

Memorandum



CITY OF DALLAS

DATE September 14, 2018

TO Honorable Mayor and Members of the City Council

SUBJECT **Trinity River Corridor Local Government Corporation Update**

This memorandum provides an update on the Trinity River Corridor Local Government Corporation (TRCLGC). The City Council voted to authorize the LGC, including a term sheet to complete the Master Development Agreement on August 9, 2018.

The TRCLGC held its formation meeting on December 19, 2017. At the meeting the TRCLGC approved bylaws and officers. The LGC has also held meetings in January, February, April, May and September 2018.

The following items have been approved or completed by the LGC:

- January 2018 - Approval of the Adoption of Trinity River Corridor Master Development and Use Agreement executed by City Council on December 19, 2017
- May 2018 – Approval of the Adoption of the Trinity River Corridor Phase 1 Premises Development Agreement among the Trinity River Corridor Local Government Corporation and the Trinity Park Conservancy.
- June 2018 - Received approval of the Trinity River Corridor Local Government Corporation's 501(c)(3) status from the Internal Revenue Service

As part of the efforts towards development of the Harold Simmons Park, the Trinity Park Conservancy will be holding community engagement workshops. There are ten public workshops scheduled for Fall 2018 which are listed below:

Date	Time	Location
September 15	10:00 a.m. – 4:00 p.m.	West Dallas Multipurpose Center
September 17	6:30 p.m. – 8:30 p.m.	Cedar Crest Golf Course
September 22	10:00 a.m. – 4:00 p.m.	Trinity River Audubon Center
September 24	6:30 p.m. – 8:30 p.m.	Lake Highlands High School
September 25	6:30 p.m. – 8:30 p.m.	South Dallas Cultural Center
September 26	6:30 p.m. – 8:30 p.m.	Solar Preparatory School for Girls
September 27	6:30 p.m. – 8:30 p.m.	Bachman Lake Recreation Center
October 2	6:30 p.m. – 8:30 p.m.	Jimmie Tyler Brashear Elementary School
October 3	11:00 a.m. – 6:00 p.m.	J. Erik Johnson Central Library
October 4	6:30 p.m. – 8:30 p.m.	George Bannerman Dealey Montessori Academy

DATE September 14, 2018
SUBJECT Trinity River Corridor Local Government Corporation Update

The public is also invited to attend the Picnic in the Park on Saturday, October 20th hosted by the Trinity Park Conservancy. This free event at Harold Simmons Park will feature fun activities for the entire family and will provide an overview of the input received at the workshops. Attendees will also have an opportunity to provide additional feedback. As the date approaches, additional information will be provided for distribution through various outlets to encourage our citizens attendance.

Should you have any questions, please contact me at 214-670-4549.



T.C. Broadnax
City Manager

- c: Chris Caso, City Attorney (I)
Craig D. Kinton, City Auditor
Billerae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizzor Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager
- Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer
M. Elizabeth Reich, Chief Financial Officer
Directors and Assistant Directors

Memorandum



CITY OF DALLAS

DATE September 14, 2018

TO Honorable Mayor and Members of the City Council

SUBJECT **FY 2018-19 Budget Workshop**

In accordance with the 2018 City Calendar, the FY 2018-19 budget development process will conclude on Tuesday, September 18 with your final budget discussion and action regarding the upcoming fiscal year. On Tuesday, you will consider and approve six budget related ordinances and resolutions, several of which are required by State law.

Below is a summary of the items which begin with agenda item number 3:

- Number 3 – Final reading and adoption of the appropriation ordinance for the FY 2018-19 City of Dallas operating, capital, and grant & trust budgets
- Number 4 – An ordinance setting the tax rate at \$0.7767 per \$100 assessed valuation which includes \$0.5667 for the General Fund and \$0.2100 for the Debt Service Fund, and levying ad valorem taxes for the City of Dallas, Texas for FY 2018-19
- Number 5 – A resolution ratifying the increase in total property tax revenues reflected in the FY 2018-19 budget
- Number 6 – An ordinance amending Chapters 2, 15D, 18, 28, 49, and 51A of the Dallas City Code to adjust various rates and fees
- Number 7 – An ordinance renaming departments, eliminating Trinity Watershed Management, and reassigning responsibilities
- Number 8 – A resolution authorizing position changes and salary schedules

Budget amendments may still be considered prior to the vote on agenda item number 3. Council Members with amendments may introduce them as part of the motion or friendly amendment to the motion for approval of agenda item number 3. Below are two amendments received since last week's amendment discussion.

DATE September 14, 2018
 SUBJECT FY 2018-19 Budget Workshop

Amendment #117 - CM Felder			
Source of Funds	Amount	Use of Funds	Amount
Tax increment financing remaining funds (one-time source of funds)	\$1,337,721	DPD for recruitment, training, salary, and relocation	\$1,000,000
		Code enforcement officers	\$337,721
Total Source of Funds	\$1,337,721	Total Use of Funds	\$1,337,721
		Difference	\$0

Amendment #118 - CM Felder			
Source of Funds	Amount	Use of Funds	Amount
Library - radio frequency (reduce RFID from \$2,000,000 to \$1,000,000)	\$1,000,000	Code compliance officers	\$250,000
		DFR public safety equipment - extractors	\$500,000
		Transportation - bike lane expansion	\$250,000
Total Source of Funds	\$1,000,000	Total Use of Funds	\$1,000,000
		Difference	\$0

Once agenda items 3 through 8 are approved, the FY 2018-19 budget will be final. The new fiscal year will begin on October 1, 2018 and end on September 30, 2019. If you have any questions, please contact me or Jack Ireland, Director, Office of Budget.

M. Elizabeth Reich
 Chief Financial Officer

- c: T.C. Broadnax, City Manager
- Chris Caso, City Attorney (Interim)
- Craig Kinton, City Auditor
- Billerae Johnson, City Secretary
- Preston Robinson, Administrative Judge
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- Directors and Assistant Directors

Memorandum



CITY OF DALLAS

DATE September 14, 2018

TO Honorable Mayor and Members of the City Council

SUBJECT **Supplemental Responses to Council Questions on the FY 2018-19 Proposed and FY 2019-20 Planned Budgets**

Thank you for your questions regarding the City Manager's recommended budget. Due to the number of questions, we have provided answers on a rolling basis. This is the final installment of these rolling memo responses.

A. Public Safety

1. What is the estimated cost for training new Fire-Rescue officers?

The total cost to train a new Fire-Rescue officer is approximately \$95,000 a year. This includes approximately \$85,000 in full-year salary and benefits costs, and it also includes approximately \$10,000 in academy training, onboarding, and recruitment costs.

2. How many public safety graduates from 2018 are still on the force?

Nine of the 167 police officers and five of the 264 Fire-Rescue recruits hired in FY 2017-18 have resigned.

3. What is the impact of HB 3158 and the resulting increase in employee pension contributions on Police take-home pay?

As a result of HB 3158, employee pension contributions for uniformed employees increased from 8.5 percent to 13.5 percent of base salary as of September 1, 2017. The increase in employee contributions along with the increase in City contributions are necessary to ensure the long-term financial sustainability of the Police and Fire Pension Fund and to ensure that the uniform employees' pension benefits are protected. Uniform employees have also continued to receive pay increases based on the current 3-year Meet and Confer agreement that in most cases has more than offset their increased pension contributions. On the attached chart, we have provided examples for different ranks and steps of how gross pay has changed from August 2017 to August 2018, and for those examples, how pension contribution has changed from August 2017 to August 2018. You can see that in most cases, the pay increases have more than offset the pension increases.

4. *When do we anticipate the issue of Dallas Police Department (DPD) overtime staffing for the State Fair coming to full Council?*

DPD and the City Manager's Office are developing a plan and a timeline to address the overtime staffing for the State Fair. Upon completion, DPD will share information with the City Council.

5. *How many police reports have been made from City facilities?*

DPD is using its database to process this request and develop a list of police reports made from City facilities. However, the process to get this information will be time consuming, as DPD will have to manually build and compile a comprehensive list of City buildings that is in the required format for the database. Due to the timing and length of this process, DPD can provide this data in a future memo to City Council.

B. Mobility Solutions, Infrastructure, and Sustainability

6. *Please explain if current funding is working towards achieving zero degradation. What level of funding in the next fiscal year do we need to achieve zero street degradation? Please clarify the City's approach to addressing pavement condition.*

Pavement Condition Assessment Methodology Moving Forward

Historically, to gauge and report on pavement condition the City used "Percent Satisfaction." The Percent Satisfaction rating takes the total number of lane miles of streets in "A," "B," or "C" condition and divides that over the total number of lane miles. This percentage represents the amount of lane miles with a PCI of 55 or higher. While the Percent Satisfaction rating and reporting method is good for demonstrating the overall number of lane miles in a satisfactory condition, there is a greater benefit to looking at the street condition as a standard weighted average PCI. Moving forward, average PCI ratings will be used to evaluate the City's network of streets to give a clearer picture of the state of all the streets.

Zero Degradation Definition

Zero Degradation consists of the pavement treatment types and the associated budget needed annually to maintain the street pavements in their current condition. The budget and lane miles needed will vary annually based on the previous year's treatments. While zero degradation needs are projected to be met in FY 2018-19, Public Works will brief the Mayor and City Council in the coming months on future needs to maintain zero degradation.

Zero Degradation Budget Needs

Zero Degradation Budget			
Fiscal Year	Budget Needed	Projected Budget	Variance
FY 2018-19	\$103.5M	\$107.3M*	\$3.8M

*Projected street pavement budget assumes \$45.7M in Bond Funds and \$61.6M in General and Other Funds.

