

• Economic Development Incentive Agreement
  – Virtual Freeport created by agreement in place since 2014
  – City share increases slightly each year but is not proportional to changes in value

Aviall (Boeing) BPP Increase

• FY 2021-22 Increase was $699.2 million
  – Total value of $2.24 billion
  – Exceeded the total value of new construction of $448 million
  – Not counted as new construction in the No New Revenue calculation
Lawsuit Value Deductions

- In addition to protesting values through the Dallas Central Appraisal District (DCAD) process each summer, a larger number of commercial properties are challenging values through lawsuits.
- The No New Revenue (NNRR) rate is calculated using the property owner’s estimated value which can be significantly below prior year’s value.
- The disputed value in the NNRR calculation has grown to $2.49 billion or 53% of the disputed properties prior year’s certified value.
- These lawsuits are typically resolved within the year, and do not typically significantly affect revenues, only the calculation of the NNRR and VAR rates.

Lawsuit Value Deductions

- Two examples of lawsuit value differences

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<th>Company B</th>
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<td>Lawsuit Value Claim</td>
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<td>Percent of Taxable Value</td>
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<td>Comparable Year 1999</td>
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<table>
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<th>Company B</th>
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</table>
Current Service Level Maintenance Rate

- Developed for FY 2021-22 budget in response to these issues not being addressed by the No New Revenue Rate
- Determine rate required to fund current operations adjusting for changes in the Boeing BPP change and the impact of commercial value lawsuits
- Use this rate as the starting point for FY 2022-23 budget projections

Tax Rate Strategy

- Maintain 13 cent debt service rate to fund CIP
- Shift additional cents from Operations and Maintenance to Debt Service to fund the principal and interest payments for the Pension Obligation Bonds (POBs)
  - 2021 POBs (TMRS & SBP)
  - 2022 POBs (FRRF)
- Alternate between the Current Service Level Maintenance Rate and the Voter Approval Rate in future years
  - Exceed Voter Approval Rate to put major service level expansions to voter approval
    - Expanded Police service
    - Expanded Fire service
    - Expanded Parks, Recreation, Aquatics, and Library services
Current Events

- Proposition 1 – (Passed) compresses the tax rate for school maintenance and operations (M&O) for homeowners with a 65+ or disabled exemption to match the law passed in 2019 for all other homeowners
- Proposition 2 – (Passed) increased homestead exemption for school district property taxes from $25,000 to $40,000
  - Effective for Tax Year 2022
- City homestead exemption expressed as a percentage
  - 20% is the maximum (current Irving rate)
  - State Constitutional amendment necessary to increase beyond 20%
  - Next legislative session in 2023
  - Likely earliest implementation in 2024

Over 65/Disabled Persons Property Tax Exemption
Over 65/Disabled Persons Property Tax Exemption

- Exemptions available only to residential properties that also qualify for a Homestead Exemption
- One parcel can not have both Over 65 and Disabled Persons exemptions
- Council action before July 1 in order to apply to the FY2022-23 budget
- According to the State Property Tax Code
  - Over 65 exemptions can not be established based upon a percentage
  - The Over 65 exemption must be stated as a dollar amount

Current Statistics

- Tax Rate $0.5941
- Homestead Exemption 20% $45,000 (legal maximum)
- Over 65 20% $45,000
- Disabled Person $45,000
- Average Residential Value $220,694

- Number of parcels with exemptions
  - Over 65 8,968
  - Disabled Persons 700
  - Disabled Veterans 361
  - Disabled Veterans (100%) 153
  - Total 10,182
Several cities do not have the maximum 20% Homestead exemption:
- Richardson: 0%
- Mesquite: 0%
- Grand Prairie: 10%
- Denton: 0.5%
- Coppell: 5%

