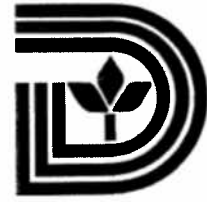


Memorandum



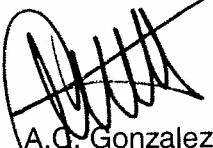
CITY OF DALLAS

DATE June 17, 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 April 2016 is attached and provided for your information.

For FY 2015-16, General Fund revenues are projected to be \$4,088,000 above budget and expenditures are projected to be \$2,134,000 above budget. This results in forecast revenues being in excess of forecast expenditures by \$1,954,000. 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.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 April 30, 2016



GENERAL FUND

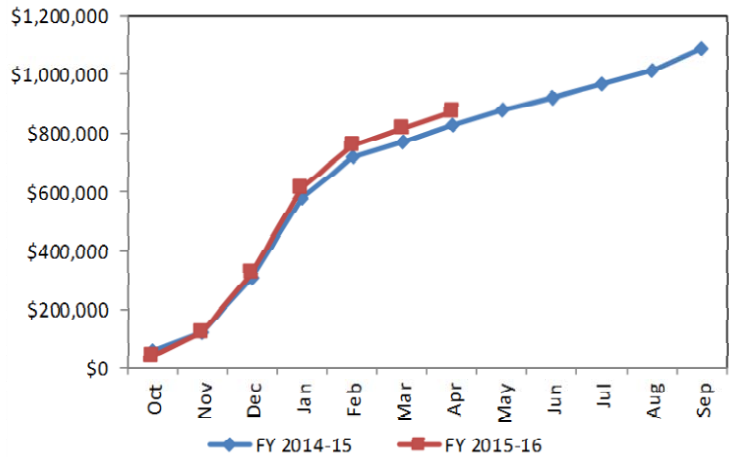
As of April 30, 2016
(000s)

ITEM	AMENDED BUDGET¹	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
Revenues	\$1,144,900	\$872,140	\$1,148,988	\$4,088
Expenditures	1,144,900	641,944	1,147,034	2,134
Net Excess of Revenues Over Expenditures/Transfers	<u>\$0</u>	<u>\$230,197</u>	<u>\$1,954</u>	<u>\$1,954</u>

GENERAL FUND REVENUES

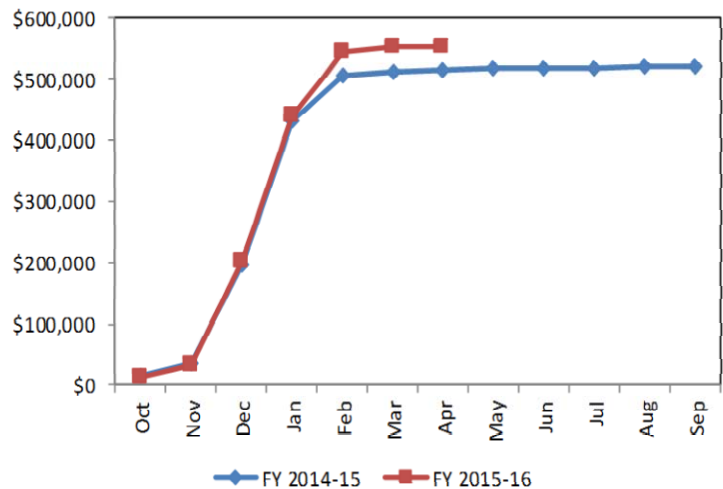
ALL SOURCES

	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	147,975	9,721
Mar	52,292	53,193	901
Apr	59,984	58,776	(1,208)
May	48,230		
Jun	43,757		
Jul	46,560		
Aug	45,056		
Sep	74,964		
Total	\$1,088,327	\$872,140	\$42,380