Of the approximately \$125 million budgeted for FY 2018-19 for street pavement work, approximately \$18 million will not specifically address zero degradation (based on the definition above), even though it will be used to address specific infrastructure needs and issues. The breakdown of the uses for this \$18 million is included below:

Non-Zero Degradation Budget	
Expenditure	Budget
Service Maintenance Areas (potholes, etc.)	\$8.2M
DWU Pipeline Replacement Program	\$9.8M
<i>Total</i>	\$18.2M

C. Quality of Life

- 7. Please provide a list of Park and Recreation partner stipends, including the amount of the stipend and other support expenses provided by the City to these partners.

Please see the breakdown of Park and Recreation partner stipends below.

FY2017-18 Partner Stipends/Management Fees	Stipend or Management Fee	Other Expenses & Utilities	Notes
Cedar Ridge Preserve	\$58,949	-	Stipend plus utilities (utilities amount included in Arboretum utility costs)
Dallas Arboretum	\$394,098	\$395,000	Stipend plus utilities budgeted
Texas Discovery Garden	\$145,862	\$30,074	Stipend plus current utilities
Trinity River Audubon Center	\$115,000	-	Management Fee based on percent of operating costs. No utilities
FC Dallas (MoneyGram Soccer Complex) Management Fee	\$100,000	\$400,000	Management fee plus allowable expenses

Dallas Zoological Management	\$14,524,703		- Management fee plus annual Consumer Price Index (CPI) adjustment. Zoo pays for all utilities
Dallas Zoo - Children's Aquarium (varies)	\$136,000	\$101,427	Management Fee not to exceed operating/capital expenditures (amount varies) plus current utilities
Dallas Zoo - EMS Consent Decree (not to exceed)	-	\$125,000	EMS staffing costs reimbursement. No utilities
Total	\$15,474,612	\$1,051,501	

Please note utility amounts vary per year and are calculated based on a percentage calculation or CPI adjustment.

D. Government Performance and Financial Management

8. *If someone's position is reclassified as a result of a compensation study, could they appeal that decision?*

Per Section 34-38(c)(18) of the Personnel Rules, employees may not grieve a position classification.


9. *Please provide the cost and payment status for City Council external events and meetings from the current fiscal year.*

Please see the attached document which is a corrected and updated listing of the costs and charges of external City Council events and meetings from throughout the current fiscal year. A similar list was originally provided in a memo on August 27; however, certain numbers did not total correctly and did not match the system of record. The updated attached document is corrected as of September 4 and outlines the current status of these costs and charges, as documented in the Public Affairs and Outreach Office's internal quote and services management system.

The format of these charts has been purposefully changed and updated, in response to a request from the City Council on August 29 to provide the current status of these costs and charges. This updated document was distributed to the City Council via the Council Office on September 4, but it is included in this memo as an attachment for budget records and transparency purposes.

DATE September 14, 2018
SUBJECT Supplemental Responses to Council Questions on the FY 2018-19 Proposed and FY
2019-20 Planned Budgets
PAGE 5 of 5

Thank you for your engagement in the budget process. We look forward to finalizing the budget on Tuesday, September 18.


M. Elizabeth Reich
Chief Financial Officer

[Attachments]

c: T.C. Broadnax, City Manager
Chris Caso, City Attorney (I)
Craig Kinton, City Auditor
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**Impact of Pension Reform
Samples of Uniform Police Pay**

Class Code	Rank	Grade-STEP	Sample Gross Pay^^ per Pay Period (Pay Check 80 hours) August 2017	Sample pension deduction^ contribution* August 2017	Sample Gross Pay^^ per Pay Period (Pay Check 80 hours) August 2018	Sample pension deduction^ contribution* August 2018	Gross Pay Variance	Pension Deduction Contribution Variance
46004	Police Officer, 1 Year	P2-3	\$2,179	\$169	\$2,350	\$283	\$171	\$113
46004	Police Officer, 1 Year	P2-5	\$2,469	\$197	\$2,777	\$328	\$308	\$131
46004	Police Officer, 1 Year	P2-7	\$2,598	\$207	\$2,813	\$345	\$215	\$138
46004	Police Officer, 1 Year	P2-10	\$3,194	\$252	\$3,792	\$408	\$599	\$156
46016	Police Senior Corporal, 1 Year	P3-3	\$2,240	\$178	\$2,776	\$298	\$536	\$119
46016	Police Senior Corporal, 1 Year	P3-5	\$2,597	\$209	\$2,932	\$347	\$335	\$138
46016	Police Senior Corporal, 1 Year	P3-7	\$3,172	\$229	\$3,388	\$381	\$216	\$152
46016	Police Senior Corporal, 1 Year	P3-10	\$4,280	\$252	\$4,405	\$421	\$125	\$169
46011	Police Sergeant, 1 Year	P4-4**	\$2,793	\$216	\$3,021	\$360	\$228	\$144
46011	Police Sergeant, 1 Year	P4-5	\$4,249	\$232	\$5,524	\$387	\$1,275	\$155
46011	Police Sergeant, 1 Year	P4-7	\$4,163	\$262	\$4,753	\$436	\$589	\$174
46011	Police Sergeant, 1 Year	P4-10	\$3,438	\$297	\$3,845	\$481	\$407	\$184
46013	Police Lieutenant	P5-8**	\$3,873	\$300	\$4,206	\$499	\$333	\$199
46013	Police Lieutenant	P5-9**	\$4,197	\$315	\$4,422	\$524	\$225	\$209
46013	Police Lieutenant	P5-7	\$3,596	\$286	\$4,048	\$476	\$452	\$190
46013	Police Lieutenant	P5-10	\$3,987	\$319	\$4,255	\$517	\$268	\$198

*HB 3158 - Employee contributions increase

**These steps chosen as adequate data to sample

^Pension deductions include base pay, education and longevity incentive up to 80 hours

^^Gross Pay includes all incentive pays

District 1 – Council Member Scott Griggs				
Date of Service	Event Details	Staff Hours Charged	Equipment Charge	Status
1/22/2018	TX Campaign for the Environment Press Conference	\$0.00	\$110.00	Paid
8/27/2018	CM Grigg's Video Interview	\$0.00	\$800.00	Not Charged
	Quoted Total	\$0.00	\$910.00	

District 2 – Deputy Mayor Pro Tem Adam Medrano				
Date of Service	Event Details	Staff Hours Charged	Equipment Charge	Status
4/30/2018	Racial Healing & LGBTQ Town Hall	\$0.00	\$435.00	Not Charged
6/13/2018	2018 Pride Proclamation	\$0.00	\$75.00	Not Charged
6/13/2018	LGBT Award & Proclamation	\$0.00	\$175.00	Not Charged
6/26/2018	Hon. John Loza Memorial Service	\$160.00	\$893.75	Cancelled
	Quoted Total	\$160.00	\$1,578.75	

District 3 – Council Member Casey Thomas, II				
Date of Service	Event Details	Staff Hours Charged	Equipment Charge	Status
10/24/2017	TX Women's Council of Dallas County Reception for DPD Chief Hall	\$0.00	\$230.00	Not Charged
10/24/2017	Press Conference	\$0.00	\$225.00	Not Charged
11/14/2017	South Dallas Business Women Event	\$0.00	\$25.00	Cancelled
1/11/2018	Workforce Development Town Hall Meeting	\$0.00	\$570.00	Not Charged
5/5/2018	Community Meeting	\$0.00	\$150.00	Not Charged
5/11/2018	Oak Cliff Chamber of Commerce Educator of the Year	\$0.00	\$75.00	Not Charged
6/21/2018	Food Desert Town Hall	\$160.00	\$236.50	Not Charged
	Quoted Total	\$160.00	\$1,511.50	

District 4				
Date of Service	Event Details	Staff Hours Charged	Equipment Charge	Status
10/12/2017	Lancaster Kiest Crossing Ribbon Cutting	\$0.00	\$125.00	Not Charged
3/29/2018	District 4 Meeting	\$0.00	\$50.00	Not Charged
5/2/2018	Press Conference	\$0.00	\$82.50	Not Charged
2/23/2018	Press Conference	\$0.00	\$75.00	Not Charged
5/5/2018	Teen Summit	\$240.00	\$825.00	Not Charged
5/15/2018	Community Meeting/Mark Twain Elementary School	\$80.00	\$50.00	Not Charged
5/17/2018	District 4 Town Hall Meeting	\$80.00	\$905.00	Not Charged
5/31/2018	Fiji Town Hall Meeting	\$80.00	\$345.00	Not Charged
6/5/2018	Glen Oaks Town Hall Meeting	\$80.00	\$325.00	Not Charged
6/13/2018	Rancho Valencia Town Hall Meeting	\$200.00	\$415.00	Cancelled
6/21/2018	District 4 Town Hall Meeting	\$80.00	\$452.00	Not Charged
6/26/2018	UniverSoul Circus Pre-Show Community Event	\$0.00	\$615.00	Payment Pending
	Quoted Total	\$840.00	\$4,264.50	

District 5 – Council Member Rickey D. Callahan				
Date of Service	Event Details	Staff Hours Charged	Equipment Charge	Status
10/12/2017	Pleasant Grove NOW! Initiative Press Conference with Mayor Rawlings and CM Callahan.	\$0.00	\$225.00	Not Charged
11/4/2017	Grovefest 2017	\$360.00	\$725.00	Not Charged
2/20/2018	Southeast Dallas Chamber of Commerce Luncheon	\$0.00	\$67.50	Not Charged
	Quoted Total	\$360.00	\$1,017.50	

