

# Memorandum



CITY OF DALLAS

DATE January 9, 2009

TO The Honorable Mayor and Members of the  
City Council

SUBJECT Financial Forecast Report

For your information, attached is the financial forecast of the current fiscal year, based on information through November. General Fund revenues are projected \$7,805,000 below budget and expenditures are projected \$10,337,000 below budget.

During the second month of the fiscal year, many of the forecasts are reported at budget. The overall financial forecast does anticipate fuel and electricity savings which are not allocated to department budgets at this time. Anticipated savings have been shown in total for the General Fund.

We will continue to keep you informed.

A handwritten signature in black ink, appearing to read 'Mary K. Suhm', written over a printed name and title.

Mary K. Suhm  
City Manager

c: Ryan S. Evans, First Assistant City Manager  
A.C. Gonzales, Assistant City Manager  
Jill A. Jordan, P.E., Assistant City Manager  
Ramón F. Míguez, P.E., Assistant City Manager  
Forest Turner, Interim Assistant City Manager  
Dave Cook, Chief Financial Officer  
Jeanne Chipperfield, Director – Budget and Management Services

**GENERAL FUND  
COMPARISON OF 2008-09 REVENUES AND EXPENDITURES  
AS OF NOVEMBER 30, 2008  
(000s)**

<u>ITEM</u>	<u>BUDGET</u>	<u>YEAR TO DATE</u>	<u>YEAR-END FORECAST</u>	<u>BUDGET VS FORECAST VARIANCE</u>
Revenues	\$1,080,479	\$47,502	\$1,072,674	(\$7,805)
Expenditures	\$1,094,001	\$194,916	\$1,083,664	(\$10,337)
Sub Total	(\$13,522)	(\$147,414)	(\$10,990)	\$2,532
Use of one time resources	\$13,522		\$13,522	
Net Excess/(Deficiency) of Revenues Over Expenditures and Transfers to Reserves	<u>\$0</u>		<u>\$2,532</u>	

**FINANCIAL FORECAST REPORT  
FY 2008-09  
AS OF NOVEMBER 30, 2008**

**GENERAL FUND**

**Revenues**

- Total General Fund revenues are estimated to be \$7,805,000 below budget.
  - Intergovernmental revenue is projected to be \$446,000 above budget primarily due to revenue resulting from an audit of prior years' payments from DFW Airport revenue sharing agreement with the city of Irving.
  - Municipal Court Fines are projected to be \$1,592,000 below budget due to a decrease in the number of citations issued and increases in partial payments of fines and work-release in lieu of fines.
  - Red Light Camera Fines are projected to be \$2,885,000 below budget primarily due to a delay in installing 17 additional cameras, which are pending TXDOT's approval.
  - Private Disposal Fees are projected to be \$1,865,000 below budget due to reduced tonnage at the landfill.
  - Miscellaneous Revenue is projected to be \$1,459,000 below budget due to a drop in the re-sale value of recyclable paper and cardboard.

**Expenditures**

- Total General Fund expenditures are estimated to be \$10,337,000 below budget.
  - City Manager's Office is projected to be \$144,000 below budget primarily due to departmental vacancies.
  - Development Services is projected to be \$289,000 below budget due to delays in hiring.
  - Housing is projected to be \$68,000 below budget due to a delay in the relocation of People Helping People to its new Bexar St. location.
  - Public Works and Transportation is projected to be \$1,464,000 below budget due primarily due to a lower than budgeted transfer to the State for Red Light Camera fines

**ENTERPRISE FUNDS**

- Aviation revenue is projected to be \$3,167,000 above budget primarily due to landing fee increase implemented retroactively effective October 1, 2008 for the new Use and Lease Agreement with the signatory airlines and greater than anticipated parking garage revenue.
- Development Services expenses are projected to be \$1,286,000 below budget primarily due to delays in hiring.
- WRR revenues are projected to be \$263,000 below budget due to a decrease in local and national advertising sales.

**INTERNAL SERVICES**

- Equipment Services revenues are projected to be \$5,573,000 below budget and expenses are projected to be \$5,205,000 below budget due primarily to lower than budgeted fuel prices.

