

GOVERNMENT PERFORMANCE & FINANCIAL MANAGEMENT

DALLAS CITY COUNCIL COMMITTEE AGENDA

RECEIVED

2018 JAN -9 AM 11:44

CITY SECRETARY
DALLAS, TEXAS

TUESDAY, JANUARY 16, 2018
CITY HALL

COUNCIL BRIEFING ROOM, 6ES
1500 MARILLA STREET
DALLAS, TEXAS 75201
2:00 P.M. – 3:30 P.M.

Chair, Councilmember Jennifer S. Gates

Vice-Chair, Councilmember Scott Griggs

Councilmember Sandy Greyson

Councilmember Lee M. Kleinman

Councilmember Philip T. Kingston

Councilmember Tennell Atkins

Councilmember Kevin Felder

Call to Order

1. Consideration of Minutes from the December 4, 2017 Government Performance & Financial Management Committee meeting
2. Consideration of Upcoming Agenda Items for January 24, 2018 City Council Meeting


BRIEFINGS

3. Financial Management Performance Criteria Jack Ireland, Director
Office of Budget
4. Availability and Disparity Study, Scope of Zarin D. Gracey, Interim Managing Director
Services, and Timeline *Office of Business Diversity*

FYI

5. Financial Forecast Report
Information as of November 2017

Adjourn



Jennifer S. Gates, Chair
Government Performance & Financial Management Committee

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

1. seeking the advice of its attorney about pending or contemplated litigation, settlement offers, or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act. [Tex. Govt. Code §551.071]
2. deliberating the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.072]
3. deliberating a negotiated contract for a prospective gift or donation to the city if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.073]
4. deliberating the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing. [Tex. Govt. Code §551.074]
5. deliberating the deployment, or specific occasions for implementation, of security personnel or devices. [Tex. Govt. Code §551.076]
6. discussing or deliberating commercial or financial information that the city has received from a business prospect that the city seeks to have locate, stay or expand in or near the city and with which the city is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect. [Tex Govt. Code §551.087]
7. deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementations of security personnel, critical infrastructure, or security devices. [Tex. Govt. Code §551.089]

Handgun Prohibition Notice for Meetings of Governmental Entities

"Pursuant to Section 30.06, Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun."

"De acuerdo con la sección 30.06 del código penal (ingreso sin autorización de un titular de una licencia con una pistola oculta), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola oculta."

"Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly."

"De acuerdo con la sección 30.07 del código penal (ingreso sin autorización de un titular de una licencia con una pistola a la vista), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola a la vista."

GOVERNMENT PERFORMANCE & FINANCIAL MANAGEMENT

Meeting Record

Meeting Date: December 4, 2017

Convened: 1:04 pm

Adjourned: 2:05pm

Committee Members Present:

Jennifer S. Gates, Chair
Sandy Greyson

Philip Kingston
Lee Kleinman

Kevin Felder
Tennell Atkins

Committee Members Absent:

Scott Griggs, Vice Chair

Other Council Members Present:

Staff Present:

Elizabeth Reich
Janette Weedon
Edward Scott
Lance Sehorn
Mike Frosch
Stephanie Cooper

Jenifer West
Craig Kinton
Robert Sims
Connie Tankersley
William Finch
Terry Lowery

Angela Finley-Evereti
Carmen Esquivel
Kimberly Tolbert
Don Knight
Molly Carrol
Filicia Hernandez

Others Present:

N/A

AGENDA:

Call to Order

1. **Special Recognition**
2. **Consideration of the December 4, 2017 Minutes**

Presenter(s): N/A

Information Only: _

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

A motion was made to approve the December 4, 2017 minutes. Motion passed unanimously.

Motion made by: Sandy Greyson

Motion seconded by: Philip Kingston

GOVERNMENT PERFORMANCE & FINANCIAL MANAGEMENT

Meeting Record

3. **Consideration of Upcoming Agenda Items for December 13, 2017 City Council Meeting**

Presenter(s): N/A

Information Only:

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

A motion was made to move forward items to the City Council on December 13, 2017. Motion passed unanimously.

Motion made by: Sandy Greyson

Motion seconded by: Philip Kingston

Briefings

4. **Atmos Rate Case**

Presenter(s): Nick Fehrenbach, Manager of Regulatory Affairs, Office of Budget

Information Only:

Action Taken/Committee Recommendation(s):

Motion made by: N/A

Motion seconded by: N/A

5. **Office of Business Diversity M/WBE Performance Report**

Presenter(s): Zarin D. Gracey, Interim Managing Director, Office of Business Diversity

Information Only:

Action Taken/Committee Recommendation(s):

Motion made by: N/A

Motion seconded by: N/A

FYI

6. **2018 Health Plan Changes**

Presenter(s):

Information Only:

Action Taken/Committee Recommendation(s):

Motion made by: N/A

Motion seconded by: N/A

Adjourn

Jennifer S. Gates, Chair
Government Performance and Financial Management Committee

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: January 24, 2018

COUNCIL DISTRICT(S): 3, Outside City Limits

DEPARTMENT: Office of Procurement Services
Water Utilities Department

CMO: Elizabeth Reich, 670-7804
Majed Al-Ghafry, 670-3302

MAPSCO: 52 K 2 T

SUBJECT

Authorize a service contract for cleaning, recoating, and repair services for two water tanks - Utility Service Co., Inc., lowest responsible bidder of six - Not to exceed \$511,800 - Financing: Water Utilities Currents Funds

BACKGROUND

This service contract will provide cleaning, recoating and repair services for two water tanks. The standard life of the coating system for water tanks last between 15 to 20 years. Over time the protective coating deteriorates posing a safety risk for operation personnel and to the water quality. Services under this contract include cleaning, surface preparation, repainting and repairs of the interior and exterior walls, floors and ceilings of each tank. Products used in the maintenance process must meet National Sanitation Foundation Standards for drinking water. Each tank will be dewatered and out of service for approximately 60 calendar days during refurbishment. Customers will be serviced from other locations while the tanks are down. This service allows the City to maintain compliance with current federal, state, local, and Environmental Protection Agency regulations and requirements.

This service contract will provide refurbishment services for Elm Fork and Red Bird elevated water storage tanks. The Red Bird tank was built in 1964 and holds approximately 1 million gallons of water. The Elm Fork tank was constructed around 1992 and holds approximately 500,000 gallons of water.

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out 575 email bid notifications to vendors registered under respective commodities.

BACKGROUND (continued)

To further increase competition, the Office of Procurement Services uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, the Office of Business Diversity's ResourceLINK Team sent notifications to 25 chambers of commerce and advocacy groups to ensure maximum vendor outreach.

On November 10, 2015, City Council authorized the wage floor rate of \$10.37, by Resolution No. 15-2141; the selected vendor meets this requirement.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Government Performance & Financial Management Committee will receive this item for consideration on January 16, 2018.

FISCAL INFORMATION

Water Utilities Currents Funds - \$511,800

M/WBE INFORMATION

97 - Vendors contacted
97 - No response
0 - Response (Bid)
0 - Response (No Bid)
0 - Successful

The recommended awardee has fulfilled the good faith requirements set forth in the Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended.

BID INFORMATION

The Office of Procurement Services received the following bids from solicitation number BM1725. We opened them on October 27, 2017. We recommend the City Council award this service contract to the lowest responsive and responsible bidder by group.

BID INFORMATION (continued)

*Denotes successful bidder

<u>Bidders</u>	<u>Address</u>	<u>Amount</u>
*Utility Service Co., Inc.	535 Courtney Hodges Blvd. Perry, GA 31069	Group 1 - \$200,800 Group 2 - \$311,000
D&M Tank, LLC	6901 Mansfield Cardinal Rd. Kennedale, TX 76060	Group 1 - \$208,050 Group 2 - \$326,500
CFG Industries, LLC	22535 Magnolia Hills Dr. Magnolia, TX 77354	Group 1 - \$237,500 Group 2 - \$556,000
N. G. Painting, LP	1225 Bandera Hwy. Suite A2 Kerrville, TX 78028	Group 1 - \$256,000 Group 2 - \$417,000
TMI Coatings, Inc.	3291 Terminal Dr. St. Paul, MN 55121	Group 1 - \$312,000 Group 2 - \$468,000
Blastco Texas	16201 Wood Dr. Channelview, TX 77530	Non-responsive**

**Blastco Texas was deemed non-responsive due to not meeting specifications.

OWNER

Utility Service Co., Inc.

Dominique Demessence, Chief Executive Officer
Jonathan Cato, Vice President of Business
Shane Albritton, Secretary
Fernando Almirall, Treasurer

AGENDA ITEM # 17

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: January 24, 2018

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services
Civil Service
Department of Human Resources
Department of Communication and Information Services

CMO: Elizabeth Reich, 670-7804
T.C. Broadnax, 670-3297
Jody Puckett, 670-3390

MAPSCO: N/A

SUBJECT

Authorize a two-year service contract for the continued use of the existing software to facilitate the new hire and performance management process with SHI Government Solutions, Inc. through the Department of Information Resources - Not to exceed \$547,912 - Financing: Communication and Information Services Current Funds (subject to annual appropriations)

BACKGROUND

This service contract will allow for the continued use of the existing software to facilitate hiring and the performance management process, utilized by various City departments. This system automates the City's hiring process by allowing for approval routing, email notifications, qualification screening, and tracking progress throughout the entire on-boarding process. Benefits of the system include, but are not limited to:

- Accept and process job applications submitted online
- Manage position eligibility lists
- Schedule applicants for testing and provide management with test scores

Additionally, the system automates the performance management process by allowing managers to document, rate and report on employee work performance electronically.

BACKGROUND (continued)

A contract for a new human capital management system is currently being negotiated and will be presented to City Council for approval in the near future. This new system will provide a consolidated platform for all human capital needs to also include the services listed above. Once the new human capital management system is in place and the above services are absorbed, the contract with SHI Government Solutions, Inc. will be terminated.

The Department of Information Resources is authorized by Chapter 791 of the Texas Government Code and Subchapter F, Chapter 271, Texas Local Government Code. Section 271.102 of the Texas Local Government Code authorizes a local government to participate in a Cooperative Purchasing Program with another local government or a local cooperative organization.

On November 10, 2015, City Council authorized the wage floor rate of \$10.94, by Resolution No. 15-2141; the selected vendors meet this requirement.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Government Performance & Financial Management Committee will receive this item for consideration on January 16, 2018.