Benchmark Data

<table>
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<tr>
<th>Rank</th>
<th>City</th>
<th>Rate Tax</th>
<th>Exemption Sr Citizen</th>
<th>Exemption Homestead</th>
<th>FY 2020-21 Taxable Value Average Home</th>
<th>Tax Bill Net of Exemptions</th>
<th>Sr Citizen Exemption % of Taxable Value Avg Home</th>
<th>Total Exemption % of Taxable Value Avg Home</th>
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<td>Coppell</td>
<td>0.5800</td>
<td>75,000</td>
<td>5%</td>
<td>422,518</td>
<td>$ 1,838</td>
<td>18%</td>
<td>23%</td>
</tr>
<tr>
<td>14</td>
<td>Highland Park</td>
<td>0.2300</td>
<td>50,000</td>
<td>20%</td>
<td>2,067,098</td>
<td>$ 3,688</td>
<td>2%</td>
<td>22%</td>
</tr>
<tr>
<td>15</td>
<td>Denton</td>
<td>0.5658</td>
<td>50,000</td>
<td>0.5%</td>
<td>275,361</td>
<td>$ 1,267</td>
<td>18%</td>
<td>19%</td>
</tr>
<tr>
<td></td>
<td>Average</td>
<td></td>
<td>$ 84,533</td>
<td>$ 451,866</td>
<td>$ 1,249</td>
<td>24%</td>
<td>38%</td>
<td></td>
</tr>
</tbody>
</table>
Several cities do not have the maximum 20% Homestead exemption:
- Richardson: 0%
- Grand Prairie: 10%
- Denton: 0.5%
- Mesquite: 0%
- Garland: 10%
- Coppell: 5%

Benchmark Tax Bill Comparisons

Average Residential Homestead Tax Bill With Over 65 Exemption
Residential Tax Bill

- 2020-2021 Average Residential Market Value is $281,434

<table>
<thead>
<tr>
<th></th>
<th>Tax Rev</th>
<th>$ Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020-2021 Without Exemptions</td>
<td>1,672</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>With Homestead Exemption</td>
<td>1,338</td>
<td>334</td>
<td>20%</td>
</tr>
<tr>
<td>Over 65/Disabled Persons Exemption</td>
<td>1,405</td>
<td>267</td>
<td>16%</td>
</tr>
<tr>
<td>With Homestead and Over 65/Disabled Exemptions</td>
<td>1,070</td>
<td>602</td>
<td>36%</td>
</tr>
</tbody>
</table>

Total Tax Rate

- Exemption changes would only affect city property taxes
- City taxes are 23% of a resident’s total tax bill
Impact on Tax Revenues

- For every $5,000 increase in the exemption rate:
  - City revenue is decreased by $263,000
  - Savings to average homeowner of $30

<table>
<thead>
<tr>
<th>Over 65 Exemption Amount</th>
<th>Tax Revenue Decrease</th>
<th>Average Property Tax Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td>50,000</td>
<td>$263,332</td>
<td>$752</td>
</tr>
<tr>
<td>55,000</td>
<td>$525,821</td>
<td>722</td>
</tr>
<tr>
<td>60,000</td>
<td>$787,189</td>
<td>692</td>
</tr>
<tr>
<td>65,000</td>
<td>$1,298,748</td>
<td>663</td>
</tr>
<tr>
<td>70,000</td>
<td>$1,800,730</td>
<td>633</td>
</tr>
<tr>
<td>75,000</td>
<td>$2,289,166</td>
<td>603</td>
</tr>
<tr>
<td>80,000</td>
<td>$2,760,206</td>
<td>574</td>
</tr>
</tbody>
</table>

Recommendations

- For FY 2022-23 Budget, increase Over 65 and Disabled exemptions by $5,000 to $50,000
- Additional increases in future budgets
  - FY 2023-24  +$5,000 to $55,000
  - FY 2024-25  +$5,000 to $60,000
- Present to full Council at May Budget and Strategic Planning Meeting
- Adopt any changes prior to July 1, 2022
Questions
T-1  Budget and Strategic Plan Review: Solid Waste Collection Discussion

May 17, 2022

Presentation Overview

• Background

• Collection challenges

• Service delivery models

• Next steps

• Discussion/Council direction
City of Irving

- Irving is the 13th largest City in Texas
- Of the 20 largest cities in Texas, Irving is 1 of only 3 that collects bags of trash/recycling manually
- Irving is the only one that provides collection of unlimited volumes of trash, recycling, brush, bulky, and special waste collection services each week

