

Memorandum

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CITY SECRETARY
DALLAS, TEXAS



DATE February 27, 2014

TO Members of the Budget, Finance & Audit Committee:
Jennifer S. Gates (Vice Chair), Tennell Atkins, Sheffie Kadane, Philip T. Kingston

SUBJECT Budget, Finance & Audit Committee Meeting

Monday, March 3, 2014, 1:00 p.m.

Dallas City Hall - 6ES, 1500 Marilla St., Dallas, TX 75201

The agenda for the meeting is as follows:

1. Consideration of minutes from the February 18, 2014 Budget, Finance & Audit Committee meeting
2. Dallas Central Appraisal District
2014-2015 Proposed Budget
Ken Nolan, Chief Appraiser
Dallas Central Appraisal District
3. Property Appraisal Procedures
Bonnie Meeder, Assistant Director
Sustainable Development and Construction
4. Office of the City Auditor Fiscal Year 2014
Second Quarter Update
Craig D. Kinton, City Auditor
5. Proposed Strategic Plan FY 2015- FY 2017
La Toya Jackson, Assistant Director
Strategic Customer Services

FYI:

6. Upcoming Agenda Item: Event Set-up and Janitorial Services Contract for the Kay Bailey Hutchison Convention Center Dallas
7. Upcoming Agenda Item: Purchase of Renewable Energy Credits for 2014 - 2016
8. Upcoming Agenda Item: Citywide Data Storage System Acquisition and Maintenance Contract
9. Quarterly Investment Report as of December 31, 2013
10. January 2014 Financial Forecast Report

Jerry R. Allen, Chair
Budget, Finance & Audit Committee

c: Honorable Mayor and Members of the City Council
A.C. Gonzalez, City Manager
Rosa A. Rios, City Secretary
Warren M.S. Ernst, City Attorney
Daniel F. Solis, Administrative Judge
Craig D. Kinton, City Auditor
Ryan S. Evans, Interim First Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager

Forest E. Turner, Assistant City Manager
Joey Zapata, Assistant City Manager
Charles M. Cato, Interim Assistant City Manager
Theresa O'Donnell, Interim Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Frank Libro, Public Information Officer
Elsa Cantu, Assistant to the City Manager

A quorum of the Dallas City Council may attend this Council Committee meeting.

A closed executive session may be held if the discussion of any of the above agenda items concerns one of the following:

1. Contemplated or pending litigation or matters where legal advice is requested of the City Attorney. Section 551.071 of the Texas Open Meetings Act.
2. The purchase, exchange, lease or value of real property, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.072 of the Texas Open Meetings Act.
3. A contract for a prospective gift or donation to the City, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.073 of the Texas Open Meetings Act.
4. Personnel matters involving the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear a complaint against an officer or employee. Section 551.074 of the Texas Open Meetings Act.
5. The deployment, or specific occasions for implementation of security personnel or devices. Section 551.076 of the Texas Open Meetings Act.

Budget, Finance & Audit Committee

Meeting Record- DRAFT

Meeting Date: 2.18.2014

Convened: 1:04 p.m.

Adjourned: 2:16 p.m.

Committee Members Present:

Jerry R. Allen, Chair
Tennell Atkins

Jennifer S. Gates, Vice-Chair
Sheffie Kadane

Philip T. Kingston

Council Members Present:

Adam Medrano
Scott Griggs

Staff Present:

Jeanne Chipperfield
Jack Ireland
Zeronda Smith
Edward Scott

Michael Frosch
Corrine Steeger
Lance Sehorn
Theresa O'Donnell

Robyn Gerard
Craig Kinton
Francisco Rodriguez
John Rogers

Donna Lowe

AGENDA:

1. Approval of the February 3, 2014 Minutes

Presenter(s):

Information Only: —

Action Taken/Committee Recommendation(s):

A motion was made to approve the February 3, 2014 minutes. Motion passed unanimously.

Motion made by: Sheffie Kadane

Motion seconded by: Tennell Atkins

2. The Municipal Equality Index and Dallas: Understanding the MEI Scorecard and Working Toward 100

Presenter(s): Cathryn Oakley, Legislative Counsel, Human Rights Campaign

Information Only: X

Action Taken/Committee Recommendation(s):

N/A

3. Exploring Opportunities to Broaden Inclusivity and Social Equity

Presenter(s): Theresa O'Donnell, Interim Assistant City Manager

Information Only: __

Action Taken/Committee Recommendation(s):

A motion was made, as a broad statement of support, to move forward a resolution to City Council on Wednesday, February 26, 2014 for discussion. Motion passed on a divided vote, with Committee Member Kadane voting in opposition.

Motion made by: Tennell Atkins

Motion seconded by: Philip T. Kingston

Budget, Finance & Audit Committee

Meeting Record- DRAFT

4. **Dallas/Fort Worth International Airport 50th Supplemental Bond Ordinance**
Presenter(s): Christopher Poinsett, Executive VP/CFO, DFW International Airport
Information Only:
Action Taken/Committee Recommendation(s):

A motion was made to recommend approval by the City Council on Wednesday, February 26, 2014.

Motion made by: Philip T. Kingston

Motion seconded by: Sheffie Kadane

FYI

5. **Upcoming Agenda Item: Franchise Fees Compliance and Recovery Services Contract**
Presenter(s): N/A
Information Only: X

Action Taken/ Committee Recommendation(s):

N/A

6. **Upcoming Agenda Item: Service Contract for Medical Examinations, Drug and Alcohol Testing Services**
Presenter(s): N/A
Information Only: X

Action Taken/ Committee Recommendation(s):

N/A

Jerry R. Allen, Chair
Budget, Finance & Audit Committee

Memorandum



DATE February 28, 2014

TO Members of the Budget, Finance & Audit Committee: Jerry R. Allen (Chair),
Jennifer S. Gates (Vice Chair), Tennell Atkins, Sheffie Kadane, Philip T. Kingston

SUBJECT Dallas Central Appraisal District 2014- 2015 Proposed Budget

The Budget, Finance, and Audit Committee's March 3, 2014 agenda includes a briefing on the Dallas Central Appraisal District (DCAD) 2014-2015 Proposed Budget. DCAD's summary materials are attached for your information. Mr. Ken Nolan, Executive Director and Chief Appraiser for DCAD, will present the budget and answer questions.

The DCAD Board of Directors plans to adopt the district's budget on May 7, 2014. From that point, taxing units have 30 days to pass a resolution if they choose not to approve the budget. It does not take effect and the DCAD Board must adopt a new budget within 30 days.

Please contact me if you need additional information.



Jeanne Chipperfield
Chief Financial Officer

Attachment

c: Honorable Mayor and Members of the City Council	Jill A. Jordan, P.E., Assistant City Manager
A.C. Gonzalez, City Manager	Forest E. Turner, Assistant City Manager
Rosa A. Rios, City Secretary	Joey Zapata, Assistant City Manager
Warren M.S. Ernst, City Attorney	Charles M. Cato, Interim Assistant City Manager
Daniel F. Solis, Administrative Judge	Theresa O'Donnell, Interim Assistant City Manager
Craig D. Kinton, City Auditor	Frank Libro, Public Information Officer
Ryan S. Evans, Interim First Assistant City Manager	Elsa Cantu, Assistant to the City Manager



**DALLAS CENTRAL
APPRAISAL DISTRICT**

2014 - 2015

PROPOSED BUDGET

BUDGET OVERVIEW



2014 - 2015

PROPOSED BUDGET

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Dallas Central Appraisal District

2014/2015 Proposed Budget

Budget Comparison

Executive Summary

	2013/2014	2014/2015
	<u>Approved</u>	<u>Proposed</u>
BUDGET EXPENDITURES:		
Salaries & Wages	\$12,315,478	\$12,980,393
Auto Expense	764,890	765,140
Supplies & Materials	544,590	616,421
Operational Services	68,500	75,000
Maintenance of Structure	375,934	352,928
Maintenance of Equipment	221,045	260,145
Contractual Services	559,617	499,539
Sundry Expenses	289,358	295,704
Insurance & Benefits	5,030,951	5,544,681
Professional Services	1,505,024	1,500,781
Capital Expenditures	197,590	119,100
Technology Development	0	0
Contingency	0	0
Total Expenditures	\$21,872,977	\$23,009,832
OPERATING FUND SOURCES:		
Entity Allocations (Local Support)	\$21,632,977	\$22,339,832
Transfer Funds from 2012/2013	0	430,000
Rendition Fees	230,000	230,000
Investment Proceeds	0	0
Other Income	10,000	10,000
Total Revenues	\$21,872,977	\$23,009,832



2014/2015

PROPOSED BUDGET OVERVIEW

The 2014/2015 Proposed Budget is highlighted in the attached document as follows:

1. The 2014/2015 Proposed Budget of \$23,009,832 is an increase of 5.20% from the 2013/2014 Approved Budget of \$21,872,977. However, the net effective increase to the taxing entities is 3.23% due to the utilization of reserve surplus funds from the 2012/2013 Budget for merit salary increases. That budget amount is \$22, 579,832. This is the first significant budget increase in several years.
2. The 2014/2015 Proposed Budget calls for a total of 228 full-time positions which is down one from the total in the 2013/2014 Budget. Twenty-two (22) positions have been eliminated over the last previous 6 years. The budget notes personnel by departments/divisions as follows:
 - **Office of Chief Appraiser Department.** The department has seven (7) positions and includes the divisions of Chief Appraiser's Office, the Community Relations Officer, Human Resources, and Quality Control.
 - **Administrative Services Department.** The divisions included in this department are Administration, Finance/Purchasing, Customer Service, Appeals and Support, Building Services and the Appraisal Review Board (ARB). There are thirty two (32) employees in this department and ninety (90) ARB members.
 - **Legal Services Department.** There are a total of three (3) employees in this department.
 - **Information Technology (IT) Department.** The divisions included are Information Technology and the Geographic Information System (GIS) . There is a total of fifteen (15) employees in this department.
 - **Appraisal Services Department.** This department includes the divisions of Central Appraisal, Residential, Commercial, Business Personal Property, and Property Records/Exemptions totaling one hundred seventy one (171) employees. One position was eliminated in this budget for 2014/2015.
3. For the past budget years, 2010/2011, 2011/2012 and 2012/2013, the DCAD Budgets did not contain any merit increase or structure adjustments for District employees with full time salaries and wages. The 2013/2014 Proposed Budget provided a 3.00% merit increase and structure adjustment for employees which was funded with reserve surplus funds approved by the Board of Directors. For the 2014/2015 Proposed Budget a 3% merit increase is proposed. This figure is tied directly to the average salary/merit increases and adjustments given by the taxing entities in 2013/2014, which was 2.92%. DCAD bases any merit increases on what the taxing entities have been afforded to their employees. Funds are added to address the Paid Time Off program. Overall all salaries and wages increased again in this proposed budget.
4. Overtime funds are included for appraisal support staff assisting with legally required after hours informal and formal hearings with property owners during the ARB process. Funds are also included for Building Services, Appeals and Support, Customer Service, and the Appraisal Departments during the ARB process.

5. Contract Labor includes funds for temporary services for the Business Personal Property verification and leased equipment projects, temporary clerical help during the ARB process, and for off-duty police officers used during the ARB process.
6. Other increases and decreases in the Proposed Budget are noted as follows:
Auto Expenses for the monthly auto allowance for all appraisal staff remains at \$600 per month and for management/administrative staff at \$200 per month.

Supplies and Materials increased slightly versus last year's budget primarily in the categories of Postage and Freight, Computer Supplies, and Software costs. Postage costs were increased for the mailing of appraisal and ARB notices and due to a postal increase. Cost increases were also noted in Office Equipment Expense and Building Supplies.

Operational Services is the District's telephone communication system. Slight increase was noted from the previous year.

Maintenance of Structure shows a slight decrease overall. Electricity costs decreased based on projected lower rates procured by the P3 Power Pool. However, Electrical Maintenance, which is performed every other year, increased as this budget represents the year this service is performed.

Maintenance of Equipment increased in the line items of PC Maintenance and Software Maintenance. Software maintenance costs increased which maintains the new iPad computers as the field devices for the appraisal staff. The PC Maintenance includes maintenance funds on thirty four scanners, and three in house printers for small print jobs. The maintenance on the iPad devices has been added.

Contractual Services decreased slightly due to the Lease of Equipment category which covered the lease payments of the Pen Pad devices and for the orthography updates in GIS.

Sundry Expenses noted a slight increase in the categories of Training costs, Dues and Subscriptions, and Recruitment costs. Legal Notice and Advertising also had a slight decrease in projected expenses.

Insurance and Benefits increased in the categories of Group Medical Insurance and Retirement. Group Medical costs are anticipated at a rate of 14% and the Retirement expense was increased to 19% to keep the employee program current. A slight increase was noted for Group Benefits which captures only the premium payments for all ancillary insurance programs and in the Medicare Tax category. Also a slight increase was noted in the General Insurance category.

Professional Services decreased slightly overall from last year due to reduced costs in ARB Compensation service fees. Total number of hearing days and members service were reduced. Lawsuit activity showed a slight decrease from the previous fiscal year but the costs remain constant. A slight increase in the Consultants category was noted for possible lawsuit activity and for new the SOAH hearings, (State Office of Administrative Hearings) which was passed by the Legislature this last session.

Capital Expenditures notes an overall decrease. Funds are budgeted for Equipment in Customer Service and IT including one (1) ST imaging ST Viewcam, one (1) Dell R820 and R720, one (1) Dell MD3220 Disk Array, one (1) Dell MD1220 Disk Array, and one (1) DBA and GIS workstation for IT.

Technology Development and Capital Improvement, includes no requested or budgeted funds for this fiscal year. Capital Improvement projects are funded from surplus funds approved by the Board of Directors upon the approval of the Capital Improvement Plan annually.



Dallas Central Appraisal District 10 Year Budget Analysis

	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010
Budget Amount	\$19,872,073	\$20,373,440	\$20,960,025	\$21,380,063	\$21,799,127
Budget Increase/Decrease	\$527,997	\$501,367	\$586,585	\$420,038	\$419,064
% Budget Increase/Decrease	2.73%	2.52%	2.88%	2.00%	1.96%
Merit Increases	3.00%	3.75%	4.00%	3.50%	3.00%
Entity Salary Survey	3.55%	3.74%	4.23%	3.58%	3.19%
# of Personnel	255	255	255	250	245



Dallas Central Appraisal District 10 Year Budget Analysis

2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
\$21,733,893	\$21,516,555	\$21,516,555	\$21,872,977	\$23,009,832
-\$65,234	-\$217,338	\$0	\$356,422	\$1,136,855
-0.30%	-1.00%	0.00%	1.66%	5.20%
0.00%	0.00%	0.00%	3.00%	3.00%
1.50%	1.09%	1.08%	3.13%	2.92%
240	232	229	229	228

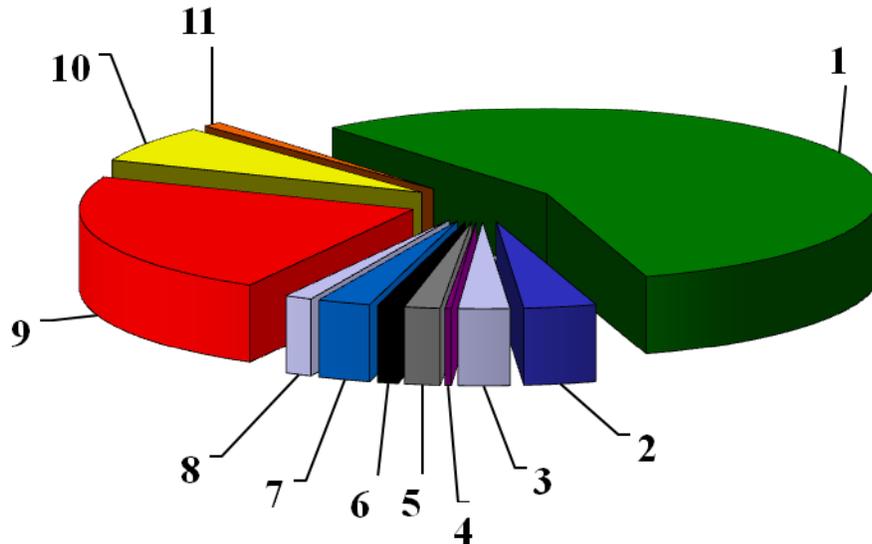
Dallas Central Appraisal District

Proposed Areas Of Change

	2013/2014	2014/2015	Increase or	Percent
	<u>Approved</u>	<u>Proposed</u>	<u>Decrease</u>	<u>Variance</u>
BUDGET EXPENDITURES:				
Salaries & Wages	\$12,315,478	\$12,980,393	\$664,915	5.40%
Auto Expense	\$764,890	\$765,140	\$250	0.03%
Supplies & Materials	\$544,590	\$616,421	\$71,831	13.19%
Operational Services	\$68,500	\$75,000	\$6,500	9.49%
Maintenance of Structure	\$375,934	\$352,928	(\$23,006)	-6.12%
Maintenance of Equipment	\$221,045	\$260,145	\$39,100	17.69%
Contractual Services	\$559,617	\$499,539	(\$60,078)	-10.74%
Sundry Expenses	\$289,358	\$295,704	\$6,346	2.19%
Insurance & Benefits	\$5,030,951	\$5,544,681	\$513,730	10.21%
Professional Services	\$1,505,024	\$1,500,781	(\$4,243)	-0.28%
Capital Expenditures	\$197,590	\$119,100	(\$78,490)	-39.72%
Technology Development	\$0	\$0	\$0	0.00%
Contingency	\$0	\$0	\$0	0.00%
Total Expenditures	<u>\$21,872,977</u>	<u>\$23,009,832</u>	<u>\$1,136,855</u>	<u>5.20%</u>

2014/2015

Budget by Category

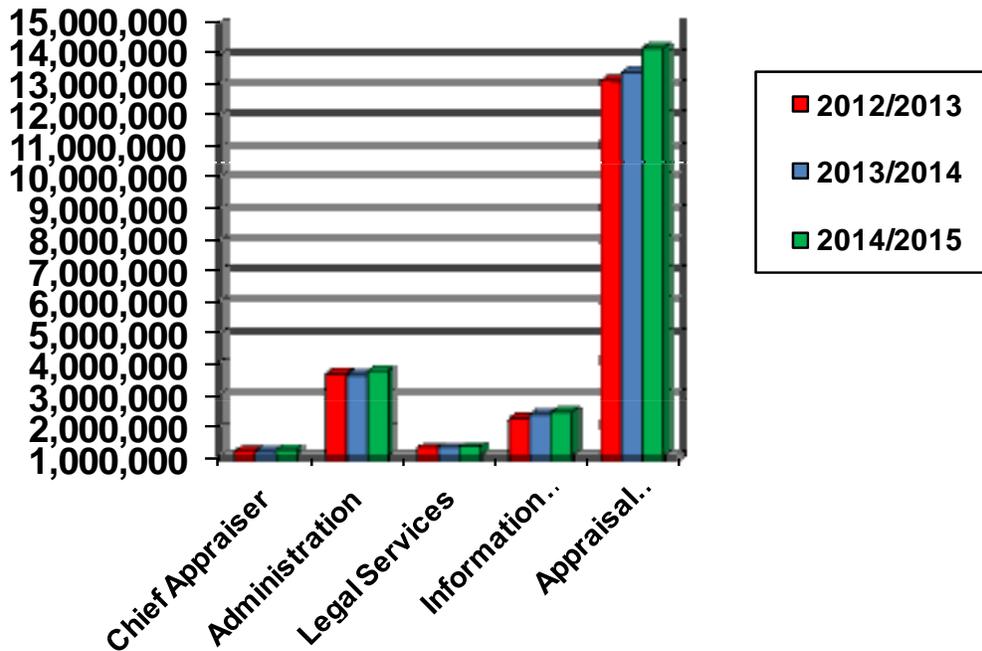


<u>Category</u>	<u>Budget Total</u>	<u>Percent</u>
1 Salaries & Wages	\$12,980,393	56.4%
2 Auto Expenses	765,140	3.3%
3 Supplies & Materials	616,421	2.7%
4 Operational Services	75,000	0.3%
5 Maintenance of Structure	352,928	1.5%
6 Maintenance of Equipment	260,145	1.1%
7 Contractual Services	499,539	2.2%
8 Sundry Expenses	295,704	1.3%
9 Insurance & Benefits	5,544,681	24.1%
10 Professional Services	1,500,781	6.5%
11 Capital Expenditures	119,100	0.5%
Total	\$23,009,832	100%

Dallas Central Appraisal District

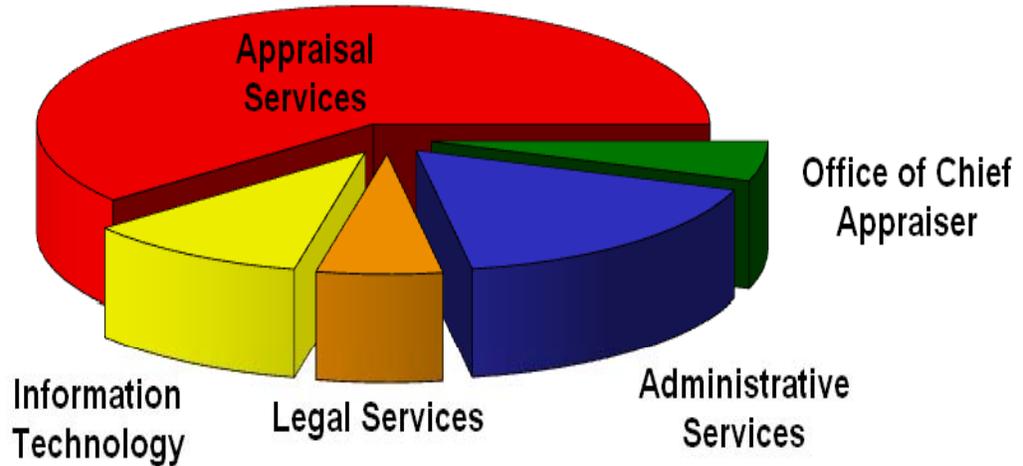
Budget Comparison

<u>Category</u>	<u>2012/2013 Approved</u>	<u>2012/2013 Actual</u>	<u>2013/2014 Approved</u>	<u>2014/2015 Proposed</u>
Consolidated				
Office of Chief Appraiser	\$1,152,841	\$1,103,349	\$1,145,975	\$1,209,012
Consolidated				
Administrative Services	3,655,153	3,913,562	3,616,040	3,745,608
Consolidated				
Legal Services	1,297,337	1,282,037	1,304,260	1,327,816
Consolidated				
Information Technology	2,296,976	2,460,658	2,421,716	2,498,819
Consolidated				
Appraisal Services	13,114,248	13,030,279	13,384,986	14,228,577
Contingency	0	0	0	0
Total	\$21,516,555	\$21,789,885	\$21,872,977	\$23,009,832