FISCAL INFORMATION

Communication and Information Services Current Funds - \$547,912 (subject to annual appropriations)

OWNER

SHI Government Solutions, Inc.

Thai Lee, President

Al Fitzgerald, Vice President

AGENDA ITEM # 19

STRATEGIC PRIORITY: Mobility Solutions, Infrastructure, and Sustainability

AGENDA DATE: January 24, 2018

COUNCIL DISTRICT(S): N/A

DEPARTMENT: Office of Procurement Services
Department of Communication and Information Services

CMO: Elizabeth Reich, 670-7804
Jody Puckett, 670-3390

MAPSCO: N/A

SUBJECT

Authorize a three-year service contract for mobile technology center managed services with GTS Technology Solutions, Inc. through the Department of Information Resources - Not to exceed \$1,944,000 - Financing: Communication and Information Services Current Funds (subject to annual appropriations)

BACKGROUND

This service contract provides for mobile technology center managed services. Under this contract the vendor will supply qualified technicians to install mobile radio and technology for the Dallas Police Department, Fire-Rescue Department, EMS vehicles along with all other non-emergency vehicles. These services will allow for an increase in the number of units serviced each year and minimize the downtime of vehicles. Also included is radio repair and support to the 911 telephone system infrastructure as well as other services required by the mobile technology center. The contract allows for two shifts of technicians and a supervisor on a continuous basis, seven days a week and allows the mobile technology center to operate 24 hours a day.

The mobile technology center handles approximately 12,000 service tickets and performs over 300 new equipment installations per year.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Government Performance & Financial Management Committee will receive this item for consideration on January 16, 2018.

FISCAL INFORMATION

Communication and Information Services Current Funds - \$1,944,000 (subject to annual appropriations)

OWNER

GTS Technology Solutions, Inc.

Ryan Grant, President

Scott Sizemore, Vice President

AGENDA ITEM # 21

STRATEGIC PRIORITY:

Government Performance and Financial Management

AGENDA DATE:

January 24, 2018

COUNCIL DISTRICT(S):

4

DEPARTMENT:

Office of Procurement Services
Park & Recreation Department

CMO:

Elizabeth Reich, 670-7804
Willis Winters, 670-4071

MAPSCO:

66 E

SUBJECT

Authorize **(1)** the rejection of the only proposal received for operational management of the Southern Skates Roller Skating Rink Facility; and **(2)** the re-advertisement for a new solicitation - Financing: No cost consideration to the City

BACKGROUND

This action will authorize the rejection of the only proposal received for solicitation BKZ1708 for a five-year service contract, with one five-year renewal option, for operational management of the Southern Skates Roller Skating Rink Facility. The Park and Recreation Department will modify the specifications. The Office of Procurement Services further determined it would be more advantageous to the City to reject the proposal and re-advertise for a new solicitation.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Information about this item was provided to the Park Board via memorandum on December 19, 2017.

The Government Performance & Financial Management Committee will receive this item for consideration on January 16, 2018.

FISCAL INFORMATION

No cost consideration to the City.

AGENDA ITEM # 22

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: January 24, 2018

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services
Department of Communication and Information Services
Department of Sustainable Development and Construction

CMO: Elizabeth Reich, 670-7804
Jody Puckett, 670-3390
Majed Al-Ghafry, 670-3302

MAPSCO: N/A

SUBJECT

Authorize a five-year cooperative purchase agreement for the purchase, implementation, maintenance and support of a hosted electronic plan review system for Building Inspection provided by Avolve Software Corporation and sold through SHI Government Solutions, Inc. through the Texas Association of School Boards - Not to exceed \$2,245,136 - Financing: General Funds (subject to annual appropriations)

BACKGROUND

This contract will provide for the purchase, implementation, maintenance and support of a hosted electronic plan review system. This web-based solution will provide a web portal to allow citizens to electronically submit building plans for review, apply, and pay fees for various building permits.

An automated system will add efficiency that will enable staff to receive building plans, conduct reviews, revise, track, inspect, and archive all documents electronically. The electronic plan review process will also provide additional efficiencies by enabling simultaneous review of specific plans by multiple trades, eliminating the current “one-at-a-time” review. Maintenance includes patches, updates, and technical support for five years.

BACKGROUND (continued)

Building Inspection plan reviewers will be able to communicate with applicants through the new system's web portal with questions and clarifications that they need from the applicant. The electronic plan review system will also allow the applicants to resubmit the applications and receive status without going to the City's Building Inspection office and thus receive status through the citizen portal. Additionally, the system will eliminate the need for paper documents which will help the City to shift the resources used to accept, sort, and store documents to other areas in the need of attention.

The Texas Association of School Boards (BuyBoard) conforms to the requirements of Texas statutes that are applicable for competitive bids and proposals, in accordance with the Interlocal Cooperation Act, Chapter 791, Texas Government Code. In addition, BuyBoard receives bids from manufacturers and dealers throughout the United States.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Government Performance & Financial Management Committee will receive this item for consideration on January 16, 2018.

FISCAL INFORMATION

General Funds - \$2,245,136 (subject to annual appropriations)

OWNER

SHI Government Solutions, Inc.

Thai Lee, President
KoGuan Leo, Vice President

AGENDA ITEM # 23

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: January 24, 2018

COUNCIL DISTRICT(S): Outside City Limits

DEPARTMENT: Office of Procurement Services
Water Utilities Department

CMO: Elizabeth Reich, 670-7804
Majed Al-Ghafry, 670-3302

MAPSCO: 2T

SUBJECT

Authorize the purchase of two fiberglass chemical storage tanks for the Elm Fork Water Treatment Plant – Nautical Outfitters Corp. d/b/a Tank Depot, lowest responsible bidder of three - Not to exceed \$93,500 - Financing: Water Utilities Current Funds

BACKGROUND

This purchase will provide two fiberglass chemical tanks for the Elm Fork Water Treatment Plant (EFWTP). Each tank is double walled and has the capacity to hold 12,000 gallons of phosphate which is used in the treatment of potable water. The current tanks are single walled and have reached their useful life. The EFWTP uses the phosphate to treat 330 million gallons of water daily.

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out 165 email bid notifications to vendors registered under respective commodities. To further increase competition, the Office of Procurement Services uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, the Office of Business Diversity's ResourceLINK Team sent notifications to 25 chambers of commerce and advocacy groups, to ensure maximum vendor outreach.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Government Performance & Financial Management Committee will receive this item for consideration on January 16, 2018.

FISCAL INFORMATION

Water Utilities Current Funds - \$93,500

M/WBE INFORMATION

- 15 - Vendors contacted
- 15 - No response
- 0 - Response (Bid)
- 0 - Response (No Bid)
- 0 – Successful

The recommended awarded has fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended.

BID INFORMATION

The Office of Procurement Services received the following bids from solicitation number BM1727. We opened them on August 25, 2017. We recommend the City Council award this purchase to the lowest responsive and responsible bidder by in its entirety.

*Denotes successful bidder

<u>Bidders</u>	<u>Address</u>	<u>Amount</u>
*Nautical Outfitters Corp. d/b/a Tank Depot	1627 S. Dixie Hwy. Pompano Beach, FL 33060	Line 1: \$93,500
Plastic Watertanks.com, Inc.	361 Neptune Ave. West Babylon, NY 11704	Line 1: \$95,500
Climate Force, Inc.	6618 Club View Ct. Flowery Beach, GA 30542	Line 1: \$244,420

OWNER

Nautical Outfitters Corp. d/b/a Tank Depot

James Glen, President
 Bob Devire, Vice President
 Anthony Lamb, Secretary

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: January 24, 2018

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services
Department of Communication and Information Services

CMO: Elizabeth Reich, 670-7804
Jody Puckett, 670-3390

MAPSCO: N/A

SUBJECT

Authorize a five-year subscription contract for the licensing, hosting, and technical support of a citywide enterprise asset management system with IBM Corporation through the Department of Information Resources, State of Texas Cooperative - Not to exceed \$6,736,567 - Financing: Communication and Information Services Current Funds (subject to annual appropriations)

BACKGROUND

This subscription contract will provide licensing, hosting and technical support of a citywide enterprise asset management system. This system will provide the City with an efficient and fully integrated platform to monitor the operational use and sustainment of all capital assets with effective conditions assessment processes. Examples of capital assets include City buildings, streets, pipelines, treatment plants, facilities, and their associated subcomponents.

The consolidation of data, information and reporting in the new system will allow the City to make better informed decisions on asset use, sustainment and replacement. This new system will fully integrate the following vital functions into one comprehensive system:

- The consolidation of all capital asset project management efforts including budgeting
- The consolidation of all work orders, scheduling, and capital asset maintenance efforts
- The consolidation of all capital asset sustainment inventory management processes
- The determination of capital asset needs prioritization and replacement decisions

BACKGROUND (continued)

In 2016, components of this enterprise asset management system were successfully utilized in limited departmental environments. It has now been determined that an expansion of the system citywide is warranted to replace several outdated systems and integrate hundreds of isolated manual processes that have been utilized to manage citywide capital projects and assets.

The Department of Information Resources conforms to the requirements of Texas Statutes that are applicable for competitive bids and proposals, in accordance with the Interlocal Cooperation Act, Chapter 791, Texas Government Code. In addition, the Department of Information Resources receives bids from manufacturers and dealers throughout the United States.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Government Performance & Financial Management Committee will receive this item for consideration on January 16, 2018.

FISCAL INFORMATION

Communication and Information Services Current Funds - \$6,736,566.24 (subject to annual appropriations)

OWNER

IBM Corporation

Virginia M. Rometty, President
Christina M. Montgomery, Secretary

AGENDA ITEM # 25

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: January 24, 2018

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services
Water Utilities Department

CMO: Elizabeth Reich, 670-7804
Majed Al-Ghafry, 670-3302

MAPSCO: N/A

SUBJECT

Authorize a three-year master agreement for fire hydrant backflow preventers and parts – Ferguson Enterprises, Inc. in the amount of \$173,825, Fortiline, Inc. in the amount of \$45,063, and Core & Main, LP in the amount of \$3,000, lowest responsible bidders of seven - Total not to exceed \$221,888 - Financing: Water Utilities Current Funds

BACKGROUND

This action does not encumber funds; the purpose of a master agreement is to establish firm pricing for goods, for a specific term, which are ordered on an as needed basis.

