

RECEIVED

GOVERNMENT PERFORMANCE & FINANCIAL MANAGEMENT
DALLAS CITY COUNCIL COMMITTEE AGENDA

2018 AUG 15 PM 4: 14

CITY SECRETARY
DALLAS, TEXAS

MONDAY, AUGUST 20, 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 August 6, 2018 Government Performance & Financial Management Committee meeting
2. Consideration of Upcoming Agenda Items for August 22, 2018 City Council Meeting

BRIEFINGS

3. FY 2018-19 Budget Amendments Councilmember Jennifer S. Gates

FYI

4. Financial Forecast Report
Information as of June 2018

Adjourn



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

GOVERNMENT PERFORMANCE & FINANCIAL MANAGEMENT

Meeting Record

Meeting Date: August 6, 2018

Convened: 2:00 pm

Adjourned: 3:07 pm

Committee Members Present:

Jennifer S. Gates, Chair
Scott Griggs, Vice Chair
Sandy Greyson

Philip Kingston
Tennell Atkins
Lee Kleinman

Kevin Felder

Committee Members Absent:

Other Council Members Present:

Staff Present:

Elizabeth Reich
Akilah McLaughlin
Sheri Kowalski
Lance Sehorn
Corrine Steeger
Mike Frosch

Jenifer West
Zarin Gracey
Monica Anderson
Barbara McAninch
Connie Tankersley
Adelia Gonzalez

Tony Aguilar
Wanda Moreland
Juanita Ortiz
Carol Smith
Edward Scott
Julia Webb-Carter

Tina Richardson
Theresa Hampden
Anatoli Douditski
Richard Siu
Carla Brewer
David Etheridge

Cheryl Alston

Others Present:

AGENDA:

Call to Order

1. Consideration of the June 18, 2018 Minutes

Presenter(s): N/A

Information Only: _

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

Motion was made to approve the June 18, 2018 minutes. Motion passed unanimously.

Motion made by: Tennell Atkins

Motion seconded by: Kevin Felder

2. Consideration of Upcoming Agenda Items for August 8, 2018 City Council Meeting

Presenter(s): N/A

Information Only: _

Action Taken/Committee Recommendation(s):

Motion made by: none

Motion seconded by: none

GOVERNMENT PERFORMANCE & FINANCIAL MANAGEMENT

Meeting Record

Briefings

3. **Employees' Retirement Fund of the City of Dallas Update**

Presenter(s): Cheryl Alston, *Executive Director*

Information Only:

Action Taken/Committee Recommendation(s):

Cheryl Alston of the Employees' Retirement Fund of the City of Dallas provided an update on the status of the fund. 2017 was a positive year, with a gain in investment returns, marking actual value to market value, and positive liability experiences like lowered expected salary increases and adjustments based on CPI.

Motion made by: N/A

Motion seconded by: N/A

4. **Office of the City Auditor – Fiscal Year 2018 Fourth Quarter Update**

Presenter(s): Carol Smith, *First Assistant City Auditor*

Information Only:

Action Taken/Committee Recommendation(s):

Carol Smith provided an update on the fourth quarter of the Office of the City Auditor for Fiscal Year 2018. Since the City Auditor last updated the committee, three performance audits have been issued: Continuity of Operations Audit Follow-Up, Records Management System, Fiscal Year 2018 Audit Follow-up of Prior Audit Recommendations.

Motion made by: N/A

Motion seconded by: N/A

5. **City Auditor Nomination and Appointment**

Presenter(s): Jenifer Gates, *Councilmember*

Information Only:

Action Taken/Committee Recommendation(s):

Chairwoman Gates briefed the committee on the City Auditor nomination and appointment. She discussed challenges in conforming to overly restrictive nominating commission procedural requirements, which seemingly compelled participation from external entities which declined to participate, and presented amendments to broaden the rules. The following individuals were nominated to the City Auditor Nominating Commission: Ann Margolin, Tim Pike C.P.A. C.F.E., Dr. Maxine Thornton-Reese, Kenneth Travis, and Michelle Vopni C.P.A.

Motion was made to move the nominations and both recommendations forward to Council with Committee recommendation. Motion passed unanimously.

Motion made by: Philip Kingston

Motion seconded by: Tennell Atkins

FYI

6. **Financial Forecast Report**

Presenter(s):

Information Only:

Action Taken/Committee Recommendation(s):

Motion made by: N/A

Motion seconded by: N/A

GOVERNMENT PERFORMANCE & FINANCIAL MANAGEMENT

Meeting Record

7. June Quarterly Investment Report

Presenter(s):

Information Only:

Action Taken/Committee Recommendation(s):

Motion made by: N/A

Motion seconded by: N/A

8. Annual Investment Policy Review

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 & Financial Management



Agenda Information Sheet

File #: 18-445

Item #: 17.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: August 22, 2018

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize a two-year service price agreement for the purchase of butterfly valves, actuators, and actuator repair services for the Water Utilities Department - Municipal Valve & Equipment in the amount of \$1,595,625.00, Mueller Co. LLC in the amount of \$183,500.00, Pumps Valves & Equipment dba The Scruggs Company in the amount of \$177,260.00, and Rexa, Inc. in the amount of \$82,240.00, lowest responsible bidders of four - Total not to exceed \$2,038,625.00 - Financing: Water Utilities Current Funds

BACKGROUND

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

This service price agreement will provide for the purchase of butterfly valves, actuators, and actuator repair services for the Water Utilities Department. Butterfly valves are used to control the flow of water within water treatment facilities. This agreement will provide replacement valves, plant control process valves, and valves for new installation of water transmission lines for water treatment plants. Certain valves will be used to isolate sections of the water/wastewater system to allow repairs to existing water mains and to permit additional construction.

Butterfly valves range in size from 6" to 96" with the larger valves requiring additional production time. In some applications butterfly valves will need to be electronically automated in order to be operated remotely, therefore, an actuator is attached.

Services provided for the actuators shall include troubleshooting, removal, installation, repairs on failed equipment, or the replacement thereof. On average, the Water Utilities Department pumps over 417 million gallons of water per day.

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 394 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 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 \$10.94, by Resolution No. 15-2141; the selected vendors meet this requirement.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On January 11, 2017, City Council authorized a two-year master agreement for butterfly valves and actuators with Municipal Valve & Equipment, Mueller Co. LLC, Pumps Valves & Equipment dba The Scruggs Company, and Rexa, Inc. by Resolution No. 17-0067.

The Government Performance & Financial Management Committee will receive this item for consideration on August 20, 2018.

FISCAL INFORMATION

Water Utilities Current Funds - \$2,038,625.00

FY 2018-19 \$1,019,312.50

FY 2019-20 \$1,019,312.50

M/WBE INFORMATION

In accordance with the City’s Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE%	M/WBE \$
\$2,038,625.00	Other Services	23.80%	0.78%	\$15,957.00
• This contract does not meet the M/WBE goal, but complies with good faith efforts.				

PROCUREMENT INFORMATION

The Office of Procurement Services received the following bids from solicitation number BM1803. We opened them on March 16, 2018. We recommend the City Council award this service price agreement to the lowest responsive and responsible bidders by group. Information related to this solicitation is available upon request.

*Denotes successful bidders

<u>Bidder</u>	<u>Address</u>	<u>Amount</u>
*Municipal Valve & Equipment	4547 Westgrove Dr.	Multiple Groups

	Addison, TX 75001	
*Mueller Co. LLC	500 W. Eldorado St. Decatur, IL 62525	Multiple Groups
*Pumps Valves & Equipment dba The Scruggs Company	8530 Hansen Rd. Houston, TX 77075	Multiple Groups
*Rexa, Inc.	4 Manley St. West Bridgewater, MA 02379	Multiple Groups

OWNERS

Municipal Valve & Equipment

David McGoodwin, President
Randy Greene, Vice President

Mueller Co. LLC

Greg Rogowski, President
Mike Williams, Vice President
Chad Mize, Treasurer

Pumps Valves & Equipment dba The Scruggs Company

James A. Scruggs, President
Jennifer Scruggs, Secretary

Rexa, Inc.

Sam Lalos, President
Geoff Hynes, Vice President
Ken Garron, Secretary



Agenda Information Sheet

File #: 18-431

Item #: 18.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: August 22, 2018

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize a three-year service price agreement for street sweeping services - Mister Sweeper LP in the amount of \$3,617,246.22 and KAT Klean, Inc. in the amount of \$100,570.00, lowest responsible bidders of three - Total not to exceed \$3,717,816.22 - Financing: General Fund (\$3,617,246.22) and Water Utilities Current Funds (\$100,570.00)

BACKGROUND

This action does not encumber funds; the purpose of a service price agreement is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis. We anticipate the following City departments will use this agreement:

- Water Utilities Department
- Department of Public Works

This service price agreement will provide for street sweeping services. This service minimizes street debris which could present potential safety hazards to motorists and pedestrians. Additionally, the removal of debris from streets will minimize the amount of foreign matter entering the City's water system by way of street level stormwater collection infrastructure.

This service price agreement, based on budget allocations, will provide monthly street sweeping services on major thoroughfares throughout the City. This service price agreement includes scheduled street sweeping services of approximately 2,300 curb miles monthly. In the event of unforeseen spills, this services price agreement also provides limited response sweeping of approximately 1,000 curb miles annually. Typically, sweeping maintenance is scheduled and completed once a month. Additionally, this service price agreement, subject to annual appropriations, allows for sweeping of protected and unprotected bike lanes that may not be currently on the scheduled route. Unprotected bike lanes on the scheduled route are swept monthly, while protected bike lanes are not included in the scheduled maintenance.

In addition to the monthly scheduled, limited response, and bike lane sweeping services, this service price agreement provides the City with on demand street sweeping and power washing services. On demand services are used after inclement weather or special events to bring street surfaces up to City standards.

The Department of Transportation will retain the responsibility of providing street sweeping services in the Central Business District and those services are not part of this service price agreement.

In this solicitation, the Office of Procurement Services required bidders to submit a response using unit pricing. This bid resulted in a 27.72 percent increase over comparable prices for the bid awarded in 2015.

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 2,287 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 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 \$10.94, by Resolution No. 15-2141; the selected vendor meets this requirement.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On August 12, 2015, City Council authorized a three-year service contract for street sweeping services with Mister Sweeper LP by Resolution No. 15-1337.