<table>
<thead>
<tr>
<th>Top 20 Largest Cities in Texas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ranking</td>
</tr>
<tr>
<td>--------</td>
</tr>
<tr>
<td>1</td>
</tr>
<tr>
<td>2</td>
</tr>
<tr>
<td>3</td>
</tr>
<tr>
<td>4</td>
</tr>
<tr>
<td>5</td>
</tr>
<tr>
<td>6</td>
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<tr>
<td>7</td>
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<tr>
<td>8</td>
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<td>9</td>
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<td>10</td>
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<td>11</td>
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<td>12</td>
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<td>13</td>
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<td>14</td>
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<td>15</td>
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<td>16</td>
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<tr>
<td>17</td>
</tr>
<tr>
<td>18</td>
</tr>
<tr>
<td>19</td>
</tr>
<tr>
<td>20</td>
</tr>
</tbody>
</table>

Current Collection Challenges

- Staffing shortages
- Customer service satisfaction
- Safety
- Outdated ordinance
- Current service delivery model
Staffing Shortages

- National CDL Driver Shortage
  - CDL drivers have more options today than ever
  - Private companies are offering competitive employment pay, bonuses, & incentives
  - CDL holders can find less strenuous work at a higher rate of pay outside of the industry
  - Private solid waste haulers are not renewing manual collection contracts with cities

Staffing Shortages

- Physically intense job
  - Walk 10 miles a day
  - Lift 10,000 pounds per day
  - On and off a 22-inch step over 500 times a day
  - Perform in all weather
    - rain, ice, subzero or 100+
Reduced Customer Satisfaction

- Due to staffing shortages Solid Waste Services’ customer satisfaction has dropped
- Not able to collect all routes on scheduled days
- Inconsistent collection frequency

<table>
<thead>
<tr>
<th>Residents Rating of Solid Waste Services</th>
<th>2014</th>
<th>2016</th>
<th>2018</th>
<th>2020</th>
<th>2022</th>
<th>2-Year Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall quality of solid waste services</td>
<td>75%</td>
<td>73%</td>
<td>76%</td>
<td>77%</td>
<td>66%</td>
<td>-11%</td>
</tr>
<tr>
<td>Residential curbside recycling</td>
<td>71%</td>
<td>69%</td>
<td>75%</td>
<td>71%</td>
<td>55%</td>
<td>-16%</td>
</tr>
<tr>
<td>Residential trash collection</td>
<td>84%</td>
<td>79%</td>
<td>82%</td>
<td>83%</td>
<td>73%</td>
<td>-11%</td>
</tr>
<tr>
<td>Brush and bulky waste pickup</td>
<td>84%</td>
<td>80%</td>
<td>84%</td>
<td>82%</td>
<td>71%</td>
<td>-11%</td>
</tr>
<tr>
<td>Education about environmental issues</td>
<td>57%</td>
<td>52%</td>
<td>55%</td>
<td>54%</td>
<td>45%</td>
<td>-9%</td>
</tr>
<tr>
<td>Household Hazardous waste disposal</td>
<td>57%</td>
<td>58%</td>
<td>57%</td>
<td>60%</td>
<td>51%</td>
<td>-9%</td>
</tr>
<tr>
<td>Landfill</td>
<td>67%</td>
<td>64%</td>
<td>65%</td>
<td>68%</td>
<td>62%</td>
<td>-6%</td>
</tr>
</tbody>
</table>

Safety
Outdated Ordinance

- Chapter 33 of the Code of Ordinances, Refuse, Garbage and Weeds was originally written in 1972, and has not had a full revision in 50 years.
- Includes services the city no longer performs
- Provides little guidance for the residents

Manual Bag Collection

- Twice per week collection
- Waste set out in bags
- Labor intensive
  - 2 to 3-person crews
- Collection vehicle is a rear-load truck
**Semi-Automated Collection**

- Once per week collection
- Waste set out in cart(s)
- Still labor intensive – but less than manual collection
  - 2 to 3-person crews
- Collection vehicle is a rear-load truck with cart tippers

**Fully-Automated Collection**

- Once per week collection
- Waste set out in cart(s)
- 1-person crew
- Collection vehicle is an automated side load truck
Issues/Concerns Summary

- Staffing shortages – Average 18 vacancies or 25% of workforce over the past two years
- Customer service – Unable to collect all routes on scheduled days
- Safety
- Outdated ordinance
- Current model is not sustainable
- Automated collection is more attractive and much more sustainable
- We are at a critical pivot point

Next Steps

- With Council’s approval, contract with a consulting firm to:
  - Evaluate the current manual collections model and automated trash/recycling collections model
  - Identify needs & impacts, develop costs & pricing structure
  - Verify/recommend a plan to transition to automated trash/recycling collections over the next 5-years
- Seeking Council’s direction
- Future referendum ???
Discussion
Current Position

Current Strategy
• Purchase additional land to add adult and aquatic facilities to Mustang Park Location.

