

GOVERNMENT PERFORMANCE & FINANCIAL MANAGEMENT

DALLAS CITY COUNCIL COMMITTEE AGENDA

RECEIVED

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CITY SECRETARY
DALLAS, TEXAS

MONDAY, AUGUST 21, 2017
CITY HALL
COUNCIL BRIEFING ROOM, 6ES
1500 MARILLA
DALLAS, TEXAS 75201
1:30 P.M. – 3:00 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

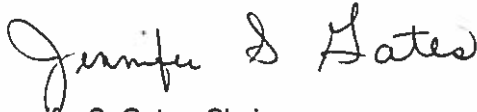
Call to Order

1. Consideration of the minutes from the August 7, 2017 Government Performance & Financial Management Committee meeting
2. Consideration of Upcoming Agenda Items Memo(s) for August 23, 2017 City Council Meeting

BRIEFINGS

3. Dallas Fort Worth International Airport
Proposed FY 2018 Budget and
Dallas Fort Worth International Airport
Approval of the 52nd Supplemental Bond
Ordinance
Sean Donohue, CEO
*DFW International Airport and
Christopher Poinette, CFO
DFW International Airport*
4. Office of the City Auditor Fiscal Year 2018
Audit Plan
Craig Kinton, City Auditor
5. General Fund Reserves
Jack Ireland, Director
Office of Financial Services
6. FY 2017 Appropriations Adjustment and
FY 2016-17 Financial Forecast Report
Information as of June 30, 2017
Jack Ireland, Director
Office of Financial Services
7. FY 2017-18 Annual Budget: Government Performance
& Financial Management
Jennifer S. Gates, Councilmember

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. Contemplated or pending litigation, or matters where legal advice is requested of the City Attorney. Section 551.071 of the Texas Open Meetings Act.
2. The purchase, exchange, lease or value of real property, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.072 of the Texas Open Meetings Act.
3. A contract for a prospective gift or donation to the City, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.073 of the Texas Open Meetings Act.
4. Personnel matters involving the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear a complaint against an officer or employee. Section 551.074 of the Texas Open Meetings Act.
5. The deployment, or specific occasions for implementation of security personnel or devices. Section 551.076 of the Texas Open Meetings Act.
6. Deliberations regarding economic development negotiations. Section 551.087 of the Texas Open Meetings Act.

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: August 7, 2017

Convened: 1:02 pm

Adjourned: 2:16 pm

Committee Members Present:

Jennifer S. Gates, Chair
Scott Griggs
Sandy Greyson

Lee Kleinman
Philip Kingston
Tennell Atkins

Kevin Felder

Committee Members Absent:

Other Council Members Present:

Staff Present:

Elizabeth Reich
Akilah McLaughlin
Jack Ireland
Mike Frosch
Stephanie Cooper
Edward Scott

Lance Sehorn
Barbara McAninch
Craig Kinton
Don Knight
Kellie Ford
Chloe Irwin

Others Present:

N/A

AGENDA:

Call to Order

1. Consideration of the June 5, 2017 Minutes

Presenter(s): N/A

Information Only: _

Action Taken/Committee Recommendation(s):

A motion was made to approve the June 5, 2017 minutes. Motion passed unanimously.

Motion made by: Lee Kleinman

Motion seconded by: Scott Griggs

2. Consideration of Upcoming Agenda Items Memo for August 9, 2017 City Council Meeting

Presenter(s): N/A

Information Only: _

Action Taken/Committee Recommendation(s):

A motion was made to forward to the City Council on June 14, 2017. Motion passed unanimously.

Motion made by: *Not audible*

Motion seconded by: *Not audible*

GOVERNMENT PERFORMANCE & FINANCIAL MANAGEMENT

Meeting Record

Briefings

3. Dallas Police & Fire Pension 2016 Comprehensive Annual Financial Report Review

Presenter(s): Summer Loveland, *Dallas Police & Fire Pension System*

Information Only: X

Action Taken/Committee Recommendation(s):

Motion made by: None

Motion seconded by: None

4. Oncor Rates

Presenter(s): Nick Fehrenback, Manager of Regulatory Affairs, Office of Financial Services

Information Only: __

Action Taken/Committee Recommendation(s):

A motion was made to deny the rates which is the same as the staff's recommendation; forward to City Council on August 9, 2017. Motion passed on unanimous

Motion made by: Lee Kleinman

Motion seconded by: *Not audible*

Adjourn

Jennifer S. Gates, Chair
Budget, Finance, & Audit Committee

Memorandum



CITY OF DALLAS

DATE August 14, 2017

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

SUBJECT **Upcoming Agenda Items for August 23 Council Agenda Meeting**

The following agenda items are scheduled to go before City Council on August 23, 2017.

Agenda Item 2

Authorize a three-year service contract for the purchase of trauma kits and training - Tactical Medical Solutions, Inc. dba Tramedic Solutions, Inc., lowest responsible bidder of two - Not to exceed \$427,522 - Financing: U.S. Department of Homeland Security Grant Funds

Agenda Item 3

Authorize a three-year service contract to monitor, maintain, and repair the tunnel lights and jet fans under Klyde Warren Park - CMC Network Solutions, LLC, most advantageous proposer of two - Not to exceed \$6,006,685 - Financing: Current Funds (subject to annual appropriations)

Agenda Item 4

Authorize a three-year system and service contract, with two one-year renewal options, for web hosted certificate of insurance and payment and performance bond compliance tracking and compliance review services - Insurance Tracking Services, Inc., most advantageous proposer of three - Not to exceed \$605,200 - Financing: Current Funds (subject to annual appropriations)

Agenda Item 5

Authorize a five-year service contract, with two one-year renewal options, for maintenance and support of the supervisory control and data acquisition system for Dallas Water Utilities - Prime Controls, LP, most advantageous proposer of two - Not to exceed \$948,304 - Financing: Water Utilities Current Funds (subject to annual appropriations)

Agenda Item 6

Authorize a three-year master agreement for liquid ammonia sulfate for the Eastside Water Treatment Plant – Chemtrade Chemicals US LLC, lowest responsible bidder of two - Not to exceed \$2,852,820 - Financing: Water Utilities Current Funds

DATE August 14, 2017
SUBJECT Upcoming Agenda Items for August 23 Council Agenda Meeting

Agenda Item 7

Authorize Supplemental Agreement No. 2 to exercise the second one-year renewal option to the service contract with Cellco Partnership dba Verizon Wireless and its related entities through the Department of Information Resources, State of Texas Cooperative for commercial wireless communication services and equipment - Not to exceed \$3,596,410, from \$13,385,429 to \$16,981,839 - Financing: Current Funds (subject to annual appropriations)

If you have any questions regarding these items, please contact me at (214) 670-7804.



M. Elizabeth Reich
Chief Financial Officer

c: Honorable Mayor and City Council
T.C. Broadnax, City Manager
Larry Casto, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Kimberly Bizzor Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager

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Joey Zapata, Assistant City Manager
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

Memorandum



CITY OF DALLAS

DATE August 14, 2017

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

SUBJECT **Dallas/Fort Worth International Airport Proposed FY 2018 Budget**

On Monday, August 21, 2017, the Dallas/Fort Worth International Airport will brief the Government Performance & Financial Management Committee on Dallas/Fort Worth International Airport Proposed FY 2018 Budget. I have attached the briefing for your review.

Please let me know if you need additional information.

M. Elizabeth Reich

M. Elizabeth Reich
Chief Financial Officer

Attachment

c: Honorable Mayor and Members of the City Council
T.C. Broadnax, City Manager
Larry Casto, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
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Directors and Assistant Directors

Dallas Fort Worth International Airport Proposed FY 2018 Budget

Government Performance & Financial Management Committee

August 21, 2017



FY 2018 Budget Overview

Six Key Themes for FY 2018 Budget

Debt service increases associated with TRIP and other capital projects – **\$22 million planned**

Accelerated principal repayments resulting from the 2016A Bonds – **\$27 million planned**

New Passenger Facility Charge reserve policy in FY 2017 resulting in one-time benefit in FY 2017 – **\$11 million planned**

Limited operating expense increase (2.6% increase from FY 2017 Budget; 5.5% increase from management reduced FY 2017 Outlook)

Flat DFW Cost Center revenues

Funded Customer Experience and Safe and Secure strategic priorities



DFW

Expenditure Budget

Excluding debt service and fixed budget increases, the FY 2018 Budget increases 1.6% from Outlook

The debt service budget increases have been planned

The operating budget funds

- Strategic priorities
- Fixed contract increases
- Restoration of budgets reduced or unused in FY 2017
- Salary annualization and merit



Annual Budget (Millions)	FY18 Budget	FY18B v FY17B		FY18B v FY17OL	
		Inc (Dec) Amount	%	Inc (Dec) Amount	%
Operating Expenses	\$471.1	\$11.8	2.6%	\$24.5	5.5%
Gross Debt Service	483.1	52.6	12.2%	53.9	12.6%
Total Expenditures Budget	\$954.2	\$64.4	7.2%	\$78.4	9.0%

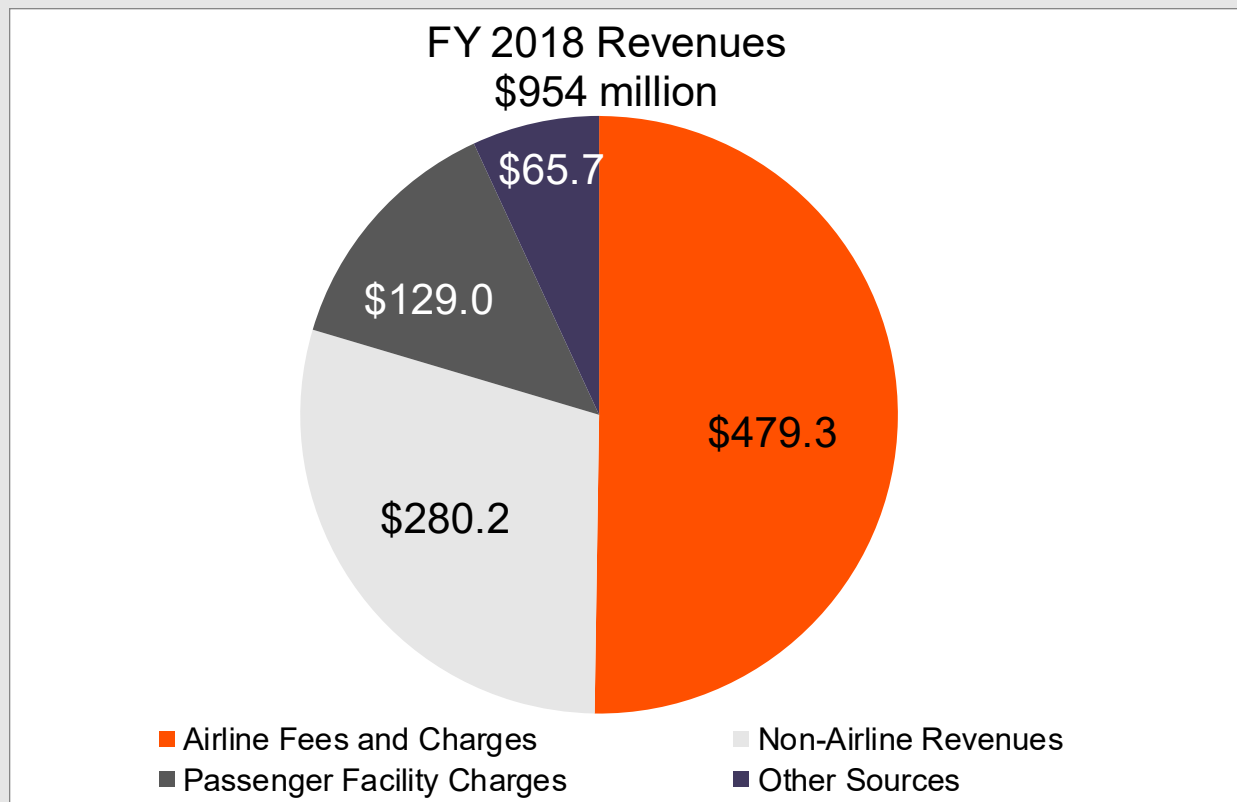
FY 2018 Budget Walkforward from FY 2017 Outlook

Fixed contract increases and budget restoration represent 80% of budget increase (including operating reserves).

Operating Expenses (in Millions)	Total
FY 2017 Outlook	\$446.6
Budget reductions	(8.6)
Customer experience	2.5
Safe and secure	1.8
Salary annualization and merit pool	10.7
Fixed contract increases	9.0
Restore CEO contingency and other items	6.6
Other increases	2.5
Net increase	24.5
FY 2018 Budget	\$471.1

FY 2018 Revenues

Half the \$954 million Expenditure Budget is funded by airlines, with the balance coming from the non-airline sources.



DFW Cost Center – Non-Airline Revenues

FY 2018 Revenues are \$356.1 million, a \$2.1 million (0.6%) increase over the FY 2017 Outlook.

Budget Category (in Millions)	FY17 Outlook	FY18 Budget	Increase (Decrease)	
			Amount	Percent
Revenues				
Parking	\$161.6	\$164.3	\$2.7	1.7%
Concessions	65.9	66.6	0.7	1.1%
Concessions - Advertising	15.5	13.6	(1.9)	(12.4%)
Rental Car (RAC)	33.3	33.2	(0.1)	(0.3%)
Commercial Development	43.1	44.4	1.4	3.2%
Subtotal	319.3	322.1	2.8	0.9%
Employee Transportation	17.6	16.9	(0.7)	(4.0%)
Utilities & Miscellaneous	8.1	7.3	(0.8)	(9.4%)
DPS	1.5	1.5	0.0	0.5%
Interest Income	7.6	8.3	0.8	10.2%
Total Revenues	\$354.0	\$356.1	\$2.1	0.6%



Airline Cost (Revenue to DFW)

The airlines pay landing fees and terminal rentals to DFW based on the cost to operate the airfield and terminals (including debt service).