District 6 – Council Member Omar Narvaez				
Date of Service	Event Details	Staff Hours Charged	Equipment Charge	Status
11/3/2017	NTARUPT Shoot w/ CMs Narvaez & Thomas	\$0.00	\$2,800.00	Not Charged
3/17/2018	Benito Juarez Event	\$560.00	\$300.00	Cancelled
	Quoted Total	\$560.00	\$3,100.00	

District 7 – Council Member Kevin Felder				
Date of Service	Event Details	Staff Hours Charged	Equipment Charge	Status
12/7/2017	District 7 Community Meeting	\$0.00	\$25.00	Not Charged
2/13/2018	District 7 Seniors Valentine's Day	\$0.00	\$155.00	Not Charged
6/5/2018	CM Kevin Felder and DPD Press Conference	\$0.00	\$88.75	Not Charged
6/5/2018	Video Shoot with Mayor Rawlings and CM Felder for Monticello Exhibit Project	\$0.00	\$1,772.75	Not Charged
	Quoted Total	\$0.00	\$2,041.50	

District 8 – Council Member Tennell Atkins				
Date of Service	Event Details	Staff Hours Charged	Equipment Charge	Status
12/5/2017	Home for the Holidays Press Conference	\$0.00	\$100.00	Not Charged
12/9/2017	Home for the Holidays	\$480.00	\$3,175.00	Payment Pending
12/12/2017	Family Gifting Day	\$0.00	\$460.00	Not Charged
1/23/2018	District 8 Home Repair Meeting	\$80.00	\$950.00	Not Charged
1/29/2018	University Hills Infrastructure Community Meeting	\$80.00	\$950.00	Not Charged
5/17/2018	District 8 Apartment Symposium	\$0.00	\$50.00	Payment Pending
5/29/2018	District 8 District Office Grand Opening	\$0.00	\$275.00	Payment Pending
6/27/2018	Press Conference	\$0.00	\$85.25	Not charged
	Quoted Total	\$640.00	\$6,045.25	

District 9 - Council Member Mark Clayton				
Date of Service	Event Details	Staff Hours Charged	Equipment Charge	Status
	No quoted events in FY 2017-18	\$ -	\$ -	
	Quoted Total	\$ -	\$ -	

District 10 – Council Member B. Adam McGough				
Date of Service	Event Details	Staff Hours Charged	Equipment Charge	Status
10/23/2017	CM McGough Shoot	\$0.00	\$100.00	Not Charged
11/17/2017	HWNT Latina Trailblazer Award	\$0.00	\$25.00	Not Charged
5/22/2018	CM McGough State of the District	\$120.00	\$805.50	Payment Pending
	Quoted Total	\$120.00	\$930.50	

District 11 - Council Member Lee Kleinman				
Date of Service	Event Details	Staff Hours Charged	Equipment Charge	Status
2/26/2018	TexPIRG Electric Vehicle Report Press Conference	\$0.00	\$50.00	Not Charged
3/21/2018	District 11 Emergency Community Meeting	\$0.00	\$165.00	Not Charged
	Quoted Total	\$0.00	\$215.00	

District 12 – Council Member Sandy Greyson				
Date of Service	Event Details	Staff Hours Charged	Equipment Charge	Status
8/23/2018	Women's Equality Day	\$0.00	\$100.00	Not Charged
	Quoted Total	\$0.00	\$100.00	

District 13 – Council Member Jennifer S. Gates				
Date of Service	Event Details	Staff Hours Charged	Equipment Charge	Status
10/26/2017	Domestic Violence Awareness Month Annual Breakfast	\$0.00	\$325.00	Not Charged
11/9/2017	CM Gates - Dallas Regional Chamber	\$0.00	\$50.00	Not Charged
	Quoted Total	\$0.00	\$375.00	

District 14 – Council Member Phillip T. Kingston				
Date of Service	Event Details	Staff Hours Charged	Equipment Charge	Status
10/17/2017	District 14 Neighborhood Meeting	\$240.00	\$455.00	Not Charged
11/02/2017	Mockingbird Bridge Dedication	\$0.00	\$225.00	Not Charged
3/21/2018	District 14 Breakfast	\$0.00	\$25.00	Paid
8/11/2018	Dallas Homeowners League Bootcamp	\$0.00	\$50.00	Not Charged
	Quoted Total	\$240.00	\$780.00	

Memorandum



CITY OF DALLAS

DATE September 14, 2018

TO Honorable Mayor and Members of the City Council

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

Please find attached the Financial Forecast Report (FFR) based on information through July 31. This report does not reflect changes approved by City Council on September 12.

We forecast general fund revenues will be \$13.1 million over the amended budget and expenses will be \$1.4 million over the amended budget at the end of the fiscal year. Property tax, sales tax, franchise fees/other, and charges for services are trending better than budget, accounting for the revenue variance. On the expense side, the projected year-end variance is due to overtime usage within Dallas Fire-Rescue (DFR).

DFR continues to refine year-end projections and is forecast to exceed budget by \$10.3 million, primarily due to attrition. Attrition impacts the Department's daily minimum staffing model, resulting in additional overtime usage. City Council increased the general fund budget by \$3.7 million on April 25; and by \$5.7 million on September 12, 2018 using savings from other general fund departments and excess revenue to offset DFR's overtime expense. FY 2017-18 year-end appropriation adjustments approved on September 12, 2018 will be reflected in the August FFR.

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

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

M. Elizabeth Reich
Chief Financial Officer

Attachment

c: T.C. Broadnax, City Manager
Chris Caso, City Attorney (I)
Craig D. Kinton, City Auditor
Biliera Johnson, City Secretary
Judge Preston Robinson, Administrative Judge
Kimberly Bizzor Tolbert, Chief of Staff to the City Manager

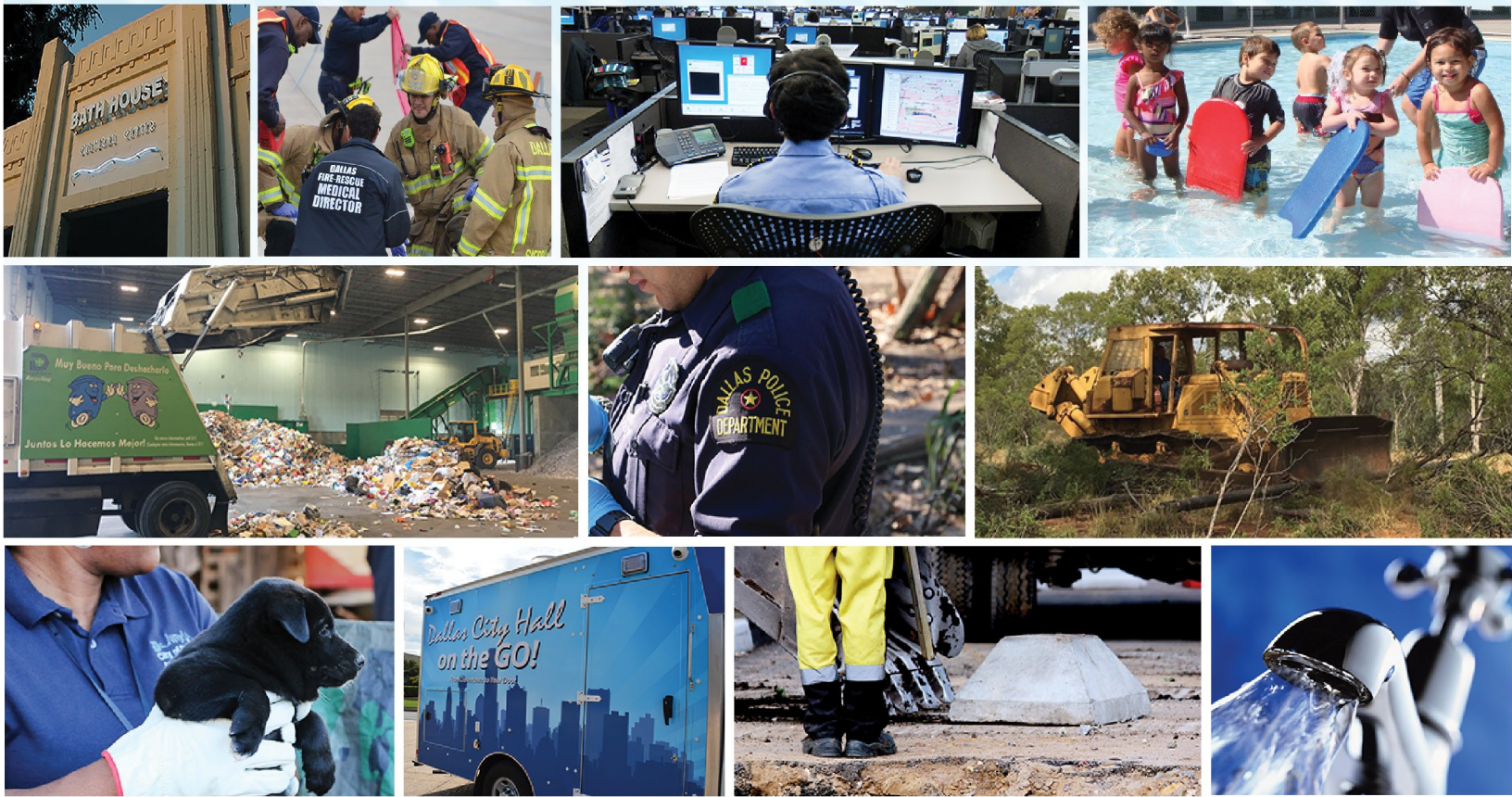
Jon Fortune, Assistant City Manager
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FY 2017-18 FINANCIAL FORECAST REPORT

Information as of July 31, 2018

SERVICE FIRST



GENERAL FUND OVERVIEW

As of July 31, 2018

	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	YTD Actual	YE Forecast	Variance
Beginning Fund Balance	\$160,617,192	\$160,617,192		\$171,747,804	\$11,130,612
Revenues	1,276,420,942	1,282,712,888	1,080,313,389	1,295,820,955	13,108,067
Expenditures	1,276,420,942	1,282,712,888	1,020,634,373	1,284,103,541	1,390,653
Ending Fund Balance	\$160,617,192	\$160,617,192		\$183,465,218	\$22,848,026

SUMMARY

The General Fund overview provides a summary of financial activity through July 31, 2018. The Adopted Budget reflects the budget adopted by City Council on September 20, 2017 effective October 1 through September 30. The Amended Budget column reflects City Council approved transfers between funds and programs and approved use of contingency.

