

# Memorandum

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CITY SECRETARY  
DALLAS, TEXAS



CITY OF DALLAS

DATE: October 3, 2013

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

SUBJECT: Budget, Finance & Audit Committee Meeting

**Monday, October 7, 2013, 1:00 p.m.**

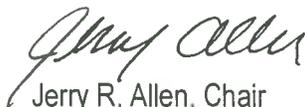
Dallas City Hall - 6ES, 1500 Marilla St., Dallas, TX 75201

The agenda for the meeting is as follows:

1. Consideration of minutes from the September 3, 2013 Budget, Finance & Audit committee meeting
2. Communications Related to the FY2013 Audit Ben Kohnle, Partner  
Grant Thornton, LLP
3. FY2013-14 Reserves Jack Ireland, Director  
Office of Financial Services
4. Fee Study Results-  
Code Compliance Department James Martin, Director  
Code Compliance

**FYI:**

5. August 2013 Financial Forecast Report



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

- |  |  |
|--|--|
| <p>c: Honorable Mayor and Members of the City Council<br/>A.C. Gonzalez, Interim City Manager<br/>Warren M. S. Ernst, Interim City Attorney<br/>Rosa A. Rios, City Secretary<br/>Daniel F. Solis, Administrative Judge<br/>Craig D. Kinton, City Auditor<br/>Ryan S. Evans, Interim First Assistant City Manager<br/>Jill A. Jordan, P.E., Assistant City Manager<br/>Forest E. Turner, Assistant City Manager</p> | <p>Joey Zapata, Assistant City Manager<br/>Charles M. Cato, Interim Assistant City Manager<br/>Theresa O'Donnell, Interim Assistant City Manager<br/>Jeanne Chipperfield, Chief Financial Officer<br/>Frank Libro, Public Information Officer<br/>Jack Ireland, Director, Office of Financial Services<br/>James Martin, Director, Code Compliance<br/>Elsa Cantu, Assistant to the City Manager</p> |
|--|--|

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:** 09-03-2013

**Convened:** 1:02 p.m.

**Adjourned:** 2:32 p.m.

### **Committee Members Present:**

Jerry R. Allen, Chair  
Jennifer Staubach Gates, Vice-Chair  
Tennell Atkins  
Sheffie Kadane  
Philip T. Kingston  
Adam Medrano (Non-committee member)

### **Staff Present:**

Jeanne Chipperfield, Jack Ireland, Jing Xiao, Brittany Burrell, Edward Scott, Lance Sehorn, Corrine Steeger, Rowena Zhang, Michael Frosch, Zeronda Smith, Helendra Ruiz, Francisco Rodriguez, Donna Lowe, Craig Kinton, Randall Hanks, Adelia Gonzalez

### **AGENDA:**

#### **1. Approval of the June 3, 2013 minutes**

**Presenter(s):**

**Information Only:** —

**Action Taken/Committee Recommendation(s):**

A motion was made to approve the June 3, 2013 minutes. Motion passed unanimously.

Motion made by: Adam Medrano

Motion seconded by: Philip T. Kingston

#### **2. Dallas/ Fort Worth International Airport FY 2014 Proposed Budget**

**Presenter(s):** Chris Poinsett, Chief Financial Officer, Dallas/ Fort Worth International Airport

**Information Only:** ~~X~~

**Action Taken/Committee Recommendation(s):**

N/A

#### **3. Office of the City Auditor's Fiscal Year 2014 Audit Plan**

**Presenter(s):** Craig Kinton, City Auditor

**Information Only:** —

**Action Taken/ Committee Recommendation(s):**

A motion was made to recommend approval by the City Council on Wednesday, September 11, 2013. Motion passed unanimously.

Motion made by: Jerry R. Allen

Motion seconded by: Jennifer Staubach Gates

#### **4. Annual Investment Policy Review**

**Presenter(s):** Corrine Steeger, Assistant Director

**Information Only:** —

**Action Taken/Committee Recommendation(s):**

# **Budget, Finance & Audit Committee**

## **Meeting Record- DRAFT**

A motion was made to recommend approval by the City Council on Wednesday, September 11, 2013.  
Motion passed unanimously.

Motion made by: Philip T. Kingston

Motion seconded by: Tennell Atkins

5. **FY 2012-13 Appropriation Adjustments**

**Presenter(s):** Jack Ireland, Director, Office of Financial Services

**Information Only:** \_\_\_\_

**Action Taken/Committee Recommendation(s):**

A motion was made to recommend approval by the City Council on Wednesday, September 11, 2013.  
Motion passed unanimously.

Motion made by: Sheffie Kadane

Motion seconded by: Philip T. Kingston

**FYI**

6. **Upcoming Agenda Item: Commercial Property, Boiler & Machinery, Fine Arts, Crime and aviation Insurance Policies**

**Presenter(s):** N/A

**Information Only:** \_\_\_\_

**Action Taken/ Committee Recommendation(s):**

A motion was made to recommend approval by the City Council on Wednesday, September 11, 2013.  
Motion passed unanimously.

Motion made by: Sheffie Kadane

Motion seconded by: Philip T. Kingston

7. **Quarterly Investment Report as of June 30, 2013**

**Presenter(s):** N/A

**Information Only:** X

**Action Taken/ Committee Recommendation(s):**

N/A

8. **July 2013 Financial Forecast Report**

**Presenter(s):** N/A

**Information Only:** X

**Action Taken/ Committee Recommendation(s):**

N/A

# Memorandum



Date October 4, 2013

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

Subject Communications Related to the FY2013 Audit

Attached are the presentation materials for the Communications Related to the FY2013 Audit. This briefing will be presented by Ben Kohnle, Partner at Grant Thornton, LLP, to the Budget, Finance and Audit Committee on Monday, October 7, 2013.

Please contact me if you need additional information.



Jeanne Chipperfield  
Chief Financial Officer

## Attachment

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



# **Audit Planning Meeting with the Budget, Finance and Audit Committee**

**City of Dallas, Texas**

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## **Communications Related to the FY 2013 Audit**

**October 7, 2013**

**Attendees:**

**Ben Kohnle – Partner**

**Dan Barron – Partner**

**Kirt Seale – Principal**



# Discussion Regarding the City's Fiscal Year 2013 Audit

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Responsibilities

Scope and Timing

Key Areas of Focus

IT Control Update

Technical Update

# Our responsibilities

- Perform an audit
  - An audit provides reasonable, not absolute assurance
- Form and express an opinion about whether the financial statements prepared by management, with your oversight:
  - Are materially correct
  - Are fairly presented
  - Conform with generally accepted accounting principles
  - Forming and expressing an opinion about whether certain supplementary information is fairly stated in relation to the financial statements as a whole
- Communicate specific matters to you

***An audit does not relieve you or management  
of your responsibilities.***

# Our responsibilities

## Single Audit

- Appropriately plan the audit by considering control risks
- Form and express an opinion regarding:
  - Schedule of Expenditures of Federal Awards
  - Schedule of Expenditures of State Awards
  - Compliance with major program requirements
  - Internal control over compliance
  - Summarize findings and questioned costs

# Our responsibilities for other information in the Comprehensive Annual Financial Report (CAFR), such as management's discussion and analysis and other required supplementary information

- Read the other information (we do not corroborate it)
- Consider whether it is materially inconsistent with the financial statements
- Call to management's attention identified material inconsistencies or misstatements of fact, if any

***Remember, our responsibility does not extend beyond our report.***

# Those Charged with Governance responsibilities

- Overseeing the financial reporting process
- Setting a positive tone at the top and challenging the City's activities in the financial arena
- Discussing significant accounting and internal control matters with management
- Informing us about fraud or suspected fraud, including its views of fraud risks
- Informing us about other matters that are relevant to our audit

# Management's responsibilities

- Preparing and fairly presenting the financial statements and schedule of expenditures of federal and state awards
- Establishing and maintaining effective internal control over financial reporting and compliance
- Providing us with written representations
  - A copy of the representations will be provided to you at the end of the audit



## Communications Related to the Audit

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Responsibilities

Scope and Timing

Key Areas of Focus

IT Control Update

Technical Update

# We approach your audit by...

- Understanding your organization and the environment you operate in
- Using that knowledge and understanding to analyze your financial statements
- Determining materiality
- Identifying areas more likely to be materially misstated
- Focusing audit attention and effort on those areas
- Testing compliance with direct and material compliance requirements (OMB Circular A-133)(and State of Texas Single Audit Circular)

# Materiality

- Magnitude of an omission or misstatement that likely influences a reasonable person's judgment
- Based on relevant financial statement benchmarks
  - We believe total assets or total revenues (based on the type of fund) is an appropriate benchmark for the City
- Financial statement line items  $>$  materiality are in scope
- Other areas  $<$  materiality may be in scope if qualitative factors are present (e.g., related party transactions, fraud risk, bond coverage requirements, etc.)

