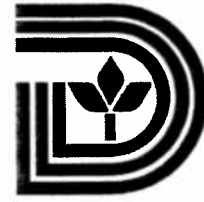


Memorandum



CITY OF DALLAS

DATE March 18, 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 January 2016 is attached and provided for your information.

For FY 2015-16, General Fund revenues are projected to be \$2,532,000 above budget and expenditures are projected to be \$483,000 below budget. This results in forecast revenues being in excess of forecast expenditures by \$3,016,000. 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.G. Gonzalez', with a line extending from the signature towards the text above it.

A.G. 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 January 31, 2016



GENERAL FUND

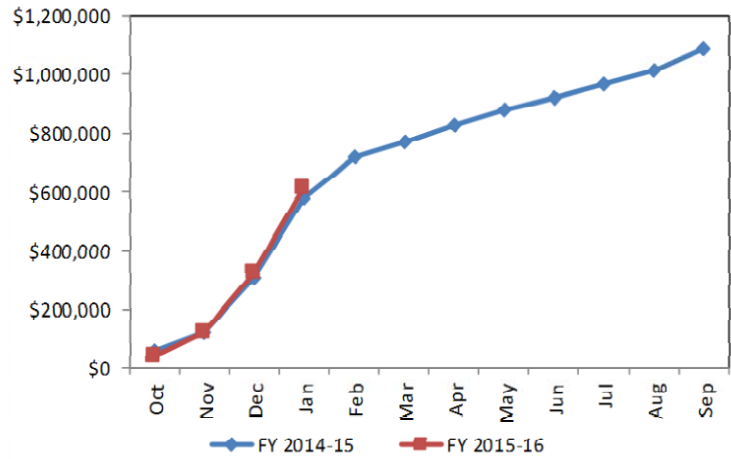
As of January 31, 2016
(000s)

<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	\$612,197	\$1,147,332	\$2,532
Expenditures	1,144,800	375,581	1,144,317	(483)
Net Excess of Revenues Over Expenditures/Transfers	<u>\$0</u>	<u>\$236,616</u>	<u>\$3,016</u>	<u>\$3,016</u>

GENERAL FUND REVENUES

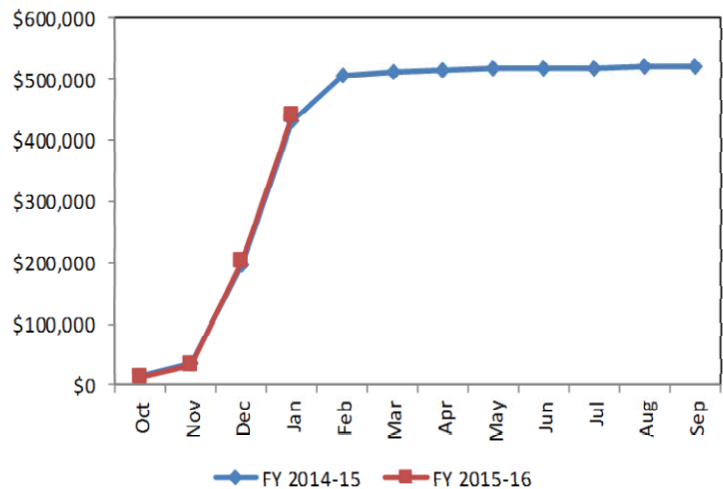
ALL SOURCES

	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	288,996	17,460
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	\$612,197	\$32,966



