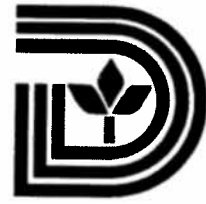


# Memorandum



CITY OF DALLAS

DATE April 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 February. General Fund revenues are projected to be \$785,000 below budget and expenditures are projected to be \$850,000 below budget.

The General Fund is below budget as a result of delays in hiring offset by higher than anticipated prices for fuel. 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 'M. 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 FEBRUARY 28, 2011  
(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	\$596,278	\$997,707	(\$785)
Expenditures	\$1,006,047	\$410,125	\$1,005,197	(\$850)
Sub Total	(\$7,555)	\$186,153	(\$7,490)	\$65
Use of one time resources	\$7,555		\$7,555	
Net Excess/(Deficiency) of Revenues Over Expenditures and Transfers to Reserves	<u>(\$0)</u>		<u>\$65</u>	

**FINANCIAL FORECAST REPORT  
FY 2010-11  
AS OF FEBRUARY 28, 2011**

**GENERAL FUND**

**Revenues**

- Total General Fund revenues are estimated to be \$785,000 below budget.
  - Interest Earned revenues are projected to be \$920,000 below budget primarily due to lower than budgeted interest rates.
  - Parking Fine revenues are projected to be \$362,000 below budget due to reduced citations.
  - Red Light Camera revenues are projected to be \$930,000 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 \$6,279,000 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.
  - Security Alarm revenues are projected to be \$284,000 below budget primarily due to less than anticipated fees for false calls.
  - Vital Statistics revenues are projected to be \$296,000 below budget primarily due to decrease in the number of requests for birth and death certificates
  - Other Charges for Services are projected to be \$1,120,000 below budget primarily due to decrease in re-inspection fees as a result of improved compliance in multi-family, restaurant, and non-owner occupied properties.
  - Miscellaneous revenues are projected to be \$2,881,000 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 \$850,000 below budget.
  - Management Services is projected to be \$207,000 below budget primarily due to delays in hiring.
  - Sustainable Development and Construction is projected to be \$80,000 below budget primarily due to delays in hiring.

**INTERNAL SERVICES**

- Equipment Services revenues are projected to be \$3,076,000 above budget and expenditures are projected to be \$3,168,000 above budget primarily due to higher than budgeted fuel prices and increased body shop costs.

**GENERAL FUND  
FORECAST OF FY 2010-11 REVENUES  
AS OF FEBRUARY 28, 2011  
(000s)**

	<u>BUDGET</u>	<u>REVENUES YEAR TO DATE</u>	<u>YEAR-END FORECAST</u>	<u>BUDGET VS FORECAST VARIANCE</u>
<b>TAXES</b>				
Ad Valorem Tax	\$435,785	\$419,551	\$435,785	\$0
Sales Tax	204,810	53,782	210,215	5,405
<b>FRANCHISE REVENUES</b>				
Oncor Electric	46,641	26,417	47,805	1,163
AT&T	19,668	4,588	18,060	(1,608)
Atmos Energy	11,355	3,053	11,771	416
Time Warner Cable	6,000	2,518	5,979	(21)
Other	13,486	4,139	14,376	889
<b>TOTAL TAXES &amp; FRANCHISE REVENUES</b>	<b>737,745</b>	<b>514,048</b>	<b>743,990</b>	<b>6,245</b>
<b>LICENSES AND PERMITS</b>	<b>9,893</b>	<b>4,081</b>	<b>10,006</b>	<b>113</b>
<b>INTEREST EARNED</b>	<b>2,413</b>	<b>156</b>	<b>1,493</b>	<b>(920)</b>
<b>INTERGOVERNMENTAL</b>	<b>6,312</b>	<b>262</b>	<b>6,599</b>	<b>287</b>
<b>FINES AND FORFEITURES</b>				
Municipal Court	16,560	5,962	16,725	165
Vehicle Towing & Storage	7,774	3,063	7,806	32
Parking Fines	5,988	1,320	5,627	(362)
Red Light Camera Fines	8,344	0	7,414	(930)
Public Library	670	215	603	(67)
<b>TOTAL FINES</b>	<b>39,337</b>	<b>10,561</b>	<b>38,175</b>	<b>(1,162)</b>
<b>CHARGES FOR SERVICE</b>				
Sanitation Service	59,883	24,843	59,124	(759)
Parks	7,488	2,964	8,263	775
Private Disposal Fees	23,396	6,046	17,117	(6,279)
Emergency Ambulance	19,274	3,656	19,274	0
Security Alarm	4,650	1,546	4,366	(284)
Street Lighting	1,493	253	1,493	0
Vital Statistics	1,853	600	1,557	(296)
Other	19,344	9,303	18,223	(1,120)
<b>TOTAL CHARGES</b>	<b>137,381</b>	<b>49,211</b>	<b>129,418</b>	<b>(7,962)</b>
<b>INTERFUND REVENUE</b>	<b>52,662</b>	<b>12,061</b>	<b>52,394</b>	<b>(268)</b>
<b>MISCELLANEOUS</b>	<b>12,750</b>	<b>5,899</b>	<b>15,631</b>	<b>2,881</b>
<b>TOTAL REVENUE</b>	<b>998,493</b>	<b>596,278</b>	<b>997,707</b>	<b>(785)</b>
<b>USE OF ONE-TIME RESOURCES</b>	<b>7,555</b>	<b>0</b>	<b>7,555</b>	<b>0</b>
<b>TOTAL RESOURCES</b>	<b>\$1,006,047</b>	<b>\$596,278</b>	<b>\$1,005,262</b>	<b>(\$785)</b>