The Government Performance & Financial Management Committee will receive this item for consideration on August 20, 2018.

FISCAL INFORMATION

General Fund - \$3,617,246.22
Water Utilities Current Funds - \$100,570.00

Fund	FY 2018-19	FY 2019-20	FY 2020-21
General Fund	\$608,489.00	\$790,487.00	\$790,487.00
Water Utilities Current Funds	\$33,523.34	\$33,523.33	\$33,523.33
Total			

M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$3,717,816.22	Other Services	23.80%	23.16%	\$860,904.60
• This contract does not meet the M/WBE goal, but complies with good faith efforts.				

PROCUREMENT INFORMATION

The Office of Procurement Services received the following bids from solicitation number BB1802. We opened them on June 8, 2018. We recommend the City Council award this service price agreement to the lowest responsive and responsible bidders by group.

*Denotes successful bidders

<u>Bidder</u>	<u>Address</u>	<u>Amount</u>
*Mister Sweeper LP	3522 Doug Drive Dallas, TX 75247	Group 1 - \$3,617,246.22 Group 2 - \$ 170,378.00
*KAT Klean, Inc.	4007 Alta Vista Lane Dallas, TX 75229	Group 1 - \$6,536,432.50 Group 2 - \$ 100,570.00
Pannell Industries, Inc.	4361 Cedar Lake Drive Dallas, TX 75227	Non-responsive**

**Pannell Industries, Inc. was deemed non-responsive due to not meeting specifications.

OWNERS

Mister Sweeper LP

Joseph Clark Thompson III, President
Thomas Seevers, Vice President
Dean Renkes, Secretary

KAT Klean, Inc.

Thomas W. Payne, Jr., President



Agenda Information Sheet

File #: 18-446

Item #: 19.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: August 22, 2018

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize a three-year service price agreement for emergency dewatering services during flood events within the City for the Department of Trinity Watershed Management - Moir Watershed Services, LLC, lowest responsible bidder of three - Not to exceed \$3,953,240.00 - Financing: Stormwater Drainage Management Current Funds

BACKGROUND

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

This service price agreement provides for emergency dewatering services during localized flood events within the City. Services provided by this contract will augment City staff during rain events which cause localized flooding within certain areas of the City; in these cases the contractor will be required to pump water from the flooded area downstream to the nearest manhole, storm drain, or when close enough for the equipment to reach over the levee. This type of localized flooding can be caused by pump overload, a blocked pipe, failed pump, or no nearby pumping station. The contractor will be required to mobilize necessary personnel, pumping equipment, and vehicles as needed to service various locations and terrain (e.g. paved and unpaved surfaces). The contractor is required to remove up to 50,000 gallons of water per minute when necessary.

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 584 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 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 \$10.94, 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 August 20, 2018.

FISCAL INFORMATION

Stormwater Drainage Management Current Funds - \$3,953,240.00

FY 2018 - 2019 \$1,317,746.67
 FY 2019 - 2020 \$1,317,746.66
 FY 2020 - 2021 \$1,317,746.67

M/WBE INFORMATION

In accordance with the City’s Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE%	M/WBE \$
\$3,953,240.00	Other Services	23.80%	33.52%	\$1,325,000.00
• This contract exceeds the M/WBE goal.				

PROCUREMENT INFORMATION

The Office of Procurement Services received the following bids from solicitation number BM1813. We opened them on March 30, 2018. We recommend the City Council award this service price agreement in its entirety to the lowest responsive and responsible bidder.

*Denotes successful bidder

<u>Bidders</u>	<u>Address</u>	<u>Amount</u>
*Moir Watershed Services, LLC	4134 FM 66 Waxahachie, TX 75167	\$ 3,953,240.00
BakerCorp	7800 North Dallas Pkwy. Plano, TX 75024	\$12,029,981.80
Bartholow Rental Company, Inc. dba Barco Pumps	940 Hensley Ln. Wylie, TX 75424	Non-responsive**

**Bartholow Rental Company, Inc. dba Barco Pumps was deemed non-responsive due to not meeting bid specifications.

OWNER

Moir Watershed Services, LLC

James Moir, President



Agenda Information Sheet

File #: 18-447

Item #: 20.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: August 22, 2018

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize a three-year service price agreement for pump overhaul and repair services for the Department of Trinity Watershed Management - Allen's Electric Motor Services, Inc., most advantageous proposer of three - Not to exceed \$1,543,899.00 - Financing: Stormwater Drainage Management Current Funds

BACKGROUND

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

This service price agreement will provide pump overhaul and repair services for the Department of Trinity Watershed Management (TWM). The awarded vendor shall provide trained professionals to perform on-site inspections, pump analysis, and testing in order to maintain the pumps to manufacturer's specifications. Further, upon request the vendor will also provide alignments, fabrication of non-production parts, vibration testing, and system analysis.

TWM has 72 pumps with capacities ranging from 350 to 125,000 gallons of water per minute. Proper maintenance of these pumps allows TWM to meet required Texas Commission on Environmental Quality permit requirements.

A seven member committee from the following departments reviewed and evaluated the qualifications:

- Department of Trinity Watershed Management (2)
- Water Utilities Department (3)
- Office of Business Diversity (1)*
- Office of Procurement Services (1)*

*The Office of Procurement Services only evaluated cost and the Office of Business Diversity

evaluated the Business Inclusion and Development Plan.

The committee selected the successful respondent on the basis of demonstrated competence and qualifications under the following criteria:

- Cost 45 points
- Experience 30 points
- Business Inclusion and Development Plan 15 points
- Approach 10 points

In this solicitation, the Office of Procurement Services required bidders to submit a response using unit pricing. This bid resulted in a 13.15 percent decrease over comparable unit prices for services. Additionally, this solicitation also required bidders to submit discounts/markups on parts to be ordered from manufacturer's catalogs. Therefore, this bid also resulted in an average percentage discount from manufacturer's catalog of 7.50 percent compared to an average discount of 7.63 percent for the bid awarded in 2015.

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 450 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 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 \$10.94, by Resolution No. 15-2141; the selected vendor meets this requirement.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On April 22, 2015, City Council authorized a three-year service contract for pump overhaul and repair services for Trinity Watershed Management with Allen's Electric Motor Services, Inc. and Xylem Water Solutions USA, Inc. by Resolution No. 15-0745.

The Government Performance & Financial Management Committee will receive this item for consideration on August 20, 2018.

FISCAL INFORMATION

Stormwater Drainage Management Current Funds - \$1,543,899.00

FY 2018-19 \$514,633.00

FY 2019-20 \$514,633.00

FY 2020-21 \$514,633.00

M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE%	M/WBE \$
\$1,543,899.00	Other Services	23.80%	100.00%	\$1,543,899.00
• This contract exceeds the M/WBE goal.				

PROCUREMENT INFORMATION

The Office of Procurement Services received the following proposals from solicitation number BMZ1805. We opened them on December 22, 2017. We recommend the City Council award this service price agreement to the most advantageous proposer by group.

*Denotes successful proposer

<u>Proposers</u>	<u>Address</u>	<u>Score</u>	<u>Amount</u>
*Allen's Electric Motor Services, Inc.	400 Roy Hoppy Hopkins Dr. Vivian, LA 71082	Group 1 - 86.80 Group 2 - 85.60 Group 3 - 84.20	\$1,262,945.00 \$ 186,858.00 \$ 94,096.00
Weisinger Incorporated	2200 E. Davis St. Conroe, TX 77301	Group 1 - 46.20 Group 2 - No Bid Group 3 - 63.00	\$4,394,510.00 \$ 156,114.50
Xylem Water Solutions USA, Inc.	2400 Tarpley Rd. Carrollton, TX 75006	Group 1 - No Bid Group 2 - 71.00 Group 3 - No Bid	\$ 256,705.46

OWNER

Allen's Electric Motor Services, Inc.

Peggy Allen Parker, President
Clinton R. Walker, Vice President



Agenda Information Sheet

File #: 18-450

Item #: 21.

STRATEGIC PRIORITY: Public Safety
AGENDA DATE: August 22, 2018
COUNCIL DISTRICT(S): All
DEPARTMENT: Office of Procurement Services
EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize a three-year service price agreement, with two one-year renewal options, for public safety uniform alterations - CG Wholesale LLC, lowest responsible bidder of two - Not to exceed \$254,220.00 - Financing: General Fund

BACKGROUND

This action does not encumber funds; the purpose of a service price agreement is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis. We anticipate the following City departments will use this agreement:

- Police Department
- Fire-Rescue Department
- Court & Detention Services
- Department of Equipment and Building Services

This service price agreement will provide for public safety uniform alterations. Through this agreement the vendor will provide alterations to ensure uniforms fit properly. Alterations may include hemming of trousers, tailoring of police uniforms, dress coats, mending minor tears, adding patches, striping, mohair, piping, or adding buttons. The Police Quartermaster facilitates alterations services to all uniformed personnel in the Police Department and other City departments who receive uniforms from Police Department Quartermaster, including the Department of Equipment and Building Services security and Marshals. Alterations services for the Fire-Rescue Department are being included in this agreement to allow them to have their uniforms mended and patches, mohair, piping, and buttons added.

An estimated 210 alterations are performed weekly and the City is charged a flat monthly fee regardless of actual number of services performed. The monthly charge includes necessary products, accessories, and equipment to support alterations functions and provide services. Alterations are provided on site at the Quartermaster facility and are typically performed while the

customer is waiting. This service price agreement will require the vendor to provide a minimum of one employee during all business hours of 6 am - 6 pm, two employees to cover peak hours of 9:30 am - 2:30 pm, and three employees during times of heightened demand.

The City employees included in the agreement include:

- 3,100 police officers
- 1,936 firefighters
- 54 Marshals
- 71 security staff

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 4,646 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 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 \$10.94, by Resolution No. 15-2141; the selected vendor meets this requirement.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 26, 2013, City Council authorized a three-year master agreement for uniforms, jackets, rainwear and accessories with Regali, Inc., ERMV IV, LP, Premier Uniform, Inc. and C&G Police Supply dba C&G Wholesale; and a three-year service contract for alterations of police uniforms, jackets and rainwear with C&G Police Supply dba C&G Wholesale by Resolution No. 13-1065.

Information about this item will be provided to the Public Safety & Criminal Justice Committee on August 13, 2018.

