AGENDA
Irving City Council Budget Retreat
Friday, August 18, 2023 at 8:00 AM
City Hall, First Floor, Council Conference Room
825 West Irving Boulevard, Irving, TX 75060

This agenda has been prepared for the Irving City Council. All times with the exception for the beginning time, are approximations only. Items may be heard earlier or later listed on the agenda.

8:00 AM: Breakfast
8:30 AM: Meeting
A. Citizen Comments on Items listed on the Agenda
B. Welcome
   1. Agenda Overview
   2. Budget Goals
C. Compensation and Benefits
D. General Fund Overview
   1. Revenues and Expenditures
   2. Tax Rate Discussion
   3. Capital Improvement Projects/Debt Service
   4. Significant Changes from Fiscal Year (FY) 23 to FY 24
E. Water and Sewer Fund Overview
   1. Revenues and Expenditures
   2. Rate Discussion
   3. Significant Changes from FY 23 to FY 24
   4. Capital Improvement Projects/Debt Service
F. Municipal Drainage Utility Fund Overview
   1. Revenues and Expenditures

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

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

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

This facility is physically accessible and parking spaces for the disabled are available. Accommodations for people with disabilities are available upon request. Requests for accommodations must be made 48 hours prior to the meeting. Contact the City Secretary’s Office at 972-721-2493 or Relay Texas at 7-1-1 or 1-800-735-2988.
2. Rate Discussion
3. Significant Changes from FY 23 to FY 24
4. Capital Improvement Projects/Debt Service

G. Solid Waste Services Fund Overview
   2. Rate Discussion
   3. Revenues and Expenditures
   4. Significant Changes from FY 23 to FY 24
   5. Capital Improvement Projects/Debt Service

H. Internal Service Funds Overview
   1. Fleet and Vehicle Replacement Overview
   2. Information Technology Overview
   3. Building Improvement Overview

I. Capital Improvement Bond Program (CIP) Bond Program/5-Year CIP

J. Future in Focus Year 3 Update

K. American Rescue Plan Act (ARPA) Funding Update

L. Economic Development
   1. Economic Development Fund Overview
   2. Economic Development Incentives Fund Overview
   3. Entertainment Venue Operating Budget and Work Plan
   4. Tax Increment Financing Districts (TIFs) Funds Overview
   5. Public Improvement Districts (PIDs) Funds Overview

M. Charter Organization Budgets (presented by Charter Orgs)
   1. Irving Convention and Visitors Bureau (ICVB)
   2. Arts and Culture
   3. City Attorney
   4. Judges

N. Cost of Municipal Service Benchmarks

O. Community Budget Input
P. Council Priorities and Projects (Future in Focus)

1. Vibrant Economy
2. Infrastructure Investment
3. Sense of Community
4. Government Sustainability
5. Safe and Beautiful City

Q. Council Action

1. Resolution – Authorizing Publication of Notice of Intention to Issue Certificates of Obligation; and Providing for Other Matters Incidental Thereto
2. Resolution -- Expressing Intent to Consider Adopting the Proposed Tax Rate
   If the City Council Determines an Increase in Revenue is Necessary by Adopting a Tax Rate that is Above the No New Revenue Tax Rate, This Action is Needed to Comply with State Law.

R. Executive Session

1. Deliberation Regarding Real Property – 1735 Senter Rd.- Open Meetings Act § 551.072

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, August 11, 2023 at 5:00 p.m.**, and remained so posted at least 72 hours before said meeting convened.

__________________________________________  ________________________________________
Shanae Jennings, City Secretary          Date Notice Removed
Budget Retreat
B - Budget Goals
August 18, 2023

City Manager FY24 Budget Goals

- All positions funded at 80th percentile
- Future in Focus needs
- Retiree Healthcare
- Increase Firefighters’ starting pay
- Address rising cost of inflation and insurance
- Implement Let’s Play Irving
- Funding for Medic 8
- Twice/week manual solid waste collection
- Maintain current tax rate at .5891 and propose a structurally balanced budget
Questions/Discussion?

CityofIrving.org

@TheCityofIrving

City of Irving, Texas
FISCAL YEAR 2023-24
C-Compensation and Benefits
August 18, 2023

Agenda

• Step/Merit/Firefighter/COLA Increases
• 80th Percentile
• Retention & Recruitment
• Health Insurance
• Retiree Health Care
Step/Merit/Firefighter/COLA Increases

• 2% COLA increases for General Government-$1,210,000
• 3.5% Market Adjustment for Public Safety $3,736,688
• Adjust firefighter starting pay by eliminating first two steps
• Adjustments to be made by early September 2023
• Estimated cost is $1,210,000
• Step/Merit Increases for all employees-$1,702,820 (includes fire dropping two lowest steps)

City of Irving, Texas

80th Percentile

• Adjust Public Safety to 80th percentile-$1,330,000
• Adjust General Government to 80th percentile-$1,270,000
  56% of positions were within market
  44% of positions were 5% or more behind market

• Adjusted pay tables to the 70th percentile in July
  85% of positions were within market
  15% of positions were -5% or more behind market
  Total Cost of implementation for 2.5 months is $375,000

City of Irving, Texas
Retention Strategies

- Referral Incentive
- Increased professional development training opportunities for individual career growth and organizational succession planning
- Created employee mentorship program
- Continuing Work from Home and Alternative Work Schedule program for eligible employees
- Developed parent friendly enhancements
- Added additional unscheduled holiday and MLK Jr Holiday
- Implementing “stay interviews” and structured departmental on-boarding in FY 23/24

City of Irving, Texas

Recruitment Strategies

- Hiring Incentive
- Rewrote language on employment page, public safety web sites, and in job postings to attract a diverse applicant pool
- Increased participation in job fairs
- Partnered with Communications to create marketing campaign to attract talent

City of Irving, Texas
Retiree Health Care

- Revamped pre-65 retiree benefits to include “the rule of benefit discounts
- Reviewing the Post-65 Medicare supplement program

Health Insurance

- 3% premium increase across the board for Medical Insurance
  Employee increases per pay period will range between 51 cents and $8.08 depending on plan
- Will conduct employee focus groups in early FY 23/24 to gather employee feedback on benefit enhancements for FY 24/25
- Will be implementing diabetes, prediabetes and high blood pressure management programs through BCBS
- Adding nutritionist/dietitian to Clinic
Questions/Discussion?

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City of Irving, Texas
FISCAL YEAR 2023-24
Budget Retreat
D1 – General Fund Overview
August 18, 2023

Presentation Overview

• Budget Process
• Fiscal Year 2022-23 Update
• Fiscal Year 2023-24 Proposed Budget
• Summary
Change from Prior Fiscal Year - Revenues

### REVENUES

**FY 2022-23 Adopted Budget**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Tax M&amp;O Revenue - Taxable Valuation at $39,008,248,362</td>
<td>$226,650,575</td>
</tr>
<tr>
<td>Less: ED Incentives</td>
<td>(14,908,437)</td>
</tr>
<tr>
<td>Less: TIF and PID (Combined) Allocation</td>
<td>(13,920,135)</td>
</tr>
<tr>
<td>Less: Interest and Sinking Fund</td>
<td>(50,866,255)</td>
</tr>
<tr>
<td>Less: POB Interest and Sinking Fund</td>
<td>(10,495,475)</td>
</tr>
<tr>
<td><strong>Available Property Tax M&amp;O Revenue for FY 24</strong></td>
<td><strong>136,460,272</strong></td>
</tr>
<tr>
<td><strong>Available Property Tax M&amp;O Revenue for FY 23</strong></td>
<td><strong>(122,716,586)</strong></td>
</tr>
<tr>
<td><strong>Change in Available Property Tax M&amp;O</strong></td>
<td><strong>$13,743,686</strong></td>
</tr>
</tbody>
</table>

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**Change from Prior Fiscal Year - Revenues**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Tax Revenue Increase</td>
<td>9,586,857</td>
</tr>
<tr>
<td>Interest Income Increase</td>
<td>2,294,149</td>
</tr>
<tr>
<td>Other Revenues Increase</td>
<td>1,907,987</td>
</tr>
<tr>
<td><strong>Total Operating Revenues</strong></td>
<td><strong>27,532,679</strong></td>
</tr>
<tr>
<td>Other Financing Sources (Transfers In)</td>
<td></td>
</tr>
<tr>
<td>Change in TIF Allocation</td>
<td>14,505</td>
</tr>
<tr>
<td>Change in Cost of Service Allocation</td>
<td>678,533</td>
</tr>
<tr>
<td>Change in Entertainment Venue Administrative Cost</td>
<td>(4,855)</td>
</tr>
<tr>
<td>Change in Bond Funds Allocation</td>
<td>137,494</td>
</tr>
<tr>
<td>Change in Miscellaneous Special Revenue Allocation</td>
<td>8,656</td>
</tr>
<tr>
<td><strong>Total Change in General Fund Revenues</strong></td>
<td><strong>$28,367,012</strong></td>
</tr>
</tbody>
</table>

City of Irving, Texas
## Change from Prior Fiscal Year - Expenditures

### Compensation Adjustments

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay Adjustments added mid-year FY 23 - Public Safety</td>
<td>$4,000,000</td>
</tr>
<tr>
<td>Pay Adjustments added mid-year FY 23 - General Government</td>
<td>$1,800,000</td>
</tr>
<tr>
<td>Step/Merit Adjustments (includes Fire drop lowest 2 steps)</td>
<td>$1,702,820</td>
</tr>
<tr>
<td>Central Fire Station Personnel (18)</td>
<td>$2,154,450</td>
</tr>
<tr>
<td>2% COLA - General Government</td>
<td>$1,210,000</td>
</tr>
<tr>
<td>3.5% Market Public Safety including benefits</td>
<td>$3,736,668</td>
</tr>
<tr>
<td>80th Percentile - Public Safety</td>
<td>$1,330,000</td>
</tr>
<tr>
<td>80th Percentile - General Government</td>
<td>$1,270,000</td>
</tr>
<tr>
<td>Reduction in Tuition Reimbursement</td>
<td>$(15,000)</td>
</tr>
<tr>
<td>Health Insurance Premium Increase - 3%</td>
<td>$600,000</td>
</tr>
<tr>
<td>Bond Funded Positions offset with Transfer from Bond Funds</td>
<td>$210,040</td>
</tr>
<tr>
<td>Pensions</td>
<td>$(25,504)</td>
</tr>
<tr>
<td>TMRS - 10.02% to 10.35%</td>
<td></td>
</tr>
<tr>
<td>SBP - 0.78% to 0.74%</td>
<td></td>
</tr>
<tr>
<td>FRNF - 13.40% to 13.09%</td>
<td></td>
</tr>
</tbody>
</table>

### Operations

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supplies</td>
<td>$149,842</td>
</tr>
<tr>
<td>Structure and Equipment Maintenance</td>
<td>$1,576,083</td>
</tr>
<tr>
<td>Utilities</td>
<td>$322,597</td>
</tr>
<tr>
<td>Outside Services</td>
<td>$717,116</td>
</tr>
<tr>
<td>Travel</td>
<td>$101,798</td>
</tr>
<tr>
<td>Claims and Insurance</td>
<td>$2,314,747</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>$(594,350)</td>
</tr>
<tr>
<td>Capital</td>
<td>$(108,392)</td>
</tr>
</tbody>
</table>

**Total Operating Expenditures** $22,252,935
### Change from Prior Fiscal Year - Expenditures

**EXPENDITURES**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Financing Uses (Transfers Out)</td>
<td>4,102,297</td>
</tr>
<tr>
<td>Transfer to NBCIP for Fire Equipment LifePaks &amp; Treadmills</td>
<td>168,500</td>
</tr>
<tr>
<td>TIF#1 Ratchet Down - EDIA</td>
<td>170,628</td>
</tr>
<tr>
<td>TIF#1 Ratchet Down - NBCIP</td>
<td>1,651,666</td>
</tr>
<tr>
<td>Transfer to BRRF</td>
<td>1,500,000</td>
</tr>
<tr>
<td>Transfer to VERF</td>
<td>(2,009,547)</td>
</tr>
<tr>
<td>Transfer to IT Internal Services Fund</td>
<td>776,270</td>
</tr>
<tr>
<td>Transfer to SW DS Fund</td>
<td>(220)</td>
</tr>
<tr>
<td>Transfer to Health Insurance - Retire</td>
<td>600,000</td>
</tr>
<tr>
<td>Medic 8 and One-Time Expenses - NBCIP</td>
<td>1,245,000</td>
</tr>
</tbody>
</table>

Total Adjusted Operating Expenditures 26,355,232
Future in Focus Key Needs 2,011,780

Total Change in General Fund Expenditures $28,367,012
Structured Balanced Budget $ - 

City of Irving, Texas

### Budget Process

- Budget Kickoff held in April
- Budget and Strategic Planning Meeting held in May
- City Manager Departmental Line-Item Review held in June/July
- Public Hearings on the Budget held in June
- Certified Tax Roll from DCAD – July 25
- Budget Retreat – August 18
- Public Hearings on the Budget and Tax Rate – August 31 and September 7
- Budget Adoption – September 14
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 86.4 percent of the fund’s total revenues
• Implemented first phase of Consolidated Fee Review
  – Inspections
  – Parks and Recreation
  – Planning

General Fund – Current Year Revenue Projected

• Certified Roll valuation at time of adoption was $35.8 billion
  – Adjusted value as of July 2023 - $35.5 billion
• Sales tax projected to be above current estimate by 12.8 percent
  – Inflation a factor in revenue growth
  – Growth from development around D/FW Airport
    • Taxes are subject to 2/3 revenue sharing with Dallas and Fort Worth
• Other revenues are projected to be above budget 13.5 percent
  – Franchise Fees increases in electric and natural gas
  – Zoning and Development and Charges for Service revenues more because of fee increases
  – Fees and Permits and Fines are continuing to recover from the pandemic
  – Investment Income is the primary driver for the increase and is expected to be above budget by $2.3 million
**General Fund – Current Year Revenue Projected**

*Amounts rounded in millions*

<table>
<thead>
<tr>
<th>Revenue Type</th>
<th>Budget</th>
<th>Projected</th>
<th>Variance from Budget ($)</th>
<th>Variance from Budget (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Tax</td>
<td>$122.7</td>
<td>$124.2</td>
<td>$1.5</td>
<td>1.2%</td>
</tr>
<tr>
<td>Sales Tax</td>
<td>84.9</td>
<td>93.8</td>
<td>8.9</td>
<td>10.4%</td>
</tr>
<tr>
<td>Other Revenues</td>
<td>44.0</td>
<td>48.4</td>
<td>4.4</td>
<td>9.9%</td>
</tr>
<tr>
<td><strong>Total Operating Revenues</strong></td>
<td><strong>$251.6</strong></td>
<td><strong>$266.4</strong></td>
<td><strong>$14.8</strong></td>
<td><strong>5.9%</strong></td>
</tr>
<tr>
<td>Transfers</td>
<td>9.5</td>
<td>9.5</td>
<td>0.0</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>$261.1</strong></td>
<td><strong>$275.9</strong></td>
<td><strong>$14.8</strong></td>
<td><strong>5.7%</strong></td>
</tr>
</tbody>
</table>

*Projected Sales Tax includes $3 million budget adjustment for revenue sharing agreements*

**General Fund – Current Year Expenditure Projected**

- Growth in revenue and vacancy savings funded pay adjustments, inflated costs and delivery delays on vehicle and material costs
- Implemented pay adjustments
  - Transition from 65th percentile to 70th percentile
  - Pay adjustments for hard to fill positions
    - Lifeguards
    - Animal Services
    - Field Positions
      - Maintenance Workers
      - Groundskeepers
  - Specific special pay adjustments ranging from $20 - $70 per month
## General Fund – Current Year Expenditure Projected

### Amounts rounded in millions

<table>
<thead>
<tr>
<th>Expenditure by Service</th>
<th>Variance from Type Budget</th>
<th>Variance from Budget ($)</th>
<th>Variance from Budget (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Safety</td>
<td>$ 134.3</td>
<td>$ 130.5</td>
<td>$(3.8)</td>
</tr>
<tr>
<td>Public Works</td>
<td>24.7</td>
<td>22.5</td>
<td>(2.2)</td>
</tr>
<tr>
<td>Educational and Recreation</td>
<td>27.0</td>
<td>24.6</td>
<td>(2.3)</td>
</tr>
<tr>
<td>Non-Departmental</td>
<td>12.5</td>
<td>12.4</td>
<td>(0.1)</td>
</tr>
<tr>
<td>Administrative and Support</td>
<td>15.1</td>
<td>13.8</td>
<td>(1.3)</td>
</tr>
<tr>
<td>Community and Economic Development</td>
<td>11.3</td>
<td>10.2</td>
<td>(1.0)</td>
</tr>
<tr>
<td>Municipal Court</td>
<td>3.4</td>
<td>2.9</td>
<td>(0.6)</td>
</tr>
<tr>
<td><strong>Total Operating Expenditures</strong></td>
<td>$ 228.3</td>
<td>$ 217.0</td>
<td>$(11.3)</td>
</tr>
<tr>
<td>Transfers</td>
<td>32.8</td>
<td>55.9</td>
<td>23.2</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>$ 261.1</td>
<td>$ 272.9</td>
<td>$ 11.9</td>
</tr>
</tbody>
</table>

Operating expenditures are less than budget due to vacancy and operational savings. Currently there are 173 full-time vacancies as of July 31.