# Audit timeline

## Financial statement and OMB Circular A-133 audit (FY 2013)

|   |                          |
|---|--------------------------|
| Audit planning                                      | September – October 2013 |
| IT Procedures                                       | August – September 2013  |
| Preliminary Single Audit procedures                 | October – December 2013  |
| Preliminary financial procedures                    | November – December 2013 |
| Final procedures                                    | January – March 2014     |
| Status meetings with management                     | Periodic                 |
| Closing meeting with management                     | TBD                      |
| Budget, Finance and Audit Committee closing meeting | TBD                      |

# Engagement Team

## Audit

|                                      |  |              |
|--------------------------------------|--|--------------|
| Ben D. Kohnle – Engagement Partner   | <a href="mailto:ben.kohnle@us.gt.com">ben.kohnle@us.gt.com</a>     | 214-561-2260 |
| Dan Barron – Quality Control Partner | <a href="mailto:dan.barron@us.gt.com">dan.barron@us.gt.com</a>     | 214-561-2440 |
| Natalie Wood – Experienced Manager   | <a href="mailto:natalie.wood@us.gt.com">natalie.wood@us.gt.com</a> | 214-561-2409 |
| Todd Herlin – Manager                | <a href="mailto:todd.herlin@us.gt.com">todd.herlin@us.gt.com</a>   | 214-561-2286 |

## Business Advisory

|                        |  |              |
|------------------------|--|--------------|
| Kirt Seale –Principal  | <a href="mailto:kirt.seale@us.gt.com">kirt.seale@us.gt.com</a>     | 214-561-2367 |
| Jeremy Huval - Manager | <a href="mailto:jeremy.huval@us.gt.com">jeremy.huval@us.gt.com</a> | 214-561-2583 |

## Subcontractors

|                  |  |              |
|------------------|--|--------------|
| Reginald Hopkins | <a href="mailto:reggihopkins@sbcglobal.net">reggihopkins@sbcglobal.net</a> | 972-686-9535 |
| Thaland Logan    | <a href="mailto:tlogancpa@sbcglobal.net">tlogancpa@sbcglobal.net</a>       | 872-293-8244 |
| Dan Serna        | <a href="mailto:dserna@serna.com">dserna@serna.com</a>                     | 817-483-3884 |
| Diccy Thurman    | <a href="mailto:diccyt@owensthurman.com">diccyt@owensthurman.com</a>       | 214-941-2361 |

# Reports to be issued

- Audits:
  - Comprehensive annual financial report (CAFR)
  - Single audit (OMB Circular A-133)(and State of Texas Single Audit Circular)
- Separate reports:
  - Airport Revenues Fund and Passenger Facility Charge compliance
  - Dallas Water Utilities
  - Downtown Dallas Development Authority Tax Increment Financing District
  - Vickery Meadow Tax Increment Financing District
  - Dallas Convention Center Hotel Development Corporation
  - Texas Commission on Environmental Quality financial assurance agreed-upon procedures
- Internal control deficiency letter

# Preliminary Federal and State Major Programs

- Federal:
  - Special Supplemental Nutrition Program for Women, Infants, and Children
  - Airport Improvement Program
  - Water Security Training and Technical Assistance
  - Highway Planning and Construction Cluster
  - Community Development Block Grant-Entitlements Grants Cluster
  - JAG Program Cluster
- State:
  - A Modern Streetcar System Development Program
  - Commercial Auto Theft Interdiction Squad
  - Edison/Hi Line Stemmons/Rail Transit Underpass Connection
  - Trinity Strand Trail Program
  - Katy Trail VI from Ellsworth Street to Worcola Street



## Communications Related to the Audit

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Responsibilities

Scope and Timing

Key Areas of Focus

IT Control Update

Technical Update

# Key Areas of Focus – CAFR

| <b>Critical Areas</b>                           | <b>Assertions</b>                       |
|---|---|
| Water and Sewer revenue                         | Existence and Occurrence                |
| Grant Revenue                                   | Existence and Occurrence                |
| Capital Assets                                  | Completeness & Existence and Occurrence |
| Expenditures                                    | Completeness                            |
| Compliance and controls related to single audit | Completeness of SEFA and SESA           |

# Key Areas of Focus – CAFR (contd.)

| <b>Controls</b>           | <b>Cycles</b> |
|---------------------------|---------------|
| Controls – based approach | Payroll       |
| Controls – based approach | Disbursements |

## Other Key Areas:

- Governance
- Fraud inquiries
- Information technology
- Adequacy of disclosures
- Investments
- Assess corrective actions of management on prior year findings
- Actuarial information related to pension and OPEB Plans



## Communications Related to the Audit

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Responsibilities  
Scope and Timing  
Key Areas of Focus  
IT Control Update  
Technical Update

# IT Control Update

No Information Technology control findings were identified in this year's review

| <b>In-scope Systems</b>                  |
|--|
| SAP (and underlying databases)           |
| CGI Advantage (and underlying databases) |
| Active Directory                         |

| <b>Control Areas Tested</b> |
|-----------------------------|
| Security Administration     |
| Change Management           |
| Batch Job Administration    |



# Discussion Regarding the City's Fiscal Year 2013 Audit

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Responsibilities  
Scope and Timing  
Key Areas of Focus  
IT Control Update  
Technical Update

# Technical Update

- GASB Statement No. 67 - "Financial Reporting for Pension Plans-an amendment of GASB Statement No. 25"
  - Applies to defined benefit and defined contribution pension plans administered through trusts
  - Specifies reporting requirements for financial statements of the plans
  - New information about annual money-weighted rates of return in footnotes and 10-year RSI schedules
  - Effective for 12/31/2014 plan year-ends
- GASB Statement No. 68 - "Accounting and Financial Reporting for Pensions-an amendment of GASB Statement No. 27"
  - Applies to defined benefit and defined contribution pension plans administered through trusts
  - Sole and agent employers
    - Net pension liability to be recognized-unfunded obligation
  - Cost-sharing employers
    - Recognize liability for proportionate share of net pension liability
  - Effective for 9/30/2015 year-ends
- Earlier application is encouraged

# Questions and Answers



# Memorandum



CITY OF DALLAS

DATE October 4, 2013

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

SUBJECT FY 2013-14 Reserve Levels

Included on your October 7<sup>th</sup> agenda is a briefing on the FY 2013-14 Reserve Levels. Attached are the briefing materials for your review.

Please let me know if you have any questions.

A handwritten signature in cursive script that reads "Jeanne Chipperfield".

Jeanne Chipperfield  
Chief Financial Officer

c: Honorable Mayor and Members of the City Council  
A.C. Gonzalez, Interim City Manager  
Warren M.S. Ernst, Interim City Attorney  
Rosa Rios, City Secretary  
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Frank Libro, Public Information Office  
Elsa Cantu, Assistant to the City Manager

# FY2013-14 Reserve Levels

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Budget, Finance & Audit Committee

October 7, 2013





# Purpose

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- To provide information on the General Fund Reserves, including:
  - Background
  - Purpose of reserves
  - Financial Management Performance Criteria
    - Emergency Reserve
    - Contingency Reserve
    - Combined Reserve Levels
    - Risk Reserve
  - Fund Balance considerations and best practice



# Background – FMPC

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- The City's **Financial Management Performance Criteria** (FMPC) was initially adopted by the City Council in 1978 to set standards and to guide decision making
  - Includes 52 criteria in 6 categories
    - 1) Operating Programs
    - 2) Capital and Debt Management
    - 3) Accounting, Auditing and Financial Planning
    - 4) Budget
    - 5) Cash Management
    - 6) Grants and Trusts
  - Dallas Water Utilities has its own set of 13 criteria
  - FMPC is updated/evaluated for compliance during budget preparation, at year end, and for each debt issuance
  - Council periodically reviews and updates the criteria
    - Last update was approved by Council on September 28, 2011

# Background – Fund Balance

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- **Fund Balance** reported annually in the City’s Comprehensive Annual Financial Report (CAFR)
  - Difference between a fund’s assets and liabilities
  - Adjusted annually by the difference between revenues and expenditures
  - Serves as a measure of the net worth of a fund
  - Divided into 5 categories:
    - 1) Nonspendable – amounts that cannot be spent because they are either not spendable form or legally or contractually required to be maintained intact (Inventories)
    - 2) Restricted – amounts subject to constraints which are externally imposed by creditors, grantors, contributors, laws or regulations (Debt Service Funds)
    - 3) Committed – amounts subject to self-imposed constraints through formal action of the City Council (Risk Reserve)
    - 4) Assigned – amounts constrained by the City’s intent to be used for specific purposes (Encumbrances)
    - 5) Unassigned – remaining fund balance available for any use after other categories are deducted from the total Fund Balance (Includes Emergency and Contingency Reserves)



# Purpose of Reserves

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- Mitigate risk of revenue shortfalls and provide stability for government operations
- Provide a cushion for unforeseen expenditures or revenue shortfalls
- Enable a governmental entity to respond to unanticipated events or an emergency during a fiscal year
- Allow an entity to plan ahead for major expenditures and to help offset major revenue losses that would further constrain service delivery during downturns in the economy



# Purpose of Reserves – continued

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- Maintain a favorable bond rating and enable borrowing at lower cost
  - Credit rating agencies regularly monitor the size of a government's fund balance
- Manage timing difference between cash flows of revenues and expenditures
  - Unlike operating expenditures that are almost evenly spread out through a fiscal year, revenue collections have different cycles that are not evenly spread



# FMPC Reserve Requirements

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- Emergency Reserve (FMPC#7)
  - Funds may be used to provide for temporary financing of unanticipated or unforeseen extraordinary needs of an emergency nature
  - Use of Emergency Reserve would require authorization by Council resolution
  - Any uses must be replenished in the next fiscal year
  - FY14 Emergency Reserve of \$17,563,082 is funded from the FY13 Emergency Reserve ending balance



# FMPC Reserve Requirements

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- Contingency Reserve (FMPC #8)
  - Provides for unanticipated needs that arise during the fiscal year
  - Use of Contingency Reserve requires authorization by Council resolution
  - FMPC requires Contingency Reserve to be established annually at 0.5% to 1.0% of General Fund expenditures
  - Requirements reviewed annually and may be funded with the carry forward of ending balance from the prior fiscal year
  - FY14 Contingency Reserve is \$5,700,000 or 0.51% of General Fund expenditures
    - Funded from FY13 ending balance of \$5,300,000 and FY14 appropriated transfer from General Fund of \$400,000