This master agreement will provide fire hydrant backflow preventers and parts for the Water Utilities Department. The backflow preventers restrict the reverse flow of non-potable water into the water supply through the fire hydrants. Backflow preventers provided under this contract will be used to replace old and worn out models and any preventers damaged beyond repair. This contract will also provide replacement parts for general maintenance of backflow preventers. The average life expectancy of the backflow preventer is approximately 3 years.

Additionally under a licensing/leasing program the City supplies backflow preventers to the commercial customer for construction projects, demolition, and special events. Currently the City manages approximately 800 accounts which require this equipment. A customer applies for a permit and is required to place a deposit for use of the backflow preventer. The customer is charged a monthly service fee for the use of the equipment.

BACKGROUND (continued)

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out 526 email bid notifications to vendors registered under respective commodities. To further increase competition, the Office of Procurement Services uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, the Office of Business Diversity's ResourceLINK Team sent notifications to 25 chambers of commerce and advocacy groups to ensure maximum vendor outreach.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On August 27, 2014, City Council authorized a three-year master agreement for fire hydrant backflow preventers, parts and water security plugs for Water Utilities with Fortiline, Inc., McGard, LLC, American Backflow Products Company, and Test Gauge & Backflow Supply, Inc. by Resolution No. 14-1351.

The Government Performance & Financial Management Committee will receive this item for consideration on January 16, 2018.

FISCAL INFORMATION

Water Utilities Current Funds - \$221,887.30

M/WBE INFORMATION

67 - Vendors contacted
67 - No response
0 - Response (Bid)
0 - Response (No Bid)
0 - Successful

The recommended awardees have fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended.

BID INFORMATION

The Office of Procurement Services received the following bids from solicitation number BM1724. We opened them on September 15, 2017. We recommend the City Council award this master agreement to the lowest responsive and responsible bidders by line. Information related to this solicitation is available upon request.

BID INFORMATION (continued)

*Denotes successful bidders

<u>Bidders</u>	<u>Address</u>	<u>Amount</u>
*Ferguson Enterprises, Inc.	7982 Highway 69 N Tyler, TX 75706	Multiple Lines
*Fortiline, Inc.	11200 Seagoville Rd. Balch Springs, TX 75180	Multiple Lines
*Core & Main, LP	4333 Irving Blvd. Dallas, TX 75247	Multiple Lines
Act Pipe & Supply, Inc.	1888 W. Northwest Hwy. Dallas TX 75220	Multiple Lines
Test Gauge & Backflow Supply, Inc.	3321 Garden Brook Dr. Farmers Branch, TX 75234	Multiple Lines
Best Plumbing Specialties, Inc.	3039 Vemtrie Ct. Myersville, MD 21773	Multiple Lines
Texas Irrigation Supply	16813 Joe Barbee Dr. Round Rock, TX 78664	Multiple Lines

OWNERS

Ferguson Enterprises, Inc.

Kevin Murphy, President
Bill Thees Jr., President

Fortiline, Inc.

Frank Seymour, President
Ben Cagle, Vice President
Jason Painter, Secretary

Core & Main, LP

Steve LeClair, President
Chuck Zappola, Vice President

**STRATEGIC
PRIORITY:**

Government Performance and Financial Management

AGENDA DATE:

January 24, 2018

COUNCIL DISTRICT(S):

All

DEPARTMENT:

Office of Procurement Services
Water Utilities Department

CMO:

Elizabeth Reich, 670-7804
Majed Al-Ghafry, 670-3302

MAPSCO:

N/A

SUBJECT

Authorize a three-year master agreement for aeration basin diffusers and parts for Water Utilities - Evoqua Water Technologies, LLC in the amount of \$1,065,000, Environmental Dynamics International, Inc. in the amount of \$504,400, Hartwell Environmental Corporation in the amount of \$240,800 and Simba Industries in the amount of \$112,650, lowest responsible bidders of four - Total not to exceed \$1,922,850 - Financing: Water Utilities Current Funds

BACKGROUND

This action does not encumber funds; the purpose of a master agreement is to establish firm pricing for goods, for a specific term, which are ordered on an as needed basis.

This master agreement will enable Water Utilities (DWU) to purchase aeration basin diffusers and parts. Air diffusers are flexible membranes with small holes that allow air to be distributed in a controlled manner in order to maintain consistent oxygen levels throughout the basins. This air distribution is essential for the proper development of micro-organisms and the processing of sludge. Over time, the membranes wear out and begin to tear, at which time the diffusers are replaced. Materials provided by this agreement will allow for the replacement and maintenance of existing diffusers for activated sludge basins at the City's wastewater treatment plants as needed. DWU currently has approximately 4,600 diffusers in service which aide in the average daily flow treatment of 150 million gallons of wastewater.

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out 257 email bid notifications to vendors registered under respective commodities.

BACKGROUND (continued)

To further increase competition, the Office of Procurement Services uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, the Office of Business Diversity's ResourceLINK Team sent notifications to 25 chambers of commerce and advocacy groups to ensure maximum vendor outreach.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On January 28, 2015, City Council authorized a three-year master agreement for air diffusers and parts for sludge basins at wastewater treatment plants by Resolution No. 15-0159.

The Government Performance & Financial Management Committee will receive this item for consideration on January 16, 2018.

FISCAL INFORMATION

Water Utilities Current Funds - \$1,922,849.50

M/WBE INFORMATION

29 - Vendors contacted
28 - No response
1 - Response (Bid)
0 - Response (No Bid)
1 - Successful

The recommended awardees have fulfilled the good faith requirements set forth in the Business Inclusion and Development (BID) Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended.

BID INFORMATION

The Office of Procurement Services received the following bids from solicitation number BM1731. We opened them on September 29, 2017. We recommend the City Council award this master agreement to the lowest responsive and responsible bidders by line. Information related to this solicitation is available upon request.

BID INFORMATION (continued)

*Denotes successful bidders

<u>Bidders</u>	<u>Address</u>	<u>Amount</u>
*Evoqua Water Technologies, LLC	2607 Grandview Blvd. Suite 130 Waukesha, WI 53188	Multiple Lines
*Environmental Dynamics International, Inc.	5601 Paris Rd. Columbia, MO 65202	Multiple Lines
*Hartwell Environmental Corporation	5211 West Arkansas Ln. Arlington, TX 76016	Multiple Lines
*Simba Industries	753 Port America Pl. Suite 210 Grapevine, TX 76051	Multiple Lines

OWNERS

Evoqua Water Technologies, LLC

Ron Keating, President
Ben Stas, Vice President
Vince Grieco, Secretary

Environmental Dynamics International, Inc.

Chuck Tharp, President
Fred McCabe, Vice President
Glen Wylie, Vice President
Margaret Tharp, Secretary

Hartwell Environmental Corporation

Kent Guilbeau, President
Robert J. Russell, Vice President
Ron Culp, Secretary
Andrew Spicher, Treasurer

Simba Industries

Vickie L. Kasten, President

AGENDA ITEM # 27

STRATEGIC PRIORITY:

Government Performance and Financial Management

AGENDA DATE:

January 24, 2018

COUNCIL DISTRICT(S):

All

DEPARTMENT:

Office of Procurement Services
Department of Convention and Event Services
Department of Trinity Watershed Management
Water Utilities Department
Department of Equipment and Building Services
Department of Street Services
Fire-Rescue Department
Park & Recreation Department
Police Department

CMO:

Elizabeth Reich, 670-7804
Joey Zapata, 670-3009
Jody Puckett, 670-3390
Majed Al-Ghafry, 670-3302
Jon Fortune, 670-1204

MAPSCO:

N/A

SUBJECT

Authorize a three-year master agreement for service center supplies, equipment, and tools - IEH Auto Parts LLC dba Auto Plus Auto Parts in the amount of \$2,010,098 and Midway Auto Supply Co. in the amount of \$451,885, lowest responsible bidders of three - Total not to exceed \$2,461,983 - Financing: Equipment Services Current Funds (\$1,408,773), General Funds (\$631,200), Water Utilities Current Funds (\$281,610), Stormwater Drainage Management Current Funds (\$91,000), and Convention and Event Services Current Funds (\$49,400)

BACKGROUND

This action does not encumber funds; the purpose of a master agreement is to establish firm pricing for goods, for a specific term, which are ordered on an as needed basis.

This master agreement will be used citywide and provides for service center supplies, equipment, and tools. The service center supplies, equipment, and tools master agreement includes items such as lubricants, aerosols, and drive belts, as well as pneumatic, hand, and power tools, which will be used in over 15 facilities to repair and maintain a fleet of over 5,480 vehicles.

BACKGROUND (continued)

Service centers repair City equipment such as:

- Civilian service vehicles
- Police vehicles
- Fire vehicles
- Heavy equipment
- Lawn equipment

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out 209 email bid notifications to vendors registered under respective commodities. To further increase competition, the Office of Procurement Services uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, the Office of Business Diversity's ResourceLINK Team sent notifications to 25 chambers of commerce and advocacy groups to ensure maximum vendor outreach.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Government Performance & Financial Management Committee will receive this item for consideration on January 16, 2018.

FISCAL INFORMATION

Equipment Services Current Funds – \$1,408,773
General Funds – \$631,200
Water Utilities Current Funds – \$281,610
Stormwater Drainage Management Current Funds – \$91,000
Convention and Event Services Current Funds – \$49,400

M/WBE INFORMATION

19 - Vendors contacted
19 - No response
0 - Response (Bid)
0 - Response (No Bid)
0 - Successful

The awardees have fulfilled the good faith effort requirements set forth in the Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended.

BID INFORMATION

The Office of Procurement Services received the following bids from solicitation number BR1716. We opened them on November 10, 2017. We recommend the City Council award this master agreement to the lowest responsive and responsible bidders by line. Information related to this solicitation is available upon request.

*Denotes successful bidders

<u>Bidders</u>	<u>Address</u>	<u>Amount</u>
*IEH Auto Parts LLC dba Auto Plus Auto Parts	901 N. Lenola Rd. Moorestown, NJ 08057	Multiple Lines
*Midway Auto Supply Co.	1101 S. Hampton Rd. Dallas, TX 75208	Multiple Lines
Installers Sales & Service	3030 Lincoln Ct. Garland, TX 75041	Multiple Lines

OWNERS

IEH Auto Parts LLC dba Auto Plus Auto Parts

Dan Ninivaggi, Chief Executive Officer

Midway Auto Supply Co.