Projected Transfers include the $19.9 million of excess fund balance transferred to General NBCIP and $3 million transfer to EDIA for economic incentives.

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## Budget Update – FY 2023 Projected

- Revenues above projections
- Pay adjustments and inflation effects absorbed with revenue increases and vacancy savings
- Continued use of federal stimulus funding
- Continued investment in economic and community development initiatives
- Continued funding of capital projects
- Continued support of Future in Focus needs
FY 2023-24 Proposed Budget Overview

• Robust growth in taxable value
• Sales tax growth above projections
• American Rescue Plan Act (ARPA) funding (see Item K)
• Implementation of Phase 1 Consolidated Fee Review resulting in other revenue increases
• Federal Reserve rate hikes expected through the end of calendar year
• Future in Focus five-year operational plan strategic emphasis
FY 2023-24 Proposed Budget Overview

- Recruitment and Retention of Staff (see Item C)
  - 2% Cost of Living Adjustment
  - 3.5% Market for Civil Service employees
  - All positions funded at 80th percentile
- Insurance premium increases
  - Health insurance – 3%
  - Property and casualty – 10%
- Inflation and supply chain delays factored into budget
- Building repair and maintenance funding
- Future in Focus key needs
- Medic 8 funding
- Tax rate maintained at $0.5891 per 100 of taxable value (see Item D-2)
- Debt service rate maintained at $0.1597
- Structurally balanced budget

FY 2023-24 Proposed Revenues

<table>
<thead>
<tr>
<th>Revenues</th>
<th>2021-22 Actual</th>
<th>2022-23 Budget</th>
<th>2022-23 Projected</th>
<th>2023-24 Proposed</th>
<th>VARIANCE FROM BUDGET</th>
<th>PERCENT CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bond Proceeds</td>
<td>167,005,000</td>
<td>122,735,586</td>
<td>124,244,980</td>
<td>136,460,272</td>
<td>13,743,686</td>
<td>11.2%</td>
</tr>
<tr>
<td>Property Tax</td>
<td>117,743,395</td>
<td>84,893,655</td>
<td>93,762,401</td>
<td>94,490,512</td>
<td>9,586,857</td>
<td>11.3%</td>
</tr>
<tr>
<td>Sales Tax</td>
<td>91,301,955</td>
<td>77,391,621</td>
<td>80,275,633</td>
<td>81,939,472</td>
<td>8,654,821</td>
<td>10.5%</td>
</tr>
<tr>
<td>Franchise Fees</td>
<td>19,240,442</td>
<td>18,000,000</td>
<td>19,278,633</td>
<td>19,100,000</td>
<td>700,000</td>
<td>3.8%</td>
</tr>
<tr>
<td>Zoning and Development</td>
<td>3,587,097</td>
<td>3,410,395</td>
<td>3,706,881</td>
<td>3,768,242</td>
<td>357,847</td>
<td>10.5%</td>
</tr>
<tr>
<td>Fees and Permits</td>
<td>8,815,566</td>
<td>9,052,113</td>
<td>8,686,128</td>
<td>8,654,343</td>
<td>(397,770)</td>
<td>-4.4%</td>
</tr>
<tr>
<td>Fines</td>
<td>3,667,256</td>
<td>3,608,200</td>
<td>3,528,023</td>
<td>3,597,166</td>
<td>(69,146)</td>
<td>-2.3%</td>
</tr>
<tr>
<td>Changes for Services</td>
<td>3,983,251</td>
<td>3,736,826</td>
<td>4,053,440</td>
<td>4,219,290</td>
<td>132,071</td>
<td>3.2%</td>
</tr>
<tr>
<td>Investment Income</td>
<td>626,970</td>
<td>2,805,610</td>
<td>5,099,759</td>
<td>2,294,149</td>
<td>3,295,678</td>
<td>81.8%</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>3,764,227</td>
<td>2,981,163</td>
<td>3,297,939</td>
<td>3,764,700</td>
<td>783,571</td>
<td>26.3%</td>
</tr>
<tr>
<td>Transfers from Other Funds</td>
<td>9,548,858</td>
<td>9,483,899</td>
<td>9,522,464</td>
<td>10,300,909</td>
<td>877,010</td>
<td>9.2%</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>$429,370,077</strong></td>
<td><strong>$261,088,547</strong></td>
<td><strong>$279,881,971</strong></td>
<td><strong>$289,455,559</strong></td>
<td><strong>$28,877,012</strong></td>
<td><strong>10.9%</strong></td>
</tr>
</tbody>
</table>

FY 2021-22 Actual includes sale of Pension Obligation Bonds
General Fund Revenues

Where the Money Goes

City of Irving, Texas

Top Three General Fund Revenue Sources

87% of General Fund revenues come from Property Taxes, Sales & Other Business Taxes and Franchise fees

Property Taxes
47%
$136,460,272

Sales & Business Taxes
33%
$94,480,512

Franchise Fees
7%
$19,100,000

City of Irving, Texas
**Property Tax**

- Tax Year 2023 Certified Value - $39.0 billion (see D-2)
- $3.2 billion increase from prior year
- $395 million in new construction
  - Down from prior year record of $1 billion
  - Does not include Wells Fargo construction
- Includes minimum value of properties under protest of $612.5 million
  - DCAD value of properties under protest at $875 million

---

**Ad Valorem Rate by Components**

Proposed Ad Valorem Rate - $0.5891

- $0.1597 (27%)
- $0.4294 (73%)

Property tax bill based on average single-family taxable home value of $279,704 with a 20% Homestead Exemption

City of Irving, Texas
Sales Tax

- Second largest General Fund revenue source
- Sales tax collections are diversified
- Reduction in Retail and Restaurant sales during COVID-19 offset by online shopping
- Inflation a factor in revenue growth

Sales Tax Allocation – 8.25 Cents

State of Texas $650.5 M 6.25%

City of Irving, Texas
Sales Tax Year-to-Date

- YTD collections as of July 2023 reporting
  - Collections of $69.8 million
  - 15.71% ($9.5 million) above budget projections
  - 12.40% ($7.7 million) above prior year collections
  - Audit adjustments and prior period collections were a net positive of $462,445
  - Out-of-state internet collections of $767,843
- Mixed beverage collections 11.05% ($71,185) above budgeted projections and 14.11% ($88,442) above prior year collections
- Sales tax budgets have been very conservative due to ongoing economic uncertainty

Sales Tax Allocation by Fund

<table>
<thead>
<tr>
<th>Fund</th>
<th>2022-23 Revised Budget</th>
<th>2022-23 Actual to date</th>
<th>2022-23 Projected</th>
<th>Actual Difference from Budget</th>
<th>%</th>
<th>2023-24 Projected</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>$84,893,655</td>
<td>$64,015,450</td>
<td>$95,743,832</td>
<td>$10,850,177</td>
<td>12.78%</td>
<td>$94,230,512</td>
<td>9,336,857</td>
</tr>
<tr>
<td>ED Incentive Fund</td>
<td>8,682,105</td>
<td>6,065,674</td>
<td>8,838,181</td>
<td>156,077</td>
<td>1.80%</td>
<td>9,320,306</td>
<td>638,201</td>
</tr>
<tr>
<td>Ent Venue Fund</td>
<td>440,000</td>
<td>321,132</td>
<td>429,608</td>
<td>(10,392)</td>
<td>-2.36%</td>
<td>429,608</td>
<td>(10,392)</td>
</tr>
<tr>
<td>CC Hotel Fund</td>
<td>89,880</td>
<td>67,923</td>
<td>163,015</td>
<td>73,135</td>
<td>81.37%</td>
<td>105,000</td>
<td>15,120</td>
</tr>
<tr>
<td>Total All Funds</td>
<td>$94,105,640</td>
<td>$70,470,179</td>
<td>$105,174,636</td>
<td>$11,068,997</td>
<td>11.76%</td>
<td>104,085,426</td>
<td>9,978,786</td>
</tr>
</tbody>
</table>
Sales Tax Top Ten Industries by Fiscal Year

- **Retail Trade** — Business to Households
- **Wholesale Trade** — Business to Business, Government, Institutions
- **Information** — Gathering/Maintaining Information for Others

<table>
<thead>
<tr>
<th>Category</th>
<th>FY 2022</th>
<th>FY 2021</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail Trade</td>
<td>$ 25.1</td>
<td>$ 22.6</td>
<td>$ 20.1</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>15.2</td>
<td>10.6</td>
<td>9.3</td>
</tr>
<tr>
<td>Information</td>
<td>8.3</td>
<td>8.8</td>
<td>8.0</td>
</tr>
<tr>
<td>Accommodation and Food Services</td>
<td>7.1</td>
<td>5.8</td>
<td>5.4</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>7.8</td>
<td>5.8</td>
<td>5.4</td>
</tr>
<tr>
<td>Utilities</td>
<td>4.3</td>
<td>4.6</td>
<td>4.1</td>
</tr>
<tr>
<td>Professional, Scientific, and Technical Services</td>
<td>6.3</td>
<td>5.6</td>
<td>4.6</td>
</tr>
<tr>
<td>Construction</td>
<td>5.2</td>
<td>4.5</td>
<td>4.8</td>
</tr>
<tr>
<td>Administrative and Support and Waste Management and Remediation Services</td>
<td>3.7</td>
<td>3.4</td>
<td>3.7</td>
</tr>
<tr>
<td>Real Estate and Rental and Leasing</td>
<td>2.5</td>
<td>2.6</td>
<td>2.5</td>
</tr>
</tbody>
</table>

Amounts rounded in millions.

Top Ten Industries by Percent of Total

Retail Trade 29%
Wholesale Trade 18%
Information 15%
Accommodation and Food Services 8%
Utilities 5%
Manufacturing 9%
Professional, Scientific, and Technical Services 8%
Construction 6%
Administrative and Support and Waste Management and Remediation Services 4%
Real Estate and Rental and Leasing 3%
Sales Tax Top Ten Year over Year Comparison

<table>
<thead>
<tr>
<th>Category</th>
<th>FY 2022</th>
<th>FY 2021</th>
<th>$ Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail Trade</td>
<td>$ 25.1</td>
<td>$ 22.6</td>
<td>$ 2.5</td>
<td>11.1%</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>15.2</td>
<td>10.8</td>
<td>4.6</td>
<td>43.4%</td>
</tr>
<tr>
<td>Information</td>
<td>8.3</td>
<td>8.8</td>
<td>(0.5)</td>
<td>-5.7%</td>
</tr>
<tr>
<td>Accommodation and Food Services</td>
<td>7.1</td>
<td>5.8</td>
<td>1.3</td>
<td>22.6%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>7.8</td>
<td>6.3</td>
<td>1.5</td>
<td>23.8%</td>
</tr>
<tr>
<td>Utilities</td>
<td>4.3</td>
<td>4.6</td>
<td>(0.3)</td>
<td>-6.5%</td>
</tr>
<tr>
<td>Professional, Scientific, and Technical Services</td>
<td>6.3</td>
<td>5.6</td>
<td>0.7</td>
<td>12.5%</td>
</tr>
<tr>
<td>Construction</td>
<td>5.2</td>
<td>4.5</td>
<td>0.7</td>
<td>15.6%</td>
</tr>
<tr>
<td>Administrative and Support and Waste Management and Remediation Services</td>
<td>3.7</td>
<td>3.4</td>
<td>0.3</td>
<td>8.8%</td>
</tr>
<tr>
<td>Real Estate and Rental and Leasing</td>
<td>2.5</td>
<td>2.6</td>
<td>(0.1)</td>
<td>-3.8%</td>
</tr>
</tbody>
</table>

Franchise Fees

- The “rent” typically paid by electric, telecommunications, water, gas and solid waste companies for the use of public rights of way
- PILOT-Payment in Lieu of Taxes
- Rates have remained relatively unchanged over the years except for telecommunications which adjusts every year based on CPI
- Represent 6.6% of the total General Fund budget
- Budgeted at $19.1 million, a 3.8% ($700,000) increase from prior year
Other Revenues

- Account for 20.2% ($48.2 million) of the total General Fund budget
- Fines, fees and permits have continued low activity
- Investment income has seen a significant increase from prior year due to Federal Reserve rate hikes
  - Interest income is projected at 4.75%

FY 2023-24 Expenditures – Service Type

Non-Departmental Breakdown - $45 million:
- Transfers Out to Other Funds - $31.3 million
- Information Technology - $15.3 million
- Vehicle Replacement - $1.8 million
- Non-Bond CIP - $2.9 million
- Heritage Crossing Debt Service - $2.2 million
- Building Repair and Replacement - $2 million
- Economic Development Incentives - $1.7 million
- POB Reserve and Retiree Health Insurance - $1.4 million
- Liability Insurance - $5.5 million
- Utilities - $5.5 million
- Outside Services - $667,700
- Annual External Audit
- Alarm Monitoring
- Legal Services
- Actuarial Services
- Separation Payments (offset by vacancy savings) - $632,149
- Bank Charges - $416,000
- Fuel Reserve - $400,000
- Other - $187,756
  - Supplies, Legislative Travel and Memberships
FY 2023-24 Expenditures - Classification

Salaries and Benefits account for 71.5% of the General Fund budget funding 1,966 authorized positions.

FY 2023-24 Expenditures

- Revenue growth in property tax, sales tax and interest income funds
  - Competitive pay adjustments - $17.9 million
    - Cost of living adjustment – 2%
    - Transition to the 80th percentile
    - Steps/Merit adjustments
    - Market (3.5% civil service) adjustments
    - Drops lowest steps off the pay table for the firefighter position
    - Health insurance premium increase – 3%
  - Operational cost increases - $4.3 million
    - Supplies, outside services, travel increases
    - Fuel budgeted at $4.50 per gallon
    - Increased building repairs and maintenance due to aging infrastructure and space needs
    - Property and casualty insurance premium increase
FY 2023-24 Expenditures

- Expenditure changes from prior fiscal year continued
  - Transfers out to other funds - $4.1 million
    - Vehicle and equipment replacements, information technology services, building maintenance and transfer to NBCIP
    - Medic 8
    - Retiree health insurance
  - Future in Focus key areas and service expansions - $2.0 million
    - Net of eight new positions
    - ILIFT intern program, resident survey services, federal lobbying services
    - Wi-Fi hotspot expansion, Neighborhood Grant Program
    - Capital equipment

