

Memorandum



DATE February 12, 2016
TO The Honorable Mayor and Members of the City Council
SUBJECT Agenda Item #22 – February 5, 2016
FY 2015-16 Community Development Block Grant
Extensions and Reprogramming - Follow up Response

Listed below is the response to follow-up requests for additional information regarding the CDBG program and eligible activities that may be carried out with the grant funds.

The Community Development Block Grant (CDBG) Entitlement Program provides annual grants on a formula basis to entitled cities and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons.

Eligibility for participation as an entitlement community is based on population data provided by the U.S. Census Bureau and metropolitan area delineations published by the Office of Management and Budget. HUD determines the amount of each entitlement grantee's annual funding allocation by a statutory dual formula which uses several objective measures of community needs, including the extent of poverty, population, housing overcrowding, age of housing and population growth lag in relationship to other metropolitan areas.

HUD awards grants to entitlement community grantees to carry out a wide range of community development activities directed toward revitalizing neighborhoods, economic development, and providing improved community facilities and services.

Grantees are allowed to develop their own programs and funding priorities to address a wide range of unique community development needs specific to their own communities. However, maximum feasible priority must be given to activities which benefit low- and moderate-income persons.

CDBG funds may be used for activities which include, but are not limited to:

- Acquisition of real property
- Rehabilitation of residential and non-residential structures
- Construction of public facilities and improvements, such as water and sewer facilities, streets, neighborhood centers, and the conversion of school buildings for eligible purposes
- Public services (within certain limits), such services to children, youth and seniors
- Provision of assistance to for-profit businesses to carry out economic development and job creation/retention activities
- Relocation and demolition
- Activities relating to energy conservation and renewable energy resources

Memorandum



CITY OF DALLAS

DATE February 12, 2016

TO Members of the Budget, Finance & Audit Committee: Jennifer S. Gates (Chair), Philip T. Kingston (Vice Chair), Erik Wilson, Rickey D. Callahan, Scott Griggs, Lee M. Kleinman

SUBJECT Follow-up to Questions from the February 1, 2016 Budget Finance and Audit Committee Meeting

In response to questions asked regarding the Convention Center's debt service at the February 1st Budget, Finance & Audit committee meeting the following information is provided.

On February 11, 2009, the Convention Center's \$260 million outstanding debt was refinanced with the issuance of \$325 million of revenue refunding and improvement bonds. There were several objectives achieved by this transaction. The refunding provided immediate debt service cost relief to the Center; eliminated the need for a General Fund subsidy to the Center's operating costs; provided approximately \$60 million in new funding for much needed capital improvements; and removed the pledge of hotel occupancy taxes from a future convention center hotel (which was not built at that time). The life of the debt was extended by 9 years from 2028 to 2037. The effective interest rate on the bonds is 5.2%. The schedule of remaining debt service is attached.

Please let me know if you need additional information.


Jeanne Chipperfield
Chief Financial Officer

Attachment

c: Honorable Mayor and Members of City Council
A.C. Gonzalez, City Manager
Warren M.S. Ernst, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Ryan S. Evans, First Assistant City Manager

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Sana Syed, Public Information Officer
Elsa Cantu, Assistant to the City Manager

DEBT SERVICE
Convention Center Debt Service Requirements
As of 09/30/2015

Fiscal Year	Outstanding Debt		
	Principal	Interest	Total
2016	5,740,000	15,866,413	21,606,413
2017	6,945,000	15,579,413	22,524,413
2018	8,250,000	15,232,163	23,482,163
2019	8,665,000	14,819,663	23,484,663
2020	9,095,000	14,386,413	23,481,413
2021	9,550,000	13,931,663	23,481,663
2022	10,030,000	13,454,163	23,484,163
2023	10,530,000	12,952,663	23,482,663
2024	11,055,000	12,426,163	23,481,163
2025	11,610,000	11,873,413	23,483,413
2026	12,190,000	11,292,913	23,482,913
2027	12,800,000	10,683,413	23,483,413
2028	13,440,000	10,043,413	23,483,413
2029	14,110,000	9,371,413	23,481,413
2030	14,815,000	8,665,913	23,480,913
2031	15,595,000	7,888,125	23,483,125
2032	16,415,000	7,069,388	23,484,388
2033	17,275,000	6,207,600	23,482,600
2034	18,180,000	5,300,663	23,480,663
2035	19,135,000	4,346,213	23,481,213
2036	20,140,000	3,341,625	23,481,625
2037	21,200,000	2,284,275	23,484,275
2038	22,310,000	1,171,275	23,481,275
	\$309,075,000	\$228,188,359	\$537,263,359

Memorandum



DATE February 12, 2016

TO The Honorable Mayor and Members of the City Council

SUBJECT **Upcoming Agenda Item postponement - Bishop Arts Station Project (Alamo Manhattan) - Oak Cliff Gateway TIF District**

On February 1, 2016, the Council's Economic Development and Housing Committees were briefed on the proposed Bishop Arts Station Project (Alamo Manhattan) TIF development agreement in the Oak Cliff Gateway TIF District scheduled for the February 24th Council agenda. The project is subject to street abandonments, including a portion of 138 West Davis, currently in the application process and pending future Council consideration.