The airline revenue/cost increase has been planned and very close to original Use Agreement contractual projection

\$64 million (75%) of the increase is due to an increase in debt service, reduction of Passenger Facility Charges, and other contractually agreed upon items

DFW remains cost competitive versus other large hub airports and compares favorably with AA's other large hub airports



Key Performance Indicator	FY17 Outlook	FY18 Budget	Increase (Decrease)	
			Amount	Percent
Airline Costs (Ms)	\$394.3	\$479.3	\$85.0	21.6%
Airline Cost Per Enplanement (CPE)	\$11.57	\$13.77	\$2.20	19.1%



FY 2018 Budget Approval

Request approval of FY 2018 Budget of \$964.2 million, which includes \$10 million of contingency outside of the rate base. This contingency may only be used with Board approval.

Annual Budget (Millions)	FY17 Outlook	FY18 Budget	Increase (Decrease)	
			Amount	Percent
Operating Expenses	\$446.6	\$471.1	\$24.5	5.5%
Gross Debt Service	429.1	483.1	53.9	12.6%
Total Expenditures Budget	<u>\$875.8</u>	<u>\$954.2</u>	<u>\$78.4</u>	<u>9.0%</u>
Contingency O/S Rate Base		<u>10.0</u>		
Total Budget w/Contingency		<u>\$964.2</u>		

Tax Sharing to Owner Cities

Eules, Irving, Coppell, and Grapevine (south of HWY 114) have tax sharing arrangements with DFW and the Owner Cities.

Revenues split between “Host City” (1/3rd) and Owner Cities (2/3rd)

- Split between Dallas and Fort Worth is based upon 7/11th and 4/11th ownership, except for Rental Car Center taxes which are shared equally

Total of \$13.1 million paid in FY16 from Host Cities:

- Dallas - \$7.0 million
- Fort Worth - \$6.1 million

Owner Cities received \$649K (4.9%) increase from prior year.

Taxes from rental car facility in Eules increased 4.4% from prior year.



Memorandum



CITY OF DALLAS

DATE August 14, 2017

Members of the Government Performance & Financial Management Committee:

TO Jennifer S. Gates (Chair), Scott Griggs (Vice Chair), Sandy Greyson, Lee M. Kleinman, Philip T. Kingston, Tennell Atkins, Kevin Felder

SUBJECT **Dallas/Fort Worth International Airport Approval of the 52nd Supplemental Bond Ordinance**

On Monday, August 21, 2017, the Dallas/Fort Worth International Airport will brief the Government Performance & Financial Management Committee on Dallas/Fort Worth International Airport Approval of the 52nd Supplemental Bond Ordinance. I have attached the briefing for your review.

Please let me know if you need additional information.

M. Elizabeth Reich

M. Elizabeth Reich
Chief Financial Officer

Attachment

c: Honorable Mayor and Members of the City Council
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Dallas Fort Worth International Airport Approval of the 52nd Supplemental Bond Ordinance



DFW

Background

In September 2016, the Dallas Fort Worth International Airport issued approximately \$280 million of Airport Revenue Improvement and Refunding Bonds to fund the final phase of the DFW's Terminal Renewal and Improvement Program (TRIP) and to refund the 2009A Bonds. This action was approved by the Cities of Dallas and Fort Worth in August 2016.

The 2016 Bonds were sold under a direct bond purchase agreement with Citibank.

Terminal A and E are now completed and Terminal B will be completed in December 2017.

DFW bonds are rated AA- by Kroll; A+ by Standard and Poor's; and A by Fitch. Moody's had a surveillance rating of A1.

The Airport currently has \$6.2 billion of debt outstanding (net of unamortized premiums)

52nd Supplemental Bond Ordinance

Provides authority to issue Airport Revenue Bonds subject to parameters:

- Amount not to exceed \$350 million
- Interest no greater than maximum rate allowed by Texas Government Code
- Final maturity not to exceed 2025
- Ordinance expires one year from date of approval
- Bonds will only be issued in a \$100,000 denomination plus \$5000 integrals
- At least one bond rating is required

This bond transacted will be handled as a direct purchase by a financial institution rather than a traditional bond sale with underwriters

Very attractive interest rates are expected. The 2016 Bonds had a all-in true Interest rate of 1%

2017 Bonds

Bonds will be used to finance the following projects:

- Rehab of Runway 17C/35C, along with related taxiways and high speed exits
- Construction of TexRail Station at Terminal B
- Landside roads, lighting and bridges
- Various improvements to utilities systems
- Winter equipment storage facility
- Employee parking
- Various other projects and cost of issuance

Financial Advisors and Bond Counsel

Financial Advisors

- Hilltop Securities
- Estrada Hinojosa

Bond Counsel

- McCall Parkhurst
- Bracewell

Memorandum



CITY OF DALLAS

DATE: August 14, 2017

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

SUBJECT: Office of the City Auditor Fiscal Year 2018 Audit Plan

I will provide a briefing to the members of the Government Performance and Financial Management Committee on Monday, August 21, 2017 regarding:

- Office of the City Auditor Fiscal Year 2018 Audit Plan

Sincerely,

A handwritten signature in black ink that reads "Craig D. Kinton".

Craig D. Kinton
City Auditor

C: Honorable Mayor and Members of the City Council
T.C. Broadnax, City Manager
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and Neighborhood Services

Office of the City Auditor Fiscal Year 2018 Audit Plan

Government Performance
and Financial Management
Committee

August 21, 2017

Craig D. Kinton
City Auditor
Office of the City Auditor



City of Dallas

Purpose

- Requirement for Annual Audit Plan

“Before the beginning of each fiscal year the City Auditor shall submit an annual audit plan to the City Council for approval.”

Source: Council Resolution 904027

Office of the City Auditor Serves as a General Control in Support of the City's Internal Control Structure

*“The Office of the City Auditor is an independent appraisal activity within the City organization for the review of operations as a service to the City Council and to management. Audit work carried out by the Office functions as a **general control** by measuring and evaluating the effectiveness of other controls.”*

“The objective of audit work carried out by the Office is to assist all members of the City Council and City management in the effective discharge of their responsibilities by furnishing them with analyses, appraisal, recommendations, and pertinent comments concerning the activities reviewed.”

Source: Council Resolution 904027

3

Audit Work Is Designed to Evaluate Internal Controls

Internal control is a process used by management to help an entity achieve its objectives.

Internal controls help an entity:

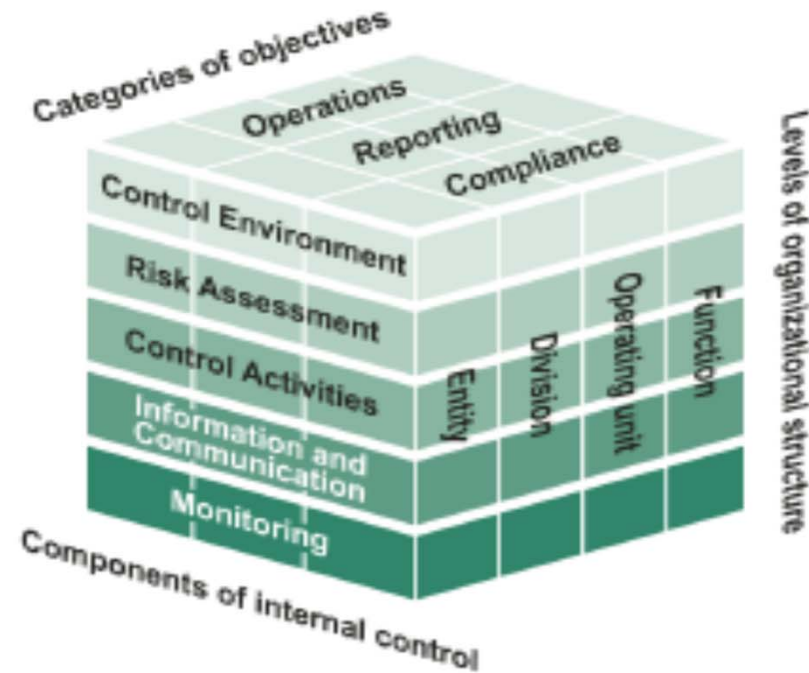
- Run its operations efficiently and effectively
- Report reliable information about operations
- Comply with applicable laws and regulations

Source: Unites States Government Accountability Office – Standards for Internal Control in the Federal Government

4

The Federal Internal Control Standards Provide the Framework for Consideration of Internal Control

Figure 4: The Components, Objectives, and Organizational Structure of Internal Control



Sources: COSO and GAO. | GAO-14-704G



Multiple Steps in Development of the Audit Plan

- Define the audit universe
- Determine the auditable units
- Assess risk
- Review prior audit coverage
- Consider:
 - Work in progress
 - Required work
 - Suggestions from Council Members, City management, audit staff, peer city audits
 - Proposals from previous audit plans



Multiple Steps in Development of the Audit Plan *(continued)*

- Prioritize proposals
- Consider staffing constraints
- Confer with Government Performance and Financial Management Committee Members
- Recommend audit plan for City Council action

A “Heat Map” Is Updated Annually to Reflect Auditable Units, Risk, Coverage, and Proposed Work

City Auditor's Office
 FY 2018 Auditable Units Risk-Ranked by Department - Updated With FY 2017 Adopted Budget
 Prior Audit Coverage and Proposed FY 2018 Audit Plan

Department	Auditable Units ⁽¹⁾⁽²⁾	Reporting		Operational		Compliance	Weighted Total
		Financial	Non Financial	Effectiveness	Efficiency		
ACS	Dallas Animal Services & Neighborhood Nuisance Abatement	(17) P	(17) P	(17) P	(17) P	(17) P	230
ATT	Legal Services					(16)	214
AVI	Airport Services	(15-17) P	(15-17) P	(16) WIP	(16) WIP	(17)	200
AVI	Airport Capital Construction and Debt Service						139
BDPS	Purchasing, Contract Management & Vendor Development	(15,17) WIP	(15, 17) WIP	(15, 17) WIP	(15, 17) WIP	(15, 17) WIP	253
BDPS	Business Services, Surplus & Police Unclaimed Ppty						111
Capital Bud	Water Utilities	(16, 17) P	(16, 17) P	(16, 17) P	(16, 17) P	(17) P	202
Capital Bud	Streets and Thoroughfares	(15, 17) P	(15, 17) P	(15, 17) P	(15, 17) P	(17) P	221
Capital Bud	City Facilities	(17) P	(16, 17) P	(16, 17) P	(16, 17) P	(17) P	199
Capital Bud	Flood Protection and Storm Drainage	(17) P	(17) P	(17) P	(17) P	(17) P	183
Capital Bud	Aviation	(17)	(17)	(17)	(17)	(17)	195
Capital Bud	Park and Recreation	(17) P	(17) P	(17) P	(17) P	(17) P	206
Capital Bud	Economic Development	P	P	P	P	P	222
Capital Bud	Convention and Event Services	(17)	(17)	(17)	(17)	(17)	179
Capital Bud	Equipment Acquisition						183
Capital Bud	Cultural Facilities	(17) P	(17) P	(17) P	(17) P	(17) P	136
CCO	Financial Services and Financial Reporting	(15-17) P	(15-17)	(15-17) P	(15-17) P	(15-17) P	172
CES	Convention Center Facilities Services	(15-17) WIP, P	(15-17) P	(15,17) WIP, P	(15) P		183
CES	Convention Center Debt Svc Payment						173
CIS	Communication & Information Services	(15-17) WIP, P	(15-17) WIP, P	(15-17) WIP, P	(15-17) WIP	(15-17) WIP	277
CMO	City Administration	(15-17) WIP	(15-17) WIP	(15-17) WIP	(15-17) WIP	(15-17) WIP	157
CODE	Neighborhood Code Compliance Services	(17) WIP	(17) WIP	(17) WIP	(17)	WIP	135
CODE	Consumer Health						156
CTJ	Judiciary Services						182
CTS	Municipal Court Services	(17) WIP	(16, 17) WIP	(16, 17) WIP	(16, 17) WIP		233
CTS	Jail Contract, Detention Ctr & Illegal Dump Investigation / Marshall			WIP	WIP		170
CVS	Civil Service						148
Debt Svc	General Obligation Debt	P	P	P	P	P	158
DFR	Fire and Rescue Emergency Response	(17)		(15, 17) WIP, P	(15, 17) WIP, P	(17), P	197
DFR	Fire Dispatch / Communications & Special Operations	WIP	(16)	(15-17) P	(15, 17) P	(16, 17) P	175
DFR	Fire Investigations & Inspections			(15) WIP, P	(15) P	WIP, P	190
DFR	Fire Training and Support Services	(16-17)	(16) WIP	(15-17) WIP, P	(15-17) WIP, P	(16-17) P	183



A “Heat Map” Is Updated Annually to Reflect Auditable Units, Risk, Coverage, and Proposed Work *(continued)*

**City Auditor's Office
FY 2018 Auditable Units Risk-Ranked by Department - Updated With FY 2017 Adopted Budget
Prior Audit Coverage and Proposed FY 2018 Audit Plan**