Fund Balance. The summary includes fund balance with the year-end revenue and expenditure forecasts. As of July 31, 2018, the Year-End Forecast beginning fund balance represents the FY 2016-17 audited unassigned ending fund balance and includes FY 2016-17 year-end savings.

Revenues. Through July 31, 2018, General Fund revenues are projected to be above budget by \$13.1 million primarily due to electric, fiber optic, and natural gas franchise fees; sales tax; interest, Fire Watch fees; and a new contract with the State Fair for patrol services.

Expenditures. Through July 31, 2018, General Fund expenditures are projected to be above budget by \$1.4 million. The primary driver of the overrun is greater than anticipated use of overtime by Dallas Fire-Rescue.

Amendments. The General Fund budget was amended on:

- October 25, 2017 by resolution #17-1652 in the amount of \$120,000 for a Regional Assessment of Fair Housing;
- November 8, 2017 by resolution #17-1735 in the amount of \$139,000 to reimburse the AT&T Performing Arts Center (ATTPAC) for emergency flood remediation and repairs at the Dee and Charles Wylie Theatre;
- January 17, 2018 by resolution #18-0125 in the amount of \$1,640,000 to continue the operation of the Dallas County Schools school crossing guard program through the end of the current school year;
- February 14, 2018 by resolution #18-0282 in the amount of \$303,000 to accept donations from the Communities Foundation of Texas on behalf of various contributors to the Dallas Cultural Plan 2018;
- March 28, 2018 by resolution #18-0442 in the amount of \$189,300 for emergency flood remediation and related repairs related to the theater automation system at the Dee and Charles Wylie Theatre;
- April 25, 2018 by ordinance #30843 for mid-year appropriation ordinance adjustments consisting of a \$294,000 appropriation decrease in Non-Departmental, \$165,000 appropriation increase in Housing and Neighborhood Revitalization, \$60,300 appropriation increase in 311 Customer Service Center, \$68,700 appropriation increase in Office of Community Care, \$115,000 transfer of appropriations from Dallas Police Department to Transportation; and \$3,700,000 appropriation increase in Dallas Fire Rescue from excess revenue; and
- May 23, 2018 by resolution #18-0773 in the amount of \$200,000 for a service contract to provide school crossing guard services.

GENERAL FUND REVENUES

As of July 31, 2018

Revenue Category	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	YTD Actual	YE Forecast	Variance
Property Tax ¹	\$652,067,958	\$653,667,958	\$651,994,031	\$654,121,370	\$453,412
Sales Tax ²	303,349,086	303,349,086	201,280,692	304,905,211	1,556,125
Franchise & Other ³	135,319,609	135,319,609	117,952,203	141,240,444	5,920,835
Charges for Services ⁴	103,578,036	104,878,036	60,495,951	108,414,159	3,536,123
Fines and Forfeitures ⁵	36,515,082	36,515,082	20,197,728	35,283,926	(1,231,156)
Operating Transfers In ⁶	22,777,865	24,947,248	9,453,237	24,947,248	0
Intergovernmental	9,548,046	9,667,609	3,811,387	9,879,217	211,608
Miscellaneous ⁷	6,580,004	7,683,004	7,688,913	9,005,604	1,322,600
Licenses & Permits	4,668,685	4,668,685	4,234,733	4,809,323	140,638
Interest ⁸	2,016,571	2,016,571	3,204,514	3,214,453	1,197,882
Total Revenue	\$1,276,420,942	\$1,282,712,888	\$1,080,313,389	\$1,295,820,955	\$13,108,067

VARIANCE NOTES

General Fund revenue variance notes are provided below for revenue categories with year-end (YE) forecast variances of +/- five percent and revenue with an Amended Budget.

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

2 Sales Tax. Sales tax revenues are forecast to be 0.5 percent (\$1,556,000) greater than budget based on most recent sales tax receipts. Sales tax receipts have increased by 3.7 percent over the most recent 12 months.

3 Franchise and Other. Franchise and other revenues are projected to be 4.38 percent (\$5,920,835) over budget primary due to electric, fiber optics, and natural gas.

4 Charges for Service. Charges for services revenues are forecast to be 1.84 percent (\$3,536,000) greater than budget primarily due to Fire Watch inspection revenues that continues to increase compared to previous month (\$2.2 million); a new agreement signed with State Fair for police patrol services in which FY 2017-18 as received \$1.0 million in revenue for prior years State Fairs and 958,000 in the current year; and increases in construction permits (\$730,000). Overages are offset by a decrease of \$758,000 in swimming pool fees due to the delayed opening of three aquatic centers. Charges for Services budgeted revenue was increased by \$1.3 million on April 25, 2018 by ordinance 30843 due to additional Emergency Ambulance supplemental payment revenue.

5 Fines and Forfeitures. Fines and forfeitures are projected to be 4.2 percent (\$1,231,000) under budget as a result of a decrease in parking citations issued due to staff turnover in the Parking Management and Enforcement division of Transportation (\$849,000); a decrease of 8,000 traffic citations over the same time period last year (\$578,000); and a decrease in forfeiture hearings due to compliance of bond terms by defendants (\$289,000).

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

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

VARIANCE NOTES

- March 28, 2018 by resolution #18-0422 for emergency flood remediation and repairs related to the theater automation system at the Dee and Charles Wyly Theatre; and on
- May 23, 2018 by resolution #18-0773 in the amount of \$200,000 for a service contract to provide school crossing guard services.

7 Miscellaneous. Miscellaneous revenues are forecast to be \$1,322,000 over budget due to reimbursements from Atmos Energy and the sale of fixed assets (\$450,000). Budgeted revenue was increased \$800,000 on April 25, 2018 by ordinance 30843 due to additional one-time revenue from Atmos Energy for the City's support provided to residents affected by the gas emergency. Reimbursement from Atmos was greater than anticipated (\$1,120,000).

8 Interest. Interest earned revenues are projected to be 59.4 percent (\$1,198,000) over budget based on current trends.

GENERAL FUND EXPENDITURES

As of July 31, 2018

Expenditure Category	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	YTD Actual	YE Forecast	Variance
Civilian Pay	\$233,174,548	\$235,953,394	\$182,589,925	\$224,323,099	(\$11,630,295)
Civilian Overtime	6,087,198	6,079,044	7,708,401	9,478,110	3,399,066
Civilian Pension	33,654,027	33,952,850	26,461,187	32,447,267	(1,505,583)
Uniform Pay	397,751,284	401,698,616	319,253,025	390,669,818	(11,028,798)
Uniform Overtime	32,141,841	35,897,371	40,928,921	51,136,469	15,239,098
Uniform Pension	151,450,013	153,665,564	122,527,734	153,665,564	0
Health Benefits	62,526,985	62,812,518	48,621,690	62,812,518	0
Workers Comp	10,211,638	10,211,638	10,313,305	10,386,708	175,070
Other Personnel Services	11,798,743	11,952,376	9,102,822	12,571,378	619,002
Total Personnel Services ¹	938,796,277	952,223,371	767,507,011	947,490,931	(4,732,440)
Supplies ²	76,688,160	77,679,249	59,483,856	79,300,942	1,621,693
Contractual Services ³	341,963,586	343,085,382	240,071,592	349,837,547	6,752,165
Capital Outlay ⁴	8,000,250	8,329,492	5,487,677	11,004,710	2,675,218
Reimbursements ⁵	(89,027,331)	(98,604,606)	(51,915,763)	(103,530,589)	(4,925,983)
Total Expenditures	\$1,276,420,942	\$1,282,712,888	\$1,020,634,373	\$1,284,103,541	\$1,390,653

VARIANCE NOTES

1 Personnel Services. Current year-end forecast is \$4.7 million below budget primarily due to civilian vacancy savings. Uniform overtime YE forecast assumes \$11.5 million overrun for the Dallas Fire Rescue and \$3.7 million overrun for Dallas Police Department. The overrun in uniform overtime is partially offset by savings in uniform pay. Uniform pension YE forecast equals budget and includes the \$150.7 million contribution required to fund the police and fire pension as enacted by the Texas State Legislature through House Bill 3158, and additional funding for supplemental pension.

2 Supplies. Current year-end forecast is \$1.6 million above budget resulting from the purchase of ballistic helmets for the Dallas Police Department, nearly \$922,000 in greater than anticipated fuel and lube usage charges from Equipment and Building Services to various departments, software maintenance of an automated fingerprint identification system for the Dallas Police Department, and software purchases for various other departments.

3 Contractual Services. Current year-end forecast is \$6.8 million over budget primarily due to contract temporary help, day labor, equipment rental, security services, and Dallas Fire Rescue unbudgeted increase in emergency ambulance supplement contract payment.