One open issue noted at the briefing was the status of HUD guidance for a voluntary refund of CDBG funds used for the City's prior purchase of 138 West Davis Street. HUD has requested a current appraisal of the property in order to evaluate next steps.

Staff postponed the Council item and will reschedule it once the HUD process for refunding the CDBG funds used to purchase the property located at 138 West Davis Street is determined.

Background

- Beginning In 2011, as part of the North Oak Cliff Neighborhood Investment Program (NIP) initiative, preliminary work began for a "Zang-Davis Median Improvement" project including exploring the potential acquisition of 138 West Davis Street (property owned by Roy Smith used for an auto repair business).
- On December 11 2013, pursuant to Council Resolution No. 13-2093, the City purchased 138 West Davis Street.
- A total of \$479,540.77 in HUD CDBG funds have been utilized to date for this purchase, including \$375,368 for property acquisition and the remainder for design, demolition, and environmental work. The City planned to complete the project with local funds going forward.
- The original scope for the "Zang-Davis Median Improvement" project was to include median and pedestrian streetscape improvements to promote a gateway into the Bishop Arts district.
- Subsequently during summer 2014, the site was identified as a potential location for a streetcar stop as part of the planned extension of the Oak Cliff Streetcar from

Methodist Hospital area to the Bishop Arts District and, ultimately, Jefferson Boulevard (potential future phase).

- The Oak Cliff Streetcar extension, funded by TXDOT Texas Mobility Funds, is expected to be completed by July 2016.
- Even after the abandonment of a portion of the 138 West Davis Street site, there is sufficient land available for the City to construct a basic streetcar stop. This stop will function until the proposed Bishop Arts Station project is underway (with plans for a more enhanced plaza).
- In December 2014, the Oak Cliff Gateway TIF District was expanded to include a new Bishop/Jefferson Sub-district to link the Methodist Hospital area with the new streetcar line and connect to the Bishop Arts retail district while encouraging new development south to the Jefferson Boulevard corridor.
- In January 2015, developer Alamo Manhattan began discussions with City staff on a proposed Bishop Arts Station project for TIF funding. The initial project design raised community concerns and in May 2015, the City's Urban Design Peer Review Panel (UDPRP) reviewed the project and suggested significant revisions.
- Subsequently, Alamo Manhattan held numerous community meetings and substantially revised the project design. The UDPRP reviewed the updated design in September 2015 with positive review and only minor follow up suggestions.
- On January 14, 2016, the Oak Cliff Gateway TIF Board reviewed the project and recommended a development agreement for up to \$11,250,000 in future TIF funds.
- The current design includes a proposed 3,540 square foot abandonment of the western portion of 138 West Davis Street tract for a small portion of building structure and restaurant seating. The eastern portion would remain public as an enhanced plaza adjacent to the streetcar line.
- Alamo Manhattan agrees to oversee improvements to the plaza and operate and maintain the plaza.
- Based on preliminary feedback from HUD, in order to provide the most flexibility for the developer with design and timing, staff has recommended pursuing a voluntary repayment of all the CDBG funds used for the prior purchase of the 138 West Davis Street tract.
- Alamo Manhattan agreed to pay both the City's abandonment fees and the voluntary HUD repayment.
- Staff is recommending, subject to approval by the Council, that the proceeds from the abandonment (net City administrative costs) be reimbursed to the developer to help offset the cost of improving the trolley plaza (in substitution for a portion of TIF funding) after construction of the improvements are completed and City inspection/acceptance of the plaza improvements.

Should you have any questions, please contact me at (214) 670-3296.



Ryan S. Evans
First Assistant City Manager

C: A.C. Gonzalez, City Manager
Warren M. S. Ernst, City Attorney
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Mark McDaniel, Assistant City Manager
Joey Zapata, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Sana Syed, Public Information Officer
Karl Zavitkovsky, Director, Office of Economic Development
J. Hammond Perot, Assistant Director, Office of Economic Development
Elsa Cantu, Assistant to the City Manager-Mayor & Council

Memorandum



CITY OF DALLAS

DATE February 12, 2016

TO Honorable Mayor and Members of the City Council

SUBJECT February 24, 2016 Draft Agenda Items Nos. 59 and 60

Article XI, Historic Preservation Tax Exemptions and Economic Development Incentives for Historic Properties of the Dallas Development Code was created in 1993. The Program was established to “encourage economic development through the revitalization and preservation of the city’s historic properties...” The Historic Tax Incentive Program was up for sunset review by the Dallas City Council on December 9, 2015. The program was modified slightly and renewed for a five year period (sunsets on December 31, 2020). The Council rejected a proposal from the Historic Tax Incentive Task Force, an Ad Hoc committee of the Landmark Commission, to extend the abatement period for projects which qualified for a 10 year exemption to allow a 15 year exemption.

The Program has several tax exemption levels depending on the location of the property and the amount spent on rehabilitation. Section 11.201(e) of the Dallas Development Code requires City Council to review any exemption over \$50,000. Two requests are on the February 24, 2016 agenda for Council consideration.

The property at 1314 West Davis Street is within the Winnetka Heights Historic District. Currently, the building is a commercial use and the applicant proposes to renovate the historic building for continued use for retail and housing uses.

The owner of 1314 West Davis Street applied under the “Revitalizing Historic District” exemption. This exemption allows for up to a 100% exemption of the City portion of the property taxes for up to a 10 year period. To qualify for this exemption, the cost of rehabilitation must exceed 25 percent of the pre-rehabilitation value of the structure.