Expenditures by Department

<table>
<thead>
<tr>
<th>Expenditures</th>
<th>2021-22 Actual</th>
<th>2022-23 Budget</th>
<th>2022-23 Projected</th>
<th>2023-24 Proposed</th>
<th>Variance from Budget</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mayor and Council</td>
<td>175,248</td>
<td>229,006</td>
<td>223,629</td>
<td>230,853</td>
<td>1,347</td>
<td>0.5%</td>
</tr>
<tr>
<td>City Secretary’s Office</td>
<td>1,546,359</td>
<td>1,463,194</td>
<td>1,370,595</td>
<td>1,358,079</td>
<td>94,964</td>
<td>6.5%</td>
</tr>
<tr>
<td>City Manager’s Office</td>
<td>3,014,659</td>
<td>2,222,744</td>
<td>2,096,706</td>
<td>2,346,226</td>
<td>1,242</td>
<td>5.6%</td>
</tr>
<tr>
<td>Non-Departmental</td>
<td>8,203,564</td>
<td>9,031,282</td>
<td>8,107,927</td>
<td>8,030,607</td>
<td>7,022,400</td>
<td>18.4%</td>
</tr>
<tr>
<td>Financial Services</td>
<td>6,075,003</td>
<td>5,020,708</td>
<td>4,310,601</td>
<td>5,407,017</td>
<td>3,386</td>
<td>7.7%</td>
</tr>
<tr>
<td>City Attorney’s Office</td>
<td>4,553,182</td>
<td>3,586,004</td>
<td>3,195,750</td>
<td>3,465,980</td>
<td>193,980</td>
<td>12.0%</td>
</tr>
<tr>
<td>Human Resources</td>
<td>3,085,888</td>
<td>2,616,901</td>
<td>2,463,322</td>
<td>2,795,047</td>
<td>178,546</td>
<td>6.8%</td>
</tr>
<tr>
<td>Police</td>
<td>108,532,079</td>
<td>79,040,878</td>
<td>74,180,323</td>
<td>80,931,078</td>
<td>8,518</td>
<td>10.7%</td>
</tr>
<tr>
<td>Code Enforcement</td>
<td>2,672,690</td>
<td>2,135,230</td>
<td>2,131,753</td>
<td>2,526,860</td>
<td>315,600</td>
<td>4.7%</td>
</tr>
<tr>
<td>Public Safety Wellness Unit</td>
<td>588,064</td>
<td>492,937</td>
<td>351,309</td>
<td>902,163</td>
<td>9,626</td>
<td>2.0%</td>
</tr>
<tr>
<td>Fire</td>
<td>1,187,573</td>
<td>987,309</td>
<td>991,328</td>
<td>654,268</td>
<td>7,506</td>
<td>13.3%</td>
</tr>
<tr>
<td>Municipal Court</td>
<td>3,255,140</td>
<td>2,803,886</td>
<td>2,240,439</td>
<td>2,530,894</td>
<td>(272,995)</td>
<td>-9.7%</td>
</tr>
<tr>
<td>Judicial</td>
<td>891,374</td>
<td>649,019</td>
<td>640,837</td>
<td>945,546</td>
<td>395,627</td>
<td>46.8%</td>
</tr>
<tr>
<td>Parks and Recreation</td>
<td>22,905,225</td>
<td>19,596,086</td>
<td>17,627,739</td>
<td>21,076,578</td>
<td>1,570,352</td>
<td>8.1%</td>
</tr>
<tr>
<td>Libraries</td>
<td>9,516,548</td>
<td>7,409,333</td>
<td>7,006,180</td>
<td>7,762,466</td>
<td>270,283</td>
<td>3.7%</td>
</tr>
<tr>
<td>Capital Improvement Program</td>
<td>14,413,626</td>
<td>13,835,182</td>
<td>14,933,372</td>
<td>16,797,179</td>
<td>1,854</td>
<td>8.2%</td>
</tr>
<tr>
<td>Streets/Parking/Transportation</td>
<td>14,501,540</td>
<td>13,014,540</td>
<td>12,085,409</td>
<td>13,354,855</td>
<td>580,905</td>
<td>4.4%</td>
</tr>
<tr>
<td>Commissions</td>
<td>3,760,220</td>
<td>3,081,952</td>
<td>1,934,621</td>
<td>3,405,759</td>
<td>172,657</td>
<td>9.8%</td>
</tr>
<tr>
<td>Economic Development</td>
<td>4,446,079</td>
<td>2,614,855</td>
<td>2,529,829</td>
<td>2,861,048</td>
<td>246,813</td>
<td>9.4%</td>
</tr>
<tr>
<td>Planning</td>
<td>1,707,334</td>
<td>1,119,160</td>
<td>980,927</td>
<td>1,314,987</td>
<td>135,827</td>
<td>1.4%</td>
</tr>
<tr>
<td>Inspections</td>
<td>4,702,345</td>
<td>3,037,380</td>
<td>3,045,926</td>
<td>3,751,043</td>
<td>330,023</td>
<td>3.5%</td>
</tr>
<tr>
<td>Housing and Redevelopment</td>
<td>5,099,114</td>
<td>634,186</td>
<td>389,147</td>
<td>675,021</td>
<td>160,055</td>
<td>31.2%</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>$ 438,532,855</td>
<td>$ 261,088,547</td>
<td>$ 272,865,762</td>
<td>$ 289,455,559</td>
<td>$28,347,012</td>
<td>10.3%</td>
</tr>
</tbody>
</table>

FY 2021-22 Actual includes of Pension Obligation Bonds costs

City of Irving, Texas
Summary

- Property and Sales Tax are strong
- Property tax rate maintained
- Competitive compensation investments
- Continued investment in economic and community development initiatives and capital projects
- Use of federal stimulus funding
- Future in Focus needs
- Uncertainty of future impact from economy
- Present a structurally balanced budget

Questions/Discussion?

City of Irving, Texas

CityofIrving.org

@TheCityofIrving

City of Irving, Texas

FISCAL YEAR 2023-24
Budget Retreat

D2 – Tax Rate Discussion

August 18, 2023

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

• **Adjusted VAR** – the VAR + unused increments from the prior three years
Certified Values and Calculated Tax Rates

- FY 2023-24 Certified Value of $39.0 billion
  - $1.05 billion in new construction 3.2% increase in value
  - 8.56% increase in current value
  - 11.74% total increase in taxable value
- Calculated Tax Rates
  - No New Revenue Rate - $0.491701
    - A 9.74 cent decrease from current rate of $0.5891
  - Voter Approval Rate - $0.559367
    - A 2.97 cent decrease from $0.5891
  - Adjusted VAR - $0.706518
    - A 11.74 cent increase from $0.5891
- Rates based on State Tax Code and do not account for the complexities of larger cities with economic development incentives and large Tax Increment Financing (TIF) districts

Proposed Tax Rate

- Maintain total tax rate of $0.5891 to fund current operational levels, proposed increases in costs and key Future in Focus
- Maintain 15.97 cents debt service rate allocation
  - Substantially completed the 2006 bond program in FY 2022-23
  - Complete the 2021 bond program within 10 years
  - Rising costs of construction and materials increasing cost estimates for major capital projects
  - Allocate reduced rate needed for pension bonds to finance “Let’s Play Irving” capital projects in FY 2023-24
### Calculated Rates for FY 2023-24

<table>
<thead>
<tr>
<th>Tax Rates</th>
<th>Rate per $100 of Property Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current FY 2022-23 Tax Rate</td>
<td>$0.5891</td>
</tr>
<tr>
<td>Maintenance &amp; Operations Rate</td>
<td>0.4294</td>
</tr>
<tr>
<td>Interest &amp; Sinking Rate</td>
<td>0.1597</td>
</tr>
<tr>
<td>FY 2023-24 No New Revenue Rate</td>
<td>$0.491701</td>
</tr>
<tr>
<td>FY 2023-24 Voter Approval Rate</td>
<td>$0.559367</td>
</tr>
<tr>
<td>FY 2023-24 Adjusted Voter Approval Rate</td>
<td>$0.706518</td>
</tr>
<tr>
<td>Proposed FY 2023-24 Tax Rate</td>
<td>$0.5891</td>
</tr>
<tr>
<td>Maintenance &amp; Operations Rate</td>
<td>0.4294</td>
</tr>
<tr>
<td>Interest &amp; Sinking Rate</td>
<td>0.1597</td>
</tr>
</tbody>
</table>

The Proposed tax rate of $0.5891 is 9.74 cents above the No New Revenue rate and 2.97 cents above the Unadjusted Voter Approval rate.

---

### Adjusted Voter Approval Rate

- SB2 allows cities to “bank” the unused increment if the adopted tax rate is below the Voter Approval rate.
- For FY 2020-21, the unused increment was $0.107086. This can be applied in whole or part for the next three years to increase the adjusted VAR above the calculated VAR for that year.
Adjusted Voter Approval Rate

- Unused increments stay with the Tax Year and are not decreased if the adopted rate exceeds the unadjusted voter approval rate.
- In FY 2021-22 the adopted rate of 0.5941 was 0.0016 above the Voter Approval Rate, so the unused increment for that year is now subtracted against the other two years.
- A total negative unused increment does not count against the current year’s calculations.

<table>
<thead>
<tr>
<th>Unused Increment Rate</th>
<th>Tax Year 2022 Unused Increment</th>
<th>Tax Year 2021 Unused Increment</th>
<th>Tax Year 2020 Unused Increment</th>
<th>Tax Year 2023 Total Increment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.041696</td>
<td>-0.001631</td>
<td>0.107086</td>
<td>0.147151</td>
</tr>
</tbody>
</table>

- If the proposed tax rate of 0.5891 is adopted, a negative unused increment of 0.029733 will reduce the unused increment to 0.010332 for FY 2024-25.
- In FY 2024-25 if growth in existing values is above 3.5%, a decrease in the tax rate will be necessary without calling an election.

Estimated Property Tax Revenue

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>FY 2023-24</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax Year</td>
<td>2023 Certified</td>
</tr>
<tr>
<td>Taxable Valuation</td>
<td>$39,008,248,362</td>
</tr>
<tr>
<td>Estimated Revenues</td>
<td>229,797,591</td>
</tr>
<tr>
<td>Estimated % of Collections</td>
<td>98.5%</td>
</tr>
<tr>
<td>Estimated Collections</td>
<td>$226,350,574</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FY 2023-24 DISTRIBUTION OF AD VALOREM COLLECTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of Total</td>
</tr>
<tr>
<td>-------------</td>
</tr>
<tr>
<td>General Fund</td>
</tr>
<tr>
<td>Property Tax ED Incentives</td>
</tr>
<tr>
<td>TIF Funds (Combined)</td>
</tr>
<tr>
<td>Interest and Sinking Fund</td>
</tr>
<tr>
<td>POB Interest and Sinking Fund</td>
</tr>
<tr>
<td>TOTAL</td>
</tr>
</tbody>
</table>
General Fund Revenues

- Changes in General Fund property tax revenues at various rates
- One Cent of the tax rate = $3,842,312

<table>
<thead>
<tr>
<th>Rate Description</th>
<th>Rate</th>
<th>Revenue Difference From Proposed Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>No New Revenue Rate</td>
<td>0.4917</td>
<td>($30,884,643)</td>
</tr>
<tr>
<td>Voter Approval Rate</td>
<td>0.5594</td>
<td>(9,428,264)</td>
</tr>
<tr>
<td>Proposed Tax Rate</td>
<td>0.5891</td>
<td>$0</td>
</tr>
<tr>
<td>FY 2022-23 Rate</td>
<td>0.5891</td>
<td>0</td>
</tr>
<tr>
<td>Adj. Voter Approval rate</td>
<td>0.7065</td>
<td>37,233,224</td>
</tr>
</tbody>
</table>

Consequences of Lowering the Tax Rate below the Proposed Rate

- Less funding to TIF and PID districts
  - PID assessments will increase to balance
- Reduced General Fund service levels
  - Reduced funding for competitive salaries, benefits and retiree health insurance
  - Reduction of Future in Focus needs proposed for FY 2023-24
  - Reduction of current programs and service levels
Change in Property Tax Payments

FY 2023-24 Average Residential Homestead value of $279,704

<table>
<thead>
<tr>
<th></th>
<th>Current Year FY 22-23</th>
<th>Proposed FY 23-24</th>
<th>Voter Approval</th>
<th>Voter Approval Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>279,704</td>
<td>279,704</td>
<td>279,704</td>
<td>279,704</td>
</tr>
<tr>
<td>Homestead Exemption 20%</td>
<td>44,139</td>
<td>44,139</td>
<td>44,139</td>
<td>44,139</td>
</tr>
<tr>
<td>Senior Exemption</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
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<tr>
<td>Taxable Value</td>
<td>185,565</td>
<td>185,565</td>
<td>185,565</td>
<td>185,565</td>
</tr>
<tr>
<td>Rate</td>
<td>0.5891</td>
<td>0.491701</td>
<td>0.5891</td>
<td>0.559367</td>
</tr>
<tr>
<td>Total</td>
<td>$1,093.16</td>
<td>$912.43</td>
<td>$1,093.16</td>
<td>$1,311.05</td>
</tr>
<tr>
<td>Difference</td>
<td>$ -</td>
<td>$ (180.74)</td>
<td>$ -</td>
<td>$ (55.17)</td>
</tr>
</tbody>
</table>

*Exemptions include 20% Homestead and $50,000 Senior/Disabled

City of Irving, Texas

11

Conclusion

• Proposed budget
  – Maintains total tax rate of $0.5891
  – Maintains Operations and Maintenance rate of $0.4294
  – Maintains debt service funding at 15.97 cents
  – Shifts 0.23 cents of Debt Service from Pension Obligation Bond debt service to CIP debt service

• Recommend adopting $0.5891 today as the rate not to be exceeded for FY 2022-23 Budget

City of Irving, Texas

12
Budget Retreat

D3 – Capital Improvement Projects/Debt Service

August 18, 2023

Allocation of Tax Rate to Debt Service

- General debt service is primarily paid by an allocation of the tax rate
- FY 2023-24 Proposed total Interest and Sinking Tax Rate of 15.97 cents
- Budgeted revenue of $61,361,730
- General Debt Service has been separated into two components:
  - 13.24 cent allocation of tax rate for Capital Program debt
  - 2.73 cent allocation for Pension Obligation Bonds issued in FY 2021-22

FY 2023-24
DISTRIBUTION OF AD VALOREM COLLECTIONS

<table>
<thead>
<tr>
<th>Description</th>
<th>Tax Rate</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>0.4294</td>
<td>186,160,272</td>
</tr>
<tr>
<td>Property Tax ED Incentives</td>
<td></td>
<td>14,908,437</td>
</tr>
<tr>
<td>TIF Funds (Combined)</td>
<td></td>
<td>13,920,135</td>
</tr>
<tr>
<td>Interest and Sinking Fund</td>
<td>0.1324</td>
<td>50,866,255</td>
</tr>
<tr>
<td>POB Interest and Sinking Fund</td>
<td>0.0273</td>
<td>10,495,475</td>
</tr>
<tr>
<td>TOTAL</td>
<td>0.5891</td>
<td>$226,350,574</td>
</tr>
</tbody>
</table>

City of Irving, Texas
General Debt Service - CIP

- Policy direction
  - Substantially completed 2006 bond program in FY 2022-23
  - Fund 2021 bond program to complete within 10 years from election (FY 2031-32)
  - Maintain total I&S Tax Rate of 15.97 cents
- One cent of Tax Rate for 2023 = $3.84 million

City of Irving, Texas

Pension Obligation Debt Projection

- Average debt of $11.1 million per year for 1st 10 years
  - Partially funded by operating transfers
- Allocation of tax rate will decline gradually as tax base expands in future years
  - FY 2022-23 = 2.97 cents
  - FY 2023-24 = 2.73 cents

City of Irving, Texas
Projected Decrease in POB Allocation

- Tax base growth over time
- Stable POB debt
- Increased allocation to CIP debt service
- May be impacted in future years by State legislation on tax rate calculations

Debt Capacity Analysis

- City staff work with Hilltop, the city’s financial advisors, to update the city’s debt capacity regularly
- Current assumptions for General Debt issuance
  - 15.97 cent total (CIP + POB) debt service tax rate
  - 4.5% to 3% annual average growth in tax base
  - 4% to 4.5% interest rate on future debt (current rate is still lower at 3.62% and 3.82%)
  - 20-year debt for most projects
  - 30-year debt for Public Safety Center
  - 5-year for capital equipment financing
- Debt capacity supports proposed issuance of $142.68 million for FY 2023-24
General CIP Projects

• Debt Capacity Model determines overall five-year bond issuance amounts
• First allocation is at least $20 million for Road to the Future projects
• Large capital projects are (usually) spaced out to provide level debt issues over time
  – FY 2023-24 Senter & Mustang Aquatics/Multi-generational Facility, Fire Station #8 construction, Gun Range
  – FY 2025-26 Police Property and Evidence Building construction
  – FY 2027-28, 2028-29, and 2029-30 Public Safety Joint Training Facility, Operations Center, Dispatch, EOC, North Police Station
• Inflation of construction and equipment costs increases the probability that funding will not be sufficient to complete all projects proposed in the 2021 Bond Election

CIP Debt Issuance Schedule

• Debt issuance for the next three years front-loaded to construct 3 aquatics and recreation center projects simultaneously in FY 2023-24
• FY 2028, 2029 and 2030 substantially allocate remaining Public Safety authorization
• All propositions of 2021 Bond Authorization issued by FY 2031-32
• Average general bond issuance size currently projected at $60 million per year
General Debt Projection

- Decreasing existing debt schedule allows for future debt to be added with minimal impact
- Straight-line debt service can be adjusted to smooth changes year to year