4 Capital Outlay. Current year-end forecast is \$2.7 million over budget due primarily to vehicles purchased by Dallas Animal Services that will be reimbursed by an unbudgeted reimbursement, an approved purchase of a nuisance abatement brush truck using salary savings in Code Compliance, and the purchase of Gator vehicles by Code Compliance to better move in and out from alleys and back streets to clean litter, tires, and trash.

5 Reimbursements. General Fund reimbursements reflects contributions from various agencies, including federal and state funds, internal service fund departments, and enterprise fund departments. Current year-end forecasts are \$4.9 million greater than budget, primarily due to:

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

VARIANCE NOTES

increased patrols in the Oak Lawn area; and \$347,000 greater than budgeted department support reimbursement;

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

GENERAL FUND EXPENDITURES

As of July 31, 2018

Expenditure By Department	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	YTD Actual	YE Forecast	Variance
Building Services	\$28,590,583	\$28,667,529	\$25,573,656	\$28,667,529	\$0
City Attorney's Office	16,788,175	16,809,925	13,356,522	16,809,925	0
City Auditor's Office ¹	3,360,043	3,360,043	2,471,798	3,155,339	(204,704)
City Controller's Office	5,351,812	5,379,331	4,703,053	5,379,331	0
Independent Audit	891,157	891,157	0	891,157	0
City Manager's Office ²	2,266,902	2,344,267	1,967,442	2,214,313	(129,954)
City Secretary ³	2,367,327	2,703,024	2,082,339	2,758,702	55,678
Civil Service ⁴	3,080,815	3,137,099	2,417,615	3,203,154	66,055
Code Compliance	30,438,826	30,438,826	22,184,479	29,988,826	(450,000)
Court Services	11,627,393	11,627,393	9,211,380	11,239,155	(388,238)
Jail Contract	8,484,644	8,484,644	6,363,483	8,484,644	0
Dallas Animal Services	14,007,159	14,007,159	12,345,004	14,004,043	(3,116)
Dallas Fire-Rescue ⁵	267,026,909	270,726,909	222,229,287	281,001,262	10,274,353
Dallas Police Department ⁶	465,522,805	464,648,484	371,965,832	460,141,556	(4,506,928)
Housing and Neighborhood Services ⁷	3,668,283	4,010,682	3,033,538	4,010,682	0
Human Resources	5,234,618	5,234,618	4,568,327	5,185,408	(49,210)
Judiciary	3,454,079	3,454,079	3,049,779	3,451,501	(2,578)
Library	31,279,877	31,279,877	25,692,466	30,913,887	(365,990)
Office of Management Services					
311 Customer Services ⁸	3,509,120	3,569,390	1,977,371	3,202,960	(366,430)
Center for Performance Excellence	1,265,811	1,265,811	1,154,545	1,265,811	0
Council Agenda Office	224,495	248,233	161,508	248,233	0
EMS Compliance Program	340,988	340,988	237,594	333,429	(7,559)
Ethics and Diversity	97,631	119,855	61,896	119,855	0
Fair Housing ⁹	278,274	397,837	337,832	397,837	0
Office of Strategic Partnerships ¹⁰	726,947	3,326,947	2,295,782	3,202,213	(124,734)
Office of Business Diversity ¹¹	793,297	793,297	609,952	727,512	(65,785)
Office of Community Care ¹²	4,932,564	5,001,285	3,685,159	4,899,456	(101,829)
Office of Emergency Management	715,020	715,020	444,065	714,700	(320)
Office of Environmental Quality	1,197,487	1,197,487	1,344,997	1,171,773	(25,714)
Office of Homeless Solutions	10,081,328	10,081,328	7,457,692	10,076,836	(4,492)
Public Affairs and Outreach ¹³	1,666,011	1,400,645	1,037,623	1,156,079	(244,566)
Resiliency Office	353,875	353,875	273,874	344,184	(9,691)
Welcoming Communities	428,845	428,845	329,695	428,845	0
Mayor and City Council	4,820,561	4,827,575	3,776,397	4,827,575	0
Non-Departmental ¹⁴	77,323,336	77,029,345	54,607,676	76,037,012	(992,333)
Office of Budget	3,406,338	3,406,338	2,725,579	3,314,395	(91,943)
Office of Cultural Affairs ¹⁵	20,268,063	20,899,767	19,745,542	20,899,767	0
Office of Economic Development	4,840,594	4,840,594	4,358,381	4,840,594	0
Park and Recreation	98,005,546	98,269,651	82,383,705	97,513,271	(756,380)
Planning and Urban Design	2,911,297	2,911,297	2,373,959	2,911,297	0
Procurement Services	2,389,442	2,389,442	1,906,214	2,364,826	(24,616)
Public Works	73,137,927	73,137,927	62,325,215	73,101,067	(36,860)
Sustainable Development	1,656,869	1,656,869	1,771,074	1,605,406	(51,463)
Transportation ¹⁶	44,325,574	44,440,574	29,308,786	44,440,574	0
Trinity Watershed Management	1,302,754	1,302,754	726,261	1,302,754	0
Total Departments	\$1,264,441,401	\$1,271,558,022	\$1,020,634,373	\$1,272,948,675	\$1,390,653
Liability/Claim Fund Transfer	4,642,666	4,642,666	0	4,642,666	0
Contingency Reserve	4,686,875	4,686,875	0	4,686,875	0
Salary and Benefit Reserve ¹⁷	2,650,000	1,825,325	0	1,825,325	0
Total Expenditures	\$1,276,420,942	\$1,282,712,888	\$1,020,634,373	\$1,284,103,541	\$1,390,653

VARIANCE NOTES

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

1 City Auditor's Office. City Auditor's Office expenditures are forecast to be \$205,000 below budget due to salary savings associated with vacancies.

2 City Manager's Office. City Manager's Office expenditures are forecast to be \$130,000 below budget due to salary savings associated with vacancies.

3 City Secretary. City Secretary Office's budget was increased by \$265,000 on October 11, 2017 by CR#17-1608 for oversight and responsibility of the open records function transferred from the Office of Management Services (Public Affairs and Outreach). City Secretary Office's expenditures are forecast to be \$56,000 greater than budget primarily due to an office expansion needed to accommodate the new open records division.

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

5 Dallas Fire-Rescue. Dallas Fire-Rescue budget was increased by \$3.7 million on April 25, 2018 by ordinance 30843 for overruns in uniform overtime due to higher than expected attrition. Dallas Fire-Rescue expenditures are forecast to be \$10.3 million greater than budget primarily due to uniform overtime expenses. The primary factor of the greater than budgeted use of overtime includes the impact of attrition in prior fiscal years that has exceeded hiring which has affected mandatory minimum staffing.

6 Dallas Police Department. Dallas Police Department budget was decreased by \$759,000 on January 17, 2018 by CR 18-0125 to reallocate Child Safety Funds held by the Dallas Police Department to Management Services (Office of Strategic Partnerships) and decreased by \$115,000 on April 25, 2018 by ordinance 30843 to transfer Parking Enforcement division overtime and merit funding to Transportation. Dallas Police Department expenditures are forecast to be \$4,507,000 below budget primarily due to hiring fewer officers than planned in FY 2017-18 and unplanned uniform attrition at the end of FY 2016-17.

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

8 311 Customer Services. 311 Customer Services budget was increased by \$60,300 by City Council on April 25, 2018 by ordinance 30843 due to higher than expected usage of the Language Line, a third-party vendor that is used to translate calls for non-English speakers when bilingual 311 Customer Services agents are not available. 311 Customer Services is forecast to be \$366,000 under budget primarily due to salary savings from vacancies.

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

10 Office of Strategic Partnerships. Office of Strategic Partnerships budget was increased by \$2.4 million on January 17, 2018 by CR #18-0125 to appropriate funds for the Dallas County School Dissolution Committee Crossing Guard payroll and by \$200,000 on May 23, 2018 by CR 18-0773 for a service contract to provide school crossing guard services. Office of Strategic Partnerships expenditures are forecast to be \$125,000 below budget due to salary savings and lower than projected contractual service expenditures.

11 Office of Business Diversity. Office of Business Diversity expenditures are forecast to be \$66,000 below budget due to salary savings associated with vacancies.

VARIANCE NOTES

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

13 Public Affairs and Outreach. Public Affairs and Outreach budget was decreased by \$265,000 on October 11, 2017 by CR#17-1608 for oversight and responsibility of the open records function transferred to the City Secretary. Public Affairs and Outreach expenditures are forecast to be \$245,000 under budget primarily due to salary savings associated with three vacant management positions.

14 Non-Departmental. Non-Departmental budget was decreased by \$294,000 on April 25, 2018 by ordinance 30843 for mid-year appropriation adjustments. Non-Departmental expenditures are forecast to be \$992,000 less than budget primarily due to a delay in Master Lease draw for new equipment purchase which will occur in fall of FY 2018-19.

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

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

17 Salary and Benefit Reserve. Salary and Benefit Reserve funds totaling \$825,000 were allocated to Building Services (\$77,000), the City Attorney's Office (\$22,000), the City Controller's Office (\$28,000), the City Manager's Office (\$77,000), the City Secretary's Office (\$70,000), Civil Service (\$56,000), Housing and Neighborhood Revitalization (\$177,000), City Agenda Office (\$25,000), Ethics and Diversity (\$22,000), Mayor and Council (\$7,000), and Park and Recreation (\$264,000) for personnel related expenditures, primarily unbudgeted vacation/sick termination payments.