**GENERAL FUND  
FORECAST OF FY 2010-11 EXPENDITURES  
AS OF FEBRUARY 28, 2011  
(000s)**

DEPARTMENT	BUDGET	EXPENDITURES YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
Building Services	\$20,888	\$9,212	\$20,862	(\$27)
Business Dev/Procurement Svcs	\$2,088	\$1,237	\$2,084	(\$3)
City Attorney's Office	\$9,944	\$3,888	\$9,892	(\$52)
City Auditor's Office	\$2,107	\$771	\$2,105	(\$2)
City Controller's Office	\$3,558	\$1,397	\$3,464	(\$94)
City Manager's Office	\$1,531	\$777	\$1,524	(\$6)
City Secretary's Office	\$1,480	\$606	\$1,479	(\$1)
Civil Service	\$1,022	\$414	\$1,022	\$0
Code Compliance	\$26,846	\$10,213	\$26,747	(\$98)
Court Services	\$10,999	\$3,857	\$10,978	(\$22)
Elections	\$1,092	\$970	\$1,093	\$0
Fire	\$195,822	\$82,810	\$196,410	\$589
Housing / Community Services	\$7,450	\$5,009	\$7,375	(\$75)
Human Resources	\$3,064	\$1,521	\$3,064	\$0
Independent Audit	\$772	\$0	\$772	\$0
Judiciary	\$2,964	\$1,377	\$2,828	(\$136)
Library	\$19,591	\$8,222	\$19,391	(\$200)
Management Services	\$2,524	\$1,572	\$2,318	(\$207)
Mayor and Council	\$3,618	\$1,315	\$3,593	(\$26)
Non-Departmental	\$30,666	\$4,632	\$31,418	\$752
Office of Cultural Affairs	\$12,530	\$5,183	\$12,617	\$87
Office of Economic Development	\$505	\$495	\$468	(\$37)
Office of Financial Services	\$1,539	\$518	\$1,533	(\$6)
Park and Recreation	\$63,700	\$27,378	\$64,422	\$722
Police	\$403,070	\$154,147	\$401,728	(\$1,343)
Public Works and Transportation	\$11,875	\$8,480	\$11,702	(\$172)
Sanitation Services	\$72,773	\$28,782	\$72,686	(\$87)
Street Lighting	\$17,338	\$17,246	\$17,338	\$0
Street Services	\$49,002	\$15,968	\$48,715	(\$286)
Sustainable Dev/Construction	\$915	\$798	\$835	(\$80)
Trinity Watershed Management	\$151	\$0	\$151	\$0
<b>OTHER</b>				
Appraisal Districts	\$3,258	\$3,216	\$3,216	(\$42)
Dallas County Tax Collection	\$576	\$0	\$576	\$0
Jail Contract - Lew Sterrett	\$8,116	\$8,116	\$8,116	\$0
<b>RESERVES AND TRANSFERS</b>				
Salary and Benefit Reserve	\$2,460	\$0	\$2,460	\$0
Contingency Reserve	\$3,646	\$0	\$3,646	\$0
Liability/Claims Fund	\$6,569	\$0	\$6,569	\$0
<b>EXPENDITURES</b>	<b>\$1,006,047</b>	<b>\$410,125</b>	<b>\$1,005,197</b>	<b>(\$850)</b>