The 2014 DCAD appraised value of 1314 West Davis Street is \$1,040,000, with an improvement value of \$946,250 and land value of \$93,750. The applicant plans to invest approximately \$690,000 into the property. Prior to the initiation of the tax exemption, verification of the expenditures is required.

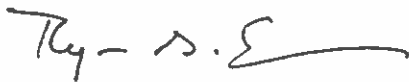
The new value, after completion, is estimated to be \$1,730,000 with an estimated annual tax revenue at \$13,788. It is estimated that the City will recoup the estimated revenue forgone over 10 years in six years.

The second item on the agenda is the Adolphus Hotel. The Adolphus Hotel, a landmark hotel in downtown Dallas built in 1912, applied under the “Urban Historic District” exemption. This exemption allows for up to a 100% exemption of the City portion of the property taxes for up to a 10 year period. To qualify for this exemption, the cost of rehabilitation must exceed 75 percent of the pre-rehabilitation value of the structure.

The abatement applies to two DCAD account numbers for the site which fall within the Historic District on the same parcel of land, one for 1315 Commerce and one for 1321 Commerce. The 1315 Commerce Street account includes the two basements and retail space. The 1321 Commerce Street account includes the historic 1912 tower and the 1925 addition. The 2014 Dallas Central Appraisal District appraised value for the 1315 Commerce Street account is \$4,913,400, with an improvement value of \$2,650,230 and land value of \$2,263,170. The 2014 Dallas Central Appraisal District appraised value for the 1321 Commerce Street account is \$21,839,000 with an improvement value of \$21,839,000 and land value of \$0. The applicant will need to invest \$18,366,923 to claim the exemption. The exemption will not begin until the investment is made and submitted to staff.

The new value, after completion, is estimated to be \$45,119,323 with an estimated annual tax revenue at \$359,601. It is estimated that the City will recoup the estimated revenue forgone over 10 years in six years.

If you have any questions, please do not hesitate to contact me.



Ryan S. Evans
First Assistant City Manager

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Memorandum



CITY OF DALLAS

DATE February 12, 2016

TO Members of the Budget, Finance & Audit Committee: Jennifer S. Gates (Chair), Philip T. Kingston (Vice Chair), Erik Wilson, Rickey D. Callahan, Scott Griggs, Lee M. Kleinman

SUBJECT February 24, 2016 Agenda Items- Event Set-up Services at the Kay Bailey Hutchison Convention Center Dallas

The February 24, 2016 City Council Agenda includes an item authorizing a five-year service contract for set-up services at the Kay Bailey Hutchison Convention Center Dallas (KBHCCD), with Member's Building Maintenance, LLC, the most advantageous proposer of four, not to exceed \$3,644,805.

The Kay Bailey Hutchison Convention Center Dallas spans 2.2m square feet and hosts an excess of one million visitors each year, requiring comprehensive event set-up services, often necessitating rapid turnaround times. Event set-up services consists of setting up chairs, tables, stages and various furnishings for a variety of convention meetings and events.

In July 2015 a Request for Bid was issued for set-up services at the KBHCCD and only one responsive bid was received. It was deemed more advantageous to the City to reject the bid and re-advertise a new solicitation. The specifications and bid sheet were modified and re-issued as a Request for Proposals.

The new Request for Proposals resulted in three proposals; which were evaluated by a seven member committee. Member's Building Maintenance, LLC, was selected as the most advantageous proposer based on experience/qualifications, pricing, staffing plan/approach and BID Plan. The vendor is required to provide all supplies, equipment and labor for the performance of this contract. This proposal resulted in a 75.83% increase over comparable unit prices for the contract awarded in 2014.

This item does not encumber funds and only establishes firm pricing for services which are ordered on an as needed basis. The recommended vendor meets the wage floor rate of \$10.37 as approved by the City Council on November 10, 2015.

Please let me know if you need additional information.


Ryan S. Evans
First Assistant City Manager

c: Honorable Mayor and Members of City Council
A.C. Gonzalez, City Manager
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Memorandum



CITY OF DALLAS

DATE February 12, 2016
TO The Honorable Mayor and Members of the City Council
SUBJECT Financial Forecast Report

The FY 2015-16 Financial Forecast Report based on information through December 2015 is attached and provided for your information.

For FY 2015-16, General Fund revenues are projected to be \$1,187,000 above budget and expenditures are projected to be \$181,000 below budget. This results in forecast revenues being in excess of forecast expenditures by \$1,368,000. Details related to budget variances may be found at the end of the Financial Forecast Report.

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

A handwritten signature in black ink, appearing to read 'A.C. Gonzalez', written over the typed name.