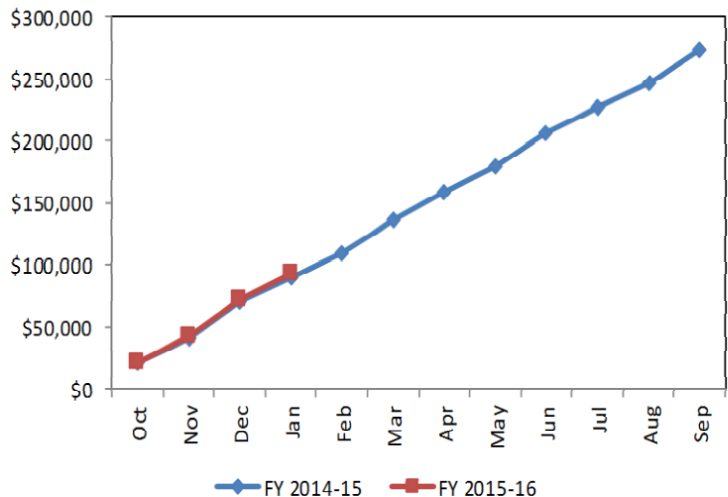
PROPERTY TAX

	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	237,272	1,382
Feb	74,439		
Mar	6,533		
Apr	3,115		
May	1,536		
Jun	1,750		
Jul	821		
Aug	948		
Sep	673		
Total	\$520,658	\$439,196	\$8,354



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	21,258	1,250
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	\$93,688	\$2,836



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

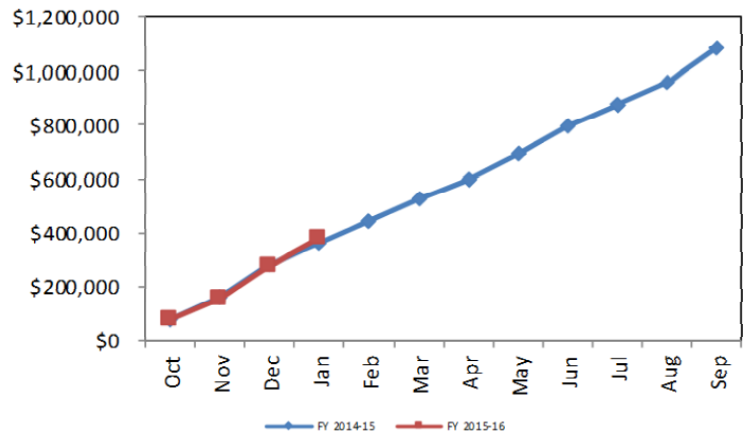
As of January 31, 2016
(000s)

	<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	\$439,196	\$559,239	(\$397)
Sales Tax ¹	281,272	93,688	282,828	1,556
TOTAL TAXES	840,908	532,885	842,066	1,159
FRANCHISE REVENUES				
Oncor Electric ²	50,612	27,798	51,762	1,150
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	1,387	27,291	0
TOTAL FRANCHISE REVENUES	107,198	29,184	108,348	1,150
LICENSES AND PERMITS	6,067	2,881	6,100	33
INTEREST EARNED	962	0	962	0
INTERGOVERNMENTAL	7,432	365	7,460	29
FINES AND FORFEITURES				
Municipal Court ³	14,771	5,131	15,400	629
Vehicle Towing & Storage	7,146	2,532	7,146	0
Parking Fines	3,591	436	3,592	0
Red Light Camera Fines	7,460	0	7,460	0
Public Library ⁴	494	84	445	(49)
TOTAL FINES	33,462	8,183	34,042	580
CHARGES FOR SERVICE				
Parks	10,283	2,256	10,283	0
Emergency Ambulance	31,569	5,018	31,569	0
Security Alarm	4,450	1,411	4,400	(50)
Street Lighting	648	138	648	0
Vital Statistics	1,484	441	1,484	0
Other ⁵	23,147	11,347	22,779	(368)
TOTAL CHARGES	71,581	20,610	71,162	(418)
INTERFUND REVENUE	67,123	14,375	67,123	0
MISCELLANEOUS	10,068	3,714	10,068	1
TOTAL REVENUES	\$1,144,800	\$612,197	\$1,147,332	\$2,532