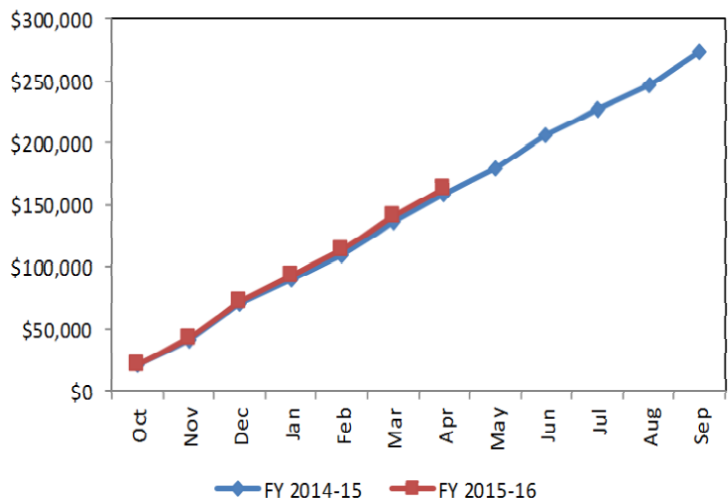
PROPERTY TAX

	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	104,025	29,586
Mar	6,533	7,675	1,142
Apr	3,115	2,364	(751)
May	1,536		
Jun	1,750		
Jul	821		
Aug	948		
Sep	673		
Total	\$520,658	\$553,260	\$38,330



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	20,418	1,490
Mar	26,847	27,482	635
Apr	22,124	22,265	141
May	20,755		
Jun	26,477		
Jul	20,798		
Aug	20,332		
Sep	26,386		
Total	\$273,499	\$163,853	\$5,102



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 April 30, 2016
(000s)

	AMENDED BUDGET ¹	REVENUES YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
TAXES				
Ad Valorem Tax	\$559,636	\$553,260	\$559,239	(\$397)
Sales Tax ²	281,272	163,853	283,562	2,290
TOTAL TAXES	840,908	717,113	842,801	1,893
FRANCHISE REVENUES				
Oncor Electric ³	50,612	39,636	51,013	401
AT&T	10,950	2,912	10,993	42
Atmos Energy ⁴	12,242	2,811	11,642	(600)
Time Warner Cable	6,102	1,561	6,122	20
Other ⁵	27,291	9,190	27,612	321
TOTAL FRANCHISE REVENUES	107,198	56,111	107,382	184
LICENSES AND PERMITS⁶	6,067	4,433	5,649	(419)
INTEREST EARNED⁷	962	1,359	1,500	539
INTERGOVERNMENTAL	7,432	7,140	7,544	113
FINES AND FORFEITURES				
Municipal Court ⁸	14,771	11,147	18,049	3,277
Vehicle Towing & Storage ⁹	7,146	4,483	7,592	447
Parking Fines	3,591	1,267	3,592	1
Red Light Camera Fines	7,460	0	7,460	0
Public Library ¹⁰	494	142	398	(96)
TOTAL FINES	33,462	17,039	37,091	3,629
CHARGES FOR SERVICE				
Parks	10,283	5,835	10,564	281
Emergency Ambulance	31,569	10,984	31,115	(454)
Security Alarm	4,450	2,440	4,380	(70)
Street Lighting	648	370	648	0
Vital Statistics ¹¹	1,484	880	1,617	133
Other ¹²	23,147	17,736	21,195	(1,953)
TOTAL CHARGES	71,581	38,245	69,518	(2,063)
INTERFUND REVENUE	67,223	24,936	67,768	545
MISCELLANEOUS	10,068	5,764	9,735	(333)
TOTAL REVENUES	\$1,144,900	\$872,140	\$1,148,988	\$4,088

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	84,683	(1,990)
Mar	82,668	95,576	12,908
Apr	69,958	86,104	16,146
May	96,984		
Jun	102,442		
Jul	78,895		
Aug	85,592		
Sep	124,316		