A.C. Gonzalez
City Manager

Attachment

c: Ryan S. Evans, First Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Joey Zapata, Assistant City Manager
Eric D. Campbell, Assistant City Manager
Mark McDaniel, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Jack Ireland, Director, Office of Financial Services



FY 2015-16

Financial Forecast Report

Information as of December 31, 2015



GENERAL FUND

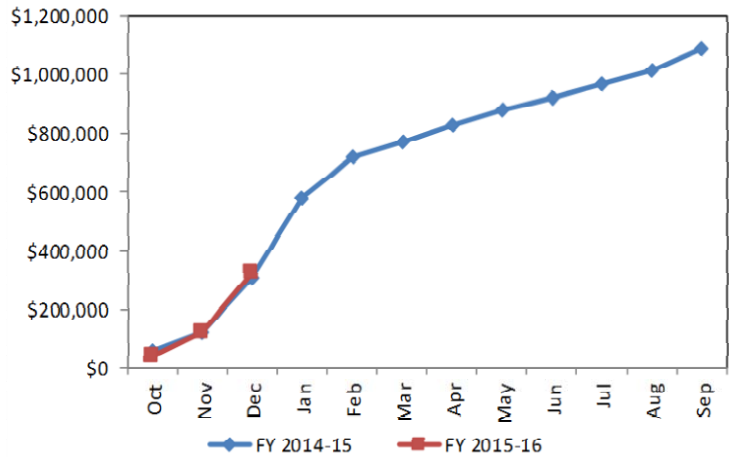
As of December 31, 2015
(000s)

<u>ITEM</u>	<u>BUDGET</u>	<u>YEAR TO DATE</u>	<u>YEAR-END FORECAST</u>	<u>BUDGET VS FORECAST VARIANCE</u>
Revenues	\$1,144,800	\$323,201	\$1,145,987	\$1,187
Expenditures	1,144,800	278,260	1,144,619	(181)
Net Excess of Revenues Over Expenditures/Transfers	<u>\$0</u>	<u>\$44,941</u>	<u>\$1,368</u>	<u>\$1,368</u>

GENERAL FUND REVENUES

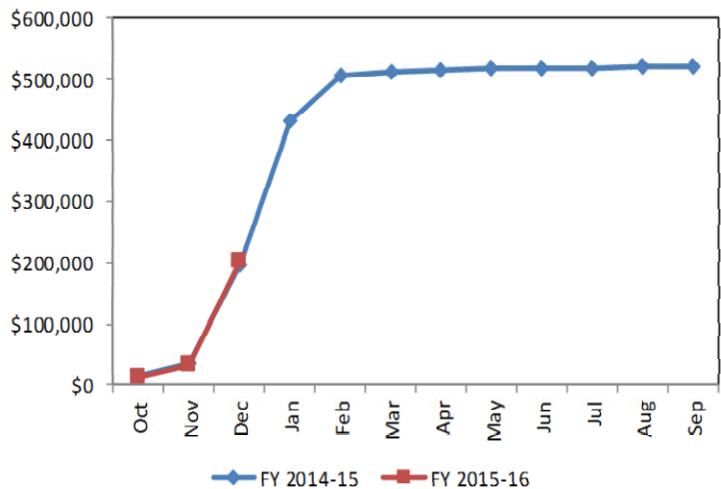
ALL SOURCES

	FY 2014-15	FY 2015-16	Variance
Oct	\$60,959	\$41,660	(\$19,299)
Nov	58,982	77,665	\$18,682
Dec	187,753	203,876	\$16,123
Jan	271,536		
Feb	138,254		
Mar	52,292		
Apr	59,984		
May	48,230		
Jun	43,757		
Jul	46,560		
Aug	45,056		
Sep	74,964		
Total	\$1,088,327	\$323,201	\$15,507



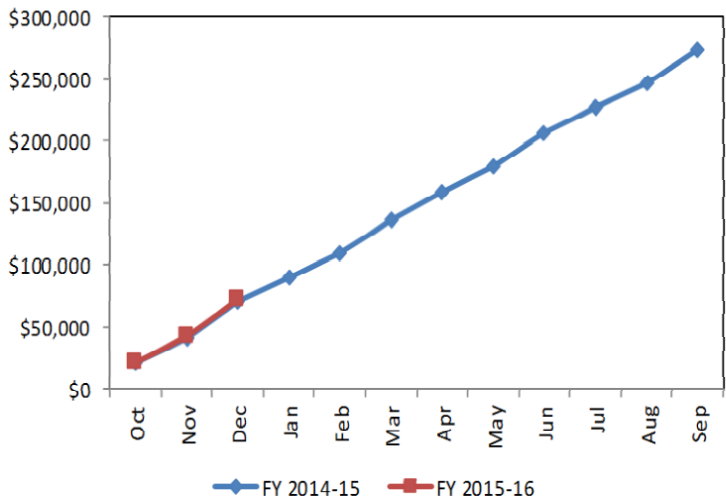
PROPERTY TAX

	FY 2014-15	FY 2015-16	Variance
Oct	\$16,175	\$11,487	(\$4,688)
Nov	18,472	20,589	\$2,117
Dec	160,305	169,848	\$9,543
Jan	235,891		
Feb	74,439		
Mar	6,533		
Apr	3,115		
May	1,536		
Jun	1,750		
Jul	821		
Aug	948		
Sep	673		
Total	\$520,658	\$201,923	\$6,972



SALES TAX

	FY 2014-15	FY 2015-16	Variance
Oct	\$21,933	\$21,769	(\$164)
Nov	19,220	20,524	\$1,303
Dec	29,690	30,137	\$447
Jan	20,009		
Feb	18,928		
Mar	26,847		
Apr	22,124		
May	20,755		
Jun	26,477		
Jul	20,798		
Aug	20,332		
Sep	26,386		
Total	\$273,499	\$72,430	\$1,586



