

# Memorandum



CITY OF DALLAS

DATE August 11, 2017

TO Honorable Mayor and Members of the City Council

SUBJECT **FY 2017-18 Budget Process**

As discussed at the budget presentation on Tuesday, August 8, the remaining budget development schedule will be different than included in the briefing materials.

Rather than having budget briefings on August 16 and 30, all briefings will be provided on Wednesday, August 16. On this date, we will brief Council on Truth-in-Taxation and on all six of the Strategic Areas.

Following this briefing day, Council amendments will be managed through the six committees that are aligned to the Strategic Areas. Please submit your proposed budget amendments to the chair of the assigned committee by the Friday prior to the meeting. Committees will discuss amendments and make recommendations on the following dates:

Monday, August 21:

9:00 to 10:30 – Economic Development and Housing Committee (Tennell Atkins)  
11:00 to 12:30 – Human and Social Needs Committee (Casey Thomas)  
1:00 to 2:30 – Government Performance and Financial Management Committee (Jennifer Gates)

Monday, August 28:

9:00 to 10:30 – Quality of Life, Arts, and Culture Committee (Sandy Greyson)  
11:00 to 12:30 – Public Safety and Criminal Justice Committee (Adam McGough)  
1:00 to 2:30 – Mobility Solutions, Infrastructure, and Sustainability Committee (Lee Kleinman)

On Tuesday, August 29, we will send to Council all submitted amendments and the associated committee recommendations from the six committee meetings. The chair of each committee will then report to full Council on Wednesday, August 30.

If Council Members choose not to submit amendments through the committees, please submit them to the City Manager's Office no later than Monday, August 28 at noon for inclusion in the memo to full Council on August 29.

We will incorporate amendments into the budget ordinance as appropriate. Council will consider the budget "second reading" and tax rate ordinance on September 20.

To facilitate the amendment process, attached is a form for you to use. It is important to remember that in order to maintain a balanced budget, amendments must identify not

only the Use of Funds, but also an equal amount of Source of Funds. If the Use of Funds will be recurring, then the Source of Funds must be recurring as well to ensure that the amendment does not negatively impact future years.

If you have any questions, please contact me, Elizabeth Reich, or Jack Ireland.



F.C. Broadnax  
City Manager

#### Attachment

c: Larry Casto, City Attorney  
Craig D. Kinton, City Auditor  
Rosa A. Rios, City Secretary  
Daniel F. Solis, Administrative Judge  
Kimberly Bizzor Tolbert, Chief of Staff to the City Manager  
Majed A. Al-Ghafry, Assistant City Manager  
Raquel Favela, Chief of Economic Development & Neighborhood Services  
Jo M. (Jody) Puckett, P.E., Assistant City Manager (Interim)  
Jon Fortune, Assistant City Manager  
Joey Zapata, Assistant City Manager  
M. Elizabeth Reich, Chief Financial Officer  
Nadia Chandler Hardy, Chief of Community Services  
Theresa O'Donnell, Chief of Resilience  
Directors and Assistant Directors

# Memorandum



CITY OF DALLAS

DATE August 11, 2017

TO Committee Chair Name

SUBJECT **FY 2017-18 Budget Amendments**

I propose the following balanced amendment(s) to the FY 2017-18 budget.

## Amendment #1

Source of Funds	Use of Funds

## Amendment #2

Source of Funds	Use of Funds

## Amendment #3

Source of Funds	Use of Funds

## Council Member

c: T. C. Broadnax, City Manager  
Kimberly Bizer Tolbert, Chief of Staff to the City Manager  
M. Elizabeth Reich, Chief Financial Officer  
Jack Ireland, Director, Office of Budget

# Memorandum



CITY OF DALLAS

DATE August 11, 2017

TO Honorable Mayor and Members of the City Council

SUBJECT **5FN/5FS Office Reconfiguration**

In response to your direction to staff on June 28, staff is preparing to reconfigure the Council office layout in late September. To reduce operational impact, we are planning for the Council offices to be vacant beginning 5 p.m. on Wednesday, September 27. We anticipate the reconfigured offices being ready for move-in on Wednesday, October 11.

