

CITY COUNCIL WORK SESSION

on the Fiscal Year 2019-20 Recommended Budget & Proposed CIP

Senator Florence Shapiro Council Chambers, Plano Municipal Center

1520 K Ave, Plano, TX

Saturday, August 17, 2019 8:00 a.m.

AGENDA

	<u>Presenter</u>	<u>Page #</u>
A. Call to Order	Mayor	
B. Request for Public Input on Budget & CIP	Council	
C. Budget Work Session Overview	Israelson	
D. Council Items and Issues for Discussion (<i>Council may wish to add additional agenda items.</i>)	Council	
1. Discussion and direction regarding Community Service Grants – Turning Point	Drotman/Henna	3
2. Great Update Rebate for Small Businesses	Israelson	
3. Use of Sales Tax for Consultants	Israelson	
E. Operating Budget		
1. Revenues		
a. Ad Valorem Tax Base	Rhodes-Whitley	7
b. Tax Rate	Rhodes-Whitley	12
a. Effective Tax Rate		
b. Rollback Tax Rate		
c. Tax Rate Dashboard Update		17
c. Sales Tax	Rhodes-Whitley	26
d. Water & Sewer Rates	Rhodes-Whitley	37
a. Proposed Water Rate Increase		
e. Golf Fee Increase	Reeves	45
2. Program Changes		
a. Salary & Benefits Overview	Akafia	47
b. Additional Festival Discussion	Hawkins	53
c. Three-year Financial Forecast – General Fund	Rhodes-Whitley	57
F. Community Investment Program	Israelson/ Rhodes-Whitley	58
G. Proposed Ad Valorem Tax Rate	Israelson/ Rhodes-Whitley	

H. Adjourn

Municipal Center is wheelchair accessible. A sloped curb entry is available at the main entrance facing Municipal/L Avenue, with specially marked parking spaces nearby. Access and special parking are also available on the north side of the building. The Senator Florence Shapiro Council Chambers is accessible by elevator to the lower level. Requests for sign interpreters or special services must be received forty-eight (48) hours prior to the meeting time by calling the City Secretary at 972-941-7120.

Date: July 25, 2019

To: Mark Israelson, City Manager

From: Shanette Eaden, Housing and Community Services Manager

Subject: FY 2019-2020 Buffington Community Services Grant Recommendations

Summary

The Community Services Division has a total of \$569,400 in city general funds to be allocated for FY 2019-20. The Community Relations Commission has recommended the below programs to receive Buffington Community Services Grant (BCSG) funding:

Agency/Program	Recommended Amount
Assistance Center of Collin County	\$12,836
Assistance League of Greater Collin County	\$21,703
City House, Inc. - RHY	\$18,603
City House, Inc. - TLP	\$22,323
Communities in Schools of the Dallas Region	\$18,603
Court Appointed Special Advocates of Collin County, Inc.	\$73,165
Emily's Place	\$33,101
Hope's Door, Inc.	\$25,804
Jewish Family Service	\$86,813
Maurice Barnett Geriatric Wellness Center - Gatekeeper	\$14,947
Maurice Barnett Geriatric Wellness Center - Preventive Health Care	\$26,540
Meals on Wheels of Collin County	\$43,407
My Possibilities	\$43,590
Rape Crisis Center of Collin County dba The Turning Point	\$57,542
Sci-Tech Discovery Center	\$ 8,413
The Samaritan Inn, LLC.	\$62,010

Background

In 1998, the City Council established a Community Services Grant to address the community's social service needs. The grant utilized general fund monies to support programs that provide short-term, urgent economic assistance or care services, as well as offer immediate relief of a crisis impacting the physical and/or mental health of Plano residents. In 2006, the Community Services Grant was renamed to the Buffington Community Services Grant (BCSG) in honor of the former Community Services Manager, Robert W. Buffington's, 30 years of service to Plano, primarily in the field of Community Development.

The City of Plano uses a consolidated grant process to allocate Buffington Community Service Grant (BCSG) funds. As mentioned previously, HUD funds come from the federal government. BCSG funds are appropriated by City Council at \$2 per capita. BCSG funds provides public service activities directly to Plano residents, with special consideration given to those agencies offering:

- Short-term, urgent economic assistance, or care services; or
- Immediate relief of crisis impacting the physical and/or mental health of Plano residents.

During April and May 2019, the CRC held six (6) public meetings, including one (1) public hearing, to consider agency requests for 2019 CDBG and HOME funding provided to the City of Plano by HUD. On May 16, 2019, the Commission held a meeting to determine agency funding recommendations. Thirty (30) requests, in the amount of \$2,895,752, were considered during the Consolidated Grant process. Five (5) requests were recommended by the Commission for CDBG and HOME funds; sixteen (16) requests were recommended for Buffington Community Service Grant (BCSG) funds. The Commission approved these recommendations in a vote of 6-0-1, with an abstention vote from Commissioner Virani, who was appointed after scoring for the 2019 Consolidated Grant Process was underway.

Next Steps

If the recommendations are accepted, the City Manager will include the recommended agency amounts in the FY 2019-20 Budget.

xc: Jack Carr, Deputy City Manager
Lori Schwarz, Director of Neighborhood Services
Raini Layne, Sr. Budget Analyst

FY 2019 Buffington Community Services Grant Funding Recommendations

Prepared for the City Council Budget Work Session August 1, 2019

Agency and/or Program Name	2019 CRC Recommended Funding	2018 Agency Funding
Assistance Center of Collin County	\$12,836	\$25,000
The Assistance Center of Collin County provides information and referral assistance to Plano families and individuals needing food, shelter, employment and low cost services.		
Assistance League of Greater Collin County	\$21,703	\$20,952
The Assistance League of Greater Collin County manages the "Operation School Bell" program, which provides high-quality, new clothing, and hygiene kits to Plano ISD elementary school children in need that are referred by school officials.		
City House, Inc. - RHY	\$18,603	\$21,929
City House provides residential and non-residential care to children through the Runaway Homeless Youth (RHY) Program. Residential care includes no-cost emergency shelter for youth ages 10-17.		
City House, Inc. - TLP	\$22,323	\$15,000
City House's Transitional Living Program (TLP) provides emergency and transitional residential shelter (ages 18-21) and non-residential services (ages 16-21) to homeless youth.		
Communities in School of the Dallas Region	\$18,603	\$5,000
Communities in School of the Dallas Region provides case management and support to at-risk students at Plano East Senior High School who struggle in school due to poverty various other factors that are beyond their control.		
Court Appointed Special Advocates of Collin County, Inc.	\$73,165	\$77,662
Court Appointed Special Advocates (CASA) of Collin County serves abused and neglected children removed by emergency court order by serving as the guardian ad litem for children.		
Emily's Place	\$33,101	\$10,000
Emily's Place offers a two-year commitment to provide housing, counseling, addiction recovery, vocational assistance and life skills development to women and children who are victims of domestic violence.		
Hope's Door, Inc.	\$25,804	\$23,429
Hope's Door offers shelter for battered and abused women and their children in Plano.		
Jewish Family Service	\$86,813	\$79,531
Jewish Family Service provides supportive services to frail older adults and assists them in maintaining their independence in their homes through their Older Adults program.		

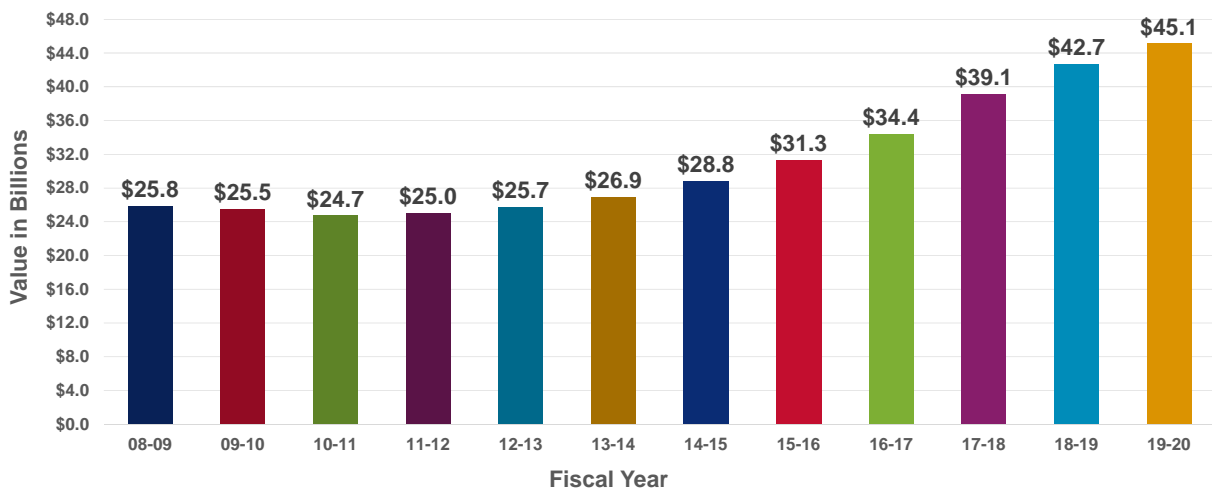
Agency and/or Program Name	2019 CRC Recommended Funding	2018 Agency Funding
Maurice Barnett Geriatric Wellness Center - Gatekeeper	\$14,947	\$21,656
The Gatekeeper Program offers in-home social work case management services to elderly and/or severely disabled Plano residents identified as at risk for abuse, self-neglect, financial exploitation and housing insecurity, which could lead to homelessness.		
Maurice Barnett Geriatric Wellness Center - Preventive Health Care	\$26,540	\$30,000
The Preventive Health Care Program provides seniors and severely disabled Plano residents with essential health care to which they may not have access due to financial restraints.		
Meals on Wheels of Collin County	\$43,407	\$35,005
Meals on Wheels of Collin County Senior Food Program provides home delivered meals to home bound nutritionally at-risk seniors who are unable to prepare their own meals.		
My Possibilities	\$43,590	\$33,774
My Possibilities provides speech therapy, music therapy, counseling, and behavior therapy to adults with intellectual or developmental disabilities (IDD), learning differences, traumatic brain injury, and other cognitive disorders.		
Rape Crisis Center of Collin County dba The Turning Point	\$57,542	\$47,348
The Turning Point provides counseling, education and support to those impacted by sexual assault, harassment, or abuse.		
Sci –Tech Discovery Center	\$8,413	\$12,805
Sci-Tech Discovery's Girl Power Program provides after-school STEM education to at-risk students at Foreman Elementary School in grades 2 nd – 5 th .		
The Samaritan Inn, LLC.	\$62,010	\$83,690
The Samaritan Inn, LLC. provides transitional shelter and services for homeless persons to individuals and families experiencing homelessness.		



