

Memorandum



CITY OF DALLAS

DATE February 15, 2011
TO The Honorable Mayor and Members of the City Council
SUBJECT Financial Forecast Report

For your information, attached is the financial forecast for FY 2010-11, based on information through December. General Fund revenues are projected to be \$524,000 above budget and expenditures are projected to be \$384,000 above budget.

The General Fund is above budget as a result of higher than anticipated prices for fuel offset by delays in hiring. The per gallon cost of fuel may continue to rise requiring future adjustments to the fuel forecast. This expense will be monitored closely as we proceed further into the fiscal year.

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

A handwritten signature in black ink, appearing to read 'Mary K. Suhm'.

Mary K. Suhm
City Manager

Attachment

c: Ryan S. Evans, First Assistant City Manager
A.C. Gonzales, Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Forest Turner, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer

**GENERAL FUND
COMPARISON OF 2010-11 REVENUES AND EXPENDITURES
AS OF DECEMBER 31, 2010
(000s)**

<u>ITEM</u>	<u>BUDGET</u>	<u>YEAR TO DATE</u>	<u>YEAR-END FORECAST</u>	<u>BUDGET VS FORECAST VARIANCE</u>
Revenues	\$998,492	\$204,034	\$999,016	\$524
Expenditures	\$1,006,047	\$259,482	\$1,006,431	\$384
Sub Total	(\$7,555)	(\$55,448)	(\$7,415)	\$140
Use of one time resources	\$7,555		\$7,555	
Net Excess/(Deficiency) of Revenues Over Expenditures and Transfers to Reserves	<u>(\$0)</u>		<u>\$140</u>	

**FINANCIAL FORECAST REPORT
FY 2010-11
AS OF DECEMBER 31, 2010**

GENERAL FUND

Revenues

- Total General Fund revenues are estimated to be \$524,000 above budget.
 - Licenses and Permits revenues are projected to be \$512,000 above budget primarily due to collections of prior year sanitation franchise fees.
 - Parking Fine revenues are projected to be \$444,000 below budget due to reduced violations.
 - Red Light Camera revenues are projected to be \$897,000 below budget due to decreased citations and delays in adding and relocating cameras.
 - Public Library revenues are projected to be \$67,000 below budget due to lower than budgeted fines.
 - Private Disposal revenues are projected to be \$3,875,000 below budget primarily due to the delayed improvement to the general economy, and to the construction industry in particular, resulting in lower-than-projected landfill revenues.
 - Miscellaneous revenues are projected to be \$2,413,000 above budget primarily due to a reimbursement from Atmos Energy for rate case expenses previously incurred by the City and a judgment paid to the City. The revenue from this judgment is offset by a corresponding expense in the projection in Non-Departmental.

Expenditures

- Total General Fund expenditures are estimated to be \$384,000 above budget.
 - Judiciary is projected to be \$154,000 below budget primarily due to delays in hiring.
 - Management Services is projected to be \$128,000 below budget primarily due to delays in hiring.
 - Fuel expenses are projected to be \$926,000 above budget due to increase cost per gallon for both unleaded and diesel grades.

**GENERAL FUND
FORECAST OF FY 2010-11 REVENUES
AS OF DECEMBER 31, 2010
(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	\$435,785	\$118,766	\$435,785	\$0
Sales Tax	204,810	15,328	206,592	1,782
FRANCHISE REVENUES				
Oncor Electric	46,641	15,309	47,805	1,163
AT&T	19,668	0	19,668	0
Atmos Energy	11,355	0	11,355	0
Time Warner Cable	6,000	1,690	5,979	(21)
Other	13,486	465	13,468	(19)
TOTAL TAXES & FRANCHISE REVENUES	737,745	151,558	740,651	2,906
LICENSES AND PERMITS	9,893	2,127	10,405	512
INTEREST EARNED	2,413	58	2,413	0
INTERGOVERNMENTAL	6,312	234	6,292	(20)
FINES AND FORFEITURES				
Municipal Court	16,560	3,323	16,916	356
Vehicle Towing & Storage	7,774	1,891	7,937	162
Parking Fines	5,988	1,568	5,544	(444)
Red Light Camera Fines	8,344	0	7,447	(897)
Public Library	670	131	603	(67)
TOTAL FINES	39,337	6,913	38,447	(890)
CHARGES FOR SERVICE				
Sanitation Service	59,883	15,350	60,158	275
Parks	7,488	1,499	7,489	1
Private Disposal Fees	23,396	3,963	19,520	(3,875)
Emergency Ambulance	19,274	2,276	19,274	0
Security Alarm	4,650	1,002	4,650	0
Street Lighting	1,493	174	1,493	0
Vital Statistics	1,853	337	1,853	0
Other	19,344	5,417	18,546	(797)
TOTAL CHARGES	137,381	30,019	132,984	(4,397)
INTERFUND REVENUE	52,662	10,427	52,662	0
MISCELLANEOUS	12,750	2,698	15,163	2,413
TOTAL REVENUE	998,493	204,034	999,016	523
USE OF ONE-TIME RESOURCES	7,555	0	7,555	0
TOTAL RESOURCES	\$1,006,047	\$204,034	\$1,006,571	\$524