Outstanding Debt at 9/30/2023

<table>
<thead>
<tr>
<th>Debt Type</th>
<th>Funding Source</th>
<th>Net Debt Outstanding 9/30/2023</th>
<th>Projected Interest Payments</th>
<th>Total Debt Obligations 9/30/2028</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Debt</td>
<td>Property Taxes (Full Faith and Credit)</td>
<td>386,030,000</td>
<td>130,212,919</td>
<td>$516,242,919</td>
</tr>
<tr>
<td>General Debt</td>
<td>Pension Obligation Bonds (Full Faith and Credit)</td>
<td>138,430,000</td>
<td>66,766,110</td>
<td>$225,196,117</td>
</tr>
<tr>
<td>Water &amp; Sewer System</td>
<td>Water &amp; Sewer System Revenue</td>
<td>184,225,000</td>
<td>64,804,399</td>
<td>$249,029,399</td>
</tr>
<tr>
<td>MDU Debt</td>
<td>Drainage Utility Fee</td>
<td>51,575,000</td>
<td>18,272,500</td>
<td>69,847,500</td>
</tr>
<tr>
<td>MDU Debt</td>
<td>Drainage Utility Fee</td>
<td>2,315,000</td>
<td>537,013</td>
<td>2,852,013</td>
</tr>
<tr>
<td>Convention Center Debt</td>
<td>2% HOT Revenue</td>
<td>94,030,000</td>
<td>34,183,706</td>
<td>$128,213,706</td>
</tr>
<tr>
<td>Convention Center Debt</td>
<td>5% HOT Revenue</td>
<td>53,290,000</td>
<td>54,427,380</td>
<td>$107,717,380</td>
</tr>
<tr>
<td>Convention Center Debt</td>
<td>General I &amp; S Fund</td>
<td>21,105,000</td>
<td>8,566,188</td>
<td>$29,671,188</td>
</tr>
<tr>
<td>Convention Center Debt</td>
<td>HOT Revenue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Convention Center Debt</td>
<td>Project Revenue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Convention Center Debt</td>
<td>General I &amp; S Fund</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Convention Center Debt</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sanitation Debt</td>
<td>General Fund</td>
<td>17,015,000</td>
<td>2,743,055</td>
<td>$19,758,055</td>
</tr>
<tr>
<td>Sanitation Debt</td>
<td>O &amp; M Revenues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sanitation Debt</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PID 41 Debt</td>
<td>TIF Increment and</td>
<td>6,250,000</td>
<td>974,250</td>
<td>$7,224,250</td>
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<tr>
<td>PID 42 Debt</td>
<td>PID Property</td>
<td>1,985,000</td>
<td>312,863</td>
<td>2,308,863</td>
</tr>
<tr>
<td>PID 43 Debt</td>
<td>Assessments</td>
<td>35,620,000</td>
<td>3,526,950</td>
<td>39,146,950</td>
</tr>
<tr>
<td>Totals:</td>
<td></td>
<td>$991,890,000</td>
<td>$385,327,933</td>
<td>$1,377,217,933</td>
</tr>
</tbody>
</table>
Questions/Discussion?

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City of Irving, Texas
FISCAL YEAR 2023-24
Budget Retreat
D4 – Significant Changes from FY 23 to FY 24
General Fund
August 18, 2023

Agenda

• City Manager’s budget priorities
• Significant Changes from FY 23 to FY 24 by Department
City Manager’s Budget Priorities

• All positions funded at the 80th percentile
• Future in Focus needs
• Retiree Healthcare
• Increase Firefighters’ starting pay
• Relief against rising cost of inflation and insurance
• Implement Let’s Play Irving
• Funding for Medic 8
• Twice/week manual solid waste collection
• Maintain current tax rate at .5891 and propose a structurally balanced budget

Significant Changes from Prior Year – General Fund

• Citywide changes
  – Cost of living adjustment – 2%
  – Transition from 70th percentile to 80th percentile
    • Steps funded
  – Market adjustment for civil service – 3.5%
  – Health insurance premium increase – 3%
**Fire**

- New Positions
  - Medic 8
  - EMS Captain
- Other Operational Costs
  - Personnel adjustments
    - Drop two lowest steps at Firefighter position
  - Backfill overtime for paramedic training (partially funded with ARPA)
  - Assistance to Firefighters Grant
  - EMS equipment and treadmill replacement
- One-Time
  - Diesel Exhaust Removal Upgrade (Non-Bond CIP)
  - Peak Ambulance
  - Medic 8 ambulance equipment and supplies
  - Pumpers (3) and a Ladder (Debt Financed)

**Police**

- New Positions (offset by elimination of 4 Detention Officer positions)
  - Business Services Manager
  - Animal Care Technician
  - Property Evidence Manager
- Other Operational Costs
  - Personnel adjustments
- One-Time (Seized Funds)
  - Motorcycle Officer Ticket Writers
  - SWAT gas masks and equipment
  - CVE Laptops
  - Glock Gun Lights
  - Blocker Locker Purchase
  - K-9 Kennel
  - K-9 Unit Training
  - DRACO P4 – gas delivery system used in conjunction with the Bearcat armored vehicle to deploy chemical munitions
  - EOD Robot Update
CIP

- New Positions
  - Project Manager for Buildings and Parks (Park Improvement Bond Fund)
- Other Operational and Capital Costs
  - Personnel adjustments
  - Security for Huffman building
- One-Time (Non-Bond CIP)
  - Facility upgrades

Parks and Recreation

- New Positions
  - Facilities Maintenance Tech (William Square Plaza Fund)
  - Crew Leader/Irrigator
  - Groundskeeper II – Irrigator Helpers (2)
  - Security Officer (offset by elimination of 4 part-time positions)
- Other Operational Costs
  - Personnel adjustments
- One-Time
  - *Let’s Play Irving*
City Attorney’s Office

• New Position
  – Assistant City Attorney
• Other Operational Costs
  – Personnel adjustments

Human Resources

• New Positions
  – Part-Time Payroll Administrator
• Other Operational Costs
  – Personnel adjustments
  – Diversity and Inclusion initiatives
Code Enforcement

- Other Operational Costs
  - Equipment and supplies for mosquito lab testing
  - Body armor for officers
  - Increased abatement activity

Municipal Court

- One-Time (Court Funds)
  - First floor buildout/carpet in service lobby
  - Uninterrupted Power Supply
Judicial

- New Positions
  - Municipal Judge
- One-Time (Court Funds)
  - Judges’ office expansion

Libraries

- Other Operational Costs
  - Discontinued some online subscriptions
- One-Time
  - Wi-Fi hotspot expansion
Communications

• Other Operational Costs
  – Personnel adjustments
  – Office supplies, postage and paper increases
  – Neighborhood Grant Program

Economic Development

• Other Operational Costs
  – Chamber contract funding

• One-Time
  – Salesforce Project Management Software (Economic Development Fund)
  – TIF #6 Final Project/Financing Plan (Economic Development Fund)
  – Marketing for sale/redevelopment of stadium site (Economic Development Fund)
Inspections

• One-Time
  – New office chairs (13) for Field Inspectors

Financial Services

• New Positions
  – Purchasing Agent (Park Improvement Bond Fund)
  – Administrative Assistant

• Other Operational Costs
  – MWBE program activities
  – Labor costing module software
  – DCAD and Dallas County service increase
City Manager’s Office

- Other Operational Costs
  - Resident survey services
- One-Time
  - ILIFT Intern Program
  - Innovation Academy

Non-Departmental

- Other Operational Costs
  - Fuel reserve
  - Utilities increase
  - General and auto liability and workers comp 10% increase
  - Federal lobbyists
  - TIF #1 Ratchet Down to Non-Bond CIP for one-time capital projects
  - City Hall maintenance, repair and remodel for space needs
  - Information Technology increase
  - Retiree health insurance
Housing and Redevelopment

- One-Time (TIF #2 Fund)
  - Retail Strategy Program

Questions/Discussion?
Overview

• Water Supply Operations
• Operating Budget
• Future in Focus
• Capital Improvements Program (CIP)
• Proposed Water and Wastewater Rates
• Projected Revenues
• Rate Benchmarking
Operations

Water Supply
• Supply in great shape for August
• Chapman Lake just recently dropped below full level

Water Distribution
• Hot, dry weather creating high water use
• Current water demand exceeding 60 million gallons per day (MGD)
• Water conservation still needed
FY2024 Operating Budget

Salaries and Benefits, $15,905,030, 12%
Operations and Maintenance - Supplies, Utilities, Outside Services and Transfers, $23,644,058, 18%
Operations & Maintenance, 30%
Pass-Through Treatment & Supply, 38%
Wastewater Treatment - TRA, $37,100,000, 28%
Water Treatment and Wholesale Water - Dallas, $12,570,000, 10%
Debt Service - Capital, $22,600,177, 17%
Non-bond CIP (Cash) and Other Capital, $19,532,200, 15%
Capital Improvements, 32%

Total: $131,351,465

City of Irving, Texas

Budgeted Expenses Comparison

<table>
<thead>
<tr>
<th>Budget Categories</th>
<th>FY2023 Budgeted Expenses</th>
<th>FY2024 Budgeted Expenses</th>
<th>Change</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and Benefits</td>
<td>$15,366,745</td>
<td>$15,905,030</td>
<td>$538,285</td>
<td>New EC Specialist, COLAs</td>
</tr>
<tr>
<td>Supplies, Utilities, Outside Services,</td>
<td>$21,230,879</td>
<td>$23,644,058</td>
<td>$2,413,179</td>
<td>$1.17M Increased General Fund transfer, material costs</td>
</tr>
<tr>
<td>Transfers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt Service</td>
<td>$22,151,590</td>
<td>$22,600,177</td>
<td>$448,587</td>
<td>Increasing CIP costs</td>
</tr>
<tr>
<td>Non-Bond CIP and Other Capital</td>
<td>$20,340,500</td>
<td>$19,532,200</td>
<td>-$808,300</td>
<td>Using FY23 cash to offset FY24 capital</td>
</tr>
<tr>
<td>Wholesale Water, Treatment (DWU)</td>
<td>$11,500,000</td>
<td>$12,570,000</td>
<td>$1,070,000</td>
<td>9.3% overall increase</td>
</tr>
<tr>
<td>Wastewater Treatment (TRA)</td>
<td>$32,800,000</td>
<td>$37,100,000</td>
<td>$4,300,000</td>
<td>13.1% overall increase</td>
</tr>
<tr>
<td>Total</td>
<td>$123,389,714</td>
<td>$131,351,465</td>
<td>$7,961,751</td>
<td>6.5% increase</td>
</tr>
</tbody>
</table>

City of Irving, Texas
Future in Focus
Year 3 (FY 2023 – 2024) Updates

• New Environmental Compliance Specialist Position
  – Supports the Wastewater Industrial Pretreatment Program
  – Irving is required by TRA and the TCEQ to monitor, sample and test wastewater discharges from industries
  – Number of regulated industries and requirements for utilities continues to grow

• Salary Adjustments
  – Reclasses support large meter program, property restoration after repairs and administrative services

FY2024 Capital Improvement Plan

<table>
<thead>
<tr>
<th>Funding Split</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$28.225 M Bond Funded (62%)</td>
<td></td>
</tr>
<tr>
<td>$17.30 M Cash Funded (38%)</td>
<td></td>
</tr>
</tbody>
</table>

- Wastewater Mains, $21,300,000, 45%
- Water Mains, $15,475,000, 33%
- Metering, Tanks, Etc., $6,250,000, 13%
- Pump Stations, $4,500,000, 9%

Total CIP: $47,525,000

Five-Year Plan Averages $49.58 M/Yr
Water Supply System Improvements

- Expanding the Princeton Pump Station pumping capacity from 75 to 104 MGD
  - Pumping water from Jim Chapman Lake and Lake Ralph Hall
- Replacing all pumps and associated equipment
- Design starts early FY2024
- Primarily funded by UTRWD

Esters Elevated Storage Tank Replacement

- Coating system is failing
- TCEQ regulations require additional elevated water storage in southwest Irving
- Replacing 1.5 million-gallon (MG) tank with a new 2.5 MG tank
- Upgrade is less cost long-term compared to adding a tank to the system
- Design scheduled for FY2024
Upper Delaware Creek Sanitary Sewer

- Replacing an end-of-life wastewater main with a larger pipe to increase capacity
- Construction will occur in conjunction with MDU channel improvement project
- Project is currently under design and projected to bid late 2024

Proposed FY2024 Water and Wastewater Rates

- **Pass-through Costs for Contracted Wastewater and Water Treatment/Supply Rising** $5.37M or 67.5% of overall increase in expenses
- Recommend overall water and wastewater increase averages about 7.3%
  - Water Rates – no increase
  - Wastewater (Sewer) Rates – 15.8% increase
- Focused on moving towards a more accurate cost-of-service for each utility
- Goals to Maintain Bond Ratings
  - Debt Service Coverage >1.8
  - Working Capital of 90 days
Projected Future Water and Wastewater Rates

<table>
<thead>
<tr>
<th>Average Bill % Increase</th>
<th>FY 2024</th>
<th>FY 2025</th>
<th>FY 2026</th>
<th>FY 2027</th>
<th>FY 2028</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water</td>
<td>0.0%</td>
<td>2.75%</td>
<td>2.68%</td>
<td>2.63%</td>
<td>2.73%</td>
</tr>
<tr>
<td>Wastewater</td>
<td>15.79%</td>
<td>11.40%</td>
<td>11.20%</td>
<td>9.63%</td>
<td>7.00%</td>
</tr>
<tr>
<td>Total Bill % Increase</td>
<td>7.31%</td>
<td>7.07%</td>
<td>7.10%</td>
<td>6.41%</td>
<td>5.10%</td>
</tr>
</tbody>
</table>

FY2024 Projected Revenues

- Water Sales/Rates, $66,700,000, 51%
- UTRWD Water Transportation, $2,500,000, 2%
- Wastewater Services/Rates, $57,369,258, 44%
- Wastewater Surcharge Rates, $2,100,000, 1%
- Penalties, Fees and Misc, $2,647,207, 2%
- Compliance Permitting Fees, $35,000, 0%

Total: $131,351,465

City of Irving, Texas
## Proposed FY2024 Water and Wastewater Rates

### Residential Monthly Bill Impact (3/4” meter)

<table>
<thead>
<tr>
<th>Water Volume</th>
<th>Wastewater Volume</th>
<th>Current</th>
<th>Proposed</th>
<th>Increase Per Month</th>
</tr>
</thead>
<tbody>
<tr>
<td>3,000</td>
<td>2,000</td>
<td>$ 20.17</td>
<td>$ 22.17</td>
<td>$ 2.00</td>
</tr>
<tr>
<td>10,000</td>
<td>8,000</td>
<td>$ 83.21</td>
<td>$ 89.29</td>
<td>$ 6.08</td>
</tr>
<tr>
<td>25,000</td>
<td>8,000</td>
<td>$161.31</td>
<td>$167.39</td>
<td>$ 6.08</td>
</tr>
</tbody>
</table>

Notes:
[1] Comparison City rates utilized in the bill calculations were the publicly available rates as of May 2023.
[2] The following Cities include gallons in their minimum bill: Mesquite, Plano, Carrolton, Irving.
Regional Bill Comparison
Residential ¾” Meter Avg Bill (10,000 gallons water / 8,000 gallons sewer)

<table>
<thead>
<tr>
<th>City</th>
<th>Water 10,000</th>
<th>Sewer 8,000</th>
<th>Total Avg</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mesquite</td>
<td>$83.80</td>
<td>$67.01</td>
<td>$150.81</td>
</tr>
<tr>
<td>Garland</td>
<td>$83.05</td>
<td>$46.88</td>
<td>$131.93</td>
</tr>
<tr>
<td>Richardson</td>
<td>$77.10</td>
<td>$47.36</td>
<td>$124.46</td>
</tr>
<tr>
<td>Plano</td>
<td>$51.21</td>
<td>$68.32</td>
<td>$119.53</td>
</tr>
<tr>
<td>Grand Prairie</td>
<td>$51.41</td>
<td>$55.58</td>
<td>$106.99</td>
</tr>
<tr>
<td>Fort Worth</td>
<td>$47.86</td>
<td>$51.45</td>
<td>$99.31</td>
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<tr>
<td>Arlington</td>
<td>$38.50</td>
<td>$56.72</td>
<td>$95.22</td>
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<tr>
<td>Dallas</td>
<td>$39.59</td>
<td>$50.43</td>
<td>$90.02</td>
</tr>
<tr>
<td>Irving (Proposed)</td>
<td>$44.71</td>
<td>$44.57</td>
<td>$89.28</td>
</tr>
<tr>
<td>Irving (Current)</td>
<td>$44.71</td>
<td>$38.50</td>
<td>$83.21</td>
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<tr>
<td>Carrollton</td>
<td>$43.94</td>
<td>$39.13</td>
<td>$82.67</td>
</tr>
</tbody>
</table>

Notes:
[1] Comparison City rates utilized in the bill calculations were the publicly available rates as of May 2023.
[2] The following Cities include gallons in their minimum bill: Mesquite, Plano, Carrollton, Irving
[3] Average Bill includes 10,000 gallons of water and 8,000 gallons of sewer.
Summary

- Investing in our infrastructure and our staff
  - About $50M per year over five years to upgrade our infrastructure
  - Adding capacity, reliability and resiliency to our utilities
  - Adjusting salaries to acquire and retain staff, remain competitive

- Meeting a growing list of regulatory requirements

- Maintaining some of the lowest water and wastewater rates in the Metroplex

Source: Dallas Water Utilities (DWU)
Questions/Discussion?