Department	Auditable Units ⁽¹⁾⁽²⁾	Reporting		Operational		Compliance	Weighted Total
		Financial	Non Financial	Effectiveness	Efficiency		
CIS	Communication & Information Services	(15-17) WIP, P	(15-17) WIP, P	(15-17) WIP, P	(15-17) WIP	(15-17) WIP	277
BDPS	Purchasing, Contract Management & Vendor Development	(15,17) WIP	(15, 17) WIP	(15, 17) WIP	(15, 17) WIP	(15, 17) WIP	253
HR	Dallas Police and Fire Pension System	(15, 17)	(15, 17)	(15, 17)	(15, 17)		242
HNS	HOU - Community / Senior Services			WIP			234
CTS	Municipal Court Services	(17) WIP	(16, 17) WIP	(16, 17) WIP	(16, 17) WIP		233
HNS	HOU - Housing Preservation						230
DWU	DWU Financial Management & Customer Services	(15-17) WIP, P	(15-17) WIP, P	(15, 16) WIP	(15, 16) WIP	(15-17) WIP	230
ACS	Dallas Animal Services & Neighborhood Nuisance Abatement	(17) P	(17) P	(17) P	(17) P	(17) P	230
HNS	HOU -Comprehensive Homeless Outreach	WIP	WIP	WIP	WIP	WIP	228
DPD	Police Administrative Support	(15, 17) WIP	(15-17) WIP, P	(15-17) WIP, P	(16, 17) WIP, P	(15, 17) WIP, P	225
HNS	HOU - Home Ownership Development						222
Capital Bud	Economic Development	P	P	P	P	P	222
Capital Bud	Streets and Thoroughfares	(15, 17) P	(15, 17) P	(15, 17) P	(15, 17) P	(17) P	221
MCC	Administrative Support for the Mayor and City Council	(16) WIP	(16) WIP	(16) WIP	(16)	(17) WIP	219
ATT	Legal Services					(16)	214
LIB	Library Operation/Public Service & Literacy			WIP	WIP		212
PUD	Planning Neighborhood Vitality						208
PKR	Leisure Venue Management & Aquatic Services		(16)	(16) WIP, P	(16) WIP, P	(16)	207
Capital Bud	Park and Recreation	(17) P	(17) P	(17) P	(17) P	(17) P	206
DWU	Water Production, Delivery & Conservation	(15-17) WIP, P	(15-17) WIP, P	(15, 16) WIP	(15, 16) WIP	(15) WIP	204
ECO	Economic Development	(15-17) P	(15, 17) P	(15-17) P	(15,17) P	(16) P	202
Capital Bud	Water Utilities	(16, 17) P	(16, 17) P	(16, 17) P	(16, 17) P	(17) P	202
AVI	Airport Services	(15-17) P	(15-17) P	(16) WIP	(16) WIP	(17)	200
Capital Bud	City Facilities	(17) P	(16, 17) P	(16, 17) P	(16, 17) P	(17) P	199
DFR	Fire and Rescue Emergency Response	(17)		(15, 17) WIP, P	(15, 17) WIP, P	(17), P	197
HNS	HOU - Housing Management/Contract Support	(16)	(16)	(16) WIP	(16) WIP	(16)	197
DPD	Police Investigations of Narcotics & Vice Related Crimes	WIP	(17) WIP, P	(17) WIP, P	(17) P	(17) WIP, P	197
Capital Bud	Aviation	(17)	(17)	(17)	(17)	(17)	195
DPD	Police Criminal Investigations		(17) P	(16, 17) WIP, P	(16, 17) P	(17) WIP, P	195
TWM	TWM - Storm Water Drainage Management Program	(15, 17)	(15, 17)	(15, 17) WIP	(15, 17) WIP	(17)	193
DPD	Police Field Patrol	(17) WIP	(16, 17) P	(16, 17) WIP, P	(17) WIP, P	(17) WIP, P	192
EBS	EBS Building Services	(17)	(16)	(16, 17) WIP, P	(16, 17) WIP, P	(17)	192

Next Steps

- The remaining slides included in this presentation represent the proposed Fiscal Year 2018 Audit Plan
- Seeking approval from the Government Performance and Financial Management Committee to recommend the proposed Fiscal Year 2018 Audit Plan to the full City Council for approval
- Item will be on the City Council Agenda for Wednesday, September 13, 2017



CITY OF DALLAS

OFFICE OF THE CITY AUDITOR

AUDIT PLAN
FISCAL YEAR 2018

CRAIG D. KINTON
CITY AUDITOR

DRAFT





AUDIT PLAN FOR FISCAL YEAR 2018

The City of Dallas (City) Office of the City Auditor (Office) performs work for and under the direction of the Dallas City Council. The Fiscal Year 2018 Audit Plan (Audit Plan) is designed to satisfy responsibilities established by the Dallas City Charter, meet the needs of the City Council, and outline the professional services that the Office plans to initiate and / or complete during Fiscal Year 2018.

The Office's mission is to promote public trust and advance accountability by providing independent, objective, and useful professional services for the City of Dallas. The Audit Plan demonstrates the variety of services the Office provides to address its mission and reflects the following Dallas City Council Key Strategic Priorities:

- Public Safety
- Mobility Solutions, Infrastructure, and Sustainability
- Economic and Neighborhood Vitality
- Human and Social Needs
- Quality of Life
- Government Performance and Financial Management

This Audit Plan is a working document in that the City Auditor is authorized, when deemed necessary in his professional judgment, to amend the Audit Plan. The Dallas City Council will be notified in writing concerning additions to, deletions from, or other changes to this Audit Plan. The Audit Plan includes audits, attestation engagements, and other professional services.

AUDIT AND ATTESTATION SERVICES

The Office complies with generally accepted government auditing standards when performing audits and attestation engagements. These standards provide a framework for conducting high quality audits and attestation engagements with competence, integrity, objectivity, and independence. The types of audits and attestation engagements performed under these standards include:

- **Performance Audits**

Conducted to provide objective analysis to assist management and those charged with governance and oversight to improve program performance and operations, reduce costs, facilitate decision making by parties with responsibility to oversee or initiate corrective action, and contribute to public accountability. Performance audit objectives vary widely and can include assessments of program effectiveness, economy, and efficiency; internal control; compliance; and, prospective analyses.



- **Attestation Engagements**

Conducted to address a broad range of financial or non-financial objectives. An attestation engagement results in an examination, a review, or an agreed-upon procedures report on a subject matter or an assertion about a subject matter that is the responsibility of another party.

- **Financial Audits**

Conducted to provide an independent assessment of whether an entity's reported financial information (e.g., financial condition, results, and use of resources) are presented fairly and in accordance with recognized criteria. Financial audits provide users with statements concerning the reliability of information, and provide information about internal control over financial reporting, and compliance with provisions of laws, regulations, contracts, and grant agreements that have a material effect on the financial statements.

OTHER PROFESSIONAL SERVICES

The Office provides other professional services which may or may not be performed in accordance with generally accepted government auditing standards. These other professional services include:

- **Investigative Services**

The Office provides investigative services to evaluate and investigate allegations of fraud, waste, and abuse and maintains a Hotline as a tool for the confidential reporting of allegations. Investigations are conducted in accordance with Quality Standards for Inspection and Evaluation issued by the Council of the Inspectors General on Integrity and Efficiency. Criminal allegations are referred to appropriate law enforcement authorities. Significant findings of fraud are reported to the Mayor, the Chair of the Government Performance and Financial Management Committee, the City Attorney, and City management as required by Council Resolutions and Administrative Directive.

- **City Council Support**

The Office is authorized to conduct audits, attestation engagements, or other professional services for individual City Council Members, provided the request will not impact the completion of the Audit Plan. If, in the judgment of the City Auditor, a request will impact completion of the Audit Plan, the City Auditor is to request that the Council Member submit the request in writing for consideration and approval by the Government Performance and Financial Management Committee and the City Council as an amendment to the Audit Plan. All work products will be produced at the direction of the City Auditor.



- **Management Assistance**

The Office is authorized to perform audits and attestation services and other professional services at the request of management to assist in carrying out management's responsibilities. These services may include, but are not limited to, providing technical advice, such as participating on committees, task forces, panels, and focus groups. The Office may provide management assistance based on consideration of the impact on auditor independence and audit plan completion.

- **Litigation Support**

The Office is authorized to perform audits and attestation services and other professional services at the request of the City Attorney. The services provided by the Office depend on the needs of the City Attorney. These services may include, but are not limited to, research, analysis, and computer forensics.

INDEPENDENCE DISCLOSURES

Section 40-A.2.(c)(C) of the Dallas City Code designates the City Auditor as a voting member of the Employees' Retirement Fund (ERF) Board of Trustees. Generally accepted government auditing standards require the Office to disclose impairments to independence. The Office lacks independence in relation to any audit work that might be conducted at the ERF. To the extent that audits and attestation engagements are performed in this area, the Office is not independent. The effects of this independence concern on audit work will be clearly identified in any final reports, if applicable.



#	Department	Key Strategic Priorities™	Description	Objectives
1	ATT	Government Performance and Financial Management	Litigation Support	Provide audit, attestation, and other professional services, as requested by the City Attorney
2	CCO	Government Performance and Financial Management	Monthly Bank Reconciliations	Determine whether monthly bank reconciliations are accurate, timely, and efficiently completed
3	CIS	Mobility Solutions, Infrastructure and Sustainability / Government Performance and Financial Management	Information Technology Processes	To procure and monitor professional services necessary to perform a security program maturity assessment and evaluate the City's: (1) information security risk management strategy; (2) security architecture; and, (3) implementation of information technology security and privacy controls
4	CPE	Government Performance and Financial Management	Performance Measurement Process	Conduct an audit of the performance measures included in the City's 365 website to evaluate whether performance data are meaningful, accurate, supportable, reliable and valid

#	Department	Key Strategic Priorities**	Description	Objectives
5	DFR	Public Safety	DFR Occupational Safety and Health Program	Determine whether the DFR occupational safety and health program is appropriately designed to reduce on-the-job accidents, injuries, worker compensation claims, etc. by comparison to appropriate national standards or identifiable industry best practices
6	DPD	Public Safety	DPD's Complaint Process	To determine if: (1) the DPD complaint process is accessible; (2) internal and external complaints are processed consistently; and, (3) appropriate and consistent corrective actions are taken
7	ECO	Economic and Neighborhood Vitality	Economic Development Programs and Incentives	Evaluate whether selected economic development programs are producing expected results and whether monitoring controls are effective
8	MCC	Multiple	Council Assistance	Provide audit and attestation services and other professional services, as requested by individual City Council members

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#	Department	Key Strategic Priorities**	Description	Objectives
9	OFS	Government Performance and Financial Management	Verification of Third-Party Receipts Collections for Sales and Use Tax and Franchise Fees	Verify that: (1) sales and use tax receipts identified by the third-party consultant are accurate and properly supported; and, (2) franchise fees (which may include utilities, cable, and telephone) identified by the third-party consultant(s) are received by the City
10	OFS	Government Performance and Financial Management	Revenue Estimates – Budgeted Revenues for Fiscal Year 2018-2019	Determine whether the City has effective processes to ensure reasonable revenue estimates are included in the City Manager's proposed operating budget
11	OFS / CCO	Government Performance and Financial Management	Utilization of Bond Funds	To evaluate the administration of general obligation bond fund programs which may include an assessment of: (1) the timeliness of deployment of funds after issuance; (2) processes for tracking expenditures, interest allocations, or unused funds; (3) processes for reallocation of funds between projects
12	PIO	Government Performance and Financial Management	Open Records Request Process	Evaluate the effectiveness of the PIO's compliance with State law and whether there are cost-saving opportunities

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#	Department	Key Strategic Priorities**	Description	Objectives
13	SDC	Mobility Solutions, Infrastructure and Sustainability	Management of the City's Surplus Real Properties	Evaluate the City's processes for identifying, managing, and disposing of surplus real property
14	Multiple	Public Safety	Security and Safety Protocols for Large Public Venues Owned or Managed by the City	Evaluate the adequacy of the security and safety protocols in place for large public venues owned or managed by the City
15	Multiple	Quality of Life / Government Performance and Financial Management	Business Partner Oversight	Evaluate the financial, operational, and other risks for major business partners operating City-owned facilities under the oversight of the Department of Park and Recreation and the City's oversight and monitoring controls (may include the Dallas Zoo, the Dallas Arboretum, and / or Bahama Beach; will exclude Fair Park facilities which were audited in Fiscal Year 2016)
16	Multiple	Multiple	Special Audits	Conduct audits, in accordance with Chapter IX, Section 4 of the City Charter, of officers who vacate their offices due to death, resignation, removal, or expiration of term
17	Multiple	Multiple	Fraud, Waste and Abuse Investigations	Evaluate allegations of fraud, waste and abuse, conduct investigations, and educate employees

7

#	Department	Key Strategic Priorities**	Description	Objectives
18	Multiple	Multiple	Management Assistance	Provide audit and attestation services and other professional services as requested by Management
19	Multiple	Multiple	Prior Audit Recommendations Follow-Up	Evaluate Management's implementation of prior audit recommendations

** The Fiscal Year 2018 Audit Plan (Audit Plan) is based on a risk assessment updated for City services approved in the Fiscal Year 2017 City of Dallas Adopted Annual Budget. While this year's Audit Plan does not directly address Human and Social Needs, one of the City Council's Fiscal Year 2018 Key Strategic Priorities, to the extent possible the Office will include this Key Strategic Priority in projects identified as "Multiple".