2014/2015

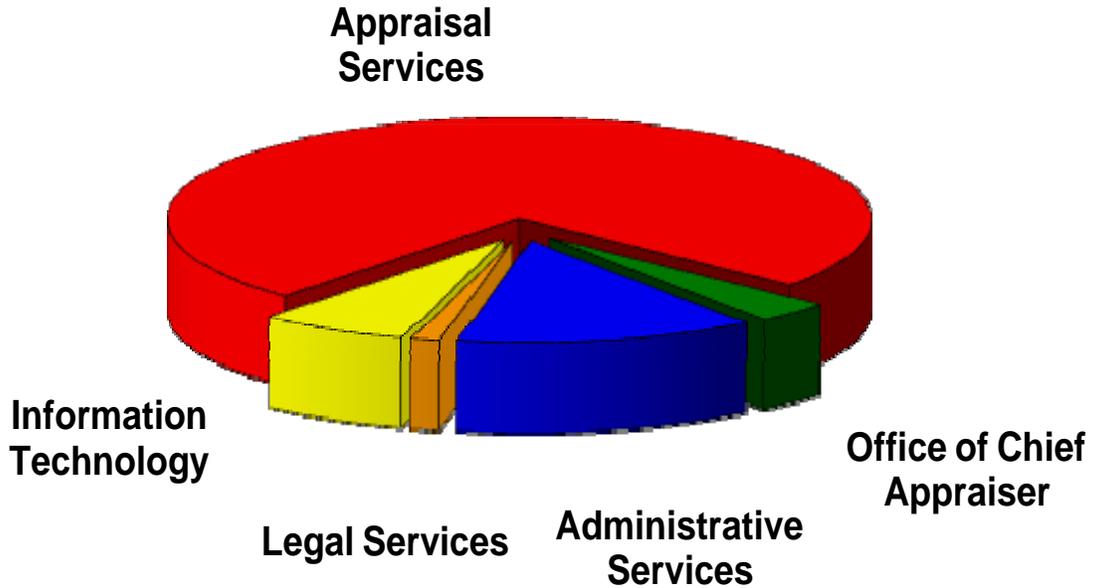
Budget By Department



<u>Department</u>	<u>Budget Total</u>	<u>Percent</u>
Office of Chief Appraiser	\$1,209,012	5.3%
Administrative Services	3,745,608	16.3%
Legal Services	1,327,816	5.8%
Information Technology	2,498,819	10.9%
Appraisal Services	<u>14,228,577</u>	<u>61.8%</u>
Total	\$23,009,832	100%

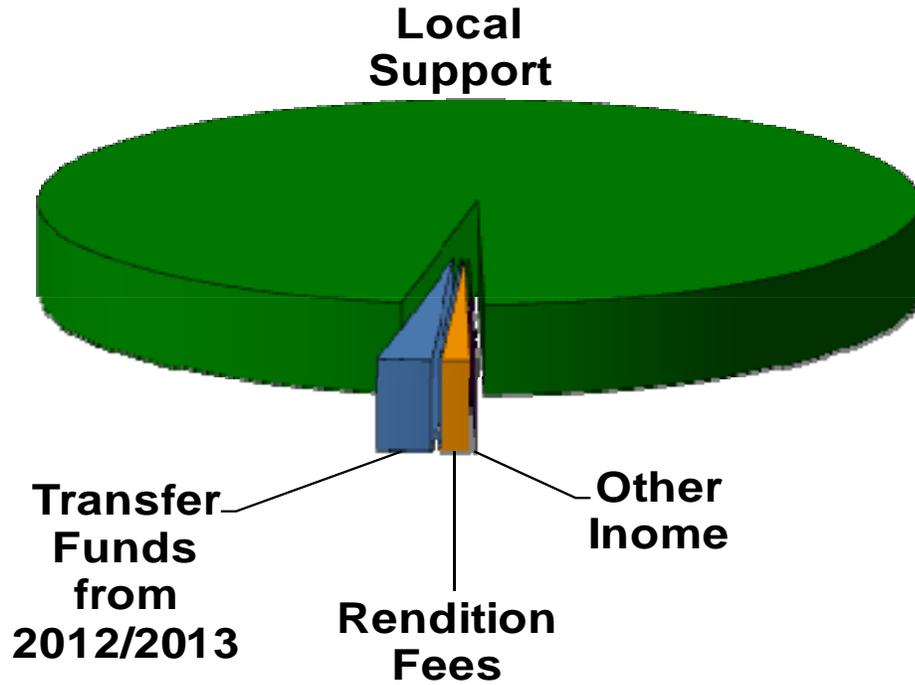
2014/2015

Personnel Breakdown



<u>Department</u>	<u>Number of Personnel</u>	<u>Percent</u>
Office of Chief Appraiser	7	3.1%
Administrative Services	32	14.0%
Legal Services	3	1.3%
Information Technology	15	6.6%
Appraisal Services	<u>171</u>	<u>75.0%</u>
Total	228	100%

2014/2015 Operating Funds Sources



<u>Source</u>	<u>Amount</u>	<u>Percent</u>
Local Support	\$22,339,832	97.09%
Transfer Funds from 2012/2013	430,000	1.87%
Investment Proceeds	0	0.00%
Rendition Fees	230,000	1.00%
Other Income	10,000	0.04%
Total	\$23,009,832	100.00%

Revenue Summary Budget Allocation Comparison

	<u>2013/2014 Approved Allocation</u>	%	<u>2014/2015 Proposed Allocation</u>	%
Local Support				
Municipalities	\$5,595,043	25.86%	\$5,749,805	25.74%
School Districts	\$8,826,942	40.80%	\$9,143,416	40.93%
County/County Wide	\$6,924,253	32.01%	\$7,136,996	31.95%
Special Districts				
Non-County Wide	\$286,739	1.33%	\$309,615	1.39%
Special Districts				
TOTAL	\$21,632,977	100%	\$22,339,832	100%

2014/2015

PROPOSED BUDGET ALLOCATIONS

	<u>2013/2014 Approved Allocation</u>	<u>2014/2015 Proposed Allocation</u>	<u>Increase or (Decrease)</u>	<u>% Change</u>
County/County-wide				
Special Districts:				
Dallas County	2,815,668	2,853,175	37,507	1.33%
D.C.H.D.	3,142,493	3,243,041	100,548	3.20%
D.C.C.C.D.	966,092	1,040,780	74,688	7.73%
Subtotal	6,924,253	7,136,996	212,743	3.07%
Non-County-Wide				
Special Districts:				
Dallas URD	214,059	225,162	11,103	5.19%
Valwood Imp. Authority	23,022	21,946	(1,076)	-4.67%
Irving FCD 1	6,545	6,550	5	0.08%
Irving FCD 3	9,613	10,257	644	6.70%
Dallas FCD1	23,854	36,296	12,442	52.16%
Denton County LID #1	1,835	1,659	(176)	-9.59%
Denton County RUD #1	75	0	(75)	-100.00%
Lancaster MUD #1	1,411	1,414	3	0.21%
Grand Prairie Metro URD	526	545	19	3.61%
Northwest FCD	5,799	5,786	(13)	-0.22%
Subtotal	286,739	309,615	22,876	7.98%

PROPOSED BUDGET ALLOCATIONS

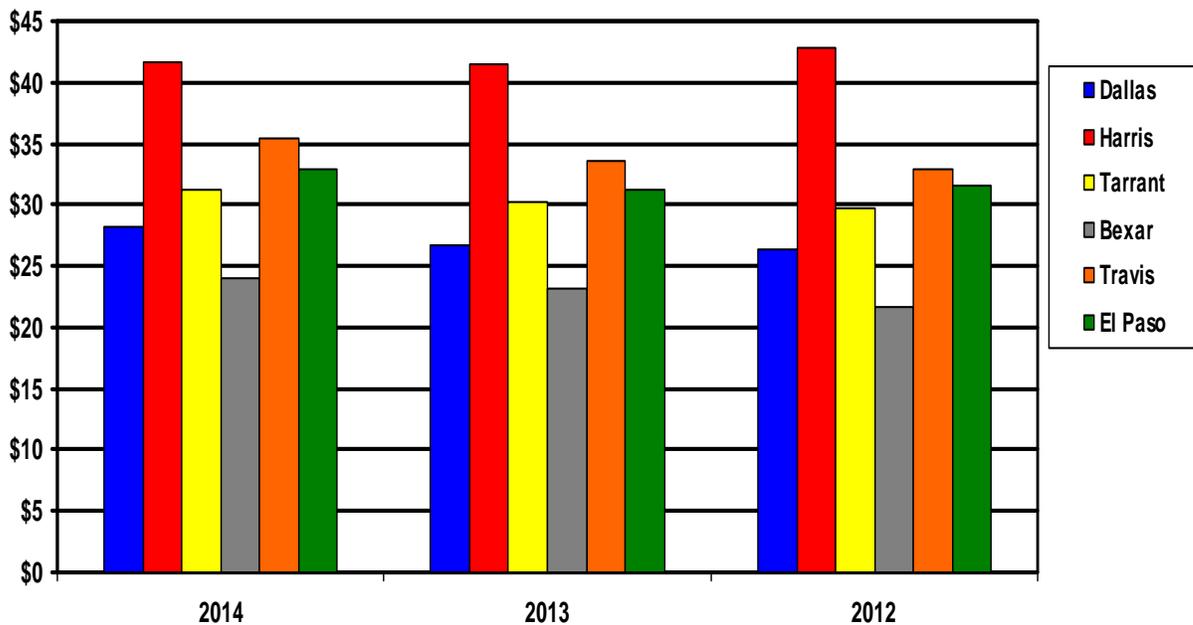
	2013/2014	2014/2015	Increase or	% Change
Cities:	<u>Approved</u>	<u>Proposed</u>	<u>(Decrease)</u>	
	<u>Allocation</u>	<u>Allocation</u>		
Addison	89,236	96,374	7,138	8.00%
Balch Springs	25,527	24,194	(1,333)	-5.22%
Carrollton	140,030	145,834	5,804	4.14%
Cedar Hill	89,279	88,466	(813)	-0.91%
Cockrell Hill	3,483	3,440	(43)	-1.23%
Combine	151	156	5	3.31%
Coppell	159,154	158,188	(966)	-0.61%
Dallas	3,083,651	3,190,128	106,477	3.45%
DeSoto	103,427	105,556	2,129	2.06%
Duncanville	58,777	60,139	1,362	2.32%
Farmers Branch	95,812	105,288	9,476	9.89%
Ferris	346	402	56	16.18%
Garland	344,938	345,642	704	0.20%
Glenn Heights	10,643	10,544	(99)	-0.93%
Grand Prairie	149,527	151,174	1,647	1.10%
Grapevine	2,271	2,279	8	0.35%
Highland Park	47,874	48,813	939	1.96%
Hutchins	8,675	9,115	440	5.07%
Irving	505,563	521,881	16,318	3.23%
Lancaster	62,087	61,591	(496)	-0.80%
Lewisville	1,406	1,452	46	3.27%
Mesquite	175,184	173,648	(1,536)	-0.88%
Ovilla	736	737	1	0.14%
Richardson	199,218	204,342	5,124	2.57%
Rowlett	97,132	95,279	(1,853)	-1.91%
Sachse	30,178	30,539	361	1.20%
Seagoville	15,424	15,750	326	2.11%
Sunnyvale	15,121	15,839	718	4.75%
University Park	76,083	78,078	1,995	2.62%
Wilmer	3,764	4,580	816	21.68%
Wylie	346	357	11	3.18%
Total	5,595,043	5,749,805	154,762	2.77%

PROPOSED BUDGET ALLOCATIONS

	<u>2013/2014</u> <u>Approved</u> <u>Allocation</u>	<u>2014/2015</u> <u>Proposed</u> <u>Allocation</u>	<u>Increase or</u> <u>(Decrease)</u>	<u>% Change</u>
School Districts:				
Carrollton/F.B.	607,080	639,140	32,060	5.28%
Cedar Hill	146,453	154,569	8,116	5.54%
Coppell	421,971	451,337	29,366	6.96%
Dallas	3,949,536	4,116,222	166,686	4.22%
Dallas County Schools	62,813	65,708	2,895	4.61%
DeSoto	118,939	124,068	5,129	4.31%
Duncanville	184,949	187,101	2,152	1.16%
Ferris	903	993	90	9.97%
Garland	662,918	667,640	4,722	0.71%
Grand Prairie	273,248	283,919	10,671	3.91%
Grapevine/Colleyville	11,626	9,729	(1,897)	-16.32%
Highland Park	506,909	525,574	18,665	3.68%
Irving	534,086	549,391	15,305	2.87%
Lancaster	83,329	83,369	40	0.05%
Mesquite	341,419	339,379	(2,040)	-0.60%
Richardson	874,517	896,510	21,993	2.51%
Sunnyvale	46,246	48,767	2,521	5.45%
Wilmer/Hutchins	0	0	0	0.00%
Total	8,826,942	9,143,416	316,474	3.59%

APPRAISAL DISTRICT COMPARISONS

	2014	Real	Personal	Total	Cost Per Parcel		
	<u>Budget Amount</u>	<u>Property</u>	<u>Property</u>	<u>Parcels</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Dallas CAD	\$23,009,832	718,294	99,030	817,324	\$28.15	\$26.76	\$26.45
Harris CAD	\$68,676,380	1,466,266	179,873	1,646,139	\$41.72	\$41.48	\$42.75
Tarrant CAD	\$21,059,373	629,311	46,396	675,707	\$31.17	\$30.23	\$29.71
Bexar CAD	\$15,016,438	579,649	44,052	623,701	\$24.08	\$23.12	\$21.70
Travis CAD	\$14,246,848	360,717	41,257	401,974	\$35.44	\$33.53	\$32.84
El Paso CAD	\$13,103,813	376,614	21,333	397,947	\$32.93	\$31.20	\$31.56



APPRAISAL DISTRICT EMPLOYEE COMPARISONS

Appraisal District	2014 Budget	Total Parcels	Number of Employees	Parcels per Employee	Number of Appraisers	Parcels per Appraiser
Dallas Central Appraisal District	\$23,009,832	817,324	228	3,585	95	8,603
Harris Central Appraisal District	\$68,676,380	1,646,139	639	2,576	292	5,637
Tarrant Appraisal District	\$21,059,373	675,707	197	3,430	85	7,949
Bexar Appraisal District	\$15,016,438	623,701	150	4,158	60	10,395
Travis Central Appraisal District	\$14,246,848	401,257	128	3,135	55	7,296
El Paso Central Appraisal District	\$13,103,813	397,947	140	2,842	42	9,475

2013-2014 BUDGET/LEVY COMPARISON

	2013 Tax Levy	2014 Budget Amount	Cost As % Of Levy
Dallas CAD	\$4,626,607,251	\$23,009,832	0.50
Harris CAD *	\$7,790,850,852	\$68,676,380	0.88
Tarrant CAD	\$3,205,220,128	\$21,059,373	0.66
Bexar CAD	\$2,550,385,199	\$15,016,438	0.59
Travis CAD	\$2,783,705,249	\$14,246,848	0.51
El Paso CAD	\$947,125,331	\$13,103,813	1.38

* 2012 Tax Levy

ACCURACY OF APPRAISALS

	Median Level of Appraisals	Coefficient of Dispersion
Dallas Central Appraisal District	0.99	7.78
Harris Central Appraisal District *	0.99	11.23
Tarrant Appraisal District*	1.00	7.36
Bexar Appraisal District	0.99	12.87
Travis Central Appraisal District	1.00	6.72
El Paso Central Appraisal District	1.00	10.11

*2011

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2013/2014 ENTITY SALARY SURVEY

Entity	Contact Person	Title	Increase	Notes
City of Addison	Passion Hayes	Director of Human Resources	6.00%	
City of Balch Springs	Debra Bradshaw	Finance Director	3.00%	
City of Carrollton	Tara Chapman	Administrative Support Assistant	3.00%	
City of Cedar Hill	Jennifer Sweeney	H. R. Generalist	4.00%	
City of Cockrell Hill	Bret Haney	Asst. City Administrator	3.00%	
City of Combine	Ivy Kidd	City Secretary		One out of six employees received \$1500
City of Coppell	Dustin Yater	H.R. Analyst	3.00%	
City of Dallas	Annabelle Eanes	Sr. H.R. Analyst	3.00%	
City of Desoto	Kathleen Shields	H.R. Director	1.00%	
City of Duncanville	Jennifer Otey	Personnel Manager	2.50%	Lump Sum with min. of \$1200 and max. \$1450
City of Farmers Branch	Charles Cox	Director of Finance	3.00%	
City of Ferris	Melissa Garcia	Director of Finance	4.00%	Percentages ranged from 2.67 to 17.6
City of Garland	Daniel Bensinger	H.R. Analyst	3.00%	1% base & 2% lump sum
City of Glenn Heights	Connie Hearne	Management Analyst	0.00%	
City of Grand Prairie	Pat Alexander	Sr. Financial Analyst	3.00%	
City of Grapevine	Gary Livingston	Budget Manager	3.11%	
Town of Highland Park	Bill Pollock	Director of Finance	3.47%	
City of Hutchins	Patti Holloway	Director of Finance	3.00%	
City of Irving	Chelsea Cole	Employee Relations & Comp. Specialist	5.50%	
City of Lancaster	Amanda Pritchett	H.R. Assistant	3.00%	
City of Lewisville	Nancy Davis	Risk Manager	3.00%	
City of Mesquite	Lindsey Rumburg	H.R. Generalist	3.00%	
City of Ovilla	Sharon Jungman	City Accountant	3.00%	
City of Richardson	Robert Clymire	Assistant Budget Officer	4.00%	5% for 48% emp. and 3% for 52%
City of Rowlett	Terri Doby	Budget Officer	1.50%	COLA
City of Sachse	Laura Morrow	H.R. Manager	4.00%	Proposed 2% COLA & 2% Merit
City of Seagoville	Cindy Brown	Director of Human Resources	3.00%	
Town of Sunnyvale	Leslie Malone	Town Secretary	5.00%	
City of University Park	Luanne Hanford	Director of Human Resources	2.00%	
City of Wilmer	Shelia Martin	Interim City Secretary	2.00%	
City of Wylie**	Lynn Fagerstrom	H.R. Manager		call back after Dec. 1
Average			3.11%	

Entity	Contact Person	Title	Increase	Notes
C/FB ISD	Dr. Bobby Burns	Superintendent	2.50%	
Cedar Hill ISD	Rosa Johnson	Staffing Specialist	3.00%	
Coppell ISD	Vicky Cason	Admin. Asst.	3.00%	
Dallas ISD	Kristian Coopwood	Compensation Analyst	2.00%	
DeSoto ISD	Sue Land	Position Control Coordinator	1.00%	
Duncanville ISD	Ronald Kuehler	CFO	3.50%	
Ferris	Ron Smith	Business Manager	2.50%	
Garland ISD	Christie Godfrey	Secretary to Exec. Director of H.R.	3.00%	
Grand Prairie ISD	Nancy Bridges	Sr. Executive Director of H.R.	2.00%	
Grapevine/Colleyville	DaiAnn Mooney	CFO	2.00%	
Highland Park ISD	Rita Bryan	Personnel/Certification Specialist	2.00%	
Irving ISD	Mia Stroy	Compensation & Benefits Manager	2.61%	
Lancaster ISD	Ted Warren	Executive Director of Finance	2.50%	
Mesquite ISD	Richard Koonce	Asst. Superintendent	4.00%	
Richardson ISD	Barbara Hargrove	Director of Salary Administration	5.00%	
Sunnyvale ISD	Margaret Davis	Business Manager	3.50%	
Average			2.76%	

Dallas County	James Sparkman	H.R. Analyst IV	2.00%	2% across board & 2% applied to salary schedule
DCCCD	John Robertson	Associate Vice Chancellor of Business	1.00%	
Average			1.50%	

Total Average Approved Increase for All Entities			2.92%	
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2014/2015 Dallas Central Appraisal District Proposed Budget Allocation Analysis