GENERAL FUND EXPENDITURES

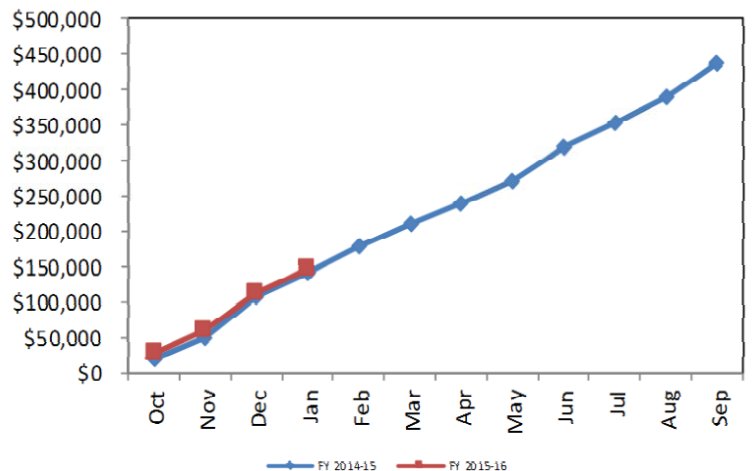
ALL EXPENSES

	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	97,321	20,666
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	\$375,581	\$18,896



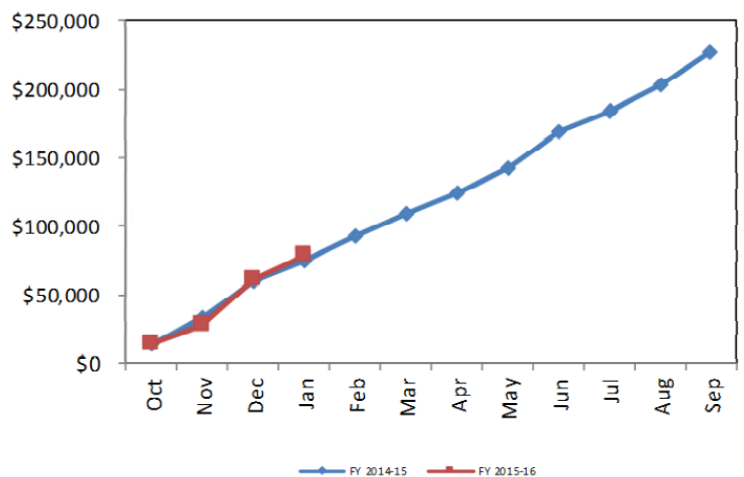
POLICE

	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	35,550	2,652
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	\$147,898	\$6,610



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	17,547	1,469
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	\$78,114	\$2,922



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 January 31, 2016

(000s)

DEPARTMENT	BUDGET	EXPENDITURES YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
Building Services	\$23,831	\$8,646	\$23,831	\$0
Business Dev/Procurement Svcs	2,884	991	2,884	0
City Attorney's Office	15,886	4,670	15,841	(45)
City Auditor's Office ⁶	3,004	841	3,050	46
City Controller's Office ⁷	4,541	1,473	4,415	(126)
City Manager's Office	1,972	664	1,972	0
City Secretary's Office ⁸	2,005	520	2,032	27
Civil Service ⁹	2,599	688	2,635	36
Code Compliance	38,569	10,918	38,569	0
Court Services	11,563	3,287	11,511	(52)
Elections ¹⁰	97	27	109	12
Fire	239,567	78,114	239,468	(100)
Housing ¹¹	11,936	7,139	12,167	231
Human Resources	4,788	1,466	4,778	(11)
Independent Audit	786	-	786	0
Jail Contract - Lew Sterret	7,557	7,557	7,557	0
Judiciary ¹²	3,231	986	3,050	(180)
Library	30,509	9,310	30,509	0
Management Services	8,544	4,382	8,427	(117)
Mayor and Council ¹³	4,243	1,287	4,395	152
Non-Departmental ¹⁴	57,926	5,349	58,031	105
Office of Cultural Affairs	17,671	8,467	17,663	(8)
Office of Economic Development	1,818	1,171	1,818	0
Office of Financial Services	2,957	783	2,957	0
Park and Recreation ¹⁵	85,646	32,217	85,683	37
Planning & Urban Design ¹⁶	4,232	721	3,941	(291)
Police	451,882	147,898	451,882	0
Public Works	5,911	3,559	5,861	(50)
Street Lighting	17,525	4,500	17,525	0
Street Services	71,531	24,924	71,522	(9)
Sustainable Dev/Construction ¹⁷	1,438	747	1,297	(141)
Trinity Watershed Management	1,526	285	1,526	0
RESERVES AND TRANSFERS				
Contingency Reserve	2,628	0	2,628	0
Liability/Claim Fund	1,994	1,994	1,994	0
Salary & Benefit Reserve	2,000	0	2,000	0
TOTAL EXPENDITURES	\$1,144,800	\$375,581	\$1,144,317	(\$483)