DRAFT

Office of the City Auditor Fiscal Year 2018 Audit Plan

Government Performance
and Financial Management
Committee

August 21, 2017

Craig D. Kinton
City Auditor
Office of the City Auditor



City of Dallas

Memorandum



CITY OF DALLAS

DATE August 14, 2017

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 **General Fund Reserves**

On Monday, August 21, 2017, the Office of Financial Services will brief the Government Performance & Financial Management Committee on General Fund Reserves. 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

C: Honorable Mayor and Members of the City Council
T.C. Broadnax, City Manager
Larry Casto, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Kimberly Bizer Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager

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

General Fund Reserve

August 21, 2017

**Elizabeth Reich
Chief Financial Officer**

**Jack Ireland, Director
Office of Budget**

**Janette Weedon, Assistant Director
Office of Budget**



Purpose

- Review background
- Discuss Financial Management Performance Criteria (FMPC) General Fund reserve requirements
- Consider next steps



Background

- City Council initially adopted FMPC in 1978 to set financial policies and standards and to guide decision making
- FMPC contains 52 criteria in 6 categories
 1. Operating Programs
 2. Capital and Debt Management
 3. Accounting, Auditing, and Financial Planning
 4. Budget
 5. Cash Management
 6. Grants and Trust
- Dallas Water Utilities has a separate set of 13 criteria

Background

- FMPC is evaluated for compliance during budget preparation, at year-end, and for each debt issuance
- Council periodically reviews and updates criteria
 - Last FMPC update was approved by City Council in September 2014
- We will brief the Government Performance and Financial Management Committee on recommended changes to FMPC on Tuesday, September 5

Background – Fund Balance

- Fund balance represents the difference between fund's assets and liabilities and serves as measure of available resources in fund
 - Reported annually in City's Comprehensive Annual Financial Report (CAFR)
 - Adjusted each year by difference between revenues and expenditures



Background – Fund Balance

- Fund balance has five categories
 1. Non-spendable – amounts that are not in a spendable form (inventories) or are required to be maintained intact
 2. Restricted – amounts subject to constraints which are externally imposed by creditors, grantors, contributors, laws, or regulations (Debt Service)
 3. Committed – amounts subject to self-imposed constraints through formal action of City Council (Risk Reserve)
 4. Assigned – amounts constrained by City’s intent to be used for specific purposes (encumbrances)
 5. Unassigned – remaining fund balance available for any use after other categories are deducted from total fund balance (includes Emergency and Contingency Reserves)



FMPC Reserve Requirements

- Criteria #7 – Emergency Reserve
 - Funds may be used to provide for temporary financing of unanticipated or unforeseen extraordinary needs of an emergency nature
 - Use of Emergency Reserve requires authorization by City Council resolution
 - Any use must be replenished in next fiscal year
 - FY 2017-18 proposed Emergency Reserve of \$17.6 million is funded from the FY 2016-17 projected Emergency Reserve ending balance

FMPC Reserve Requirements

- **Criteria #8 – Contingency Reserve**
 - Maintain balance at a level ranging from 0.5% to 1% of budgeted departmental expenditures
 - Funds are allocated from contingency reserve only after analysis by the City Manager and City Council approval
 - Funds allocated each year in the budget process to replace any use of Contingency Reserve funds during the preceding fiscal year

FMPC Reserve Requirements

- Criteria #8 – Contingency Reserve
 - FY 2017-18 proposed Contingency Reserve balance is \$9.1 million or 0.72% of proposed General Fund budget expenditures
 - \$2.6 million remaining balance in FY 2016-17
 - \$4.7 million included in FY 2017-18 proposed General Fund expenditures
 - \$1.8 million assigned from existing fund balance

FMPC Reserve Requirements

- Criteria #9 – Unassigned fund balance
 - Includes the Emergency and Contingency Reserves
 - Maintained at a level not less than 30 days of the General Fund operating expenditures less debt service
 - The Risk Reserve is not included in this calculation

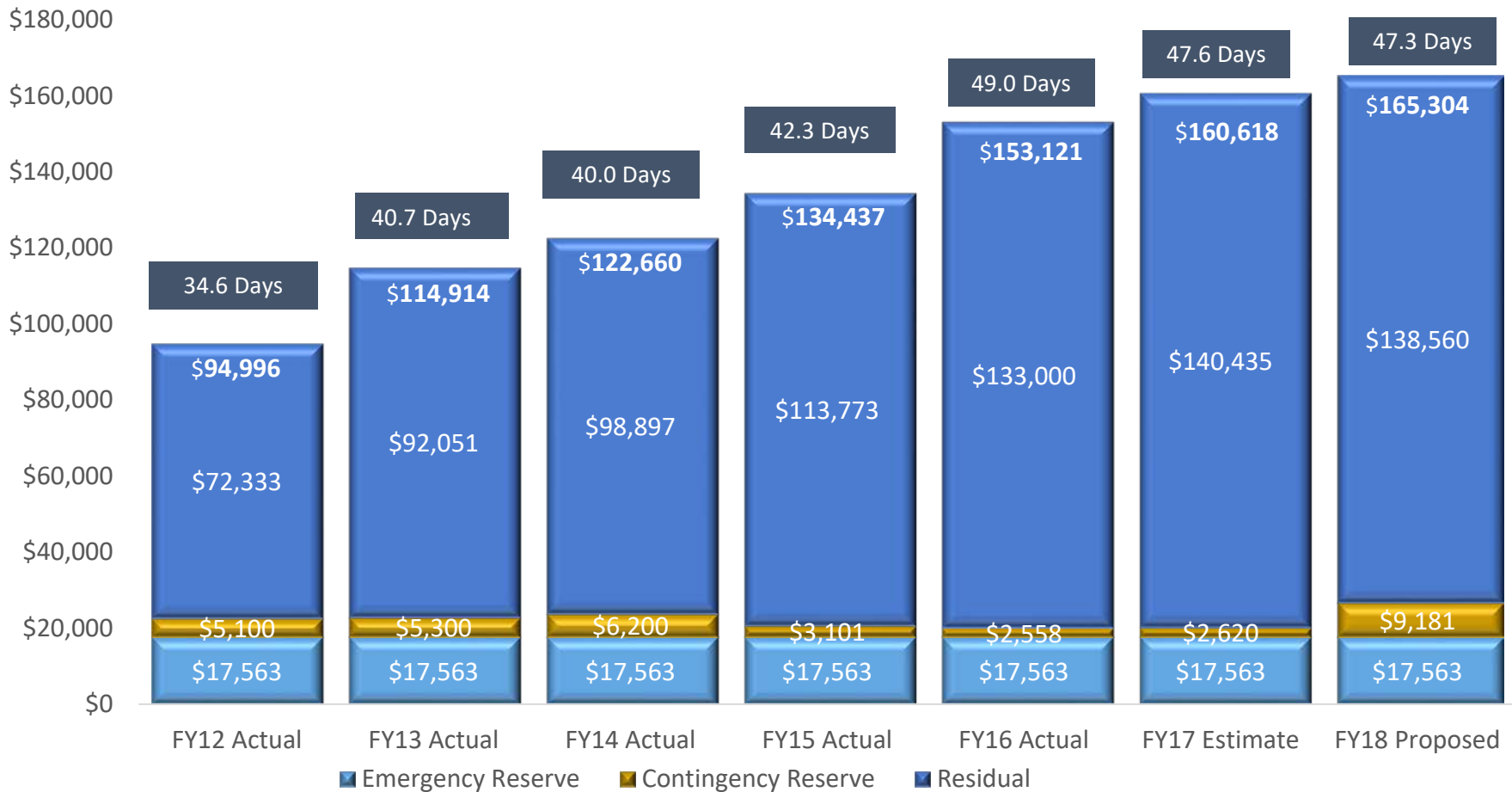


FMPC Reserve Requirements

- Criteria #9 – Unassigned fund balance

(In Millions)	FY 2017-18 Proposed
Unassigned fund balance (9/30/2017 projected)	\$165.3
FY 2017-18 proposed General Fund expenditure	\$1,278
30 days of General Fund operating expenditure – minimum requirement	\$105.1
Percent of general fund expense	12.93%
Days of reserve	47.3

FMPC Reserve Requirements



FMPC Reserve Requirements

- Criteria #10 – Risk Reserve
 - Required to be maintained at a level, which together with purchased insurance policies, adequately protects City’s assets against loss
 - Analysis conducted every three years or when the deductible level of the City’s property insurance is modified (whichever is earlier)
 - FY 2017-18 proposed risk reserve funded at \$1.3 million using FY 2016-17 projected ending fund balance

Next Steps

- Present proposed amendments to FMPC to Government Performance Financial Management committee on September 5



General Fund Reserve

August 21, 2017

**Elizabeth Reich
Chief Financial Officer**

**Jack Ireland, Director
Office of Budget**

**Janette Weedon, Assistant Director
Office of Budget**



Memorandum



CITY OF DALLAS

DATE August 14, 2017

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 **FY 2017 Appropriations Adjustment and FY 2016-17 Financial Forecast Report**

On Monday, August 21, 2017, the Office of Financial Services will brief the Government Performance & Financial Management Committee on the FY 2017 Appropriations Adjustment and FY 2016-17 Financial Forecast Report. 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

c: Honorable Mayor and Members of the City Council
T.C. Broadnax, City Manager
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Nadia Chandler Hardy, Chief of Community Services
Theresa O'Donnell, Chief of Resilience
Directors and Assistant Directors

FY 2016-17 Budget Appropriation Adjustments

August 21, 2017

**Elizabeth Reich
Chief Financial Officer**

**Jack Ireland, Director
Office of Budget**

**Janette Weedon, Assistant Director
Office of Budget**



Purpose

- Background
- Review process to determine necessary amendments
- Overview of amendments to FY 2016-17 budget ordinances
- Recommendation and next steps

Background

- Annual appropriation ordinance approved by City Council establishes appropriations
(City Charter Chapter XI, Sec. 3)
- City Council may transfer appropriations between departments, division or purpose
(City Charter Chapter XI, Sec. 4)
- City Council may appropriate excess revenue
(City Charter Chapter XI, Sec. 5)
- City Charter does not allow for expenditure of City funds without sufficient appropriation
(City Charter Chapter XI, Sec. 6)

Background

- City Council approved the FY 2016-17 operating and capital budget ordinances on September 21, 2016
 - Budget has been amended several times throughout the year by City Council action
 - We are now requesting additional amendments to ensure compliance with City Charter and to ensure adequate departmental appropriations are available through September 30, 2017

Background

- Common reasons for appropriation amendments include:
 - Unanticipated event
 - New initiative or need identified during fiscal year
 - Additional revenue used to offset additional related expenditures



Process

- Management:
 - Closely monitors revenues and expenditures throughout the fiscal year
 - Communicates the financial position to City Council in monthly Financial Forecast Report (FFR)
 - Provides quarterly FFR briefings to Government Performance and Financial Management Committee

Budget Ordinance Amendment

- Operating budget ordinance reflects appropriation adjustments previously approved by City Council
- General Fund has been amended five times
 - 1) Use of contingency reserve for City Attorney's Office for legal fees associated with Police and Fire Pension (\$500K)
 - 2) Use of contingency reserve for City Controller's Office for actuarial services related to Police and Fire Pension (\$759K)
 - 3) Use of contingency reserve for May 2017 runoff election (\$329K)
 - 4) Increase in appropriations (\$8.1M) from excess EMS revenue and reallocation of appropriations from Police (\$1M) and Non-Departmental (\$4M) for street improvements *
 - 5) Increase in appropriation due to excess revenue for Fair Housing Office for a Regional Assessment of Fair Housing (\$490K)

*Note: Capital budget amendment was approved for street improvements from \$7M of unappropriated bond interest.

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Budget Ordinance Amendment

- Salary and benefit reserve appropriations transferred to City Manager's Office for unplanned accrued vacation/sick leave termination costs
- Additional appropriation adjustments are **requested** for General Fund to address potential over-runs based on June FFR report
 - Decrease Non-Departmental – master lease cost not as much as anticipated (\$2.1M)
 - Increase Elections – November 2017 bond election (\$1.25M)
 - Increase Mayor & Council – staffing cost (\$50K)
 - Increase Housing – unplanned technical assistance consultant (\$120K)
 - Increase Liability Reserve Fund – legal professional services (\$680K)

Budget Ordinance Amendment

- Appropriation adjustments within enterprise and internal service funds are supported by increased revenues or available fund balances, and are **requested** as follows:
 - Aviation (\$845K)
 - Convention and Event Services (\$1.1M)
 - Equipment Services (\$1.6M)
 - Risk Management (\$80K)
 - Sanitation Services (\$4.6M)
 - Storm Drainage Management (\$1.7M)



Budget Ordinance Amendment

- **Request** grant, trust, and other fund appropriation adjustments that are supported by additional revenues that have become available during the fiscal year or available fund balance (18 funds included)
- Grant, trust and other funds' significant variances:
 - Confiscated Monies – State (\$1.7M)
 - Deerfield Housing Fund (\$1.5M)
 - Information Technology Equipment (\$4.5M)
 - Sports Arena Lease Fund (\$7.0M)
 - Section 108 Lancaster Urban Village Community (\$9.5M)*
 - Section 108 Continental Building (\$8.9M)*
 - Section 108 Atmos Loft Project (\$12.6M)*
 - Section 108 Plaza Hotel (\$14.1M)*

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*Appropriation for U.S. Department of Housing and Urban Development repayments from developers.

Government Performance and Financial Management



Budget Ordinance Amendment

- Capital budget ordinance reflects adjustments previously approved by City Council
- **Request** authorization to transfer cash between funds as necessary to support appropriations
 - Transfer from Sustainable Development and Construction to Equipment Services for acquisition of vehicles (\$2.6M)
 - Transfer from Dallas Police Department to Equipment Services for acquisition of marked squad cars (\$3.5M)

Recommendation and Next Steps

- Staff recommends adjusting revenue and expenditure budgets ordinances as requested
- Seek City Council approval of the attached ordinances amending the FY 2016-17 Operating and Capital budgets on August 23

FY 2016-17 Budget Appropriation Adjustments

August 21, 2017

**Elizabeth Reich
Chief Financial Officer**

**Jack Ireland, Director
Office of Budget**

**Janette Weedon, Assistant Director
Office of Budget**



Appendix

Budget ordinances approved by City Council on September 21, 2016 with requested adjustments indicated with underline and strikethrough.



ORDINANCE NO. _____

An ordinance amending Ordinance No. 30178 (2016-2017 FY Operating Budget Appropriation Ordinance) to make certain adjustments to fund appropriations for fiscal year 2016-17 for the maintenance and operation of various departments and activities and to authorize the city manager to implement those adjustments; providing a saving clause; and providing an effective date.