ENTITY and ENTITY CODE		2012 Grand Total Taxable Value 9/2012	2013 Grand Total Taxable Value 9/2013	Taxable Value Change	Taxable Value Percent Change	2012 Tax Rates	2013 Tax Rates	Tax Rate Change	Tax Rate Percent Change	2012 Levy	2013 Levy	Levy Change	Levy Percent Change	2013/2014 Approved Budget Allocation	2014/2015 Proposed Budget Allocation	Budget Allocation Change	Budget Allocation Percent Change
CITIES																	
Addison	CA	\$3,139,592,071	\$3,490,355,617	\$350,763,546	11.17%	0.580000	0.571800	(0.008200)	(1.41%)	\$18,209,634	\$19,957,853	\$1,748,219	9.60%	\$89,236	\$96,374	7,138	8.00%
Barch Springs	CB	648,527,967	650,571,666	2,043,699	0.32%	0.803000	0.770000	(0.033000)	(4.11%)	5,207,680	5,009,402	(198,278)	(3.81%)	25,527	24,194	(1,333)	(5.22%)
Carrollton - Dallas Co.	CC	4,624,943,981	4,888,397,168	263,453,187	5.70%	0.617875	0.617875	0.000000	0.00%	28,576,373	30,204,184	1,627,811	5.70%	140,030	145,834	5,804	4.14%
Cedar Hill - Dallas Co.	CH	2,619,103,538	2,621,973,307	2,869,769	0.11%	0.695690	0.698760	0.003070	0.44%	18,220,841	18,321,301	100,459	0.55%	89,279	88,466	(813)	(0.91%)
Cockrell Hill	CL	86,249,254	87,909,776	1,660,522	1.93%	0.823145	0.811905	(0.011240)	(1.37%)	709,956	713,744	3,787	0.53%	3,483	3,440	(43)	(1.23%)
Combine	OM	11,626,311	11,589,034	(37,277)	(0.32%)	0.250000	0.270000	0.020000	8.00%	29,066	31,290	2,225	7.65%	151	156	5	3.31%
Coppell - Dallas Co	CO	4,844,244,864	5,138,837,097	294,592,233	6.08%	0.670460	0.637500	(0.032960)	(4.92%)	32,478,724	32,760,086	281,362	0.87%	159,154	158,188	(966)	(0.61%)
Dallas	DA	78,959,838,261	82,896,070,607	3,936,232,346	4.99%	0.797000	0.797000	0.000000	0.00%	629,309,911	660,681,683	31,371,772	4.99%	3,083,651	3,190,128	106,477	3.45%
DeSoto	CS	2,786,797,542	2,886,025,550	99,228,008	3.56%	0.757400	0.757400	0.000000	0.00%	21,107,205	21,858,758	751,553	3.56%	103,427	105,556	2,129	2.06%
Duncanville	CV	1,626,293,054	1,642,075,787	15,782,733	0.97%	0.737692	0.758447	0.020755	2.81%	11,997,034	12,454,275	457,241	3.81%	58,777	60,139	1,362	2.32%
Farmers Branch	CF	3,692,382,761	3,942,109,808	249,727,047	6.76%	0.529500	0.553100	0.023600	4.46%	19,551,167	21,803,809	2,252,643	11.52%	95,812	105,288	9,476	9.89%
Ferris	FE	10,128,860	12,418,461	2,289,601	22.60%	0.687134	0.687134	0.000000	0.00%	69,599	85,331	15,733	22.60%	346	402	56	16.18%
Garland - Dallas Co	CG	9,990,630,274	10,159,649,141	169,018,867	1.69%	0.704600	0.704600	0.000000	0.00%	70,393,981	71,584,888	1,190,907	1.69%	344,938	345,642	704	0.20%
Glenn Heights - Dallas Co	CE	273,240,255	274,663,105	1,422,850	0.52%	0.795000	0.795000	0.000000	0.00%	2,172,260	2,183,572	11,312	0.52%	10,643	10,544	(99)	(0.93%)
Grand Prairie - Dallas Co	CP	4,554,693,319	4,672,879,002	118,185,683	2.59%	0.669998	0.669998	0.000000	0.00%	30,516,354	31,308,196	791,842	2.59%	149,527	151,174	1,647	1.10%
Grapevine	GV	134,625,698	137,323,415	2,697,717	2.00%	0.345695	0.342500	(0.003195)	(0.92%)	465,394	470,333	4,938	1.06%	2,271	2,279	8	0.35%
Highland Park	TH	4,441,054,562	4,594,079,983	153,025,421	3.45%	0.220000	0.220000	0.000000	0.00%	9,770,320	10,106,976	336,656	3.45%	47,874	48,813	939	1.96%
Hutchins	CU	268,044,212	273,264,544	5,220,332	1.95%	0.660907	0.690907	0.030000	4.54%	1,771,523	1,888,004	116,481	6.58%	8,675	9,115	440	5.07%
Irving	CI	17,235,766,413	18,055,855,517	820,089,104	4.76%	0.598600	0.598600	0.000000	0.00%	103,173,298	108,082,351	4,909,053	4.76%	505,563	521,881	16,318	3.23%
Lancaster	CN	1,460,608,442	1,470,183,673	9,575,231	0.66%	0.867500	0.867500	0.000000	0.00%	12,670,778	12,753,843	83,065	0.66%	62,087	61,591	(496)	(0.80%)
Lewisville	LE	65,516,151	68,063,254	2,547,103	3.89%	0.440210	0.440210	0.000000	0.00%	288,409	299,621	11,213	3.89%	1,406	1,452	46	3.27%
Mesquite - Dallas Co	CM	5,585,976,392	5,619,343,068	33,366,676	0.60%	0.640000	0.640000	0.000000	0.00%	35,750,249	35,963,796	213,547	0.60%	175,184	173,648	(1,536)	(0.88%)
Ovilla	OV	22,749,379	22,515,567	(233,812)	(1.03%)	0.667500	0.671900	0.004400	0.66%	151,852	151,282	(570)	(0.38%)	736	737	1	0.14%
Richardson	CR	6,400,603,215	6,662,810,168	262,206,953	4.10%	0.635160	0.635160	0.000000	0.00%	40,654,071	42,319,505	1,665,434	4.10%	199,218	204,342	5,124	2.57%
Rowlett - Dallas Co	CW	2,653,131,611	2,640,850,402	(12,281,209)	(0.46%)	0.747173	0.747173	0.000000	0.00%	19,823,483	19,731,721	(91,762)	(0.46%)	97,132	95,279	(1,853)	(1.91%)
Sachse	CK	798,830,517	820,519,950	21,689,433	2.72%	0.770819	0.770819	0.000000	0.00%	6,157,537	6,324,724	167,186	2.72%	30,178	30,539	361	1.20%
Seagoville - Dallas Co	CJ	455,436,461	456,887,839	1,451,378	0.32%	0.690853	0.713794	0.022941	3.32%	3,146,396	3,261,238	114,842	3.65%	15,424	15,750	326	2.11%
Sunnyvale	TS	756,254,491	804,115,737	47,861,246	6.33%	0.407962	0.407962	0.000000	0.00%	3,085,231	3,280,487	195,256	6.33%	15,121	15,839	718	4.75%
University Park	CQ	5,576,230,778	5,894,852,538	318,621,760	5.71%	0.278450	0.274320	(0.004130)	(1.48%)	15,527,015	16,170,759	643,745	4.15%	76,083	78,078	1,995	2.62%
Wilmer	CT	208,946,098	244,053,999	35,107,901	16.80%	0.366818	0.389438	0.022620	6.17%	766,452	950,439	183,987	24.01%	3,764	4,580	816	21.68%
Wylie	WY	8,172,787	8,521,284	348,497	4.26%	0.888900	0.883900	(0.005000)	(0.56%)	72,648	75,320	2,672	3.68%	346	357	11	3.18%
COUNTYWIDE ENTITIES																	
Dallas County	DC	157,908,256,062	165,164,823,816	7,256,567,754	4.60%	0.243100	0.243100	0.000000	0.00%	383,874,970	401,515,687	17,640,716	4.60%	2,815,668	2,853,175	37,507	1.33%
Dallas Co Community College	DO	165,159,472,596	172,852,243,507	7,692,770,911	4.66%	0.119375	0.124700	0.005325	4.46%	197,159,120	215,546,748	18,387,627	9.33%	966,092	1,040,780	74,688	7.73%
Parkland Hospital	PH	158,093,223,620	165,355,034,790	7,261,811,170	4.59%	0.271000	0.276000	0.005000	1.85%	428,432,636	456,379,896	27,947,260	6.52%	3,142,493	3,243,041	100,548	3.20%
SCHOOL DISTRICTS																	
Carrollton/Farmers Branch ISD	AS	11,397,326,225	12,138,397,348	741,071,123	6.50%	1.330600	1.323500	(0.007100)	(0.53%)	151,652,823	160,651,689	8,998,866	5.93%	607,080	639,140	32,060	5.28%
Cedar Hill ISD	ES	2,540,617,628	2,547,666,194	7,048,566	0.28%	1.440000	1.525000	0.085000	5.90%	36,584,894	38,851,909	2,267,016	6.20%	146,453	154,569	8,116	5.54%
Coppell ISD	OS	7,429,613,113	7,920,021,426	490,408,313	6.60%	1.418800	1.432400	0.013600	0.96%	105,411,351	113,446,387	8,035,036	7.62%	421,971	451,337	29,366	6.96%
Dallas ISD	DS	76,461,684,502	80,699,597,540	4,237,913,038	5.54%	1.290347	1.282085	(0.008262)	(0.64%)	986,621,052	1,034,637,435	48,016,383	4.87%	3,949,536	4,116,219	166,683	4.22%
DeSoto ISD	SS	2,063,314,339	2,092,966,735	29,652,396	1.44%	1.440000	1.490000	0.050000	3.47%	29,711,726	31,185,204	1,473,478	4.96%	118,939	124,068	5,129	4.31%
Duncanville ISD	US	3,230,870,008	3,335,394,098	104,524,090	3.24%	1.430000	1.410000	(0.020000)	(1.40%)	46,201,441	47,029,057	827,616	1.79%	184,949	187,101	2,152	1.16%
Ferris ISD	FS	17,215,353	19,061,981	1,846,628	10.73%	1.310000	1.310000	0.000000	0.00%	225,521	249,712	24,191	10.73%	903	993	90	9.97%
Garland ISD	GS	13,213,222,270	13,389,896,468	176,674,198	1.34%	1.253300	1.253300	0.000000	0.00%	165,601,315	167,815,572	2,214,258	1.34%	662,918	667,640	4,722	0.71%
Grand Prairie ISD	PS	4,659,327,959	4,871,313,438	211,985,479	4.55%	1.465000	1.465000	0.000000	0.00%	68,259,155	71,364,742	3,105,587	4.55%	273,248	283,919	10,671	3.91%
Grapevine-Colleyville ISD	VS	219,994,374	185,237,898	(34,756,476)	(15.80%)	1.320100	1.320100	0.000000	0.00%	2,904,146	2,445,325	(458,820)	(15.80%)	11,626	9,729	(1,897)	(16.32%)
Highland Park ISD	HS	11,164,646,462	11,725,071,940	560,425,478	5.02%	1.134200	1.126700	(0.007500)	(0.66%)	126,629,420	132,106,386	5,476,965	4.33%	506,909	525,574	18,665	3.68%
Irving ISD	IS	9,107,044,610	9,426,128,696	319,084,086	3.50%	1.465000	1.465000	0.000000	0.00%	133,418,204	138,092,785	4,674,582	3.50%	534,086	549,391	15,305	2.87%
Lancaster ISD	LS	1,467,995,765	1,477,801,521	9,805,756	0.67%	1.418000	1.418000	0.000000	0.00%	20,816,180	20,955,226	139,046	0.67%	83,329	83,369	40	0.05%
Mesquite ISD	MS	6,006,250,091	6,050,008,560	43,758,469	0.73%	1.420000	1.410000	(0.010000)	(0.70%)	85,288,751	85,305,121	16,369	0.02%	341,419	339,379	(2,040)	(0.60%)
Richardson ISD	RS	16,302,401,300	16,816,036,626	513,635,326	3.15%	1.340050	1.340050	0.000000	0.00%	218,460,329	225,343,299	6,882,970	3.15%	874,517	896,510	21,993	2.51%
Sunnyvale ISD	YS	819,332,967	869,360,937	50,027,970	6.11%	1.410000	1.410000	0.000000	0.00%	11,552,595	12,257,989	705,394	6.11%	46,246	48,767	2,521	5.45%
Dallas County Schools		157,908,256,062	165,164,8														

2014/2015 Dallas Central Appraisal District Proposed Budget Allocation Analysis

ENTITY and ENTITY CODE		2012 Grand Total Taxable Value 9/2012	2013 Grand Total Taxable Value 9/2013	Taxable Value Change	Taxable Value Percent Change	2012 Tax Rates	2013 Tax Rates	Tax Rate Change	Tax Rate Percent Change	2012 Levy	2013 Levy	Levy Change	Levy Percent Change	2013/2014 Approved Budget Allocation	2014/2015 Proposed Budget Allocation	Budget Allocation Change	Budget Allocation Percent Change
SPECIAL DISTRICTS																	
Dallas County FCD #1	DD	159,610,993	273,346,590	113,735,597	71.26%	3.050000	2.750000	(0.300000)	(9.84%)	4,868,135	7,517,031	2,648,896	54.41%	23,854	36,296	12,442	52.16%
Dallas County URD	DM	2,374,180,413	2,603,645,344	229,464,931	9.67%	1.840000	1.791000	(0.049000)	(2.66%)	43,684,920	46,631,288	2,946,369	6.74%	214,059	225,162	11,103	5.19%
Denton Co. LID #1	NL	180,885,565	185,744,358	4,858,793	2.69%	0.207000	0.185000	(0.022000)	(10.63%)	374,433	343,627	(30,806)	(8.23%)	1,835	1,659	(176)	(9.59%)
Denton Co. RUD #1	NR	152,908,947	156,805,121	3,896,174	2.55%	0.010000	0.000000	(0.010000)	#####	15,291	0	(15,291)	(100.00%)	75	0	(75)	(100.00%)
Grand Prairie Metro URD	GU	17,907,674	18,815,591	907,917	5.07%	0.600000	0.600000	0.000000	0.00%	107,446	112,894	5,448	5.07%	526	545	19	3.61%
Irving FCD, Section I	IF	287,063,256	271,297,891	(15,765,365)	(5.49%)	0.465300	0.500000	0.034700	7.46%	1,335,705	1,356,489	20,784	1.56%	6,545	6,550	5	0.08%
Irving FCD, Section III	ID	1,411,311,957	1,494,958,655	83,646,698	5.93%	0.139000	0.142100	0.003100	2.23%	1,961,724	2,124,336	162,613	8.29%	9,613	10,257	644	6.70%
Lancaster MUD #1	LM	27,158,258	27,629,454	471,196	1.74%	1.060000	1.060000	0.000000	0.00%	287,878	292,872	4,995	1.74%	1,411	1,414	3	0.21%
Northwest Dallas Co FCD	NF	394,482,142	399,399,238	4,917,096	1.25%	0.300000	0.300000	0.000000	0.00%	1,183,446	1,198,198	14,751	1.25%	5,799	5,786	(13)	(0.22%)
Valwood Improvement Auth.	FF	1,527,913,950	1,567,273,984	39,360,034	2.58%	0.307500	0.290000	(0.017500)	(5.69%)	4,698,335	4,545,095	(153,241)	(3.26%)	23,022	21,946	(1,076)	(4.67%)

DALLAS CENTRAL APPRAISAL DISTRICT 2014 PRELIMINARY ESTIMATED REAPPRAISAL PLAN - As of February 201.

ENTITY	RESIDENTIAL			COMMERCIAL			BPP			TOTAL OF ALL DIVISIONS		
	ACCOUNTS REAPPRAISED	TOTAL NUMBER OF ACCOUNTS	PERCENT REAPPRAISED	ACCOUNTS REAPPRAISED	TOTAL NUMBER OF ACCOUNTS	PERCENT REAPPRAISED	ACCOUNTS REAPPRAISED	TOTAL NUMBER OF ACCOUNTS	PERCENT REAPPRAISED	ACCOUNTS REAPPRAISED	TOTAL NUMBER OF ACCOUNTS	PERCENT REAPPRAISED
<u>CITIES</u>												
Addison	1,387	2,349	59.05%	688	689	99.85%	2,970	2,970	100.00%	5,045	6,008	83.97%
Balch Springs	2,700	6,764	39.92%	626	952	65.76%	736	736	100.00%	4,062	8,452	48.06%
Carrollton	7,532	12,259	61.44%	1,398	1,781	78.50%	3,511	3,511	100.00%	12,441	17,551	70.88%
Cedar Hill	9,279	16,207	57.25%	677	1,205	56.18%	1,225	1,225	100.00%	11,181	18,637	59.99%
Cockrell Hill	930	930	100.00%	0	103	0.00%	166	166	100.00%	1,096	1,199	91.41%
Combine	203	326	62.27%	75	75	100.00%	15	15	100.00%	293	416	70.43%
Coppell	7,491	11,752	63.74%	669	971	68.90%	1,489	1,489	100.00%	9,649	14,212	67.89%
Dallas	148,274	291,459	50.87%	19,112	39,083	48.90%	47,593	47,593	100.00%	214,979	378,135	56.85%
Desoto	8,705	16,631	52.34%	589	1,284	45.87%	1,282	1,282	100.00%	10,576	19,197	55.09%
Duncanville	7,609	11,962	63.61%	804	1,114	72.17%	1,391	1,391	100.00%	9,804	14,467	67.77%
Farmers Branch	5,684	8,081	70.34%	592	1,235	47.94%	3,033	3,033	100.00%	9,309	12,349	75.38%
Ferris	0	0	0.00%	15	15	100.00%	6	6	100.00%	21	21	100.00%
Garland	30,254	64,402	46.98%	2,651	4,688	56.55%	5,664	5,664	100.00%	38,569	74,754	51.59%
Glenn Heights	1,759	3,160	55.66%	0	198	0.00%	80	80	100.00%	1,839	3,438	53.49%
Grand Prairie	13,932	35,825	38.89%	942	4,272	22.05%	2,780	2,780	100.00%	17,654	42,877	41.17%
Grapevine	0	0	0.00%	28	28	100.00%	81	81	100.00%	109	109	100.00%
Highland Park	2,639	3,400	77.62%	72	80	90.00%	343	343	100.00%	3,054	3,823	79.88%
Hutchins	28	1,332	2.10%	68	392	17.35%	276	276	100.00%	372	2,000	18.60%
Irving	21,903	43,498	50.35%	2,230	5,541	40.25%	8,022	8,022	100.00%	32,155	57,061	56.35%
Lancaster	5,522	12,729	43.38%	563	1,568	35.91%	808	808	100.00%	6,893	15,105	45.63%
Lewisville	85	299	28.43%	10	10	100.00%	15	15	100.00%	110	324	33.95%
Mesquite	17,422	38,182	45.63%	756	2,618	28.88%	3,119	3,119	100.00%	21,297	43,919	48.49%
Ovilla	79	162	48.77%	0	23	0.00%	5	5	100.00%	84	190	44.21%
Richardson	12,535	21,496	58.31%	1,074	1,617	66.42%	4,474	4,474	100.00%	18,083	27,587	65.55%
Rowlett	6,652	17,367	38.30%	477	1,025	46.54%	940	940	100.00%	8,069	19,332	41.74%
Sachse	2,464	5,277	46.69%	47	315	14.92%	265	265	100.00%	2,776	5,857	47.40%
Seagoville	2,365	4,901	48.26%	789	790	99.87%	440	440	100.00%	3,594	6,131	58.62%
Sunnyvale	1,459	2,209	66.05%	239	623	38.36%	426	426	100.00%	2,124	3,258	65.19%
University Park	6,386	6,927	92.19%	216	318	67.92%	774	774	100.00%	7,376	8,019	91.98%
Wilmer	752	1,495	50.30%	233	234	99.57%	141	141	100.00%	1,126	1,870	60.21%
Wylie	181	197	91.88%	1	16	6.25%	12	12	100.00%	194	225	86.22%
Total Cities	326,211	641,578	50.85%	35,641	72,863	48.92%	92,082	92,082	100.00%	453,934	806,523	56.28%
<u>SCHOOLS</u>												
Carrollton/Farmers Branch	15,680	23,255	67.43%	2,174	3,493	62.24%	5,834	5,834	100.00%	23,688	32,582	72.70%
Cedar Hill	9,799	16,872	58.08%	679	1,276	53.21%	1,201	1,201	100.00%	11,679	19,349	60.36%
Coppell	9,831	14,252	68.98%	867	1,358	63.84%	2,250	2,250	100.00%	12,948	17,860	72.50%
Dallas	131,446	268,742	48.91%	20,426	39,811	51.31%	47,370	47,370	100.00%	199,242	355,923	55.98%
Desoto	8,872	18,577	47.76%	362	1,122	32.26%	932	932	100.00%	10,166	20,631	49.28%
Duncanville	13,439	20,527	65.47%	980	2,208	44.38%	1,913	1,913	100.00%	16,332	24,648	66.26%
Ferris	114	114	100.00%	96	97	98.97%	15	15	100.00%	225	226	99.56%
Garland	37,452	82,717	45.28%	3,072	6,124	50.16%	6,474	6,474	100.00%	46,998	95,315	49.31%
Grand Prairie	13,199	34,431	38.33%	852	4,196	20.31%	2,831	2,831	100.00%	16,882	41,458	40.72%
Grapevine-Colleyville	0	0	0.00%	2	18	11.11%	144	144	100.00%	146	162	90.12%
Highland Park	8,961	10,740	83.44%	339	482	70.33%	1,884	1,884	100.00%	11,184	13,106	85.33%
Irving	15,350	36,109	42.51%	2,450	4,972	49.28%	5,704	5,704	100.00%	23,504	46,785	50.24%
Lancaster	6,032	13,079	46.12%	709	1,740	40.75%	802	802	100.00%	7,543	15,621	48.29%
Mesquite	19,852	46,788	42.43%	1,091	3,258	33.49%	3,456	3,456	100.00%	24,399	53,502	45.60%
Richardson	35,650	56,878	62.68%	2,296	3,394	67.65%	9,426	9,426	100.00%	47,372	69,698	67.97%
Sunnyvale	1,459	2,209	66.05%	251	636	39.47%	426	426	100.00%	2,136	3,271	65.30%
Total Schools	327,136	645,290	50.70%	36,646	74,185	49.40%	90,662	90,662	100.00%	454,444	810,137	56.09%