ENTERPRISE FUNDS

As of July 31, 2018

Department	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	YTD Actual	YE Forecast	Variance
AVIATION					
Beginning Fund Balance	\$13,811,768	\$13,811,768		\$14,111,807	\$300,039
Total Revenues:	127,028,405	127,028,405	101,960,187	127,133,546	105,141
Total Expenditures:	127,028,405	127,028,405	94,051,742	127,028,405	0
Ending Fund Balance	\$13,811,768	\$13,811,768		\$14,216,948	\$405,180
CONVENTION AND EVENT SERVICES¹					
Beginning Fund Balance	\$32,258,124	\$32,258,124		\$33,234,399	\$976,275
Total Revenues:	97,787,266	101,187,266	82,779,026	106,001,045	4,813,779
Total Expenditures:	97,787,266	99,371,106	64,160,315	103,782,312	4,411,206
Ending Fund Balance	\$32,258,124	\$34,074,284		\$35,453,132	\$1,378,848
MUNICIPAL RADIO²					
Beginning Fund Balance	\$1,217,847	\$1,217,847		\$1,087,586	(\$130,261)
Total Revenues:	2,098,813	2,098,813	1,547,683	1,847,485	(251,328)
Total Expenditures:	2,051,318	2,051,318	1,577,667	1,906,342	(144,976)
Ending Fund Balance	\$1,265,342	\$1,265,342		\$1,028,729	(\$236,613)
SANITATION SERVICES³					
Beginning Fund Balance	\$22,431,707	\$22,431,707		\$29,641,449	\$7,209,742
Total Revenues:	102,279,097	106,579,097	94,194,960	109,382,342	2,803,245
Total Expenditures:	102,279,097	104,419,917	63,749,977	109,056,415	4,636,498
Ending Fund Balance	\$22,431,707	\$24,590,887		\$29,967,377	\$5,376,490
STORM DRAINAGE MANAGEMENT					
Beginning Fund Balance	\$4,546,490	\$4,546,490		\$7,593,575	\$3,047,085
Total Revenues:	55,987,895	55,987,895	47,085,711	56,171,550	183,655
Total Expenditures:	55,936,837	55,936,837	41,700,307	55,615,608	(321,229)
Ending Fund Balance	\$4,597,548	\$4,597,548		\$8,149,517	\$3,551,969
SUSTAINABLE DEVELOPMENT AND CONSTRUCTION⁴					
Beginning Fund Balance	\$37,809,029	\$37,809,029		\$43,778,944	\$5,969,915
Total Revenues:	31,711,218	31,711,218	29,998,296	33,121,014	1,409,796
Total Expenditures:	32,376,190	32,376,190	25,928,337	32,376,190	0
Ending Fund Balance	\$37,144,057	\$37,144,057		\$44,523,768	\$7,379,711
Note: FY 2017-18 Budget reflects planned use of fund balance.					
DALLAS WATER UTILITIES⁵					
Beginning Fund Balance	\$84,788,025	\$84,788,025		\$95,808,193	\$11,020,168
Total Revenues:	667,471,388	667,471,388	542,471,349	671,637,993	4,166,605
Total Expenditures:	667,471,388	667,471,388	450,136,701	649,432,901	(18,038,487)
Ending Fund Balance	\$84,788,025	\$84,788,025		\$118,013,285	\$33,225,260

INTERNAL SERVICES FUNDS

As of July 31, 2018

Department	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	YTD Actual	YE Forecast	Variance
INFORMATION TECHNOLOGY⁶					
Beginning Fund Balance	\$10,959,687	\$10,959,687		\$10,747,503	(\$212,184)
Total Revenues:	67,963,283	67,963,283	49,848,931	68,594,824	631,541
Total Expenditures:	70,242,680	70,242,680	52,570,969	73,841,928	3,599,248
Ending Fund Balance	\$8,680,290	\$8,680,290		\$5,500,400	(\$3,179,890)
Note: FY 2017-18 Budget reflects planned use of fund balance.					
RADIO SERVICES					
Beginning Fund Balance	\$2,537,356	\$2,537,356		\$2,680,270	\$142,914
Total Revenues:	4,823,063	4,823,063	1,216,054	4,837,048	13,985
Total Expenditures:	4,823,063	4,823,063	3,711,404	4,692,742	(130,321)
Ending Fund Balance	\$2,537,356	\$2,537,356		\$2,824,576	\$287,220
EQUIPMENT SERVICES⁷					
Beginning Fund Balance	\$5,611,863	\$5,611,863		\$7,726,208	\$2,114,345
Total Revenues:	52,652,059	54,152,059	38,735,570	56,297,817	2,145,758
Total Expenditures:	52,652,059	54,417,268	39,055,984	56,760,634	2,343,366
Ending Fund Balance	\$5,611,863	\$5,346,654		\$7,263,391	\$1,916,737
EXPRESS BUSINESS CENTER⁸					
Beginning Fund Balance	\$2,011,100	\$2,011,100		\$1,700,445	(\$310,655)
Total Revenues:	4,231,450	4,231,450	2,753,811	3,113,109	(1,118,341)
Total Expenditures:	3,740,420	3,740,420	1,494,754	2,112,659	(1,627,761)
Ending Fund Balance	\$2,502,130	\$2,502,130		\$2,700,895	\$198,765

OTHER FUNDS

As of July 31, 2018

Department	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	YTD Actual	YE Forecast	Variance
9-1-1 SYSTEM OPERATIONS⁹					
Beginning Fund Balance	\$5,941,912	\$5,941,912		\$12,060,896	\$6,118,984
Total Revenues:	12,539,195	12,539,195	9,908,155	12,355,563	(183,632)
Total Expenditures:	15,048,378	16,748,378	9,933,468	16,574,969	(173,409)
Ending Fund Balance	\$3,432,729	\$1,732,729		\$7,841,490	\$6,108,761
Note: FY 2017-18 Budget reflects planned use of fund balance.					
DEBT SERVICE¹⁰					
Beginning Fund Balance	\$13,769,804	\$13,769,804		\$12,613,280	(\$1,156,524)
Total Revenues:	278,149,358	278,149,358	275,970,978	283,937,776	5,788,418
Total Expenditures:	267,322,998	267,322,998	16,472,087	263,466,877	(3,856,121)
Ending Fund Balance	\$24,596,164	\$24,596,164		\$33,084,179	\$8,488,015
EMPLOYEE BENEFITS¹¹					
City Contributions	\$86,088,120	\$86,088,120	\$385,958	\$86,088,120	\$0
Employee Contributions	38,086,396	38,086,396	0	37,624,465	(461,931)
Retiree	30,118,491	30,118,491	11,154,763	31,448,943	1,330,452
Other	0	0	(7,893)	0	0
Total Revenues:	154,293,007	154,293,007	11,532,828	155,161,528	868,521
Total Expenditures:	\$154,293,007	\$154,293,007	\$326,163	\$149,728,266	(\$4,564,741)
Note: The FY 2017-18 YE forecast reflect claim expenses expected to occur in the fiscal year. Fund balance (not included) reflects incurred but not reported claims (IBNR).					
RISK MANAGEMENT¹²					
Worker's Compensation	\$13,219,304	\$13,219,304	\$0	\$14,050,921	\$831,617
Third Party Liability	10,203,093	10,203,093	0	13,779,511	3,576,418
Purchased Insurance	3,090,183	3,090,183	0	3,002,223	(87,960)
Interest and Other	406,970	406,970	0	0	(406,970)
Total Revenues:	26,919,550	26,919,550	0	30,832,655	3,913,105
Total Expenditures:	\$29,406,225	\$29,406,225	\$2,406,769	\$24,498,409	(\$4,907,816)
Note: The FY 2017-18 YE forecast reflect claim expenses expected to occur in the fiscal year. Fund balance (not included) reflects the total current liability for Risk Management (Worker's Compensation/Liability/Property Insurance).					

VARIANCE NOTES

The Enterprise, Internal Service, and Other Funds summary includes the beginning fund balance with the YE revenue and expenditure forecasts. As of July 31, 2018, the Year-End Forecast beginning fund balance represents the FY 2016-17 audited ending fund balance. Variance notes are provided below for funds with a YE forecast variance of +/- five percent, funds with YE forecast projected to exceed budget, and funds with projected use of fund balance.

1 Convention and Event Services. Convention and Event Services budget was increased by \$1.6 million on April 25, 2018 by ordinance 30843 due to increased food and beverage expenses and by an offsetting \$3.4 million increase in catering service revenues. Convention and Event Services revenues are projected to exceed budget by \$4.8 million primarily due to greater than projected Hotel Occupancy Tax collections. Expenditures are projected to be \$4.4 million greater than budget primarily due to an increased food and beverage expenses fully offset by additional catering revenue.

2 Municipal Radio. Municipal Radio FY 2017-18 revenues are projected to be lower than budget by \$251,000 due a decrease in projected local radio advertisement sales. Local arts groups and small retailers (which account for the largest portion of local sales) have difficulty with the cost of media buys in DFW's large media market. Expenditures are projected to be \$145,000 below budget primarily due to hiring delays for three vacant positions.

3 Sanitation Services. Sanitation Services budget was increased by \$2.1 million on April 25, 2018 by ordinance 30843 for increased landfill disposal fees paid to Texas Commission on Environmental Quality (TCEQ), Equipment Services maintenance charges and master lease payments and by an offsetting \$4.6 million increase in landfill revenues. Sanitation Services revenues are projected to be \$2.8 million over budget primarily due to higher than anticipated residential collection revenues and increased non-contract landfill customer usage. Expenditures are projected to exceed budget by \$4.6 million primarily due to an additional transfer to the Sanitation capital improvement fund, increased landfill equipment usage and repair costs, increased fuel costs, and increased overtime and contracted labor expenses related to high truck driver turnover.