WHEREAS, on September 21, 2016, the city council passed Ordinance No. 30178, which adopted the operating budget appropriation ordinance for fiscal year 2016-2017; and

WHEREAS, shortages and excesses in various department and activity appropriations have created a need to adjust those appropriations; and

WHEREAS, the city council is authorized in accordance with Chapter XI, Section 4, of the Dallas City Charter to transfer an unencumbered balance of an appropriation made for the use of one department, division, or purpose to any other department, division, or purpose, upon the written recommendation of the city manager; and

WHEREAS, the city council is authorized in accordance with Chapter XI, Section 5, of the Dallas City Charter to appropriate, from time to time, excess revenues of the city to such uses as will not conflict with any uses for which such revenues specifically accrued; Now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That Section 1 of Ordinance No. 30178 (2016-2017 FY Operating Budget Appropriation Ordinance), passed by the city council on September 21, 2016, is amended by making adjustments to fund appropriations for fiscal year 2016-17 for maintenance and operation of various departments and activities, to read as follows:

“SECTION 1. That for the purpose of providing the funds to be expended in the budget for the fiscal year beginning October 1, 2016 and ending September

30, 2017, the available revenues of the city of Dallas are hereby appropriated for the maintenance and operation of the various city departments and activities as follows:

<u>DEPARTMENTS AND ACTIVITIES</u>	<u>PROPOSED</u> <u>2016-17</u>
Building Services	25,311,983
Business Development and Procurement Services	3,040,515
City Attorney's Office	** <u>16,659,590</u> [16,159,590]
City Auditor's Office	3,194,434
City Manager's Office	<u>2,468,024</u> [1,965,631]
City Secretary's Office	2,029,306
Civil Service	2,887,337
Code Compliance	42,385,536
City Controller's Office	*** <u>5,441,481</u> [4,682,481]
Court and Detention Services	11,975,651
Elections	**** <u>2,980,201</u> [1,400,603]
Fire	254,602,513
Housing/Community Services	<u>14,523,063</u> [14,403,063]
Human Resources	5,219,858
Independent Audit	865,200
Jail Contract – Lew Sterrett	7,812,862
Judiciary	3,295,676
Library	29,983,725
Mobility and Street Services	***** <u>97,677,101</u> [84,577,101]
Mayor and Council	<u>4,515,390</u> [4,465,390]
Non-Departmental	***** <u>64,312,439</u> [70,412,439]
Office of Cultural Affairs	19,604,511
Office of Economic Development	2,574,535
Office of Financial Services	2,956,619
Office of Management Services	* <u>10,725,458</u> [10,235,231]
Park and Recreation	94,673,026
Planning and Urban Design	3,028,557
Police	***** <u>477,003,576</u> [478,003,576]
Street Lighting	16,956,026
Sustainable Development and Construction	1,385,651
Trinity Watershed Management	1,317,717
Contingency Reserve	1,650,000
Salary and Benefits Reserve	<u>1,497,607</u> [2,000,000]
Liability/Claims Fund	4,962,542

**An increase to \$10,725,458 was previously approved by Resolution No. 16-1987.*

***An increase to \$16,659,590 was previously approved by Resolution No. 17-0438.*

****An increase to \$5,441,481 was previously approved by Resolution No. 17-0483.*

*****An increase to \$1,730,201 was previously approved by Resolution No. 17-0889.*

*****An increase to \$97,677,101 was previously approved by Resolution No. 17-0954.
 *****A decrease to \$66,412,439 was previously approved by Resolution No. 17-0954.
 *****A decrease to \$477,003,576 was previously approved by Resolution No. 17-0954.

GENERAL FUND TOTAL **\$1,239,517,710** [~~1,229,338,885~~]

<u>GRANT FUNDS</u>	<u>PROPOSED</u> <u>2016-17</u>
<u>Aviation</u>	
<u>FAA Airport Security Reimbursement (F005)</u>	<u>276,814</u>
<u>FAA Bio-Explosive Detect (F006)</u>	<u>439,365</u>
<u>FAA Grant Reconstruction Taxiway Delta 2 (F367)</u>	<u>15,861</u>
<u>Court and Detention Services</u>	
State Law Enforcement Grant (S104)	4,346
<u>Management Services</u>	
Target Community Preparedness Program (P113)	5,124
<u>Mobility and Street Services</u>	
Freeway Traffic Signals (0670)	302,737
<u>Park and Recreation</u>	
TPWD Outdoor Adventures at Dallas Grant (S309)	*****44,705
[NRPA Jr Angler Program Grant 16-17 (P118)]	10,000
TPWD Outdoor Adventure Grant (S303)	49,672]
 *****Establishment of this fund was previously approved by Resolution No. 17-0083.	
GRANT FUNDS TOTAL	<u>\$1,088,952</u> [64,018]

<u>TRUST AND OTHER FUNDS</u>	<u>PROPOSED</u> <u>2016-17</u>
<u>Communication and Information Services</u>	
Information Technology Equipment (0897)	<u>9,432,880</u> [4,910,287]
<u>Convention and Event Services</u>	
Convention Center Hotel Tax Rebate Fund (0756)	10,565,500
<u>Sports Arena Lease Fund (0A71)</u>	<u>7,000,000</u>

Court and Detention Services

Employee Morale Fund (0902)	13
Security Fund (0G88)	342,756
Technology Fund (0401)	434,209

Fire

<u>Paramedic Activity (0302)</u>	<u>25,372</u>
<u>Smoke Detector Program Donations (0230)</u>	<u>13,663</u>

Housing/Community Services

Alvin E. Moore Trust (0309)	87,770
Dallas Tomorrow Fund (0476)	386,952
<u>Deerfield Housing Fund (0605)</u>	<u>1,500,000</u>
<u>Energy Emergency Assistance Fund (0312)</u>	<u>680,000</u>
<u>Housing Opportunity for Person with AIDS Fund (HW14)</u>	<u>47,693</u>
Mayfair Gifts and Donation (0471)	<u>56,500</u> [27,500]
MLK Center Trust (0305)	30,542
<u>S108 Lancaster Urban Village Community (0J51)</u>	<u>9,452,049</u>
<u>S108 Continental Building (0J52)</u>	<u>8,856,363</u>
<u>S108 Atmos Loft Project (0J53)</u>	<u>12,568,533</u>
<u>S108 Plaza Hotel (0J55)</u>	<u>14,136,551</u>
WDMPC Emergency Social Services (0T04)	<u>74,436</u> [49,436]
West Dallas Multipurpose Trust (0T17)	<u>50,000</u> [35,000]

Judiciary

Juvenile Case Manager Fund (0396)	818,943
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Library

Dallas Theater (0646)	4,592
Genealogy Fund (0687)	8,771
Kahn Fund (0208)	229,319
Parrill Estate Fund (0716)	3,449

Office of Cultural Affairs

<u>Arts Endowment (0347)</u>	<u>83,437</u>
<u>Majestic Theater Gift & Trust Fund (0347)</u>	<u>193,084</u>
OCA Hotel Occupancy Tax (0435)	1,530,267

Office of Economic Development

City of Dallas Regional Center (0067)	288,410
Dallas Housing Finance Corporation (0068)	160,694
Economic Development Sales Tax Rebate Program (0680)	<u>138,368</u> [65,000]
New Market Tax Credit (0065)	<u>206,195</u> [400,000]
South Dallas/Fair Park Trust Fund (0351)	<u>1,140,223</u> [1,122,486]

Park and Recreation

Community Fund – Park Recreation Centers (0979)	12,477
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Fair Park Improvement Fund (0448)	254,406
Fair Park Marketing (0G43)	51,984
Fair Park Special Maintenance (0329)	107,854
Ford Found Innovative Program (0T14)	913
Golf Improvement Trust (0332)	2,008,715
Mowmentum Park Improvement (0T80)	66,058
Outdoor Programs (0469)	87,829
Park Improvement Fund (0355)	87,065
PKR Program Fund Tracking (0395)	2,461,923
Recreation Program (0341)	816,660
Southern Skates (0327)	130,818
White Rock Endowment (0354)	6,852
W.W. Samuell Park Trust (0330)	674,017

Planning and Urban Design

Neighborhood Vitality Project Fund (0297)	100,000
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Police

Confiscated Monies - Federal (0436)	1,500,000
Confiscated Monies - Federal (0412)	5,372,641
Confiscated Monies – State (0411)	<u>4,416,234</u> [2,710,304]
Gifts and Donation (0321)	1,005,356
Law Enforcement Officer Standard Education (0S1N)	<u>212,409</u> [151,390]
Various Police Task Forces (0T69)	<u>767,307</u> [334,316]

Sustainable Development and Construction

NAS Redevelopment Fund (0022)	438,221
Reforestation Fund (0T06)	224,440

TRUST AND OTHER FUNDS TOTAL

\$101,351,713 [~~38,306,135~~]

GRANT, [AND] TRUST, AND OTHER FUNDS

GRAND TOTAL

\$102,440,665 [~~38,370,153~~]

ENTERPRISE/INTERNAL SERVICE/OTHER FUNDS

PROPOSED

2016-17

Aviation

Airport Operations	***** <u>107,431,667</u> [97,733,667]
Transportation Regulation	1,454,325

Communication and Information Services

Information Technology	69,649,274
Radio Services	5,189,187

Convention and Event Services

97,478,329 [~~96,403,076~~]

Employee Benefits

Benefits Administration	998,055
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Wellness Program	349,354
Equipment Services	<u>52,387,124</u> [50,837,124]
Express Business Center	3,780,050
Risk Management	<u>2,710,314</u> [2,630,314]
Sanitation Services	<u>100,541,054</u> [95,946,054]
Storm Water Drainage Management	<u>54,657,769</u> [53,007,769]
Sustainable Development and Construction	36,090,295
Water Utilities	657,464,737
WRR - Municipal Radio	2,032,482
911 System Operations	16,388,652

*******An increase to \$106,586,667 was previously approved by Resolution No. 17-1082.**

**ENTERPRISE/INTERNAL SERVICE/
OTHER FUNDS TOTAL \$1,208,602,668 [~~1,189,954,415~~”**

SECTION 2. That Section 4 of Ordinance No. 30178 (2016-2017 FY Operating Budget Appropriation Ordinance), passed by the city council on September 21, 2016, is amended by making adjustments to fund appropriations for fiscal year 2016-17 for maintenance and operation of various departments and activities, to read as follows:

“SECTION 4. That the city manager is hereby authorized, upon written notice to the city controller, to make the following adjustments:

(1) Transfer internal service fund equity from unanticipated excesses to contributing funds.

(2) Transfer funds, not to exceed \$22,524,413, from the Convention Center Operating Fund 0080, Department CCT, Unit 7840, Object 3870, to the 2009 Convention Center Debt Service Fund 0980, Department CCT, Unit P505, Revenue Source 9219, for the payment of debt service on Series 2009 Revenue Refunding and Improvement Bonds for improvements to the Dallas Civic Center Convention Complex.

(3) Transfer funds, not to exceed \$4,282,542, from the General Fund 0001, Department BMS, Unit 1996, Object 3621 to the Liability Reserve Fund 0192, Department

ORM, Unit 3890, Revenue Source 8525, for payment of small and large claims against the city.

(4) Transfer funds, not to exceed \$8,600,000, to the General Fund 0001, Department BMS, Unit 1995, Revenue Source 9229, from the Sports Arena Lease Fund 0A71, Department CCT, Unit 8851, Object 3690, to support general fund operations.

(5) Transfer funds, not to exceed \$24,067,707, from the Water Utilities Operating Fund 0100, Department DWU, Unit 7015, Object 3690, in the amounts not to exceed \$10,500,000 to the Public/Private Partnership Fund 0352, Department ECO, Unit P151, Revenue Source 8219 and \$13,567,707 to the General Fund 0001, Department BMS, Unit 1991, Revenue Source 9201, as payment in lieu of taxes by the water utilities department to support economic initiatives of the city.

(6) Transfer funds, not to exceed \$6,354,707, from the Sanitation Services Fund 0440, Department SAN, Unit 3581, Object 3690, to the Sanitation Capital Improvement Fund 0593, Department SAN, Unit P309, Revenue Source 9201, for capital improvements for the McCommas Bluff Landfill.

(7) Transfer funds, not to exceed \$100,000, from the General Fund 0001, Department PNV, Unit 1581, Object 3690, to the Neighborhood Vitality Project Fund 0297, Department PNV, Unit 1728, Revenue Source 9201, for GrowSouth Neighborhood Challenge grants.

(8) Transfer funds, not to exceed \$5,237,237 [~~714,644~~], from the Information Technology Operating Fund 0198, Department DSV, Unit 1667 and 1622, Object 3690, to the Information Technology Equipment Fund 0897, Department DSV, Unit 3717 and 3718, Revenue Source 9201, for information technology servers, computers, storage, network and other IT equipment including related software, hardware, and implementation services.

(9) Transfer funds, not to exceed \$1,530,267, from the Convention and Event Services Operating Fund 0080 Department CCT, Unit 7840, Object 3690 to the OCA Hotel Occupancy Fund 0435, Department OCA, Unit 1841, Revenue Source 9201, for the promotion of cultural arts.

(10) Transfer funds, not to exceed \$138,368 [~~65,000~~], from the General Fund 0001 Department BMS, Unit 1991, Object 3690, to the Economic Development Sales Tax Rebate Program Fund 0680 Department ECO, Unit 6696, Revenue Source 9201, for sales tax rebates in accordance with the terms of the e-commerce sales tax grant agreement pursuant to Chapter 380 of the Texas Local Government Code.

(11) Transfer funds, not to exceed \$2,660,161 from the Confiscated Monies Fund 0412 Department DPD, Unit 6368, Object 3690, to the Confiscated Monies Fund 0436 Department DPD, Unit 3289, Revenue Source 9201, for expenditures to be used solely for law enforcement purposes.

(12) Transfer funds, not to exceed \$680,000, from the General Fund 0001, Department BMS, Unit 1996, Object 3621 to the Liability Reserve Fund 0192, Department ORM, Unit 3888, Revenue Source 8525, for payment of legal professional services.

(13[4]) Transfer and administer gifts and bequests to the city in accordance with the terms and conditions accompanying the gifts or bequests and, for this purpose, the appropriation of donated amounts is hereby made.”

SECTION 3. That the city manager is hereby authorized, upon written notice to the city controller, to transfer funds to make the adjustments to appropriations set forth in this ordinance.

SECTION 4. That it is the intent of the city council, by passage of this ordinance, to appropriate the funds for the city departments and activities. No office or position is created by the appropriation.

SECTION 5. That Ordinance No. 30178 will remain in full force and effect, save and except as amended by this ordinance.

SECTION 6. That this ordinance will take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:

LARRY E. CASTO, City Attorney

By _____
Assistant City Attorney

Passed _____

ORDINANCE NO. _____

An ordinance amending Ordinance No. 30179 (2016-2017 FY Capital Budget Appropriation Ordinance) to make certain adjustments to fund appropriations for fiscal year 2016-17 for public improvements to be financed from bond funds and other revenues of the City of Dallas and to authorize the city manager to implement those adjustments; providing a saving clause; and providing an effective date.