FY 2014-15 All Sources has been restated to reflect the conversion of Sanitation to an Enterprise Fund in FY 2015-16

GENERAL FUND REVENUES

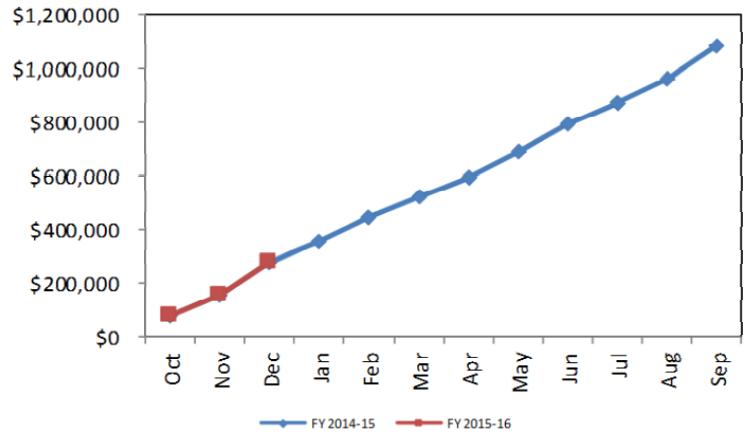
As of December 31, 2015
(000s)

	<u>BUDGET</u>	<u>REVENUES YEAR TO DATE</u>	<u>YEAR-END FORECAST</u>	<u>BUDGET VS FORECAST VARIANCE</u>
TAXES				
Ad Valorem Tax	\$559,636	\$201,923	\$559,636	\$0
Sales Tax ¹	281,272	72,430	281,887	615
TOTAL TAXES	840,908	274,353	841,523	615
FRANCHISE REVENUES				
Oncor Electric	50,612	15,960	50,612	0
AT&T	10,950	0	10,950	0
Atmos Energy	12,242	0	12,242	0
Time Warner Cable	6,102	0	6,102	0
Other	27,291	869	27,291	0
TOTAL FRANCHISE REVENUES	107,198	16,829	107,198	0
LICENSES AND PERMITS	6,067	2,152	6,086	19
INTEREST EARNED	962	0	962	0
INTERGOVERNMENTAL	7,432	365	7,460	29
FINES AND FORFEITURES				
Municipal Court ²	14,771	3,669	15,400	629
Vehicle Towing & Storage	7,146	1,875	7,146	0
Parking Fines	3,591	0	3,592	0
Red Light Camera Fines	7,460	0	7,460	0
Public Library	494	63	494	0
TOTAL FINES	33,462	5,606	34,091	629
CHARGES FOR SERVICE				
Parks ³	10,283	1,841	10,135	(148)
Emergency Ambulance	31,569	5,095	31,569	0
Security Alarm	4,450	1,036	4,400	(50)
Street Lighting	648	114	648	0
Vital Statistics	1,484	324	1,484	0
Other	23,147	8,157	23,106	(41)
TOTAL CHARGES	71,581	16,568	71,341	(240)
INTERFUND REVENUE	67,123	4,636	67,123	0
MISCELLANEOUS⁴	10,068	2,692	10,202	135
TOTAL REVENUES	\$1,144,800	\$323,201	\$1,145,987	\$1,187

GENERAL FUND EXPENDITURES

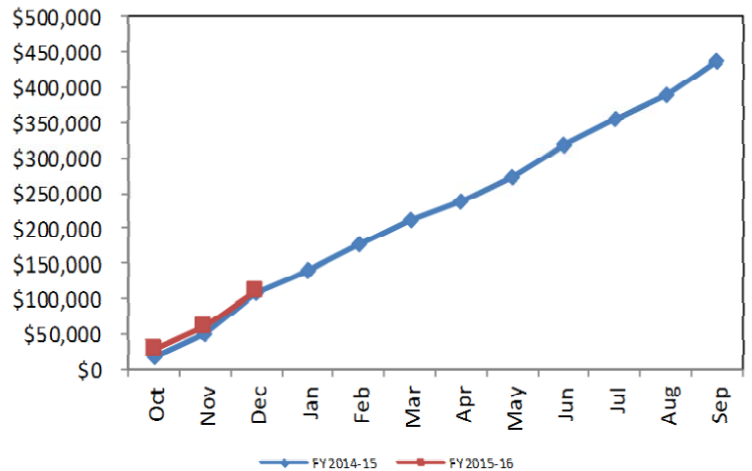
ALL EXPENSES

	FY 2014-15	FY 2015-16	Variance
Oct	\$77,525	\$75,601	(\$1,924)
Nov	79,013	78,065	(948)
Dec	123,491	124,594	1,103
Jan	76,655		
Feb	86,673		
Mar	82,668		
Apr	69,958		
May	96,984		
Jun	102,442		
Jul	78,895		
Aug	85,592		
Sep	124,316		
Total	\$1,084,212	\$278,260	(\$1,769)