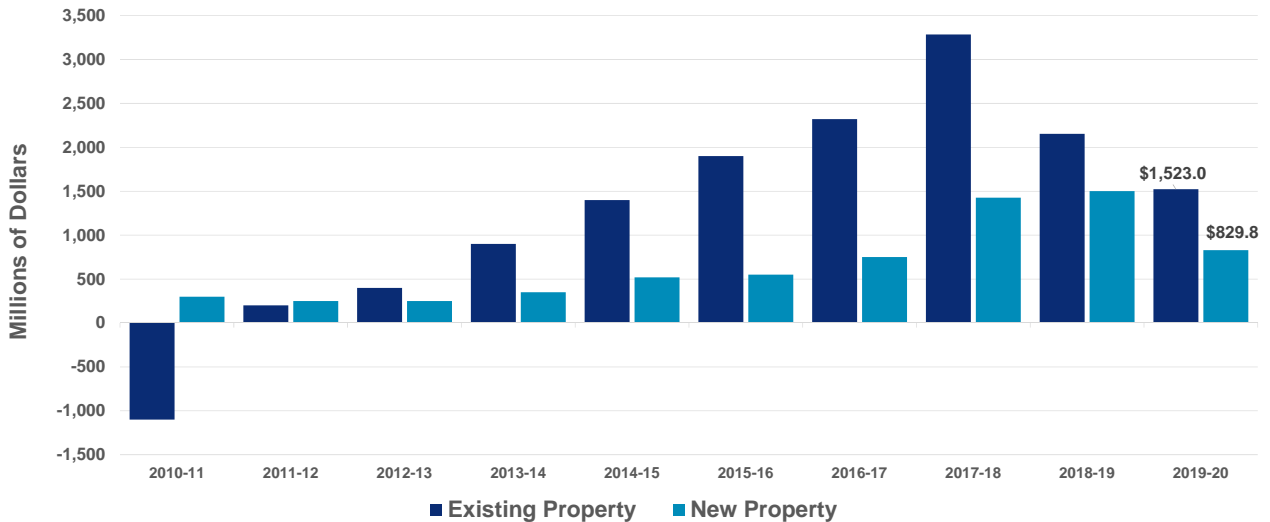
Revenues – Ad Valorem Tax Base

Assessed Property Valuations

Assessed Property Valuations

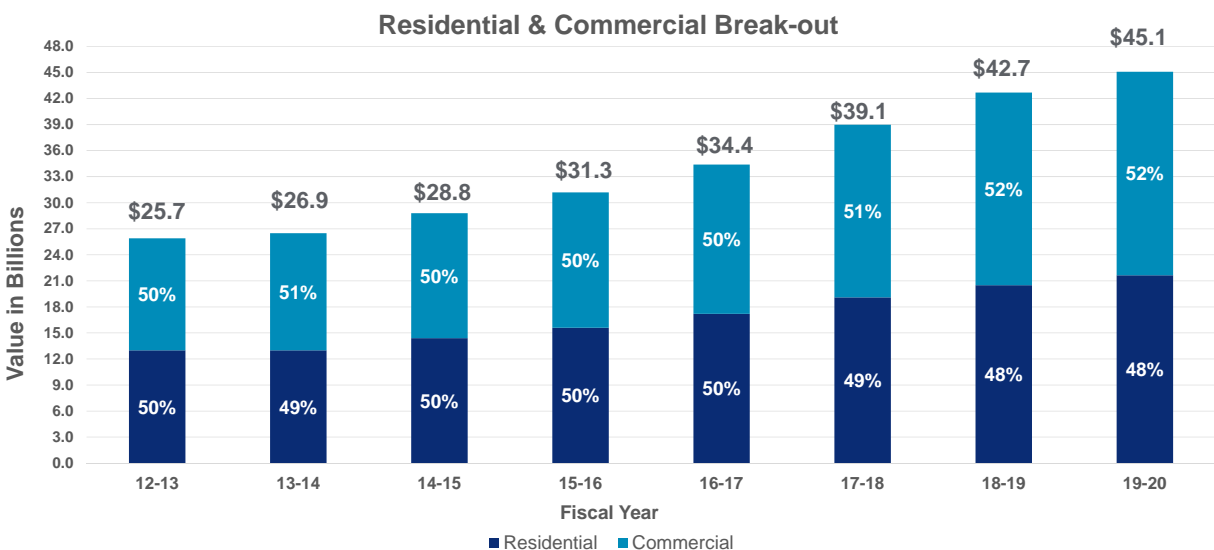


Change in Plano's Taxable Value



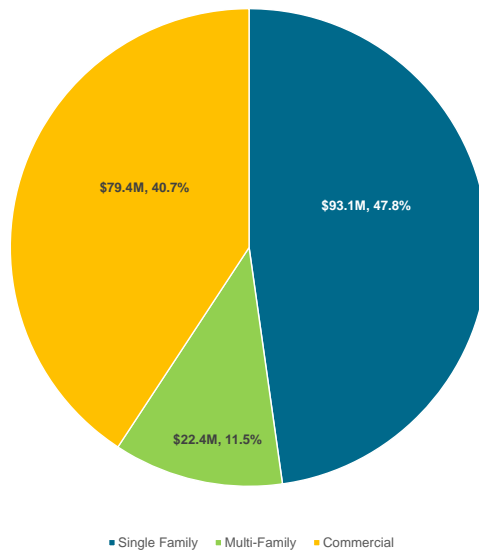
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Assessed Property Valuations



4

FY 2019-20 City of Plano Property Tax Revenue by Source
\$194,873,038



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Taxes and the Average Home

2019-20 Proposed Tax Rates (All Taxing Entities – Subject to Change)

Average Home Value		\$ 379,629	
	Tax Rate	\$ Amount	%
City of Plano	.4482	\$1,361	19.3%
PISD	1.3374	\$4,743	67.4%
Collin County	.1750	\$631	9.0%
CCCCD	.0812	\$304	4.3%
TOTAL TAXES/YEAR	2.0418	\$7,039	100.0%

- Using the 2019-20 Proposed Tax Rates and the 2019 Average Home Value, this assumes that the General Homestead Exemptions were taken for the City of Plano (20%), for PISD (\$25,000), Collin County (5%), and CCCCC (greater of \$5,000 or 1%).



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Tax Revenue From Ad Valorem Tax Exemptions

	Average Home Value	**Total Exemptions APV	Revenue Savings From Exemptions	Revenue Savings 65 & Over Tax Freeze
FY 2012-13	\$243,118	\$5.37 billion	\$26.2 million	\$753,197
FY 2013-14	\$248,817	\$5.53 billion	\$27.0 million	\$780,493
FY 2014-15	\$265,930	\$6.30 billion	\$30.8 million	\$1.1 million
FY 2015-16	\$291,717	\$7.80 billion	\$38.1 million	\$1.8 million
FY 2016-17	\$326,099	\$8.48 billion	\$40.6 million	\$2.7 million
FY 2017-18	\$352,496	\$9.12 billion	\$42.7 million	\$3.5 million
FY 2018-19	\$369,050	\$9.78 billion	\$45.0 million	\$4.6 million
FY 2019-20	\$379,629	\$10.34 billion	\$46.3 million	\$5.0 million



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City of Plano Residential Tax Exemptions & Tax Freeze



20% Homestead Exemption

- Only on one property
- Accounts for a \$340 savings annually for the average homeowner.



\$40,000 Senior/Disability Exemption

- If 65 & over - 65 or disabled
- Either/Or scenario
- Accounts for a \$179 savings for 65 & over homeowner.
- Each \$10K in exemption is approximately \$750K in tax revenue.



65 & Over Tax Freeze

- Tax is frozen at age 65
- Amount cannot go up but can go down
- Really more like a tax ceiling
- New improvements will be added to the tax freeze
- If you move, establishment of a new tax freeze is done on a percent basis – called porting



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QUESTIONS?



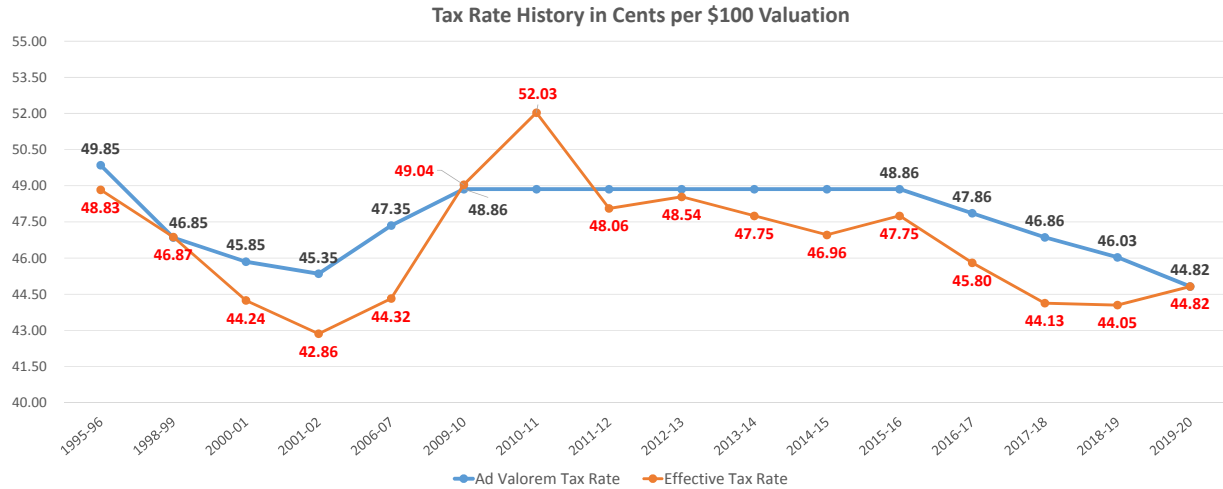
Property Taxes

Proposed 2019-20 Property Tax Rate

- Operating & Maintenance Rate = 33.72 cents per \$100 valuation
- Interest & Sinking Rate (Debt) = 11.10 cents per \$100 valuation
- Total Property Tax Rate = 44.82 cents per \$100 valuation
- Equal to a 1.21 cents tax rate decrease from 46.03 cents to 44.82 cents per \$100 of valuation



Ad Valorem Tax Rate vs. Effective Tax Rate



3

Property Tax Definitions

Effective Tax Rate

Rollback Tax Rate



4

Proposed FY 2019-20 – Effective Tax Rate

- The “Effective” Tax Rate is basically the tax rate you would pass to collect the same tax revenue as last year (FY 2018-19) using this year’s (FY 2019-20) appraised values.
- The City’s 2019-20 Effective Tax Rate is 44.82 cents which is equal to the recommended tax rate.



5

Rollback Tax Rate

- *The City’s 2019-20 Rollback Tax Rate is 47.70 cents or 2.88 cents over the proposed tax rate of 44.82 cents.*
- *The rollback rate is not an issue this year because we are proposing a rate less than the rollback tax rate.*
- *Our revenue collections will be (\$12,981,568) less than the rollback tax rate of 47.70 cents.*



6

Tax Rate Publications and Public Hearings

- Notice of 2019-20 Tax Year Proposed Tax Rate – 44.82 cents
 - Published August 15th in Dallas Morning News
 - Currently running on PTV and posted on website
- Will conduct a Property Tax Public Hearing on Monday, August 26, 2019 at 7:00 p.m.
- City Council is set to vote on the Budget, CIP and set the tax rate on Monday, September 9th.



7

Senate Bill 2

Property Tax Reform



8

Senate Bill 2 – New Terminology



- “Effective Rate” Replaced with “No-New-Revenue”
- “Rollback Rate” Replaced with “Voter-Approval Rate”
- Mandatory November Election if Rate Set Above “Voter-Approval Rate”
- Lowers the Voter-Approval Rate (Rollback Rate) from 8% to 3.5%
- Added Unused Increment to the Formula
- “De Minimis Rate” for Small Cities
- Effective January 1, 2020



9

Questions?



Plano Metric Scorecard

August 2019
Budget Work Session

City of Plano Mission Statement

The City of Plano is a regional and national leader, providing outstanding services and facilities through cooperative efforts that engage our citizens and that contribute to the quality of life in our community.



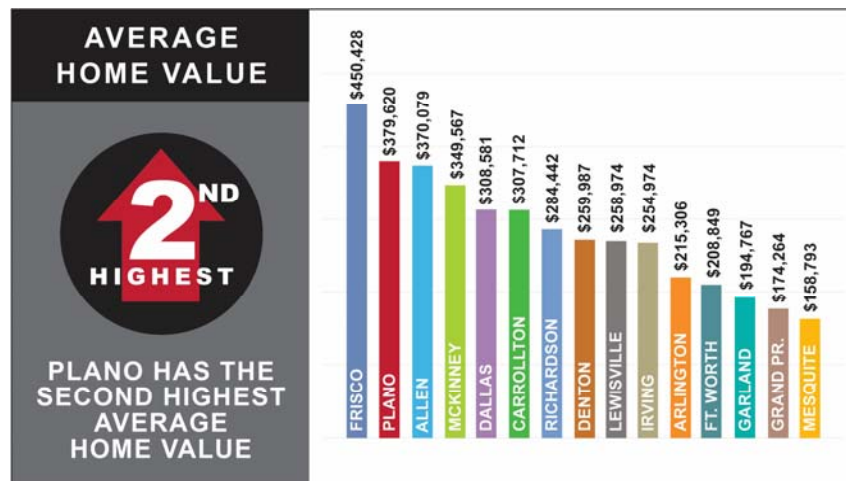
Overview

- Compare Plano to other large North Texas cities (Populations >100,000)
- Provide City Council, Residents & Staff meaningful points of comparison to inform policy development and budgetary decisions
- Today: update from original scorecard presented in January using fresh data
- Request guidance from Council for areas to expand/improve going forward



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Average Home Value



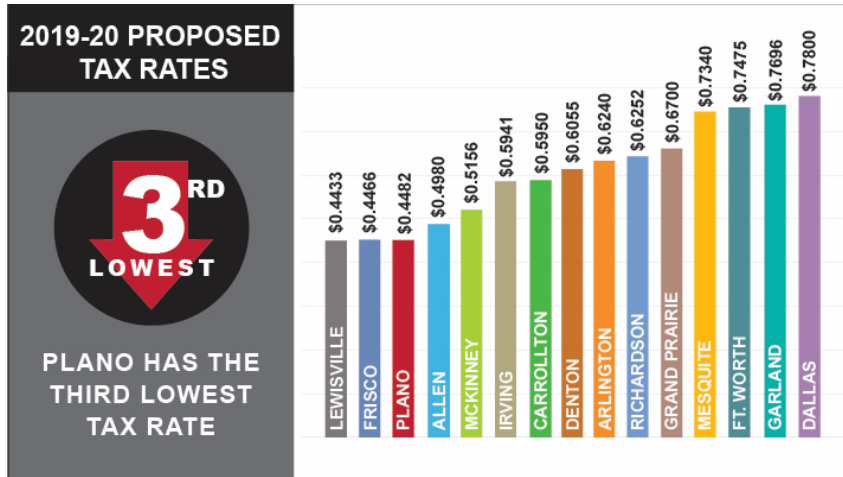
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Average Home Value: Sample Range