Total \$1,084,212 \$641,944 \$45,961

POLICE

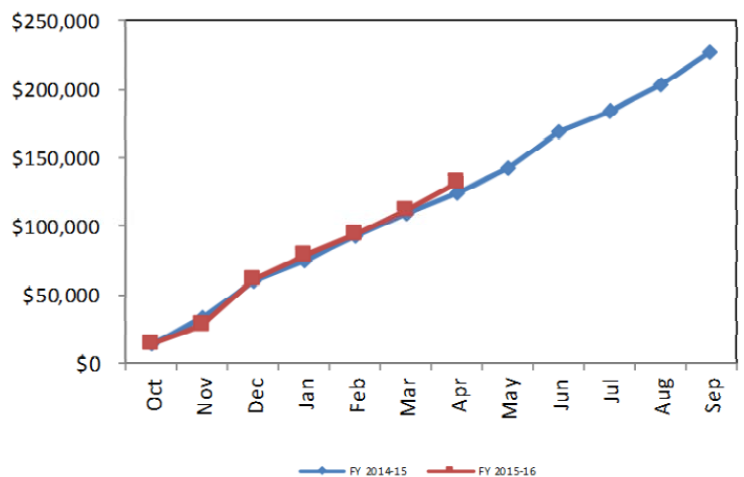
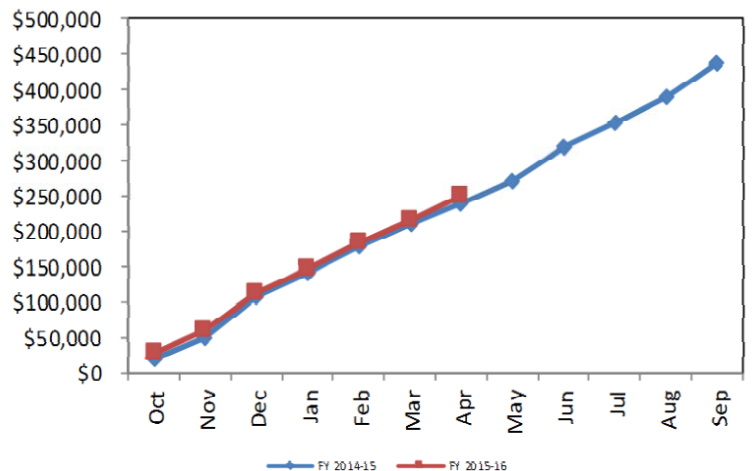
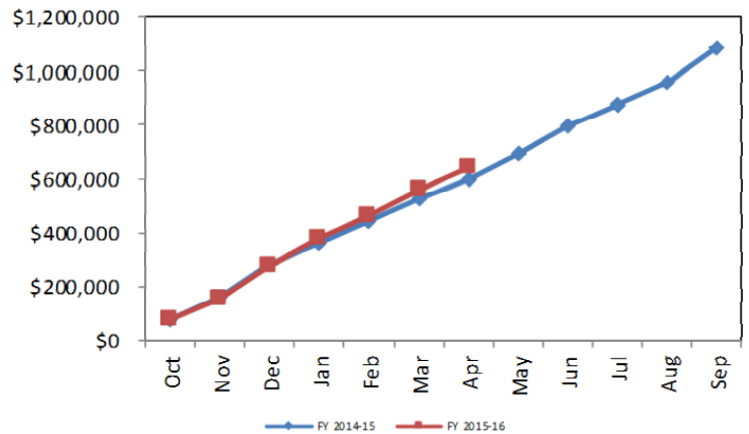
	FY 2014-15	FY 2015-16	Variance
Oct	\$19,262	\$28,488	\$9,226
Nov	31,339	31,370	31
Dec	57,789	52,490	(5,299)
Jan	32,898	35,550	2,652
Feb	36,863	37,126	263
Mar	32,472	30,058	(2,414)
Apr	27,900	34,931	7,031
May	33,265		
Jun	47,086		
Jul	34,846		
Aug	35,661		
Sep	46,774		

Total \$436,155 \$250,013 \$11,490

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	16,128	(989)
Mar	17,032	18,076	1,044
Apr	15,063	19,295	4,232
May	17,344		
Jun	26,753		
Jul	16,442		
Aug	18,322		
Sep	24,269		

Total \$227,535 \$131,613 \$7,209



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 April 30, 2016

(000s)

DEPARTMENT	AMENDED BUDGET ¹	EXPENDITURES YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
Building Services	\$23,831	\$15,072	\$23,831	\$0
Business Dev/Procurement Svcs	2,884	1,749	2,884	0
City Attorney's Office	15,886	8,752	15,847	(39)
City Auditor's Office	3,004	1,650	2,989	(15)
City Controller's Office	4,541	2,729	4,404	(137)
City Manager's Office	1,972	1,313	1,972	0
City Secretary's Office ¹³	2,005	1,016	2,015	11
Civil Service ¹⁴	2,599	1,274	2,605	6
Code Compliance	38,569	20,950	38,569	0
Court Services ¹⁵	11,563	6,275	11,153	(410)
Elections ¹⁶	97	52	109	12
Fire	239,567	131,613	239,395	(172)
Housing ¹⁷	11,936	9,034	12,262	326
Human Resources	4,788	2,737	4,754	(34)
Independent Audit	786	-	786	0
Jail Contract - Lew Sterret	7,557	7,557	7,557	0
Judiciary ¹⁸	3,231	1,841	3,059	(171)
Library	30,509	16,734	30,509	0
Management Services	8,544	5,528	8,424	(120)
Mayor and Council ¹⁹	4,243	2,368	4,344	101
Non-Departmental ²⁰	58,026	12,920	58,154	128
Office of Cultural Affairs ²¹	17,671	14,192	17,750	79
Office of Economic Development	1,818	1,818	1,818	0
Office of Financial Services	2,957	1,495	2,950	(7)
Park and Recreation ²²	85,646	53,552	85,938	292
Planning & Urban Design ²³	4,232	1,466	3,994	(238)
Police ²⁴	451,882	250,013	454,125	2,243
Public Works	5,911	4,993	5,721	(190)
Street Lighting	17,525	8,028	17,525	0
Street Services ²⁵	71,531	48,666	72,305	773
Sustainable Dev/Construction ²⁶	1,438	1,326	1,138	(300)
Trinity Watershed Management	1,526	552	1,525	(2)
RESERVES AND TRANSFERS				
Contingency Reserve	2,628	2,682	2,628	0
Liability/Claim Fund	1,994	1,994	1,994	0
Salary & Benefit Reserve	2,000	0	2,000	0
TOTAL EXPENDITURES	\$1,144,900	\$641,944	\$1,147,034	\$2,134