**GENERAL FUND  
FORECAST OF FY 2008-09 REVENUES  
AS OF NOVEMBER 30, 2008  
(000s)**

	<b>BUDGET</b>	<b>REVENUES YEAR TO DATE</b>	<b>YEAR-END FORECAST</b>	<b>BUDGET VS FORECAST VARIANCE</b>
<b>TAXES</b>				
Ad Valorem Tax	\$467,275	\$10,165	\$467,275	\$0
Sales Tax	236,135	0	234,980	(1,155)
<b>FRANCHISE REVENUES</b>				
Oncor Electric	48,186	15,290	48,186	0
AT&T	22,500	0	22,500	0
Atmos Energy	14,000	0	14,000	0
Time Warner Cable	6,000	(482)	6,000	0
Other	12,844	(1,828)	12,844	0
<b>TOTAL TAXES &amp; FRANCHISE REVENUES</b>	<b>806,940</b>	<b>23,145</b>	<b>805,785</b>	<b>(1,155)</b>
<b>LICENSES AND PERMITS</b>	<b>8,378</b>	<b>777</b>	<b>8,476</b>	<b>98</b>
<b>INTEREST EARNED</b>	<b>5,872</b>	<b>210</b>	<b>5,872</b>	<b>0</b>
<b>INTERGOVERNMENTAL</b>	<b>5,975</b>	<b>40</b>	<b>6,421</b>	<b>446</b>
<b>FINES AND FORFEITURES</b>				
Municipal Court	19,153	1,979	17,561	(1,592)
Vehicle Towing & Storage	6,555	819	6,555	0
Parking Fines	5,770	1,466	5,770	0
Red Light Camera Fines	11,369	0	8,484	(2,885)
Public Library	650	108	650	0
<b>TOTAL FINES</b>	<b>43,497</b>	<b>4,371</b>	<b>39,020</b>	<b>(4,477)</b>
<b>CHARGES FOR SERVICE</b>				
Sanitation Service	61,667	8,276	61,667	0
Parks	9,279	1,114	9,279	0
Private Disposal Fees	28,667	3,691	26,802	(1,865)
Emergency Ambulance	16,650	2,209	17,150	500
Security Alarm	4,650	668	4,650	0
Street Lighting	1,392	158	1,392	0
Vital Statistics	2,400	308	2,400	0
Other	13,117	1,608	13,375	259
<b>TOTAL CHARGES</b>	<b>137,821</b>	<b>18,032</b>	<b>136,715</b>	<b>(1,106)</b>
<b>INTERFUND REVENUE</b>	<b>57,433</b>	<b>0</b>	<b>57,281</b>	<b>(152)</b>
<b>MISCELLANEOUS</b>	<b>14,563</b>	<b>926</b>	<b>13,104</b>	<b>(1,459)</b>
<b>USE OF ONE-TIME RESOURCES</b>	<b>13,522</b>	<b>0</b>	<b>13,522</b>	<b>0</b>
<b>TOTAL REVENUES</b>	<b>\$1,094,001</b>	<b>\$47,502</b>	<b>\$1,086,196</b>	<b>(\$7,805)</b>