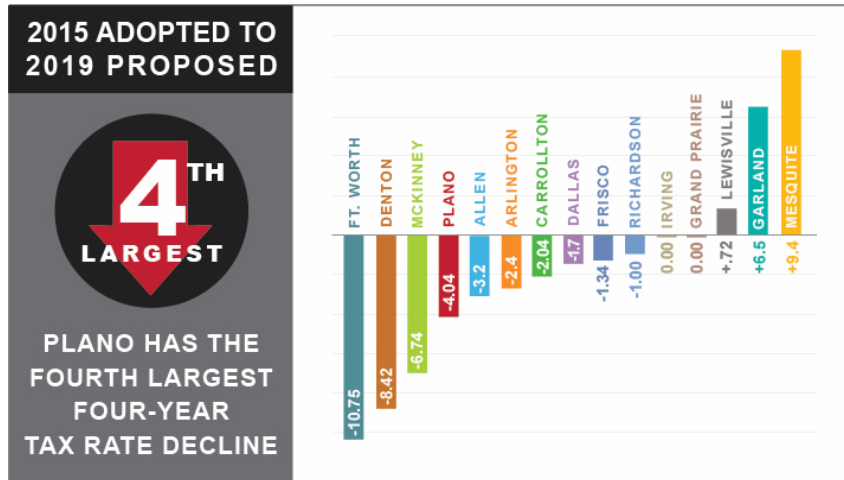
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Property Tax Rate



6

Change in Property Tax Rate: 2015-16 to 2019-20



7

Tax Relief Measures

TAX-RELIEF MEASURES

PLANO IS AMONG THREE CITIES THAT OFFER:

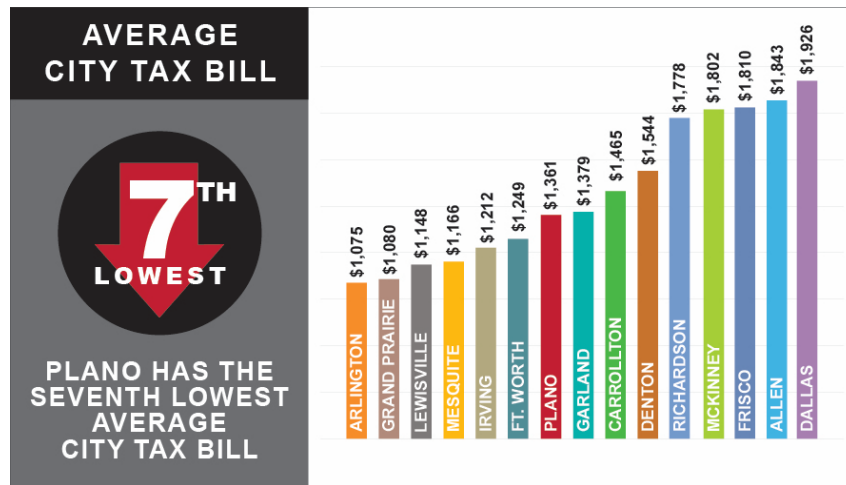
- >MAX 20% HS
- >TAX CEILING FOR OVER 65 & DISABLED

City	Homestead Exemption	Over 65	Over 65 Tax Ceiling	Disabled Person	Disabled Person Tax Ceiling
ARLINGTON	20%	YES	YES	YES	YES
PLANO	20%	YES	YES	YES	YES
FT.WORTH	20%	YES	YES	YES	YES
DENTON	0.50%	YES	YES	YES	YES
DALLAS	20%	YES	YES	YES	YES
RICHARDSON	10%	YES	YES	YES	YES
FRISCO	10%	YES	YES	YES	YES
GARLAND	8%	YES	YES	YES	YES
IRVING	20%	YES	YES	YES	YES
GRAND PRAIRIE	7.5%	YES	YES	YES	YES
LEWISVILLE	YES	YES	YES	YES	YES
MCKINNEY	YES	YES	YES	YES	YES
ALLEN	YES	YES	YES	YES	YES
MESQUITE	YES	YES	YES	YES	YES
CARROLLTON	20%	YES	YES	YES	YES



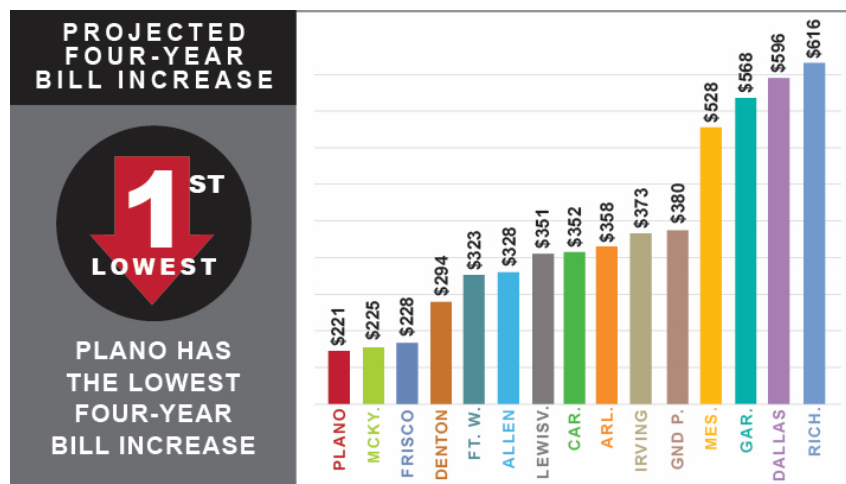
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City Property Tax Bill to Average Homeowner



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Change in Average City Property Tax Bill to Average Homeowner: 2015-16 to 2019-20



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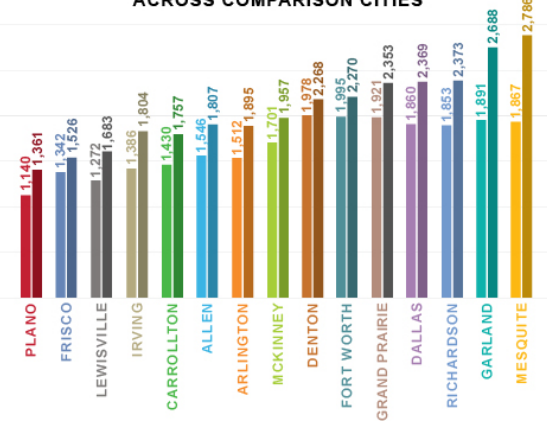
Property Tax Bill to Average Plano Home: 2016 = \$292K, 2020 = \$380K

**PROPERTY TAX
COMPARISON**



**PLANO HAS THE
LOWEST
PROPERTY TAXES**

USING AVERAGE PLANO HOME VALUE FOR 2016 & 2020
ACROSS COMPARISON CITIES



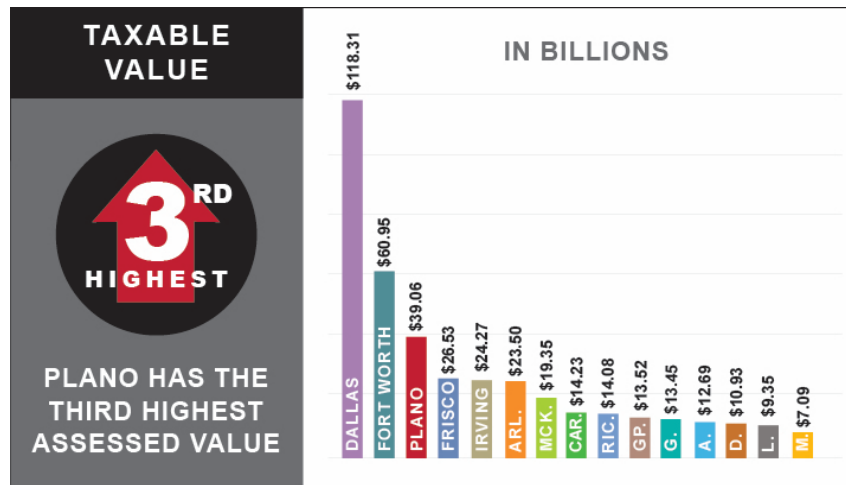
11

\$380K Homes Across DFW Metroplex



12

Property Tax Base: Total Taxable Value



13

Local Option Sales Tax

LOCAL OPTION SALES TAX

PLANO IS A DART MEMBER CITY

1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	General Fund
	0.5	0.5			0.5	0.5	0.25	0.5	0.5	Community Development
1.0			0.5	0.5			0.5			Transportation
				0.5		0.25	0.125			Crime Control
0.5					0.5			0.5		Economic Development
		0.25				0.25				Streets
			0.5					0.5		Tax Relief
							0.125			Fire Control
2.0	2.0	1.75	2.0	2.0	2.0	2.0	2.0	2.0	2.0	Total
DART CITIES	ALLEN	ARLINGTON	DENTON	FT. WORTH	FRISCO	GRAND PRAIRIE	LEWISVILLE	MCKINNEY	MESQUITE	

DART = Dallas, Plano, Garland, Irving, Carrollton & Richardson



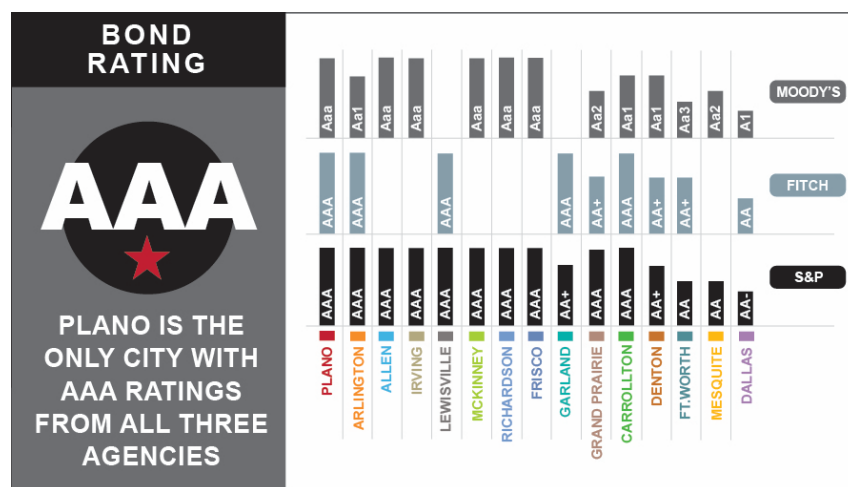
14

Tax Supported Debt per Capita



15

General Obligation Bond Rating - Updated



16

Public Safety Accreditation - Updated



	CAAS	CFAI	ISO Score	CALEA-PD	CALEA-Comm
PLANO	YES	YES	1	YES	YES
ALLEN			2		
ARLINGTON			1	YES	
CARROLLTON			1		
DALLAS			1		
DENTON			2		
FT. WORTH			1		
FRISCO		YES	1	YES	YES
GARLAND			1		
GRAND PRAIRIE			1		
IRVING			1		
LEWISVILLE			2		
MCKINNEY			1	YES	
MESQUITE			1		
RICHARDSON			1		



17

Questions & Comments



18

Sales Tax Revenues

1

Sales Tax Cap Policy

2008

Cap on Sales Tax Projections
\$57 Million
Limits the amount of collections used for existing operating expenditures

Any amount collected over \$57M cap

One-time expenditures
Capital Maintenance Fund
Economic Development Incentive Fund
Offset following year's budget

2012

Cap changed to three-year average
Stabilizes revenue source during periods of declining sales tax

2019

Revised methodology to reflect a mid-year true up that re-estimates expected sales tax revenue



2

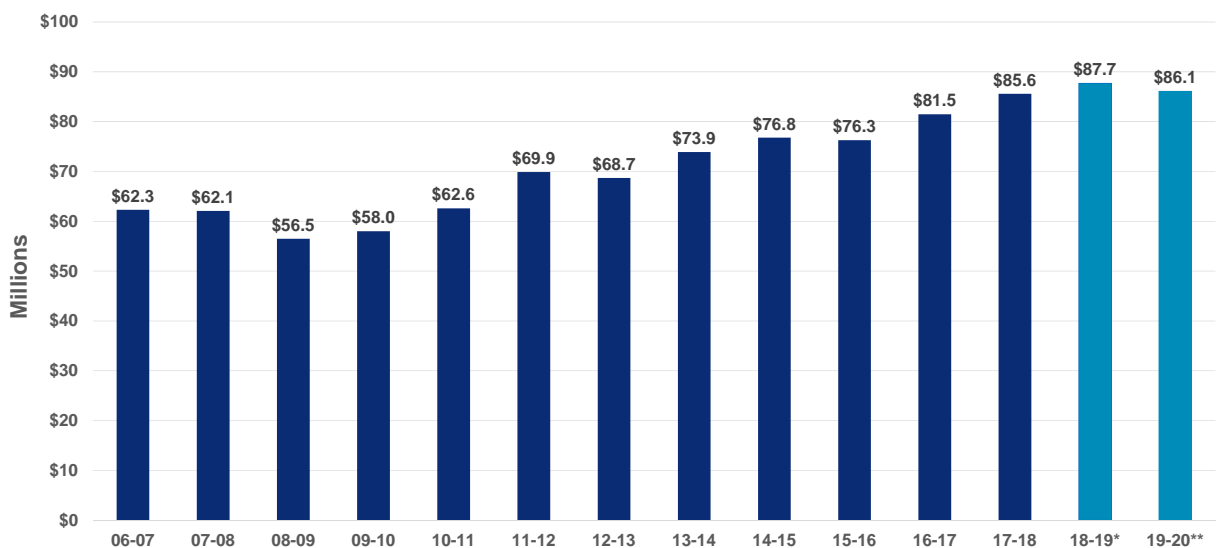
Sales Tax Cap Policy – Funding Initiatives since 2008