FISCAL INFORMATION

General Fund - \$254,220.00

FY 2017-18 \$83,940.00

FY 2018-19 \$83,940.00

FY 2019-20 \$86,340.00

M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE%	M/WBE \$
-----------------	----------	------------	--------	----------

\$254,220.00	Other Services	23.80%	0.00%	\$0.00
• This contract does not meet the M/WBE goal, but complies with good faith efforts.				

PROCUREMENT INFORMATION

The Office of Procurement Services received the following bids from solicitation number BL1812. We opened them on June 1, 2018. We recommend the City Council award this service price agreement in its entirety to the lowest responsive and responsible bidder.

*Denotes successful bidder

<u>Bidders</u>	<u>Address</u>	<u>Amount</u>
*CG Wholesale LLC	10345 Brockwood Road Dallas, TX 75238	\$254,220.00
Galls, LLC	1340 Russel Cave Road Lexington, KY 40505	\$374.592.00

OWNER

CG Wholesale LLC

Gail Skees, President
Charles Skees, Vice President



Agenda Information Sheet

File #: 18-456

Item #: 22.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: August 22, 2018

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize a five-year service contract for maintenance and technical support of the point-of-sale and online payment processing system - N Harris Computer Corporation, sole source - Not to exceed \$277,676.57 - Financing: Building Inspection Current Funds (subject to annual appropriations)

BACKGROUND

This action does not encumber funds; the purpose of a service contract is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis. We anticipate the following City departments will use this agreement:

- Department of Sustainable Development and Construction
- Department of Communication and Information Services

This service contract will provide continued maintenance and technical support for the point-of-sale and online payment processing system used by the Department of Sustainable Development and Construction to collect payments for the issuance of various permits. The system allows for the department to process payments for walk-in customers at a pay station or accept them online via a web portal. The Department of Communications and Information Services is responsible for the ongoing operations, support and maintenance of the City's system, and technical infrastructure. Annual software maintenance provides staff with access to the manufacturer's technical support team as well as necessary system patches, fixes, and upgrades.

In 2005, the point-of-sale online processing system was implemented for Building Inspection, a division of the Department of Sustainable Development and Construction, payment collections. Building Inspection processes over 95,000 transactions per year to collect various fees, including building permits, certificates of occupancy, plan reviews, trade permits, and inspection fees, that resulted in approximately \$42.3 million in revenue throughout FY 16-17.

On November 10, 2015, City Council authorized the wage floor rate of \$10.94, by Resolution No. 15-

2141; the selected vendor meets this requirement.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On December 14, 2011, City Council authorized a five-year service contract for maintenance, support and implementation services; and the purchase of hardware and software for the upgrade of the point of sales and online payment processing solution used by Development Services with System Innovators, a division of N. Harris Computer Corporation by Resolution No. 11-3214.

The Government Performance & Financial Management Committee will receive this item for consideration on August 20, 2018.

FISCAL INFORMATION

Building Inspection Current Funds - \$277,676.57 (subject to annual appropriations)

FY 2017-18 \$74,517.00

FY 2018-19 \$47,226.85 (subject to annual appropriations)

FY 2019-20 \$49,463.20 (subject to annual appropriations)

FY 2010-21 \$51,936.35 (subject to annual appropriations)

FY 2021-22 \$54,533.17 (subject to annual appropriations)

M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE%	M/WBE \$
\$277,676.57	Other Services	N/A	N/A	N/A
• M/WBE Goal waived due to Proprietary Software				

PROCUREMENT INFORMATION

<u>Bidder</u>	<u>Address</u>	<u>Amount</u>
N Harris Computer Corporation	10550 Deerwood Park Blvd. Suite 700 Jacksonville, FL 32256	\$277,676.57

Note: The Office of Procurement Services conducted a sole source review and found no exceptions.

OWNER

N Harris Computer Corporation

Jean Soucy, President
Jeffrey Sumner, Vice President



Agenda Information Sheet

File #: 18-437

Item #: 23.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: August 22, 2018

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize the purchase of **(1)** two pieces of fleet vehicles and equipment with Siddons Martin Emergency Group, LLC in the amount of \$924,341.00 and Houston Freightliner, Inc. in the amount of \$339,455.75 through the Houston-Galveston Area Council of Governments cooperative agreement; **(2)** six pieces of equipment with Dickson Equipment Co., Inc. in the amount of \$893,175.42 through the National Joint Powers Alliance cooperative agreement; **(3)** five pieces of equipment with Rush Truck Centers of Texas, LP in the amount of \$358,243.00, Kirby-Smith Machinery in the amount of \$135,426.75, Four Brothers Outdoor Power in the amount of \$109,999.00, and RDO Equipment Co. in the amount of \$108,375.00 through the Texas Association of School Boards cooperative agreement; **(4)** four pieces of fleet vehicles and equipment with Scully's Aluminum Boats, Inc. in the amount of \$124,842.26 through the U.S. General Services Administration cooperative agreement; **(5)** four pieces of fleet vehicles with Sam Pack's Five Star Ford in the amount of \$107,032.00 through the Texas SmartBuy cooperative agreement; and **(6)** an increase in appropriations in an amount not to exceed \$893,175.42 in the Sanitation Capital Improvement Fund - Total not to exceed \$3,100,890.18 - Financing: Water Utilities Current Funds (\$1,158,531.50), Homeland Security Grant-UASI Funds (\$924,341.00), Sanitation Capital Improvement Funds (\$893,175.42), and Water Construction Funds (\$124,842.26)

BACKGROUND

This item will allow for the purchase of 21 fleet vehicles and equipment for various City departments which includes:

- Backhoes - 2 (Water Utilities Department)
- Articulating boom lift - 1 (Water Utilities Department)
- Boats - 2 (Water Utilities Department)
- Trailers - 2 (Water Utilities Department)
- Sewer cleaner trucks - 2 (Water Utilities Department)
- Vacuum truck - 1 (Water Utilities Department)

- Pickups - 4 (Water Utilities Department)
- Urban search and rescue vehicle - 1 (Fire-Rescue Department)
- 11 cubic yard rear loader refuse truck - 6 (Department of Sanitation Services)

The City conducts an evaluation on vehicles and equipment using established criteria before replacement occurs. This evaluation includes life-to-date maintenance cost, recommended replacement mileage, and recommended replacement life. This purchase includes the replacement of 16 vehicles and equipment and 5 new units.

The Houston-Galveston Area Council of Governments, the Texas Association of School Boards, the National Joint Powers Alliance, the Texas SmartBuy, and the U.S. General Services Administration cooperative agreements are 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.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On December 11, 2013, City Council authorized a one-year master agreement for the purchase of two-hundred ten fleet vehicles and equipment with Metro Fire Apparatus Specialists, Inc., Dallas Dodge Chrysler Jeep, Southwest Ambulance Sales, Kinloch Equipment & Supply, Inc. and The Around the Clock Freightliner Group, LLC; thirty-eight fleet vehicles and equipment with RDO Equipment Company, Kirby-Smith Machinery, Inc. and Holt Texas, LTD; and eighty-eight fleet vehicles and equipment with Sam Pack's Five Star Ford by Resolution No. 13-2055.

On October 22, 2014, City Council authorized the purchase of 137 squad cars for Police with Dallas Dodge Chrysler Jeep by Resolution No. 14-1781.

On March 25, 2015, City Council authorized a one-year master agreement for the purchase of eighty-seven fleet vehicles and equipment with Rush Truck Centers of Texas, LP dba Rush Crane & Refuse Systems International, The Around The Clock Freightliner Group, LLC, Freedom Chevrolet, Southwest International Trucks, Inc., Equipment Southwest, Inc., RDO Equipment Company, Kirby-Smith Machinery, Inc. and Bobcat of Dallas; twenty fleet vehicles and equipment with Holt Texas, Ltd. dba Holt Cat, Caldwell Country Chevrolet, Sam Pack's Five Star Ford, Ltd. and Southwest International Trucks, Inc.; and one-hundred nine fleet vehicles and equipment with Sam Pack's Five Star Ford, Ltd. by Resolution No. 15-0478.

On June 17, 2015, City Council authorized the purchase of 105 squad cars for Police with Chaperral Dodge, Inc. dba Dallas Dodge Chrysler Jeep by Resolution No. 15-1231.

On December 9, 2015, City Council authorized a one-year master agreement for the purchase of one hundred fleet vehicles and equipment with Chastang Ford, Southwest International Trucks, Inc., Austin Truck & Equipment, LTD dba Freightliner of Austin, Holt Texas, Ltd. dba Holt Cat, RDO Equipment Company, BTE Body Company, Inc., Clark Equipment Company dba Bobcat Company, Kirby-Smith Machinery, Inc., Landmark Equipment, Inc. and Darr Equipment; one hundred eighty-one fleet vehicles with Sam Pack's Five Star Ford, Ltd.; eighty-three Police fleet and equipment with Freedom Dodge, Kinloch Equipment and Supply, Inc. and Blueline Rental, LLC; and twenty-one fleet

vehicles with Freedom Chevrolet by Resolution No. 15-2199.

On May 11, 2016, City Council authorized the purchase of eleven pieces of fleet vehicles and equipment with Briggs Equipment, Darr Equipment, Southwest International Trucks, Inc., Kirby-Smith Machinery, RDO Equipment, Austin Truck and Equipment, LTD dba Freightliner of Austin, Central Texas Heavy Equipment Co., Inc.; four pieces of fleet vehicles with Sam Pack's Five Star Ford; two pieces of fleet equipment with Rush Truck Centers of Texas, LP; and two fleet vehicles with Freedom Dodge dba Duncanville Automotive by Resolution No. 16-0717.

On June 22, 2016, City Council authorized the purchase of twenty-three pieces of fleet vehicles and equipment with Hudson Bus Sales, LLC and Metro Fire Apparatus Specialists, Inc.; one pumper truck with Brasada Ford, Ltd.; and one excavator with mower attachment with Landmark Equipment, Inc. by Resolution No. 16-1053.

On September 28, 2016, City Council authorized the purchase of four fleet vehicles for Fire-Rescue with Sam Pack's Five Star Ford by Resolution No. 16-1551.

