

# City Controller's Office

**Government Performance and  
Financial Management  
Committee 05/21/2024**

Sheri Kowalski, Director  
City Controller's Office



**City of Dallas**

# Purpose



- The City Controller's Office provide citywide services and support related to city pension plans, cash management, financial reporting, bank and cash receipts reconciliation, city payroll, accounts payable, EMS billing compliance, and financial compliance, (internal and external) auditing and monitoring.

- *Briefing reflects FY 2024-25 Planned Budget as developed Summer 2023*
- *The starting point of every Budget Development process (February – September) is the Planned Budget from prior year*
- *Revenue and expenditure assumptions will change prior to CMO recommendation on August 13, 2024*



# Role of the City Controller's Office / Fact Sheet



- Mission

Manage public resources by providing timely and accurate financial services and information to City management, elected officials, and the public. These financial services include accounts payable, bank reconciliation, cash/debt management, deferred compensation, EMS billing compliance, financial compliance, auditing, and monitoring, financial reporting, hotel occupancy tax, Independent Audit, and Payroll



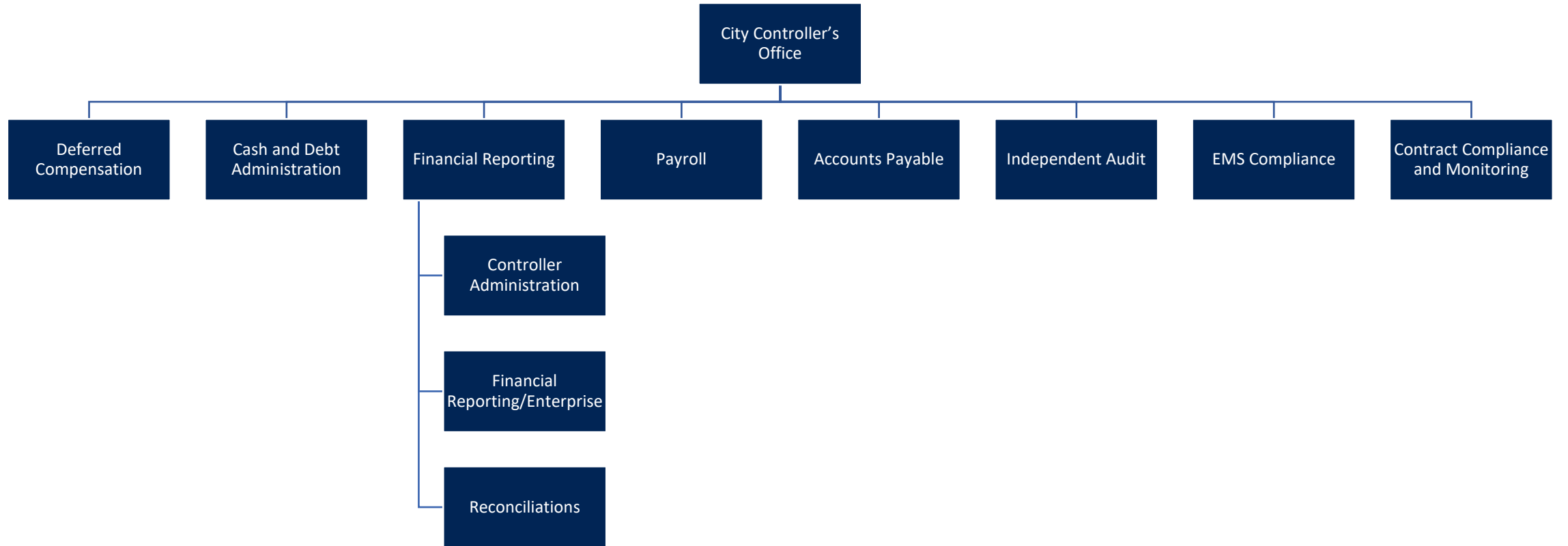
# Role of the City Controller's Office



- Department Goals
- Complete the Annual Financial Comprehensive Audit (ACFR) for the fiscal year ended September 30, 2023, estimated completion date of February 28, 2024
- By September 30, 2024, increase percentage of vendor payments made electronically from 80 percent to 85 percent
- Maintain a payroll error rate of under 0.5 percent
- Work with City departments to implement 90 percent or more of City Auditor recommendations by the due date
- Decrease bank fees by at least three percent annually



# Organizational Chart



# Total Budget – All Funds



Service	FY 2023-24 Budget	FY 2024-25 Planned
General Fund	\$ 9,929,501	\$10,204,656
Grant Funds	0	0
Trust & Other Funds	0	0
Total	\$ 9,929,501	\$10,204,656

- The change in funding between FY 2023-24 Budget and FY 2024-25 Planned is primarily due to increase in funding for professional services for ad-hoc work related to pension programs (\$150K), for eliminating the reimbursement from EFM (\$131K), and for eliminating three vacant positions (one Manager - Investment, one Treasury Analyst, and one Senior Office Assistant) (1.98 FTE) (\$145K).