PROPRIETARY FUNDS

As of April 30, 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	14,693	26,643	(800)
Terminal Concessions	22,423	13,384	21,769	(654)
Landing Fees	17,784	9,114	17,784	0
Rental on Airport - Terminal	13,831	7,597	11,478	(2,353)
Rental on Airport - Field	9,067	3,975	9,777	710
Fuel Flow Fees	1,225	652	1,211	(15)
All Other	2,102	1,493	5,214	3,112
TOTAL REVENUES	93,876	50,907	93,876	0
TOTAL EXPENDITURES	93,876	50,100	93,876	0
ENDING FUND BALANCE	\$16,775	\$ -	\$16,775	\$0

CONVENTION AND EVENT SERVICES

BEGINNING FUND BALANCE	\$20,607	\$ -	\$20,607	\$ -
REVENUES:				
Hotel Occupancy Tax	54,002	29,042	53,521	(481)
Alcoholic Beverage Tax	10,461	5,983	11,819	1,358
Contract Services	9,119	8,618	11,537	2,418
All Remaining Revenues	10,414	8,788	14,982	4,568
TOTAL REVENUES²⁷	83,996	52,431	91,860	7,864
TOTAL EXPENDITURES²⁷	82,939	40,579	91,730	8,791
ENDING FUND BALANCE	\$21,664	\$ -	\$20,736	(\$927)

PROPRIETARY FUNDS

As of April 30, 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	12,400	19,104	334
Certificate of Occupancy	1,412	749	1,412	0
Plan Review	3,736	2,731	3,749	13
Registration/License	1,028	714	1,028	(0)
Special Plats	887	661	887	0
Private Development	1,010	850	1,010	(0)
Zoning	1,184	537	1,184	0
Interest Earnings	117	174	117	0
All Remaining Revenues	1,478	1,031	1,478	0
TOTAL REVENUES	29,622	19,847	29,969	347
TOTAL EXPENDITURES	30,697	14,301	30,608	(89)
ENDING FUND BALANCE	\$32,767	\$ -	\$33,203	\$436
 MUNICIPAL RADIO				
BEGINNING FUND BALANCE	\$1,183	\$ -	\$1,183	\$ -
REVENUES:				
Local and National Sales	2,058	1,134	1,954	(104)
All Remaining Revenues	12	6	11	(1)
TOTAL REVENUES²⁸	2,070	1,139	1,965	(105)
TOTAL EXPENDITURES²⁸	2,055	1,055	1,941	(114)
ENDING FUND BALANCE	\$1,198	\$ -	\$1,207	\$8

PROPRIETARY FUNDS

As of April 30, 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	145,882	289,159	2,676
Treated Water - Wholesale	80,082	43,126	76,868	(3,214)
Wastewater - Retail	232,649	122,658	225,222	(7,427)
Wastewater - Wholesale	9,874	5,744	9,874	0
All Remaining Revenues	36,040	15,098	30,089	(5,951)
TOTAL REVENUES²⁹	645,128	332,507	631,213	(13,915)
TOTAL EXPENDITURES²⁹	645,128	315,930	631,213	(13,915)
ENDING FUND BALANCE	\$86,191	\$ -	\$86,191	\$0

