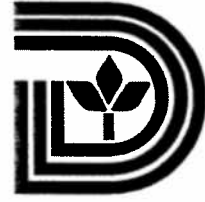


Memorandum



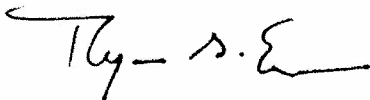
CITY OF DALLAS

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

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

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

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


A.C. Gonzalez
City Manager

Attachment

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

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

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

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

GENERAL FUND

Revenues

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

Expenditures

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

PROPRIETARY FUNDS

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

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

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

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

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

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

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

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

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

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

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

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

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

CONTINGENCY RESERVE STATUS

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

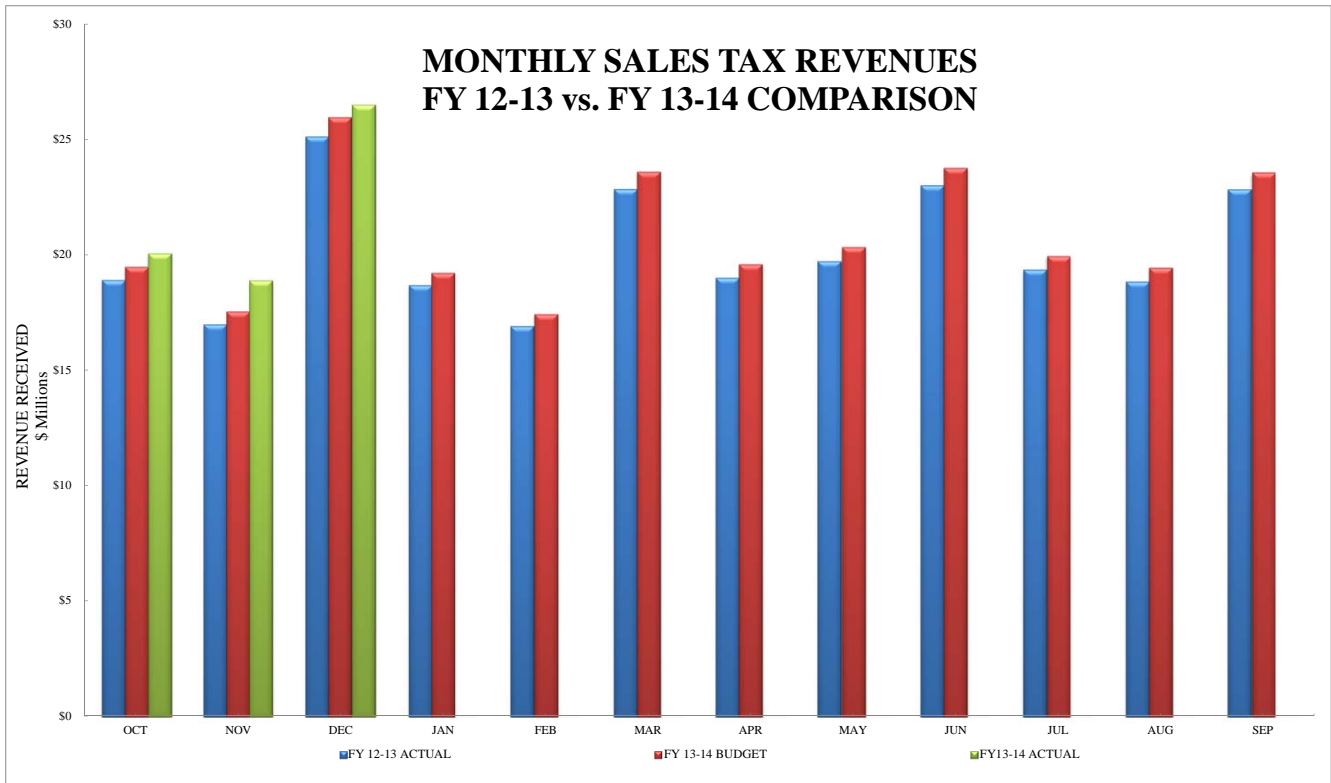
LIABILITY/CLAIMS FUND

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

SALES TAX

as of December 2013

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



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

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

* Based on Actual FY 2011-12 year end revenues

** Estimates based on revenues through August 2013

*** Estimates based on revenues through January 2014

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

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

* Based on Actual FY 2011-12 year end expenditures

**Estimates based on expenditures through August 2013

*** Estimates based on expenditures through January 2014