**GENERAL FUND  
FORECAST OF 2008-09 EXPENDITURES  
AS OF NOVEMBER 30, 2008  
(000s)**

<b>DEPARTMENT</b>	<b>BUDGET</b>	<b>EXPENDITURES YEAR TO DATE</b>	<b>YEAR-END FORECAST</b>	<b>BUDGET VS FORECAST VARIANCE</b>
Building Services	\$15,422	\$12,665	\$15,415	(\$7)
Business Dev/Procurement Svcs	3,043	405	3,043	0
City Attorney's Office	13,043	1,691	13,080	37
City Auditor's Office	2,801	335	2,803	2
City Manager's Office	2,573	401	2,429	(144)
City Secretary	1,930	234	1,930	0
Civil Service	2,085	245	2,085	0
Code Compliance	26,024	3,126	26,024	0
Court Services	12,206	1,367	11,658	(548)
Development Services	1,162	293	873	(289)
Elections	1,082	122	1,082	0
Environmental and Health Services	20,483	5,681	20,483	0
Fire	202,157	25,156	203,620	1,463
Housing	1,341	214	1,273	(68)
Human Resources	6,054	1,660	6,054	0
Independent Audit	982	0	982	0
Judiciary	2,595	381	2,595	0
Library	31,485	3,766	31,485	0
Mayor and Council	3,826	464	3,826	0
Non-Departmental	22,024	3,257	22,024	0
Office of Cultural Affairs	16,781	6,768	16,737	(44)
Office of Economic Development	3,930	651	3,930	0
Office of Emergency Management	1,178	112	1,157	(21)
Office of Environmental Quality	909	197	909	0
Office of Financial Services	16,977	3,014	16,927	(50)
Park and Recreation	75,889	11,325	75,889	0
Police	423,839	63,337	422,674	(1,165)
Public Works and Transportation	28,801	9,291	27,337	(1,464)
Sanitation Services	79,120	8,144	79,120	0
Street Lighting	19,487	19,142	19,493	6
Street Services	38,541	4,633	38,541	0
<b><u>OTHER</u></b>				
Appraisal Districts	3,383	0	3,383	0
Jail Contract - Lew Sterrett	6,839	6,839	6,839	0
Dallas County Tax Collection	542	0	542	0
<b><u>RESERVES AND TRANSFERS</u></b>				
Contingency Reserve	3,211	0	3,211	0
Liability Reserve/Claim Fund	2,256	0	2,256	0
Fuel Savings (to be allocated)			(4,300)	(4,300)
Electricity Savings (to be allocated)			(3,745)	(3,745)
<b>EXPENDITURES</b>	<b>\$1,094,001</b>	<b>\$194,916</b>	<b>\$1,083,664</b>	<b>(\$10,337)</b>

**PROPRIETARY FUNDS**  
**FORECAST OF 2008-09 REVENUES AND EXPENDITURES**  
**AS OF NOVEMBER 30, 2008**  
(000s)

<u>DEPARTMENT</u>	<u>BUDGET</u>	<u>REVENUES AND EXPENDITURES YEAR TO DATE</u>	<u>YEAR-END FORECAST</u>	<u>BUDGET VS FORECAST VARIANCE</u>
<b><u>Aviation</u></b>				
Revenues	\$44,150	\$4,521	\$47,317	\$3,167
Expenses	\$42,514	\$4,403	\$42,075	(\$439)
Net Excess of Revenues Over Expenses/Transfer	<u>\$1,636</u>	<u>\$118</u>	<u>\$5,242</u>	<u>\$3,606</u>
<b><u>Convention Center</u></b>				
Revenues	\$67,330	\$4,091	\$67,330	\$0
Expenses	\$67,165	\$6,931	\$67,165	\$0
Net Excess of Revenues Over Expenses/Transfer	<u>\$165</u>	<u>(\$2,840)</u>	<u>\$165</u>	<u>\$0</u>
<b><u>Development Services</u></b>				
Revenues	\$22,271	\$1,513	\$22,271	\$0
Expenses	\$26,765	\$2,693	\$25,479	(\$1,286)
Net Excess of Revenues Over Expenses/Transfer	<u>(\$4,494)</u>	<u>(\$1,180)</u>	<u>(\$3,208)</u>	<u>\$1,286</u>
<b><u>Municipal Radio Fund</u></b>				
Revenues	\$3,623	\$0	\$3,360	(\$263)
Expenses	\$3,459	\$694	\$3,288	(\$171)
Net Excess of Revenues Over Expenses/Transfer	<u>\$164</u>	<u>(\$694)</u>	<u>\$72</u>	<u>(\$92)</u>
<b><u>Water Utilities</u></b>				
Revenues	\$511,159	\$48,483	\$509,513	(\$1,646)
Expenses	\$511,159	\$61,054	\$509,513	(\$1,646)
Net Excess of Revenues Over Expenses/Transfer	<u>\$0</u>	<u>(\$12,571)</u>	<u>\$0</u>	<u>\$0</u>
<b><u>Communication &amp; Information Svcs.</u></b>				
Revenues	\$46,472	\$7	\$46,472	\$0
Expenses	\$49,555	\$3,768	\$49,065	(\$490)
Net Excess of Revenues Over Expenses/Transfer	<u>(\$3,083)</u>	<u>(\$3,761)</u>	<u>(\$2,593)</u>	<u>\$490</u>