# FMPC Reserve Requirements

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- Combined Reserve Levels (FMPC #9)
  - Requires the unassigned fund balance, which includes the Emergency and Contingency Reserves, to be no less than 5% of budgeted expenditures

|   |            |
|---|------------|
| Unassigned Fund Balance<br>(9/30/14 Projected)                    | \$99.5m    |
| FY14 General Fund Expenses  | \$1,118.4m |
| 5% of General Fund expense – <b><u>Minimum</u></b><br>Requirement | \$55.9m    |
| Over/(Under) <b><u>Minimum</u></b> Reserve Requirement            | \$43.6m    |
| % General Fund Expense  | 8.9%       |
| Days Expenses in Reserve  | 32.5       |

# FMPC Reserve Requirements

| <b>FMPC #9 -<br/>History</b>   | <b>Actual*<br/>FY09</b> | <b>Actual*<br/>FY10</b> | <b>Actual*<br/>FY11</b> | <b>Actual<br/>FY12</b> | <b>Estimate<br/>FY13</b> | <b>Adopted<br/>FY14</b> |
|--|-------------------------|-------------------------|-------------------------|------------------------|--------------------------|-------------------------|
| Unassigned Fund Balance (including Emergency and Contingency Reserves) | \$69.8m                 | \$59.0m                 | \$79.7m                 | \$95.0m                | \$99.1m                  | \$99.5m                 |
| General Fund Operating Expenditures                                    | \$1,037.5m              | \$1,015.4m              | \$998.7m                | \$1,001.3              | \$1,037.9m               | \$1,118.4m              |
| % of GF Expenses   | 6.7%                    | 5.8%                    | 8.0%                    | 9.5%                   | 9.6%                     | 8.9%                    |
| Days Expenses in Reserve   | 24.6                    | 21.2                    | 29.1                    | 34.6                   | 34.9                     | 32.5                    |

\*Restated to GASB 54 reporting requirements



# FMPC Reserve Requirements

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- Risk Reserve (FMPC #10)
  - Required to be maintained at a level, which, together with purchased insurance policies, adequately protects the City's assets against loss
  - FY14 Reserve funded at \$1,250,00 using the FY13 ending balance of \$1,250,000



# Fund Balance Considerations

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- Bond rating agencies consider fund balance as a percent of total expenditures as part of their analysis in determining a rating
- Moody's Investors Service affirmed Aa1 rating to the City of Dallas General Obligation (GO) bond in June 2013
- Regarding the City's rating, the report states:
  - "The Aa1 rating reflects significantly improved but still below median reserve levels for the rating category, expected modest surplus in 2013, and financial policies that mandate low reserves"
  - "Recent operating surpluses, driven by conservative budgeting, have augmented reserves"
  - "Significant increase in General Fund liquidity and General Fund balance" could make the rating go up



# Best Practice

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- Government Finance Officers Association (GFOA) recommends minimum 60 days or 16.4% of expenses maintained in reserves

# Questions and Discussion

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# Memorandum



Date     October 4, 2013

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

Subject   Fee Study Results- Code Compliance Department

On Monday, October 7, 2013, the Budget, Finance & Audit Committee will be briefed on the Department of Code Compliance Services Fee Study Results. The briefing materials are attached for your review.

Please contact me if you have questions or need additional information.

*for*   
Charles M. Cato  
Interim Assistant City Manager

## Attachment

c:   Honorable Mayor and Members of the City Council  
      A.C. Gonzalez, Interim City Manager  
      Warren M. S. Ernst, City Attorney  
      Judge Daniel F. Solis, Administrative Judge  
      Rosa A. Rios, City Secretary  
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      Theresa O'Donnell, Interim Assistant City Manager  
      Frank Libro, Public Information Office  
      James Martin, Director, Code Compliance Services  
      Elsa Cantu, Assistant to the City Manager

# Fee Study Results

## Code Compliance Department

Briefing to the Budget, Finance &  
Audit Committee

October 7, 2013



# Purpose

- Overview of fee study
- Review Food Protection & Education services and proposed fees
- Next steps

# Overview of Fee Study

- The City's Financial Management Performance Criteria (FMPC) requires fees and charges be reviewed every four years to determine the extent of cost recovery
- The review of fees and charges (fee study) has been conducted by an outside consultant
  - The City's current consultant is MGT of America, Inc.
  - The Office of Financial Services coordinates the fee study as the lead department
  - The service delivery department provides all data and confirms consultant's findings

# Overview of Fee Study

- The primary goal of the fee study is to define what it costs the City to provide various fee-related services and make recommendations for the appropriate cost recovery

# Overview of Fee Study

- Detailed analysis prepared to determine per unit cost for each service, including:
  - Hourly rates of staff providing the service
  - Staff time spent to provide each service
  - Other services/supplies/materials used to provide the service
  - Allocated department and citywide indirect cost (internal services that benefit the service delivery department but are not directly billed such as attorney's time and building usage)

# Overview of Fee Study

- Generally, fees should be adequate to recover the full cost associated with providing a service; however, there are exceptions such as:
  - Rates that are set by state law
  - Rates that are market driven since the services are optional such as golf green fees, room rentals, and cost-plus garbage pick-up

# Food Protection & Education

- Services provided
  - Inspections at fixed, temporary and mobile food establishments twice a year
  - Food borne illness investigation/food sample collection analysis
  - Enforce City Ordinances/State Laws that relate to the sale and service of food and beverages

# Food Protection & Education

- Services provided
  - Emergency response – manmade/natural disasters
  - Consumer complaints
  - Food safety training & education
  - Food service manager certification program

# Food Protection & Education

- Services provided by other entities
  - The State, County and Federal governments play a role in food safety inspections
  - State & County
    - County acts as local health authority and takes lead role in response to food borne illness outbreaks
    - Inspects hospitals, nursing homes, daycares, etc.
    - Provides restaurant inspections for unincorporated areas and municipalities
  - Federal
    - Inspects large scale food processing centers

# Food Protection & Education

- Fee Study for FY14 Budget
  - 29.5 FTE
    - Supervisor III (2)
    - Manager III (0.5)
    - Administrative/Office (5)
    - Sanitarians (22)

# Food Protection & Education

- Fee Study for FY14 Budget
  - \$2,624,636 total costs
    - \$2,398,232 direct department costs (personnel, supplies, professional services, etc.)
    - \$226,404 indirect costs (department support and citywide administrative)
  - 39 fees studied

# Food Protection & Education

| Service Item                                    | Annual Volume | Revenue at Current Rate | Projected Annual Revenue at Recommended Fee | Variance             |
|---|---------------|-------------------------|---|----------------------|
| Change of Ownership                             | 1,100         | \$330,000               | \$144,313                                   | (\$185,687)          |
| Food Service Manager Registration               | 3,702         | \$370,200               | \$74,025                                    | (\$296,175)          |
| Food Handler Class / Registration               | 850           | \$39,250                | \$39,250                                    | \$0                  |
| Temporary Food Service Permit                   | 1,259         | \$239,210               | \$196,693                                   | (\$42,517)           |
| Annual Inspection – prim (1-,2,000 sq. ft.)     | 2,439         | \$951,210               | \$693,110                                   | (\$258,100)          |
| Annual Inspection – prim (2,001 + sq. ft.)      | 2,101         | \$892,925               | \$656,594                                   | (\$236,331)          |
| Annual Inspection – sec (1-,2,000 sq. ft.)      | 552           | \$215,280               | \$156,866                                   | (\$58,414)           |
| Annual Inspection – sec (2,001 + sq. ft.)       | 153           | \$61,200                | \$47,815                                    | (\$13,385)           |
| Schools (Public, Private & Charter)             | 315           | \$94,500                | \$84,257                                    | (\$10,243)           |
| Reinstatement Fee After Lapsed Permit           | 900           | \$99,000                | \$212,223                                   | \$113,233            |
| Limited Service (Lunch Trucks, Ice Cream, etc.) | 300           | \$39,000                | \$41,065                                    | \$2,065              |
| General Service Pushcarts (Hot Dogs, etc.)      | 200           | \$30,000                | \$47,213                                    | \$17,213             |
| Other   | 824           | \$152,770               | \$98,731                                    | (\$54,039)           |
| <b>TOTAL</b>                                    | <b>14,695</b> | <b>\$3,514,545</b>      | <b>\$2,492,155</b>                          | <b>(\$1,022,390)</b> |

# Food Protection & Education

- Recommendation
  - Adjust Fees to reflect 100% cost recovery
  - Exceptions:
    - Food Handler Class / Food Handler Registration Fee – Market Driven – No change recommended
- Recommended changes were anticipated and included in the FY14 budget based on preliminary analysis by consultant

# Next Steps

- Fee ordinance will be included on October 23<sup>rd</sup> City Council agenda to approve the fee changes for Food Protection & Education
- Transportation Regulation services and proposed fees will be discussed at a future committee meeting

# Appendix – Fee Schedule

# Food Protection & Education

| Service Name |   | Annual Volume | Current              |                        |             | Recommendation           |                            |                          |
|--------------|---|---------------|----------------------|------------------------|-------------|--------------------------|----------------------------|--------------------------|
|              |   |               | Current Fee Per Unit | Revenue at Current Fee | Annual Cost | Recommended Fee Per Unit | Revenue at Recommended Fee | Change in Annual Revenue |
| 1            | Cessation of Operation of Existing Facility - 12 mo.*                               |               | \$300                |                        |             | \$70                     |                            |                          |
| 2            | Change of Ownership - Existing Facility, Newly Constructed or Extensively Remodeled | 1,100         | \$300                | \$330,000              | \$144,313   | \$131                    | \$144,313                  | (\$185,687)              |
| 3            | Pre-Inspection - Fixed Facility*  |               | \$200                |                        |             |                          |                            |                          |
| 4            | New Construction or Extensive Remodel*  |               | \$300                |                        |             | \$120                    |                            |                          |
| 5            | Plan Review - Fixed Facility*   |               | \$250                |                        |             |                          |                            |                          |