- Provided an additional \$20.1 million to the Capital Maintenance Fund
 - Capital Maintenance now funded at 75% of annual depreciation - goal 75%
- Provided an additional \$6.8 million to the Economic Development Incentive Fund
- \$1 million for Salt & Sand Storage – One-time
- \$500,000 for one-time expenditures at Oak Point Nature Preserve
- \$1.3 million for land located at McDermott and Robinson for Fire Training Center and Police Sub-station
- \$900K for additional funding for Sand and Salt Facility Construction



3

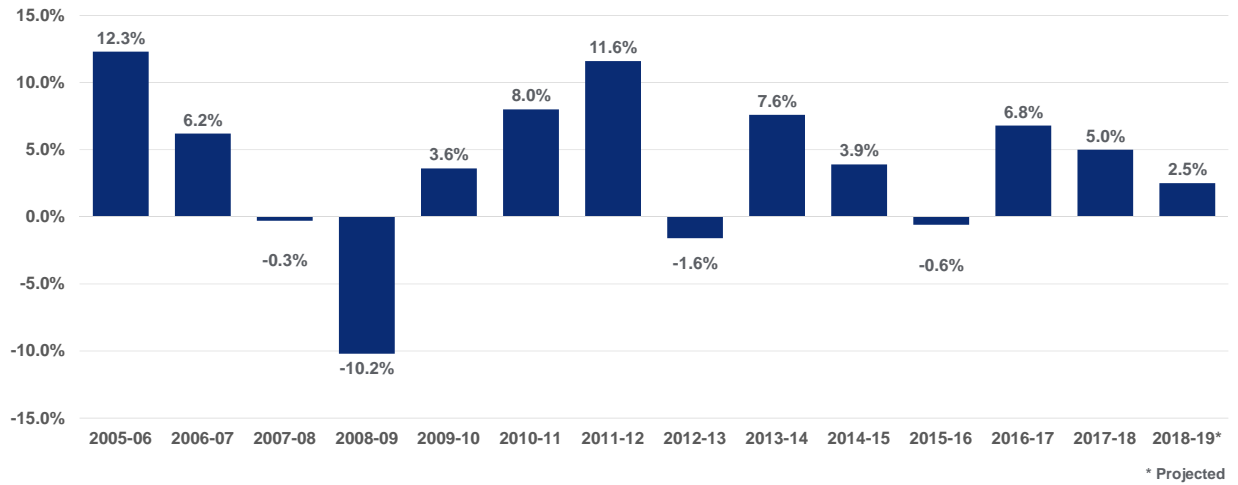
Annual Sales Tax Receipts



* FY 2018-19 Re-Estimate.
 ** FY 2019-20 Proposed Budget.

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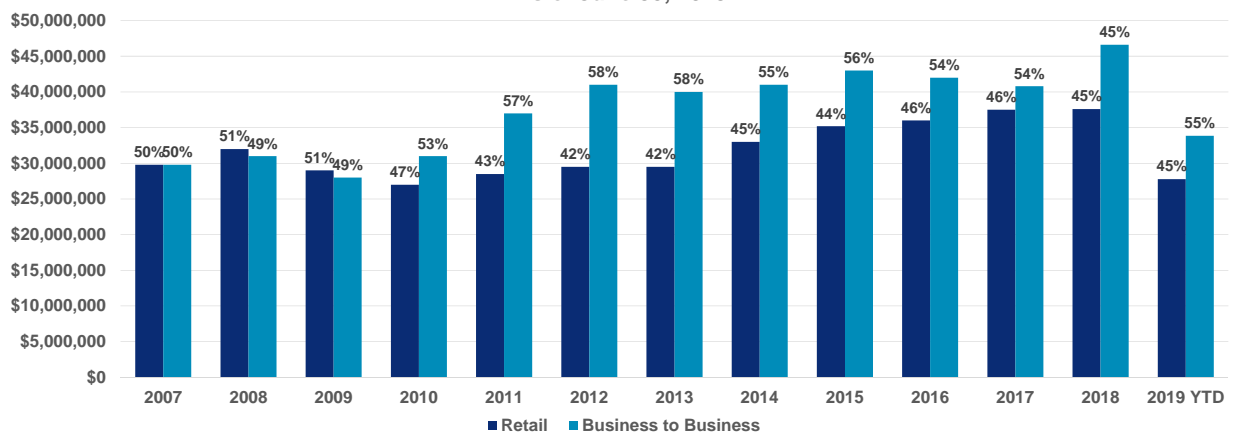
Annual Sales Tax Receipt Percentage Changes From Prior Year Actual



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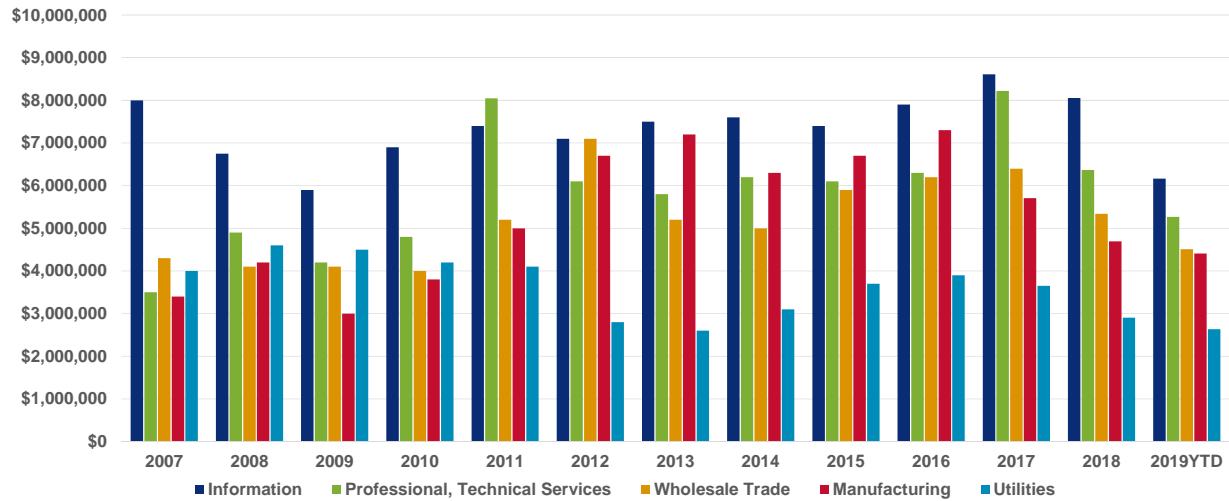
Retail & Business to Business Collections Comparison

2001-2019 YTD
As of June 30, 2019



6

Plano's Major Non-Retail Industries



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Geo Area Data

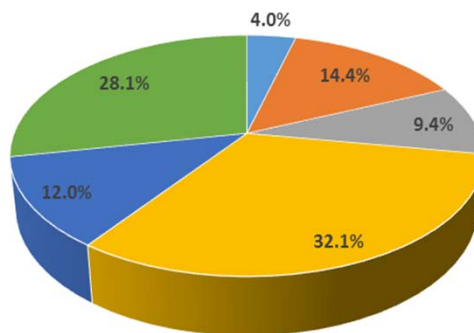
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Envision Oak Point – Sales Tax Geo Area



9

**CITY OF PLANO
ENVISION OAK POINT**



TOTAL GEO AREA \$591,804

■ Ag/Mining/Manufacturing ■ Service ■ Wholesalers ■ Retail ■ Miscellaneous ■ Accommodation & Food

Annual data from July 2018 through June 2019

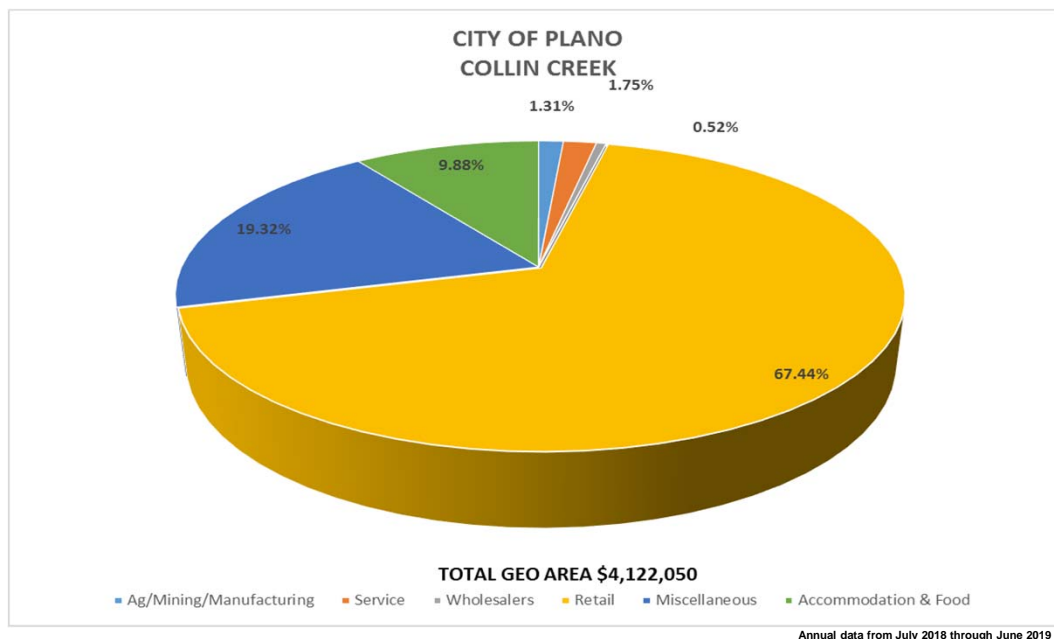


10

Collin Creek Mall– Sales Tax Geo Area

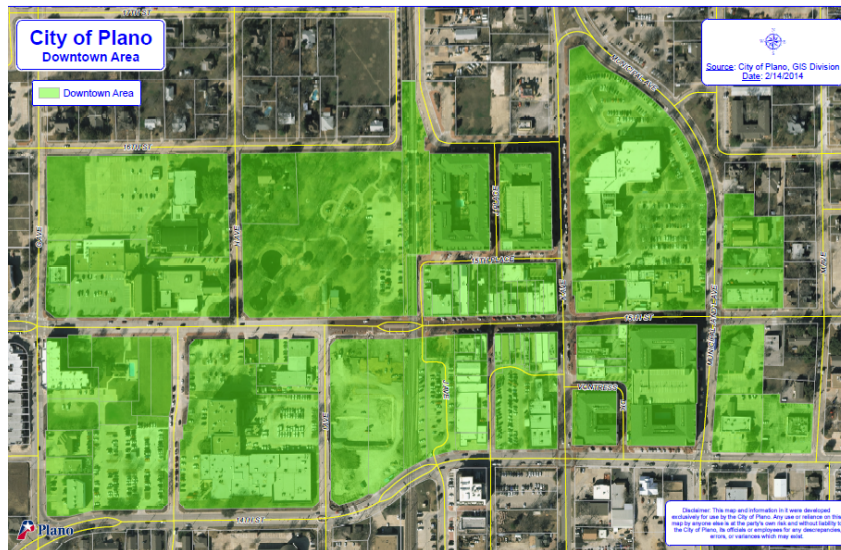


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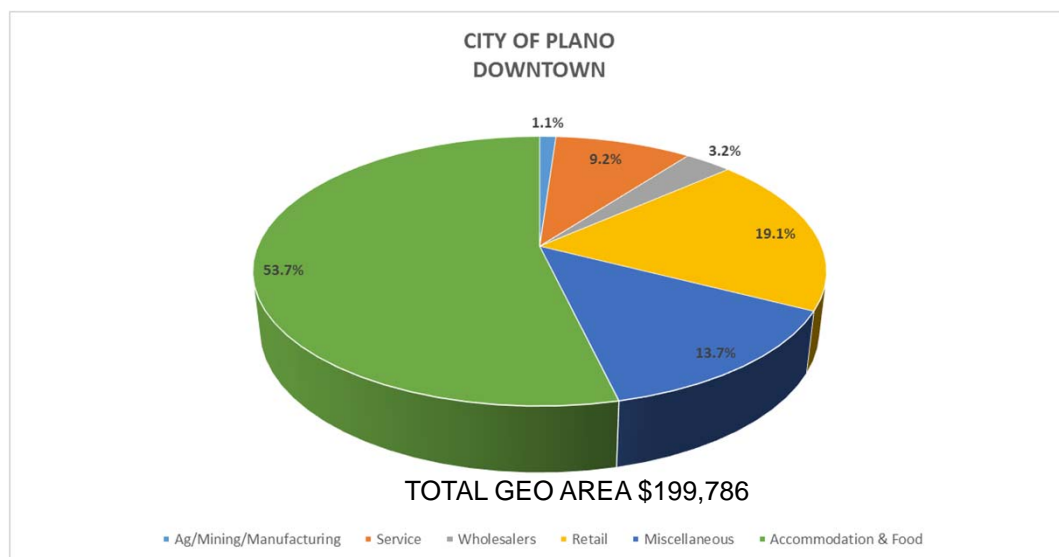