On January 25, 2017, City Council authorized a one-year master agreement for the purchase of 85 pieces of fleet equipment with Chastang Ford, Holt Texas, Ltd., BTE Body Co., Inc., Austin Truck and Equipment dba Freightliner of Austin, Southwest International Trucks, Inc., RDO Equipment Co., Sam Pack's Five Star Ford, and Landmark Equipment; 157 fleet vehicles and equipment with Sam Pack's Five Star Ford; 107 fleet vehicles with Freedom Chevrolet; and 2 pieces of fleet equipment with Wausau Equipment Company, Inc. by Resolution No. 17-0181.

On May 24, 2017, City Council authorized the purchase of 28 pieces of fleet vehicles and equipment with Metro Fire Apparatus Specialists, Daco Fire Equipment, Hudson Bus Sales, LLC, Rush Truck Centers of Texas, LP, Silsbee Ford, Inc., Cues, Inc., Johnston North America, Inc., and Houston Freightliner, Inc.; 8 pieces of fleet and equipment with Bond Equipment, Austin Truck & Equipment, Ltd. dba Freightliner of Austin, RDO Equipment, Chastang Ford, and Briggs Equipment; and 20 pieces of fleet and equipment with Sam Pack's Five Star Ford by Resolution No. 17-0827.

On February 28, 2018, City Council authorized a one-year master agreement for the purchase of 549 pieces of fleet vehicles and equipment with Austin Truck & Equipment, LTD dba Freightliner of Austin, Sam Pack's Five Star Ford, Freedom Dodge dba Duncanville Automotive, Holt Texas, LTD, Chastang Ford, BTE Body Co., Inc., Freedom Chevrolet dba Duncanville Automotive, Grande Truck Center, Bond Equipment, Rush Truck Centers of Texas, LP dba Rush Truck Center Dallas Light and Medium Duty, and Landmark Equipment; 56 pieces of fleet vehicles and equipment with Siddons Emergency Group, LLC, Hudson Bus Sales, LLC dba Hudson Emergency Vehicle Sales, Sam Pack's Five Star Ford, and Houston Freightliner, Inc.; 89 pieces of fleet vehicles with Sam Pack's Five Star Ford; 9 pieces of fleet vehicles with Southwest International Trucks, Inc.; and 1 piece of equipment with East Texas Mack Sales, LLC by Resolution No. 18-0374.

The Government Performance & Financial Management Committee will receive this item for consideration on August 20, 2018.

FISCAL INFORMATION

Water Utilities Current Funds - \$1,158,531.50

Homeland Security Grant-UASI Funds - \$924,341.00
Sanitation Capital Improvement Funds - \$893,175.42
Water Construction Funds - \$124,842.26

M/WBE INFORMATION

In accordance with the City’s Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE%	M/WBE \$
\$3,100,890.18	COOP	N/A	N/A	N/A
• The Business Inclusion and Development Plan does not apply to Cooperative Purchas Agreements (COOPs)				

OWNERS

Siddons Martin Emergency Group, LLC

Patrick Siddons, President
Kirk Givler, Vice President

Houston Freightliner, Inc.

Rob Gerwood, President
Rick Stewart, Vice President
Roger Poser, Secretary

Dickson Equipment Co., Inc.

Jon M. Dickson, President
Joe E. Dickson, Vice President
Molly Dickson, Secretary

Rush Truck Centers of Texas, LP

W.M. “Rusty” Rush, President
Derrek R. Weaver, Vice President

Kirby-Smith Machinery

Ed Kirby, President
Jeff Weller, Vice President
Celise Blewett, Secretary

Four Brothers Outdoor Power

Rex Kelly, President
Russell Kelly, Vice President
Eddy Kelly, Secretary

RDO Equipment Co.

Ron Offut, President
Christi Offut, Vice President
Al Knoll, Secretary

Scully's Aluminum Boats, Inc.

Elwood Scully, President
Shane Scully, Secretary

Sam Pack's Five Star Ford

Sam Pack, President



Agenda Information Sheet

File #: 18-565

Item #: 24.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: August 22, 2018

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize an increase to the master agreement with Shannon Chemical Corporation for dipotassium orthophosphate to be used by the Water Utilities Department - Not to exceed \$656,000.00, from \$6,034,624.06 to \$6,690,624.06 - 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.

The increase to the master agreement is necessary in order to allow sufficient time to complete the solicitation process. This master agreement provides dipotassium orthophosphate to the City's three water treatment plants. Dipotassium orthophosphate is a National Sanitation Foundation certified chemical used for corrosion control in potable water systems. The Water Utilities Department (DWU) uses this chemical to reduce the effects of corrosion and maintenance on the water system infrastructure. DWU has been using this corrosion inhibitor at all three water treatment plants since 2010, this product has also been shown to minimize and greatly reduce the occurrence of lead and copper which are regulated under the Safe Drinking Water Act. DWU provides service to an estimated 2.4 million people in Dallas and surrounding communities. On average, the City pumps over 417 million gallons of water per day.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On September 22, 2015, City Council authorized a three-year master agreement for dipotassium orthophosphate to be used by Water Utilities with Shannon Chemical Corporation by Resolution No. 15-1741.

The Government Performance & Financial Management Committee will receive this item for consideration on August 20, 2018.

FISCAL INFORMATION

Water Utilities Current Funds - \$656,000.00

FY 2017-18 \$327,999.00

FY 2018-19 \$328,001.00

M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE%	M/WBE \$
\$656,000.00	Goods	18.00%	0.00%	\$0.00
• This contract does not meet the M/WBE goal, but complies with good faith efforts.				

OWNER**Shannon Chemical Corporation**

Daniel C. Flynn, President

Karl Spivak, Vice President



Agenda Information Sheet

File #: 18-462

Item #: 25.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: August 22, 2018

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize **(1)** the rejection of the bids received for steel drum trash receptacles, lids, and bases for the Park & Recreation Department; 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 bids received for solicitation BW1802 for a three-year master agreement for the purchase of steel drum trash receptacles, lids, and bases for the Park & Recreation Department. The Park & Recreation Department will review and modify the specifications before re-advertisement.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 7, 2018, the Park and Recreation Board rejected the solicitation for steel drum trash receptacles, lids, and bases.

The Government Performance & Financial Management Committee will receive this item for consideration on August 20, 2018.

FISCAL INFORMATION

No cost consideration to the City.



Agenda Information Sheet

File #: 18-566

Item #: 57.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: August 22, 2018

COUNCIL DISTRICT(S): N/A

DEPARTMENT: Office of Budget

EXECUTIVE: Elizabeth Reich

SUBJECT

A public hearing to receive comments on the proposed FY 2018-19 Operating, Capital, and Grant & Trust Budgets - Financing: No cost consideration to the City

BACKGROUND

Each year the City of Dallas holds a series of public hearings to provide the citizens of Dallas the opportunity to speak on the upcoming year's budget. This public hearing is one of three to be held at Dallas City Hall on March 28, 2018, May 9, 2018, and August 22, 2018. Citizen input is an important part of the budget development process.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On August 8, 2018, City Council authorized the public hearing.

FISCAL INFORMATION

No cost consideration to the City.

Memorandum



CITY OF DALLAS

DATE August 16, 2018

TO Honorable Mayor and Members of the City Council

SUBJECT **FY 2018-19 Budget Amendments**

The Monday, August 20, 2018 meeting of the Government Performance & Financial Management Committee (GPFM) will be dedicated to discussing proposed budget amendments related to Government Performance & Financial Management. Please submit budget amendments to my office by Friday, August 17, to be included. The Committee will consider proposed amendments that are submitted in advance on the template provided by the City Manager's Office, followed by any amendments brought forward at Committee.

I have attached the Summary of Services by Strategic Priority relating to GPFM to inform your consideration. The Committee will make recommendations to the full Council. As always, all Councilmembers are invited to attend the GPFM Committee.

A handwritten signature in cursive script that reads "Jennifer S. Gates".

Jennifer S. Gates
Councilmember
District 13

Attachment

c: T.C. Broadnax, City Manager
Larry Casto, City Attorney
Craig D. Kinton, City Auditor
Billerae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizzor Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager

Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager
M. Elizabeth Reich, Chief Financial Officer
Raquel Favela, Chief of Economic Development & Neighborhood Services
Theresa O'Donnell, Chief of Resilience
Directors and Assistant Directors

SUMMARY OF SERVICES BY STRATEGIC PRIORITY

	FY 2018-19 Proposed	FY 2019-20 Planned	FY 2018-19 General Fund Proposed	FY 2019-20 General Fund Planned
Government Performance and Financial Management				
City Attorney's Office				
General Counsel	\$5,218,931	\$5,317,134	\$5,218,931	\$5,317,134
Litigation	\$5,906,355	\$6,138,922	\$5,906,355	\$6,138,922
City Auditor's Office				
Audits, Attestations and Investigations	\$3,367,314	\$3,486,555	\$3,367,314	\$3,486,555
City Controller's Office				
Accounts Payable	\$1,245,269	\$1,310,159	\$1,245,269	\$1,310,159
Cash and Debt Management	\$740,953	\$743,507	\$740,953	\$743,507
Deferred Compensation	\$126,280	\$126,153	\$126,280	\$126,153
EMS Compliance	\$338,198	\$338,198	\$338,198	\$338,198
Financial Reporting	\$2,671,780	\$2,644,175	\$2,671,780	\$2,644,175
Independent Audit	\$917,892	\$917,892	\$917,892	\$917,892
Internal Control Task Force	\$774,104	\$774,104	\$774,104	\$774,104
Payroll	\$872,315	\$1,004,410	\$872,315	\$1,004,410
City Manager's Office				
City Administration	\$2,787,305	\$2,862,557	\$2,787,305	\$2,862,557
City Secretary's Office				
Archives	\$191,300	\$196,043	\$191,300	\$196,043
Boards and Commissions Support	\$388,131	\$397,651	\$388,131	\$397,651
City Council Support	\$902,235	\$920,400	\$902,235	\$920,400
Customer Service	\$218,328	\$223,730	\$218,328	\$223,730
Elections	\$1,476,566	\$156,176	\$1,476,566	\$156,176
Open Records	\$553,814	\$572,708	\$553,814	\$572,708
Records Management	\$620,170	\$623,156	\$620,170	\$623,156
Civil Service				
Analysis-Development and Validation	\$947,509	\$1,021,992	\$947,509	\$1,021,992
Applicant Processing - Civilian	\$1,035,553	\$1,041,491	\$1,035,553	\$1,041,491
Applicant Processing - Uniform	\$830,753	\$849,767	\$830,753	\$849,767
Civil Service Board Administration- Employee Appeals Process	\$427,806	\$414,982	\$427,806	\$414,982
Human Resources				
Compensation Analysis - Classification	\$1,457,150	\$470,842	\$1,457,150	\$470,842
HRIS and HR Payroll Services	\$1,768,505	\$1,767,623	\$1,768,505	\$1,767,623
Human Resource Administration	\$708,700	\$727,859	\$708,700	\$727,859
Human Resource Consulting	\$3,570,716	\$3,641,889	\$3,570,716	\$3,641,889
Management Services				
311 Customer Service	\$4,495,891	\$4,697,499	\$4,495,891	\$4,697,499
Business Diversity	\$894,165	\$958,363	\$894,165	\$958,363
City Agenda Process	\$219,414	\$225,615	\$219,414	\$225,615
Office of Innovations	\$603,668	\$613,291	\$603,668	\$613,291
Public Affairs and Outreach	\$2,098,745	\$2,171,599	\$2,098,745	\$2,171,599