# Position Overview



Positions	FY 2023-24 Budget	FY 2024-25 Planned	Change
General Fund	73	73	0
Grant, Trust, and Other Funds	0	0	0
Total	73	73	0



# Budget Summary by Service



Service	FY 2022-23 Actual	FY 2023-24 Adopted Budget	FY 2023-24 Forecast*	FY 2024-25 Planned Budget
Accounts Payable	\$2,206,370	\$2,793,088	\$2,259,389	\$2,870,501
Cash and Debt Management	592,536	558,840	756,387	621,728
Contract Compliance and Monitoring	390,644	650,137	541,373	665,745
Deferred Compensation	(7,233)	96,915	4,298	100,956
EMS Compliance	103,606	145,688	156,021	149,561
Financial Reporting	3,176,598	2,508,115	3,139,509	2,600,906
Independent Audit	767,071	767,071	767,071	767,071
Payroll	1,864,183	2,409,648	2,218,308	2,428,188
Expense Total	\$9,093,775	\$9,929,501	\$9,842,356	\$10,204,656



# Operating Expense and Revenue



Service/Division	FY 2022-23 Actual	FY 2023-24 Adopted Budget	FY 2023-24 Forecast*	FY 2024-25 Planned Budget
Personnel Services	\$7,460,583	\$7,606,349	\$7,608,194	\$7,827,229
Supplies - Materials	72,559	64,940	50,862	64,940
Contractual – Other Services	2,385,507	3,024,741	2,949,828	3,101,562
Capital Outlay	0	0	0	0
Reimbursements	(824,874)	(766,529)	(766,529)	(789,075)
Department Expense Total	\$9,093,775	\$9,929,501	\$9,842,356	\$10,204,656
Department Revenue Total	\$254,789	\$110,000	\$147,862	\$110,000

\*January 2024 Forecast



# Revenue Overview



- CCO has two main sources of revenue, one from handling charges and one from unclaimed property:
- Miscellaneous handling charges associated with mandated payroll garnishments. This fee is for the miscellaneous handling charges for child support, including setup, payment remitted by mail or electronically, handling of discrepancies, providing data and/or reports, completion of forms and documents, etc.
- Misc-Misc Revenue - unclaimed property revenues from the state of Texas and other governments.



# Performance Measures



Measure	FY 2022-23 Actual	FY 2023-24 Target	FY 2023-24 Forecast*	FY 2024-25 Target
Percentage of invoices paid within 30 days	79.7%	85.0%	78.9%	90.0%
Percentage of electronic vendor payments (excluding refunds)	79.0%	87.0%	88.8%	90.0%
Percentage of M/WBE vendor invoices paid within 30 days	76.7%	85.0%	82.8%	90.0%
Percentage of permanent employees enrolled in City's Voluntary Deferred Compensation Plan (excluding employees with active loans)	53.5%	55.0%	45.8%	55.0%
Payroll error rate	0.4%	0.4%	0.1%	0.4%

\*FY 2023-24 – 1Qtr Report





# Summary of Services, Programs and Activities

# Summary of Services, Programs, and Activities



- City Controller's Office
  - Financial and operational management Deferred Compensation Plans and Defined Benefit Plans
  - Administration of the City of Dallas' cash management & banking operations, the debt management program, and the management of the City's investment portfolio
  - Preparation of the city's Annual Comprehensive Financial Report (ACFR) and the annual financial statements for the Dallas Water Utilities, Airport Revenues fund, Economic Development Tax Increment Finance funds, Local Government Corporations and schedule of expenditures of State and Federal awards, including the management of the external audits for all of the City's financial reporting
  - Management of the collection and compliance of the Hotel Occupancy Taxes
  - Reconciliation of all City's bank accounts and Cash Receipts related to cash and credit card transactions



# Summary of Services, Programs, and Activities



- City Controller's Office (continued)
  - Payroll processing for all City employees
  - Processing of all payments to vendors and business partners as well expense reimbursements to employees
  - Independent audit performed by an external audit firm
  - Management and support of the Emergency Medical Services billing activities and operations
  - Assists City departments in responding to City Auditor recommendations; develop contract compliance workplan, administer the City's administrative directive process, and conduct an internal control self-assessment for City departments



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