Martin Levine, President
Steve Levine, Vice President
Herb Levine, Secretary
Larry Levine, Treasurer

STRATEGIC PRIORITY: Public Safety

AGENDA DATE: January 24, 2018

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services
Department of Dallas Animal Services

CMO: Elizabeth Reich, 670-7804
Nadia Chandler Hardy, 670-1611

MAPSCO: N/A

SUBJECT

Authorize a three-year master agreement for veterinary drugs and supplies consisting of medications, preventatives, vaccines, diagnostic tests, and supplies for the Department of Dallas Animal Services - Bayer HealthCare, LLC in the amount of \$2,254,266 or \$2,092,817 (Tie Bid – Line 3), MWI Veterinary Supply Co dba MWI Animal Health in the amount of \$997,808 or \$836,360 (Tie Bid – Line 3), and Harris Pharmaceutical, Inc. in the amount of \$40,000, lowest responsible bidders of three - Total not to exceed \$3,130,626 - Financing: General Funds

BACKGROUND

This action does not encumber funds; the purpose of a master agreement is to establish firm pricing for goods, for a specific term, which are ordered on an as needed basis.

This master agreement will allow the Department of Dallas Animal Services (shelter) to purchase veterinary drugs and supplies consisting of medications, preventatives, vaccines, diagnostic tests, and supplies for the care of the shelter animals. Medications to be purchased under this agreement range from vaccines to heartworm prevention drugs. These medications will be administered by the shelter’s in-house veterinarians.

The shelter houses and cares for over 600 animals daily and takes in an average of 75 cats and dogs per day. Other animals received at the shelter include livestock, exotic animals, and wildlife. Each animal is examined upon arrival and treated based on the animal’s needs; treatment is provided until it is no longer necessary or until the animal leaves the shelter. Each adopted animal is required to be vaccinated as well as spayed/neutered prior to leaving the facility.

BACKGROUND (continued)

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out 432 email bid notifications to vendors registered under respective commodities. To further increase competition, the Office of Procurement Services uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, the Office of Business Diversity's ResourceLINK Team sent notifications to 25 chambers of commerce and advocacy groups, to ensure maximum vendor outreach.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On October 23, 2013, City Council authorized a three-year master agreement for the purchase of veterinary drugs and supplies with Butler Schein Animal Health, Bayer Animal Health, and Neogen Corporation by Resolution No. 13-1819.

The Government Performance & Financial Management Committee will receive this item for consideration on January 16, 2018.

FISCAL INFORMATION

General Funds - \$3,130,625.08

M/WBE INFORMATION

43 - Vendors contacted
43 - No response
0 - Response (Bid)
0 - Response (No Bid)
0 - Successful

The awardees have fulfilled the good faith effort requirements set forth in the Business Inclusion and Development (BID) Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended.

BID INFORMATION

The Office of Procurement Services received the following bids from solicitation number BV1706. We opened them on July 14, 2017. We recommend the City Council award this master agreement to the lowest responsive and responsible bidders by lines. Information related to this solicitation is available upon request.

BID INFORMATION (continued)

*Denotes successful bidders

<u>Bidders</u>	<u>Address</u>	<u>Amount</u>
*Bayer HealthCare, LLC	12707 W. 63rd St. Shawnee, KS 66216	Multiple Lines
*MWI Veterinary Supply Co dba MWI Animal Health	3041 W. Pasadena Dr. Boise, ID 83705	Multiple Lines
*Harris Pharmaceutical, Inc.	9090 Park Royal Dr. Ft. Myers, FL 33909	Multiple Lines

OWNERS

Bayer HealthCare, LLC

Daniel Apel, President
Raymond F. Kerins, Jr, Vice President
Jessica Monachello, Secretary
Tracy E. Spagnol, Treasurer

MWI Veterinary Supply Co dba MWI Animal Health

Mark Shaw, President
John Ryan, Vice President

Harris Pharmaceutical, Inc.

Janice Harris, President
Susan King, Vice President

Memorandum



CITY OF DALLAS

DATE January 11, 2018

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

SUBJECT **Financial Management Performance Criteria**

On Tuesday, January 16, 2018, the Office of Budget will brief the Government Performance & Financial Management Committee on the Financial Management Performance Criteria. I have attached the briefing for your review.

Please let me know if you need additional information.

A handwritten signature in blue ink that reads "M. Elizabeth Reich".

M. Elizabeth Reich
Chief Financial Officer

Attachment

Honorable Mayor and Members of City Council
T.C. Broadnax, City Manager
Larry Casto, City Attorney
Craig D. Kinton, City Auditor
Billerae Johnson, City Secretary (Interim)
Daniel F. Solis, Administrative Judge
Kimberly Bizzor Tolbert, Chief of Staff to the City Manager

Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
Jo M. (Jody) Puckett, Assistant City Manager (Interim)
Nadia Chandler Hardy, Chief of Community Services
Raquel Favela, Chief of Economic Development & Neighborhood Services
Theresa O'Donnell, Chief of Resilience
Directors and Assistant Directors

Financial Management Performance Criteria

January 16, 2018

Elizabeth Reich
Chief Financial Officer

Jack Ireland, Director
Office of Budget

Janette Weedon, Assistant Director
Office of Budget



Purpose

- Continue discussion regarding revisions to Financial Management Performance Criteria (FMPC)
 - Review debt related criteria
 - Consider 3 additional criteria recommended by CM Kleinman
- Review next steps



Background

- Committee considered revisions to FMPC on Sept 5, Oct 17, and Nov 6
- City Council approved 17 changes, additions, or deletions on Dec 13
- Staff agreed to bring additional changes/additions to committee throughout FY 2017-18



City Charter – Debt Limit

Requirement	Status or Compliance
<p>City Charter: The maximum bonded indebtedness of the city outstanding at any one time, and payable from taxation, shall not exceed 10 percent of the total assessed valuation of property shown by the last assessment roll of the city. (Chapter XXI Sec. 3)</p>	<p>Assessed value (net of exemptions) = \$153.4 billion</p> <p>Projected GO debt outstanding on 9/30/18 = \$1.8 billion</p> <p>GO debt as a percent of assessed property value = 1.19%</p>

Note: City Charter is consistent with Texas Government Code, Chapter 1331, Municipal Bonds, Subchapter B, Section 1331.051 that limits total bonded debt to 10 percent of appraised value.

Existing FMPC – Debt Limit

Requirement	Status or Compliance
<p>FMCP #17: Net (non self-supporting) General Obligation (G.O.) debt of Dallas will not exceed 4% of true market valuation of taxable property of Dallas</p>	<p>Market value (includes exemptions) = \$155.8 billion</p> <p>Projected GO debt outstanding on 9/30/18 = \$1.8 billion</p> <p>GO debt as a percent of market value = 1.17%</p>
<p>FMPC #18: Total direct plus overlapping debt shall be managed so as to not exceed 8% of market valuation of taxable property of Dallas.</p>	<p>Market value (includes exemptions) = \$155.8 billion</p> <p>Total direct and overlapping debt = \$5.0 billion</p> <p>Direct/overlapping debt as a percent of market value = 3.24%</p>



Existing FMPC – Debt Limit

Requirement	Status or Compliance
<p>FMPC #21: Annual General Obligation debt service shall not exceed 20% of total governmental fund expenditures.</p>	<p>Governmental fund expenditures (general, debt, special, and capital funds) = \$1.8 billion</p> <p>FY 2017-18 annual debt service expense = \$252.5 million</p> <p>Debt service expense as a percent of governmental fund expense = 13.87%</p>
<p>FMPC #22: Per capita GO Debt will be managed to not exceed 10% of the latest authoritative computation of Dallas’ per capita annual personal income.</p>	<p>Per capita income = \$31,332</p> <p>Per capita GO debt = \$1,339</p> <p>Per capita GO debt as a percent of per capita income = 4.27%</p>

Note: See appendix for debt related FMPC criteria.

Existing FMPC – Debt Limit

- Below table forecasts compliance with “debt limit” criteria over next five years
 - Tax base value growth is assumed
 - 2017 bond issuance schedule and annual debt payments are included
 - Only assumes issuance of debt that has been approved
- Information for future years is based on several assumptions/forecasts; and the percentages will change once actual data is available

Criteria	Summary	FY18	FY19	FY20	FY21	FY22
City Charter	10% of Assessed Value	1.19%	1.16%	1.18%	1.14%	1.15%
FMPC #17	4% of Market Value	1.17%	1.14%	1.16%	1.13%	1.13%
FMPC #18	8% of Overlapping Debt	3.24%	3.16%	3.06%	2.97%	2.87%
FMPC #21	20% of GF Expenditures	13.87%	14.80%	15.07%	15.93%	16.72%
FMPC #22	10% of Per Capita Income	4.27%	4.29%	4.27%	4.15%	4.13%



New Criteria – CM Kleinman

- 3 of 7 suggested criteria will be discussed today, with 2 remaining considered at future meeting
 1. Public Safety spending cap – discussed and withdrawn at Committee on Nov 6
 2. Effective tax rate criteria – approved by City Council on Dec 13
 3. Debt Service Coverage Ratio: the percentage of property tax dedicated to debt service shall not exceed 20% – discuss at Committee on Jan 16
 4. General obligation debt ceiling at 3 times the property tax revenue. With this policy, even authorized debt could not be sold if it exceeds the criteria. May need to adjust the multiplier – discuss at Committee on Jan 16
 5. All capital projects of \$100m or more will include an auditor's attestation of the procurement process when presented to council for contract approval – discuss at Committee on Jan 16
 6. Early termination of unused TIF capacity once a TIF grows faster than the City at large – discuss at later date
 7. No rent subsidies in TIFs or require proactive addition to a specific TIF – discuss at later date



New Criteria – Debt Service Coverage Ratio

- **Proposed by CM Kleinman:** Debt Service Coverage Ratio – the percentage of property tax dedicated to debt service shall not exceed 20%
- Percent of property tax rate committed to debt service currently exceeds proposed 20%

Property Tax Rate	Amount per \$100 Valuation	Percent of Total
Debt Service	22.24¢	28.5%
General Fund	55.80¢	71.5%
Total Tax Rate	78.04¢	100%

- Reducing debt service tax rate to 15.61¢ (20% of total) would result in approximately \$78.5m shortfall in being able to pay our debt this year