WHEREAS, on September 21, 2016, the city council passed Ordinance No. 30179, which adopted the capital budget appropriation ordinance for fiscal year 2016-2017; and

WHEREAS, shortages and excesses in various project appropriations have created a need to adjust those appropriations and to establish new appropriations; and

WHEREAS, the city council is authorized in accordance with Chapter XI, Section 4, of the Dallas City Charter to transfer an unencumbered balance of an appropriation made for the use of one department, division, or purpose to any other department, division, or purpose, upon the written recommendation of the city manager; and

WHEREAS, the city council is authorized in accordance with Chapter XI, Section 5, of the Dallas City Charter to appropriate, from time to time, excess revenues of the city to such uses as will not conflict with any uses for which such revenues specifically accrued; Now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That Section 2 of Ordinance No. 30179 (2016-2017 FY Capital Budget Appropriation Ordinance), passed by the city council on September 21, 2016, is amended by making adjustments to fund appropriations for fiscal year 2016-17 for public improvements to be financed from bond funds and other revenues of the City of Dallas, to read as follows:

“SECTION 2. (a) That the following amounts are hereby appropriated from the funds indicated for the projects listed in the FY 2016-17 Capital Budget:

CAPITAL FUNDS

<u>From the Airport Revenue Fund (0130)</u>	<u>*8,853,000</u>
From the Acquisition of Land in the Cadillac Heights Area for Future Location of City Facilities Fund (4T11)	1,000,000
From the Aviation Capital Construction Fund (0131)	* <u>22,988,085</u> [14,135,085]
From the Capital Construction Fund (0671)	4,845,000
<u>From the Capital Projects Reimbursement Fund (0556)</u>	<u>**2,200,000</u>
From the Cedars Tax Increment Financing District Fund (0033)	906,499
From the City Center Tax Increment Financing District Fund (0035)	5,335,065
<u>From the Collin County Grant Fund (P119)</u>	<u>***250,000</u>
From the Convention Center Capital Construction Fund (0082)	14,600,000
From the Cypress Waters Tax Increment Financing District Fund (0066)	1,627,568
From the Davis Garden Tax Increment Financing District Fund (0060)	691,284
From the Deep Ellum Tax Increment Financing District Fund (0056)	1,482,029
From the Design District Tax Increment Financing District Fund (0050)	3,177,830
From the Downtown Connection Tax Increment Financing District Fund (0044)	2,254,422
From the Elgin B. Robertson Land Sale Proceeds Fund (0467)	28,587,468
<u>From the Farmers Market Fund (1T40)</u>	<u>****51,218</u>
<u>From the Farmers Market Fund (7T40)</u>	<u>****72,038</u>
From the Farmers Market Tax Increment Financing District Fund (0036)	1,809,966
From the Fort Worth Avenue Tax Increment Financing District Fund (0058)	1,095,479

From the General Capital Reserve Fund (0625)	4,000,000
From the Grand Park South Tax Increment Financing District Fund (0054)	118,262
From the Mall Area Redevelopment Tax Increment Financing District Fund (0049)	81,470
From the Maple/Mockingbird Tax Increment Financing District Fund (0064)	2,232,352
From the Oak Cliff Gateway Tax Increment Financing District Fund (0034)	1,764,792
From the Park & Recreation Gifts and Donation Fund (0530)	716,695
From the Public/Private Partnership Fund (0352)	14,000,000
From the Skillman Corridor Tax Increment Financing District Fund (0052)	2,738,707
From the Southwestern Medical Tax Increment Financing District Fund (0046)	1,142,287
From the Sports Arena Tax Increment Financing District Fund (0038)	5,572,426
From the Storm Water Drainage Management Capital Construction Fund (0063)	7,000,000
From the Street and Alley Improvement Fund (0715)	20,752,730
<u>From the Street and Transportation Improvement Fund (5R22)</u>	***** <u>300,000</u>
<u>From the Street and Transportation Improvement Fund (1T22)</u>	***** <u>1,100,000</u>
<u>From the Street and Transportation Improvement Fund (2T22)</u>	***** <u>770,000</u>
<u>From the Street and Transportation Improvement Fund (3T22)</u>	***** <u>220,000</u>
From the Street and Transportation Improvement Fund (4T22)	28,557,723
<u>From the Street and Transportation Improvement Fund (6T22)</u>	***** <u>250,000</u>
<u>From the Street and Transportation Improvement Fund (7T22)</u>	***** <u>500,000</u>
<u>From the Street and Transportation Improvement Fund (8T22)</u>	***** <u>500,000</u>

<u>From the Street and Transportation Improvement Fund (1U22)</u>	***** <u>60,000</u>
<u>From the Street and Transportation Improvement Fund (2U22)</u>	***** <u>650,000</u>
<u>From the Street and Transportation Improvement Fund (3U22)</u>	***** <u>550,000</u>
From the Street and Transportation Improvement Fund (4U22)	9,726,362
<u>From the Streets and Thoroughfares Fund (3R22)</u>	***** <u>1,700,000</u>
<u>From the Streets and Thoroughfares Fund (4R22)</u>	***** <u>200,000</u>
<u>From the Texas Parks and Wildlife Grant Fund (S306)</u>	***** <u>1,000,000</u>
From the Transit Oriented Development Tax Increment Financing District Fund (0062)	2,349,221
From the Vickery Meadow Tax Increment Financing District Fund (0048)	845,282
From the Wastewater Capital Construction Fund (0103)	15,594,000
From the Wastewater Capital Improvement Fund (2116)	<u>3,500,000</u> [500,000]
From the Wastewater Capital Improvement Fund (3116)	<u>61,125,000</u> [64,125,000]
From the Water and Wastewater Public Art Fund (0121)	119,000
From the Water Capital Construction Fund (0102)	36,937,000
From the Water Capital Improvement Fund (2115)	87,088,000
From the Water Capital Improvement Fund (3115)	107,158,000
<u>From the 06 Street and Transportation Improvements Fund (6R22)</u>	***** <u>200,000</u>
From the 2017 Master Lease – Equipment Fund (ML17)	30,000,000
CAPITAL FUNDS TOTAL	<u>\$552,946,260</u> [524,667,004]

**Increase was previously approved by Resolution No. 171082 dated June 28, 2017*

***Increase was previously approved by Resolution No. 161997 dated December 14, 2016*

****Increase was previously approved by Resolution No. 161807 dated November 9, 2016*

*****Increase was previously approved by Resolution No. 161733 dated October 26, 2016*

******Increase was previously approved by Resolution No. 170954 dated June 14, 2017*

*******Increase was previously approved by Resolution No. 161572 dated September 28, 2016**

(b) That the following amounts are hereby appropriated from the funds indicated for payment of the FY 2016-17 Debt Service Budget:

DEBT SERVICE FUNDS

From the General Obligation Debt Service Fund (0981)	261,865,145
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DEBT SERVICE FUNDS TOTAL	\$261,865,145”
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(c) That these appropriations and all previous appropriated funds for these projects remain in force until each project is completed or terminated.

(d) That the appropriations listed in Subsections (a) and (b) may be increased by city council resolution upon the recommendation of the city manager.”

SECTION 2. That Section 5 of Ordinance No. 30179 (2016-2017 FY Capital Budget Appropriation Ordinance), passed by the city council on September 21, 2016, is amended by making adjustments to fund appropriations for fiscal year 2016-17 for public improvements to be financed from bond funds and other revenues of the City of Dallas, to read as follows:

“SECTION 5. That the city manager is hereby authorized, upon written notice to the city controller, to make the following adjustments:

(1) “Transfer funds, not to exceed \$2,095,000, to the General Fund 0001, in the amounts of \$10,000 from the Cityplace Tax Increment Financing District Fund 0030; \$10,000 from State-Thomas Tax Increment Financing District Fund 0032; \$100,000 from the Cedars Tax Increment Financing District Fund 0033; \$200,000 from the Oak Cliff Gateway Tax Increment Financing District Fund 0034; \$175,000 from the City Center Tax Increment Financing District Fund 0035; \$145,000 from

the Farmers Market Tax Increment Financing District Fund 0036; \$185,000 from the Sports Arena Tax Increment Financing District Fund 0038; \$225,000 from the Downtown Connection Tax Increment Financing District Fund 0044; \$75,000 from the Southwestern Medical Tax Increment Financing District Fund 0046; \$125,000 from the Vickery Meadow Tax Increment Financing District Fund 0048; \$100,000 from the Design District Tax Increment Financing District Fund 0050; \$100,000 from the Skillman Corridor Tax Increment Financing District Fund 0052; \$30,000 from the Grand Park South Tax Increment Financing District Fund 0054; \$125,000 from the Deep Ellum Tax Increment Financing District Fund 0056; \$85,000 from the Fort Worth Avenue Tax Increment Financing District Fund 0058; \$110,000 from the Davis Garden Tax Increment Financing District Fund 0060; \$125,000 from the Transit-Oriented Development Tax Increment Financing District Fund 0062; \$100,000 from the Maple/Mockingbird Tax Increment Financing District Fund 0064; and \$70,000 from the Cypress Waters Tax Increment Financing District Fund 0066, for reimbursement of tax increment financing administration costs.

(2) Transfer funds, not to exceed \$52,650,000, from the Water Utilities Operating Fund 0100, in the amounts of \$36,937,000 to the Water Capital Construction Fund 0102; \$15,594,000 to the Wastewater Capital Construction Fund 0103; and \$119,000 to the Water and Wastewater Public Art Fund 0121, for projects listed in the FY 2016-17 Capital Budget.

(3) Transfer funds, not to exceed \$5,000,000, from the Storm Water Drainage Management Operating Fund 0061 to the Storm Water Drainage

Management Capital Construction Fund 0063, for projects listed in the FY 2016-17 Capital Budget.

(4) Transfer funds, not to exceed \$1,620,675, from the Sanitation Enterprise Fund 0440 to the General Obligation Debt Service Fund 0981, for payment of the 2003 General Obligation Bonds for flood protection and storm drainage facilities for the McCommas Bluff Landfill.

(5) Transfer funds, not to exceed \$3,845,000, from the General Capital Reserve Fund 0625 to the Capital Construction Fund 0671, for the purpose of maintenance and repair of city facilities.

(6) Transfer funds, not to exceed \$155,000, from the General Capital Reserve Fund 0625 to the Water Utilities Operating Fund 0100, to reimburse Dallas Water Utilities for an easement in the Madill Corridor area.

(7) Transfer funds, not to exceed \$1,000,000, from the Convention Center Operating Fund 0080 to the Capital Construction Fund 0671, for the purpose of major maintenance and repair of cultural facilities.

(8) Transfer funds, not to exceed \$5,289,391, from the Water Utilities Operating Fund 0100 to the Street and Alley Improvement Fund 0715, for the purpose of funding citywide street and alley improvement projects.

(9) Transfer funds, not to exceed \$1,992,220, from the Sanitation Enterprise Fund 0440 to the Street and Alley Improvement Fund 0715, for the purpose of funding citywide street and alley improvement projects.

(10) Transfer funds, not to exceed \$12,340,890, from the General Fund 0001 to the Street and Alley Improvement Fund 0715, for the purpose of funding citywide street and alley improvement projects.

(11) Transfer funds, not to exceed \$16,012,510 [~~7,159,510~~], from the Aviation Operating Fund 0130 to the Aviation Capital Construction Fund 0131, for projects listed in the FY 2016-17 Capital Budget and the Checked Baggage Reconciliation Area (CBRA) expansion.

(12) Transfer funds, not to exceed \$1,493,276, to the General Obligation Debt Service Fund 0981, from the Convention Center Operating Fund 0080, for payment of 2008 Certificates of Obligation for the acquisition of land for the Convention Center Hotel Development Project.

(13) Transfer funds, not to exceed \$11,609,805, from the Convention Center Operating Fund 0080, to the Convention Center Capital Construction Fund 0082, for projects listed in the FY 2016-17 Capital Budget.

(14) Transfer funds, not to exceed \$33,803,365, to the General Obligation Debt Service Fund 0981, from any general government, internal service, or enterprise fund incurring civilian payroll costs based on the pro-rata allocation of the actual civilian payroll costs incurred during fiscal year 2016-17, for payment of debt service on the Pension Obligation Bonds Series 600, 601, and 632.

(15) Transfer funds, not to exceed \$2,551,915, from Building Inspection Fund 0150, Department DEV, Unit 3151, Object 3690, to the Fleet Capital Purchase Fund 0796, Dept. EBS, Unit 1772, Revenue Source 9201, for expenditures to be used for fleet.

(16) Transfer funds, not to exceed \$3,500,000, from General Fund 0001, Department DPD, Unit 2121, Object 3690, to the Fleet Capital Purchase Fund 0796, Dept. EBS, Unit 1772, Revenue Source 9201, for expenditures to be used for fleet.”

SECTION 3. That the city manager is hereby authorized, upon written notice to the city controller, to transfer funds to make the adjustments to appropriations set forth in this ordinance.

SECTION 4. That Ordinance No. 30179 will remain in full force and effect, save and except as amended by this ordinance.