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Downtown— Sales Tax Geo Area



13



Annual data from July 2018 through June 2019



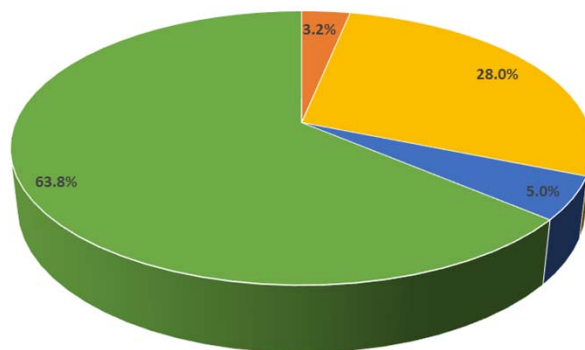
14

Legacy Town Center– Sales Tax Geo Area



15

CITY OF PLANO LEGACY TOWN CENTER



TOTAL GEO AREA \$812,882

■ Ag/Mining/Manufacturing ■ Service ■ Wholesalers ■ Retail ■ Miscellaneous ■ Accommodation & Food

Annual data from July 2018 through June 2019



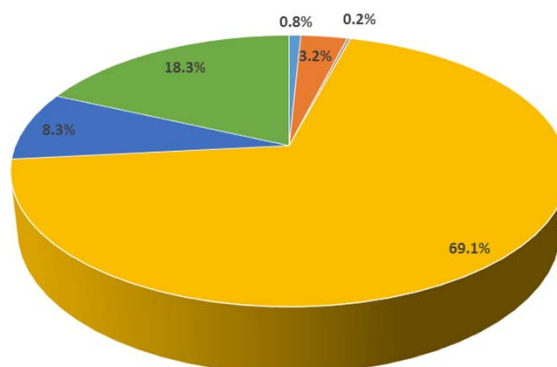
16

Preston Park– Sales Tax Geo Area



17

CITY OF PLANO
PRESTON PARK



TOTAL GEO AREA \$2,925,394

■ Ag/Mining/Manufacturing ■ Service ■ Wholesalers ■ Retail ■ Miscellaneous ■ Accommodation & Food

Annual data from July 2018 through June 2019



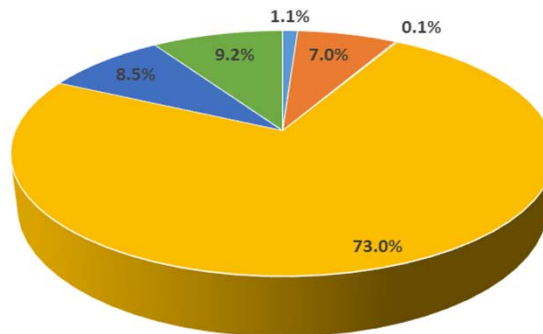
18

Shops of Willow Bend– Sales Tax Geo Area



19

CITY OF PLANO THE SHOPS AT WILLOWBEND



TOTAL GEO AREA \$4,342,846

■ Ag/Mining/Manufacturing ■ Service ■ Wholesalers ■ Retail ■ Miscellaneous ■ Accommodation & Food

Annual data from July 2018 through June 2019



20

QUESTIONS



Water & Sewer Rates

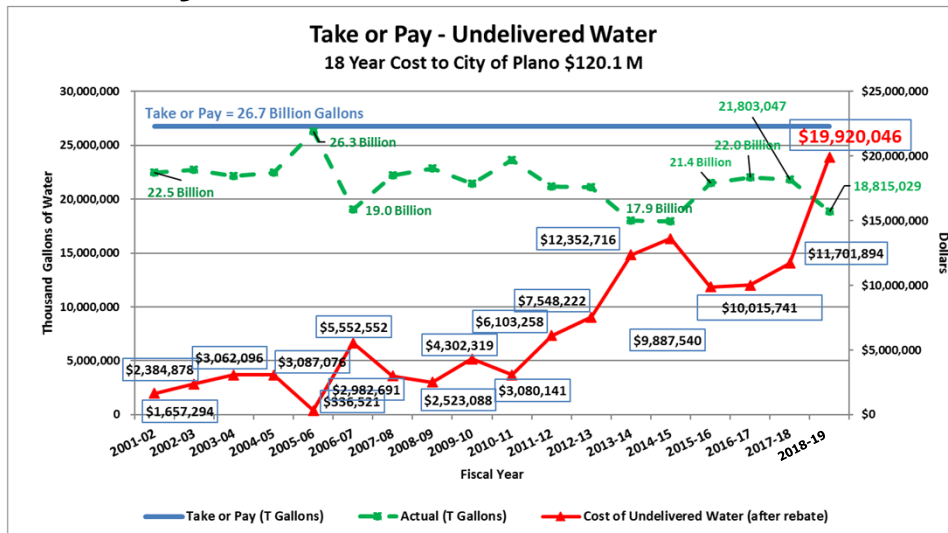
Water & Sewer Fund-

Revised Fund Summary included in packet

- On July 31st, North Texas Municipal Water District (NTMWD) gave the City preliminary projections of 2019-20 Water increasing by 2.4%, from \$2.92 to \$2.99 per thousand gallons, and Wastewater increasing by 4.7%, from \$2.14 to \$2.24 per thousand gallons. In addition, the Upper East Fork Interceptor is projected to increase 5.4%, from \$1.47 to \$1.55 per thousand gallons.
 - City of Plano proposed rate increase for water is 2%, however, due to increased wastewater volume, no (0%) increase is proposed for sewer rates.
- The total NTMWD expenditure increase to the 2019-20 Operating Budget is \$675,396, or 0.59%, over the 2018-19 Original Budget for a total of \$79,892,229 to pay for the Take or Pay Water contract of 26.7 billion gallons.
- The City has not used the minimum gallons since the water year period that ended July 31, 2001.
- As of 7/31/19 (end of water year), water usage is 18.8 billion gallons, resulting in a net cost to the City of approximately \$19.9 million for undelivered water under the NTMWD Take-Or-Pay Agreement. This includes the City projecting to receive a credit from the district of approximately \$3.2 million for the unused operating expenditures at the treatment plant. The credit has not been accounted for in the revised fund summary.
- Revised Working Capital at **57 days**.

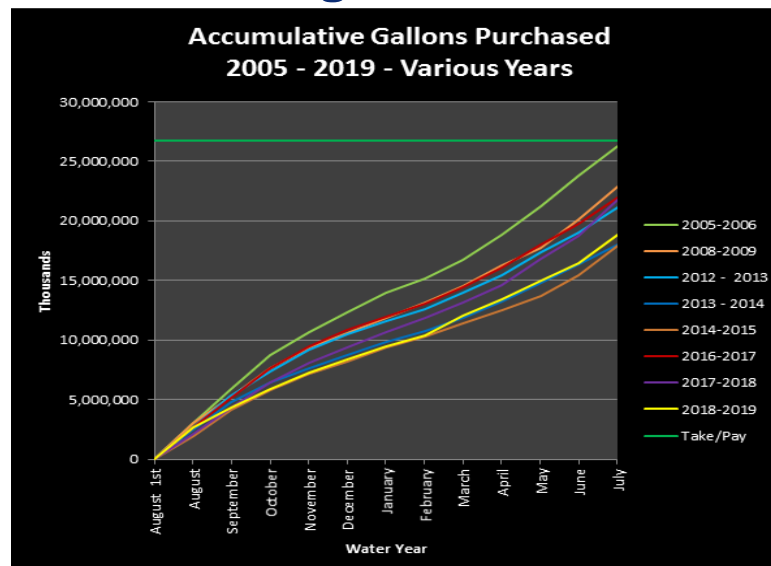


Take or Pay – Undelivered Water



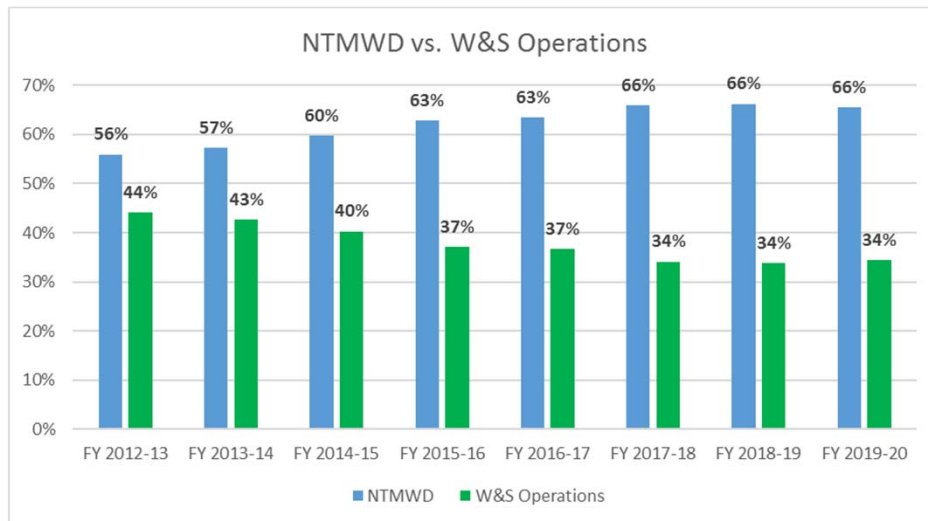
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Historical Water Usage



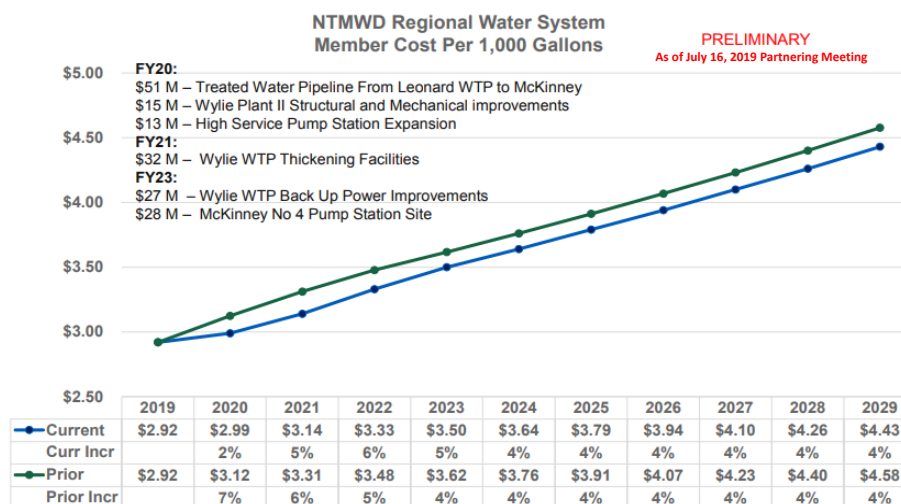
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Water & Sewer Rate – NTMWD and City of Plano



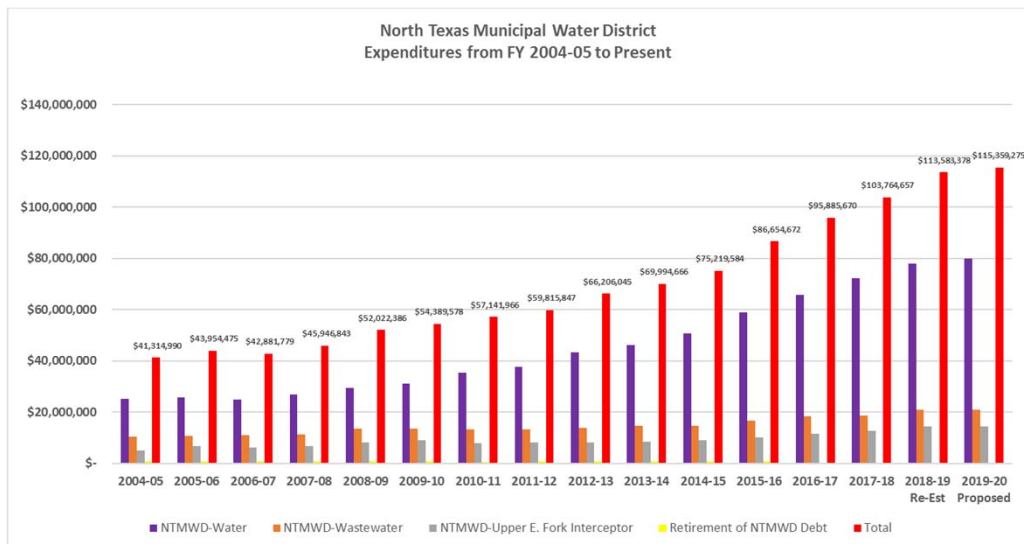
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North Texas Municipal Water District Water Rate Projections