4 Sustainable Development and Construction. Sustainable Development and Construction revenues are projected to be \$1.4 million over budget primarily due to greater than anticipated construction permit activity and corresponding charges for service for Express Plan Review and Private Development Review.

5 Dallas Water Utilities. Water Utilities expenditures are projected to be \$18.0 million less than budget due to a settlement of potential litigation with Sabine River Authority (SRA). The escrow payment savings will be used to minimize future rate increases. City Council was briefed on this topic in February 2018. Revenues are projected to be \$4.2 million over budget due to excess water consumption accompanying high temperatures during the month of July and August and no significant rain events.

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

7 Equipment Services. Equipment Services budget was increased by \$475,000 on April 11, 2018 by ordinance for a fleet consultant study, and by \$1.2 million on April 25, 2018 by ordinance 30843. The amendment on April 25, 2018 was due to unbudgeted equipment maintenance charges for retained vehicles, increased motor pool use, and increased costs for make ready of new vehicles offset by additional revenues. Equipment Services FY 2017-18 YE forecast expenditures will exceed revenue by \$2.0 million due to increased fuel cost and planned use of fund balance to fund a fleet consultant study.

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

9 9-1-1 System Operations. 9-1-1 System Operations budget was increased by \$1.7 million on April 25, 2018

VARIANCE NOTES

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

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

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

12 Risk Management. Risk Management FY 2017-18 YE forecast expenditures are less than budget due to planned resolution of settlements in the current year moving to FY 2018-19.



City of Dallas Contact Information

Financial Transparency

financialtransparency@dallascityhall.com

Dallas City Hall

1500 Marilla St.

Room 4-F-North

Dallas, Texas 75201

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

Fax: (214) 670-7008



Memorandum



CITY OF DALLAS

DATE September 14, 2018

TO Honorable Mayor and Members of the City Council

SUBJECT **Sales Tax Receipts**

The July 2018 sales tax receipts from the State Comptroller's Office are \$24,018,891, which represents a 3.8 percent increase in total collections compared to the same reporting period last year.

- July 2017 actual \$23,147,421
- July 2018 budget \$23,915,178
- July 2018 actual \$24,018,891

Sales tax receipts for the first 10 months of FY 2017-18 are more than budgeted by \$1,659,837 or 0.7 percent. Over the most recent 12 months, sales tax receipts have increased by 3.5 percent. We will continue to monitor our sales tax forecast closely and keep you informed.

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

M. Elizabeth Reich
Chief Financial Officer

Attachment

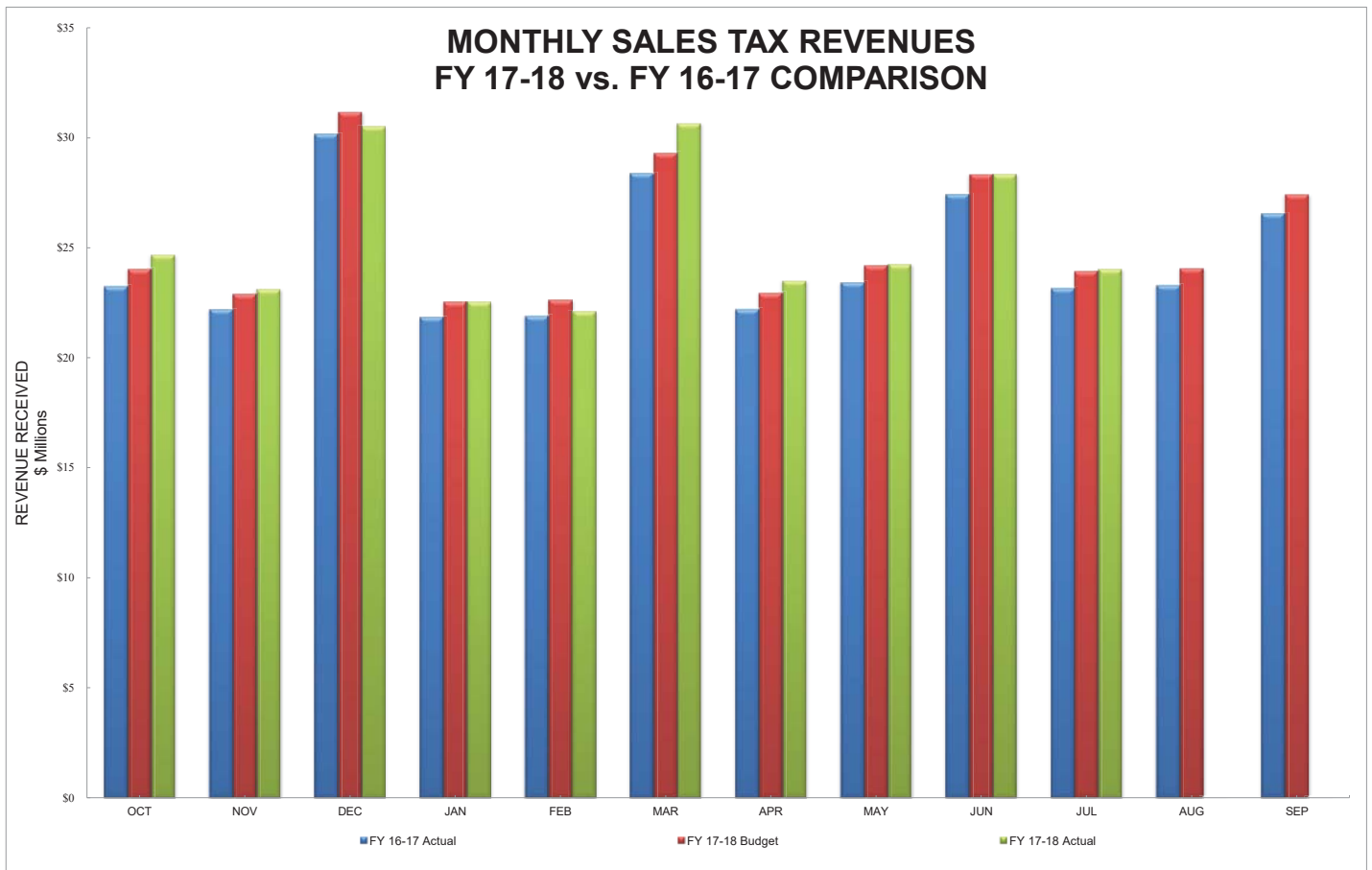
c: T.C. Broadnax, City Manager
Christopher Caso, City Attorney Interim
Craig Kinton, City Auditor
Billierae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizzor Tolbert, Chief of Staff to the City Manager

Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
Majed A. Al-Ghafry, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer
Directors and Assistant Directors

SALES TAX

as of July 2018

	ACTUAL FY 2016-17	BUDGET FY 2017-18	ACTUAL FY 2017-18	YTD VARIANCE FY 17-18 ACT. VS. FY 16-17 ACT.		YTD VARIANCE FY 17-18 ACTUAL VS. BUDGET	
				DOLLARS	PERCENT	DOLLARS	PERCENT
OCT	\$23,256,127	\$24,027,490	\$24,658,939	\$1,402,812	6.0%	\$631,450	2.6%
NOV	22,167,177	22,902,421	23,107,433	940,256	4.2%	205,011	0.9%
DEC	30,146,384	31,146,284	30,495,919	349,535	1.2%	(650,365)	-2.1%
JAN	21,809,865	22,533,258	22,512,572	702,707	3.2%	(20,686)	-0.1%
FEB	21,898,775	22,625,117	22,085,841	187,066	0.9%	(539,276)	-2.4%
MAR	28,359,166	29,299,787	30,639,226	2,280,060	8.0%	1,339,439	4.6%
APR	22,205,794	22,942,319	23,469,135	1,263,341	5.7%	526,815	2.3%
MAY	23,406,768	24,183,127	24,246,315	839,547	3.6%	63,187	0.3%
JUN	27,407,086	28,316,129	28,316,678	909,592	3.3%	549	0.0%
JUL	23,147,421	23,915,178	24,018,891	871,470	3.8%	103,712	0.4%
AUG	23,277,160	24,049,220					
SEP	26,528,842	27,408,755					
TOTAL	\$293,610,565	\$303,349,086	\$253,550,948	\$9,746,385	4.0%	\$1,659,837	0.7%



Memorandum



CITY OF DALLAS

DATE September 14, 2018

TO Honorable Mayor and Members of the City Council

SUBJECT **Taking Care of Business – September 11, 2018**

Update Items

[Encampment Resolution Schedule - September 11, 2018 and September 18, 2018](#)

The Office of Homeless Solutions (OHS) has scheduled the following sites for homeless encampment resolution on Tuesday, September 11 and 18, 2018:

September 11, 2018 – Complete as of 4:00 pm	September 18, 2018
<ul style="list-style-type: none">• Harwood St at South Blvd (District 7)• Al Lipscomb Way at I-45 Interstate (District 7)• Julius Schepps Freeway at S. Lamar (District 7)• 2300 Coombs St (District 7)• I-20 Interstate at Bonnie View Rd (District 8)• I-20 Interstate at Lancaster Rd (District 8)• 175 Highway at Lake June (District 7)	<ul style="list-style-type: none">• 2388 S. Cesar Chavez (District 2)• 1200 S. St. Paul (District 2)• 1100 S. Ervay St (District 2)• 2929 Hickory (District 2)• 2612 Commerce St (District 14)• 2500 Main St. (District 14)• 2500 Elm St. (District 14)• 2300 Pacific St (District 14)• 2300 Live Oak (District 14)• 3000 Ross Ave (District 14)

OHS Street Outreach team will continue to engage with homeless individuals to provide notice of clean-up and connect to resources and shelter. OHS Community Mobilization staff are meeting with stakeholders to determine long-term sustainability of encampment sites and will provide periodic updates. Should you have any questions or concerns, please contact Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer or Monica Hardman, Managing Director of Office of Homeless Solutions.