**GENERAL FUND
FORECAST OF FY 2010-11 EXPENDITURES
AS OF DECEMBER 31, 2010
(000s)**

DEPARTMENT	BUDGET	EXPENDITURES YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
Building Services	\$20,838	\$5,770	\$20,829	(\$9)
Business Dev/Procurement Svcs	\$2,029	\$778	\$2,029	\$0
City Attorney's Office	\$9,944	\$2,461	\$9,895	(\$49)
City Auditor's Office	\$2,075	\$468	\$2,068	(\$7)
City Controller's Office	\$3,558	\$970	\$3,482	(\$77)
City Manager's Office	\$1,496	\$518	\$1,490	(\$6)
City Secretary's Office	\$1,470	\$376	\$1,470	\$0
Civil Service	\$1,012	\$259	\$1,012	\$0
Code Compliance	\$26,846	\$5,613	\$26,844	(\$2)
Court Services	\$10,849	\$2,281	\$10,572	(\$278)
Elections	\$1,092	\$101	\$1,092	\$0
Fire	\$195,132	\$48,830	\$195,527	\$396
Housing / Community Services	\$7,438	\$4,710	\$7,438	\$0
Human Resources	\$3,053	\$1,248	\$3,053	\$0
Independent Audit	\$772	\$0	\$772	\$0
Judiciary	\$2,964	\$851	\$2,810	(\$154)
Library	\$19,591	\$5,562	\$19,591	\$0
Management Services	\$2,524	\$1,402	\$2,396	(\$128)
Mayor and Council	\$3,618	\$780	\$3,554	(\$64)
Non-Departmental	\$30,666	\$2,252	\$31,471	\$805
Office of Cultural Affairs	\$12,530	\$4,774	\$12,530	\$0
Office of Economic Development	\$492	\$375	\$492	\$0
Office of Financial Services	\$1,532	\$317	\$1,608	\$76
Park and Recreation	\$63,700	\$16,348	\$63,655	(\$45)
Police	\$403,070	\$91,667	\$401,791	(\$1,279)
Public Works and Transportation	\$11,875	\$5,223	\$12,097	\$222
Sanitation Services	\$72,748	\$18,173	\$72,846	\$98
Street Lighting	\$17,338	\$17,233	\$17,338	\$0
Street Services	\$48,912	\$8,218	\$48,906	(\$5)
Sustainable Dev/Construction	\$915	\$593	\$880	(\$35)
Trinity Watershed Management	\$105	\$0	\$105	\$0
<u>OTHER</u>				
Appraisal Districts	\$3,258	\$3,216	\$3,258	\$0
Dallas County Tax Collection	\$576	\$0	\$576	\$0
Jail Contract - Lew Sterrett	\$8,116	\$8,116	\$8,116	\$0
Fuel (to be allocated)	\$0	\$0	\$926	\$926
<u>RESERVES AND TRANSFERS</u>				
Salary and Benefit Reserve	\$3,700	\$0	\$3,700	\$0
Contingency Reserve	\$3,646	\$0	\$3,646	\$0
Liability/Claims Fund	\$6,569	\$0	\$6,569	\$0
EXPENDITURES	<u>\$1,006,047</u>	<u>\$259,482</u>	<u>\$1,006,431</u>	<u>\$384</u>