PROPRIETARY FUNDS

As of January 31, 2016
(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	8,046	27,443	0
Terminal Concessions	22,423	7,462	22,423	0
Landing Fees	17,784	4,631	17,784	0
Rental on Airport - Terminal	13,831	4,270	13,831	0
Rental on Airport - Field	9,067	2,334	8,950	(117)
Fuel Flow Fees	1,225	338	1,225	0
All Other	2,102	472	3,756	1,654
TOTAL REVENUES¹⁸	93,876	27,553	95,413	1,537
TOTAL EXPENDITURES¹⁸	93,876	28,879	95,314	1,438
ENDING FUND BALANCE	\$16,775	\$ -	\$16,874	\$98

CONVENTION AND EVENT SERVICES

BEGINNING FUND BALANCE	\$20,607	\$ -	\$20,607	\$ -
REVENUES:				
Hotel Occupancy Tax	54,002	14,283	53,149	(853)
Alcoholic Beverage Tax	10,461	2,969	11,683	1,222
Contract Services	9,119	3,219	9,119	0
All Remaining Revenues	10,414	4,329	13,032	2,618
TOTAL REVENUES¹⁹	83,996	24,800	86,983	2,987
TOTAL EXPENDITURES	82,939	20,723	83,150	212
ENDING FUND BALANCE	\$21,664	\$ -	\$24,439	\$2,775

PROPRIETARY FUNDS

As of January 31, 2016

(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	6,615	19,104	334
Certificate of Occupancy	1,412	395	1,412	0
Plan Review	3,736	1,502	3,749	13
Registration/License	1,028	408	1,028	(0)
Special Plats	887	392	887	0
Private Development	1,010	472	1,010	(0)
Zoning	1,184	231	1,184	0
Interest Earnings	117	0	117	0
All Remaining Revenues	1,478	594	1,478	0
TOTAL REVENUES	29,622	10,609	29,969	347
TOTAL EXPENDITURES²⁰	30,697	7,378	29,704	(992)
ENDING FUND BALANCE	\$32,767	\$ -	\$34,106	\$1,339
 MUNICIPAL RADIO				
BEGINNING FUND BALANCE	\$1,183	\$ -	\$1,183	\$ -
REVENUES:				
Local and National Sales	2,058	679	1,974	(84)
All Remaining Revenues	12	0	11	(1)
TOTAL REVENUES²¹	2,070	680	1,985	(85)
TOTAL EXPENDITURES²¹	2,055	787	1,954	(101)
ENDING FUND BALANCE	\$1,198	\$ -	\$1,214	\$16

PROPRIETARY FUNDS

As of January 31, 2016

(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	90,607	288,184	1,701
Treated Water - Wholesale	80,082	24,995	78,282	(1,799)
Wastewater - Retail	232,649	71,538	227,216	(5,433)
Wastewater - Wholesale	9,874	3,313	9,908	33
All Remaining Revenues	36,040	7,837	29,894	(6,146)
TOTAL REVENUES²²	645,128	198,290	633,484	(11,644)
TOTAL EXPENDITURES²²	645,128	168,822	633,484	(11,644)
ENDING FUND BALANCE	\$86,191	\$ -	\$86,191	\$0