\* Service items with no volume in FY 2013-14

# Food Protection & Education

| Service Name |   | Annual Volume | Current              |                        |             | Recommendation           |                            |                          |
|--------------|---|---------------|----------------------|------------------------|-------------|--------------------------|----------------------------|--------------------------|
|              |   |               | Current Fee Per Unit | Revenue at Current Fee | Annual Cost | Recommended Fee Per Unit | Revenue at Recommended Fee | Change in Annual Revenue |
| 6            | Food Prep Truck/Hot Truck   | 88            | \$315                | \$27,720               | \$7,531     | \$86                     | \$7,531                    | (\$20,189)               |
| 7            | Fixed Facility Name Change (Same Ownership)                           | 70            | \$65                 | \$4,550                | \$3,370     | \$48                     | \$3,370                    | (\$1,180)                |
| 8            | Fixed Facility Re-inspection  | 100           | \$380                | \$38,000               | \$11,045    | \$110                    | \$11,045                   | (\$26,955)               |
| 9            | Food Service Manager Registration Fee                                 | 3,702         | \$100                | \$370,200              | \$74,025    | \$20                     | \$74,025                   | (\$296,175)              |
| 10           | Food Handler Class (Includes Registration Fee) - MARKET               | 600           | \$55                 | \$33,000               | \$161,659   | \$55                     | \$33,000                   |                          |
| 11           | Food Handler Registration Fee - MARKET                                | 250           | \$25                 | \$6,250                | \$4,589     | \$25                     | \$6,250                    |                          |
| 12           | Duplicate Registered Food Service Manager / Food Handler Certificate* |               | \$5                  |                        |             | \$11                     |                            |                          |

## Service Items 10 & 11: Market Driven

\* Service items with no volume in FY 2013-14

# Food Protection & Education

|              |   | Current              |                        |             | Recommendation           |                            |                          |             |
|--------------|---|----------------------|------------------------|-------------|--------------------------|----------------------------|--------------------------|-------------|
|              |   | Current Fee Per Unit | Revenue at Current Fee | Annual Cost | Recommended Fee Per Unit | Revenue at Recommended Fee | Change in Annual Revenue |             |
| Service Name | Annual Volume   |                      |                        |             |                          |                            |                          |             |
| 13           | Food Establishment (Primary) 1 - 2,000 sq. ft.                                    | 2,439                | \$390                  | \$951,210   | \$693,110                | \$284                      | \$693,110                | (\$258,100) |
| 14           | 2,001 sq. Ft. or more   | 2,101                | \$425                  | \$892,925   | \$656,594                | \$313                      | \$656,594                | (\$236,331) |
| 15           | Food Establishment (Secondary) 1 - 2,000 sq. ft.                                  | 552                  | \$390                  | \$215,280   | \$156,866                | \$284                      | \$156,866                | (\$58,414)  |
| 16           | 2,001 sq. Ft. or more   | 153                  | \$400                  | \$61,200    | \$47,815                 | \$313                      | \$47,815                 | (\$13,385)  |
| 17           | Schools (Public, Private, Charter)  | 315                  | \$300                  | \$94,500    | \$84,257                 | \$267                      | \$84,257                 | (\$10,243)  |
| 18           | Reinstatement Fee After Lapsed Permit (Fixed Facility / Mobile Food Prep Vehicle) | 900                  | \$110                  | \$99,000    | \$212,223                | \$236                      | \$212,223                | \$113,223   |

\* Service items with no volume in FY 2013-14

# Food Protection & Education

| Service Name |  | Annual Volume | Current              |                        |             | Recommendation           |                            |                          |
|--------------|--|---------------|----------------------|------------------------|-------------|--------------------------|----------------------------|--------------------------|
|              |  |               | Current Fee Per Unit | Revenue at Current Fee | Annual Cost | Recommended Fee Per Unit | Revenue at Recommended Fee | Change in Annual Revenue |
| 19           | Temporary Food Service Permit Fee                              | 1,259         | \$190                | \$239,210              | \$196,693   | \$156                    | \$196,693                  | (\$42,517)               |
| 20           | Daily Fee for Each Facility (Per Day / Per Booth)*             |               | \$5                  |                        |             | \$7                      |                            |                          |
| 21           | City Park & Recreation Concessionaires / Dallas Farmers Market | 28            | \$100                | \$2,800                | \$3,476     | \$124                    | \$3,476                    | \$676                    |
| 22           | Neighborhood Farmers Market (First Market)                     | 77            | \$100                | \$7,700                | \$9,484     | \$123                    | \$9,484                    | \$1,784                  |
| 23           | Additional Market Locations                                    | 10            | \$50                 | \$500                  | \$1,199     | \$120                    | \$1,199                    | \$699                    |
| 24           | School Stadium   | 35            | \$200                | \$7,000                | \$4,626     | \$132                    | \$4,626                    | (\$2,374)                |

\* Service items with no volume in FY 2013-14

# Food Protection & Education

| Service Name |  | Annual Volume | Current              |                        |             | Recommendation           |                            |                          |
|--------------|--|---------------|----------------------|------------------------|-------------|--------------------------|----------------------------|--------------------------|
|              |  |               | Current Fee Per Unit | Revenue at Current Fee | Annual Cost | Recommended Fee Per Unit | Revenue at Recommended Fee | Change in Annual Revenue |
| 25           | Out of Town Caterer Registration*  |               | \$40                 |                        |             | \$10                     |                            |                          |
| 26           | Catering Vehicle   | 150           | \$130                | \$19,500               | \$17,984    | \$120                    | \$17,984                   | (\$1,516)                |
| 27           | Food Preparation Vehicle (Inspection Fee)                                | 88            | \$150                | \$13,200               | \$19,151    | \$218                    | \$19,151                   | \$5,951                  |
| 28           | Plan Review  | 25            | \$250                | \$6,250                | \$1,640     | \$66                     | \$1,640                    | (\$4,610)                |
| 29           | General Service Pushcart (Hot Dogs, Snow Cones, etc.)                    | 200           | \$150                | \$30,000               | \$47,213    | \$236                    | \$47,213                   | \$17,213                 |
| 30           | Limited Service (Lunch Trucks, Ice Cream Pushcarts, Grocery Truck, etc.) | 300           | \$130                | \$39,000               | \$41,065    | \$137                    | \$41,065                   | \$2,065                  |
| 31           | Vegetable or Fruit Vendor (Produce Truck / Trailer)                      | 40            | \$130                | \$5,200                | \$4,342     | \$109                    | \$4,342                    | (\$858)                  |

\* Service items with no volume in FY 2013-14

# Food Protection & Education

| Service Name |  | Current       |                      |                        | Recommendation |                          |                            |                          |
|--------------|--|---------------|----------------------|------------------------|----------------|--------------------------|----------------------------|--------------------------|
|              |  | Annual Volume | Current Fee Per Unit | Revenue at Current Fee | Annual Cost    | Recommended Fee Per Unit | Revenue at Recommended Fee | Change in Annual Revenue |
| 32           | On-site Inspection Fee (Per Vehicle)                     | 10            | \$100                | \$1,000                | \$1,383        | \$138                    | \$1,383                    | \$383                    |
| 33           | Kiosks Fee - Inspection Fee (Same as General Svc)        | 11            | \$150                | \$1,650                | \$2,202        | \$200                    | \$2,202                    | \$552                    |
| 34           | Plan Review*   |               | \$25                 |                        |                | \$62                     |                            |                          |
| 35           | Expresso / Cappuccino Cart Fee(Same as Limited Service)* |               | \$100                |                        |                | \$96                     |                            |                          |
| 36           | On-site Inspection Fee (Per Vehicle)*                    |               | \$100                |                        |                | \$138                    |                            |                          |
| 37           | Estab Operating from Outside City Limits - Ann Reg*      |               | \$40                 |                        |                | \$10                     |                            |                          |

\* Service items with no volume in FY 2013-14

# Food Protection & Education

|              |                                   | Current              |                        |             |                          | Recommendation             |                          |           |
|--------------|-----------------------------------|----------------------|------------------------|-------------|--------------------------|----------------------------|--------------------------|-----------|
|              |                                   | Current Fee Per Unit | Revenue at Current Fee | Annual Cost | Recommended Fee Per Unit | Revenue at Recommended Fee | Change in Annual Revenue |           |
| Service Name | Annual Volume                     |                      |                        |             |                          |                            |                          |           |
| 38           | Dog Variance                      | 25                   | \$100                  | \$2,500     | \$3,186                  | \$127                      | \$3,186                  | \$686     |
| 39           | Mobile Food Prep Vehicle Variance | 5                    | \$100                  | \$500       | \$477                    | \$95                       | \$477                    | (\$23)    |
| 40           | CBD - Concession License Public   | 12                   | \$600                  | \$7,200     | \$1,478                  | \$123                      | \$1,478                  | (\$5,722) |
| 41           | CBD - Concession License Private  | 50                   | \$150                  | \$7,500     | \$6,158                  | \$123                      | \$6,158                  | (\$1,342) |

\* Service items with no volume in FY 2013-14

# Memorandum



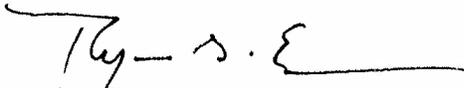
CITY OF DALLAS

DATE October 4, 2013  
TO The Honorable Mayor and Members of the City Council  
SUBJECT Financial Forecast Report

The FY 2012-13 Financial Forecast Report based on information through August 2013 is attached and provided for your information.

For FY 2012-13, General Fund revenues are projected to be \$585,000 above budget and expenditures are projected to be \$3,358,000 below budget. This results in forecast revenues being in excess of forecast expenditures by \$3,944,000.