• Redevelopment of Senter Park aquatic facility.

• Evaluate findings of seasonal pool assessments (Lee and Lively). Determine future direction.

Challenges
• High number of staff required to operate.
  • Low efficiency service model.
  • Lack of ability to operate facilities at full capacity due to staff shortages.

<table>
<thead>
<tr>
<th>Staff</th>
<th>Approved</th>
<th>Filled</th>
<th>Vacant</th>
<th>% Vacant</th>
</tr>
</thead>
<tbody>
<tr>
<td>FT</td>
<td>144</td>
<td>136</td>
<td>8</td>
<td>5.56%</td>
</tr>
<tr>
<td>PT</td>
<td>122</td>
<td>98</td>
<td>24</td>
<td>19.67%</td>
</tr>
<tr>
<td>SL</td>
<td>115</td>
<td>83</td>
<td>32</td>
<td>27.17%</td>
</tr>
</tbody>
</table>

| Total | 381      | 266    | 115    | 30.18%   |

• Gaps in service coverage areas.
• No service delivery plan for future development locations (Old Stadium site).
Staff Challenges

Proposed Schedule 87.5 operational hours per week

<table>
<thead>
<tr>
<th>Aquatic Schedule</th>
<th>Monday</th>
<th>TUESDAY</th>
<th>WEDNESDAY</th>
<th>THURSDAY</th>
<th>FRIDAY</th>
<th>SATURDAY</th>
<th>SUNDAY</th>
</tr>
</thead>
<tbody>
<tr>
<td>WEST IRVING AQUATIC CENTER</td>
<td>CLOSED</td>
<td>CLOSED</td>
<td>CLOSED</td>
<td>CLOSED</td>
<td>CLOSED</td>
<td>1PM-7PM</td>
<td>1PM-7PM</td>
</tr>
<tr>
<td>CIMARRON AQUATIC CENTER</td>
<td>CLOSED</td>
<td>CLOSED</td>
<td>CLOSED</td>
<td>CLOSED</td>
<td>CLOSED</td>
<td>1PM-7PM</td>
<td>CLOSED</td>
</tr>
<tr>
<td>HERITAGE AQUATIC CENTER</td>
<td>CLOSED</td>
<td>CLOSED</td>
<td>CLOSED</td>
<td>CLOSED</td>
<td>CLOSED</td>
<td>CLOSED</td>
<td>CLOSED</td>
</tr>
<tr>
<td>NORTH LAKE NATATORIUM</td>
<td>7:30AM-12PM</td>
<td>7AM-1PM</td>
<td>7AM-1PM</td>
<td>CLOSED</td>
<td>CLOSED</td>
<td>CLOSED</td>
<td>CLOSED</td>
</tr>
<tr>
<td>SENTER POOL</td>
<td>CLOSED</td>
<td>1PM-7PM</td>
<td>CLOSED</td>
<td>CLOSED</td>
<td>CLOSED</td>
<td>CLOSED</td>
<td>CLOSED</td>
</tr>
<tr>
<td>NORTHWEST / SOUTHWEST SPRAY PARKS</td>
<td>11AM-8PM</td>
<td>11AM-8PM</td>
<td>11AM-8PM</td>
<td>11AM-8PM</td>
<td>11AM-8PM</td>
<td>11AM-8PM</td>
<td>11AM-8PM</td>
</tr>
</tbody>
</table>