6

History of NTMWD Contract Expenditures



7

“Retain Low Block” Water Rate Plan

				Effective Nov-18	Effective Nov-19
Water Rates -- Residential					
Monthly Minimum Charge--3/4"				\$ 24.51	\$ 25.00
Volume Rate Per 1,000 Gal					
	1,001	5,000		0.75	0.77
	5,001	20,000		3.71	3.78
	20,001	40,000		7.41	7.56
	40,001	Above		8.98	9.16
Water Rates -- Non-Residential					
Monthly Minimum Charge					
	3/4"			24.51	25.00
	1"			55.39	56.49
	1 1/2"			108.51	110.68
	2"			171.25	174.68
Non-Residential Volume Rate Per 1,000 Gal					
	1,001	5,000		3.71	3.78
	5,001	Above		3.71	3.78
Residential Sprinkler Volume Rate Per 1,000 Gal					
	1,001	5,000		3.71	3.78
	5,001	20,000		3.71	3.78
	20,001	Above		7.41	7.56
Commercial Sprinkler Volume Rate Per 1,000 Gal					
	1,001	5,000		3.71	3.78
	5,001	20,000		3.71	3.78
	20,001	Above		7.41	7.56



8

Wastewater Rate Plan

Wastewater Rates -- Residential

	Effective Nov-18	Effective Nov-19
Monthly Minimum Charge	\$ 14.67	\$ 14.67
Volume Rate/1,000 Gal	5.80	5.80

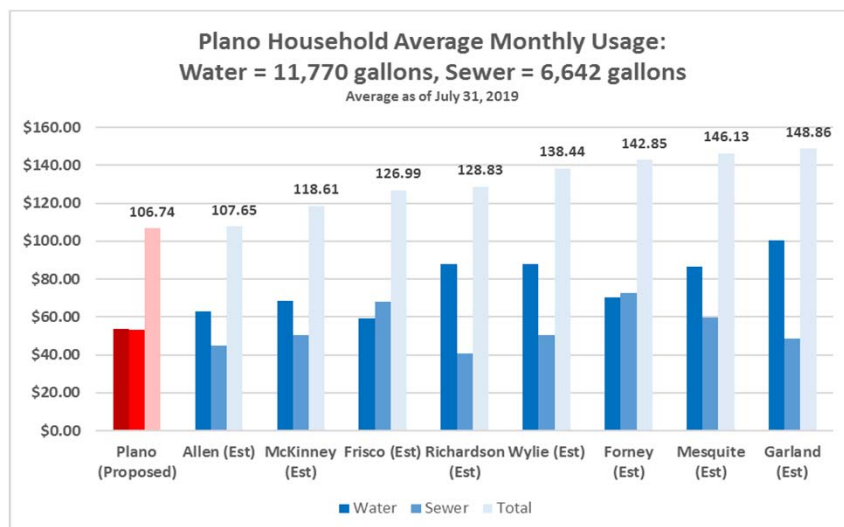
Wastewater Rates -- Non-Residential

Monthly Minimum Charge		
3/4"	14.67	14.67
1"	28.60	28.60
1 1/2"	51.73	51.73
2"	79.56	79.56
3"	153.66	153.66
4"	236.99	236.99
6"	468.60	468.60
8"	697.28	697.28
Volume Rate/1,000 Gal	5.80	5.80



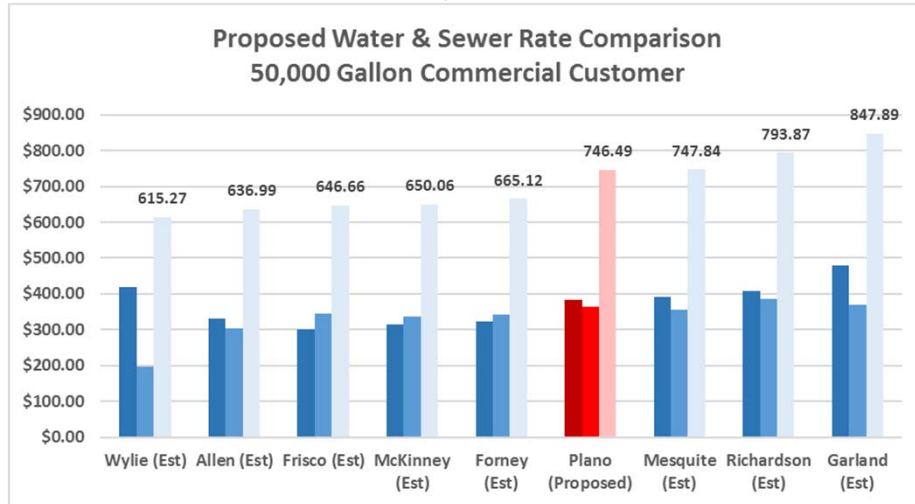
9

RESIDENTIAL 3/4" COMPARISON WITH PLANO HOUSEHOLD AVERAGE MONTHLY USAGE



10

COMMERCIAL 2" COMPARISON FOR 50,000 GALLONS



11

TML Water Survey

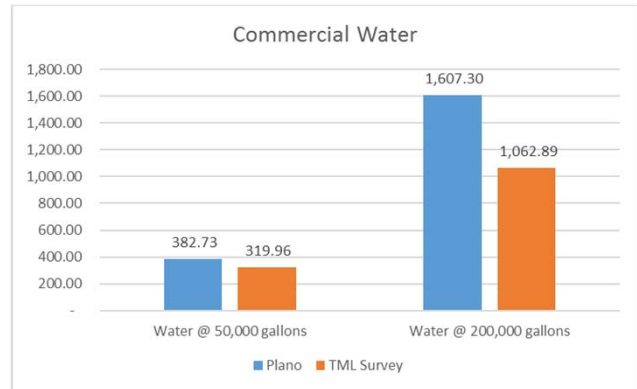
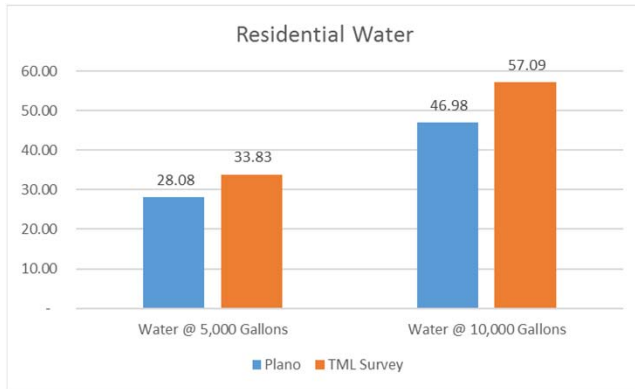
Water Fees by Population Category							
Population Group	No. of Cities Reporting	Avg. Total Customers	Average Usage	Residential		Commercial	
				Average Fee for		Average Fee for	
				5,000 Gal.	10,000 Gal	50,000 Gal.	200,000 Gal
2,000 or Less	268	406	4,795	43.63	70.27	317.22	1,240.21
2,001 - 5,000	112	1,282	5,559	40.15	64.35	322.83	1,258.87
5,001 - 10,000	68	2,620	6,786	37.51	58.31	291.52	1,132.69
10,001 - 15,000	38	4,358	6,029	34.30	55.87	338.66	1,435.62
15,001 - 20,000	27	5,476	6,961	31.40	49.73	260.92	864.64
20,001 - 25,000	11	6,616	7,185	36.96	57.25	259.97	1,006.82
25,001 - 30,000	9	8,322	7,039	32.69	54.56	276.15	1,010.39
30,001 - 50,000	27	12,812	8,074	36.73	61.84	324.82	1,149.03
50,001 - 75,000	9	18,310	6,423	43.73	73.22	378.13	1,282.04
75,001 - 100,000	8	26,534	9,656	24.59	39.85	215.65	750.55
100,001 - 200,000	20	38,624	7,345	32.41	54.82	280.31	1,026.84
200,001 - 350,000	4	75,589	8,879	33.83	57.09	319.96	1,062.89
More than 500,000	4	321,808	6,866	25.32	46.05	244.68	943.64
Total/Averages	605	6,816	5,809	39.76	63.98	310.06	1,193.91

TML 2019 Water and Wastewater Rate Survey – www.tml.org/229/Water-Wastewater-Survey-Results



12

Plano Water Costs Compared to TML Survey



*TML Survey resulted in 4 responses from cities with population size of between 200,001 – 350,000



13

TML Wastewater Survey

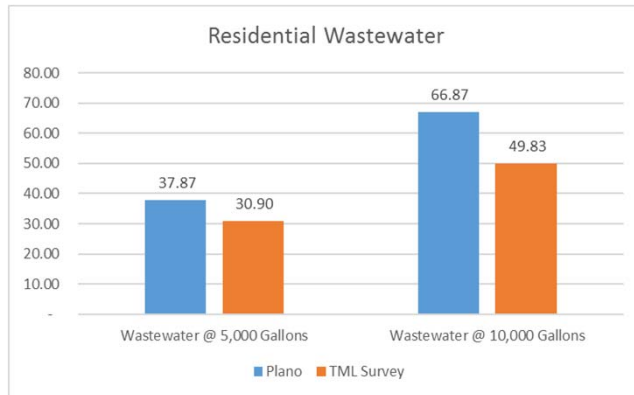
Wastewater Fees by Population Category					
Population Group	No. of Cities Reporting	Avg. Total Customers	Residential		Commercial
			Average Fee for		Average Fee for
			5,000 Gal.	10,000 Gal.	50,000 Gal. 200,000 Gal.
2,000 or Less	242	408	27.15	35.71	140.52 480.86
2,001 - 5,000	115	1,172	33.50	49.42	208.12 752.13
5,001 - 10,000	66	2,401	31.52	44.46	211.68 769.44
10,001 - 15,000	38	4,126	36.30	64.24	269.31 909.13
15,001 - 20,000	27	5,593	32.68	51.15	241.52 917.71
20,001 - 25,000	11	7,409	41.11	131.44	214.29 866.72
25,001 - 30,000	9	8,200	34.40	57.55	242.57 976.34
30,001 - 50,000	27	12,825	34.18	55.09	251.97 948.15
50,001 - 75,000	9	17,820	35.23	55.70	268.85 945.89
75,001 - 100,000	8	24,132	26.50	42.59	192.68 697.32
100,001 - 200,000	20	38,210	28.25	45.04	220.16 807.89
200,001 - 350,000	4	72,181	30.90	49.83	251.20 912.58
More than 500,000	4	296,955	30.92	54.72	283.18 885.97
Total/Averages	580	6,704	30.67	46.17	193.27 699.49

TML 2019 Water and Wastewater Rate Survey – www.tml.org/229/Water-Wastewater-Survey-Results



14

Plano Wastewater Costs Compared to TML Survey



*TML Survey resulted in 4 responses from cities with population size of between 200,001 – 350,000



15

Questions?



Pecan Hollow Golf Course

Proposed Fee Increase

Proposed Increase 2019-20

RATE	TUES-FRI	SAT-SUN
Regular	\$1	\$3
Twilight	\$1	\$1
Super Twilight	\$1	\$1
Late Twilight	\$1	\$1
Juniors & Seniors	\$1	n/a



Fee Comparison

	Pecan Hollow Plano	Pecan Hollow Plano	Watters Creek Plano Traditions Course	Firewheel Garland Bridges Course	Ridgeview Ranch Plano	Sherrill Park Richardson Course 1	Woodbridge Golf Club Wylie
Adults	Current	Proposed					
Tues-Thur	\$41	\$42	\$45	\$52	\$42	\$44.39	\$35
Friday	\$41	\$42	\$49	\$52	\$49	\$44.39	\$45
Sat/Sun	\$56	\$59	\$59	\$62	\$64	\$57.38	\$55
Seniors							
Mon-Thur	\$33 (*\$28)	\$34 (*\$29)	\$35	\$35 (*\$30)	\$32.00	\$33.56 (*24)	\$25
Fri	\$33 (*\$28)	\$34 (*\$29)	\$39	\$35 (*\$30)	\$32.00	\$33.56 (*24)	\$25
Sat/Sun	\$56	\$56	\$52	\$35 (*\$30 after 12:00pm)	\$54.00	\$57.38	\$35
*Punch Card							



3

Proposed Fee Increase

- Golf Fund – Enterprise Fund
- \$70,000 additional annual revenue
- Seniors least impacted
- Last increase 2016
- Fee study



4

Compensation and Benefits Update

Strategic Vision for Excellence

Affirm and Reinforce Plano's Commitment to Exceptional City Services

- Attract and retain the very best employees.
- Excellent service is expected as the benchmark. Service delivery must be evaluated within the context of both cost and impact on citizen services. It is recognized that efficiency and effectiveness can be counter balances to each other and the underlying goal is not merely low cost, nor merely high quality, but a high value proposition.