COMMUNICATION & INFORMATION SERVICES

BEGINNING FUND BALANCE	\$10,910	\$ -	\$10,910	\$ -
REVENUES:				
Interdepartmental Charges	52,799	30,137	52,799	0
Telephones Leased	8,532	3,037	8,532	0
Circuits	1,367	0	1,367	0
Desktop Services	269	50	58	(210)
Interest	137	88	141	0
Equipment Rental	4,546	2,651	4,546	0
Miscellaneous	77	748	721	643
TOTAL REVENUES³⁰	67,727	36,711	68,164	437
TOTAL EXPENDITURES	72,284	39,632	72,024	(260)
ENDING FUND BALANCE	\$6,352	\$ -	\$7,049	\$697

PROPRIETARY FUNDS

As of April 30, 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	16,641	38,502	4,862
Fuel	16,180	6,328	13,964	(2,216)
Auto Auction	418	526	826	408
Miscellaneous Revenue	267	379	485	218
Interest and Other	5	0	1	(4)
TOTAL REVENUES³¹	50,509	23,874	53,777	3,268
TOTAL EXPENDITURES³¹	50,509	30,161	53,777	3,268
ENDING FUND BALANCE	\$4,129	\$ -	\$4,129	\$0
 EXPRESS BUSINESS CENTER				
BEGINNING FUND BALANCE	\$1,223	\$ -	\$1,223	\$ -
REVENUES:				
Postage Sales	2,703	1,401	2,703	0
All Other Revenues	1,260	1,340	1,329	68
TOTAL REVENUES	3,963	2,741	4,032	68
TOTAL EXPENDITURES	3,815	2,194	3,783	(32)
ENDING FUND BALANCE	\$1,372	\$ -	\$1,473	\$101

PROPRIETARY FUNDS

As of April 30, 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	40,437	67,441	904
Cost Plus Bulk/Brush	114	70	120	6
Sale of Recyclables	2,100	1,006	1,724	(376)
City Facility Collection	761	399	684	(78)
Landfill Revenue	17,676	16,668	23,613	5,937
TOTAL REVENUES³²	87,188	58,579	93,583	6,394
TOTAL EXPENDITURES³²	86,480	41,757	88,804	2,324
ENDING FUND BALANCE	\$7,816	\$ -	\$11,887	\$4,070

OTHER FUNDS

As of April 30, 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	3,285	6,324	68
9-1-1 Service Receipts - Wireline	6,898	3,813	6,717	(182)
Interest and Other	63	31	63	0
TOTAL REVENUES	13,218	7,129	13,104	(114)
TOTAL EXPENDITURES	16,292	9,605	15,988	(305)
ENDING FUND BALANCE	\$4,015	\$ -	\$4,206	\$191
 STORM DRAINAGE MANAGEMENT				
BEGINNING FUND BALANCE	\$8,114	\$ -	\$8,114	\$ -
REVENUES:				
Storm Water Fees	50,413	29,533	50,413	-
Interest and Other	40	37	40	0
TOTAL REVENUES	50,452	29,570	50,452	0
TOTAL EXPENDITURES	51,417	16,532	51,274	(143)
ENDING FUND BALANCE	\$7,150	\$ -	\$7,293	\$143

OTHER FUNDS

As of April 30, 2016
(000s)

DEPARTMENT	BUDGET	YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
EMPLOYEE BENEFITS				
BENEFITS ADMINISTRATION				
TOTAL EXPENDITURES	\$1,126	\$321	\$1,084	(\$42)
WELLNESS PROGRAM				
TOTAL EXPENDITURES ³³	\$430	\$279	\$379	(\$51)
RISK MANAGEMENT				
TOTAL EXPENDITURES ³⁴	\$2,594	\$1,494	\$2,359	(\$235)
LIABILITY/CLAIMS FUND				
Beginning Balance October 1, 2015				\$3,649
Budgeted Revenue			<u>6,297</u>	
FY 2015-16 Available Funds				9,946
Paid October 2015				(168)
Paid November 2015				(328)
Paid December 2015				(379)
Paid January 2016				(744)
Paid February 2016				(436)
Paid March 2016				(353)
Paid April 2016				(434)
Balance as of April 30, 2016			<u><u>\$7,104</u></u>	

DEBT SERVICE FUND

As of April 30, 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	227,836	230,298	(177)
Interest/Transfers/Other	20,468	895	20,468	0
TOTAL REVENUES	250,943	228,731	250,766	(177)
TOTAL EXPENDITURES³⁵	255,326	201,628	254,444	(881)
ENDING FUND BALANCE	\$7,726	\$ -	\$8,430	\$704

NOTES

(Dollars in 000s)