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

  
A.C. Gonzalez  
Interim 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 2012-13 REVENUES AND EXPENDITURES  
AS OF AUGUST 31, 2013  
(000s)**

| <u>ITEM</u>   | <u>BUDGET</u> | <u>YEAR TO DATE</u> | <u>YEAR-END<br/>FORECAST</u> | <u>BUDGET VS<br/>FORECAST<br/>VARIANCE</u> |
|---|---------------|---------------------|------------------------------|--|
| Revenues  | \$1,041,303   | \$951,783           | \$1,041,889                  | \$585                                      |
| Expenditures  | \$1,041,303   | \$927,556           | \$1,037,945                  | (\$3,358)                                  |
| Net Excess of Revenues<br>Over Expenditures/Transfers | <u>\$0</u>    | <u>\$24,228</u>     | <u>\$3,944</u>               | <u>\$3,944</u>                             |

**FINANCIAL FORECAST REPORT  
FY 2012-13  
AS OF AUGUST 31, 2013**

**GENERAL FUND**

**Revenues**

- Total General Fund revenues are estimated to be \$585,000 above budget.
  - Other franchise revenues are projected to be \$1,367,000 above budget due to unexpected growth in total business and data telephone access lines.
  - Intergovernmental revenues are projected to be \$875,000 above budget primarily due to higher than expected payments from the city of Euless as part of the DFW Airport revenue sharing agreement.
  - Municipal Court revenues are projected to be \$1,489,000 below budget primarily as a result of a decrease in the number of citations being written.
  - Vehicle Towing and Storage fees are projected to be \$847,000 below budget primarily due to a decrease in the number of tows resulting from arrests and an increase in the number of tows conducted by the County Sheriff's Office resulting in cars being towed to other auto pounds.
  - Parking Fines are projected to be \$1,192,000 below budget due to lower ticket issuance as a result of fewer cars parking downtown because of construction and increased use of alternative public transportation.
  - Park and Recreation revenue is projected to be \$1,230,000 above budget primarily due to an increase in the number of special events at the GEXA Energy Pavilion at Fair Park and higher than expected revenues from contract classes.
  - Street Lighting revenue is projected to be \$247,000 above budget due to a higher than expected reimbursement from TXDOT for the re-lamping of freeway lights.
  - Other charges for service are projected to be \$939,000 above budget due to an increase in requests for fire prevention inspections and re-inspections as well as increased gas royalties at the landfill.
  - Interfund revenue is projected to be \$13,700,000 below budget due to deferred transfers from internal City funds.
  - Miscellaneous revenue is projected to be \$647,000 below budget primarily due to decreased commodity prices for paper and cardboard recycling and lower revenue associated with auto auction sales.

**Expenditures**

- Total General Fund expenditures are estimated to be \$3,358,000 below budget.

**PROPRIETARY FUNDS**

- Aviation revenues are projected to be \$5,290,000 above budget primarily due to additional landing fee collections related to the Love Field Modernization Project.
- Sustainable Development and Construction expenses are projected to be \$1,753,000 under budget primarily due to delays in hiring. Revenues are projected to be \$2,758,000 over budget due to the increase in building permits as a result of increased construction.
- WRR Municipal Radio revenues are projected to be \$589,000 under budget primarily due to the sale of commercials being less than planned. Expenditures are projected to be \$589,000 under budget primarily due to a reduction in the sales commission costs and other expenses which are driven by advertisement sales.

**FINANCIAL FORECAST REPORT  
FY 2012-13  
AS OF AUGUST 31, 2013**

- Communication and Information Services expenditures are projected to be \$3,383,000 under budget due to vacancies and lower than expected debt service payment.
- 911 System Operations revenues are projected to be \$926,000 over budget due to higher than anticipated wireline revenues.
- Employee Benefits is projected to be \$142,000 under budget due to lower than expected expenses related to the Wellness Program.

**GENERAL FUND  
FORECAST OF FY 2012-13 REVENUES  
AS OF AUGUST 31, 2013  
(000s)**

|                                 | <b>BUDGET</b>      | <b>REVENUES<br/>YEAR TO DATE</b> | <b>YEAR-END<br/>FORECAST</b> | <b>BUDGET VS<br/>FORECAST<br/>VARIANCE</b> |
|---------------------------------|--------------------|----------------------------------|------------------------------|--|
| <b>TAXES</b>                    |                    |                                  |                              |  |
| Ad Valorem Tax                  | \$451,489          | \$450,231                        | \$450,615                    | (\$874)                                    |
| Sales Tax                       | \$231,463          | \$200,338                        | \$241,592                    | \$10,129                                   |
| <b>TOTAL TAXES</b>              | <b>\$682,952</b>   | <b>\$650,569</b>                 | <b>\$692,207</b>             | <b>\$9,255</b>                             |
| <b>FRANCHISE REVENUES</b>       |                    |                                  |                              |  |
| Oncor Electric                  | \$49,323           | \$51,139                         | \$51,139                     | \$1,816                                    |
| AT&T                            | \$14,875           | \$11,465                         | \$15,037                     | \$162                                      |
| Atmos Energy                    | \$11,174           | \$9,785                          | \$10,984                     | (\$190)                                    |
| Time Warner Cable               | \$6,170            | \$4,796                          | \$6,391                      | \$221                                      |
| Other                           | \$18,096           | \$12,695                         | \$19,463                     | \$1,367                                    |
| <b>TOTAL FRANCHISE REVENUES</b> | <b>\$99,639</b>    | <b>\$89,879</b>                  | <b>\$103,015</b>             | <b>\$3,376</b>                             |
| <b>LICENSES AND PERMITS</b>     | <b>\$9,808</b>     | <b>\$9,128</b>                   | <b>\$9,984</b>               | <b>\$176</b>                               |
| <b>INTEREST EARNED</b>          | <b>\$755</b>       | <b>\$714</b>                     | <b>\$738</b>                 | <b>(\$17)</b>                              |
| <b>INTERGOVERNMENTAL</b>        | <b>\$5,589</b>     | <b>\$5,880</b>                   | <b>\$6,464</b>               | <b>\$875</b>                               |
| <b>FINES AND FORFEITURES</b>    |                    |                                  |                              |  |
| Municipal Court                 | \$16,540           | \$13,399                         | \$15,052                     | (\$1,489)                                  |
| Vehicle Towing & Storage        | \$7,678            | \$6,261                          | \$6,831                      | (\$847)                                    |
| Parking Fines                   | \$5,962            | \$3,310                          | \$4,770                      | (\$1,192)                                  |
| Red Light Camera Fines          | \$6,867            | \$0                              | \$6,985                      | \$117                                      |
| Public Library                  | \$603              | \$481                            | \$518                        | (\$85)                                     |
| <b>TOTAL FINES</b>              | <b>\$37,650</b>    | <b>\$23,451</b>                  | <b>\$34,155</b>              | <b>(\$3,495)</b>                           |
| <b>CHARGES FOR SERVICE</b>      |                    |                                  |                              |  |
| Sanitation Service              | \$59,838           | \$56,218                         | \$61,344                     | \$1,506                                    |
| Parks                           | \$8,629            | \$9,081                          | \$9,860                      | \$1,230                                    |
| Private Disposal Fees           | \$18,864           | \$16,714                         | \$18,844                     | (\$20)                                     |
| Emergency Ambulance             | \$20,207           | \$17,223                         | \$20,759                     | \$552                                      |
| Security Alarm                  | \$4,231            | \$4,107                          | \$4,450                      | \$219                                      |
| Street Lighting                 | \$1,200            | \$898                            | \$1,447                      | \$247                                      |
| Vital Statistics                | \$1,492            | \$1,452                          | \$1,581                      | \$89                                       |
| Other                           | \$17,729           | \$16,839                         | \$18,668                     | \$939                                      |
| <b>TOTAL CHARGES</b>            | <b>\$132,190</b>   | <b>\$122,532</b>                 | <b>\$136,952</b>             | <b>\$4,762</b>                             |
| <b>INTERFUND REVENUE</b>        | <b>\$60,410</b>    | <b>\$38,234</b>                  | <b>\$46,710</b>              | <b>(\$13,700)</b>                          |
| <b>MISCELLANEOUS</b>            | <b>\$12,311</b>    | <b>\$11,395</b>                  | <b>\$11,664</b>              | <b>(\$647)</b>                             |
| <b>TOTAL REVENUES</b>           | <b>\$1,041,303</b> | <b>\$951,783</b>                 | <b>\$1,041,889</b>           | <b>\$585</b>                               |