SUMMARY OF SERVICES BY STRATEGIC PRIORITY

	FY 2018-19 Proposed	FY 2019-20 Planned	FY 2018-19 General Fund Proposed	FY 2019-20 General Fund Planned
Strategic Partnerships and Government Affairs	\$1,053,433	\$1,078,466	\$1,053,433	\$1,078,466
Mayor and Council				
Administrative Support for the Mayor and City Council	\$5,244,530	\$5,283,612	\$5,244,530	\$5,283,612
Office of Budget				
Citywide Capital and Operating Budget Dev and Monitoring	\$1,754,093	\$1,790,217	\$1,754,093	\$1,790,217
Grant Administration	\$1,247,300	\$1,277,804	\$1,247,300	\$1,277,804
Performance Planning	\$454,673	\$464,303	\$454,673	\$464,303
Utility Management	\$339,984	\$344,000	\$339,984	\$344,000
Planning and Urban Design				
Department Support	\$965,087	\$999,612	\$965,087	\$999,612
Procurement Services				
Purchasing-Contract Management	\$2,443,038	\$2,509,517	\$2,443,038	\$2,509,517
Non-Departmental				
Contingency Reserve	\$2,319,383	\$1,500,000	\$2,319,383	\$1,500,000
General Obligation Commercial Paper and Master Lease Program	\$19,686,578	\$22,783,308	\$19,686,578	\$22,783,308
Liability-Claims Fund Transfer	\$2,751,145	\$2,751,145	\$2,751,145	\$2,751,145
Non-Departmental	\$21,290,862	\$19,527,180	\$21,290,862	\$19,527,180
Salary and Benefit Reserve	\$2,200,000	\$2,200,000	\$2,200,000	\$2,200,000
Capital				
Capital Improvement	\$38,451,800	\$31,955,301	\$0	\$0
Debt Service				
Debt Service	\$52,236,813	\$56,594,847	\$0	\$0
Government Performance and Financial Management Total	\$200,814,534	\$198,415,755	\$110,125,921	\$109,865,607
Grand Total	\$3,571,426,510	\$3,688,924,914	\$1,351,193,000	\$1,399,298,000

Memorandum



CITY OF DALLAS

DATE August 17, 2018

TO Honorable Mayor and Members of the City Council

SUBJECT **FY 2017-18 Financial Forecast Report**

Please find attached the Financial Forecast Report (FFR) based on information through June 2018. This report forecasts revenues and expenditures to the end of the current fiscal year (9/30/18).

After nine months of this fiscal year, we forecast general fund revenues will be \$8.8 million over the amended budget and expenses will be \$991,000 over the amended budget. Sales tax, franchise fees, and other charges for service are trending better than budget, accounting for the revenue variance. On the expense side, the projected year-end variance is due to overtime usage within Dallas Fire-Rescue (DFR).

DFR continues to refine year-end projections and is forecast to exceed budget by \$10.0 million, primarily due to attrition, which has a negative impact on the Department's daily minimum staffing model. As the Department continues to catch-up from excessive attrition of 182 firefighters last year and an estimated 154 firefighters this year, it is using overtime to meet the daily minimum staffing requirement. On April 25, City Council increased the general fund budget by \$3.7 million to offset DFR's overtime expense with savings from other general fund departments. We plan to use additional year-end savings from other general fund departments and excess revenue to cover the remainder of DFR's overtime.

On September 4, we will brief GPFM on a complete package of FY 2017-18 appropriation adjustments. We will also prepare an agenda item for City Council consideration in September to amend the current year budget.

Details related to budget variances may be found throughout the report. We will continue to closely monitor revenues and expenditures and keep you informed.

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

M. Elizabeth Reich
Chief Financial Officer

Attachment

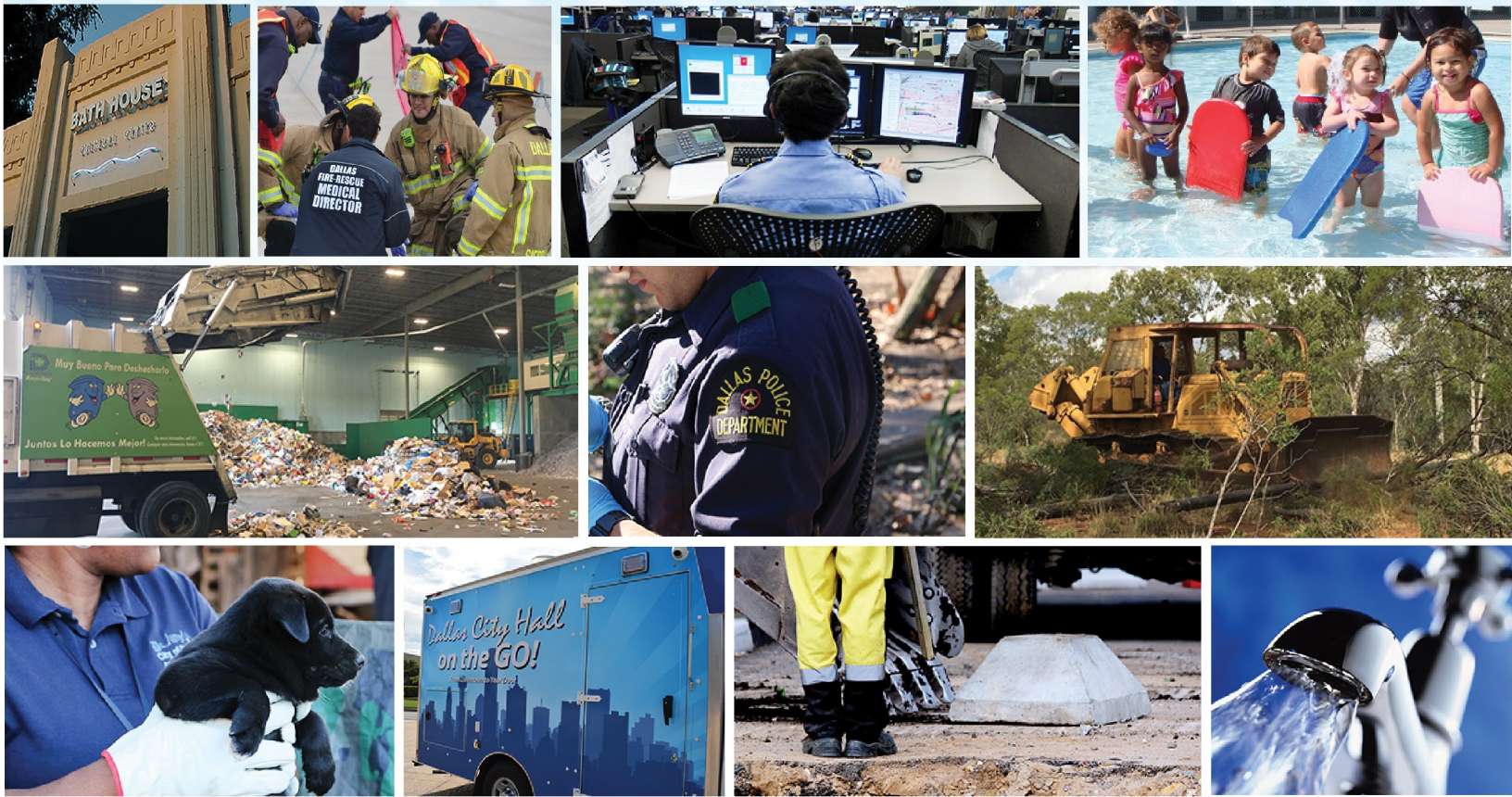
- c: T.C. Broadnax, City Manager
Larry Casto, City Attorney
Craig D. Kinton, City Auditor
Billierae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizer Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager
- Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager
Raquel Favela, Chief of Economic Development & Neighborhood Services
Theresa O'Donnell, Chief of Resilience
Directors and Assistant Directors



FY 2017-18 FINANCIAL FORECAST REPORT

Information as of June 30, 2018

SERVICE FIRST



GENERAL FUND OVERVIEW

As of June 30, 2018

	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	YTD Actual	YE Forecast	Variance
Beginning Fund Balance	\$160,617,192	\$160,617,192		\$171,747,804	\$11,130,612
Revenues	1,276,420,942	1,282,512,888	1,030,055,988	1,291,339,582	8,826,694
Expenditures	1,276,420,942	1,282,512,888	859,303,648	1,283,504,073	991,185
Ending Fund Balance	\$160,617,192	\$160,617,192		\$179,583,313	\$18,966,121

SUMMARY

The General Fund overview provides a summary of financial activity through June 30, 2018. The Adopted Budget reflects the budget adopted by City Council on September 20, 2017 effective October 1 through September 30. The Amended Budget column reflects City Council approved transfers between funds and programs and approved use of contingency.

Fund Balance. The summary includes fund balance with the year-end revenue and expenditure forecasts. As of June 30, 2018, the Year-End Forecast beginning fund balance represents the FY 2016-17 audited unassigned ending fund balance and includes FY 2016-17 year-end savings.

Revenues. Through June 30, 2018, General Fund revenues are projected to be above budget by \$8.8 million primarily due to electric, fiber optic, and natural gas franchise fees; sales tax; interest, Fire Watch fees; and a new contract with the State Fair for patrol services.