SECTION 5. That this ordinance will take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:

LARRY E. CASTO, City Attorney

By _____
Assistant City Attorney

Passed _____



FY 2016-17

Financial Forecast Report

Information as of June 30, 2017



GENERAL FUND

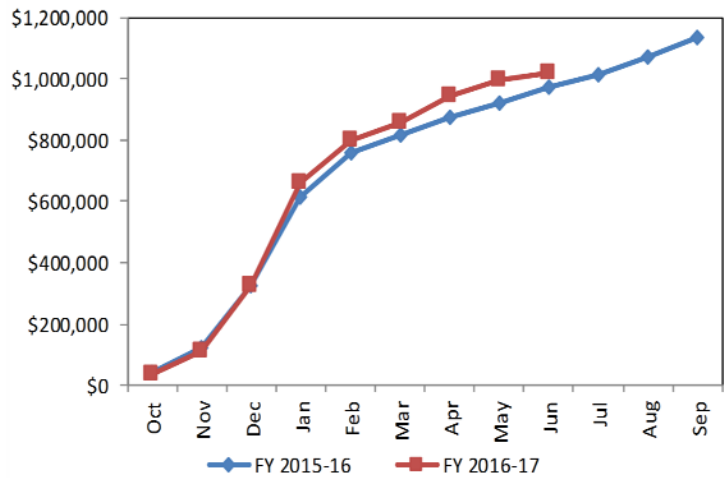
As of June 30, 2017
(000s)

ITEM	AMENDED BUDGET¹	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
Revenues	\$1,239,518	\$1,019,192	\$1,240,001	\$484
Expenditures	1,239,518	867,181	1,232,567	(6,951)
Net Excess of Revenues Over Expenditures/Transfers	\$0	\$152,010	\$7,435	\$7,435

GENERAL FUND REVENUES

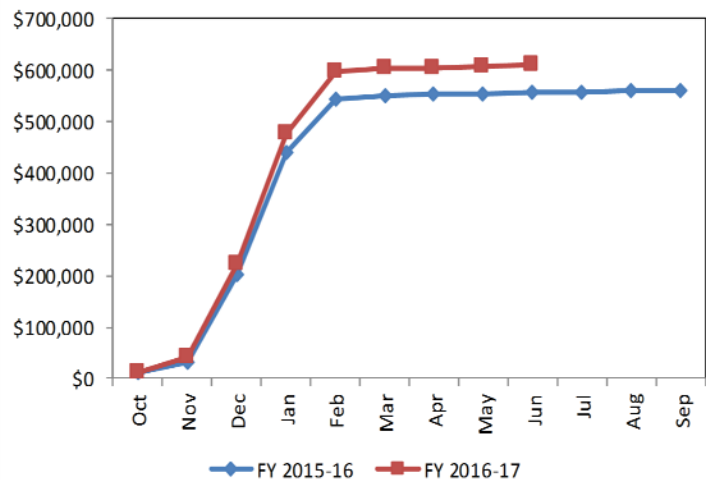
All SOURCES

	FY 2015-16	FY 2016-17	Variance
Oct	\$41,660	\$36,761	(\$4,898)
Nov	77,665	75,718	(1,947)
Dec	203,876	210,273	6,397
Jan	288,996	336,924	47,928
Feb	147,975	139,749	(8,226)
Mar	53,193	57,692	4,499
Apr	58,776	85,640	26,864
May	49,762	55,258	5,496
Jun	47,660	21,176	(26,483)
Jul	45,379		
Aug	56,960		
Sep	62,480		
Total	\$1,134,380	\$1,019,192	\$49,630



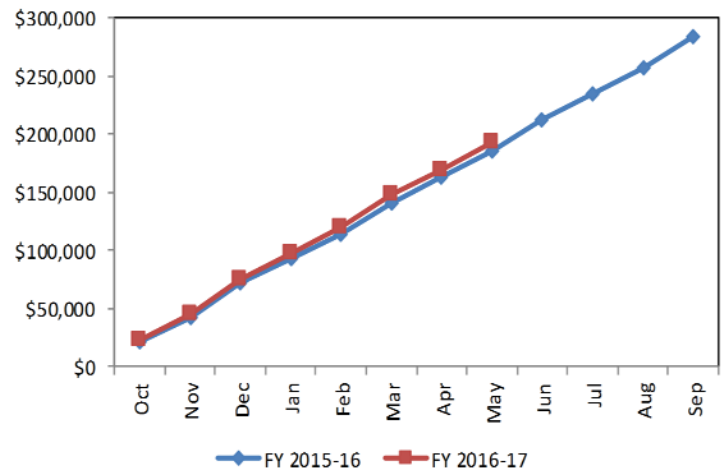
PROPERTY TAX

	FY 2015-16	FY 2016-17	Variance
Oct	\$11,487	\$12,787	\$1,300
Nov	20,589	29,060	8,471
Dec	169,848	181,782	11,934
Jan	237,273	252,156	14,883
Feb	104,025	120,141	16,116
Mar	7,675	7,304	(371)
Apr	2,364	1,997	(367)
May	1,593	2,068	475
Jun	2,523	1,691	(832)
Jul	858		
Aug	852		
Sep	891		
Total	\$559,978	\$608,984	\$51,608



SALES TAX

	FY 2015-16	FY 2016-17	Variance
Oct	\$21,769	\$23,256	\$1,487
Nov	20,524	22,167	1,643
Dec	30,137	30,146	9
Jan	21,258	21,810	552
Feb	20,418	21,899	1,480
Mar	27,482	28,359	878
Apr	22,265	22,206	(59)
May	22,311	23,407	1,095
Jun	26,609		
Jul	21,921		
Aug	22,670		
Sep	26,554		
Total	\$283,918	\$193,250	\$7,086



GENERAL FUND REVENUES

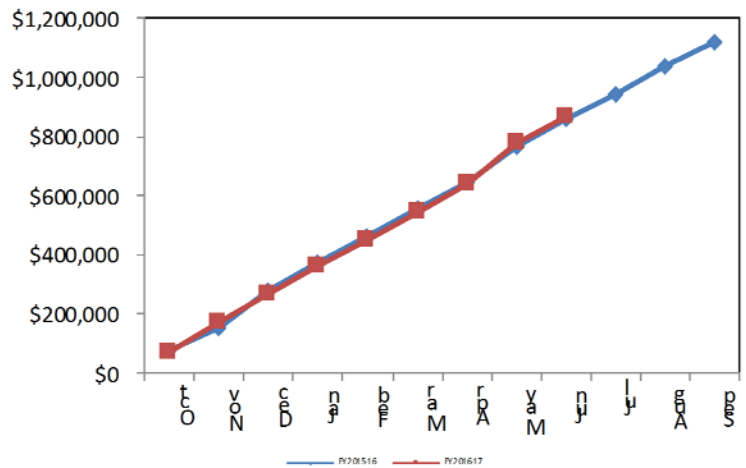
As of June 30, 2017
(000s)

	AMENDED BUDGET¹	REVENUES YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
TAXES				
Ad Valorem Tax ²	\$610,219	\$608,984	\$611,811	\$1,592
Sales Tax ³	292,189	193,250	294,452	2,263
TOTAL TAXES	902,408	802,234	906,263	3,855
FRANCHISE REVENUES				
Oncor Electric	51,078	40,314	52,121	1,043
AT&T	9,594	7,676	9,676	82
Atmos Energy ⁴	17,157	12,599	18,611	1,454
Time Warner Cable	6,210	4,858	6,297	87
Other ⁵	29,737	20,704	27,962	(1,774)
TOTAL FRANCHISE REVENUES	113,775	86,151	114,667	892
LICENSES AND PERMITS	4,891	4,590	4,920	29
INTEREST EARNED⁶	1,316	2,666	3,159	1,843
INTERGOVERNMENTAL⁷	8,501	8,389	9,465	965
FINES AND FORFEITURES				
Municipal Court ⁸	18,701	13,767	17,736	(966)
Vehicle Towing & Storage ⁹	7,146	5,664	7,640	494
Parking Fines	5,022	3,069	5,022	0
Red Light Camera Fines ¹⁰	7,460	0	6,106	(1,354)
Public Library ¹¹	431	132	225	(206)
TOTAL FINES	38,760	22,633	36,728	(2,031)
CHARGES FOR SERVICE				
Parks	10,522	7,516	10,800	278
Emergency Ambulance	40,191	15,656	40,425	234
Security Alarm	4,380	3,019	4,200	(180)
Street Lighting	648	438	648	0
Vital Statistics	1,600	1,350	1,616	16
Other ¹²	28,311	18,326	23,137	(5,174)
TOTAL CHARGES	85,652	46,306	80,826	(4,825)
INTERFUND REVENUE	76,601	39,943	76,369	(232)
MISCELLANEOUS	7,616	6,279	7,604	(11)
TOTAL REVENUES	\$1,239,518	\$1,019,192	\$1,240,001	\$484

GENERAL FUND EXPENDITURES

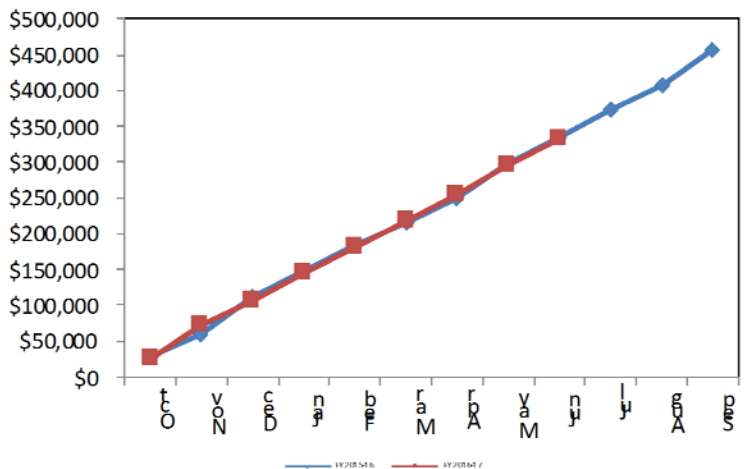
ALL EXPENSES

	FY 2015-16	FY 2016-17	Variance
Oct	\$75,601	\$71,583	(\$4,018)
Nov	78,065	97,700	19,635
Dec	124,594	98,282	(26,312)
Jan	97,321	94,625	(2,696)
Feb	84,683	87,016	2,333
Mar	95,576	92,076	(3,500)
Apr	86,104	99,146	13,042
May	126,118	134,691	8,573
Jun	90,989	92,062	1,073
Jul	82,900		
Aug	93,679		
Sep	85,148		
Total	\$1,120,778	\$867,181	\$8,130



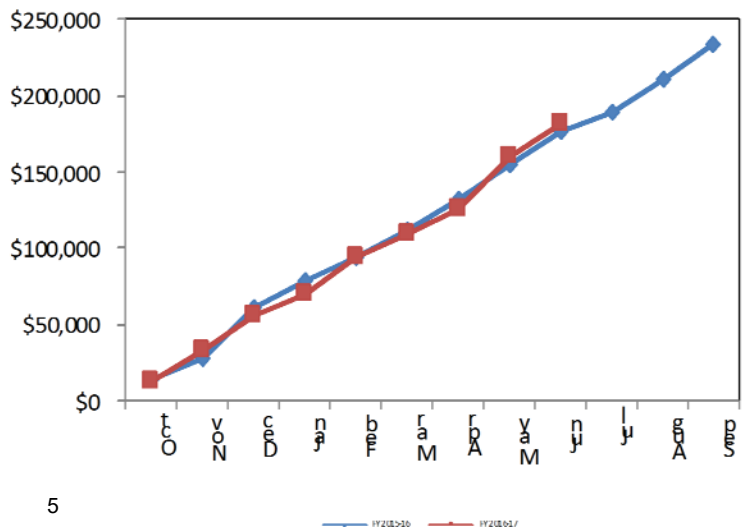
POLICE

	FY 2015-16	FY 2016-17	Variance
Oct	\$28,488	\$25,289	(\$3,199)
Nov	31,370	46,089	14,719
Dec	52,490	35,634	(16,856)
Jan	35,550	37,304	1,754
Feb	37,126	36,295	(831)
Mar	30,058	37,745	7,687
Apr	34,931	35,609	678
May	48,649	40,709	(7,940)
Jun	37,058	37,219	161
Jul	38,075		
Aug	32,689		
Sep	49,363		
Total	\$455,847	\$331,894	(\$3,826)



FIRE

	FY 2015-16	FY 2016-17	Variance
Oct	\$13,994	\$12,198	(\$1,796)
Nov	14,184	20,784	6,600
Dec	32,389	23,355	(9,034)
Jan	17,547	13,952	(3,595)
Feb	16,128	23,830	7,702
Mar	18,076	15,740	(2,336)
Apr	19,295	16,526	(2,769)
May	23,154	33,295	10,141
Jun	21,372	21,626	254
Jul	13,779		
Aug	21,006		
Sep	23,230		
Total	\$234,154	\$181,306	\$5,167



GENERAL FUND EXPENDITURES

As of June 30, 2017
(000s)

DEPARTMENT	AMENDED BUDGET'	EXPENDITURES YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
Building Services	\$25,312	\$19,603	\$25,312	\$0
Business Dev/Procurement Svcs	3,041	2,086	2,983	(57)
City Attorney's Office	16,660	11,645	16,600	(59)
City Auditor's Office ¹³	3,194	2,039	2,872	(322)
City Controller's Office	5,441	3,335	5,425	(16)
City Manager's Office	2,468	1,863	2,468	0
City Secretary's Office	2,029	1,352	1,989	(40)
Civil Service	2,887	1,956	2,887	0
Code Compliance	42,386	29,263	41,848	(538)
Court Services	11,976	8,646	11,955	(20)
Elections	1,730	1,256	1,730	0
Fire	254,603	181,306	253,459	(1,143)
Housing	14,403	11,193	14,501	98
Human Resources	5,220	3,499	5,029	(191)
Independent Audit	865	865	865	0
Jail Contract - Lew Sterret	7,813	5,209	7,813	0
Judiciary	3,296	2,488	3,276	(19)
Library	29,984	21,213	29,984	0
Management Services	10,725	7,134	10,272	(453)
Mayor and Council	4,465	3,187	4,508	43
Mobility and Street Services ¹⁴	97,677	60,035	97,621	(56)
Mobility and Street Services-Street Lighting	16,956	10,777	16,956	0
Non-Departmental ¹⁵	66,412	49,348	63,734	(2,679)
Office of Cultural Affairs	19,605	18,006	19,605	0
Office of Economic Development	2,575	3,181	2,575	0
Office of Financial Services	2,957	1,928	2,956	(0)
Park and Recreation	94,673	68,735	94,670	(3)
Planning & Urban Design	3,029	1,944	2,876	(153)
Police ¹⁶	477,004	331,894	476,159	(845)
Sustainable Dev/Construction ¹⁷	1,386	1,726	1,080	(306)
Trinity Watershed Management	1,318	470	1,126	(192)
RESERVES AND TRANSFERS				
Contingency Reserve	1,650	0	1,650	0
Liability/Claim Fund	4,283	0	4,283	0
Salary & Benefit Reserve ¹⁸	1,498	0	1,498	0
TOTAL EXPENDITURES	\$1,239,518	\$867,181	\$1,232,567	(\$6,951)