Employee Compensation



3

Compensation: Private v. Public

Private Sector:

- Merit Increases
- Bonus Systems:
 - Organizational Performance
 - Sign-on
 - Referral
- Across the Board Adjustments (COLA)
- Stock Options

Public Sector:

- Merit Increases
- Across the Board Adjustments (COLA)
- Tenure Pay (\$4 per month/per year. Max: \$1,200 for 25 years of employment)



4

Compensation Adjustment Linkage: Private

Source	Projected Increase
WorldatWork	3.2%
Economic Research Institute (ERI)	3%
Willis Towers Watson	3.1%
Business & Legal Resources (BLR)	2.5%-3%
Average	3.1%

NOTE: These figures have been constant since 2015



5

Compensation Adjustment Linkage: Public

City	Projected Adjustment
Allen*	4%
Arlington	2%
Carrollton^	4%
Denton*	3%
Ft. Worth*	4%
Frisco**	3%
Garland ^^	2%
Grand Prairie	3%
Irving*	3.5%
Lewisville*	3%
Mesquite	2%
McKinney*	3%
Richardson*	2.5%
Average	3.0%



*Figures are merit based adjustments **Average merit is 4% (range is 3%-5%)

^ Pay plan adjustment

^^ Effective 1/1/2020

6




Recommendations for October 1, 2019

Employees would
receive 3% increase
in their base salary



7

Across the Board Adjustments

	Average Salary		Application of 3%		
			Annually	Hourly	
	\$49,088	3%	\$1,473	\$0.71	
	\$89,759	3%	\$2,693	\$1.29	
	\$90,915	3%	\$2,708	\$1.30	

*Fire hourly rate is based on 40 hour workweek



8

Employee Benefits



9



Vision

- The City of Plano Health Plan vision is to provide affordable health insurance to our employees while encouraging responsible behaviors and quality care that is outcome driven with a focus on prevention.

Priorities

- Invest in Prevention
- Develop a Disease Specific Attack Plan
- Cultivate Smart Consumers of Healthcare
- Member Accountability
- Data Analysis



10

Questions?





City Council Work Session Additional Festival Discussion

Michelle Hawkins, Arts, Culture & Heritage Manager

New Festival Considerations

- What's the goal?
- Who's the audience?
- Does the festival connect with the city's identity?



New Festival Considerations

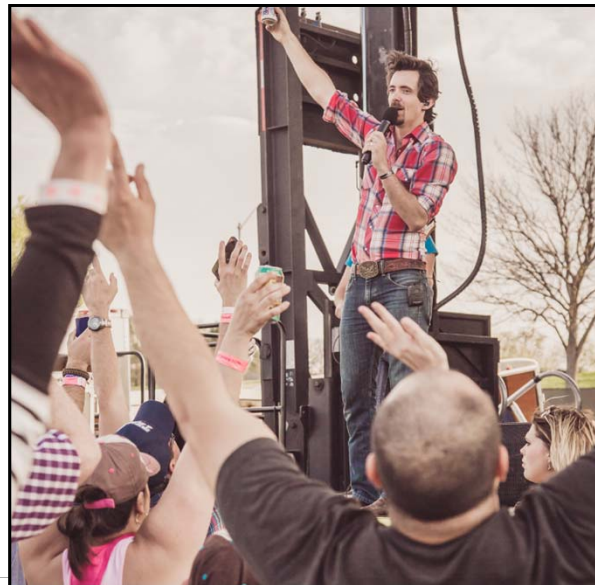
- Industry trends-
Mega Music
Festivals



3

New Festival Considerations

- Competition
- Expectations
- Innovation
- Location



4

Plano Balloon Fest Example

- Expenses
- Revenue
- What happened in 2018?



5

Texas Music Revolution Example

- History
- Demographic
- End of March



6

Suggestions

- Start with a concept on a small scale
- Find your following
- Ramp up the Resources



7

Questions?

Michelle Hawkins, Arts, Culture & Heritage Manager
972-941-5800 michelleha@plano.gov



General Fund – Update Three-Year Financial Forecast

THREE-YEAR FORECAST GENERAL FUND SUMMARY - UPDATE 2019-20 thru 2021-22

	2018-19 Re-Estimate	2019-20	2021-22	2021-22
BEGINNING FUND BALANCE	\$52,213,524	\$42,627,168	\$23,191,068	\$23,234,518
REVENUE	\$314,416,846	\$314,525,510	\$321,505,888	\$328,334,522
TOTAL RESOURCES	\$366,630,370	\$357,152,678	\$344,696,956	\$351,569,040
TOTAL APPROPRIATIONS	\$324,003,202	\$333,961,609	\$335,389,846	\$334,245,422
ENDING FUND BALANCE	\$42,627,168	\$23,191,068	\$9,307,110	\$17,323,617
Required 30 Day Balance		\$23,156,403	\$23,234,518	\$23,110,761
Add'l Revenues or Program Reductions to Meet 30 Days			(\$13,927,408)	(\$5,787,143)
DAYS OF OPERATION	51	30	12	22
Debt tax rate transferred to operations		0.0000	0.0000	0.0000
Equivalent Amount		\$0	\$0	\$0



Community Investment Program

- A five-year financial plan which directs development and improvements to the city's infrastructure.



Streets

Sidewalks
Alleys
Screening Walls
Traffic Signals



Parks

Trails
Athletic Fields
Maintenance
Facilities



City Facilities

Fire Stations
Police Stations
Libraries
Service Centers



Water & Sewer

Utility Lines
Pump Stations
Lift Stations



Municipal Drainage

Improvements
Erosion Control



The CIP Covers Five Years

- The five-year CIP guides the city's capital planning

Year One

Outlines projects included within the annual appropriation ordinance adopted by Plano City Council

Following Four Years

A plan for future expenditures, but are not covered by the annual appropriation ordinance

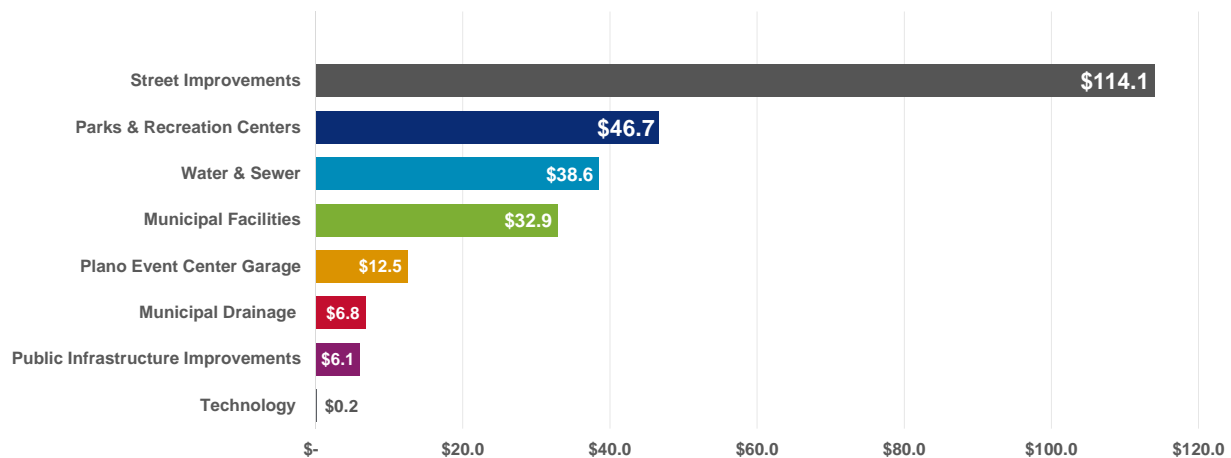
Allows for a reasonable time horizon before authorizing future-year expenditures via an appropriation ordinance



3

Proposed 2019-20 CIP Budget – \$257.8 Million

Project Expenditures in \$ Millions



4

2020 General Obligation Bond Sale

Bond Authority	Amount Issued
2017 Street Improvements	\$40,000,000
2017 & 2019 Park Improvements	17,000,000
2017 Recreation Centers	9,100,000
2017 Library Facilities	7,000,000
2013 Public Infrastructure Improvements	6,000,000
2019 Existing Municipal Facilities	2,665,000
TOTAL	\$81,765,000

- **Park Improvements:** Carpenter Park Renovation II, Trail System Projects, Community & Neighborhood Park Renovations, High Point Park Maintenance Facility
- **Recreation Centers:** High Point Tennis Center Renovation & Oak Point Recreation Center Outdoor Pool Construction
- **Library Facilities:** Davis Library Expansion & Harrington Library Expansion



5

2019-20 CIP Operating Expenses

CIP Category	Ongoing Expenses	One-Time Expenses	Total
Park Development	\$858,800	\$35,000	\$893,800
Police Substation Operations	\$131,990	\$662,782	\$794,772
Fire Training Center Outfitting	\$0	\$750,000	\$750,000
Facilities Maintenance & Services	\$173,308	\$0	\$173,307
Recreation Center Operations	\$11,691	\$0	\$11,691
TOTAL	\$1,175,788	\$1,447,782	\$2,623,570

- **Park Development:** Synthetic Turf Maintenance at Carpenter Park, Contractual Maintenance for Los Rios Park and Park Ponds, Maintenance parts, supplies and materials supporting growth & development across Park System.
- **Police Substation Operations:** Partial year funding for 2 Public Safety Officers, 2 Records Technicians plus furniture, fixtures & equipment from Criminal Investigation Fund
- **Facilities Maintenance & Services:** Partial year funding for utilities, maintenance & custodial expenses at Police Substation, Neighborhood Services Building, High Point Tennis Center & Fire Administration Building
- **Recreation Center Operations:** Sam Johnson Recreation Staffing and Liberty Rec Center Equipment Maintenance (includes additional offsetting revenues)



6

Capital Maintenance Fund History

- Established in 1985 with \$1.0 million transfer from General Fund to pay for infrastructure maintenance and replacement projects on a pay-as-you-go basis

- Goal established to have Capital Maintenance Fund revenues equal 75% of the annual depreciation expense of Plano's governmental assets (Streets, Parks and Municipal Facilities)

**Considered a Government Finance Officers' Association
"Best Practice"**



7

Capital Maintenance Fund

- Funded primarily by annual transfers from Operating Funds for rehab and repair projects.

Streets

- Arterial & Residential Street Concrete Repair
- Sidewalk Repairs & Replacement
- Pavement Maintenance
- Screening Wall Reconstruction
- Alley Repairs

Parks

- Athletic Field Renovations
- Playground Equipment Replacement
- Irrigation & Landscape Renovations
- Trail Repairs

Facilities

- Roof Repairs & Replacements
- HVAC Replacement
- Flooring Replacement
- Facility Renovations
- Painting

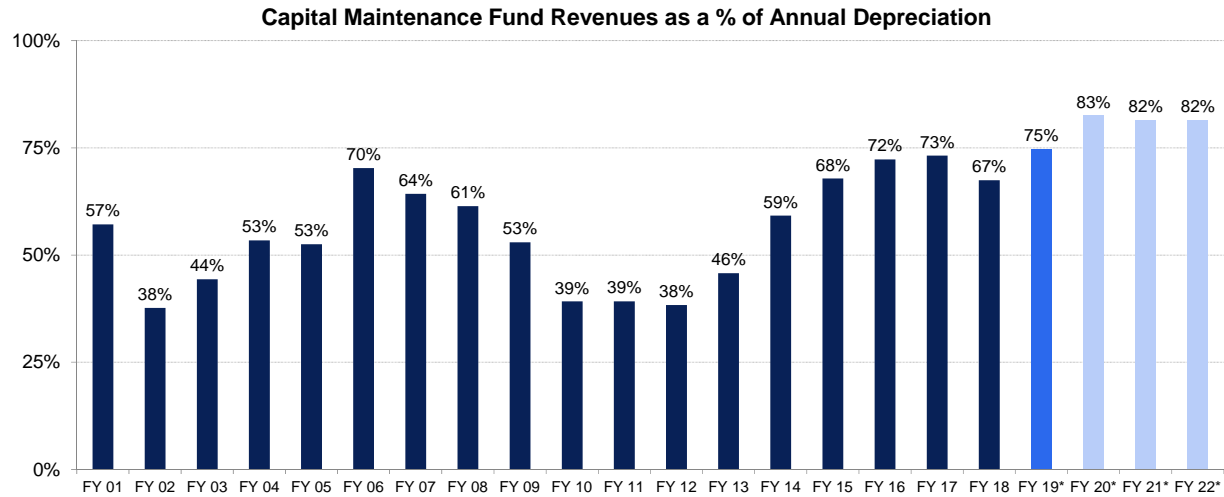
Utility & Others

- Pump Station Maintenance & Rehab
- Americans with Disabilities Act (ADA) Compliance Projects



8

2019-20 Capital Maintenance Funding



9

QUESTIONS??