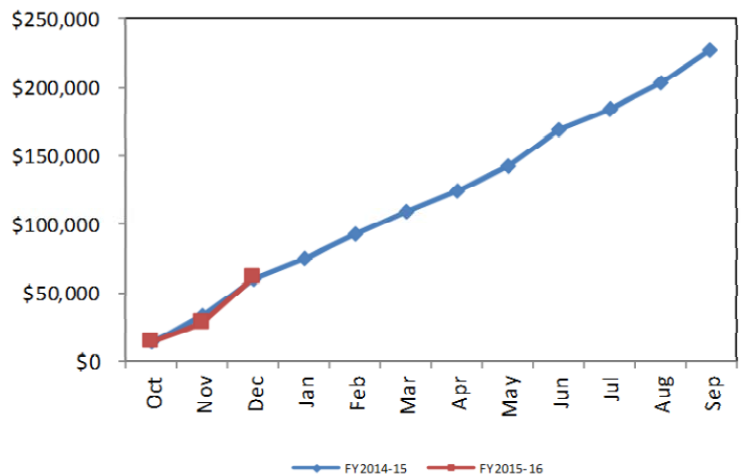
POLICE

	FY 2014-15	FY 2015-16	Variance
Oct	\$19,262	\$28,488	\$9,226
Nov	31,339	31,370	31
Dec	57,789	52,490	(5,299)
Jan	32,898		
Feb	36,863		
Mar	32,472		
Apr	27,900		
May	33,265		
Jun	47,086		
Jul	34,846		
Aug	35,661		
Sep	46,774		
Total	\$436,155	\$112,348	\$3,958



FIRE

	FY 2014-15	FY 2015-16	Variance
Oct	\$13,502	\$13,994	\$492
Nov	19,557	14,184	(5,373)
Dec	26,055	32,389	6,334
Jan	16,078		
Feb	17,117		
Mar	17,032		
Apr	15,063		
May	17,344		
Jun	26,753		
Jul	16,442		
Aug	18,322		
Sep	24,269		
Total	\$227,535	\$60,567	\$1,453



FY 2014-15 All Expenses has been restated to reflect the conversion of Sanitation to an Enterprise Fund in FY 2015-16

GENERAL FUND EXPENDITURES

As of December 31, 2015

(000s)

DEPARTMENT	BUDGET	EXPENDITURES YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
Building Services	\$23,831	\$6,917	\$23,831	\$0
Business Dev/Procurement Svcs ⁵	2,884	649	2,824	(60)
City Attorney's Office	15,886	3,489	15,868	(18)
City Auditor's Office ⁶	3,004	601	3,049	45
City Controller's Office ⁷	4,541	1,006	4,393	(148)
City Manager's Office	1,972	539	1,972	0
City Secretary's Office	2,005	340	2,005	0
Civil Service ⁸	2,599	494	2,635	36
Code Compliance	38,569	7,958	38,569	0
Court Services	11,563	2,549	11,516	(47)
Elections ⁹	97	20	105	8
Fire	239,567	60,567	239,567	0
Housing	11,936	6,573	11,936	0
Human Resources	4,788	1,083	4,783	(5)
Independent Audit	786	-	786	0
Jail Contract - Lew Sterret	7,557	1,260	7,557	0
Judiciary	3,231	732	3,231	0
Library	30,509	6,785	30,509	0
Management Services	8,544	3,375	8,544	0
Mayor and Council	4,243	919	4,201	(42)
Non-Departmental	57,926	2,595	57,926	0
Office of Cultural Affairs	17,671	7,893	17,671	0
Office of Economic Development	1,818	832	1,818	0
Office of Financial Services	2,957	562	2,957	0
Park and Recreation ¹⁰	85,646	25,934	86,148	502
Planning & Urban Design ¹¹	4,232	577	3,941	(291)
Police	451,882	112,348	451,882	0
Public Works	5,911	2,313	5,900	(11)
Street Lighting	17,525	2,607	17,525	0
Street Services	71,531	16,014	71,521	(10)
Sustainable Dev/Construction ¹²	1,438	524	1,297	(141)
Trinity Watershed Management	1,526	203	1,526	0
RESERVES AND TRANSFERS				
Contingency Reserve	2,628	0	2,628	0
Liability/Claim Fund	1,994	0	1,994	0
Salary & Benefit Reserve	2,000	0	2,000	0
TOTAL EXPENDITURES	\$1,144,800	\$278,260	\$1,144,619	(\$181)

PROPRIETARY FUNDS

As of December 31, 2015
(000s)

DEPARTMENT	BUDGET	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
AVIATION				
BEGINNING FUND BALANCE	\$16,775	\$ -	\$16,775	\$ -
REVENUES:				
Parking	27,443	5,864	27,443	0
Terminal Concessions	22,423	5,198	22,423	0
Landing Fees	17,784	3,083	17,784	0
Rental on Airport - Terminal	13,831	3,324	13,831	0
Rental on Airport - Field	9,067	1,745	8,950	(117)
Fuel Flow Fees	1,225	229	1,225	0
All Other	2,102	199	3,679	1,577
TOTAL REVENUES¹³	93,876	19,642	95,336	1,460
TOTAL EXPENDITURES¹³	93,876	20,556	95,289	1,413
ENDING FUND BALANCE	\$16,775	\$ -	\$16,822	\$47