CityofIrving.org

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City of Irving, Texas
FISCAL YEAR 2023-24
Budget Retreat

F. Municipal Drainage Utility (MDU) Fund Overview
August 18, 2023

Overview

• FY 2023-2024 MDU Budget Summary
• MDU Capital Five Year Plan
• Future in Focus
• Rate Discussion
• Active Major Projects
FY 2023-2024 MDU Budget Summary

- Budgeted Revenue based on 10/1/23 MDU rate increase & interest - $15,536,630
- Salaries & Benefits (supplementals not included) - $3,505,895
- Operating Expenses - $1,573,122
- Participation in Flood Control Districts, NCTCOG & Stormwater Mngmnt - $577,970
- Transfer to Debt Service - $4,974,565
- Transfer to Non-Bond CIP - $3,514,490
- Transfer to GF, Risk & VERF - $927,163
- Supplementals - $463,425

City of Irving, Texas

5 Year MDU Plan

<table>
<thead>
<tr>
<th>MDU 5-year Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>$100M Year 1 through 5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
<th>Expenses</th>
<th>Loans</th>
<th>Grant</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-FY19-20</td>
<td>6.00</td>
<td>6,400,000</td>
<td>7,180,924</td>
<td>938,225</td>
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<tr>
<td>2-FY20-21</td>
<td>7.50</td>
<td>9,500,000</td>
<td>10,037,593</td>
<td>2,278,229</td>
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<tr>
<td>3-FY21-22</td>
<td>9.00</td>
<td>11,400,000</td>
<td>12,094,809</td>
<td>2,414,325</td>
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<tr>
<td>4-FY22-23</td>
<td>10.50</td>
<td>13,300,000</td>
<td>11,660,345</td>
<td>3,847,404</td>
</tr>
<tr>
<td>5-FY23-24</td>
<td>12.00</td>
<td>15,200,000</td>
<td>11,660,345</td>
<td>3,847,404</td>
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<tr>
<td>6-FY24-25</td>
<td>12.00</td>
<td>15,200,000</td>
<td>11,660,345</td>
<td>3,847,404</td>
</tr>
</tbody>
</table>

TOTAL FUNDING OVER 5 YRS $105M
MDU Loan

- City has been approved for funding assistance from the Texas Water Development Board (TWDB)
  - Grant $6,300,000
  - Loan (0% interest) $38,700,000
  - Total $45,000,000
- TWDB funding will result in savings of $23.6 Million in interest over the term of the loan
- Provides funding for two phases of the West Irving Creek Drainage Improvement
- First phase of improvements to remove 165 houses from the 100-year flood risk

Future in Focus

- New Position
  - Senior Heavy Equipment Operator
- Position Re-class
  - Engineering Technician to Field Operations Coordinator
  - Section Chief to Field Operations Coordinator
  - Groundskeeper I to Heavy Equipment Operator
  - Environmental Compliance Inspector to Senior Environmental Compliance Inspector
    - Drainage Programs Specialist
    - Crew Leader to Crew Leader/Trainer
    - Groundskeeper I to Groundskeeper II
- Equipment
  - Low Profile Loader
  - Concrete Pump
  - Trench Compactor
Rate Discussion

• FY 2023-24 is the fifth & final year of the current approved plan
• The initial assessment of the City’s drainage channel systems identified $200 M of necessary improvements
• The initial 5-year plan authorized $100 M of improvements
• The current estimate for future improvements is $218 M
• Establishing a new 5-year plan starting in FY 2024-25 will allow the continuation of capital improvements for drainage systems

MDU Future Improvements

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brockbank Channel Phase B (Goodyear St to Columbia)</td>
<td>Fritz Park wall repair &amp; downstream improvements</td>
</tr>
<tr>
<td>Centennial Park Erosion Repair</td>
<td>Lindy Ln/Loop 12 Outfall</td>
</tr>
<tr>
<td>Citywide Master Stormwater Plan</td>
<td>S. Beltline at Bear Creek Bridge &amp; Split Flow Channel</td>
</tr>
<tr>
<td>Cottonwood Creek Channel Beltline/Walnut Hill</td>
<td>S. Irving Heights at Shady Grove</td>
</tr>
<tr>
<td>Delaware Creek - Phase B (Henry Dr to Harvard St)</td>
<td>West Irving Creek Phase B (Alan A Dale to 5th St)</td>
</tr>
<tr>
<td>Delaware Creek Phase C (Harvard St to Finley Rd)</td>
<td>West Irving Creek Phase C (5th St to Rogers Rd)</td>
</tr>
<tr>
<td>Embassy Channel Phase B (Rochelle to Mcham St)</td>
<td>Douglas Rd Channel Improvement (Rochelle to HWY 183)</td>
</tr>
<tr>
<td>Embassy Channel Phase C (Doncaster St, to Mcham St)</td>
<td>Bellah Ct Neighborhood Drainage Improvement</td>
</tr>
<tr>
<td>Embassy Channel Phase D (Mcham St to Durham St)</td>
<td>16th St Drainage Improvement</td>
</tr>
</tbody>
</table>

City of Irving, Texas
Active Major Projects

- Embassy Channel Improvements (North of SH 183)  Construction 15% Complete
- West Irving Creek Channel Improvements (Phase A)  95% Design Complete
- North Delaware Creek Improvements (North of SH 183)  30% Design Complete
- Brockbank Channel Improvements (North of SH 183)  30% Design Complete
- Lindy Lane Outfall (Loop 12)  Study Complete

City of Irving, Texas
City Council Budget Retreat
G-Solid Waste Services
August 18, 2023

Presentation Overview

- FY 23/24 Revenues
- FY 23/24 Expenditures
- Twice per Week Collections
- Future in Focus – Year 3
Solid Waste Services Revenues  
FY 23/24

• Total - $21,180,732
  – Sanitation (monthly fees) - $16,389,894 (77%)
  – Landfill Sale of Capacity - $3,308,000 (16%)
  – Penalties on Service - $100,000
  – Landfill Tipping Fees - $800,000
  – Roll-off Collections - $105,000
  – Garbage Bags (pass through) - $260,000
  – Scrap Iron - $20,000
  – Investment Income - $197,838

City of Irving, Texas

Solid Waste Services Expenditures  
FY 23/24

• Total - $20,967,114
  – Salaries - $7,156,371 (34%)
  – Benefits - $1,898,870 (9%)
  – Supplies - $205,667
  – Equipment Maintenance - $3,255,575 (16%)
  – Structure Maintenance - $139,000
  – Outside Services - $1,227,598
  – Travel/Training/Dues - $43,828
  – Claims and Insurance - $280,500

City of Irving, Texas
Solid Waste Services Expenditures (cont.)

FY 23/24

- Transfer to General Fund - $1,333,880
- Transfer to IT Internal Service Fund - $303,063
- Transfer to Non-Bond CIP (landfill closure/post closure) $500,000
- **Transfer to SWS VERF - $3,500,000 (17%)**
- Transfer to POB Risk Mitigation - $48,192
- Transfer to Health Insurance Fund - $5,718
- Transfer to Fleet - $81,556
- Cost Allocation – Transfer to General Fund - $987,296

Solid Waste Services Expenditures (cont.)

- Total estimated FY 23/24 revenues: $21,180,732
- Total estimated FY 23/24 expenditures: $20,967,114
  - A projected FY 23/24 surplus of $213,618
  - Any remaining amount is transferred to 90-day fund balance and SWS Non-bond CIP
Twice per Week Trash Collections
1 CDL Driver, 2 Non-CDLs Collection Model

- 22 trash routes – returning to the M/Th, T/F collection schedule
- 4 recycling routes – Wednesday collection will return to Friday
- 4 brush/bulky routes (knuckle-boom truck) – Wednesday collection will return to Friday
- 4 brush/bulky routes (dump truck) – Wednesday collection will return to Friday
- 1 roll-off route – no changes

City of Irving, Texas

Twice per Week Trash Collections
1 CDL Driver, 2 Non-CDLs Collection Model

- CDL Employees: Need **47** total
  - 22 trash routes requires **22** CDL employees
  - 4 recycling routes requires **4** CDL employees
  - 4 brush/bulky routes (knuckle-boom truck) requires **4** CDL employees
  - 4 brush/bulky routes (dump trucks) requires **8** CDL employees
  - 1 roll-off route requires **1** CDL employee
  - Leave factor of **8** CDL employees

City of Irving, Texas
Twice per Week Trash Collections
1 CDL Driver, 2 Non-CDLs Collection Model

• Non CDL Employees: Need **57** total
  – 22 trash routes requires **44** non-CDL employees
  – 4 recycling routes requires **8** non-CDL employees
  – 4 brush/bulky routes (knuckle-boom truck) requires **0** non-CDL employees
  – 4 brush/bulky routes (dump truck) requires **0** non-CDL employees
  – 1 roll-off route requires **0** non-CDL employee
  – Leave factor of **5** non-CDL employees

City of Irving, Texas

Twice per Week Trash Collections
1 CDL Driver, 2 Non-CDLs Collection Model

• Total employee needed: **104**
  – Total CDL employees needed: **47**
  – Total non CDL employees needed: **57**
• Number of approved positions: **83**
• **Number of additional positions needed:** 104 – 83 = **21**
Twice per Week Trash Collections

1 CDL Driver, 2 Non-CDLs Collection Model

- CDL Employees
  - Current CDL employees: 58
  - CDL employees needed: 47
  - Surplus of 11 CDL employees
- We have enough CDL employees for this type of collection model; however, an additional 21 non-CDL employees/positions are required
- Proposing a $1.00 wage increase for:
  - Lead Solid Waste Heavy Equipment Operators: (range: $25.25/hr. to $32.93)
  - Solid Waste Heavy Equipment Operators: (range: $24.09/hr. to $31.41/hr.)
  - Apprentices: (range: $19.84/hr. to $27.56/hr.)
  - Waste Collection Workers (range: $19.84/hr. to $27.56/hr.)

Twice per Week Trash Collections

Rate Impacts

- Requires a $2.75 rate increase for the following categories:
  - Residential: $32.50 + $2.75 = $35.25
  - Commercial: $43.00 + $2.75 = $45.75
  - Senior / Handicap: $26.00 + $2.75 = $28.75
  - Place of worship: $32.50 + $2.75 = $35.25
- In line with Council Resolution 2021-346, we are proposing the following roll-off rate increases:
  - 12yd. $50.00 increase to $300.00
  - 20 yd. $50.00 increase to $400.00
  - 30 yd. $75.00 increase to $500.00
Twice per Week Trash Collections

Adjusted FY 23/24 Revenue and Expenditures

- Total adjusted FY 23/24 revenues: $22,606,497
- Total adjusted FY 23/24 expenditures: $22,433,674
  - A projected FY 23/24 surplus of $172,823
  - Any remaining amount is transferred to 90-day fund balance and SWS Non-bond CIP

Next Steps

- First ordinance reading for the rate increase: September 14\textsuperscript{th}
- Second ordinance reading for the rate increase: October 12\textsuperscript{th}
- New rate will go into effect: November 1\textsuperscript{st}
- Public communications: September – Ongoing
- Resume twice per week collections on December 4\textsuperscript{th}
- Working with GIS to develop the necessary 22 trash routes
• Landfill Projects
  – New disposal cells (west tract and middle tract)
  – New citizens convenience center
  – New landfill vehicle maintenance shop
  – Drainage improvements
Future in Focus – Year 3

- New disposal cells (west tract and middle tract)
  - Design is complete
  - $6M C.O. – anticipating funding available 8/17/23
  - $2M Solid Waste Non-bond CIP
  - Anticipate bidding once C.O. funding becomes available
- New citizens convenience center
  - Design is complete
  - Anticipate bidding in September/October
- New landfill vehicle maintenance shop
  - Design in complete
  - Anticipate bidding in September/October
- Drainage improvements

City of Irving, Texas
Overview

- Fleet Services Overview
- Impacts on Budget
- Vehicle and Equipment Purchases
- Capital Improvements
Fleet Services Overview

• 1,452 Vehicles and Pieces of Equipment
  o 503 General Government vehicles
  o 394 Public Safety vehicles
  o 555 Equipment
• Fleet Employees
  o 33 (4 vacancies)
• Fuel Stations
  o 18 locations
  o 26 tanks

Impacts on Budget

• Increases to Budget
  o Clothing up 42.10%
  o Other supplies up 31.45%
  o Instrument maintenance up 19.39 %
  o Motor vehicles up 57.11%
  o Salaries and benefits up 4.13%
  o Natural gas up 15.79%
  o Water up 18.06%
  o Other outside services up 8.35%
• Decreases to Budget
  o Fuel from $4.20 per gallon to $4.50, but reduced gallons down -0.61%
  o Parts down -14.72%
  o Outside work down -18.9%
  o Minor apparatus down -5.02%
  o Travel and training down -12.10%
Vehicle and Equipment Purchases

<table>
<thead>
<tr>
<th>Dept.</th>
<th>FY 23 Advanced Funding</th>
<th>FY 23 Del. AF</th>
<th>FY 23 Waiting For Delivery AF</th>
<th>FY 23 Approvd</th>
<th>FY 24 Advanced Funding</th>
<th>FY 24 Del. AF</th>
<th>FY 24 Waiting For Delivery AF</th>
<th>FY 24 Approvd</th>
<th>FY 24 Del. AF</th>
<th>FY 24 Waiting For Delivery AF</th>
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</thead>
<tbody>
<tr>
<td>Police</td>
<td>18 1 17 17 16 22 0 22 2 0 2</td>
<td>Fire</td>
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<td></td>
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<td></td>
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<tr>
<td>Traffic</td>
<td>3 2 1 2 1 1 1 0 1 7 0 7</td>
<td>Parks</td>
<td>1 0 1 12 7 5 2 0 2 8 0 8</td>
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<td>Inspect</td>
<td>0 0 0 1 1 0 3 0 3 0 0 0</td>
<td>Court</td>
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<td>Comm.</td>
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<tr>
<td>Fleet</td>
<td>0 0 0 7 7 0 0 0 0 0 2 0 2</td>
<td>MDU</td>
<td>0 0 0 16 8 8 0 0 0 1 0 1</td>
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<td>Library</td>
<td>0 0 0 0 0 0 0 0 0 1 0 1</td>
<td>Water</td>
<td>14 10 4 11 3 8 9 0 9 2 0 2</td>
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<td></td>
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<tr>
<td>SW</td>
<td>6 4 2 6 0 6 0 0 0 1 0 1</td>
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<td>0.01754</td>
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<td>0</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

City of Irving, Texas

Capital Improvements

- New Fuel Tank North Police Station
  - New tank installed August 2023
  - New dispensers will be installed December 2023
- Funding for Construction of New Fleet Facility
  - CEMAR being awarded 2023
  - Construction done in phases
  - Estimated construction one year after bid awarded

City of Irving, Texas
Questions/Discussion?