We have arranged temporary workspace for Council staff on L1 in two large conference rooms (L1EN – D for staff located in 5FN and L1EN – E for staff located in 5FS). Two additional conference rooms will be reserved for district meetings, as needed. Staff will be available to relocate packed items from the current offices on September 26 and 27 and back to the new office space on October 11. The construction schedule is aggressive and overlaps October 3 – 6 when several of you may be attending the Texas Municipal League Conference.

The revised floorplan for 5FN/5FS is attached. The number of window offices remains the same (eight) and four of the 12 offices are in the same approximate location as the current layout (see suites A – D on the attachment). With the new floorplan, Council district support staff will be located immediately adjacent to the respective Councilmember's office to provide for a distinct district atmosphere. The reconfiguration cost does not include new furniture. Any additional furniture would be budgeted within district funds. If you have any questions, please contact Kimberly Tolbert at 214.670.3297 or [k.bizortolbert@dallascityhall.com](mailto:k.bizortolbert@dallascityhall.com).

We appreciate your patience during this time. We look forward to providing a more professional operational environment for you and your staff to conduct business.

Sincerely,

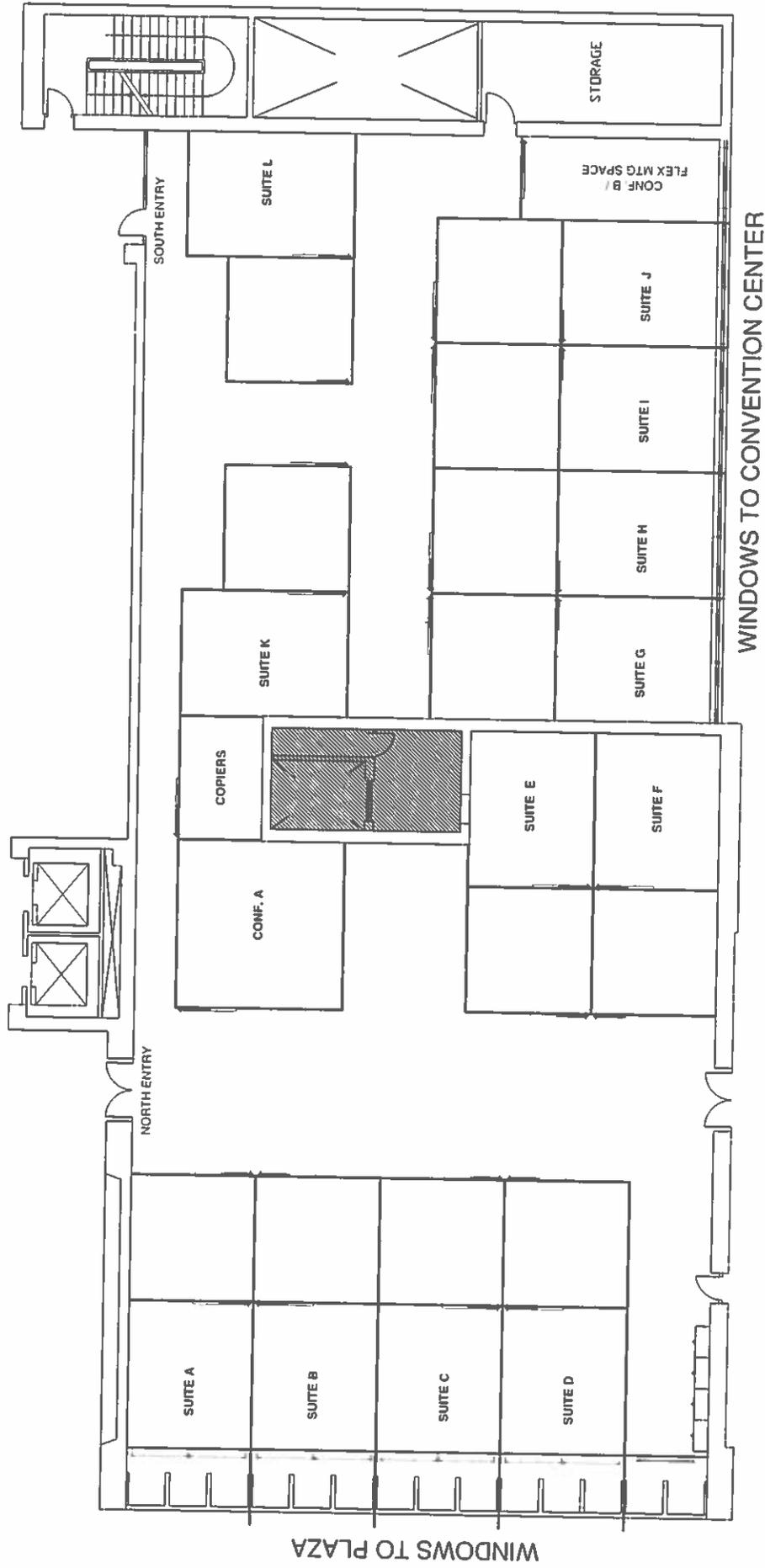


T.C. Broadnax  
City Manager

c: Larry Casto, City Attorney  
Craig D. Kinton, City Auditor  
Rosa A. Rios, City Secretary  
Daniel F. Solis, Administrative Judge  
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Theresa O'Donnell, Chief of Resilience  
Directors and Assistant Directors

CITY COUNCIL 5FN / 5FS



AKARD ST.

# Memorandum



CITY OF DALLAS

DATE August 11, 2017

TO Honorable Mayor and Members of the City Council

SUBJECT **Housing Development Finance Professional Certification Program™  
Sponsorship**

Much attention has been given to the findings in the HUD HOME Investment Program monitoring letter and while staff is still working through the resolution of the findings with HUD in an expeditious manner we are also working on building the local capacity to implement the underwriting guidelines and procedures proposed to HUD. These are consistent with the industry standards and in recognition of such, BB&T- Branch Banking and Trust Co. has agreed to partner with us to co-sponsor the nationally recognized professional certification training provided by the National Development Council (NDC) here in Dallas.