Expenditures. Through June 30, 2018, General Fund expenditures are projected to be above budget by \$991,000. The primary driver of the overrun is greater than anticipated use of overtime by Dallas Fire-Rescue.

Amendments. The General Fund budget was amended on:

- October 25, 2017 by resolution #17-1652 in the amount of \$120,000 for a Regional Assessment of Fair Housing;
- November 8, 2017 by resolution #17-1735 in the amount of \$139,000 to reimburse the AT&T Performing Arts Center (ATTPAC) for emergency flood remediation and repairs at the Dee and Charles Wylie Theatre;
- January 17, 2018 by resolution #18-0125 in the amount of \$1,640,000 to continue the operation of the Dallas County Schools school crossing guard program through the end of the current school year;
- February 14, 2018 by resolution #18-0282 in the amount of \$303,000 to accept donations from the Communities Foundation of Texas on behalf of various contributors to the Dallas Cultural Plan 2018;
- March 28, 2018 by resolution #18-0442 in the amount of \$189,300 for emergency flood remediation and related repairs related to the theater automation system at the Dee and Charles Wylie Theatre;
- April 25, 2018 by ordinance #30843 for mid-year appropriation ordinance adjustments consisting of a \$294,000 appropriation decrease in Non-Departmental, \$165,000 appropriation increase in Housing and Neighborhood Revitalization, \$60,300 appropriation increase in 311 Customer Service Center, \$68,700 appropriation increase in Office of Community Care, \$115,000 transfer of appropriations from Dallas Police Department to Transportation; and \$3,700,000 appropriation increase in Dallas Fire Rescue from excess revenue.

GENERAL FUND REVENUES

As of June 30, 2018

Revenue Category	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	YTD Actual	YE Forecast	Variance
Property Tax ¹	\$652,067,958	\$653,667,958	\$650,616,847	\$653,733,742	\$65,784
Sales Tax ²	303,349,086	303,349,086	177,037,973	304,904,662	1,555,576
Franchise & Other ³	135,319,609	135,319,609	103,807,582	140,096,576	4,776,967
Charges for Services ⁴	103,578,036	104,878,036	53,421,623	106,811,573	1,933,537
Fines and Forfeitures ⁵	36,515,082	36,515,082	18,141,529	35,277,471	(1,237,611)
Operating Transfers In ⁶	22,777,865	24,747,248	9,453,237	24,747,248	0
Intergovernmental	9,548,046	9,667,609	3,532,437	9,682,641	15,032
Miscellaneous ⁷	6,580,004	7,683,004	6,988,562	8,061,171	378,167
Licenses & Permits	4,668,685	4,668,685	3,960,094	4,673,151	4,466
Interest ⁸	2,016,571	2,016,571	3,096,105	3,351,348	1,334,777
Total Revenue	\$1,276,420,942	\$1,282,512,888	\$1,030,055,988	\$1,291,339,582	\$8,826,694

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.

1 Property Tax. Property Tax budgeted revenue was increased by \$1.6 million on April 25, 2018 by ordinance 30843 due to higher current year collections.

2 Sales Tax. Sales tax revenues are forecast to be 0.5 percent (\$1,555,000) greater than budget based on most recent sales tax receipts. Sales tax receipts have increased by 3.7 percent over the most recent 12 months.

3 Franchise and Other. Franchise and other revenues are projected to be 3.53 percent (\$4,777,000) over budget primary due to electric, fiber optics, and natural gas.

4 Charges for Service. Charges for services revenues are forecast to be 1.84 percent (\$1,934,000) greater than budget primarily due to \$1.4 million from Fire Watch inspection fees resulting from multiple hard freezes in the winter affecting sprinkler systems at various locations and a new agreement signed with State Fair for police patrol services in which FY 2017-18 received \$1.0 million in revenue for prior years State Fairs. Overages are offset by a decrease of \$758,000 in swimming pool fees due to the delayed opening of three aquatic centers. Charges for Services budgeted revenue was increased by \$1.3 million on April 25, 2018 by ordinance 30843 due to additional Emergency Ambulance supplemental payment revenue.

5 Fines and Forfeitures. Fines and forfeitures are projected to be 4.2 percent (\$1,238,000) under budget as a result of a decrease in parking citations issued due to staff turnover in the Parking Management and Enforcement division of Transportation (\$849,000); a decrease of 8,000 traffic citations over the same time period last year (\$578,000); and a decrease in forfeiture hearings due to compliance of bond terms by defendants (\$289,000).

6 Operating Transfer In. The revenue budget for Operating Transfer In was amended on:

- October 25, 2017 by resolution #17-1652 for a Regional Assessment of Fair Housing;
- November 8, 2017 by resolution #17-1735 to reimburse the AT&T Performing Arts Center (ATTPAC) for emergency flood remediation and repairs at the Dee and Charles Wylie Theatre;
- January 17, 2018 by resolution #18-0125 to continue the operation of the Dallas County Schools school crossing guard program through the end of the current school year;
- February 14, 2018 by resolution #18-0282 to accept donations from the Communities Foundation of Texas on behalf of various contributors to the Dallas Cultural Plan 2018; and
- March 28, 2018 by resolution #18-0422 for emergency flood remediation and repairs related to the

VARIANCE NOTES

theater automation system at the Dee and Charles Wyly Theatre.

7 Miscellaneous. Miscellaneous budgeted revenue was increased \$800,000 on April 25, 2018 by ordinance 30843 due to additional one-time revenue from Atmos Energy for the City's support provided to residents affected by the gas emergency. Reimbursement from Atmos was greater than anticipated (\$1,120,000).

8 Interest. Interest earned revenues are projected to be 66.2 percent (\$1,335,000) over budget based on current trends.

GENERAL FUND EXPENDITURES

As of June 30, 2018

Expenditure Category	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	YTD Actual	YE Forecast	Variance
Civilian Pay	\$233,174,548	\$235,953,394	\$157,025,033	\$225,036,194	(\$10,917,200)
Civilian Overtime	6,087,198	6,079,044	6,571,123	9,085,037	3,005,993
Civilian Pension	33,654,027	33,952,850	22,853,750	32,274,341	(1,678,509)
Uniform Pay	397,751,284	401,698,616	280,831,934	390,251,633	(11,446,983)
Uniform Overtime	32,141,841	35,897,371	36,165,675	51,336,958	15,439,587
Uniform Pension	151,450,013	153,665,564	108,253,065	153,665,564	0
Health Benefits	62,526,985	62,812,518	42,967,378	62,768,989	(43,529)
Workers Comp	10,211,638	10,211,638	0	10,209,171	(2,467)
Other Personnel Services	11,798,743	11,952,376	7,797,320	12,562,975	610,599
Total Personnel Services ¹	938,796,277	952,223,371	662,465,278	947,190,862	(5,032,509)
Supplies ²	76,688,160	77,679,249	52,598,199	78,448,549	769,300
Contractual Services ³	341,963,586	342,885,382	176,622,042	350,539,212	7,653,830
Capital Outlay ⁴	8,000,250	8,329,492	4,905,488	9,846,780	1,517,288
Reimbursements ⁵	(89,027,331)	(98,604,606)	(37,287,358)	(102,521,330)	(3,916,724)
Total Expenditures	\$1,276,420,942	\$1,282,512,888	\$859,303,648	\$1,283,504,073	\$991,185

VARIANCE NOTES

1 Personnel Services. Current year-end forecast is \$5 million below budget primarily due to civilian vacancy savings. Uniform overtime YE forecast assumes \$11.5 million for the Dallas Fire Rescue and \$3.9 million for Dallas Police Department. 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 is \$769,000 above budget resulting from the purchase of ballistic helmets for the Dallas Police Department, software maintenance of an automated fingerprint identification system for the Dallas Police Department, and software purchases for various other departments.

3 Contractual Services. Current year-end forecast is \$7.7 million over budget primarily due to contract temporary help, day labor, equipment rental, security services, and Dallas Fire Rescue unbudgeted increase in emergency ambulance supplement contract payment.

4 Capital Outlay. Current year-end forecast is \$1.5 million over budget due primarily to vehicles purchased by Dallas Animal Services that will be reimbursed by an unbudgeted reimbursement, an approved purchase of a nuisance abatement brush truck using salary savings in Code Compliance, and the purchase of Gator vehicles by Code Compliance to better move in and out from alleys and back streets to clean litter, tires, and trash.

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 \$4.0 million greater than budget, primarily due to:

- \$1.7 million greater than budgeted reimbursement to Dallas Fire Rescue from the 9-1-1 System Operations Fund;
- \$600,000 greater than budgeted reimbursement to Dallas Fire Rescue from Building Inspections for new construction inspections and Aviation for two full-time paramedics assigned to Love Field Airport;
- \$720,000 reimbursement from a Police Donation Fund for overtime expenses incurred in FY 2016-17 for increased patrols in the Oak Lawn area; and \$347,000 greater than budgeted department support reimbursement;

VARIANCE NOTES

- \$350,000 Dallas Animal Services reimbursement from a special revenue fund for vehicles;
- \$151,000 Courts and Detention Services unbudgeted reimbursement from the City Attorney's Office for three full-time staff dedicated to the Community Courts; and
- \$161,000 Park and Recreation greater than budgeted reimbursement for overtime work at Fair Park performed by Facility Services.