CONVENTION AND EVENT SERVICES

BEGINNING FUND BALANCE	\$20,607	\$ -	\$20,607	\$ -
REVENUES:				
Hotel Occupancy Tax	54,002	10,820	53,192	(810)
Alcoholic Beverage Tax	10,461	0	11,683	1,222
Contract Services	9,119	1,590	9,119	0
All Remaining Revenues	10,414	3,186	11,108	694
TOTAL REVENUES¹⁴	83,996	15,596	85,101	1,105
TOTAL EXPENDITURES	82,939	14,240	83,203	264
ENDING FUND BALANCE	\$21,664	\$ -	\$22,505	\$841

PROPRIETARY FUNDS

As of December 31, 2015
(000s)

DEPARTMENT	BUDGET	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
SUSTAINABLE DEVELOPMENT AND CONSTRUCTION				
BEGINNING FUND BALANCE	\$33,842	\$ -	\$33,842	\$ -
REVENUES:				
Building Permits	18,770	5,095	19,104	334
Certificate of Occupancy	1,412	291	1,412	0
Plan Review	3,736	1,132	3,749	13
Registration/License	1,028	319	1,028	(0)
Special Plats	887	298	887	0
Private Development	1,010	366	1,010	(0)
Zoning	1,184	178	1,184	0
Interest Earnings	117	0	117	0
All Remaining Revenues	1,478	472	1,478	0
TOTAL REVENUES	29,622	8,150	29,969	347
TOTAL EXPENDITURES¹⁵	30,697	4,730	29,588	(1,109)
ENDING FUND BALANCE	\$32,767	\$ -	\$34,223	\$1,456
MUNICIPAL RADIO				
BEGINNING FUND BALANCE	\$1,183	\$ -	\$1,183	\$ -
REVENUES:				
Local and National Sales	2,058	533	2,012	(46)
All Remaining Revenues	12	0	12	0
TOTAL REVENUES¹⁶	2,070	533	2,024	(46)
TOTAL EXPENDITURES¹⁶	2,055	659	1,963	(92)
ENDING FUND BALANCE	\$1,198	\$ -	\$1,244	\$46

PROPRIETARY FUNDS

As of December 31, 2015

(000s)

DEPARTMENT	BUDGET	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
WATER UTILITIES				
BEGINNING FUND BALANCE	\$86,191	\$ -	\$86,191	\$ -
REVENUES:				
Treated Water - Retail	286,483	72,841	289,770	3,286
Treated Water - Wholesale	80,082	19,123	78,252	(1,830)
Wastewater - Retail	232,649	54,468	228,501	(4,148)
Wastewater - Wholesale	9,874	2,347	9,897	22
All Remaining Revenues	36,040	6,251	29,974	(6,066)
TOTAL REVENUES¹⁷	645,128	155,030	636,393	(8,735)
TOTAL EXPENDITURES¹⁷	645,128	116,556	636,393	(8,735)
ENDING FUND BALANCE	\$86,191	\$ -	\$86,191	\$0

COMMUNICATION & INFORMATION SERVICES

BEGINNING FUND BALANCE	\$10,910	\$ -	\$10,910	\$ -
REVENUES:				
Interdepartmental Charges	52,799	0	52,799	0
Telephones Leased	8,532	0	8,532	0
Circuits	1,367	0	1,367	0
Desktop Services	269	44	58	(211)
Interest	137	0	137	0
Equipment Rental	4,546	1,121	4,546	0
Miscellaneous	77	516	577	500
TOTAL REVENUES¹⁸	67,727	1,681	68,016	289
TOTAL EXPENDITURES	72,284	25,446	72,261	(23)
ENDING FUND BALANCE	\$6,352	\$ -	\$6,664	\$312

PROPRIETARY FUNDS

As of December 31, 2015
(000s)

DEPARTMENT	BUDGET	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
EQUIPMENT SERVICES				
BEGINNING FUND BALANCE	\$4,129	\$ -	\$4,129	\$ -
REVENUES:				
Rental/Wreck	33,640	0	33,640	0
Fuel	16,180	0	16,180	0
Auto Auction	418	322	488	70
Miscellaneous Revenue	267	64	329	62
Interest and Other	5	0	5	0
TOTAL REVENUES	50,509	385	50,641	132
TOTAL EXPENDITURES	50,509	9,642	50,509	0
ENDING FUND BALANCE	\$4,129	\$ -	\$4,261	\$132
 EXPRESS BUSINESS CENTER				
BEGINNING FUND BALANCE	\$1,223	\$ -	\$1,223	\$ -
REVENUES:				
Postage Sales	2,703	393	2,703	0
All Other Revenues	1,260	491	1,260	0
TOTAL REVENUES	3,963	884	3,963	0
TOTAL EXPENDITURES	3,815	832	3,793	(21)
ENDING FUND BALANCE	\$1,372	\$ -	\$1,393	\$21

PROPRIETARY FUNDS

As of December 31, 2015
(000s)

DEPARTMENT	BUDGET	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
SANITATION SERVICES				
BEGINNING FUND BALANCE	\$7,108	\$ -	\$7,108	\$ -
REVENUES:				
Residential Collection	66,537	17,081	66,662	125
Cost Plus Bulk/Brush	114	31	107	(7)
Sale of Recyclables	2,100	431	1,782	(318)
City Facility Collection	761	147	587	(174)
Landfill Revenue	17,676	8,312	20,305	2,629
TOTAL REVENUES¹⁹	87,188	26,002	89,443	2,255
TOTAL EXPENDITURES¹⁹	86,480	16,001	86,751	271
ENDING FUND BALANCE	\$7,816	\$ -	\$9,800	\$1,984