New Criteria – Debt Service Coverage Ratio

- Debt service portion of tax rate decreased from 34.2% in FY 2009-10 to 28.4% in FY 2016-17
- During early discussions about 2017 bond program, staff presented multiple scenarios including a smaller bond program and gradual reduction of tax rate required for debt service
 - Feb 2016 – reduce tax rate allocated to debt service over 5 years to 19.22¢ (25% of total tax rate) – \$680m capacity
- While implementing \$1.05 billion bond program, outstanding debt (principal only) will increase from \$1.63 billion (9/30/17) to \$2.1 billion (9/30/22)
 - Current tax rate is sufficient and required to cover debt service based on tax base growth assumptions
- **Recommendation:** Reconsider criteria prior to developing a future bond program

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New Criteria – GO Debt Ceiling

- **Proposed by CM Kleinman:** General obligation debt ceiling at 3 times the property tax revenue. With this policy, even authorized debt could not be sold if it exceeds the criteria. May need to adjust the multiplier
- City is currently in compliance with proposed criteria
 - Current year property tax revenue for General Fund and Debt Service is about \$901.5 million (multiplied by 3 = \$2.7 billion)
 - Outstanding debt is \$1.63 billion (9/30/17) and will increase to \$2.1 billion (9/30/22)

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New Criteria – GO Debt Ceiling

- Charter and FMPC already include criteria to address debt limits
- Existing criteria is comparable to other cities
- ***Recommendation:*** Maintain existing debt limit criteria



New Criteria – Auditor Attestation

- **Proposed by CM Kleinman:** All capital projects of \$100 million or more will include an auditor's attestation of the procurement process when presented to council for contract approval
 - Proposed to apply to construction projects only not other City contracts
- Not many capital projects meet \$100 million and over threshold
 - During FY 2016-17, there were no capital projects of \$100 million or more
 - In FY 2015-16, Mill Creek project was considered for nearly \$210 million
 - In FY 2007-08, East Side Water Treatment Plant was awarded for about \$95 million

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New Criteria – Auditor Attestation

Range	FY17	FY16	FY15	FY14	FY13
\$100m - \$80m	0	0	0	0	0
\$79m - \$50m	1	0	0	1	0
\$49m - \$20m	1	2	1	1	0
<\$19m	30	38	13	24	50
Total	32	40	14	26	50

- City Auditor will add attestations to annual audit plan if requested to do so by Council
- **Recommendation:** Add attestations to City Auditor’s annual audit plan or Administrative Directive 4-5

Next Steps

- Receive feedback from Government Performance and Financial Management Committee
- Provide on-going briefings to committee on additional revisions to FMPC throughout FY 2017-18



Financial Management Performance Criteria

January 16, 2018

Elizabeth Reich
Chief Financial Officer

Jack Ireland, Director
Office of Budget

Janette Weedon, Assistant Director
Office of Budget



Appendix

Debt Related Criteria

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Existing Criteria – Capital and Debt

Requirement	Status or Compliance
<p>FMPC #16: Any capital projects financed through the issuance of bonds shall be financed for a period not to exceed the expected useful life of the project. (Bonds issued for street resurfacing shall be financed for a period not to exceed 10 years.)</p>	<p>In Compliance</p>
<p>FMPC #17: Net (non self-supporting) General Obligation (G.O.) debt of Dallas will not exceed 4% of true market valuation of taxable property of Dallas.</p>	<p>Market value (includes exemptions) = \$155.8 billion</p> <p>Projected GO debt outstanding on 9/30/18 = \$1.8 billion</p> <p>GO debt as a percent of market value = 1.17%</p>



Existing Criteria – Capital and Debt

Requirement	Status or Compliance
<p>FMPC #18: Total direct plus overlapping debt shall be managed so as to not exceed 8% of market valuation of taxable property of Dallas.</p>	<p>Market value (includes exemptions) = \$155.8 billion</p> <p>Total direct and overlapping debt = \$5.0 billion</p> <p>Direct/overlapping debt as a percent of market value = 3.24%</p>
<p>FMPC #19: Interest expense incurred prior to actual operation will be capitalized only for facilities of enterprise activities.</p>	<p>In Compliance</p>
<p>FMPC #20: Average (weighted) General Obligation bond maturities (exclusive of Pension Obligation Bonds) shall be kept at or below 10 years.</p>	<p>In Compliance</p>



Existing Criteria – Capital and Debt

Requirement	Status or Compliance
<p>FMPC #21: Annual General Obligation debt service shall not exceed 20% of total governmental fund expenditures.</p>	<p>Governmental fund expenditures (general, debt, special, and capital funds) = \$1.8 billion</p> <p>FY 2017-18 annual debt service expense = \$252.5 million</p> <p>Debt service expense as a percent of governmental fund expense = 13.87%</p>
<p>FMPC #22: Per capita GO Debt will be managed to not exceed 10% of the latest authoritative computation of Dallas’ per capita annual personal income.</p>	<p>Per capita income = \$31,332</p> <p>Per capita GO debt = \$1,339</p> <p>Per capita GO debt as a percent of per capita income = 4.27%</p>



Existing Criteria – Capital and Debt

Requirement	Status or Compliance
<p>FMPC #23: Debt may be used to finance betterments intended to extend service life of original permanent capital improvements under certain conditions.</p>	<p>In Compliance</p>
<p>FMPC #24: Interest earnings from G.O. Bonds shall be used solely to fund capital expenditures, debt service, or used to fund a reserve for capital contingencies.</p>	<p>In Compliance</p>
<p>FMPC #25: Certificates of Obligation should be used only to fund tax-supported projects previously approved by the voters; or for risk management funding as authorized by the City Council; or non-tax revenue-supported projects approved by City Council.</p>	<p>In Compliance</p>



Existing Criteria – Capital and Debt

Requirement	Status or Compliance
<p>FMPC #26: Certificates of Obligation (C.O.) Debt including that for risk management funding supported by an ad valorem tax pledge should not exceed 15% of total authorized and issued General Obligation (G.O.) Debt.</p> <ul style="list-style-type: none"> ● All C.O.'s issued in lieu of revenue bonds should not exceed 10% of outstanding G.O. debt. 	<p>Projected GO debt outstanding on 9/30/18 = \$1.8 billion</p> <p>Projected CO debt outstanding on 9/30/18 = \$10.1 million</p> <p>CO debt as a percent of total debt = 0.6%</p>
<p>FMPC #27: Certificates of Obligation will be limited to projects consistent with Financial Management Performance Criteria for debt issuance.</p>	<p>Deleted 12/13/17</p>



Existing Criteria – Capital and Debt

Requirement	Status or Compliance
<p>FMPC #28: Certificates of Obligation for an enterprise system will be limited to only those projects, which can demonstrate the capability to support the certificate debt either through its own revenues, or another pledged source other than ad valorem taxes.</p>	<p>In Compliance</p>
<p>FMPC #29: Certificates of Obligation authorization will remain in effect for no more than five years from the date of approval by the City Council.</p>	<p>In Compliance</p>
<p>FMPC #30: Certificates of Obligation authorized for risk management funding shall be issued for a term not to exceed 20 years.</p>	<p>In Compliance</p>



Existing Criteria – Capital and Debt

Requirement	Status or Compliance
FMPC #31-38: Applicable to Tax Increment Financing Zones.	N/A
FMPC #39: Advanced refunding and forward delivery refunding transactions should be considered when the net present value savings as a percentage of the par amount of refunded bonds is at least 4%.	In Compliance
FMPC #40: Each Enterprise Fund (where applicable) will maintain fully funded debt service reserves. A surety bond (or other type of credit facility such as a letter of credit) may be used in lieu of funding the reserve if the former is economically advantageous.	In Compliance



Memorandum



DATE January 11, 2018

CITY OF DALLAS

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

SUBJECT **Availability & Disparity Study, Scope of Services, and Timeline**

On Monday, January 16, 2018, the Office of Business Diversity will brief the Government Performance & Financial Management Committee on the Availability & Disparity Study, Scope of Services and Timeline. I have attached the briefing for your review.

Please let me know if you need additional information.

A handwritten signature in blue ink, appearing to read 'Kimberly Bizzor Tolbert'.

Kimberly Bizzor Tolbert
Chief of Staff to the City Manager

C: T.C. Broadnax, City Manager
Larry Casto, City Attorney
Craig D. Kinton, City Auditor
Biliera Johnson, City Secretary (Interim)
Daniel F. Solis, Administrative Judge
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

Office of Business Diversity

Availability & Disparity Study, Scope of Services,
and Timeline

Government Performance
and Financial Management
Committee Briefing

January 16, 2018

Zarin D. Gracey
Interim Managing Director



City of Dallas

Outline

- Overview of Availability & Disparity (A&D) Study
 - Purpose
 - Legal Framework
 - Objectives
 - History
- Recent A&D Studies in Texas
- 2018 A&D Study Scope
- 2018 A&D Study Schedule
- Next Steps

A&D Study Purpose

- To analyze the City's record in awarding contracts to M/WBE owned firms when competing for government entity contracts in relation to the diversity of the local business market.
- Determines whether a government entity, either in the past or currently, engages in exclusionary practices in the solicitation and award of contracts to minority, and women-owned, and disadvantaged business enterprises (MWDBEs).