**GENERAL FUND  
FORECAST OF FY 2012-13 EXPENDITURES  
AS OF AUGUST 31, 2013  
(000s)**

| <b>DEPARTMENT</b>               | <b>BUDGET</b>      | <b>EXPENDITURES<br/>YEAR TO DATE</b> | <b>YEAR-END<br/>FORECAST</b> | <b>BUDGET VS<br/>FORECAST<br/>VARIANCE</b> |
|---------------------------------|--------------------|--------------------------------------|------------------------------|--|
| Building Services               | \$22,602           | \$18,848                             | \$22,599                     | (\$3)                                      |
| Business Dev/Procurement Svcs   | \$2,410            | \$1,949                              | \$2,403                      | (\$7)                                      |
| City Attorney's Office          | \$12,890           | \$11,472                             | \$12,888                     | (\$1)                                      |
| City Auditor's Office           | \$2,180            | \$1,839                              | \$2,085                      | (\$95)                                     |
| City Controller's Office        | \$4,066            | \$3,562                              | \$3,998                      | (\$67)                                     |
| City Manager's Office           | \$1,509            | \$1,429                              | \$1,448                      | (\$60)                                     |
| City Secretary's Office         | \$1,758            | \$1,579                              | \$1,718                      | (\$40)                                     |
| Civil Service                   | \$1,829            | \$1,546                              | \$1,821                      | (\$8)                                      |
| Code Compliance                 | \$30,663           | \$25,965                             | \$30,663                     | \$0  |
| Court Services                  | \$10,949           | \$9,433                              | \$10,918                     | (\$31)                                     |
| Elections                       | \$1,120            | \$1,008                              | \$1,119                      | (\$0)                                      |
| Fire                            | \$205,932          | \$193,420                            | \$205,922                    | (\$10)                                     |
| Housing                         | \$9,516            | \$9,130                              | \$9,502                      | (\$14)                                     |
| Human Resources                 | \$3,752            | \$3,181                              | \$3,710                      | (\$42)                                     |
| Independent Audit               | \$903              | \$0                                  | \$903                        | \$0  |
| Jail Contract - Lew Sterrett    | \$8,229            | \$8,229                              | \$8,229                      | \$0  |
| Judiciary                       | \$3,286            | \$2,904                              | \$3,153                      | (\$134)                                    |
| Library                         | \$20,295           | \$17,544                             | \$20,147                     | (\$147)                                    |
| Management Services             | \$4,646            | \$4,103                              | \$4,448                      | (\$198)                                    |
| Mayor and Council               | \$3,864            | \$3,326                              | \$3,748                      | (\$115)                                    |
| Non-Departmental                | \$33,239           | \$28,000                             | \$32,479                     | (\$760)                                    |
| Office of Cultural Affairs      | \$16,025           | \$13,230                             | \$15,853                     | (\$172)                                    |
| Office of Economic Development  | \$760              | \$760                                | \$760                        | \$0  |
| Office of Financial Services    | \$2,147            | \$1,539                              | \$2,129                      | (\$18)                                     |
| Park and Recreation             | \$73,442           | \$67,431                             | \$73,367                     | (\$75)                                     |
| Police                          | \$402,252          | \$366,373                            | \$401,923                    | (\$329)                                    |
| Public Works and Transportation | \$5,279            | \$5,036                              | \$5,036                      | (\$243)                                    |
| Sanitation Services             | \$73,596           | \$57,007                             | \$73,586                     | (\$10)                                     |
| Street Lighting                 | \$18,318           | \$15,955                             | \$18,082                     | (\$236)                                    |
| Street Services                 | \$57,262           | \$50,313                             | \$57,260                     | (\$2)                                      |
| Sustainable Dev/Construction    | \$1,238            | \$1,199                              | \$1,199                      | (\$39)                                     |
| Trinity Watershed Management    | \$244              | \$244                                | \$244                        | (\$0)                                      |
| <b>RESERVES AND TRANSFERS</b>   |                    |                                      |                              |  |
| Contingency Reserve             | \$200              | \$0                                  | \$200                        | \$0  |
| Liability Reserve/Claim Fund    | \$3,630            | \$0                                  | \$3,630                      | \$0  |
| Salary and Benefit Reserve      | \$1,273            | \$0                                  | \$773                        | (\$500)                                    |
| <b>TOTAL EXPENDITURES</b>       | <b>\$1,041,303</b> | <b>\$927,556</b>                     | <b>\$1,037,945</b>           | <b>(\$3,358)</b>                           |

**PROPRIETARY FUNDS**  
**FORECAST OF FY 2012-13 REVENUES AND EXPENDITURES**  
**AS OF AUGUST 31, 2013**  
**(000s)**

| <b>DEPARTMENT</b>                                | <b>BUDGET</b>    | <b>REVENUES AND<br/>EXPENDITURES<br/>YEAR TO DATE</b> | <b>YEAR-END<br/>FORECAST</b> | <b>BUDGET VS<br/>FORECAST<br/>VARIANCE</b> |
|--|------------------|---|------------------------------|--|
| <b>Aviation</b>                                  |                  |   |                              |  |
| Revenues   | \$52,043         | \$48,982  | \$57,334                     | \$5,290                                    |
| Expenses   | \$52,043         | \$40,174  | \$51,973                     | (\$70)                                     |
| Net Excess of Revenues<br>Over Expenses/Transfer | <u>\$0</u>       | <u>\$8,809</u>  | <u>\$5,361</u>               | <u>\$5,361</u>                             |
| <b>Convention Center</b>                         |                  |   |                              |  |
| Revenues   | \$69,328         | \$62,809  | \$69,117                     | (\$212)                                    |
| Expenses   | \$69,328         | \$57,810  | \$68,401                     | (\$927)                                    |
| Net Excess of Revenues<br>Over Expenses/Transfer | <u>\$0</u>       | <u>\$4,998</u>  | <u>\$715</u>                 | <u>\$715</u>                               |
| <b>Sustainable Dev/Construction</b>              |                  |   |                              |  |
| Revenues   | \$23,243         | \$24,513  | \$26,000                     | \$2,758                                    |
| Expenses   | \$23,171         | \$17,383  | \$21,418                     | (\$1,753)                                  |
| Net Excess of Revenues<br>Over Expenses/Transfer | <u>\$72</u>      | <u>\$7,130</u>  | <u>\$4,583</u>               | <u>\$4,510</u>                             |
| <b>Municipal Radio Fund</b>                      |                  |   |                              |  |
| Revenues   | \$2,625          | \$1,768   | \$2,036                      | (\$589)                                    |
| Expenses   | \$2,599          | \$1,889   | \$2,010                      | (\$589)                                    |
| Net Excess of Revenues<br>Over Expenses/Transfer | <u>\$26</u>      | <u>(\$121)</u>  | <u>\$26</u>                  | <u>\$1</u>                                 |
| <b>Water Utilities</b>                           |                  |   |                              |  |
| Revenues   | \$563,964        | \$498,980   | \$553,091                    | (\$10,873)                                 |
| Expenses   | \$563,964        | \$457,118   | \$553,091                    | (\$10,873)                                 |
| Net Excess of Revenues<br>Over Expenses/Transfer | <u>\$0</u>       | <u>\$41,862</u>                                       | <u>\$0</u>                   | <u>\$0</u>                                 |
| <b>Communication &amp; Information Svcs.</b>     |                  |   |                              |  |
| Revenues   | \$46,172         | \$38,815  | \$44,522                     | (\$1,650)                                  |
| Expenses   | \$54,643         | \$44,751  | \$51,261                     | (\$3,383)                                  |
| Net Excess of Revenues<br>Over Expenses/Transfer | <u>(\$8,471)</u> | <u>(\$5,936)</u>                                      | <u>(\$6,738)</u>             | <u>\$1,733</u>                             |

**PROPRIETARY FUNDS  
FORECAST OF FY 2012-13 REVENUES AND EXPENDITURES  
AS OF AUGUST 31, 2013  
(000s)**

| <b>DEPARTMENT</b>                                | <b>BUDGET</b> | <b>REVENUES AND<br/>EXPENDITURES<br/>YEAR TO DATE</b> | <b>YEAR-END<br/>FORECAST</b> | <b>BUDGET VS<br/>FORECAST<br/>VARIANCE</b> |
|--|---------------|---|------------------------------|--|
| <b>Equipment Services</b>                        |               |   |                              |  |
| Revenues   | \$53,033      | \$36,913  | \$53,032                     | (\$1)                                      |
| Expenses   | \$53,033      | \$41,878  | \$53,032                     | (\$1)                                      |
| Net Excess of Revenues<br>Over Expenses/Transfer | <u>\$0</u>    | <u>(\$4,965)</u>                                      | <u>\$0</u>                   | <u>\$0</u>                                 |
| <b>Express Business</b>                          |               |   |                              |  |
| Revenues   | \$4,119       | \$3,233   | \$3,953                      | (\$167)                                    |
| Expenses   | \$3,813       | \$3,114   | \$3,701                      | (\$112)                                    |
| Net Excess of Revenues<br>Over Expenses/Transfer | <u>\$307</u>  | <u>\$118</u>  | <u>\$252</u>                 | <u>(\$55)</u>                              |

**OTHER FUNDS**  
**FORECAST OF FY 2012-13 REVENUES AND EXPENDITURES**  
**AS OF AUGUST 31, 2013**  
**(000s)**

| <b>DEPARTMENT</b>                                | <b>BUDGET</b>    | <b>REVENUES AND<br/>EXPENDITURES<br/>YEAR TO DATE</b> | <b>YEAR-END<br/>FORECAST</b> | <b>BUDGET VS<br/>FORECAST<br/>VARIANCE</b> |
|--|------------------|---|------------------------------|--|
| <b>Employee Benefits</b>                         | \$1,015          | \$454   | \$874                        | (\$142)                                    |
| <b>Risk Management</b>                           | \$1,975          | \$1,752   | \$1,973                      | (\$2)                                      |
| <b>9-1-1 System Operations</b>                   |                  |   |                              |  |
| Revenues   | \$13,170         | \$12,602  | \$14,096                     | \$926                                      |
| Expenses   | \$18,230         | \$10,380  | \$17,484                     | (\$746)                                    |
| Net Excess of Revenues<br>Over Expenses/Transfer | <u>(\$5,060)</u> | <u>\$2,223</u>  | <u>(\$3,388)</u>             | <u>\$1,672</u>                             |
| <b>Storm Water Drainage</b>                      |                  |   |                              |  |
| Revenues   | \$49,746         | \$48,020  | \$50,300                     | \$554                                      |
| Expenses   | \$57,729         | \$35,331  | \$57,473                     | (\$256)                                    |
| Net Excess of Revenues<br>Over Expenses/Transfer | <u>(\$7,982)</u> | <u>\$12,690</u>                                       | <u>(\$7,173)</u>             | <u>\$809</u>                               |