CityofIrving.org

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City of Irving, Texas
FISCAL YEAR 2023-24
Technology Fund Overview

• Technology Fund Balance
• Projected Revenues
• Proposed FY24 Projects
• Discussion
Technology Fund Balance

• Starting Fund Balance
  10/1/22
  $6.4M
• FY23 Revenues
  $17.1M
• FY23 Expenditures
  $16.9M
• Projected End Balance
  9/30/23
  $6.7M

City of Irving, Texas

Projected Revenues

• FY24 Projected Revenues
  – General Fund: $15.3M
  – Water & Sewer Fund: $1.3M
  – Garage Fund: $349k
  – MDU: $404k
  – SWS: $303k
  – Interest on Investments: $259k
• Total Projected Revenues: $18M

City of Irving, Texas
## Proposed FY24 Projects

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>External Cybersecurity Assessment &amp; Penetration Test</td>
<td>$80k</td>
</tr>
<tr>
<td>Agenda Management Software Replacement</td>
<td>$55k</td>
</tr>
<tr>
<td>Versatile Electronic Records Management Software</td>
<td>$14k</td>
</tr>
<tr>
<td>ACFR Statement Builder</td>
<td>$40k</td>
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<tr>
<td>B2G Now Subcontractor Payment Tracking Software</td>
<td>$44k</td>
</tr>
</tbody>
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City of Irving, Texas
Budget Retreat

H3. Building Improvement Projects
August 18, 2023

Overview

• High Priority Facility Projects
• Departmental Requests - Facility Upgrades
**FY 2023-24 High Priority Facility Projects**

- High Priority Facility Projects proposed to be funded by a General Fund Transfer to Non-Bond CIP

<table>
<thead>
<tr>
<th>Location</th>
<th>Requestor</th>
<th>Supplemental Request FY 23-24</th>
<th>Department Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Hall</td>
<td>Parking Garage</td>
<td>structural repairs recommended by WPM</td>
<td>$225,000.00</td>
</tr>
<tr>
<td>I.T.</td>
<td>Generator Replacement Briery Yard Radio Bldg</td>
<td>$120,000.00</td>
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<tr>
<td>Traffic</td>
<td>Generator installation Briery Yard Traffic Operations</td>
<td>$220,000.00</td>
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<tr>
<td>Hackberry Twr</td>
<td>Generator replacement for Hackberry Tower</td>
<td>$165,000.00</td>
<td></td>
</tr>
<tr>
<td>VVMC Bldg C</td>
<td>Install roof sealant and replace boots</td>
<td>$34,000.00</td>
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</tr>
</tbody>
</table>

**Total High Priority** $764,000.00

---

**FY 2023-24 Department Upgrades**

- Department Requests for Facility Upgrades proposed to be funded by a General Fund Transfer to Building Repair and Replacement Fund

<table>
<thead>
<tr>
<th>Priority Level</th>
<th>Location</th>
<th>Requestor</th>
<th>Supplemental Request FY 23-24</th>
<th>Department Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Traffic/S.Wste</td>
<td>Building Services</td>
<td>remodel restrooms / Flooring</td>
<td>$25,000.00</td>
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<tr>
<td>1 Eng Briery</td>
<td>Building Services</td>
<td>remodel restrooms / Flooring</td>
<td>$60,000.00</td>
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<tr>
<td>1 Briery Eng &amp; Radio Shop</td>
<td>Building Services</td>
<td>Paint exterior</td>
<td>$45,000.00</td>
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</tr>
<tr>
<td>1 VR Library</td>
<td>Building Services</td>
<td>Roof Replacement</td>
<td>$325,000.00</td>
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</tr>
</tbody>
</table>

**TOTAL LEVEL 1** $455,000.00

<table>
<thead>
<tr>
<th>Priority Level</th>
<th>Location</th>
<th>Requestor</th>
<th>Supplemental Request FY 23-24</th>
<th>Department Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 VVMC Bldg C</td>
<td>Water</td>
<td>Replace 5 HVAC systems</td>
<td>$54,000.00</td>
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<tr>
<td>2 PD</td>
<td>Police</td>
<td>Gate Repairs Auto Pound</td>
<td>$10,000.00</td>
<td></td>
</tr>
<tr>
<td>2 FS 2</td>
<td>Fire</td>
<td>Epoxy bay floor</td>
<td>$35,000.00</td>
<td></td>
</tr>
<tr>
<td>2 PD</td>
<td>Police</td>
<td>Camera additions and replacements Auto Pound</td>
<td>$20,000.00</td>
<td></td>
</tr>
<tr>
<td>2 FS 1</td>
<td>Fire</td>
<td>Install new flooring</td>
<td>$10,000.00</td>
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</tr>
<tr>
<td>2 FS 2</td>
<td>Fire</td>
<td>Update flooring</td>
<td>$20,000.00</td>
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</table>
### FY 2023-24 Department Upgrades – cont’d

<table>
<thead>
<tr>
<th>#</th>
<th>Category</th>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>FS 11</td>
<td>Fire - Conley Replace Flooring</td>
<td>$15,000.00</td>
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<tr>
<td>2</td>
<td>FS 2</td>
<td>Fire Paint interior and bay</td>
<td>$20,000.00</td>
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<tr>
<td>2</td>
<td>FS 6</td>
<td>Fire Repaint interior</td>
<td>$20,000.00</td>
</tr>
<tr>
<td>2</td>
<td>FS 11</td>
<td>Fire - Conley Repaint interior</td>
<td>$16,000.00</td>
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<tr>
<td>2</td>
<td>Inspections - CH</td>
<td>Inspections Paint offices</td>
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<tr>
<td>2</td>
<td>FS 2</td>
<td>Fire Kitchen remodel</td>
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<td></td>
<td>TOTAL LEVEL 2</td>
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<td>$264,000.00</td>
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<tr>
<td>3</td>
<td>FS 12</td>
<td>Fire Install french drains</td>
<td>$7,000.00</td>
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<tr>
<td>3</td>
<td>Purchasing Bldg CGO</td>
<td>Install bottle filler FY 22-23 request</td>
<td>$4,000.00</td>
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<tr>
<td>3</td>
<td>PD</td>
<td>Police Fencing Repairs Auto Pound</td>
<td>$4,800.00</td>
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<tr>
<td>3</td>
<td>PD</td>
<td>Police Gutters &amp; Erosion Control for Awning Auto Pound</td>
<td>$9,500.00</td>
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<tr>
<td>3</td>
<td>FS 2</td>
<td>Fire Remove brick patio in rear and pour new patio</td>
<td>$4,500.00</td>
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**City of Irving, Texas**

Questions/Discussion?

CityofIrving.org

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FISCAL YEAR 2023-24
Budget Retreat

I. Capital Improvement Program
August 18, 2023

Overview

• Recap Current FY Bond Sale
• FY 23-24 Projects
• 5 Year Plan
• HB3492
2006/2021 GO Bonds

- After the 2023 bond sale of $21.44 M in 2006 General Obligation Bonds, the balance of unsold 2006 GO bonds is $34.75 M

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<th>Date Authorized</th>
<th>Amount Authorized</th>
<th>Amount Previously Issued</th>
<th>Amount Being Issued</th>
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City of Irving, Texas

FY 2022-23 Bond Program

General CIP debt issuance
- General Obligation Bonds $50,730,000
- Certificates of Obligation $23,000,000
- Fire Equipment Tax Notes $4,400,000
- Joint Public Safety Facilities $78,130,000

City of Irving, Texas
## Proposed FY 2023-24 GO Projects

### Road to the Future – Street Improvements
- Esters Road Reconstruction – Phase I: $8,045,000
- Sterling Street Reconstruction: $2,250,000
- Intersection Congestion Relief: $1,200,000
- Neighborhood Street Reconstruction – W/WW: $2,000,000
- ROW Acquisition: $1,000,000
- Street Rehabilitation, Signals, Streetlighting: $6,750,000
- Total Street Improvements: $21,245,000

### Operation and Maintenance Facilities
- Fleet Services Building: $6,070,000

### Police Services
- Information Technology: $7,400,000

### Animal Services
- Animal Care Campus Expansion Construction: $5,220,000

### Fire Services
- Fire Station #8 Construction: $9,220,000
Proposed FY 2023-24 GO Projects

- Park & Recreation Services 64,785,000
  - Lee Swimming Pool 7,000,000
  - Mustang Rec Multi-generational Facility 40,760,000
  - Senter Indoor Aquatics Facility 15,000,000
  - Airport Property 2,025,000

- Information Technology Services 2,440,000
  - Mission Critical Facilities Connectivity

- Public Safety Joint Facilities 12,500,000
  - Gun Range

TOTAL PROPOSED 128,880,000

5 Year CIP Plan

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<tr>
<th>CAPITAL IMPROVEMENT PROGRAM</th>
<th>GENERAL GOVERNMENT 5-YEAR CIP PLAN</th>
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<td>2006 G.O. BOND AUTHORIZATIONS</td>
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<td>PROGRAM AREA / FUNDING SOURCE</td>
<td>FY 2023-24</td>
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<td>PROPOSITION 11</td>
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<td>SENIOR CITIZENS CENTER</td>
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<td>Mustang Multi-Generational Recreation and Aquatics Center</td>
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<td>2006 BOND AUTHORIZATION TOTAL</td>
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## 5 Year CIP Plan

### 2021 G.O. Bond Authorizations

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<th>FY 2024-25</th>
<th>FY 2025-26</th>
<th>FY 2026-27</th>
<th>FY 2027-28</th>
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5 Year CIP Plan

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<th>FY 2024-25</th>
<th>FY 2025-26</th>
<th>FY 2026-27</th>
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<td>972,265</td>
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HB3492

- Subdivision Public Infrastructure Project-Related Fees
- Effective September 1, 2023
- City fees
  - For application, review, and inspection of public infrastructure construction or improvement for subdivision lot
  - Can no longer be based on the construction cost
  - Now the fee must be determined based on the City’s actual cost for application, review, and inspection
- Fee charged will be based on
  - Total hours of City staff time expended in application, review, and inspection of public infrastructure construction or improvements
  - Multiplied by a pre-determined labor rate
Questions/Discussion?

CityofIrving.org
@TheCityofIrving

City of Irving, Texas
FISCAL YEAR 2023-24
Year 3 (FY 2023 – 2024) Updates

- Due to City Manager focus on recruitment and retention, majority of Year 3 non-personnel-related needs deferred to later years
- Supplemental requests identified as operation-critical were considered
- Of 75 Future in Focus identified needs, 45 recommended for approval
  - See handout for more information
  - Does not include reclasses
Background Information

• Total Allocation: $54,277,494
• The City received $27,138,747 (50%) in June 2021; and the remaining 50% in June 2022
• Funds must be obligated by December 31, 2024, and expended by December 31, 2026
ARPA Funds Focus Areas

• Provide operational assistance to ICVB and IAC
• Critical Infrastructure, Maintenance Projects, and Capital Equipment
• Affordable Housing Initiatives
• Small Business Recovery & Resiliency Grant
• Downtown Incentive Program
• Fund additional eligible one-time miscellaneous expenses

Project Updates

• Since the last update given on June 8, there has been progress on the following large projects:
  – $2.2M allocated to Let’s Play Irving
  – $876k for citywide phone system update
  – $3.3M (13%) increase in Actuals
• $1.4M Award for ADA Compliance on 8/31 agenda
### Financial Status on ARPA Projects

**Table 1 of 3**

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<th>Description</th>
<th>Tranche</th>
<th>Budget</th>
<th>Actuals</th>
<th>Encumbrances</th>
<th>Requisitions</th>
<th>Unobligated</th>
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**Table 2 of 3**

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<th>Tranche</th>
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<th>Encumbrances</th>
<th>Requisitions</th>
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<td>MACARTHUR BLVD- 114 TO BYRON NELSON</td>
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<td>TRAILERS (4)</td>
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<td>94,281</td>
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<td>CITYWIDE PHONE SYSTEM UPDATE</td>
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<td>206,081</td>
<td>670,263</td>
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<td>623,056</td>
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## Financial Status on ARPA Projects

### Table 3 of 3

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<thead>
<tr>
<th>Description</th>
<th>Tranche</th>
<th>Budget</th>
<th>Actuals</th>
<th>Encumbrances</th>
<th>Requisitions</th>
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<td>CITYWIDE CAMERA REFRESH</td>
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<td>WI-FI IN THE PARKS</td>
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<td>FIRE GENERATORS</td>
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<td>WI-FI PARK SYSTEM ELECTRICAL</td>
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<td>WEAVER GRANT COMPLIANCE REVIEW</td>
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<td>MUSTANG MULTI-GENERATIONAL REC/AQUATICS</td>
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<td>10,238,144</td>
<td>3,757,371</td>
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<td>6,137,088</td>
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<td>ARPA PRESERVATION 2023</td>
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<td><strong>TOTAL</strong></td>
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<td>54,277,494</td>
<td>28,682,921</td>
<td>7,523,207</td>
<td>13,867</td>
<td>18,057,499</td>
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### Next Steps

- Complete Grant Readiness and Compliance Review with Weaver
- Determine a “spend-by date” to encumber as much as possible to close out projects
- Remaining dollars will be utilized to fund payroll expenses in FY24-25
Questions/Discussion?

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City of Irving, Texas
FISCAL YEAR 2023-24
### ECONOMIC DEVELOPMENT FUND

#### ED Operations (#1001)

**Operating Expenses:**
- Personnel Cost
- Office Supplies
- Printing & Postage
- Subscriptions
- Professional Services
- Travel/Training
- Membership Dues
- Transfer to ED Fund

#### Economic Development Fund (#1005)

**Revenues:**
- Leases
- Sale of City-owned Properties
- Transfer from ED Operations
- Interest

**Expenses (Contracts, Programs, Projects):**
- Chamber Contracts
- Corridor & Downtown Incentive Programs
- Building & Property Maintenance
- Professional Services
- Printing (per Chamber Contracts)

---

#### Revenues

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Transfer from General Fund (Chamber Contracts)</td>
<td>$2,336,763</td>
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<tr>
<td>Rent</td>
<td>$99,300</td>
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<td>Sale of Property</td>
<td>$305,000</td>
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<tr>
<td>Theme Towers</td>
<td>$350,000</td>
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<td>Interest on Investments</td>
<td>$189,703</td>
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**Total Revenues:** $3,280,766

---

City of Irving, Texas
## ECONOMIC DEVELOPMENT FUND

<table>
<thead>
<tr>
<th>Expenditures</th>
<th>$3,644,085</th>
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<tbody>
<tr>
<td>Irving-Las Colinas Chamber ED Services Contract</td>
<td>$2,422,305</td>
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<tr>
<td>International Affairs/ Sister Cities Services Contract</td>
<td>$380,300</td>
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<tr>
<td>Irving Hispanic Chamber Services Contract</td>
<td>$289,980</td>
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<tr>
<td>Downtown &amp; Corridor Enhancement Grant Program</td>
<td>$300,000</td>
</tr>
<tr>
<td>Other Expenditures (building/property maintenance, professional services, notices, Chamber printing)</td>
<td>$251,500</td>
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</table>

City of Irving, Texas

## ECONOMIC DEVELOPMENT FUND SUMMARY

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Total Funds Available 10-01-23</td>
<td>$3,901,049</td>
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<tr>
<td>Total Revenues</td>
<td>$3,280,766</td>
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<tr>
<td>Total Expenditures</td>
<td>$3,644,085</td>
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<td>Total Fund Balance 09-30-24</td>
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<td>Fund Balance Commitments</td>
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<td>Committed Fund Balance – Chamber Contract Contingency</td>
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<td>Committed Fund Balance – NCTCOG Land Bank Repayment</td>
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<td>Available Fund Balance 09-30-24</td>
<td>$2,712,730</td>
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City of Irving, Texas
### ECONOMIC DEVELOPMENT INCENTIVE FUND

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<th>Revenues</th>
<th>Amount</th>
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<tr>
<td>Property Tax</td>
<td>$14,908,437</td>
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<tr>
<td>Sales Tax</td>
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<td>State Sales Tax Revenue (Texican)</td>
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<tr>
<td>Franchise and Other Fees (DFW)</td>
<td>$239,848</td>
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<tr>
<td>Transfer from General Fund (TIF ratchet-down)</td>
<td>$1,651,667</td>
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<tr>
<td>Transfer from Convention Center Hotel</td>
<td>$65,000</td>
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<tr>
<td>Interest Income</td>
<td>$383,408</td>
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TIF #1 “Ratchet-Down”

- City Manager’s budget recommendation to allocate ½ of the TIF #1 “ratchet-down” revenue to the Economic Development Incentives Fund
- Creates a revenue stream for future economic development agreements

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Decreased Allocation to TIF #1</th>
<th>% of “Ratchet-Down” Revenue</th>
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<tr>
<td>FY 2019-20</td>
<td>77.5% to 70%</td>
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<tr>
<td>FY 2020-21</td>
<td>77.5% to 70%</td>
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<tr>
<td>FY 2021-22</td>
<td>77.5% to 60%</td>
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<td>FY 2022-23</td>
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<td>FY 2023-24</td>
<td>77.5% to 60%</td>
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ECONOMIC DEVELOPMENT INCENTIVE FUND

<table>
<thead>
<tr>
<th>Total Expenditures</th>
<th>$25,112,503</th>
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<tr>
<td>Economic Development Incentives</td>
<td>$14,551,763</td>
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<tr>
<td>Property Tax Rebates</td>
<td>$10,497,406</td>
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<tr>
<td>Sales Tax Rebates</td>
<td>$3,410,444</td>
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<tr>
<td>Development Incentives</td>
<td>$243,913</td>
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<td>Texican Hotel (90% of State Sales &amp; State HOT Taxes)</td>
<td>$400,000</td>
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<tr>
<td>DFW Airport Revenue Sharing</td>
<td>$10,560,740</td>
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<td>Property Tax Rebates</td>
<td>$4,411,031</td>
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<tr>
<td>Sales Tax Rebates</td>
<td>$5,909,861</td>
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<tr>
<td>Franchise and Other Fees</td>
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City of Irving, Texas
INCENTIVES FUND
COMMITTED FUND BALANCE POLICY

- A portion of the Economic Development Incentives Fund (EDIF) fund balance is “reserved” or committed to ensure payment of previously approved grants that are not tied to a reoccurring annual funding source.