DALLAS CENTRAL APPRAISAL DISTRICT 2013 ESTIMATED REAPPRAISAL PLAN

ENTITY	RESIDENTIAL			COMMERCIAL			BPP			TOTAL OF ALL DIVISIONS		
	ACCOUNTS REAPPRAISED	TOTAL NUMBER OF ACCOUNTS	PERCENT REAPPRAISED	ACCOUNTS REAPPRAISED	TOTAL NUMBER OF ACCOUNTS	PERCENT REAPPRAISED	ACCOUNTS REAPPRAISED	TOTAL NUMBER OF ACCOUNTS	PERCENT REAPPRAISED	ACCOUNTS REAPPRAISED	TOTAL NUMBER OF ACCOUNTS	PERCENT REAPPRAISED
CITIES												
Addison	1,040	2,351	44.24%	364	687	52.98%	3,040	3,040	100.00%	4,444	6,078	73.12%
Balch Springs	2,274	6,764	33.62%	0	946	0.00%	736	736	100.00%	3,010	8,446	35.64%
Carrollton	4,850	12,259	39.56%	943	1,771	53.25%	3,495	3,495	100.00%	9,288	17,525	53.00%
Cedar Hill	5,500	16,172	34.01%	363	1,202	30.20%	1,173	1,173	100.00%	7,036	18,547	37.94%
Cockrell Hill	0	930	0.00%	107	108	99.07%	161	161	100.00%	268	1,199	22.35%
Combine	5	326	1.53%	75	75	100.00%	17	17	100.00%	97	418	23.21%
Coppell	5,410	11,727	46.13%	443	984	45.02%	1,472	1,472	100.00%	7,325	14,183	51.65%
Dallas	102,083	291,391	35.03%	17,368	39,103	44.42%	46,848	46,848	100.00%	166,299	377,342	44.07%
Desoto	6,087	16,632	36.60%	697	1,286	54.20%	1,270	1,270	100.00%	8,054	19,188	41.97%
Duncanville	4,411	11,964	36.87%	352	1,115	31.57%	1,325	1,325	100.00%	6,088	14,404	42.27%
Farmers Branch	3,392	8,082	41.97%	872	1,245	70.04%	3,110	3,110	100.00%	7,374	12,437	59.29%
Ferris	0	0	0.00%	13	13	100.00%	5	5	100.00%	18	18	100.00%
Garland	24,556	64,243	38.22%	2,710	4,682	57.88%	5,603	5,603	100.00%	32,869	74,528	44.10%
Glenn Heights	1,507	3,181	47.38%	0	199	0.00%	74	74	100.00%	1,581	3,454	45.77%
Grand Prairie	13,526	35,781	37.80%	1,824	4,254	42.88%	2,741	2,741	100.00%	18,091	42,776	42.29%
Grapevine	0	0	0.00%	29	29	100.00%	76	76	100.00%	105	105	100.00%
Highland Park	1,793	3,396	52.80%	34	83	40.96%	366	366	100.00%	2,193	3,845	57.04%
Hutchins	119	1,298	9.17%	384	390	98.46%	299	299	100.00%	802	1,987	40.36%
Irving	13,763	42,991	32.01%	2,311	5,521	41.86%	7,949	7,949	100.00%	24,023	56,461	42.55%
Lancaster	4,886	12,736	38.36%	616	1,562	39.44%	821	821	100.00%	6,323	15,119	41.82%
Lewisville	0	293	0.00%	10	10	100.00%	14	14	100.00%	24	317	7.57%
Mesquite	11,880	38,184	31.11%	991	2,608	38.00%	3,096	3,096	100.00%	15,967	43,888	36.38%
Ovilla	0	162	0.00%	0	23	0.00%	5	5	100.00%	5	190	2.63%
Richardson	13,443	21,464	62.63%	870	1,626	53.51%	4,426	4,426	100.00%	18,739	27,516	68.10%
Rowlett	6,347	17,257	36.78%	447	1,027	43.52%	911	911	100.00%	7,705	19,195	40.14%
Sachse	1,971	5,220	37.76%	48	321	14.95%	255	255	100.00%	2,274	5,796	39.23%
Seagoville	2,177	4,891	44.51%	66	784	8.42%	441	441	100.00%	2,684	6,116	43.88%
Sunnyvale	505	2,205	22.90%	193	613	31.48%	403	403	100.00%	1,101	3,221	34.18%
University Park	4,957	6,904	71.80%	251	321	78.19%	761	761	100.00%	5,969	7,986	74.74%
Wilmer	219	1,463	14.97%	11	229	4.80%	127	127	100.00%	357	1,819	19.63%
Wylie	0	193	0.00%	16	16	100.00%	13	13	100.00%	29	222	13.06%
Total Cities	236,701	640,460	36.96%	32,408	72,833	44.50%	91,033	91,033	100.00%	360,142	804,326	44.78%
SCHOOLS												
Carrollton/Farmers Branch	10,235	23,018	44.47%	2,237	3,496	63.99%	5,827	5,827	100.00%	18,299	32,341	56.58%
Cedar Hill	5,978	16,837	35.51%	373	1,273	29.30%	1,156	1,156	100.00%	7,507	19,266	38.97%
Coppell	6,060	14,082	43.03%	719	1,363	52.75%	2,197	2,197	100.00%	8,976	17,642	50.88%
Dallas	88,733	268,620	33.03%	17,212	39,807	43.24%	46,960	46,960	100.00%	152,905	355,387	43.02%
Desoto	7,288	18,598	39.19%	547	1,124	48.67%	897	897	100.00%	8,732	20,619	42.35%
Duncanville	6,494	20,531	31.63%	1,015	2,205	46.03%	1,835	1,835	100.00%	9,344	24,571	38.03%
Ferris	0	113	0.00%	97	97	100.00%	15	15	100.00%	112	225	49.78%
Garland	30,660	82,386	37.22%	3,206	6,132	52.28%	6,340	6,340	100.00%	40,206	94,858	42.39%
Grand Prairie	13,123	34,390	38.16%	1,821	4,183	43.53%	2,778	2,778	100.00%	17,722	41,351	42.86%
Grapevine-Colleyville	0	0	0.00%	18	18	100.00%	137	137	100.00%	155	155	100.00%
Highland Park	7,064	10,713	65.94%	379	492	77.03%	1,872	1,872	100.00%	9,315	13,077	71.23%
Irving	10,388	35,981	28.87%	1,293	4,961	26.06%	5,705	5,705	100.00%	17,386	46,647	37.27%
Lancaster	5,605	13,084	42.84%	664	1,734	38.29%	830	830	100.00%	7,099	15,648	45.37%
Mesquite	13,663	46,777	29.21%	989	3,242	30.51%	3,426	3,426	100.00%	18,078	53,445	33.83%
Richardson	31,623	56,828	55.65%	1,767	3,401	51.96%	9,257	9,257	100.00%	42,647	69,486	61.37%
Sunnyvale	505	2,205	22.90%	194	626	30.99%	403	403	100.00%	1,102	3,234	34.08%
Total Schools	237,419	644,163	36.86%	32,531	74,154	43.87%	89,635	89,635	100.00%	359,585	807,952	44.51%

DALLAS CENTRAL APPRAISAL DISTRICT 2012 ESTIMATED REAPPRAISAL PLAN

ENTITY	RESIDENTIAL			COMMERCIAL			BPP			TOTAL OF ALL DIVISIONS		
	ACCOUNTS REAPPRAISED	TOTAL NUMBER OF ACCOUNTS	PERCENT REAPPRAISED	ACCOUNTS REAPPRAISED	TOTAL NUMBER OF ACCOUNTS	PERCENT REAPPRAISED	ACCOUNTS REAPPRAISED	TOTAL NUMBER OF ACCOUNTS	PERCENT REAPPRAISED	ACCOUNTS REAPPRAISED	TOTAL NUMBER OF ACCOUNTS	PERCENT REAPPRAISED
CITIES												
Addison	1,036	2,345	44.18%	359	687	52.26%	3,050	3,050	100.00%	4,445	6,082	73.08%
Balch Springs	2,119	6,773	31.29%	320	940	34.04%	733	733	100.00%	3,172	8,446	37.56%
Carrollton	6,197	12,258	50.55%	939	1,766	53.17%	3,512	3,512	100.00%	10,648	17,536	60.72%
Cedar Hill	7,148	16,169	44.21%	358	1,195	29.96%	1,169	1,169	100.00%	8,675	18,533	46.81%
Cockrell Hill	159	932	17.06%	105	105	100.00%	169	169	100.00%	433	1,206	35.90%
Combine	206	331	62.24%	68	68	100.00%	14	14	100.00%	288	413	69.73%
Coppell	2,501	11,550	21.65%	481	836	57.54%	1,393	1,393	100.00%	4,375	13,779	31.75%
Dallas	103,587	291,489	35.54%	19,890	39,121	50.84%	46,651	46,651	100.00%	170,128	377,261	45.10%
Desoto	8,925	16,632	53.66%	302	1,281	23.58%	1,238	1,238	100.00%	10,465	19,151	54.64%
Duncanville	4,212	11,965	35.20%	263	1,114	23.61%	1,296	1,296	100.00%	5,771	14,375	40.15%
Farmers Branch	1,639	8,086	20.27%	577	1,238	46.61%	3,070	3,070	100.00%	5,286	12,394	42.65%
Ferris	0	0	0.00%	13	13	100.00%	4	4	100.00%	17	17	100.00%
Garland	25,362	64,392	39.39%	1,618	4,660	34.72%	5,645	5,645	100.00%	32,625	74,697	43.68%
Glenn Heights	1,398	3,239	43.16%	198	198	100.00%	82	82	100.00%	1,678	3,519	47.68%
Grand Prairie	16,358	35,782	45.72%	1,294	3,494	37.03%	2,703	2,703	100.00%	20,355	41,979	48.49%
Grapevine	0	0	0.00%	29	29	100.00%	76	76	100.00%	105	105	100.00%
Highland Park	991	3,398	29.16%	38	83	45.78%	370	370	100.00%	1,399	3,851	36.33%
Hutchins	332	1,299	25.56%	64	389	16.45%	302	302	100.00%	698	1,990	35.08%
Irving	15,082	42,783	35.25%	2,654	5,461	48.60%	7,700	7,700	100.00%	25,436	55,944	45.47%
Lancaster	6,921	12,609	54.89%	706	1,474	47.90%	792	792	100.00%	8,419	14,875	56.60%
Lewisville	101	293	34.47%	10	10	100.00%	9	9	100.00%	120	312	38.46%
Mesquite	13,854	38,184	36.28%	1,195	2,604	45.89%	3,116	3,116	100.00%	18,165	43,904	41.37%
Ovilla	35	162	21.60%	23	23	100.00%	7	7	100.00%	65	192	33.85%
Richardson	2,022	21,253	9.51%	764	1,606	47.57%	4,417	4,417	100.00%	7,203	27,276	26.41%
Rowlett	5,770	17,021	33.90%	854	1,018	83.89%	925	925	100.00%	7,549	18,964	39.81%
Sachse	1,695	5,029	33.70%	313	313	100.00%	246	246	100.00%	2,254	5,588	40.34%
Seagoville	1,316	4,909	26.81%	65	754	8.62%	453	453	100.00%	1,834	6,116	29.99%
Sunnyvale	898	2,164	41.50%	206	614	33.55%	400	400	100.00%	1,504	3,178	47.33%
University Park	1,898	6,908	27.48%	223	343	65.01%	756	756	100.00%	2,877	8,007	35.93%
Wilmer	263	1,433	18.35%	13	260	5.00%	134	134	100.00%	410	1,827	22.44%
Wylie	177	191	92.67%	15	15	100.00%	11	11	100.00%	203	217	93.55%
Total Cities	232,202	639,579	36.31%	33,957	71,712	47.35%	90,443	90,443	100.00%	356,602	801,734	44.48%
SCHOOLS												
Carrollton/Farmers Branch	9,216	22,867	40.30%	1,293	3,486	37.09%	5,729	5,729	100.00%	16,238	32,082	50.61%
Cedar Hill	7,901	16,833	46.94%	374	1,265	29.57%	1,157	1,157	100.00%	9,432	19,255	48.98%
Coppell	3,199	13,905	23.01%	658	1,201	54.79%	2,080	2,080	100.00%	5,937	17,186	34.55%
Dallas	97,999	268,764	36.46%	19,698	39,796	49.50%	46,622	46,622	100.00%	164,319	355,182	46.26%
Desoto	9,515	18,650	51.02%	518	1,118	46.33%	906	906	100.00%	10,939	20,674	52.91%
Duncanville	9,219	20,535	44.89%	591	2,202	26.84%	1,790	1,790	100.00%	11,600	24,527	47.29%
Ferris	0	115	0.00%	95	95	100.00%	12	12	100.00%	107	222	48.20%
Garland	30,024	82,088	36.58%	2,938	6,091	48.24%	6,412	6,412	100.00%	39,374	94,591	41.63%
Grand Prairie	16,036	34,398	46.62%	1,321	3,423	38.59%	2,744	2,744	100.00%	20,101	40,565	49.55%
Grapevine-Colleyville	0	0	0.00%	10	10	100.00%	129	129	100.00%	139	139	100.00%
Highland Park	2,977	10,717	27.78%	353	514	68.68%	1,914	1,914	100.00%	5,244	13,145	39.89%
Irving	11,652	35,888	32.47%	2,312	4,905	47.14%	5,576	5,576	100.00%	19,540	46,369	42.14%
Lancaster	6,993	13,083	53.45%	689	1,726	39.92%	790	790	100.00%	8,472	15,599	54.31%
Mesquite	16,039	46,720	34.33%	1,494	3,236	46.17%	3,444	3,444	100.00%	20,977	53,400	39.28%
Richardson	10,850	56,611	19.17%	1,492	3,382	44.12%	9,311	9,311	100.00%	21,653	69,304	31.24%
Sunnyvale	898	2,164	41.50%	206	627	32.85%	400	400	100.00%	1,504	3,191	47.13%
Total Schools	232,518	643,338	36.14%	34,042	73,077	46.58%	89,016	89,016	100.00%	355,576	805,431	44.15%

Memorandum



CITY OF DALLAS

DATE February 28, 2014

TO Budget, Finance and Audit Committee: Jerry Allen (Chair), Jennifer S. Gates (Vice Chair), Tennell Atkins (Mayor Pro Tem), Sheffie Kadane, and Phillip Kingston

SUBJECT Property Appraisal Procedures

On Monday, March 3, you will receive a briefing on "Property Appraisal Procedures," a copy of which is attached. Please contact me should you have any questions.

A handwritten signature in black ink, appearing to read "Theresa O'Donnell". The signature is fluid and cursive.

Theresa O'Donnell
Interim Assistant City Manager

C: The Honorable Mayor and Members of the City Council
A.C. Gonzalez, City Manager
Warren M. S. Ernst, City Attorney
Rosa A. Rios, City Secretary
Judge Daniel Solis, Administrative Judge
Craig D. Kinton, City Auditor
Ryan S. Evans, Interim First Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Forest E. Turner, Assistant City Manager
Joey Zapata, Assistant City Manager
Charles M. Cato, Interim Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Frank Libro, Public Information Officer
Elsa Cantu, Assistant to the City Manager

PROPERTY APPRAISAL PROCEDURES

Budget, Finance & Audit Committee
March 3, 2014



Purpose

- Provide overview of:
 - City's procedures and requirements for real property appraisals
 - Difference between City's appraisal process and Appraisal Districts' appraisal process for determining property tax assessment value

Real Estate Division Overview

- 20 licensed professionals who annually process various transactions:
 - Acquire approximately 250 parcels of land for public purpose
 - Sell approximately five surplus properties deemed unneeded and unwanted by Council
 - Process approximately 35 abandonment requests to assist in redevelopment
 - Also lease and license properties, sell tax foreclosed properties

When Are Appraisals Needed?

- City obtains appraisals to determine fair market value for three main purposes:
 - Acquire properties for public purpose
 - Sell surplus public properties
 - Abandon rights-of-way or easements

- Depending on above purpose, requirements differ for dollar threshold for when an appraisal is required or how many must be obtained

Acquisitions



When Are Appraisals Needed?

ACQUISITIONS

- ❑ For all properties acquired with Bond funds:
 - Independent appraisal must be obtained (State law)

- ❑ For property valued between \$10,000 and \$500,000:
 - One independent appraisal obtained (policy)

When Are Appraisals Needed?

ACQUISITIONS cont.

- For property valued over \$500,000:
 - Two independent appraisals must be obtained (City Code)
 - Council may waive requirement
- For property valued under \$10,000 and not acquired with Bond funds:
 - Central Appraisal District (CAD) valuation may be used for small properties and easements

Sales



When Are Appraisals Needed?

SALES

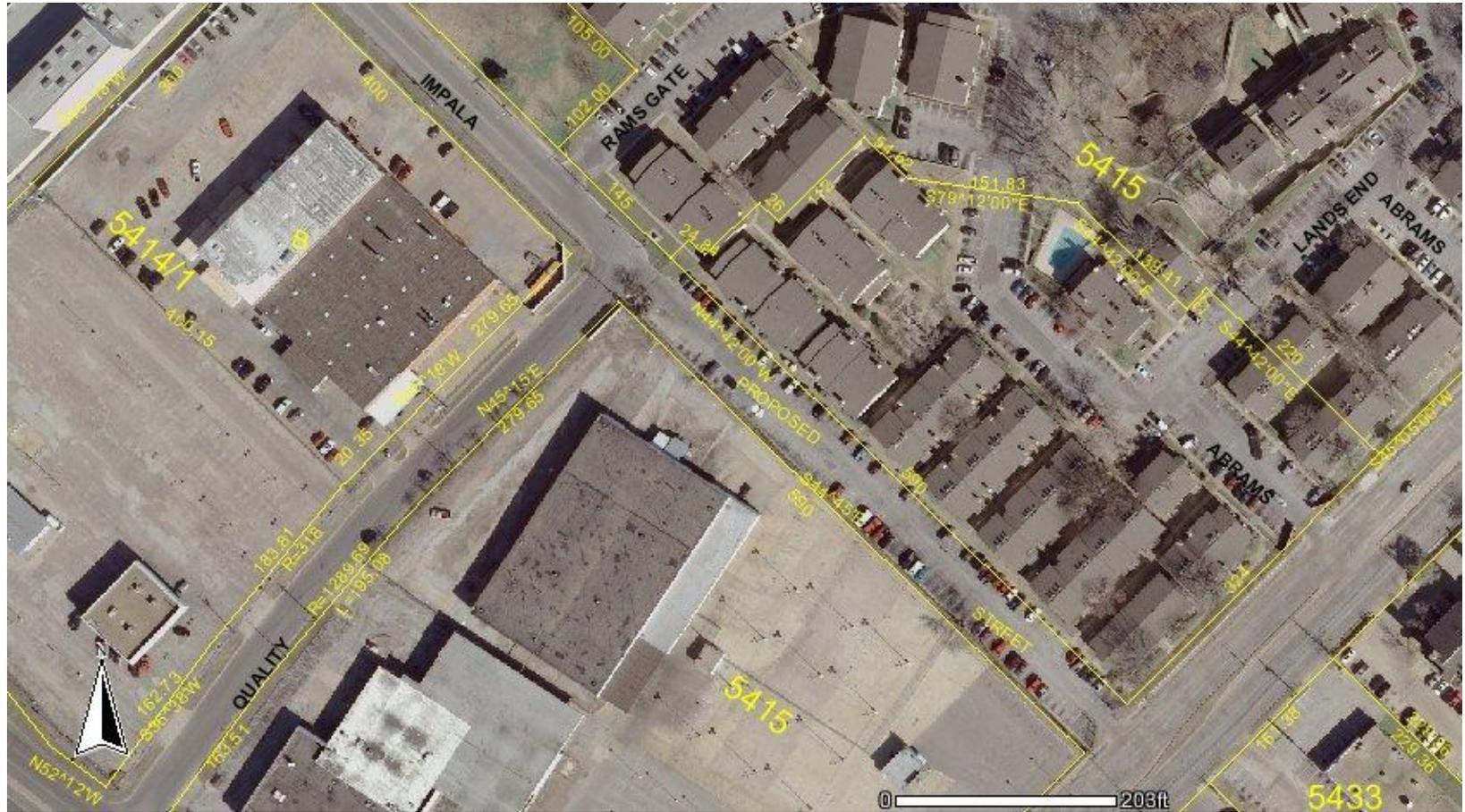
- For property value of \$100,000 or more:
 - One independent appraisal must be obtained (City Code)
- For high dollar and/or high profile properties:
 - Staff may opt to obtain two appraisals
- For property valued less than \$100,000:
 - Staff reviews CAD to determine value

When Are Appraisals Needed?

SALES cont.

- For properties sold by advertised bid and auction:
 - Obtain appraisal or use CAD to determine minimum bid value
 - Highest qualified bid received at auction is indication of fair market value (State law)

Abandonments



When Are Appraisals Needed?

ABANDONMENTS

- For property valued \$20,000 or more, per City Code:
 - One independent appraisal must be obtained
 - Must be appraised as if it were an assembled portion of the applicant's abutting property
- For property valued less than \$20,000:
 - Staff determines market value using CAD

INDEPENDENT APPRAISALS

Appraisal Contracts

- For all appraisals, staff issues a Request for Proposal

- Appraiser is selected based on:
 - Understanding of appraisal requirements
 - Price
 - Ability to perform within specified time frame

- Contract entered into giving instructions to appraiser

Appraisal Instructions

- Evaluate individual properties
 - Determine appraisal methodology
 - For sale comparisons, identify comparable properties
 - Apply discounts as appropriate
- Appraise “Highest and Best Use”
 - legal permissibility,
 - physical possibility,
 - financially feasible, and
 - maximum profitability

Individual Property



Appraisal Standards

- Independent appraisers are licensed by The Appraisal Institute and certified by the State of Texas
 - Strict standards and procedures as documented in USPAP (Uniform Standards of Professional Appraisal Practice) must be followed for each type of appraisal conducted

- Appraisals represent Opinions of Value

Staff Appraisal Reviews

- As professional consumers of appraisal reports, staff reviews all submittals to ensure compliance with requests and that standards are met
- All reviews performed by one specialist
 - Follows-up with appraisers for clarification on methodology, comparable sales and assumptions as necessary
 - Knowledgeable and experienced with all types of appraisals

Appraisal Support

- In the event that a property acquisition requires eminent domain, appraiser is asked to testify at Commissioner's Hearing
- CAD value typically and theoretically not admissible as evidence at Commissioner's Hearing or Jury Trial

CENTRAL APPRAISAL DISTRICT APPRAISALS

Central Appraisal District (CAD) Appraisal Procedures

- Determines assessment value

- Registered and trained appraisers use computer-assisted mass appraisal (CAMA) programs to compare the subject property information with:
 - Data for similar properties, and
 - Recent market data

Mass Appraisal



CAD Appraisal Procedures cont.