COMMUNICATION & INFORMATION SERVICES

BEGINNING FUND BALANCE	\$10,910	\$ -	\$10,910	\$ -
REVENUES:				
Interdepartmental Charges	52,799	16,622	52,799	0
Telephones Leased	8,532	1,244	8,532	0
Circuits	1,367	0	1,367	0
Desktop Services	269	46	58	(211)
Interest	137	0	137	0
Equipment Rental	4,546	1,515	4,546	0
Miscellaneous	77	610	612	535
TOTAL REVENUES²³	67,727	20,038	68,051	324
TOTAL EXPENDITURES²³	72,284	27,912	72,742	458
ENDING FUND BALANCE	\$6,352	\$ -	\$6,218	(\$134)

PROPRIETARY FUNDS

As of January 31, 2016

(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	2,791	36,562	2,923
Fuel	16,180	1,246	13,591	(2,589)
Auto Auction	418	322	488	70
Miscellaneous Revenue	267	96	329	62
Interest and Other	5	0	3	(2)
TOTAL REVENUES	50,509	4,455	50,973	464
TOTAL EXPENDITURES	50,509	15,307	50,973	464
ENDING FUND BALANCE	\$4,129	\$ -	\$4,129	\$0

EXPRESS BUSINESS CENTER

BEGINNING FUND BALANCE	\$1,223	\$ -	\$1,223	\$ -
REVENUES:				
Postage Sales	2,703	963	2,703	0
All Other Revenues	1,260	984	1,258	(2)
TOTAL REVENUES	3,963	1,947	3,961	(2)
TOTAL EXPENDITURES	3,815	1,374	3,815	0
ENDING FUND BALANCE	\$1,372	\$ -	\$1,370	(\$2)

PROPRIETARY FUNDS

As of January 31, 2016
(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	22,938	66,858	320
Cost Plus Bulk/Brush	114	39	117	3
Sale of Recyclables	2,100	594	1,783	(317)
City Facility Collection	761	213	640	(121)
Landfill Revenue	17,676	9,913	21,150	3,474
TOTAL REVENUES²⁴	87,188	33,697	90,548	3,360
TOTAL EXPENDITURES²⁴	86,480	21,347	87,021	540
ENDING FUND BALANCE	\$7,816	\$ -	\$10,635	\$2,819

OTHER FUNDS

As of January 31, 2016
(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	1,701	6,315	59
9-1-1 Service Receipts - Wireline	6,898	2,220	6,894	(5)
Interest and Other	63	1	63	0
TOTAL REVENUES	13,218	3,922	13,271	54
TOTAL EXPENDITURES	16,292	1,905	16,240	(52)
ENDING FUND BALANCE	\$4,015	\$ -	\$4,121	\$106
 STORM DRAINAGE MANAGEMENT				
BEGINNING FUND BALANCE	\$8,114	\$ -	\$8,114	\$ -
REVENUES:				
Storm Water Fees	50,413	16,703	50,413	-
Interest and Other	40	0	40	0
TOTAL REVENUES	50,452	16,703	50,452	0
TOTAL EXPENDITURES	51,417	7,937	51,365	(52)
ENDING FUND BALANCE	\$7,150	\$ -	\$7,201	\$52

OTHER FUNDS

As of January 31, 2016
(000s)

DEPARTMENT	BUDGET	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
EMPLOYEE BENEFITS				
BENEFITS ADMINISTRATION				
TOTAL EXPENDITURES	\$1,126	\$170	\$1,112	(\$15)
WELLNESS PROGRAM				
TOTAL EXPENDITURES	\$430	\$117	\$427	(\$3)
RISK MANAGEMENT				
TOTAL EXPENDITURES	\$2,594	\$636	\$2,510	(\$84)