- When grant payments are due to a company identified in the Committed Fund Balance, the grant amount is transferred from General Fund revenues to the EDIF to pay for the grant during a given year.

- The EDIF fund balance for that grant amount is then “unreserved” and becomes available for future economic incentives.

ECONOMIC DEVELOPMENT INCENTIVE FUND

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
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<td>Total Expenditures</td>
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<td>Total Fund Balance 09-30-24</td>
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<td>Fund Balance Commitments</td>
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<tr>
<td>Committed Fund Balance – Cognizant</td>
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<td>Committed Fund Balance – Microsoft</td>
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<td>Committed Fund Balance – Pioneer</td>
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<td>Committed Fund Balance – CHRISTUS Health</td>
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<td>Committed Fund Balance – Dwyer Group</td>
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<td>Committed Fund Balance – TSCA-222</td>
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<td>Committed Fund Balance – Kelly-Moore Paint</td>
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<tr>
<td>Available Fund Balance 09-30-24</td>
<td>$18,878,249</td>
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ENTERTAINMENT VENUE
OPERATING BUDGET AND WORK PLAN

ENTERTAINMENT VENUE
OVERVIEW

• Revenues for the City’s Entertainment Venue Funds include the following:
  – Brimer HOT – 2% Brimer Hotel Occupancy Tax (HOT) assessed on all room nights across city
  – Admissions Tax – 10% tax assessed on revenue-producing activities or events for which admission tickets are sold at the entertainment venue
  – Sales/Mixed Beverage Taxes – City and State sales taxes generated at the Entertainment Venue property related to the EDIA Grant
• There are a variety of restrictions on the use of these revenues
ENTERTAINMENT VENUE
BRIMER HOT

By state law, revenues must be expended for eligible venue project costs, including:

– Venue construction costs
– Maintenance costs
– Operational costs

Contractual flow of Brimer HOT revenues

1. Fund debt service on city’s bonds for the project
2. Fund city’s administrative costs directly related to EV
3. Fund maintenance & operations reserve (restricted)
4. Reimburse Company for construction costs not already paid by City
   Construction Contribution
5. Reimburse any lawful venue project cost

City of Irving, Texas

ENTERTAINMENT VENUE
BRIMER HOT

<table>
<thead>
<tr>
<th></th>
<th>2022-23 BUDGET</th>
<th>2022-23 PROJECTED</th>
<th>2023-24 PROPOSED</th>
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<td>Hotel Occupancy Tax (Brimer)</td>
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<td>$7,345,103</td>
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<tr>
<td>Sales and Mixed Beverage EDIA</td>
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<tr>
<td>Intergovernmental (State Grant)</td>
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<td>Interest on Investments</td>
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<td>$9,497,289</td>
<td>$9,389,968</td>
<td>$7,360,103</td>
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| Expenditures         |                |                   |                  |
| Transfer to Venue Debt Service | $3,794,371     | $3,794,371        | $3,853,044       |
| Transfer to Admin Expenses Fund | 575,000        | 571,093           | 255,522          |
| Transfer to EV Resv Maint & Oper | -              | -                 | -                |
| Transfer to Excess Brimer Fund | 3,258,043     | 2,795,110         | 3,240,444        |
| Sales and Mixed Beverage EDIA | 440,000        | 429,608           | -                |
| State Grant          | 1,415,000      | 1,601,450         | -                |
| Total Expenditures   | $9,482,414     | $9,191,632        | $7,349,010       |

City of Irving, Texas
ENTERTAINMENT VENUE
BRIMER HOT - ADMINISTRATIVE EXPENSES

City’s administrative expenses directly related to the entertainment venue
- Staff time dedicated to project
- Audit services of subleases
- Legal services
- Annual inspection services

Staff compensation = $261,213

<table>
<thead>
<tr>
<th></th>
<th>2022-23</th>
<th>2022-23</th>
<th>2023-24</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Available Fund Balance 10-01</strong></td>
<td>$ (158,600)</td>
<td>$ 831,897</td>
<td>$ 461,927</td>
</tr>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfer from EV Fund 2261</td>
<td>$ 575,000</td>
<td>$ 571,093</td>
<td>$ 255,522</td>
</tr>
<tr>
<td>Transfer from EV Fund 2260</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interest on Investments</td>
<td>4,813</td>
<td>37,256</td>
<td>34,764</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>$ 579,813</td>
<td>$ 608,349</td>
<td>$ 290,286</td>
</tr>
<tr>
<td><strong>Expenditures</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outside Services</td>
<td>$ 107,500</td>
<td>$ 89,500</td>
<td>$ 89,500</td>
</tr>
<tr>
<td>Legal Expenses</td>
<td>200,000</td>
<td>621,252</td>
<td>-</td>
</tr>
<tr>
<td>Transfer to General Fund</td>
<td>266,068</td>
<td>266,068</td>
<td>261,213</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>1,500</td>
<td>1,500</td>
<td>1,500</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>$ 575,068</td>
<td>$ 978,320</td>
<td>$ 352,213</td>
</tr>
</tbody>
</table>
ENTERTAINMENT VENUE
BRIMMER HOT - M&O Reserve / Excess Brimer HOT

Maintenance and Operations Reserve
• Minimum amount satisfied as required by Lease
• Minimum amount FY 23-24 = $1,141,426
  (lower amount due to decrease in estimated insurance premiums)
• Minimum amount FY 22-23 = $1,178,926

Excess Brimer HOT
• Estimate FY 23-24 = $3,240,444
• Estimate FY 22-23 = $2,795,110

City of Irving, Texas

ENTERTAINMENT VENUE
ADMISSION TAX

• By state law, revenues must be expended for maintenance and operations of the eligible venue
• Company must submit annual work plan and budget
• City Council approves work plan and budget
• Proposed work plan includes maintenance items identified in annual inspection (performed by ASM Global)

City of Irving, Texas

The City estimates Excess Brimer Revenues for FY 2023-24 at $3,240,444.

The City is working with MFP to finalize the maintenance and operations expenses.
### ENTERTAINMENT VENUE
### SALES/MIXED BEVERAGE TAX (EDIA Grants)

<table>
<thead>
<tr>
<th></th>
<th>2022-23 BUDGET</th>
<th>2022-23 PROJECTED</th>
<th>2023-24 PROPOSED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Available Fund Balance 10-01</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales and Mixed Beverage EDIA</td>
<td>-</td>
<td>-</td>
<td>429,608</td>
</tr>
<tr>
<td>Intergovernmental (State Grant)</td>
<td>-</td>
<td>-</td>
<td>1,601,450</td>
</tr>
<tr>
<td>Interest on Investments</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>-</td>
<td>-</td>
<td>2,031,058</td>
</tr>
<tr>
<td><strong>Total Funds Available</strong></td>
<td>-</td>
<td>-</td>
<td>2,031,058</td>
</tr>
<tr>
<td><strong>Expenditures</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales and Mixed Beverage EDIA</td>
<td>-</td>
<td>-</td>
<td>429,608</td>
</tr>
<tr>
<td>State Grant</td>
<td>-</td>
<td>-</td>
<td>1,601,450</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>-</td>
<td>-</td>
<td>2,031,058</td>
</tr>
<tr>
<td>Available Fund Balance 09-30</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

**City of Irving, Texas**

### Questions/Discussion?

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**City of Irving, Texas**
**FISCAL YEAR 2023-24**
Impact of Tax Rates on TIF Revenues

- In general, decreasing tax rates reduce contributions to the TIF districts
- Individual property valuations will impact the amount of Maintenance and Operations taxes paid by each

<table>
<thead>
<tr>
<th>TIF District</th>
<th>Allocation Factor</th>
<th>2023 Taxes Paid to TIF</th>
<th>2023 Taxes Paid to TIF</th>
<th>2023 Taxes Paid to TIF</th>
<th>2023 Taxes Paid to TIF</th>
<th>2023 Taxes Paid to TIF</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1 Las Colinas</td>
<td>60%</td>
<td>11,325,717</td>
<td>11,325,717</td>
<td>11,062,961</td>
<td>8,756,752</td>
<td>10,541,489</td>
</tr>
<tr>
<td>#2 Irving Blvd</td>
<td>65%</td>
<td>685,731</td>
<td>685,731</td>
<td>669,761</td>
<td>530,189</td>
<td>638,249</td>
</tr>
<tr>
<td>#3 Bridges of Las Colinas</td>
<td>50%</td>
<td>506,484</td>
<td>506,484</td>
<td>494,689</td>
<td>391,601</td>
<td>471,414</td>
</tr>
<tr>
<td>#4 Ranchview</td>
<td>50%</td>
<td>130,898</td>
<td>130,898</td>
<td>127,850</td>
<td>101,207</td>
<td>121,834</td>
</tr>
<tr>
<td>#5 Parkside Estates</td>
<td>50%</td>
<td>1,040,867</td>
<td>1,040,867</td>
<td>1,016,627</td>
<td>804,771</td>
<td>968,794</td>
</tr>
<tr>
<td>#6 Stadium Site</td>
<td>50%</td>
<td>230,437</td>
<td>230,437</td>
<td>225,071</td>
<td>178,168</td>
<td>214,481</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>13,920,135</td>
<td>13,920,135</td>
<td>13,595,958</td>
<td>10,762,689</td>
<td>12,956,261</td>
</tr>
<tr>
<td>Change</td>
<td></td>
<td>-</td>
<td>-124,178</td>
<td>-135,446</td>
<td>-963,874</td>
<td>-3,806,415</td>
</tr>
</tbody>
</table>
TIF 1 Ratchet Down of Contributions

- TIF 1 Extended for 20-year term
  - Began with Tax Year 2019
- City contribution for original term was 77.5% of incremental Maintenance and Operations (M&O) Taxes generated on properties in the TIF
- New City Contributions Rates were established for 20-year extension

TIF #1 Rate Reduction Schedule

<table>
<thead>
<tr>
<th>Prior Year</th>
<th>TIF % Rate</th>
<th>FY</th>
<th>TIF % Rate</th>
<th>FY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>77.5%</td>
<td>2020</td>
<td>70%</td>
<td>2030</td>
</tr>
<tr>
<td>FY 2021</td>
<td>70%</td>
<td>2021</td>
<td>70%</td>
<td>2030</td>
</tr>
<tr>
<td>FY 2022</td>
<td>60%</td>
<td>2022</td>
<td>60%</td>
<td>2030</td>
</tr>
<tr>
<td>FY 2023</td>
<td>60%</td>
<td>2023</td>
<td>60%</td>
<td>2030</td>
</tr>
<tr>
<td>FY 2024</td>
<td>60%</td>
<td>2024</td>
<td>60%</td>
<td>2030</td>
</tr>
<tr>
<td>FY 2025</td>
<td>60%</td>
<td>2025</td>
<td>60%</td>
<td>2030</td>
</tr>
<tr>
<td>FY 2026</td>
<td>60%</td>
<td>2026</td>
<td>60%</td>
<td>2030</td>
</tr>
<tr>
<td>FY 2027</td>
<td>60%</td>
<td>2027</td>
<td>60%</td>
<td>2030</td>
</tr>
<tr>
<td>FY 2028</td>
<td>40%</td>
<td>2028</td>
<td>40%</td>
<td>2030</td>
</tr>
<tr>
<td>FY 2029</td>
<td>20%</td>
<td>2029</td>
<td>20%</td>
<td>2030</td>
</tr>
</tbody>
</table>
Use of TIF #1 Ratchet Down

- FY 23-24 budget allocates ⅔ of the ratchet-down of TIF to Non-Bond CIP and ⅓ to Economic Development
- Creates a revenue stream for additional development agreements

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Decreased Allocation to TIF #1</th>
<th>Allocation of ⅔ of TIF #1 Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2020-21</td>
<td>77.5% to 70%</td>
<td>$570,246</td>
</tr>
<tr>
<td>FY 2021-22</td>
<td>77.5% to 70%</td>
<td>1,335,840</td>
</tr>
<tr>
<td>FY 2022-23</td>
<td>77.5% to 60%</td>
<td>1,459,255</td>
</tr>
<tr>
<td>FY 2023-24</td>
<td>77.5% to 60%</td>
<td>1,651,667</td>
</tr>
</tbody>
</table>

Residential PIDs

- Three Residential PIDs
  - PID 1 – Bridges of Las Colinas
  - PID 2 – Ranchview (Campion Hollows)
  - PID 3 – Parkside Estates
Purpose of Residential PIDs

- Used to Finance Public Improvements for the benefit of the property in the PID
- City is the governing body and issued bonds to fund improvements
- Bonds are repaid by an annual assessment, offset by the City contributing 50% of the Maintenance and Operation (M&O) Taxes on the incremental value of property located in the PID
- Service and Assessment Plan is prepared each year recapping the activity in the PID, calculating the new year and estimating future years’ assessments.

City of Irving, Texas

Debt Associated with each PID

<table>
<thead>
<tr>
<th>PID</th>
<th>Total Debt As of October 1, 2022</th>
<th>Average Lot Size</th>
<th>Debt for Average Lot Size</th>
<th>Bond Maturity Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bridges</td>
<td>$6,845,000</td>
<td>7,956</td>
<td>$17,069</td>
<td>9/15/2033</td>
</tr>
<tr>
<td>Ranchview</td>
<td>2,175,000</td>
<td>6,951</td>
<td>17,974</td>
<td>9/15/2033</td>
</tr>
<tr>
<td>Parkside</td>
<td>16,720,000</td>
<td>6,638</td>
<td>18,829</td>
<td>9/15/2034</td>
</tr>
</tbody>
</table>

City of Irving, Texas
How is the Assessment Determined?

- Annual debt service plus administration and collection costs
- Less City’s contribution of 50% of the City’s M&O taxes on the incremental value increase for property in the PID
- Less other Sources
  - Interest Income
  - Use of Fund Balance
- Equals Total Assessment
- Divided by total square foot in the PID
- Multiplied by each property’s square foot
- Equals Annual Assessment

City of Irving, Texas

### FY22-23 Proposed Budgets and Assessments

<table>
<thead>
<tr>
<th></th>
<th>Bridges</th>
<th>Ranchview</th>
<th>Parkside</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenses:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt Service</td>
<td>$ 802,500</td>
<td>254,863</td>
<td>1,747,950</td>
</tr>
<tr>
<td>Administration &amp; Other</td>
<td>38,271</td>
<td>11,697</td>
<td>84,643</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>840,771</td>
<td>266,560</td>
<td>1,832,593</td>
</tr>
<tr>
<td>Revenues:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less 50% of City M&amp;O Taxes</td>
<td>506,484</td>
<td>130,898</td>
<td>1,040,867</td>
</tr>
<tr>
<td>Less Other Sources</td>
<td>11,525</td>
<td>3,825</td>
<td>27,275</td>
</tr>
<tr>
<td>Less use of Fund Balance</td>
<td>2,340</td>
<td>(1,230)</td>
<td>35,945</td>
</tr>
<tr>
<td>Equals Assessment</td>
<td>320,422</td>
<td>133,067</td>
<td>728,506</td>
</tr>
</tbody>
</table>

The above are calculated using the Certified Taxable Value provided by the Dallas Central Appraisal District (DCAD), and will be updated for any changes prior to the October Billing.
Annual Assessments & Projections

Based on Average Lot Size in each PID

Unusual Characteristic of the PIDs

- If property owner wants to pay entire debt amount associated with their property, they lose the benefit of the maintenance and operations taxes contributed by the City for the remaining life of the PID’s

City of Irving, Texas
Questions/Discussion?