1. The General Fund budget was amended/increased based on Council's approved use of contingency reserve funds by \$100 on January 27, 2016 by CR# 16-0214 (executive search contract for the City Attorney).
2. Sales tax revenue is projected to be \$2,290 above budget due to the strength of the local economy. Over the most recent 12 months, sales tax receipts have increased by 4.5%.
3. Oncor Electric revenues are projected to be \$401 above budget primarily due to higher than expected electric consumption.
4. Atmos Energy revenues are projected to be \$600 below budget primarily due to warmer winter weather that resulted in less gas consumption.
5. Other Franchise revenues are projected to be \$321 above budget primarily due to an increase in private waste hauler activity and more growth than expected in Cable TV service.
6. Licenses and Permits revenues are projected to be \$419 below budget primarily due to decreases in permits related to Transportation for Hire and Motor Vehicle Repair.
7. Interest Earned revenue is projected to be \$539 above budget due to an increase in the market interest rate.
8. Municipal Court revenue is projected to be \$3,277 above budget primarily due to an increase in the collection per citation rates and due to the new collection agency's success of collection on older past due accounts.
9. Vehicle Towing & Storage revenues are projected to be \$447 above budget due to an increase in tows as well as vehicles staying on the auto pound property longer than anticipated.
10. Public Library revenue is projected to be \$96 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.
11. Vital Statistics revenues are projected to be \$133 above budget due to an increase in the sale of birth certificates.
12. Other Charges for Service revenue is projected to be \$1,953 below budget primarily as a result of contracting with fewer hospitals than anticipated for the Mobile Community Healthcare Program, a reduction in Fire Watch fees, and a reduction in the number of fire inspectors used at American Airline Center events.
13. City Secretary's Office is projected to be \$11 above budget due to higher than budgeted salary expenses.

NOTES

(Dollars in 000s)

14. Civil Service is projected to be \$6 above budget primarily due to salary expenses.
15. Court Services is projected to be \$410 below budget due to vacancies.
16. Elections is projected to be \$12 above budget due to the purchase of unbudgeted petition verification software.
17. Housing and Community Services is projected to be \$326 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.
18. Judiciary is projected to be \$171 below budget due to vacancies.
19. Mayor and Council is projected to be \$101 above budget due to double filled positions and the unbudgeted use of temp help.
20. Non-Departmental is projected to be \$128 above budget primarily due to unbudgeted costs such as the actuarial review related to the Police and Fire Pension Fund and efforts related to ADA Compliance.
21. Office of Cultural Affairs is projected to be \$79 above budget primarily due to increased usage of custodial and security services based on events at the Majestic, Meyerson, and City Performance Hall facilities. These expenses are offset by corresponding revenue.
22. Park and Recreation is projected to be \$292 above budget primarily due to repairs related to flooding in 2015 and increased demand for contract classes.
23. Planning and Urban Design is projected to be \$238 below budget due to vacancies.
24. Police is projected to be \$2,243 above budget due to the anticipated purchase of additional squad cars using General Fund surplus.
25. Street Services is projected to be \$773 above budget primarily due to equipment maintenance costs.
26. Sustainable Development and Construction is projected to be \$300 below budget due to vacancies.
27. Convention and Event Services expenses are projected to be \$8,791 above budget due to increased food and beverage service based on event demand as well as an increased transfer to capital construction resulting from additional revenues. Revenues are projected to be \$7,864 above budget primarily due to higher than expected Alcoholic Beverage Tax and more events than anticipated.

NOTES

(Dollars in 000s)

28. Municipal Radio expenses are projected to be \$114 below budget due to vacancies and a reduction in sales commission. Revenues are projected to be \$105 below budget due to the sale of commercials being less than planned.

29. Water Utilities revenues and expenses are both projected to be \$13,915 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 primarily due to a reduction in the transfer to fund capital projects.

30. Communication and Information Services revenues are projected to be \$437 above budget due to payment from the State Fair of Texas for removal of the Fair Park Tower.

31. Equipment Services revenues and expenses are both projected to be \$3,268 above budget primarily due to increased maintenance and repair costs for heavy equipment partially offset by fuel savings.

32. Sanitation expenses are projected to be \$2,324 above budget primarily due to equipment maintenance costs. Revenues are projected to be \$6,394 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.

33. Wellness Program expenses are projected to be \$51 below budget due to vacancies.

34. Risk Management expenses are projected to be \$235 below budget primarily due to vacancies.

35. Debt Service expenses are projected to be \$881 below budget due to lower than projected interest rates realized on the 2015 GO Bond sale and lower than anticipated TIF expenses.