NDC's Housing Development Finance Professional (HDFP) Certification Program™ is a four-course training program that explores the development process, financial analysis techniques and structuring and negotiating skills needed to successfully develop and finance affordable home ownership and rental housing development. Skills are taught within the context of case studies based on actual development deals that members of NDC's professional staff have structured and implemented across the country. Certification candidates must complete all four courses and pass the examination administered on the final day of each class.

The first week of this training series will take place September 11 – 14, 2017 at the Kay Bailey Convention Center. Through BB&T's support this is offered at a deeply discounted rate and for our invited CHDO's and city staff the training series will be free. Ordinarily, the tuition for this certification is \$4,400 per person plus travel related expenses. Colleagues from the cities of Houston, San Antonio and Austin are also expected to attend and this will afford an invaluable exchange of ideas and experiences.

I appreciate BB&T's immediate and productive response to the media coverage of these long-standing problems. BB&T's national relationship with NDC combined with their experience with our Chief of Economic Development and Neighborhood Services Raquel Favela has brought this opportunity to Dallas.

A handwritten signature in black ink, appearing to read 'T.C. Broadnax', written over a horizontal line.

**T.C. Broadnax**  
City Manager

c: Larry Casto, City Attorney  
Craig D. Kinton, City Auditor  
Rosa A. Rios, City Secretary  
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# Memorandum



DATE August 11, 2017

CITY OF DALLAS

TO Members of the Government Performance and Financial Management Committee:  
Jennifer S. Gates (Chair), Scott Griggs (Vice Chair), Tennell Atkins, Kevin Felder,  
Sandy Greyson, Philip T. Kingston, and Lee M. Kleinman

SUBJECT **Follow-up to Questions regarding Oncor Rates**

Please find below answers to questions committee members asked during the August 7 Government Performance and Financial Management Committee meeting.