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City of Irving, Texas

FISCAL YEAR 2023-24
Budget Retreat
Irving Convention & Visitors Bureau
Agenda Item M-1
August 18, 2023

State of the Visitor Economy

• The “bounces” from pent-up leisure travel are starting to decline as inflation concerns increase

• Business travel – group & transient – is still not back to 2019 levels but it is getting there – and there remains strong corporate support for it to happen

• Mild recession with a soft landing still predicted for early 2024
State of Business Travel

- Amount of business travel has been limited due to customers/suppliers/stakeholders working remotely
- How the remote workforce settles out over the long-term will effect business travel – possibly positively AND negatively
- Demand is still below the economic trend

State of Irving’s Visitor Economy

- At surface – hotels and ICC – revenues are near or exceeding prior levels
- Hotels have been able to “push rate” in Irving – COVID did not prompt a rate war like past recessions have
- Appetite for those higher rates has hit its peak
- Operating costs continue to increase – both labor and goods – impacting RevPAR – the hotel’s primary performance number.
- Current projections suggest it will be post-2025 before RevPAR recovers
Irving Hotel Needs Analysis/Outlook

• More than half don’t expect Business Transient Occupancy nor overall Average Daily Rate nor overall RevPAR to return until 2024 or 2025
  • This time last year, 47% were expecting Business Transient to return in the current year (2023)
• Help is requested for all vertical market segments: Corporate, SMERF, Association, Government, Sports/Entertainment and Leisure
• Days of the week needing the most help (in order): Saturday/Sunday, Friday, Thursday and Monday
• Business is being lost due to: Rate, Availability and “Other,” including COVID (still!) and pattern
• Additional resources are desired for: Search Engine Management, CVENT, Photography/Videography
• Some respondents (@33%) have long-term concerns about Loews Arlington and Omni Frisco properties opening
  • 66% unaware of TPIDS in Arlington and Frisco driving additional resource to these markets

Organizational Priorities

• Restore financial stability.
• Solicit meetings and groups to convene in Irving.
• Build optimal awareness of Irving among travelers, decision-makers and influencers.
• Influence appropriate product development.
• Provide leadership that unites the hospitality industry with the community.
• Secure resources that will allow the ICVB to achieve its vision, mission, objectives and goals.
5-Year Path To Financial Stability

ICVB Lead Pipeline
Irving Awareness Pipelines (YTD)

Total Website Sessions: 701,503

Total Blog Pageviews: 67,588

Paid Search (SEM Click-throughs): 136,306

Total Social Media Followers: 154,152

City of Irving, Texas
Irving Awareness Pipelines – Campaign Results

• Staycations
  – Hotel Referrals – 59,310
  – Potential Economic Value - $29 million (prior 12 months)

• Micro-Campaigns
  – Hotel Referrals – 1,335
  – Potential Economic Value = $8.8 million (to date)

• Advertising Performance
  – Impressions: 5,278,518
  – Website Visits: 13,709
  – Marketing Referrals/Prospects: 1,780

• Promoted Content
  – Impressions: 1,011,004
  – Website Visits: 11,406
  – Engagement: 161,382

2023-24 ICC Capital Improvement Projects
$1,100,400

• HVAC/Mechanical - $180,000
  – Air Handling/Fan Coil Units
  – Boilers
  – Chillers
  – Cooling Towers
  – Supply/Return Fans
  – Motors & Pumps
  – Variable Frequency Drives

• Electrical - $88,000
  – Electrical System – Panels/​Switchboards
  – LED Lighting Projects
  – Electrical Distribution Equipment

• Food & Beverage - $65,000
  – Small Wares
  – Kitchen/Concessions Equipment

• FF&E - $90,000
  – Chairs/Tables/Skirting/Linen
  – Janitorial Equipment/Machinery
  – Crowd Control/Stanchions
  – Trash Cans/Urns

• General Bldg & Maint - $235,000
  – Aesthetic Improvements
  – Carpet Replacement
  – Air Wall Repairs
  – Roofing System

• Communications - $45,000
  – Wireless Network
  – Digital Signage - Monitors

• Site - $75,000
  – Landscaping & irrigation
  – Water Feature

• Life Safety/Fire - $60,000
  – Security System/CCTV

• Vehicles - $25,000
  – Lifts

• Event/Code Related - $80,000
  – ADA Ramp

• Contingency (5%) - $52,400

City of Irving, Texas
Financial Position Summary – FYE 2024

• General Fund
  – Projected YE Fund Balance - $3,359,159
  – REVISED MINIMUM GOAL: $3,000,000*

• Reserve Fund (Catastrophic)
  – $500,000 Transfer from ICVB General Fund
  – Projected YE Fund Balance - $5,529,471
  – MINIMUM GOAL: $5,000,000

• Computer Replacement Fund
  – Projected YE Fund Balance - $502,707
  – REVISED MINIMUM GOAL: $1,000,000*

• Convention Center Reserve/Capital Projects Fund
  – $1,190,137 Capital Expenditures
  – $1,100,000 Transfer from ICVB General Fund
  – $300,525 Receipts from Hotel Garage Parking
  – Projected YE Fund Balance - $2,560,900
  – MINIMUM GOAL: $3,000,000

The Power of Irving’s Visitor Economy

- **People**: 4.01 Million
  - Total Irving Visitors in 2019
  - 31,860 PER DAY
- **Dollars**:
  - $3.04 Billion
    - Total Direct Visitor Spending in Irving in 2019
  - $12.56 Billion
    - Annual Visitor Spending per Irving Resident
  - $2.34 Billion
    - Spending by Visitors on Lodging in Irving
  - $806 Million
    - Economic Impact of Group Meetings in Irving
- **Jobs**:
  - 25,104
    - Total Jobs Supported by Irving Visitor Industry
  - $704 Million
    - Total Payroll for Irving Visitor Industry
- **Taxes**:
  - $64.7 Million
    - Taxes Generated by the Visitor Industry in the City of Irving in 2019
  - $776 Million
    - Tax Revenue Generated per Irving Resident
Questions/Discussion?

CityofIrving.org

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City of Irving, Texas
FISCAL YEAR 2023-24
N- Cost of Municipal Service Benchmarks
August 18, 2023

Benchmark Cities Tax Rates

*New Proposed FY24 Rates for Arlington, Frisco, Dallas, Fort Worth and Garland
Average Taxable Values

Average Taxable Home Value

Proposed Cost of Service Changes for FY24

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Tax</td>
<td>$100</td>
<td>$1,196</td>
<td>$110</td>
<td>$1,318</td>
<td>$10</td>
<td>$122</td>
</tr>
<tr>
<td>Water</td>
<td>$45</td>
<td>$537</td>
<td>$45</td>
<td>$537</td>
<td>$-</td>
<td>$-</td>
</tr>
<tr>
<td>Sewer</td>
<td>$39</td>
<td>$462</td>
<td>$45</td>
<td>$535</td>
<td>$6</td>
<td>$73</td>
</tr>
<tr>
<td>Solid Waste</td>
<td>$35</td>
<td>$422</td>
<td>$38</td>
<td>$458</td>
<td>$3</td>
<td>$36</td>
</tr>
<tr>
<td>MDU</td>
<td>$11</td>
<td>$126</td>
<td>$12</td>
<td>$144</td>
<td>$2</td>
<td>$18</td>
</tr>
<tr>
<td>EMS</td>
<td>$2</td>
<td>$18</td>
<td>$2</td>
<td>$18</td>
<td>$-</td>
<td>$-</td>
</tr>
<tr>
<td>Total</td>
<td>$230</td>
<td>$2,761</td>
<td>$251</td>
<td>$3,010</td>
<td>$21</td>
<td>$249</td>
</tr>
<tr>
<td>Difference</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$41</td>
<td>$498</td>
</tr>
</tbody>
</table>

Increased Property Taxes due to higher values
Benchmark Cities Annual Cost of Service and Property Tax

Direct Comparison

*Calculated using Irving’s FY23 avg taxable value of $279,704
Questions/Discussion?

CityofIrving.org

City of Irving, Texas
FISCAL YEAR 2023-24
MEMO

To:          Honorable Mayor and Council
From:        Bret W. Starr, Chief Financial Officer
Date:        August 18, 2023
Subject:     Item O Community Budget Input

The budget staff encourages residents to engage during the annual budget process by providing input on where budget dollars should be spent.

Budget input opportunities include public hearings, the city’s website, AskTheBFFs email and during citizen comments at Council meetings.

Attached are resident feedback submitted via the AskTheBFFs email.
Hello,
First, thank you for asking for input. Secondly, I would ask that the budget be reduced, even if that means pay cuts. The citizens of Irving are suffering from the higher cost of living and many like us are still trying to make up for the lack of revenue due to COVID shutdowns. Please focus on the necessities and make do with less.

--
Gina Tanner
Please add a "needs assessment" commission to evaluate the City of Irving's ability to respond to the needs of the aging population of Irving.
Geriatric health and home care resources.
Geriatric "day care" options.
Geriatric residential assisted living for those without private wealth or private long term care insurance.
Burial needs -- where? Space available.
Cremation needs -- where?

In 8 years 71.5 million in the US will be OVER 65. The retirement of that number of people from all levels of service providers turning into service consumers will make the impact of the covid pandemic on quality of life, goods and services -- needs to be anticipated and prepared for now. This isn't a conspiracy theory, nor is it data spinning. It is a simple biological certainty. As one woman was heard to report in a documentary -- she personally had lost 19 people in the last year, she has no one left -- except paid for service/care providers and volunteers. With more than 10,000 turning 65 every day -- outlying communities will be turning to Irving for elder support and care -- in addition to residents of Irving. Finding a care facility for end of life care will be worse than at the height of covid. Not everyone who contracted covid died. ALL 71.5 million will die. And while this focused on age by birth date -- millions are experiencing health issues formerly only found in elder populations.

A needs assessment for aging population care and services MUST be included in the 2023 Budget. Impact on infrastructure from water and sewer and trash collection at a residential level as more people are no longer "at work" 8 hours a day is also part of needs assessment. NGO partnerships evaluated for capacity to serve an aging population, is another aspect. Protections for consumers of elder care services -- yet another.
Such an impactful emerging crisis -- requires a needs assessment in the budget.

I know. I bear witness. The City of Irving cares.
respectfully,
K. Auman
Does the city do zero base budget?
Is there a department by department itemized budget available to the citizens? If so how do I get one.

Thank you
Roy Getting
2208 Rita Ct
Irving
972-816-0783
June 9, 2023

Dear City Planners,

Thanks for all you do to make Irving such a wonderful place to live, work, and raise a family!

From: Jack Pettrash, resident of Irving 1980 to 1991 and 2011 to date. Concerned citizen and active participant Nichols Park Association meetings.

Employed last six years in data collection in over 80 grocery stores, 43 of which are in Irving.

Dreamer of a perfect world by proactive forethought, no-box thinking, and responsible planning and follow through.

I hope I am light years behind in the following items, but as a resident who loves and cherishes Irving and appreciates all of the city staff very much, I feel compelled to offer my tidbits.

Thank you for your time and giving us an opportunity for input!
Jack Pettrash  972-621-1407
2615 Warren Circle 75062

City Upgrades:

1. Adopt Smart City platform

2. Install controlled traffic lights

3. Student transportation, reduce lines of idling cars blocking public streets via:
   A. Car pooling
   B. Van pools
   C. Staggered release times
   D. Double decking or multiple pick up lanes (see Anaheim’s Disneyland’s parking plan)

4. Underground utilities

5. Expansion of major thoroughfares ensuring turn lanes at every intersection

6. Assessing what streets would allow a continuous turn lane in the middle of the street and still have safe traffic flow both directions
7. Painting the ends of curbs at intersections and medians fluorescent white so they can be seen in the rain and at night

8. Increase signage of upcoming major thoroughfares, and turn lanes well in advance, especially for the help of newcomer, visitors, and the aging population.

Websites:
What is a Smart City? - Simplicable
https://simplicable.com/world/smart-cities

10 Steps Cities Can Take for More and Better Infrastructure
https://www.nrdc.org/bio/douglass-sims/10-steps-cities-can-take-more-and-better-infrastructure

3 tips to achieve the best smart city infrastructure
https://nexusintegra.io/tips-to-achieve-the-best-smart-city-infrastructure

Smart City Traffic Management | Spectrum Smart Cities

Thanks for listening!

The End
Shannon Phillips

From: Shelby Casey <shelbyncasey@yahoo.com>
Sent: Friday, July 7, 2023 8:38 PM
To: AskTheBFFs
Subject: [External] FY24 Budget Suggestion

USE CAUTION when clicking links & opening attachments!

Hello,

At the suggestion of the monthly Spectrum I have a suggestion for the Irving FY24 budget. I live off of Collier Street in south Irving, directly down the street from Nimitz High School. The streets are very unsafe when school is in session due to students speeding up and down the streets before and after school. Often students will be driving 50-60mph (not an exaggeration) down our street. There are frequently deceased animals hit by cars. Most tragically a young child was hit and killed on Collier St around 10 years ago by a speeding driver.

I am kindly requesting that speed bumps be installed in the residential surrounding streets from the high school for safety. I don’t trust my pets or child to be outside even attended due to the reckless drivers. A woman petitioned 8 years ago for speed bumps without success following the loss of her granddaughter. Please consider this request for the upcoming budget to keep our neighborhoods safe.

Thank you,
Shelby Higginbotham
Hi,
My name is Don Nally. I’ve been an Irving resident for 61 years.
The recent Irving City Spectrum newspaper is seeking residents’ input for this Fiscal Year’s Budget.
Here is my input:
I’ve been the School Crossing Guard for Crockett Middle School for the past 3 years. During that time I’ve realized a serious speeding problem with vehicles in the School Zone.
At the end of this past school year, I sent an email message to the Chief of Police listing the problems and I copied the Mayor. I received replies from neither of either. See that letter attached below.
My request is for The City to budget money to address the serious school zone speeding problem at Crockett Middle School.
Sincerely,
Don Nally
3225 Thames St.
214 536 5876

To: Police Chief Derick Miller

From: School Crossing Guard Don Nally

Dear Chief Miller,

Congratulations on the completion of your First Year as The City of Irving’s Police Department. I hope that goals that you set for yourself were met.

The Police have extremely difficult jobs. You deal with Murder, Manslaughter, Terrorism, Rape, Robbery, Spousal Abuse, Child Abuse, Human Trafficking, Kidnapping, Aggravated Assault, Drug Trafficking and More! I’m sure that you wish that you had more Police Officers to deal with all of that and with many of lesser crimes not listed above.

As for the lesser crimes: I’ve been the School Crossing Guard for Crockett Middle School for three years. My concern is School Zone Safety. My worries are School Zone Speeders and School Zone Stop Sign runners on Story Road and Massasoit St. I work 5 days a week, 7 AM to 8:30 AM and from 3 PM to 4:30 PM five days a week. My School Crossing Zone is 2 blocks South of Crockett Middle School. I think it is in that odd location but it is probably located
there so that it can also serve students from Lively Elementary School. I seldom see any students from Lively Elementary School at that Crossing Zone. In the mornings I assist about 7 Middle School Students at that School Crossing and in the afternoons I assist about 50 Middle School Students at that Crossing. About 20 Middle School Students cross Story at Hancock (where the school is located) to get to the Fast Food places that are across Story Road from Crockett Middle School. There is not a School Crossing Guard located there. This year, I had 3 drivers complain to me that they almost hit the students making that crossing from Hancock. It is a bad situation with no control.

Most of the School Zone Speeders occur during my afternoon shift (3-4:30 PM) and it is especially bad on Friday afternoons. About 10% of the School Zone speeders are Texting. I encounter about 5 Stop Sign runners per day. About 20% of them are Texting when not stopping. The Speeders are bad, but the Stop Sign Runners are very bad.

I realize that the Police Force is shorthanded, but I implore you to assign Police Officers, at least, two Friday afternoons every month at Story Road, near Crockett Middle School. That might help to educate some of the drivers.

Over the past three years I’ve noticed that School Zone Speeders come in all shapes and sizes. The most common Speeders are all types of Commercial Vehicles; Wreckers; Dodge Chargers; Over sized Pick-up trucks, especially RAM Pick-up trucks; Some City Vehicles and even a few School Buses.

Your attention to this problem next school year is needed. Please help!

Sincerely,

Don Nally

Crockett School Crossing Guard

214 536 5876
USE CAUTION when clicking links & opening attachments!

Dear Budgeters,

Just inquiring what has been set aside in the budget to fix the newly renovated pond in JC park which does not hold water.

Before budgeting new projects it is important that the previously budgeted projects are completed correctly.

Thank you,

Sincerely,

Rebecca and David Davies
2110 Plymouth Dr N, Irving, TX 75061
2147661721.