Date: August 16, 2019

To: Mark D. Israelson, City Manager

From: Robin Reeves, Director of Parks and Recreation

Subject: City of Plano Trail System Funding

History/Background

City surveys indicate that trails are one of the most used elements of the City's park system and that continuing to develop the trail system is a high priority for many residents. Construction of trails in the City of Plano began in the 1970's in conjunction with the adoption of the City's first Park Master Plan. Today there are approximately 83 miles of multiuse concrete trails in Plano. The trails are located within parks throughout the City such as Bob Woodruff Park, Arbor Hills Nature Preserve, Hoblitzelle Park and many others. Trails are also located in flood plain areas such as Chisholm Trail, White Rock Trail Park and Legacy Trail. Two of the City's longest trails, Bluebonnet Trail and Preston Ridge Trail, are located within major electric transmission line easements. Whenever possible, these trails connect to schools and larger parks in the area.

One of the City's goals, and a frequent request from trail users, is to connect the various trails around the City to each other and to trails in adjacent cities. As far back as the 1970's, local cities began discussing the possibility of completing a trail along Rowlett Creek that would run through Garland, Richardson, Plano, Allen, McKinney and Frisco. The Six Cities Trail Plan was developed to identify other trail connections between these cities. Collin County and the North Center Texas Council of Governments have also developed regional trail master plans that include Plano and other area cities. A link to the City of Plano Trail System Map and the Six Cities Trail Plan are included below. The City's Trail System Map identifies all existing and proposed trails. These trails are part of the City's Park Master Plan that was last updated and approved by the Parks and Recreation Planning Board and City Council in the fall of 2018.

<https://www.plano.gov/DocumentCenter/View/364/City-Wide-Map-Front?bidId=>
<https://www.plano.gov/DocumentCenter/View/21154>

Land for trails has typically been acquired as development takes place. Flood plain and major electric transmission line easements have been acquired as subdivisions or businesses were developed and these otherwise unusable properties were acquired for trails at comparatively low cost to the City. There are still undeveloped areas of the City that create gaps in the trail system. These gaps will only be completed when the City has an opportunity to acquire the land or the easement that is needed. At any given time, it is difficult to predict when various parcels will be available. Their availability is not within the City's control. Multiple options for completing these connections are usually considered and evaluated based on cost, quality of the route and likely availability of the property. This requires us to be flexible in how we allocate our trail funding in order to make it possible to move forward when opportunities present themselves.

Funding for New Trails

The majority of funding for trails has come through bond elections and grants from other government agencies. The Park Fee Program has also provided funding for trails. Park Fee funding has most often been used to acquire the land while bond funds and grants have funded most of the construction. The Capital Maintenance Fund is used to make major trail repairs. Replacement of large sections of trail will typically be funded by bond programs.

2013 Bond Election – Proposition No. 2 - Park Improvements (\$27,000,000) was approved by the voters. 2017 Bond Election – Proposition No. 3 – Park Improvements (\$78,850,000) was approved by the voters. \$11,500,000 from those bond programs is allotted to new trail construction.

Trail construction may also be included in improvements to parks such as Windhaven Meadows Park, Oak Point Park and Nature Preserve and Los Rios Park that all contain trails within the park. Trails within these parks also connect to other major trails in the City.

Current Trail Projects

Cottonwood Creek Greenbelt South - \$670,000 Bond Funds, \$400,000 County Grant and \$437,000 Park Fee Funds.

Legacy Trail from Penelope Lane to Means Drive - \$2,100,000 Bond Funds and we have applied for a Collin County Grant.

Legacy Trail North of Means Drive - \$175,000 allocated for trail design.

DART Silver Line (Cotton Belt) Trail Design – funded totally by a NCTCOG Grant of \$773,054.

DART Silver Line (Cotton Belt) Trail - \$1,705,000 City of Plano Bond Funds and \$1,705,000 Texas Department of Transportation Grant. This is a good example of the need for flexibility. At the time of the 2017 Bond Election, it did not appear that this project would happen for many years. Having flexibility on the timing of projects allowed us to take advantage of the TxDOT matching grant.

Oak Point Park Phase II - \$750,000 for trail construction in conjunction with other park improvements. Los Rios Park - \$750,000 of trail construction in conjunction with other park improvements.

Preston Ridge Trail Connection South to Dallas and Richardson - \$450,000 allocated at this time for design and easement acquisition. This connection is the highest priority trail for many bicyclists. The project cannot move forward until all easements needed are acquired. It is a very difficult connection to make happen. One owner of a large undeveloped tract of land is not yet willing to move forward with providing an easement until the property is developed. The owner currently has no time frame in mind for when they may choose to develop the property. When that day comes, it would be useful to be prepared to move forward with the easement acquisition and trail construction as soon possible.

Trail Repair and Replacement Funding

2019 Bond Election – Proposition B (\$17,890,000) was approved by the voters and included \$1,315,000 for trail replacement along Chisholm Trail and in Hoblitzelle Park.

Annual Capital Maintenance Funds – 2019-20 Proposed Budget includes \$650,000 for trail repairs.

Trail Maintenance

The Parks Division employs two (2) full time Trail Maintenance Technicians to care for existing trails. The general duties of the Trail Technician is to inspect, clean, maintain and repair the trail system.

The annual budget allotment specific to the two Trail Technicians (including salary/benefits, work equipment, tools, parts and supplies) is approximately \$310,000.

\$310,000 is the amount for “routine maintenance” of the City’s trail system. This amount does not include forestry work, signage, mowing, edging, trimming and litter removal along the trails. These functions are performed by other areas with the Parks Division.

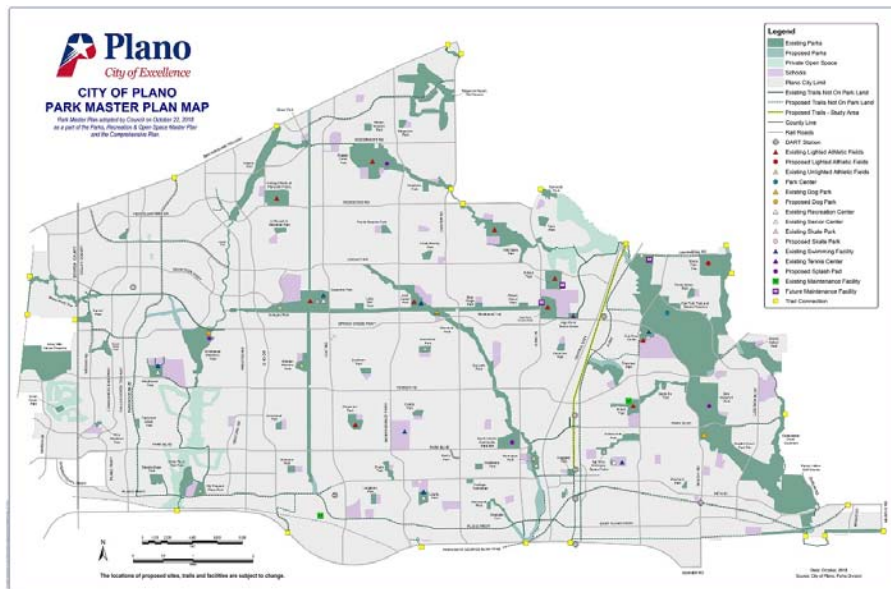
Following rain events, other resources within the Parks Division are diverted from their regular duties to assist with trail system clean up, exceeding resources allotted for routine trail inspection, repair and maintenance.

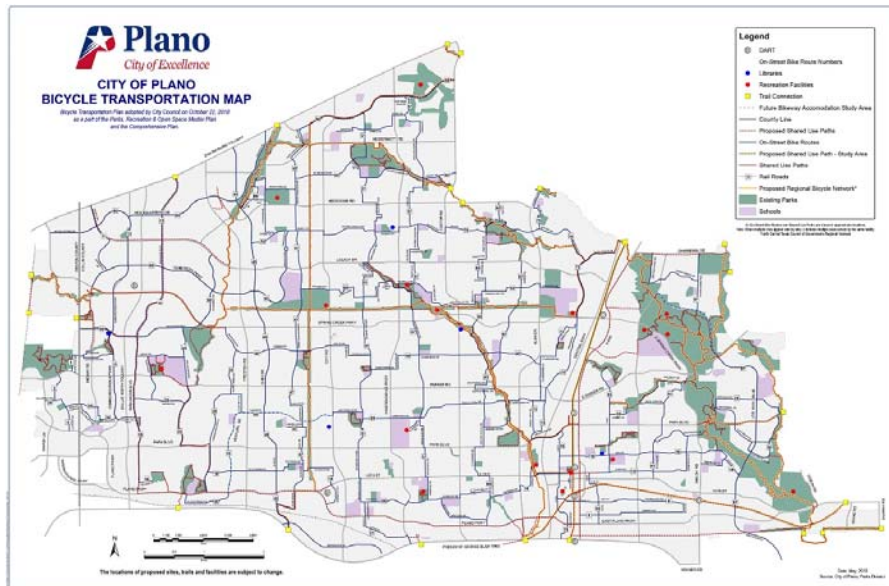
Many of the City’s trails are located in low-lying areas: along creeks, flood plains, floodways and underpasses. These areas quickly hold water, gather mud and silt, and are slow to drain and dry. Unfortunately, work crews cannot begin working “trouble spots” until after water has receded enough to allow safe access for equipment and personnel, which can take up to two weeks or more after heavy or sustained rain. Several of the most challenging locations continue to suffer from seeping water long after other areas are completely dry. These areas can be slippery, as the steady stream of seeping water slowly flows over the trail. As the City becomes aware of such areas, the trail is cleaned using a power washer and cautions signs are installed to advise trail users of wet/slippery conditions.

cc: Jack Carr, Deputy City Manager
Renee Jordan, Park Planning Manager
Ron Smith, Park Services Manager

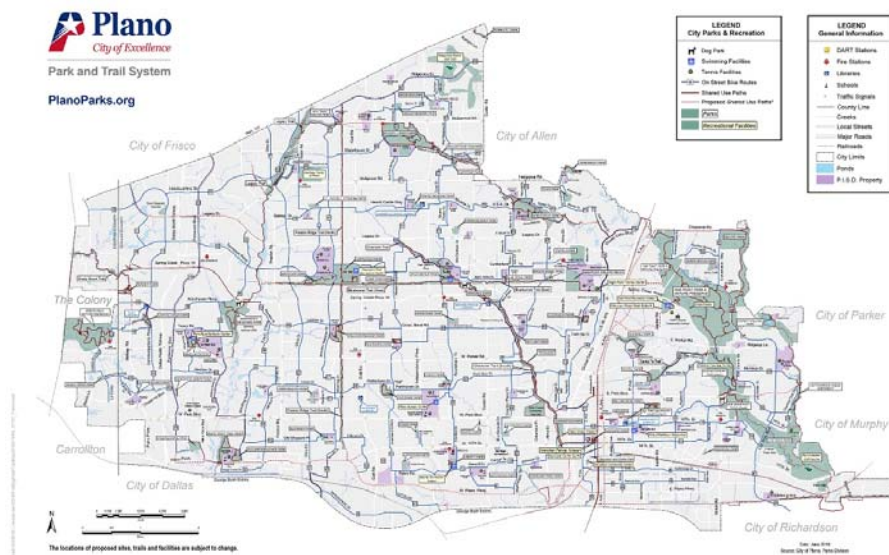
Parks & Recreation Department

Trails





3



4

New Trail Funding

- **Approved Bond Fund Allocation 2013 and 2017 - \$11,500,000**
(\$4,640,000 spent or encumbered)
(\$3,320,000 allocated to current projects or engineering/design)
- **Federal, State and County Grants 2013 to Present - \$7,015,000**
(\$4,410,000 spent or encumbered)
(\$2,605,000 allocated to current projects)
- **Park Fee 2019-20 Budget - \$2,424,119**



5

Trail Repair and Replacement Funding

- **2019 Bond Election - \$1,315,000 Trail Replacement Funding**
- **2019-20 CMF Trail Repair Funds - \$650,000**



6

Trail Maintenance Funding

- **General Fund Trail Maintenance Budget - \$310,000**

Includes 2 FT Employees, salary, benefits, equipment, tools, parts and supplies.



7

Questions?



8