**PROPRIETARY FUNDS
FORECAST OF FY 2010-11 REVENUES AND EXPENDITURES
AS OF DECEMBER 31, 2010
(000s)**

DEPARTMENT	BUDGET	REVENUES AND EXPENDITURES YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
<u>Aviation</u>				
Revenues	\$47,007	\$11,856	\$45,535	(\$1,472)
Expenses	\$47,007	\$7,091	\$45,535	(\$1,472)
Net Excess of Revenues Over Expenses/Transfer	\$0	\$4,765	\$0	\$0
<u>Convention Center</u>				
Revenues	\$58,636	\$8,291	\$58,593	(\$43)
Expenses	\$58,636	\$12,702	\$58,523	(\$113)
Net Excess of Revenues Over Expenses/Transfer	\$0	(\$4,411)	\$70	\$70
<u>Municipal Radio Fund</u>				
Revenues	\$2,717	\$801	\$2,788	\$71
Expenses	\$2,717	\$733	\$2,681	(\$36)
Net Excess of Revenues Over Expenses/Transfer	\$0	\$68	\$107	\$107
<u>Sustainable Dev/ Construction</u>				
Revenues	\$17,298	\$4,223	\$16,604	(\$694)
Expenses	\$16,791	\$3,367	\$16,550	(\$241)
Net Excess of Revenues Over Expenses/Transfer	\$507	\$856	\$53	(\$453)
<u>Water Utilities</u>				
Revenues	\$531,240	\$118,076	\$526,866	(\$4,374)
Expenses	\$531,240	\$90,425	\$526,866	(\$4,374)
Net Excess of Revenues Over Expenses/Transfer	\$0	\$27,651	\$0	\$0
<u>Communication & Information Svcs</u>				
Revenues	\$48,019	\$10,365	\$48,019	\$0
Expenses	\$48,155	\$9,899	\$48,142	(\$13)
Net Excess of Revenues Over Expenses/Transfer	(\$136)	\$466	(\$123)	\$13

**PROPRIETARY FUNDS
FORECAST OF FY 2010-11 REVENUES AND EXPENDITURES
AS OF DECEMBER 31, 2010
(000s)**

DEPARTMENT	BUDGET	REVENUES AND EXPENDITURES YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
<u>Equipment Services</u>				
Revenues	\$44,933	\$2,952	\$46,249	\$1,315
Expenses	\$44,933	\$11,898	\$46,249	\$1,315
Net Excess of Revenues Over Expenses/Transfer	\$0	(\$8,946)	\$0	\$0
<u>Express Business Center</u>				
Revenues	\$3,901	\$1,080	\$3,808	(\$93)
Expenses	\$4,049	\$1,113	\$4,039	(\$11)
Net Excess of Revenues Over Expenses/Transfer	(\$148)	(\$34)	(\$230)	(\$82)

**OTHER FUNDS
FORECAST OF FY 2010-11 REVENUES AND EXPENDITURES
AS OF DECEMBER 31, 2010
(000s)**

DEPARTMENT	BUDGET	REVENUES AND EXPENDITURES YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
<u>Employee Benefits</u>	\$512	\$88	\$512	\$0
<u>Risk Management</u>	\$1,268	\$313	\$1,268	\$0
<u>9-1-1 System Operations</u>				
Revenues	\$13,457	\$3,471	\$13,319	(\$138)
Expenses	<u>\$13,912</u>	<u>\$422</u>	<u>\$13,881</u>	<u>(\$31)</u>
Net Excess of Revenues				
Over Expenses/Transfer	<u>(\$454)</u>	<u>\$3,049</u>	<u>(\$561)</u>	<u>(\$107)</u>
<u>Storm Water Drainage</u>				
Revenues	\$48,234	\$12,620	\$48,234	\$0
Expenses	<u>\$50,119</u>	<u>\$5,426</u>	<u>\$50,119</u>	<u>\$0</u>
Net Excess of Revenues				
Over Expenses/Transfer	<u>(\$1,885)</u>	<u>\$7,194</u>	<u>(\$1,885)</u>	<u>\$0</u>

**DEBT SERVICE FUND
FORECAST OF 2010-11 REVENUES AND EXPENDITURES
AS OF DECEMBER 31, 2010
(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	\$3,632	\$0	\$3,632	\$0
Revenues	\$259,660	\$58,984	\$253,073	(\$6,587)
Expenses	\$260,685	\$0	\$253,922	(\$6,763)
Ending Balance	<u>\$2,607</u>	<u>\$58,984</u>	<u>\$2,783</u>	<u>\$176</u>

CONTINGENCY RESERVE STATUS

Beginning Balance October 1, 2010	\$5,013,005
No uses of Contingency Reserve	\$0
Balance as of December 31, 2010	<u><u>\$5,013,005</u></u>

LIABILITY/CLAIMS FUND

Beginning Balance October 1, 2010	\$8,574,065
Paid October 2010	(\$28,115)
Paid November 2010	(\$93,596)
Paid December 2010	(\$1,117,421)
Balance as of December 31, 2010	<u><u>\$7,334,933</u></u>