GENERAL FUND EXPENDITURES

As of June 30, 2018

Expenditure By Department	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	YTD Actual	YE Forecast	Variance
Building Services	\$28,590,583	\$28,667,529	\$20,584,566	\$28,667,529	\$0
City Attorney's Office	16,788,175	16,788,175	11,521,754	16,726,946	(61,229)
City Auditor's Office ¹	3,360,043	3,360,043	2,086,955	3,090,265	(269,778)
City Controller's Office	5,351,812	5,379,331	4,062,359	5,379,331	0
Independent Audit	891,157	891,157	0	891,157	0
City Manager's Office	2,266,902	2,344,267	1,669,281	2,239,664	(104,603)
City Secretary ²	2,367,327	2,703,024	1,829,106	2,766,194	63,170
Civil Service ³	3,080,815	3,080,815	1,993,562	3,146,870	66,055
Code Compliance	30,438,826	30,438,826	19,617,652	29,988,826	(450,000)
Court Services	11,627,393	11,627,393	8,765,200	11,321,999	(305,394)
Jail Contract	8,484,644	8,484,644	5,656,429	8,484,644	0
Dallas Animal Services	14,007,159	14,007,159	10,508,931	13,997,902	(9,257)
Dallas Fire-Rescue ⁴	267,026,909	270,726,909	199,239,153	280,612,397	9,885,488
Dallas Police Department ⁵	465,522,805	464,648,484	320,839,839	460,177,974	(4,470,510)
Housing and Neighborhood Services ⁶	3,668,283	4,010,682	2,727,340	4,010,682	0
Human Resources	5,234,618	5,234,618	3,977,899	5,187,707	(46,911)
Judiciary	3,454,079	3,454,079	2,589,656	3,454,079	0
Library	31,279,877	31,279,877	22,160,498	30,903,126	(376,751)
Office of Management Services					
311 Customer Services ⁷	3,509,120	3,569,390	2,378,100	3,350,284	(219,106)
Center for Performance Excellence	1,265,811	1,265,811	998,465	1,265,811	0
Council Agenda Office	224,495	247,782	135,518	247,782	0
EMS Compliance Program	340,988	340,988	206,249	329,580	(11,408)
Ethics and Diversity	97,631	119,855	45,764	119,855	0
Fair Housing ⁸	278,274	397,837	306,013	397,837	0
Office of Strategic Partnerships ⁹	726,947	3,126,947	610,278	2,985,762	(141,185)
Office of Business Diversity ¹⁰	793,297	793,297	531,480	752,200	(41,097)
Office of Community Care ¹¹	4,932,564	5,001,285	3,195,667	4,914,362	(86,923)
Office of Emergency Management	715,020	715,020	348,426	715,020	0
Office of Environmental Quality ¹²	1,197,487	1,197,487	1,126,536	884,449	(313,038)
Office of Homeless Solutions	10,081,328	10,081,328	7,135,683	10,074,910	(6,418)
Public Affairs and Outreach ¹³	1,666,011	1,400,645	869,454	1,126,225	(274,420)
Resiliency Office	353,875	353,875	234,850	346,386	(7,489)
Welcoming Communities	428,845	428,845	271,733	428,845	0
Mayor and City Council	4,820,561	4,827,575	3,245,201	4,827,575	0
Non-Departmental ¹⁴	77,323,336	77,029,345	12,061,680	76,387,722	(641,623)
Office of Budget	3,406,338	3,406,338	2,357,188	3,337,248	(69,090)
Office of Cultural Affairs ¹⁵	20,268,063	20,899,767	18,674,398	20,899,767	0
Office of Economic Development	4,840,594	4,840,594	3,938,087	4,840,594	0
Park and Recreation	98,005,546	98,269,651	68,955,909	97,274,492	(995,159)
Planning and Urban Design	2,911,297	2,911,297	2,000,012	2,892,067	(19,230)
Procurement Services	2,389,442	2,389,442	1,607,210	2,378,549	(10,893)
Public Works	73,137,927	73,137,927	60,053,424	73,097,374	(40,553)
Sustainable Development	1,656,869	1,656,869	1,640,448	1,605,406	(51,463)
Transportation ¹⁶	44,325,574	44,440,574	25,957,845	44,440,574	0
Trinity Watershed Management	1,302,754	1,302,754	587,849	1,302,754	0
Total Departments	\$1,264,441,401	\$1,271,279,537	\$859,303,648	\$1,272,270,722	\$991,185
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 ¹⁷	2,650,000	1,903,810	0	1,903,810	0
Total Expenditures	\$1,276,420,942	\$1,282,512,888	\$859,303,648	\$1,283,504,073	\$991,185

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 Auditor's Office. City Auditor's Office expenditures are forecast to be \$270,000 below budget due to salary savings associated with vacancies.

2 City Secretary. City Secretary Office's budget was increased by \$265,000 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). City Secretary Office's expenditures are forecast to be \$63,000 greater than budget primarily due to an office expansion needed to accommodate the new open records division.

3 Civil Service. Civil Service expenditures are forecast to be \$66,000 greater than budget due to a nationwide search for the vacant Civil Service Director position and replacement costs for damaged Civil Service Board Room audio and recording equipment.

4 Dallas Fire-Rescue. Dallas Fire-Rescue budget was increased by \$3.7 million on April 25, 2018 by ordinance 30843 for overruns in uniform overtime due to higher than expected attrition. Dallas Fire-Rescue expenditures are forecast to be \$10 million greater than budget primarily due to uniform overtime expenses. The primary factor of the greater than budgeted use of overtime includes the impact of attrition in prior fiscal years that has exceeded hiring which has affected mandatory minimum staffing. The department is reviewing options to reduce and/or defer expenses in order to reduce the impact of uniform overtime.

5 Dallas Police Department. Dallas Police Department budget was decreased by \$759,000 on January 17, 2018 by CR 18-0125 to reallocate Child Safety Funds held by the Dallas Police Department to Management Services (Office of Strategic Partnerships) and decreased by \$115,000 on April 25, 2018 by ordinance 30843 to transfer Parking Enforcement division overtime and merit funding to Transportation. Dallas Police Department expenditures are forecast to be \$4,471,000 below budget primarily due to hiring fewer officers than planned in FY 2017-18 and unplanned uniform attrition at the end of FY 2016-17.

6 Housing and Neighborhood Services. Housing and Neighborhood Services budget was increased by \$165,000 on April 25, 2018 by ordinance 30843 to fund a caseworker for the High Impact Landlord Initiative, additional home repair work at eight Home Repair Program properties and expenses associated with moving support staff from Bexar Street offices back to City Hall.

7 311 Customer Services. 311 Customer Services budget was increased by \$60,300 by City Council on April 25, 2018 by ordinance 30843 due to higher than expected usage of the Language Line, a third-party vendor that is used to translate calls for non-English speakers when bilingual 311 Customer Services agents are not available. 311 Customer Services is forecast to be \$219,000 under budget primarily due to salary savings from vacancies.

8 Fair Housing Office. Fair Housing Office budget was increased by \$120,000 on October 25, 2017 by CR#17-1652 for a Regional Assessment of Fair Housing.

9 Office of Strategic Partnerships. Office of Strategic Partnerships budget was increased by \$2.4 million on January 17, 2018 by CR #18-0125 to appropriate funds for the Dallas County School Dissolution Committee Crossing Guard payroll. Office of Strategic Partnerships expenditures are forecast to be \$141,000 below budget due to salary savings and lower than projected contractual service expenditures.

10 Office of Business Diversity. Office of Business Diversity expenditures are forecast to be \$41,000 below budget due to salary savings associated with vacancies.

11 Office of Community Care. Office of Community Care's budget was increased by \$87,000 on April 25, 2018 by ordinance 30843 for unbudgeted contract temporary help, overtime, and building maintenance expenses.

VARIANCE NOTES

12 Office of Environmental Quality. Office of Environmental Quality is forecast to be \$313,000 under budget due to salary savings associated with vacancies and frequent turnover in key positions.

13 Public Affairs and Outreach. Public Affairs and Outreach budget was decreased by \$265,000 on October 11, 2017 by CR#17-1608 for oversight and responsibility of the open records function transferred to the City Secretary. Public Affairs and Outreach expenditures are forecast to be \$274,000 under budget primarily due to salary savings associated with three vacant management positions.

14 Non-Departmental. Non-Departmental budget was decreased by \$294,000 on April 25, 2018 by ordinance 30843 for mid-year appropriation adjustments. Non-Departmental expenditures are forecast to be \$642,000 less than budget primarily due to a delay in Master Lease draw for new equipment purchase which will occur in fall of FY 2018-19.

15 Office of Cultural Affairs. Office of Cultural Affairs budget was increased by \$139,000 on November 8, 2017 by resolution # 17-1735 and by \$189,300 on March 28, 2018 by resolution #18-0442 (approved use of contingency reserve funds) to reimburse the ATTPAC for emergency flood remediation and repairs at the Dee and Charles Wylie Theatre, and on February 14, 2018 by resolution #18-0282 in the amount of \$303,000 to accept donations from the Communities Foundation of Texas on behalf of various contributors to the Dallas Cultural Plan 2018.

16 Transportation. Transportation budget was increased by \$115,000 on April 25, 2018 by ordinance 30843 to transfer Parking Enforcement division overtime and merit funding from Police to Transportation.

17 Salary and Benefit Reserve. Salary and Benefit Reserve funds totaling \$742,000 were allocated to Building Services (\$77,000), the City Controller's Office (\$27,000), the City Manager's Office (\$77,000), the City Secretary's Office (\$70,000), Housing and Neighborhood Revitalization (\$177,000), City Agenda Office (\$21,000), Ethics and Diversity (\$22,000), Mayor and Council (\$7,000), and Park and Recreation (\$264,000) for personnel related expenditures, primarily unbudgeted vacation/sick termination payments.