3

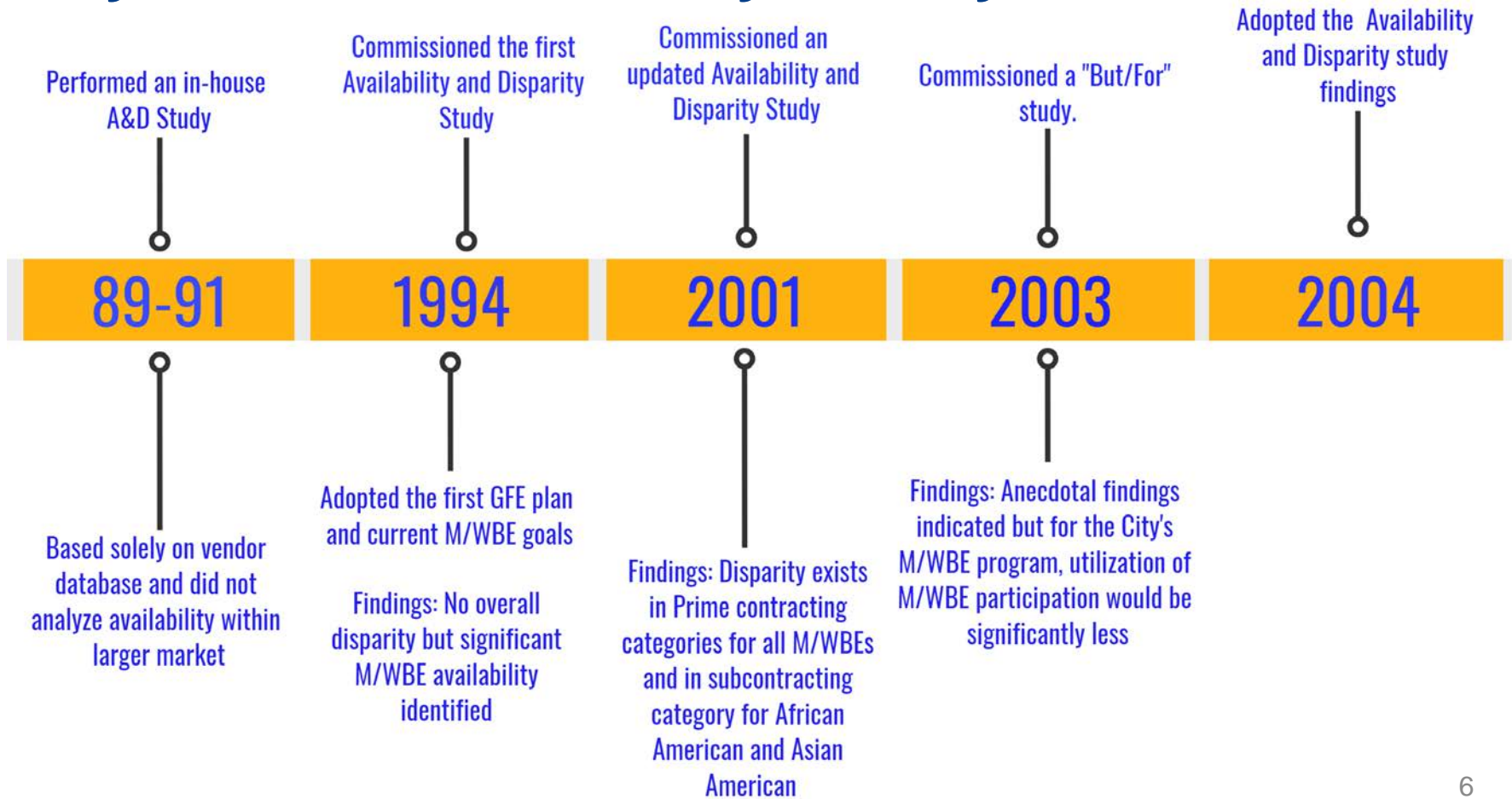
Legal Framework

- In 1989, Supreme Court review of M/WBE programs in public contracting determined:
 - M/WBE participation goals must be narrowly-tailored to remedy past discrimination
 - Availability and disparity study is needed to justify a race-conscious based program
 - The program cannot be perpetual: a periodic review is necessary

A&D Study Objectives

- Identify the comparison between the utilization of M/WBE's on City contracts and the availability of those businesses to perform that work
- Examine whether there are disparities between:
 - The percentage of dollars that M/WBE's received on the City's prime contracts and subcontracts during a five-year period (FY13 – FY17)
 - The percentage of dollars that those firms might be expected to receive based on their availability to perform on the City's prime contracts and subcontracts according to procurement needs
- Evaluate existing programs and develop new programs
- To Determine if a race-conscious based program is warranted

City of Dallas A&D Study History



Summary of 2001 Disparity Findings

	African Americans	Asian Americans	Hispanic Americans	Native Americans	White Females
PRIMES					
Construction	X	X	X	X	X
A&E	X	X			X
Professional Services	X	X	X	X	X
Goods & Other Services	X		X		X
SUB CONTRACTING					
Construction	X	X			
A&E					
X=Disparity					

Recent A&D Studies in Texas

Entity	A&D Study
City of Austin	Completed in 2015
City of Fort Worth	Completed in 2009
City of Houston	In progress
City of San Antonio	Completed in 2015
Dallas County	Completed in 2017
DART	Completed in 2014
DFW Airport	Currently evaluating
NTTA	Pending Board review and approval

2018 A&D Study Scope

- Study will cover a 5 year period: FY 2013 – 2017
- Study will cover all procurement categories:
 - Architecture & Engineering
 - Construction
 - Goods
 - Other Services
 - Professional Services
- Study will be divided into two phases:



2018 A&D Study Scope

- Phase I – Utilization Analysis
 - Review procurement practices, procedures, and M/WBE policies, and administrative guides
 - Collect procurement activity data (i.e. payments, awards, ethnicity, contracts with goals and without goals, etc)
 - Statistical Analysis of M/W/S/DBE availability
 - Host public outreach meetings to gather input/feedback
 - Conduct internal monthly meetings/reporting
 - Provide recommendations to address utilization gaps, if any

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2018 A&D Study Scope (cont.)

- Phase II – Disparity Analysis
 - Perform a legal review and analysis
 - Conduct a private sector disparity market analysis
 - Conduct a relevant geographic market analysis
 - Gather anecdotal evidence of discrimination (if applicable)
 - Review credit market access
 - Determine public sector disparity ratios (MBE, DBE, ACDBE, and Disabled Veterans).
 - Schedule and facilitate public meetings and focus groups
 - Conduct internal monthly meetings and reporting
 - Develop an A&D study report (present findings to City Council)
 - Provide recommendations (i.e. goals, policies, procedures, new programs, etc)

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Availability & Disparity Study Schedule

Procurement Process

Jan. 2018 – Solicitation advertised

Feb. 2018 – Proposals Due

Mar. 2018 – Evaluations

Apr. – May 2018 – Council Approval

Study Performed

Jun. – Dec. 2018 – Phase I: Utilization Analysis

Jan. – Jul. 2019 – Phase II: Disparity Study

Aug. 2019 – Study Results Briefed to Council

Sept. 2019 – A&D Study adopted by Council

Implementation

Jul. – Aug. 2020 Implementation

Aug. 2020 – Adoption of New Diversity & Inclusion Policy

Sept. 2020 – Sunset Date

(Ongoing review every 5 years)

Next Steps

- Council input/feedback on scope and schedule
- Issue RFP
- Council Action – Vote to approve consultant April/Early May

QUESTIONS

13

Office of Business Diversity

Availability & Disparity Study

Government Performance and
Financial Management
Committee Briefing

January 16, 2018

Zarin D. Gracey
Interim Managing Director



City of Dallas



FY 2017-18 Financial Forecast Report

Information as of November 30, 2017

SERVICE FIRST



"Our most important product is service."

GENERAL FUND OVERVIEW

As of November 30, 2017

	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	YTD Actual	YE Forecast	Variance
Beginning Fund Balance	\$160,617,192	\$160,617,192	\$160,617,192	\$ 160,617,192	\$0
Revenues	1,276,420,942	1,276,560,346	120,012,224	1,277,389,325	828,979
Expenditures	1,276,420,942	1,276,560,346	188,924,813	1,275,426,715	(1,133,631)
Ending Fund Balance	\$160,617,192	\$160,617,192	\$91,704,603	\$162,579,802	\$1,962,610

SUMMARY

The General Fund overview provides a summary of financial activity through November 30, 2017. The Adopted Budget reflects the budget adopted by City Council on September 20, 2017 effective October 1st through September 30th. The Amended Budget column reflects City Council approved transfers between funds and programs and approved use of contingency. Through the first two months of this fiscal year, General Fund revenues are forecast to exceed expenses by \$2 million. Revenues are forecast to be above budget by \$0.8 million and expenditures below budget by \$1.1 million.

Revenues. Through November 30, 2017, the increase in General Fund revenue is due primarily to Sales tax revenues (\$631k) and Fines and Forfeitures (\$166k). Sales tax receipts have increased by 3.6 percent over the most recent 12 months.

Expenditures. Through November 30, 2017, General Fund expenditures are projected to be under budget by \$1.1 million. Most departments are experiencing favorable variances as a result of vacancies. The General Fund budget was increased on November 8, 2017 by resolution #17-1735 in the amount of \$139,404 to reimburse the AT&T Performing Arts Center (ATTPAC) for emergency flood remediation and repairs at the Dee and Charles Wylie Theatre.

GENERAL FUND REVENUES

As of November 30, 2017

Revenue Category	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	YTD Actual	YE Forecast	Variance
Property Tax	\$652,067,958	\$652,067,958	\$47,102,116	\$652,067,958	\$0
Sales Tax ¹	303,349,086	303,349,086	24,658,939	303,980,536	631,450
Franchise & Other	135,319,609	135,319,609	29,740,663	135,319,609	0
Charges for Services	103,578,036	103,578,036	11,864,616	103,653,134	75,098
Fines and Forfeitures	36,515,082	36,515,082	3,810,548	36,680,783	165,701
Operating Transfers In ²	22,777,865	22,917,269	139,404	22,917,269	0
Intergovernmental	9,548,046	9,548,046	787,428	9,501,623	(46,423)
Miscellaneous	6,580,004	6,580,004	933,668	6,639,776	59,772
Licenses & Permits	4,668,685	4,668,685	806,102	4,611,549	(57,136)
Interest	2,016,571	2,016,571	168,740	2,017,089	518
Total Revenue	\$1,276,420,942	\$1,276,560,346	\$120,012,224	\$1,277,389,325	\$828,979

VARIANCE NOTES

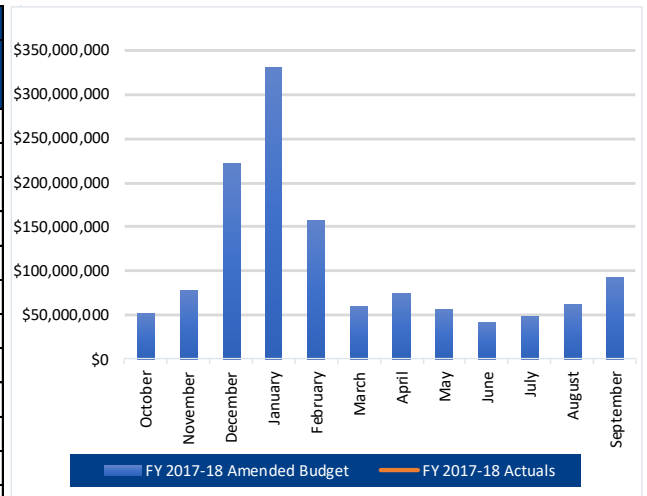
General Fund revenue variance notes are provided below for revenue categories with year-end (YE) forecast variances of +/- five percent and revenue with an Amended Budget. In addition, charts depicting all revenue sources, property tax and sales tax are provided.