- Property Tax Code requires that all taxable property be appraised at its “market value” as of January 1st
 - Property value may not change year-to-year

- Under the tax code, “market value” means the price at which a property would transfer for cash or its equivalent under prevailing market conditions if:

CAD Appraisal Procedures cont.

- Exposed for sale in the open market with a reasonable time for the seller to find a purchaser;
- Both the seller and the buyer know of all the uses and purposes to which the property is adapted and for which it is capable of being used and of the enforceable restrictions on its use; and
- Both the seller and buyer seek to maximize their gains and neither is in a position to take advantage of the exigencies of the other.

CAD Appraisal Procedures cont.

- Required by State law to update real property values at least once every three years
- Property owner has right to appeal tax value on an “equal and uniform” basis

Next Steps

- Update list of appraisers through a new Request for Qualifications process
 - Licensed and experienced in providing appraisals for government agencies
 - Experienced in providing testimony at Commissioner's Hearings and Jury Trials

- Reconvene Real Estate Task Force to review procedures and provide input

QUESTIONS?

Memorandum



DATE: February 27, 2014

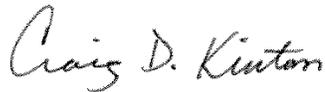
TO: Honorable Members of the Budget, Finance & Audit Committee –
Jerry R. Allen (Chair); Jennifer Staubach Gates (Vice Chair);
Tennell Atkins, Mayor Pro Tem; Sheffie Kadane; Philip T. Kingston

SUBJECT: Presentation to the Budget, Finance & Audit Committee:
Office of the City Auditor Fiscal Year 2014 – Second Quarter Update

I will provide a briefing to the members of the Budget, Finance & Audit Committee on Monday, March 3, 2014 regarding:

- Office of the City Auditor Fiscal Year 2014 – Second Quarter Update

Sincerely,



Craig D. Kinton
City Auditor

Budget, Finance and Audit Committee

Office of the City Auditor Fiscal Year 2014 – Second Quarter Update



City of Dallas
Office of the City Auditor
March 3, 2014



Audit and Attestation Services Reports Issued

First Quarter, Fiscal Year 2014

- Audit City of Dallas' Compliance with the Texas Prompt Payment Act
- Audit of MuniServices, LLC Contract Related to the Verification of Sales/Use Tax Receipts and Associated Fees
- Special Audit of the Accounts of Five Former City Council Members
- Audit of the City of Dallas' Aircraft Rescue and Firefighting Unit

Audit and Attestation Services Reports Issued

First Quarter, Fiscal Year 2014

- Independent Auditor's Reports on Applying Agreed-Upon Procedures
 - Single Bid – SAS Software License and Support
 - Single Bid – City Hall Security Vestibule
 - Sole Source – West Complete Library
 - Sole Source – Lawson Human Resources and Information System Software Maintenance and Support
 - Fiscal Year 2013 # 2 Drug Destruction

Summary Reports Issued

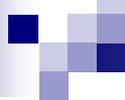
First Quarter, Fiscal Year 2014

- Services Summary Report for Fiscal Year 2013
- Audit, Attestation and Investigations Services Update: FY 2014 First Quarter
- FY 2013 Investigative Services Activity Report

Audit and Attestation Services Reports Issued

Second Quarter (through February 28), Fiscal Year 2014

- Audit City of Dallas' Self-Insured Medical Program
- Audit of Arts and Cultural Program Funding
- Independent Auditor's Reports on Applying Agreed-Upon Procedures
 - Fiscal Year 2013 # 3 Weapons Destruction (January 15, 2014)
- Audit, Attestation and Investigative Services Update: FY 2014 Second Quarter



Audit and Attestation Services Anticipated Report Releases

Second Quarter, Fiscal Year 2014

- Special Audit of the Accounts of Former City Attorney, Thomas P. Perkins, Jr.
- Contract Compliance – Office Depot
- Prior Audit Recommendations Follow-Up
- Software Licensing Agreements

Audit and Attestation Services Projects In-Progress

Second Quarter, Fiscal Year 2014

- Sales/Use Tax Compliance Review Through MuniServices (*Ongoing*)
- Convention and Event Services – Controls over Cash Receipts and Collections
- Payroll Audit
- Purchasing / Contracting Processes
- South Dallas Fair Park Trust Fund
- Special Audit of Former City Manager, Mary K. Suhm
- Wastewater Collection and Treatment
- Water Customer Billings
- Franchise Fees

Audit and Attestation Services

Anticipated Project Starts

Second Quarter, Fiscal Year 2014

- Contract Monitoring
- Parking Management Contract Oversight
- Tracking Firearms and Equipment
- Building Permits
- Maintenance of Infrastructure
- Agreed-Upon Procedures for Single Bid and Sole Source Engagements
(as requested)

Services Summary Report Highlights

Fiscal Year 2013

- Performance Audit Reports (12)
- Attestation Engagements (21)
- Fraud, Waste and Abuse Hotline Complaint Closures (130)
- Peer Review – Clean Opinion
- Leadership Roles in Professional Organizations

Investigative Services Activity Report Highlights

Fiscal Year 2013

- New Complaints Received (117)
- Complaints Closed (130)
- Complaint Resolution Actions
 - Investigated by Office (65) 50%
 - Referred to City Department (32) 25%
 - No Action Warranted (33) 25%
- Complaints Investigated Resolution
 - Unsubstantiated or Cleared (38) 58%
 - Substantiated (27) 42%

Audit and Attestation Services Highlights

First Quarter, Fiscal Year 2014

- **Audit on City of Dallas' Compliance with the Texas Prompt Payment Act (November 1, 2013)**
 - The City does not have a formal method to monitor compliance with the Texas Government Code, Chapter 2251 *Payment for Goods and Services* (Prompt Payment Act).
 - The City cannot easily determine: (1) when vendor payments are not processed in accordance with the Prompt Payment Act; (2) if interest amounts are owed to vendors; and, (3) if valid exceptions to the Prompt Payment Act exist.
 - Specifically, the City does not:
 - Have a consistent method to identify and track the actual invoice receipt date
 - Require the actual invoice receipt date to be recorded in the AMS Advantage 3 general ledger accounting system (AMS) prior to invoice processing
 - Identify invoices in dispute in AMS
 - Provide guidance for monitoring compliance with the Prompt Payment Act, including how to use available financial reports, in the annual training conducted by the City Controller's Office

Audit and Attestation Services Highlights

First Quarter, Fiscal Year 2014

- **Audit of MuniServices, LLC Contract Related to the Verification of Sales/Use Tax Receipts and Associated Fees (November 15, 2013)**
 - Verified \$902,218 in sales tax receipts collections that MuniServices, LLC (Consultant) identified as owed to the City of Dallas (City) from businesses operating in the City
 - Verified the accuracy of \$225,555 in Consultant invoices received for the period October 1, 2012 through September 30, 2013 for payment of the Consultant's percentage of the amount collected under the contingent fee contract arrangement with the City

Audit and Attestation Services Highlights

First Quarter, Fiscal Year 2014

- **Special Audit of the Accounts of Five Former City Council Members (December 6, 2013)**
 - Accounts were in order for five former City Council Members: Angela Hunt, Delia Jasso, Linda Koop, Ann Margolin, and Pauline Medrano
 - Certain procedural errors and a processing control issue were noted; Management Letter issued that included these issues

Audit and Attestation Services Highlights

First Quarter, Fiscal Year 2014

- **Audit of the City of Dallas' Aircraft Rescue and Firefighting Unit (December 6, 2013)**
 - Aircraft Rescue and Firefighting Unit (Unit) has designed internal controls to help ensure the Unit consistently complies with certain Federal Aviation Administration (FAA) regulations related to the certification and operation of airports.
 - Opportunities to improve internal controls were noted in the following areas:
 - Documentation of FAA required training
 - Apparatus self-inspections
 - Apparatus preventive maintenance

Audit and Attestation Services Highlights

First Quarter, Fiscal Year 2014

■ Independent Auditor Reports on Applying Agreed-Upon Procedures

□ Sole Source – West Complete Library, \$76,224.05 (October 17, 2013)

- The procurement met the exemptions from competitive bidding as specified in the State of Texas Local Government Code, Chapter 252.022, **General Exemptions** (a) (7) – *a procurement of items that are available from only one source.*

No exceptions were noted.

□ Single Bid – SAS Software License and Support, \$107,860 (October 22, 2013)

- The procurement followed Administrative Directive (AD) 4-5: *Contracting Policy* provisions for processing single bid items and made reasonable efforts to increase bid participation.

No exceptions were noted.

Audit and Attestation Services Highlights

First Quarter, Fiscal Year 2014

■ Independent Auditor Reports on Applying Agreed-Upon Procedures

□ Fiscal Year 2013 # 2 Drug Destruction (November 11, 2013)

- 2,748 drug invoices and associated 4,102 drug articles totaling 3,090 pounds were destroyed according to Agreed-Upon Procedures to assist the Dallas Police Department.

Exceptions Noted:

- Eight invoices had Property Tag dates that did not agree to the Property Tag dates documented in *Evidence Manager*.
- One invoice had a Property Tag Number that did not agree to the Property Tag number in *Evidence Manager*.
- Ten invoices had Service Number discrepancies between the Property Tag and what was documented in *Evidence Manager*.
- Eight invoices were removed from the destruction for lack of authorization.
- Thirty eight invoices had 44 discrepancies related to the description and/or quantities on the Property Tag attached to the drug articles that did not agree to the information documented in *Evidence Manager*.

All discrepancies were corrected in *Evidence Manager* and verified by City Auditor personnel prior to the date of destruction.

Audit and Attestation Services Highlights

First Quarter, Fiscal Year 2014

■ Independent Auditor Reports on Applying Agreed-Upon Procedures

□ Single Bid – City Hall Security Vestibule, \$345,000 (November 11, 2013)

- The procurement followed Administrative Directive (AD) 4-5: *Contracting Policy* provisions for processing single bid items and made reasonable efforts to increase bid participation.

No exceptions were noted.

□ Sole Source – Lawson Human Resources and Information System Software Maintenance and Support, \$1,727,820.35 (November 20, 2013)

- The procurement met the exemptions from competitive bidding as specified in the State of Texas Local Government Code, Chapter 252.022, **General Exemptions** (a) (7) – *a procurement of items that are available from only one source.*

No exceptions were noted.

Audit and Attestation Services Highlights

Second Quarter through February 28, Fiscal Year 2014

■ Audit of City of Dallas' Self-Insured Medical Program (February 14, 2014)

- The City of Dallas' (City) Department of Human Resources (HR) has opportunities to improve administration and internal controls over the Self-Insured Medical Program (Program). Specifically:
 - Independent audits are not completed timely to verify Third Party Administrators (TPA) processed and paid medical and pharmacy claims in accordance with Program guidelines.
 - The HR does not have written procedures to ensure administrative fee payments are processed accurately and consistently.
 - Checks received in the benefits area are not routinely deposited by the next business day as required by Administrative Directive 4-13, Cash and Debt Management Policies and Procedures.
 - The HR does not always receive and review the TPAs' performance guarantee reports timely.
 - The City has not performed ongoing compliance monitoring activities and cannot ensure Protected Health Information (PHI) is properly protected as required by law.

Audit and Attestation Services Highlights

Second Quarter through February 28, Fiscal Year 2014

■ Audit of Arts and Cultural Program Funding (February 21, 2014)

- The Office of Cultural Affairs (OCA) has designed a process to demonstrate applications for funding are evaluated objectively and available funds are distributed fairly for the two main Cultural Contracts Programs: the Cultural Organization Program and the Cultural Projects Program.
- This process includes: (1) application submission; (2) eligibility determination; (3) funding recommendations; (4) contracting; and, (4) expenditure reimbursement.
- Monitoring controls, segregation of duties, and documentation for the Cultural Programs funding processes, however, can be improved to maximize efficiency and effectiveness.

Audit and Attestation Services Highlights

Second Quarter through February 28, Fiscal Year 2014

■ Independent Auditor Reports on Applying Agreed-Upon Procedures

□ Fiscal Year 2013 # 3 Weapons Destruction (January 15, 2014)

- 1,024 weapons were destroyed according to Agreed-Upon Procedures to assist the Dallas Police Department.

Exceptions Noted:

- Seven weapons (invoice numbers 308348, 307997, 308003, 307384, 327908, 328049, and 307207) had incorrect serial numbers recorded in *Evidence Manager*. The serial numbers were re-run through the National Crime Information Center (NCIC) with no match.
- Two weapons (invoice numbers 268670 and 326414) had incorrect blue tag seal numbers.
- One weapon (invoice number 327738) had an incorrect description.
- One weapon (invoice 279713) had an incorrect service number.

All discrepancies were corrected in *Evidence Manager* and verified by City Auditor personnel prior to the destruction.



Office of the City Auditor

Recommendations to the Charter Review Commission

■ **Sec. 1 Selection of City Auditor**

- ❑ Expand title and section to improve consistency with other similar sections
- ❑ State purpose of the office to serve as independent, objective appraisal activity, and state reporting relationship to Council
- ❑ Enhance independence, remove two-yea term, clearly state at-will employment and require two-thirds city council vote for removal
- ❑ Council to set compensation

■ **Sec. 2 Assistants and Employees**

- ❑ Expand title and section to improve consistency with other similar sections



Office of the City Auditor

Recommendations to the Charter Review Commission

- **Sec. 3 Duties of the City Auditor**
 - ❑ Modernize language
 - ❑ Eliminate list of duties
 - ❑ Require city auditor to organize and administer office without interference or influence that could adversely affect independence or objectivity
 - ❑ Require annual risk based audit plan
 - ❑ Move requirement for special audits to this section and limit definition of officer



Office of the City Auditor

Recommendations to the Charter Review Commission

- **Sec. 4 Special Audit**

- Rename as Access to Records and Property

- Clarify auditor's right of access to records, property, operations
 - Add requirement for "right to audit" clause in all contracts and specify right of access to contractors employees, records and property for audit purposes

QUESTIONS?



**City of Dallas
Office of the City Auditor
March 3, 2014**



Memorandum



DATE February 28, 2014

TO Members of the Budget, Finance & Audit Committee: Jerry R. Allen (Chair),
Jennifer S. Gates (Vice Chair), Tennell Atkins, Sheffie Kadane, Philip T. Kingston

SUBJECT Proposed Strategic Plan FY 2015 - FY 2017

On Monday March 3, 2014, the Budget, Finance & Audit Committee will be briefed on the Proposed Strategic Plan FY 2015 - FY 2017. Briefing materials are attached for your review.

Please let me know if you have any questions.



Jill A. Jordan, P.E.
Assistant City Manager

Attachment

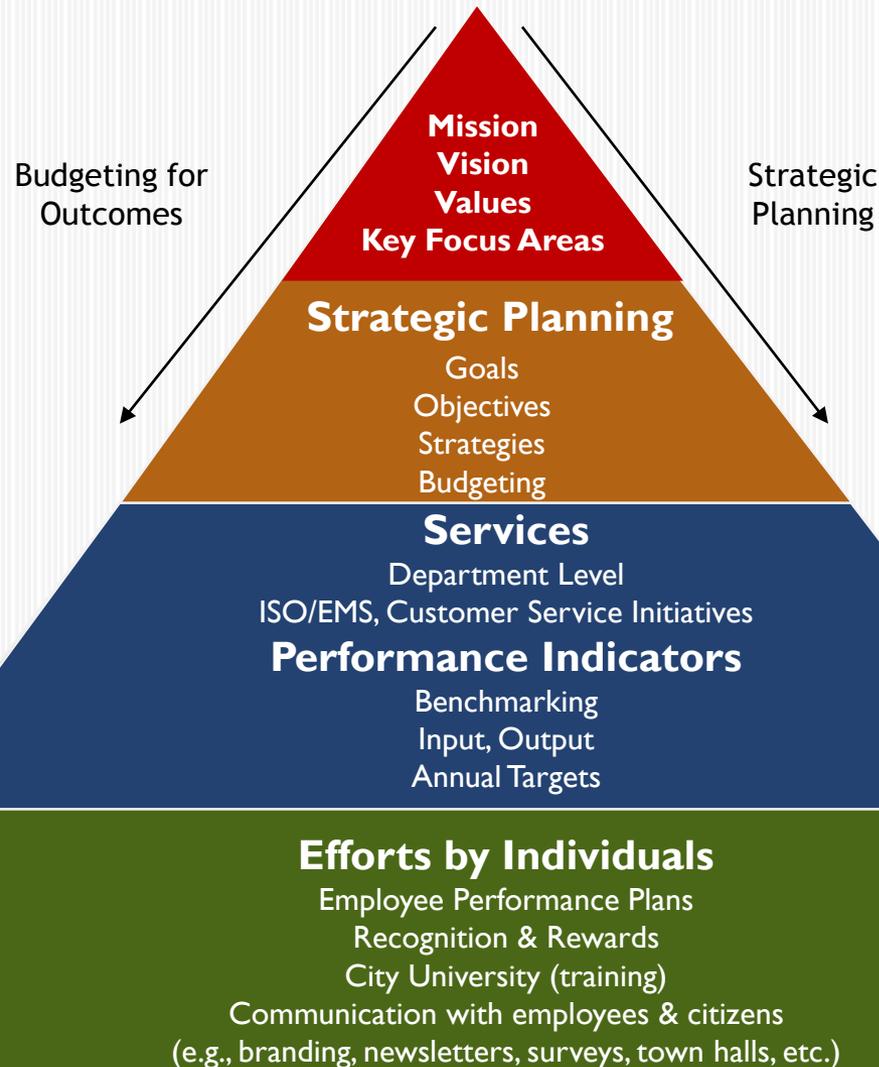
c: Honorable Mayor and Members of the City Council	Jeanne Chipperfield, Chief Financial Officer
A.C. Gonzalez, City Manager	Forest E. Turner, Assistant City Manager
Rosa A. Rios, City Secretary	Joey Zapata, Assistant City Manager
Warren M.S. Ernst, City Attorney	Charles M. Cato, Interim Assistant City Manager
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Craig D. Kinton, City Auditor	Frank Libro, Public Information Officer
Ryan S. Evans, Interim First Assistant City Manager	Elsa Cantu, Assistant to the City Manager

Proposed Strategic Plan FY2015 – FY2017

Budget, Finance & Audit
March 3, 2014



Strategic Planning Overview



Purpose of Briefing

Obtain Council input on the draft E-Gov components of the draft Strategic Plan.
Allow council committee members to:

- Review draft and comment on draft strategy map
- Review and approve proposed strategic objectives
- Review and amend alternative work plan items

Revised KFA Name

Efficient, Effective,
and Economical
Government (E3)

E-Gov

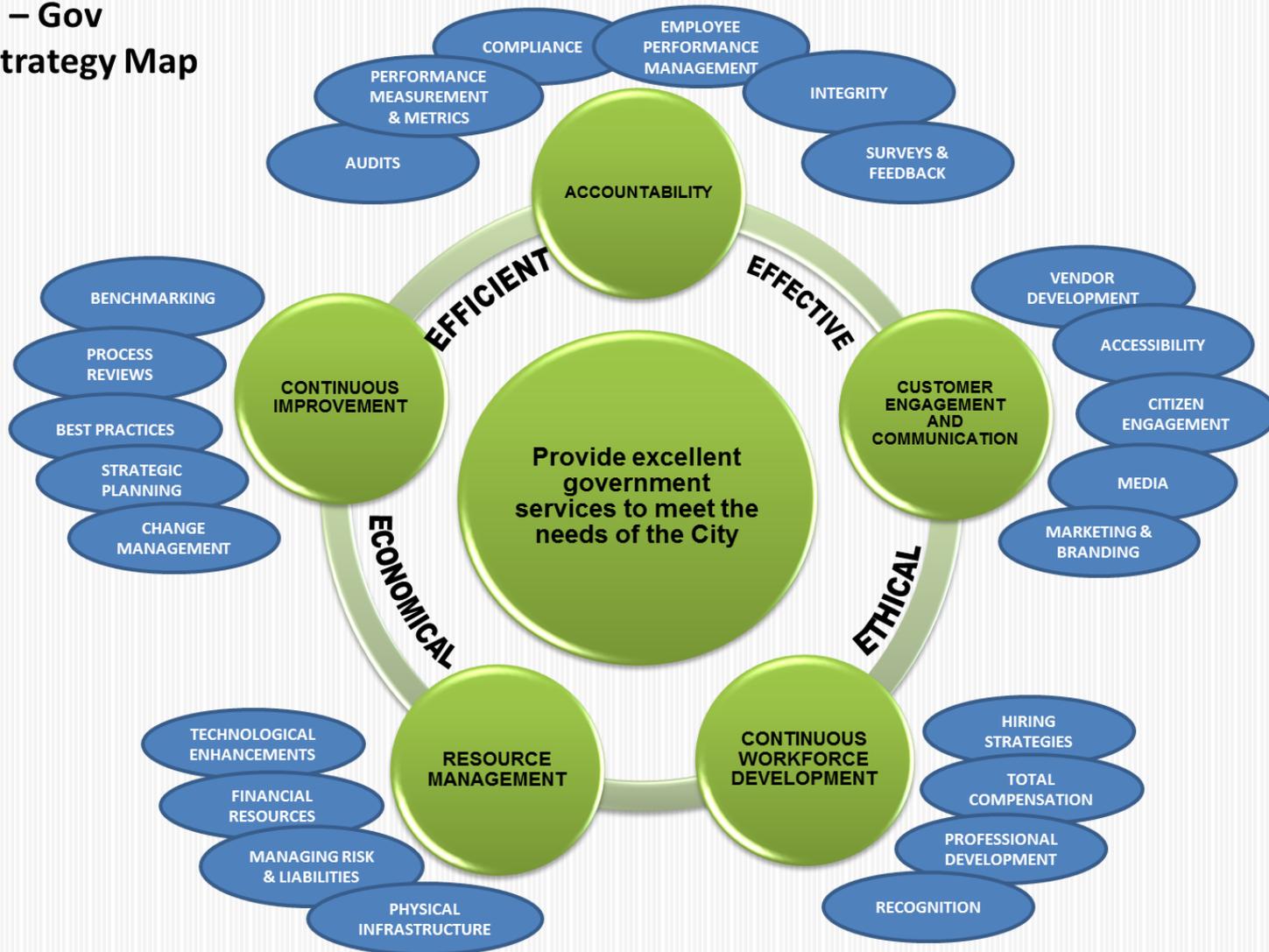


Proposed Goal

Provide excellent government services to meet the needs of the City

Proposed Strategy Map

E – Gov Strategy Map



Proposed Strategic Objectives

- 5.1 By September 2017, improve citizen perception of the direction that the City is taking from 54% to 57% (Community Survey, combined data)
- 5.2 By September 2017, increase overall satisfaction with City's internal and external customer service from 34% to 40% (Community Survey, combined data)
- 5.3 By September 2017, increase social media followers by 10%