**DEBT SERVICE FUND  
FORECAST OF FY 2012-13 REVENUES AND EXPENDITURES  
AS OF AUGUST 31, 2013  
(000s)**

| <b>DEBT SERVICE</b> | <b>BUDGET</b>         | <b>EXPENDITURES<br/>AND REVENUES<br/>YEAR TO DATE</b> | <b>YEAR-END<br/>FORECAST</b> | <b>BUDGET VS<br/>FORECAST<br/>VARIANCE</b> |
|---------------------|-----------------------|---|------------------------------|--|
| Beginning Balance   | \$5,233               | \$0   | \$6,362                      | \$1,129                                    |
| Revenues            | \$235,408             | \$234,426   | \$234,558                    | (\$850)                                    |
| Expenses            | <u>\$235,685</u>      | <u>\$235,408</u>                                      | <u>\$235,408</u>             | <u>(\$277)</u>                             |
| Ending Balance      | <u><u>\$4,955</u></u> | <u><u>(\$982)</u></u>                                 | <u><u>\$5,512</u></u>        | <u><u>\$557</u></u>                        |

**CONTINGENCY RESERVE STATUS**

|  |                           |
|--|---------------------------|
| <b>Beginning Balance October 1, 2012</b> | <b>\$5,100,000</b>        |
| Budgeted Transfer In                     | \$200,000                 |
| <b>Balance as of August 31, 2013</b>     | <b><u>\$5,300,000</u></b> |

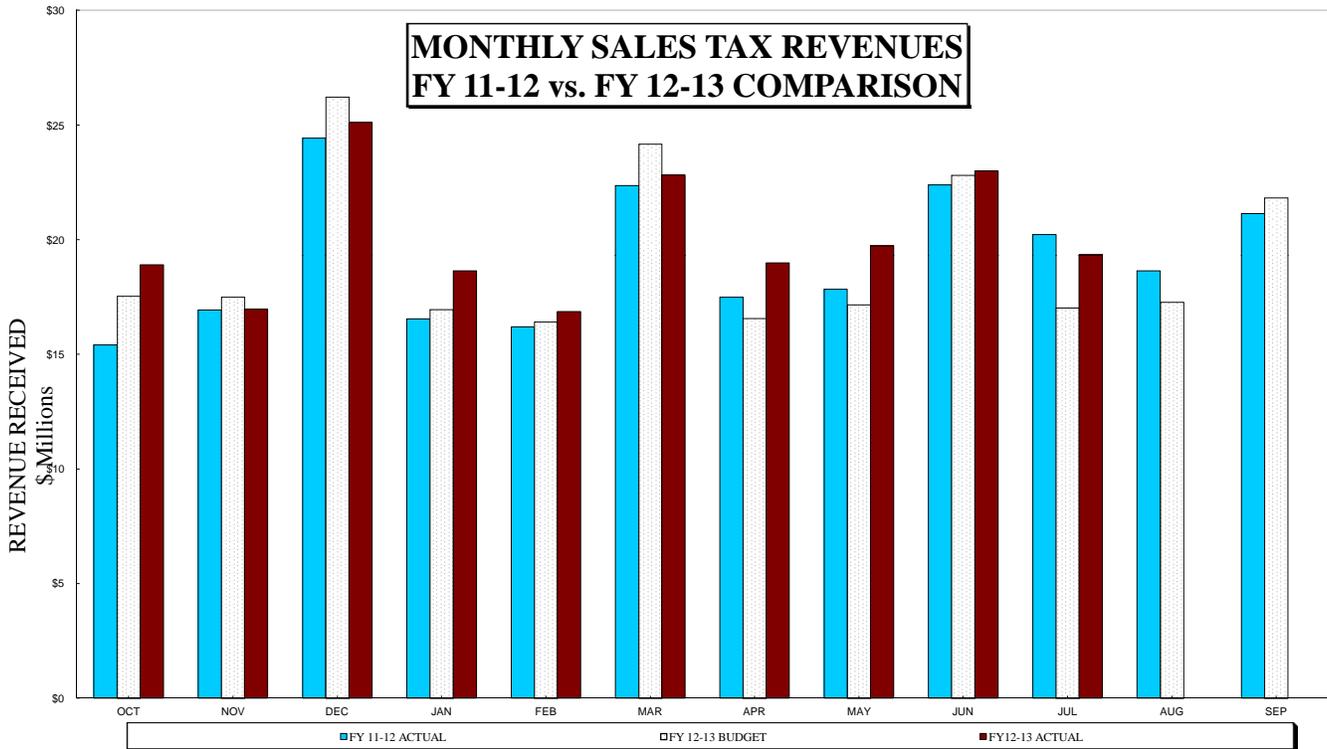
**LIABILITY/CLAIMS FUND**

|  |                           |
|--|---------------------------|
| <b>Beginning Balance October 1, 2012</b> | <b>\$4,295,717</b>        |
| Revised Budgeted Revenue                 | <u>\$5,526,300</u>        |
| <b>FY 2012-13 Available Funds</b>        | <b>\$9,822,017</b>        |
| Paid October 2012                        | (\$928,543)               |
| Paid November 2012                       | (\$711,014)               |
| Paid December 2012                       | (\$483,467)               |
| Paid January 2013                        | (\$324,095)               |
| Paid February 2013                       | (\$386,353)               |
| Paid March 2013                          | (\$640,937)               |
| Paid April 2013                          | (\$220,048)               |
| Paid May 2013                            | (\$870,029)               |
| Paid June 2013                           | (\$603,823)               |
| Paid July 2013                           | (\$954,172)               |
| Paid August 2013                         | (\$938,687)               |
| <b>Balance as of August 31, 2013</b>     | <b><u>\$2,760,849</u></b> |

# SALES TAX

as of July 2013

|              | ACTUAL<br>FY 2011-12 | BUDGET<br>FY 2012-13 | ACTUAL<br>FY 2012-13 | YTD VARIANCE FY 12-13<br>ACT. VS. FY 11-12 ACT. |             | YTD VARIANCE FY 12-13<br>ACTUAL VS. BUDGET |             |
|--------------|----------------------|----------------------|----------------------|---|-------------|--|-------------|
|              |                      |                      |                      | DOLLARS   | PERCENT     | DOLLARS                                    | PERCENT     |
| <b>OCT</b>   | \$15,401,765         | \$17,542,004         | \$18,909,571         | \$3,507,806                                     | 22.8%       | \$1,367,567                                | 7.8%        |
| <b>NOV</b>   | 16,931,117           | 17,495,657           | 16,954,555           | 23,438  | 0.1%        | (541,102)                                  | -3.1%       |
| <b>DEC</b>   | 24,429,551           | 26,220,175           | 25,113,531           | 683,980   | 2.8%        | (1,106,644)                                | -4.2%       |
| <b>JAN</b>   | 16,540,783           | 16,954,266           | 18,640,007           | 2,099,224                                       | 12.7%       | 1,685,741                                  | 9.9%        |
| <b>FEB</b>   | 16,195,414           | 16,418,404           | 16,860,157           | 664,743   | 4.1%        | 441,753                                    | 2.7%        |
| <b>MAR</b>   | 22,362,792           | 24,175,756           | 22,819,012           | 456,220   | 2.0%        | (1,356,744)                                | -5.6%       |
| <b>APR</b>   | 17,489,176           | 16,567,636           | 18,991,012           | 1,501,836                                       | 8.6%        | 2,423,376                                  | 14.6%       |
| <b>MAY</b>   | 17,840,445           | 17,165,800           | 19,720,602           | 1,880,157                                       | 10.5%       | 2,554,802                                  | 14.9%       |
| <b>JUN</b>   | 22,383,001           | 22,804,133           | 23,000,521           | 617,520   | 2.8%        | 196,388                                    | 0.9%        |
| <b>JUL</b>   | 20,223,678           | 17,025,086           | 19,328,989           | (894,689)                                       | -4.4%       | 2,303,903                                  | 13.5%       |
| <b>AUG</b>   | 18,639,347           | 17,268,947           |                      |   |             |  |             |
| <b>SEP</b>   | 21,140,086           | 21,825,304           |                      |   |             |  |             |
| <b>TOTAL</b> | <b>\$229,577,155</b> | <b>\$231,463,168</b> | <b>\$200,337,957</b> | <b>\$10,540,235</b>                             | <b>5.6%</b> | <b>\$7,969,039</b>                         | <b>4.1%</b> |