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)
Paid January 2016	(744)
Balance as of January 31, 2016	\$8,327

DEBT SERVICE FUND

As of January 31, 2016
(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	180,752	230,298	(177)
Interest/Transfers/Other	20,468	69	20,468	0
TOTAL REVENUES	250,943	180,821	250,766	(177)
TOTAL EXPENDITURES²⁵	255,326	0	254,657	(669)
ENDING FUND BALANCE	\$7,726	\$ -	\$8,218	\$491

NOTES

(Dollars in 000s)

1. Sales tax revenue is projected to be \$1,556 above budget due to the improved economy.
2. Oncor Electric revenues are projected to be \$1,150 above budget primarily due to higher than expected electric consumption.
3. 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.
4. Public Library revenue is projected to be \$49 below budget due to implementation of automatic renewal on materials that have been checked out at library locations and an increase in the usage of e-materials. Fines and late fees are not collected on e-materials as they are electronically recalled on the due date.
5. Other Charges for Service revenue is projected to be \$368 below budget primarily as a result of contracting with fewer hospitals than anticipated for the Mobile Community Healthcare Program.
6. City Auditor's Office is projected to be \$46 above budget due to salary expenses.
7. City Controller's Office is projected to be \$126 below budget due to vacancies.
8. City Secretary's Office is projected to be \$27 above budget due to higher than budgeted salary expenses and the purchase of unbudgeted software to assist with Boards and Commissions administration.
9. Civil Service is projected to be \$36 above budget due to salary expenses.
10. Elections is projected to be \$12 above budget due to the purchase of unbudgeted petition verification software.
11. Housing and Community Services is projected to be \$231 above budget due to several unbudgeted expenses including temp help, replacement of fire and alarm system at the MLK Community Center, items related to the master plan for the MLK and WDMP Community Centers, and various special events.
12. Judiciary is projected to be \$180 below budget due to vacancies.
13. Mayor and Council is projected to be \$152 above budget due to double filled positions and the unbudgeted use of temp help.
14. Non-Departmental is projected to be \$105 above budget primarily due to unbudgeted costs such as nationwide searches for the City Attorney and Chief Financial Officer, actuarial review related to the Police and Fire Pension Fund, and efforts related to ADA Compliance.
15. Park and Recreation is projected to be \$37 above budget primarily due to repairs related to flooding in 2015.

NOTES

(Dollars in 000s)

16. Planning and Urban Design is projected to be \$291 below budget due to vacancies.
17. Sustainable Development and Construction is projected to be \$141 below budget due to vacancies.
18. Aviation expenses are projected to be \$1,438 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 \$1,537 above budget primarily due to revenue received from existing tenants on the newly leased property.
19. Convention and Event Services revenues are projected to be \$2,987 above budget primarily due to higher than expected Alcoholic Beverage Tax and more events than anticipated.
20. Sustainable Development and Construction expenses are projected to be \$992 below budget primarily due to vacancies.
21. Municipal Radio expenses are projected to be \$101 below budget due to vacancies and a reduction in sales commission. Revenues are projected to be \$85 below budget due to the sale of commercials being less than planned.
22. Water Utilities revenues and expenses are both projected to be \$11,644 below budget. Revenues are projected to be below budget primarily due to the loss of a wholesale 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.
23. Communication and Information Services expenses are projected to be \$458 above budget primarily due to removal of the Fair Park Tower and the purchase of software maintenance, support, and capacity to be in compliance with audit findings for storage. Revenues are projected to be \$324 above budget due to payment from the State Fair of Texas for removal of the Fair Park Tower.
24. Sanitation expenses are projected to be \$540 above budget and revenues are projected to be \$3,360 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.
25. Debt Service expenses are projected to be \$669 below budget due to lower than projected interest rates realized on the 2015 GO Bond sale.