PROPRIETARY FUNDS

As of June 30, 2017
(000s)

DEPARTMENT	BUDGET	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
AVIATION				
BEGINNING FUND BALANCE	\$9,907	\$0	\$13,812	\$3,905
REVENUES:				
Parking	27,143	19,057	26,645	(498)
Terminal Concessions	25,416	17,827	25,393	(22)
Landing Fees	17,784	14,774	21,644	3,860
Rental on Airport - Terminal	14,789	10,349	14,081	0
Rental on Airport - Field	8,586	5,898	10,677	2,091
Fuel Flow Fees	1,225	904	1,213	(12)
All Remaining Revenues	12,083	4,763	5,658	(6,425)
TOTAL REVENUES	107,027	73,571	105,313	(1,714)
TOTAL EXPENDITURES	108,041	63,764	108,655	614
ENDING FUND BALANCE	\$8,893	\$0	\$10,469	\$1,577
CONVENTION AND EVENT SERVICES				
BEGINNING FUND BALANCE	\$29,150	\$0	\$32,258	\$3,108
REVENUES:				
Hotel Occupancy Tax	58,856	21,361	56,262	(2,594)
Alcoholic Beverage Tax	12,445	95	12,528	82
Operating Revenues	25,002	37,733	28,188	3,186
Office of Special Events	100	6,246	147	48
TOTAL REVENUES	96,403	65,435	97,125	722
TOTAL EXPENDITURES	96,403	58,401	97,125	722
ENDING FUND BALANCE	\$29,150	\$0	\$32,258	\$3,108

PROPRIETARY FUNDS

As of June 30, 2017
(000s)

DEPARTMENT	BUDGET	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
SUSTAINABLE DEVELOPMENT AND CONSTRUCTION				
BEGINNING FUND BALANCE	\$36,856	\$0	\$42,208	\$5,352
REVENUES:				
Building Permits	19,240	16,541	19,603	363
Certificate of Occupancy	1,412	904	1,412	0
Plan Review	3,749	3,659	3,901	152
Registration/License	1,028	917	1,028	0
Special Plats	887	844	887	0
Private Development	1,010	1,094	1,313	303
Zoning	1,184	826	1,189	5
Interest Earnings	117	392	336	220
All Remaining Revenues	1,477	1,525	1,579	102
TOTAL REVENUES	30,103	26,701	31,249	1,145
TOTAL EXPENDITURES	36,090	19,473	35,647	(443)
ENDING FUND BALANCE	\$30,869	\$0	\$37,809	\$6,940
MUNICIPAL RADIO				
BEGINNING FUND BALANCE	\$1,288	\$0	\$1,155	(\$133)
REVENUES:				
Local and National Sales	1,980	1,335	2,000	20
All Remaining Revenues	75	8	15	(60)
TOTAL REVENUES	2,055	1,343	2,015	(40)
TOTAL EXPENDITURES	2,032	1,319	1,951	(81)
ENDING FUND BALANCE	\$1,310	\$0	\$1,218	(\$92)

PROPRIETARY FUNDS

As of June 30, 2017

(000s)

DEPARTMENT	BUDGET	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
WATER UTILITIES				
BEGINNING FUND BALANCE	\$87,038	\$0	\$84,788	(\$2,250)
REVENUES:				
Treated Water - Retail	294,427	199,356	293,687	(740)
Treated Water - Wholesale	84,700	60,627	83,390	(1,310)
Wastewater - Retail	236,075	167,333	229,546	(6,529)
Wastewater - Wholesale	10,554	7,429	10,116	(438)
All Remaining Revenues	31,708	22,491	31,688	(20)
TOTAL REVENUES	657,465	457,236	648,428	(9,037)
TOTAL EXPENDITURES	657,465	410,676	648,428	(9,037)
ENDING FUND BALANCE	\$87,038	\$0	\$84,788	-\$2,250
COMMUNICATION & INFORMATION SERVICES				
BEGINNING FUND BALANCE	\$11,178	\$0	\$12,859	\$1,681
REVENUES:				
Interdepartmental Charges	58,330	33,424	58,330	0
Telephones Leased	7,723	3,508	7,723	0
Circuits	1,449	3	1,449	0
Desktop Services	0	2	2	2
Interest	150	141	187	52
Equipment Rental	5,002	353	5,002	0
Miscellaneous	171	164	174	3
TOTAL REVENUES	72,825	37,595	72,867	42
TOTAL EXPENDITURES	74,838	49,957	73,295	(1,544)
ENDING FUND BALANCE	\$9,165	\$0	\$12,431	\$3,267

PROPRIETARY FUNDS

As of June 30, 2017

(000s)

DEPARTMENT	BUDGET	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
EQUIPMENT SERVICES				
BEGINNING FUND BALANCE	\$4,450	\$0	\$4,689	\$239
REVENUES:				
Rental/Wreck	33,541	23,935	35,647	2,106
Fuel	16,482	10,036	16,183	(299)
Auto Auction/Non-Taxable	418	368	418	0
Miscellaneous Revenue	391	795	1,054	663
Interest and Other	5	2	6	1
TOTAL REVENUES¹⁹	50,837	35,136	53,308	2,470
TOTAL EXPENDITURES¹⁹	50,837	35,794	52,385	1,548
ENDING FUND BALANCE	\$4,450	\$0	\$5,612	\$1,162
 EXPRESS BUSINESS CENTER				
BEGINNING FUND BALANCE	\$1,631	\$0	\$1,402	(\$229)
REVENUES:				
Postage Sales	2,703	1,736	2,703	0
All Other Revenues	1,278	1,239	1,492	214
TOTAL REVENUES	3,981	2,975	4,196	214
TOTAL EXPENDITURES	3,780	2,812	3,587	(193)
ENDING FUND BALANCE	\$1,833	\$0	\$2,011	\$179

PROPRIETARY FUNDS

As of June 30, 2017
(000s)

DEPARTMENT	BUDGET	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
SANITATION SERVICES				
BEGINNING FUND BALANCE	\$14,681	\$0	\$10,140	(\$4,541)
REVENUES:				
Residential Collection	72,502	56,486	74,253	1,751
Cost Plus Bulk/Brush	122	110	146	25
Sale of Recyclables	695	1,031	1,260	565
City Facility Collection	737	568	775	38
Landfill Revenue	21,890	22,201	29,018	7,128
TOTAL REVENUES²⁰	95,946	80,396	105,453	9,507
TOTAL EXPENDITURES²⁰	95,946	59,944	100,541	4,595
ENDING FUND BALANCE	\$14,681	\$0	\$15,052	\$371

OTHER FUNDS

As of June 30, 2017
(000s)

DEPARTMENT	BUDGET	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
9-1-1 SYSTEM OPERATIONS				
BEGINNING FUND BALANCE	\$5,494	\$0	\$9,593	\$4,099
REVENUES:				
9-1-1 Service Receipts - Wireless	6,374	4,488	6,351	(23)
9-1-1 Service Receipts - Wireline	6,450	4,550	6,265	(185)
Interest and Other	48	81	113	64
TOTAL REVENUES	12,873	9,119	12,729	(145)
TOTAL EXPENDITURES	16,389	7,999	16,380	(9)
ENDING FUND BALANCE	\$1,978	\$0	\$5,942	\$3,964
 STORM DRAINAGE MANAGEMENT				
BEGINNING FUND BALANCE	\$6,754	\$0	\$8,250	\$1,496
REVENUES:				
Storm Water Fees	50,856	36,319	50,815	(41)
Interest and Other	81	122	122	41
TOTAL REVENUES	50,937	36,441	50,937	0
TOTAL EXPENDITURES	53,008	27,333	54,785	1,777
ENDING FUND BALANCE	\$4,683	\$0	\$4,402	(\$281)

OTHER FUNDS

As of June 30, 2017

(000s)

DEPARTMENT	BUDGET	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
EMPLOYEE BENEFITS				
BENEFITS ADMINISTRATION				
TOTAL EXPENDITURES	\$998	\$527	\$998	\$0
WELLNESS PROGRAM				
TOTAL EXPENDITURES	\$349	\$113	\$258	(\$91)
RISK MANAGEMENT				
TOTAL EXPENDITURES	\$2,630	\$2,017	\$2,705	\$75
LIABILITY/CLAIMS FUND				
Beginning Balance October 1, 2016				\$3,158
Budgeted Revenue				9,453
FY 2016-17 Available Funds				12,611
Paid October 2016				(596)
Paid November 2016				(315)
Paid January 2017				(422)
Paid February 2017				(343)
Paid March 2017				(424)
Paid April 2017				(280)
Paid May 2017				(1,074)
Paid June 2017				(234)
Balance as of June 31, 2017				8,922

DEBT SERVICE FUND

As of June 30, 2017
(000s)

DEPARTMENT	BUDGET	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
DEBT SERVICE FUND				
BEGINNING FUND BALANCE	\$10,777	\$0	\$11,079	\$303
REVENUES:				
Ad Valorem	242,487	241,966	243,021	534
Interest/Transfers/Other	19,799	738	19,799	0
TOTAL REVENUES	262,287	242,704	262,821	534
TOTAL EXPENDITURES	261,865	222,776	261,865	0
ENDING FUND BALANCE	\$11,198	\$0	\$12,035	\$837

NOTES

(Dollars in 000s)

1. The General Fund budget was amended/increased based on Council's approved use of contingency reserve funds and excess revenues:
 - Increased by \$490 on December 14, 2016 by CR# 16-1987 for a Regional Assessment of Fair Housing collaboration with other entitlement jurisdictions in the North Texas region;
 - Increased by \$500 on February 22, 2017 by CR# 17-0438 for additional legal services necessary to continue representing four Dallas City Councilmembers with regard to the Dallas Police and Fire Pension System;
 - Increased by \$759 on March 22, 2017 by CR# 17-0483 for actuarial services related to the Dallas Police and Fire Pension System; and
 - Increased by \$330 on May 24, 2017 by CR# 17-0889 for an increase in the joint elections agreement and election services contract between the City of Dallas, Dallas County and other jurisdictions.
 - Increased by \$8,100 on June 14, 2017 by CR# 17-0954 using surplus emergency ambulance revenue which was appropriated for street and alley improvements this fiscal year.
2. Ad Valorem tax revenues are forecast to be \$1,592 over budget based on current year property tax receipts trending above average.
3. Sales tax revenues are forecast to be \$2,263 over budget based on current sales tax receipts. Sales tax receipts have increased by 4.0 percent over the most recent 12 months.
4. Atmos Energy revenues are forecast to be \$1,454 over budget due to increased gas consumption by customers.
5. Other Franchise revenues are forecast to be \$1,774 below budget due to subscribers switching from cable to satellite services which is reducing cable franchise fees.
6. Interest earned revenues are forecast to be \$1,843 above budget due to an increase in the market interest rate.
7. Intergovernmental revenues are projected to be \$965 above budget primarily due to a refund check received from the Dallas County Elections Department and a Dallas Fire Rescue deployment reimbursement received from the State.
8. Municipal Court revenues are forecast to be \$966 below budget primarily as a result of a decrease in the volume of citations being issued.
9. Vehicle Towing and Storage fines are forecast to be \$494 over budget due to an increase in tows as well as vehicles staying on the auto pound property longer than anticipated.

NOTES

(Dollars in 000s)

10. Red Light Camera fines are forecast to be \$1,354 below budget due to construction lag time resulting from changing red light camera vendors. The revenue loss is offset by \$2.1m in reduced expenses related to not paying for camera activity during construction.

11. Public Library revenues are projected to be \$206 below budget due to implementation of automatic renewal on materials that have been checked out at library locations and an increase in the usage of e-materials. Fines and late fees are not collected on e-materials as they are electronically recalled on the due date.

12. Other Charges for Services are projected to be \$5,174 below budget primarily due to the reduction of fire watch fees, contract delays for the Mobile Community Health Program, and a change in the interlocal agreement with Parkland Health System for Biotel services whereby government entities that would formerly reimburse the City for Biotel services now contract directly with Parkland.

13. City Auditor's Office expenditures are forecast to be \$322 below budget due to vacancies and salary savings.

14. Mobility and Street Services budget was increased by \$13.1m from \$8.1m surplus in revenue and \$5m reallocation from Police Department and Non-Departmental.

15. Non-Departmental expenditures are forecast to be \$2,679 below due to savings in the master lease program.

16. Police Department expenditures are forecast to be \$845 below budget primarily as a result of reduced costs as the city transitions to a new red light camera vendor. There is a reduction in revenue of \$1,354 during the transition to the new vendor as well. The expense savings are offset by a \$3.5M transfer to Fleet Capital Purchase Fund for squad cars.

17. Sustainable Development and Construction is forecast to be \$306 below budget primarily due to greater than budgeted abandonments and tax foreclosed property sale transactions, and corresponding reimbursements.

18. Salary and Benefit Reserve funds were allocated to City Manager's Office (\$502) to offset vacation/sick termination payments.

19. Equipment Services revenues are forecast to be \$2,470 above budget due to an increase in fleet maintenance revenue received from other City departments. Expenses are projected to be \$1,548 above budget due to increased fleet maintenance costs.

20. Sanitation Services revenues are forecast to be \$9,507 above budget due to an increase in cash customers at the landfill. Expenses are projected to be \$4,595 above budget due to increase in landfill activity.

Memorandum



CITY OF DALLAS

DATE August 11, 2017

TO Honorable Mayor and Members of the City Council

SUBJECT **FY 2017-18 Budget Process**

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

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

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

Monday, August 21:

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

Monday, August 28:

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

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

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

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

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

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

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



F.C. Broadnax
City Manager

Attachment

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

Memorandum



CITY OF DALLAS

DATE August 11, 2017

TO Committee Chair Name

SUBJECT **FY 2017-18 Budget Amendments**

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

Amendment #1

Source of Funds	Use of Funds

Amendment #2

Source of Funds	Use of Funds

Amendment #3

Source of Funds	Use of Funds

Council Member

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