ENTERPRISE FUNDS

As of June 30, 2018

Department	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	YTD Actual	YE Forecast	Variance
AVIATION					
Beginning Fund Balance	\$13,811,768	\$13,811,768		\$14,111,807	\$300,039
Total Revenues:	127,028,405	127,028,405	90,990,320	127,133,158	104,753
Total Expenditures:	127,028,405	127,028,405	78,270,754	127,028,405	0
Ending Fund Balance	\$13,811,768	\$13,811,768		\$14,216,560	\$404,793
CONVENTION AND EVENT SERVICES¹					
Beginning Fund Balance	\$32,258,124	\$32,258,124		\$33,234,399	\$976,275
Total Revenues:	97,787,266	101,187,266	71,559,036	104,430,364	3,243,098
Total Expenditures:	97,787,266	99,371,106	59,906,710	104,430,364	5,059,258
Ending Fund Balance	\$32,258,124	\$34,074,284		\$33,234,399	(\$839,885)
MUNICIPAL RADIO²					
Beginning Fund Balance	\$1,217,847	\$1,217,847		\$1,087,586	(\$130,261)
Total Revenues:	2,098,813	2,098,813	1,388,955	2,022,485	(76,328)
Total Expenditures:	2,051,318	2,051,318	1,351,744	1,904,579	(146,739)
Ending Fund Balance	\$1,265,342	\$1,265,342		\$1,205,492	(\$59,850)
SANITATION SERVICES³					
Beginning Fund Balance	\$22,431,707	\$22,431,707		\$29,641,449	\$7,209,742
Total Revenues:	102,279,097	106,579,097	84,408,683	109,056,415	2,477,318
Total Expenditures:	102,279,097	104,419,917	53,871,348	109,056,415	4,636,498
Ending Fund Balance	\$22,431,707	\$24,590,887		\$29,641,449	\$5,050,562
STORM DRAINAGE MANAGEMENT					
Beginning Fund Balance	\$4,546,490	\$4,546,490		\$7,593,575	\$3,047,085
Total Revenues:	55,987,895	55,987,895	42,351,763	55,868,207	(119,688)
Total Expenditures:	55,936,837	55,936,837	34,016,555	55,532,832	(404,005)
Ending Fund Balance	\$4,597,548	\$4,597,548		\$7,928,950	\$3,331,402
SUSTAINABLE DEVELOPMENT AND CONSTRUCTION					
Beginning Fund Balance	\$37,809,029	\$37,809,029		\$43,778,944	\$5,969,915
Total Revenues:	31,711,218	31,711,218	27,202,508	32,431,076	719,858
Total Expenditures:	32,376,190	32,376,190	21,133,931	32,376,190	0
Ending Fund Balance	\$37,144,057	\$37,144,057		\$43,833,830	\$6,689,773
Note: FY 2017-18 Budget reflects planned use of fund balance.					
DALLAS WATER UTILITIES⁴					
Beginning Fund Balance	\$84,788,025	\$84,788,025		\$95,808,193	\$11,020,168
Total Revenues:	667,471,388	667,471,388	475,306,236	671,624,514	4,153,126
Total Expenditures:	667,471,388	667,471,388	401,122,872	649,107,129	(18,364,259)
Ending Fund Balance	\$84,788,025	\$84,788,025		\$118,325,578	\$33,537,553

INTERNAL SERVICES FUNDS

As of June 30, 2018

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		\$10,747,503	(\$212,184)
Total Revenues:	67,963,283	67,963,283	43,278,756	68,598,649	635,366
Total Expenditures:	70,242,680	70,242,680	48,535,816	73,953,698	3,711,018
Ending Fund Balance	\$8,680,290	\$8,680,290		\$5,392,454	(\$3,287,836)
Note: FY 2017-18 Budget reflects planned use of fund balance.					
RADIO SERVICES					
Beginning Fund Balance	\$2,537,356	\$2,537,356		\$2,680,270	\$142,914
Total Revenues:	4,823,063	4,823,063	1,125,163	4,839,536	16,473
Total Expenditures:	4,823,063	4,823,063	3,149,139	4,719,230	(103,833)
Ending Fund Balance	\$2,537,356	\$2,537,356		\$2,800,576	\$263,220
EQUIPMENT SERVICES⁶					
Beginning Fund Balance	\$5,611,863	\$5,611,863		\$7,726,208	\$2,114,345
Total Revenues:	52,652,059	54,152,059	34,259,350	56,288,425	2,136,366
Total Expenditures:	52,652,059	54,417,268	33,421,212	56,760,634	2,343,366
Ending Fund Balance	\$5,611,863	\$5,346,654		\$7,254,000	\$1,907,346
EXPRESS BUSINESS CENTER⁷					
Beginning Fund Balance	\$2,011,100	\$2,011,100		\$1,700,445	(\$310,655)
Total Revenues:	4,231,450	4,231,450	2,570,429	3,109,529	(1,121,921)
Total Expenditures:	3,740,420	3,740,420	1,313,278	2,127,831	(1,612,589)
Ending Fund Balance	\$2,502,130	\$2,502,130		\$2,682,143	\$180,013

OTHER FUNDS

As of June 30, 2018

Department	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	YTD Actual	YE Forecast	Variance
9-1-1 SYSTEM OPERATIONS⁸					
Beginning Fund Balance	\$5,941,912	\$5,941,912		\$12,060,896	\$6,118,984
Total Revenues:	12,539,195	12,539,195	8,952,317	12,357,090	(182,105)
Total Expenditures:	15,048,378	16,748,378	8,290,372	16,565,924	(182,455)
Ending Fund Balance	\$3,432,729	\$1,732,729		\$7,852,063	\$6,119,334
Note: FY 2017-18 Budget reflects planned use of fund balance.					
DEBT SERVICE⁹					
Beginning Fund Balance	\$13,769,804	\$13,769,804		\$12,613,280	(\$1,156,524)
Total Revenues:	278,149,358	278,149,358	261,326,374	282,544,842	4,395,484
Total Expenditures:	267,322,998	267,322,998	0	263,466,877	(3,856,121)
Ending Fund Balance	\$24,596,164	\$24,596,164		\$31,691,245	\$7,095,081
EMPLOYEE BENEFITS¹⁰					
City Contributions	\$86,088,120	\$86,088,120	\$385,958	\$86,088,120	\$0
Employee Contributions	38,086,396	38,086,396	0	37,624,465	(461,931)
Retiree	30,118,491	30,118,491	11,154,763	31,448,943	1,330,452
Other	0	0	(7,893)	0	0
Total Revenues:	154,293,007	154,293,007	11,532,828	155,161,528	868,521
Total Expenditures:	\$154,293,007	\$154,293,007	\$326,163	\$149,728,266	(\$4,564,741)
Note: The FY 2017-18 YE forecast reflect claim expenses expected to occur in the fiscal year. Fund balance (not included) reflects incurred but not reported claims (IBNR).					
RISK MANAGEMENT¹¹					
Worker's Compensation	\$13,219,304	\$13,219,304	\$0	\$14,050,921	\$831,617
Third Party Liability	10,203,093	10,203,093	0	13,779,511	3,576,418
Purchased Insurance	3,090,183	3,090,183	0	3,002,223	(87,960)
Interest and Other	406,970	406,970	0	0	(406,970)
Total Revenues:	26,919,550	26,919,550	0	30,832,655	3,913,105
Total Expenditures:	\$29,406,225	\$29,406,225	\$1,741,975	\$24,498,409	(\$4,907,816)
Note: The FY 2017-18 YE forecast reflect claim expenses expected to occur in the fiscal year. Fund balance (not included) reflects the total current liability for Risk Management (Worker's Compensation/Liability/Property Insurance).					

VARIANCE NOTES

The Enterprise, Internal Service, and Other Funds summary includes the beginning fund balance with the YE revenue and expenditure forecasts. As of June 30, 2018, the Year-End Forecast beginning fund balance represents the FY 2016-17 audited ending fund balance. 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 budget was increased by \$1.6 million on April 25, 2018 by ordinance 30843 due to increased food and beverage expenses and by an offsetting \$3.4 million increase in catering service revenues. Convention and Event Services revenues are projected to exceed budget by \$3.2 million primarily due to greater than projected Hotel Occupancy Tax collections. Expenditures are projected to be \$5.1 million greater than budget primarily due to an increased food and beverage expenses fully offset by additional catering revenue.

2 Municipal Radio. Municipal Radio FY 2017-18 revenues are projected to be lower than budget by \$76,000 due a decrease in projected local radio advertisement sales. Local arts groups and small retailers (which account for the largest portion of local sales) have difficulty with the cost of media buys in DFW's large media market. Expenditures are projected to be \$147,000 below budget primarily due to hiring delays for four vacant positions.

3 Sanitation Services. Sanitation Services budget was increased by \$2.1 million on April 25, 2018 by ordinance 30843 for increased landfill disposal fees paid to Texas Commission on Environmental Quality (TCEQ), Equipment Services maintenance charges and master lease payments and by an offsetting \$4.6 million increase in landfill revenues. Sanitation Services revenues are projected to be \$2.5 million over budget primarily due to higher than anticipated residential collection revenues and increased non-contract landfill customer usage. Expenditures are projected to exceed budget by \$4.6 million primarily due to an additional transfer to the Sanitation capital improvement fund, increased landfill equipment usage and repair costs, increased fuel costs, and increased overtime and contracted labor expenses related to high truck driver turnover.

4 Dallas Water Utilities. Water Utilities expenditures are projected to be \$18.4 million less than budget due to a settlement of potential litigation with Sabine River Authority (SRA). The escrow payment savings will be used to minimize future rate increases. City Council was briefed on this topic in February 2018.

5 Information Technology. Information Technology expenditures will exceed revenue to fund an additional technology construction fund transfer using fund balance.

6 Equipment Services. Equipment Services budget was increased by \$475,000 on April 11, 2018 by ordinance for a fleet consultant study, and by \$1.2 million on April 25, 2018 by ordinance 30843. The amendment on April 25, 2018 was due to unbudgeted equipment maintenance charges for retained vehicles, increased motor pool use, and increased costs for make ready of new vehicles offset by a \$1.5 million increase in revenues. Equipment Services FY 2017-18 YE forecast expenditures will exceed revenue due to increased fuel cost and planned use of fund balance to fund a fleet consultant study.

7 Express Business Center. Express Business Center expenditures are projected to be \$1.6 million less than budget and revenues \$1.1 million less than budget primarily due to the transfer of the water bill printing services to Dallas Water Utilities (DWU) at the end of September 2017. Water bill printing services will be provided by a vendor and expensed in DWU.

8 9-1-1 System Operations. 9-1-1 System Operations budget was increased by \$1.7 million on April 25, 2018 by ordinance 30843 for a greater than budgeted \$1.7 million reimbursement to Dallas Fire Rescue. 9-1-1 System Operations FY 2017-18 YE forecast expenditures will exceed revenue due to planned use of fund balance.

9 Debt Service Fund. Debt Service Fund FY 2017-18 YE forecast revenues will exceed budget by \$4.4 million primarily due to property tax collections trending above average and greater than budgeted interest earnings.

VARIANCE NOTES

10 Employee Benefits. Employee Benefits FY 2017-18 YE forecast expenditures are projected to be \$4.6 million below budget primarily due to lower than budgeted medical claim expenses for active employees.

11 Risk Management. Risk Management FY 2017-18 YE forecast expenditures are less than budget due to planned resolution of settlements in the current year moving to FY 2018-19 (\$6,363,000).



City of Dallas Contact Information

Financial Transparency

financialtransparency@dallascityhall.com

Dallas City Hall

1500 Marilla St.

Room 4-F-North

Dallas, Texas 75201

[Phone: \(214\) 670-3659](tel:(214)670-3659)

Fax: (214) 670-7008