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

|                                 | FY 2010-11       |                    | FY 2011-12       |                    | FY 2012-13       |                    |
|---------------------------------|------------------|--------------------|------------------|--------------------|------------------|--------------------|
|                                 | YEAR TO DATE     | YEAR-END ACTUAL    | YEAR TO DATE     | YEAR-END ACTUAL    | YEAR TO DATE     | YEAR-END FORECAST  |
| <b>TAXES</b>                    |                  |                    |                  |                    |                  |                    |
| Ad Valorem Tax                  | \$440,443        | \$440,922          | \$438,258        | \$439,212          | \$450,231        | \$450,615          |
| Sales Tax                       | \$160,225        | \$215,893          | \$208,437        | \$229,577          | \$200,338        | \$241,592          |
| <b>TOTAL TAXES</b>              | <b>\$600,668</b> | <b>\$656,815</b>   | <b>\$646,695</b> | <b>\$668,789</b>   | <b>\$650,569</b> | <b>\$692,207</b>   |
| <b>FRANCHISE REVENUES</b>       |                  |                    |                  |                    |                  |                    |
| Oncor Electric                  | \$50,225         | \$50,798           | \$52,466         | \$52,466           | \$51,139         | \$51,139           |
| AT&T                            | \$13,462         | \$17,777           | \$12,375         | \$16,392           | \$11,465         | \$15,037           |
| Atmos Energy                    | \$10,061         | \$12,120           | \$8,855          | \$10,444           | \$9,785          | \$10,984           |
| Time Warner Cable               | \$5,200          | \$6,059            | \$4,360          | \$6,440            | \$4,796          | \$6,391            |
| Other                           | \$12,283         | \$16,634           | \$13,313         | \$18,345           | \$12,695         | \$19,463           |
| <b>TOTAL FRANCHISE REVENUES</b> | <b>\$91,231</b>  | <b>\$103,387</b>   | <b>\$91,369</b>  | <b>\$104,087</b>   | <b>\$89,879</b>  | <b>\$103,015</b>   |
| <b>LICENSES AND PERMITS</b>     | <b>\$8,867</b>   | <b>\$9,292</b>     | <b>\$8,781</b>   | <b>\$9,771</b>     | <b>\$9,128</b>   | <b>\$9,984</b>     |
| <b>INTEREST EARNED</b>          | <b>\$937</b>     | <b>\$1,153</b>     | <b>\$1,133</b>   | <b>\$1,127</b>     | <b>\$714</b>     | <b>\$738</b>       |
| <b>INTERGOVERNMENTAL</b>        | <b>\$5,345</b>   | <b>\$5,494</b>     | <b>\$6,206</b>   | <b>\$6,427</b>     | <b>\$5,880</b>   | <b>\$6,464</b>     |
| <b>FINES AND FORFEITURES</b>    |                  |                    |                  |                    |                  |                    |
| Municipal Court                 | \$13,933         | \$15,640           | \$13,281         | \$15,241           | \$13,399         | \$15,052           |
| Vehicle Towing & Storage        | \$6,710          | \$7,384            | \$6,432          | \$6,938            | \$6,261          | \$6,831            |
| Parking Fines                   | \$4,585          | \$5,569            | \$3,432          | \$5,047            | \$3,310          | \$4,770            |
| Red Light Camera Fines          | \$0              | \$6,868            | \$0              | \$7,322            | \$0              | \$6,985            |
| Public Library                  | \$502            | \$549              | \$487            | \$533              | \$481            | \$518              |
| <b>TOTAL FINES</b>              | <b>\$25,730</b>  | <b>\$36,010</b>    | <b>\$23,630</b>  | <b>\$35,081</b>    | <b>\$23,451</b>  | <b>\$34,155</b>    |
| <b>CHARGES FOR SERVICE</b>      |                  |                    |                  |                    |                  |                    |
| Sanitation Service              | \$56,422         | \$59,869           | \$57,087         | \$60,538           | \$56,218         | \$61,344           |
| Parks                           | \$7,727          | \$8,349            | \$8,135          | \$8,766            | \$9,081          | \$9,860            |
| Private Disposal Fees           | \$15,690         | \$17,725           | \$18,231         | \$19,663           | \$16,714         | \$18,844           |
| Emergency Ambulance             | \$10,304         | \$13,793           | \$10,588         | \$16,684           | \$17,223         | \$20,759           |
| Security Alarm                  | \$3,890          | \$4,175            | \$3,989          | \$4,593            | \$4,107          | \$4,450            |
| Street Lighting                 | \$972            | \$1,539            | \$699            | \$965              | \$898            | \$1,447            |
| Vital Statistics                | \$1,497          | \$1,617            | \$1,458          | \$1,563            | \$1,452          | \$1,581            |
| Other                           | \$16,397         | \$16,580           | \$16,282         | \$17,376           | \$16,839         | \$18,668           |
| <b>TOTAL CHARGES</b>            | <b>\$112,899</b> | <b>\$123,647</b>   | <b>\$116,468</b> | <b>\$130,148</b>   | <b>\$122,532</b> | <b>\$136,952</b>   |
| <b>INTERFUND REVENUE</b>        | <b>\$39,518</b>  | <b>\$44,948</b>    | <b>\$35,845</b>  | <b>\$45,572</b>    | <b>\$38,234</b>  | <b>\$46,710</b>    |
| <b>MISCELLANEOUS</b>            | <b>\$17,197</b>  | <b>\$19,477</b>    | <b>\$10,830</b>  | <b>\$12,769</b>    | <b>\$11,395</b>  | <b>\$11,664</b>    |
| <b>TOTAL REVENUES</b>           | <b>\$902,392</b> | <b>\$1,000,224</b> | <b>\$940,958</b> | <b>\$1,013,770</b> | <b>\$951,783</b> | <b>\$1,041,889</b> |

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

| <u>DEPARTMENT</u>              | <u>FY 2010-11</u>   |                            | <u>FY 2011-12</u>   |                            | <u>FY 2012-13</u>   |                              |
|--------------------------------|---------------------|----------------------------|---------------------|----------------------------|---------------------|------------------------------|
|                                | <u>YEAR TO DATE</u> | <u>YEAR-END<br/>ACTUAL</u> | <u>YEAR TO DATE</u> | <u>YEAR-END<br/>ACTUAL</u> | <u>YEAR TO DATE</u> | <u>YEAR-END<br/>FORECAST</u> |
| Building Services              | \$20,480            | \$20,806                   | \$16,249            | \$18,083                   | \$18,848            | \$22,599                     |
| Business Dev/Procurement Svcs  | \$1,758             | \$2,035                    | \$1,837             | \$2,086                    | \$1,949             | \$2,403                      |
| City Attorney's Office         | \$8,503             | \$9,684                    | \$9,387             | \$10,741                   | \$11,472            | \$12,888                     |
| City Auditor's Office          | \$1,844             | \$2,077                    | \$1,813             | \$2,030                    | \$1,839             | \$2,085                      |
| City Controller's Office       | \$3,055             | \$3,245                    | \$3,304             | \$3,485                    | \$3,562             | \$3,998                      |
| City Manager's Office          | \$1,465             | \$1,567                    | \$1,611             | \$1,628                    | \$1,429             | \$1,448                      |
| City Secretary's Office        | \$1,398             | \$1,624                    | \$1,325             | \$1,500                    | \$1,579             | \$1,718                      |
| Civil Service                  | \$949               | \$1,070                    | \$1,217             | \$1,374                    | \$1,546             | \$1,821                      |
| Code Compliance                | \$22,720            | \$26,325                   | \$23,276            | \$27,795                   | \$25,965            | \$30,663                     |
| Court Services                 | \$9,143             | \$10,175                   | \$8,605             | \$10,666                   | \$9,433             | \$10,918                     |
| Elections                      | \$2,731             | \$2,786                    | \$81                | \$1,133                    | \$1,008             | \$1,119                      |
| Fire                           | \$182,124           | \$197,774                  | \$188,889           | \$206,691                  | \$193,420           | \$205,922                    |
| Housing                        | \$7,224             | \$7,489                    | \$8,097             | \$8,076                    | \$9,130             | \$9,502                      |
| Human Resources                | \$2,809             | \$2,935                    | \$3,072             | \$3,151                    | \$3,181             | \$3,710                      |
| Independent Audit              | \$1,072             | \$1,072                    | \$937               | \$937                      | \$0                 | \$903                        |
| Jail Contract - Lew Sterrett   | \$8,116             | \$8,116                    | \$7,198             | \$7,852                    | \$8,229             | \$8,229                      |
| Judiciary                      | \$2,525             | \$2,755                    | \$2,487             | \$3,006                    | \$2,904             | \$3,153                      |
| Library                        | \$17,273            | \$19,485                   | \$16,028            | \$18,111                   | \$17,544            | \$20,147                     |
| Management Services            | \$2,388             | \$2,539                    | \$3,199             | \$3,339                    | \$4,103             | \$4,448                      |
| Mayor and Council              | \$3,036             | \$3,434                    | \$3,098             | \$3,527                    | \$3,326             | \$3,748                      |
| Non-Departmental               | \$29,880            | \$33,763                   | \$24,415            | \$28,592                   | \$28,000            | \$32,479                     |
| Office of Cultural Affairs     | \$10,944            | \$12,581                   | \$11,804            | \$13,083                   | \$13,230            | \$15,853                     |
| Office of Economic Development | \$538               | \$555                      | \$637               | \$647                      | \$760               | \$760                        |
| Office of Financial Services   | \$1,096             | \$1,395                    | \$1,215             | \$1,521                    | \$1,539             | \$2,129                      |
| Park and Recreation            | \$62,445            | \$63,993                   | \$61,497            | \$66,281                   | \$67,431            | \$73,367                     |
| Police                         | \$356,601           | \$399,297                  | \$348,855           | \$398,795                  | \$366,373           | \$401,923                    |
| Public Works                   | \$11,153            | \$12,016                   | \$4,632             | \$4,775                    | \$5,036             | \$5,036                      |
| Sanitation Services            | \$61,246            | \$70,907                   | \$61,080            | \$73,537                   | \$57,007            | \$73,586                     |
| Street Lighting                | \$13,264            | \$17,228                   | \$14,322            | \$16,979                   | \$15,955            | \$18,082                     |
| Street Services                | \$36,876            | \$48,862                   | \$45,839            | \$53,629                   | \$50,313            | \$57,260                     |
| Sustainable Dev/Construction   | \$595               | \$571                      | \$1,102             | \$1,004                    | \$1,199             | \$1,199                      |
| Trinity Watershed Management   | \$55                | \$357                      | \$237               | \$265                      | \$244               | \$244                        |
| <u>RESERVES AND TRANSFERS</u>  |                     |                            |                     |                            |                     |                              |
| Contingency Reserve            | \$0                 | \$3,646                    | \$0                 | \$1,663                    | \$0                 | \$200                        |
| Liability Reserve/Claim Fund   | \$0                 | \$6,569                    | \$0                 | \$5,288                    | \$0                 | \$3,630                      |
| Salary and Benefit Reserve     | \$0                 | \$0                        | \$0                 | \$0                        | \$0                 | \$773                        |
| <b>EXPENDITURES</b>            | <b>\$885,306</b>    | <b>\$998,732</b>           | <b>\$877,346</b>    | <b>\$1,001,271</b>         | <b>\$927,556</b>    | <b>\$1,037,945</b>           |