1. What is the beginning and ending date of the current franchise with Oncor?

The current franchise began on April 1, 2009 with an initial term of 15 years. The franchise will expire on March 31, 2024. The franchise provides for automatic 6 month extensions unless either party provides 60 days notice of its intent to terminate the agreement.

2. Provide a history of recent Oncor rate changes.

Date Filed	Increase Requested	Increase Received	Notes
June 6, 2008	\$254 million	\$30 million	City denied rates. Case fully litigated at Public Utility Commission of Texas (PUC)
January 7, 2011	\$353 million	\$137 million	Oncor settled case with cities and PUC
March 17, 2017	\$317 million	TBD	City denied rates on August 9, 2017. Rates pending PUC

Please contact me if you need additional information. Members of your staff may contact Nick Fehrenbach at 670-5173.

M. Elizabeth Reich  
Chief Financial Officer

c: Honorable Mayor and Members of the City Council  
T.C. Broadnax, City Manager  
Larry Casto, City Attorney  
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# Memorandum



CITY OF DALLAS

DATE August 11, 2017

TO Honorable Mayor and Members of the City Council

SUBJECT Sales Tax Receipts

The June 2017 sales tax receipts from the State Comptroller's Office are \$27,407,086 which represents a 3.0 percent increase in total collections compared to the same reporting period last year. June's sales tax revenue is 2.4 percent less than the current month's budget.

- June 2016 actual \$26,609,193
- June 2017 budget \$28,089,202
- June 2017 actual \$27,407,086
  - 3.0 percent more than the June 2016 actual
  - 2.4 percent less than the June 2017 budget

Sales tax receipts for the first nine months of FY 2016-17 are better than budget by \$1,581,043 or 0.7 percent. Over the most recent 12 months, sales tax receipts have increased by 4.3 percent. We will continue to monitor our sales tax forecast closely and keep you informed.

M. Elizabeth Reich  
Chief Financial Officer

c: T.C. Broadnax, City Manager  
Larry Casto, City Attorney  
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# SALES TAX

as of June 2017

	ACTUAL	BUDGET	ACTUAL	YTD VARIANCE FY 16-17		YTD VARIANCE FY 16-17	
	FY 2015-16	FY 2016-17	FY 2016-17	ACT. VS. FY 15-16	ACT. DOLLARS	ACTUAL VS. BUDGET	DOLLARS PERCENT
OCT	\$21,768,868	\$22,643,318	\$23,256,127	\$1,487,259	6.8%	\$612,809	2.7%
NOV	20,523,724	21,429,628	\$22,167,177	\$1,643,453	8.0%	\$737,549	3.4%
DEC	30,137,311	31,084,441	\$30,146,384	\$9,073	0.03%	(\$938,057)	-3.0%
JAN	21,258,240	21,150,897	\$21,809,865	\$551,625	2.59%	\$658,968	3.1%
FEB	20,418,444	21,012,953	\$21,898,775	\$1,480,331	7.25%	\$885,822	4.2%
MAR	27,481,662	28,497,411	\$28,359,166	\$877,504	3.19%	(\$138,245)	-0.5%
APR	22,264,607	22,648,188	\$22,205,794	(\$58,813)	-0.26%	(\$442,394)	-2.0%
MAY	22,311,362	22,520,061	\$23,406,768	\$1,095,406	4.91%	\$886,707	3.9%
JUN	26,609,193	28,089,202	\$27,407,086	\$797,893	3.00%	(\$682,116)	-2.4%
JUL	21,920,611	22,607,650					
AUG	22,670,093	22,676,831					
SEP	26,553,757	27,827,924					
<b>TOTAL</b>	<b>\$283,917,872</b>	<b>\$292,188,504</b>	<b>\$220,657,142</b>	<b>\$7,883,731</b>	<b>3.7%</b>	<b>\$1,581,043</b>	<b>0.7%</b>