Proposed Work Plan

Strategic Objectives	Work Plan Items
5.1 By September 2017, improve citizen perception of the direction that the City is taking from 54% to 57% (Community Survey, combined data)	<ul style="list-style-type: none"><li data-bbox="879 431 1823 568">• Continue technological enhancements<li data-bbox="879 574 1823 782">• Increase opportunities to engage the community and receive outside input from citizens and businesses<li data-bbox="879 788 1823 925">• Expand efficiency and innovation initiatives throughout the organization<li data-bbox="879 931 1823 1002">• Continue to promote a culture of ethics<li data-bbox="879 1008 1823 1216">• Efficiently procure goods/services and increase both competition and M/WBE participation in the City's procurement process

Proposed Work Plan

Strategic Objectives	Work Plan Items
5.1 By September 2017, improve citizen perception of the direction that the City is taking from 54% to 57% (Community Survey, combined data)	<ul style="list-style-type: none"><li data-bbox="879 424 1819 554">• Establish annual budget that aligns with strategic priorities<li data-bbox="879 554 1819 661">• Evaluate risks and ensure appropriate mitigation plans are in place

Proposed Work Plan

Strategic Objectives	Work Plan Items
<p>5.2 By September 2017, increase overall satisfaction with City's internal and external customer service from 34% to 40% (Community Survey, combined data)</p>	<ul style="list-style-type: none"><li data-bbox="877 411 1831 582">• Implement Customer Service Strategic Plan including departmental standards and surveys<li data-bbox="877 589 1831 711">• Explore opportunities to improve employee total compensation program<li data-bbox="877 718 1831 882">• Improve and continue use of performance measures to improve customer service, efficiency and transparency<li data-bbox="877 889 1831 1011">• Attract and retain talented and highly skilled employees<li data-bbox="877 1018 1831 1139">• Provide timely and relevant financial reports and transactions<li data-bbox="877 1146 1831 1239">• Maintain equipment availability (90% uptime)

Proposed Work Plan

Strategic Objectives	Work Plan Items
5.3 By September 2017, increase social media followers by 10%	<ul style="list-style-type: none"><li data-bbox="877 415 1825 539">• Increase availability of information through City web sites<li data-bbox="877 539 1825 651">• Promote transparency in City operations<li data-bbox="877 651 1825 793">• Disseminate a continuous flow of information through media<li data-bbox="877 793 1825 893">• Enhance citizen engagement opportunities

Next Steps

- Brief other council committees to gather input
- Incorporate Council recommendations
- Present plan to full council in April
- Align budget to multi-year strategic plan

Memorandum



DATE February 28, 2014

TO Members of the Budget, Finance & Audit Committee: Jerry R. Allen (Chair),
Jennifer S. Gates (Vice Chair), Tennell Atkins, Sheffie Kadane, Philip T. Kingston

SUBJECT Upcoming Agenda Item: Bids for Event Set-up and Janitorial Services at Kay Bailey
Hutchison Convention Center Dallas

The March 26, 2014 Council Agenda includes an item for your consideration to authorize a five-year service contract to provide event set up and janitorial services at the Kay Bailey Hutchison Convention Center Dallas to ACA Industries, Inc. dba American Maintenance, in the amount of \$ 21,253,314.

This contract being considered provides a flat rate for weekly janitorial services for the Kay Bailey Hutchison Convention Center Dallas and includes hourly rates for event set-up services as events are scheduled throughout the contract term. The set-up services will only be utilized when events are scheduled. The set-up services estimated amount represents approximately 81% or \$17,179,449 of the overall recommended amount. The remaining 19% or \$4,073,865 will be utilized to perform daily janitorial maintenance including supplies for the 2.2 million square feet of space that hosts in excess of one million visitors each year.

After receiving proposals, the City convened an evaluation team consisting of seven members to review each proposal and provide an overall recommendation based on the published criterion. The successful proposer was selected based on experience, pricing, staffing and business inclusion and development plan. The most advantageous proposer based on the provided evaluation criterion was American Maintenance.

American Maintenance currently provides similar janitorial and set-up services for the Orange County Convention Center (OCCC) and has provided services for that facility for over 10 years. The OCCC is the second largest convention center in the United States and has over 7 million square feet of convention space. American Maintenance management indicated the company would be relocating its Addison, Texas office to the City of Dallas within 60 days of contract award. With the exception of their senior leadership, all other positions will be locally hired.

American Maintenance will be utilizing Americas Corporate Building Maintenance, Inc., a certified M/WBE firm, to perform janitorial and set-up services in the amount of \$5,058,289 over the five year period.

Please let me know if you need additional information.



Forest E. Turner
Assistant City Manager

c: Honorable Mayor and Members of the City Council
A.C. Gonzalez, City Manager
Rosa A. Rios, City Secretary
Warren M.S. Ernst, City Attorney
Daniel F. Solis, Administrative Judge
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Memorandum



DATE February 28, 2014

TO Members of the Budget, Finance & Audit Committee: Jerry R. Allen (Chair),
Jennifer S. Gates (Vice Chair), Tennell Atkins, Sheffie Kadane, Philip T. Kingston

SUBJECT Upcoming Agenda Item: Purchase of Renewable Energy Credits 2014 - 2016

Staff is finalizing the details of a March 26, 2014 Council Agenda item for your consideration authorizing the purchase of renewable energy credits (RECs).

The City has purchased RECs since 2008 as a key component of the City's sustainability efforts. Through 2013, RECs were included in the City's electricity supply agreement. In December 2012, staff negotiated and Council approved an amendment and extension of the electricity supply agreement covering January 2013 – May 2016. The extension provided lower electricity rates for 2013 than the original agreement. A December 2013 briefing to the Budget, Finance & Audit Committee projected 2013 electricity savings of \$887,483 and actual savings realized were \$1,391,556.17.

We did not include RECs for 2014 through 2016 in the extended electricity supply agreement in order to pursue more favorable pricing thought to be available through a separate procurement. REC pricing in the previous contract was \$1.50 per REC. The best pricing available during negotiation of the extended electricity supply agreement was \$2.75 per REC. The City solicited proposals and received nine responses. Negotiations with the most advantageous proposer are expected to be completed in the next week and result in a proposed cost of less than \$1.50 per REC. The proposed purchase would allow the City to remain the 4th largest local government consumer of green power as recognized by the United States Environmental Protection Agency and may offset 50% of the City's electricity consumption and associated greenhouse gas emissions.

As part of the solicitation process and in an effort to increase competition, Business Development and Procurement Services used its procurement system to send out email bid notifications to vendors registered under the respective commodities. Every effort was made to ensure maximum vendor outreach.

Forest E. Turner
Assistant City Manager

c: Honorable Mayor and Members of the City Council
A.C. Gonzalez, City Manager
Rosa A. Rios, City Secretary
Warren M.S. Ernst, City Attorney
Daniel F. Solis, Administrative Judge
Craig D. Kinton, City Auditor
Ryan S. Evans, Interim First Assistant City Manager

Jill A. Jordan, P.E., Assistant City Manager
Joey Zapata, Assistant City Manager
Charles M. Cato, Interim Assistant City Manager
Theresa O'Donnell, Interim Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Frank Libro, Public Information Officer
Elsa Cantu, Assistant to the City Manager

Memorandum



CITY OF DALLAS

DATE February 28, 2014

TO Members of the Budget, Finance & Audit committee: Jerry R. Allen (Chair),
Jennifer Staubach Gates (Vice-Chair), Tennell Atkins, Sheffie Kadane, Philip T. Kingston

SUBJECT Upcoming Agenda Item: Citywide Data Storage System Acquisition and Maintenance Contract

The March 26, 2014 Council Agenda will include an item to authorize (1) an acquisition contract for the purchase and implementation of a citywide data storage system in the amount of \$1,017,559; (2) a five-year service contract for maintenance and support for a citywide data system in the amount of \$427,949; and (3) a five-year master agreement for the purchase of additional hardware and software in the amount of \$969,834, total not to exceed \$2,415,342, financed with Municipal Lease Agreement Funds (\$963,809) and Current Funds (\$481,699), subject to annual appropriations.

In an effort to continue to improve business productivity and customer service, The City deploys data intensive enterprise applications like customer relationship management (CRM), enterprise resource planning (ERP), electronic document management, citizen engagement – open data and social media electronic messaging, etc. This has resulted in an explosion of information which is increasing the City's storage requirements for data, voice and video at the rate of 30 percent each year, elevating the importance of a sound data storage strategy.

This contract will allow for the procurement of a replacement citywide data storage system including maintenance and support. The key feature of this system, Storage Area Networking (SAN), is the ability to tie all data storage requirements together through a centralized storage network, assign storage intelligently to computers and applications as needed. Without a SAN, the alternative is purchasing disk drives and installing them in hundreds of server computers where the disk space which is not being used sits idle until that particular space is needed. The new system will increase reliability, processing capabilities, and allow greater amounts of storage in a fraction of the space previously needed. The current storage system is ten years old and has exceeded the manufacturer's life span and cannot be expanded further to support new applications and storage needs.

The solution proposed will not only ensure the sustainability of the data storage requirements for our critical systems like Computer-Aided Dispatch (CAD) for Police and Fire-Rescue, Municipal Courts, 311, Financial and HR Information Systems, but also provide a strategy for an alternative facility for disaster recovery at an off-site location to ensure City information and systems remain secure and accessible in the event of an emergency.

Please contact me or Bill Finch at 670-1890 if you need more information.

A handwritten signature in cursive script that reads "Jill Jordan".

Jill A. Jordan, P.E.,
Assistant City Manager

C: A.C. Gonzalez, City Manager
Warren M.S. Ernst, City Attorney
Rosa Rios, City Secretary
Craig Kinton, City Auditor
Daniel F. Solis, Administrative Judge
Ryan S. Evans, Interim First Assistant City Manager
Forest Turner, Assistant City Manager
Joey Zapata, Assistant City Manager
Charles M. Cato, Interim Assistant City Manager
Theresa O'Donnell, Interim Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Frank Libro, Public Information Officer
William Finch, Director/CIO, Communications and Information Services
Elsa Cantu, Assistant to the City Manager

Memorandum



DATE February 28, 2014

TO Members of the Budget, Finance & Audit Committee: Jerry R. Allen (Chair),
Jennifer S. Gates (Vice Chair), Tennell Atkins, Sheffie Kadane, Philip T. Kingston

SUBJECT Quarterly Investment Report as of December 31, 2013

The City of Dallas Investment Policy, in accordance with the Texas Public Funds Investment Act, requires that the City Council and City Manager receive quarterly investment reports. The purpose of this report is to provide a means for Council members, Council committee members and staff to regularly review and monitor the City's investment position and to demonstrate compliance with the City's Investment Policy and the Public Funds Investment Act. Summary reports on each of the City's portfolios are included as well as summary information on the portfolio as a whole.

For the quarter ended December 31, 2013 the City's individual portfolios and the combined portfolio are in compliance with the relevant provisions of the Public Funds Investment Act and the investment strategies adopted in Sec. 17.0 of the City's Investment Policy.

The agenda for the Monday, March 3, 2014 Budget Finance and Audit committee meeting includes the December 31, 2013 quarterly investment report. The executed quarterly investment report is attached.


Jeanne Chipperfield
Chief Financial Officer

Attachment

c: Honorable Mayor and Members of the City Council	Jill A. Jordan, P.E., Assistant City Manager
A.C. Gonzalez, City Manager	Forest E. Turner, Assistant City Manager
Rosa A. Rios, City Secretary	Joey Zapata, Assistant City Manager
Warren M.S. Ernst, City Attorney	Charles M. Cato, Interim Assistant City Manager
Daniel F. Solis, Administrative Judge	Theresa O'Donnell, Interim Assistant City Manager
Craig D. Kinton, City Auditor	Frank Libro, Public Information Officer
Ryan S. Evans, Interim First Assistant City Manager	Elsa Cantu, Assistant to the City Manager



CITY OF DALLAS

QUARTERLY INVESTMENT REPORT

December 31, 2013

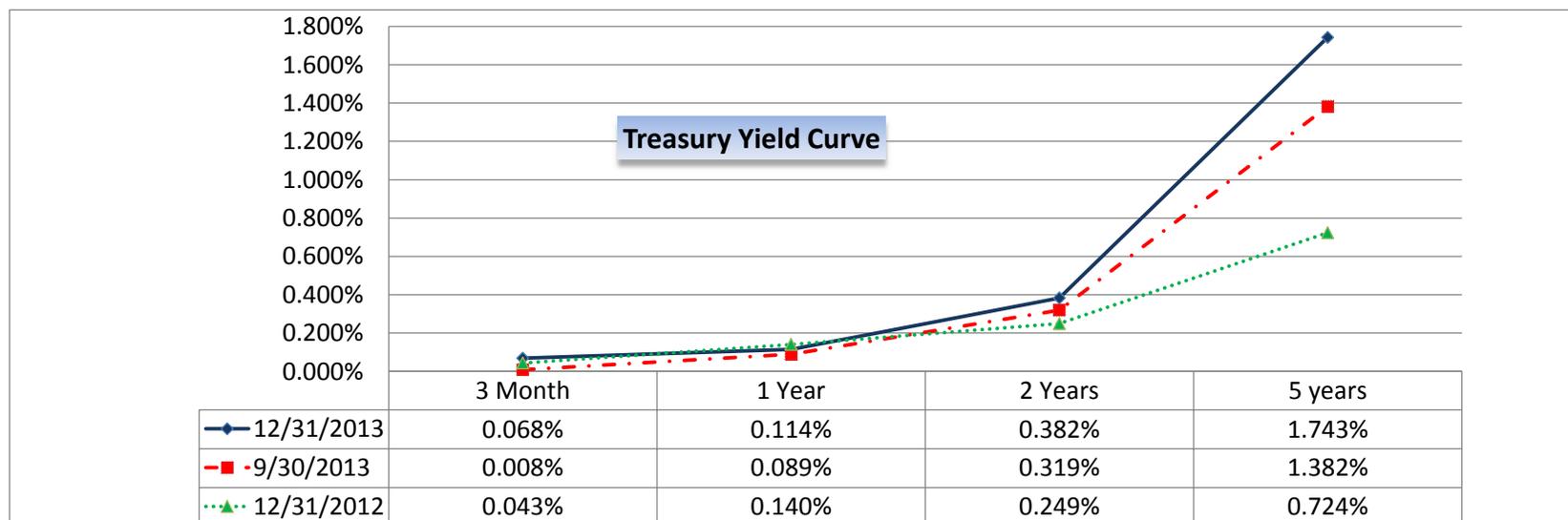
Quarterly National Economic and Market Update
 Quarter Ended December 31, 2013

- Growth in economic activity picked up in recent quarters.
- Labor market indicators were mixed but on balance showed further improvement.
- With appropriate policy accommodation, economic activity will expand at a moderate pace.
- The existing policy of the Federal Open Market Committee (FOMC) should maintain downward pressure on long-term interest rates, support mortgage markets, and help to make broader financial conditions more accommodative.

Source: FOMC Statement January 29, 2014

National Economic Data	12/31/2012	12/31/2013
Fed Funds Rate	0.00% -0.25%	0.00% -0.25%
2 Years Treasury Note	0.249%	0.382%
10 Years Treasury Note	1.758%	3.029%
Monthly Unemployment Rate	7.90%	6.70%
Weekly Initial Jobless Claims	372,000	345,000
Monthly Change in Nonfarm Payrolls	214,000	75,000
Monthly New Housing Starts	983,000	999,000

Source: Bloomberg



Source: Bloomberg

City of Dallas
Portfolio Holdings
Combined Investment Summary
As of 12/31/2013

Portfolio Description	Face Amount	Book Value	Market Value	Accrued Interest	Market Value + Accrued Interest	*Unrealized Gain/(Loss)	Weighted Average Days To Maturity	Yield To Maturity	% of Portfolio
01 The City's Investment Pool	1,172,051,604	1,175,257,459	1,175,943,431	2,657,477	1,178,600,908	685,972	297	0.32%	90.94%
02 Convention Center Reserve	18,900,000	18,901,982	18,934,440	18,248	18,952,688	32,458	455	0.39%	1.46%
03 Water Reserve	90,000,000	90,052,436	90,101,500	53,779	90,155,279	49,064	442	0.36%	6.97%
04 Art Endowment	2,235,000	2,235,000	2,234,676	3,259	2,237,935	(324)	576	0.35%	0.17%
05 Ida Green Library Fund	1,000,000	998,556	998,835	0	998,835	279	325	0.16%	0.08%
10 DWU Commercial Paper Program	4,354,929	4,354,929	4,354,929	0	4,354,929	-	1	0.04%	0.34%
14 Trinity Parkway Escrow	546,359	546,359	546,359	0	546,359	-	1	0.01%	0.04%
16 Oncor Electric Escrow	54,594	54,594	54,594	0	54,594	-	1	0.01%	0.00%
17 GO Commercial Paper Program	1	1	1	0	1	-	1	0.02%	0.00%
**Total	1,289,142,487	1,292,401,316	1,293,168,764	2,732,763	1,295,901,528	767,449	309	0.32%	100.00%

*Unrealized gain/loss is the difference between the market value and book value and does not represent an actual gain or loss. Gains and losses are realized only when a security is sold prior to maturity. Since it is the City's practice to hold investments until they mature, the temporary gains and losses are unlikely to be realized.

**Numbers may not sum due to rounding

City of Dallas
Trade Activity by Portfolio
As of: 09/30/13 - 12/31/13

Portfolio Description	Beginning Face Amount	Beginning Yield To Maturity	Purchased/Deposited	Matured/Called/Redeemed	Ending Face Amount	Ending Yield To Maturity
City's Investment Pool*						
Federal Agricultural Mortgage Corp.	50,000,000	0.72%	20,000,000	-	70,000,000	0.56%
Federal Farm Credit Bank	267,768,000	0.44%	10,000,000	25,000,000	252,768,000	0.38%
Federal Home Loan Bank	171,000,000	0.40%	65,000,000	10,000,000	226,000,000	0.34%
Federal Home Loan Mortgage Corp.	296,853,000	0.38%	-	30,000,000	266,853,000	0.38%
Federal National Mortgage Assoc.	109,240,000	0.29%	60,100,000	-	169,340,000	0.27%
Total	894,861,000	0.41%	155,100,000	65,000,000	984,961,000	0.36%

*Trade activity excludes local government investment pools and money market mutual funds.

Convention Center Reserve						
Federal National Mortgage Assoc.	18,900,000	0.39%	-	-	18,900,000	0.39%
Total	18,900,000	0.39%	-	-	18,900,000	0.39%

Water Reserve						
Federal Farm Credit Bank	-	0.00%	5,000,000	-	5,000,000	0.30%
Federal Home Loan Bank	40,000,000	0.00%	-	-	40,000,000	0.28%
Federal Home Loan Mortgage Corp.	30,000,000	0.00%	15,000,000	-	45,000,000	0.44%
Federal National Mortgage Assoc.	10,000,000	0.00%	-	10,000,000	-	0.00%
Total	80,000,000	0.44%	20,000,000	10,000,000	90,000,000	0.36%

Art Endowment						
Federal Farm Credit Bank	2,235,000	0.35%	-	-	2,235,000	0.35%
Total	2,235,000	0.35%	-	-	2,235,000	0.35%

Ida Green Library Endowment						
Federal Home Loan Bank	1,000,000	0.50%	-	1,000,000	-	0.00%
Federal National Mortgage Assoc.	-	0.00%	1,000,000	-	1,000,000	0.16%
Total	1,000,000	0.50%	1,000,000	1,000,000	1,000,000	0.16%

DWU Commercial Paper						
Money Market - Tax Exempt	4,496,941	0.02%	2,397,988	2,540,000	4,354,929	0.04%
Total	4,496,941	0.02%	2,397,988	2,540,000	4,354,929	0.04%

GO Commercial Paper						
Money Market - Tax Exempt	7,737,404	0.02%	-	7,737,403	1	0.02%
Total	7,737,404	0.02%	-	7,737,403	1	0.02%

Trinity Parkway Escrow						
Money Market	602,683	0.01%	143,968	200,292	546,359	0.01%
Total	602,683	0.01%	143,968	200,292	546,359	0.01%

Oncor Electric Escrow						
Money Market	54,592	0.01%	2	-	54,594	0.01%
Total	54,592	0.01%	2	-	54,594	0.01%

City of Dallas
Summary Statement by Portfolio
As of: 09/30/13 - 12/31/13

Portfolio Description	Beginning Face Amount	Ending Face Amount	Beginning Book Value	Ending Book Value	Beginning Market Value	Ending Market Value	Deposits/ (Redemptions)	Change in Market Value	Accrued Interest	Ending Yield To Maturity
City's Investment Pool¹										
Local Govt. Investment Pool	207,106,533	132,106,533	207,106,533	132,106,533	207,106,533	132,106,533	(75,000,000)	-	-	0.09%
Money Market	95,984,071	54,984,071	95,984,071	54,984,071	95,984,071	54,984,071	(41,000,000)	-	-	0.04%
US Agency	894,861,000	984,961,000	898,709,243	988,166,855	899,825,980	988,852,827	90,100,000	(1,580,555)	2,657,477	0.36%
*Total	1,197,951,604	1,172,051,604	1,201,799,847	1,175,257,459	1,202,916,584	1,175,943,431	(25,900,000)	(1,580,555)	2,657,477	0.32%
Convention Center Reserve²										
US Agency	18,900,000	18,900,000	18,902,397	18,901,982	18,936,768	18,934,440	-	(2,328)	18,248	0.39%
Total	18,900,000	18,900,000	18,902,397	18,901,982	18,936,768	18,934,440	-	(2,328)	18,248	0.39%
Water Reserve²										
US Agency	80,000,000	90,000,000	80,063,500	90,052,436	80,130,240	90,101,500	10,000,000	(28,740)	53,779	0.36%
Total	80,000,000	90,000,000	80,063,500	90,052,436	80,130,240	90,101,500	10,000,000	(28,740)	53,779	0.36%
Art Endowment³										
US Agency	2,235,000	2,235,000	2,235,000	2,235,000	2,234,368	2,234,676	-	308	3,259	0.35%
Total	2,235,000	2,235,000	2,235,000	2,235,000	2,234,368	2,234,676	-	308	3,259	0.35%
Ida Green Library Endowment⁴										
US Agency	1,000,000	1,000,000	999,803	998,556	1,000,459	998,835	-	(28)	-	0.16%
Total	1,000,000	1,000,000	999,803	998,556	1,000,459	998,835	-	(28)	-	0.16%
DWU Commercial Paper⁵										
Money Market - Tax Exempt	4,496,941	4,354,929	4,496,941	4,354,929	4,496,941	4,354,929	(142,012)	-	-	0.04%
Total	4,496,941	4,354,929	4,496,941	4,354,929	4,496,941	4,354,929	(142,012)	-	-	0.04%
GO Commercial Paper⁵										
Money Market - Tax Exempt	7,737,404	1	7,737,404	1	7,737,404	1	(7,737,403)	-	-	0.02%
Total	7,737,404	1	7,737,404	1	7,737,404	1	(7,737,403)	-	-	0.02%
Trinity Parkway Escrow⁶										
Money Market	602,683	546,359	602,683	546,359	602,683	546,359	(56,324)	-	-	0.01%
Total	602,683	546,359	602,683	546,359	602,683	546,359	(56,324)	-	-	0.01%
Oncor Electric Escrow⁷										
Money Market	54,592	54,594	54,592	54,594	54,592	54,594	2	-	-	0.01%
Total	54,592	54,594	54,592	54,594	54,592	54,594	2	-	-	0.01%

Notes 1-7: See Page 6 for Strategy Statement by Portfolio.