**PROPRIETARY FUNDS  
FORECAST OF FY 2010-11 REVENUES AND EXPENDITURES  
AS OF FEBRUARY 28, 2011  
(000s)**

DEPARTMENT	BUDGET	REVENUES AND EXPENDITURES YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
<b><u>Aviation</u></b>				
Revenues	\$47,007	\$18,757	\$45,559	(\$1,448)
Expenses	\$47,007	\$11,484	\$45,578	(\$1,429)
Net Excess of Revenues Over Expenses/Transfer	\$0	\$7,273	(\$19)	(\$19)
<b><u>Convention Center</u></b>				
Revenues	\$58,636	\$18,364	\$59,800	\$1,164
Expenses	\$58,636	\$23,235	\$60,561	\$1,926
Net Excess of Revenues Over Expenses/Transfer	\$0	(\$4,871)	(\$761)	(\$761)
<b><u>Municipal Radio Fund</u></b>				
Revenues	\$2,717	\$1,177	\$2,788	\$71
Expenses	\$2,717	\$1,072	\$2,690	(\$27)
Net Excess of Revenues Over Expenses/Transfer	\$0	\$105	\$98	\$98
<b><u>Sustainable Dev/ Construction</u></b>				
Revenues	\$17,298	\$7,622	\$18,030	\$733
Expenses	\$16,791	\$5,115	\$16,638	(\$153)
Net Excess of Revenues Over Expenses/Transfer	\$507	\$2,507	\$1,392	\$886
<b><u>Water Utilities</u></b>				
Revenues	\$531,240	\$190,039	\$522,423	(\$8,818)
Expenses	\$531,240	\$138,476	\$522,423	(\$8,818)
Net Excess of Revenues Over Expenses/Transfer	\$0	\$51,563	\$0	\$0
<b><u>Communication &amp; Information Svcs</u></b>				
Revenues	\$48,019	\$17,354	\$48,011	(\$8)
Expenses	\$48,155	\$16,770	\$48,186	\$32
Net Excess of Revenues Over Expenses/Transfer	(\$136)	\$585	(\$175)	(\$39)

**PROPRIETARY FUNDS  
 FORECAST OF FY 2010-11 REVENUES AND EXPENDITURES  
 AS OF FEBRUARY 28, 2011  
 (000s)**

DEPARTMENT	BUDGET	REVENUES AND EXPENDITURES YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
<b><u>Equipment Services</u></b>				
Revenues	\$44,933	\$14,020	\$48,009	\$3,076
Expenses	\$44,933	\$19,608	\$48,101	\$3,168
Net Excess of Revenues Over Expenses/Transfer	\$0	(\$5,588)	(\$92)	(\$92)
<b><u>Express Business Center</u></b>				
Revenues	\$3,901	\$1,675	\$4,026	\$125
Expenses	\$4,049	\$1,585	\$4,186	\$136
Net Excess of Revenues Over Expenses/Transfer	(\$148)	\$90	(\$159)	(\$11)

**OTHER FUNDS  
FORECAST OF FY 2010-11 REVENUES AND EXPENDITURES  
AS OF FEBRUARY 28, 2011  
(000s)**

DEPARTMENT	BUDGET	REVENUES AND EXPENDITURES YEAR TO DATE	YEAR-END FORECAST	BUDGET VS FORECAST VARIANCE
<b><u>Employee Benefits</u></b>	\$513	\$146	\$513	\$0
<b><u>Risk Management</u></b>	\$1,268	\$443	\$1,276	\$8
<b><u>9-1-1 System Operations</u></b>				
Revenues	\$13,457	\$5,770	\$13,289	(\$168)
Expenses	<u>\$13,912</u>	<u>\$1,320</u>	<u>\$13,907</u>	<u>(\$4)</u>
Net Excess of Revenues Over Expenses/Transfer	<u>(\$454)</u>	<u>\$4,450</u>	<u>(\$618)</u>	<u>(\$164)</u>
<b><u>Storm Water Drainage</u></b>				
Revenues	\$48,234	\$20,578	\$48,594	\$360
Expenses	<u>\$50,119</u>	<u>\$15,397</u>	<u>\$48,232</u>	<u>(\$1,887)</u>
Net Excess of Revenues Over Expenses/Transfer	<u>(\$1,885)</u>	<u>\$5,181</u>	<u>\$361</u>	<u>\$2,247</u>



**DEBT SERVICE FUND  
FORECAST OF 2010-11 REVENUES AND EXPENDITURES  
AS OF FEBRUARY 28, 2011  
(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	\$3,741	\$109
Revenues	\$259,660	\$209,813	\$253,073	(\$6,587)
Expenses	\$260,685	\$182,001	\$253,922	(\$6,763)
Ending Balance	<u>\$2,607</u>	<u>\$27,812</u>	<u>\$2,892</u>	<u>\$285</u>

**CONTINGENCY RESERVE STATUS**

<b>Beginning Balance October 1, 2010</b>	<b>\$5,013,005</b>
No uses of Contingency Reserve	\$0
<b>Balance as of February 28, 2011</b>	<u><u><b>\$5,013,005</b></u></u>

**LIABILITY/CLAIMS FUND**

<b>Beginning Balance October 1, 2010</b>	<b>\$8,574,065</b>
Paid October 2010	(\$28,115)
Paid November 2010	(\$93,596)
Paid December 2010	(\$1,117,421)
Paid January 2011	(\$60,324)
Paid February 2011	(\$570,568)
<b>Balance as of February 28, 2011</b>	<b><u>\$6,704,040</u></b>