OTHER FUNDS

As of December 31, 2015
(000s)

DEPARTMENT	BUDGET	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
9-1-1 SYSTEM OPERATIONS				
BEGINNING FUND BALANCE	\$7,090	\$ -	\$7,090	\$ -
REVENUES:				
9-1-1 Service Receipts - Wireless	6,257	1,297	6,307	50
9-1-1 Service Receipts - Wireline	6,898	1,681	6,910	12
Interest and Other	63	0	63	0
TOTAL REVENUES	13,218	2,978	13,280	62
TOTAL EXPENDITURES	16,292	1,833	16,259	(34)
ENDING FUND BALANCE	\$4,015	\$ -	\$4,111	\$96

STORM DRAINAGE MANAGEMENT

BEGINNING FUND BALANCE	\$8,114	\$ -	\$8,114	\$ -
REVENUES:				
Storm Water Fees	50,413	12,560	50,413	-
Interest and Other	40	0	40	0
TOTAL REVENUES	50,452	12,560	50,452	0
TOTAL EXPENDITURES	51,417	5,129	51,417	0
ENDING FUND BALANCE	\$7,150	\$ -	\$7,150	\$0

OTHER FUNDS

As of December 31, 2015
(000s)

DEPARTMENT	BUDGET	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
EMPLOYEE BENEFITS				
BENEFITS ADMINISTRATION				
TOTAL EXPENDITURES	\$1,126	\$119	\$1,121	(\$5)
WELLNESS PROGRAM				
TOTAL EXPENDITURES	\$430	\$85	\$428	(\$2)
RISK MANAGEMENT				
TOTAL EXPENDITURES	\$2,594	\$426	\$2,594	\$0

LIABILITY/CLAIMS FUND

Beginning Balance October 1, 2015	\$3,649
Budgeted Revenue	6,297
FY 2015-16 Available Funds	9,946
Paid October 2015	(168)
Paid November 2015	(328)
Paid December 2015	(379)
Balance as of December 31, 2015	\$9,071

DEBT SERVICE FUND

As of December 31, 2015
(000s)

DEPARTMENT	BUDGET	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
DEBT SERVICE FUND				
BEGINNING FUND BALANCE	\$12,109	\$ -	\$12,109	\$ -
REVENUES:				
Ad Valorem	230,475	83,140	230,475	0
Interest/Transfers/Other	20,468	0	20,468	0
TOTAL REVENUES	250,943	83,140	250,943	0
TOTAL EXPENDITURES²⁰	255,326	0	254,657	(669)
ENDING FUND BALANCE	\$7,726	\$ -	\$8,395	\$669

NOTES

(Dollars in 000s)

1. Sales tax revenue is projected to be \$615 above budget due to the improved economy.
2. Municipal Court revenue is projected to be \$629 above budget primarily due to an increase in the collection per citation rates of the new collection agency.
3. Parks revenue is projected to be \$148 below budget due to a decrease in golf and tennis revenues as a result of weather related closures.
4. Miscellaneous revenue is projected to be \$135 above budget primarily due to an unbudgeted Code Compliance Litigation settlement agreement..
5. Business Development and Procurement is projected to be \$60 below budget due to vacancies.
6. City Auditor's Office is projected to be \$45 above budget primarily due to salary expenses.
7. City Controller's Office is projected to be \$148 below budget due to vacancies.
8. Civil Service is projected to be \$36 above budget due to salary expenses.
9. Elections is projected to be \$8 above budget due to purchase of petition verification software.
10. Park and Recreation is projected to be \$502 above budget primarily due to repairs related to flooding in 2015.
11. Planning and Urban Design is projected to be \$291 below budget due to vacancies.
12. Sustainable Development and Construction is projected to be \$141 below budget due to vacancies.
13. Aviation expenses are projected to be \$1,413 above budget primarily due to the City leasing property for additional offsite parking and for the future site of the consolidated rental car facility. Revenues are projected to be \$1,460 above budget due to revenue received from existing tenants on the newly leased property.
14. Convention and Event Services revenues are projected to be \$1,105 above budget primarily due to higher than expected Alcoholic Beverage Tax.
15. Sustainable Development and Construction expenses are projected to be \$1,109 below budget primarily due to vacancies.
16. Municipal Radio expenses are projected to be \$92 below budget due to vacancies and a reduction in sales commission. Revenues are projected to be \$46 below budget due to the sale of commercials being less than planned.

NOTES

(Dollars in 000s)

17. Water Utilities revenues and expenses are both projected to be \$8,735 below budget. Revenues are projected to be below budget primarily due to the loss of a wholesale raw water customer contract and lower than projected retail wastewater service revenues. Expenses are projected to be under budget due to a reduction in the transfer to fund capital projects.

18. Communication and Information Services revenues are projected to be \$289 above budget due to payment from the State Fair of Texas for removal of the Fair Park Tower.

19. Sanitation revenues are projected to be \$2,255 above budget and expenses are projected to be \$271 above budget due to the volume of solid waste from non-contract customers being above historic levels and solid waste from the Upper Chain of Wetlands projects.

20. Debt Service expenses are projected to be \$669 below budget due to lower than projected interest rates realized on the 2015 GO Bond sale.