**PROPRIETARY FUNDS  
FORECAST OF 2008-09 REVENUES AND EXPENDITURES  
AS OF NOVEMBER 30, 2008  
(000s)**

<u>DEPARTMENT</u>	<u>BUDGET</u>	<u>REVENUES AND EXPENDITURES YEAR TO DATE</u>	<u>YEAR-END FORECAST</u>	<u>BUDGET VS FORECAST VARIANCE</u>
<b><u>Equipment Services</u></b>				
Revenues	\$56,835	\$20	\$51,262	(\$5,573)
Expenses	\$56,783	\$3,871	\$51,578	(\$5,205)
Net Excess of Revenues Over Expenses/Transfer	<u>\$52</u>	<u>\$121,120</u>	<u>(\$316)</u>	<u>(\$368)</u>
<b><u>Office Services</u></b>				
Revenues	\$4,657	\$413	\$4,662	\$5
Expenses	\$4,681	\$1,176	\$4,681	\$0
Net Excess of Revenues Over Expenses/Transfer	<u>(\$24)</u>	<u>(\$763)</u>	<u>(\$19)</u>	<u>\$5</u>

**OTHER FUNDS  
FORECAST OF 2008-09 REVENUES AND EXPENDITURES  
AS OF NOVEMBER 30, 2008  
(000s)**

<u>DEPARTMENT</u>	<u>BUDGET</u>	<u>REVENUES AND EXPENDITURES YEAR TO DATE</u>	<u>YEAR-END FORECAST</u>	<u>BUDGET VS FORECAST VARIANCE</u>
<b><u>Employee Benefits</u></b>	\$857	\$47	\$857	\$0
<b><u>Risk Management</u></b>	\$2,748	\$279	\$2,748	\$0
<b><u>9-1-1 System Operations</u></b>				
Revenues	\$13,391	\$958	\$13,391	\$0
Expenses	\$14,639	\$98	\$14,619	\$0
Net Excess of Revenues Over Expenses/Transfer	<u>(\$1,248)</u>	<u>\$860</u>	<u>(\$1,228)</u>	<u>\$0</u>
<b><u>Storm Water Drainage</u></b>				
Revenues	\$35,110	\$2,893	\$35,110	\$0
Expenses	\$35,110	\$257	\$35,110	\$0
Net Excess of Revenues Over Expenses/Transfer	<u>\$0</u>	<u>\$2,636</u>	<u>\$0</u>	<u>\$0</u>



**DEBT SERVICE FUND  
FORECAST OF 2008-09 REVENUES AND EXPENDITURES  
AS OF NOVEMBER 30, 2008  
(000s)**

<u>DEBT SERVICE</u>	<u>BUDGET</u>	<u>EXPENDITURES AND REVENUES YEAR TO DATE</u>	<u>YEAR-END FORECAST</u>	<u>BUDGET VS FORECAST VARIANCE</u>
Beginning Balance	\$6,385	\$0	\$5,400	(\$986)
Revenues	\$242,349	\$5,239	\$242,654	\$305
Expenses	\$246,206	\$0	\$245,874	(\$331)
Net Excess of Revenues Over Expenses	<u>\$2,529</u>	<u>\$5,239</u>	<u>\$2,179</u>	<u>(\$349)</u>

## CONTINGENCY RESERVE STATUS

<b>Beginning Balance October 1, 2008</b>	<b>\$6,411,236</b>
Equipment and Building Services - Security enhancements at City Hall (November 10,2008, CR # 08-3051)	(\$31,168)
<b>Balance as of November 30, 2008</b>	<b><u>\$6,380,068</u></b>

**LIABILITY RESERVE STATUS**

<b>Beginning Balance October 1, 2008</b>	<b>\$10,125,563</b>
Paid October 2008	(\$298,154)
Paid November 2008	(\$101,787)
<b>Balance as of November 30, 2008</b>	<b><u>\$9,725,622</u></b>