Normal Schedule 370.5 operational hours per week

<table>
<thead>
<tr>
<th>Aquatic Schedule</th>
<th>Monday</th>
<th>TUESDAY</th>
<th>WEDNESDAY</th>
<th>THURSDAY</th>
<th>FRIDAY</th>
<th>SATURDAY</th>
<th>SUNDAY</th>
</tr>
</thead>
<tbody>
<tr>
<td>WEST IRVING AQUATIC CENTER</td>
<td>12PM-8PM</td>
<td>12PM-8PM</td>
<td>12PM-8PM</td>
<td>12PM-8PM</td>
<td>12PM-8PM</td>
<td>12PM-8PM</td>
<td>12PM-8PM</td>
</tr>
<tr>
<td>CIMARRON AQUATIC CENTER</td>
<td>12PM-8PM</td>
<td>12PM-8PM</td>
<td>12PM-8PM</td>
<td>12PM-8PM</td>
<td>12PM-8PM</td>
<td>12PM-8PM</td>
<td>12PM-8PM</td>
</tr>
<tr>
<td>HERITAGE AQUATIC CENTER</td>
<td>8AM-1PM</td>
<td>8AM-1PM</td>
<td>8AM-1PM</td>
<td>8AM-1PM</td>
<td>8AM-1PM</td>
<td>8AM-1PM</td>
<td>8AM-1PM</td>
</tr>
<tr>
<td>NORTH LAKE NATATORIUM</td>
<td>11:30AM-8PM</td>
<td>11:30AM-8PM</td>
<td>11:30AM-8PM</td>
<td>11:30AM-8PM</td>
<td>11:30AM-8PM</td>
<td>11:30AM-8PM</td>
<td>11:30AM-8PM</td>
</tr>
<tr>
<td>SENTER, LEE and LIVELY POOL</td>
<td>1PM-8PM</td>
<td>1PM-8PM</td>
<td>1PM-8PM</td>
<td>1PM-8PM</td>
<td>1PM-8PM</td>
<td>1PM-8PM</td>
<td>1PM-8PM</td>
</tr>
<tr>
<td>NORTHWEST / SOUTHWEST SPRAY PARKS</td>
<td>11AM-8PM</td>
<td>11AM-8PM</td>
<td>11AM-8PM</td>
<td>11AM-8PM</td>
<td>11AM-8PM</td>
<td>11AM-8PM</td>
<td>11AM-8PM</td>
</tr>
</tbody>
</table>

Coverage Challenges

1. Cimarron Rec and Aquatic
2. Mustang
3. Northlake Natatorium
4. Lee Rec and Pool
5. Northwest Rec and Splash Pad
6. Georgia Farrow / West Aquatic
7. Lively Point Rec and Pool
8. Heritage Center and Pool
9. Senter Rec and Pool
10. Southwest Splash Pad

- 8 Centers
- 2 Aquatic Centers
- 2 Splash Pads
- 5 Pools
Items for Consideration

• **Aquatics**
  - Do we consider options that require less staff (spray parks over pools)?
  - Do we look at indoor year around facilities over seasonal ones?

• **Recreation**
  - Do we keep to the neighborhood model?
  - Or consider more regional facilities with multiple amenities and services in one location?

---

Recreation & Aquatics Vision

• **2 or 3 Recreation Complexes**
  - Serving the South, Central and North
  - Potential Elements
    • Aquatics
    • Recreation
    • Social Services
    • Library

• Phase out/repurpose antiquated facilities
What we Have
The Possibility
The Possibility

The Possibility
The Possibility

Discussion
Ask the BFF’s Email

- Ask the Budget Fiscal Friends (BFF’s) email was created for citizens to provide input and comments on the upcoming budget
- Emails received are distributed to the appropriate department and followed up with a response
- A summary of the emails received are given to Council
Tax Rate

• Received an email from a citizen concerning the current tax rate and its impact on their overall property tax bill
  – Response - A link to the city’s website for the current tax rate and how revenue generated is spent was sent

Solid Waste Services Trash Cans

• Received an email about a citizen’s concern about litter and wants to see the implementation of trash cans as a way of mitigating litter in Irving
  – Response – email forwarded to the appropriate department
Swimming Pools

- Received an email inquiring about issues with swimming pools in Irving specifically, Senter, Lively, and Lee Park and why they were closed for the 3rd year in a row
  - Response – Senter, Lively and Lee will be closed due to staffing shortages and maintenance

MDU Drainage

- There is a drainage issue adjacent to a resident’s property and they would like for the city to address it
  - Response – the city is aware of the issue, but funding for the project is not appropriated. A link to the city’s MDU website was also provided
Budget Suggestions

• Received an email with various suggestions for the upcoming budget along with concerns of leaning telephone poles and wires on Beltline Rd
  – Response – email was forwarded to the appropriate department

Summary

• Emails received to date from citizens through the Ask the BFF’s inbox
• There has not been much input so far
• Staff will continue to monitor and update Council throughout budget development
• There will be public hearings for input on the budget June 9th and June 30th