*Numbers may not sum due to rounding

City of Dallas
Strategy Statement and Compliance by Portfolio
As of: 09/30/13 - 12/31/13

STRATEGY COMPLIANCE STATEMENT

For the quarter ended December 31, 2013 the portfolios are in compliance with the relevant provisions of the Public Fund Investment Act and the investment strategies adopted in Sec. 17.0 of the City's Investment Policy.

STRATEGY STATEMENT BY PORTFOLIO

1) City's Investment Pool

The City's Investment Pool is an aggregation of the majority of City funds that includes tax receipts, enterprise fund revenues, fine and fee revenues, as well as some, but not all, bond proceeds, grants, gifts and endowments. This portfolio is maintained to meet anticipated daily cash needs for City of Dallas operations, capital projects and debt service. In order to ensure the ability of the City to meet obligations and to minimize potential liquidation losses, the dollar-weighted average stated maturity of the Investment Pool shall not exceed 1.5 years.

2) Convention Center Bond Reserve and Water Bond Reserve

Non-pooled reserve funds for outstanding revenue bonds (Convention Center and Water) are set at levels required by their respective bond ordinances. These funds will be used to pay principal and/or interest at final maturity or if called prior to final maturity.

3) Art Endowment

The Art Endowment Fund was created by the City from a \$1,285,026 repayment to the General Fund from the Convention Center. Pursuant to Resolution No. 84-311 dated September 26, 1984, this endowment fund was created to provide additional monies for the arts, not to replace the current level of support. Funds received as gifts to the City with instructions that the income generated by the investment of said funds be used for specified purposes are invested as separate non-pooled portfolios in order to maximize return.

4) Ida Green Library Endowment

The Ida M. Green Endowment Fund was created with the proceeds from the sale of stock from the estate of Ms. Green pursuant to Resolution No. 87-0836. Its purpose is to provide funds for the operating and capital expenses of the library's Texas Center for the Book and Children's Center. Funds received as gifts to the City with instructions that the income generated by the investment of said funds be used for specified purposes are invested as separate non-pooled portfolios in order to maximize return.

5) DWU Commercial Paper Program and GO Commercial Paper Program

The City issues tax-exempt commercial paper notes as an interim financing tool for construction and capital projects. Proceeds from the issuance of commercial paper debt must be liquid in order to fund periodic payments to contractors and must be invested in tax-exempt securities in order to avoid costly and complex arbitrage rebate computations. In order to meet these requirements, commercial paper proceeds will be invested in tax-exempt money market mutual funds.

6) Trinity Parkway Escrow

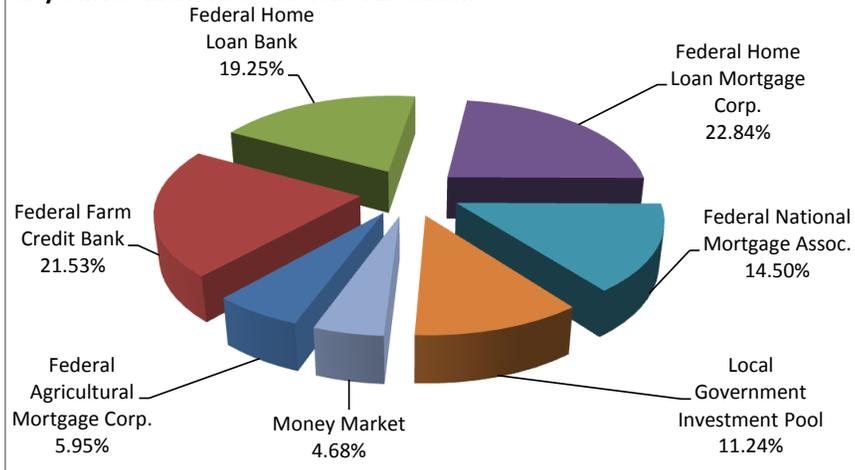
The Trinity Parkway Escrow portfolio was created with the deposit of \$5,000,000 on November 16, 1999 in an escrow account in accordance with an agreement dated as of January 1, 1999 between the City and the North Texas Tollway Authority ("NTTA") pertaining to development of the Trinity Parkway. A subsequent deposit of \$4,500,000 was made in June 2009. These funds will be used to reimburse NTTA for specified payment related to project feasibility. Permitted investments for this account are defined in the Escrow Agreement as those that are consistent with the Public Funds Investment Act.

7) Oncor Electric Escrow

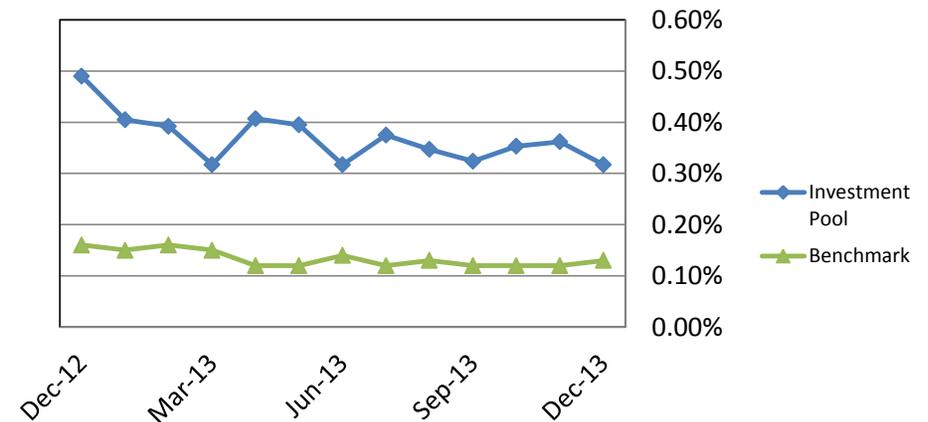
The Oncor Electric Escrow portfolio was created with the deposit of \$4,500,000 in December 2007 in an escrow account in accordance with an agreement dated as of July 13, 2007 between the City and the Oncor Electric Delivery Company LLC pertaining to the development of the West Levee to Norwood Transmission Line. These funds will be used to reimburse Oncor for specified payments related to project feasibility. Permitted investments for this account are defined in the Escrow Agreement as those that are consistent with the Public Funds Investment Act.

City of Dallas
City's Investment Pool Portfolio Allocation
Investment Summary
As of 12/31/2013

City's Investment Pool Portfolio Allocation



Yield Comparison



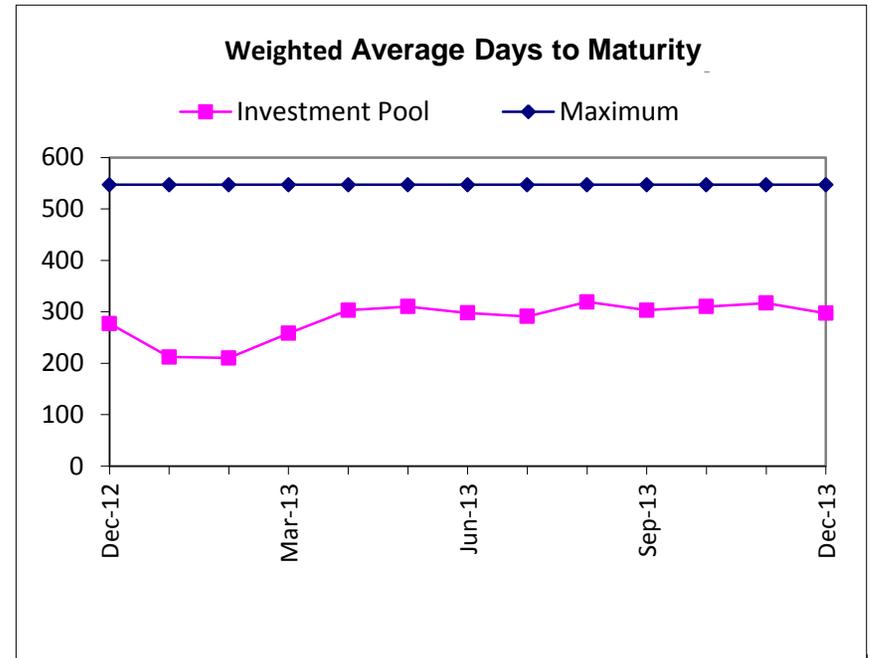
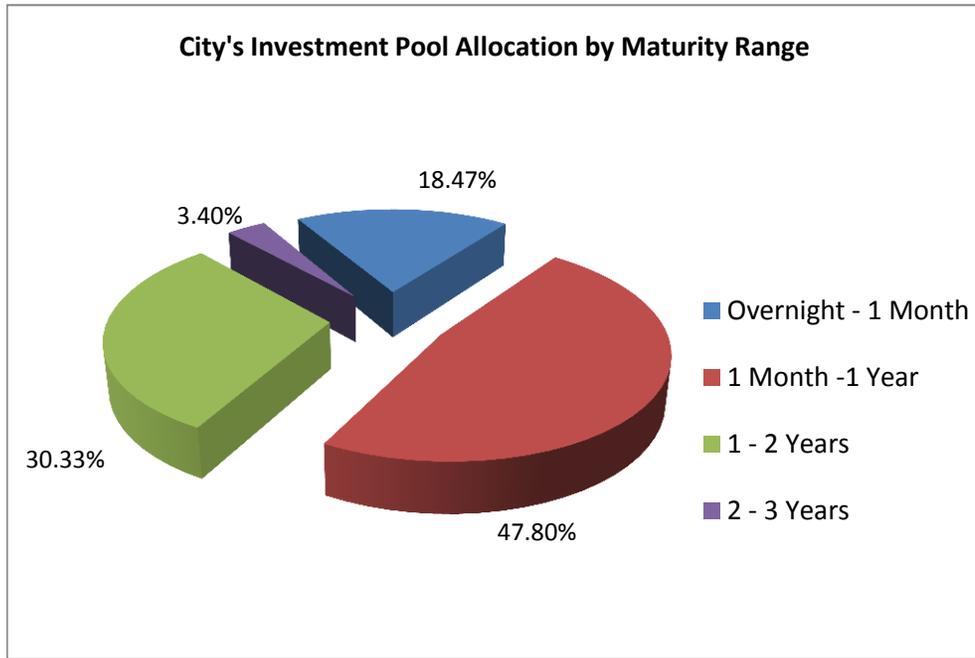
Description	Face Amount	Book Value	Market Value	*Unrealized Gain/(Loss)	Weighted Average Days To Maturity	Yield To Maturity	% of Portfolio
Federal Agricultural Mortgage Corp.	70,000,000	69,977,976	70,195,285	217,309	512	0.56%	5.95%
Federal Farm Credit Bank	252,768,000	252,982,137	253,126,884	144,747	346	0.38%	21.53%
Federal Home Loan Bank	226,000,000	226,295,268	226,412,088	116,820	347	0.34%	19.25%
Federal Home Loan Mortgage Corp.	266,853,000	268,441,020	268,647,359	206,339	345	0.38%	22.84%
Federal National Mortgage Assoc.	169,340,000	170,470,453	170,471,210	757	321	0.27%	14.50%
Local Government Investment Pool	132,106,533	132,106,533	132,106,533	-	1	0.09%	11.24%
Money Market	54,984,071	54,984,071	54,984,071	-	1	0.04%	4.68%
**Total	1,172,051,604	1,175,257,459	1,175,943,431	685,972	297	0.32%	100.00%

* Unrealized gain/loss is the difference between the market value and book value and does not represent an actual gain or loss. Gains and losses are realized only when a security is sold prior to maturity. Since it is the City's strategy to hold investments until they mature, the temporary gains and losses are unlikely to be realized.

** Numbers may not sum due to rounding

As per Section 17.1 of the City's Investment Policy, the benchmark for the Investment Pool is the 12-month moving average yield on treasury 1-year constant maturities as reported by Federal Reserve Statistical Release H.15.

City of Dallas
City's Investment Pool Allocation by Maturity Range
As of 12/31/2013



Description	Face Amount/Shares	Book Value	Market Value	Yield To Maturity	Weighted Average Days To Maturity	% of Portfolio
Overnight - 1 Month	217,090,604	217,090,560	217,091,814	0.12%	3	18.47%
1 Month - 1 Year	559,861,000	561,764,902	562,232,587	0.30%	193	47.80%
1 - 2 Years	355,100,000	356,401,997	356,558,895	0.40%	576	30.33%
2 - 3 Years	40,000,000	40,000,000	40,060,135	0.88%	893	3.40%
*Total	1,172,051,604	1,175,257,459	1,175,943,431	0.32%	297	100.00%

* Numbers may not sum due to rounding

City of Dallas
 Date To Date
 Broker/Dealer Activity
 As of: FY 13-14 to Date

FY 13-14 to Date		
Description	Awarded	%
Primary Dealers		
Bank of America	-	0.00%
Jefferies & Co.	5,000,000	3.20%
JPMorgan	46,000,000	29.47%
Secondary Dealers		
Coastal Securities	15,000,000	9.61%
Comerica Securities	-	0.00%
Crews and Associates	-	0.00%
First Southwest	25,100,000	16.08%
Raymond James and Associates	-	0.00%
Oppenheimer & Co.	-	0.00%
Vining Sparks	5,000,000	3.20%
Wells Fargo	-	0.00%
Secondary Dealers - MWBE		
Duncan Williams - MWBE	10,000,000	6.41%
Loop Capital - MWBE	25,000,000	16.02%
Rice Financial - MWBE	25,000,000	16.02%
Williams Capital - MWBE	-	0.00%
Total	156,100,000	100.00%

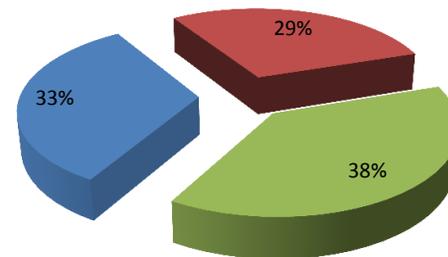
Notes:

Section 9 of the City's investment Policy requires the investment committee to annually review and adopt a list of qualified broker/dealers. These firms represent the broker dealer firms that are currently approved by the Investment Committee as of February 2013.

It is the City's Practice to solicit three or more competitive bids/offers each trade except for agency securities purchased at issue.

Q1 FY 13-14		
Description	Awarded	%
Coastal Securities	15,000,000	9.61%
Duncan Williams	10,000,000	6.41%
First Southwest	25,100,000	16.08%
Jefferies & Co.	5,000,000	3.20%
JPMorgan	46,000,000	29.47%
Loop Capital	25,000,000	16.02%
Rice Financial	25,000,000	16.02%
Vining Sparks	5,000,000	3.20%
Total	156,100,000	100.00%

Broker/Dealer Activity FY12-13 to Date



- Primary Dealers 51,000,000
- Secondary Dealers 45,100,000
- Secondary Dealers (MWBE) 60,000,000

CITY OF DALLAS
QUARTERLY INVESTMENT REPORT

December 31, 2013

For the quarter ended December 31, 2013 the portfolios are in compliance with the relevant provisions of the Public Funds Investment Act and the investment strategies adopted in Sec. 17.0 of the City's Investment Policy.

Chief Financial Officer:



City Controller:



Treasury Manager:



Memorandum



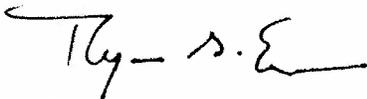
CITY OF DALLAS

DATE February 28, 2014
TO The Honorable Mayor and Members of the City Council
SUBJECT Financial Forecast Report

The FY 2013-14 Financial Forecast Report based on information through January 2014 is attached and provided for your information. This report reflects an amended General Fund budget based on Council's approved use of contingency reserve funds by CR# 13-1995 on November 12, 2013.

For FY 2013-14, General Fund revenues are projected to be \$3,498,000 above budget and expenditures are projected to be \$2,298,000 above budget. This results in forecast revenues being in excess of forecast expenditures by \$1,200,000.

We will continue to closely monitor revenues and expenditures and keep you informed.


A.C. Gonzalez
City Manager

Attachment

c: Ryan S. Evans, Interim First Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Forest Turner, Assistant City Manager
Joey Zapata, Assistant City Manager
Charles M. Cato, Interim Assistant City Manager
Theresa O' Donnell, Interim Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Jack Ireland, Director, Office of Financial Services

**GENERAL FUND
COMPARISON OF FY 2013-14 REVENUES AND EXPENDITURES
AS OF JANUARY 31, 2014
(000s)**

<u>ITEM</u>	<u>BUDGET</u>	<u>YEAR TO DATE</u>	<u>YEAR-END FORECAST</u>	<u>BUDGET VS FORECAST VARIANCE</u>
Revenues	\$1,120,748	\$557,664	\$1,124,246	\$3,498
Expenditures	\$1,120,748	\$371,337	\$1,123,046	\$2,298
Net Excess of Revenues Over Expenditures/Transfers	<u>\$0</u>	<u>\$186,327</u>	<u>\$1,200</u>	<u>\$1,200</u>

**FINANCIAL FORECAST REPORT
FY 2013-14
AS OF JANUARY 31, 2014**

GENERAL FUND

Revenues

- Total General Fund revenues are estimated to be \$3,498,000 above budget.
 - Parking Fines is projected to be \$477,000 below budget due to lower ticket issuance as a result of fewer cars parking downtown because of construction and increased use of public transportation.
 - Library revenue is projected to be \$33,000 below budget due to an increase in the usage of e-materials. Fines and late fees are not collected on e-materials as they are electronically recalled on the due date.
 - Vital Statistics revenue is projected to be \$145,000 below budget due to a decrease in sales of birth certificates.

Expenditures

- Total General Fund expenditures are estimated to be \$2,298,000 above budget.
 - Sustainable Development and Construction is projected to be \$263,000 below budget primarily due to delays in hiring.
 - The liability reserve transfer is projected to be \$2,565,000 above budget due to an increase in claim activity.

PROPRIETARY FUNDS

- Sustainable Development and Construction expenses are projected to be \$1,979,000 below budget primarily due to delays in hiring.
- WRR Municipal Radio revenues are projected to be \$186,000 under budget primarily due to the sale of commercials being less than planned. Expenditures are projected to be \$210,000 under budget due to vacancies.