1 Sales Tax. Sales tax revenues are forecast to be 2.6 percent (\$631k) greater than budget based on most recent sales tax receipts. Sales tax receipts have increased by 3.6 percent over the most recent 12 months.

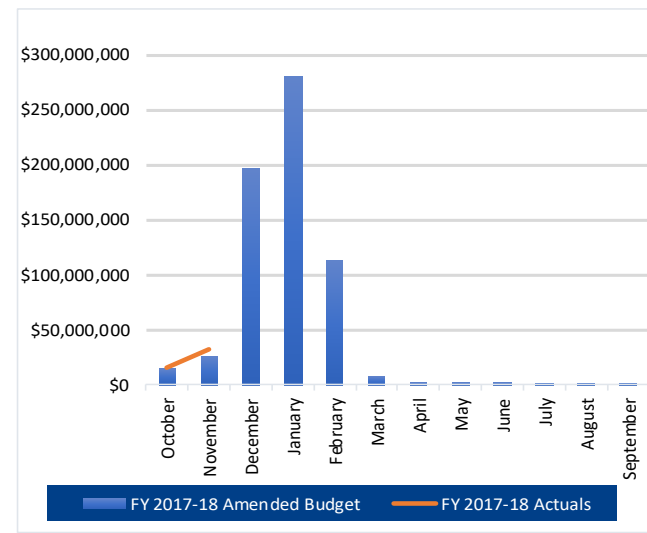
2 Operating Transfer In. Operating Transfer In was amended on November 8, 2017 by CR# 17-1735 (approved use of contingency reserve funds) to reimburse the ATPAC for emergency flood remediation and repairs at the Dee and Charles Wyly Theatre.

GENERAL FUND REVENUES

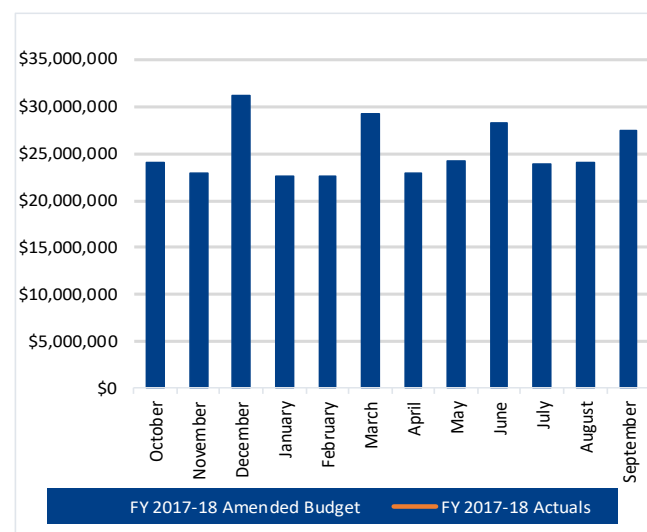
All SOURCES			
Month	FY 2017-18 Amended Budget	FY 2017-18 Actuals	Variance
October	\$52,073,835	\$65,182,941	\$13,109,105
November	78,172,955	54,829,283	(23,343,672)
December	222,029,274		
January	330,170,196		
February	157,510,148		
March	60,192,393		
April	74,883,202		
May	56,482,563		
June	42,251,343		
July	48,495,297		
August	61,352,241		
September	92,946,897		
Total	\$1,276,560,346	\$120,012,224	(\$10,234,567)



PROPERTY TAX			
Month	FY 2017-18 Amended Budget	FY 2017-18 Actuals	Variance
October	\$15,759,916	\$15,278,153	(\$481,763)
November	26,041,414	31,823,963	5,782,549
December	197,519,352		
January	280,281,095		
February	114,194,684		
March	8,304,849		
April	2,928,330		
May	1,995,233		
June	2,311,688		
July	890,591		
August	1,176,547		
September	664,257		
Total	\$652,067,958	\$47,102,116	\$5,300,786



Sales Tax			
Month	FY 2017-18 Amended Budget	FY 2017-18 Actuals	Variance
October	\$24,027,490	\$24,658,939	\$631,450
November	22,902,421		
December	31,146,284		
January	22,533,258		
February	22,625,117		
March	29,299,787		
April	22,942,319		
May	24,183,127		
June	28,316,129		
July	23,915,178		
August	24,049,220		
September	27,408,755		
Total	\$303,349,086	\$24,658,939	\$631,450



GENERAL FUND EXPENDITURES

As of November 30, 2017

Expenditure Category	FY 2017-18 Amended Budget	YTD Actual	YE Forecast	Variance
Civilian Pay	\$235,881,912	\$29,131,869	\$233,836,179	(\$2,045,733)
Civilian Overtime	6,087,198	1,314,956	7,318,355	1,231,157
Civilian Pension	33,846,810	4,248,169	33,575,724	(271,086)
Uniform Pay	365,698,679	62,002,007	357,707,618	(7,991,061)
Uniform Overtime	32,197,371	8,391,119	39,508,690	7,311,319
Uniform Pension	153,665,564	22,654,692	153,665,564	0
Health Benefits	62,763,181	8,336,650	62,763,181	0
Other Personnel Services	59,540,877	2,033,637	59,164,763	(376,114)
Total Personnel Services ¹	949,681,592	138,113,100	947,540,074	(2,141,518)
Supplies ²	76,585,788	11,508,053	77,869,396	1,283,608
Contractual Services ³	340,205,826	38,399,048	341,174,835	969,009
Capital Outlay ⁴	8,000,250	1,116,180	8,602,907	602,657
Reimbursements ⁵	(97,913,110)	(211,568)	(99,760,497)	(1,847,387)
Total Expenditures	\$1,276,560,346	\$188,924,813	\$1,275,426,715	(\$1,133,631)

VARIANCE NOTES

1 Personnel Services. Year-end forecast variance of \$2.1 million due to civilian and uniform salary savings. Uniform overtime YE forecast assumes \$6.0 million for the Dallas Police Department and \$1.3 for Dallas Fire Rescue. Uniform pension YE forecast equals budget and includes the \$150.7 million contribution required to fund the police and fire pension as enacted by the Texas State Legislature through House Bill 3158, and additional funding for supplemental pension.

2 Supplies. Current year-end forecast are \$1.3 million over budget.

3 Contractual Services. Current year-end forecast are \$969k over budget due to temporary staffing.

4 Capital Outlay. Current year-end forecasts are \$603k over budget due primarily to vehicles purchased by Dallas Animal Services that will be reimbursed by an unbudgeted reimbursement.

5 Reimbursements. General Fund reimbursements reflects contributions from various agencies, including federal and state funds, internal service fund departments, and enterprise fund departments. Current year-end forecasts are \$1.8 million greater than budget.

GENERAL FUND EXPENDITURES

As of November 30, 2017

Expenditure By Department	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	YTD Actual	YE Forecast	Variance
Building Services	\$28,590,583	\$28,590,583	\$4,690,517	\$28,590,583	\$0
City Attorney's Office	16,788,175	16,788,175	2,228,273	16,784,835	(3,340)
City Auditor's Office	3,360,043	3,360,043	390,043	3,311,955	(48,088)
City Controller's Office	5,351,812	5,351,812	793,075	5,351,812	0
Independent Audit	891,157	891,157	0	891,157	0
City Manager's Office	2,266,902	2,266,902	317,465	2,266,902	0
City Secretary ¹	2,367,327	2,632,693	310,488	2,617,563	(15,130)
Civil Services	3,080,815	3,080,815	371,316	3,080,815	0
Code Compliance	30,438,826	30,438,826	4,224,008	30,438,826	0
Court Services	11,627,393	11,627,393	1,588,056	11,524,073	(103,320)
Jail Contract	8,484,644	8,484,644	0	8,484,644	0
Dallas Animal Services	14,007,159	14,007,159	2,043,649	13,955,428	(51,731)
Dallas Fire Department	267,026,909	267,026,909	45,801,523	267,026,909	0
Dallas Police Department	465,522,805	465,522,805	68,675,515	465,522,805	0
Housing and Neighborhood Services	3,668,283	3,668,283	457,446	3,668,283	0
Human Resources	5,234,618	5,234,618	849,747	5,234,618	0
Judiciary	3,454,079	3,454,079	474,444	3,308,007	(146,072)
Library	31,279,877	31,279,877	4,378,712	30,950,634	(329,243)
Office of Management Services					
311 Customer Services	3,509,120	3,509,120	892,056	3,509,120	0
Center for Performance Excellence	1,265,811	1,265,811	289,757	1,265,811	0
Council Agenda Office	224,495	224,495	28,384	224,495	0
EMS Compliance Program	340,988	340,988	36,159	340,988	0
Ethics and Diversity	97,631	97,631	25	97,631	0
Fair Housing	278,274	278,274	25,298	278,274	0
Office of Strategic Partnerships	726,947	726,947	122,954	703,590	(23,357)
Office of Business Diversity ²	793,297	793,297	77,393	741,216	(52,081)
Office of Community Care	4,932,564	4,932,564	332,441	4,932,509	(55)
Office of Emergency Management	715,020	715,020	338,894	715,020	0
Office of Environmental Quality ³	1,197,487	1,197,487	458,642	1,070,404	(127,083)
Office of Homeless Solutions	10,081,328	10,081,328	252,027	10,080,817	(511)
Public Affairs and Outreach ⁴	1,666,011	1,400,645	184,535	1,400,645	0
Resiliency Office	353,875	353,875	45,577	353,875	0
Welcoming Communities	428,845	428,845	23,585	428,845	0
Mayor and City Council	4,820,561	4,820,561	612,209	4,820,561	0
Non-Departmental	77,323,336	77,323,336	2,688,366	77,323,336	0
Office of Budget	3,406,338	3,406,338	410,974	3,406,338	0
Office of Cultural Affairs ⁵	20,268,063	20,407,467	4,946,347	20,407,467	0
Office of Economic Development	4,840,594	4,840,594	593,459	4,840,594	0
Park and Recreation ⁶	98,005,546	98,005,546	16,225,429	98,177,918	172,372
Planning and Urban Design	2,911,297	2,911,297	364,839	2,887,740	(23,557)
Procurement Services	2,389,442	2,389,442	296,829	2,387,668	(1,774)
Public Works	73,137,927	73,137,927	15,893,898	72,796,485	(341,442)
Sustainable Development	1,656,869	1,656,869	480,022	1,605,406	(51,463)
Transportation ⁷	44,325,574	44,325,574	5,540,639	44,345,006	19,432
Trinity Watershed Management	1,302,754	1,302,754	169,796	1,295,566	(7,188)
Total Departments	\$1,264,441,401	\$1,264,580,805	\$188,924,813	\$1,263,447,174	(\$1,133,631)
Reserves and Transfers	11,979,541	11,979,541	0	11,979,541	0
Liability/Claim Fund Transfer	4,642,666	4,642,666	0	4,642,666	0
Contingency Reserve	4,686,875	4,686,875	0	4,686,875	0
Salary and Benefit Reserve	2,650,000	2,650,000	0	2,650,000	0
Total Expenditures	\$1,276,420,942	\$1,276,560,346	\$188,924,813	\$1,275,426,715	(\$1,133,631)

VARIANCE NOTES

General Fund variance notes are provided below for departments with YE forecast variances of +/- five percent, departments with an Amended Budget, and for departments with YE forecast projected to exceed budget.