New Items

[Promotional Ceremony](#)

On Tuesday, September 18, 2018 at 1pm a promotional ceremony to promote Sergeants and Senior Corporals will be held at the Briscoe Event Center - 1403 Washington St, Dallas, TX 75210. All of newly promoted individuals will be assigned to the patrol bureau. Should you have any questions, please contact Chief U. Reneè Hall.

[Health & Wellness Program](#)

The Dallas Police Department (DPD) has been selected as one of the Department of Justice sites selected for a case study because of exemplary efforts in Officer Wellness and Safety, including mental health resources. The purpose of the study is to inform Congress about the top ten programs in law enforcement for dealing with Officer Safety

DATE September 14, 2018

SUBJECT **Taking Care of Business – September 11, 2018**

& Wellness. The Law Enforcement Officer Safety and Wellness Act, required that the Department of Justice review, identify, and select sites to be presented to Congress by the fall of 2018.

Representatives will visit DPD on Thursday, September 13, 2018 to learn of officer mental health and physical wellness programs in the Dallas Police Department including Peer-to-Peer Counseling, Employee Support Program, Referral Based Psychological Services, Psychological Counseling Services and Substance Abuse Services. The study will be published in a best practices document to be released on the DOJ Office of Community Oriented Policing Services (COPS). Should you have any questions and concerns, please contact Dallas Police Chief U. Reneè Hall.

[Office of Homeless Solutions Encampment Resolution Annual Report](#)

The Office of Homeless Solutions (OHS) has been diligently working to improve both the level of customer service provided and cost efficiency of homeless encampment resolution process. The length of time from receipt of service request to completion of encampment resolution has been reduced from 45 to 21 days.

OHS has completed 397 encampment resolutions and 2 encampment closures from October 1, 2017 to August 24, 2018 at a cost of \$455,400. The tables attached shows the number of encampment resolutions per district, delineated by single sites versus duplicate or repeat sites.

As OHS moves forward with implementation of comprehensive Homeless Solutions Strategy, the focus will shift from primarily cleaning encampments to site hardening and reclamation as additional shelter and affordable housing opportunities are created. The data that has been collected over the past 11 months will be utilized to inform decisions related to selecting and evaluating these sites and for community outreach and education. For more information, please contact Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer, or Monica Hardman, Managing Director of the Office of Homeless Solutions.

[Performance Evaluations](#)

Performance Evaluations for City employees begin October 1. As was done last year, the process will be conducted electronically through the NeoGov portal. Mayor and City Council staff must first complete self-evaluations by October 6. The Managing Director will then meet with each Councilmember to seek input on staff evaluations and proposed ratings, followed by review meetings with staff. Evaluations are anticipated to be finalized before November 1. Please see the attached memorandum. Should you have questions or concerns, please contact Carrie Prysock, Managing Director of the Mayor and City Council Office.

[Open Enrollment](#)

The Human Resource Department has begun the 2019 Benefits Open Enrollment process. The period of enrollment for active employees runs from September 24 through October 12—the Benefits Service Center has extended its hours and will host information

DATE September 14, 2018

SUBJECT **Taking Care of Business – September 11, 2018**

meetings throughout this period (schedule attached). Each Council Office received an email to schedule time to meet with Human Resources to assist in the enrollment process. Should you have questions or concerns, please contact Carrie Prysock, Managing Director of the Mayor and City Council Office.

[Caruth Police Institute of UNT Dallas](#)

On Friday, August 31, 2018, The Caruth Police Institute of UNT Dallas Sergeant Supervisory Series graduation was held at the Center for Brain Health. Twenty-five Sergeants from the Dallas Police Department completed an intensive three-week class. Participants were challenged to think differently about personal development, career pathways, leadership legacies, and the larger issues that affect police-community relations and police organizational dynamics. Should you have any questions, please contact Chief U. Reneè Hall.

[Basketball Dream Court Donation](#)

On September 10, 2018, Nancy Lieberman Charities gifted another Basketball Dream Court to the Dallas Police Department, to foster a positive relationship through our Kids & Cops Initiative. The grand opening was held at the Oak Cliff Boys and Girls Club at 2907 Linfield Road, Dallas Texas 75216 at 4pm. The Nancy Lieberman Charities and The Kids & Cops Initiative is about fostering positive relationship development between youth and Police Departments across our country. Nancy Lieberman Charities partners with the Dallas Police Department to provide Dream Courts to under-served communities across our country and help bridge the relationship between police officers and the communities they serve to protect. Should you have any questions or concerns, please contact Dallas Police Chief U. Renee Hall.

[Media Inquiries](#)

As of September 10th, the City has received media requests from various news outlets regarding the following topics:

- Scooter Regulations
- Illegal Dumping in Dowdy Ferry
- Carbon Monoxide Exposure Hospitalization (DFR)

Please see the attached document compiling information provided to the media outlets for the week of September 4th – September 10th for your reference and in the event you are contacted by the press. Should you have any questions or concerns, please contact Kimberly Bizor Tolbert, Chief of Staff.

Look Ahead

[Office of Community Care – Senior Listening Sessions](#)

The Office of Community Care is coordinating Senior Listening Sessions to inform seniors of the services offered by the City of Dallas and to provide an update on the AARP and City Age Friendly Communities Plan. The Sessions are intended to generate a greater awareness of senior issues & available resources.

Throughout the year, Senior Affairs commission and staff have hosted multiple sessions in various districts, and additional sessions are being scheduled (see below). City

DATE September 14, 2018
SUBJECT **Taking Care of Business – September 11, 2018**

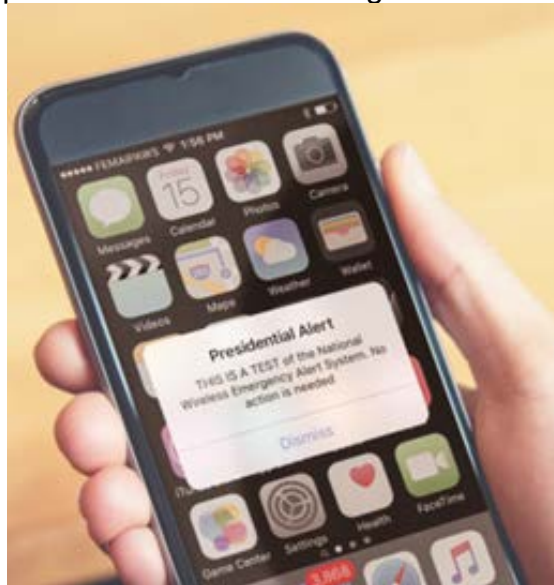
Council members, Senior Affairs Commissioners and AARP are invited to serve as co-hosts. Should you have questions or concerns, please contact Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer, or Jessica Galleshaw, Managing Director of the Office of Community Care.

Date	Council District	Location
September 20, 2018 2:00-3:00 pm	7	Skyline Branch Library 6006 Everglade Rd. Dallas, TX 75201

Wireless Emergency Alert System

Federal Emergency Management Agency (FEMA) will conduct a nationwide test of the Wireless Emergency Alert system on September 20th, 2018 @ 1:18 PM. The test will send the following message to all compatible cellphones: “THIS IS A TEST of the National Wireless Emergency Alert System. No action is required”.

The message should appear as it does in this image:



For more information and FAQs, please visit this link: <https://www.fema.gov/emergency-alert-test>. Should you have any questions or concerns, please contact Rocky Vaz, Managing Director of the Office of Emergency Management.

#MyDallas Mega Citizenship Workshop

Planning and coordination efforts continue for the #MyDallas Mega Citizenship Workshop to take place at the Dallas Public Library Central Branch on Saturday, October 13, 2018. To date, 98 individuals, many of which are City employees, have signed-up to volunteer. One volunteer training session was held last week on September 6 and September 8; additional sessions are scheduled as follows:

DATE September 14, 2018
SUBJECT **Taking Care of Business – September 11, 2018**

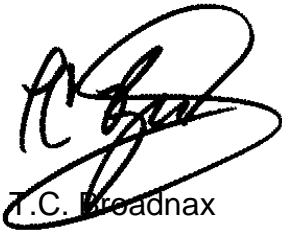
Thursday	Saturday	Thursday	Saturday
Sept. 20, 2018	Sept. 22, 2018	Oct. 4, 2018	Oct. 6, 2018
6pm-8pm	10am-12pm	6pm-8pm	10am-12pm

All trainings will take place at Catholic Charities of Dallas, 1421 Mockingbird Lane, Dallas, TX 75235. Should you wish to sign-up or have any questions or concerns, please contact Liz Cedillo-Pereira, Director of the Office of Welcoming Communities and Immigrant Affairs.

City Council Briefings

September 18, 2018

- FY 2018-19 Budget Adoption



T.C. Broadnax
City Manager

- c: Chris Caso, City Attorney (I)
- Craig D. Kinton, City Auditor
- Billerae Johnson, City Secretary
- Preston Robinson, Administrative Judge
- Kimberly Bizer Tolbert, Chief of Staff to the City Manager
- Majed A. Al-Ghafry, Assistant City Manager

- Jon Fortune, Assistant City Manager
- Joey Zapata, Assistant City Manager
- Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer
- M. Elizabeth Reich, Chief Financial Officer
- Directors and Assistant Directors