**GENERAL FUND
FORECAST OF FY 2013-14 REVENUES
AS OF JANUARY 31, 2013
(000s)**

	<u>BUDGET</u>	<u>REVENUES YEAR TO DATE</u>	<u>YEAR-END FORECAST</u>	<u>BUDGET VS FORECAST VARIANCE</u>
TAXES				
Ad Valorem Tax	\$483,898	\$399,781	\$483,898	\$0
Sales Tax	\$249,565	\$65,396	\$252,053	\$2,488
TOTAL TAXES	\$733,463	\$465,177	\$735,950	\$2,488
FRANCHISE REVENUES				
Oncor Electric	\$50,110	\$27,775	\$50,382	\$272
AT&T	\$13,422	\$0	\$13,444	\$22
Atmos Energy	\$11,228	\$0	\$11,311	\$83
Time Warner Cable	\$6,376	\$0	\$6,263	(\$113)
Other	\$20,773	\$58	\$20,909	\$136
TOTAL FRANCHISE REVENUES	\$101,908	\$27,833	\$102,309	\$400
LICENSES AND PERMITS	\$9,090	\$3,666	\$9,204	\$114
INTEREST EARNED	\$632	\$144	\$632	\$0
INTERGOVERNMENTAL	\$6,203	\$0	\$6,203	\$0
FINES AND FORFEITURES				
Municipal Court	\$13,779	\$4,675	\$13,955	\$175
Vehicle Towing & Storage	\$6,957	\$2,280	\$6,957	\$0
Parking Fines	\$5,070	\$410	\$4,593	(\$477)
Red Light Camera Fines	\$6,867	\$0	\$7,037	\$170
Public Library	\$553	\$148	\$520	(\$33)
TOTAL FINES	\$33,227	\$7,513	\$33,063	(\$164)
CHARGES FOR SERVICE				
Sanitation Service	\$62,010	\$21,094	\$62,010	\$0
Parks	\$9,716	\$2,292	\$9,713	(\$3)
Private Disposal Fees	\$17,694	\$4,727	\$17,616	(\$79)
Emergency Ambulance	\$42,982	\$4,475	\$42,982	\$0
Security Alarm	\$4,500	\$1,467	\$4,500	\$0
Street Lighting	\$1,000	\$57	\$955	(\$45)
Vital Statistics	\$1,581	\$425	\$1,436	(\$145)
Other	\$18,303	\$6,988	\$19,185	\$882
TOTAL CHARGES	\$157,786	\$41,526	\$158,396	\$610
INTERFUND REVENUE	\$67,330	\$8,488	\$67,330	\$0
MISCELLANEOUS	\$11,109	\$3,317	\$11,159	\$50
TOTAL REVENUES	\$1,120,748	\$557,664	\$1,124,246	\$3,498

**GENERAL FUND
FORECAST OF FY 2013-14 EXPENDITURES
AS OF JANUARY 31, 2014
(000s)**

DEPARTMENT	BUDGET	EXPENDITURES YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
Building Services	\$25,609	\$10,704	\$25,739	\$129
Business Dev/Procurement Svcs	\$2,654	\$755	\$2,654	(\$0)
City Attorney's Office	\$13,920	\$4,741	\$14,191	\$271
City Auditor's Office	\$2,391	\$702	\$2,410	\$18
City Controller's Office	\$4,471	\$1,419	\$4,471	\$0
City Manager's Office	\$1,701	\$835	\$1,727	\$25
City Secretary's Office	\$1,783	\$535	\$1,829	\$46
Civil Service	\$2,126	\$532	\$2,128	\$2
Code Compliance	\$33,720	\$10,046	\$33,720	\$0
Court Services	\$11,400	\$3,324	\$11,317	(\$83)
Elections	\$1,096	\$27	\$1,096	\$0
Fire	\$219,029	\$73,767	\$219,029	\$0
Housing	\$10,883	\$6,400	\$10,873	(\$9)
Human Resources	\$4,080	\$1,714	\$4,080	\$0
Independent Audit	\$919	\$0	\$919	\$0
Jail Contract - Lew Sterrett	\$8,714	\$8,714	\$8,714	\$0
Judiciary	\$3,528	\$1,012	\$3,429	(\$98)
Library	\$22,370	\$7,544	\$22,370	\$0
Management Services	\$5,968	\$2,225	\$5,866	(\$102)
Mayor and Council	\$3,911	\$1,159	\$3,885	(\$26)
Non-Departmental	\$41,935	\$8,086	\$41,935	\$0
Office of Cultural Affairs	\$16,955	\$6,502	\$16,947	(\$8)
Office of Economic Development	\$1,122	\$1,050	\$1,122	\$0
Office of Financial Services	\$2,886	\$647	\$2,886	\$0
Park and Recreation	\$78,614	\$28,025	\$78,589	(\$26)
Police	\$426,401	\$144,091	\$426,396	(\$6)
Public Works	\$7,121	\$3,408	\$7,081	(\$39)
Sanitation Services	\$74,399	\$19,594	\$75,011	\$612
Street Lighting	\$19,201	\$4,865	\$18,528	(\$673)
Street Services	\$61,742	\$17,895	\$61,730	(\$12)
Sustainable Dev/Construction	\$1,788	\$854	\$1,525	(\$263)
Trinity Watershed Management	\$661	\$166	\$637	(\$24)
RESERVES AND TRANSFERS				
Contingency Reserve	\$400	\$0	\$400	\$0
Liability/Claim Fund	\$5,088	\$0	\$7,653	\$2,565
Salary and Benefit Reserve	\$2,159	\$0	\$2,159	\$0
TOTAL EXPENDITURES	\$1,120,748	\$371,337	\$1,123,046	\$2,298

PROPRIETARY FUNDS
FORECAST OF FY 2013-14 REVENUES AND EXPENDITURES
AS OF JANUARY 31, 2014
(000s)

DEPARTMENT	BUDGET	REVENUES AND EXPENDITURES YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
Aviation				
Revenues	\$61,184	\$19,722	\$61,192	\$8
Expenses	\$61,184	\$19,932	\$61,079	(\$105)
Net Excess of Revenues Over Expenses/Transfer	<u>\$0</u>	<u>(\$210)</u>	<u>\$113</u>	<u>\$113</u>
Convention Center				
Revenues	\$65,308	\$19,107	\$68,129	\$2,821
Expenses	\$65,307	\$15,943	\$67,709	\$2,402
Net Excess of Revenues Over Expenses/Transfer	<u>\$1</u>	<u>\$3,164</u>	<u>\$420</u>	<u>\$419</u>
Sustainable Dev/Construction				
Revenues	\$26,780	\$8,192	\$26,809	\$29
Expenses	\$25,262	\$5,332	\$23,283	(\$1,979)
Net Excess of Revenues Over Expenses/Transfer	<u>\$1,518</u>	<u>\$2,860</u>	<u>\$3,526</u>	<u>\$2,008</u>
Municipal Radio Fund				
Revenues	\$2,409	\$679	\$2,223	(\$186)
Expenses	\$2,379	\$503	\$2,169	(\$210)
Net Excess of Revenues Over Expenses/Transfer	<u>\$29</u>	<u>\$176</u>	<u>\$54</u>	<u>\$24</u>
Water Utilities				
Revenues	\$595,315	\$185,425	\$590,287	(\$5,028)
Expenses	\$595,315	\$146,944	\$590,287	(\$5,028)
Net Excess of Revenues Over Expenses/Transfer	<u>\$0</u>	<u>\$38,481</u>	<u>\$0</u>	<u>\$0</u>
Communication & Information Svcs.				
Revenues	\$58,765	\$18,032	\$58,807	\$42
Expenses	\$61,459	\$22,040	\$61,204	(\$256)
Net Excess of Revenues Over Expenses/Transfer	<u>(\$2,695)</u>	<u>(\$4,008)</u>	<u>(\$2,397)</u>	<u>\$298</u>

PROPRIETARY FUNDS
FORECAST OF FY 2013-14 REVENUES AND EXPENDITURES
AS OF JANUARY 31, 2014
(000s)

DEPARTMENT	BUDGET	REVENUES AND EXPENDITURES YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
Equipment Services				
Revenues	\$54,212	\$8,397	\$54,332	\$120
Expenses	\$54,212	\$8,497	\$54,209	(\$2)
Net Excess of Revenues Over Expenses/Transfer	<u>\$0</u>	<u>(\$100)</u>	<u>\$122</u>	<u>\$122</u>
Express Business				
Revenues	\$4,117	\$960	\$4,119	\$2
Expenses	\$3,812	\$975	\$3,812	\$0
Net Excess of Revenues Over Expenses/Transfer	<u>\$305</u>	<u>(\$16)</u>	<u>\$307</u>	<u>\$2</u>

OTHER FUNDS
FORECAST OF FY 2013-14 REVENUES AND EXPENDITURES
AS OF JANUARY 31, 2014
(000s)

DEPARTMENT	BUDGET	REVENUES AND EXPENDITURES YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
Employee Benefits	\$1,339	\$162	\$1,339	\$0
Risk Management	\$2,441	\$588	\$2,381	(\$60)
9-1-1 System Operations				
Revenues	\$14,046	\$3,825	\$13,482	(\$565)
Expenses	<u>\$19,758</u>	<u>\$3,651</u>	<u>\$19,666</u>	<u>(\$92)</u>
Net Excess of Revenues Over Expenses/Transfer	<u>(\$5,712)</u>	<u>\$174</u>	<u>(\$6,184)</u>	<u>(\$472)</u>
Storm Water Drainage				
Revenues	\$50,111	\$17,144	\$50,329	\$217
Expenses	<u>\$55,011</u>	<u>\$5,705</u>	<u>\$54,761</u>	<u>(\$250)</u>
Net Excess of Revenues Over Expenses/Transfer	<u>(\$4,900)</u>	<u>\$11,439</u>	<u>(\$4,433)</u>	<u>\$467</u>

**DEBT SERVICE FUND
FORECAST OF FY 2012-13 REVENUES AND EXPENDITURES
AS OF JANUARY 31, 2014
(000s)**

DEBT SERVICE	BUDGET	EXPENDITURES AND REVENUES YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
Beginning Balance	\$5,027	\$0	\$5,027	\$0
Revenues	\$233,212	\$169,174	\$233,212	\$0
Expenses	\$234,511	\$0	\$234,511	\$0
Ending Balance	<u>\$3,729</u>	<u>\$169,174</u>	<u>\$3,729</u>	<u>\$0</u>

CONTINGENCY RESERVE STATUS

Beginning Balance October 1, 2013	\$5,300,000
Budgeted Transfer In	<u>\$400,000</u>
FY 2013-14 Available Funds	\$5,700,000
Equipment & Building Services - Emergency repairs at the J. Erik Jonsson Central Library as a result of a sewer pipe burst (November 12, 2013, CR# 13-1995)	(\$2,348,103)
Balance as of January 31, 2014	<u>\$3,351,897</u>

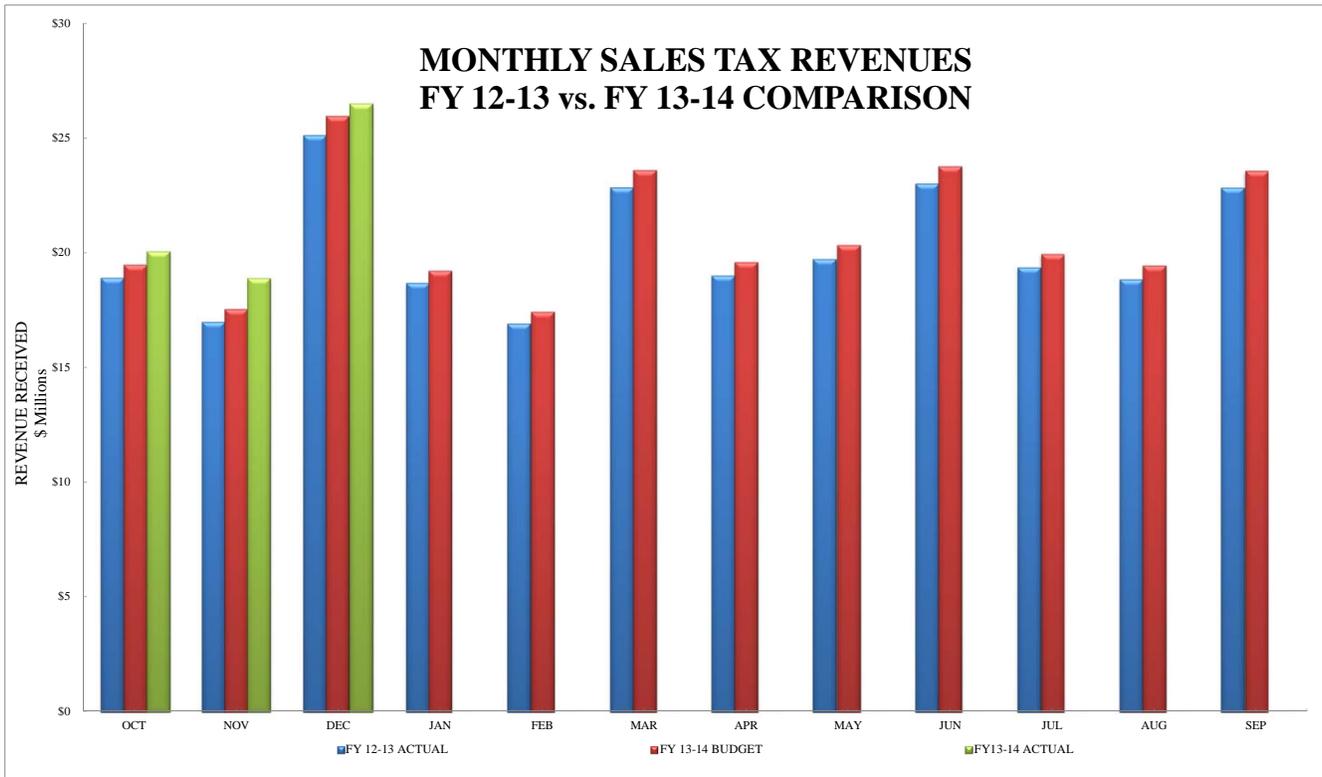
LIABILITY/CLAIMS FUND

Beginning Balance October 1, 2013	\$2,193,194
Budgeted Revenue	<u>\$6,668,716</u>
FY 2013-14 Available Funds	\$8,861,910
Paid October 2013	(\$624,425)
Paid November 2013	(\$426,920)
Paid December 2013	(\$1,846,332)
Paid January 2014	(\$317,321)
Balance as of January 31, 2014	<u>\$5,646,912</u>

SALES TAX

as of December 2013

	ACTUAL FY 2012-13	BUDGET FY 2013-14	ACTUAL FY 2013-14	YTD VARIANCE FY 13-14 ACT. VS. FY 12-13 ACT.		YTD VARIANCE FY 13-14 ACTUAL VS. BUDGET	
				DOLLARS	PERCENT	DOLLARS	PERCENT
OCT	\$18,909,571	\$19,469,547	\$20,061,677	\$1,152,106	6.1%	\$592,130	3.0%
NOV	16,954,555	17,498,613	18,852,710	1,898,155	11.2%	1,354,097	7.7%
DEC	25,113,531	25,940,249	26,481,621	1,368,090	5.4%	541,372	2.1%
JAN	18,640,007	19,175,626					
FEB	16,860,157	17,384,976					
MAR	22,819,012	23,570,356					
APR	18,991,012	19,570,345					
MAY	19,720,602	20,330,987					
JUN	23,000,521	23,756,265					
JUL	19,328,989	19,924,006					
AUG	18,805,897	19,406,369					
SEP	22,802,286	23,537,667					
TOTAL	\$241,946,140	\$249,565,006	\$65,396,008	\$4,418,351	7.2%	\$2,487,599	4.0%



**GENERAL FUND
HISTORICAL REVENUE COMPARISON
AS OF JANUARY
(000s)**

	FY 2011-12		FY 2012-13		FY 2013-14	
	YEAR TO DATE	YEAR-END ACTUAL*	YEAR TO DATE	YEAR-END FORECAST**	YEAR TO DATE	YEAR-END FORECAST***
TAXES						
Ad Valorem Tax	\$349,474	\$439,212	\$380,270	\$450,615	\$399,781	\$483,898
Sales Tax	\$73,303	\$229,577	\$60,978	\$241,592	\$65,396	\$252,053
TOTAL TAXES	\$422,777	\$668,789	\$441,247	\$692,207	\$465,177	\$735,950
FRANCHISE REVENUES						
Oncor Electric	\$28,715	\$52,466	\$27,368	\$51,139	\$27,775	\$50,382
AT&T	\$0	\$16,392	\$0	\$15,037	\$0	\$13,444
Atmos Energy	\$3,068	\$10,444	\$2,569	\$10,984	\$0	\$11,311
Time Warner Cable	\$1,032	\$6,440	\$0	\$6,391	\$0	\$6,263
Other	\$322	\$18,345	\$216	\$19,463	\$58	\$20,909
TOTAL FRANCHISE REVENUES	\$33,137	\$104,087	\$30,153	\$103,015	\$27,833	\$102,309
LICENSES AND PERMITS	\$3,850	\$9,771	\$3,940	\$9,984	\$3,666	\$9,204
INTEREST EARNED	\$139	\$1,127	\$136	\$738	\$144	\$632
INTERGOVERNMENTAL	\$155	\$6,427	\$0	\$6,464	\$0	\$6,203
FINES AND FORFEITURES						
Municipal Court	\$4,031	\$15,241	\$3,965	\$15,052	\$4,675	\$13,955
Vehicle Towing & Storage	\$2,430	\$6,938	\$2,214	\$6,831	\$2,280	\$6,957
Parking Fines	\$1,553	\$5,047	\$521	\$4,770	\$410	\$4,593
Red Light Camera Fines	\$0	\$7,322	\$0	\$6,985	\$0	\$7,037
Public Library	\$172	\$533	\$170	\$518	\$148	\$520
TOTAL FINES	\$8,186	\$35,081	\$6,870	\$34,155	\$7,513	\$33,063
CHARGES FOR SERVICE						
Sanitation Service	\$20,065	\$60,538	\$20,861	\$61,344	\$21,094	\$62,010
Parks	\$2,329	\$8,766	\$2,752	\$9,860	\$2,292	\$9,713
Private Disposal Fees	\$6,148	\$19,663	\$5,985	\$18,844	\$4,727	\$17,616
Emergency Ambulance	\$5,453	\$16,684	\$3,688	\$20,759	\$4,475	\$42,982
Security Alarm	\$1,370	\$4,593	\$1,533	\$4,450	\$1,467	\$4,500
Street Lighting	\$160	\$965	\$130	\$1,447	\$57	\$955
Vital Statistics	\$448	\$1,563	\$452	\$1,581	\$425	\$1,436
Other	\$7,534	\$17,376	\$8,016	\$18,668	\$6,988	\$19,185
TOTAL CHARGES	\$43,507	\$130,148	\$43,416	\$136,952	\$41,526	\$158,396
INTERFUND REVENUE	\$12,258	\$45,572	\$5,923	\$46,710	\$8,488	\$67,330
MISCELLANEOUS	\$3,486	\$12,769	\$4,259	\$11,664	\$3,317	\$11,159
TOTAL REVENUES	\$527,494	\$1,013,770	\$535,945	\$1,041,889	\$557,664	\$1,124,246

* Based on Actual FY 2011-12 year end revenues

** Estimates based on revenues through August 2013

*** Estimates based on revenues through January 2014

**GENERAL FUND
HISTORICAL EXPENDITURE COMPARISON
AS OF JANUARY
(000s)**

<u>DEPARTMENT</u>	<u>FY 2011-12</u>		<u>FY 2012-13</u>		<u>FY 2013-14</u>	
	<u>YEAR TO DATE</u>	<u>YEAR-END ACTUAL*</u>	<u>YEAR TO DATE</u>	<u>YEAR-END FORECAST**</u>	<u>YEAR TO DATE</u>	<u>YEAR-END FORECAST***</u>
Building Services	\$8,417	\$18,083	\$8,024	\$22,599	\$10,704	\$25,739
Business Dev/Procurement Svcs	\$708	\$2,086	\$754	\$2,403	\$755	\$2,654
City Attorney's Office	\$3,310	\$10,741	\$3,774	\$12,888	\$4,741	\$14,191
City Auditor's Office	\$644	\$2,030	\$637	\$2,085	\$702	\$2,410
City Controller's Office	\$1,064	\$3,485	\$1,273	\$3,998	\$1,419	\$4,471
City Manager's Office	\$654	\$1,628	\$639	\$1,448	\$835	\$1,727
City Secretary's Office	\$321	\$1,500	\$533	\$1,718	\$535	\$1,829
Civil Service	\$379	\$1,374	\$516	\$1,821	\$532	\$2,128
Code Compliance	\$7,874	\$27,795	\$9,063	\$30,663	\$10,046	\$33,720
Court Services	\$2,638	\$10,666	\$3,159	\$10,918	\$3,324	\$11,317
Elections	\$22	\$1,133	\$117	\$1,119	\$27	\$1,096
Fire	\$72,065	\$206,691	\$73,062	\$205,922	\$73,767	\$219,029
Housing	\$4,695	\$8,076	\$5,432	\$9,502	\$6,400	\$10,873
Human Resources	\$1,301	\$3,151	\$1,394	\$3,710	\$1,714	\$4,080
Independent Audit	\$0	\$937	\$0	\$903	\$0	\$919
Jail Contract - Lew Sterrett	\$7,852	\$7,852	\$2,743	\$8,229	\$8,714	\$8,714
Judiciary	\$1,035	\$3,006	\$1,042	\$3,153	\$1,012	\$3,429
Library	\$6,086	\$18,111	\$6,543	\$20,147	\$7,544	\$22,370
Management Services	\$1,588	\$3,339	\$1,940	\$4,448	\$2,225	\$5,866
Mayor and Council	\$983	\$3,527	\$1,130	\$3,748	\$1,159	\$3,885
Non-Departmental	\$7,092	\$28,592	\$7,900	\$32,479	\$8,086	\$41,935
Office of Cultural Affairs	\$5,488	\$13,083	\$8,189	\$15,853	\$6,502	\$16,947
Office of Economic Development	\$601	\$647	\$463	\$760	\$1,050	\$1,122
Office of Financial Services	\$353	\$1,521	\$497	\$2,129	\$647	\$2,886
Park and Recreation	\$23,454	\$66,281	\$26,146	\$73,367	\$28,025	\$78,589
Police	\$126,878	\$398,795	\$127,933	\$401,923	\$144,091	\$426,396
Public Works	\$3,179	\$4,775	\$3,810	\$5,036	\$3,408	\$7,081
Sanitation Services	\$23,094	\$73,537	\$18,866	\$73,586	\$19,594	\$75,011
Street Lighting	\$3,933	\$16,979	\$4,850	\$18,082	\$4,865	\$18,528
Street Services	\$15,785	\$53,629	\$18,227	\$57,260	\$17,895	\$61,730
Sustainable Dev/Construction	\$713	\$1,004	\$734	\$1,199	\$854	\$1,525
Trinity Watershed Management	\$230	\$265	\$231	\$244	\$166	\$637
 <u>RESERVES AND TRANSFERS</u>						
Contingency Reserve	\$0	\$1,663	\$0	\$200	\$0	\$400
Liability/Claim Fund	\$0	\$5,288	\$0	\$3,630	\$0	\$7,653
Salary and Benefit Reserve	\$0	\$0	\$0	\$773	\$0	\$2,159
 EXPENDITURES	 \$332,436	 \$1,001,271	 \$339,620	 \$1,037,945	 \$371,337	 \$1,123,046

* Based on Actual FY 2011-12 year end expenditures

**Estimates based on expenditures through August 2013

*** Estimates based on expenditures through January 2014