1 City Secretary. City Secretary budget was increased by \$265K on October 11, 2017 by CR#17-1608 for oversight and responsibility of the open records function transferred from the Office of Management Services (Public Affairs and Outreach).

2 Office of Business Diversity. Office of Business Diversity expenditures are forecast to be \$52K below budget due to salary savings associated with two vacant positions planned to be filled in January 2018 and end of February 2018.

3 Office of Environmental Quality. Office of Environmental Quality expenditures are forecast to be \$127K below budget primarily due to salary savings associated with four vacant positions that are expected to be filled in mid-December, January, February, and July 2018.

4 Public Affairs and Outreach. Public Affairs and Outreach budget was decreased by \$265K on October 11, 2017 by CR#17-1608 for oversight and responsibility of the open records function transferred to the City Secretary.

5 Office of Cultural Affairs. Office of Cultural Affairs budget was increased by \$139K on November 8, 2017 by CR# 17-1735 (approved use of contingency reserve funds) to reimburse the ATTPAC for emergency flood remediation and repairs at the Dee and Charles Wylly Theatre.

6 Park and Recreation. Park and Recreation expenditures are forecast to be \$172K over budget due to unbudgeted vacation/sick termination payments (\$120K) and unbudgeted outside temporary help used to operate the City's tennis centers before the new concession service for tennis center pro/manager contract was awarded in December 2017 (\$45K). Additional attrition throughout the year may offset this overage.

7 Transportation. Transportation expenditures are forecast to be \$19K over budget due to unbudgeted monthly modem maintenance in new traffic signals.

ENTERPRISE FUNDS

As of November 30, 2017

Department	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	YTD Actual	YE Forecast	Variance
AVIATION					
Beginning Fund Balance	\$10,469,442	\$10,469,442	\$10,469,442	\$10,469,442	\$0
Total Revenues:	126,667,632	126,667,632	20,703,875	126,667,632	0
Total Expenditures:	126,667,632	126,667,632	10,452,581	126,667,632	0
Ending Fund Balance	\$10,469,442	\$10,469,442	\$20,720,736	\$10,469,442	\$0

CONVENTION AND EVENT SERVICES¹

Beginning Fund Balance	\$32,258,124	\$32,258,124	\$32,258,124	\$32,258,124	\$0
Total Revenues:	97,787,266	97,787,266	6,756,999	98,029,080	241,814
Total Expenditures:	97,787,266	97,787,266	4,920,427	97,492,749	(294,517)
Ending Fund Balance	\$32,258,124	\$32,258,124	\$34,094,697	\$32,794,455	\$536,331

MUNICIPAL RADIO

Beginning Fund Balance	\$1,217,847	\$1,217,847	\$1,217,847	\$1,217,847	\$0
Total Revenues:	2,098,813	2,098,813	329,387	2,098,813	0
Total Expenditures:	2,051,318	2,051,318	529,898	2,051,318	0
Ending Fund Balance	\$1,265,342	\$1,265,342	\$1,017,337	\$1,265,342	\$0

SANITATION SERVICES²

Beginning Fund Balance	\$15,052,459	\$15,052,459	\$15,052,459	\$15,052,459	\$0
Total Revenues:	102,279,097	102,279,097	19,089,230	103,313,373	1,034,276
Total Expenditures:	102,279,097	102,279,097	10,913,108	102,279,097	0
Ending Fund Balance	\$15,052,459	\$15,052,459	\$23,228,581	\$16,086,735	\$1,034,276

STORM DRAINAGE MANAGEMENT

Beginning Fund Balance	\$4,546,490	\$4,546,490	\$4,546,490	\$4,546,490	\$0
Total Revenues:	55,987,895	55,987,895	9,457,713	55,987,895	0
Total Expenditures:	55,936,837	55,936,837	3,523,064	55,936,837	0
Ending Fund Balance	\$4,597,548	\$4,597,548	\$10,481,139	\$4,597,548	\$0

SUSTAINABLE DEVELOPMENT AND CONSTRUCTION³

Beginning Fund Balance	\$37,809,029	\$37,809,029	\$37,809,029	\$37,809,029	\$0
Total Revenues:	31,711,218	31,711,218	5,351,172	31,711,218	0
Total Expenditures:	32,376,190	32,376,190	3,621,872	32,376,190	0
Ending Fund Balance	\$37,144,057	\$37,144,057	\$39,538,330	\$37,144,057	\$0

Note: FY 2017-18 Budget reflects planned use of fund balance.

WATER UTILITIES⁴

Beginning Fund Balance	\$84,788,025	\$84,788,025	\$84,788,025	\$84,788,025	\$0
Total Revenues:	667,471,388	667,471,388	118,651,519	667,471,388	0
Total Expenditures:	667,471,388	667,471,388	73,377,310	643,354,172	(24,117,216)
Ending Fund Balance	\$84,788,025	\$84,788,025	\$130,062,234	\$108,905,241	\$24,117,216

INTERNAL SERVICE FUNDS

As of November 30, 2017

Department	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	YTD Actual	YE Forecast	Variance
INFORMATION TECHNOLOGY⁵					
Beginning Fund Balance	\$10,959,687	\$10,959,687	\$8,680,290	\$8,680,290	(\$2,279,397)
Total Revenues:	67,963,283	67,963,283	4,303,649	67,963,283	0
Total Expenditures:	70,242,680	70,242,680	5,344,923	70,242,680	0
Ending Fund Balance	\$8,680,290	\$8,680,290	\$7,639,015	\$6,400,893	(\$2,279,397)

Note: FY 2017-18 Budget reflects planned use of fund balance.

RADIO SERVICES

Beginning Fund Balance	\$2,537,356	\$2,537,356	\$2,537,356	\$2,537,356	\$0
Total Revenues:	4,823,063	4,823,063	148,806	4,823,063	0
Total Expenditures:	4,823,063	4,823,063	721,215	4,823,063	0
Ending Fund Balance	\$2,537,356	\$2,537,356	\$1,964,946	\$2,537,356	\$0

EQUIPMENT SERVICES

Beginning Fund Balance	\$5,611,863	\$5,611,863	\$5,611,863	\$5,611,863	\$0
Total Revenues:	52,652,059	52,652,059	4,151,312	52,768,144	116,085
Total Expenditures:	52,652,059	52,652,059	3,857,324	52,528,688	(123,371)
Ending Fund Balance	\$5,611,863	\$5,611,863	\$5,905,851	\$5,851,319	\$239,456

EXPRESS BUSINESS CENTER

Beginning Fund Balance	\$2,011,100	\$2,011,100	\$2,011,100	\$2,011,100	\$0
Total Revenues:	4,231,450	4,231,450	611,358	4,234,544	3,094
Total Expenditures:	3,740,420	3,740,420	477,487	3,735,871	(4,549)
Ending Fund Balance	\$2,502,130	\$2,502,130	\$2,144,971	\$2,509,773	\$7,643

OTHER FUNDS

As of November 30, 2017

Department	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	YTD Actual	YE Forecast	Variance
9-1-1 SYSTEM OPERATIONS⁶					
Beginning Fund Balance	\$5,941,912	\$5,941,912	\$3,432,729	\$3,432,729	(\$2,509,183)
Total Revenues:	12,539,195	12,539,195	1,792,692	12,539,195	0
Total Expenditures:	15,048,378	15,048,378	224,870	15,048,378	0
Ending Fund Balance	\$3,432,729	\$3,432,729	\$5,000,551	\$923,546	(\$2,509,183)
Note: FY 2017-18 Budget reflects planned use of fund balance.					
DEBT SERVICE					
Beginning Fund Balance	\$13,769,804	\$13,769,804	\$13,769,804	\$13,769,804	\$0
Total Revenues:	278,149,358	278,149,358	18,864,941	278,149,358	0
Total Expenditures:	267,322,998	267,322,998	0	267,322,998	0
Ending Fund Balance	\$24,596,164	\$24,596,164	\$32,634,745	\$24,596,164	\$0

VARIANCE NOTES

The Enterprise, Internal Service, and Other Funds summary includes the beginning fund balance with the YE revenue and expenditure forecasts. As of November 30, 2017, the beginning fund balance represents the FY 2015-16 audited beginning fund balance and does not reflect projected year-end savings anticipated at FY 2016-17 year-end. It is anticipated that there will be adjustments to the FY 2017-18 Amended Beginning Fund balance after FY 2016-17 audited statements become available in April 2018. Variance notes are provided below for funds with a YE forecast variance of +/- five percent, funds with YE forecast projected to exceed budget, and funds with projected use of fund balance.

1 Convention and Event Services. Convention and Event Services revenues are projected to exceed budget by \$242k and expenditures are \$295K less than budget due to salary savings from vacant positions.

2 Sanitation Services. Sanitation Services revenues are projected \$1.0 million over budget due to private disposal fees at the landfill.

3 Sustainable Development and Construction. Sustainable Development and Construction FY 2017-18 YE forecast expenditures will exceed revenue due to planned use of fund balance.

4 Water Utilities. Water Utilities expenditures are projected to be \$24.1 million less than budget due to a settlement of potential litigation with Sabine River Authority (SRA) that was budgeted at \$24.1 million. The savings will be used to minimize future rate increases. City Council will be briefed on this topic in February 2018.

5 Information Technology. Information Technology FY 2017-18 YE forecast expenditures will exceed revenue due to planned use of fund balance.

6 9-1-1 System Operations. 9-1-1 System Operations FY 2017-18 YE forecast expenditures will exceed revenue due to planned use of fund balance.

FY 2017-18
Financial Forecast Report

Information as of November 30, 2017

DALLAS, TEXAS

